

THREE AIRPORTS. ONE JOURNEY TO A SUSTAINABLE FUTURE.

Sustainability Report 2021/22



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WELCOME

In 2021, AGS launched its sustainability strategy which set out our commitment to balancing the undoubted social and economic benefits we deliver with our climate change responsibilities. The strategy was shaped during the height of the COVID pandemic during which time we not only re-evaluated our approach to sustainability, but we also redefined our purpose as a business which is “to make national and international connections that benefit our regions, helping people to prosper.”

The strategy was unveiled ahead of COP26 when world leaders descended upon Glasgow to agree a global response to what is a truly global challenge – climate change. The result was almost 200 countries coming together to sign the Glasgow Climate Pact, an agreement that kept the goal of global temperatures from rising more than 1.5 degrees alive.

I am pleased to say that since then, AGS has made significant progress in addressing our own environmental impacts and the purpose of this report is to share details on the tangible steps we have taken. Central to our strategy is our commitment to building on our carbon neutrality status by achieving net zero for our direct emissions by the mid-2030s.

In addition to decarbonising our own infrastructure, we are continuing to forge partnerships with the wider industry to advance aviation’s net zero commitments. In November 2022, I was pleased to announce a partnership agreement with ZeroAvia which will see us work together to bring hydrogen powered aircraft to our airports. Over the course of the past 12 months, we also worked with Cranfield University to explore the opportunities for carbon capture at AGS and we embarked on a separate project that will seek to convert the jet thrust from aircraft into renewable energy.

All of these projects demonstrate the role of innovation in achieving net zero, however, for me it is important we deliver innovation with purpose. A great example of this is our continued work with the NHS to revolutionise the provision of healthcare services to remote, rural communities by creating the UK’s first medical drone delivery network.

Of course, our approach to sustainability goes beyond decarbonising our airports. AGS is a purpose-led business and for me, that means valuing our employees, ensuring our local communities can share in our success and delivering the connectivity that will allow our regions to prosper.

Aviation growth and decarbonisation are not incompatible goals and I am extremely proud of the progress AGS has made in becoming a more sustainable organisation. As always, there is more work to be done and we are committed to working with the UK and Scottish governments as we transition to net zero while supporting sustainable economic growth.



Derek Provan
Chief Executive AGS Airports



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02 ABOUT AGS

AGS Airports Limited owns and operates Aberdeen International, Glasgow and Southampton airports. We were established in 2014, however, our airports have been serving their respective communities for decades.

The connectivity we provide is critical to the economic success and prosperity of the regions we serve.

It is widely accepted that a region with strong connectivity can expect to enjoy increased levels of trade and tourism. Companies have always viewed the quality and reliability of transport as a significant consideration when it comes to investment decisions.

Many leading companies have chosen to locate in the vicinity of our airports. Within a couple of miles of Glasgow Airport, around 400 companies across a range of sectors employ over 15,000 people.

Beyond facilitating trade and tourism, our airports provide vital lifeline services for communities in the Highlands and Islands of Scotland and the Channel Islands from Southampton.

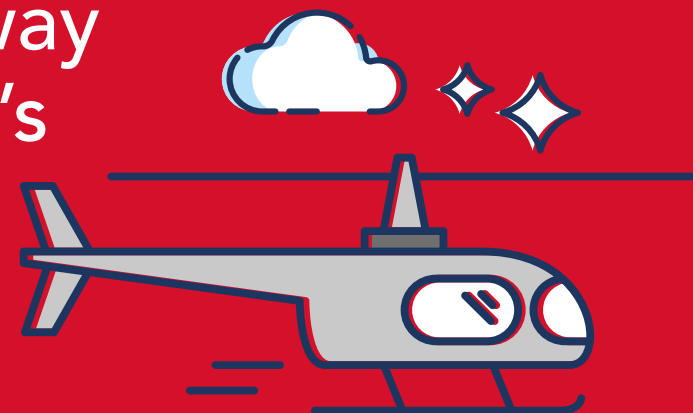




ABERDEEN INTERNATIONAL AIRPORT

Aberdeen International Airport is the north-east of Scotland's major transport hub and is a vital economic driver for the region. It is the gateway to Europe's energy capital and is Europe's busiest commercial heliport.

The gateway to Europe's energy capital



GLASGOW AIRPORT

Glasgow Airport is one of the UK's busiest regional airports. A study by York Aviation and published in 2019 calculated that the activities and connectivity associated with the airport support over 30,000 jobs and £1.44 billion of economic activity across Scotland.



£1.44bn

Economic activity across Scotland



SOUTHAMPTON AIRPORT

Southampton Airport provides an international transport hub for Hampshire and is a vital economic driver for the region, contributing more than £160 million a year to the local economy. The airport is central to supporting Hampshire's strategy of building upon its strength in marine, advanced manufacturing, further education and tourism.

£160m

a year to local economy

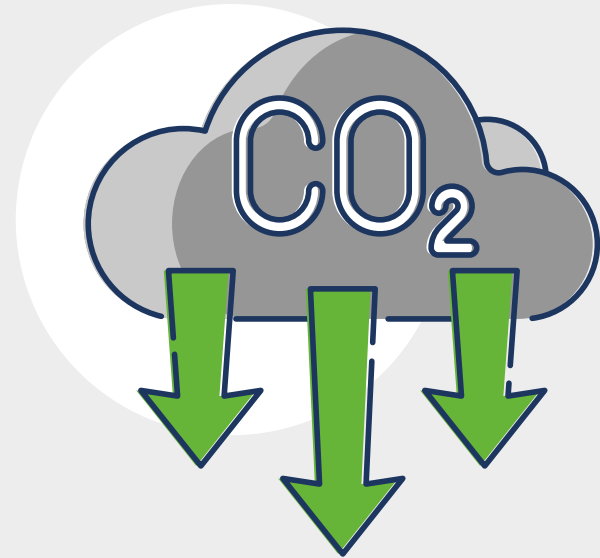


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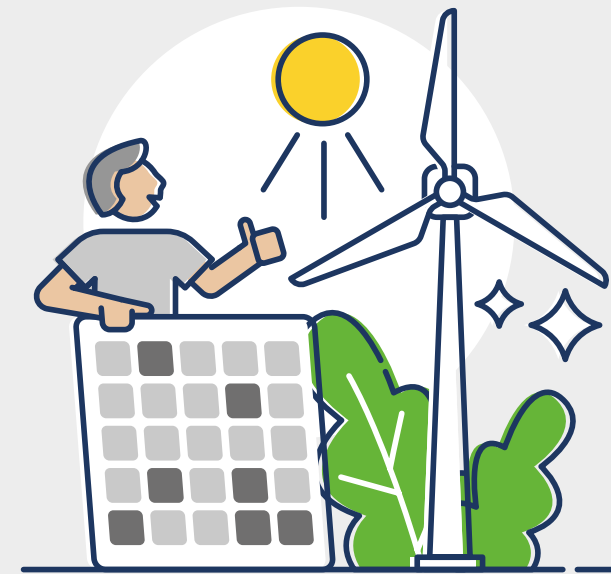


ACHIEVEMENTS TO DATE

We have maintained our **carbon neutrality status** for our direct emissions (Scopes 1 & 2)



Our electricity is from **100% renewable** sources



We **donated over £100k** to local communities



Achieved ACA **Level 3+ accreditation**



Secured **£10m in funding** for UK's first medical drone delivery network



Diverted 100% of non-hazardous waste from landfill



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03 OUR APPROACH TO SUSTAINABILITY

AGS Airports' purpose is to

"make national and international connections that benefit our regions, helping people to prosper."

This purpose is underpinned by a commitment to growing sustainably. If we are to truly embed sustainability at the core of AGS, we need to set ambitious and stretching targets across all areas of the business which demonstrate an absolute willingness to balance the clear economic and social benefits of aviation with our climate change responsibilities.



Our sustainability strategy made firm commitments to ensure our people view us as an employer of choice, the communities we serve can share in our success and we set out how we will grow in a responsible and sustainable manner.

To achieve this, we must:

- Address our environmental impacts;
- Better understand our economic impacts; and
- Widen the social benefits we can deliver.

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Achieving net zero

AGS is carbon neutral. We will continue our commitment to carbon neutrality as we work towards achieving net zero carbon for our direct emissions by the mid-2030s.



Supporting our communities

As we seek to regrow, we will work to support and enhance the economic and social benefits of the communities we serve.



Supporting our people

We will provide good conditions of employment, respect diversity and equal opportunities for all staff through rigorous ethical, professional and legal standards.



THE SUSTAINABLE DEVELOPMENT GOALS

The common language for sustainability is defined in the **17 Sustainable Development Goals (SDGs)** which form the United Nation's 2030 Agenda for Sustainable Development and which it adopted in September 2015.

The SDGs are interdependent and based on the three pillars of sustainable development:

- Social progress
- Economic growth
- Environmental protection

We aligned our sustainability strategy with the SDGs and identified key priorities which have been grouped into the three pillars of environmental, social and economic impacts, referred to as the "triple bottom line" by the Global Reporting Initiative (GRI), the international institution that sets global sustainability reporting.



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The SDGs are defined as a

“blueprint to achieve a better and more sustainable future for all. They are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.”



APPLYING THE SUSTAINABLE DEVELOPMENT GOALS

Through speaking with our colleagues and local communities, we identified 10 material issues that form the basis of our sustainability strategy. We set out clear actions for each and through our Sustainability Steering Committee, which reports to the AGS Executive Committee, we continually assess our performance against our objectives.

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Impact	Material Issue	Sustainable Development Goals
Environment	Climate Change	7 AFFORDABLE AND CLEAN ENERGY, 11 SUSTAINABLE CITIES AND COMMUNITIES, 13 CLIMATE ACTION
	Local Air Quality	3 GOOD HEALTH AND WELL-BEING, 11 SUSTAINABLE CITIES AND COMMUNITIES
	Material Resources	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	Water	6 CLEAN WATER AND SANITATION, 14 LIFE BELOW WATER
	Biodiversity	15 LIFE ON LAND
Social	Noise	3 GOOD HEALTH AND WELL-BEING
	Quality of Life of Local Communities	3 GOOD HEALTH AND WELL-BEING, 4 QUALITY EDUCATION, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES, 11 SUSTAINABLE CITIES AND COMMUNITIES
	Employee Experience	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
Economic	Economic Development & Employability	4 QUALITY EDUCATION, 8 DECENT WORK AND ECONOMIC GROWTH
	Sustainable Supply Chain	5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS



04 ACHIEVING NET ZERO

At AGS, we are acutely aware that operating such important pieces of infrastructure comes with responsibilities to our people, to our communities, and to the environment. Responding to the climate emergency is the most pressing challenge of our time and, together with the wider aviation industry, AGS is making tangible progress in addressing our carbon emissions.



CLIMATE CHANGE



Carbon neutrality

Our airports have maintained their carbon neutrality status for Scopes 1 and 2 emissions through the purchase of high quality, Gold Standard offsets. These offsets are independently verified to ensure the emissions reductions generated by the projects we select are quantifiable and improve the lives of people in vulnerable communities by supporting sustainable development.

In 2022, all three of our airports achieved Level 3+ AirportCarbon Accreditation (ACA). ACA is the only institutionally endorsed, global carbon management certification programme for airports. It ensures we look beyond our own emissions and engage collaboratively with our stakeholders to ensure the industry reduces carbon emissions as a whole.

There are six levels of accreditation with Level 3+ being the “Neutrality” stage. A key requirement of Level 3+ ‘Neutrality’ is that airports proceed with offsetting only once they have reduced their emissions as much as possible.

Kayseri Molu landfill gas to energy project, Turkey



In 2022 we supported the Kayseri Molu landfill gas to energy project in Turkey. The biogas power project will be built close to Molu village of Koca Sinan district in the province of Kayseri in Turkey.

The project aims to avoid greenhouse gas (GHG) emissions from the existing landfill area by collecting biogas to generate electricity. In addition to the direct avoidance of GHG emissions, further indirect emission reductions are achieved through the CO₂- neutral replacement of fossil fuels used for power generation. The Gold Standard Certified Project aligns with three of the UN SDGs.

Carbon footprint reporting

To help us understand the different areas which contribute to our overall carbon footprint and to ensure we can monitor changes on a yearly basis, we publish an annual carbon footprint report. This process helps identify improvement opportunities, which will ultimately reduce our carbon footprint and evaluate the effectiveness of our carbon management strategies. Our carbon footprint is calculated by Ricardo Energy & Environment in accordance with the principles of the Greenhouse Gas Protocol Standard for Corporate Accounting and Reporting produced by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). This is a globally recognised standard and is best practice for carbon footprint calculation.

As part of our reports, we disclose both location-based emissions which reflects the average emissions intensity of the national energy grid and market-based emissions which reflects the emissions from the electricity AGS purchases.

Since April 2018, 100% of all electricity purchased across AGS is from renewable sources under a Renewable Energy Guarantees of Origin (REGO) backed “Green Energy” contract. This means our Scope 2 emissions are zero.

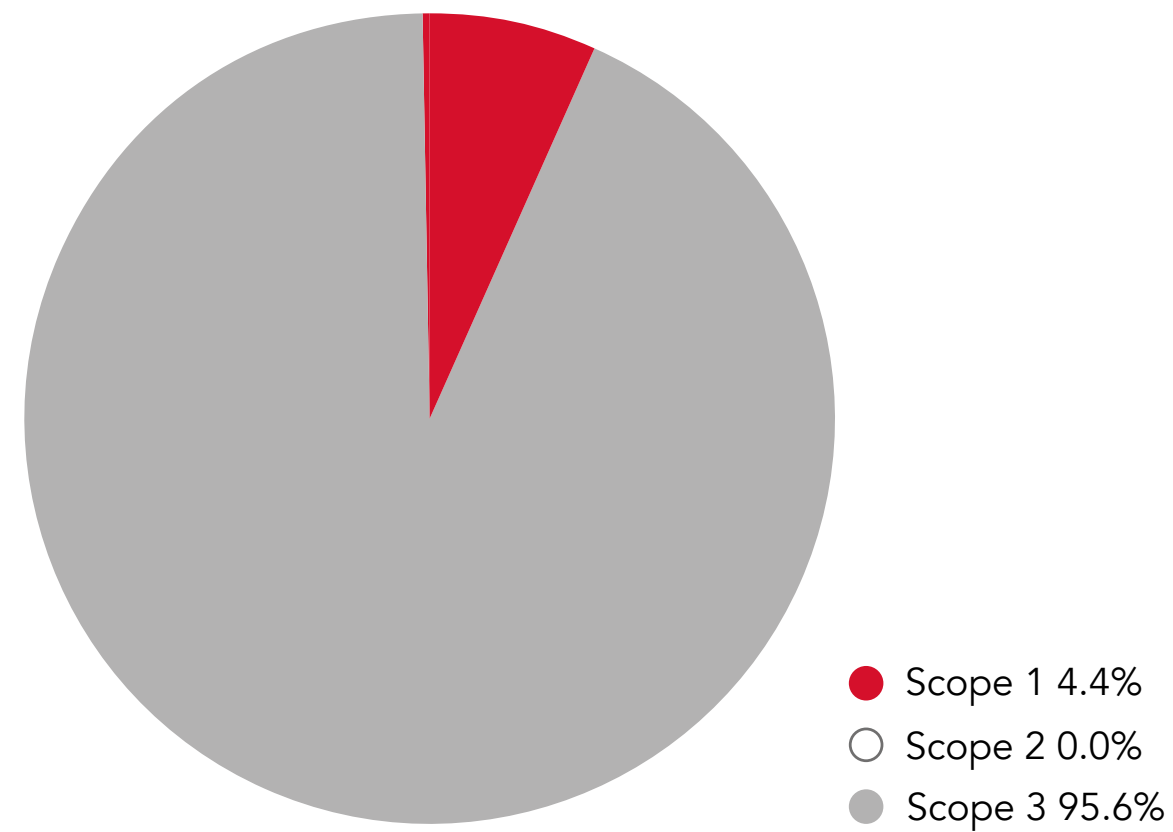


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AGS Airports carbon emissions by Scope 2021

The COVID-19 travel restrictions, which brought the aviation sector to an almost complete standstill, impacted our carbon footprint reporting during 2020 and 2021 resulting in a marked decrease in our emissions compared with 2019.



	Total 2020 emissions (tCO ₂ e)	% of total emissions
Scope 1	4,800	4.4%
Scope 2	0	0.0%
Scope 3	104,221	95.6%
Outside of scopes	17	0.02%
Total	109,038	100%

The combined AGS Airport's emissions can be broken down by activity as seen in this table.

Emissions source	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Outside of Scope (tCO ₂ e)	Total (tCO ₂ e)	% of total emissions
Aircraft movements	0	0	70,053	0	70,053	64.2%
Passenger surface access	0	0	22,442	0	22,442	20.6%
Utilities	4,285	0	3,567	0	7,851	7.2%
Staff commute	0	0	6,116	0	6,116	5.6%
Operational vehicles	436	0	539	14	990	0.9%v
Aircraft Engine Tests	0	0	867	0	867	0.6%
Waste & Material Use	0	0	629	0	629	0.8%
Fire Training	79	0	0	3	82	0.1%
Business Travel	0	0	8	0	8	0.0%
Total	4,800	0	104,221	17	109,038	100.0%

In 2021 our direct emissions (Scopes 1 and 2) accounted for just

4.4%

of AGS' overall footprint

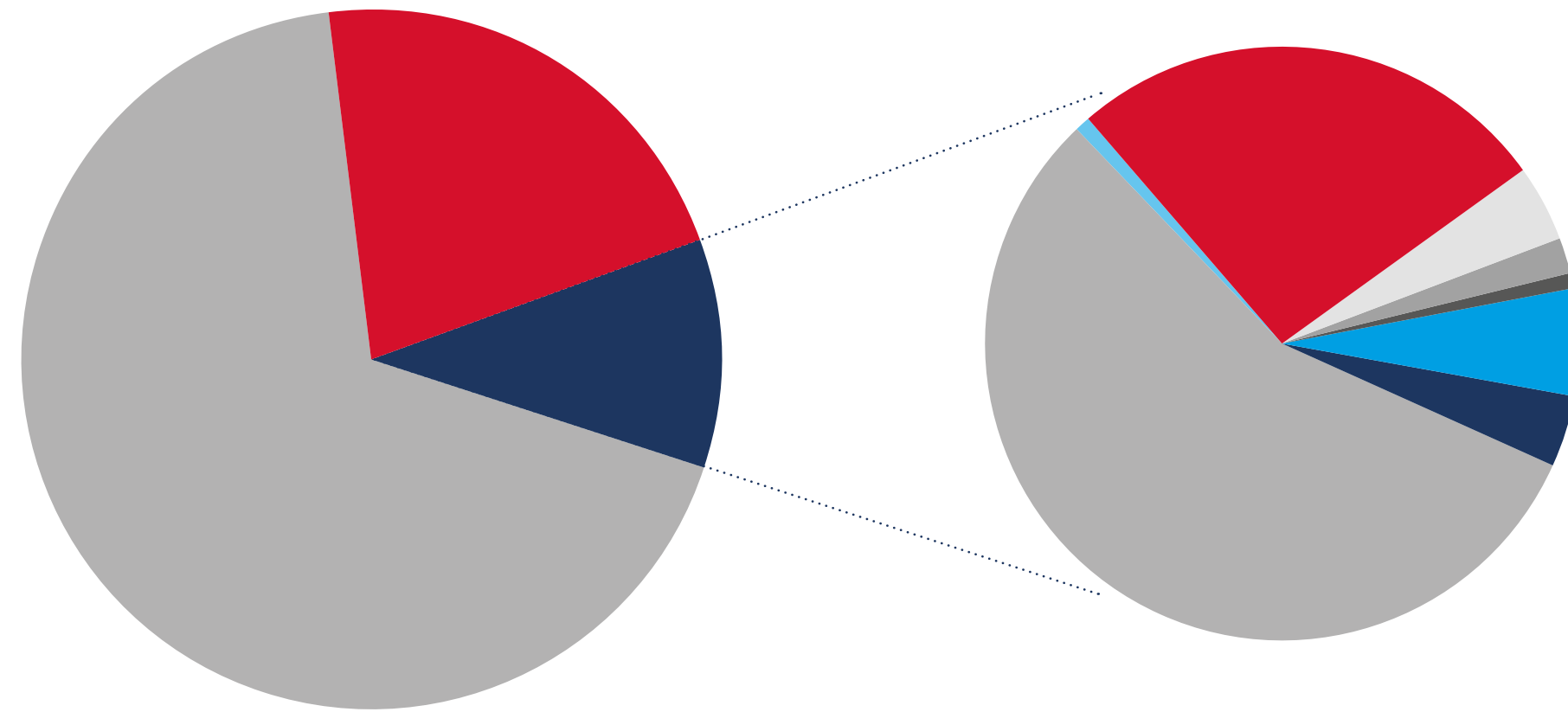
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Scope 3 emissions

Scope 3 emissions are the consequence of the activities of AGS but arise from sources not owned or controlled by AGS. These include aircraft movements, passenger and staff travel to the airport, airside activities, waste disposal, water, and business travel.

Scope 3 = 104,221 tCO₂e (*95.6% of total)



- Passenger Surface Access 21.53%
- Other 10.42%
- Aviation Fuel 68.05%

- Electricity 2.7%
- Gas Oil 0.43%
- Natural Gas 0.19%
- Water 0.08%
- Waste & Material Use 0.60%
- De-icer 0.41%
- Staff Commute 5.7%

Boeing Glasgow Airport sustainability and innovation event



In October 2021 ahead of COP26, Glasgow Airport partnered with Boeing to host a two-day innovation and sustainability forum. Opened by the First Minister of Scotland, the event brought together partners in Scotland and the broader aviation sector to demonstrate the role today's sustainable technologies can play in the future of aviation and prepare the industry for a more sustainable future.

Over 700 delegates and 30 exhibitors attended the two-day forum, the centrepiece of which was Boeing's ecoDemonstrator aircraft. Since 2012, the ecoDemonstrator aircraft programme has accelerated innovation by testing nearly 200 promising technologies to address challenges for airlines, passengers and the environment.

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ZeroAvia Partnership



We have partnered with ZeroAvia, the leader in developing zero-emission solutions for commercial aviation, to explore the development of hydrogen fuel infrastructure, regulatory framework requirements and resourcing required for delivering zeroemission flights from our airports.

The development of hydrogen powered aircraft has the potential to completely revolutionise aviation and it is becoming an increasingly viable option for regional and short-haul aircraft. As a regional airport group serving the Highlands and Islands of Scotland as well as the Channel Islands from Southampton, AGS will be the perfect testbed for hydrogen flight. Through our partnership with ZeroAvia we'll address some of the challenges associated with the generation, delivery and storage of hydrogen on-site and how we can prepare our infrastructure to support zero emission flights.



Glasgow Solar Farm

In January 2021, we unveiled plans for what will be the largest solar farm at a Scottish airport. The c.15MW, 30-acre onsite, ground mounted solar farm will give Glasgow Airport the capability to generate enough clean energy for the airport campus and neighbouring businesses. This is equivalent to powering almost 20% of homes in the city of Glasgow (approximately 52,000 households). The solar farm will not only allow the airport to become self-sustaining, it will give us the ability to future proof for an increase in electricity demand, including electric flight. The project's mitigation plan will enhance the biodiversity of the site resulting in a 33.67% net gain in habitat units and a 33.94% net gain in hedgerow units.

GRESB - raising sustainability standards



AGS Airports Ltd's ongoing commitment to embedding sustainability at the core of the business was once again recognised by a global sustainability benchmarking organisation. Glasgow, Southampton and Aberdeen were ranked second, third and fifth respectively in the UK panel of airports in the 2022 annual assessment by the Global Real Estate Sustainability Benchmark (GRESB) Infrastructure Asset Benchmark Report.

In the wider EU panel of airports Glasgow was ranked third, Southampton fourth and Aberdeen seventh. In the global panel of airports Glasgow came fifth, Southampton sixth and Aberdeen twelfth. Each year, GRESB assesses and benchmarks the ESG performance of assets worldwide, providing clarity and insights to financial markets on complex sustainability topics.

The GRESB Assessments are guided by what investors and the industry consider to be material issues in the sustainability performance of asset investments and are aligned with international reporting frameworks, goals and emerging regulations. The GRESB ESG Benchmark grew in 2022 to cover more than USD 8.6 trillion of assets under management, up from USD 6.4 trillion the year before.

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Aberdeen International Airport welcomes first supply of sustainable aviation fuel

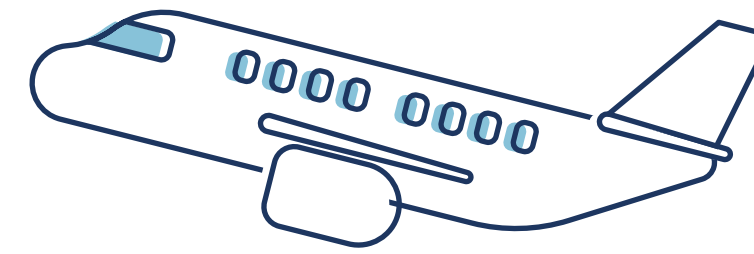


In October 2022, Aberdeen International Airport welcomed its first commercial delivery of sustainable aviation fuel (SAF).

SAF is critical for decarbonising aviation. Derived from second generation sustainable feedstocks such as agricultural residues, household and post recycling municipal waste or waste carbon rich gases, SAF generates life cycle carbon savings of upwards of 80% compared to fossil jet fuel.

Around 73% of aviation emissions come from medium and long-haul flights which will still need liquid fuel in 2050, meaning SAF is a key, long-term solution to the UK aviation industry's jet zero commitment.

The SAF was delivered by Air bp and will be blended with traditional jet fuel for Bristow flights to bp's North Sea offshore operations in the UK Continental Shelf (UKCS). bp is the first North Sea operator to voluntarily commit to an ongoing supply of SAF for its North Sea flights, helping to decarbonise the transport to its offshore operations.



Around

73%

of aviation emissions come from medium and long-haul flights



Carbon Capture and Storage

In 2022, we worked with Cranfield University on a six-month feasibility study to explore the opportunities for carbon capture and sequestration at airports using innovative new technology. The project also considered carbon capture from soil and plants, including the opportunity to provide carbon offsets.

In the first study of its kind focusing primarily on emissions from airport operations, researchers looked at how carbon capture, utilisation and sequestration (CCUS) technologies could be deployed across the sector to help some airports effectively become green energy 'power stations' to fuel the aircraft they serve for achieving the true net zero target. Direct air capture (DAC) works by capturing CO₂ in the air and then either sequestering it or using it to manufacture carbon neutral fuel.

Aberdeen was one of four airports from around the world invited to participate in the study, the others being London Luton Airport, Indira Gandhi International Airport in India and San Francisco International Airport.

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Climate change adaptation reporting



Each of our airports has voluntarily undertaken climate change adaptation reporting in 2022. The purpose of these reports is to allow the business to identify the risks posed by a changing climate on our airport operations and to allow necessary adaptation measures to be implemented into our risk register.

The methodology for understanding the climate risks was as follows:

- A baseline assessment of the current climate surrounding our airports
- Future climatic projections assessed to 2025, 2050 and 2080
- Infrastructure and operational risks identified
- Action plan put in place

In order to have a relative degree of certainty on future climatic changes we reviewed the UK Climate Projections 2018 (UKCP18) for each airport. UKCP18 uses cutting-edge climate science to provide updated observations and projects change out to 2100 in the UK and globally.

AGS operates an integrated management system, the Managing Responsibly System (MRS). The MRS is certified to ISO 14001 (Environmental Management), ISO 22301 (Business Continuity), ISO 55001 (Asset Management) and ISO 45001 (Health and Safety Management).

A crucial element of the MRS is the risk register which tracks departmental risks and provides an overall view of the most significant business risks. Impacts arising from climate related events such as flooding, high wind and high/extended periods of snowfall are continually tracked on the system.

A total of 83 climate risks were identified across Aberdeen, Glasgow and Southampton airports. They were reviewed and noted as either green (low risk), amber (medium risk) or red (high risk). All risks have been allocated to a specific airport business unit and assigned a specific business owner responsible for managing that risk.

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“In order to have a relative degree of certainty on future climatic changes we reviewed the UK Climate Projections 2018 (UKCP18) for each airport. UKCP18 uses cutting-edge climate science to provide updated observations and projects change out to 2100 in the UK and globally.”



LOCAL AIR QUALITY

AGS Airports has committed to conducting a review of the air-quality at our airports every three years. This consists of an air quality monitoring survey carried out over a six-month period to investigate Nitrogen Dioxide (NO₂) and particulate matter (PM₁₀ and PM_{2.5}).

The objective of these studies is to assess the impacts on air quality due to emissions from activity in and around our airports, such as road traffic and aircraft. Emissions from aircraft on the ground contribute to local air quality. This includes taxiing, and during landing and takeoff. The main source of NO_x emissions around our airports is from road vehicles both on and off airport roads.

The studies provide us with a quantitative estimate of the air quality in the context of the current UK and Scottish air quality standards. Both Aberdeen and Southampton airports will conduct their studies in 2023.

Glasgow's was originally due to take place in 2020. Monitoring had initially commenced from January to March but was suspended due to the COVID-19 pandemic. Monitoring resumed in January 2022 as it was deemed that activity within the airport campus had resumed to a level sufficient enough to provide representative data for our operations.

The report concluded that NO₂ concentration levels had not been exceeded at any of the sample locations. It was the second year where PM₁₀ and PM_{2.5} concentrations were measured with the report again concluding that levels for both were not exceeded at any point across the airport.

In order to improve the local air quality surrounding our airports we have continued to invest in fixed electrical ground power (FEGP) to replace the diesel-powered generators used by stationary aircraft.

In 2022, we invested

£250k

in upgrading the FEGP provisions
at Glasgow Airport

In addition to reducing noise, FEGP has net zero emissions as all of our electricity is purchased from renewable sources under our "Green Energy" contract. In 2022, we invested £250k in upgrading the FEGP provision at Glasgow Airport and Southampton Airport has committed to installing further FEGP units.

- All privately owned, fully electric vehicles registered with us on our airports' website can gain access to our express drop-off areas for 20 minutes free of charge.
- We have introduced a salary sacrifice scheme for staff to support the take-up of electric vehicles.
- We have a flexible working policy for employees which has helped reduce the emissions associated with staff travel.
- We will increase the provision of electric vehicle charging units across our airports.
- A fleet of electric buses are used on Aberdeen Airport's city shuttle service.

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MATERIAL RESOURCES

In 2021, all three of our airports successfully achieved ISO 14001:2015. The accreditation specifies the requirements for an environmental management system that an organisation can use to enhance its environmental performance. At AGS, we operate an integrated management system (MRS) with a group sustainability policy all of which are in line with the requirements of ISO 14001.

Reducing waste and embedding circular economy principles is a key part of our environmental management plans and our longer-term goal is to achieve zero waste. The travel restrictions imposed due to COVID-19 had a direct impact on passenger numbers which in turn meant there was a 77.5% reduction in waste generated across our airports compared with 2019.

In 2021, recycling rates for AGS were 56% with remaining 44% going to Refuse Derived Fuel (RDF). Retail waste audits were carried out to ensure sufficient recycling measures were in place. A waste training programme has been developed and rolled out in 2022 to capture the high number of new employees within our airports. At Glasgow, two permanent members of staff to manage waste and recycling, implement training modules and engage with waste producers on a daily basis to promote best practise.

In 2021, recycling rates for AGS were

56%

Refuse Derived Fuel (RDF) rates

44%



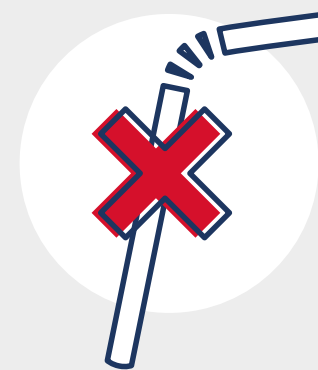
Food waste from our catering outlets is collected and turned into biogas and fertiliser. The biogas is then converted into electricity to power our homes and the fertiliser is used by local farms to help grow next year's crops.



Any waste that cannot be recycled will go to Refuse Derived Fuel (RDF). RDF is used in a variety of ways including to produce electricity.



At AGS, we divert 100% of our non-hazardous waste from landfill.



All of our catering outlets across AGS have removed plastic straws from circulation and are offering sustainable alternatives.



Working with our airport partners we were able to reduce the amount of waste per passenger between 2016 and 2019 by 12%.

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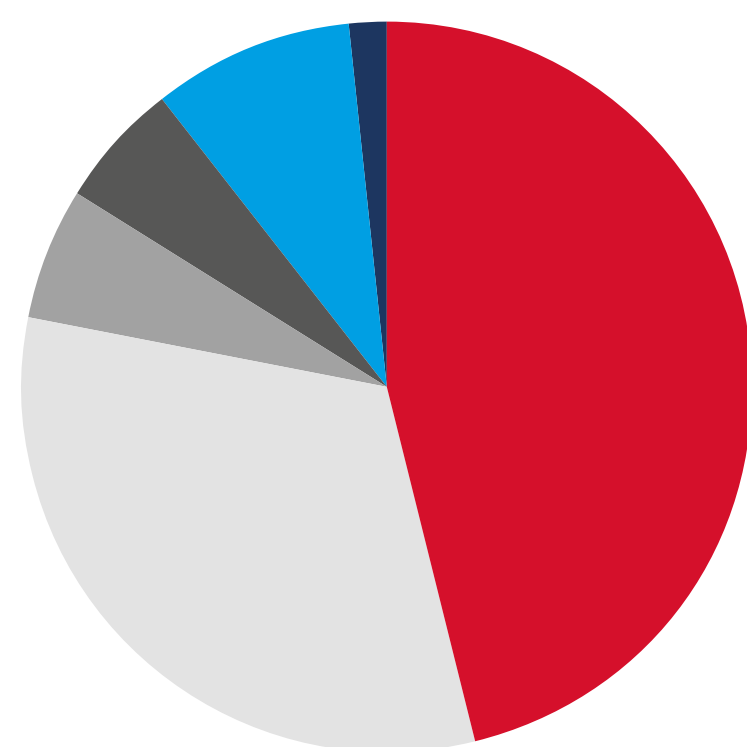
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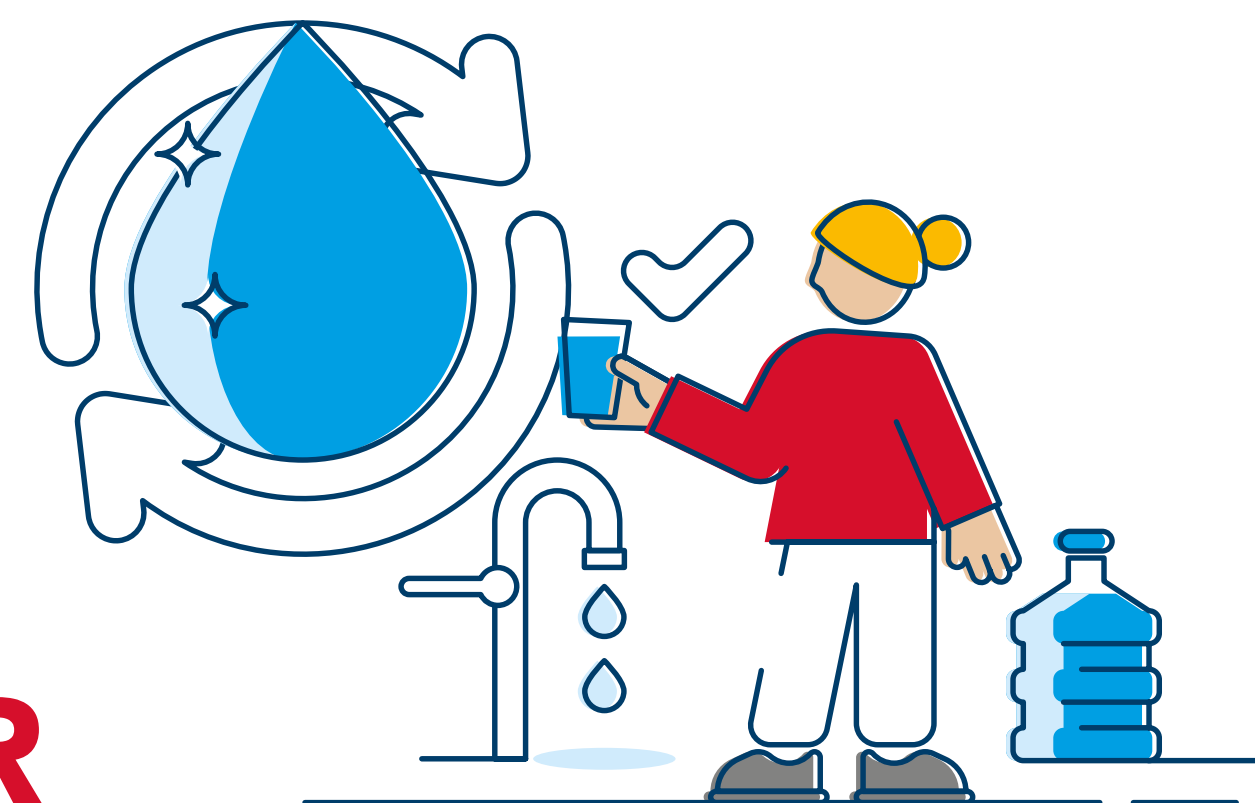
Clydeside Collective

A project between Glasgow Airport and a city-based upcycling organisation resulted in dozens of old tables and chairs due for disposal transformed. As part of our efforts to support a circular economy, the furniture from airport cafes was donated to the Clydeside Collective which transformed them into various resalable and oneoff items from feature coffee tables to custom-made shelving.



- Non-Recyclables
- Dry Mixed Recyclables
- Glass
- Food
- Wood/Scrap Metal
- WEEE/COSHH

	ABZ	GLA	SOU	TOTAL
Non-Recyclables	36.759	171.73	34.309	242.798
Dry Mixed Recyclables	25.843	135.42	7.088	168.351
Glass	2.245	27.35	0	29.595
Food	0.993	29.15	0	30.143
Wood/Scrap Metal	12.1	34.55	0	46.65
WEEE/COSHH	0.38	3.847	3.47	7.697



WATER

Good quality water is essential for our health and prosperity. A number of activities within an airport environment can adversely impact water quality; these include use of de-icer, firefighting foam, accidental spillages (e.g. oil and chemicals) and point-source releases (e.g. suspended solids) arising from construction works. Effective control measures to prevent accidental releases and to ensure regulated discharges operate within prescribed limits are essential. We do this through liaison with both the Scottish Environment Protection Agency (SEPA) and the Environment Agency in Southampton.

AGS is also committed to promoting effective water management. Water consumption across our airports is monitored and water consumption is tracked via our Automatic Meter Reading (AMR) system. Any abnormal usage is then investigated to determine whether this has been caused by leaks.

All three of our airports reported a marked reduction in water consumption during the COVID pandemic. We consumed 201,810m³ of water in 2021, representing a 33% reduction compared to 2019.

In 2022, we issued a tender seeking a supplier of fluorine free fire-fighting foam which is free from Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS). This will be used at all three AGS airports in 2023.

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BIODIVERSITY

At AGS, we recognise we have a responsibility to protecting and enhancing local biodiversity.

In June 2021 we embarked on two projects to restore the natural ecosystems and improve public access to areas of land neighbouring Glasgow Airport. We are investing £3,000 to restore and repair the boardwalk at Paisley Moss, which is a Natural Nature Reserve, to ensure visitors will have full access to the nature reserve. Paisley Moss supports a wide array of plants, animals, reed beds, marshes and ponds throughout all four seasons. The area also supports the bumble bee, crucial for pollination of fruits, vegetables plants and wildflowers.

We invested over £10,000 to restore and increase the biodiversity of an area next to the site of the former Inchinnan Parish Old Hallows Church at the Black Cart River. This involved clearing all waste, constructing beetle banks, and improving soil quality to support regrowth and planting wildflowers to encourage a variety of pollinating insects including bees, butterflies, moths, and hoverflies. The planting mix consisted only of sustainably sourced UK seeds. Located on land to the south of Southampton Airport's runway is an ancient semi-natural woodland, Marlhill Copse. It contains a valuable range of habitats including woodland, exotic trees and shrubs all requiring sensitive management to protect its ecological value. The airport's vision for Marlhill Copse is to deliver a place of extraordinary biodiversity that provides a safe, sustainable, and accessible space which educates, inspires, and is prized by all.

£10,000
invested to restore and increase biodiversity

B-Line for Biodiversity



Glasgow Airport has signed up to B-Lines, which aims to conserve and increase our native pollinators, as well as a range of other wildlife, by making it easier for them to move around.

The B-Lines are a series of 'insect pathways' running through our countryside and towns, along which a series of wildflower-rich habitat stepping-stones are being restored and created. They link existing wildlife areas together, creating a network, like a railway, that will weave across the British landscape. This will provide large areas of brand new habitat benefiting bees and butterflies– but also a host of other wildlife.

Working with key ecological and environmental authorities, notably Natural England, Historic England, the Forestry Commission and city's tree officer and ecologist, Southampton Airport has developed a 10-year woodland management plan with eight key objectives:

- Enhance and maintain habitat diversity
- Promote sustainable woodland management and regeneration
- Embrace the woodlands's landscape contribution
- Remove and control invasive exotic species
- Restore and improve derelict land
- Conserve heritage features
- Convert pine dominated southern and eastern edges to a natural shrub interface
- Adopt a safe and accessible community woodland ethos

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05 SUPPORTING OUR COMMUNITIES



NOISE

In talking to our neighbouring communities, we know airport-related noise is an important issue. Managing noise is an integral part of how we grow our airports responsibly. Each of our airports has a published Noise Action Plan which sets out how we manage and reduce the adverse effects of aviation-related noise.

Noise Action Plans

In 2022, Southampton Airport conducted a full review of its Noise Action Plan which was subsequently updated and sets out the airport's goals for noise management until 2028. As part of this review, we conducted an eight week, open consultation. A total of 70 responses containing around 438 individual comments were received and the updated NAP is due to be submitted to the Secretary of State for Transport by the end of 2022. It will be published in 2023. Aberdeen and Glasgow airports will undertake the same review process in 2023.

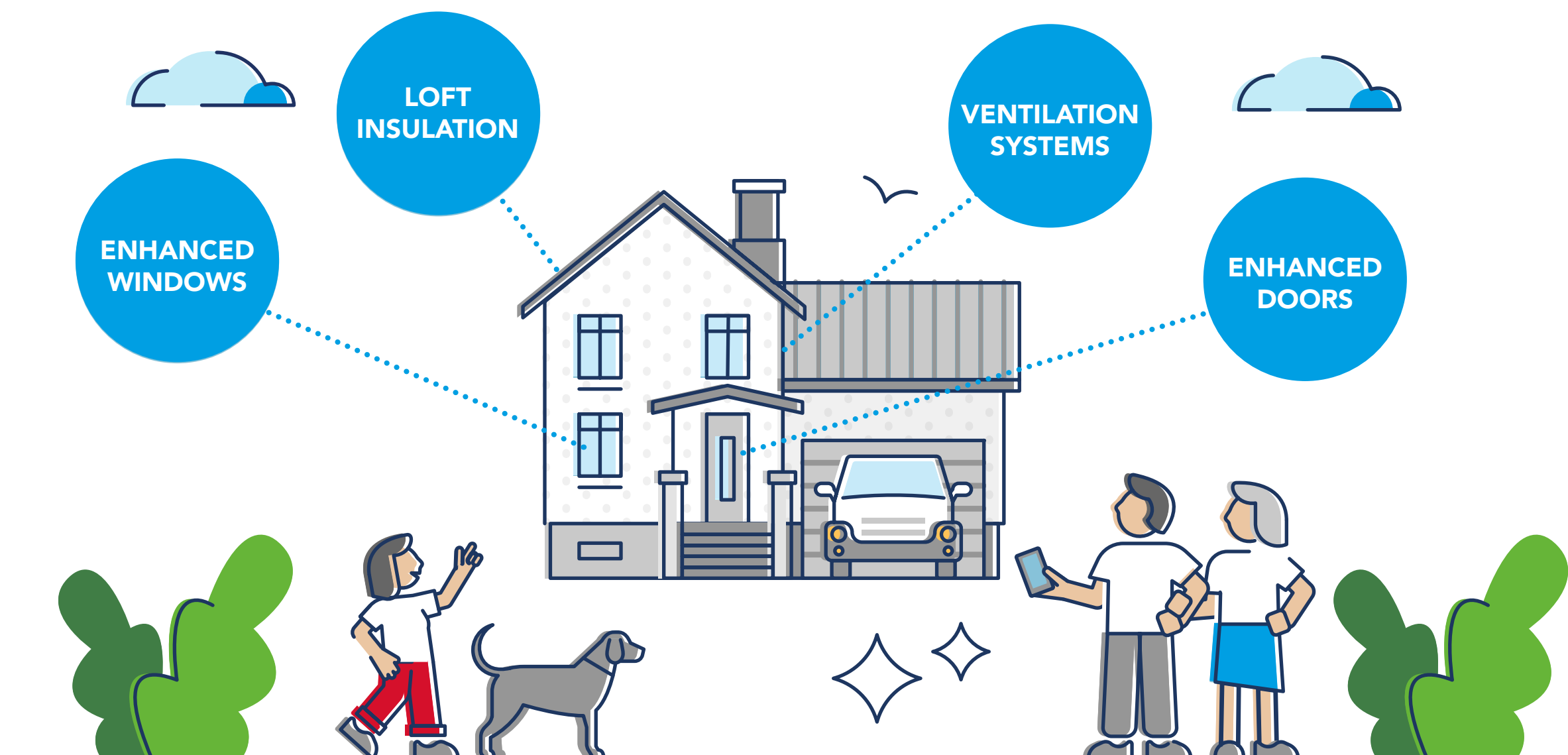
Noise Insulation Schemes

We have enhanced our noise insulation policies at each of our airports and will launch our insulations schemes in 2023. We will offer sound insulation to residential properties, care homes and schools. We will arrange for assessments to be made of properties applying for the scheme to identify what, if any, insulation would be effective in achieving appropriate noise reduction. Examples of improvements that could be made are:

- Replacement/enhanced windows
- Acoustic air vents or simple wall mounted ventilation systems
- Loft insulation
- Replacement/enhanced external doors

Continuous Descent Operations

AGS Airports promotes adherence to the Sustainable Aviation Arrivals Code of Practice (ACOP) and in particular the achievement of Continuous Descent Operations (CDO) where possible. Aircraft operating from our airports are measured against a noise mitigation procedure called Continuous Decent Approach (CDA) for arriving aircraft and Continuous Climb Departures (CCD) for departing aircraft. Both of these methods reduce the noise levels experienced during take-off and landing. This process is monitored by NATS and each of our airports have set targets for the airlines to achieve.



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NOISE

Noise Complaints

We operate a dedicated email and online reporting process through which we investigate and monitor all noise complaints. We aim to respond to 100% of complaints and enquiries within five working days with at least initial findings of an investigation where appropriate, if not a complete response. We publish our performance against this target at the Airport Consultative Committee along with any trends in noise events in the previous reporting period. We publish our noise performance annually on our websites.

Southampton Airport Noise Complaints Trial

Noise complaint investigation is the process by which the airport will check that the existing agreed rules are being adhered to. Changing flight paths is a highly regulated process which we manage through our Airspace Change Process. Being made aware of concerns and trends from our communities is very important to us.

In 2022, Southampton undertook a review of its approach to noise complaints. We employed a specialist contractor to review and improve our approach, looking at aspects such as the investigation and understanding of aircraft activity for any specific flight reported to us. We also made it easier for people to report any concerns by introducing online forms and a visualisation app showing the routes taken by aircraft.

Noise & Track Keeping

In 2023 we will launch a new aircraft track visualisation tool and make it available for communities on our airports' websites. This tool allows communities to see the live noise footprint for each aircraft as it arrives and departs from any of our airports.

Noise Forums

We intend to establish noise forums which will bring together a broad, fair and representative membership of community noise groups, elected councillors and airport operators and airlines. The forums will provide a channel for communities to feed noise related issues to the airport management and ensure these are fully understood and so that these groups are kept informed of operational changes which may affect noise in the community. We will publish details of our 2023 activity by year end.

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“We aim to respond to 100% of complaints and enquiries within five working days with at least initial findings of an investigation where appropriate, if not a complete response. We publish our performance against this target at the Airport Consultative.”



SUPPORTING OUR COMMUNITIES

Ensuring the communities surrounding our airports can share in our success is a key focus of our sustainability strategy. Since 2010 our airports have awarded in excess of £2 million to local charities and community groups.



In January 2022, Aberdeen relaunched its Propellor Fund which encourages applications from local groups with a focus on enhancing the skills of young people, promoting sustainability-themed projects and those that can make a tangible and real difference in local communities.

More than £25,000 in funding was made available in 2022 and was shared between 18 groups. In addition, the airport selected Kayleigh's Wee Stars and Wee Too as its charity partners until the end of 2023. Kayleigh's Wee Stars provides support to families where there is a child with a terminal illness. We Too is a customer driven organisation empowering families of children with disabilities.

On Saturday 3 September, more than 300 runners completed a midnight runway run at Aberdeen raising in excess of £40,000 for the airport's nominated local charities. The airport worked with CHC Helicopters to organise the event which was its third and first following a two-year absence due to the pandemic.



Glasgow re-established its FlightPath Fund in January 2022 which has an annual budget of £100k. The independent fund was first established in 2010 and targets its support in three key areas of education, employment and the environment.

Flying Fish

Since 2014, the FlightPath Fund has provided in excess of £40,000 to the Flying Fish programme. Delivered by the Clyde River Foundation, the initiative teaches primary school pupils about the ecology of their neighbouring waterways and the marine life they support.

More than 2,300 from 95 Primary Six classes from 58 schools in the Glasgow City, Renfrewshire, East and West Dunbartonshire local authority areas have been able to participate in the programme thanks to the FlightPath Fund.

Bikes for Refugees

The FlightPath Fund provided £2,500 to support the Bikes for Refugees Scotland charity. The funding is being used by the charity to deliver its 'Brake the Cycle: Supporting the Resettlement of New Scots' project.

The money funding will be used to refurbish and distribute 75 donated bicycles for free along with New Scots Welcome Packs that contain essential bike accessories such as helmets, locks and lights.

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SUPPORTING OUR COMMUNITIES

Southampton goes circular

Southampton has donated thousands of pounds worth of old kitchen equipment and furniture to five community groups and charities. These have included Lowford Community Centre Café, Youth Options, Roundabout Community Café, Eastleigh's Men's Shed and Scratch. The donations will enable the charities to deliver new community cafés which will provide training opportunities for young people.

Innovation with purpose

At AGS, it's important we work with partners in the public and private sector to address real challenges facing the communities we serve.

That is why we are proud to be leading a consortium that includes NHS Scotland and the University of Strathclyde to develop and trial what will be the UK's first national distribution network to use drones to transport essential medicines, blood, organs and other medical supplies throughout Scotland.

In September 2022, Project CAELUS (Care & Equity – Logistics UAS Scotland), which brings together 16 organisations led by AGS, secured over £10 million from the UK Industrial Strategy Future Flight Challenge Fund. As well as being able to undertake live flight trials, the funding will enable the project team to deploy the physical infrastructure needed to support the drones across Scotland. This will involve building prototype landing bases as well as digital and communication infrastructure. We will also work with local communities to ensure they understand why and how the drones will be used.

The CAELUS project is set to revolutionise the way in which healthcare services are delivered in Scotland. A drone network can ensure critical medical supplies can be delivered more efficiently, it can reduce waiting times for test results and, more importantly, it can provide equity of care between urban and remote rural communities.

"The CAELUS project is set to revolutionise the way in which healthcare services are delivered in Scotland."



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SUPPORTING OUR PEOPLE

At AGS, we are committed to providing good conditions of employment, respecting diversity and promoting equal opportunities for all staff through rigorous ethical, professional and legal standards. A diverse and inclusive workforce which reflects the customers we serve at our airports is one of our main priorities as a business.

Monitoring and understanding our gender pay gap is a key part of this and we report on this on an annual basis.

AGS was also instrumental in the launch of, and is a signatory to, the Women in Aviation and Aerospace Charter. This charter commits us to aspiring to a gender balance at all levels and to provide fair opportunities for women to succeed at the highest levels of the business. This cross-industry initiative is hugely welcomed in our sector, which we know faces a number of challenges to attract and retain female talent.

In 2022 we established our WiAA working groups, with discussions focused on pay equality, mentoring and inspiring future generations. In Q4 we completed our staff diversity perception survey, a review of our recruitment practices and a detailed pay gap analysis. The outputs of these will inform our workstream activities next year.

In March 2023, Glasgow Airport will play host to the Faraday Challenge, An annual competition of STEM activity days led by the Institute of Engineering & Technology with a real-world challenge for pupils aged 12-13 years. Schools from around Glasgow will compete on topics with a focus on future of aviation.

Diversity, equality & inclusion

In 2022, we surveyed our staff to gain a better understanding on their views on diversity, equality and inclusion. The aim was to create a base line of where the business currently stands with a view to tailoring training

programmes to the specific asks of staff. Of those who participated in the survey:

- 87% stated they felt comfortable discussing diversity, equality and inclusion in the workplace
- 81% stated they would feel comfortable to raise mental health issues
- 67% stated they believe staff are treated fairly across AGS
- 60% stated they would welcome further training on diversity, equality and inclusion

In 2021, in recognition of the challenging period our staff had endured as a direct result of the COVID pandemic, we ran mental fitness sessions to provide some practical advice on how to cope during what were extremely difficult times. These sessions were made available to staff and any member of their families who wished to take part.

Be Purpose Led Training

AGS is a purpose-led organisation that recognises the value we can create and deliver for our people and the communities we serve. During the pandemic we took the opportunity to completely redefine our purpose which is "to make national and international connections that benefit our regions, helping people to prosper."

In 2022, every single member of staff was given the opportunity to participate in a tailored coaching course to help them better understand the important role they play in delivering our purpose. It was also designed to help staff recognise their true purpose and identify any additional training requirements they would like.

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SUPPORTING OUR PEOPLE

New benefits platform

In 2022, we launched a new benefits platform for staff which was designed based on feedback from our employees. In addition to benefits relating to help with savings and healthcare, the platform provides employees with access to an electric vehicle leasing scheme and a tool that allows them to calculate and offset their own carbon footprint.

Sustainability training

If we are to truly embed sustainability at the core of AGS, we not only need to set ambitious and stretching targets across all areas of the business, we need to ensure our people understand the role they have to play in supporting our sustainability journey.

To help educate and upskill staff on industry sustainability challenges, the sector's progress to date and longer-term commitments we developed an online training module. The module, which is compulsory for all staff, also provides an overview of AGS' sustainability commitments and wider strategy.

320

AGS staff participated in a combined

6,000

hours of training in 2022



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During the pandemic we took the opportunity to completely redefine our purpose which is "to make national and international connections that benefit our regions, helping people to prosper."



06 SUPPORTING ECONOMIC GROWTH



ECONOMIC DEVELOPMENT & EMPLOYABILITY

Aviation plays a critical role in supporting the growth of the Scottish and wider UK economy; providing the connectivity that drives tourism, generates employment and supports businesses to export and attract foreign direct investment. Put simply, commerce follows connectivity.

Prior to the outbreak of the Coronavirus pandemic, our airports supported tens of thousands of jobs and contributed in excess of £2 billion in GVA to the UK economy every year.

Like every part of society, AGS came to an almost complete standstill during the pandemic as a result of domestic and global travel restrictions. Despite this, our airports remained open to ensure the country and economy could keep moving. In doing so we were able to support emergency air ambulance flights; maintain vital connectivity to the Highlands and Islands in Scotland and the Channel Islands from Southampton; facilitate critical domestic and hub services for key workers and repatriating passengers; ensure military and charter flights transporting vital PPE equipment were able to operate; help maintain personnel flights for the energy sector in Aberdeen; and become the first airports in Scotland to host COVID testing centres.

Our focus is now firmly on rebuilding our airports and restoring the connectivity that will drive prosperity for the regions we serve. As we regrow, we want to ensure we do so in a sustainable manner that ensures the communities we serve can access the training and employment opportunities we will create.

Scottish Business Pledge

Aberdeen and Glasgow airports are signatories to the Scottish Business Pledge which is a values-led partnership between Government and business that is based on boosting productivity and competitiveness through fairness, equality and sustainable employment.

In signing the pledge, our airports have committed to:

- Paying the Real Living Wage
- No inappropriate use of zero hours contracts
- Action to address the gender pay gap
- To put sustainability at the heart of our business
- Invest in a skilled and diverse workforce
- Workforce engagement
- Innovation
- Internationalisation
- Support our community
- Prompt payment



“Prior to the outbreak of the Coronavirus pandemic, our airports supported tens of thousands of jobs and contributed in excess of £2 billion in GVA to the UK economy every year.”

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SUSTAINABLE SUPPLY CHAIN

Climate Heroes

AGS has become a signatory to the Climate Heroes initiative which is delivered by Developing the Young Workforce (DYW), the Scottish Government's youth employment strategy. As a signatory to the COP26 legacy initiative, Aberdeen and Glasgow airports will be paired with local schools and will commit to mentoring young people on sustainability as well as providing work experience placements.

As a result, AGS will become a partner in the Scottish Government's Young Person's Guarantee. The Guarantee, which was launched in November 2020, aims to give all young people in Scotland the chance to succeed despite the economic impacts of COVID.

Sustainable supply chain

Our AGS Sustainable and Ethical Procurement Policy reflects our commitment to acting ethically and with integrity in all our business relationships, and to implement and enforce effective systems and controls to ensure slavery and human trafficking is not taking place anywhere within our business or supply chain.

We continually review our supply chain and focus on continuous improvement and the delivery of effective strategies to meet our commitment of compliance with the Modern Slavery Act 2015.

In 2022 we introduced an Environmental, Social and Governance (ESG) survey which is now used as part of our onboarding process for new suppliers. Companies who wish to work with AGS must be able to demonstrate their own ESG commitments to ensure they align with our own

PPE and uniform suppliers

Our PPE and uniform suppliers must map their sourcing locations of goods and services supplied to AGS. They must also demonstrate there is no cheap labour or exploitation within the supply chain.



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AGS partners with Slave Free Alliance

In 2020, AGS joined the Slave Free Alliance, a social enterprise and membership initiative launched by anti-slavery charity Hope for Justice which aims to end modern slavery by preventing exploitation, rescuing victims and restoring their lives.

The Slave-Free Alliance is the business sector's acknowledgement that slavery in supply chains is real and a key factor driving human trafficking in the developing world and across borders to countries like the UK. In 2022, the Slave-Free Alliance worked with AGS to provide training, conduct a gap analysis and develop an action plan with aim of addressing modern slavery issues within our operations and supply chain.



Solent Cluster



Southampton Airport is a member of the Solent Cluster, the first major decarbonisation initiative to substantially reduce CO2 emissions from industry, transport and households across the Solent and the south coast of England.

The Solent Cluster is a cross-sector collaboration of international organisations, including manufacturers and engineering companies, regional businesses and industries, leading logistics and infrastructure operators and academic institutions, with decades of proven expertise in carbon capture and storage and hydrogen technology. As part of its commitment to driving a low carbon economy in the south east, the Cluster is committed to maintaining and creating highly skilled green jobs.

THREE AIRPORTS. ONE JOURNEY TO A SUSTAINABLE FUTURE.

View our individual airport sustainability pages click the logos below



Three airports. One journey.