



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

## **United Nations Global Compact – COMMUNICATION ON PROGRESS by Ryanair DAC for the period September 2017 to September 2018**

### **1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER**

**5 November 2018**

**To our stakeholders:**

**I am pleased to confirm that Ryanair reaffirms its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.**

**In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.**

**Yours sincerely,**



**Michael O'Leary**  
**Chief Executive**

## 2. DESCRIPTION OF ACTIONS

### 2.1 Actions that Ryanair has taken in the area of **Human Rights** include the following:

- Ryanair operates according to its Code of Business Conduct & Ethics. In the introductory statement, the Code provides that:
  - Ryanair is committed to conducting business in an ethical fashion that complies with all laws and regulations in the countries in which the Ryanair Group (“Ryanair”) operates. As employees and representatives of Ryanair, we must consider how our actions affect the integrity and credibility of the Company as a whole. This Code of Business Conduct & Ethics sets out the principles that constitute our way of doing business. In addition to the Code of Business Conduct & Ethics, employees are also bound by the terms of the “Rough Guide to Ryanair” which contains employees’ terms and conditions of employment with Ryanair as amended from time to time.
  - The Chief Executive Officer (“CEO”) and management at all levels of Ryanair are responsible for ensuring adherence to this Code. They are expected to promote an “open door” policy so that they are available to anyone with ethical concerns, questions or complaints. All concerns, questions, and complaints will be taken seriously and handled promptly, confidentially and professionally.
  - Any significant deviations from this Code will be reported to the Audit Committee. Amendments to this Code will be reviewed and approved by the Audit Committee. For executive officers, only the Board of Directors may grant a waiver of a provision of this Code.
- Regarding human rights, the following standards of conduct are enforced at all levels within Ryanair:
  - Slavery and human trafficking statement – Ryanair does not tolerate any infringement of human rights, including the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude (whether adults or children) in any part of our business or supply chain. We endeavour to only use suppliers that adhere to these principles and provide a safe and healthy environment for their employees.
  - Discrimination & harassment – The working environment created by Ryanair promotes equal employment opportunities and prohibits discriminatory practices, including harassment (sexual, physical or verbal). Employees and candidates will be judged on the basis of their behaviour and qualifications to perform their jobs, without regard to race, gender, religion, disability, age, marital status, sexual orientation, political beliefs or any other characteristic protected by applicable laws.

### 2.2 Actions that Ryanair has taken in the area of **Labour** include the following:

- Ryanair’s Code of Business Conduct & Ethics provides that:
  - Employment laws & regulations – Ryanair is committed to the fair and equitable treatment of all employees and abides by employment laws in the countries in which it does business.
  - Health & safety laws & regulations – Ryanair strives to provide its employees with a safe and healthy working environment. Ryanair will conform to all applicable laws and regulations relating to workplace health and safety. Every employee is responsible for complying with the law, with safe work practices and with the Ryanair Health & Safety policies in order to ensure their own health and safety. All employees must use all safety equipment as may be required in the normal course of their work.
  - Since joining in the UN Global Compact in 2017, Ryanair has made significant advances in the area of industrial relations. Prior to December 2017, Ryanair had followed a long-standing practice of collective bargaining which involved direct engagement with employees and

formal Ryanair/employee collective agreements, negotiated by individual base. In December 2017, Ryanair changed this policy and announced that it would pursue negotiations through trade union bargaining. Since this time, rapid progress has been made. Recognition and/or substantive collective agreements have been signed with unions representing pilots and cabin crew in numerous countries, including Ireland, the UK, Belgium, Germany, Spain, Italy and Portugal. In its dealings with the unions, Ryanair has demonstrated an ability to engage constructively and quickly to achieve agreement, while at the same time protecting the efficiency and flexibility of the low-cost model that has been so productive in generating affordable connectivity, economic development and high-quality employment throughout Europe.

### 2.3 Actions that Ryanair has taken in the area of the **Environment** include the following:

- Ryanair's Code of Business Conduct & Ethics provides that:
  - Environmental laws & regulations – Ryanair is committed to doing business in an environmentally responsible manner. This includes complying with laws involving environmental quality and related health and safety issues. Accordingly, every employee is expected to conduct the company's business in an environmentally responsible manner and not to engage in any activity that violates environmental laws or regulations.
- In March 2018, Ryanair launched a new comprehensive Environmental Policy, which commits to ambitious future environmental targets, building on impressive achievements to date. The Environmental Policy illustrates Ryanair's commitment to managing its impact on the environment:
  - Operating the youngest fleet in Europe, high load factors and efficient fuel burn, has enabled Ryanair to continuously lower CO<sub>2</sub> emissions, becoming the greenest airline in Europe. Ryanair's CO<sub>2</sub> emissions per passenger are 25% lower than the average for the other large airlines in Europe.
  - Ryanair commits to reducing CO<sub>2</sub> emissions to 61.4g per passenger km by 2030 – 8% lower than current levels and 66% lower than in 2000.
  - Ryanair supports IATA's 2050 target to reduce aviation sector emissions by 50% versus 2005 levels.
  - Ryanair's fleet is made up of the youngest, most fuel efficient, quietest aircraft available. The new Boeing 737-MAX aircraft, which will come on-stream from 2019, will reduce noise by up to 40% per seat, and fuel consumption by up to 16%. This will reduce the noise footprint per passenger by 93% compared with Ryanair's previous 727-200 fleet.

### 2.4 **Anti-Corruption** actions taken by Ryanair include the following:

- Ryanair's Code of Business Conduct & Ethics provides that:
  - No gift, hospitality or other benefit should be accepted or given that could impair, or appear to impair, an employee's objectivity or impartiality. Employees are permitted to accept gifts / entertainment of nominal value (up to approx. €300) and in a form such that it cannot be construed as a bribe. Employees are prohibited from accepting anything that is accompanied by any express or implied understanding that the recipient is in any way obligated to do something in exchange for the gift.
  - In some cases, an employee may feel that refusal of a gift would be construed as discourteous by the host. In these cases, employees should accept the gift on behalf of Ryanair and report it to their department head who can then decide how best to treat it.
  - Ryanair does not condone bribery in any form. Employees must not give or offer anything of material value to any customer or supplier as an inducement to obtain business or favourable treatment. Similarly, employees must not accept anything with a monetary value in return for

giving favourable treatment to customers or suppliers either for themselves or others.

### 3. MEASUREMENT OF OUTCOMES

In the financial year 2018/2019, we will carry approx. 138m passengers throughout Europe at an average fare of less than €40. Ryanair operates in 37 countries, with 87 bases and over 220 airports served. The workforce includes people from every European Member State and from over 40 countries in total. As per established industry benchmarks (ACI, 2015), Ryanair's traffic supports >90,000 direct airport jobs and generates further economic activity and jobs in the regions served by the network, including numerous areas with low levels of economic development and high unemployment. Ryanair is an excellent employer, offering stability, promotional opportunities and attractive pay and benefits.

In excess of 15,000 people work with Ryanair. The female-male breakdown is 42%-58%. The age breakdown is as follows: 24% of people in the 18-24 age bracket; 69% in the 25-44 age bracket; and 7% in the 45-65 age bracket. Ryanair is an Equal Opportunity Employer.

Throughout its history of more than 30 years, Ryanair has demonstrated an exemplary safety record, and is one of the industry's leading technical innovators. Ryanair continues to strive to improve the standard of safety. The company maintains a Safety Management System, the primary objective of which is to reduce and control the risks involved in flight operations, ground operations, aircraft maintenance and engineering. Ryanair is a leading participant in safety initiatives at national and European level, including close involvement with EASA, the European Aviation Safety Agency. For instance, Ryanair is a founding member of the European D4S (Data 4 Safety) group, which is an EASA/industry initiative, seeking to improve safety standards in aviation through sharing and proactive analysis of flight monitoring data (FDM).

A healthy reporting culture is a key component of a robust Safety Culture and is a driver for change, since no one understands actual performance better than operational personnel, including hazards and risks. Front-line staff will not report if there is a fear of retaliation or embarrassment. Therefore, an integral component of Safety Culture is Just Culture, in which front-line operators and others are not punished for actions, omissions or decisions taken by them which are commensurate with their experience and training, but where gross negligence, wilful violations and destructive acts are not tolerated. A Just Culture is an atmosphere of trust in which people are encouraged to provide essential safety-related information, which will be used to improve safety, but in which they also understand that a line must be drawn between acceptable and unacceptable behaviour. Staff need to feel that they are part of the solution.

In addition to the environmental achievements/targets highlighted above, it is important to note that 100% of Ryanair aircraft meet ICAO Environmental Protection NOX Standard (Chapter 6) and ICAO Environmental Protection Noise Standard (Chapter 4). Ryanair has been ranked No. 1 of 30 airlines for Noise Abatement Compliance at London Stansted Airport, and No. 1 for Continual Descent Arrival at 7 UK airports. With regard to the latter, London Stansted Airport commented: *Ryanair topped the tree once again for noise abatement compliance, and have every year since 2012. Ryanair's CDA compliance was an incredible 98.8% ... especially as this figure includes non CDAs that were beyond the control of the Ryanair flight crew.*