

# 2012-13 | CORPORATE SOCIAL RESPONSIBILITY REPORT







# CONTENTS

■	WELCOME	04
■	OUR APPROACH	
	About us	08
	Business strategy and values	09
	Corporate governance and risk management	10
	Policy involvement	12
	Supply chain	13
	Corporate Social Responsibility strategy	14
	Managing sustainability	16
	Our stakeholders	17
■	OUR ACHIEVEMENTS	
	Our environment	22
	Our community	30
	Our people	36
	Our customers	42
■	OUR FUTURE	
	Strategic growth	48
	Integration of London Stansted Airport	50
	Sustainable growth	50
■	OUR PERFORMANCE	
	Our reporting	54
	Key performance indicators	55
	Data list	57
	Independent assurance statement	58
	GRI Index	60
	GRI application level statement	100
	Contact us	101





# WELCOME



Charlie Cornish  
Group Chief Executive

Welcome to M.A.G's annual CSR report. As we reflect on an important year, which has seen us acquire Stansted Airport, launch our Airport City concept and make solid progress in delivering our business plan, sustainability remains at the core of what we do and guides how we do business.

M.A.G has continued to deliver strong financial growth, increasing revenues, profitability and market share and as we see signs that we are beginning to emerge from one of the most challenging periods the UK has seen for many years, we are optimistic that the growth we are experiencing is set to continue. A clear strategy, underpinned by enduring values has strengthened our business and allowed us to build a stable foundation on which we will continue to grow and to deliver value to our shareholders and wider stakeholders.

In 2012-13 we have made important changes including fundamental changes to our ownership structure by partnering with Industry Funds Management (IFM), allowing us to bid for London Stansted Airport.

By adding this quality airport to our portfolio, we have taken another step closer towards our vision of becoming the premier airport management and services company.

Our plans are ambitious and we know that to be successful we have to ensure that sustainability is at the heart of everything we do. Having achieved our challenging target to have carbon neutral ground operations at East Midlands and Bournemouth we are progressing well with the target of 2015 for Manchester Airport. Our airports are part of the regions that they serve and we have continued to focus on delivering benefit to our communities and to the regional economy. We report on a number of exciting and successful education and employment projects across the Group and I am delighted that M.A.G was awarded a platinum Big Tick in Business in the Community's Corporate Responsibility Index earlier this year. This is the highest possible ranking and reflects a great deal of hard work by colleagues across the business.

Our airport sites are home to around 29,000 people and it is estimated that we contribute £3.2 billion to the economy, which will increase as we integrate Stansted Airport fully into the business. Our mission is clear: to continue to deliver sustainable growth in shareholder value, whilst balancing the needs of our customers, passengers, employees and the communities in which we work, while maintaining the highest safety and security standards.

In this year's report, we have also placed a strong focus on the material issues that affect our stakeholders. After having undertaken a full materiality review, we can more clearly see where our priorities lie and how best to engage with different stakeholder groups.

We welcome feedback, and we would like to hear your thoughts, so do please get in touch if you have any questions or comments. I do hope that you enjoy reading about M.A.G's achievements and activities over the past year.

**Charlie Cornish**  
Group Chief Executive  
M.A.G







# OUR APPROACH

About us	08
Business strategy and values	09
Corporate governance and risk management	10
Policy involvement	12
Supply chain	13
Corporate Social Responsibility strategy	14
Managing sustainability	16
Our stakeholders	17

## ABOUT US

Serving nearly 42 million passengers a year and handling almost half a million tonnes of air freight every year, M.A.G is one of the country's largest airport operators. Through its ownership of Bournemouth, East Midlands, Manchester and Stansted Airports and the commercial property company M.A.G Property, M.A.G is highly experienced in running all airport-related areas, such as airport security, car parking, air traffic control, motor transport, fire fighting, engineering and retail activities. M.A.G has very recently added Stansted Airport to its portfolio, after a successful bidding process. Integration plans for this airport are currently underway and M.A.G looks forward to welcoming the team into the Group. You can read more about the plans for the Group in the 'Our Future' section of this report.

To facilitate the acquisition of Stansted Airport, in 2012-13, the Group's structure of ownership changed to include Industry Funds Management (IFM), who now own 35.5% of shares. The remaining ownership now comprises Manchester City Council, (35.5%) and the other nine Greater Manchester Councils – Bolton, Bury, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan who collectively own 28.8%.

All of M.A.G's operations are within the UK. M.A.G wholly owns Stansted, Manchester, East Midlands and Bournemouth Airports and is a non-quoted public limited company, headquartered in Manchester. M.A.G fully supports the Government's commitment to ensuring that the UK continues to be one of the best connected countries in the world and its recognition that aviation is essential for our economic success. We also share the Government's view that aviation must operate within reasonable environmental limits.

**Manchester Airport** offers over 200 destinations to the 22 million people that live within two hours of the airport, confirming it as the global gateway to the north of the UK and the largest airport outside London. The airport handles around 20 million passengers annually, with over 65 airlines. With around 20,000 people employed directly on-site, the airport's growth and economic benefit is shared by the city of Manchester and the entire region.

**East Midlands Airport** is the region's international gateway, connecting more than four million passengers with direct flights to over 80 destinations. Being the UK's busiest pure freight airport, East Midlands plays an important national role. The airport is an established base

for Royal Mail, in addition to express courier companies DHL, TNT and UPS. The airport has a substantial direct impact on the local economy by supporting more than 9,000 jobs and generating around £250 million for the region.

**Bournemouth Airport** connects the southeast of England to more than 35 destinations, as well as employing over 2,700 people through the 185 companies in the Business Park and general aviation areas. The airport is key to the local economy, generating over £24 million of income for the region annually. Sustainability is vitally important to Bournemouth Airport. Having undergone a £50 million transformation, which included resurfacing of the runway and upgrade to operating category 3, alongside new Departures and Arrivals terminals with photovoltaic panels, the airport now has the potential capacity of 3 million passengers per year.

**M.A.G Property** is M.A.G's property and facilities management arm and is responsible for all commercial property and land across all airports. Its £500 million portfolio comprises over 200 properties across 1,576 hectares, serving more than 850 companies across all sites. M.A.G Property is leading the £650 million major enterprise zone development Airport City at Manchester Airport.

## AREAS OF CONTROL

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

# AREAS OF CONTROL

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Areas of control	Aircraft	Property	On-site businesses	Surface access	Customer service	Car parks	Car park transport	Terminal buildings	Retail and catering	Facilities management	Operations management	Airport security	Airport cleaning	Airport waste recycling	Aircraft catering	Aircraft handling	Aircraft cleaning	Aircraft waste recycling	Fire services	Air Traffic Control	Land use	Baggage handling	Cargo handling	Vehicle maintenance	Refuelling	Airfield cleaning/maintenance	Aircraft taxiing and holding	Airfield maintenance	Aircraft de-icing
M.A.G		■			■	■	■	■	*	■	■	■	*	■			*	■	■		■	*			*	■		■	*
M.A.G Partners	■							■				■			■	■	■				■	■		■		■	■	■	■
Shared			■	■									■						■				■						



## BUSINESS STRATEGY AND VALUES

### Our business strategy

M.A.G's strategic intent is to increase long-term shareholder value by generating profitable growth, developing its assets and deploying efficient and customer focused operating processes throughout the business.

Customer experience is critical to our success. To enable the business to deliver an industry leading customer experience, we focus constantly on how we engage with our customers to understand their needs, helping us to develop customer solutions that differentiate us from our competitors as well as new ways of working.

It is imperative for us to consistently improve the efficiency and effectiveness of operations, standardising processes to ensure a uniform approach, providing industry leading safety and security standards, and reducing our carbon footprint, whilst also balancing the needs of our stakeholders.

For M.A.G, it is important to have robust assets and to ensure that long-term development and capital plans are in place. We want to improve capital efficiency over the whole lifecycle, from solutions development to construction. Our development approach will be crucial to the successful delivery of Airport City at Manchester Airport.

Our strategic approach is built upon our people and requires us to maintain a high performance culture in all areas with solid leadership, behaviours, and supporting systems and processes.

### 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; through 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.

**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.

**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.

**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.

**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.

**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 win-win solutions with our partners, which consistently out-perform the market.



## CORPORATE GOVERNANCE AND RISK MANAGEMENT

M.A.G's Board of Directors is structured to ensure that every aspect of business performance is directly considered. The Group is committed to the highest standards of corporate governance and we have voluntarily adopted the Corporate Governance provision of the Combined Code (published by the Financial Reporting Council in June 2008). The statement below describes compliance with the Combined Code by the Group since its incorporation on 9 January 2013 and by the previous parent company, The Manchester Airport Group plc, in the period prior to the restructure.

### Board composition and effectiveness

The Board is accountable to M.A.G's shareholders for the delivery of performance against shareholders' objectives and is responsible for developing and setting the Group's strategic direction.

The Board comprises the Chairman, up to four Executive Directors and eight Non-Executive Directors. As currently constituted, the Board is considered to be an appropriate size and to provide the right balance of Non-Executive and Executive Directors.

The Non-Executive Directors roles bring independent and objective judgement to the Board and committees of the Board, as well as extensive knowledge and experience. All Non-Executive Directors are appointed subject to objective capability criteria. The Board considers that all the Non-Executive Directors are independent both in character and judgement.

The Group meets the requirement of the Combined Code, that at least half the Board comprises independent directors. The Board meets formally at least 10 times a year, and additionally to consider specific matters. The Chairman also has arrangements in place to meet as and when required with the Non-Executive Directors without the executive directors being present.

All Board meetings adhere to a formal schedule of matters, to ensure full and considered decision-making. At each meeting the Board considers a series of regular Group reports covering finance, commercial matters, operations, and health and safety as well as a report from the Group Chief Executive. Directors receive timely and accurate information that allows them to carry out their duties effectively.

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

### Risk management

Effective risk management is an essential management capability that supports M.A.G in achieving its target, and is embedded in strategic and operational processes.

M.A.G's Board of Directors regularly reviews business risks that are material to the Group's strategic objectives. In line with our risk management policy and processes, risk is assessed formally at divisional level through risk workshops and via the maintenance of risk registers. In addition, individual projects

maintain a separate risk register. Our risk management approach is clearly communicated to management and other risk stakeholders within the business.

We are committed to promoting a transparent culture and effective communication, so that colleagues feel they can discuss issues openly and receive the support they need to effectively manage or mitigate risks, through an effective communication process.

Assurance on how effectively we manage our key risks is provided to management and the Audit Committee through a strategic assurance programme which is supported by the corporate risk framework. Our aim is to deliver comprehensive assurance over the Group's risk profile over a three-year period.

The principal operational and strategic risks with the corresponding mitigation strategy are summarised below:

#### ■ Material sustained disruption to operations:

A wide range of robust multi-agency business continuity, crisis management and emergency response plans are regularly tested, reviewed and updated to ensure that we are able to respond rapidly and effectively to operational disruption.

■ **Breach in security:** We continue to invest in innovative approaches to the management of security screening at our airports, with a focus on ensuring our customers, partners and colleagues are safe, whilst providing a positive customer experience through efficient passenger processing. We work closely with Government





agencies and the Police to ensure that our security regime is robust and responsive to new security threats. In addition to a rigorous programme of regulatory inspections and audits, we employ both internal and external quality assurance specialists to test our security processes and identify opportunities for further improvement.

■ **Major Health and Safety incident affecting our customers or colleagues:**

We have rigorous Health and Safety policies, procedures and processes in place to ensure that Health and Safety risks are understood and effectively managed. Our experienced team of Health and Safety professionals provide a focus on ensuring the safety of our customers, partners and colleagues. The on-going assessment of Health and Safety risks is embedded in daily management routines and monitored by a comprehensive committee structure, overseen by a corporate Health and Safety Committee with Board-level oversight.

■ **Threat of a downturn in demand due to adverse global economic factors:**

We continually monitor the economic environment through the gathering of business intelligence. We apply a prudent approach to our business and financial planning processes and fully risk assess our business targets. In addition, we have contingency strategies in place to enable us to respond to any unforeseen economic shocks.

■ **Political and regulatory:**

Regulatory compliance is a priority for the Group, and we have dedicated compliance teams to ensure we meet all of our regulatory obligations. These are underpinned by rigorous policies and procedures and strong relationships with our regulators. Our Corporate Affairs team monitor the political landscape and ensures we are able to engage and influence the policy agenda on issues directly affecting the Group and its strategy.

■ **Recruitment, development and retention of talented people:**

Attracting and retaining talented people is a priority for the Group, and we have clear strategies in place to achieve this. Internally, we have a process to identify colleagues with high potential and provide them with the support they need to develop their careers and achieve their potential. In addition, succession plans are in place to enable us to respond should colleagues with business critical roles leave the Group. We conduct employee engagement surveys annually and develop action plans targeting potential improvements identified by employees. Our performance management and reward schemes are continually evaluated to ensure they create the right incentives for a high-performing organisation.

■ **Failure to effectively integrate Stansted Airport and deliver associated business plan targets:**

Having successfully added Stansted Airport to the Group, we are now focused on ensuring the smooth and successful integration of our businesses. We have detailed integration plans and business targets and are working closely with the Stansted management team to ensure they are delivered. Our plans are fully risk-assessed and supported by a robust audit programme to provide assurance to management and the Audit Committee on integration and business plan target. More information on the integration of Stansted Airport can be found in the 'Our Future' section of this report.

You can see full details of our risk assessment and management, including identified opportunities in the risk management section of our Annual Report and Accounts.



### POLICY INVOLVEMENT

M.A.G is regulated by a number of government departments; including the Civil Aviation Authority, the Department for Transport and UK Border Force. Through this, and other industry involvement, a number of Government policies are relevant, including:

- Aviation Policy Framework (2013) and emerging airports policy update led by the Airports Commission
- Securing the Future – UK Sustainable Development Strategy (2005)
- Aviation and Global Warming (2004)
- Delivering a Sustainable Transport System (2008)
- Low-Carbon Transport: A Greener Future (2009)
- National Planning Policy Framework (2012).

M.A.G continues to monitor local and national policy, which influences our sustainable development approach. National aviation policy supports the industry's sustainable growth, in particular the role that regional airports can play in strengthening local economies and in relieving pressure on congested airports in the South East.

M.A.G has recently responded to the Airports Commission, chaired by Sir Howard Davies. The Commission has been set up by the Government to examine the case for additional UK airport capacity and will recommend to government how the UK can best meet its connectivity needs in the short, medium and long-term.

In its submissions to the Government and to the Airports Commission, M.A.G

has acknowledged the need for the development of new runway capacity in the South East of England in the longer term and the unique role that Stansted Airport could play. However M.A.G considers that additional capacity cannot be delivered in the short term. This means that making best use of the capacity we already have is absolutely imperative.

M.A.G believes that making best use of available airport capacity should not be seen as an alternative to the provision of new runway capacity in the South East. However, by not realising the full potential of airports which are currently under-utilised, consumers and the UK economy will suffer as a result of higher air fares and restricted international connectivity. In addition, opportunities will be lost to realise economic benefits and rebalance by making best use of this capacity.

M.A.G's airports have a great deal to offer in terms of their current capacity. The Group is strongly committed to continuing to invest in the growth of its airports to ensure they make the fullest possible contribution to meeting demand.

M.A.G's principal recommendations are:

- Reform the structure of Air Passenger Duty to incentivise the take up of spare capacity by airlines;
- Improve surface access to airports with unused capacity, especially rail connections to Stansted, to increase their attractiveness;
- Explore reforms which would make better use of the scarce capacity at Heathrow and other London airports, particularly economic regulation and slot reform;

- Promote competition between airports wherever possible by removing economic regulation and championing consumer interests;
- Further liberalise the UK's bilaterals policy to open up capacity to overseas airlines.

National policy also considers the challenge of climate change and the UK's binding targets. The Aviation Policy Framework seeks to ensure that 'the aviation sector makes a significant and cost-effective contribution towards reducing global emissions'. We support this objective, which has influenced our approach to carbon management, demonstrated by our setting of clear energy-efficiency and carbon-neutral targets. At a local level, M.A.G works to secure a local policy context that enables the growth and the development of our airports, while supporting and protecting our local communities.

With regards to regulation, all our airports adhere to the Government's mandatory CRC Energy Efficiency Scheme to reduce energy use in large public and private sector organisations. The scheme includes a range of reputational, behavioural and financial drivers, to encourage organisations to develop energy management strategies. In addition, Manchester and Stansted Airports qualify under the Emission Trading Scheme for on-site energy plant.

For 2012-13, we are required to purchase sufficient credits from the Environment Agency to cover our regulated emissions. In 2012-13, credits were sold at £12 per tonne of carbon dioxide, adding a further incentive to reduce the amount of energy we use.





## SUPPLY CHAIN

Our objective in supply chain management is to support our business's vision and mission and ensure that sustainability is an integral part of our supply chain strategy.

M.A.G seeks to find suppliers who drive the same high standards as our organisation. We use the contract pre-qualification process to assess each company's sustainability approach.

In order to understand the end-to-end supply chain contribution, foster long-

term relationships with suppliers, support growth, take advantage of opportunities and manage risk, our supply chain activity, category management and Supplier Relationship Management (SRM) techniques. Regular meetings and site-wide forums with our key suppliers enable us to work collaboratively with our suppliers and understand their needs.

As a regionally based business, our commitment is to positively contribute to economic impact in the geographic areas that we serve across the UK, which is

supported through effective collaboration with our suppliers. Our overall target is to ensure that 30% of our supply chain spend is with local suppliers.

This year, M.A.G's continuing focus on carbon reduction and regional economic impact is fully reflected in our supply chain activity. We have strong relationships with our suppliers and partners and we continually share knowledge and opportunities from carbon reduction to education and volunteering.

OUR OVERALL TARGET  
IS TO ENSURE THAT

**30%**

OF OUR SUPPLY  
CHAIN SPEND IS WITH  
LOCAL SUPPLIERS.



Departures at Bournemouth Airport

## CORPORATE SOCIAL RESPONSIBILITY STRATEGY

M.A.G's long-standing commitment to operating responsibly and contributing to local, regional and national prosperity is at the core of our business.

To be a successful sustainable business we must continue to strive to improve our performance, maximise the social and economic benefits of our operations, whilst minimising any harm to the environment or impact on our neighbours. We also recognise that we must constructively engage with our stakeholders and continually seek to understand what matters most to them. To this end, this year we have undertaken two initiatives to demonstrate our commitment and maintain our leadership in this area.

Firstly, we have revised our CSR strategy to ensure our targets and objectives are suitable for the long-term. Secondly we have undertaken a materiality review to confirm that we understand what is important to our stakeholders. For more information, please see the 'Our stakeholders' section of this report.

### Improving and reporting on our impacts

Our success to date in this area, has allowed us to reach and exceed targets that are under our control and we are committed to working with the industry and our partners to help reduce our impacts even further.

By continuing to reduce emissions and eliminate waste, we will drive down our impact on the environment. We will continue to work closely with all stakeholders, particularly our local communities, to ensure that they share the benefits of our success.

Our focus on education and employment contributes to a broader economic regeneration and sustainability will continue to be further embedded within all areas of our business; including our supply chain.

We are rightly proud of our track record and recognise that our continued success will be delivered by our people. We expect exceptional performance and will continue to invest in our employees, to ensure that we attract and retain the best talent. We believe that it is important to share our experience and, as we work to implement our strategy, we will continue to report regularly and publicly in an open and transparent way.



*H3 Helping the Homeless into Housing employees with a Manchester Airport Community Trust Fund Trustee, after receiving £1,000 towards gardening tools and a new shed to establish community allotments at three temporary accommodation schemes, offering housing to homeless residents in Stockport*

## CSR OBJECTIVES



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

Key objectives include:

- 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 disturbance 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.







### Our Communities

**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.

Key objectives include:

- 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 opportunity 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.



### Our Colleagues

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

Key objectives include:

- 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.



### Our Business

**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:

- Select partners using evidence based supplier selection criteria
- Operate fair payment terms
- Maximise our economic impact in the regions we serve
- Seek suppliers who share our values and promote CSR
- Support the regions in which we operate
- Provide a safe, secure and accessible environment for our passengers that meets their travel needs.



### MANAGING SUSTAINABILITY

At M.A.G, sustainability is a priority at every level, with the Board considering CSR as a key strategic focus that should underpin every aspect of the day-to-day running of our airports in support of our company vision.

To allow open communication throughout the business, M.A.G has a CSR Board, which includes senior executives and representation from the Group Board, including a Non-Executive Director. The CSR Board provides independent review and allows work in this area to be openly scrutinised and challenged. All findings from the CSR Board are reported to the Executive Committee and Group Board, in addition to performance updates from each airport.

To manage day-to-day activities, each airport has dedicated environment and community relations teams, which are embedded within the operations function at each airport. To further support the teams, there are a number of technical and working groups within M.A.G and with our partners to ensure best practice is shared and collaboration is maximised.

These groups include:

- Utilities Working Group (UWG)
- Airport Community Networks
- Liaison groups for Environmental Health Officers, Planning and Transport
- Airport Safety Council
- Sustainability Champions.

Effective programme management is key and all our airports are accredited to the International Environment Management Standard, ISO 14001. To achieve this standard the airports are regularly subject to a rigorous and independent auditing

process, in which they must prove that they monitor and control their environmental impact, complying with around 130 pieces of environmental legislation. These include: emissions from aircraft and vehicles, prevention of pollution of local watercourses and the ground, waste management and recycling, aircraft noise and track keeping and ecology and landscape management.

M.A.G has also this year, been awarded a platinum Big Tick, the highest possible ranking in Business in the Community's Corporate Responsibility Index.

The award is designed to challenge companies on topics such as long-term planning and environmental, social and economic contribution.



*Our Sustainability Champions at work*



## OUR STAKEHOLDERS

Effective communication with our stakeholders is essential to ensuring that we behave as a responsible business, neighbour and corporate citizen.

By their very nature, airports have a varied and complex structure of stakeholders. A carefully managed approach ensures that we have the right channels in place to achieve a genuine two-way dialogue, and that we get the vital stakeholder feedback that informs our policies and approach.

We believe that it is important for M.A.G to contribute to the public policy debate surrounding aviation and we are an active 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). M.A.G is also a member of the managing council of the cross-industry coalition Sustainable Aviation, with other industry partners including Rolls-Royce, Airbus and British Airways. With the publication of Carbon and Noise Roadmaps by Sustainable Aviation, we have been pleased to set out a long-term vision for the future of the aviation industry that demonstrates how we can accommodate substantial growth, whilst also reducing our environmental impacts.

### Communication and engagement with our key stakeholders

Long-term dialogue with local stakeholders has been particularly important to us in understanding the effects that our operations have on our neighbours, in particular those that live closest to our airports. The feedback we have received

has helped us tailor environmental policies on noise mitigation, in particular to reflect any stakeholder concerns.

In identifying our key stakeholders we have sought to include groups who have greatest involvement in our business or who are most impacted by our operations.

## COMMUNICATION CHANNELS

Stakeholder	Engagement channel
Colleagues	<ul style="list-style-type: none"> <li>– Annual colleague briefings</li> <li>– Team meetings</li> <li>– Annual colleague opinion surveys</li> <li>– Annual colleague achievement reviews</li> <li>– Trade Union representation</li> <li>– Monthly colleague forum meetings</li> <li>– Communication channels; including intranet and colleague magazine</li> </ul>
Partners and suppliers	<ul style="list-style-type: none"> <li>– Tendering and contract review processes</li> <li>– Ongoing awareness raising and training</li> <li>– Regular site-wide forums</li> <li>– Communication channels; including website, emails and magazine</li> </ul>
Community	<ul style="list-style-type: none"> <li>– Regular outreach events (weekly at Manchester and bi-monthly at East Midlands Airport)</li> <li>– Attendance at Parish Council Meetings</li> <li>– Quarterly dialogue with planning authorities</li> <li>– Quarterly formal and informal liaison committees</li> <li>– At least quarterly engagement with regional and local authorities</li> <li>– At least quarterly dialogue with local elected representatives</li> <li>– At least three times a year Independent Consultative Committee meetings held at each airport</li> <li>– Communication channels; including emails and newsletter</li> </ul>
Customers	<ul style="list-style-type: none"> <li>– Quarterly Airport Service Quality (ASQ) surveys</li> <li>– On-site networking meetings</li> <li>– Key account management</li> <li>– Industry bodies</li> <li>– Monthly meetings</li> <li>– Monthly customer relationship management (CRM) emails</li> </ul>
Industry, regulatory bodies and government	<ul style="list-style-type: none"> <li>– Industry meetings</li> <li>– Conferences</li> <li>– Airport Operators Association</li> <li>– Industry workshops</li> <li>– Regular meetings</li> <li>– Audits and site visits</li> <li>– Public policy engagement</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>– Ongoing, proactive communications programme and Annual Shareholders' Committee</li> </ul>



### OUR STAKEHOLDERS continued

#### Strategic review of material CSR issues

In 2012-13, we undertook a systematic review to ensure that we can be sure that our strategy and reporting continue to focus on those issues which are most material to our business. To ensure complete objectivity we commissioned an independent agency, which was able to consider the reporting of our peers and research the views of a cross-section of colleagues and some external stakeholders. This process helped us to set out the most important issues, reflecting the perspectives and priorities of our stakeholders and our business.



Airport City presentation

The results of our materiality review, as represented in the graphic shown opposite, confirms the absolute importance of providing a safe and secure environment for our customers and of providing the best experience when travelling from our airports. The priority we place on environmental protection was also validated through the materiality review, confirming the importance of directly addressing the environmental consequences of our operations, particularly noise and climate change. We must also continue to contribute to the regions we serve by investing in our local communities and by supporting economic development. We can only achieve these aims by continuing to build a strong and profitable business.

We will continue to review and update our materiality assessment annually and in 2014/15, we will seek to engage a wider audience of our external stakeholders in this process.



Sustainability investment report



Digital Community Relations Annual Report











# OUR ACHIEVEMENTS



## OUR ENVIRONMENT

Environmental management	22
Water and waste	26
Managing our land	28
Ground transport	29

## OUR COMMUNITY

Investing in our communities	30
Colleague volunteering in our communities	33
Reducing our impact	34

## OUR PEOPLE

Investing in our people	36
Health and safety	37
Colleague engagement	37
Diversity and equality	39
Training and development	40
Reward and recognition	40
Recruiting our workforce	41

## OUR CUSTOMERS

Customer service	42
Being safe and secure	44
Customer feedback	44

## OUR ENVIRONMENT

It is important that we actively reduce our impact on the environment, whilst balancing our operation as a commercial airport.

Last year, the Group achieved its challenging target of carbon neutral ground operations at both East Midlands and Bournemouth Airports. We are incredibly proud to have reached this major goal, but we know that more remains to be done. We are now working hard to achieve carbon neutral ground operations at Manchester Airport by 2015 and to share our knowledge and expertise with our industry partners.

Successful environmental management has to incorporate every area, so as well as reducing carbon emissions, we work hard to manage and control our impacts relating to water, waste, ecology and land use.

M.A.G places great emphasis on a balanced approach and challenging targets, leading to successful performance that is what ultimately differentiates us from our competitors and positions us as an industry leader in this field.



Energy efficient lighting at Manchester Airport

### ENVIRONMENTAL MANAGEMENT

M.A.G's environment strategy aims at reducing the effects that our operations have on the environment. The main focus areas are reducing carbon emissions, reducing energy usage, creating renewable options, noise abatement and air quality.

The Group believes in sharing best practice across all sites and we work hard as one team to achieve the best results. We are proud to be purchasing 100% renewable electricity for Bournemouth, East Midlands and Manchester Airports and in addition to all airports being certified to the ISO 14001 standard; all our airports have achieved the Carbon Trust Standard.

#### Towards carbon neutral ground operations

In 2012-13, M.A.G continued to progress its target of carbon neutral ground operations at Manchester Airport, with a particular focus on energy reduction. The airport has a dedicated Utilities Working Group (UWG), tasked with reducing energy consumption across the site. Responsible for delivering more than 14 green projects in 2011-12, their work in 2012-13 has included:

- Energy efficient lighting in Terminal 3.
- Energy efficient lighting in Terminal 1, due to complete in September 2013.
- Intelligent lighting controls in Terminal 2 along with additional minor energy efficiency projects.

These initiatives result in a total saving of 5,101,122 kWh. The airport is on track to reach the 25% energy reduction target by 2015, in addition to carbon neutral ground operations.

Other milestones at Manchester Airport include:

- Working on the Carbon Challenge with our partners, a programme first launched in 2010 and now fully established. Recently, the airport held a workshop to share expertise with our service partners to help them reduce their energy bills and carbon footprint. This was held with lighting experts Philips, who showed the LED lighting recently installed in the check in halls, which would also be suitable for areas of the members' buildings.
- Successful re-accreditation of the airport to Level 3 (Optimisation) in the Airport Carbon Accreditation scheme.
- Continued participation in the Collaborative Environmental Management Group, whose aim is to create procedures to improve CO<sub>2</sub> emissions performance. The Group has worked with partners including, Thomas Cook and National Air Traffic Services, to complete a successful trial of the optimum flight, which enabled a passenger flight to significantly reduce fuel consumption through more direct routing and making best use of available procedures, such as Continuous Descent Approach landings.



Bournemouth Airport achieved carbon neutral ground operations during the last reporting period and has therefore focused on reducing energy demands, with an energy saving of 246,348 kWh in 2012-13. Energy saving projects, have included the replacement of car park lighting with LED lighting in car parks and replacement of the heating system in the headquarters building.

Bournemouth Airport has also invested heavily in carbon reduction techniques and renewable energy projects, and taken opportunities during the redevelopment of the terminal to make it one of the most eco-friendly buildings in the UK.

A key part of the terminal redevelopment was the low carbon Arrivals building, which is designed to produce 70% fewer emissions than a conventional design. The building's orientation makes maximum possible use of solar gain – with the installation of 323 photovoltaic panels on the roof, solar shading, daylight use and natural ventilation. During 2012-13, this project alone saved 55,382kWh of energy.

East Midlands Airport also achieved carbon neutrality in the last reporting period, so the airport has focused on other environmental aspects, whilst continuing to manage the carbon and energy reduction measures already in place.

East Midlands Airport is currently redeveloping the terminal building (please see 'Our Future' section of this report for more information on the environmental measures being incorporated). Due to this major project, energy reduction at the airport has not changed since the previous reporting period.

However, the renewable and energy saving projects put in place during 2011-12 are continuing to provide significant energy savings with the two commercial scale wind turbines installed at the airport delivering 5% of the airport's electricity usage.

Other milestones at East Midlands Airport include:

- A review of the surface water system contingencies for major spillages.
- Completion of a travel to work survey, considering both airport and third party staff. Details of the results can be found in the 'Ground Transport' section of this report.

- The delivery of new waste management arrangements.
- Renewal of the Carbon Trust Standard.
- Completion of the collaborative project with DeMontfort University which examined the potential benefits of retro-fitting energy saving projects in the terminal building. The results are now being considered by the airport management.

#### Energy and CO<sub>2</sub> emissions performance data

Our success to date is shown in the performance summarised below.

#### Total M.A.G gross CO<sub>2</sub> emissions (tonnes)

Source	2009	2010	2011	2012
Gas	18,301	20,165	16,673	20,983
Electricity	54,024	47,256	11,411	0
Gas Oil	332	2,392	474	310
Vehicle Fuel	4,512	4,561	4,529	6,238
Liquefied petroleum gas	N/A	40	21	22
Fire Training	N/A	N/A	N/A	90
Carbon offset credits (EMA and BOH only)	N/A	N/A	N/A	(3,741)
<b>TOTAL</b>	<b>77,169</b>	<b>74,414</b>	<b>33,108</b>	<b>23,902</b>

#### NOTES:

- 1 Since our commitment to carbon neutrality was made, the voluntary carbon reporting guidelines published by DEFRA have been revised. DEFRA's long-standing advice that electricity from renewable sources such as wind and solar should be assumed to give rise to zero CO<sub>2</sub> emissions has changed. This change creates a significant negative impact on our business case for investment in renewable/zero carbon technology, eliminating the incentive to purchase renewable electricity at a premium. We believe that generating and purchasing renewable electricity can make an important contribution to reducing our CO<sub>2</sub> emissions and that industry can play an important part in stimulating the generation of the UK renewables industry. For this reason we are reporting our carbon emissions this year against our commitment as we originally set it out. Excluding the benefit of electricity purchased from renewable sources would have increased M.A.G's emissions by 82,118 tonnes in 2012-13.
- 2 The data above shows M.A.G's total CO<sub>2</sub> emissions as covered by our Carbon Neutral Commitment. This includes Scope 1 (oil, gas, and vehicle fuel), Scope 2 (electricity) and some Scope 3 (electricity, heating oil and fuel supplied to third-party tenants). The May 2012 DEFRA Emission Factors were used to calculate the 2012 footprint.



## 24 OUR ACHIEVEMENTS

M.A.G Corporate Social Responsibility Report 2012-13

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

Airport	Direct CO <sub>2</sub>					Indirect CO <sub>2</sub>	
	Gas	Gas oil	Vehicle Fuel	Liquefied petroleum gas	Fire Training	Electricity	Carbon offset credits
Manchester Airport	19,727	0	4,110	10	56	0	0
East Midlands Airport	1,257	143	1,860	0	24	0	(3,284)
Bournemouth Airport	0	167	267	12	11	0	(457)
<b>Total</b>	<b>20,983</b>	<b>310</b>	<b>6,238</b>	<b>22</b>	<b>90</b>	<b>0</b>	<b>(3,741)</b>

### Direct and indirect energy consumption

		2009	2010	2011	2012-13
<b>Direct</b>	<b>Vehicle fuel</b>				
	Diesel (litres)	1,548,521			
	Petrol (litres)	0			
	Gas oil (litres)	99,924 <sup>1</sup>	1,693,7531 <sup>1</sup>	1,709,0921 <sup>1</sup>	2,330,8391 <sup>1</sup>
	<b>Buildings energy</b>				
<b>Indirect</b>	Natural gas (MWh)	90,764	109,083	90,204	102,318
	Liquefied petroleum gas (litres)	54	2,909	13,943	14,181
	Gas oil (litres)	123,972	877,386	171,918	112,500
	<b>Buildings energy</b>				
	Electricity (MWh)	182,217	168,630	168,464	N/A
<b>Indirect</b>	Imported Renewable (MWh)	N/A	N/A	N/A	158,331
	On-site renewable (MWh)	N/A	N/A	N/A	523

NOTE:

<sup>1</sup> This is the total vehicle fuel consumption of diesel and gas oil.

Please note: All figures prior to 2012, include data for Humberside Airport.



Alternative energy at East Midlands Airport



Recycling focus



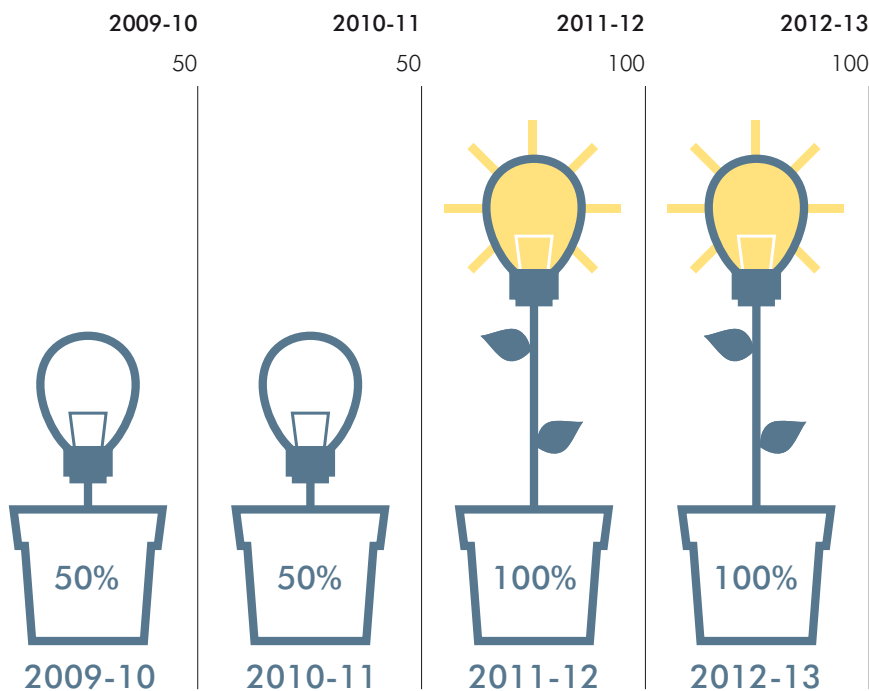
Colleagues join the green travel revolution



## Direct and indirect energy consumption by airport

Airport	Direct				Indirect	
	Gas (kWh)	Gas oil (litres)	Vehicle fuel (litres)	Liquefied petroleum gas (litres)	Electricity (kWh)	Renewable Electricity (kWh)
Manchester Airport	96,189,382	0	1,557,295	6,443	118,716,376	0
East Midlands Airport	6,128,612	52,000	675,099	0	20,168,827	467,778
Bournemouth Airport	-	60,500	98,445	7,738	19,445,974	55,384
<b>Total</b>	<b>102,317,994</b>	<b>112,500</b>	<b>2,330,839</b>	<b>14,181</b>	<b>158,331,177</b>	<b>523,162</b>

## Proportion of M.A.G's electricity use from renewable sources (%)



Fuel efficient cooking stoves in Uganda

During 2012/13, M.A.G purchased carbon offset credits for the 3,741 remaining tonnes of carbon emissions at both East Midlands and Bournemouth Airports. The Group placed significant priority on supporting the right project and wanted to ensure that the project was linked to our CSR work. The independently verified Gold Standard carbon offset

project selected, involves the distribution of fuel efficient cook stoves in areas of Uganda, including those surrounding the Wellspring medical centre, operated by Medcare, M.A.G's official partner charity.

This project directly addresses climate change, in addition to improving the livelihoods of households by saving

money and time, reducing labour burdens, boosting incomes and fighting deforestation. The cook stoves benefit both local communities and the environment by reducing fuel consumption by up to 50%.





## WATER AND WASTE

Managing our impact on the quality of water and the amount of waste diverted from landfill is extremely important to M.A.G and we have robust strategies in place to ensure that this is managed and controlled correctly.

We are committed to reducing water consumption by cutting wastage and promoting effective water management.

Our ultimate goal is to send zero waste to landfill. M.A.G is already the leading airport group in the UK for waste diverted from landfill, as a result of our commitments to produce less waste, increase the amount of waste diverted from landfill and maximise the source segregation of waste on-site.

### Mains water consumption

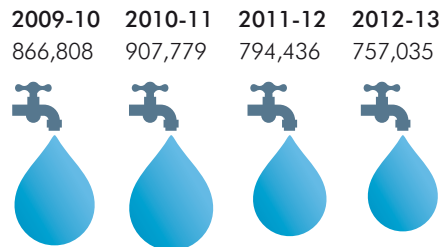
Most of M.A.G's water is from mains supply for use on-site. During 2012-13, M.A.G's airport sites consumed 757,035 cubic meters of mains water and harvested 430 cubic meters of rainwater at East Midlands Airport.



Water monitoring equipment

Every tenant premises based on our sites is fitted with a water meter to encourage our partners to share the responsibility for reducing water usage. We work with our tenants to accurately measure use and target improvements.

### Mains water consumption (cubic metres)



### Local water quality

M.A.G places a significant emphasis on making sure that rainwater that runs off our sites into drains and local waterways is the correct quality, to reduce any risk of pollution and contamination from essential operations.

We are closely controlled and regulated by the Environment Agency and we actively monitor our own and our tenants operations closely, including issuing guidance to ensure we stay within the correct limits.

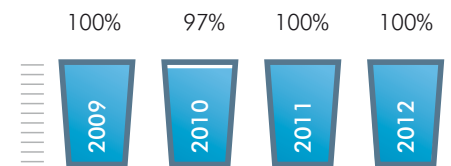
Due to the prolonged period of snow that the UK experienced over the winter of 2012-13, the airports had to maintain correct disposal of de-icer. During the reporting period, 1,513 cubic metres of de-icer was used.

Manchester Airport is working with Lancaster University to support a three

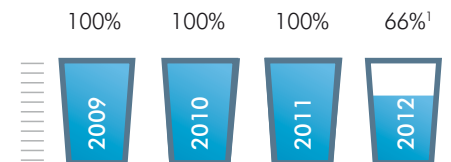
year PhD project that will look at how environmental impacts from aircraft and airfield pavement de-icing can be reduced. The study will analyse when and how the de-icing products are used, to investigate if changes can be made to reduce the fluid usage without compromising on safety. The study will also look at ways in which the de-icing fluids might be recycled.

### Water quality testing: Samples within effluent discharge consent limits (Target 100%)

#### Manchester Airport



#### East Midlands Airport



#### Bournemouth Airport



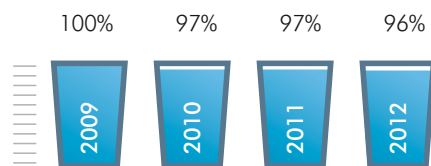
NOTE:

<sup>1</sup> Three samples over the period were taken from two points (fire training site and aircraft washstand) over one month. One test failed and remedial works were undertaken immediately, resulting in a successful retest the following month.

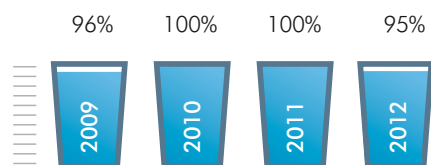


### Water quality testing: Samples within surface water discharge consent limits (Target 100%)

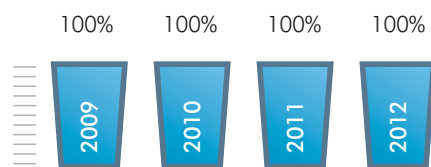
#### Manchester Airport



#### East Midlands Airport



#### Bournemouth Airport



### Waste management

Managing waste on an airport site is a complex activity, due to the wide ranging materials that come from many different sources.

At every M.A.G airport, we work closely with our business partners to influence how they manage waste and to encourage and promote recycling. We provide training and raise awareness with our partners on waste minimisation and recycling, induction training on segregation and the use of waste facilities to maximise the amount of waste that can be segregated and diverted from landfill.

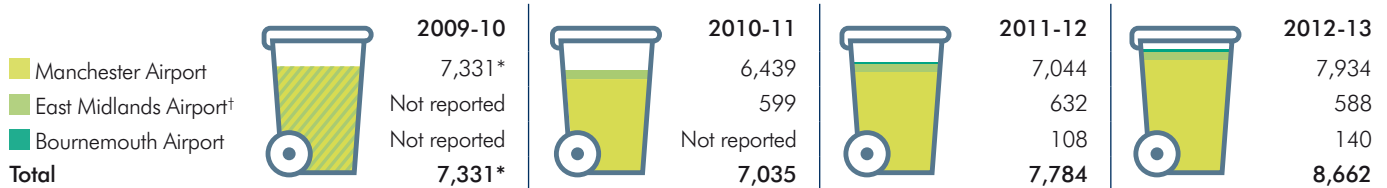
M.A.G is always looking to share best practice across the industry and create innovative ways of working, involving our cleaning staff, partners and other businesses in our industry. To support



Diverting waste from landfill

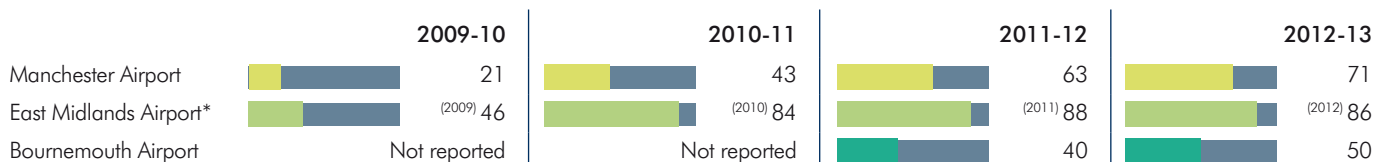
this, a member of the Environment team at Manchester Airport chairs a coalition of UK airlines and airports, specifically looking at techniques to increase the amount of aircraft waste that is recycled.

### Total waste (tonnes)



\*Manchester Airport and East Midlands Airport combined. †East Midlands Airport is reported on a calendar year basis.

### Proportion of waste diverted from landfill (%)



\*East Midlands Airport is reported on a calendar year basis.



MANAGING OUR LAND

We place great importance on managing, protecting and enhancing the quality of land around our airports. By acknowledging the value of our land, we can safeguard and maintain the areas surrounding our airports, benefiting the environment, biodiversity and the community.

Land managed

M.A.G manages 1,611 hectares of land and each airport Master Plan (available on the airport websites) details how these areas are specifically managed. In 2012-13, the area within the boundaries of Manchester Airport was increased to facilitate the development of Airport City.



Landscape and ecology

A substantial amount of land has been dedicated as valuable landscape and ecology resources at our airport sites, including the rural areas outside our boundaries.

Manchester Airport has a 30 year plan to manage over 350 hectares of land to support local biodiversity, following the construction of a second runway. As part of the development of the World Logistics Hub at Manchester, 15 hectares of land (30% of the site area) will be used for landscape and ecological mitigation, with additional land outside the site boundary being used for further planting and amphibian conservation.

Around 80 hectares of the airport site at Bournemouth is designated as a Site of Special Scientific Interest and is carefully managed and preserved by the airport team. The airport works with Natural England and local wildlife groups to monitor and protect this important heathland habitat.

East Midlands Airport also works extremely hard to protect and maintain the surrounding natural environment, whilst enhancing the area for visitors and local residents. During 2012-13, the latest in a series of artwork pieces was installed on the airport’s perimeter trail. The new piece, made of oak and steel and depicting a plane in flight, is called the Sky Ladder and was created by Doncaster based sculptor Daniel Jones with input from the Prince’s Trust Coalville Team of 16-24 year olds.

M.A.G is also committed to promoting the highest possible safety standards and to this end, ensures that all wildlife activity within the operational boundaries is carefully managed. Bird activity and local bird populations are continually monitored and managed to keep the areas in which aircraft operate free from birds by making the airfield an unattractive habitat in order to minimise the risk of bird strikes. Bird strikes are recorded at each airport and are measured per 10,000 movements.

Bird strikes 2012-13

Airport	per 10,000 movements
Bournemouth Airport	2.49
East Midlands Airport	5.58
Manchester Airport	5.68



Daniel Jones' Sky Ladder sculpture





## GROUND TRANSPORT

M.A.G is dedicated to ensuring that our airports are well connected to the regions that we serve and we take a very active role in promoting environmentally sound travel options to our passengers and staff members. Each airport has a surface access strategy, which allows us to manage and seek the best options for public transport and sustainability.

In 2011, construction began on a £1.4 billion project to upgrade and extend, Manchester's Metrolink, the light rail system, in order to create and improve access links to the airport site. This will be crucial in ensuring that Airport City has the essential links with Greater Manchester that are fast, frequent and green. The Metrolink extension project is progressing well and is due to be completed in 2016.

East Midlands Airport has a long-standing bus network that offers transport from the three major cities and local villages that surround the airport. During the past year, the total bus passengers carried on the dedicated network, Skylink,

was increased by 10% to 1,544,215 passengers. For the past 10 years, the airport has conducted an annual Travel to Work survey, in order to monitor progress made against committed targets to improve sustainable modal share. The data shows that modal share has improved incrementally over this period and as the trend line is very stable it was decided that these surveys would take place every two years going forward.

For this year's Travel to Work survey at East Midlands Airport, face-to-face field research was conducted across the airport, interviewing 1,249 members of staff from approximately 100 employers on the site. This work was undertaken over a six week period from the start of August 2012 and represents a statistically valid 20% response rate.

The results show the sustainable modal share split as; 9.4% bus use, 13.9% car share and 1.6% cycling. A further 17.8% of respondents said they would consider using the bus and 5.2% would consider cycling, showing the potential for further modal change improvements.

At Bournemouth Airport, the team work hard to assess the demand for public transport and to offer transport options. Although these are somewhat limited due to the airport's rural location, the airport subsidises a regional bus link between the airport and Bournemouth City Centre, where passengers can connect with the local bus and train network.

For colleagues employed by M.A.G, the Group offers a Cycle 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.



East Midlands Airport Skylink buses



Manchester Metrolink system in operation

## OUR COMMUNITY

M.A.G strives to be a responsible and considerate neighbour, carefully considering the needs of our communities, whilst positively contributing to regional economic development.

We want to target the benefits of employment locally and support the education of our future workforce. Relationships with our local communities are two-way and constructive, and we seek to understand what matters most to communities so we can direct our efforts accordingly.

Having an open and honest dialogue with our stakeholders, allows these groups to see the value that we add to the economy and how we are managing our operations, while enabling them to direct their feedback to us.



Medcare charity work in Uganda

### INVESTING IN OUR COMMUNITIES

M.A.G's approach is to look further than just minimising the impact from our operations. For us, being a responsible business is about investing in our communities by providing funding, education, time and resource to important projects, schools and local groups.

Making sure we are visible in our communities is important to us and we promote two way communications in a number of ways, ranging from day-to-day interactions, special invites, parish meetings, regular outreach events and Independent Consultative Committee meetings.

For instance in total during 2012-13, the Manchester Airport team met with 121 elected representatives, 205 individuals and 6,051 local people across a variety of meetings. New meetings and events for 2012-13 included: a new series of regular meetings with faith leaders in partnership with the Airport's Chaplaincy; and the Autumn Leaves programme. As part of this programme, over the course of three events 20 colleagues hosted 300 elderly people in Wythenshawe, where the guests enjoyed a three course lunch, with entertainment by the Manchester Airport choir and a local amateur dramatic group.

#### Investing in charities

M.A.G's Group-wide company charity is Medcare, a British-based charity whose purpose is to ensure health equalities for sick, vulnerable and deprived children in the developing world, through medical and social care. Their initial programme is based in Uganda, focusing on the work of the Wellspring Children's Medical Centre in Kamutuuza and associated projects.



Lee Bennett, Princes Trust Mentor on a group activity day

In 2011, M.A.G committed to raising £80,000 in 2012. Through a number of corporate events and staff fundraising, we are pleased to say that we met the target for this year. Fundraising activities are continuing into 2013/14, with a recent golf day raising £17,000.

At East Midlands Airport, a team of colleagues has continued to support The Prince's Trust by supporting a locally based project in Coalville. This works with 15 young people on a 12 week programme, developing confidence, team-building, workplace and practical skills. In addition, one colleague at East Midlands Airport has become a mentor for The Prince's Trust on one of their team programmes, working with 16-24 year olds. The programme is designed to give young people the workplace skills, such as team-working and interview techniques, which they will need to develop for their future career. Support from the mentor includes attending residential courses that build on communication skills through team activities such as walking and caving. Overall, 48 young people have benefited from the help of this colleague.



## Our Community Funds

Our airports all operate independently managed community funds, which are in place to help local groups and charities with the aim of benefiting local residents and allowing small groups to expand their offering.

During 2012-13, over £173,000 was donated to groups in the surrounding areas of our airports, bringing assistance and help to 160 groups. The funds of Manchester 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 sixteenth year. This year it donated £109,378 to 66 groups for community, environmental or social projects. Examples include £768 to Benchill Tool Hire towards Lawnmowers and tools for their assisted gardening service and £1,000 donated to H3 Helping the Homeless into Housing, which went towards a child friendly garden project.

In 2012-13, Manchester Airport donated £100,000 to the community fund and a further £9,450 was collected through aircraft fines. At East Midlands Airport the airport donated £50,000 to its fund with a further £4,200 being added from aircraft fines.

DURING 2012-13, OVER

**£173,000**

WAS DONATED TO GROUPS  
IN THE SURROUNDING  
AREAS OF OUR AIRPORTS,  
BRINGING ASSISTANCE  
AND HELP TO 160 GROUPS.

The East Midlands Airport Community Fund has this year celebrated its tenth anniversary. During this time it has helped 89 groups, by donating £52,189. This ranges from £1,000 for footpath signage for the Melbourne Footpath Groups to £500 towards portable staging for the Ashby Concert Band.

Bournemouth Airport has this year exceeded the amount donated last year, helping five groups with over £11,500. Recent examples include £1,974 donated to the Dorset Wildlife Trust for new information boards around Sopley Common reserve and £3,529 donated to the Mudeford Wood Community Trust for new flooring.

## Supporting arts and culture in our regions

M.A.G is one of the largest arts sponsors in the UK and is committed to supporting this important area. This year alone we invested over £400,000 in arts and culture initiatives.

M.A.G's programme has been established for 24 years and our objective remains to promote arts, create and sustain jobs, and expand the cultural life of our local areas.

Major arts and culture events and groups that we supported in 2012-13 were:

- The Lowry
- Manchester International Festival
- Royal Exchange.



Bournemouth Airport Community Fund donated £1,974 to the Dorset Wildlife Trust

## Community Fund donations 2012-13

Airport	Groups funded	Total donated
Bournemouth Airport	5	£11,792
East Midlands Airport	89	£52,189
Manchester Airport	66	£109,378
<b>Total</b>	<b>160</b>	<b>£173,359</b>





### Investing in education

M.A.G believes that by investing in education and offering opportunities to schools, colleges, community groups and adult education, we can become a truly sustainable organisation, which encourages our future workforce.

Work experience programmes and education programmes for many age levels are in place at all M.A.G airports. Each airport ensures that all education resources support the national curriculum and offer motivating places to learn.

Manchester Airport remains the proud lead sponsor for the Manchester Enterprise Academy (MEA), which is a purpose-built facility providing 750 places for 11–16 year olds, with post-16 provision for 120 students. The academy offers diploma qualifications in aviation and travel, in which the airport actively supports students to learn about the world of work and MEA staff to motivate young people to learn.

In addition, Manchester Airport this year has successfully supported many schools across the region and launched some particularly innovative projects. A recent example is Dragons Den, in which 18 schools took part in creating an item for sale at a market in Manchester for £5, which would be suitable for a family member. The exercise allowed the children to be commercially minded, whilst demonstrating creativity and innovation skills. The scheme raised a total of £9,000 for local hospices.

Manchester Airport also created an educational iBook, which was a new venture for 2012-13. We believe that we are the first airport to invest in this type of technology as an education resource. The iBook, is called 'Manchester Airport a Flying Visit' and it educates the reader



*Dragons Den supported by Manchester Airport*

on the airport's history and operations through a combination of film and text.

Continuing to support attendance throughout schools in our community has also been a priority this year, with Manchester Airport supporting the annual attendance awards. In 2012-13, 5,000 local children from 15 local schools enrolled in the scheme, achieving badges and certificates for regular school attendance. 100% attendance awards were presented by senior managers at Manchester Airport in July 2012.

M.A.G also supported a number of national days during 2012-13, including Bring Your Child to Work Day. For this our airports create a specific learning programme, which offers a number of staff members children an education and interactive day, learning about the airport and the roles that are available. We also supported World Book Day, when colleagues from across the Group visited schools to read to the children. The books used were also left with the schools as a donation.

At Bournemouth Airport, colleagues and the airport have supported local schools by attending a number of career days and

events. This gives colleagues the opportunity to discuss the students' work and aspirations, whilst providing information on the airport careers and the benefits of working for such a large company.

During 2012-13, East Midlands Airport continued to invest time, funding and resource into the Aerozone, dedicated on-site education centre, which saw the most successful year to date. A total of 3,411 young people visited the Aerozone this year.

The Aerozone is open to groups of all ages studying airport-related subjects, such as, science, engineering and tourism. Visitors benefit from education resources and facilities and an interactive airport experience, called East Minilands, which allows the children to try out the different types of jobs at the airport.

East Midlands Airport is also now concentrating on education and employability at an adult level, with the Head of Customer Experience being heavily involved in the Institute of Young Directors, offering advice, support and expertise from the perspective of a large commercial business in the Midlands.



*'Bring your child to work day'*

## COLLEAGUE VOLUNTEERING IN OUR COMMUNITIES

At M.A.G we have a talented team. Offering their skills, time and expertise on a voluntary basis to local projects provides invaluable support to our local communities and a great development opportunity for our people.

During 2012-13, over 6,336 hours were volunteered by M.A.G colleagues, a 29% increase on the previous year.

Our schemes offer all colleagues the opportunity to be involved and recognise and reward the outstanding efforts of those who volunteer, with at least one paid day a year set aside for volunteering activities.

Bournemouth Airport colleagues recorded 148 hours on various projects. These include school governor duties, tree clearance from the neighbouring heathland and visiting a local school's career day to take part in a discussion about airport job opportunities.

At Manchester Airport, a total of 5,556 volunteering hours were recorded by colleagues, a 32% increase on the previous year. This is a credit to the scheme's effectiveness and the enthusiasm of the colleagues involved.

Volunteering opportunities range from being reading mentors to taking part in community projects.

At East Midlands Airport, a huge effort resulted in the airport achieving the target of 20% of all staff members taking part in volunteering. During this year, 632 hours of volunteering were recorded by 106 colleagues, in activities ranging from mock interviews in secondary schools to tree felling in a local country park.

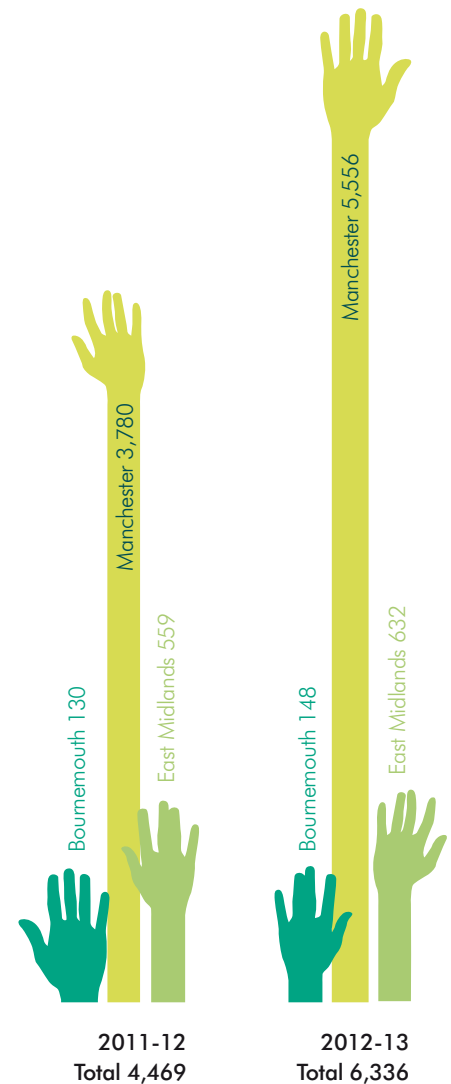


EMA colleagues volunteering in a local programme



'Autumn Leaves' programme in action where elderly guests enjoyed a three course lunch

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



DURING 2012-13, OVER

**6,336**

HOURS HAVE BEEN VOLUNTEERED BY M.A.G COLLEAGUES, A 29% INCREASE ON THE PREVIOUS YEAR.



## REDUCING OUR IMPACT

We know that to truly be a responsible and considerate neighbour we must look at the areas that our communities tell us have the greatest impact on their lives. To this end, we take a very active role along with our partners in reducing and controlling noise and managing air quality.

### Reducing operational noise

We understand that the noise caused by aircraft can be intrusive for local residents and our airports and airline partners are continually investing in quieter aircraft and mitigation schemes. We take this issue very seriously. Over many years we have introduced comprehensive measures to minimise the impact of noise and to ensure strict limits are upheld.

Monitoring and calculating noise footprints is a key part of our noise action plans, which are reports in place at each airport. We believe that local noise action plans and the supporting consultation and engagement that we undertake provide a valuable opportunity to ensure that our programmes are subject to regular review and stakeholder dialogue. We measure the impact of aircraft noise at least annually around airports by preparing daytime and night noise footprints. These provide information on the noise levels from aircraft activity and display the areas affected.

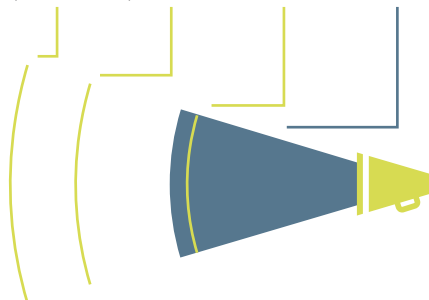
This year, complaints across our airports have reduced again. We continue to engage with communities impacted by noise and we work hard, along with our partners to reduce noise and to share data and reports.

It is extremely important that local people have access to the data that we produce. We therefore publish monitoring results on

### Complaints about noise

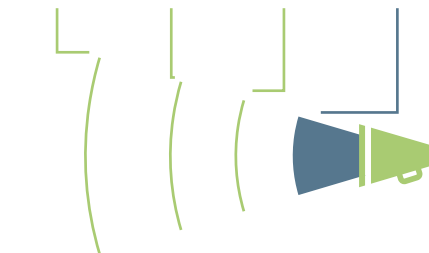
#### Manchester Airport

2009	2010	2011	2012-13
1,282	1,084	739	794



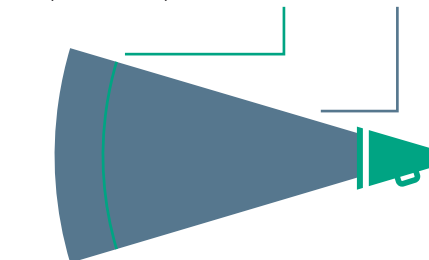
#### East Midlands Airport

2009	2010	2011	2012
1,064	800	600	425



#### Bournemouth Airport

2009	2010	2011	2012-13
†	†	1,013	1,159



†This information has not been recorded at Bournemouth Airport.

our airport websites. At Bournemouth and East Midlands Airports, we use WebTrak, a system that enables any visitor to our website to replay radar recordings tracking aircraft operating to and from our airports.

Our aim is to reduce noise at source and to work closely with our partners. However, where this is not possible, M.A.G has schemes in place to help residents who are most affected. Examples are the Sound Insulation Grant and a roof repair scheme for vortex damage (more details on these schemes can be found on the airports websites).

To successfully manage noise, we require our partners to use procedures such as Preferred Noise Routes, where aircraft are asked to remain on dedicated flight paths to avoid built up areas and the Continuous Descent Approach, where the aircraft is gradually descended to reduce noise and fuel burn. 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.



Noise monitoring at Manchester Airport





**Departures within preferred noise routes\* (%)**

Airport	2009	2010	2011	2012
Manchester Airport	98	97	98	97
East Midlands Airport	98	99	98	98

\*This information is not measured at Bournemouth Airport.

**Total noise fines paid by airlines to our community funds\* (£)**

Airport	2009	2010	2011	2012
Manchester Airport	11,850	23,100	16,650	9,450
East Midlands Airport	22,050	3,450	3,750	4,200

\*This information is not measured at Bournemouth Airport.

**Flights using continuous descent approach (%)**

Airport	2009	2010	2011	2012	Target
Manchester Airport*	78	77	71	86	N/A
East Midlands Airport	87	86	90	93	80

\*Information for Manchester is measured on night flights only. Information for East Midlands Airport is for all flights. This information is not available for Bournemouth Airport.

**Air quality monitoring at Manchester Airport\* ( $\mu\text{g per m}^3$ )**

	2009	2010	2011	2012	National standard (annual mean)
NO <sub>2</sub>	24.1	28.1	22.8	24.4	40.0
PM <sub>10</sub>	17.7	16.6	15.3	13.4	40.0
O <sub>3</sub>	31.5	34.3	46.1	43.4	N/A

\*These figures are annual means for Manchester Airport's air quality monitoring site.

**Managing air quality**

In common with other forms of transport, including cars and lorries, airport operations produce emissions that can affect local air quality. Measuring and managing air quality is a complex and essential part of our environment and community strategies. We know that this is an important issue for our local communities, our colleagues and the environment.

Air quality is monitored at all our airports and to provide reassurance to the local community East Midlands and Manchester Airports have installed continuous air quality monitoring equipment. At Manchester Airport, there is an air quality monitoring site, which forms part of the National Air Quality Monitoring Network.

We know that concentration levels of pollutants are variable and can be affected significantly by changing weather patterns. Changing levels of nitrogen dioxide and fine particulates can vary from year to year and in the short-term they should not be considered representative of a trend. Concentrations are monitored over longer periods, and nitrogen dioxide and particulate levels remain below the national limits.

In addition to continually monitoring air quality and vehicle emissions, East Midlands Airport has this year embarked on a further monitoring exercise; to study the effect of odours. The study requests members of the community to feed back directly to the airport through a questionnaire, over a 12 month period.



## OUR PEOPLE

M.A.G recognises that its people are vital to the success of our business. As a large employer in every region we serve, we aspire to attract ambitious people who are forward-thinking and creative.

Through the knowledge, experience and professionalism of our people, we are confident we will continue to build trust in our operations and we will achieve our vision to become the premier airport management and services company.

Acquiring Stansted Airport has allowed the organisation to build greater capability, we have gained a workforce with considerable experience and expertise and we are looking forward to our new colleagues playing a full part within M.A.G. Our aim is to think and act as one team across multiple sites, demonstrating mutual trust and respect and sharing in the success of our business.

### INVESTING IN OUR PEOPLE

Investment in our people is vital to our business success and to achieving our strategy and objectives. We have over 2,700 colleagues across our sites and our airports offer many different job roles. We strive to offer our people real opportunities and to help to develop their skills so that they may achieve their goals and aspirations.

During 2012-13, M.A.G was proud to have held the Investors in People accreditation, a standard for businesses that are committed to supporting and developing their people. This commitment to our colleagues is the foundation of our people strategy and targets for the medium and long-term.

### Employment types (%)\*

	Permanent	Temporary
Full time	73.74	3.41
Part time	13.69	6.87

\*Casual employment represents 2.29%.



### Average number of employees\*

Airport	2011	2012	2013
Manchester Airport	2,072	2,082	2,085
East Midlands Airport	245	242	479
Bournemouth Airport	125	130	173
<b>Total</b>	<b>2,591</b>	<b>2,554</b>	<b>2,737</b>

\*The figures are an average number of employees throughout the year, due to the seasonal variations of staffing levels during operational peak periods.

### Proportion of employees by division (%)

Manchester Airport	76.17
East Midlands Airport	17.50
Bournemouth Airport	6.32



## HEALTH AND SAFETY

M.A.G has a robust health and safety strategy in place to ensure our colleagues are protected and we continue to develop and operate to the highest and safest possible standard. Health and safety risk assessment is embedded into daily management routines and safety performance is monitored by specific committees that are in turn overseen by a corporate Health and Safety Committee with Board-level oversight.

Colleagues are encouraged to proactively influence effective health and safety through local airport Health and Safety Committee meetings. To support management, employee training, auditing and specialist advice on health and safety for both operational and non-operational requirements is in place.

During the past year, each airport has continued to progress with their individual Safety Improvement Plans and this year, we are proud to have achieved the British Standard for health and safety accreditation, OHSAS 18001. The accreditation gives an assurance of the quality of the Safety Management System and its relevance to the organisation.

To achieve this internationally recognised standard, an external audit of our policy and 39 other aspects of safety was carried out across the organisation.

In line with our targets set last year, the Group has introduced a web-based health and safety system, making it more accessible to all colleagues. The new system also covers a greater range of performance measures, including injury reporting, near miss reporting, first aid reporting and hazard reporting.

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

**OHSAS  
18001**

### Total M.A.G health and safety incidents

	2009-10	2010-11	2011-12	2012-13
RIDDOR* reportable incidents	34	33	28	27
Other incidents	254	259	170	241
Total accidents	288	292	198	268

\*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.

## COLLEAGUE ENGAGEMENT

Engaging colleagues in the business and encouraging two way communication at all levels is key to the success of M.A.G. Our colleagues are our greatest and most valuable asset. It's essential they have the opportunity to voice their concerns, put forward suggestions and proactively contribute to the growth of the business.

Well informed, engaged colleagues deliver great service to customers and go the extra mile looking for continuous improvements and new ways of doing things.

### Employee opinion survey

Every year, M.A.G runs an employee opinion survey to encourage colleagues to share their views on what it's like to work at M.A.G. The survey is based upon key engagement indicators, such as leadership, reward, performance, development, communication and general work life. The results are carefully analysed and used to develop company-wide and local action plans to address areas in which colleagues feel the business could improve.

The survey is undertaken independently and in 2012-13, M.A.G employed a new provider in order to obtain a more accurate picture of colleague engagement and more support with the action planning process. The use of improved technology meant that this year, we were able to offer the survey to colleagues online, with the use of iPads in operational areas.



### Employee opinion survey continued

The 2012-13 survey results are unavailable at the time of going to print. However each airport continues to support engagement as a high priority, focusing on implementing the local action plans previously in place. Some examples include increasing the visibility of senior leaders, implementing a Roster Steering Group to discuss shift patterns and work/home life balance, workshops to map out end to end processes in Car Parks.

M.A.G has maintained a strong focus on engagement too. This year, we launched MyMAG: our promise to our people. MyMAG covers all aspects of our employees' working lives and helps us communicate the benefits of being part of the Group. It also helps us introduce new starters to their jobs and careers, demonstrating our commitment to learning, and helps support and guide our people, at whatever stage of their career.

The 2012-13 engagement scores are expected to be available in July, at which point they will be shared with local teams and action plans devised in support of the results. We will also use the survey results to complete a sense-check of the M.A.G People Strategy to ensure that we are focusing on the key drivers of engagement. Throughout 2013 we will continue to develop and improve MyMAG and hope to see this improvement reflected in the 2014 employee survey results.

### Colleague communication

Colleague communication is delivered through a number of channels and we ensure that our communications are open and honest, promoting a genuine two-way dialogue.

M.A.G communication channels include:

- Our intranet site, The Interchange, which has now been rebranded to reflect the launch of MyMAG
- Our quarterly employee magazine
- Colleague emails – these are now part of the new MyMAG brand and are helping to group news and announcements under the relevant MyMAG subject area
- Notice boards and Plasma screens
- Posters
- Payslip attachments.

The majority of M.A.G colleagues work in operational roles and are not desk-based. Therefore, we want to ensure that they have access to all the electronic communications that our desk-based colleagues receive. On that basis, we have been working on the introduction of plasma screens in rest and break areas to display key business news and updates to all colleagues. These will be rolled out at all airports during 2013.

Face-to-face communication is also an essential part of our communications strategy ensuring there is the opportunity for two-way dialogue. We have a number of communication events scheduled throughout the year, including:

- Colleague briefing road shows – held annually for all colleagues

- Leadership sessions – held quarterly for the management population
- Team briefings – monthly cascade business briefing, including performance against targets and key business information
- Team meetings – all departments are encouraged to hold these monthly.
- Back to the floor – senior management across the business spend a day working in departments from across the airport, engaging with colleagues and discussing their working routines
- Coffee with ExCo – our Executive Committee hold regular coffee meetings in which colleagues can talk to a senior manager, ask questions and receive direct answers.

### Communicating during integration

Early 2013 saw our workforce increase by around 1,400, as we acquired London Stansted Airport. Communicating effectively with colleagues during the acquisition and now continuing through the integration period is essential to the success of M.A.G and Stansted as we seek to develop the business.

A wide-range of communication channels and supporting engagement tools have been introduced to support this. Branded 'The Big Conversation', communication methods include welcome packs, learning lunches and drop-in sessions.

Effective communications will continue to prove essential as we embed the workforce at Stansted Airport into the rest of the Group.



## DIVERSITY AND EQUALITY

Treating all colleagues fairly and equally is taken very seriously across all M.A.G airports. With a strict Dignity at Work policy in place, every colleague is encouraged to report any unacceptable behaviour. Managers and supervisors are responsible for making sure that the policy is put into action, ensuring that any reports of unacceptable behaviour are investigated. Our aim for everyone at M.A.G is to work and develop free from discrimination and harassment.

During 2012-13, M.A.G dealt with only one case of discrimination at work. This case was addressed in line with company policy and has now been closed. We believe that the success in reducing the amount of cases from 13 to one over the past three years has been a direct result of improved communication and more direct engagement with colleagues and line managers.

We are committed to tackling incidents of inappropriate behaviour swiftly and decisively to enable equality in the workplace.

We monitor the ethnic origin, disability status, gender and age of job applicants and our Board annually reviews the diversity statistics of candidates and successful applicants.

M.A.G is committed to maintaining an open culture with the highest standards of honesty and accountability, where colleagues can report any genuine concerns in confidence. In 2012-13, a campaign to promote an independent organisation, Safecall, was launched. The organisation is employed by M.A.G and allows staff members to easily report any confidential concerns, including: corruption, discrimination, health and safety and bullying.

M.A.G recognises the importance of human rights. Our approach to managing human rights issues for our people and our customers is incorporated within our overall approach to investing in our people, diversity and equality, colleague health and safety, and customer safety and security. All M.A.G operations are in the UK and do not involve any child labour, forced or compulsory labour or other issues of human rights.

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

### Staff profile\*: ethnicity (%)

	Senior Management	All staff
White British	82.61	66.97
Other**	15.22	9.94
Unknown	2.17	23.09

\*As of 31 March 2013

\*\*All other ethnic groups not classed as White British.



### Staff profile: age (%)

	Senior Management	All staff
16-25 yrs	0	5.92
26-35 yrs	10.87	18.01
36-45 yrs	56.52	24.19
46-55 yrs	19.57	30.76
56-65 yrs	13.04	18.85
Over 65 yrs	0	2.27



### Staff profile: gender (%)

	Senior Management	All staff
Male	78	65
Female	22	35



## TRAINING AND DEVELOPMENT

Training and development within an operational airport is essential to maintaining standards and up-skilling our colleagues. We believe that by developing our colleagues we can create a strong workforce, helping each individual build a career in our organisation.

M.A.G has a well-developed training programme, helping to retain our current colleagues, build their capability and attract new people at every level of our organisation. It's important to us that we recognise the variety of roles at the airport and offer courses to suit each area of the business. This includes essential training provided to operational colleagues, such as fire and rescue, security and wildlife control, as well as training in areas such as airside driving and emergency planning training.

The online learning management tool introduced in 2011 has proved to be a great success, making training more accessible to all colleagues. During the past year, 1,611 employees have undertaken 16,940 hours of web-based training. New for 2012-13 is an environment training module, aimed at existing colleagues as a refresher course and as an induction to the environmental management system for new colleagues. The module looks specifically at ISO 14001, environmental risks, environmental management and how colleagues can contribute to improving M.A.G's environmental performance.

In addition to the focus on training, all colleagues at M.A.G undertake an annual performance review, known as the Colleague Achievement Review (CAR). The review predominantly focuses on the face-to-face discussion between a manager and colleague, with an online review

that records the progress against annual objectives. CARs are carried out annually, with a half year review also carried out. This year, 35% of employees recorded their review using an online system, everyone remaining continued to use the paper-based system.

To identify emerging talent within our business and to help with succession planning, the Group also offers two additional programmes to colleagues. These are the Aspiring Leaders programme, which offers colleagues 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 through their chosen career path. 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.



*MyMag Rewards employee benefits scheme*

## REWARD AND RECOGNITION

Our colleagues make our business successful and ensuring that they feel rewarded and recognised for the work they do is important to us.

As part of our people promise, each colleague has the opportunity to take advantage of voluntary benefits, which include childcare vouchers, a cycle to work scheme, healthcare benefits and our M.A.G Rewards programme, which offers online discounts and cash back with over 1,000 retailers.

All colleagues also have a competitive salary structure and have the choice to enter the company's contribution-based pension scheme. To further recognise the contribution colleagues have made to our business, we run an annual colleague bonus scheme, which is based on financial targets for the business and customer service targets for each airport.

We also believe that it is 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 do this easily by sending a thank you card and a £10 retail voucher. Colleagues are also 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 extraordinary 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.



## RECRUITING OUR WORKFORCE

Our airports employ more than 29,000 people on-site in a wide variety of roles. As well as seeking the right talent to join us, we continually look to develop colleagues internally to allow them to grow and develop within our business.

During 2012-13, M.A.G developed a new recruitment website, that gives prospective colleagues an insight into M.A.G and the roles on offer. The content was developed with the help of current colleagues, including videos and information on their airport departments.

In addition to internal practices on recruitment, both Manchester and East Midlands Airports have teams whose specific aim is to work with business partners based on the site to promote job vacancies and ensure that staffing levels are appropriate.

At Manchester Airport we also run an Airport Academy, an employment and training programme helping unemployed people living locally to prepare for interviews with airport employers through a tailored pre-employment training course.

During 2012-13, Manchester Airport also successfully secured an Employer Ownership of Skills grant for £1.3 million, which will be used to fund employability projects over the next two years. The grant will strengthen the community strategy and enhance the offering through the Airport Academy, providing training for M.A.G colleagues and service partner staff members. There are also plans to upgrade the education web site and build our capacity to meet the increasing requirements from local MPs to offer more in terms of employability.

DURING 2012-13 WE  
SECURED AN EMPLOYER  
OWNERSHIP GRANT FOR

**£1.3m**

WHICH WILL BE USED TO  
FUND EMPLOYABILITY  
PROJECTS OVER THE NEXT  
TWO YEARS

The Airport Academy at Manchester Airport has proven to be a great success and we are pleased to say that the model will be replicated at East Midlands Airport in June 2013, with the creation of a new dedicated Airport Academy for the East Midlands region.



Matthew Hancock, Skills Minister visits the Manchester Airport Academy



# OUR CUSTOMERS

M.A.G has a clear vision: to be ‘the premier airport management and services company’. We know this can only be accomplished through efficient systems that provide excellent customer service, whilst maintaining the highest safety and security standards.

We will invest in our colleagues and partners, empowering them to exceed the expectations of our customers and be the exemplar for airport customer service.

We are committed to continually evaluating our customer service offering and improving this where necessary for the 42 million passengers that travel through our airports every year.



Passengers at our airports

## CUSTOMER SERVICE

We pride ourselves on excellent customer service for all our customers groups, including the travelling public, airlines and tour operators and business partners. We know that we must aim high to excite our current customers and continue to attract new customers.

It’s fundamental that we continually monitor feedback and gather customer data to ensure that our services are right for our customers and to allow us to improve areas that our customers feel we need to.

Throughout the passenger journey through our terminals, we know that we do not control all touch points where our passengers will interact with staff members.

However this does not stop us from having clear objectives and working hard to maintain a high level of customer service.

We work closely with our partner companies to ensure that they are aware of our vision and to help them to develop the standards that we instil on our own colleagues.

Our vision for our passengers is 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 and ensure the same level of customer service is experienced once they board their aircraft.

## Total number of passengers

Airport	Scheduled flights	Chartered flights	Total
Manchester Airport	15,208,414	4,594,089	19,802,503
East Midlands Airport	2,997,431	985,080	3,982,511
Bournemouth Airport	485,844	183,573	669,417

## Total number of passenger aircraft movements

Airport	Scheduled flights	Chartered flights	Total
Manchester Airport	136,454	21,464	157,918
East Midlands Airport	28,184	5,111	33,295
Bournemouth Airport	3,857	1,078	4,935



## Purpose of journey (%)\*

	Manchester Airport	East Midlands Airport
Business	19	9
Leisure	81	91



\*Please note that this information is not available for Bournemouth Airport as the CAA data was not available at the time of going to print.

## Socio-economic group (%)\*

	Manchester Airport	East Midlands Airport
A	4	9
B	20	23
C1	39	29
C2	24	22
D	12	10
E	2	7

\*Please note that this information is not available for Bournemouth Airport as the CAA data was not available at the time of going to print.

## Country of residence (%)\*

	Manchester Airport	East Midlands Airport
UK	81	87
Overseas	19	13



\*Please note that this information is not available for Bournemouth Airport as the CAA data was not available at the time of going to print.

## Age (%)\*

	Manchester Airport	East Midlands Airport
Under 25	13	14
25-54	56	43
55+	31	43

\*Please note that this information is not available for Bournemouth Airport as the CAA data was not available at the time of going to print.

At East Midlands Airport, a £12 million re-development of the terminal building is key to delivering our vision. The redevelopment will enhance the retail offering, make the customer journey easier to navigate and increase the size of the security search area to reduce queues.

At Stansted Airport there is also a £80 million re-development of the passenger facilities planned, to meet the demands of modern air travel.

In addition to bringing the security function at Bournemouth and East Midlands Airports in-house last year, the Group has also decided to in-source the car parking function at East Midlands Airport. Using the expertise of the staff at Manchester Airport, where the function already sits within the Group, in-house car parking management at East Midlands Airport will allow greater control over the service that we provide to our passengers.





BEING SAFE AND SECURE

Safety and security underpin M.A.G’s business strategy, it is the foundation of our operation and our number one priority.

We fulfil these responsibilities by acting with the highest standards of honesty and integrity and consistently delivering on our promises.

During the past year, the Group has continued to integrate the security provision at both Bournemouth and East Midlands Airports, as they were brought in-house in 2011-12.

M.A.G now has control of all security services across the Group. We are able to control the levels of customer service and easily assess how the provision can be improved. For instance, due to a terminal re-development at East Midlands Airport, the Group is able to look at ways in which the service can be made more efficient, using more technology, and better approaches such as long lanes. These lanes are currently in operation at Manchester Airport and give the passenger more time to prepare their belongings, meaning a faster and more efficient service. The search area is also being extended, which will bring more space and natural light to the area.

Over the past year, we have continued to invest heavily in colleague training, ensuring that the highest levels of service can be delivered. Every security colleague at M.A.G attends training courses to maintain standards of professionalism and knowledge of the latest security developments.

We remain in close cooperation 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.



Operational staff

CUSTOMER FEEDBACK

There are many ways in which passengers can give us comments and opinions and every piece of feedback we receive is taken very seriously.

In addition to customer feedback sheets placed in our terminals, we also 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 and is conducted by Airports Council International (ACI), enabling us to benchmark our results against other European airports of a similar size.

M.A.G’s objective is to ensure that customer satisfaction levels are the highest possible. We aim to achieve top-quartile ranking for each airport in their respective benchmark groups.

The survey focuses on four areas important to customers: cleanliness, ambience, courtesy and helpfulness of 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 the foundation for making the right changes to continually improve customer experience at M.A.G airports.

Regular passenger surveys are also conducted by the Civil Aviation Authority, which help us to continually refine and improve our offer and respond to any shifts in our customer demographics.

Overall satisfaction: Top quartile target within relevant European benchmark group for each airport

Airport	2011	2012	2013
Manchester Airport	Top quartile	2nd quartile	2nd quartile
East Midlands Airport	Top quartile	Top quartile	Top quartile
Bournemouth Airport	Top quartile	3rd quartile	2nd quartile













# OUR FUTURE

Strategic growth	48
Integration of London Stansted Airport	50
Sustainable growth	50

## OUR FUTURE

Our airports are an integral part of the regions they serve, providing essential links within the UK, to Europe and destinations worldwide, they are gateways that connect people to different locations, cultures and ideas.

To achieve our sustainability goals, we know that we must integrate our operations with the world around us and share a common vision and purpose. We also need to work together with our business partners, including airlines, retailers, security operators, aircraft manufacturers, freight operators, cleaning and catering companies.

### STRATEGIC GROWTH

M.A.G outlined its business strategy and vision three years ago. This has provided us with a clearly defined route for the future and allowed the business to focus on the areas that will allow us to achieve our objective of becoming the 'premier airports management and services company'.

For us to realise our vision, we have set out short, medium and long-term plans. These have given us three time horizons from 2010 to 2020.

The targets for the business are:

Horizon 1 (2010 – 2012) **ACHIEVED**

#### **Target:**

Build market plans and capabilities

#### **Trigger for achievement:**

Stable UK airport group emerging from economic downturn.

Horizon 2 (2012 – 2015)

#### **Target:**

Build scalable group, grow market share

#### **Trigger for achievement:**

Financially robust airport group shaping UK market and forging strategic alliances with global partners.

Horizon 3 (2015 – 2020)

#### **Target:**

Internationalise M.A.G, add shareholder value

#### **Trigger for achievement:**

Internationally acclaimed and fastest growing airports group in Europe operating in the UK, Europe and USA.

M.A.G has now achieved Horizon 1. We are already underway with Horizon 2 and future activity is beginning to take shape.

### Airport City

Looking ahead at Manchester Airport, work is progressing with Airport City, led by M.A.G Property. This £650 million project is an exciting mixed-used development and forms the central core of the newly designated Manchester Airport Enterprise Zone. The development will deliver 5 million square feet of new business accommodation over the next 10 to 15 years. Recently, the Chancellor of the Exchequer, George Osborne, visited the site and marked the beginning of its construction.

The development will bring long-term, wide scale regeneration to the area surrounding the airport and is expected to create up to 10,000 new jobs over the next 15 years with a further 20,000 jobs in the wider Enterprise Zone. Airport City aims to attract inward investment and will also house a MediPark concept, where the University Hospital of South Manchester, a world-class research hospital and centre of clinical excellence will take advantage of the sites for the creation of a medical and related services complex.

At the centre of the proposed development is a new 13 acre central park, surrounded by a 'downtown' district of distinctive, contemporary new buildings and high-

quality public areas. A 'high street' of shops, cafes, bars and restaurants, crèches, dry cleaners and gym and leisure facilities will be created, giving access to new retail opportunities and amenities. As a designated Government Enterprise Zone, the area will also have prioritised super-fast broadband connectivity.

During 2012-13, Manchester Airport secured outline planning permission for both main areas of the site, which includes the International Business Hub at the north of the site and the World logistics Hub at the south. The team has continued to evolve a Master Plan, whilst engaging the local communities and stakeholders over the past 12 months. The airport is currently in the process of securing a joint venture partner.

### Sustainable development at Airport City

Sustainability underpins the entire Airport City development. This includes the architectural approach to design, which will be constructed to the highest possible environmental performance standards, including BREEAM and LEED, an energy infrastructure, which aims to export energy and establish Airport City, as a regional leader in energy management and carbon reduction: a sustainable water management system to reduce consumption and wastewater generation and protect groundwater quality; and we are considering Geothermal combined heating and power with CHP and land reserved for Photovoltaics.

The south of the site has been selected as a world logistics hub that will offer a full range of air-to-road transfer, assembly and processing activities. It includes 1.4 million square feet of new logistics space, which will accommodate a mix of medium and small sized units. This area alone is expected to create around 1,800 new jobs, on top of the additional to construction jobs created throughout the duration of Airport City's development.

This dedication to cargo, builds upon the Group's strength in managing air freight through its airports, with East Midlands Airport being the UK's busiest pure freight airport and Manchester Airport closely following the fourth.

Going forward, the Group is committed to developing new long-haul cargo capacity, supporting the passenger aviation development team with cargo intelligence to strengthen the case we are able to make to airlines, encouraging the use of the airport facilities during the day and adopting responsibility for the development of cargo activity at London Stansted Airport.

OUR EAST MIDLANDS  
AIRPORT REFURBISHMENT  
WILL LEAD TO A SAVING OF

**315**

TONNES OF CARBON  
EMISSIONS AND A 15%  
REDUCTION IN ENERGY  
USAGE PER YEAR.

### Sustainable development at East Midlands Airport

At East Midlands Airport, the terminal redevelopment will continue at pace. The development is a £12 million refresh of the terminal building to enhance the customer experience and includes a major refurbishment of the security search area; a reconfigured terminal layout and an enhanced shopping experience with the introduction of new high street brands.

In keeping with East Midlands Airport's strong environmental record and the Group's CSR strategy, the refurbishment

also incorporates new environmental features. These include replacing existing lighting and chillers and using natural daylight and ventilation, leading to an approximate saving of 315 tonnes of carbon emissions and a 15% reduction in energy usage, (when compared to a tradition refurbishment). The exterior of the building will also incorporate a strong design which reflects the local area.

Preparation works for the project are underway and the project is expected to be completed towards the end of 2013.



Artist's impression of the East Midlands Airport redevelopment





## INTEGRATION OF LONDON STANSTED AIRPORT

In February 2013, M.A.G acquired London Stansted Airport. The next year will prove to be a time of growth for us, as we enter the London aviation market, which is one of the largest in the world, and add this quality airport to our Group. We will also continue growing our base in Manchester and continuing to develop our other airports.

Integration of London Stansted is well underway and presents us with an opportunity to evaluate, combine and improve our systems and processes to ensure we define and operate the very best practices across all our airports.

Beyond making Stansted part of the Group, we also have some immediate priorities:

- Increase the number of destinations and build on the successful relationships we have developed at existing airports. We have excelled in developing the right models for the markets we operate in and we aim to continue this at Stansted. We will also seek to increase long-haul route options, creating a similar mix of long-haul and short-haul flights as Manchester Airport.



London Stansted Airport departures hall exterior

- Make the most of the catchment area. 11 million people live within 60 minutes' drive time of Stansted Airport and a further 7 million live within 90 minutes. Although the airport faces significant competition in the South East, we believe that we can increase both passenger traffic and a share of the London airport passenger market.
- Improve the retail offering and reconfigure the terminal to maximise retail space and improve customer experience overall. We pride ourselves on having an excellent retail food and beverage offering at M.A.G and we would like to ensure that Stansted is in line with our Group model, so we significantly improve the customer experience we offer at Stansted Airport.



London Stansted Airport apron

## SUSTAINABLE GROWTH

The significant emphasis we place on CSR is clear from our track record.

M.A.G understands that in order to grow sustainably all areas of our strategy need to be fully considered and approached in a systematic way.

### Key environment targets

- All our airports will continue to be certified to the international environmental standard ISO 14001, ensuring that we comply with all legal obligations and demonstrate continuous improvement in performance.
- By increasing energy efficiency and using energy from renewable sources, our airport operations will achieve carbon neutrality by 2015.
- Our programmes of conservation will reduce our energy consumption by an additional 31,000,000 kWh, by 2015.
- We will meet our energy needs from renewable sources generated on-site.
- By 2015 we will continue to aim for more than 50% of our energy demand from renewable sources.
- We will promote the recycling of waste and by 2015 we will reduce our waste to landfill to zero.
- By publishing comprehensive noise actions plans at all of our airports, with appropriate local targets, we will ensure that the impact of noise is minimised.



### Key community targets

- All our airports will obtain the prestigious BiTC Community Mark.
- By developing our Airport Academy concept at all of our airports, we will provide training places for over 300 people annually and we will aim to help at least 80% of them back into work.
- Encouraging our people to take part in voluntary work that develops their skills, provides new experiences, directly benefiting the communities around our airports.
- By 2015 we aim to have at least 30% of our colleagues participating in volunteering.
- All our airports will operate community funds investing more than £100,000 annually and we will make other targeted investments to support our strategic objectives.
- Seek to inspire young people by offering them targeted programmes to experience the world of work.
- Developing a motivated, energetic and high-performing workforce. We aim to achieve a colleague engagement level of at least 80% and all colleagues will receive a quality performance review at least annually.
- Creating a culture of lifelong learning, at least 80% of colleagues will participate in learning and development activities.
- Implementing an active diversity strategy to ensure that we attract and retain the most talented people. To evaluate the effectiveness of this policy, we need at least 80% of our colleagues to disclose diversity information to us.
- Feedback from our passengers, obtained independently by the international Airport Service Quality survey, will rate the customer service we provide, our aim is to be in the top quartile.
- We will provide targeted sponsorships to organisations that make the regions we operate in vibrant places to live and work.

### Key people targets

- All our airports will be certified to the international safety standard OHSAS18001.
- By implementing positive workplace policies focusing on health, safety and well-being, by 2015, we will reduce our absence rate to 4% or less.
- All our airports will achieve the British Safety Council's five star rating.
- By analysing our supply chain, we will estimate and publicly report the proportion of our spend that is invested locally. We will work with local businesses to equip them so that they are able to supply to us.
- By working with our supply chain and business partners we will jointly identify and target savings in carbon emissions.









# OUR PERFORMANCE

Our reporting	54
Key performance indicators	55
Data list	57
Independent assurance statement	58
GRI Index	60
GRI application level statement	98
Contact us	99



## OUR REPORTING

M.A.G believes that consistent communication and engagement with a wide variety of stakeholders and interested parties is vital to being open and honest with our operations. This report is the fourth annual Corporate Social Responsibility report, with the first report being published in July 2010.

The report is primarily published for our customers, local community, employees, partners and suppliers and more information on our stakeholders can be found in the 'Our Stakeholders', section of this report. Manchester, East Midlands and Bournemouth Airports are represented in this year's report. Due to Stansted Airport being purchased in March 2013, this airport has produced a separate sustainability report, which can be found on the company website. There are no other joint ventures, subsidiaries or other business activities to be considered in M.A.G's reporting. Throughout this document, we have reported on the full impact of our airports, including our on-site tenants and partners, unless otherwise stated.

More information can be found on each airport's website, along with any individually themed reports, including annual community reports for Manchester and East Midlands Airports, Stansted Airport's annual sustainability report and reports of compliance with planning obligations at Manchester and Bournemouth Airports:

[www.manchesterairport.co.uk](http://www.manchesterairport.co.uk)  
[www.eastmidlandsairport.com](http://www.eastmidlandsairport.com)  
[www.bournemouthairport.com](http://www.bournemouthairport.com)  
[www.stanstedairport.com](http://www.stanstedairport.com)

Reporting measures are more advanced at Manchester and East Midlands Airports, therefore information is included for one or both of these airports. Prior to the purchase of Stansted, M.A.G's business revenue split was as follows: Manchester Airport represents around 74%, East Midlands Airport around 13% and Bournemouth Airport around 3%.

All data included in the report relates to the period April 2012 to March 2013, unless stated otherwise. There have been no significant changes in the scope, boundaries or measurement processes from last year's report. Standard methodologies for measuring and presenting our performance data have been used.

For the fourth consecutive year, this report has been prepared in line with the Global Reporting Initiative (GRI) guidelines, including the Airport Operators Sector Supplement. The application level has been checked by the GRI and has achieved GRI Level **A+**.

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.

## KEY PERFORMANCE INDICATORS

M.A.G's performance for long-term objectives and short-term targets for environmental and social performance at all airports are detailed in the table below.

Area	Indicator	Calendar or financial year	Airports	2009 or 2009/10	2010 or 2010/11	2011 or 2011/12	2012 or 2012/13	Target
<b>Environmental and Community Engagement</b>								
<b>Energy and fuel use</b> <sup>A, B</sup>	Total net CO <sub>2</sub> emissions	Calendar	ALL	77,169	74,414 <sup>2</sup>	33,108	27,643	2012: 0 (EMA <sup>1</sup> , BOH <sup>1</sup> , HUY <sup>1</sup> ) 2015: 0 (MAN <sup>1</sup> )
<b>Water</b>	Total mains water used (m <sup>3</sup> )	Financial	All	866,808	907,779	843,405	757,035	
	Samples within surface water discharge consent limits	Calendar	MAN <sup>1</sup> EMA <sup>1</sup> BOH <sup>1</sup>	100% 96% 100%	95% 100% 100%	97% 100% 100%	96% 95% 100%	All years: 100%
	Samples within effluent discharge consent limits	Calendar	MAN <sup>1</sup> EMA <sup>1</sup> BOH <sup>1</sup>	100% 100% Not reported	97.50% 100% Not reported	100% 100% 100%	100% 66% 100%	All years: 100%
<b>Waste</b>	Total waste (tonnes)	Financial	MAN <sup>1</sup> EMA <sup>1</sup> BOH <sup>1</sup>	7,331 (MAN <sup>1</sup> and EMA <sup>1</sup> only)	7,035 (MAN <sup>1</sup> and EMA <sup>1</sup> only)	7,469	7,935 588 140	
	Waste recycled/recovered	Financial Calendar Financial	MAN <sup>1</sup> EMA <sup>1</sup> BOH <sup>1</sup>	21% 43% Not reported	43% 88% Not reported	62% 88% 40%	71% 86% 50%	2015: 100%
<b>Noise</b>	Departures within preferred noise routes	Calendar	MAN <sup>1</sup> EMA <sup>1</sup>	98% 98%	97% 99%	98% 98%	97% 98%	
	Flights using continuous descent approach (MAN <sup>1</sup> 22:00 – 06:00) <sup>2</sup>	Calendar	MAN <sup>1</sup> EMA <sup>1</sup>	78% 87%	77% 86%	71% 90%	86% 93%	All years: 80%
<b>Air Quality</b>	Total breaches of air quality limits	Calendar	MAN <sup>1</sup> EMA <sup>1</sup>	0 0	0 0	0 0	0 0	All years: 0
<b>Community Engagement</b>	Total community investment through Community Funds (£)	Financial	All	244,211	217,750	180,843	BOH <sup>1</sup> – £11,792.71 EMA <sup>1</sup> – £52,189 MAN <sup>1</sup> – £109,378	
	Employee volunteering hours	Financial	MAN <sup>1</sup> EMA <sup>1</sup> BOH <sup>1</sup>	2,268 (MAN <sup>1</sup> and EMA <sup>1</sup> only)	3,755 (MAN <sup>1</sup> and EMA <sup>1</sup> only)	4,131	EMA <sup>1</sup> – 632 hours MAN <sup>1</sup> – 5556 hours BOH <sup>1</sup> – 148 hours	3,785 (MAN <sup>1</sup> target for 2011-12)



## KEY PERFORMANCE INDICATORS continued

Area	Indicator	Calendar or financial year	Airports	2009 or 2009/10	2010 or 2010/11	2011 or 2011/12	2012 or 2012/13	Target
<b>Colleague Engagement</b>								
<b>Health, safety and security</b>	RIDDOR <sup>3</sup> reportable accidents	Financial	All	34	33	28	27	
<b>Customer Satisfaction</b>								
<b>Customer satisfaction</b>	Overall ASQ rankings (in relevant benchmark group)	Calendar	MAN <sup>1</sup>	3.89	3.94	3.98	3.89	2013: Upper quartile position in relevant benchmark group for each airport.
			EMA <sup>1</sup>	3.95	3.95	3.95	4.03	
			BOH <sup>1</sup>	3.59	4.24	4.03	4.02	

## NOTES:

- 1 MAN = Manchester, EMA = East Midlands, BOH = Bournemouth, HUY = Humberside.
  - 2 The figures provided for Manchester Airport are for night flights (22:00–06:00). The figures provided for East Midlands Airport are for all flights, not just the night-time period.
  - 3 RIDDOR stands for the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations.
  - 4 The 2012-13 colleague engagement score was unavailable at the time of going print, due to the acquisition of Stansted Airport; therefore the overall figures had not been calculated.
- A Since our commitment to carbon neutrality was made, the voluntary carbon reporting guidelines published by DEFRA have been revised. DEFRA's long-standing advice that electricity from renewable sources such as wind and solar should be assumed to give rise to zero CO<sub>2</sub> emissions has changed. This change creates a significant negative impact on our business case for investment in renewable/zero carbon technology, eliminating the incentive to purchase renewable electricity at a premium. We believe that generating and purchasing renewable electricity can make an important contribution to reducing our CO<sub>2</sub> emissions and that industry can play an important part in stimulating the generation of the UK renewables industry. For this reason we are reporting our carbon emissions this year against our commitment as we originally set it out. Excluding the benefit of electricity purchased from renewable sources would have increased M.A.G's emissions by 82,118 tonnes in 2012-13.
- B The data above shows M.A.G's total CO<sub>2</sub> emissions as covered by our Carbon Neutral Commitment. This includes Scope 1 (oil, gas, and vehicle fuel), Scope 2 (electricity) and some Scope 3 (electricity, heating oil and fuel supplied to third-party tenants). The May 2012 DEFRA Emission Factors were used to calculate the 2011 footprint.



## DATA LIST

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

### Our environment

Total M.A.G net CO <sub>2</sub> emissions (tonnes)	23
2012 CO <sub>2</sub> emissions by source	24
Direct and indirect energy consumption	24
Direct and indirect energy consumption by airport	25
Proportion of M.A.G's electricity use from renewable sources (%)	25
Mains water consumption by M.A.G (m <sup>3</sup> )	26
Water quality testing:	
Samples within effluent discharge consent limits (%)	26
Samples within surface water discharge consent limits (5%)	27
Total waste	27
Proportion of waste diverted from landfill (%)	27
Land managed	28
Bird strikes	28

### Our communities

Community fund donations 2011-12	31
Colleague volunteering across M.A.G	33
Complaints about noise	34
Total night flying noise fines paid by airlines to our community fund (£)	35
Departures within Preferred Noise Routes (%)	35
Flights using Continuous Descent Approach (%)	35
Air quality monitoring at Manchester Airport (µg per m <sup>3</sup> )	35

### Our people

Average number of employees	36
Proportion of employees by division (%)	36
Employment types (%)	36
Total M.A.G health and safety incidents	37
Staff profile: ethnicity (%)	39
Staff profile: gender (%)	39
Staff profile: age (%)	39

### Our customers

Total number of passengers	42
Total number of aircraft movements	42
Purpose of journey (%)	43
Socio-economic group (%)	43
Age (%)	43
Country of residence (%)	43
Overall satisfaction: top-quartile target within relevant European benchmark group for each airport	44







## ASSURANCE STATEMENT

### SGS UNITED KINGDOM LTD'S REPORT ON ENVIRONMENT, COMMUNITIES, PEOPLE AND CUSTOMERS DATA AND DATA REPORTED IN THE GRI PERFORMANCE INDICATORS IN THE MANCHESTER AIRPORT GROUP CSR REPORT 2012/13

#### NATURE AND SCOPE THE ASSURANCE

SGS United Kingdom Ltd was commissioned by Manchester Airport Group (MAG) to conduct an independent verification of the data contained in the report and GRI table in their CSR Report for 2012/13. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included 2012 data contained in the following sections of this report:

#### Our Environment

- Total M.A.G Net CO2 Emissions
- 2011 CO2 Emissions by source
- Direct and Indirect Energy consumption
- Direct and indirect energy consumption by airport
- Proportion of M.A.G's electricity use from renewable sources
- East Midlands Airport Wind Turbine output
- Mains Water consumption by M.A.G
- Water Quality Testing: Samples within surface water discharge consent limits
- Water Quality Testing: Samples within effluent discharge consent limits
- Total waste
- Proportion of waste diverted from landfill
- Land managed
- Bird Strikes

#### Our Communities

- Community fund donations
- Colleague volunteering across M.A.G
- Complaints about noise
- Total night flying noise fines paid by airlines to our community fund
- Departures within Preferred Noise Routes
- Flights Using Continuous Descent Approach
- Air Quality Monitoring at Manchester Airport

#### Our People

- Average number of employees
- Proportion of Employees by Division
- Employment Types
- Total M.A.G 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: Top-Quartile target within relevant European Benchmark Group for each airport

#### Data reported in GRI table performance indicators

- EN19, EN20, EN21, EN22, EN23, EN24, EN30
- LA1, LA2, LA4, LA7, LA10, LA13, LA14, LA15
- HR3, HR5
- AO1, AO2, AO3, AO6, AO7

The information in the MAG Sustainability Report and its presentation are the responsibility of the directors and management of MAG. SGS United Kingdom Ltd has not been involved in the preparation of any of the material included in the Sustainability Report. Our responsibility is to express an opinion on the data within the scope of verification with the intention to inform all MAG's stakeholders. Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance.

This report has been assured at a moderate level of scrutiny using our protocols for evaluation of content veracity. The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2006) for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers. The assurance comprised a combination of interviews with relevant employees and documentation and record review at two MAG sites as follows:



- Manchester airport;
- East Midlands airport.

The sites were selected based on those submitting high proportions of key data. Documentation and record review included scrutiny of electronic data collection systems at site level, calculation and reporting data, including conversion factors used for calculation of carbon data, and a review of a sample of source documentation for all relevant indicators at all sites visited.

#### STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS United Kingdom Ltd affirm our independence from MAG, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders. The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors and assurers registered with IEMA and Environmental Management Systems Lead Auditors.

#### ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the data in the CSR Report 2012/13 and GRI performance indicators is reliable and provides a fair and balanced representation of MAG's activities in 2012. The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders.

#### Summary of Findings

Improvement opportunities are outlined below to regarding the data reporting systems for future reporting cycles:

- The community data is collated in a number of spreadsheets from which the reported corporate level data is drawn. During the verification site visits some data in the report wasn't easily repeatable from the spreadsheets and it is recommended that a system similar to that used for environmental or human resources data is established to ensure the robustness and reliability of the data.
- For data not collected using an established management system the procedures and roles and responsibilities for the collection and reporting processes, including information sources should be established to ensure that collation and reporting is performed consistently throughout the year.

The recommendations for future verification are the same as those made last year:

- Expand the scope of verification to include statements made in the report and GRI table.
- Evaluate the reported content against the GRI Principles.

**SGS United Kingdom Ltd**

**July 2013**

**WWW.SGS.COM**



## GRI INDEX

## G3.1 Content Index – Airport Operator Sector Supplement

## STANDARD DISCLOSURES PART I: Profile Disclosures

## 1. Strategy and Analysis

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
1.1	Statement from the most senior decision-maker of the organisation.		Welcome from CEO (Page 4).
1.2	Description of key impacts, risks and opportunities.		About us (Page 8). Corporate Social Responsibility strategy (Page 14). Managing sustainability (Page 16). Our Stakeholders (Page 17). Corporate Governance and Risk Management (Page 10). Key Performance indicators (Page 55). Our Future (Page 46). Sustainable growth (Page 50).

## 2. Organisational Profile

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
2.1	Name of the organisation.		About us (Page 8) Please note for reference, M.A.G = Manchester Airport Group plc, MAN = Manchester Airport, EMA = East Midlands Airport and BOH = Bournemouth Airport.
2.2 COMM	Primary brands, products, and/or services.		About us (Page 8).
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.		About us (Page 8).
2.3	Location of organisation's headquarters.		About us (Page 8).
2.4	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		About us (Page 8). M.A.G operates in the UK only.
2.6 COMM	Nature of ownership and legal form.		About us (Page 8). M.A.G operates under the name of The Manchester Airport Group plc and all M.A.G airports are governed by UK Aviation law, under the Civil Aviation Authority.
2.7 COMM	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).		About us (Page 8). Customer Service (Page 42). Airport websites also hold passenger destination information: <a href="http://www.manchesterairport.co.uk">www.manchesterairport.co.uk</a> , <a href="http://www.eastmidlandsairport.com">www.eastmidlandsairport.com</a> , <a href="http://www.bournemouthairport.com">www.bournemouthairport.com</a> . Cargo catchments are UK wide as the routing is determined by freight forwarders rather than by individual preference i.e. closest airport.



## STANDARD DISCLOSURES PART I: Profile Disclosures continued

## 2. Organisational Profile

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
2.8 COMM	Scale of the reporting organisation.		<p>Welcome from CEO (Page 4). Investing in our people (Page 36). Managing our land (Page 28).</p> <p>Airport employee numbers: Manchester – 2,085 East Midlands – 479 Bournemouth – 173.</p> <p>Estimated people employed on-site: Manchester – 20,000 East Midlands – 6,500 Bournemouth – 2,700.</p> <p>Annual Report and Accounts: Our Business Review (Page 16).</p> <p>Annual Report and Accounts: Consolidated income statement (Page 70).</p> <p>Annual Report and Accounts: Consolidated statement of financial position (Page 72).</p> <p>Annual Report and Accounts: Notes to the financial statement &gt; Reconciliation of net cash flow to movement in net debt (Page 74).</p> <p>Airport Land in km<sup>2</sup>: Manchester Airport: 8.00 km<sup>2</sup> East Midlands Airport: 4.45 km<sup>2</sup> Bournemouth Airport: 3.66 km<sup>2</sup>.</p> <p>Airport runways: Manchester Airport: 05L-23R 3,048m x 45m (24hr), 05R-23L 3,050m x 45m (06:00 – 22:00) East Midlands Airport: 09-27 2,893m x 45m Bournemouth Airport: 08-26 2,271m x 45m.</p> <p>Manchester Airport is the only airport within the group that has transit passengers. The minimum connection times are: Domestic to Domestic – 30 mins Domestic to International – 40 mins International to Domestic – 45 mins International to International – 40 mins.</p> <p>Number of airlines served: Manchester Airport: 53 East Midlands Airport: 29 Bournemouth Airport: 22.</p> <p>Destination Information is as per 2.7.</p>





## STANDARD DISCLOSURES PART I: Profile Disclosures continued

## 2. Organisational Profile

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
2.9	Significant changes during the reporting period regarding size, structure, or ownership.		Welcome from CEO (Page 4). About Us (Page 8).
2.10	Awards received in the reporting period.		Welcome from CEO (Page 4).

## 3. Report Parameters

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.		Our reporting (Page 54).
3.2	Date of most recent previous report (if any).		Our reporting (Page 54).
3.3	Reporting cycle (annual, biennial, etc).		Our reporting (Page 54).
3.4	Contact point for questions regarding the report or its contents.		Contact us (Page 101).
3.5	Process for defining report content.		Our Stakeholders (Page 17). Our reporting (Page 54).
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.		About Us (Page 8). Our reporting (Page 54).
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).		Our reporting (Page 54).
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.		Our reporting (Page 54).
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.		Our reporting (Page 54).
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).		There are no re-statements of data.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.		Our reporting (Page 54).  There have been no significant changes in the scope, boundary or the measurement methods. Manchester, East Midlands and Bournemouth Airports are represented in this year's report; however, due to Stansted Airport being purchased in March 2013, this airport has produced a separate sustainability report, which can be found on the company website.



## STANDARD DISCLOSURES PART I: Profile Disclosures continued

## 3. Report Parameters

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
3.12	Table identifying the location of the Standard Disclosures in the report.		GRI Index.
3.13	Policy and current practice with regard to seeking external assurance for the report.		All data within the report and the GRI Index has been assessed by external auditors and has been verified as being true and correct. Our reporting (Page 54). Independent Assurance Statement (Page 58).

## 4. Governance, Commitments, and Engagement

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.		Corporate Governance and Risk Management (Page 10). Diversity and Equality (Page 39). Annual Report and Accounts: Report on Corporate Governance (Page 44) The Board of Directors (Page 44) Directors' Remuneration Report (Page 52).
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.		Corporate Governance and Risk Management (Page 10). The M.A.G Chairman is Non-Executive.
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or Non-Executive members.		Corporate Governance and Risk Management (Page 10). The Group Board comprises four Executive Directors and eight Non-Executive Directors.
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.		Our stakeholders (Page 17). Colleague Engagement (Page 37). Annual Report and Accounts: Report on Corporate Governance (Page 44). Diversity and Equality (Page 39).
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).		Annual Report and accounts: Directors' Remuneration Report (Page 50).
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.		Annual Report and accounts: Report on Corporate Governance (Page 44) > Conflicts of Interest (Page 46).
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.		Annual Report and Accounts: Report on Corporate Governance (Page 42). The qualifications and expertise of the executive Board members are clearly outlined in their person specifications and role descriptions, as is the role of the Chair.
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.		Business Strategy and values (Page 9). Corporate Social Responsibility strategy (Page 14). Investing in our people (Page 36). Diversity and Equality (Page 39).



## STANDARD DISCLOSURES PART I: Profile Disclosures continued

## 4. Governance, Commitments, and Engagement

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.		Corporate Social Responsibility strategy (Page 14). Corporate Governance and Risk Management (Page 10). Annual Report and Accounts: Report on Corporate Governance (Page 44).  M.A.G complies fully with Civil Aviation Authority (CAA) Licensing requirements as a Licensed Airport Operator and with the CAA's requirements for licensed aerodromes. Manchester, East Midlands and Bournemouth Airports also hold the International ISO 14001 standard.
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.		Annual Report and Accounts: Directors' Remuneration Report (Page 52). Executive Directors have annual performance targets through annual performance reviews that are bonusable and non-bonusable, which specifically relate to our business work streams, business objectives e.g. commercial income, property income, business scorecard, which includes colleague engagement scores, customer service scores, energy efficiency rating and targets, such as airport quality survey results and environmental management targets, including achieving re-accreditation to ISO 140001 standards.
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.		Corporate Governance and Risk Management (Page 10).  Annual Report and Accounts: Report on Corporate Governance (Page 44) > Risk Management (Page 26).  While the precautionary principle is not specifically named in our policies, our approach to risk management in relation to both environmental and social impacts incorporates assessment of suspected though unproven harm and in such cases we err on the side of caution.
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.		Our stakeholders (Page 17). Policy Involvement (Page 12). Our Environment (Page 22). Managing sustainability (Page 16). GRI Index. Sustainable growth (Page 50).
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: *Has positions in governance bodies; *Participates in projects or committees; *Provides substantive funding beyond routine membership dues; or *Views membership as strategic.		Our Stakeholders (Page 17). Policy Involvement (Page 12).
4.14	List of stakeholder groups engaged by the organisation.		Our Stakeholders (Page 17).
4.15	Basis for identification and selection of stakeholders with whom to engage.		Our Stakeholders (Page 17).
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.		Our Stakeholders (Page 17). Managing sustainability (Page 16). Ground Transport (Page 29). Reducing our impact (Page 34). Colleague Engagement (Page 37). Customer Feedback (Page 44).



## STANDARD DISCLOSURES PART I: Profile Disclosures continued

## 4. Governance, Commitments, and Engagement

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.		Our Stakeholders (Page 17). Managing sustainability (Page 16). Ground Transport (Page 29). Reducing our impact (Page 34). Colleague Engagement (Page 37). Customer Feedback (Page 44).

## STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

AOSS DMAs	Disclosure	Level of reporting	Location of disclosure
<b>DMA EC</b>	<b>Disclosure on Management Approach EC</b>		
Aspects	Economic performance	Fully	Our approach to managing economic performance is covered in our Annual Report and Accounts.  Specific information can be found in the following sections: Annual report and Accounts: Chairman's Statement (Page 6) Annual report and Accounts: Chief Executive's Operating Review (Page 8) Annual report and Accounts: Financial Review (Page 16).
	Market presence	Fully	Annual report and Accounts: Chairman's Statement (Page 6). Annual report and Accounts: Chief Executive's Operating Review (Page 8). Annual report and Accounts: Financial Review (Page 16).
	Indirect Economic Impacts COMM	Fully	Annual report and Accounts: Chairman's Statement (Page 6). Annual report and Accounts: Chief Executive's Operating Review (Page 8). Annual report and Accounts: Financial Review (Page 16).  In addition, information can be found in the following sections of the sustainability report: Our Future (Page 48) Investing in our communities (Page 30) Our community funds (Page 31) About us (Page 8) Business Strategy and values (Page 9).
<b>DMA EN</b>	<b>Disclosure on Management Approach EN</b>		
Aspects	Materials	Fully	Our environment (Page 22). Environmental management (Page 22). Water and waste (Page 26).  M.A.G is a service provider and materials are not deemed to be material to our business, as we do not consume large amounts. As a major energy user, we take a considered approach to the fuel we use and how this is provided. Manchester, East Midlands and Bournemouth Airports all source 100% renewable electricity and renewable energy is generated on site at both East Midlands and Bournemouth Airports.  Our airports also use de-icer during periods of bad weather and this is managed in conjunction with our airlines and handlers. All airports take the discarding of de-icer incredibly seriously and this is managed through strict procedures for the discarding of this material.





## STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs) continued

## Disclosure on Management Approach EN

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
	Energy COMM	Fully	Our Environment (Page 22). Environmental Management (Page 22). Our future (Page 48). Sustainable growth (Page 50).
	Water COMM	Fully	Water and Waste (Page 26). Sustainable growth (Page 50).
	Biodiversity COMM	Fully	Managing our land (Page 28).
	Emissions, effluents and waste COMM	Fully	Environmental Management (Page 22). Water and waste (Page 26). Managing air quality (Page 35). Ground transport (Page 29).
	Products and services	Fully	Reducing operational noise (Page 34). Managing air quality (Page 35). Colleague Engagement (Page 37). Customer service (Page 42). Customer Feedback (Page 44). Ground transport (Page 29). Our future (Page 48). Sustainable growth (Page 50).
	Compliance	Fully	Policy involvement (Page 12). Managing sustainability (Page 16). Environmental management (Page 22).  Non-compliance with laws and regulations concerning the environment is considered important to M.A.G and M.A.G will always endeavour to follow all laws and regulations. There have been no cases of non-compliance during the reporting period.  See our Master Plans at: <a href="http://www.magworld.co.uk/magweb.nsf/Content/MasterPlans">www.magworld.co.uk/magweb.nsf/Content/MasterPlans</a>
	Transport COMM	Fully	Our Future (Page 48). Customer service (Page 42). Our Environment (Page 22). Ground transport (Page 29). Managing air quality (Page 35). Sustainable growth (Page 50).  Each Ground Transport Strategy is included in the Master Plan for all airports (a published source), which is available at: <a href="http://www.magworld.co.uk/magweb.nsf/Content/MasterPlans">www.magworld.co.uk/magweb.nsf/Content/MasterPlans</a>
	Inter-modality	Fully	Our Future (Page 48). Our Environment (Page 22). Ground transport (Page 29).  Each M.A.G airport has a Master Plan (a published source), which is available at: <a href="http://www.magworld.co.uk/magweb.nsf/Content/MasterPlans">www.magworld.co.uk/magweb.nsf/Content/MasterPlans</a>



## STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs) continued

## Disclosure on Management Approach EN

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
	Overall	Fully	Environmental management (Page 22). Water and waste (Page 26). Managing our land (Page 28). Reducing operational noise (Page 34). Reducing our impact (Page 34). Ground transport (Page 29)  Environmental expenditures are considered to be appropriate for the management of environment protection, prevention and investment for all airports. A significant amount is invested into the safe disposal of waste and environmental management costs, such as, the treatment of emissions, the treatment of spillages that have the potential to affect the local watercourses and maintenance. Investment is deemed to be particularly important with budget allocated to the installation of cleaner technology, the purchasing of green electricity and the education and training of staff members.
	Noise	Fully	Reducing operational noise (Page 34). Reducing our impact (Page 34).

## DMA LA Disclosure on Management Approach LA

Aspects	Employment COMM	Fully	Investing in our people (Page 36). Rewarding and recognising our colleagues (Page 40). Training and development (Page 40). Recruiting our workforce (Page 41).  Key employment rates are covered in LA2 and LA15.
	Labour/management relations COMM	Fully	Investing in our people (Page 36). Recruiting our workforce (Page 41). Corporate social responsibility strategy (Page 14). CSR objectives (Page 14). Diversity and Equality (Page 39). Sustainable growth (Page 50)
	Occupational health and safety COMM	Fully	This information is covered in LA6, LA7, LA8 and LA 9, in addition to the following sections: Investing in our people (Page 36) Health and safety (Page 37) Investing in our communities (Page 30).
	Training and education	Fully	This information is covered in LA10 and LA12 in addition to the following sections: Investing in our people (Page 36) Training and development (Page 40).
	Diversity and equal opportunity	Fully	Diversity and Equality (Page 39). In addition to specific data in LA13.



## STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs) continued

## Disclosure on Management Approach LA

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
	Equal remuneration for women and men	Fully	<p>Diversity and Equality (Page 39).</p> <p>Treating all employees fairly and equally is taken very seriously across M.A.G airports. M.A.G has a strict dignity at work policy in place and discrimination is dealt with in line with company policy.</p> <p>M.A.G monitors gender and equal remuneration for women and men and the ratio of basic salary and remuneration of women to men has been based on all M.A.G colleagues on National Wage Average or under. The overall salary ratio for male to female is 1: 1.07.</p>

## DMA HR Disclosure on Management Approach HR

DMA HR	Disclosure on Management Approach HR		
Aspects	Investment and procurement practices	Fully	<p>Supply chain (Page 13).</p> <p>M.A.G does not invest in other organisations. M.A.G has a solid procurement policy in place, which includes sustainability criteria.</p> <p>M.A.G states that all contracts must be executed in accordance with UK law, in which clearly human rights are addressed for all tier 1 suppliers, therefore 100% of these suppliers have undergone human rights screening, with no actions taken. M.A.G has no direct relationship with tier 2 suppliers and beyond.</p> <p>MAG's Dignity at Work Policy aims to ensure that any inappropriate behaviour which does occur in the workplace is dealt with seriously, in a balanced, sensitive and confidential manner so that the matter can be resolved as quickly as possible for all concerned.</p>
	Non-discrimination		Diversity and Equality (Page 39).
	Freedom of association and collective bargaining	Fully	<p>Diversity and equality (Page 39)</p> <p>All M.A.G employees are free to join unions and to engage in collective bargaining. There are three trade unions open to colleagues and during the reporting period 93.02% of employees are covered by collective bargaining agreements. In total 44% of employees are members of a trade union.</p>
	Child labour	Fully	All M.A.G operations are in the UK and do not involve any child labour. All recruitment is within the UK law and follows best practice guidelines.
	Prevention of forced and compulsory labour COMM	Fully	All M.A.G operations are in the UK and do not involve any forced or compulsory labour. All recruitment is within UK law and follows best practice guidelines.
	Security practices COMM		Being safe and secure (Page 44).
	Indigenous rights	Fully	All of MAG's operations are in the UK and are covered by UK law, and our operations therefore do not involve any issues relating to the rights of indigenous people.
	Assessment	Fully	All of M.A.G operations have been subject to human rights reviews and/or impact assessments. The entire M.A.G operation has been risk reviewed and any associated risks with regards to human rights have been identified and appropriately mitigated.
	Remediation	Fully	All M.A.G operations are in the UK and there have been no cases of grievances relating to human rights during the reporting period.



## STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs) continued

## Disclosure on Management Approach SO

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
Aspects	Local communities COMM	Fully	Investing in our communities (Page 30). Our community funds (Page 31). Reducing operational noise (Page 34). Managing air quality (Page 35). Ground transport (Page 29). Our Environment (Page 22). Managing our land (Page 28). Our Future (Page 48). Sustainable growth (Page 50). Additional data can be found in SO1 and AO8.
	Corruption	Fully	Diversity and equality (Page 39).  100% of business units have been analysed for risks related to corruption and during the reporting period there were no incidents of corruption. The entire M.A.G operation has been risk reviewed and any associated risks with regards to corruption have been identified and appropriately mitigated. 100% of employees have been trained in the organisation's anti-corruption policies and procedures. The anti-bribery and corruption policy is available on the company intranet and policies and procedures are communicated via line managers.
	Public policy	Fully	Our Stakeholders (Page 17). Managing sustainability (Page 16). Policy involvement (Page 12).  Additional data can be found in SO6.
	Anti-competitive behaviour	Fully	M.A.G, as a UK company, are subject to the rules and regulations of the Competition Act 1998 and the Enterprise Act 2002 which regulate both UK competition law and monopoly and merger practices. M.A.G has internal policies and protocols in place to ensure compliance with this legislation. These policies and protocols have been highlighted under M.A.G's risk management framework and as such are currently under review and mitigating action, where necessary, will be taken.
	Compliance	Fully	Being safe and secure (Page 44).  Compliance with laws and regulations is of upmost importance to M.A.G. The aviation industry is heavily regulated, predominantly for safety and M.A.G will always endeavour to follow all laws and regulations. There have been no cases of non-compliance during the reporting period.

## DMA PR Disclosure on Management Approach PR

Aspects	Customer health and safety COMM	Fully	Health and Safety (Page 37). Managing our land (Page 28). Being safe and secure (Page 44). Additional data can be found in PR1 and PR2.
	Product and service labelling	Fully	Customer service (Page 42). Customer Feedback (Page 44). Additional data can be found in PR3 and PR4.





## STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs) continued

## Disclosure on Management Approach PR

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
	Marketing communications	Fully	<p>Customer service (Page 42). Being safe and secure (Page 44). Customer feedback (Page 44).</p> <p>M.A.G conducts marketing in the UK and marketing communications is broken down into product marketing, awareness marketing and joint campaign marketing with our partners. Marketing is conducted both on the internet and through non internet forms, with an emphasis on print marketing. M.A.G adheres to the rules, regulations, laws and codes of practice of the following organisations: Internet Advertising Bureau (IAB), the Advertising Standards Agency (ASA), Ofcom and the Data Protection Act. All policies relating to marketing communications are reviewed annually or when codes of practice are updated. M.A.G does not sell products or services that are banned in certain markets, or are the subject of stakeholder questions or public debate</p>
	Customer privacy	Fully	<p>Customer privacy and data is of great importance to M.A.G and all data is dealt with in accordance with UK law and regulation. There have been no substantiated complaints regarding breaches of customer privacy and losses of customer data during the reporting period.</p>
	Compliance	Fully	<p>Being safe and secure (Page 44).</p> <p>Non-compliance with laws and regulations concerning the provision and use of products and services is considered important to M.A.G and M.A.G will always endeavour to follow all laws and regulations. There have been no cases of non-compliance during the reporting period.</p>
	Business continuity and emergency preparedness	Fully	<p>Risk management (Page 10).</p> <p>All UK airports are required to have emergency and contingency plans in place in line with the requirements of the Civil Aviation Authority (CAA), specifically CAP168 'Licensing of Aerodromes' and the Civil Contingencies Act 2004. All M.A.G airports comply to this regulation and have specific measures in place to ensure business continuity and emergency preparedness.</p> <p>M.A.G airports manage and mitigate the risk of emergencies occurring through the safety management and risk assessment processes which are laid down in the individual Airport's Safety Management Systems Manual. Emergency Plans are promulgated to all relevant agencies and on-site operators. For example, at East Midlands Airport, the plans are overseen by the Emergency Planning department, who have an audit programme in place to ensure that all internal department and external agency procedures are aligned with the Emergency Plan. They also audit the training and exercising of these procedures.</p> <p>An annual programme of both tabletop and live exercises are in place to test emergency, contingency/business continuity and security scenarios. Internal and multi-agency committees are held on a regular basis to assess the adequacy of the arrangements in place and to plan the licensing exercise for the year.</p>



## STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs) continued

## Disclosure on Management Approach PR

Profile Disclosure	Disclosure	Level of reporting	Location of disclosure
	Service quality	Fully	Customer service (Page 42). Customer Feedback (Page 44).
	Provision of services or facilities for persons with special needs	Fully	Every UK airport is governed by European law to provide a service for disabled passengers and persons with reduced mobility (PRM). All M.A.G airports provide a service, which is carried out either by an external service provider, which are monitored on a weekly basis to ensure that Service Level Agreements are met, or in-house, which is fully controlled by our airports and all services, both in-house and externally provided, meet the requirements set out by European Legislation. In addition, all services meet international standards and recommendations, that have been developed in this area by European Civil Aviation Conference (ECAC) and the International Civil Aviation organisation (ICAO).

## STANDARD DISCLOSURES PART III: Performance Indicators

## Economic

Indicator	Disclosure	Level of reporting	Location of disclosure
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	About us (Page 8). Our community funds (Page 31). Annual Report and Accounts: Annual report and Accounts: Chairman's Statement (Page 6) Annual report and Accounts: Chief Executive's Operating Review (Page 8) Annual report and Accounts: Financial Review (Page 16).
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Fully	The organisation's senior managers consider climate change and the risks and opportunities it presents to the organisation extremely seriously. In addition to regular monthly reporting by each airport, the airport group also has a Corporate Social Responsibility (CSR) Board, which was formed in 2011. The CSR Board comprises a cross section of senior executives and also has representation from the Group Board; including a Non-Executive Director. The CSR Board provides an independently minded review and challenge of our work in this area and the findings from the Board are reported to the Executive Committee. The Executive Committee and Group Board receive periodic performance updates. All M.A.G Airports report regularly on sustainability performance.  In 2012-13, we were required to purchase sufficient credits from the Environment Agency to cover our regulated emissions. In 2012-13, credits were sold at £12 per tonne of carbon dioxide, adding a further incentive to reduce the amount of energy we use. This is considered to be a financial risk, particularly as the price of carbon credits is expected to increase sharply. As M.A.G has invested heavily in energy reduction and renewable energy production on-site this risk has been reduced.



## Economic continued

Indicator	Disclosure	Level of reporting	Location of disclosure																					
Economic performance																								
			<p>In 2011-12 M.A.G completed an assessment of the risk posed to the business by the need to adapt its operations in response to climate change. The resulting report was submitted to and approved by the Secretary of State. The report will be reviewed and updated bi-annually. The assessment highlighted a likely increase in the capital cost of some developments to ensure that they are appropriately robust.</p> <p>M.A.G is open to all new technologies, products and services to address challenges relating to climate change and is currently at the forefront in the aviation industry for implementing techniques that are not commonly associated with airports. M.A.G has not quantitatively estimated all of the financial implications of climate change and has assessed any regulatory risks and potential competitive advantages, as part of a business risk review.</p> <p>During 2012-13, the UK experienced a prolonged cold spell over the winter months, including heavy snowfall. During this time, an increased amount of pavement and aircraft de-icer was used. Our airports are responsible for the pavement de-icer, which had a financial implication as more stock was purchased across the Group. Contingency plans for extreme weather are in place, as part of the risk analysis for the business.</p>																					
EC3	Coverage of the organisation’s defined benefit plan obligations.	Fully	<p>Rewarding and recognising our colleagues (Page 40).</p> <p>Annual Report and Accounts: Annual report and Accounts: Chairman’s Statement (Page 6) Annual report and Accounts: Chief Executive’s Operating Review (Page 8) Annual report and Accounts: Financial Review (Page 16) Consolidated Income Statement (Page 70) Notes to Consolidated Financial Statements (Page 74).</p>																					
EC4	Significant financial assistance received from government.	Fully	We do not receive any significant financial assistance from government.																					
Market presence																								
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	<p>To calculate the range of ratios of standard entry level wage by gender compared to local minimum wage, we used data for all operational staff who meet or are below the national average salary of £26,500. No Employee of M.A.G is paid at or below the national minimum wage. The significant location is the group airport, within the UK.</p> <p><b>All Colleagues at or below National Average Salary</b></p> <table><thead><tr><th></th><th>Total Number of Colleagues</th><th>Number of Full Time Employees</th><th>Number of Part Time Employees</th><th>Number of Casual Employees</th><th>Average Salary</th><th>Ratio</th></tr></thead><tbody><tr><td>Male</td><td>1140</td><td>859</td><td>256</td><td>25</td><td>£15,761.70</td><td>1.07</td></tr><tr><td>Female</td><td>757</td><td>436</td><td>286</td><td>35</td><td>£14,707.40</td><td>1.00</td></tr></tbody></table>		Total Number of Colleagues	Number of Full Time Employees	Number of Part Time Employees	Number of Casual Employees	Average Salary	Ratio	Male	1140	859	256	25	£15,761.70	1.07	Female	757	436	286	35	£14,707.40	1.00
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Female	757	436	286	35	£14,707.40	1.00																		



## Economic continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																																						
Market presence																																																									
			<div><div>Breakdown by National Minimum Wage Groups</div><div><div>Under 18 Years of Age (Apprentices)</div><table><tr><th></th><th>Number of Colleagues</th><th>Average Salary</th><th>National Minimum Wage</th><th>% Average Salary vs Minimum Wage</th><th>Ratio</th></tr><tr><td>Male</td><td>2</td><td>£3.68</td><td>£2.65</td><td>139%</td><td>1</td></tr><tr><td>Female</td><td>0</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr></table></div><div><div>18 – 20 Years of Age</div><table><tr><th></th><th>Number of Colleagues</th><th>Average Salary</th><th>National Minimum Wage</th><th>% Average Salary vs Minimum Wage</th><th>Ratio</th></tr><tr><td>Male</td><td>9</td><td>£6.74</td><td>£4.98</td><td>135%</td><td>1</td></tr><tr><td>Female</td><td>10</td><td>£7.53</td><td>£4.98</td><td>151%</td><td>1</td></tr></table></div><div><div>Aged 21 or Over</div><table><tr><th></th><th>Number of Colleagues</th><th>Average Salary</th><th>National Minimum Wage</th><th>% Average Salary vs Minimum Wage</th><th>Ratio</th></tr><tr><td>Male</td><td>1129</td><td>£8.64</td><td>£6.19</td><td>139%</td><td>1</td></tr><tr><td>Female</td><td>747</td><td>£9.13</td><td>£6.19</td><td>147%</td><td>1.06</td></tr></table></div></div>		Number of Colleagues	Average Salary	National Minimum Wage	% Average Salary vs Minimum Wage	Ratio	Male	2	£3.68	£2.65	139%	1	Female	0	N/A	N/A	N/A	N/A		Number of Colleagues	Average Salary	National Minimum Wage	% Average Salary vs Minimum Wage	Ratio	Male	9	£6.74	£4.98	135%	1	Female	10	£7.53	£4.98	151%	1		Number of Colleagues	Average Salary	National Minimum Wage	% Average Salary vs Minimum Wage	Ratio	Male	1129	£8.64	£6.19	139%	1	Female	747	£9.13	£6.19	147%	1.06
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EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	<div><div>Supply chain (Page 13). Corporate Social Responsibility Strategy (Page 14). Our Future (Page 48). Sustainable growth (Page 50).</div><div>M.A.G cannot by law favour local contractors. Under UCR regulations (OJEU) it would be a breach of UK and European contract law to do so as we are classed as a public utility and therefore captured under OJEU legislation. To specifically favour local contractors would be discriminatory under this legislation and leave us open to substantial fines and legal action by the European commission. On the other hand, we have a robust sustainability policy which monitors contractors against and actively encourages contribution through contracting at regional level.</div></div>																																																						
AO1	Total number of passengers annually, broken down by passengers on international and domestic flights and broken down by origin-and-destination and transfer, including transit passengers.	Fully	<table><tr><th></th><th>Bournemouth</th><th>East Midlands</th><th>Manchester</th><th>Total</th></tr><tr><td>Charter Passengers</td><td>183,573</td><td>985,080</td><td>4,594,089</td><td>5,829,503</td></tr><tr><td>Scheduled Passengers</td><td>485,844</td><td>2,997,431</td><td>15,208,414</td><td>18,796,900</td></tr><tr><td>Total</td><td>669,417</td><td>3,982,511</td><td>19,802,503</td><td>24,626,403</td></tr></table>		Bournemouth	East Midlands	Manchester	Total	Charter Passengers	183,573	985,080	4,594,089	5,829,503	Scheduled Passengers	485,844	2,997,431	15,208,414	18,796,900	Total	669,417	3,982,511	19,802,503	24,626,403																																		
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Charter Passengers	183,573	985,080	4,594,089	5,829,503																																																					
Scheduled Passengers	485,844	2,997,431	15,208,414	18,796,900																																																					
Total	669,417	3,982,511	19,802,503	24,626,403																																																					





## Economic continued

Indicator	Disclosure	Level of reporting	Location of disclosure
Market presence			
			<div><div>Domestic</div><div><div>Arriving</div><div>3,240</div><div>180,455</div><div>1,146,115</div><div>1,344,391</div></div><div><div>Departing</div><div>2,525</div><div>177,199</div><div>1,143,443</div><div>1,337,484</div></div><div><div>Total</div><div>5,765</div><div>357,654</div><div>2,289,558</div><div>2,681,875</div></div></div> <div><div>International</div><div><div>Arriving</div><div>333,982</div><div>1,815,853</div><div>8,770,731</div><div>10,991,834</div></div><div><div>Departing</div><div>329,670</div><div>1,809,004</div><div>8,742,214</div><div>10,952,694</div></div><div><div>Total</div><div>663,652</div><div>3,624,857</div><div>17,512,945</div><div>21,944,528</div></div></div> <div><div>O&amp;D</div><div>669,417</div><div>3,982,511</div><div>19,482,418</div><div>24,306,318</div></div> <div><div>Transfer</div><div>-</div><div>-</div><div>320,085</div><div>320,085</div></div> <div><div>Transit</div><div>5,005</div><div>15,618</div><div>163,683</div><div>184,836</div></div> <div><div>Total</div><div>674,422</div><div>3,998,129</div><div>172,502</div><div>24,811,239</div></div>
AO2	Annual total number of aircraft movements by day and by night, broken down by commercial passenger, commercial cargo, general aviation and state aviation flights.	Fully	<div><div>Commercial Cargo Air Traffic Movements (ATM's)</div><div><div>Domestic</div><div><div>M.A.G Airport Name</div><div>Scheduled Time – Day/Night Flag Total</div><div>ATM's</div><div>Total</div></div><div><div>Bournemouth</div><div>Day</div><div>1,429</div><div></div></div><div><div></div><div>Night</div><div>1,423</div><div></div></div><div><div>Bournemouth Total</div><div></div><div></div><div>2,852</div></div></div><div><div>East Midlands</div><div>Day</div><div>4,251</div><div></div></div><div><div></div><div>Night</div><div>7,808</div><div></div></div><div><div>East Midlands Total</div><div></div><div></div><div>12,059</div></div></div> <div><div>Manchester</div><div>Day</div><div>423</div><div></div></div> <div><div></div><div>Night</div><div>6</div><div></div></div> <div><div>Manchester Total</div><div></div><div></div><div>429</div></div> <div><div>Grand Totals</div><div></div><div></div><div></div><div></div></div> <div><div>Grand Total Day</div><div></div><div></div><div></div><div>6,103</div></div> <div><div>Grand Total Night</div><div></div><div></div><div></div><div>9,237</div></div> <div><div>Grand Total</div><div></div><div></div><div></div><div>15,340</div></div>



## Economic continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																																																																																																																														
Market presence																																																																																																																																																	
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## 76 OUR PERFORMANCE

M.A.G Corporate Social Responsibility Report 2012-13

Economic continued										
Indicator	Disclosure	Level of reporting	Location of disclosure							
Market presence										
			General Aviation							
			Day	7,240	15,810	42,182	74,699			
			Night	1,218	1,295	583	3,154			
			State Aviation							
			Day	0	0	0	0			
			Night	0	0	0	0			
			Total				167,763	73,434	49,885	311,112
			AO3	Total amount of cargo tonnage.	Fully	M.A.G Airport Name	Flight Type Accord Code	Arriving or Departing Flag		Cargo Weight (kg)
						Bournemouth	Bellyhold	Arriving	19,086	
								Departing	19,947	
Pure Cargo	Arriving	3,714,165								
	Departing	6,510,978								
Total		Arriving				3,733,251				
		Departing				6,530,925				
East Midlands	Bellyhold	Arriving				35,393				
		Departing				52,395				
	Pure Cargo	Arriving				149,702,875				
		Departing				146,086,631				
Total		Arriving				149,738,268				
		Departing				146,139,026				
Manchester	Bellyhold	Arriving				44,574,843				
		Departing				37,455,352				
	Pure Cargo	Arriving				8,830,463				
		Departing				6,746,716				
Total		Arriving				53,405,306				
		Departing				44,202,068				
Grand Total		Arriving				206,876,825				
		Departing				196,872,019				



**Economic continued**

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Market presence</b>			
EC7 COMM	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	<p>Recruiting our workforce (Page 41).</p> <p>M.A.G is committed to treating all colleagues and job applicants fairly and to recruiting the best person for each vacancy. Our recruitment policy is underpinned by the company's commitment to diversity, the need to raise corporate competence and the desire to provide job security in the event of a need for redeployment of existing colleagues. There is no separate policy for local hiring.</p> <p>Our approach is based on a number of key principles:</p> <ul style="list-style-type: none"> <li>– All candidates will be treated with fairness, respect and in a way that maximises equality of opportunity;</li> <li>– All managers and HR team members taking part in recruitment and selection will be competent to do so;</li> <li>– Interviews will assess candidates against job-related criteria only, i.e. those which relate to the requirements of the job;</li> <li>– All information held about a candidate will be used only for the purpose for which the information has been collected;</li> <li>– We will make reasonable adjustments to reduce any disadvantage faced by people with disabilities in making an application;</li> <li>– Any qualifications or requirements applied to a job that have or may have the effect of inhibiting applications from certain groups of the population should only be retained if they can be justified in terms of the job to be done;</li> <li>– Interviews should be conducted by at least two interviewers, with the exception of those for volume recruitment, which will usually be conducted by one interviewer;</li> <li>– Any offers will be made subject to acceptable vetting, references and medical screening or examination.</li> </ul>
<b>Indirect economic impacts</b>			
EC8 COMM	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	<p>Our Future (Page 48).</p> <p>Investing in our communities (Page 30).</p> <p>Our community funds (Page 31).</p>
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	<p>About us (Page 8).</p> <p>Corporate Social Responsibility strategy (Page 14).</p> <p>Our Future (Page 48).</p> <p>Investing in our communities (Page 30).</p> <p>Our community funds (Page 31).</p> <p>The economic impact of airports can be measured through the number of jobs that are supported and the income gross value-added (GVA) that is generated. This can be either on-site or off-site, and be direct or indirect. Direct employment and income is that which is wholly related to the operation of the airport and arises at the airport or in the immediate local area. Indirect activity is employment or income generated in the supply chain of goods and services. Research has shown that M.A.G airports support around 135,000 jobs and generate some £3.2bn of income in the UK.</p>





Environmental			
Indicator	Disclosure	Level of reporting	Location of disclosure
Materials			
EN1	Materials used by weight or volume.	Fully	As a service provider, we do not consume large quantities of raw materials. However, we are a major energy user and our energy consumption is reported in EN3 and EN4.  Our organisation also uses de-icer during periods of adverse weather, consumption data is included in: How we manage water usage and quality.
EN2	Percentage of materials used that are recycled input materials.	Fully	As a service provider, this indicator is not material to our business. For electricity – please see Environmental Management (Page 22) and 0% of de-icer is recycled.
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	Environmental Management (Page 22).  <b>Direct energy consumption from non-renewable primary source</b> Vehicle Fuel: 2,330,839 litres/90,016 GJ Gas: 102,317,994 litres/51 GJ Liquefied Petroleum Gas: 14,181 litres/340 GJ Gas Oil: 112,500 litres/4,405 GJ  <b>Direct energy consumption from renewable primary source</b> Biofuel: 35,535 litres/1,177 GJ
EN4	Indirect energy consumption by primary source.	Fully	Environmental Management (Page 22).  In direct imported renewable electricity: 159,331,177 kWh/573,588 GJ. In direct renewable generated on-site kWh/1,883 GJ 523,162. 100% of M.A.G's electricity supply is from renewable sources.
EN5 COMM	Energy saved due to conservation and efficiency improvements.	Fully	Environmental Management (Page 22).  Through energy conservation and efficiency improvements, saved a total of 6,491,949kWh/23,371 GJ.
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	M.A.G is a service led organisation, which has control over ground operations at an airport, the terminal buildings and the site and has implemented a number of initiatives to provide energy-efficient or renewable energy based services. Overall energy conservation and efficiency improvements have saved a total of 6,491,949kWh.  Environmental Management (Page 22).
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	Environmental Management (Page 22).



**Environmental continued**

Indicator	Disclosure	Level of reporting	Location of disclosure				
Water							
EN8	Total water withdrawal by source.	Fully	m <sup>3</sup>	MAN	EMA	BOH	Total
			Mains	517,602	110,838	128,595	757,03
			Rainwater recycling	0	430	0	430
AO4	Quality of storm water by applicable regulatory standards.	Fully	The surface water regulatory standard is environmental permits. Samples are obtained from outfall to receiving water and analysed at a laboratory to MCERTS standards. Permit limits are: BOD 10 mg/l (15m/l at EMA), Suspended solids 50 mg/l, Ammonia 2 mg/l, Oil 10 mg/l pH 5-9. Samples obtained from outfall to receiving water and analysed at a laboratory to UKAS standards.				
EN9	Water sources significantly affected by withdrawal of water.	Fully	No water sources are significantly affected by our withdrawal of water. The vast majority of our water is from the mains supply. More information is supplied in EN21 and EN23.				
EN10	Percentage and total volume of water recycled and reused.	Fully	Rainwater is only harvested at East Midlands Airport, due to a new building extension to the terminal. M.A.G is committed to ensuring the greenest building options across all new buildings and this will continue with the other airports as and when new buildings are erected. 430m <sup>3</sup> of rainwater was harvested at East Midlands Airport in 2012-13.				
Biodiversity							
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	Managing our land (Page 28).				
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	Managing our land (Page 28).				
EN13	Habitats protected or restored.	Fully	Managing our land (Page 28).				
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	Managing our land (Page 28).				
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Fully	There are no IUCN Red list species and national conservation list species with habitats in areas affected by M.A.G operations.				



## Environmental continued

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Emissions, effluents and waste</b>			
EN16 COMM	Total direct and indirect greenhouse gas emissions by weight.		<p>Environmental Management (Page 22).</p> <p>Direct – 23,902 tonnes. Indirect – 0 tonnes (Excluding the benefit of electricity purchased from renewable sources would have increased M.A.G's emissions by 82,118 tonnes in 2012-13).</p> <p>The footprint scope is as defined within the M.A.G Carbon Neutral Commitment, which includes Scope 1 (oil, gas, and vehicle fuel), Scope 2 (electricity) and some Scope 3 (electricity, heating oil and fuel supplied to third-party tenants). The May 2012 Defra Emission Factors were used to calculate the 2011 footprint. Defra/DECC Emission Factors (May 2012 release) were used to calculate emissions as outlined in the Environmental Management section of the CSR report.</p>
EN17	Other relevant indirect greenhouse gas emissions by weight.		<p>Environmental Management (Page 22).</p> <p>Indirect – 0 tonnes (Excluding the benefit of electricity purchased from renewable sources would have increased M.A.G's emissions by 82,118 tonnes in 2012-13).</p> <p>The footprint scope is as defined within the M.A.G Carbon Neutral Commitment, which includes Scope 1 (oil, gas, and vehicle fuel), Scope 2 (electricity) and some Scope 3 (electricity, heating oil and fuel supplied to third-party tenants). The May 2012 Defra Emission Factors were used to calculate the 2012-13 footprint. Defra/DECC Emission Factors (May 2012 release) were used to calculate emissions as outlined in the Environmental Management section of the CSR report.</p>
EN18 COMM	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	<p>Environmental Management (Page 22). Water and Waste (Page 26). Sustainable Growth (Page 50).</p> <p>Through energy conservation, reduction and efficiency improvements, we saved a total of 6,491,949kWh.</p>
EN19	Emissions of ozone-depleting substances by weight.		<p>Fluorinated greenhouse gases (F gases) are mainly used as the refrigerant in air conditioning and commercial refrigeration systems. The total weight of F gases is 136kg, which is equal to 187 tonnes of CO<sub>2</sub> equivalent.</p>
EN20	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.	Fully	<p>Managing air quality at our airports (Page 35).</p> <p>Continual fixed air quality monitoring is in place at Manchester and East Midlands Airports, please see the results of the air emissions that are monitored below. All data is presented in annual average ug/m<sup>3</sup>.</p>



## Environmental continued

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	EMA	18.0	18.7	15.0	13.0	14.0																																																																																																																						
	BOH	-	-	-	-	-																																																																																																																						
PM2.5	MAN	9.0	10.0	10.5	9.4	-																																																																																																																						
	EMA	-	-	-	-	-																																																																																																																						
	BOH	-	-	-	-	-																																																																																																																						
EN21	Total water discharge by quality and destination.	Fully	<p>This information is only available for Manchester Airport, as it has further advanced measurement systems in place, that is not available at the three smaller airports.</p> <table><tr><td>Manchester</td><td>Utility company sewer</td><td>Surface Water</td><td>Soakaway</td></tr><tr><td>De-icer contaminated surface water m³</td><td>1,567,730</td><td>0</td><td>0</td></tr><tr><td>Aircraft and vehicle wash water m³</td><td>1,967</td><td>0</td><td>0</td></tr><tr><td><b>Total</b></td><td><b>1,569,697</b></td><td><b>0</b></td><td><b>0</b></td></tr></table> <p>Please note: There is no effluent meter at the fire station to record the volume of fire training effluent discharged. We are now recording the number of hours the pumps operate in order to calculate a volume for 2013/14.</p>	Manchester	Utility company sewer	Surface Water	Soakaway	De-icer contaminated surface water m³	1,567,730	0	0	Aircraft and vehicle wash water m³	1,967	0	0	<b>Total</b>	<b>1,569,697</b>	<b>0</b>	<b>0</b>																																																																																																									
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## Environmental continued

Indicator	Disclosure	Level of reporting	Location of disclosure				
Emissions, effluents and waste							
EN22 COMM	Total weight of waste by type and disposal method.	Fully	Manchester (tonnes)				
			Non-hazardous solid waste	Hazardous Waste	Liquid waste	Total	
			Reuse	0.0	0.0	0.0	0.0
			Recycling	1735.5	28.5	0.0	1764.0
			Recovery	3639.5	12.8	241.6	3893.9
			Composting	14.3	0.0	0.0	14.3
			Incineration (or use as fuel)	0.0	0.0	0.0	0.0
			Landfill	2262.5	0.0	0.0	2262.5
			Deep well injection	0.0	0.0	0.0	0.0
			On-site storage	0.0	0.0	0.0	0.0
			Total	7651.8	41.3	241.6	7934.7
			Bournemouth (tonnes)				
			Non-hazardous solid waste	Hazardous Waste	Liquid waste	Total	
			Reuse	0	1	0	0
			Recycling	116	0	0	116
			Recovery	0	0	0	0
			Composting	0	0	0	0
			Incineration (or use as fuel)	0	0	0	0
			Landfill	23	0	0	23
			Deep well injection	0	0	0	0
			On-site storage	0	0	0	0
			Total	139	1	0	140



## Environmental continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																																							
Emissions, effluents and waste																																																										
			<table><tr><th colspan="5">East Midlands (tonnes)</th></tr><tr><th></th><th>Non-hazardous solid waste</th><th>Hazardous Waste</th><th>Liquid waste</th><th>Total</th></tr><tr><td>Reuse</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Recycling</td><td>421.95</td><td>0</td><td>0</td><td>421.95</td></tr><tr><td>Recovery</td><td>85.37</td><td>0</td><td>0</td><td>85.37</td></tr><tr><td>Composting</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Incineration (or use as fuel)</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Landfill</td><td>80.87</td><td>0</td><td>0</td><td>80.87</td></tr><tr><td>Deep well injection</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>On-site storage</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>588.19</td><td>0</td><td>0</td><td>588.19</td></tr></table> <p>Waste from all flights is only measured at Manchester and East Midlands Airport, as waste is not measured separately from flights. In addition, the waste segregated from flights is not differentiated between domestic and International flights, therefore the figures below are for all flights. Manchester: 1,685 tonnes. East Midlands: 186.24 tonnes.</p>	East Midlands (tonnes)						Non-hazardous solid waste	Hazardous Waste	Liquid waste	Total	Reuse	0	0	0	0	Recycling	421.95	0	0	421.95	Recovery	85.37	0	0	85.37	Composting	0	0	0	0	Incineration (or use as fuel)	0	0	0	0	Landfill	80.87	0	0	80.87	Deep well injection	0	0	0	0	On-site storage	0	0	0	0	Total	588.19	0	0	588.19
East Midlands (tonnes)																																																										
	Non-hazardous solid waste	Hazardous Waste	Liquid waste	Total																																																						
Reuse	0	0	0	0																																																						
Recycling	421.95	0	0	421.95																																																						
Recovery	85.37	0	0	85.37																																																						
Composting	0	0	0	0																																																						
Incineration (or use as fuel)	0	0	0	0																																																						
Landfill	80.87	0	0	80.87																																																						
Deep well injection	0	0	0	0																																																						
On-site storage	0	0	0	0																																																						
Total	588.19	0	0	588.19																																																						
EN23	Total number and volume of significant spills.	Fully	<p>Significant spills are as defined in the relevant ISO 14001 Environmental Management System, which states that at East Midlands Airport, we must report spills over 500 litres and at Manchester Airport, a significant spill is one which enters the watercourse or is otherwise raise as a non-conformance.</p> <table><tr><th></th><th>Total</th><th>MAN</th><th>EMA</th><th>BOH</th></tr><tr><td>Number</td><td>6</td><td>4</td><td>2</td><td>0</td></tr><tr><td>Volume (litres)</td><td>1800</td><td>1000</td><td>800</td><td>0</td></tr></table> <p>Details for the spills at Manchester Airport are:</p> <p><b>Spill 1</b> – Aircraft washwater that had not been diverted to foul sewer as required.</p> <p><b>Spill 2</b> – Diluted fire fighting foam, which was captured by the drainage containment system.</p> <p><b>Spill 3</b> – Industrial lubricant spilt at the world freight terminal.</p> <p><b>Spill 4</b> – Overflow from drainage containment system during prolonged heavy rainfall.</p>		Total	MAN	EMA	BOH	Number	6	4	2	0	Volume (litres)	1800	1000	800	0																																								
	Total	MAN	EMA	BOH																																																						
Number	6	4	2	0																																																						
Volume (litres)	1800	1000	800	0																																																						



## Environmental continued

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Emissions, effluents and waste</b>			
			<b>Details for spills at East Midlands Airport are:</b> <b>Spill 1</b> – Diesel spill from lorry in a landside location <b>Spill 2</b> – Diesel additive spilled in landside fuelling area.
AO5	Ambient air quality levels according to pollutant concentrations in microgram per cubic meter ( $\mu\text{g}/\text{m}^3$ ) or parts per million (ppm) by regulatory regime.	Fully	Please see EN20 for data on ambient pollutant levels and concentrations of monitored pollutants, charting progress against previous years. Ambient pollutant levels are collected from: East Midlands within the boundary of the aeropark, next to the closest residential property. Bournemouth within airport boundary. Manchester, within the airport boundary at the 24 middle marker and next to closest residential property. During 2011-12, there was full compliance with relevant ambient air quality standards.
AO6	Aircraft and pavement de-icing/anti-icing fluid used and treated by $\text{m}^3$ and/or metric tonnes.	Fully	1539.2 cubic metres of de-icer was used across the Group. Manchester = $615.0\text{m}^3$ (pavement de-icer only), EMA = $870\text{m}^3$ , BOH = $53.7\text{m}^3$ . 0% was recycled across the Group. Please note, the increase in the de-icer usage was due to the persistent and heavy period of cold the UK faced over winter 12/13.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Fully	Any hazardous waste is treated in the UK and not exported. Manchester is the only airport that this is measured for and 41.3tonnes was transported to sites in the UK for reprocessing. This data is not collected at East Midlands Airport and is provided by a third party, which we were not able to gather the data for.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Fully	There are no water bodies that are significantly affected by discharges of water runoff.  Local Water Quality in the water and waste section (Page 26).
<b>Products and services</b>			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	Reducing operational noise (Page 34). Managing air quality (Page 35). Ground transport (Page 29).
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	As a service provider, this indicator is not material to our business.
<b>Compliance</b>			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	There have been no fines or non-monetary sanctions for non-compliance with environmental laws and regulations during the reporting period.



## Environmental continued

Indicator	Disclosure	Level of reporting	Location of disclosure																								
Transport																											
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	Fully	Ground transport (Page 29).  M.A.G does not transport products or other goods or materials. Each airport has a surface access/ground transport strategy in place to ensure that the environmental impact of vehicles on-site and those travelling to the site are minimised. They are also aimed at increasing public transport use and there are Green Travel Plans to encourage staff travel by non-car modes. Each Ground Transport Strategy is included in the Master Plan for all airports (a published source), which is available at: <a href="http://www.magworld.co.uk/magweb.nsf/Content/MasterPlans">www.magworld.co.uk/magweb.nsf/Content/Master Plans</a>																								
Overall																											
EN30	Total environmental protection expenditures and investments by type.	Fully	Group wide figures: Waste disposal costs: £841,338.15 Environmental management and Prevention costs: £692,082.29.																								
AO7	Number and percentage change of people residing in areas affected by noise.	Fully	Reducing noise from our airports (Page 34).  <div>Manchester Airport</div> <div>57dB LAeq day (07:00 – 23:00)</div> <table><tr><th>Year</th><th>Area (sqkm)</th><th>Population</th></tr><tr><td>2010</td><td>29.2</td><td>28600</td></tr><tr><td>2011</td><td>30.2</td><td>27550</td></tr><tr><td>2012</td><td>29.3</td><td>29050</td></tr></table> <div>Manchester Airport</div> <div>57dB LAeq night (23:00 – 07:00)</div> <table><tr><th>Year</th><th>Area (sqkm)</th><th>Population</th></tr><tr><td>2010</td><td>9.5</td><td>3800</td></tr><tr><td>2011</td><td>8.8</td><td>2500</td></tr><tr><td>2012</td><td>9.5</td><td>3850</td></tr></table>	Year	Area (sqkm)	Population	2010	29.2	28600	2011	30.2	27550	2012	29.3	29050	Year	Area (sqkm)	Population	2010	9.5	3800	2011	8.8	2500	2012	9.5	3850
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## Social: Labour Practices and Decent Work

Indicator	Disclosure	Level of reporting	Location of disclosure					
Employment								
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	Total number of employees broken down by type of employment contract and gender.					
					Male		Female	
			Permanent Full Time	1462	53%	580	21%	
			Permanent Part Time	148	5%	228	8%	
			Total Permanent	1610	59%	808	30%	
			Temporary Full Time	49	3%	22	1%	
			Temporary Part Time	108	8%	78	3%	
			Total Temporary	157	6%	100	4%	
			Casual	27	1%	35	1%	
			Total	1767	65%	908	33%	
			Manchester Airport					
					Male		Female	
			Permanent Full Time	1129	80%	424	62%	
			Permanent Part Time	113	8%	157	23%	
			Total Permanent	1242	45%	581	21%	
			Temporary Full Time	47	3%	21	3%	
			Temporary Part Time	107	8%	76	11%	
			Total Temporary	154	6%	97	4%	
			Casual	8	1%	3	0%	
			Total	1404	67%	681	33%	
			East Midlands Airport					
					Male		Female	
Permanent Full Time	231	85%	122	59%				
Permanent Part Time	19	7%	53	25%				
Total Permanent	250	9%	175	6%				
Temporary Full Time	2	1%	1	0%				
Temporary Part Time	1	0%	1	0%				
Total Temporary	3	0%	2	0%				
Casual	18	7%	31	15%				



## Social: Labour Practices and Decent Work continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																																																												
Employment																																																																															
			<table><tr><td colspan="5">Bournemouth Airport</td></tr><tr><td></td><td></td><td>Male</td><td colspan="2">Female</td></tr><tr><td>Temporary Part Time</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Permanent Full Time</td><td>102</td><td>86%</td><td>34</td><td>63%</td></tr><tr><td>Permanent Part Time</td><td>16</td><td>13%</td><td>18</td><td>33%</td></tr><tr><td><b>Total Permanent</b></td><td><b>118</b></td><td><b>4%</b></td><td><b>52</b></td><td><b>2%</b></td></tr><tr><td colspan="5"></td></tr><tr><td>Temporary Part Time</td><td>0</td><td>0%</td><td>1</td><td>2%</td></tr><tr><td>Total Temporary</td><td>0</td><td>0%</td><td>1</td><td>0%</td></tr><tr><td>Casual</td><td>1</td><td>1%</td><td>1</td><td>2%</td></tr><tr><td><b>Total</b></td><td><b>119</b></td><td><b>69%</b></td><td><b>54</b></td><td><b>31%</b></td></tr><tr><td><b>Total</b></td><td><b>271</b></td><td><b>57%</b></td><td><b>208</b></td><td><b>43%</b></td></tr></table>	Bournemouth Airport							Male	Female		Temporary Part Time	0	0	0	0	Permanent Full Time	102	86%	34	63%	Permanent Part Time	16	13%	18	33%	<b>Total Permanent</b>	<b>118</b>	<b>4%</b>	<b>52</b>	<b>2%</b>						Temporary Part Time	0	0%	1	2%	Total Temporary	0	0%	1	0%	Casual	1	1%	1	2%	<b>Total</b>	<b>119</b>	<b>69%</b>	<b>54</b>	<b>31%</b>	<b>Total</b>	<b>271</b>	<b>57%</b>	<b>208</b>	<b>43%</b>																
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LA2 COMM	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	<table><tr><td colspan="4">Leavers by Age*</td></tr><tr><td>Age group</td><td>Employees</td><td>% of total leaving employees</td><td>% of total employees*</td></tr><tr><td>16-25</td><td>78</td><td>20%</td><td>3%</td></tr><tr><td>26-35</td><td>84</td><td>22%</td><td>3%</td></tr><tr><td>36-45</td><td>69</td><td>18%</td><td>2%</td></tr><tr><td>46-55</td><td>79</td><td>20%</td><td>3%</td></tr><tr><td>56-65</td><td>63</td><td>16%</td><td>2%</td></tr><tr><td>Over 65</td><td>16</td><td>4%</td><td>1%</td></tr><tr><td><b>Total</b></td><td><b>389</b></td><td></td><td></td></tr><tr><td colspan="4"></td></tr><tr><td colspan="4">Leavers by length of service*</td></tr><tr><td>Age group</td><td>Employees</td><td>% of total leaving employees</td><td>% of total employees*</td></tr><tr><td>&gt;1 Year</td><td>169</td><td>43%</td><td>6%</td></tr><tr><td>1 Year</td><td>38</td><td>10%</td><td>1%</td></tr><tr><td>2 Years</td><td>30</td><td>8%</td><td>1%</td></tr><tr><td>3 Years</td><td>9</td><td>2%</td><td>0%</td></tr><tr><td>4 Years</td><td>13</td><td>3%</td><td>0%</td></tr><tr><td>5 Years or more</td><td>130</td><td>33%</td><td>5%</td></tr><tr><td><b>Total</b></td><td><b>389</b></td><td></td><td></td></tr></table>	Leavers by Age*				Age group	Employees	% of total leaving employees	% of total employees*	16-25	78	20%	3%	26-35	84	22%	3%	36-45	69	18%	2%	46-55	79	20%	3%	56-65	63	16%	2%	Over 65	16	4%	1%	<b>Total</b>	<b>389</b>							Leavers by length of service*				Age group	Employees	% of total leaving employees	% of total employees*	>1 Year	169	43%	6%	1 Year	38	10%	1%	2 Years	30	8%	1%	3 Years	9	2%	0%	4 Years	13	3%	0%	5 Years or more	130	33%	5%	<b>Total</b>	<b>389</b>		
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## Social: Labour Practices and Decent Work continued

Indicator	Disclosure	Level of reporting	Location of disclosure				
Employment							
			Leavers by location*				
			Location	Employees leaving	% of total leaving employees	% of total employees	
			Manchester Airport	287	73.78%	13.75%	
			East Midlands Airport	77	19.79%	16.01%	
			Bournemouth Airport	25	6.43%	13.81%	
			Total	389		13.88%	
			Leavers by location*				
			Location	Male employees	Female employees		
				Employees	% of leavers for location	Employees	% of leavers for location
			Manchester Airport	176	61.32%	111	38.68%
			East Midlands Airport	42	54.55%	35	45.45%
			Bournemouth Airport	22	88.00%	3	12.00%
			Total	240	61.70%	149	38.30%
			New employees by age**				
			Age group	Employees	% of total leaving employees	% of total employees*	
			16-25	121	31.11%	4.32%	
			26-35	151	38.82%	5.39%	
			36-45	155	39.85%	5.53%	
			46-55	177	45.50%	6.32%	
			56-65	135	34.70%	4.82%	
Over 65	30	7.71%	1.07%				
Total	769						



## Social: Labour Practices and Decent Work continued

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LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	<p>Reward and recognition (Page 40).</p> <p>M.A.G does not differentiate the benefits we offer to colleagues on the basis of their hours of work, or length of employment. All colleagues at the same grade are eligible for the same benefits.</p>																																																																																															





## Social: Labour Practices and Decent Work continued

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Employment</b>			
LA15	Return to work and retention rates after parental leave, by gender.	Fully	<p>The number of employees by gender that were entitled to parental leave: 901 Female, 1748 Male.</p> <p>The number of employees by gender that took parental leave: 37 Female, 32 Male.</p> <p>The number of employees who returned to work after parental leave ended by gender: 19 Female, 32 Male.</p> <p>The number of employees who returned to work after parental leave ended who were still employed 12 months later by gender: 17 Female, 31 Male.</p> <p>The return to work and retention rates of employees who returned to work after leave ended by gender: 89% Female, 97% Male.</p>
<b>Labour/management relations</b>			
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	Employees covered by collective bargaining agreements – 2546. As a percentage against the total number of employees – 93.02%.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	<p>The minimum notice periods regarding significant operational changes are: Where 20 – 99 colleagues are affected, we must start the consultation at least 30 days before any changes take effect.</p> <p>Where more than 100 colleagues are affected, the consultation must start at least 90 days before any changes take effect.</p>
<b>Occupational health and safety</b>			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	Fully	Health and safety (Page 37). 100% are represented in formal joint management – worker health and safety committees, as representatives of both Trade Union and other, raise valid points valid for both union and non-union staff.
LA7 COMM	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	All injuries are recorded; including first aid level and lost days are only scheduled work days. Injury rate for total workforce is 10.80 (268 total injuries/4,964,471.09 hours worked x 200,000). Injury rate for contractors is not available, as it is not recorded. There have been no occupational diseases for M.A.G staff or contractors. Lost day for total workforce rate is 10.27 and there were 254.95 (based on 3023 hours, divided by average 12 hour shift to calculate days, added to three recorded days in January 2013) lost days. Lost day rate for contractors is not available as it is not recorded by M.A.G.



## Social: Labour Practices and Decent Work continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																
Occupational health and safety																																			
			<p><b>Accident Cause for Manchester Airport only</b></p> <table><tr><td>Slip, trip or fall at same level</td><td>71</td></tr><tr><td>Manual lifting, moving, carrying</td><td>56</td></tr><tr><td>Cut on sharp object or surface</td><td>37</td></tr><tr><td>Hit by a moving or flying object</td><td>30</td></tr><tr><td>Trapped in object or machinery</td><td>24</td></tr><tr><td>Struck against fixed or stationary object</td><td>15</td></tr><tr><td>Fall down staircase</td><td>9</td></tr><tr><td>Fire, burn, scald</td><td>6</td></tr><tr><td>Hit by moving vehicle</td><td>6</td></tr><tr><td>Fall from height</td><td>5</td></tr><tr><td>Contact with harmful substance</td><td>2</td></tr><tr><td>Vehicle accident</td><td>2</td></tr><tr><td>Electric shock</td><td>1</td></tr><tr><td>Insect bite or sting</td><td>1</td></tr><tr><td>Violence</td><td>1</td></tr><tr><td>RIDDORS submitted</td><td>27</td></tr></table> <p>Absentee rate for total workforce is 1.83. Out of 4,962,471 possible hours worked (413,539 days), 227,265 hours (18,938 days) were recorded as sick (hours divided by average 12 hour shift worked to calculate days). There were no reported fatalities recorded for total workforce or contractors. Please see Health and Safety and us and How we operate responsibly. In order for the accident event to be included in the AFR the member of staff must have been absent from work for 3 days or more (i.e. constitute a RIDDOR reportable event).</p>	Slip, trip or fall at same level	71	Manual lifting, moving, carrying	56	Cut on sharp object or surface	37	Hit by a moving or flying object	30	Trapped in object or machinery	24	Struck against fixed or stationary object	15	Fall down staircase	9	Fire, burn, scald	6	Hit by moving vehicle	6	Fall from height	5	Contact with harmful substance	2	Vehicle accident	2	Electric shock	1	Insect bite or sting	1	Violence	1	RIDDORS submitted	27
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LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	<p>Employees who are involved in occupational activities, which has high incidence of high risk of specific diseases = 0.</p> <p>Risk control programmes in place are: Manual handling, safety management training and security training.</p> <p>Local community procedures are included within the aerodrome manual, for local community involvement in terms of incidents. This is inclusive of community emergency procedures for health, wellbeing and safety.</p> <p>Investing in our people (Page 36).</p> <p>Training and Development (Page 40).</p> <p>Health and safety (Page 37).</p> <p>Investing in our communities (Page 30).</p>																																
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	<p>All safety committees have slightly different agendas, due to different operational aspects; however the main topics that are synonymous are: discussion of accidents, Risk assessments; including updates, any issues arising and any safety initiatives.</p>																																



## Social: Labour Practices and Decent Work continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																												
Training and education																																															
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	<p>In addition to mandatory operational training, which is carried out in accordance with CAA Regulations. M.A.G has an on-line training system which records training for non-operational training. All figures below are taken from the on-line training system.</p> <table><thead><tr><th></th><th>Male</th><th>Female</th></tr></thead><tbody><tr><td>Individual users</td><td>1,057</td><td>554</td></tr><tr><td>Actual learning in hours</td><td>10,919</td><td>6,021</td></tr><tr><td>Average hours per employee</td><td>10</td><td>11</td></tr></tbody></table> <p>By Senior Leadership</p> <table><thead><tr><th></th><th>Male</th><th>Female</th></tr></thead><tbody><tr><td>Individual users</td><td>36</td><td>10</td></tr><tr><td>Actual learning in hours</td><td>245</td><td>30</td></tr><tr><td>Average annual hours per employee</td><td>7</td><td>3</td></tr></tbody></table> <p>Breakdown by Performance Category (Users)</p> <table><thead><tr><th></th><th>Total</th><th>Male</th><th>Female</th></tr></thead><tbody><tr><td>Colleague</td><td>1155</td><td>743</td><td>412</td></tr><tr><td>Performance Manager</td><td>103</td><td>61</td><td>42</td></tr><tr><td>Line Manager</td><td>331</td><td>239</td><td>92</td></tr><tr><td>No longer employed by M.A.G</td><td>22</td><td>14</td><td>8</td></tr></tbody></table>		Male	Female	Individual users	1,057	554	Actual learning in hours	10,919	6,021	Average hours per employee	10	11		Male	Female	Individual users	36	10	Actual learning in hours	245	30	Average annual hours per employee	7	3		Total	Male	Female	Colleague	1155	743	412	Performance Manager	103	61	42	Line Manager	331	239	92	No longer employed by M.A.G	22	14	8
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LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	<p>Investing in our people (Page 36). Training and development (Page 40).</p> <p>In order to assist colleagues in managing their career endings, M.A.G has a specific programme in place that assists colleagues in the case of redundancy. The Outplacement programme is run by an external company and offers a different level of support, dependent on the individual’s role, ranging from 12 months to two days. The programme offers the following in support: Individual face-to-face or telephone coaching sessions, participative group learning events on a range of topics to help the individual gain the most from the service, A dedicated consultant will work with the individual to develop a programme to suit the individual’s needs and aspirations, Online career management support for life, training needs analysis, employee assistance programme and independent financial advice.</p>																																												



## Social: Labour Practices and Decent Work continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																																																								
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LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	<p>Training and development (Page 40).</p> <p>100% of colleagues across M.A.G receive regular performance reviews; of these, 34% are completed online (Male: 63.2% (608 colleagues), Female: 36.8% (354 colleagues)) and 66% are completed on paper. The system is relatively new to M.A.G, therefore only certain departments have been able to complete their performance reviews on-line. All other colleagues will complete these on paper and this data is not currently measured, as it is the aim that all colleagues will use the on-line system in the next financial year.</p>																																																																								
Diversity and equal opportunity																																																																											
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	<p>Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.</p> <p>The information below is for the Senior Leadership Team within the business and does not include the M.A.G Board. The composition of the Board can be found in the Annual Report and Accounts (Page 48).</p> <table><tr><th colspan="4">Gender</th></tr><tr><td>Gender #</td><td>Male</td><td colspan="2">Female</td></tr><tr><td>Senior management</td><td>36</td><td colspan="2">10</td></tr><tr><td>Gender %</td><td>Male</td><td colspan="2">Female</td></tr><tr><td>Senior management</td><td>78.26%</td><td colspan="2">21.74%</td></tr></table> <table><tr><th colspan="4">Ethnicity</th></tr><tr><td>Ethnicity #</td><td>White British</td><td>Other</td><td>Unknown</td></tr><tr><td>Senior management</td><td>38</td><td>7</td><td>1</td></tr><tr><td>Ethnicity %</td><td>White British</td><td>Other</td><td>Unknown</td></tr><tr><td>Senior management</td><td>82.61%</td><td>15.22%</td><td>2.17%</td></tr></table> <table><tr><th colspan="2">Age</th><th colspan="2">Age</th></tr><tr><td>Age #</td><td></td><td>Age %</td><td></td></tr><tr><td>16-25</td><td>0</td><td>16-25</td><td>0.00%</td></tr><tr><td>26-35</td><td>5</td><td>26-35</td><td>10.87%</td></tr><tr><td>36-45</td><td>26</td><td>36-45</td><td>56.52%</td></tr><tr><td>46-55</td><td>9</td><td>46-55</td><td>19.57%</td></tr><tr><td>56-65</td><td>6</td><td>56-65</td><td>13.04%</td></tr><tr><td>Over 65</td><td>0</td><td>Over 65</td><td>0.00%</td></tr></table>	Gender				Gender #	Male	Female		Senior management	36	10		Gender %	Male	Female		Senior management	78.26%	21.74%		Ethnicity				Ethnicity #	White British	Other	Unknown	Senior management	38	7	1	Ethnicity %	White British	Other	Unknown	Senior management	82.61%	15.22%	2.17%	Age		Age		Age #		Age %		16-25	0	16-25	0.00%	26-35	5	26-35	10.87%	36-45	26	36-45	56.52%	46-55	9	46-55	19.57%	56-65	6	56-65	13.04%	Over 65	0	Over 65	0.00%
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## Social: Labour Practices and Decent Work continued

Indicator	Disclosure	Level of reporting	Location of disclosure																																																																								
<b>Equal remuneration for women and men</b>																																																																											
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Fully	<p>Diversity and Equality (Page 39).</p> <p>The ratio of basic salary and remuneration of women to men has been based on all M.A.G colleagues on National Wage Average or under.</p> <p>Overall Salary Ratio for male to female: 1: 1.07.</p> <p>Salary Ratio by employee category and location (based on average salaries per band).</p> <table> <tr> <th colspan="2">M.A.G</th><th colspan="2">Manchester Airport</th></tr> <tr> <th>Male</th><th>Female</th><th>Male</th><th>Female</th></tr> <tr> <td>Level 1</td><td>1.00</td><td>0.55</td><td>-</td></tr> <tr> <td>Level 2</td><td>1.00</td><td>0.70</td><td>1.00</td></tr> <tr> <td>Level 3</td><td>1.00</td><td>0.80</td><td>0.71</td></tr> <tr> <td>Level 4</td><td>1.00</td><td>0.94</td><td>1.00</td></tr> <tr> <td>Level 5</td><td>0.98</td><td>1.00</td><td>0.82</td></tr> <tr> <td>Level 6</td><td>1.00</td><td>0.87</td><td>1.00</td></tr> <tr> <td>Level 7</td><td>1.00</td><td>0.82</td><td>0.95</td></tr> </table> <table> <tr> <th colspan="2">M.A.G</th><th colspan="2">Manchester Airport</th></tr> <tr> <th>Male</th><th>Female</th><th>Male</th><th>Female</th></tr> <tr> <td>Level 1</td><td>-</td><td>-</td><td>-</td></tr> <tr> <td>Level 2</td><td>1.00</td><td>0.57</td><td>1.00</td></tr> <tr> <td>Level 3</td><td>1.00</td><td>0.61</td><td>0.78</td></tr> <tr> <td>Level 4</td><td>1.00</td><td>0.83</td><td>0.93</td></tr> <tr> <td>Level 5</td><td>1.00</td><td>1.00</td><td>1.00</td></tr> <tr> <td>Level 6</td><td>1.00</td><td>0.88</td><td>0.75</td></tr> <tr> <td>Level 7</td><td>1.00</td><td>1.00</td><td>0.85</td></tr> </table>	M.A.G		Manchester Airport		Male	Female	Male	Female	Level 1	1.00	0.55	-	Level 2	1.00	0.70	1.00	Level 3	1.00	0.80	0.71	Level 4	1.00	0.94	1.00	Level 5	0.98	1.00	0.82	Level 6	1.00	0.87	1.00	Level 7	1.00	0.82	0.95	M.A.G		Manchester Airport		Male	Female	Male	Female	Level 1	-	-	-	Level 2	1.00	0.57	1.00	Level 3	1.00	0.61	0.78	Level 4	1.00	0.83	0.93	Level 5	1.00	1.00	1.00	Level 6	1.00	0.88	0.75	Level 7	1.00	1.00	0.85
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## Social: Human Rights

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Investment and procurement practices</b>			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Fully	M.A.G does not invest in other organisations. Our procurement policy includes sustainability criteria.



## Social: Human Rights continued

Indicator	Disclosure	Level of reporting	Location of disclosure																		
Investment and procurement practices																					
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Fully	M.A.G states that all contracts must be executed in accordance with uk law in which clearly human rights are addressed for all tier 1 suppliers, therefore 100% of these suppliers have undergone human rights screening, with no actions taken. M.A.G has no direct relationship with tier 2 suppliers and beyond.																		
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	M.A.G’s Dignity at Work Policy aims to ensure that any inappropriate behaviour which does occur in the workplace is dealt with seriously, in a balanced, sensitive and confidential manner so that the matter can be resolved as quickly as possible for all concerned.  <b>For year 2012 – 2013</b> Colleagues completing the training293 % Trained against M.A.G Colleagues10.71%																		
Non-discrimination																					
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	There was only one case of discrimination during this reporting year.  The incident was investigated fully and the case has been closed. M.A.G ensures that the environment in which we work is harmonious and respectful. The company has in place a procedure which recognises that inappropriate behaviour, which may include harassment, can and does take place. It aims to ensure that if inappropriate behaviour does occur in the workplace it’s dealt with seriously, in a balanced, sensitive and confidential manner so that the matter can be resolved as quickly as possible for all concerned. We’re committed to tackling incidents of inappropriate behaviour swiftly and decisively to enable people of all backgrounds to have dignity at work, to progress in the organisation and to fully contribute to its success.																		
Freedom of association and collective bargaining																					
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Fully	All M.A.G employees are free to join unions and to engage in collective bargaining.  As of 31 March 2013 93.02% of employees are covered by collective bargaining agreements.  <table><tr><th colspan="3">Union Membership</th></tr><tr><th></th><th>Employees in a Trade Union</th><th>% of Location</th></tr><tr><td>Manchester Airport</td><td>1029</td><td>49.35%</td></tr><tr><td>East Midlands Airport</td><td>164</td><td>34.24%</td></tr><tr><td>Bournemouth Airport</td><td>15</td><td>8.67%</td></tr><tr><td><b>Total</b></td><td><b>1208</b></td><td><b>44.14%</b></td></tr></table>	Union Membership				Employees in a Trade Union	% of Location	Manchester Airport	1029	49.35%	East Midlands Airport	164	34.24%	Bournemouth Airport	15	8.67%	<b>Total</b>	<b>1208</b>	<b>44.14%</b>
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<b>Total</b>	<b>1208</b>	<b>44.14%</b>																			



**Social: Human Rights continued**

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Child labour</b>			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	Fully	All M.A.G operations are in the UK and do not involve any child labour. All recruitment is within the UK law and follows best practice guidelines.
<b>Prevention of forced and compulsory labour</b>			
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	Fully	All M.A.G operations are in the UK and do not involve any forced or compulsory labour. All recruitment is within UK law and follows best practice guidelines.
<b>Security practices</b>			
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	Being safe and secure (Page 44).  Our security staff are trained according to the Department for Transport's guidelines and follow their policies and procedures in carrying out their work. Our security staff are subject to regular compliance checks by the Department for Transport.
<b>Indigenous rights</b>			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	All of M.A.G's operations are in the UK and are covered by UK law, and our operations therefore do not involve any issues relating to the rights of indigenous people.
<b>Assessment</b>			
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	All of M.A.G's operations have been subject to human rights reviews and/or impact assessments. The entire M.A.G operation has been risk reviewed and any associated risks with regards to human rights have been identified and appropriately mitigated.
<b>Remediation</b>			
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Fully	All M.A.G operations are in the UK and there have been no cases of grievances relating to human rights during the reporting period.



Social: Society			
Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Local communities</b>			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	Fully	<p>All of M.A.G's operations have local community engagement, impact assessments and development programmes in place. This includes: environmental impact assessments and monitoring, public disclosure of results of environmental and social impact assessments, local community development programmes based on local communities' needs, stakeholder engagement plans based on stakeholder mapping, broad based local community consultation committees and processes that include vulnerable groups, works councils, occupational health and safety committees and other employee representation bodies to deal with impacts, formal local community grievance processes.</p> <p>More information can be found in the following sections:  Investing in our communities (Page 30)  Our community funds (Page 31)  Reducing operational noise (Page 34)  Managing air quality (Page 35)  Ground transport (Page 29)  Our Environment (Page 22)  Managing our land (Page 28).</p>
SO9 COMM	Operations with significant potential or actual negative impacts on local communities.	Fully	Investing in our communities (Page 30). Our community funds (Page 31). Reducing operational noise (Page 34). Managing air quality (Page 35). Ground transport (Page 29). Our Environment (Page 22). Managing our land (Page 28).
SO10 COMM	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	Investing in our communities (Page 30). Our community funds (Page 31). Reducing operational noise (Page 34). Managing air quality (Page 35). Ground transport (Page 29). Our Environment (Page 22). Managing our land (Page 28).
AO8	Number of persons physically or economically displaced, either voluntarily or involuntarily, by the airport operator or on its behalf by a governmental or other entity, and compensation provided.	Fully	There were no persons physically or economically displaced during the reporting period.
<b>Corruption</b>			
SO2	Percentage and total number of business units analysed for risks related to corruption.	Fully	100% of business units have been analysed for risks related to corruption. The entire M.A.G operation has been risk reviewed and any associated risks with regards to corruption have been identified and appropriately mitigated.



**Social: Society continued**

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Corruption</b>			
SO3		Fully	100% of employees have been trained in the organisation's anti-corruption policies and procedures. The anti bribery and corruption policy is available on the company intranet and policies and procedures are communicated via line managers.
SO4	Actions taken in response to incidents of corruption.	Fully	There have been no incidents of corruption.
<b>Public policy</b>			
SO5	Public policy positions and participation in public policy development and lobbying.	Fully	Our Stakeholders (Page 17). Managing sustainability (Page 16). Policy Involvement (Page 12).
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	We do not make any financial or in-kind contributions to political parties or individual politicians.
<b>Anti-competitive behaviour</b>			
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	Fully	There were no legal actions for anti-competitive behaviour, anti-trust, or and monopoly practices.
<b>Compliance</b>			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations.
<b>Social: Product Responsibility</b>			
Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Customer health and safety</b>			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Fully	Health and safety (Page 37).  The health and safety impacts of all of our services are regularly assessed for improvement. There are a number of formal licensing audits including an annual aerodrome inspection that is undertaken by the Civil Aviation Authority (CAA). This is a formal part of the aerodrome licensing process. In addition, there are a number of health and safety committees in place at each airport that include the airport, airlines and handling agents that work collectively to improve health and safety.
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Fully	M.A.G is a service company only and does not produce any products. There have been no incidents of non-compliance with regulations and voluntary codes in relation to our services.
AO9	Total annual number of wildlife strikes per 10,000 aircraft movements.	Fully	Managing our land (Page 28).





**Social: Product Responsibility continued**

Indicator	Disclosure	Level of reporting	Location of disclosure
<b>Product and service labelling</b>			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	Our airports are subject to a range of European and National Legislation relating to safety and security, boundary and border control, and air transportation. Notices and details of this legislation are clearly placed in our airports.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Fully	There have been no incidents of non-compliance with regulations and voluntary codes concerning product and service information during the reporting period.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	Customer service (Page 42). Customer Feedback (Page 44).
<b>Marketing communications</b>			
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	M.A.G conducts marketing in the UK and marketing communications is broken down into product marketing, awareness marketing and joint campaign marketing with our partners. Marketing is conducted both on the internet and through non internet forms, with an emphasis on print marketing. M.A.G adheres to the rules, regulations, laws and codes of practice of the following organisations: Internet Advertising Bureau (IAB), the Advertising Standards Agency (ASA), Ofcom and the Data Protection Act. All policies relating to marketing communications are reviewed annually or when codes of practice are updated. M.A.G does not sell products or services that are banned in certain markets, or are the subject of stakeholder questions or public debate.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Fully	M.A.G received an ASA query regarding an online advert during the period. This was resolved without formal complaint and extra measures have now been put into place to ensure no further enquiries of this nature.
<b>Customer privacy</b>			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	There have been no substantiated complaints regarding breaches of customer privacy and losses of customer data during the reporting period.
<b>Compliance</b>			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	There have been no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services during the reporting period.





## Statement GRI Application Level Check

GRI hereby states that **The Manchester Airport Group PLC** has presented its report "Corporate Social Responsibility Report 2012/13" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 26 July 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint circular watermark.

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



The "+" has been added to this Application Level because The Manchester Airport Group PLC has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.*  
[www.globalreporting.org](http://www.globalreporting.org)

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 10 July 2013. GRI explicitly excludes the statement being applied to any later changes to such material.



## CONTACT US

We welcome your thoughts and comments on our report. Please contact us as follows:

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Telephone: **+44 (0)8712710711\***

More information can also be found on M.A.G's website: [www.magworld.co.uk](http://www.magworld.co.uk) and the individual airport websites:

**[www.bournemouthairport.com](http://www.bournemouthairport.com)**

**[www.eastmidlandsairport.com](http://www.eastmidlandsairport.com)**

**[www.manchesterairport.co.uk](http://www.manchesterairport.co.uk)**

**[www.stanstedairport.com](http://www.stanstedairport.com)**

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Registered Number: 4330721

\*Calls charged at 10 pence per minute from a BT landline. Calls from mobile phones and other networks may vary.



