



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 November 2018 to November 2019

1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

8 November 2019

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 the Ryanair Group (“Ryanair” and the “Company”) has taken in the area of **Human Rights** include the following:

2.1.1 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 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.

2.1.2. 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:

2.2.1 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.

2.2.2. Industrial relations

- 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.

2.2.3. Ryanair also promotes a family-friendly work environment for flight crew:

- Firstly, Ryanair minimizes sleep loss and acute fatigue by constructing rosters in which pilots fly a 5 days flying/4 days off roster pattern. This gives crew members time in between roster periods to maximize sleep and minimize the accumulation of fatigue. All of our crew fly stable rosters which allow them also to plan their personal lives well in advance.
- Ryanair fully supports the drive to increase the number of women in aviation and in commercial air transport in particular. In addition, Ryanair is very aware of the need to increase the supply of instructors to the industry. Ryanair offers a large number of well-rewarded synthetic flight instructor (SFI) career opportunities in our simulator training centres. The SFI is a qualification to conduct pilot training in the simulator and it is an option for First Officers who have 1,500hrs flying experience. The advantage of these contracts is that pilots who avail of them can spend more time in the base, as opposed to flying. As such, they are also a good solution for pregnant pilots.
- Following engagement with the European Commission, Ryanair attended the *Move More Women in Transport* conference in Brussels in 2018. Ryanair supports the *EU Declaration on equal opportunities for women and men in the transport sector*.

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

2.3.1 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 to 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.

2.3.2. Ryanair's updated Environmental Policy (September 2019)

- In March 2018, Ryanair launched its first comprehensive Environmental Policy, which commits to ambitious future environmental targets, building on impressive achievements to date. Ryanair has published an update to the Environmental Policy in September 2019, to prove its full and lasting commitment to help the aviation industry decarbonise.
- Over the last five years, Ryanair has rolled out a series of digital and customer experience improvements. Ryanair is Europe's cleanest, greenest airline. We are committed to minimising the impact our business places on the environment, and our updated environmental policy highlights our outstanding environmental achievements to date and our ambitious targets for the future.

- Aviation is the most efficient form of mass point-to-point transport, accounting for just 2% of EU man-made CO₂ emissions. The fuel burn per passenger km for a Ryanair aircraft is just 0.019 litres, which is 44% less than the fuel burn per passenger km of a typical family car of 0.034l. Our current carbon efficiency is only at 66g CO₂ per passenger km, which is 23% lower than the average of the four other big European airlines. Nevertheless, as a very small part of a big problem, aviation must play its role in addressing climate change; and Ryanair, as Europe's largest and lowest cost airline, is committed to leading the way. We support the Paris Agreement to limit global temperature rise to less than 2°C and we welcome the current global ambition of limiting warming to 1.5°C and the European focus on setting 'Net Zero' targets. We support IATA's 2050 target of an aviation sector that emits a net 50% less CO₂ against 2005 levels. As an airline, we will play our part in optimising the fuel efficient operations of aircraft.

2.3.3. Avoiding and reducing greenhouse gas emissions

- Our business model delivers direct, point-to-point flights with very high load factors. This reduces total flying relative to traditional hub-and-spoke models, which involve multiple journeys and numerous indirect flights. Increasing our load factors from 83% to 96% has played an important role in reducing per passenger emissions by 14% in the last 6 years.
- We are industry leaders in fuel efficiency. We operate the youngest fleet of any major airline with an average age of 6 years. We deliver an industry-leading CO₂ per passenger-km metric, which is 23% lower than the average of the four other big European airlines.

2.3.4 Carbon offsetting

- In 2018, we started to offer a voluntary offset option in our booking process which allows customers to offset their environmental impact. We are pleased that over 2% of our passengers made a voluntary carbon contribution so far. The funds raised from these guest donations will be distributed annually to environmental charities and NGO's as selected by our people. Some examples of our environmental partners are:
 - First Climate - Ryanair's first partner for its voluntary carbon offset scheme. The funds are used to support a project in Uganda which distributes energy efficient cookstoves to households in the Kampala region. It does so by offering technical and financial support to manufacturers and by promoting the new stove technology to raise demand and awareness in the local community. To date, the project has enabled the commercialisation of more than 520,000 improved cookstoves. It has a major positive impact by contributing to climate change mitigation and improving the lives of thousands of local families.
 - Renature Monchique – this Portuguese project will not only offset tonnes of carbon but will also help revitalise the ecology of the Monchique region. This project will support the restoration of important and unique forest habitats to the fire-devastated areas of Monchique in the Algarve.
 - Native Woodland Trust – this project supports the purchase of land near one of the last ancient woods in Ireland. NWT will collect tree seed only from within this wood, establish a tree nursery on site and plant a new forest which connects to the original wood – thus extending the existing forest, using only trees which originated in that specific forest. By not bringing trees from further afield, it avoids risk of introducing outside genes or diseases. Extending the boundaries of the wood will also increase its critical mass and buffer it from outside influences.
 - Irish Whale and Dolphin Group – this Irish project leads a major study of humpback and fin whales in Irish waters – called Whaletrack Ireland. The project will allow IWDG, with the help of citizen scientists, to carry out photo-identification on individual whales, where they can identify individual whales by their unique markings. The use of drones will help IWDG to measure the size and condition of whales and carry out biopsy sampling to explore genetic

origins, diet and pollution burdens. In the long-term, IWDG hope to deploy satellite tags on a small number of humpback whales, to learn more about their migration routes and locate their breeding grounds.

- We are currently in talks with other environmental partners to widen the scope of projects in which we will participate in 2020.

2.3.5. Environmental commitments

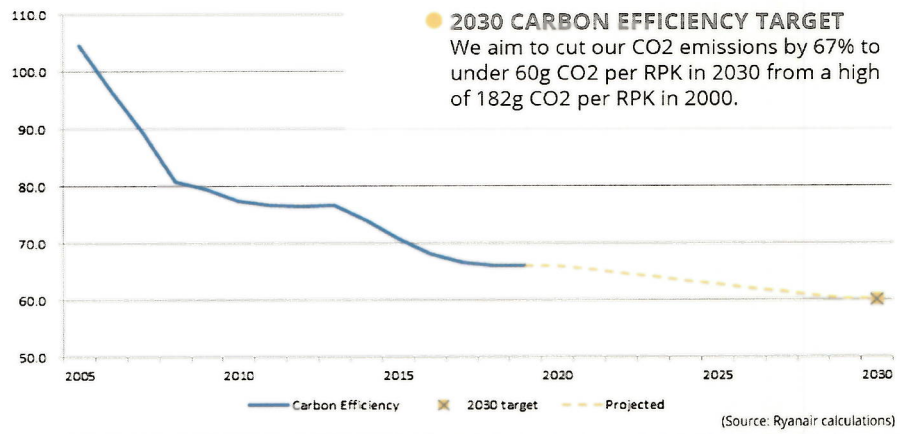
- Ryanair is committed to minimising our environmental impact. Through a process of continuous improvement, we will:
 - Continue to comply fully with the environmental rules, regulations, standards, and codes of practice that apply to our sites, our people and operations.
 - Limit the impact of aircraft noise on local environments; Our new Boeing 737 fleet, in which we will invest more than \$20 billion, will further reduce noise by up to 40% per seat and reduce emissions by 16% per seat.
 - Minimise fuel and energy consumption to limit our emissions of greenhouse gases and pollutants impacting air quality.
 - We hereby commit to reducing our emissions rate to below 60 grams of CO₂ per passenger km by 2030, which is 10% lower than our current rate and 30% lower than the average of the four other biggest European airlines. Our targets are shown in the tables on the next page.
 - Support IATA's 2050 target to reduce aviation sector emissions by 50% versus 2005 levels.
 - Continue to offer our customers an easy-to-use voluntary mechanism to offset the carbon cost of their journeys.
 - Work to remove all non-recyclable plastics from our operations over the next 5 years.

To deliver our environmental commitments, Ryanair is announcing a 2030 carbon efficiency target and an absolute climate target for 2050.

Carbon Efficiency Target for 2030

60g

Per passenger Km

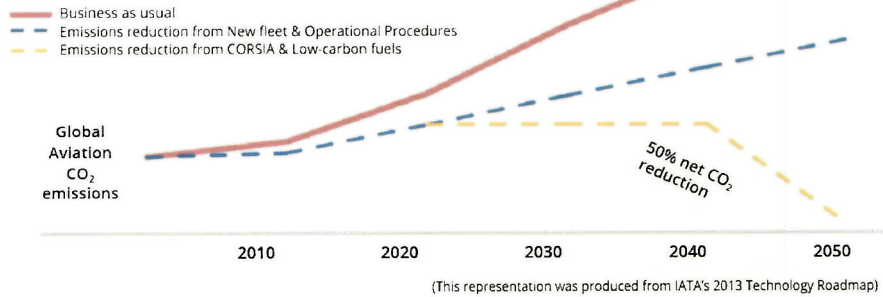


Absolute Climate Target

50% REDUCTION FOR 2050

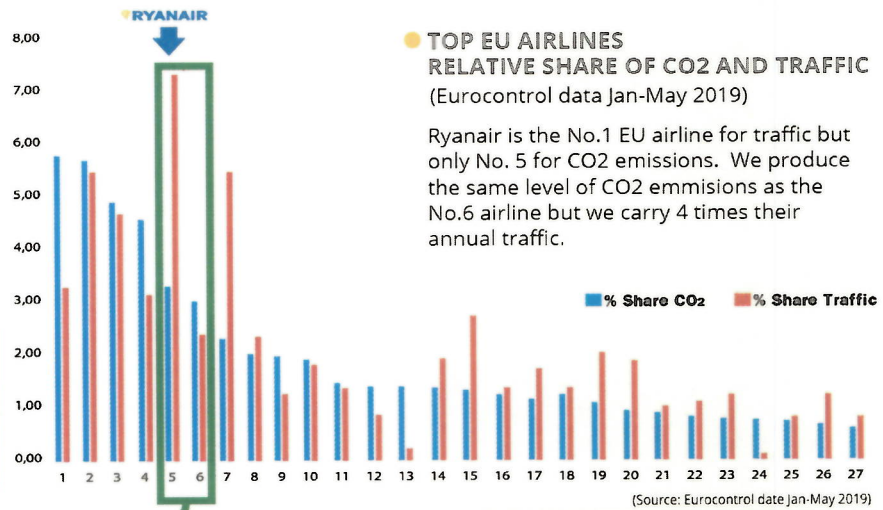
2050 INDUSTRY CLIMATE TARGET

In line with IATA's 2050 Climate Target, we commit to help aviation deliver a 50% cut in CO₂ over 2005 levels, by 2050.



No.1
Airline for traffic
but only
No.5
for CO₂ emissions

No.5 (Ryanair) vs No.6 (other airline):
Ryanair carries almost 4 times the passengers while producing similar levels of CO₂ emissions



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

2.4.1. 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**

Ryanair Holdings plc, Europe's largest airline group, is the parent company of Ryanair DAC, Lauda, Buzz and Malta Air. Carrying over 153m guests p.a. on more than 2,400 daily flights from 86 bases, the group connects over 200 destinations in 40 states on a fleet of over 475 aircraft, with a further 210 Boeing 737's on order, which will enable Ryanair Holdings to lower fares and grow traffic to 200m p.a. by FY24. Ryanair Holdings has a team of more than 19,000 highly skilled aviation professionals delivering Europe's No.1 on-time performance, and extending an industry leading 34-year safety record.

3.1. Labour

In excess of 19,000 people work with Ryanair. The female-male breakdown is 33%-67%. The age breakdown is as follows: 12% of people in the 18-24 age bracket; 77% in the 25-44 age bracket; and 11% in the 45-65 age bracket. Ryanair is an Equal Opportunity Employer.

3.2. Safety record

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.

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.

3.3. Environment

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 Continuous Descent Arrival at 7 UK airports. With regard to the latter, London Stansted’s Flight Performance Manager commented in August 2019: *Ryanair continues its drive for perfection in Environmental Noise Abatement Compliance. The airline sets the highest standards for others to aspire to, including its stated aim of 100% compliance for continuous descent approaches (CDA). In April 2019 this came to fruition as this target of perfection was achieved, with CDA compliance of 100% from over 1,500 arrivals to runway.*

Ryanair’s current carbon efficiency is currently 23% lower than of the 4 other major EU airlines, as the below graph demonstrates:

