

GENDER PAY GAP

Report 2021



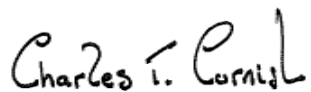
INTRODUCTION

We believe in fair pay for our colleagues for the contribution they make, irrespective of gender.

“We want to ensure that all colleagues across MAG are treated fairly and equally. Over the past year, we have continued to work with colleagues across our business to build on our commitments to diversity and inclusion.

We have remained committed to initiatives aimed at increasing the number of women at MAG with the business benefits that diversity brings, for example the MAG Women’s Network which is dedicated to supporting the women of MAG through a calendar of activity and the launch of a mentoring scheme.

We are pleased that even in a challenging year with a global pandemic, we have continued on our journey to take action to address our gender pay gap and drive greater diversity within our business.”



Charlie Cornish
Chief Executive Officer



MEASURING THE PAY GAP

Under the UK Government's Gender Pay Gap Regulations, employers in Great Britain with more than 250 employees need to report their gender pay gap.

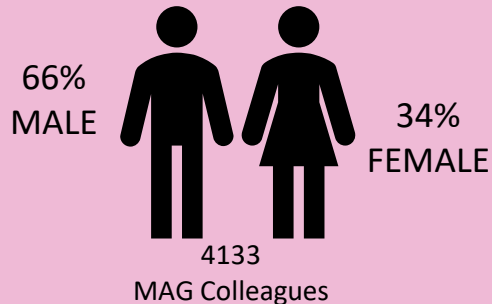
The Regulations require that only colleagues on full pay should be included in the gender pay gap calculations for 2021. At the snapshot date of 5th April 2021, due to the Covid-19 Pandemic, the vast majority of our workforce were on furlough and not on full pay and therefore excluded from our analysis. This means drawing comparison to 2020 as to how our pay gap has changed is not possible. In order to enable such a comparison, our report also includes furloughed colleagues with their full pay equivalent.

WHAT IS THE GENDER PAY GAP?

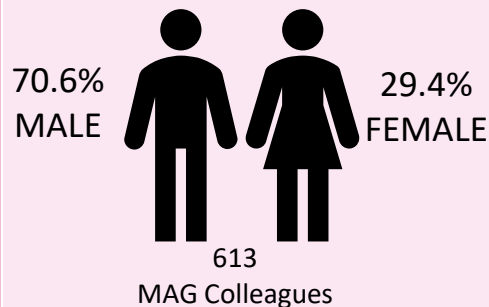
The Gender Pay Gap is different from Equal Pay. Equal Pay is about men and women receiving equal pay levels for the same work or work of equal value.

MAG believes in equal and fair pay and is committed to diversity and inclusion across our organisation. The Gender Pay Gap measures the difference in average pay between men and women, expressed as a percentage of the average male earnings.

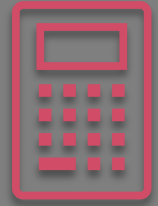
MAG Gender Split Including furloughed colleagues



MAG Gender Split Excluding furloughed colleagues

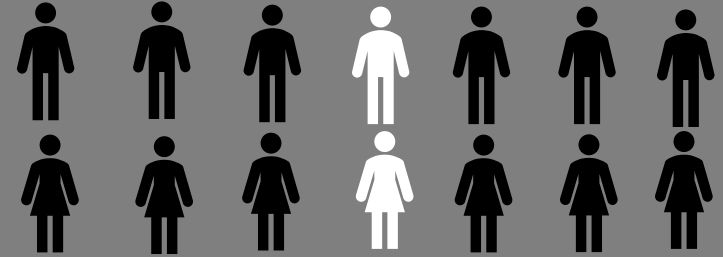


HOW IS IT CALCULATED?



1) MEDIAN PAY GAP

The median is the figure that falls in the middle of a range when the hourly rates of all relevant employees are lined up from smallest to largest. The median gender pay gap is calculated based on the difference between the middle employee in the range for males and the middle employee in the range for females.



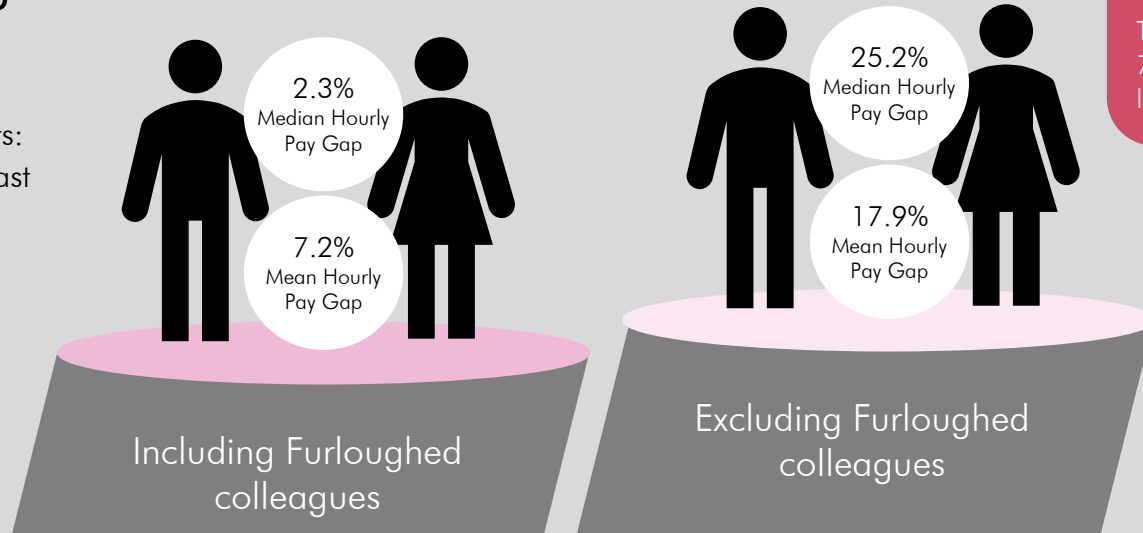
2) MEAN PAY GAP

The mean is calculated by adding up the hourly rates of all relevant employees and dividing the figure by the number of employees. The mean gender pay gap is calculated based on the difference between mean male pay and mean female pay.



HOURLY PAY GAP

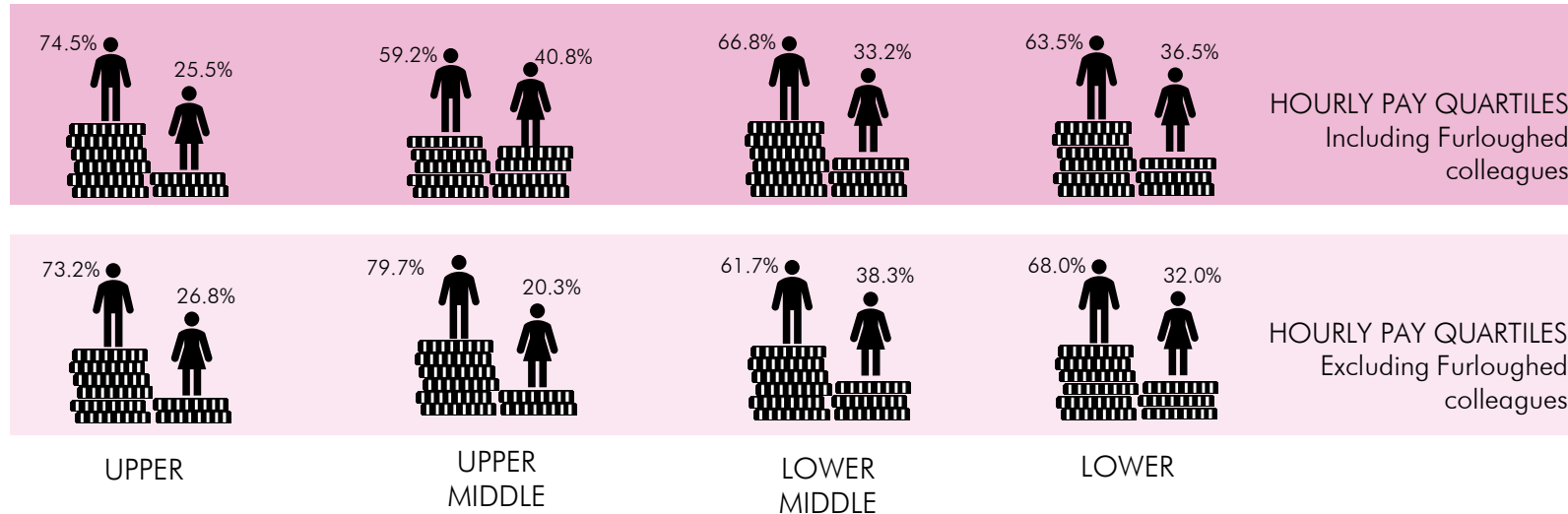
MAG is a leading UK airport group that owns and operates three airports: Manchester, London Stansted and East Midlands. We believe in fair pay for the contribution made at work.



Including Furlough: the median hourly pay gap has decreased from 4.6% to 2.3%.
The mean hourly pay gap is 7.2% and is a decrease from last year at 10.2%.

HOURLY PAY QUANTILES

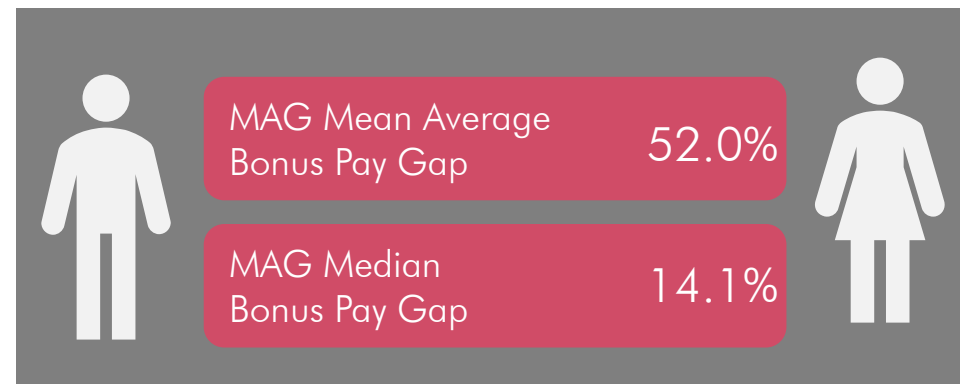
This calculation shows the proportions of men and women in four quartile pay bands. All men and women's hourly pay rate are ranked from the lowest to the highest to create four equal bands.



BONUS PAY GAP





The main drivers of the mean bonus pay gap continue to be the higher proportion of females working part-time and the greater prevalence of males in senior levels of the organisation. For part-time employees, bonus is reflective of a part-time contribution and a gap is created for those who work part-time when compared to those working on a full-time basis. Senior roles are better remunerated, and as bonus is linked to salary the prevalence of males in these roles contributes to the mean bonus gap.





Proportion of employees who received bonus







AROUND OUR AIRPORTS

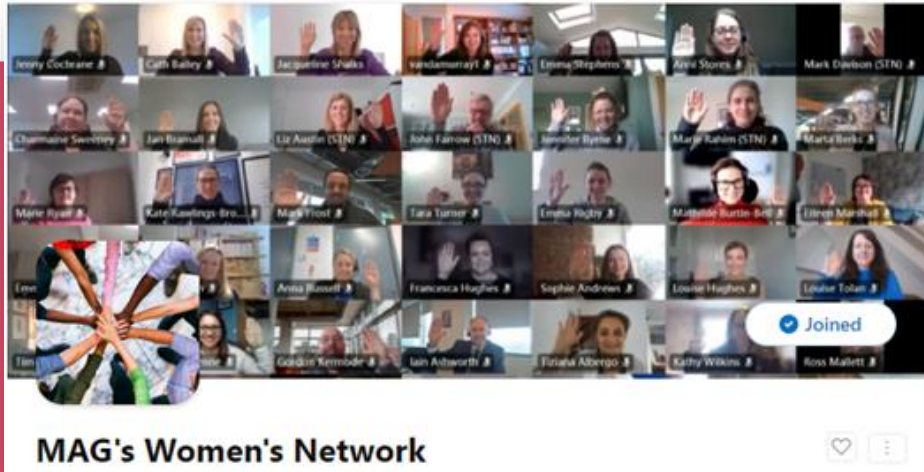


	Including Furloughed colleagues		Excluding Furloughed colleagues	
Mean Hourly Pay Gap	•15.4%		•25.3%	
Median Hourly Pay Gap	•20.5%		•16.3%	
Hourly Pay Quartiles	Male	Female	Male	Female
Upper	72.10%	27.90%	86.00%	14.00%
Upper Middle	63.80%	36.20%	66.70%	33.30%
Lower Middle	53.30%	46.70%	58.80%	41.20%
Lower	57.10%	42.90%	62.70%	37.30%
Portion of Employees who receive Bonus Pay	Male		Female	
				
	90.60%		91.90%	
Mean Bonus Pay Gap	50.70%			
Median Bonus Gap	8.20%			

	Including Furloughed colleagues		Excluding Furloughed colleagues	
Mean Hourly Pay Gap	11.20%		25.60%	
Median Hourly Pay Gap	7.30%		-10.60%	
Hourly Pay Quartiles	Male	Female	Male	Female
Upper	74.10%	25.90%	63.20%	36.80%
Upper Middle	55.50%	44.50%	80.00%	20.00%
Lower Middle	55.50%	44.50%	85.00%	15.00%
Lower	61.40%	38.60%	70.00%	30.00%
Portion of Employees who receive Bonus Pay	Male		Female	
				
	96.90%		96.60%	
Mean Bonus Pay Gap	19.50%			
Median Bonus Gap	0%			

	Including Furloughed colleagues		Excluding Furloughed colleagues	
Mean Hourly Pay Gap	2.80%		10.90%	
Median Hourly Pay Gap	0.30%		9.70%	
Hourly Pay Quartiles	Male	Female	Male	Female
Upper	75.00%	25.00%	76.80%	23.20%
Upper Middle	67.50%	32.50%	71.10%	28.90%
Lower Middle	67.00%	33.00%	73.50%	26.50%
Lower	68.50%	31.50%	62.70%	37.30%
Portion of Employees who receive Bonus Pay	Male		Female	
				
	97.40%		97.50%	
Mean Bonus Pay Gap	53.40%			
Median Bonus Gap	4.50%			

MAG'S APPROACH TO GENDER DIVERSITY



At MAG we believe our company should be a place to belong and feel valued where everyone can be their best and true self. In order to deliver our vision for Equity, Diversity and Inclusion (EDI) at MAG, a new approach to Equity, Diversity & Inclusion was adopted in July 2021, following the launch in March 2021 of the MAG Women's Network.

Our approach focuses on delivering four pillars of activity, the first of which aims to **inspire women in aviation**, with an ambition to create gender parity in our business with targets set to support this. The goal of the second pillar is to **drive equity and diversity at leadership levels** and the third seeks to **cultivate more early talent** in our business. The fourth pillar focuses on creating an **equitable and inclusive culture** where everyone can thrive.

We believe that by valuing and celebrating difference, colleagues will feel like they belong and feel valued in a welcoming environment that is collaborative, supportive and inclusive with fair access to opportunities.

In 2021 we launched a group-wide wellbeing series to support colleagues' mental wellbeing and to provide coping strategies for challenges such as resilience.

To complement the new EDI Strategy, a dashboard has been created to chart progress on the strategy which is shared with the Executive Committee each quarter, highlighting opportunities and successes and creating a regular dialogue on the case for change and an action focus.

MAG'S APPROACH TO GENDER DIVERSITY

INCLUSIVE LEADERSHIP

The MAG Executive Committee is a diverse team, represented by 50% women.

Two of the three MAG Airports are run by female Managing Directors who are amongst the most visible leaders in the organisation. The Manchester Airport MD was recognised on this year's Northern Power Women (NPW) Power List. Both leaders are exemplary role models for all aspiring female talent in our organisation.

Coming through the ranks, we are also proud to have 2 shortlisted talents at the Deloitte/Women's Leaders Association International Women's Day Awards, demonstrating that we are building female leadership at varying levels in the organisation.

CREATING AN INCLUSIVE ENVIRONMENT

In 2021 the MAG Women's Network was launched by the Chief People Officer and events regularly attract around 100 participants: men and women.

Membership is made up of females from across the business as well as male allies, who are enthusiastic supporters. Meetings and events are run regularly and are open-invitation. Recent speakers have ranged from inspiring trail-blazers in women's sport, leading regional women's network leaders, to inspiring fighters of chronic women's health issues.

In January 2022 MAG launched its first full engagement survey since the start of the pandemic. The response rate was encouraging at 70%.

For the first time, the survey tool is able to track individual question responses by gender – and other demographics – which will give us important insight into the sentiment and engagement of females in MAG.

CAREER PROGRESSION AND OPPORTUNITIES

To complement the launch of the Women's Network, a mentoring programme was launched in July 2021. Mentors and mentees from across the business, UK and USA, were encouraged to sign up and matched up according to skills and requirements.

Investment has been made into the appointment of a Group Talent & Diversity Director and a dedicated Head of Equity, Diversity and Inclusion. A review of how diversity is represented in our talent processes is under way, with a view to improving hiring manager awareness and capability, removing any process biases, delivering training in the organisation, and the creation of dashboards to measure improvements. Our Early Talent and Graduate Manager is focused on specifically increasing diversity in our early talent pipeline and with our apprentices. A review of policies which typically affect women in business, such as menopause policy for example, is also being undertaken.

Our Airport Academies provide free tailored training programmes to support skills development and support job seekers to secure work at our airports. These are supported by our local training partners; Trafford College, Harlow College and Stephenson College, at Manchester, Stansted and East Midlands respectively.

