



An EasyJet Airbus A320 Aircraft taking off from Manchester Airport.

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# Welcome from the Chair of MAG's Corporate Social Responsibility (CSR) Committee

In my role as Chair of the CSR Committee, I get to see firsthand the way MAG prioritises operating a responsible, forward-looking business. Despite the Group enduring another difficult year, with international travel restricted for much of it, MAG continued to drive forward initiatives laid out in its 2020 CSR Strategy, 'Working Together for a Brighter Future', supporting communities and laying the foundations for its airports to recover sustainably.

I was pleased to hear of MAG's plan to undertake a renewed materiality and trust assessment in March 2022. This approach demonstrates an ongoing commitment to align its CSR priorities to those of its stakeholders, and to understand where new programmes and areas of focus can be of greatest benefit.

Over the years, MAG has established itself as an industry leader when it comes to sustainability, so this year I was pleased to see that performance recognised as it was named the number one airport operator in Europe by the GRESB Environmental, Social and Government (ESG) rankings. It was also the only airport company to be named a Financial Times European Climate Leader, for the second year in a row. These accolades not only demonstrate the longevity of MAG's approach to CSR, but also its proven success across its three core pillars: Zero Carbon Airports, Opportunity For All and Local Voices.

As the business has taken steps towards recovery, I have been impressed with its focus on positioning itself as an employer of choice for local people. The work of MAG's teams to welcome hundreds of new faces into the organisation and the initiatives it has championed to support its existing colleagues have been impressive. The launch of the new MAG Connect Aerozone education centre at Manchester Airport, delayed by the pandemic, and the expansion of free adult education services delivered on-site are important foundations to support a return to long-term sustainable growth.

In what has been another important year for the decarbonisation of global aviation, I am proud of MAG's ambitious commitment to net zero carbon by 2038 which, along with advancements in alternative fuels and airspace modernisation, sets the industry in great stead for a more sustainable future.



Vanda Murray OBE
Chair of MAG's CSR Committee

# Welcome from MAG's Group Chief Executive

After another difficult year for our business, I welcome the publication of this report at a time when we have taken confident steps towards recovery. Our CSR Strategy, 'Working Together for a Brighter Future', has played an integral role in our response to the pandemic – to support local communities and to pave the way for a net zero future for our industry.

We have taken care to ensure MAG's CSR Strategy reflects the priorities of all our stakeholders and sets a framework for delivering a series of initiatives that will make a real difference to their lives.

This year, I was pleased to announce two projects that support our commitment to net zero operations by 2038. The launch of our carbon offsetting tool with CarbonClick means all of our passengers can support sustainability projects by offsetting their flight emissions. Our landmark partnership with Fulcrum BioEnergy UK could make Manchester Airport the first in the UK to have a direct pipeline of Sustainable Aviation Fuel (SAF) – taking a significant step forward in our ability to operate cleaner flights.

As our recovery gathered momentum at the beginning of 2022, the work of our CSR teams – and the principles of the Strategy that have underpinned it – has been integral to recruiting new colleagues to take our airports back to full strength. Our long-standing community links have made it possible for us to reach those seeking work through nearly 50 successful jobs fairs and I am proud that, as we publish this report, hundreds of new colleagues have joined us across our airports.

Above all this report demonstrates that, even through a second challenging year, MAG has remained tenacious in its commitment to delivering a more sustainable future for our communities and the aviation industry. I am proud of the work we have done to support those who have the greatest need, of the steps we have taken to build a more equitable and inclusive culture and of the industry-leading role we continue to play in the decarbonisation of our sector. I would like to thank everyone who works hard across our business to deliver this important work.



Charlie Cornish
Group Chief Executive



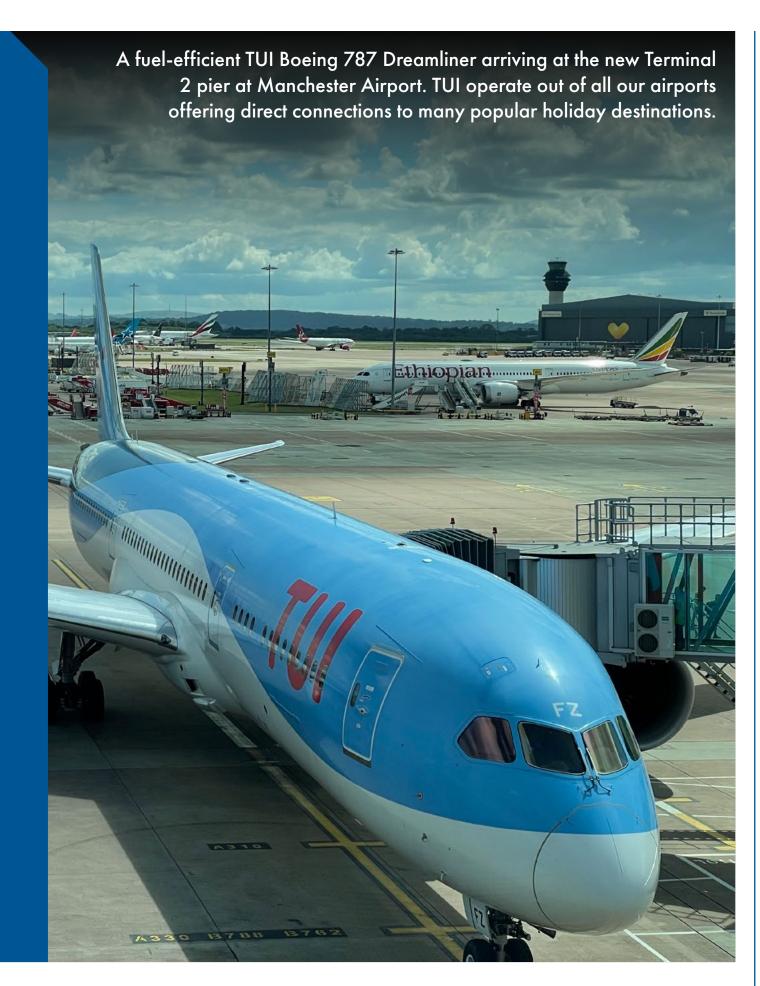
# We believe that sustainable and resilient growth of the aviation sector is a positive force for a prosperous UK economy.

We are determined to support the communities and regions that we serve through decent and equitable job opportunities for all. Our 2020–2025 Corporate Social Responsibility (CSR) Strategy, 'Working Together for a Brighter Future', sets out our ambitions and what we plan to achieve across Manchester, East Midlands and London Stansted Airports over this five-year period.

The Strategy embodies our commitment to creating a brighter future for all, leaving a sustainable legacy and acting as an environmentally and socially responsible organisation. As our Strategy enters its third year, we are continuing to address the issues that are most important to our stakeholders. A re-evaluation of our priorities has assured us that the bold commitments we set back in 2020 remain valid and continue to drive sustainability throughout our business and wider industry. As the first signs of our recovery emerged towards the end of the financial year, we remained determined to realise the commitments within our CSR Strategy. As we accelerate into a year of strong recovery, we want to make sure that sustainability remains at the forefront of our priorities, including in regard to employment and recruitment for our colleagues and throughout our supply chain.

# Our sustainability progress in 2021/22

Throughout the difficult period in 2021/22 when the challenges of COVID-19 persisted, we were still able to make progress with the delivery of our CSR Strategy. This has set MAG up for a sustainable recovery and ensures we can hit the ground running in the third year of our CSR Strategy. This is thanks to the commitment of our colleagues and partners over the last 12 months. Over the course of this year, we paid particular attention to promoting MAG and the aviation industry as a destination career and supporting employment in our local communities. Our approach to achieving this was centred on providing professional development opportunities to our existing employees, accessible routes to employment for people in our local communities and engaging the next generation of aviation talent.



# Our sustainability commitments

Our ambitious CSR Strategy adopts a holistic approach to sustainability, outlining comprehensive commitments across three strategic priorities: Zero Carbon Airports, Opportunity For All and Local Voices. The commitments within each of these priorities are designed to drive sustainable development at each of our airports and address the issues that matter most to our local communities. Delivering on these commitments will position us well to meet our flagship target of achieving net zero carbon operations no later than 2038 - 12 years ahead of the Government's national commitment.

# Providing education and employment opportunities

Our MAG Connect Airport Academies are the centrepiece of our award-winning education and employment programme. Our Airport Academies are delivered in partnership with three college partners, who offer more than 100 educational courses to our colleagues and members of the local communities. Over the last year, 10,388 local people accessed our tailored courses and training. The success of our Airport Academies was illustrated by the 10,757 job referrals made in 2021/22, over 300 more than were made before COVID-19 in 2018/19.

One of the standout initiatives to inspire the next generation of aviation talent was our Group-wide 'Girls in STEM' event, held in February 2022. The event sought to break down stereotypes and gender barriers in the aviation industry by showcasing the range of roles across the industry open to all, and was a great success with over 500 students from 17 schools in attendance. The popularity of our education facilities amongst local schools was demonstrated upon the reopening of the East Midlands and London Stansted Airport Aerozones in November last year. We were also excited to launch our newest MAG Connect Aerozone at Manchester Airport, which has been in high demand from local schools since it opened. In total, our education facilities hosted 2,298 pupils between November 2021 and March 2022, and we continue to see strong uptake in future bookings.

# Decarbonising our airports

We are proud to have maintained carbon neutral status and independent certification to ISO 14001 for environmental management at each of our airports. Our decarbonisation efforts have been recognised by the Financial Times in its 'European Climate Leaders' listing which ranked MAG as the highest performing transport business in 2021, and we were the only airport operator to feature in 2022.

Our partnerships continue to advance our progress towards decarbonising aviation. Last year, we worked with the Aerospace Technology Institute (ATI) 'FlyZero' and Connected Places Catapult's 'Zero Emission Flight Infrastructure' projects to explore the zero-emission potential of hydrogen aircraft and the associated infrastructure requirements at airports. In partnership with Fulcrum BioEnergy Limited UK, we are excited by the prospect of Manchester Airport becoming the first UK airport with a direct pipeline connection to a sustainable aviation fuel (SAF) production facility. As well as decarbonising aviation, the proposed UK SAF production facility has the potential to form part of a cluster of new facilities in the North West, creating over 1,500 green jobs. We have also focused on optimising our approach to environmental and energy management across our airports. This will culminate in a transition to independently certified Group-wide ISO 14001 and ISO 50001 environment and energy management systems, driving improvements in waste, water and energy efficiency.

# Responding to the needs of our communities

Given the broader impacts of the pandemic, we used last year as an opportunity to reassess where we can best direct our support for our local communities. Listening and responding to local voices in the communities surrounding our airports is important to us. Throughout lockdown, we maintained relationships with our local community stakeholders and adapted airport consultative committee meetings and a range of outreach schemes to be virtual. As part of our work to increase the inclusivity of our community outreach activities and reach new stakeholders, we are piloting Youth Forums, to ensure we hear the voices of this previously underrepresented demographic.

We plan to introduce these forums across all our airports in full by March 2023. We also support our local communities through the provision of financial grants. Our Community Funds have supported 149 groups in areas around our airports, with donations totalling more than £245,000 since last spring. In 2021/22, we also continued to run and develop sustainability airline league tables, designed to encourage quieter, more fuel-efficient aircraft operations. League tables have been established at East Midlands Airport and London Stansted Airport, and we are currently developing a similar report for Manchester Airport.



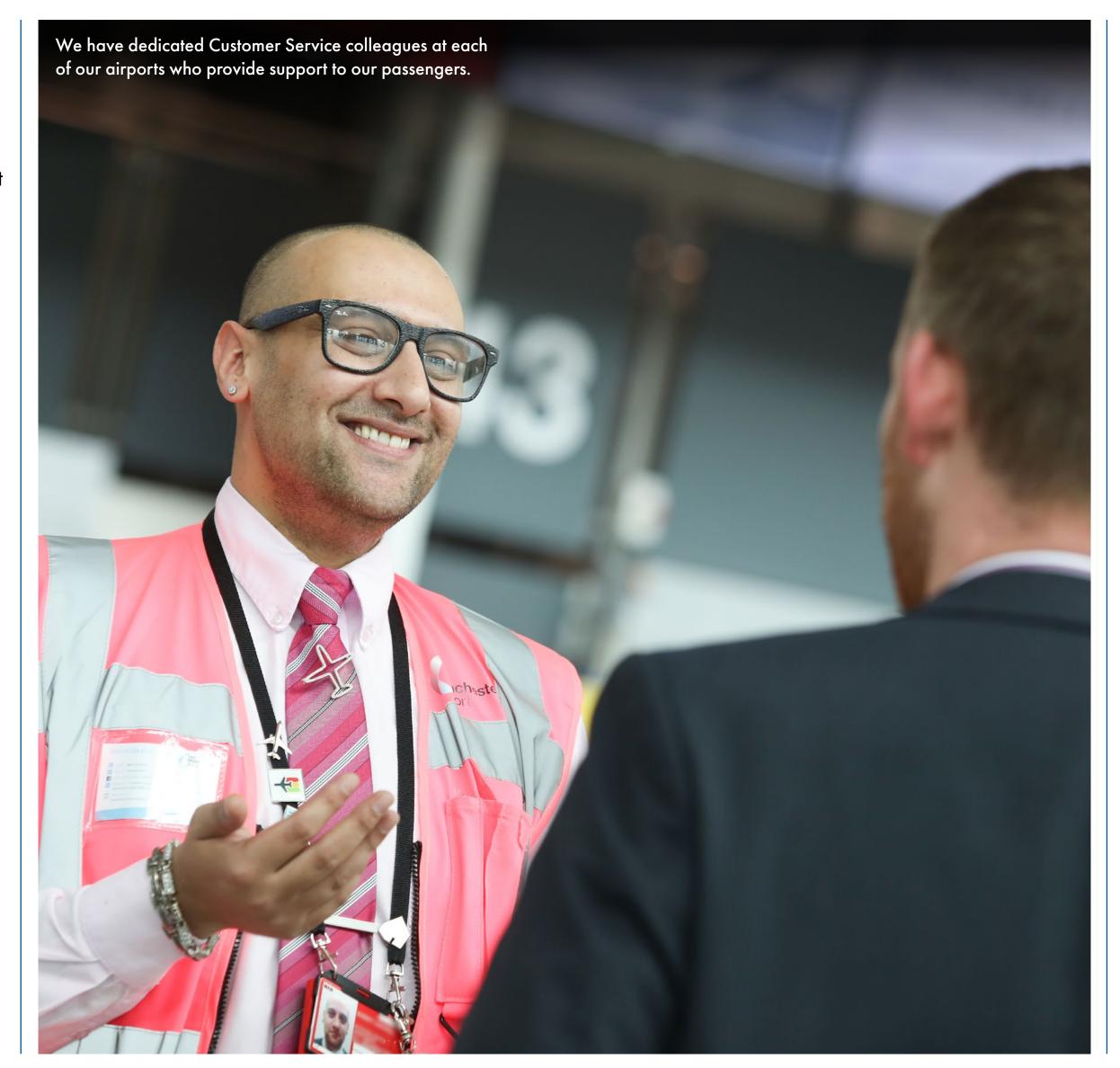
# Prioritising Equity, Diversity and Inclusion

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Last year, we were proud to announce the launch of our Group-wide Diversity and Inclusion Strategy across our three airports. This marks a key achievement for MAG as we unify our approaches to create an inclusive and fair working culture for all. Following the success of the Women's Network that we launched last year, we have now introduced new Fly with Pride, Men's Mental Health, and Race and Ethnicity networks to help promote inclusivity in our workplace. We are committed to ensuring our airports are fully accessible to our colleagues, passengers and partners. This was demonstrated last year by receiving a Civil Aviation Authority (CAA) rating of 'Good' or above at each of our airports in recognition of our services for passengers with reduced mobility and additional needs.

# Expanding our sustainability reporting and disclosures

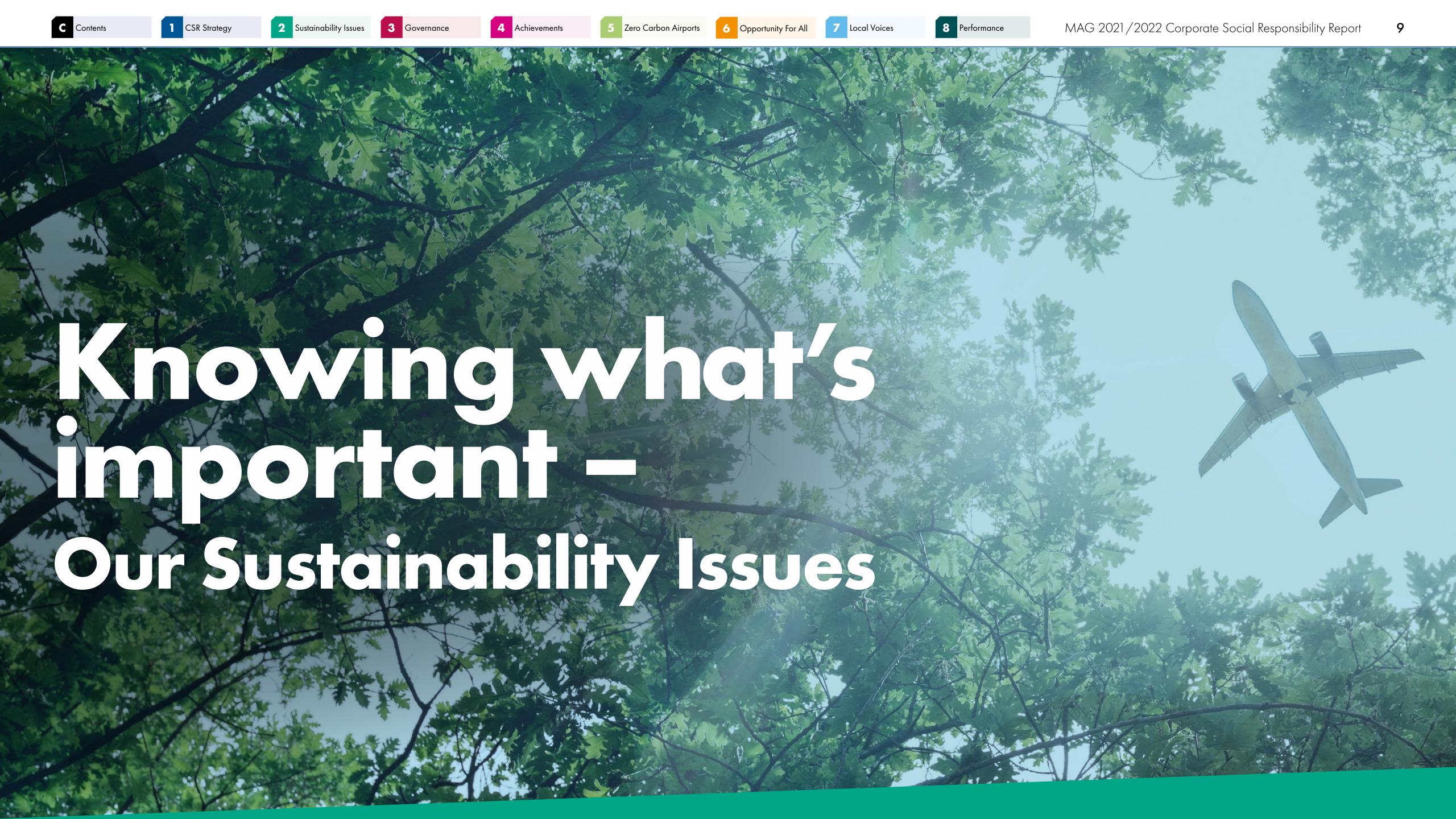
We are committed to improving our sustainability reporting, providing increased transparency and a comprehensive report that is consistent with best practice reporting frameworks. Our focus in this area reflects emerging legislation and growing interest from our financial stakeholders, particularly in ESG and climate change. In this report, we have enhanced our disclosures against the Global Reporting Initiative (GRI) to align with the latest GRI 2021 Standard, a year ahead of its formal introduction with an increased focus on human rights and environmental due diligence.



We are proud to have been recognised with a five-star ranking and listed as a sector leader in the GRESB ESG rating programme, with a score card totalling 98%. This year, we aim to maintain our position as a leader in the benchmark.

In line with the European Union Sustainable Finance Disclosures Regulation (EU SFDR), in 2021/22 we started to compile relevant data, and we will look to align our reporting to the recommended disclosures over the next 12 months. This year, to strengthen our response to climate change, we have stepped up our assessment and disclosure of climate-related risks and opportunities. In December, we submitted our third climate change adaptation report to the UK Government, and our 2020/21 Annual Report included enhanced disclosures as recommended by the Task Force on Climate-related Financial Disclosures (TCFD)<sup>1</sup>. Our focus on understanding climate risk serves to future-proof the business and our people against the impacts of climate change and enables us to capitalise on the opportunities presented by the transition to a low carbon economy.

MAG's Climate Change Adaptation Progress Report: https://www.magairports.com/responsible-business/climate-change-adaptation-reporting/; 2020/21 Annual Report and Accounts: https://www.magairports.com/investor-relations/annual-and-interim-reports/



# Figure 1: MAG Group Materiality Matrix



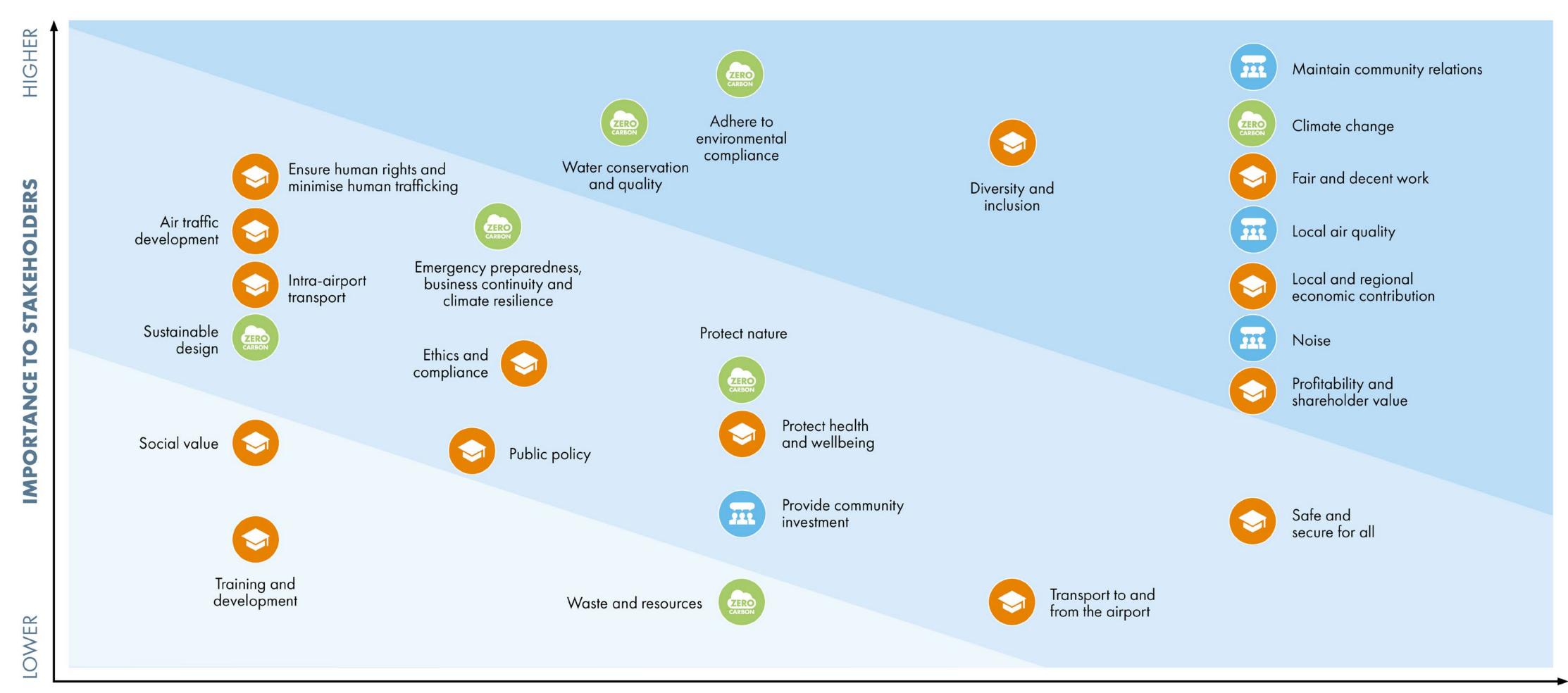
LOCAL VOICES



**OPPORTUNITIES FOR ALL** 



**ZERO CARBON** 



# Our business prospers when we respond to the issues that matter most to those living in the regions we serve.

We acknowledge the diversity of our stakeholders at each of our airports and that their priorities can be different and that they can change over time. Our CSR Strategy was originally informed by widespread stakeholder engagement and a materiality assessment conducted in 2018. We regularly undertake materiality assessment reviews to ensure our CSR Strategy continues to respond to the issues most important to our stakeholders. We repeated the materiality assessment in 2020, and again at the beginning of 2022 along with an assessment of how our stakeholders' views have evolved over recent years, as well as their level of awareness and trust in our ability to deliver on our commitments. This year, our survey included greater representation from community stakeholders, helping guide our sustainable recovery from the pandemic in a manner that responds to the most important issues to our most local stakeholders.

Our 2022 Materiality Matrix (see Figure 1) confirms that our CSR Strategy remains relevant, appropriate and responds to the highest priority issues. The results show the importance of community relations to our most local stakeholders as the business recovers. Climate change, fair and decent work, local air quality, and local and regional economic contribution remain the highest priority issues. In the updated materiality assessment, equity, diversity and inclusion did not feature among the highest priority topics for our local communities. However, we know that these are important issues for current and prospective employees, and our CSR Strategy strives to create a diverse, inclusive and fair workplace for all. We are reassured that the three pillars of our Strategy – Zero Carbon Airports, Opportunity For All and Local Voices – address the right issues.

From the survey responses, environmental issues featured prominently as priority topics across our airports, with particular attention also paid to environmental compliance and local air quality. In the coming year, we will adopt the conclusions from the renewed materiality assessment for the delivery of our CSR Strategy. Detailed analysis of the survey results highlighted differing priorities at each of the airports, which will be considered in the delivery of the airport action plans. By reviewing and updating our CSR programmes and focusing on tailored community engagement, we are best placed to make progress against our commitment to drive sustainable development in line with the expectations of our stakeholders.

#### **Building upon the findings of** the materiality assessment, our focus for 2022/23 is to:

- renew our engagement with the communities around our airports (with particular attention to local schools, education and training opportunities);
- ensure we listen and respond to a representative sample of community stakeholder groups including youth groups, older people and those most disadvantaged by MAG's operations;
- progress initiatives to reduce our environmental impact and mitigate climate change;
- facilitate economic growth for our business and local and regional economies, through fair and decent work opportunities for all;
- continue to meet our regulatory obligations and public commitments, including adhering to our environmental permits for surface water discharge and trade effluent consents;
- continue to engage with local communities on key areas of concern including noise and air quality and airspace modernisation; and
- provide full and fair disclosure of our programmes and performance, aligned to the metrics and targets within the CSR Strategy.



**How MAG** is contributing

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**UN SDG** 

**Explanation** 

We are committed to maintaining the highest standards of corporate governance and compliance. Our company reporting is carried out in line with the Wates Principles, which we have adopted as MAG's corporate governance code.

Over the past year, COVID-19 has continued to present significant challenges for our business. Thanks to our robust governance structure, operating model and the strength and commitment of our people, we have shown considerable resilience and are well placed to begin the process of recovery.

To drive positive sustainability performance across MAG, our Board's CSR Committee oversees the development and delivery of our CSR Strategy. The Committee is chaired by Vanda Murray OBE, one of our non-executive directors. More detailed information on our governance approach can be found in our Annual Report and Accounts.<sup>1</sup>

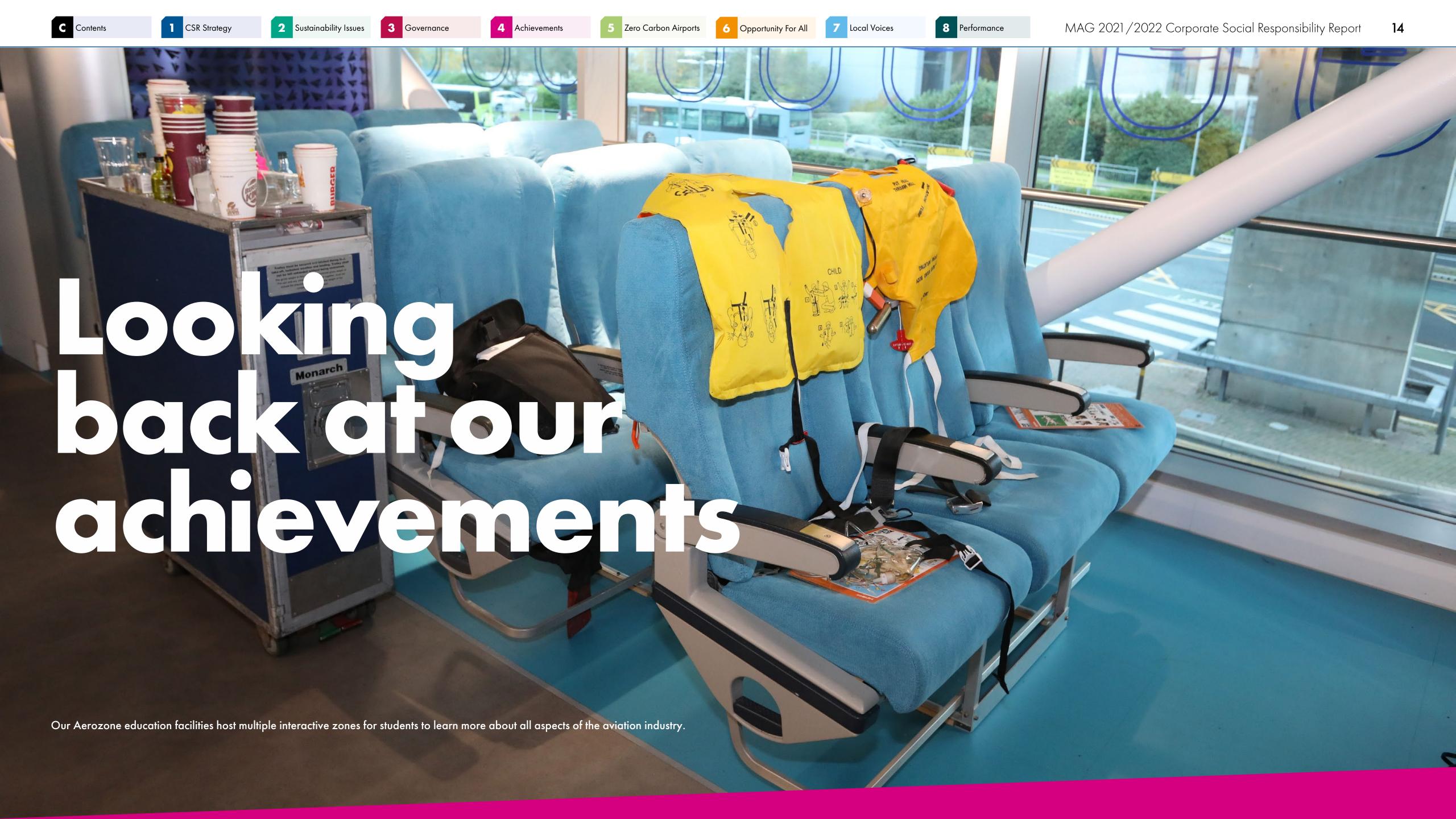
# Our commitment to the United Nations Sustainable Development Goals

We embrace the principles of the United Nations Sustainable Development Goals (UN SDGs) as a robust foundation for MAG to contribute to a more inclusive and sustainable future for all. By adopting the UN SDGs, we are proactively committed to delivering positive benefits for our local and regional economies, ecosystems and for society at large. Our CSR Strategy contributes to the achievement of several of the UN SDGs.

To maximise impact, we have decided to pursue targeted interventions that contribute most significantly to the following:

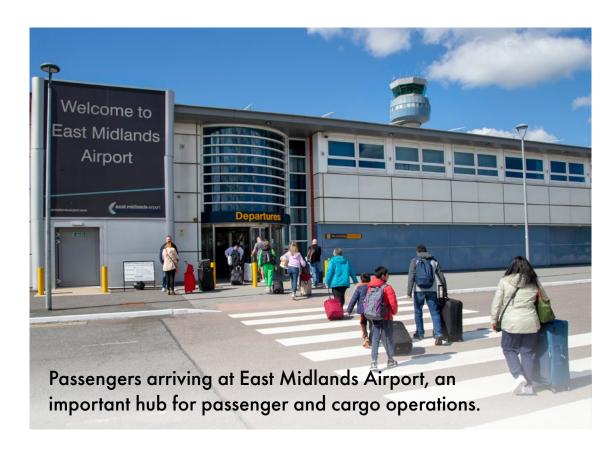
#### We employ thousands of people across our airports which supports jobs in Promote sustained, inclusive and **DECENT WORK AND** sustainable economic growth. the North West, East Midlands and South East of England. **ECONOMIC GROWTH** In 2021, we adopted a new operating model to enable our education and employability teams across our three airports to work collaboratively to support our local communities. Our award-winning MAG Connect education and employment programmes aim to provide a pipeline of skilled workforce to the industry, support local employment and inspire the next generation of aviation professionals. Last year, MAG Connect Airport Academies provided 10,757 job referrals across our three airports. Reduce inequality within and among In September 2021, our Equity, Diversity and Inclusion Strategy launched REDUCED across the business during National Inclusion Week in September 2021. countries. This year, we exceeded our target for at least 10% of the people supported by our MAG Connect Airport Academies to be from groups defined as 'disadvantaged', achieving over 17%. To support economic growth and development, we are supporting the development of sustainable aviation fuel (SAF) production in the North West region, helping level-up and create thousands of green jobs. Make cities and human settlements This year, across each of our airports, we recorded zero breaches against **SUSTAINABLE CITIES** inclusive, safe, resilient and sustainable. the Government's air quality limits. AND COMMUNITIES We work to enhance regional and national economic connectivity. This year we have launched a number of initiatives including a competition offering five years of free landing fees for the first zero-emission commercial aircraft to be based at one of our airports; and exploring the feasibility of operating commercial aircraft with zero carbon emissions in partnership with the Aerospace Technology Institute's (ATI) FlyZero and Connected Places Catapult's Zero Emission Flight Infrastructure (ZEFI) projects. Take urgent action to combat climate Climate change is a key issue for our stakeholders. change and its impacts. Our airports maintained their carbon neutral status in 2021/22. We continue to contribute to the UK Government's Jet Zero Council. This summer we released our own Jet Zero Charter Pledge to help deliver the core aims of the Government's Jet Zero Strategy. In October 2021, we launched a new digital initiative in partnership with CarbonClick, a B-Corp certified company. Through this online tool, our passengers are able to offset their carbon emissions from their flight by buying high-quality carbon credits. We have enhanced our assessment and reporting of climate-related risks and opportunities for our business in line with TCFD recommendations.

Our 2021/22 Annual Report and Accounts can be found here: https://www.magairports.com/investor-relations/annual-and-interim-reports/



This year, MAG has demonstrated commitment to decarbonising our airports, continued to offer great opportunities to our colleagues and listened and responded to the needs of our local communities.

Pages 45 to 69 provide an overview of our performance for 2021/22, mapping the progress we have made towards our CSR Strategy commitments. Some headlines include:



# **Zero Carbon Airports**

All three of our airports are carbon neutral



59% from renewable sources



All three of our airports are ISO 14001 certified airports





# **Opportunity For All**

4 employee resource groups celebrating equity, diversity and inclusivity



2,298 MAG Connect Aerozone visitors



10,757 Job referrals made by MAG Connect airport academies1





# **Local Voices**

£245,828 Investment through airport Community Funds



622 Responses to the Trust Survey



149 Community groups supported





<sup>&#</sup>x27;Support' is delivered face-to-face and virtually and includes a range of skills and education services such as formal training, employment inductions, CV guidance, job referrals, assisting with job applications, mock interviews, providing information on access to traineeships and apprenticeships, career talks to schools and colleges, outplacement support, and signposting to external agencies and charity/community groups.



# Introduction and achievements of 2021/22

MAG has a long-standing commitment to addressing the emissions that come from and are associated with our operations. We were the first UK airport Group to be certified carbon neutral in 2016. Across our airport operations, we are determined to reduce our remaining use of fossil fuels, reduce waste and optimise the use of resources to protect the natural environment. Building on our carbon neutral status<sup>1</sup>, we have committed to reach net zero carbon operations no later than 2038, doing so 12 years ahead of the UK Government's national target. We are committed to supporting the objectives of the Paris Climate Agreement and its goal of limiting global temperature rise to well below 1.5°C.

We also welcomed the UK Government's backing to decarbonise UK aviation. A key feature of this support was the inclusion of greenhouse gas emissions (GHG) from international aviation in the UK's sixth carbon budget, as well as work on the Jet Zero Strategy, a consultation on a sustainable aviation fuel (SAF) mandate and support for airspace modernisation.

We strive to create meaningful change and we continuously review our operations so that we can be an industry leader for decarbonisation across the UK aviation sector. We recognise that our commitment to Zero Carbon Airports cannot be achieved alone. Our influence extends beyond our own business, and we actively work in partnership with industry bodies, suppliers and research groups to share knowledge and build a more sustainable future.

Despite the challenges our business experienced last year as a result of COVID-19, we have continued to pursue innovative ways to realise our Zero Carbon Airports programme. These include the following:

- launching a competition offering five years of free landing fees for the first zero-emission commercial aircraft to be based at one of our airports;
- exploring the feasibility of operating commercial aircraft with zero carbon emissions through the ATI's FlyZero and Connected Places Catapult's Zero Emission Flight Infrastructure (ZEFI) projects;
- developing a partnership with Fulcrum BioEnergy UK, which could make Manchester Airport the first UK airport to be directly connected by pipeline to UK sustainable aviation fuel (SAF) production from a new biorefinery plant from 2026;
- the successful submission of our airspace change design option for London Stansted Airport, making the airport the first very large airport to pass the 'Stage 2' gateway of CAP1616 Airspace Change Guidance by the Civil Aviation Authority;
- continued certification of London Stansted Airport to the ISO 50001 energy management standard, with plans to certify Manchester and East Midlands Airports by December 2023 and the ongoing certification of our airports against the ISO 14001 environmental standard, with plans to transition to a Groupwide system and certification; and
- maintaining our carbon neutral status against the Airport Carbon Accreditation for all three of our airports.



<sup>&</sup>lt;sup>1</sup> In 2015, we became the first carbon neutral UK airport group for each of our three airports, independently certified to Level 3+ of the Airport Carbon Accreditation programme.

# Climate change: Overview of performance

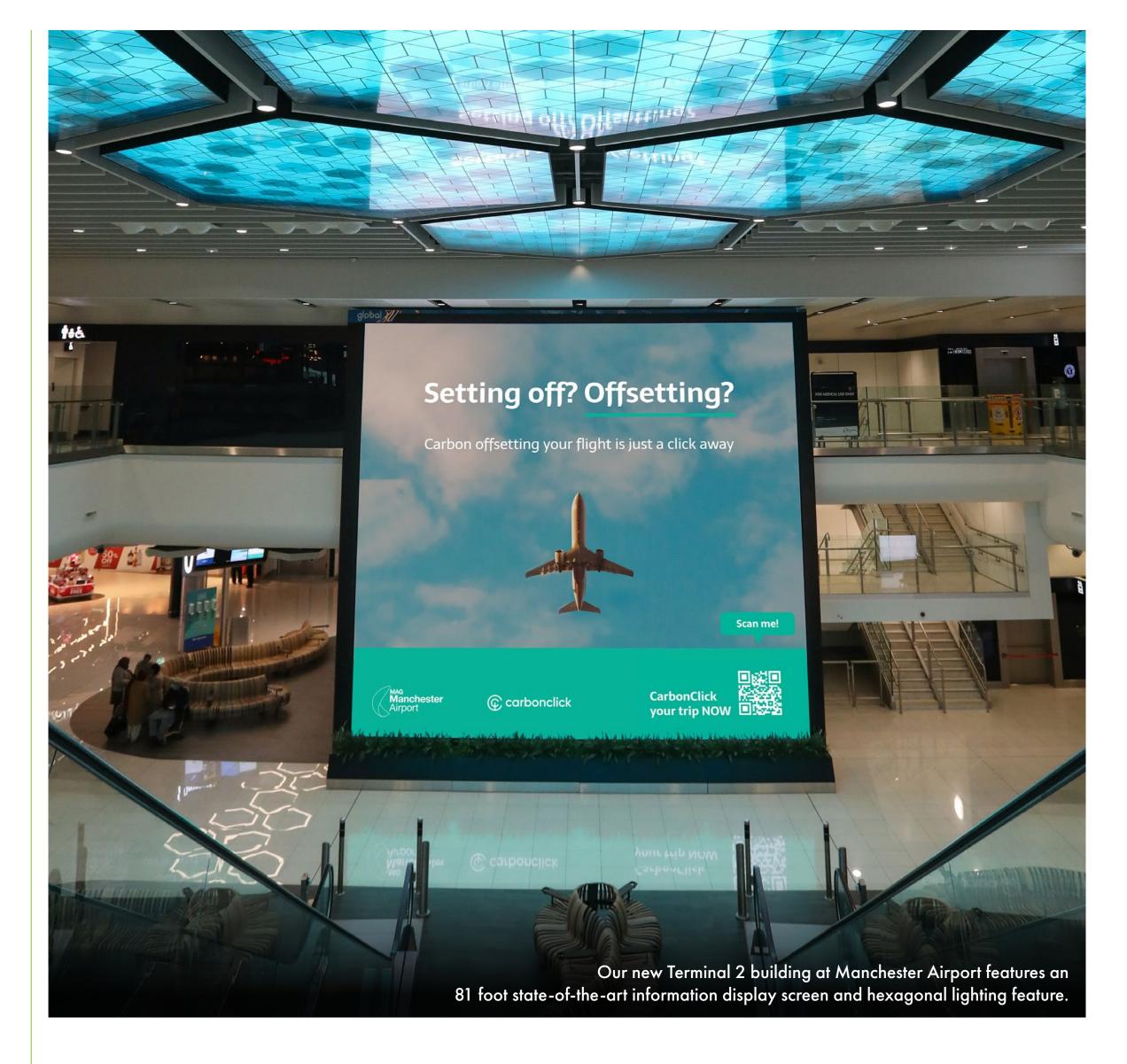
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At the 26th Conference of the Parties (COP26) in October last year, the UK showed strong leadership and embraced the increasing need for financial stakeholders to integrate climate change into their decision making. This year, the 41st United Nations International Civil Aviation Organization (ICAO) General Assembly will be held in Montréal. This meeting, seen as the 'aviation industry's COP', will provide governments with updated information to enable them to consider the case for new long-term, aspirational goals to decarbonise international aviation. We support calls for a global commitment to net zero aviation.

Climate change is a key issue for our stakeholders. To meet stakeholder expectations, we ensure that our monitoring and reporting of GHG emissions is transparent, insightful and disclosed annually. We calculate our carbon footprint in line with international best practice, the Greenhouse Gas Protocol and the UK Government guidance on company reporting. This year, our GHG emissions were independently verified by TUV Nord to ensure the accuracy of our reporting. Within this report, see page 47, we provide a detailed breakdown of our carbon footprint and the energy consumption of our operations. Within our carbon footprint, we disclose both location-based emissions (presenting the average emissions intensity of the UK energy grid) and market-based emissions (highlighting the effect of procurement decisions MAG has taken).

In 2016, we became the first carbon neutral airport group in the UK. In 2021, each of our airports maintained its Airport Carbon Accreditation, remaining independently certified to Level 3+ (Neutrality) of the programme. Whilst we commit to cutting our reliance on fossil fuels, we recognise the complexity of the transition towards net zero. We utilise high-quality carbon offsets to compensate and account for our residual carbon emissions. Offsetting of currently unavoidable emissions is necessary to balance our emissions output in the short term as we shift towards our commitment of net zero emissions no later than 2038.

In October 2021, we launched a new digital initiative in partnership with CarbonClick, a B-Corp certified company. Through this online tool, our passengers are able to offset their carbon emissions from their flight by buying high-quality carbon credits. The carbon credits are certified and independently verified through recognised standards such as the UK Woodland Code and the UN Gold Standard. Through the partnership, our passengers can choose to offset their flight by supporting a number of projects, including the creation of UK woodland in the Lake District and the production and distribution of efficient charcoal cookstoves in Ghana and Nigeria. This programme supplies efficient charcoal cookstoves that have lower emissions than woodburning stoves and help to improve human health and wellbeing. Last year, we also offset our residual carbon emissions from MAGs operations including 13,740 tCO<sub>2</sub>e of our market-based emissions.



# Sustainable Aviation's **Decarbonisation Road-Map**

The Sustainable Aviation (SA) coalition is the world's first collective partnership between major UK aviation companies that aim to deliver a more sustainable industry. As a founding member of Sustainable Aviation more than 16 years ago, we are passionate about pursuing a cleaner, quieter and smarter future to deliver a net zero carbon future for all. We worked with SA to develop and publish the Decarbonisation Road-Map in 2020. The Road-Map commits member organisations to collaborating with the UK Government and its international partners to support an anticipated 70% growth in aviation passengers by 2050, whilst reducing net carbon emissions levels from just over 30 million tonnes of CO<sub>2</sub>e per year down to zero. To achieve this goal, the industry is focused on:

- delivering smarter and quieter flight operations;
- delivering aircraft and engine operational improvements;
- modernising airspace and fleets;
- adopting sustainable aviation fuels; and
- investing in and researching future aircraft technologies and innovative solutions.





# MAG supporting decarbonisation

Last year, MAG pursued several innovative solutions to help drive the transition to a low carbon economy and to support the delivery of the UK's Sustainable Aviation Decarbonisation Road-Map. We were recognised by the Financial Times in its European Climate Leader list as the top transport organisation in 2021 and the only airport in 2022 in terms of overall performance. We continue to contribute to the UK Government's Jet Zero Council through our membership of the Council since it was launched in 2020. As part of the Government's launch of its Jet Zero Strategy in July 2022, we released five Jet Zero pledges to help deliver the core aims of the Strategy. We have pledged to:

- develop a new curriculum of Jet Zero educational materials to be delivered through our MAG Connect Aerozones;
- fund three PhD projects, so that students from local universities can help us to better understand the challenges associated with delivering net zero aviation;
- establish a new competition that will provide five years of free landing fees to the first transatlantic zero-emission aircraft operating from one of our airports; and
- introduce a financial incentive mechanism across our airport charges to accelerate the take-up of SAF; and
- deliver airspace modernisation at each of our airports at the earliest opportunity as a key lever of decarbonisation.

To support the Road-Map, we are playing our role in preparing for the development of low carbon aircraft and, through our membership of the Jet Zero Council, working in partnership with the UK Government to deliver zero-emission transatlantic flights within a generation. This will also see the introduction of new low carbon technologies and innovative solutions to help achieve a net zero economy.

We also engaged with the ATI's FlyZero project and the Connected Places Catapult's Zero Emission Flight Infrastructure (ZEFI) programme to conduct feasibility studies into fully operational commercial aircraft with zero carbon emissions. Manchester Airport was a key case study for both research projects. In partnership with a range of industry peers, we investigated the impact of zero-emission hydrogen aircraft on airport infrastructure. These projects aim to realise zero carbon emission commercial aviation, and we are proud to play a key role in seeking to make this a reality. Across our airports, we are also focusing on low carbon technologies and delivering airspace modernisation whilst reducing air traffic congestion and noise.

We are also excited about the prospect of a large (14.3 MW) solar farm project at London Stansted Airport. This project will mark another milestone in our journey to net zero, creating a framework from which we can develop similar projects at Manchester Airport, and add to the wind turbines currently operating at East Midlands Airport since 2011.

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#### **Sustainable Aviation Fuels**

Sustainable Aviation Fuels (SAFs) are fuels produced from sustainable feedstocks, including a wide range of waste derivatives that would otherwise go to landfill. These fuels produce a fraction of the carbon emissions released by traditional jet fuel and, therefore, will play an integral role in the aviation sector's transition to a net zero economy.

#### **Sustainable Aviation Fuels (SAFs):** Did you know?

- can reduce emissions by up to 80% during their full life cycle compared with fossil jet fuel.
- are better for local air quality due to reduced emissions of ultrafine particles (UFPs).
- can be produced from a variety of sustainable feedstocks, including forestry and agricultural waste, used cooking sequestered oil and carbon from the air.
- can be blended with traditional jet fuel and are therefore compatible with existing aircraft engines and airport infrastructure.
- and some SAF feedstocks include solid wastes, such as packaging, food and textiles that would otherwise go to landfill.

In October 2021, we signed a memorandum of understanding with Fulcrum BioEnergy Limited UK. The partnership aims to make Manchester Airport the first UK airport to receive a direct supply of SAF from Fulcrum NorthPoint, a new biorefinery plant in Stanlow, Cheshire from 2026. This investment in the production and distribution of SAFs has the potential to support the North-West economy and provide employment in the region. For instance, industry assessments indicate that up to three plants in this area could support more than 1,500 green jobs and add more than £219 million to the regional economy. Our partnership with Fulcrum presents a profound opportunity for the provision of green skills and jobs, as well as supporting the decarbonisation of the aviation industry. Through our collaboration, we could see up to 10% of the fuel used by aircraft at Manchester Airport replaced with SAF within the next five years.

"The introduction of SAF is testament to the innovation we have seen, and the collaboration between airports, airlines, the Government and suppliers like Fulcrum to achieve real progress towards our goal of net zero for UK aviation by 2050." Neil Robinson, MAG CSR and Airspace Change Director.

# The Aerospace Technology Institute (ATI) FlyZero project

#### Introducing the ATI and the FlyZero project

The ATI is an independent organisation that has partnered with the UK Government and the aviation industry to develop a sustainable aerospace sector through technology and innovation. In 2020, the ATI commissioned the independent FlyZero feasibility study to investigate the technical and commercial potential of upscaling zero-carbon-emission aircraft. MAG recognises that the aviation industry is a significant contributor to both greenhouse gas emissions and national GDP. In light of this, the ATI FlyZero project presents a significant opportunity to boost collaboration and accelerate the UK towards net zero by 2050.

#### Naresh Kumar, Sustainability Advisor at the ATI, explains the purpose and mission of the ATI and the FlyZero project

The ATI began the FlyZero project in 2021, bringing together more than 100 of the UK aviation industry's top experts to develop zero-carbon-emission aircraft technologies and its associated infrastructure and operations. To fully understand the whole life cycle approach, the study ensured holistic representation by including aircraft and propulsion system manufacturers, engineers, airlines, commercial teams, academics and airport operators. Due to COVID-19, the expert contributors to the study collaborated and shared knowledge via online meetings. By collaborating and sharing knowledge, the project sought to drive technology innovation, environmental performance improvement and clear aero technology leadership across the aviation sector.

#### Naresh Kumar notes the key outcomes of the FlyZero project

The FlyZero project concluded that liquid hydrogen fuel presents the greatest opportunity for zero-carbonemission regional, midsize and narrowbody aircraft in the UK. The main reasons for this are hydrogen's high energy density, the fact that it has zero 'tailpipe' emissions, and a good level of confidence among the study participants that the challenges associated with its implementation can be overcome. The potential of hydrogen is huge. For example, we found that in an accelerated transition scenario, if we introduced hydrogen-powered midsize aircraft by the 2030s, up to four billion tonnes of CO<sub>2</sub> could be saved by 2050. For context, global aviation produced 900 million tonnes of CO<sub>2</sub> in 2019.

Furthermore, the results of the FlyZero project informed the ATI's recommendations on the UK Hydrogen Strategy, which was published in 2021. The use of hydrogen is a long-term solution. As such, SAFs – which are currently at a more progressed stage of development and implementation – remain valid and should continue to be pursued in the short and medium term leading to the adoption of hydrogen.

#### How did MAG contribute to the FlyZero project?

Manchester Airport was one of five UK airports chosen to provide expert insight into airport infrastructure and the integration of hydrogen into the daily operations of an airport. MAG provided important insight into the implications of deploying hydrogen aircraft, including aircraft taxiing, refuelling, safety considerations of hydrogen fuel use and the turnaround times depending on aircraft size. Manchester Airport was used as an illustrative case study to test such considerations.

Naresh explained how using Manchester Airport as a case study was incredibly valuable in assessing the amount of fuel that will need to be produced, transported and stored at the airport to facilitate the small to medium-sized commercial aircraft. Additionally, the case study was important in highlighting the wider implications of integrating hydrogen into the energy management of the airport.

#### Naresh Kumar highlights the value of the FlyZero project and what it means for the future of sustainable air transport

The FlyZero study has transformed the UK aviation industry's understanding of the potential for zerocarbon-emission air transport. From a societal point of view, we want people to fly with the confidence that aviation's emissions are being controlled and progressively reduced as part of a plan to reach net zero. The project provided great insight into the commercial viability and business case for zero-emission transport, highlighting the potential for hydrogen as a lower cost solution to kerosene and SAFs in the long term.

The project also exemplified the great value of adopting a partnership approach to achieving net zero, bringing together aircraft and propulsion systems designers and manufacturers, airport operators, airlines and wider stakeholders.

# Airspace modernisation

Airspace modernisation is a key part of the net zero roadmap for aviation. In 2017, the UK Government first set out its policy on the future of our national airspace, highlighting the importance of airspace modernisation. Airspace arrangements have remained largely unchanged for many decades, and we can no longer rely on traditional, ground-based technologies to support the most efficient flight paths with the lowest noise impact on our local communities. Airspace modernisation can drive a range of benefits, including the potential to reduce airlines' emissions, minimise air traffic congestion and reduce aircraft noise-related impacts on local communities.

In recent years, we have been working closely with the Civil Aviation Authority (CAA) to support the delivery of its Airspace Modernisation Strategy. We have also been working collaboratively with other airports across the country to deliver a cohesive approach to managing our skies whilst ensuring that shared airspace infrastructure is fit for the future. This will also deliver quicker, quieter and cleaner journeys, and more capacity for the benefit of those who use and are affected by UK airspace.

In March 2022, London Stansted Airport successfully submitted airspace change design options for appraisal by the CAA. We are proud of this achievement that positions our airport as the first very large airport to pass the 'Stage 2' gateway of CAP1616.

Our proposal outlined our route and design envelope options to modernise the airspace arrangements for aircraft operating to and from the airport at altitudes of 7,000 feet and below. This included the continued use of performance-based navigation for two of our departure routes and the adoption of new, innovative technologies for operational efficiency. These proposals take us one step closer to modernising the design, technology and operations of our airspace. Further information can be found on our website.1 East Midlands and Manchester Airports are currently in the process of developing their airspace change design options ahead of submission later this year.

As we continue to deliver sustainable developments at our airports, this year we will focus on working with design consultants to understand more about embodied carbon associated with our capital programmes. For example, at Manchester Airport, we undertaking assessments of the next phase in the development of Terminal 2. This builds upon our commitment to decarbonise our airports by improving the energy efficiency of the new terminal by 15% compared with the existing building. Our ground-breaking work will identify cost-effective emission-reduction opportunities that implement best practice as developed by other infrastructure developers. We will use the findings from this project to develop a robust methodology for reducing embodied carbon emissions to be incorporated into the design of our future infrastructure projects.

An aerial shot of our East Midlands Airport airfield.

<sup>&</sup>lt;sup>1</sup> Further information on London Stansted Airport's submission of airspace change designs can be found here: https://airspacechange.caa.co.uk/PublicProposalArea?pID=120

# Task Force on Climate-related Financial Disclosures (TCFD)

In 2017, the Task Force on Climate-related Financial Disclosures (TCFD) published recommendations against which companies will be required to report from 2024. Recognising the importance of climate change and the need to understand and mitigate climate risk, MAG began reporting against TCFD recommendations in our 2020/21 Annual Report. This year, we have enhanced our disclosures by developing our approach to assessing climate-related risks and opportunities, with a particular focus on those associated with the transition to a low carbon economy. By evaluating these risks and opportunities over the short, medium, and long term, we are equipping the business with the tools and knowledge to inform our decision-making. In line with regulatory requirements, we are also preparing for full reporting against the TCFD for our 2023/24 Annual Report.

An overview of our disclosures against the four pillars of the TCFD recommendations (governance, strategy, risk management, and metrics and targets) can be found in page 76 of our 2021/22 Annual Report and Accounts.<sup>1</sup> Within this section of our Annual Report, we also provide detailed coverage on the climaterelated opportunities and risks for our business, as well as current and future actions to mitigate the impacts.

In line with the TCFD recommendations, our physical risks are categorised into acute (short term) and chronic (long term), and our transition risks are categorised into four distinct categories (policy and legal, technology, market and reputation).

Over the last decade, MAG has published three Climate Change Adaptation Reports, which are required to be submitted to the Department for Environment, Food and Rural Affairs (DEFRA). Through these, we have contributed important evidence to support the development of the Government's National Adaptation Programme. In December 2021, MAG published its latest Climate Change Adaptation Progress Report;<sup>2</sup> the report details our updated approach to climate-related risk management, in line with MAG's overarching Management Framework methodology.

The findings from both climate change risk assessments contribute to our corporate assessment of risk and ensure that climate change is discussed at the highest level within the organisation. This year, we will continue to review our climate change risks and opportunities, as well as refine our approach to current and future mitigation. We will monitor and identify new and emerging interdependencies for both the physical and transition climaterelated risks and opportunities to our business.

Through our established relationships with local authorities, the Environment Agency, water supply companies, transport providers and others we are working with, we will endeavour to better understand and address these interdependencies. To lead the transition to a low carbon economy, we continue to engage with local forums and, on an ongoing basis, we review and consider opportunities to extend our partnerships both within and beyond the aviation industry.

Over time, we will develop metrics that measure our financial risk against the transition and physical climate-related risks to our business. Progress against these actions will be reported to our Audit Committee and CSR Committee and included in our next Annual Report and CSR Report.

Our 2021/22 Annual Report and Accounts can be found here: https://www.magairports.com/investor-relations/annual-and-interim-reports/

<sup>&</sup>lt;sup>2</sup> Our Climate Change Adaptation Progress Report 2021 can be found here: https://www.magairports.com/media/1749/mag-2021-arp\_v3\_final.pdf

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# **Energy and environmental** management

Over the past year, we have worked to minimise the carbon intensity and energy consumption of our activities as far as possible. At London Stansted Airport, for example, we continued to roll out the LED lighting replacement programme at our main terminal building, focused on improved energy demand management to reduce consumption associated with lighting, heating and cooling, and improved the efficiency of our wind turbines through a maintenance programme.

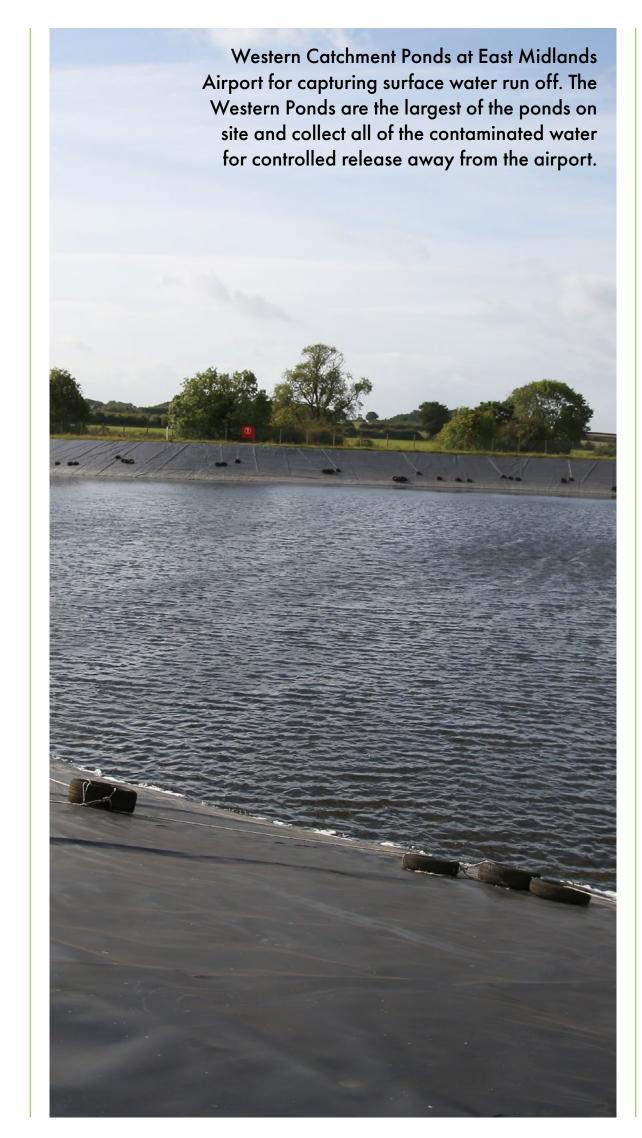
We maintained our standards of environmental and energy management across each of our three airports. Our approach to environmental management is certified against the international standard ISO 14001, and Stansted Airport also retained certification to the energy management standard ISO 50001 for a fifth year. In line with our commitment to deliver a consolidated approach to our business, we are working towards gaining ISO 50001 certification for both Manchester Airport and East Midlands Airport by December 2023.

#### Waste and water

Beyond reducing the carbon intensity of our operations, our approach to reducing our overall environmental impact centres on the efficiency of our resources, including water efficiency and waste management.

As a result of the return of commercial activity towards the end of last year and into 2022, the total volume of waste generated at our airports increased by 56% compared with 2020/21 when there was less activity. The total waste diverted from landfill decreased by 6% to 86%. This is largely driven by legislative amendments, following the UK's exit from the EU, that resulted in East Midlands Airport having to consign a higher proportion of waste as Category 1 International Catering Waste. However, we continue to divert non-aircraft waste from landfill and eradicate single-use plastics where possible. This increase in waste generation in 2021/22 is as a result of the return of commercial activity across our airports. Additionally, to ensure the continued protection of our colleagues and passengers against the COVID-19 virus, we continued the provision of single-use personal protective equipment.

Across our airports in 2021/22, despite the return of air traffic, we recorded a total water consumption of 1,029 megalitres, down from 1,093 megalitres in 2020/21. This reduction is due to improved accuracy of water measurement equipment at our airports.



In 2021/22, we recorded an environmental permit compliance rate of 92.6% with our surface water discharge consents and 85.6% with our trade effluent consents across the Group. To meet our target to achieve full environmental permit compliance, we have implemented a number of mitigation and control measures across our airports. At London Stansted Airport, we recorded 98% compliance with surface water consents and one breach, and 84% for trade effluent consents with several identified breaches. The trade effluent breaches can be attributed in part to the airport adapting to new effluent consent limits and monitoring methodologies. At Manchester Airport, we recorded a compliance rate of 95.1% for surface water discharges where the significant breaches were concluded to be leaf mould, and 100% for trade effluent consents, and 83.1% and 81.5% respectively at East Midlands Airport. To improve compliance at our airports, we will focus on increasing awareness of waste discharges and our controls, as well as operational controls and compliance monitoring systems, continuing to work proactively with the Environment Agency and sewage undertakers.

# Air quality

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Air quality has always been a high priority for MAG and our local communities. In our 2022 materiality assessment, local air quality featured as a priority sustainability topic for our stakeholders.

Across each of our airports, we continuously monitor and report air quality and work with our airline customers and service partners to identify and implement opportunities to improve it. This year, we recorded zero breaches against the Government's air quality limits. Further information is included in our detailed air quality reports which are published online here: MAN, EMA, STN.

We recognise that road traffic makes the most significant contribution to poor air quality at our airports and in the UK more generally. This is a key focus area for us. Our surface access initiatives help to reduce emissions and minimise the impact of airport-related emissions on local communities. In 2022, we rolled out a Sustainable Transport Fund at each of our airports to fund improvements to public transport, cycling and walking options. Our funds will be supported through a levy on passenger car parking and drop-off charges, and we will be incentivising our colleagues to travel to work using more sustainable methods of transport.





# Nature and biodiversity

We value the importance of protecting nature and enhancing biodiversity. Although our airport operational areas are not located on land of high ecological value, Manchester and London Stansted airports are in close proximity to protected habitats. As such it is vital that MAG plays a full role in preserving and restoring nature in the regions we serve. We monitor ecology and nature across each of our three airports.

We have ongoing programmes in place to measure the impact of our business on protected and notable conservation sites at our airports and in the immediate area. This includes reviews of protected species including badgers, bats, owls and newts which, whilst balancing the need to minimise wildlife risk and ensure aviation safety, we are pleased to welcome at our airports. We recognise we need to do more to minimise our impact on local nature and we will explore ways to better measure our impact.

# Looking ahead

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Over the next 12 months, we will see heightened focus from governments and businesses on responding to important environmental challenges. We recognise how, following the publication of the UK Government's Jet Zero Strategy, 2022/23 will be an important year for delivering on our pledges. Furthermore, the policies and commitments presented at the ICAO General Assembly held in September this year marked a key milestone for the decarbonisation of our industry. The outcomes of these policies and commitments will critically shape MAG's future, and how we respond to and influence them will be central to our work over the coming year. In line with this, we will continue to review, update and monitor our progress towards the achievement of our target of Zero Carbon Airports by 2038. To reduce our remaining emissions and enhance the climate resilience of our operations, we will:

- develop zero carbon transition plans and associated emissions trajectories to secure the delivery of our target to be net zero by 2038, building on our current status of carbon neutrality;
- evaluate opportunities to transition to low carbon technology and renewable energy options, and identify an annual carbon emission reduction rate across our business;
- create a methodology for assessing and reporting the embodied carbon of all large construction projects - identifying key opportunity areas to reduce the carbon intensity of our airport intrastructure;

- enhance the climate resilience of our infrastructure and assets to align with investor expectations;
- continually review our action plans against the latest climate-related reporting requirements and disclosures, such as the TCFD;
- review approaches for the future implementation of emission-based airline charging at each of our airports;
- consult on, and publish, airline league tables to recognise the operators with the lowest carbon emissions; and
- deliver a range of work programmes to address our indirect emissions including those arising from passenger travel to and from our airports, the airport staff and aircraft.

In line with our commitments to improve local air quality at each of our airports, we are continuing to work towards meeting the following commitments:

- supporting the transition to ultra-low emissions vehicles (ULEV) in a planned and consistent manner (in line with the UK Government's phase-out) by transitioning 100% of our operational fleet to ULEVs; and
- working closely with our airlines, operational teams and air traffic control officers across each of our airports to explore opportunity areas for reduced engine taxiing.

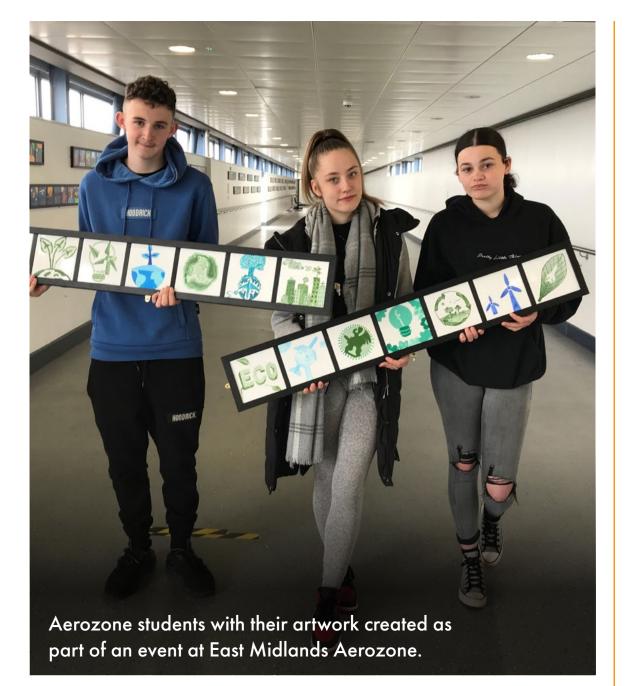
To drive forwards a nature-positive future, we will align with the UK Government's Environment Act and its associated biodiversity net gain requirements on all new developments. Later this year, we will also be launching our new Group-wide Conservation Strategy with detailed commitments to ensure we protect and restore nature and deliver biodiversity improvements as part of all new developments.

We also welcome the introduction of reporting standards from the Taskforce on Nature-related Financial Disclosures (TNFD). The TNFD is expected to launch new reporting requirements for all businesses over the coming year and we will evaluate the recommendations to support our understanding of nature-related financial risks and opportunities.









We play an important role in supporting local and regional economies across the UK. As the UK's largest group of airports, we are committed to realising and sharing the benefits of future growth and providing fair and decent work for all.

Opportunity For All is a primary objective of our CSR Strategy and highlights our commitment to making our airports great places to work for our current and future colleagues, business partners and members of our local communities. By supporting thousands of jobs and providing people-centred travel hubs, we are determined to help realise the economic potential of the regions we serve.

Last year, our airports collaborated with local businesses to maximise our offering of professional placements and experiences. Through our partnership approach, we focused on equity, diversity and inclusivity, and we invested in the talent and career progression of our colleagues. Crucially, this enables us to position our business as an employer of choice and the UK aviation industry as a rewarding career.

COVID-19 has presented a series of employment challenges for the aviation sector and the workforce at large. Our high-quality and engaging employment opportunities for existing and prospective employees enable our airports to respond positively to these challenges. We are determined to increase the pipeline of great talent into our industry and inspire the next generation of aviation professionals through a wide range of career and education opportunities.

We believe that our airports should reflect the diversity of the regions in which they operate, and we recognise the importance of a diverse and inclusive work environment in influencing how our colleagues feel and perform in their roles. We work tirelessly to embed principles of inclusivity into the fabric of our operations and everyday practices, and we want to empower colleagues to achieve their full potential.

# Providing great employment opportunities for all

At MAG, we promote high-quality, positive and rewarding employment practices for all. We take a cross-generational approach to our employment opportunities and recognise the value of grass roots engagement. In 2021, we adopted a new operating model to enable our education and employability teams across our three airports to work collaboratively to support our local communities.

Across the year, our teams have worked hard to provide great employment and training opportunities through our MAG Connect Airport Academies. Our award-winning Airport Academy education and employment programmes aim to provide a pipeline of skilled workforce to the industry, support local employment and inspire the next generation of aviation professionals. Last year, the MAG Connect Airport Academies provided over 10,700 job referrals across our three airports, yielding great employment opportunities.

To extend the reach of our employment support efforts across the communities surrounding our airports, we partnered with the Seashell Trust, a leading learning disability and autism charity in the UK. Through this partnership, we have to date transferred over £200,000 in apprenticeship levy payments to the Trust. This money has been used to pay for apprenticeship training and assessment across a range of professions. We will continue to support organisations such as the Seashell Trust as they form an important part of our commitment to provide good employment and educational opportunities for all.

In the second half of 2021, we were delighted to welcome many of our colleagues back to fulltime working. As the pandemic continued to have a significant financial impact on our business, no bonuses were paid for the 2021-22 financial year.

Our education team continued to review the UK Government's plans to support young people to overcome barriers presented by missed learning opportunities in 2020 and 2021. We have taken this on board and investigated how we can adapt our educational and employment offerings to account for the impact of COVID-19. We are now offering our full programme of educational opportunities to support our business recovery. We worked closely with trade unions and individuals to protect employment wherever possible over the course of the pandemic.

The Government's furlough scheme enabled us to retain many of our colleagues. Due to the impacts of the pandemic, it was inevitable that some of our people left the business. In building back, we have focused tightly on our core operations at a challenging time. Throughout 2022/23, we will continue to step up our employment offering and publish the MAG Good Work Charter to consolidate our wide range of employment policies and initiatives across the business. The Good Work Charter will also outline our approach to implementing the Real Living Wage and reviewing payment policies for all direct employees and those across our supply chain.

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# Providing fair and decent training, skills and educational opportunities for all

As well as supporting a thriving and prosperous economy. Each of our airports holds a strategic relationship with a partner college that is responsible for devising and delivering free, tailored and fully accredited courses relevant to the aviation industry. These are Trafford College, Harlow College and Stephenson College, at Manchester, London Stansted and East Midlands Airports respectively. MAG Connect Airport Academies provide a hub for people looking to begin, progress or change their career within the aviation sector. Airport Academy courses include pre-employment and upskilling courses across aviation including diversity and inclusion, customer services and health and social care.

In 2021, we increased our offering of fully funded upskilling opportunities to our colleagues, delivered through our Airport Academies. In response to employee demand for training and skills, we provided access to over 100 courses on a range of topics including information technology, GCSE-level English and maths, aviation and logistics. In particular, a new Level 3 Digital and Data Literacy Apprenticeship programme was offered to all MAG colleagues to build our capability in this important area. The programme received an unprecedented level of interest and 71 colleagues are now undertaking the course. We also provided Level 3 and Level 5 Management Apprenticeship programmes for existing managers.

Despite the disruption caused by the pandemic, we also saw an increased uptake of the managementrelated and higher-level apprenticeships, with over 30 employees now enrolled on leadership and management qualifications. We recognise that these courses are not always accessible to individuals in our communities who are most in need of assistance. To address this, we deployed our pre-employment programme in partnership with local colleges and Jobcentre Plus. Our pre-employment programme sees MAG Connect Airport Academies provide fully funded employment support services to those who have been out of work for a prolonged period or have difficulty in securing employment. The courses cover a range of aviation professions and present an excellent opportunity for people to kick-start a career in the industry. Over the last year, 242 local people accessed our free pre-employment courses that equipped them with the skills they will need to build a career with MAG or one of our on-site partners. The participants also benefitted from additional support provided by the teams including mock interviews, CV writing and a free travel pass to access our airports.



Over the same period, MAG Connect Airport Academies have made 10,757 job referrals for roles within the aviation industry. These referrals serve to accelerate the hiring process for job seekers and provide a more straightforward pathway into the industry.

London Stansted Airport College is the first purposebuilt, on-site college at any major UK airport and supports almost 500 students on courses tailored to the aviation industry. To further enhance the accessibility of this service, all participants at the London Stansted Airport College can take advantage of travel benefits offering discounts worth up to 80% of the cost of travel.

"As a London-based employee at Stansted who commutes to the airport multiple times a week, using my airport travelcard to reduce my train journey costs by up to 80% has made commuting much more accessible and affordable. It is great to work for an organisation who supports their employees to make more sustainable choices travelling to work."

#### **London Stansted Airport employee**

In March of this year, London Stansted Airport College celebrated over three years of innovative learning and the contribution of the graduates to our industry. To mark this occasion, the College was delighted to host a visit by Her Royal Highness Princess Anne, who was taken on a tour of the campus and concluded the visit by presenting three students with special awards for excellence.



Following the further lifting of Government restrictions in early 2022, it was fantastic to once again host in-person job fair events at each of our airports. The events are designed to showcase the hundreds of exciting roles within the aviation industry, and proved to be a great success with record attendance at each event. The Stansted Airport event saw over 500 people join us for a landmark jobs fair held at Tottenham Hotspur Stadium in North London. At East Midlands Airport, we hosted an accessible jobs fair scheduled to enhance participation rates and avoid direct clashes with work or educational commitments. Manchester Airport held an equally popular jobs fair in February at the Old Trafford cricket ground, and in March in Wythenshawe. The two events saw over 1,500 people attend and were delivered in partnership with Manchester City Council and the Department for Work and Pensions. We will continue to provide employment and employability opportunities for local people to share the success of our airports with our communities.

# Inspiring the next generation in the aviation industry

At MAG, we strive to attract and nurture the next generation of talent in the aviation industry through engaging educational opportunities. Due to the ongoing restrictions presented by COVID-19 throughout 2021, we were unable to hold inperson educational events until later in the year. Our education teams worked hard to maintain contact with local schools and to find new forms of engagement. Virtual events allowed us to improve cross-airport collaboration and enabled schools to dial in from across the country.

In February 2022, we hosted a 'Girls in STEM' virtual event in support of International Day of Women and Girls in Science. We hosted over 500 students from 17 secondary schools from all three local areas surrounding our airports. It was important to MAG that the event was open to those identifying across all genders to ensure the core messages on gender equality were delivered to as many young people as possible. The event showcased a wide range of exciting science, technology, engineering and maths (STEM) roles available across our industry, delivered by inspiring guest speakers from across our airports. The event proved a resounding success with great feedback from the schools in attendance.

In March of this year, we further supported local schools through our annual World Book Day initiatives. In partnership with WH Smith we donated 1,500 books to support schools around our airports, as well as £450 in book vouchers. This initiative supported our ambition to offer educational outreach support to young people in priority areas within our local communities.

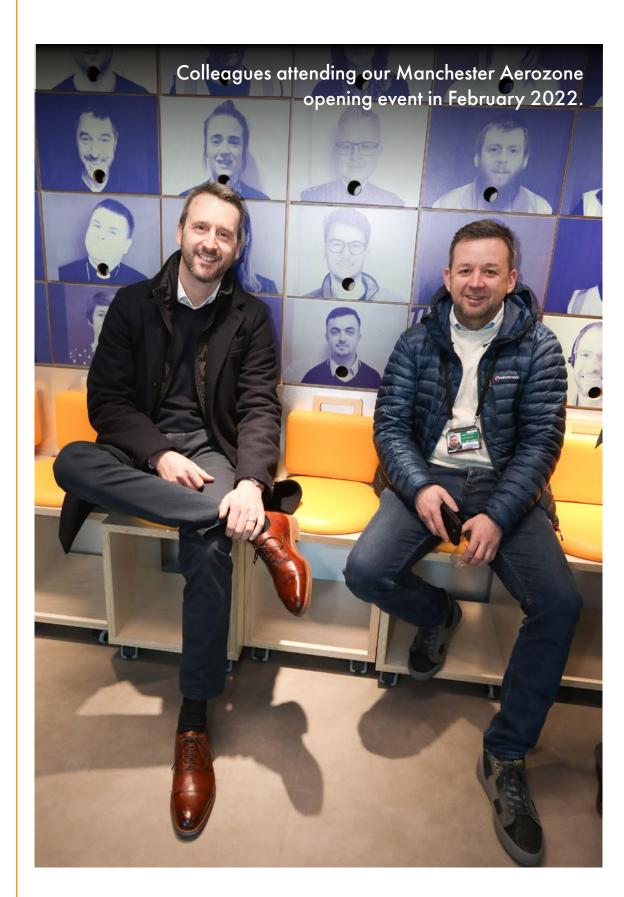


#### **MAG Connect Aerozones**

Our MAG Connect Aerozones are high-quality, engaging and fun education centres that are free for schools to visit. The interactive spaces provide young people with refreshing learning opportunities at our airports and a unique insight into all that the aviation industry has to offer. Last year, our staff dedicated almost 5,500 hours of volunteering across our Aerozones. It is the passionate support of our colleagues that brings the education sessions to life so that they inspire young people. The Aerozones will continue to form a key feature of our long-term colleague volunteering aspirations.

In November 2021, we were delighted to reopen our Aerozones at East Midlands Airport and London Stansted Airport, and in February of this year we were proud to launch our newest Aerozone at Manchester Airport. To mark the opening of the facility, Greater Manchester's Mayor, Andy Burnham, was given a tour of the Aerozone with pupils from Outwood Primary School. We expect the Manchester Airport Aerozone to welcome more than 5,000 young people aged between 4 and 18 every year.

After such a prolonged period of closure, the demand for places at our Aerozones and wider education programmes was unprecedented. During the last two months of the year, we welcomed more than 2,200 young visitors to our facilities, 76% of whom came from the areas in our local communities where we prioritise our support.



# Equity, Diversity and Inclusion

At MAG we believe an equitable, diverse and inclusive culture is essential to the creation of a unified workforce, attracting and retaining the best talent, delivering a great place to work and boosting our business performance.

A key achievement in July 2021 was the approval of our Equity, Diversity and Inclusion Strategy by the Group CSR Committee, later launched across the business during National Inclusion Week in September 2021. The Strategy focuses on four pillars of activity: to inspire women in aviation, drive equality and diversity at leadership levels, cultivate and grow early talent in the business, and create an equal and inclusive culture where everyone can thrive. Through this approach, we have targeted the areas that can create the most meaningful impact, including the creation of several Colleague Resource Groups such as the Women's Network, Fly with Pride Network, Race and Ethnicity, Men's Mental Health and the launch of the associated Group Mentoring Programme.

In 2021, we launched our highly successful MAG Women's Network to bring positive change and provide a supportive and empowering forum for women across our business. Amongst its core objectives, our Women's Network seeks to increase the understanding of the needs of women in the workplace, engender positive ways of working and a culture of equality, inspire women to realise their potential and support their professional development. In its first year, the network delivered a host of fantastic initiatives for all employees including a panel discussion for all colleagues on menopause and men's suicide prevention, and a detailed discussion on breast cancer awareness.

Another great event was 'The Big Night In' – an evening with Lisa Coghill, a major sport event consultant and event manager for the UEFA Women's Euros 2022. To inspire conversation and further action, we have identified topic leads and sub-groups for our core themes as well as a communication platform to continue the discussions.

Last year, we invested in building the leadership team to deliver the commitments of our Equity, Diversity and Inclusion Strategy, particularly around attracting and retaining talent. Adopting a collaborative approach, there has also been active support and engagement with industry bodies including Northern Power Women, regional Pride events, the Northwest Diversity Forum and the Inclusive Employers' Forum, amongst wider research initiatives on equity, diversity and inclusion.





# Eliminating discrimination and ensuring gender parity

MAG has a zero-tolerance approach to discrimination and is working to foster an inclusive environment for our colleagues whilst embracing the strength of our differences. In line with UK Government regulation, we measure the gender pay gap across our business defined as the difference in average and median pay between men and women, expressed as a percentage of the average male earnings.

Due to the restrictions of COVID-19, we had a reduced number of full-time employees and therefore our sample for our Gender Pay Gap reporting was smaller compared to previous years. As such, in order for our Gender Pay Gap results to be representative of our workforce, furloughed colleagues with their full pay equivalent have been included. On this basis, we are pleased to report that our median pay gap fell from 4.6% in 2020 to 2.3% in 2021, and the mean gender pay gap fell from 10.2% in 2020 to 7.2% in 2021 across the Group. We are encouraged by these figures, and we aim to achieve a continual reduction in our gender pay gap.

# **C** Contents CSR Strategy Zero Carbon Airports Our Customer Service colleagues are available to help with passenger queries at each of our airports.

#### Accelerating diverse talent across our business

At MAG, we believe that diversity of thought, experience and perspective can enhance the performance of our business. We recognise that when our diversity reflects the regions our airports serve, we are best placed to understand and serve our passengers. Building a representative workforce at all levels is a key consideration in our employee progression and recruitment processes.

MAG is committed to attracting and retaining the best talent from all backgrounds. To do this, we are developing programmes that provide resources, skills and knowledge (such as coaching, mentoring, learning and e-learning opportunities) to inspire, empower and enable underrepresented groups across our workforce to realise their full potential. The programmes will be a key enabler to achieving our target of increasing the representation of race and ethnic groups at leadership level to 12% by 2025. At our last assessment, more than 14% of our overall workforce identified as coming from a black, Asian or minority ethnic group, which is in line with the UK average of 14.4%, and 5% at leadership levels. We are continuing to review our progress against this target with tailored initiatives to support diverse representation. This includes, but is not limited to, introducing the concept of diverse recruitment panels, unconscious bias training for all hiring managers, monitoring the diversity of talent development plans and supporting inclusion to retain talent.

We made our position on gender diversity clear at the beginning of last year. Our aim is to reach gender parity in leadership positions across MAG. To track our progress towards this goal, this year we are setting a target that our leadership recruitment will achieve gender parity by the end of FY25. In 2021, female representation at an executive level increased. At a leadership level, 32% of our people identify as female, rising to 35% across all levels of the business.

To support our gender parity and inclusion goals, we introduced the MAG mentoring programme. Initially launched with our Women's Network in 2021, the initiative was designed to connect women in leadership positions with other women across the business in order to share advice and insight around the planning and achievement of professional goals. The initiative is now a Group-wide programme with over 100 mentors and mentees across the business. Over the past year, as a result of reduced recruitment, we experienced a lack of early talent entering our business and sector. Attracting and nurturing early talent (defined as those with less than five years' postacademic work experience) is essential for building new skills and enhancing our leadership pipeline. To address this challenge, we have committed to increasing the representation of people under the age of 25 across our workforce to 12% by 2025 from current levels.

### Fostering an inclusive culture for all

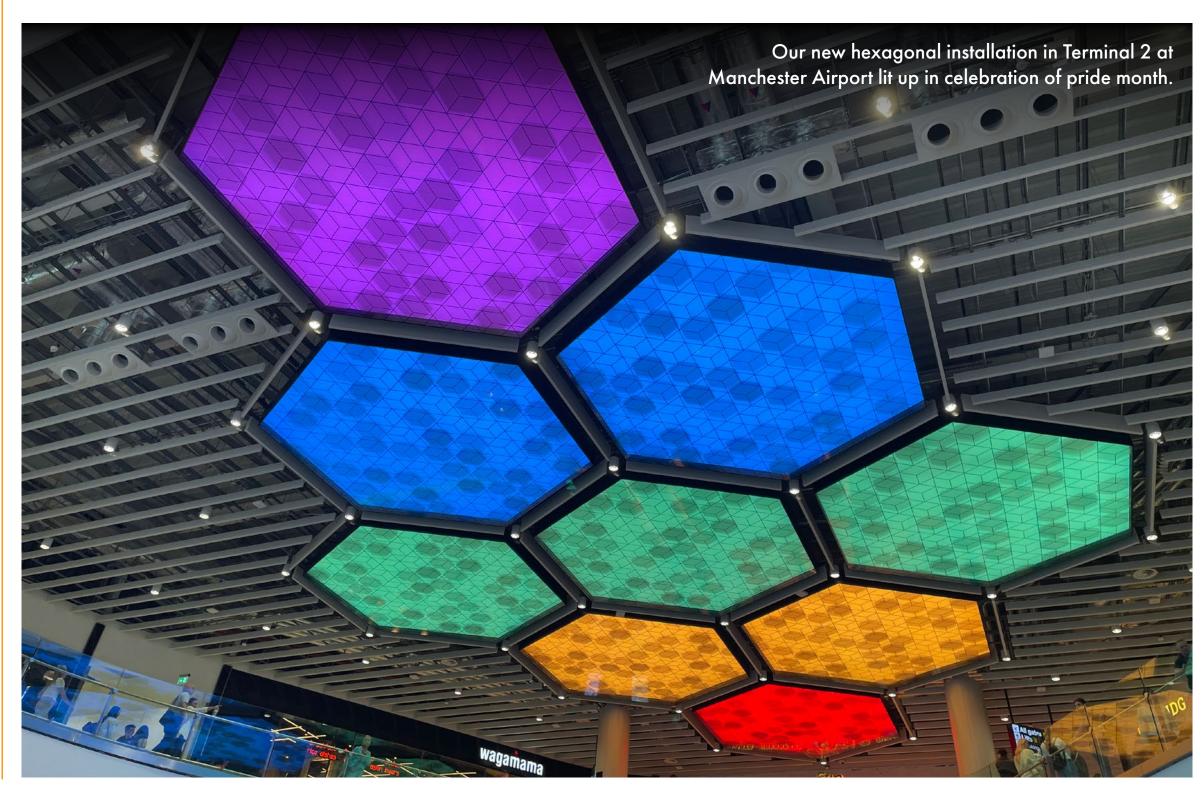
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Last year, we continued to support people in the workplace with disabilities. In 2021, we signed up to the UK Government's Disability Confident employer scheme and collaborated with Mencap and Pure Innovations to review the way we support those with neurodiverse characteristics. Throughout the year, we worked closely with local authorities, passenger groups, airport consultative committees and their respective sub-committees to improve the user experience of our airports. This included looking at how suitable our airports are for passengers from different demographic backgrounds, ranging from accessibility to inclusivity. We have responded to this by rethinking the imagery we use and the provision of assistance features and services at our terminals.

CSR Strategy

To support our LGBTQIA+ colleagues and raise awareness across every part of MAG, we introduced the MAG Fly with Pride Network, open to every colleague. The goals of the network include gathering insight, suggestions and concerns of its members, and providing a focal point for engagement and promotional activity for the LGBTQIA+ communities within and around our airports. The long-term objectives of the network are to establish MAG as a company that actively engages in LGBTQIA+ events, work with our teams to improve education and inclusivity across the business, and ultimately ensure MAG is an LGBTQIA+ positive employer.

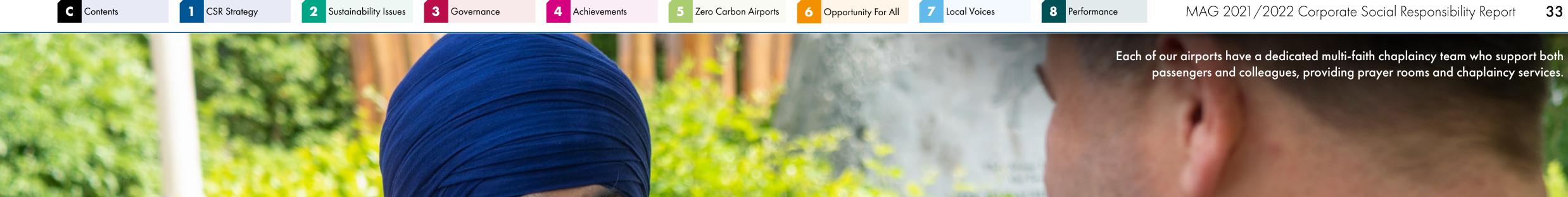
Another great event was 'The Big Night In' – an evening with Lisa Coghill, a major sport event consultant and event manager for the UEFA Women's Euros 2022. To inspire conversation and further action, we have identified topic leads and sub-groups for our core themes as well as a communication platform to continue the discussions. Last year, we invested in building the leadership team to deliver the commitments of our Equity, Diversity and Inclusion Strategy, particularly around attracting and retaining talent. Adopting a collaborative approach, there has also been active support and engagement with industry bodies including Northern Power Women, regional Pride events, the Northwest Diversity Forum and the Inclusive Employers' Forum, amongst wider research initiatives on equity, diversity and inclusion.



# Providing hybrid and flexible working

COVID-19 presented us with opportunities to review and respond to the needs of our people. Through employee surveys, we reached out to our colleagues to gather their insights on the perceived opportunities and challenges of hybrid working. The insights showed a desire for greater flexibility and hybrid working, and so we launched a hybrid working approach for office-based colleagues in August 2021. To support our colleagues in their home-working environments, we introduced health and safety selfassessments and delivered occupational health and safety training. We provided hybrid working training and guidance to leaders to support and embed the new ways of working and equip our colleagues with useful tools and techniques to aid their work-related health, safety and wellbeing. We also continued to improve accessibility by offering subsidised travel cards for all colleagues working out of our airports. At London Stansted Airport, for example, we provide a discount of up to 80% on the cost of transportation for our colleagues working at the airport.





# Mental health and wellbeing

The physical and mental health and wellbeing of our people is a top priority for MAG. Last year, we refocused our Group-wide colleague 'Your Voice' engagement survey to include insights into our colleagues' mental health and wellbeing, with particular attention to the impacts of COVID-19. We recorded a strong response rate of 70% to the survey, which highlighted that our non-site-based colleagues have benefitted from hybrid working and, for both on-site and office-based colleagues, many continue to enjoy working in their teams and would recommend their manager to others.

We identified employee wellbeing and professional development as the biggest area of focus for the business, in particular the provision of mental health and wellbeing support, further developing our inclusive culture and exploring career growth opportunities for all colleagues.

In response to the results of the survey, we held wellbeing listening groups in order to further understand what our colleagues wanted. We fed these results into our wellbeing strategy and consequently introduced our Men's Mental Health colleague resource group.

The group aims to provide a safe and supportive space for colleagues to share their experiences of mental health. Last year, we also expanded the provision of mental health first-aid training courses for our colleagues, and we are proud to have 97 qualified mental health first-aiders across the business, with a further 89 colleagues due to undertake training this year.

To maintain engagement and gauge the success of our wellbeing initiatives, we circulate regular pulse surveys throughout the year. To complement our network of mental health first-aiders, we continue to provide our colleagues with free access to independent, confidential support services through our employee assistance programme.

# Health, safety and wellbeing

Creating an environment where every passenger, colleague and business partner feels safe is essential to how we operate our airports. We consider a pair of 'safe hands' as one of our core business values that embody our commitment to act with honesty, responsibility and total accountability for our decisions.

A strong foundation of health, safety and resilience is fundamental to our strategic planning, leadership and partnerships. We are committed to regular colleague engagement to ensure our people are equipped with the skills to identify and manage health and safety risks. As we continued to experience the impacts of COVID-19, we responded to the changing landscape by rethinking how we consider health, safety and wellbeing. We updated our procedures and delivered a renewed focus on occupational health and safety and new technologies. By implementing these measures, we made our airports COVID-secure in order to protect our colleagues and passengers. In January 2021, East Midlands Airport was the first airport in the UK to obtain the Civil Aviation Authority's public health accreditation. Since then, Manchester Airport and London Stansted Airport have also achieved accreditation.

This year, we have maintained our certification to the international health and safety standard ISO 45001. During 2021, ten reportable incidents were recorded, which can be attributed to the increased passenger and staff numbers as we saw airport operations begin to recover from the impacts of COVID-19.

Last year, we embarked on an organisational restructure to consolidate and enhance our governance of health and safety across our business. We achieved this through effective collaboration and the sharing of best practice across the health and safety teams at each of our airports. In April 2022, this culminated in the launch of our new threeyear, Group-wide health, safety and operational resilience strategy, Vision Zero 2: The Next Chapter. Vision Zero 2 is a transformational programme that builds on the strength of the preceding Vision Zero health and safety approach by unifying the programmes across our airports. Through our revised strategy, we are committed to establishing clear goals over the next three years to significantly reduce reportable injuries across MAG. In 2023, the strategy focuses on continued mitigation against the impacts of the pandemic throughout our recovery such as; virus contraction, health-related absence, legal requirements and incident prevention.

# Sustainable procurement

Maintaining strong and trusting relationships with our supply chain partners is essential for us to achieve our sustainability commitments and to deliver opportunity for all. We recognise that our suppliers - small, medium and large – make a significant contribution to the local and regional economy. MAG works with hundreds of partners and suppliers across our three airports, spending more than £780 million annually. We are also committed to local sourcing – last year, 25% of our suppliers were located within 25 miles of our airports, collectively accounting for 17% of supply chain spend. This meant that we supported our local suppliers across all our airports through extended periods of inactivity caused by COVID-19. We also stayed connected with our partners and maintained a consistent delivery of essential supplies, including personal protection equipment.





# Celebrating our first Group-wide Meet the Buyers event

One way in which we supported our suppliers was through our Meet the Buyers event at the Runway to Recovery initiative, hosted in December 2021. The virtual event was open to local businesses around all our airports, providing a platform for them to develop knowledge and business opportunities. The event was hosted by the Managing Directors of our airports and members from the MAG procurement team. Local businesses were invited to dial in to learn more about the use of innovation and technology across supply chains, gain insight into working with MAG and take the opportunity to network with like-minded businesses. The event was attended by 96 businesses and virtual exhibitors including the South East Midlands Local Enterprise Partnership (SEMLEP) Growth Hub, Hertfordshire Growth Hub and Manchester Growth Company.

Despite the economic challenges of the past year, we maintain focus on providing prompt and fair payment to our supply chain partners with emphasis on our smaller local suppliers. Between April 1st and September 30th 2021, 88% of invoices were paid in line with our payment terms – to pay within thirty days of the last day of the month in which an invoice is received, and 87% of invoices between October 1st 2021 and March 31st 2022. We are also committed to improving the transparency of our supplier payment practices. Our thorough payment batch review process has enhanced the visibility of our payment practices, allowing a consistent approach towards prompt payment for our external partners.

# Eliminating modern slavery

We recognise the role that MAG can play in eliminating modern slavery and, as we recovered from COVID-19, we worked hard to increase the robustness of our approach to mitigate modern slavery risks. We updated our Modern Slavery Transparency Statement, which was approved by the CSR Committee and published in September 2021. We expanded our Modern Slavery Working Group to include a diverse range of relevant stakeholders including our procurement, capital delivery and operations teams, UK Border Force and local police forces. This group will ensure we continue to consider the full spectrum of associated risks and mitigation measures in our approach to the eradication of modern slavery in all its forms.

Through our partnership with the Slave Free Alliance (SFA), in place since 2019, we delivered training sessions to Executive Committee members on the identification and mitigation of modern slavery risks. Owing to its success, we extended the training to senior leaders across our airports. As we work with a high number of suppliers, we enlisted the help of the SFA to run a specific training course for our procurement team to update their supplier screening processes to identify risks of modern slavery (see our Modern Slavery Statement for further details).

We also achieved notable progress on training and educating our employees and suppliers on modern slavery risks. In October 2021, we communicated and raised awareness of modern slavery and the many forms it can take through an employee campaign held in recognition of Anti-Slavery Day. The campaign included informative messaging circulated to employees and posters displayed at each of our airports.

# Looking ahead

As we move into the third year of our CSR Strategy, we are aiming to meet more of our Opportunity For All commitments, adopting a resilient, inclusive and community-minded approach. We are committed to supporting social and economic recovery in our local communities as we all emerge from COVID-19. Our policies and strategies have a more long-term look ahead and each outlines milestones for the coming years.

As our recovery continues, we will focus on strengthening the offering of our MAG Connect Airport Academies, as they will play an important role in supporting our recruitment drive and providing upskilling opportunities for our colleagues. Our Good Work Charter is due for publication at the end of the year and will cement our commitment to being a good employer for all our colleagues.

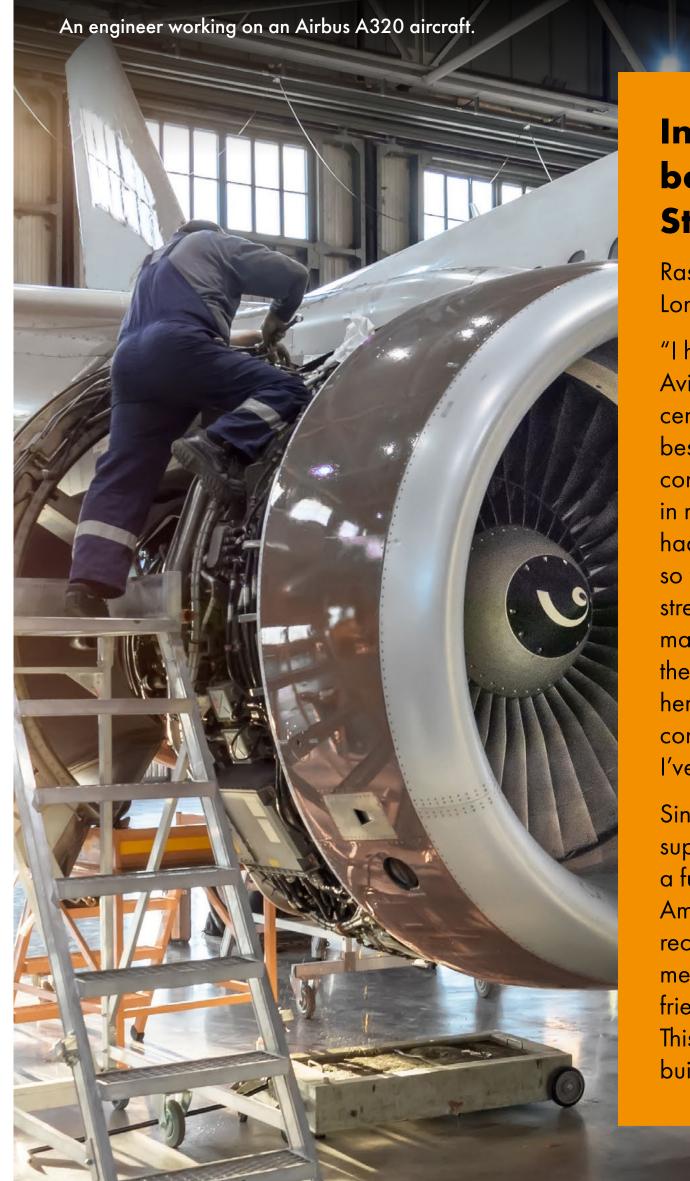
To attract the next generation of aviation professionals, we are developing our Early Talent Strategy. The Strategy will see the hiring of new apprentices to join our technical skills roles and the creation of a Graduate Programme, to provide a pipeline for the leadership population. Our new Graduate Programme will see five graduates recruited in October 2022 on a three-year programme, which will focus on Finance, IT, Commercial, People and Strategy.

We will also continue to ensure that our procurement practices positively contribute to the local economies surrounding our airports. To enhance engagement, we will review our partnerships with our supply chain, particularly with smaller businesses, to understand how MAG can overcome barriers to engagement and strengthen relationships.

Building on the success of our Meet the Buyers initiative, we will re-establish the in-person Meet the Buyers event at London Stansted in 2022/23, and we will explore opportunities to adapt, translate and improve the event for East Midlands and Manchester Airports. We are also considering whether additional features such as webinars for small businesses owned and operated by people from underrepresented groups may be an avenue to increase the inclusivity of the events.

To support employee health, wellbeing, safety and resilience, we will continue to deliver against the objectives of our newly launched Women's Network and other Colleague Resource Groups. We will also build on the introduction of new Colleague Resource Groups, along with a series of events in the autumn of this year addressing a diverse range of issues including owning your self-worth, being kind to yourself, and breast cancer awareness.

On modern slavery, we will establish a businesswide working group in the coming year to create a multi-year roadmap for eradicating the risk of modern slavery at our airports and within their supply chains. This will include audits of high-risk suppliers and rolling out risk assessments to our top suppliers. We also published our latest Modern Slavery Transparency Statement in September of this year.



# Interview with a beneficiary of the London **Stansted Airport academy**

Rasena Mariam was supported by London Stansted's Airport Academy:

"I heard about the Level 1 Exploring the Aviation Industry Course at my local job centre. Completing the course was the best decision I've ever made. I didn't feel confident at the beginning of my journey in my ability to get a job at an airport. I had no belief in myself that I would come so far. The course helped me discover my strengths and weaknesses which led me to make improvements throughout my time on the course, in preparation for employment here at the airport. I feel more positive and confident as a result of the course, and I've thoroughly enjoyed the training.

Since completing the course and with the support of the Academy, I have now secured a full-time contract with MAG as an Airport Ambassador. I was overwhelmed when I received the job offer. All the people I've met along the way have been so helpful and friendly with my transition into employment. This is my forever job and I'm excited to build my career here at Stansted Airport."





Despite the restriction on face-to-face community engagement events during COVID-19, we hosted 30 virtual airport consultative committee meetings with 320 attendees throughout 2021/22. Our consultative committee meetings remained a key means of engaging in regular dialogue with local community representatives and communicating the latest developments and plans for our airports.

In 2021, our community engagement teams listened to our neighbours, businesses and educational institutions to understand the issues that matter most to them and where the greatest response is needed. Our approach to ongoing engagement, including our continuation of airport consultative committees through virtual meetings, allowed us to enhance the positive impact of our airport operations whilst mitigating negative impacts as far as possible.



### **Listening to Local Voices**

As part of our updated materiality assessment, we engaged with our stakeholders at the start of 2022 to explore the sustainability issues that matter most to them and to gauge their trust in MAG to address these issues. This assessment helps to ensure that we are prioritising the most important sustainability issues and delivering inclusive, equitable and representative community engagement. We invited local stakeholders from each of our airports to participate in the survey and we received more than 600 responses. The survey assessed the extent to which our local community stakeholders were aware of our CSR Strategy and sought to identify the levels of trust in MAG's ability to deliver against the commitments of the Strategy. The assessment of our stakeholder trust survey results has been modelled on the Edelman Trust Barometer, which acts as a robust framework for organisations evaluating trust. The results of the survey will help us to enhance the reach of our CSR Strategy and ensure our programme of CSR activities reflects the needs of the communities closest to our airports.

The results highlight the importance of building and maintaining trust with our stakeholders. To do so, we will explore the frequency and ways in which we engage our local stakeholders on our sustainability initiatives and deliver ongoing community outreach with particular focus on local schools and underrepresented groups. Responding to feedback from this survey, we endeavour to enhance the reach of our surveys and capture diversity of thought and experiences. We will also work to enhance the accessibility of stakeholder engagement by alleviating barriers to participation including, but not limited to, digital and financial literacy as well as socio-cultural considerations.

### Diversifying our engagement through new Youth Forums

This year, we took the time to expand the scope of our outreach programmes to one of our harder-toreach groups, namely the younger demographic within our local communities. In the spring of 2022, we hosted a series of focus groups to inform the development of Youth Forums at each of our airports, to provide a platform through which they - as future colleagues, members of the local community and passengers – could feel comfortable communicating their expectations, recommendations and concerns regarding our airports.

The findings from the focus groups highlighted opportunities to enhance the attractiveness of the roles on offer in the aviation industry and to review the passenger experience at our airport terminals. Looking ahead, we will consider the results from the pilot scheme held this spring and establish Youth Forums at each of our airports by March 2023.

"I joined the MAG Youth Forum as I am keen to learn more about the aviation industry and the inner workings of the airport. I also think it is important for the airport to be connected to the local community and the views of young people like me."

Ben, Youth Forum participant

### Minimising noiserelated impacts on our local communities

We recognise that aircraft noise is one of the most important issues for local people, particularly during the night-time period. Our airports work hard to be recognised as good neighbours and we work closely with our local communities to minimise noise and other environmental impacts. To support this commitment, each of our airports has committed to long-term Noise Action Plans, which were developed following consultation with local stakeholders and have been adopted by the Government in accordance with the Environmental Noise Regulations. As part of these Plans, we provide support through sound insulation grants to communities who are most impacted by airport operations.

Our dedicated Flight Evaluation Unit investigates and responds to enquiries received from residents and works closely with our air traffic control and airline partners to ensure aircraft operations are sensitive to the local environment. For the majority of 2021, air traffic levels were reduced due to ongoing travel restrictions. However, with air traffic levels increasing towards the end of 2021, we recorded an increase in the area of our airports' noise footprint by 41% for the daytime 57dB LAeq noise contour and 37% for the night-time 57dB LAeq contour compared with the previous year.

We had an increase in noise complaints against the previous year, recording a total of 15,878 complaints (with 11,295 recorded for daytime noise and 4,583 for night-time noise).

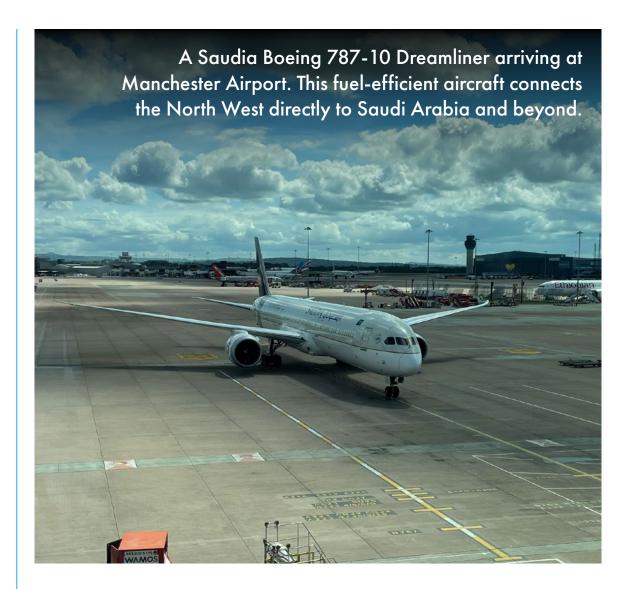
This represents an increase of more than double compared with last year's figure of 6,281. However, the number of noise complaints recorded for this year is largely consistent with the number of prepandemic noise complaints. The rapid increase is partly attributable to the reopening of international travel following extended periods of inactivity in 2020 and 2021. We also recognise that local communities have adjusted to new ways of living during and after the pandemic which will have impacted their perception of noise levels. In particular, many individuals will have spent more time in their homes during the day as a result of the switch to home-working and experienced relatively low noise levels. As such, the recovery of commercial air traffic towards the levels operating pre-pandemic will change the noise environment with which communities have become familiar during the pandemic.

At Manchester Airport, the increase in noise complaints was also driven by a temporary issue with a navigation aid operated by NATS. This resulted in a considerably higher number of non-standard departures causing aircraft to follow unusual flight paths and a peak of 755 complaints in October 2021 alone, contributing over 50% of all noiserelated complaints during 2021/22. At East Midlands Airport, cargo and express freight night operations continued throughout the COVID-19 pandemic. Increased demand for freight flights, in part due to the loss of cargo capacity on passenger flights from other airports, resulted in the use of larger, fourengine freight aircraft, temporarily increasing noiserelated impacts. The total number of complaints at London Stansted Airport increased markedly from June to around 9,000 for the year, with over 7,000 of those complaints recorded by one person.

We continue to deliver our Noise Action Plans (NAPs) with the aim of minimising the impact of noise on our local communities. Our NAPs, which were developed in partnership with local communities, provide a tailored framework to minimise noise disturbance at each of our airports and include a comprehensive set of noise-related targets. The plans include ambitious targets and controls on aircraft noise, such as restrictions on the use of the noisiest aircraft at night and the provision of sound insulation grants to affected residents.

We also work closely with our airlines and air traffic partners on the implementation of our NAPs. A key outcome of this approach includes improving the adoption of noise-efficient 'continuous climb' operations and 'continuous descent' approaches. Last year, with quieter airspace, over 95% of aircraft departing East Midlands Airport and Manchester Airport were able to 'continuous climb', and 84% at London Stansted Airport. For aircraft arriving at our airports, 89% adopted a continuous descent approach at East Midlands Airport, 88% at Manchester Airport, and 94% at Stansted Airport; these are equal to or an increase from the previous year.

We recognise that night-time noise can impact the health and wellbeing of local people. To address noise-related impacts arising during the night-time, we have set restrictions at each of our airports on the use of the loudest aircraft operating during the night. Last year, we introduced a new surcharge at East Midlands Airport for noisier 'QC4' aircraft such as the Boeing 747-400. The surcharge and associated airline engagement have cut the number of airlines operating 'QC4' aircraft at East Midlands Airport at night and reduced the proportion of Boeing 747-400 operations by other airlines.



We will continue to work with our partner airlines to minimise the use of noisier aircraft types, particularly at night.

This year, we have also enhanced the way in which we report the noise-related performance of our airlines. Building on our work at London Stansted Airport and through engagement with the East Midlands Airport Independent Consultative Committee, we launched noise league tables, which detail the noise-related performance of airlines' fleets and their compliance with noise abatement procedures. Ultimately, we expect the league tables to encourage airlines to utilise more fuel-efficient and quieter aircraft through incentivised performance ranking. League tables for London Stansted Airport and East Midlands Airport are published on their respective websites, with a league table for Manchester Airport to be developed this year.

### Supporting local community initiatives

We recognise the substantial social value that volunteering can provide. We encourage our colleagues to volunteer their time to local causes, offering two days paid volunteering time to colleagues each year. Unfortunately, due to ongoing COVID-19 restrictions throughout the past year, we were unable to deliver many of our planned charitable and volunteering events. Whilst the number of volunteering hours reduced by 76% compared to the previous year, in part driven by continued public health measures, we were pleased to see a 12% increase in the number of employees taking part in our volunteering programmes. Increasing participation and the impact of our volunteering programmes will be a key focus for this year.

We would like to take this opportunity to recognise the efforts of those colleagues, both working and furloughed, who continued to volunteer throughout COVID-19 in spite of the difficult challenges.

Our airport community funds support positive change in the communities closes to MAG airports. In partnership with local representatives, we worked hard to keep the community funds operational throughout last year and continued to provide grants to local organisations. We have listened to community representatives and noted a heightened need for organisations to deliver virtual support services on mental health and wellbeing. In acknowledgement of changing priorities, we amended the application criteria of all our community funds to encourage providers of virtual support services in our local communities to apply for funding opportunities.



### The East Midlands Airport **Community Fund Schools Eco-Garden competition**

We are immensely proud of our Eco-Garden competition that launched last year for local schools around East Midlands Airport. The East Midlands Airport Community Fund provided a total of £120,000 to support the project. Local schools had the opportunity to apply for individual grants of between £5,000 and £20,000 to build a long-term green space in their grounds that substantially boosts biodiversity and leads to improved wellbeing.

Twenty-six schools from across Derbyshire, Leicestershire and Nottinghamshire submitted designs for their gardens. Applicants were required to demonstrate how their Eco-Garden would environmentally enhance and diversify existing space, stimulate outdoor learning on climate change and nature, improve student wellbeing and improve biodiversity.

In July 2022, the applications were evaluated by a panel of experts including representatives from the airport's CSR team, Derbyshire Wildlife Trust and the parks, green spaces and environmental management team at South Derbyshire District Council. Submitted designs ranged from creating wetlands, living classrooms, sensory gardens, vegetable patches and wheelchair-accessible green spaces.



Such was the high standard of entries, the panel decided to award funding to all schools that participated. To enable this, the East Midlands Airport Community Fund agreed to release further funds of up to £300,000 to support the project. Further information on the projects and funding will be available in next year's CSR report. Additionally, all schools will benefit from support from Derbyshire Wildlife Trust, paid for by the airport, to help deliver the schemes.

"The work and effort that has gone into the submissions is remarkable. The schools that entered have really taken on board all the advice that we gave them and, as a result, 26 new biodiverse and wildlife rich green spaces will be created."

Diane Gould, Derbyshire Wildlife Trust.

## Introducing the East Midlands Community Fund

This year, the East Midlands Airport
Community Fund celebrated its 20th
anniversary. The fund directs investment
to a wide range of community-benefitting
projects within a designated 'area of benefit'
surrounding our airports. Attention is also
given to initiatives that profoundly demonstrate
strong ability to create positive environmental
and social impacts. Sheila Jackson has sat on
the East Midlands Airport Community Fund as
a councillor since its inception, and as chair
since 2018. Under her stewardship, the fund
has supported well over 1,500 community
initiatives, benefitting thousands of individuals
across the East Midlands.

In 2021, the Community Fund was bolstered by the additional funding provided by the East Midlands Airport 'QC4' surcharge which contributed £440,000. All aircraft are allocated a QC value for landing and departure that is calculated based on noise classification for aircraft - 'QC4' represents just one of these classifications. The Low Carbon Grant Fund, which was launched in 2021 as a pilot scheme, funds projects that significantly reduce the carbon emissions from community organisations' operations. The funding provided to LOROS Hospice presents a great case study on the power of the Community Fund and partnerships to drive the local community transition to the net-zero economy.

# The East Midlands Airport Community Fund Low Carbon Grant Fund

This year, the East Midlands Airport Community Fund introduced a £20,000 Low Carbon Grant Fund. This initiative provides funding to help local hospices to deliver emission-reduction initiatives – for example, installing on-site renewable energy such as solar panels and wind turbines, and other low carbon projects such as electric vehicle charging. This helps to reduce their emissions and their energy bill at a time of rising energy prices. LOROS Hospice received funding through the scheme to install energy-efficient LED lighting. Richard Hill, the facilities operations manager at the hospice, explains how the cost savings from the project, made possible by the funding, has helped them to focus more of their resource on patient care and their wider services for people in the East Midlands community, as well progress on their sustainability journey. See page 43 for details.



### Interview with the East Midlands Airport Community Fund Chair, Sheila Jackson

## Sheila Jackson, Community Fund Chair notes the benefits of the Low Carbon Fund

The Low Carbon Grant Fund was consciously designed to be in tune with the MAG values, and to align with the airport's strategic ambition to become a zero carbon airport. The fund has worked with hospices in the past, as we recognise the value of the services they provide to the communities they serve. As such, we were keen to see hospices benefit from the fund and identify the most cost-effective avenue to support their work.

"As chair of the fund, I am very, very proud of the work that we've achieved over the last 20 years. It's an achievement for the airport, MAG, and everyone on the committee who have made the decisions."

### How can organisations apply for funding?

The Community Fund panel allocates funds to the projects that they believe will become assets to the community. The decisions on where the funding is directed are made by those who understand the needs of the communities. Each application is given careful consideration and a consensus is reached across the panel. The finances of every applicant are closely examined to ensure the money is directed to the most appropriate and deserving groups.



Sheila Jackson, Community Fund Chair

"The fund focuses on directing investment to encourage groups of varying scales to apply for financial support. The Community Fund panel recognises that even the smallest amount of money can make a big difference. As such, we endeavour to direct a range of smaller donations to a proportion of the projects that don't succeed in obtaining full grant funding."



### **Introducing LOROS Hospice**

LOROS Hospice is a local charity in the heart of Leicester that provides end-of-life care to over 2,500 people living with terminal illness across Leicestershire and Rutland. LOROS's mission is to ensure that all people with an incurable illness, and their families, regardless of background and the ability to pay, have access to excellent, holistic care. Since its launch in 1977, the charity has grown to house 31 in-patient beds, the largest of any hospice in the region. It has also extended its support services into the local community with day therapy, out-patient care and the delivery of educational sessions to young people.

Richard Hill, LOROS Hospice Facilities Operations Manager, explains the value of the Fund for LOROS Hospice.

"At LOROS, as with any organisation, we have budgets and legislation we have to comply with, but the absolute number one aim is the patients' care and welfare. Therefore, we often face the challenge of balancing investment in new projects with the potential constraint it may put on our service delivery.

Following a robust cost-benefit analysis, we elected to pursue our energy-efficiency project to complete the installation of LED lighting across the hospice estate. The project involved replacing all the old, fluorescent lights with clean and sleek lighting, which has created a more pleasant aesthetic for the patients and staff.

But perhaps the most important benefit of this project is the scale of the payback to our hospice. It costs around £960 per hour to run the hospice which is set to increase over the coming months with the onset of the energy crisis raising our costs by as much as 400%. We estimate the LED lighting project will produce annual savings of up to £60,000 in energy bills, all of which will be directed to patient care. The financial contribution provided by the East Midlands Airport Community Fund was vitally important because it gave us the catalyst to get the project over the line.

On behalf of LOROS Hospice, thank you. It has a direct financial impact, but what you can't lose sight of is that every pound we've saved through that support from East Midlands Airport is directly improving care services and the patient experience here."

Following the success of last year's scheme, the Low Carbon Grant Fund was opened up to a wider range of organisations. In July, the Fund awarded its second round of low carbon grant funding.

With special thanks to Sheila Jackson (Chair of the East Midlands Community Fund) and Richard Hill (Facilities Operations Manager, LOROS Hospice).

### Looking ahead

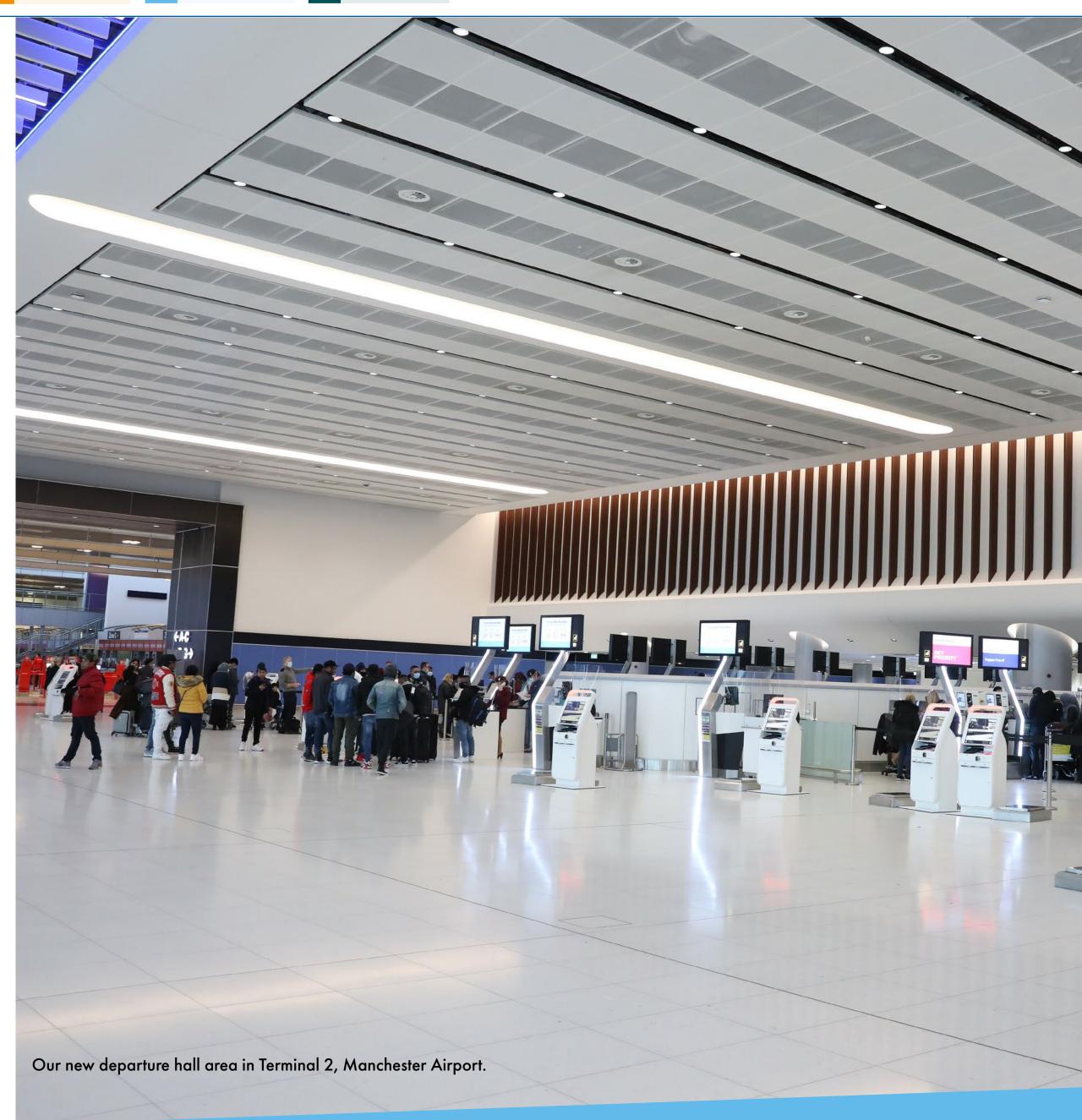
Next year, we will work to reignite our organised employee volunteering and community engagement initiatives.

It is important that as many as possible of our employees engage in the programmes, which is why we continue to review progress against our targets for all senior leadership to support and participate in volunteering programmes, and for 30% of our colleagues to take part. We will continue to invest in our community funds to provide support to local people, charities, businesses and partner organisations. Importantly, our funding will continue to focus on:

- supporting vulnerable members of the community;
- encouraging recreation and leisure-time activities;
- supporting young people to prepare for the world of work; and
- supporting environmental education and encouraging and protecting wildlife.

We will commence our Youth Forums at each of our airports, building upon feedback from the pilot scheme held in Manchester this spring. The introduction of airport Youth Forums represents an important moment as we diversify our approach to community engagement and hear the voices of young people who represent our customers and the next generation of aviation employees. We will also thoroughly review the findings from our materiality and trust survey to build and strengthen trust at each of our airports, whilst continuing to listen to and respond to the needs of our local communities.

Ongoing dialogue with our stakeholders also highlights the continual concerns regarding noise at our airports. We are committed to working at each of our local airports to minimise the impact of noise on local people. In 2022/23, we will continue to deliver our Noise Action Plans for 2019–24 and begin the process of engaging stakeholders as we develop, and then consult upon, our Noise Action Plans for 2025–29.





## **Zero Carbon Airports**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		Our airport infrastructure will operate on renewable energy by 2030, with new and replacement infrastructure	Total energy use (kWh, 'SECR Scope')	210,406,900	174,147,424	178,771,261	1	2.7	•
		running on renewable energy from 2025 and our fleet comprising 100% ultra-low emission vehicles by 2030.	Energy from renewable sources (%, 'SECR Scope')	63.6	58.5	59.4	1	1.7	<b>↑</b>
			Gross location-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	50,043	39,308	36,428	1	-7.3	<b>↑</b>
CHANATE CHANGE	All of MAG's airport operations will be net	Maintain carbon neutral operations whilst transitioning to net zero carbon by no later than 2038.	Gross market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	15,492	14,293	13,740	1	-3.9	<b>↑</b>
CLIMATE CHANGE	zero carbon by no later than 2038.		Gross market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0.23	1.20	0.48	1,2	-60.0	<b>↑</b>
			Carbon offsets (tonnes CO <sub>2</sub> e, 'SECR Scope')	15,439	14,288	13,740	1,3	-3.8	<b>↑</b>
			Net market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	0	0	0	1,3	0	<b>←→</b>
			Net market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0	0	0	1,2,3	0	<b>←→</b>
			Major operational sites with environmental management systems certified to ISO 14001 (%)	100	100	100		0	<b>←→</b>
		Environmental management at each of our airports	Major operational sites with energy management systems certified to ISO 50001 (%)	33.3	33.3	33.3	4	0	<b>←→</b>
PROTECTING THE ENVIRONMENT	Protecting the environment must be central to every plan we make.	will prevent pollution and continue to be certified to the international standard ISO 14001 and our energy	Samples within surface water discharge consent limits (%)	94.3	90.7	92.6	5	2.1	<b>↑</b>
		management will be certified to ISO 50001 by the end of 2023.	Samples within trade effluent discharge consent limits (%)	83.4	88.0	85.6	5	-2.7	•
			Total breaches of air quality limits (number)	1	1	0		-100	<b>↑</b>

<sup>&</sup>lt;sup>1</sup> The scope of reported energy use and emissions aligns with the Government's Streamlined Energy and Carbon Reporting requirements. Our Energy and Emissions Report provides more information about our carbon footprint. Our energy and emission performance have been restated for previous years to make use of the most recent and complete dataset. Our dedicated Greenhouse Gas Emissions Report can be found here.

<sup>&</sup>lt;sup>2</sup> We measure emissions intensity against traffic units, which are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight.

<sup>&</sup>lt;sup>3</sup> Our airport operations are carbon neutral and hold Airport Carbon Accreditation at Level 3+ (Neutrality). As we work towards our net zero carbon goal, we continue to offset residual emissions. Full details of our carbon offsets are included in our MAG Greenhouse Gas Emission Report 2021/22.

<sup>&</sup>lt;sup>4</sup> Our energy management system at London Stansted Airport is certified to ISO 50001, with plans to certify Manchester and East Midlands Airports by December 2023.

<sup>&</sup>lt;sup>5</sup> In 2021/22, we recorded an environmental permit compliance rate of 92.6% with our surface water discharge consents and 85.6% with our trade effluent consents across the Group. To meet our target to achieve full environmental permit compliance, we are closely working with regulators and have implemented a number of mitigation and control measures across our airports.



### **Zero Carbon Airports Continued**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

	ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
				Total waste (tonnes)	16,266	3,708	5,770	1	56.0	•
ELIMINATING WASTE	ELIMINATING	We are committed to reducing waste, promoting recycling and eliminating landfill.	ducing waste, noting recycling eliminating landfill.  By 2021, we will send no waste to landfill.	Waste intensity (tonnes waste per traffic unit)	0.2	0.3	0.2	2	-33.3	<b>↑</b>
	WASTE			Waste segregated for recycling on-site (%)	NEW KPI	25.6	29.3		14.8	<b>↑</b>
				Waste diverted from landfill (%)	85.7	92.6	86.0	3	-7.1	•
	SURFACE ACCESS	We will make it possible and encourage our passengers and staff to use sustainable modes to access our airports.	We will publish new sustainable transport targets which will reduce the impacts of passenger and staff journeys to our airports.	Passengers using sustainable travel to access our airports (%)	32.9	33.4	31.4	4	-6.1	•

With increased passenger numbers, a continued demand for personal protective equipment (PPE) to protect passengers and staff from COVID-19 and changes to regulations which apply to aircraft cabin waste, this year waste volumes increased.

<sup>&</sup>lt;sup>2</sup> We measure waste intensity against traffic units, which are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight. Waste intensity has improved over time owing to a lower increase in waste generation when compared to a greater increase in traffic units from 12,013 in 2020/2021 to 28,448 to 2021/2022. The COVID-19 pandemic resulted in notable business disruption for the 2020/2021 year.

<sup>&</sup>lt;sup>3</sup> Over the last year, the amount of waste diverted from landfill decreased by 7.1%, this is primarily due to changes to regulations on cabin waste which mean that waste originating from Europe has been reclassified, reducing our ability to recycle it. MAG is working closely with regulators to identify how we can address this problem.

<sup>&</sup>lt;sup>4</sup> Over the last year, the proportion of passengers using sustainable transport to access the airport fell. This reduction is due to passengers' hesitancy to use public transport travel during the pandemic and the result of timetable changes including to the Stansted Express, which now operates two trains per hour rather than four pre-pandemic. We actively promote sustainable transport options to our passengers and we have been actively calling for the Department for Transport to reinstate four trains per hour. Our sustainable surface access data has been restated for this year and our previous reporting period to reflect an updated methodology based on best-practice guidance including the GRESB and Sustainable Aviation (2022) definitions of "sustainable travel". Data collection methods remain the same enabling use of most recent and complete datasets across our business.



## **Opportunity For All**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

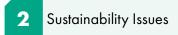
ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	IND	ICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
	Safety is our overarching	Through 'Vision Zero', our approach to	Repo	ortable safety incidents (number of RIDDOR incidents)	12	2	7	1	250	Ψ
SAFETY	priority; we will set out our Safety Plan and regularly	safety, we target zero harm.	Lost	time injury accidents (number)	34	4	25	1	525	Ψ
	track and report progress.	We will ensure that, by 2025, at least 50% of leadership appointments are promotions or internal candidates.	Lead	dership roles filled through internal promotion (%)	43.8	23.3	46.4		99	<b>1</b>
	We will ensure that our service for passengers with reduced mobility responds to customer needs.			Pre-notified departing passengers: assistance provided within 30 minutes of making themselves known at a designated point (%, target = 100)	99.9	97.1	100		2.9	<b>1</b>
		e for passengers with ed mobility responds achieve a minimum Civil Aviation Authority rating of 'Good'.  Performance targets are listed against each indicator.	vided	Non-notified departing passengers: assistance provided within 45 minutes of making themselves known at a designated point (%, target = 100)	100	97.8	100		2.3	<b>↑</b>
INCLUSIVE CUSTOMER SERVICE			rance pro	Pre-notified arriving passengers: assistance provided within 20 minutes of 'on chocks'(%, target = 100)	98.0	98.9	97.6	2	-1.3	•
			Assis	Non-notified arriving passengers: assistance provided within 45 minutes of 'on chocks' (%, target = 100)	99.2	99.4	99.4	2	0	<b>←→</b>
				Guest satisfaction as defined by the Civil Aviation Authority in CAP1228: (average rating, 1 = very poor, 5 = excellent, target = 3.5 good)	3.8	4.1	3.7	3	-9.8	<b>←→</b>

This year we saw an increased number of reportable safety incidents and lost time accidents due to increased activity at our airports. None of the incidents were recorded as fatalities or specified injuries (as defined in Regulation 4) to workers as classified under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 2013 and we are committed to ensuring the health and safety of our colleagues and customers. As airport incidents are defined as occurring within the airport operations teams, the individuals in roles that are classified as a Group function, although stationed at individual airports, are not classified as direct employees of a specific airport and therefore only recorded under MAG.

<sup>&</sup>lt;sup>2</sup> The COVID-19 pandemic has required additional controls to ensure the safety of passengers receiving additional assistance and the staff who provide these services. As health restrictions lifted in the latter half of the year, the sudden increase in airline schedules and load factors meant that waiting time performance fluctuated.

<sup>&</sup>lt;sup>3</sup> Although the Civil Aviation Authority did not publish their annual accessibility report this year (due to the COVID-19 pandemic), MAG's performance remained within the parameters to be rated 'Good'.







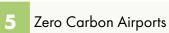












6	Opportunity For All

### 8 Performance

### **MAG** overview

### **Opportunity For All Continued**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)		
	We will ensure that all local people feel able	We will support at least 60,000 young people between 2020 and 2025.	Young people's education directly supported (number)	26,316	435	9,632		2,114	<b>↑</b>	
	to take advantage of the education and employment opportunities offered by the airport at every stage of their lives.	By 2025, we will ensure that at least 40% of those attending MAG Connect Aerozones are from priority areas and priority schools.	Education support provided to young people from identified priority areas and priority schools (%)	New KPI	66	76	1	15.2	<b>↑</b>	
EDUCATION, SKILLS AND EMPLOYMENT	We will create quality opportunities for work and break down barriers for everyone in our community.	Our MAG Connect Airport Academies will support everybody who approaches us, assisting a minimum of 7,500 people between 2020 and 2025.	People supported by MAG Connect Airport Academy (number)	New KPI	3,022	2,434	2	-19.5	•	
SUPPORT		opportunities for work and by	By 2025, at least 10% of the people supported by our MAG Connect Airport Academies will be from groups defined as 'disadvantaged'.	Support provided by MAG Connect Airport Academy to groups defined as 'disadvantaged' (%)	New KPI	17.6	17.2	2, 3	-2.3	Ψ
		everyone in our community.  By 2025, 80% of people completing a MAG Connect  A	Proportion of people supported by MAG Connect Airport Academies and finding employment (%)	79.9	0.1	4.0	2, 4, 5	3,900	<b>↑</b>	
		Airport Academy programme will be successful in gaining employment with MAG or an on-site partner.	People placed into employment by MAG Connect Airport Academies (number)	564	35	97	2, 4	177	<b>↑</b>	
SUPPORTING LOCAL BUSINESSES	We will create opportunities to improve local economic prosperity and infrastructure.	Our spend will benefit local businesses.	Goods and services purchased from local suppliers (% of suppliers located within 25 miles)	27	25	26		4	<b>↑</b>	

<sup>1 &#</sup>x27;Priority schools and priority areas' are those within a 20-mile radius of our airports (those most impacted by our operations).

<sup>&</sup>lt;sup>2</sup> 'Support' is delivered face-to-face and virtually and includes a range of skills and education services such as formal training, employment inductions, CV guidance, job referrals, assisting with job applications, mock interviews, providing information on access to traineeships and apprenticeships, career talks to schools and colleges, outplacement support, and signposting to external agencies and charity/community groups. Historic performance data is not available.

<sup>3 &#</sup>x27;Disadvantage Groups' include: those who have any form of disability or an illness or condition that makes it more difficult for them to secure employment; homeless people, or those who only recently secured housing; people who have not worked for a long period of time (over one year); parents returning to work; and young people who have been in care.

<sup>&</sup>lt;sup>4</sup> The COVID-19 pandemic has disrupted our usual skills and education programmes and reduced the number of vacancies advertised at our airports during the height of the pandemic. The number of job postings began to increase in early 2022 as government restrictions eased and we saw an increase in our operations as we recovered from the pandemic. This measure does not include the important support our Airport Academies have provided over the last year to those already working for MAG, leaving the aviation industry or to other airport-based companies.

<sup>&</sup>lt;sup>5</sup> Number of people supported by MAG connect Airport Academies finding employment increased from 35 people to 97 between the reporting periods 2020/21 and 2021/22. In reporting year 2020/21, 0.1% of those supported by MAG found employment compared to 4.0% in 2021/22. This has therefore resulted in a significant increase in performance by 3900%. We are working with our Airport Academies to drive employment opportunities for those who come through our Academies to place individuals into employment. Unfortunately, the COVID-19 pandemic impacted upon employment opportunities and as we recover from the impacts, we are focusing on decent work, jobs and employment for the communities in which we serve.

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### **MAG** overview

## **Local Voices**

#### Key

↑ Improved year-on-year performance

**←→** No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		All of our senior leadership team will support and participate in volunteering programmes.	Leadership volunteering participation (%)	New KPI	7.9	20.7	1	162.0	<b>↑</b>
	·	Our long-term ambition is that 30% of colleagues participate in volunteering programmes.	All colleague volunteering participation (%, including leaders)	13.7	3.77	4.25	1	11.8	<b>↑</b>
INVESTING IN THE COMMUNITY			Time given to volunteering activities (hours, all colleagues)	19,978	23,674	5,495	1	-76.8	•
	from living near an airport.	We will maintain our community funds, ensuring they	g they	253,760	245,828	2	-3.1	•	
			provide effective investment in local communities.  Groups/initiatives receiving community funds, ensuring they provide effective investment in local communities.  Groups/initiatives receiving community fund grants (number)	212	151	149		-1.3	•
ENGAGING LOCAL VOICES	We are dedicated to addressing the local issues which matter most to people living near us.	Provide opportunities in different settings to meet people living near our airports.	Community engagement opportunities provided (number)	90	36	148	3	311.1	<b>↑</b>

<sup>&</sup>lt;sup>1</sup> Due to ongoing public health restrictions, we were unable to deliver many of our planned community engagement, charitable and volunteering events. The number of hours volunteering undertaken by our staff reduced by 77% compared to the previous year. We are actively working to increase participation and the impact of our volunteering programmes and this will be a key focus for this year.

<sup>&</sup>lt;sup>2</sup> Despite the challenging business environment, we are pleased to have maintained MAG's full contribution to our airport community funds. The reported figure includes contributions from MAG and funds raised by MAG through noise penalties; it does not include

<sup>&</sup>lt;sup>3</sup> We remain committed to our local communities and we have reintroduced in-person community engagement opportunities to ensure we address local issues which matter most to people living near us.

## Local Voices Continued

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
			Departing flights within preferred noise routes (%)	95.8	93.8	94.4		0.6	<b>←→</b>
			Departing flights performing continuous climb departure (%)	86.2	87.7	90.5	1	3.2	<b>↑</b>
	· · · · · · · · · · · · · · · · · · ·		Arriving flights performing continuous descent approach (%)	93.1	89.0	90.5	1	1.7	<b>↑</b>
			Area of daytime noise footprint (57 dB LAeq 16hr, km²)	69.7	24.9	35.3	1	41.8	•
NOISE			Population within daytime noise footprint (57 dB LAeq 16hr, number)	38,200	4,600	10,900	2	137.0	•
MANAGEMENT			Area of night-time noise footprint (57 dB LAeq 8hr, km²)	32.7	16.5	22.7	2	37.6	•
			Population within night-time noise footprint (57 dB LAeq 8hr, number)	11,950	1,350	4,200	2	211.1	•
			Complaints received (number)	15,253	6,842	15,878	3	132.1	•
			People submitting complaints (number)	823	789	1,437	3	82.1	•
			Aircraft movements per complaint (number)	32.9	49.1	60.4	3	23.0	<b>↑</b>

With less congested airspace due to fewer flights during the COVID-19 pandemic, during 2021/22 we saw increased our continuous climb departures and continuous descent approaches. As air traffic returns and airspace becomes more congested these procedures will become more difficult to achieve within the constraints of current airspace. However, it is expected that Future airspace programme will increase future performance.

<sup>&</sup>lt;sup>2</sup> Although still below pre-pandemic levels, this year the number of flights from our airports significantly increased compared to 2020/21. As such, the size of our noise contours and the number of people within them also increased compared to last year. We continue to deliver our Noise Action Plans (NAPs) with the aim of minimising noise from aircraft operating at our airports.

<sup>&</sup>lt;sup>3</sup> With Government travel restrictions easing and air traffic increasing, this year the number of noise complaints we received grew by over 79% compared to 2020/21. Overall, the number of complaints per aircraft movement reduced by 23% compared to 2020/21. We continue to deliver on our Noise Action Plans and work collaboratively with airlines, air traffic controllers and our consultative committee to keep our environmental impacts to a minimum. As a group, 80% of our complaints were recorded by 13 people including one individual who recorded over 7,000 complaints.

## **Zero Carbon Airports**

### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		Our airport infrastructure will operate on renewable energy by 2030, with new and replacement infrastructure	Total energy use (kWh, 'SECR Scope')	32,727,246	24,196,815	16,183,676	1	-33.1	<b>↑</b>
		running on renewable energy from 2025 and our fleet comprising 100% ultra-low emission vehicles by 2030.	Energy from renewable sources (%, 'SECR Scope')	59.2	60.7	50.6	1	-16.6	4
	All of MAG's airport operations will be net zero carbon by no later than 2038.		Gross location-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	7,915	5,410	2,979	1, 2	-45.0	<b>↑</b>
CLIMATE CHANGE		Maintain carbon neutral operations whilst transitioning to net zero carbon by no later than 2038.	Gross market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	2,961	1,944	1,290	1	-33.6	<b>↑</b>
CLIMATE CHANGE			Gross market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0.362	0.404	0.23	1, 3	-43.1	<b>↑</b>
			Carbon offsets (tonnes CO <sub>2</sub> e, 'SECR Scope')	2,961.3	1,944.3	1,290	1, 4	-33.7	4
			Net market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	0	0	0	1, 4	0	<b>←→</b>
			Net market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0	0	0	1, 4	0	<b>←→</b>
			Major operational sites with environmental management systems certified to ISO 14001 (%)	100	100	100		0	<b>←→</b>
		Environmental management at each of our airports	Major operational sites with energy management systems certified to ISO 50001 (%)	0	0	0	5	0	<b>←→</b>
PROTECTING THE ENVIRONMENT	Protecting the environment must be central to every plan we make.	will prevent pollution and continue to be certified to the international standard ISO 14001 and our energy	Samples within surface water discharge consent limits (%)	87.2	83.3	83.1	6	-0.2	<b>←→</b>
		management will be certified to ISO 50001 by the	Samples within trade effluent discharge consent limits (%)	70.0	88.4	81.5	6	-7.8	4
			Total breaches of air quality limits (number)	0	0	0		0	<b>←→</b>

<sup>1</sup> The scope of reported energy use and emissions aligns with the Government's Streamlined Energy and Carbon Reporting requirements. Our Energy and Emissions Report provides more information about our carbon footprint.

<sup>&</sup>lt;sup>2</sup> The reported decrease in gross location-based emissions can be attributed to the installation of LED lighting at the terminal and further energy efficiency schemes.

<sup>&</sup>lt;sup>3</sup> We measure carbon intensity against traffic units, which are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight.

<sup>&</sup>lt;sup>4</sup> Our airport operations are carbon neutral and hold Airport Carbon Accreditation at Level 3+ (Neutrality). As we work towards our net zero carbon goal, we continue to offset residual emissions. Full details of our carbon offsets are included in our MAG Greenhouse Gas Emission Report 2021/22.

<sup>&</sup>lt;sup>5</sup> Work has begun to formalise our energy management system and achieve certification to the international standard ISO 50001. This will be complete by the end of 2023, in line with the commitment made in our CSR Strategy.

<sup>6</sup> In 2021/22, we recorded an environmental permit compliance rate of 83.1% with our surface water discharge consents and 81.5% with our trade effluent consents across the Group. To meet our target to achieve full environmental permit compliance, we are closely working with regulators and have implemented a number of mitigation and control measures across our airports.

## Zero Carbon Airports Continued

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

	ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
				Total waste (tonnes)	652	149	244	1	63.8	Ψ
ELIMINATIN WASTE	ELIMINATING	We are committed to reducing waste,	ng waste, g recycling inating landfill.  By 2021, we will send no waste to landfill.  W	Waste intensity (tonnes waste per traffic unit)	0.1	0.03	0.04	2	33.3	•
	WASTE	promoting recycling and eliminating landfill.		Waste segregated for recycling on-site (%)	New KPI	28.5	31.68		11.2	<b>↑</b>
				Waste diverted from landfill (%)	97.1	96.3	63	3	-34.6	•
	SURFACE ACCESS	We will make it possible and encourage our passengers and staff to use sustainable modes to access our airports.	We will publish new sustainable transport targets which will reduce the impacts of passenger and staff journeys to our airports.	Passengers using sustainable travel to access our airports (%)	8.4	9.1	7.5	4	-17.6	•

<sup>1</sup> The increase in total waste (tonnes) can primarily be attributed to the return of commercial activity, PPE and changes to regulations on cabin waste.

<sup>&</sup>lt;sup>2</sup> We measure waste intensity against traffic units. Traffic units are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight.

<sup>&</sup>lt;sup>3</sup> Over the last year, the amount of waste diverted from landfill decreased by 32.7%, this is primarily due to changes to regulations on cabin waste which mean waste originating from Europe has been reclassified, reducing our ability to recycle it. We are working closely with regulators to identify how we can address this problem.

<sup>&</sup>lt;sup>4</sup> Over the last year, the number of passengers using sustainable transport to access the airport fell. This reduction is due to passengers' hesitancy to use public transport travel during the pandemic and we actively promote sustainable transport options to our passengers. Our sustainable surface access data has been restated for this year and our previous reporting period to reflect an updated methodology based on best-practice guidance including the GRESB and Sustainable Aviation (2022) definitions of 'sustainable travel'. The definition includes public transport, car sharing and low impact transport. Data collection methods remain the same enabling use of most recent and complete datasets across our business.

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### **East Midlands Airport overview**



## **Opportunity For All**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	IND	ICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
	Safety is our overarching	Through 'Vision Zero', our approach to	Repo	ortable safety incidents (number of RIDDOR incidents)	2	0	2	1	N/A	Ψ
SAFETY	priority; we will set out our Safety Plan and regularly	safety, we target zero harm.	Lost	time injury accidents (number)	4	4	4	1	0	<b>←→</b>
	track and report progress.	We will ensure that, by 2025, at least 50% of leadership appointments are promotions or internal candidates.	Lead	dership roles filled through internal promotion (%)	43.8	5.6	1.4	2	-75	Ψ
				Pre-notified departing passengers: assistance provided within 30 minutes of making themselves known at a designated point (%, target = 100)	100	100	100		0	<b>←→</b>
		· · · · · · · · · · · · · · · · · · ·	vided	Non-notified departing passengers: assistance provided within 45 minutes of making themselves known at a designated point (%, target = 100)	100	100	100		0	<b>←→</b>
INCLUSIVE CUSTOMER SERVICE	service for passengers with reduced mobility responds		dance pro	Pre-notified arriving passengers: assistance provided within 20 minutes of 'on chocks' (%, target = 100)	98.8	100	99.6	3	-0.4	<b>←→</b>
	to customer needs.		Assis	Non-notified arriving passengers: assistance provided within 45 minutes of 'on chocks' (%, target = 100)	100	100	100		0	<b>←→</b>
				Guest satisfaction as defined by the Civil Aviation Authority in CAP1228: (average rating, 1 = very poor, 5 = excellent, target = 3.5 good)	3.3	2.4	3	4	25	<b>↑</b>

The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) results showcased an increased in the overall reportable number of incidents for the reporting year. None of the incidents were recorded as fatalities or specified injuries (regulation 4) to workers as classified under RIDDOR 2013. Additionally, % change has not been applied where there is baseline of zero from the previous reporting year. However, we recognise a decline in performance and will continue to monitor this over time.

<sup>&</sup>lt;sup>2</sup> Recruitment activity has been extremely limited this year, presenting few opportunities to influence this measure.

<sup>&</sup>lt;sup>3</sup> The COVID-19 pandemic has required additional controls to ensure the safety of passengers receiving additional assistance and the staff who provide these services. As health restrictions lifted in the latter half of the year, the sudden increase in airline schedules and load factors meant that waiting time performance fluctuated.

<sup>&</sup>lt;sup>4</sup> Although the CAA did not publish their annual accessibility report this year due to the impacts of the pandemic, East Midlands Airport's performance remained within the parameters to be rated 'Good'.

Opportunity For All Continued

Key









←→ No significant year-on-year change

◆ Year-on-year performance has worsened

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)		
	We will ensure that all local people feel able	We will support at least 60,000 young people between 2020 and 2025.	Young people's education directly supported (number)	5,869	46	2,679		5,723.9	<b>↑</b>	
	to take advantage of the education and employment opportunities offered by the airport at every stage of their lives.	By 2025, we will ensure that at least 40% of those attending MAG Connect Aerozones are from priority areas and priority schools.	Education support provided to young people from identified priority areas and priority schools (%)	New KPI	78.3	91.2	1	16.5	<b>↑</b>	
EDUCATION, SKILLS AND EMPLOYMENT	We will create quality opportunities for work and break down barriers for everyone in our community.	Our MAG Connect Airport Academies will support everybody who approaches us, assisting a minimum of 7,500 people between 2020 and 2025.	People supported by MAG Connect Airport Academy (number)	New KPI	276	68	2	-75.4	<b>4</b>	
SUPPORT		opportunities for work and	By 2025, at least 10% of the people supported by our MAG Connect Airport Academies will be from groups defined as 'disadvantaged'.	Support provided by MAG Connect Airport Academy to groups defined as 'disadvantaged' (%)	New KPI	6.3	58.8	2, 3	833.3	<b>↑</b>
		By 2025, 80% of people completing a MAG Connect Airport Academy programme will be successful in	Proportion of people supported by MAG Connect Airport Academies and finding employment (%)	51.1	10.8	44.1	2	32.3	<b>↑</b>	
		gaining employment with MAG or an on-site partner.	People placed into employment by MAG Connect Airport Academies (number)	69	9	30	2	233.3	<b>↑</b>	
SUPPORTING LOCAL BUSINESSES	We will create opportunities to improve local economic prosperity and infrastructure.	Our spend will benefit local businesses.	Goods and services purchased from local suppliers (% of suppliers located within 25 miles)	21.0	18.0	17		-5.5	•	

↑ Improved year-on-year performance

<sup>&</sup>lt;sup>1</sup> Priority schools and priority areas are those within a 20-mile radius of East Midlands Airport (those most impacted by our operations).

<sup>&</sup>lt;sup>2</sup> 'Support' is delivered face-to-face and virtually and includes a range of skills and education services such as formal training, employment inductions, CV guidance, job referrals, assisting with job applications, mock interviews, providing information on access to traineeships and apprenticeships, career talks to schools and colleges, outplacement support, and signposting to external agencies and charity/community groups. The COVID-19 pandemic has disrupted our usual skills and education programmes and reduced the number of vacancies advertised at our airports. This measure does not include the important support our Airport Academies have provided over the last year to those leaving the aviation industry. The number of people placed into employment by the MAG Connect Airport Academy remained low compared to pre-pandemic levels, this was due to shifting our focus to supporting staff through redundancies during the height of the pandemic. Towards the end of 21/22 we saw an increase in the number of vacancies advertised at our airports, our MAG Connect Airport Academies are committed to providing support to individuals to gain successful employment with East Midlands Airport or our onsite partners.

<sup>3</sup> The measure considers: those who have any form of disability or an illness or condition that makes it more difficult for them to secure employment; homeless people, or those who only recently secured housing; people who have not worked for a long period of time (over one year); parents returning to work; and young people who have been in care.

## **Local Voices**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		All of our senior leadership team will support and participate in volunteering programmes.	Leadership volunteering participation (%)	New KPI	21.3	34.4	1	61.5	<b>↑</b>
	We will ensure that the communities around our airports share the benefits from living near an airport.  Our long-term ambition is that 30% of colleagues participate in volunteering programmes.  Our long-term ambition is that 30% of colleagues participate in volunteering programmes.  Time given to volunteering activities (hours, all colleagues)  Community fund grants awarded (£)  We will maintain our community funds, ensuring they provide effective investment in local communities.  Groups/initiatives receiving community fund grants (number)	Our long-term ambition is that 30% of colleagues participate in volunteering programmes.  Tire of the benefits of living near an airport.  We will maintain our community funds, ensuring they		27.8	6.6	7.9	1	19.7	<b>↑</b>
INVESTING IN THE COMMUNITY				1,391	966	758	1	-21.5	•
			Community fund grants awarded (£)	59,864	93,366	156,625	2	67.8	<b>1</b>
		<b>1</b>	64	84	76		-9.5	•	
ENGAGING LOCAL VOICES	We are dedicated to addressing the local issues which matter most to people living near us.	Provide opportunities in different settings to meet people living near our airports.	Community engagement opportunities provided (number)	10	18	68		277.8	<b>↑</b>

<sup>1</sup> Due to ongoing public health restrictions throughout the past year, we were unable to deliver many of our planned charitable and volunteering events. The number of hours volunteering undertaken by our staff reduced by 21.5% compared to the previous year. We are actively working to increase participation and the impact of our volunteering programmes and this will be a key focus for this year. Also, it has not been possible to facilitate our usual programme of community engagement opportunities. We remain committed to our local communities and will reintroduce community engagement plans which reflect COVID restrictions and airport activity.

<sup>&</sup>lt;sup>2</sup> Despite the challenging business environment, we are pleased to have maintained MAG's full contribution to our airport community funds. The reported figure includes contributions from MAG and funds raised by MAG through noise penalties; it does not include funds raised in other ways.

## Local Voices Continued

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)		
			Departing fli	Departing flights within preferred noise routes (%)	89,1	91.5	90.9	1	-0.7	<b>←→</b>
			Departing flights performing continuous climb departure (%)	95.2	96.4	95.7		-0.7	<b>←→</b>	
NOISE MANAGEMENT			Arriving flights performing continuous descent approach (%)	90.0	87.1	89.0		2.2	<b>↑</b>	
			Area of daytime noise footprint (57 dB LAeq 16hr, km²)	8.3	4.1	5.1	2	24.4	•	
	We will minimise the impact	We will deliver our Noise Action Plans	Population within daytime noise footprint (57 dB LAeq 16hr, number)	1,000	600	700	2	16.7	•	
	of noise on local people.	· · · · · · · · · · · · · · · · · · ·	Area of night-time noise footprint (57 dB LAeq 8hr, km²)	8.5	7.5	7.8	2	4	•	
			Population within night-time noise footprint (57 dB LAeq 8hr, number)	1,000	1,000	1,000		0	<b>←→</b>	
			Complaints received (number)	199	1, <i>7</i> 03	5,510	3	223.6	•	
			People submitting complaints (number)	90	233	365		56.7	•	
			Aircraft movements per complaint (number)	372.8	26.6	10.7		-59.8	•	

Our long-term monitoring of continuous descent approaches demonstrates that compliance is highest amongst passenger airlines who are based at the airport and more familiar with local airspace. Overall compliance has reduced this year because of the significant reduction in the proportion of passenger flight.

<sup>&</sup>lt;sup>2</sup> This year, the number of flights from our airports significantly increased as we recovered through the global pandemic. As such, the size of our noise contours and the number of people within them also increased. We continue to deliver our Noise Action Plans (NAPs) with the aim of minimising the impact of noise. We will continue to work with our partner airlines to minimise the use of noisier aircraft types, particularly at night.

<sup>&</sup>lt;sup>3</sup> With Government travel restrictions easing and air traffic increasing, this year the number of noise complaints we received grew by over 233.6% compared to 2020/21. This year our Flight Evaluation Unit have placed a particular emphasis on airline engagement, focusing on noise minimisation as the number of flights increases following the removal of travel restrictions. Over 76% of the total complaints received at East Midlands Airport came from five individuals.

## **Zero Carbon Airports**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		Our airport infrastructure will operate on renewable energy by 2030, with new and replacement infrastructure	Total energy use (kWh, 'SECR Scope')	62,208,693	53,327,780	48,436,605	1	-9.7	<b>↑</b>
		running on renewable energy from 2025 and our fleet comprising 100% ultra-low emission vehicles by 2030.	Energy from renewable sources (%, 'SECR Scope')	70.4	63.1	68.6	1	8.7	<b>↑</b>
			Gross location-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	14,714	11,647	10,002	1	-14.1	<b>↑</b>
CLIMATE CHANGE	All of MAG's airport operations will be net	rations will be net to carbon by no r than 2038.  Maintain carbon neutral operations whilst transitioning to net zero carbon by no later than 2038.	Gross market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	3,525.1	3,777.0	2,896.5	1	-23.3	<b>↑</b>
CLIMATE CHANGE	zero carbon by no later than 2038.		Gross market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0.120	0.636	0.22	1, 2	-65.4	<b>↑</b>
			Carbon offsets (tonnes CO <sub>2</sub> e, 'SECR Scope')	3,525.1	3,777.0	2,896.5	1, 3	-23.3	•
			Net market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	0	0	0	1, 3	0	<b>←→</b>
			Net market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0	0	0	1	0	<b>←→</b>
			Major operational sites with environmental management systems certified to ISO 14001 (%)	100	100	100		0	<b>←→</b>
		Environmental management at each of our airports	Major operational sites with energy management systems certified to ISO 50001 (%)	100	100	100		0	<b>←→</b>
FNVIPONMENT MI	Protecting the environment must be central to every plan we make.	will prevent pollution and continue to be certified to the international standard ISO 14001 and to ISO.  Samples within surface water discharge consent limits (%) 100.00	95.2	97.9	4	2.8	<b>↑</b>		
		50001.	Samples within trade effluent discharge consent limits (%)	81.8	87.0	84.1	4	-3.3	•
			Total breaches of air quality limits (number)	0	0	0		0	<b>←→</b>

<sup>&</sup>lt;sup>1</sup> The scope of reported energy use and emissions aligns with the Government's Streamlined Energy and Carbon Reporting requirements. Our Energy and Emissions Report provides more information about our carbon footprint.

<sup>2</sup> We measure carbon intensity against traffic units, which are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight.

Our airport operations are carbon neutral and hold Airport Carbon Accreditation at Level 3+ (Neutrality). As we work towards our net zero carbon goal, we continue to offset residual emissions. Full details of our carbon offsets are included in our MAG Greenhouse Gas Emission Report 2021/22.

<sup>4 2021/22,</sup> we recorded an environmental permit compliance rate of 97.9% with our surface water discharge consents and 84.1% with our trade effluent consents across the Group. To meet our target to achieve full environmental permit compliance, we have implemented a number of mitigation and control measures across our airports The number of consented activities increased this year, and we are working with our sewage undertaker to improve compliance.

Contents

### **Zero Carbon Airports Continued**

London Stansted Airport overview

### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

	ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
				Total waste (tonnes)	6,522	1,630	2,070	1	27	Ψ
	ELIMINATING	We are committed to reducing waste,	By 2021, we will send no waste to landfill.	Waste intensity (tonnes waste per traffic unit)	0.2	0.3	0.15	2	-50	<b>↑</b>
WASTE	WASTE	promoting recycling and eliminating landfill.	uting landfill.	Waste segregated for recycling on-site (%)	New KPI	11.2	33.0		194.6	<b>↑</b>
				Waste diverted from landfill (%)	100.0	100.0	100		0	<b>←→</b>
	SURFACE ACCESS	We will make it possible and encourage our passengers and staff to use sustainable modes to access our airports.	We will publish new sustainable transport targets which will reduce the impacts of passenger and staff journeys to our airports.	Passengers using sustainable travel to access our airports (%)	51.5	51.8	47	3	-9.3	•

<sup>1</sup> The increase in total waste (tonnes) can primarily be attributed to the return of commercial activity, PPE and changes to regulations on cabin waste.

<sup>&</sup>lt;sup>2</sup> We measure waste intensity against traffic units, which are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight.

<sup>&</sup>lt;sup>3</sup> Over the last year, the proportion of passengers using sustainable transport to access the airport fell. This reduction is due to passengers' hesitancy to use public transport travel during the pandemic and the result of timetable changes including to the Stansted Express, which now operates two trains per hour rather than four pre-pandemic. We actively promote sustainable transport options to our passengers and we have been actively calling for the Department for Transport to reinstate four trains per hour. Our sustainable surface access data has been restated for this year and our previous reporting period to reflect an updated methodology based on best-practice guidance including the GRESB and Sustainable Aviation (2022) definitions of 'sustainable travel'. The definition includes public transport, car sharing and low impact transport. Data collection methods remain the same enabling use of most recent and complete datasets across our business.

## **Opportunity For All**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	IND	ICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)											
	Safety is our overarching	Through 'Vision Zero', our approach to	Repo	ortable safety incidents (number of RIDDOR incidents)	3	0	4	1	0	<b>←→</b>										
SAFETY	priority; we will set out our Safety Plan and regularly	safety, we target zero harm.	Lost	ime injury accidents (number)	10	3	12	1	300	•										
	track and report progress.	We will ensure that, by 2025, at least 50% of leadership appointments are promotions or internal candidates.	Leac	ership roles filled through internal promotion (%)	63.9	5.6	1.4	2	-75	•										
				Pre-notified departing passengers: assistance provided within 30 minutes of making themselves known at a designated point (%, target = 100)	100.0	92.2	99.9	3	8.4	<b>↑</b>										
		educed mobility responds  Performance targets are listed against each indicator	vided	Non-notified departing passengers: assistance provided within 45 minutes of making themselves known at a designated point (%, target = 100)	100.0	94.1	99.8	3	6.1	<b>↑</b>										
INCLUSIVE CUSTOMER SERVICE	we will ensure that our service for passengers with reduced mobility responds to customer needs.		Assistance pro	ğ. tance pro	· · tance prov	tance prov	tance prov	tance prov	tance prov	tance prov	itance brovi	· · tance provic	tance provid	tance provic	Pre-notified arriving passengers: assistance provided within 20 minutes of 'on chocks' (%, target = 100)	98.7	97.6	97.0	3	-0.6
				Non-notified arriving passengers: assistance provided within 45 minutes of 'on chocks' (%, target = 100)	99.9	98.2	99.7	3	1.5	<b>↑</b>										
				Guest satisfaction as defined by the Civil Aviation Authority in CAP1228: (average rating, 1 = very poor, 5 = excellent, target = 3.5 good)	3.7	-	-	3	O	-										

<sup>1</sup> The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) results showcased an increased in the overall reportable number of incidents and lost time injury accidents for the reporting year. None of the incidents were recorded as fatalities or specified injuries (regulation 4) to workers as classified under RIDDOR 2013. The increase in lost time injury accidents was primarily due to increased activity at our airports as we recovered from the pandemic.

<sup>&</sup>lt;sup>2</sup> Recruitment activity has been extremely limited this year, presenting few opportunities to influence this measure.

The COVID-19 pandemic has required additional controls to ensure the safety of passengers receiving additional assistance and the staff who provide these services. These requirements have combined with volatile airline schedules and load factors, meaning that waiting time performance has fluctuated. With low passenger numbers and as a result of the COVID-19 pandemic, guest satisfaction surveys were not undertaken at London Stansted Airport this year.

## Opportunity For All Continued

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)		
	We will ensure that all local people feel able	We will support at least 60,000 young people between 2020 and 2025.	Young people's education directly supported (number)	9,324	85	2,648		3,015.3	<b>1</b>	
	to take advantage of the education and employment opportunities offered by the airport at every stage of their lives.	By 2025, we will ensure that at least 40% of those attending MAG Connect Aerozones are from priority areas and priority schools.	Education support provided to young people from identified priority areas and priority schools (%)	New KPI	77.3	57.5	1	-25.6	•	
EDUCATION, SKILLS AND EMPLOYMENT		Our MAG Connect Airport Academies will support everybody who approaches us, assisting a minimum of 7,500 people between 2020 and 2025.	People supported by MAG Connect Airport Academy (number)	New KPI	801	64	2	-92.0	Ψ	
SUPPORT	We will create quality opportunities for work and break down barriers for	We will create quality opportunities for work and	By 2025, at least 10% of the people supported by our MAG Connect Airport Academies will be from groups defined as 'disadvantaged'.	Support provided by MAG Connect Airport Academy to groups defined as 'disadvantaged' (%)	New KPI	27.1	98.4	3	263	<b>1</b>
	everyone in our community.	By 2025, 80% of people completing a MAG Connect	Proportion of people supported by MAG Connect Airport Academies and finding employment (%)	30.0	2.3	14.1	4	513	<b>↑</b>	
		Airport Academy programme will be successful in gaining employment with MAG or an on-site partner.	People placed into employment by MAG Connect Airport Academies (number)	307	81	9	4	-88.9	Ψ	
SUPPORTING LOCAL BUSINESSES	We will create opportunities to improve local economic prosperity and infrastructure.	Our spend will benefit local businesses.	Goods and services purchased from local suppliers (% of suppliers located within 25 miles)	18.0	18.0	20		11.1	<b>↑</b>	

<sup>&</sup>lt;sup>1</sup> Priority schools and priority areas are those within a 20-mile radius of London Stansted Airport (those most impacted by our operations).

<sup>&</sup>lt;sup>2</sup> 'Support' is delivered face to face and virtually and includes a range of skills and education services such as formal training, employment inductions, CV guidance, job referrals, assisting with job applications, mock interviews, providing information on access to traineeships and apprenticeships, career talks to schools and colleges, outplacement support, and signposting to external agencies and charity/community groups.

<sup>&</sup>lt;sup>3</sup> The measure considers those who have any form of disability or an illness or condition that makes it more difficult for them to secure employment, homeless people, or those who only recently secured housing, people who have not worked for a long period of time (over 1 year), parents returning to work and young people who have been in care. Due to the public health measures in 21/22, the number of people supported by the MAG Connect Airport Academy decreased and help was directed towards support staffing changes at London Stansted.

<sup>&</sup>lt;sup>4</sup> The number of people placed into employment by the MAG Connect Airport Academy remained low compared to pre-pandemic levels, this was due to shifting our focus to supporting staff through redundancies during the height of the pandemic. Towards the end of 21/22 we saw an increase in the number of vacancies advertised at our airports, our MAG Connect Airport Academies are committed to providing support to individuals to gain successful employment with East Midlands Airport or our onsite partners. This measure does not include the important support our Airport Academies have provided over the last year to those leaving the aviation industry.

## **Local Voices**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

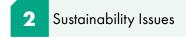
ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		All of our senior leadership team will support and participate in volunteering programmes.	Leadership volunteering participation (%)	New KPI	13.1	14.7	1	12.2	<b>↑</b>
	We will ensure that the	Our long-term ambition is that 30% of colleagues	All colleague volunteering participation (%, including leaders)	19.5	5.1	3.9	1	-23.5	•
INVESTING IN THE COMMUNITY	communities around our airports share the benefits	re the benefits	Time given to volunteering activities (hours, all colleagues)	11,807	9,994	2,072	1	-79.3	•
	from living near an airport.	We will maintain our community funds, ensuring they	Community fund grants awarded (£)	49,125	50,000	6,000	2	-88	•
		provide effective investment in local communities.  Groups/initiatives receiving community funds, ensuring they  provide effective investment in local communities.  Groups/initiatives receiving community fund grants (number)	94	4	27		575	<b>↑</b>	
ENGAGING LOCAL VOICES	We are dedicated to addressing the local issues which matter most to people living near us.	Provide opportunities in different settings to meet people living near our airports.	Community engagement opportunities provided (number)	90	36	27	3	-25	•

Due to ongoing public health restrictions throughout the past year, we were unable to deliver many of our planned charitable and volunteering events. The number of hours volunteering undertaken by our staff reduced by 79.3% compared to the previous year. We are actively working to increase participation and the impact of our volunteering programmes and this will be a key focus for this year. Also, it has not been possible to facilitate our usual programme of community engagement opportunities. We remain committed to our local communities and will reintroduce community engagement plans which reflect COVID restrictions and airport activity.

<sup>&</sup>lt;sup>2</sup> The total for community fund grants awarded appears lower in 2021/22 as the Community Fund at London Stansted Airport has been dissolved. This year a Community Trust will take its place.

<sup>&</sup>lt;sup>3</sup> We remain committed to our local communities and will reintroduce community engagement plans which reflect COVID restrictions and airport activity.





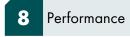












## Local Voices Continued

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)		
		We will deliver our Noise Action Plans and report progress publicly.	Departing flights within preferred noise routes (%)	99.7	99.6	99.8		-0.2	<b>←→</b>	
			Departing flights performing continuous climb departure (%)	74.3	86.5	84.6	1	-2.2	•	
NOISE MANAGEMENT	We will minimise the impact		Arriving flights performing continuous descent approac	Arriving flights performing continuous descent approach (%)	94.7	92.3	94.2	2	2.1	<b>↑</b>
			Area of daytime noise footprint (57 dB LAeq 16hr, km²)	28.5	11.8	15.7	3	33.1	•	
			Population within daytime noise footprint (57 dB LAeq 16hr, number)	2,500	500	1,100	3	120	•	
	of noise on local people.		Area of night-time noise footprint (57 dB LAeq 8hr, km²)	10.8	4.9	8.2	3	67.3	•	
			Population within night-time noise footprint (57 dB LAeq 8hr, number)	450	50	200	3	300	•	
			Complaints received (number)	14,043	4,926	9,050	3	83.7	•	
			People submitting complaints (number)	608	428	376		-12.2	<b>↑</b>	
		,	Aircraft movements per complaint (number)	13.8	11.5	13		13.04	<b>↑</b>	

Our traffic levels for 21/22 were significantly lower due to the pandemic and public health restrictions. This increased our continuous climb departure numbers across all airports and we expect this number to decline as traffic returns to normal levels. Our Airspace Modernisation project aims to address this issue.

<sup>&</sup>lt;sup>2</sup> Our long-term monitoring of Continuous Descent Approach (CDA) demonstrates that compliance is highest amongst passenger airlines who are based at the airport and more familiar with local airspace.

<sup>&</sup>lt;sup>3</sup> This year, the number of flights from our airports significantly increase as we recovered through the global pandemic. As such, the size of our noise contours and the number of people within them also increased. Stansted Airport increased markedly from June to over 9,000 for the year, with over 7,000 of those complaints recorded by one person. We continue to deliver our Noise Action Plans (NAPs) with the aim of minimising the impact of noise. We will continue to work with our partner airlines to minimise the use of noisier aircraft types, particularly at night.

## **Zero Carbon Airports**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		Our airport infrastructure will operate on renewable energy by 2030, with new and replacement infrastructure	Total energy use (kWh, 'SECR Scope')	115,371,712	103,774,502	115,285,087	1	11.1	•
		running on renewable energy from 2025 and our fleet comprising 100% ultra-low emission vehicles by 2030.	Energy from renewable sources (%, 'SECR Scope')	61.2	56.2	56.6	1	0.7	<b>←→</b>
			Gross location-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	27,337	22,241	23,384	1	5.1	•
CLIMATE CHANGE	All of MAG's airport operations will be net zero carbon by no later than 2038.	ions will be net arbon by no an 2038.  Maintain carbon neutral operations whilst transitioning to net zero carbon by no later than 2038.	Gross market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	8,938	8,556	9,495	1	11.0	•
CLIMATE CHARGE			Gross market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0.305	2.645	0.98	1, 2	-63.0	<b>↑</b>
			Carbon offsets (tonnes CO <sub>2</sub> e, 'SECR Scope')	8,938	8,556	9,495	1, 3	11.0	•
			Net market-based emissions (tonnes CO <sub>2</sub> e, 'SECR Scope')	0	0	0	1,3	0	<b>←→</b>
			Net market-based emissions intensity (tonnes CO <sub>2</sub> e per traffic unit, 'SECR Scope')	0	0	0	1, 2, 3	0	<b>←→</b>
			Major operational sites with environmental management systems certified to ISO 14001 (%)	100	100	100		0	<b>←→</b>
		Environmental management at each of our airports	Major operational sites with energy management systems certified to ISO 50001 (%)	0	0	0	4	0	<b>←→</b>
FNVIRONMENT m	Protecting the environment must be central to every plan we make.	will prevent pollution and continue to be certified to the international standard ISO 14001 and our energy	Samples within surface water discharge consent limits (%)	94.4	88.8	95.1	5	<b>7</b> .1	<b>↑</b>
	•	management will be certified to ISO 50001 by the end of 2023.	Samples within trade effluent discharge consent limits (%)	100	100	100		0	<b>←→</b>
		Total breaches of air quality limits (number)	1	1	0		-100	•	

<sup>1</sup> The scope of reported energy use and emissions aligns with the Government's Streamlined Energy and Carbon Reporting requirements. Our Energy and Emissions Report provides more information about our carbon footprint.

<sup>&</sup>lt;sup>2</sup> We measure carbon intensity against traffic units, which are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight.

<sup>&</sup>lt;sup>3</sup> Our airport operations are carbon neutral and hold Airport Carbon Accreditation at Level 3+ (Neutrality). As we work towards our net zero carbon goal, we continue to offset residual emissions. Full details of our carbon offsets are included in our MAG Greenhouse Gas Emission Report 2021/22.

<sup>&</sup>lt;sup>4</sup> Work has begun to formalise our energy management system and achieve certification to the international standard ISO 50001. This will be complete by the end of 2023, in line with the commitment made in our CSR Strategy.

<sup>&</sup>lt;sup>5</sup> This year, 6 of the samples we took to monitor the quality of water leaving the airport failed to meet the limits in our permit. The incidents were reported to the Environment Agency, and we are taking steps to improve performance.

### Contents

### Manchester Airport overview

### **Zero Carbon Airports Continued**

### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
			Total waste (tonnes)	9,093	1,929	3,456	1	79.2	•
ELIMINATING	We are committed to reducing waste,	By 2021, we will send no waste to landfill.	Waste intensity (tonnes waste per traffic unit)	0.3	0.6	0.35	2	-41.7	<b>↑</b>
WASTE	promoting recycling and eliminating landfill.	yciing and	Waste segregated for recycling on-site (%)	New KPI	26.9	27.2		1.1	<b>←→</b>
			Waste diverted from landfill (%)	74.9	86.0	79		-8.1	•
SURFACE ACCESS	We will make it possible and encourage our passengers and staff to use sustainable modes to access our airports.	We will publish new sustainable transport targets which will reduce the impacts of passenger and staff journeys to our airports.	Passengers using sustainable travel to access our airports (%)	18.7	18.9	15.7	3	- 16.9	•

<sup>&</sup>lt;sup>1</sup> The increase in total waste (tonnes) can primarily be attributed to the return of commercial activity, PPE and changes to regulations on cabin waste.

<sup>&</sup>lt;sup>2</sup> We measure waste intensity against traffic units, which are defined by the International Civil Aviation Organisation (ICAO) as equivalent to 1,000 passengers or 100 tonnes of freight.

<sup>&</sup>lt;sup>3</sup> Over the last year, the number of passengers using sustainable transport to access the airport fell. This reduction is due to passengers' hesitancy to use public transport travel during the pandemic and we actively promote sustainable transport options to our passengers. Our sustainable surface access data has been restated for this year and our previous reporting period to reflect an updated methodology based on best-practice guidance including the GRESB and Sustainable Aviation (2022) definitions of 'sustainable travel'. The definition includes public transport, car sharing and low impact transport. Data collection methods remain the same enabling use of most recent and complete datasets across our business.



## **Opportunity For All**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	IND	ICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)												
	Safety is our overarching	Through 'Vision Zero', our approach to	Repo	ortable safety incidents (number of RIDDOR incidents)	6	0	1	1	0	<b>←→</b>											
SAFETY	priority; we will set out our Safety Plan and regularly	safety, we target zero harm.	Lost	time injury accidents (number)	19	0	9	1	0	Ψ											
	track and report progress.	We will ensure that, by 2025, at least 50% of leadership appointments are promotions or internal candidates.	Lead	dership roles filled through internal promotion (%)	50.5	25.0	5.8	2	-76.8	Ψ											
				Pre-notified departing passengers: assistance provided within 30 minutes of making themselves known at a designated point (%, target = 100)	99.9	99.7	100.0	3	0.3	<b>←→</b>											
		educed mobility responds  Performance targets are listed against each indicator.	vided	Non-notified departing passengers: assistance provided within 45 minutes of making themselves known at a designated point (%, target = 100)	100.0	100.0	100.0	3	0	<b>←→</b>											
INCLUSIVE CUSTOMER SERVICE	service for passengers with reduced mobility responds to customer needs.		Assistance pro	r., rance pro	od, od.	, .	tance prov	· ·	· · · · · · · · · · · · · · · · · · ·	tance prov	stance prov	· · · · · · · · · · · · · · · · · · ·	· ` tance provic	tance provid	tance provic	Pre-notified arriving passengers: assistance provided within 20 minutes of 'on chocks'(%, target = 100)	97.2	99.5	97.6	3	-1.9
				Non-notified arriving passengers: assistance provided within 45 minutes of 'on chocks' (%, target = 100)	98.9	99.9	99.2	3	-0.7	<b>←→</b>											
				Guest satisfaction as defined by the Civil Aviation Authority in CAP1228: (average rating, 1 = very poor, 5 = excellent, target = 3.5 good)	4.0	4.3	4.0	4	-7.0	<b>←→</b>											

<sup>1</sup> The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) results showcased an increased in the overall reportable number of incidents and lost time injury accidents for the reporting year. None of the incidents were recorded as fatalities or specified injuries (regulation 4) to workers as classified under RIDDOR 2013. The increase incident and lost time injury accidents was primarily due to increased activity at our airports as we recovered from the pandemic.

<sup>&</sup>lt;sup>2</sup> Recruitment activity has been extremely limited this year, presenting few opportunities to influence this measure.

<sup>3</sup> The COVID-19 pandemic has required additional controls to ensure the safety of passengers receiving additional assistance and the staff who provide these services. These requirements have combined with volatile airline schedules and load factors, meaning that waiting time performance has fluctuated.

<sup>&</sup>lt;sup>4</sup> Although the CAA did not publish their annual accessibility report this year due to the impacts of the pandemic, MAG's performance remained within the parameters to be rated 'Good'.

## **Opportunity For All Continued**

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)		
	We will ensure that all local people feel able	We will support at least 60,000 young people between 2020 and 2025.	Young people's education directly supported (number)	11,123	304	4,305		1,316	<b>↑</b>	
	to take advantage of the education and employment opportunities offered by the airport at every stage of their lives.	By 2025, we will ensure that at least 40% of those attending MAG Connect Aerozones are from priority areas and priority schools.	Education support provided to young people from identified priority areas and priority schools (%)	New KPI	40.0	86.3	1, 2	116.0	<b>↑</b>	
EDUCATION, SKILLS AND EMPLOYMENT		Our MAG Connect Airport Academies will support everybody who approaches us, assisting a minimum of 7,500 people between 2020 and 2025.	People supported by MAG Connect Airport Academy (number)	New KPI	1,945	2,302	2	18.4	<b>↑</b>	
SUPPORT	We will create quality opportunities for work and break down barriers for	opportunities for work and by	By 2025, at least 10% of the people supported by our MAG Connect Airport Academies will be from groups defined as 'disadvantaged'.	Support provided by MAG Connect Airport Academy to groups defined as 'disadvantaged' (%)	New KPI	16.1	13.7	2, 3	-14.0	•
	everyone in our community.	By 2025, 80% of people completing a MAG Connect	Proportion of people supported by MAG Connect Airport Academies and finding employment (%)	403	41	58	2, 4	41.5	<b>↑</b>	
		Airport Academy programme will be successful in gaining employment with MAG or an on-site partner.	People placed into employment by MAG Connect Airport Academies (number)	152.7	3.0	2.5		-16.7	<b>←→</b>	
SUPPORTING LOCAL BUSINESSES	We will create opportunities to improve local economic prosperity and infrastructure.	Our spend will benefit local businesses.	Goods and services purchased from local suppliers (% of suppliers located within 25 miles)	37	35	37		5.71	<b>1</b>	

<sup>&</sup>lt;sup>1</sup> Priority schools and priority areas are those within a 20-mile radius of Manchester Airport (those most impacted by our operations).

<sup>&</sup>lt;sup>2</sup> 'Support' is delivered face-to-face and virtually and includes a range of skills and education services such as formal training, employment inductions, CV guidance, job referrals, assisting with job applications, mock interviews, providing information on access to traineeships and apprenticeships, career talks to schools and colleges, outplacement support, and signposting to external agencies and charity/community groups. Historic performance data is not available.

<sup>3</sup> The measure considers those who have any form of disability or an illness or condition that makes it more difficult for them to secure employment, homeless people, or those who only recently secured housing, people who have not worked for a long period of time (over 1 year), parents returning to work and young people who have been in care.

<sup>&</sup>lt;sup>4</sup> The number of people placed into employment by the MAG Connect Airport Academy remained low compared to pre-pandemic levels, this was due to shifting our focus to supporting staff through redundancies during the height of the pandemic. Towards the end of 21/22 we saw an increase in the number of vacancies advertised at our airports, our MAG Connect Airport Academies are committed to providing support to individuals to gain successful employment with East Midlands Airport or our onsite partners. This measure does not include the important support our Airport Academies have provided over the last year to those leaving the aviation industry.

## **Local Voices**

#### Key

↑ Improved year-on-year performance

**←→** No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
		All of our senior leadership team will support and participate in volunteering programmes.	Leadership volunteering participation (%)	New KPI	7.9	11		39.2	<b>↑</b>
	We will ensure that the communities around our airports share the benefits from living near an airport.	mmunities around our participate in volunteering programmes.  ports share the benefits	All colleague volunteering participation (%, including leaders)	13.7	2.6	3.75		44.2	<b>1</b>
INVESTING IN THE COMMUNITY			Time given to volunteering activities (hours, all colleagues)	6,870	12, <i>7</i> 14	2,665	1	-79.0	•
		We will maintain our community funds, ensuring they	Community fund grants awarded (£)	110,387	110,935	89,203	2	-19.6	Ψ
			provide effective investment in local communities.  Groups/initiatives receiving community fund grants (number)	54	63	46		-27.0	Ψ
ENGAGING LOCAL VOICES	We are dedicated to addressing the local issues which matter most to people living near us.	Provide opportunities in different settings to meet people living near our airports.	Community engagement opportunities provided (number)	90	36	53		50	<b>↑</b>

Due to ongoing public health restrictions throughout the past year, we were unable to deliver many of our planned charitable and volunteering events. The number of hours volunteering undertaken by our staff reduced by 79% compared to the previous year. We are actively working to increase participation and the impact of our volunteering programmes and this will be a key focus for this year. Also, it has not been possible to facilitate our usual programme of community engagement opportunities. We remain committed to our local communities and will reintroduce community engagement plans which reflect COVID restrictions and airport activity.

<sup>&</sup>lt;sup>2</sup> The reported figure includes contributions from MAG and funds raised by MAG through noise penalties; it does not include funds raised in other ways.

## Local Voices Continued

#### Key

↑ Improved year-on-year performance

←→ No significant year-on-year change

ISSUE	STRATEGIC CSR OBJECTIVE	TARGET	INDICATOR	2019/20	2020/21	2021/22	NOTE	YEAR-ON-YEAR CHANGE (%)	
NOISE MANAGEMENT	We will minimise the impact of noise on local people.	We will deliver our Noise Action Plans and report progress publicly.	Departing flights within preferred noise routes (%)	94.0	86.0	89		3.5	<b>↑</b>
			Departing flights performing continuous climb departure (%)	95.0	95.1	95.3		0.21	<b>←→</b>
			Arriving flights performing continuous descent approach (%)	92.0	87.5	90.5	1	3.4	<b>↑</b>
			Area of daytime noise footprint (57 dB LAeq 16hr, km²)	32.9	9.0	14.5	2	61.1	•
			Population within daytime noise footprint (57 dB LAeq 16hr, number)	34,700	3,500	9,100	2	160	•
			Area of night-time noise footprint (57 dB LAeq 8hr, km²)	13.4	4.1	6.7	2	63.4	•
			Population within night-time noise footprint (57 dB LAeq 8hr, number)	10,500	300	3,000	2	900	•
			Complaints received (number)	1,011	213	1,318		519.0	•
			People submitting complaints (number)	125	128	696	3	444.0	•
			Aircraft movements per complaint (number)	193.7	175.0	67		-61.7	<b>↑</b>

Our long-term monitoring of Continuous Descent Approach (CDA) demonstrates that compliance is highest amongst passenger airlines who are based at the airport and more familiar with local airspace.

<sup>&</sup>lt;sup>2</sup> This year, the number of flights from our airports significantly increase as we recovered through the global pandemic. As such, the size of our noise contours and the number of people within them also increased.

With Government travel restrictions easing and air traffic increasing, this year the number of noise complaints we received grew by 443.8% compared to 2020/21. This year our Flight Evaluation Unit have placed a particular emphasis on airline engagement, focusing on noise minimisation as the number of flights increases following the removal of travel restrictions. At Manchester Airport, 36% of our complaints came from four individuals.

### **Assurance Statement**





### Independent Assurance Statement to the Directors and Management of Manchester Airports Group

#### Objective of the Engagement

Manchester Airports Group plc (MAG) has engaged TÜV NORD to provide independent assurance over MAG's Corporate Responsibility Report 2021 (herein referred to as "the report"). The assurance engagement has been performed using a moderate level of assurance according to Assurance Standard AA1000AS v3. The aim of the engagement is to provide assurance regarding the report's adherence to the chosen reporting guideline, AccountAbility Principles as well as reliability and objectivity of the reported information. The report has been declared to comply with the "in accordance" — Comprehensive Option of the Global Reporting Initiative's Sustainability Reporting Standards (GRI SRS) and covers all of MAG's business activities and locations.

#### Scope of work

Independent assurance within the reporting period comprised of

- · Reliability of reported information
- Adherence to the GRI SRS Reporting Principles
- Adherence to the requirements according to GRI SRS "in accordance" Comprehensive Option (for those indicators contained within this Assurance Statement
- Adherence to the AccountAbility Principles

The engagement has been performed using a Type-2 Engagement with a moderate level of assurance according to Assurance Standard AA1000AS v3 and covered the following chapters of the report:

- Our CSR Strategy
- Knowing what's important
- Governance

- Looking back at our achievements
- Zero Carbon Airports
- Opportunity for all
- Local voices
   2021/22 Performance

Within the assurance scope various reported GRI Indicators have been verified. These included the GRI SRS Standard Disclosures according to the chosen reporting option, Specific Disclosures and GRI G4 Sector Disclosures for airport operators, determined by MAG's materiality analysis as described in "Knowing what's important":

•	201-1	•	201-2	•	201-3	•	201-4	•	202-1
•	203-1	•	203-2	•	204-1				
		•							
•	305-1	•	305-2	•	305-3	•	305-4	•	305-4
•	305-6	•	305-7						
•	405-1	•	405-2	•	413-1	•	413-2		
•	AO1	•	AO2	•	AO3	•	AO5	•	A07
•	AO9								

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#### Limitations and exclusions

Excluded from the scope of work are the following:

- Statements regarding the company positioning
- · Information not related to the defined reporting period
- Specific information of the suppliers
- Financial data (as provided by MAG's Annual Report)

An engagement with a moderate level of assurance relies on risk-based sampling for assurance of the reported information. It also relies on MAG's internal data collection processes. Hence, based on the mentioned limitations and exclusions, this statement should not be relied upon to detect all misstatements or errors that may exist.

#### Responsibilities

The sole responsibility for the content and presentation of the report lies with MAG.

TÜV NORD did not, in any way, contribute to the preparation of the report and its responsibilities are limited to:

- Assurance of the report content using a Type-2 Engagement with a moderate level of assurance according to Assurance Standard AA1000AS v3
- Forming of an independent assurance opinion
- Reporting the conclusions and recommendations to management

#### Methodology and summary of work performed

The assurance engagement included, but was not limited to:

- Assessment of MAG's internal systems for data collection and aggregation of report content regarding functionality, accuracy, appropriateness, sources of error and limitations
- Interviews of relevant personnel from various levels throughout the organisation at the following sites
  - Manchester Airport
- East Midlands Airport
- Stansted Airport
- Identification of relevant samples for the assurance of report content
- Performance of various verification procedures appropriate to the identified samples
- Assessment of the methodology and results of stakeholder- and materiality-analysis to identify report content
- Evaluation of the reported information against the requirements of the GRI SRS and G4 Sector Disclosures

#### Conclusion

Based on our independent assurance engagement, nothing came to our attention to suggest that:

- MAG does not adhere to the AccountAbility principles
- the reported has not been prepared in accordance with the GRI SRS
- the reported information is not fairly stated in all material aspects for the defined reporting period





#### Recommendations

Based on our work performed, several recommendations for improving the report could be identified. These recommendations are presented in a separate report to the management of MAG.

#### Statement of Independence, Impartiality and Competence

TÜV NORD is an independent assurance provider, whose employees have extensive experience in the assessment and assurance of sustainability information and associated processes and systems for data collection.

Members of the assurance team are not involved in any other projects or activities that would cause a conflict of interest with regard to the assurance engagement.

Essen, 17.08.2022



Dr. Tahsin Choudhury

(Senior Auditor)

TÜV NORD CERT GmbH Am TÜV 1 45307 Essen Germany

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### Closing statement from MAG's **CSR & Future Airspace Director**

As we move into the third year of our CSR Strategy, 'Working Together for a Brighter Future', I am optimistic about the opportunities ahead of us. The three core pillars of our Strategy: Zero Carbon Airports, Opportunity For All and Local Voices remain as integral as ever to what we want to achieve and the long term vision we see for our airports.

In Zero Carbon Airports, I look forward to delivering on the pledges set by MAG to support the Government's Jet Zero Strategy, which was announced in July 2022. Together, our pledges – which span developments in education, sustainable fuels and airspace modernisation - alongside our continued collaboration with industry partners and Ministers on the Jet Zero Council - will allow us to make progress towards net zero aviation in the UK by 2050. Our commitments will also bring MAG closer to its target of net zero carbon operations by 2038 and, specifically over the next 12 months, we hope to make progress in the airspace modernisation programmes across all three of our airports.

Creating opportunity for all, and a pipeline of talent for our airports continues to be key priority of our Strategy. Our MAG Connect programme – comprising of our Airport Aerozones, Academies and Stansted Airport College – will act as a keystone in inspiring, developing and supporting students and jobseekers into careers in our industry. As part of this work, we are committed to encouraging equity and diversity in our education and recruitment programmes, alongside our colleague population.

We know that as our business continues to recover from the pandemic, there will be some groups in our local communities that will continue to feel its effects. This means that our airport Community Trust Funds will continue to support numerous local causes, and our colleagues remain committed to offering their time to volunteering initiatives.

We must also continue listening to local voices to help minimise the impacts our airports can have on those living closest to them. Over the next 12 months we will continue with the implementation of our Noise Action Plans, and begin the process of developing new Plans, for use from 2024.

To improve the diversity in voice of our community engagement, we will also officially launch our Youth Forums, to helping shape the sustainable futures for our airports, the people who work at them and the regions they serve.

We recognise that this cannot be achieved alone and will continue to work collaboratively with those in our industry and beyond, so we genuinely welcome your views and suggestions. Please contact us at CSR@magairports.com.

I am incredibly proud of all we have achieved over the last 12 months under challenging circumstances, and of everyone who has contributed to that. As we step into a new year, I am confident that our achievements will continue, and will make positive contributions to the creation of a more sustainable future for MAG, and the aviation industry.



**Neil Robinson Group CSR & Future Airspace Director**