



Sustainability Report 2015

Malta International Airport plc

Vision

Our vision is to offer the best airport experience in Europe that consistently seeks to delight our guests.

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1. CEO Statement

It gives me great satisfaction to present our first stand-alone Sustainability Report following GRI standards, which is a first for Malta. This marks the start of our journey towards more sustainable and socially-responsible business, while confirming our commitment to providing the best airport experience in Europe. We believe that Corporate Responsibility (CR) is fundamental to any responsible business, even more so to an airport that is pivotal, not only to Malta's tourism industry, but to the wider, local economy.

As the only airport serving the Maltese islands, we are strategically and effectively embracing the concept of shared value. By this we mean that we want to have a direct, positive impact on Product Malta and the tourism industry in general, while running our core business in the mutual interests of our key stakeholders, be they our employees, customers, partners or shareholders. Simply put, we believe that corporate responsibility is crucial in enhancing the value of a company over the long-term, since social and environmental issues may ultimately become financial concerns in time.

In following the Global Reporting Initiatives' standards, we have chosen to be transparent by reporting both our successes and our shortcomings. This decision will, over the medium term, help us remove, reduce or mitigate our negative impacts and improve or build on our positive ones.

The CR impacts we are reporting on are split into three sections namely: economic, environmental, and social. Internally, through our CR Committee, we are treating Corporate Responsibility in the same way we would any one of our revenue-generating businesses and ensuring a 360° perspective thanks to the cross-functional membership profile of the CR Committee.

On the other hand, the Malta Airport Foundation has been doing a great job at managing and implementing the Company's external CR investments independently of the airport. We're excited to see the completion and re-opening of the Foundation's first project this year – the restoration of Torri Xutu in Wied iż-Żurrieq.

Through this significant investment, another historical fortification will be restored for both tourists and locals to enjoy, within the airport's neighbouring community.

The past year has been a huge learning curve for the Company, marked by a number of achievements that you will read about in this report. Naturally, there is always room for improvement and we are confident that we can draw on last year's lessons to keep achieving more, especially with regard to initiatives and projects endorsed by our Foundation. Publishing this Sustainability Report is the first step towards making ourselves more accountable to a sustainable performance, which gathers momentum each year. Moreover, in order to foster sustainable behaviour among all our employees, sustainability is now etched in our revamped company strategy as one of our core values.

Finally, I would like to thank everyone involved in our CR initiatives throughout the year, the Foundation Board, and the team behind this report. Another word of thanks goes to our stakeholders and shareholders, whose trust in us inspires us to work hard at becoming a more sustainable and responsible airport.

2. About this report

This report marks a turning point in how we measure and audit sustainable practices, not just at the airport but in Malta as well. Following the GRI – G4 sustainability reporting guidelines, we will detail the various actions taken by the airport to enhance sustainability in terms of our operations, infrastructure, and Corporate Responsibility (CR) investments.

Locally we are pioneering the voluntary adoption of internationally acclaimed GRI standards for our Sustainability Report and we are optimistic that other organisations will follow suit. We have long been aware of the need to take deliberate and measured action to reduce our social, economic, and environmental impacts and this has been a key driver of our activities for many years. This form of reporting makes our activities more transparent and accountable, and

provides a robust structure for setting, reaching, and re-setting sustainability goals. In organisations of scale, like ours, the drive to invest in sustainability and corporate responsibility should not rest only on the enthusiasm of individuals, but should be ingrained in the company policy and coded into the company's DNA. GRI constitutes a reporting framework aimed at ensuring that we remain committed to our sustainability goals, that we improve year on year.

3. Corporate Responsibility (CR) Strategy & Committee

Malta International Airport approaches corporate responsibility through a dual-pronged strategy that aims to achieve two complementary objectives – to measure, monitor, and manage the Company's positive and negative impacts, as well as to channel external investments through our not-for-profit Malta Airport Foundation.

These objectives fall under the remit of the CR Committee – which is chaired by the CEO and comprises a cross-functional representation of the company – and concerns minimising the company's impact on its surroundings. This has been addressed partly through the implementation of annual sustainability reporting which adheres to the Global Reporting Initiative (GRI) standards.

4. The Malta Airport Foundation

The Malta Airport Foundation is independent of the airport and was set up to increase the transparency and focus of the airport's CR investments. During the year under review, the Malta Airport Foundation was entered into the register of Voluntary Organisations. Projects are assessed and evaluated by the airport's CR Committee and then implemented and/or managed by the Foundation.

It has already been instrumental in implementing and administering initiatives, which enhance the local environment and Malta's tourism product for the benefit of tourists and locals alike. The foundation's first project was initiated last year and involves a €120,000¹ investment in the restoration of Ta' Xutu Tower in Wied iż-Żurrieq, near the airport. The project is set to be completed by 2016 and will in many ways pave the way for the foundation's future as a force for good in Malta.

5. General Standard Disclosures

Organisational Profile

G4-3: Name of Organisation

Malta International Airport plc.

G4-4: Products and Services:

The Company primarily provides and manages airport facilities at Malta International Airport and is also involved in airport-related property development. With 97% of all Malta's tourists flying in through MIA, the Company's core business is in passenger handling.

Malta International Airport also supplies various products and services under its Retail and Property segment including the operation of its VIP product, the concession of various retail outlets, advertising sites and rental of office space, warehouses and hangars within the airport campus.

The airport's VIP product is extended through its sister brand La Valette Club which runs its airport's lounges, club memberships and the VIP Terminal, while the Airport Shopping arm is engaged in the operation and promotion of all the retail and F&B outlets within the airport perimeter.

Malta International Airport plc also has three trading subsidiaries; Airport Parking Limited, Sky Parks Development Limited and Sky Parks Business Centre Limited. The latter runs the Sky Parks Business Centre building and Airport Parking Limited operates all the car parks situated on the land.

SkyParks Business Centre contains nearly 10,000m² of Malta's hardest working office space and 4,000m² of retail and amenities for the business and local community.

G4-5: Location of headquarters

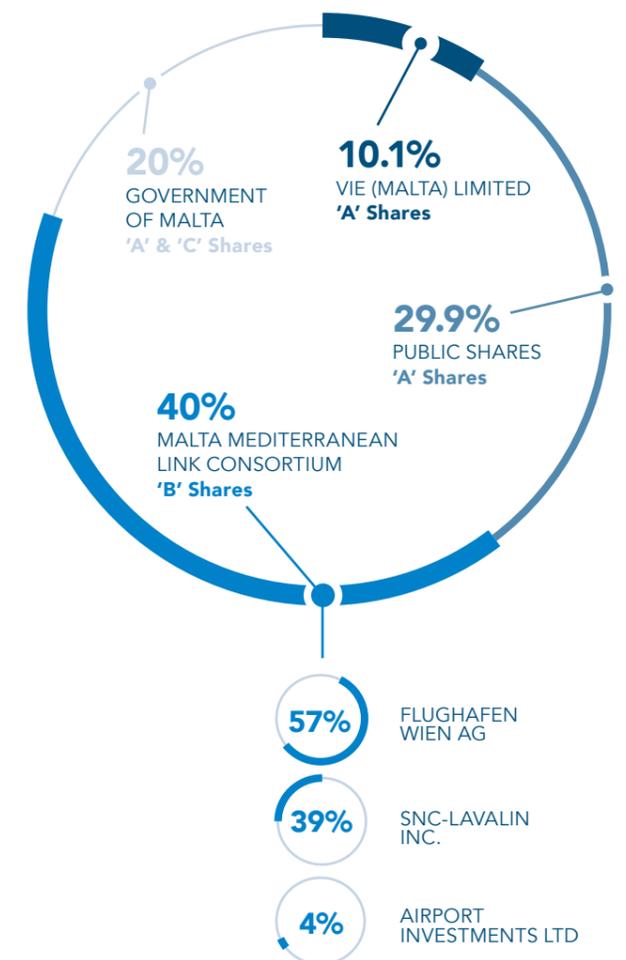
Malta International Airport plc.
Luqa, LQA 4000, Malta

G4-6: Countries the organisation operates in or are relevant to the sustainability topics covered

Malta International Airport operates in Malta and is the only airport connecting the island with the rest of the world. In the reporting year the airport was served by 37 commercial airlines flying to 95 airports in 86 destinations in 35 countries. The Company continuously strives to attract new airlines and develop new routes, as the success of the airport also impacts the Maltese economy positively.

G4-7: Nature of ownership and legal form

The airport is a public company with the following shareholders:





RWY 13-31
3,544m long
x 60m wide

RWY 05-23
2,377m long
x 45m wide

Runways



**AIRSIDE
(WITHIN THE
FENCE PERIMETER)
AREA**

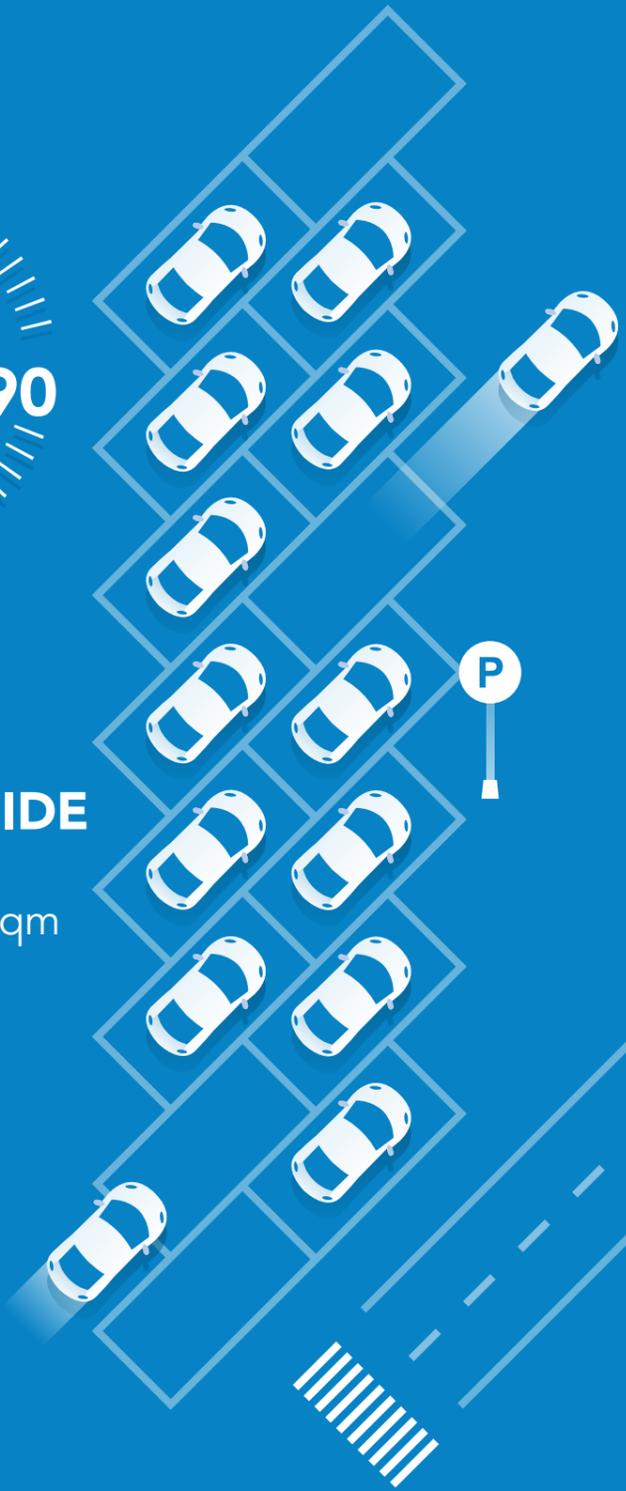
2,974,962 sqm



**TERMINAL
AREA**
14,192 sqm

Revenue
€63,689,590

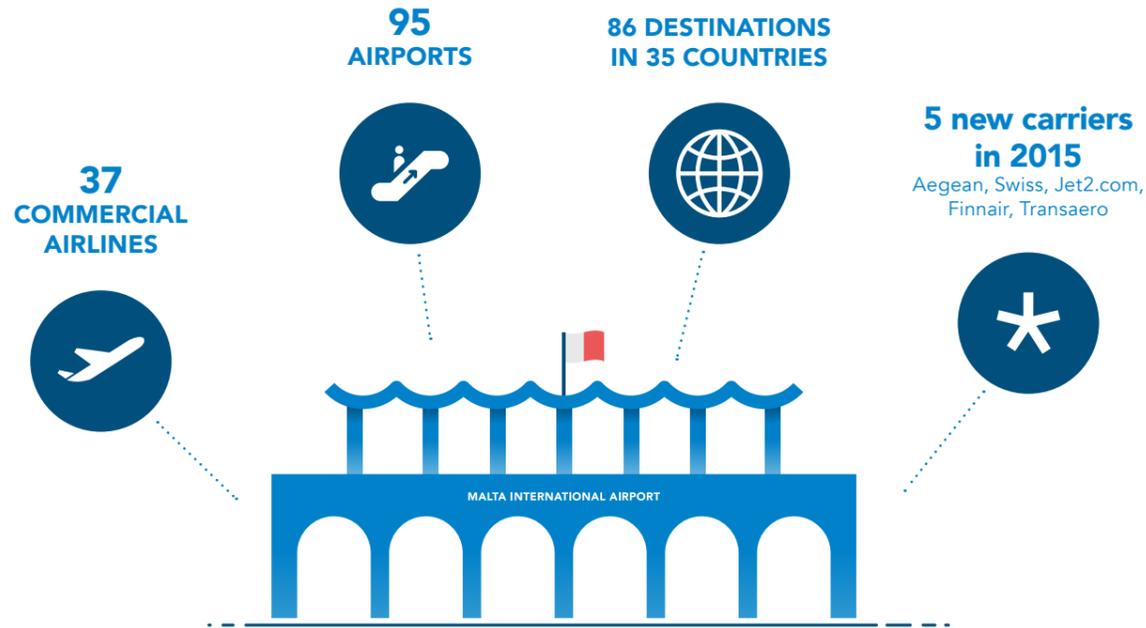
**LANDSIDE
AREA**
162,487 sqm



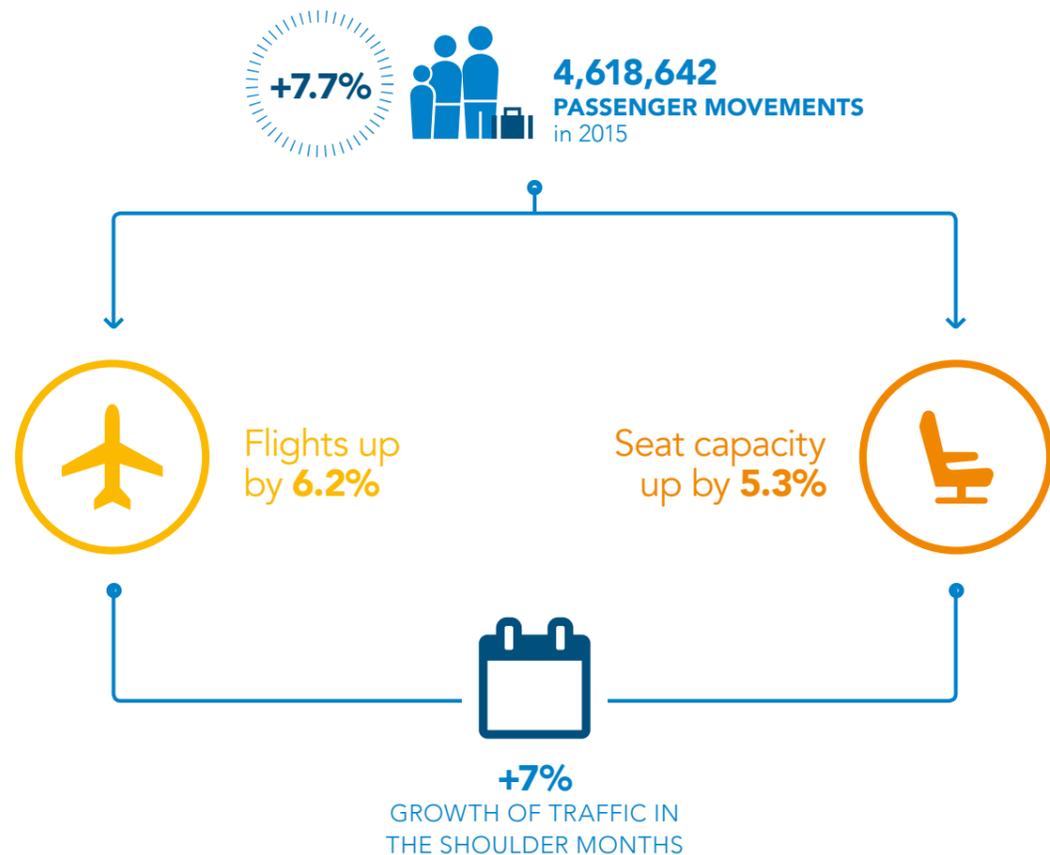
Airport size

Total airport area
3,151,641 sqm

Network



Traffic

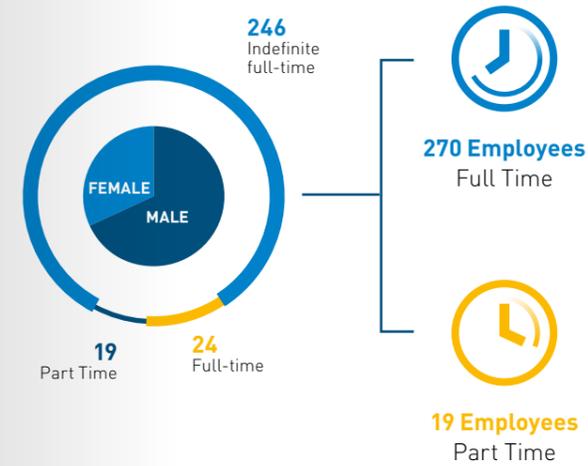


Employees

289

G4-10: Type of Employees

Out of the total 289 employees working with the Company in the reporting year, 197 were males and 92 were females. In turn, these can be divided according to their employment category and employment contract. Additionally, there are a number of supervised workers, who work on site or on behalf of the organisation, but are not recognised as MIA employees under national law or practice. Due to the seasonality of the industry during peak months, namely between May and September, a number of part-time or casual workers are employed in order to be able to handle the bigger numbers of passengers.



G4-11: Percentage of employees covered by collective bargaining agreements

Approximately 90% of the workforce is covered by collective bargaining agreements.

G4-12: The organisation's supply chain

Malta International Airport main suppliers include those that support the airport's developments or deliver services to the airport and provide maintenance of airport facilities. During the year under review, around **780 suppliers** provided very diverse products ranging from office and utilities to construction, vehicles, and security equipment.

Top groups

- Construction & Planning
- Security services and equipment
- Energy & Water Consumption
- Maintenance and repairs
- IT
- Contracted services (incl. PRM Service & Cleaning)

G4 - 13: Report any significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain

During the year under review, the Company made a number of changes, both with regards to its infrastructure and its structure. A number of airside and landside renovations and expansions were undertaken, with the most significant airside project being the expansion of the Non-Schengen Arrivals & Departures areas and the construction of a new linking Schengen Arrivals corridor.

On a structural level, the company appointed a new CEO in January 2015. With this appointment, the Company now has a Maltese CEO for the first time since its privatisation in 2002.

G4-14: Describe how and why the precautionary approach or principle is addressed by the organisation

MIA observes the Precautionary Principle by adhering to every legal obligation which applies to it and which is derived from the Precautionary Principle.

Contracted	
Projects	1
Cleaning	54
IT/Cute	4
Security	104
Fire	9
Maintenance	2
Supervised Workers	
Electronics	2
Self-employed	
Maintenance	1

G4-15: Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses (included in different parts of the report).

All of the below programmes and incentives are implemented by the Company on a voluntary basis:

- Incentive Programme for airlines (2007, updated in 2012)
- Malta Airport Foundation (2015)
- Donation to the Autism Parenting Association (charity chosen for 2015) by the Sport and Social Committee
- Contribution by employees to the Inspire Foundation, a local organisation that helps people with disabilities and their families.

G4-16: List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: i) Holds a position on the governance body ii) Participates in projects or committees iii) Provides substantive funding beyond routine membership dues iv) Views membership as strategic This refers primarily to memberships maintained at the organizational level.

- Airport Council International (ACI)
- Malta Hotels & Restaurants Association (MHRA)
- Malta Tourism Authority (MTA)

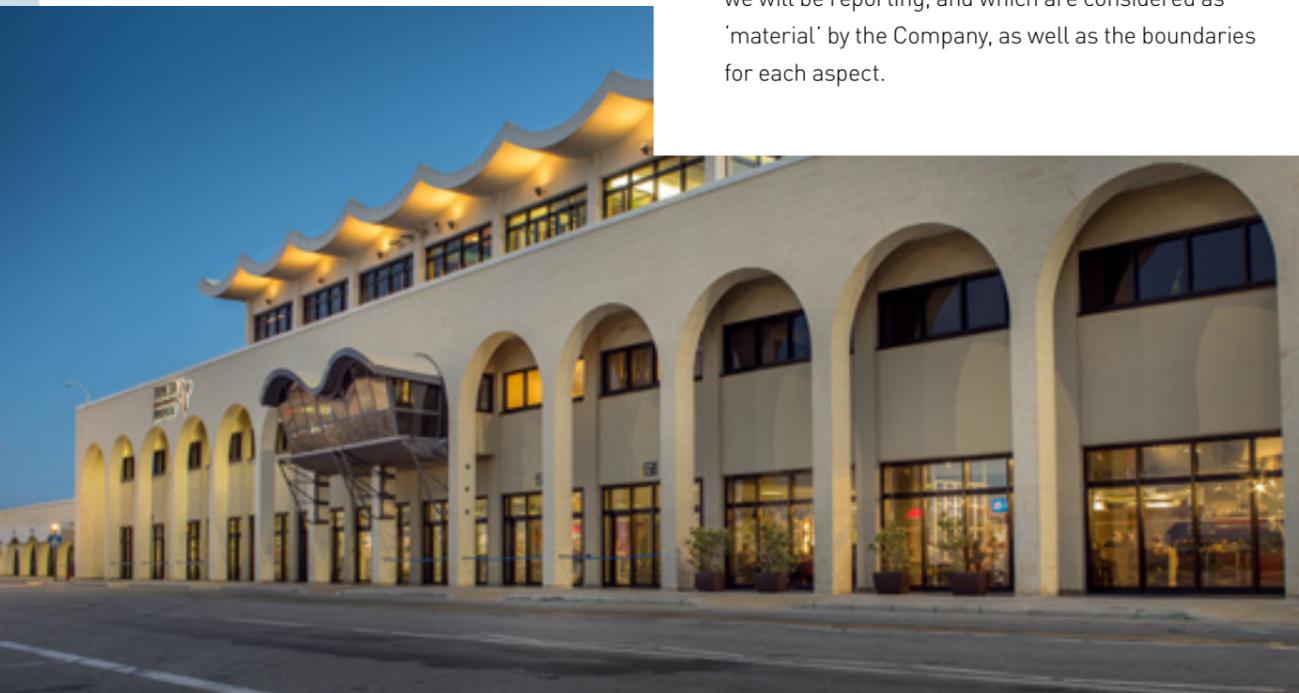
Identified Material Aspects and Boundaries

G4-17: List all entities included in the consolidated financial statements or equivalent documents – report if any entity is included in the financial statements is not included in the report.

- SkyParks Business Centre Limited
- SkyParks Developments
- Airport Parking Limited
- Kirkop PV Farm

G4-18/19/20/21: Explain the process and the implementation of the reporting principles to define the report content and aspects/ List all the material aspects identified in the process for defining report content/ For each material aspect, report the aspect boundary within the organisation – list the entities included n G-17 for which it is material and for which it is not material. Also reporting any limitation re: the aspect boundary with the organisation/ For each material aspect, report the aspect boundary outside the organisation

In 2014, the Company commissioned an external consultant, PricewaterhouseCoopers, Malta (PwC), to advise on the GRI reporting framework. PwC's recommendations were considered by the Corporate Responsibility Committee as part of the implementation process. The table below lists all the aspects on which we will be reporting, and which are considered as 'material' by the Company, as well as the boundaries for each aspect.



Category	Material Aspect	Outside the Org.	Inside the Organisation	Both Outside & Inside
Social	Employment		x	
	Labour/Management Relations		x	
	Occupational Health & Safety			x
	Training & Education		x	
	Diversity & Equal Opportunity			x
	Equal remuneration for women and men		x	
	Investment		x	
	Non-discrimination			x
	Freedom of Association & Collective Bargaining			x
	Security practices			x
	Local communities			x
	Anti-corruption			x
	Public policy			x
	Anti-competitive behaviour			x
	Compliance			x
	Supplier Assessment for Impacts on Society			x
	Grievance Mechanism for Impacts on Society			x
	Customer Health & Safety			x
	Product & Service Labelling		x	
	Marketing Communications			x
Customer Privacy			x	
Compliance			x	
Environmental	Energy			x
	Water			x
	Emissions			x
	Effluents & Waste			x
	Compliance			x
				x
Economic	Economic Performance			x
	Market Presence			x
	Indirect Economic Impact			x
	Procurement Practices			x

G4-22/23: Report the effects of any restatements of information provided in previous reports and the reason for such restatements and significant changes from previous reporting periods in the Scope and Aspects Boundaries

This is the Company's first Sustainability Report.

Stakeholder Engagement

G4-26: Report the organisation's approach to stakeholder engagement – frequency of engagement with each stakeholder and if any engagement was specifically taken to prepare the report

The Company engages with its different stakeholders via different channels, platforms, and means depending on the issue at stake. While the Company strives to listen to what all of its stakeholders have to say, it makes an additional effort with regards to social, environmental, and economic issues that impact its stakeholders or matter to them.

G4-27: Report the key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised the key topics and concerns.

G4-24: Provide a list of stakeholder groups engaged by the organisation:

Stakeholder Group	Type of Engagement	Frequency of Engagement	Key Interests
All	Website	Daily	<ul style="list-style-type: none"> • Airport operation and development • Passenger Experience • Retail offering and airport value • Route Network • Facilities and Services
	Facebook	Daily	
	Twitter	Daily	
	Email / Web contact	As needed	
Passengers	ASQ Survey	Quarterly	<ul style="list-style-type: none"> • Passenger Experience • Retail offering and airport value • Facilities and Services • Waiting times, cleanliness, ambience • Flight Information • Route Network
	On site Advertising	Daily	
	Customer Service Team Interaction	As needed	
	Feedback Forms	As needed	
	Flight Information Display System		
Investors	Company Announcements	As needed	<ul style="list-style-type: none"> • Airport operation and development • Terminal Facilities & Services • Share Price • Financial performance • Traffic growth • Corporate governance
	Shareholder Newsletter	Periodically	
	Phone / Email contact	As needed	
	Annual Report	Yearly	
	Traffic Results	Monthly	
Media	Press Releases	As needed	<ul style="list-style-type: none"> • Airport operation and development • Traffic growth • Weather • Safety and Security • Environmental Impact
	Traffic Results	Monthly	
	Email / Phone Contact	As needed	
	Meetings	As needed	
	Hospitality Events	Yearly	

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Continued
from page 14

Stakeholder Group	Type of Engagement	Frequency of Engagement	Key Interests
Landside / Local Visitors	Local Advertising	Periodically	<ul style="list-style-type: none"> • Retail offering and airport value • Parking Availability - Value
	On site Advertising	Daily	
	Events	As needed	
Airlines	Day-to-day communications	As needed	<ul style="list-style-type: none"> • Operational Issues - Slots, Timely processes • Charges - Incentives • Safety & Security • Airport planning and development • Airport services
	Conferences	As needed	
	Meetings	As needed	
	Events	Bi-Annual	
	Newsletter	Quarterly	
Local Community	Local Council meetings to discuss going concerns	Bi-Annual	<ul style="list-style-type: none"> • Traffic Congestion • Air Quality • Noise • Impact of airport developments
Tenants	Meetings with main operators	Monthly	<ul style="list-style-type: none"> • Passengers - Experience and Growth • Business continuity planning • Operational Issues • Staff benefits - parking etc. • Marketing Collaborations • Customer feedback and consumption trends
	Marketing Initiatives Meetings	Quarterly	
	Ad hoc meetings	As needed	
Suppliers	Day-to-day communications	As needed	<ul style="list-style-type: none"> • Airport safety and security • Ethics and integrity • Health & Safety • Service performance • Supply chain management • Procurement practices
	Key Supplier Meetings	Monthly	
	Presentations (Pax Survey)	Bi-Annual	
	Feedback and improvements meeting (Fuel Services Provider)	Monthly	
	Feedback of Airport Service Quality	As needed	
	Improvement on existing procedures and feedback on airlines' comments (MATS)	Bi-Monthly	
Ground Handling Services	Occurrence Report Meetings	Monthly	<ul style="list-style-type: none"> • Capacity constraints - airport planning • Operational efficiency • Safety & Security • Passenger experience • Passenger growth
	Resource Allocation	Quarterly	
	Customer Experience Improvements	Quarterly	
	Aircraft turnaround meetings and other operational requirements	Quarterly	
	Feedback of Airport Service Quality	Quarterly	
Tourism Bodies - MTA, MHRA	Meetings	Monthly	<ul style="list-style-type: none"> • Connectivity • Airline satisfaction • Passenger Growth • Customer experience
	Day-to-day communications	As Needed	
	Conferences	Quarterly	

Continued  from page 16

Stakeholder Group	Type of Engagement	Frequency of Engagement	Key Interests
Regulators / Committees (incl. Customs Authority, Immigration Authority, Airline Operators Committee, Airport Users Committee)	Aircraft and Passenger Handling Meetings (Airline Operators Committee)	Bi-Monthly	
	Terminal and Airfield Operations (Airport Users Committee)	Bi - Annual	<ul style="list-style-type: none"> • Capacity constraints • Airport planning and development • Operational issues • Airport safety and security
	Day-to-day communications on Aviation & Airport Security (OMAS/AVSEC)	As Needed	
	Airport Emergency Planning meeting (AFM, CPD, MDH, Malta Police)	As Needed	
	Aerodrome Regulatory Meeting (TM-CAD)	Bi - Monthly	
	Feedback of Airport Service Quality	As needed	
	Resource Allocation Meetings	As Needed	
Employees	Employee Survey	Bi-annual	
	Consultative groups	As needed	
	Day-to-day communications as part of operational management	Daily	
	Occupational Health & Safety Committee	Bi-monthly	
	Connections Employee Magazine	Bi - Annual	
	Exit interview	As needed	
	Departmental Meetings	Quarterly	
	Performance reviews (management team)	Bi-annual	
	Internal Marketing News	As needed	

Report Profile

G4-28: Reporting Period (such as fiscal or calendar year) for information provided.

2015

G4-29: Date of most recent previous report (if any)

This is the Company's first Sustainability Report following GRI standards.

G4-30: Reporting cycle

Annual

G4-31: Provide the contact point for questions regarding the report or its contents

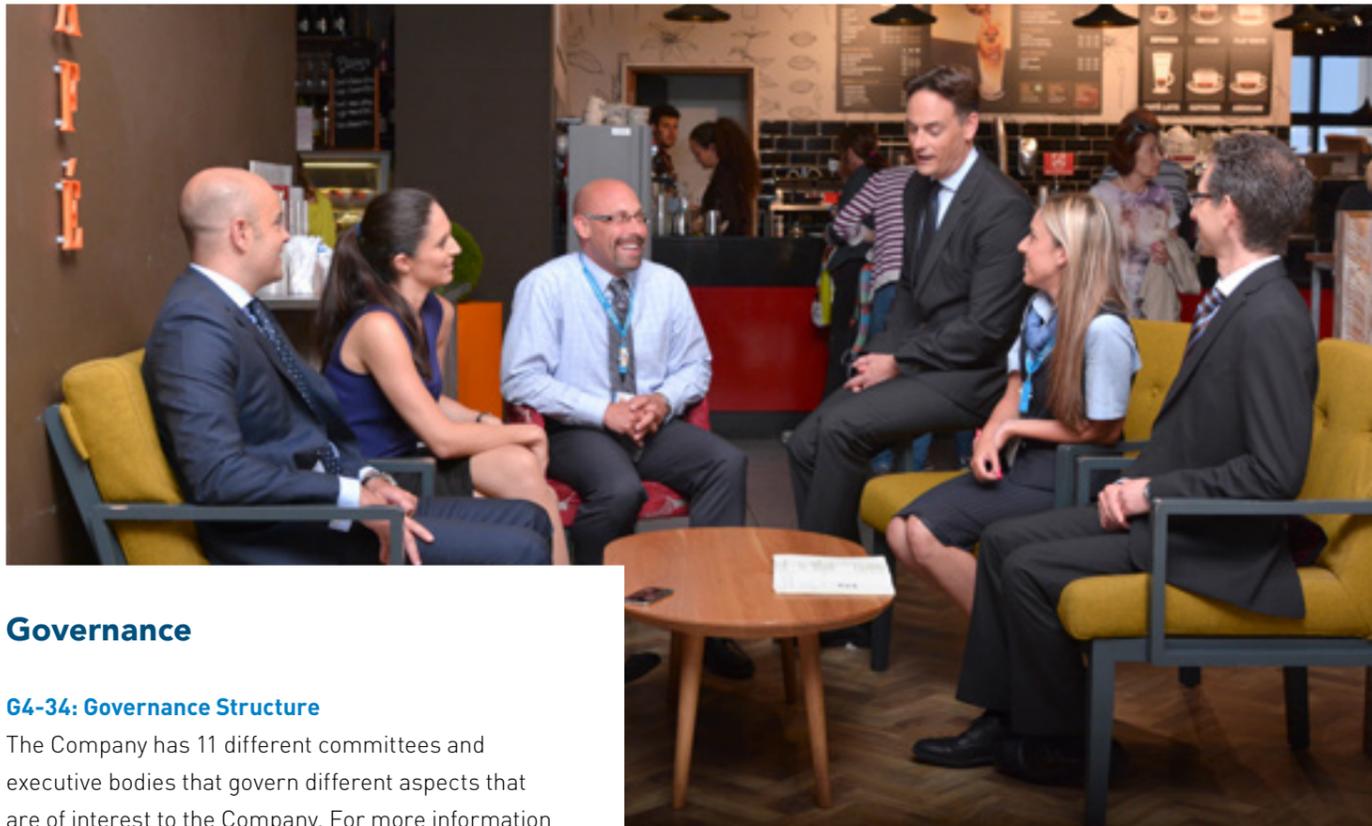
The Marketing & Brand Development Department.

G4-32: Report the:

- A) 'In accordance' option chosen – **Core**
 B) Content Index – **Refer to first pages of report**
 C) External Assurance - **Pricewaterhouse Coopers, Malta (PwC) was engaged to provide assurance in respect of the selected sustainability information marked with a '1' in the Company's sustainability report for the year ended 31 December 2015. PwC was not engaged to provide any assurance on the sustainability information provided for the year ended 31 December 2014. PwC's assurance report may be found in the Appendix on pages 50-52.**

G4-33: Report the policy and current practice with regard to seeking external assurance of the report

PwC Malta was engaged to provide assurance in connection with the Sustainability Report 2015.



Governance

G4-34: Governance Structure

The Company has 11 different committees and executive bodies that govern different aspects that are of interest to the Company. For more information regarding the composition of all of these committees please refer to G4-LA12 in the Social Section.

- In 2015, the organisation's vision, mission, and values were re-visited and formulated in a way that is more accessible to all employees. Before these were communicated to employees, they were endorsed by the Company's Board of Directors.
- In 2015, the Corporate Responsibility (CR) committee was set up in order to develop a Corporate Responsibility Strategy for the company. This committee sees that the Company is sustainable both with regards to external economic, environmental, and social impacts, and internally. It also proposes Corporate Responsibility investments that benefit both the industry within which the Company operates, and the Company itself (for more information refer to Heading 2 above.)
- In 2015, the Risk Committee was set up to, amongst others, develop and recommend to the Board of Directors a risk management framework and foster a risk-aware culture within the Company.

Ethics and Integrity

G4-56: Describe the organisation's values, principles, standards, and norms of behaviour such as codes of conducts and codes of ethics

As an MIA employee, one should act with integrity, honesty, and loyalty at all times. In 2016 integrity will be adopted as a core value in the Company's new Philosophy. In order to ensure the highest ethical standards are observed in all business dealings, the Company introduced a Business Conduct & Ethics Policy in 2015. Upon its introduction, the Human Resources team delivered a series of presentations to all employees and a copy of the Policy was handed out to attendees. Employees who join the Company after this date are given a copy upon recruitment. The Policy is available in Maltese and English. Matters related with business conduct and ethics are handled either by the CEO or the HR Department, depending on the severity of the matter.

6. Economic Section

TARGETS FOR 2015

(1) To increase the Group's non-aviation income as a percentage of the Group's total revenue to 30%+, with the committee's approval of this as a 2015 GRI target;

The aviation industry is susceptible to many threats, such as international conflicts and economic recessions, which can critically interrupt operations for indeterminate periods of time. Diversification into non-aviation activities is a key factor in cultivating a robust and stable business model that is able to weather such changes in the industry. The significance of this, in Malta International Airport's case, lies in the scale of its contribution to the local economy and its catalytic effect on other key industries. The airport's ability to sustain operations during unforeseeable depressions in the industry is a vital lifeline, not just for its employees and the wider sphere of suppliers and partners, but for the islands as a whole.

Non-aviation business at the airport consists of parking spaces, food and retail, airport advertising, La Valette Club luxury services, and SkyParks Business Centre.

Since 2010, the non-aviation share in the airport's business has increased consistently each year going from 25.2% to 30.6%.

Investment in enhancing the airport's food and retail offering has played a significant role in this, as did the capital investment of €18m in SkyParks Business Centre, which opened its doors in 2012 and is now fully occupied by major brands as well as food, retail, and lifestyle outlets. Additional investments in infrastructure have also supported these offerings.

(2) To increase the amount of passenger traffic in the shoulder months so that it is greater than it was in 2014, with the committee's approval of this as a 2015 GRI target;

The Maltese Islands now welcome over 1.8 million tourists each year, with many tourists largely attracted to Malta's good climate and hot summers. This leads to an inevitable seasonal effect, with the bulk of tourists arriving and leaving during the spring and summer months. The result of this seasonality is that the hospitality and entertainment infrastructure developed to handle the busiest periods, is then largely unutilised during the shoulder months. This has a big impact not just on businesses but also on a large numbers of workers who cannot depend on the hospitality industry for year-round employment. Beyond the clement weather, Malta has more to offer in terms of heritage, culture, history, and solid hotel infrastructure that make it a great year-round destination. Together with the

Malta Tourism Authority, Malta International Airport has been focusing on promoting Malta as a tourist destination, rather than focusing its marketing efforts solely on the airport.

In 2015, more than €6 million were spent in efforts and incentives to increase traffic growth, which traffic has increased by over 7% in the shoulder and winter months.

One of the most successful incentives offered by Malta International Airport to attract new airlines is the "free landing in winter" scheme. Launched in 2012, this incentive was received particularly well and has been implemented every winter ever since.

NOTE: The financial indicators in this section have been extracted from Malta International Airport's Financial Statements for 2015 and are attributed to Group figures, which include SkyParks Business Centre. The financial statements for 2015 have been audited by Deloitte.

(3) To increase MIA's positive impact on the Maltese economy, using the 'Return on Equity' (ROE) as the metric to measure this, and aiming for a 21% ROE. The committee approved this as a 2015 GRI target.

60% of Malta International Airport's equity is shared between the Maltese government (20%) and mostly local private investors (40%). The airport has adopted a 'Return on Equity' model as one of its tools for evaluating its positive impact on the Maltese economy. The aim of increasing ROE is an overall way to stimulate a positive feedback loop between investors and shareholders, the local economy, the community and the airport. By increasing value and returns for

shareholders including the government, the airport is able to stimulate local business and investment government spending. This in turn has the effect of nurturing better local businesses, infrastructure and talent, which benefits the local tourism and business offering that the airport also depends on. This is a virtuous cycle which has the secondary effect of increasing investor confidence and maintaining the stability of those investments in the future.

EC1 – Direct economic value generated and distributed

In 2015 the economic value distributed by the airport increased by 13% in total, while the retained economic value decreased by 16.5%. This was the result of an increase in payments to suppliers of capital, mostly through dividends distributed to shareholders, an increase in payments to government, and a significant increase in community investments. All of these grew at a rate which outperformed the revenue growth rate, ultimately resulting in a greater overall net distribution

of value. Operating costs increased by 7.2%, as a natural result of increased activity at the airport, whereas employee wages and benefits were 9% less than the previous year, due to a slightly smaller workforce which was the result of an early retirement scheme being offered by the Company. In 2015 the Malta Airport Foundation became operational, accounting for the 364% increase in value distributed to the community via direct investments in cultural and environmental causes.

Direct Economic Value Generated		2015		2014
Revenues	i	€66,965,843	4.2%	€64,290,433
Sale of Assets	ii	€208,765	0.0%	€208,765
Financial Investments	ii	€2,760,817	225%	€208,765
		€69,935,425	7.0%	€65,349,191
Economic Value Distributed				
Operating Costs	iv	€22,720,413	7.2%	€21,193,474
Employee Wages and Benefits	v	€8,281,368	(9.2%)	€9,128,861
Payments to Providers of Capital	vi	€17,066,944	37.0%	€12,454,305
Payments to Government	vii	€10,518,553	13.9%	€9,234,546
Community Investments	viii	€261,325	364%	€56,327
		€58,848,603	13.0%	€52,067,513
Economic Value Retained				
EVG - EVD		€11,086,822	(16.5%)	€13,281,678
		€11,086,822	(16.5%)	€13,281,678

EC2 – Financial implications and other risks and opportunities for the organisation's activities due to climate change

As yet, climate change does not present an immediate threat to the operation of the airport or the wellbeing of its staff, customers, and passengers. However, the airport's success is dependent on the islands' tourism offering which includes clean air, clean seas, and good weather. In this sense, the future threat of climate change can very tangibly affect operations and traffic flow. In order to participate in addressing these risks, the airport has adopted a standard methodology which is based on the guiding principles of the International Risk Management Standard ISO 31000:2009 and the COSO (Committee of Sponsoring Organisations of the Treadway Commission) standard for Enterprise Risk Management. A Risk Committee was set up in 2015 to

oversee the development and implementation of the Risk Management Policy and Procedures.

The Risk Committee's main functions are to:

- a) Build a risk-aware culture within the organisation including appropriate education;
- b) Develop and recommend to the Board a risk management framework, including the relative policy and procedures;
- c) Coordinate and review the risk assessment, evaluation and response processes undertaken by management;
- d) Monitor and report on risk performance.

EC4 - Financial Assistance received from government

Malta International Airport did not receive any financial assistance, including grants and subsidies, from the Government in any form. The Government of Malta has a stake in Malta International Airport,

as a result of which it receives returns in the form of dividends. This shareholding is always reported in the financial statements.

EC5 – Ratio of standard entry level wage by gender compared to local minimum wage

Malta International Airport is bound by a collective agreement with two workers' unions, namely UHM and GWU, which represent its employees to an entry level salary which is at least 33% higher than the minimum wage. This being said, the actual lowest paid salary at the airport during 2015 was well in

excess of the salary levels defined by the collective agreement. On average the salary gap between males and females is small with a slight overall discrepancy in favour of females.

	Minimum Wage 18years+ Full-time	Entry level salary 2015 as per Collective Agreement	Ratio to Minimum Wage	Actual lowest paid salary 2015 Female	Ratio to Minimum Wage	Actual lowest paid salary 2015 Male	Ratio to Minimum Wage
Administration	€8,645	€12,949 ¹	150%	€16,397 ¹	190%	€13,404 ¹	155%
Operational	€8,645	€14,602 ¹	169%	€15,244 ¹	176%	€15,011 ¹	174%
Technical	€8,645	€13,837 ¹	160%	€17,592 ¹	203%	€16,980 ¹	196%

EC6 – Proportion of senior management hired from the local community

86% of senior management, which includes the CEO, the CFO, and heads of department at the Malta International Airport, has been hired from the local community. While the airport fosters an international culture it is also important that local interests and

considerations are present at the highest levels of decision making. This helps to ensure that the airport operates in harmony with local communities and is sensitive to its domestic impact.



EC7 – Development and impact of infrastructure investments and services supported.

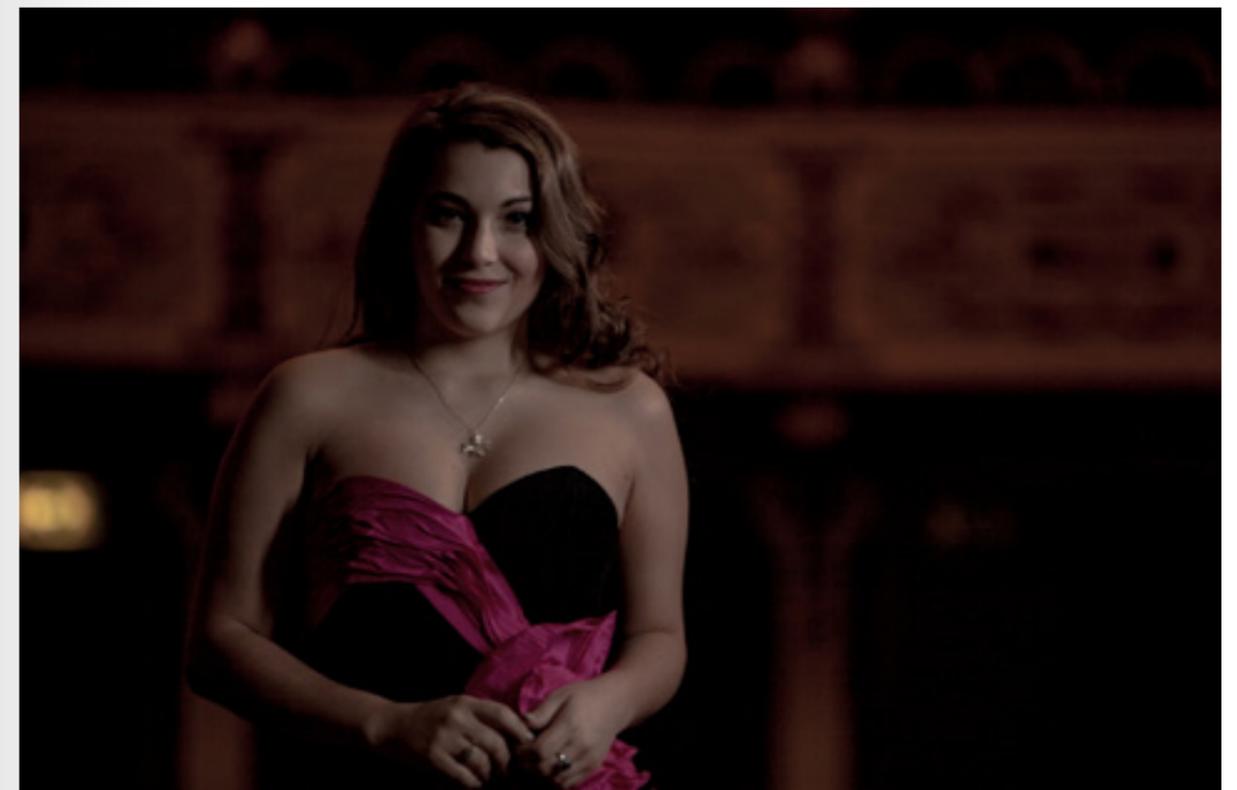
In 2015 the airport invested a total of €7.2m - bringing total investments since its privatisation to €90 million - to maintain, improve and expand capacity, security, infrastructure, and passenger experience.

General expansion and maintenance works affect the local economy by catalysing increased business in sectors such as tourism and finance. The table below details how these €7.2m were divided.

Terminal Embellishments €1.88M	Airfield €1M	Operations & Security €4.36M
Passenger Feedback System	Renovation of the Aircraft Accident Emergency Operations facility	Network Re-Organisation & new gensets
New signage to facilitate way-finding	Update of the aircraft recovery equipment inventory	Car Park Extension
Embellishment of retail outlets	Upgrade works on Taxiway Charlie & Runway 23/05	Anti-terrorist bollards
Non-Schengen area expansion & construction of Schengen corridor		Procurement of Explosive Trace Detection Equipment
Terminal improvements		Installation of anti-return gates & anti-return alarms
		Other security upgrades

In terms of external investments, the Malta Airport Foundation was established in 2014 to channel corporate responsibility funds towards local cultural, environmental and tourism-related projects and initiatives. The foundation is independently run and has so far committed €120,000¹ of airport funds towards its first project, namely the complete restoration of Ta' Xutu Tower in nearby Wied Iż-Żurrieq. This is the Foundation's biggest project to date, but it has also funded smaller scale projects and initiatives such as:

- Maltese Soprano and Foundation ambassador, Nicola Said's education at the Guildhall School of Music & Drama;
- The Catch the Drop Campaign, which aims at raising awareness about water conservation;
- An under-water documentary about the islet of Filfla and its surrounding environment, expected to be released by mid-2016;
- A booklet & paper game aimed at creating awareness about the Maltese language among tourists passing through the airport.



EC8 – Significant indirect impacts

Due to Malta's small size and dependence on international connectivity for its most lucrative economic sectors such as tourism, the indirect impact of the airport on the rest of the economy is substantial. The catalytic effect of the airport on the economy is typical of island states, where connectivity is a major factor in foreign investment and international business.

A study carried out by ACI in 2013 showed that indirect impact on the economy is more than double the direct economic impact in terms of contribution to GDP, while employment generated indirectly is three times that generated through direct employment of staff and suppliers. The Company plans to update the economic impact study in 2016.

	Direct	Indirect	Induced	Catalytic	Total
GDP (€ million)	€208	€80	€82	€292	€662
Employment	3,800	2,100	2,300	7,100	15,300

	Jobs	Income € bln	GDP € bln	GDP %
Direct	3,800	0.12	0.21	2.9%
Direct, Indirect and Induced	8,200	0.21	0.37	5.1%
Catalytic	7,100	0.21	0.29	4.1%
Total	15,300	0.34	0.66	9.2%

4 – EC9 Proportion of spending on local suppliers at significant locations of operations

Local suppliers account for the vast majority of the airport's procurement spending, with less than 17% being outsourced to EU and non-EU suppliers. The airport indirectly sustains some 2,100 jobs, of which a large proportion is linked to local suppliers.¹

Source of purchases, figures for 2015 are the following:

	2015	%
Non EU	€1,371,155	4.0%
EU	€4,313,854	13.0%
Local	€27,438,791	83.0% ¹
	€33,123,799	100.0%



7. Environmental Section

TARGETS FOR 2015

The overall environmental sustainability goal for 2015 was to reduce carbon emissions resulting from electricity and fuel consumption, while also aiming to generally reduce consumption of water. A further goal was the reduction of waste materials produced, while at the same time increasing the proportion of waste which is recycled. These goals were benchmarked against figures for 2014.

Final figures for the year show that in each case the net amount of electricity, fuel, and water consumed dropped below 2014 levels while the number of passenger movements increased. This led to much greater efficiency in terms of per-unit metrics such as CO₂ emissions per passenger movement or energy intensity per passenger movement. Waste produced by the airport was also considerably reduced in terms of absolute numbers, while the proportion of waste recycled increased.

EN3 – Energy consumption within the organisation

Malta International Airport consumes energy directly and indirectly. Energy in the form of electricity is mainly purchased from Enemalta plc, while additional electricity is produced by the airport's photovoltaic system.

The largest portion of direct energy consumption can be attributed to fuel used by the Company's vehicles. The nominal 3.2% decrease in total diesel consumption by these vehicles is mainly attributable to the replacement of the management vehicle fleet. However, this decrease was offset by an increase in fuel consumption by operational vehicles due to an increase in operations and airfield works.

Description	2014 (litres)	2015 (litres)
Fuel used by standby generators (terminal)	D - 2,000	D - 1,850 ¹
Fuel used by standby generators (airfield)	D - 3,654	D - 4,839 ¹
Fuel used by operational vehicles	D - 57,062	D - 55,218 ¹
	P - 4,572	P - 3,763 ¹
Fuel used by fire-fighting exercises	Jet A1 - 2,500	Jet A1 - 0 ¹
	LPG gas - 400	LPG gas - 0 ¹

NOTE: Figures and targets for this section are for the Company, which excludes SkyParks Business Centre Ltd.

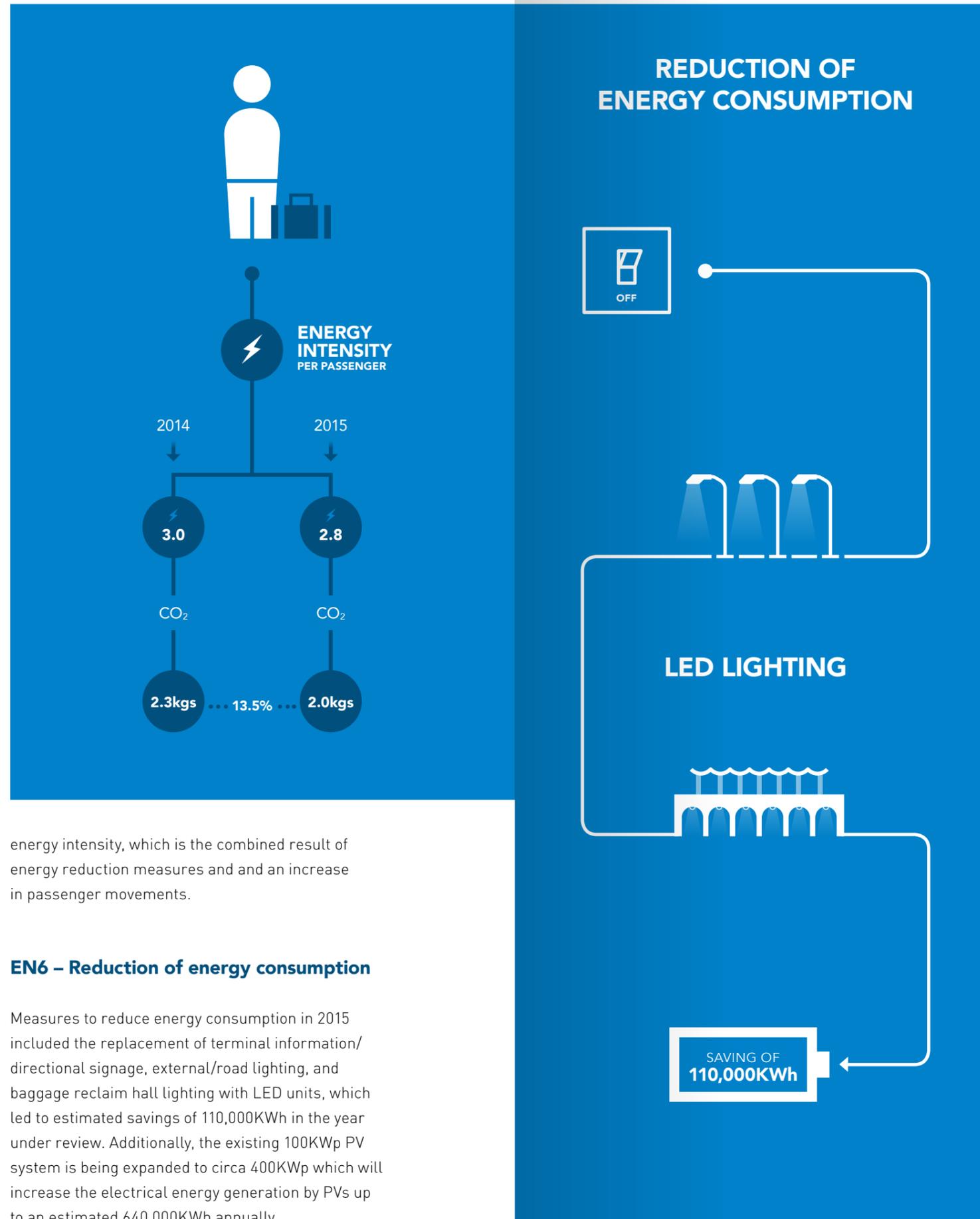
With regards to indirect energy consumption a reduction of 105,718KWh was registered in the total electricity consumed. This represents a decrease of almost 1% and is attributed to improved monitoring and energy savings measures. This decrease is all the more significant when one considers the increase in passenger numbers and expansion of operational areas. The reported value of electrical energy bought from Enemalta for Terminal Operations (incl. the service station) is net of metered energy consumption by tenants/airport partners, but includes such energy consumption whenever the resale of energy is not metered.

Description	2014 (KWh)	2015 (KWh)
Electrical energy bought from Enemalta for Airfield operations	1,931,539	1,937,755
Electrical energy bought from Enemalta for Terminal operations (incl. service station)	10,938,823	10,809,301
Electrical energy produced by MIA PV system	139,774	157,362
Total net electrical energy consumed by MIA	13,010,136	12,904,418¹

EN5 – Energy intensity

	2014	2015
Passenger movements	4,290,304	4,618,642
Traffic Units	4,376,395	4,721,914
Total (net) energy consumed	13,010,136	12,904,418 ¹
Energy Intensity (Kwh/passenger)	3.032 KWh/passenger	2.794 KWh/passenger
Energy Intensity (Kwh/Traffic Unit)	2.973 KWh/traffic unit	2.733 KWh/traffic unit

In 2015 the airport was able to increase productivity while achieving a reduction in net energy consumption which dropped from 13,010,136KWh in 2014 to 12,904,418KWh¹ in 2015. Passenger movements on the other hand rose from 4,290,304 to 4,618,642 in 2015, with the energy consumption per passenger dropping from 3.032KWh to 2.794KWh as a result. This represents a reduction of almost 10% in



energy intensity, which is the combined result of energy reduction measures and an increase in passenger movements.

EN6 – Reduction of energy consumption

Measures to reduce energy consumption in 2015 included the replacement of terminal information/directional signage, external/road lighting, and baggage reclaim hall lighting with LED units, which led to estimated savings of 110,000KWh in the year under review. Additionally, the existing 100KWp PV system is being expanded to circa 400KWp which will increase the electrical energy generation by PVs up to an estimated 640,000KWh annually.

EN8 – Water withdrawal by source

Water Source	Volume 2014 (m3)	Volume 2015 (m3)
Water Services Corporation	22,042	17,152 ¹
Ground water (Contractor - non-potable)	70,119	73,496 ¹
Rainwater collected (estimated)	44,000	37,000 ¹

The Maltese Islands have limited water resources owing to small size and low annual rainfall. Water in Malta is primarily obtained through desalination of sea water through reverse-osmosis or from underground aquifers. Increasing demand on these sources in recent decades has made the need for intelligent water management a vital priority not just for the airport but for the nation as a whole.

The airport utilises water from three basic sources namely the Water Services Corporation (WSC), non-potable ground water supplied by a contractor and rainwater collected on site. In 2015, the amount of water supplied by WSC to the airport decreased by 4,890m³ attributed to water saving measures taken by the Company, such as the installation of water-saving devices in washrooms. However, the monitoring of potable water consumption between 2014 and 2015 is limited to the first three quarters of 2015 (due to a faulty main water meter during the last quarter of 2015, which has been duly replaced).

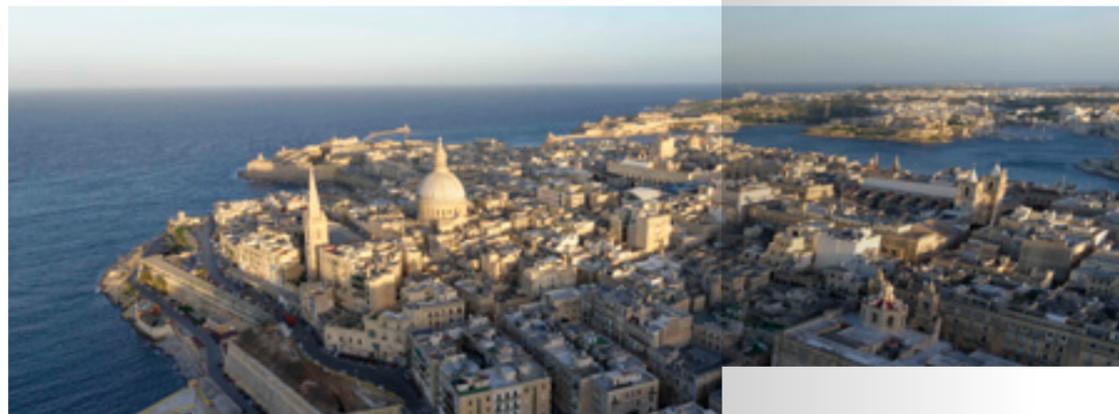
On the other hand, there was an increase in ground-water consumption, due to scarce precipitation during 2015.

EN9 – Water sources significantly affected by withdrawal of water

Due to a lack of precipitation during 2015, there was a nominal increase in the use of groundwater extraction over 2014, namely from circa 70,000 m³ in 2014 to circa 73,496 m³ in 2015. This represents less than 0.3% of the total amount of groundwater (in the region of 25,000,000m³, as per FAO report 2006) that can be sustainably extracted. This is well below 5% of the groundwater source, which means that the airport's water consumption is not considered to be significant.

EN10 – Percentage and total volume of water recycled and reused

Total water withdrawal 2014	136,160m ³
Rain water collected/stored for re-use 2014	44,000m ³
% of recycled water used, 2014	32%
Total water withdrawal 2015	127,600m ³ ¹
Rain water collected/stored for re-use 2015	37,000m ³ ¹
% of recycled water used, 2015	27%



Due to the reduced rainfall experienced during 2015, the percentage volume of rain water harvested and reused during the year under review was circa 27%, representing a drop of 5% from 2014. This percentage was calculated by dividing the rainwater collected in 2015 by the total water consumption in 2015. It is worth noting that:

- There is ample scope for increasing the rain water storage capacity for re-use;
- The bulk of run-off rainwater over airport areas is directed to areas which promote ground water table recharging.

EN15 - Direct greenhouse gas (GHG) emissions (Scope 1)

Source of Emission	2014 (Lts)	2015 (Lts)	Emission factor Kg CO ₂ / liter	2014 CO ₂ (Tonnes)	2015 CO ₂ (Tonnes)
Fuel used by Generators - Diesel	5,654	6,689	2.675288	15.126	17.895
Fuel Used by Vehicles - Petrol	4,572	3,763	2.2717926	10.387	8.549
Fuel Used by Vehicles - Diesel	57,062	55,218	2.675288	152.657	147.724
Fuel used for Fire Fighting Training – Jet A1	2,500	0	2.4909885	6.227	0
Fuel used for Fire Fighting Training – LPG	400	0	1.6108488	0.644	0
Total				185.041	174.168 ¹

INFORMATION SOURCE: Appendix B, Common Emissions Factors Airport Carbon Accreditation Documents, Issues 5; September 2012

EN16 – Energy indirect greenhouse gas (GHG) emissions (Scope 2)

Source of Emission	2014	2015
Electricity bought from Enemalta (KWh)	12,870,362	12,747,056
Emission factor Kg CO ₂ / KWh	0.76449	0.718098
CO ₂ emissions (kg)	9,839,263	9,153,635
CO ₂ emissions (Tonnes)	9,839	9,154 ¹

INFORMATION SOURCE: Enemalta plc.

NOTE: The emission factor has been significantly reduced in 2015. These changes are attributable to a number of measures which include the closure of Enemalta's Marsa power station (which was a heavy pollutant), the use of the new Sicily interconnector and an increase in photovoltaic farms generating cleaner energy around the Island.

EN18 – Greenhouse gas (GHG) emissions intensity

Source of Emission	2014	2015
Scope 1 Emissions (EN 15)	185	174 ¹
Scope 2 Emissions (EN 16)	9,839	9,154 ¹
Passenger Movements	4,290,304	4,618,642
CO ₂ Emissions Intensity (Kg CO ₂ / Passenger)	2.336	2.020

EN19 – Reduction of greenhouse gas (GHG) emissions

Together with an improved emission factor by Enemalta, the airport was able to reduce greenhouse gas emissions by 696 tonnes in 2015. This significant reduction of our CO₂ footprint is equivalent to the CO₂ footprint of around 240 Maltese households, assuming that the average local

household consumes around 4,000KWh of electrical energy annually which produces 2,900 Kg of CO₂. Moreover, measures taken during 2015 are expected to result in annual electrical energy consumption reductions of about 900,000KWh, which equates to a reduction of 688 tonnes of CO₂ emissions.

EN20 – Ozone Depleting Substances

Nothing to report as CFC gases are no longer in use.

EN21 – Other significant air emissions

Source of Emission	2014	2015	Emission factor 2014
Electricity bought from Enemalta (KWh)	12,870,362	12,747,056	
SO _x (Tonnes)	27.079	26.820 ¹	2.104
NO ₂ (Tonnes)	16.578	16.419 ¹	1.2881
Particulates (Tonnes)	2.407	2.384 ¹	0.187

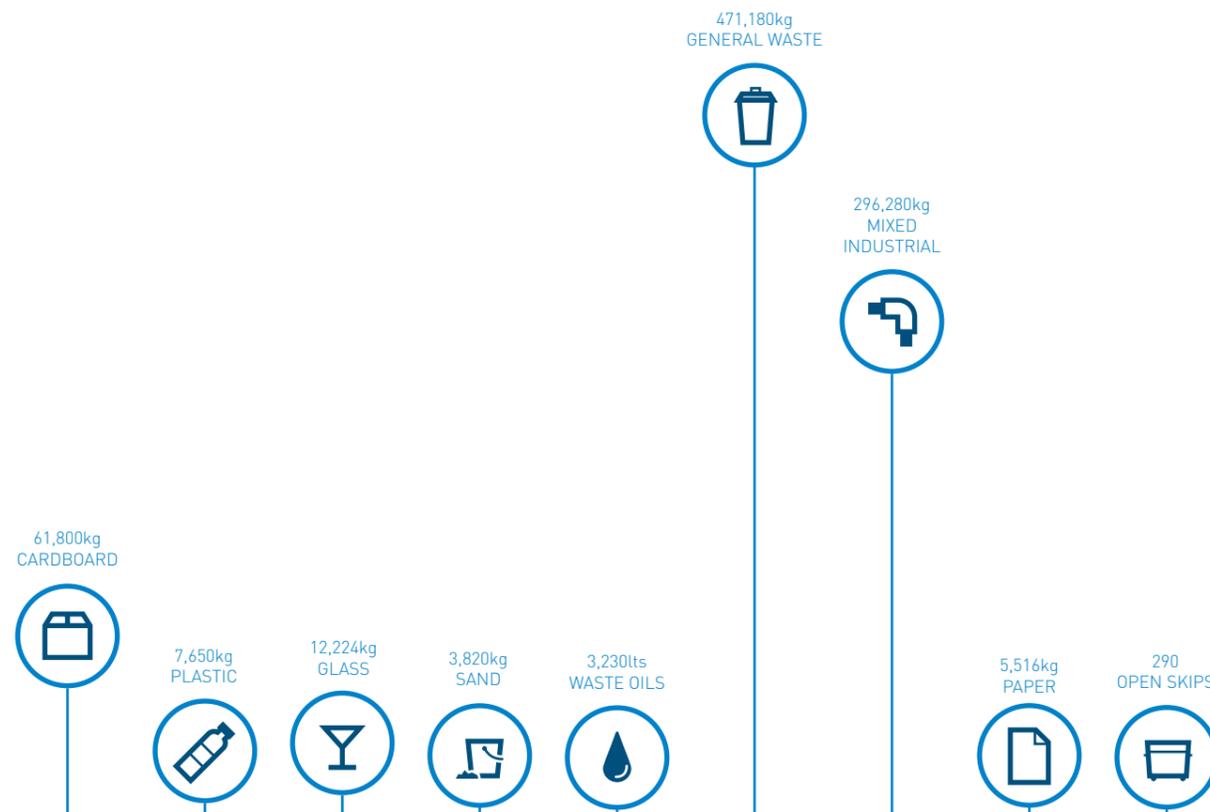
The values were calculated using conversion rates provided by the national utility provider, Enemalta Corporation, for 2014 since 2015 conversion factors were not available.

EN23 – Waste management

The table below shows the type of waste generated by the airport and how it was disposed of. The substantial reductions in waste disposed of in landfills are attributed to better monitoring and improved reporting by the new contractor. On the other hand, the increase

in cardboard disposal for recycling is attributed to the introduction of a new cardboard baler in the bonded stores and the Company's new waste collection contractor.

Type of Waste	Unit	Disposal Method	Qty - 2014	Qty - 2015
Cardboard	kg	Recycle	37,280	61,800 ¹
Plastic	kg	Recycle	4,510	7,650 ¹
Glass	kg	Recycle	6,480	12,224 ¹
Sand	kg	Landfill	1,800	3,820 ¹
Waste Oils	lts	Recycle	0	3,230 ¹
General Waste	kg	Landfill	N/A *	471,180 ¹
Mixed Industrial	kg	Landfill	N/A *	296,280 ¹
Paper	kg	Recycle	3,410	5,516 ¹
Open Skips	No.	Landfill	337	290 ¹



* Comparison data is not available.

EN24 – Number and volume of significant spills

A number of spills were reported in 2015; however none of these were significant.

EN29 – Non-compliance with environmental laws

No fines or non-monetary sanctions for non-compliance with environmental laws and regulations have been imposed on the airport for either 2014 or 2015. With regard to this, a declaration has been received from the Director General of Civil Aviation (DGCA). Moreover, no significant complaints regarding environmental issues have been reported to the airport in either 2014 or 2015. Only minor issues, which were addressed, were reported in 2015.

EN30 – Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce

The airport's influence over the public transport system does not extend beyond providing the necessary space, free of charge, for the transport system. In 2015 there were no changes to report regarding public transport from the airport to other locations; however it is worth noting that significant improvements in public transport to the airport have been experienced in the last few years.

Additionally, Malta International Airport has a transport plan that aims to encourage the use of alternative means of transport. Unfortunately, the plan has not led to significant success stories so far, but the airport is committed to keep promoting sustainable transport and initiatives such as carpooling.



8. Social Section

TARGETS FOR 2015

- 1. To offer undergraduates the opportunity to gain valuable and unique work experience on a paid, full-time basis and the possibility to pursue a career at the airport at the end of the programme.**

This was achieved with the launch of the Graduate Management Programme, an initiative to offer university under-graduates with valuable work experience. The Programme received 117 applications from university students and, after a rigorous interview process, resulted in 5 graduates being offered a place on the programme, which began in November 2015.

- 2. To improve employee wellbeing by providing free fresh fruit and vegetables at the office so as to start encouraging healthy 'snacking.'**

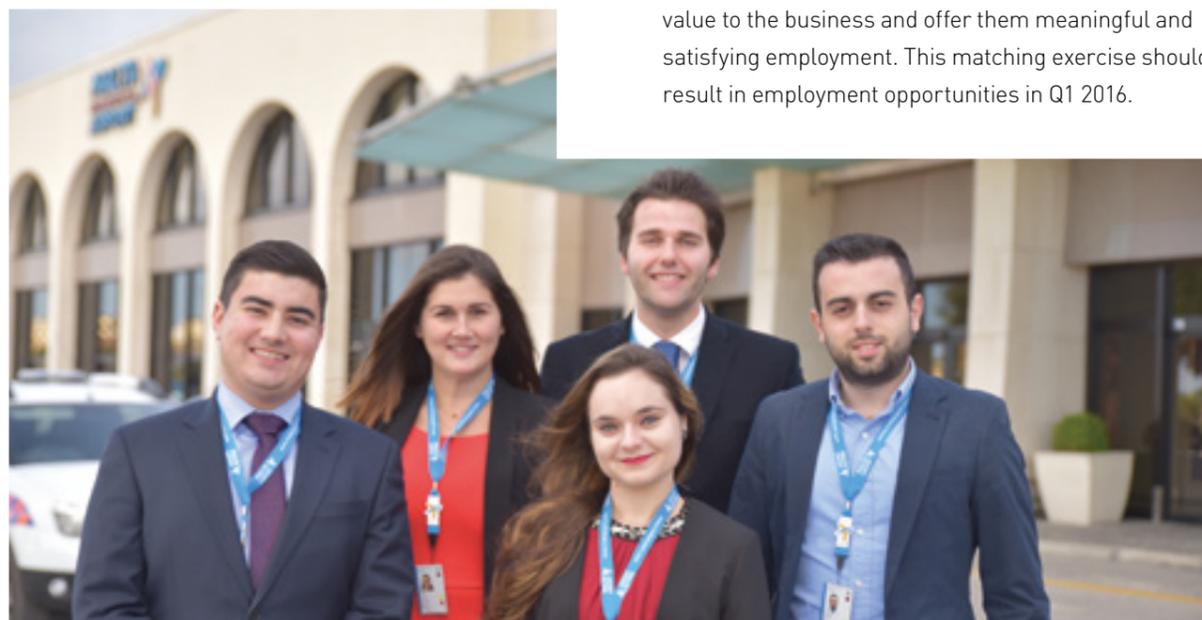
This initiative was highly successful and involved over 220Kgs of fruit and vegetables being delivered every week as part of a pilot Employee Wellbeing programme. Uptake rates were 98% and the scheme will be repeated and expanded upon this year.

- 3. To improve employee wellbeing by providing support for soon-to- retire employees.**

The airport as a responsible employer and conscious of the possible psychological effects of retirement engaged in discussions with the Richmond Foundation in 2015, an NGO specialising on mental wellbeing, with a view of devising a programme for soon-to- retire MIA employees, encompassing the pre- retirement and post- retirement stages. The initiative will be launched in 2016 when it is expected that there will be three retiring employees benefiting from this pilot test programme.

- 4. To offer more opportunities for satisfying, meaningful work to persons with a disability.**

In an effort to be a socially responsible employer, the airport has made efforts to increase its intake of persons with a disability and consulted the Lino Spiteri Foundation, an NGO specialising in helping vulnerable groups gain employment. The intention is to match employment opportunities at the airport with the talents of persons with a disability so as to add value to the business and offer them meaningful and satisfying employment. This matching exercise should result in employment opportunities in Q1 2016.



NOTE: Figures and targets in this section refer to The Group, which includes SkyParks Business Centre.

G4 – LA1 – Total number of new employee hire and employee turnover by age, group, gender and region.

The number of new recruits for the year amounts to 44 with the majority of them being females under the age of 30. The turnover rate was less than 2014, since last year the Company offered a Voluntary Early Retirement Scheme which was taken up by a total of 14 employees. Out of the 18¹ males who left the Company, 5¹ of them did so because they reached retirement age. No females over 50¹ years of age were employed, while one male over 50¹ was. The data in the table below was elicited from the Male/Female Payroll Report and excludes summer workers, interns, and the Head of Projects, who is on secondment to MIA from SNC Lavalin.

Age Groups	MALE				FEMALE			
	Hired	%	Left	%	Hired	%	Left	%
Under 30 years	14	4.84 ¹	7	2.42 ¹	20	6.92 ¹	10	3.46 ¹
30 - 50 years	5	1.73 ¹	3	1.04 ¹	4	1.38 ¹	6	2.08 ¹
Over 50 years	1	0.35 ¹	8	2.77 ¹	0	0 ¹	2	0.69 ¹

G4 – LA2 – Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.

All full-time employees, except Management, are covered by the Collective Agreement, entered into by the Company and two unions. The Collective Agreement splits the location of operation into three, namely

Administration, Technical, and Operations. All employees in the three categories are entitled to the below list of benefits under 'Collective Agreement Employees':

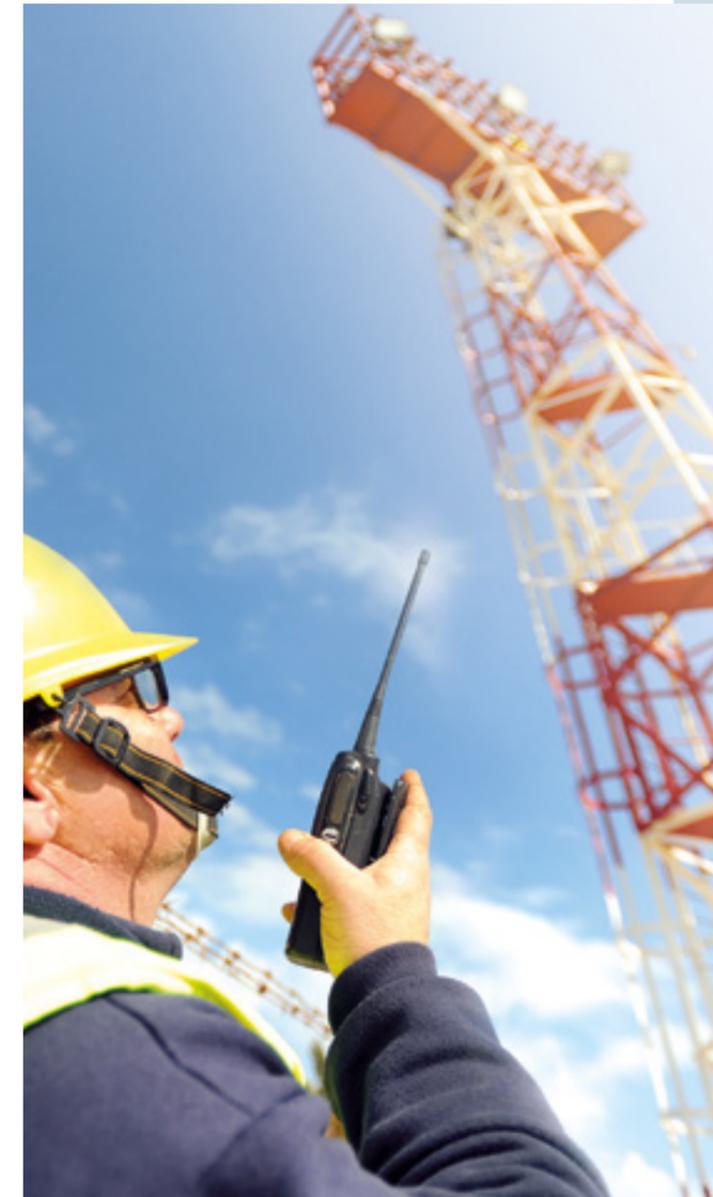
Benefit Type	Management	Collective Agreement Employees
Health Insurance	x	x
Group Life Insurance	x	x
Redundancy Payments	x	x
Allowances for working in dangerous areas		x
Transport Arrangements		x
Uniforms		x
Dry Cleaning		x
Grooming Allowance		x
Wellfare Fund		x
Employee Car Park	x	x
Company Bonus		x
Disability & Retirement Benefit	x	x
Injury Benefit	x	x
Bereavement Leave	x	x
Marriage Leave	x	x
Study Leave	x	x
Birth of Child Leave	x	x
Reward & Recognition Scheme	x	x
Company Doctor	x	x
Monetary Discounts - at MIA Outlets	x	x
Discretionary Performance Bonus	x	
Communication Allowance	x	
Mobile Allowance	x	
Airport VIP Lounge Membership	x	
Gym Membership	x	
Unpaid Special Leave	x	x

G4 – LA3 – Return to work and retention rates after parental leave, by gender

During the reporting period none of MIA's employees used their parental leave. MIA employees do not usually avail themselves of parental leave as the Company provides employees with up to one (1) year unpaid special leave which can be taken after maternity leave, subject to approval by the Company.

G4 – LA4 – Minimum notice periods regarding operational changes and their inclusion in the collective agreement

The Company must provide information and consult on decisions that are likely to lead to substantial changes in work organisation or in contractual relations, including collective redundancies and transfer of business. The information must be given in a timely manner so as to allow information and consultation representatives to conduct adequate studies and to prepare for consultation, where applicable also with trade unions representatives. In the case of transfer of business, notice is to be given at least fifteen (15) working days before the transfer is carried out or before the employees are directly affected by the transfer. This is not specified in the Collective Agreement. However, the Company adheres to the local legislation - S.L. 452.96 in this case.



G4 – LA5 – Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes

Committee Name	Number of Members	% of Total Workforce
Terminal Emergency Planning Committee	14	4.8%
Occupational Health and Safety Committee	15	5.2%

Members of these two committees include employees from various levels and departments of the organisation, that is, both at management level and employees who are covered by the Collective Agreement. Through the Terminal Evacuation Planning Committee and the

Occupational Health and Safety Committee all Company workforce is represented in health and safety with the ultimate aim being that of ensuring a positive health & safety culture.

G4 – LA6 Type of injury and rate of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and gender

As can be seen in the table, the Injury Rate (IR) and Lost Day Rate (LDR) were nil for the reporting year. This could be a result of the awareness and emphasis the Company puts on health and safety, most notably through the efforts of its Occupational Health & Safety Committee, apposite training, and regular monitoring and checks. Moreover, it is worth noting that no instances of occupational diseases and work related fatalities were reported during 2015.

		MALE EMPLOYEES	RATE	FEMALE EMPLOYEES	RATE
Injury Rate	Number of injuries	3 ¹		3 ¹	
	Total hours worked	352,530 ¹		155,105 ¹	
Lost Day Rate	Number of days lost	1.44 ¹		0 ¹	
	Total hours scheduled to be worked	366,272 ¹		0 ¹	
Absentee Rate	(Actual absentee days lost / Days scheduled to be worked)*100%		3.75 ¹		3.91 ¹

G4 – LA7 Workers with high incidence or high risk of diseases related to their occupation

Workers at MIA are not at high risk of diseases related to their occupation. However, should there be changes in the future, the Company will report it in the same manner as it reports injuries at work. The Occupational

Health & Safety accident, incident and damage report, and first aid procedures are processes adopted by the Company to report such risks.

G4 – LA8 Health and Safety topics covered in formal agreement with trade unions

As at to date MIA does not have any formal Health and Safety agreements with the Trade Unions; the Collective Agreement only makes reference to Injury on Duty and the Health and Safety Committee. In fact, Heading 34 of this Collective Agreement provides for the setting up of a Health & Safety Committee in accordance with

the prevailing Law governing Health and Safety. This committee has been functional for a number of years. With regards to safety, the Company provides protective wear and safety clothing to employees should they need such clothing, in accordance with the Collective Agreement and Company procedures.

G4 – LA9 Average hours of training per year per employee by gender, and employee category

Committed to the development and upskilling of its employees, the Company invested in over 4000¹ hours of training in 2015. This training included attendance to seminars, conferences and courses both locally and abroad. It is worth noting that during the reporting year three employees, one of which was a female, successfully completed the Airport Management Training Programme.

	Male	Female	Mgt	Admin	Ops	Technical	Total
Total No. of hours	3,655	405	232	183.5	917	2,738	4,071 ¹
Average No. of hours	18.55	4.40	8.28	4.17	6.11	40.87	14.08

Training can be divided in two categories as shown in the table below:

Technical Training	Specialised Training
Security Profiling Technique Training	Airport Operations Training
Heating, Ventilation & ACs	Aeronautical Meteorological Forecasting
	Airport Management Training Programme
	Crisis Management Training & Simulator

G4 – LA10 Programmes for skill management and lifelong learning that support the continued employability of employees and assist them in managing career endings

All training offered by the company, whether it is of a more technical nature or a specialised one, is aimed at consolidating and enhancing employees' skills and talents, so that these remain relevant in an ever-changing industry. This investment in people's talents is also vital for MIA to reach its targets and achieve new successes. Some of the programmes offered are Degree sponsorships (in the employee's area of specialisation), internships at various departments, work exchange programmes, seminars, and conferences both locally and abroad.

employees who would be nearing retirement age. These services furnish soon-to-be retirees with advice on how to make a serene transition to a new phase in their life by being emotionally prepared and aware of the psychological impact of retirement. The Company was also committed to helping graduates fresh out of University launch their career through the Graduate Management Programme. Three males and two females were employed through this new initiative in different sections within the Company.

Through one of its Corporate Responsibility initiatives, the Company launched a programme, with The Richmond Foundation, aimed at offering support services to

The two initiatives described show that the Company strives to help employee development from the very initial stages of their careers until the very end, and even beyond this.

G4 – LA11 Percentage of employees receiving regular performance and career development reviews, by gender and by employee category

Employees, which amount to 9.7%¹ of the total workforce, holding managerial posts with the Company have their performance assessed on a yearly basis through the Performance Management System.

G4 – LA12 Composition of Governance Bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity

There are a total of 11 committees, each one bringing together employees from different Departments of the Company and enabling an unhindered flow of knowledge and information. The bottom four committees in the table below were set up in the reporting year.

COMITTEE	FEMALES	MALES
Board of Directors	1 ¹	5 ¹
Executive Committee	4 ¹	8 ¹
Welfare Fund Committee	3 ¹	3 ¹
Sports & Social Committee	8 ¹	4 ¹
Occupational Health & Safety Committee	5 ¹	10 ¹
Terminal Emergency Planning Committee	5 ¹	9 ¹
Audit Committee	1 ¹	3 ¹
Corporate Responsibility Committee	4 ¹	4 ¹
Customer Value Proposition Committee	5 ¹	5 ¹
Finance Committee	1 ¹	5 ¹
Risk Management Committee	3 ¹	3 ¹

As can be seen from the table above, the majority of the committees and the Board of Directors have a greater male to female ratio in absolute terms, and in a lot of cases this is not within the management's control. However, three committees have equal representation and one committee has a stronger female participation. The majority of committee members fall within the 30-50 age bracket. Only 10% of committee members are in the under 30, whilst 18% are over 50.

	Quantity	%
Under 30 years	10 ¹	11
30-50 years	64 ¹	71
Over 50 years	15 ¹	18
Total	89¹	100

G4 – LA13 Rate of basic salary and remuneration of women to men by employee category, by significant locations of operation

On average, males and females within the categories of Administration, Operations and Technical, earn a similar salary and total remuneration. The most significant difference lies in the salaries of managerial staff, where the ratio of females to males is 1.0: 1.4¹ for the total remuneration package. This arises from the fact that

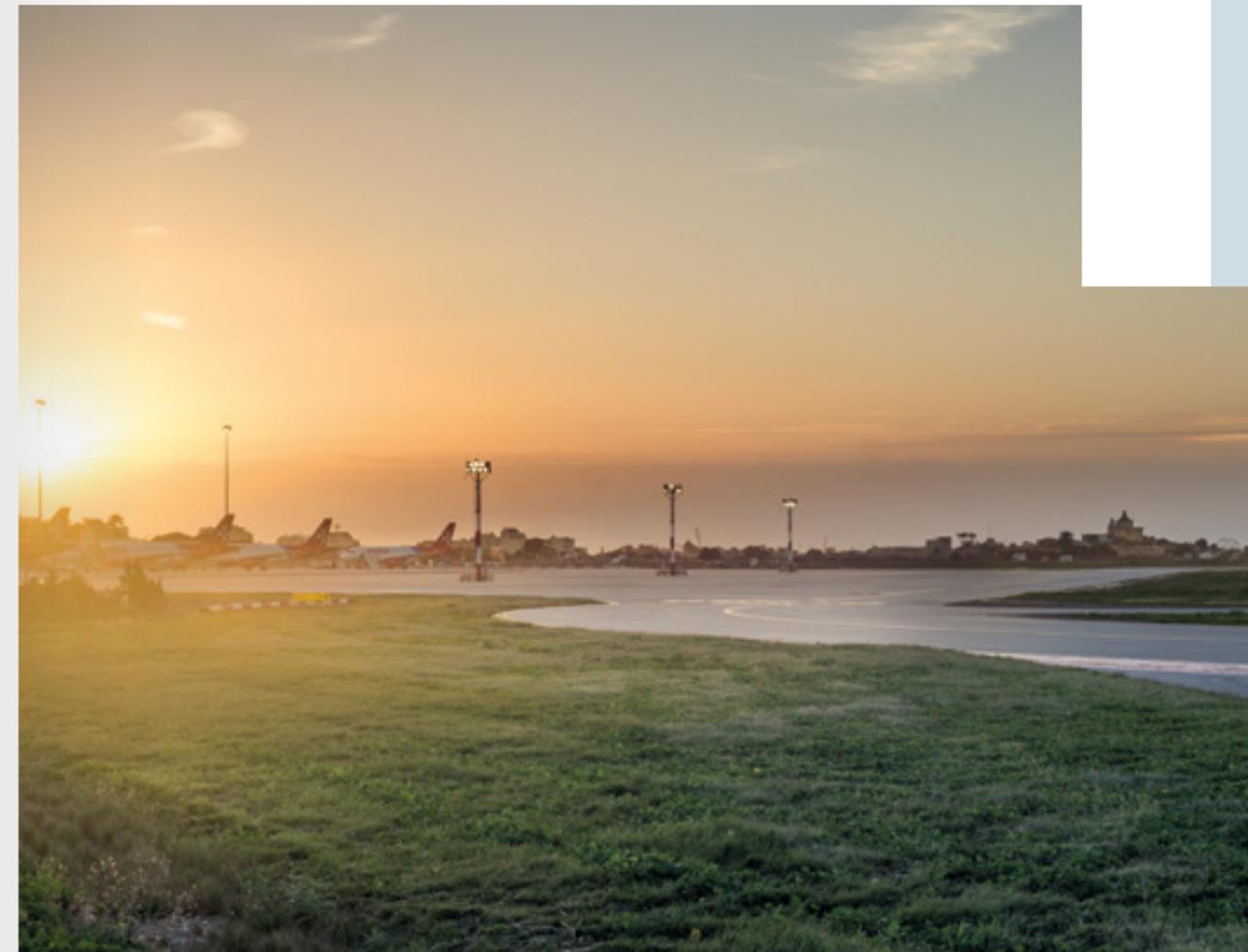
more men than women are found in the highest levels of management. Moreover, males forming part of the Management team have held managerial positions longer than their female counterparts, thus benefitting from more increments over time. On average, all salaries are similar to the salaries earned during 2014.

	Male Employees	Female Employees
Management*	16¹	10¹
Ratio - Average Basic Salary	1.4 ¹	1.0 ¹
Ratio - Average Remuneration	1.5 ¹	1.0 ¹
Administration**	15¹	20¹
Ratio - Average Basic Salary	1.0 ¹	1.0 ¹
Ratio - Average Remuneration	1.0 ¹	1.0 ¹
Operations***	94¹	36¹
Ratio - Average Basic Salary	1.5 ¹	1.0 ¹
Ratio - Average Remuneration	0.9 ¹	1.0 ¹
Technical	64¹	3¹
Ratio - Average Basic Salary	1.0 ¹	1.0 ¹
Ratio - Average Remuneration	1.1 ¹	1.0 ¹

* Male Mgt excl. CFO & CEO

** Females on reduced hours not included

*** Females on reduced & male and female part-time employees not included



G4 – HR2 Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained

During 2015 the Company did not organise any training programmes on human rights policies and procedures concerning aspects of human rights that are relevant to operations.

G4 – HR3 Total number of incidents of discrimination and corrective actions taken

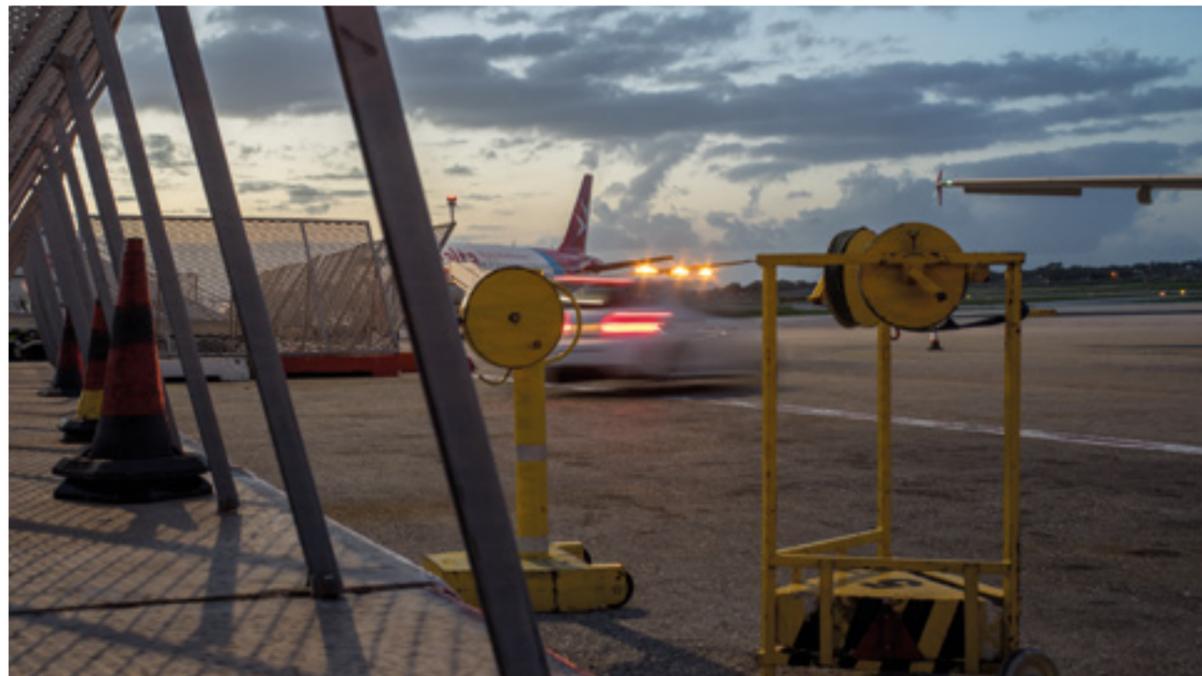
During 2015 MIA did not receive any reports of alleged acts of discrimination.

G4 – HR4 Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights

MIA does not have operations in which its employees are not allowed or restricted from exercising freedom of association or collective bargaining. Employees are fully protected through the Collective Agreement, which specifically highlights that:

“The Company shall not discriminate against, intimidate or in any way victimise any of its employees because of Union’s membership or for reason of participation in Union’s activities and/or actions”.

The Company provides to the Union any reasonable assistance required in order to carry out legitimate functions. This includes granting to employees accredited as representatives or as shop stewards all the necessary facilities required in connection with their activities, together with special leave with pay to attend seminars, conferences or congresses of the Union and/or to represent the Union locally or abroad. All new recruits, covered with the Collective Agreement, are provided with this document which highlights the points mentioned above.



G4 – HR7 Percentage of the security personnel trained in human rights policies or procedures that are relevant to operations

Our security personnel were not trained in human rights policies during the reporting year. However, a Human Rights Policy has been drafted. Once the policy is approved training will be provided to security employees.

G4 – SO2 Operations with significant actual and potential negative impacts on local communities

The airport’s operations can potentially affect neighbouring communities through noise, emissions, parking limitations and in the event of a crash disaster but these are synonymous with airports in general. Furthermore, the organisation has in fact

commissioned several studies or reports to consider actual or potential impacts in line with the precautionary principle.

G4 – SO3 Total number and percentage of operations assessed for risks related to corruption and the significant risk identified

The Company’s risk register includes an area, which presents a potential risk of corruption:

Department	Procurement & Administration
Key Business Function	Procurement Management
Main Objective	Ethical conduct in supplier relationships
Key Risk	Bribery / corruption of MIA officials in the award and administration of supplier Purchase Orders to contracts

G4 – SO4 Communication and training on anti-corruption policies and procedures

During 2015 the Company launched the Business Conduct & Ethics Policy, which was approved by the Board of Directors. A copy of this policy was given to 280 employees in 2015. The rate is not 100% in all four categories, mainly because of employees within the respective categories on long-term sick leave.

Management	100%
Administration	98%
Operations	95%
Technical	99%

G4 – SO5 Confirmed incidents of corruption and actions taken

The Company has never been involved in allegations relating to corruption and no incidents of corruption have been reported or confirmed. For the sake of completeness the Company also wishes to disclose that its former CEO has been dismissed on the basis of allegations that he disclosed confidential information pertaining to the Company. The former CEO is contesting the allegations before the Malta Industrial Tribunal.

G4 – SO6 Total value of political contributions by country and recipient/beneficiary

In line with the Ethics Policy this is not acceptable and it is specified in Point 3.1.3 of same policy that:

“Political contributions on behalf of MIA to a political campaign, political party or to any activity in support of a political party, shall not be made. Political

contributions can include monetary items, non-monetary items (such as loaned or donated equipment, or free technology services) or use of corporate resources (such as facilities, e-mail, stationery, or personnel time).”

G4 – SO7 Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes

There have been no antitrust or anti-competitive actions involving MIA during the reporting period.

G4 – SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

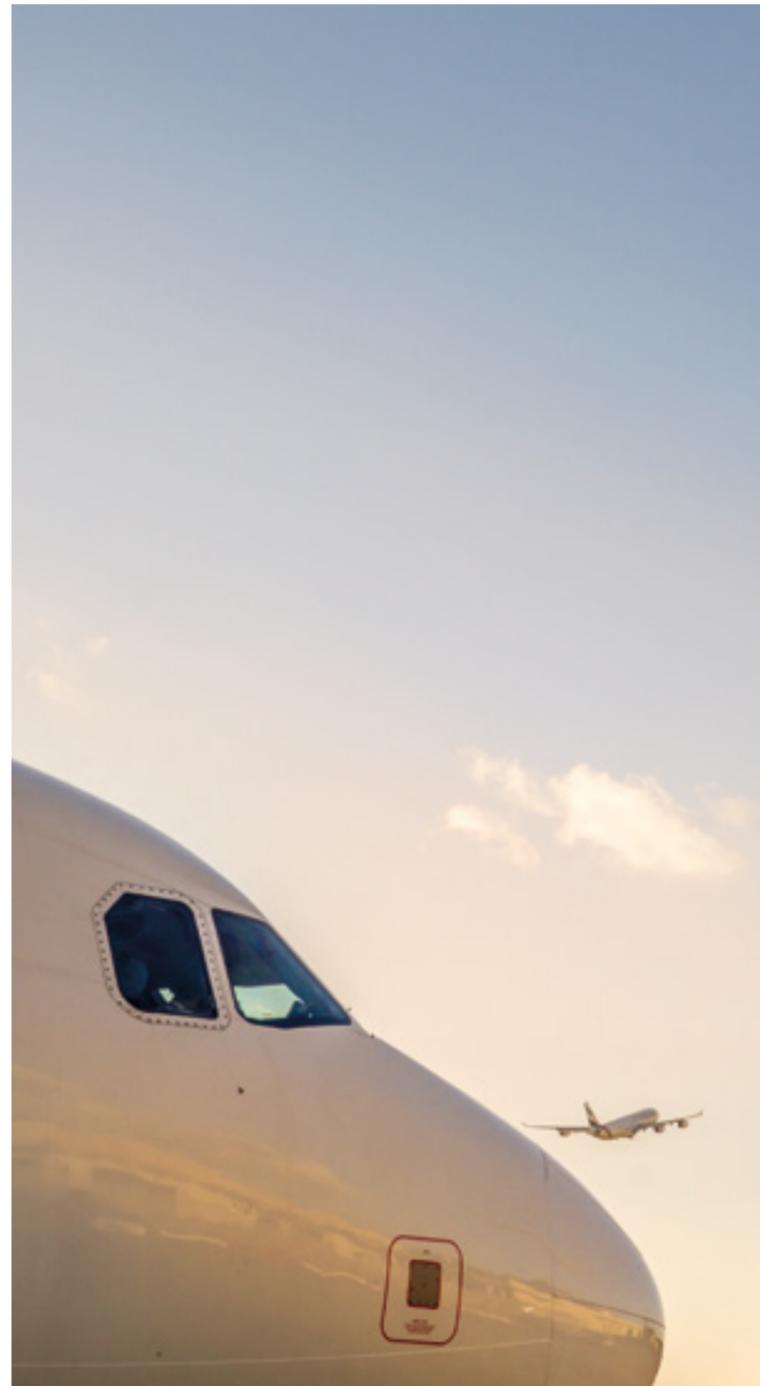
The Company is not aware of any significant fines or non-monetary sanctions imposed on it for non-compliance with laws and regulations.

G4 – SO9 Percentage of new suppliers that were screened using criteria for impacts on society

The Company does not screen new suppliers on their products' impact on society.

G4 – SO11 Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanism

As per our Collective Agreement employees can report grievances through Clause 39 of the Grievances Procedure, with no grievances being reported in the year under review.



G4 – PR1 Percentage of significant product and service categories for which health and safety impacts are assessed for improvement

No product and service categories were assessed with a view to be improved with regards to health and safety in the year under review.

G4 – PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes

There were no incidents of non-compliance in the year under review.

G4 – PR5 Results of surveys measuring customer satisfaction

Presently, customer satisfaction is measured through two main exercises, namely ACI'S Airport Service Quality Survey and the MISCO Information Desk Mystery Shopping, which are carried out on a quarterly basis. Additionally, the Company carries out a Brand Perception survey. **In 2015, 96% of the Maltese public revealed that they are proud of Malta International Airport.**

The ASQ covers a number of areas ranging from airport cleanliness to security to the comfort of the airport's waiting areas. In 2015, Malta International Airport placed second in the European Region Category of the said survey.

The MISCO Mystery Shopping exercise involves visiting the Information Desks within the Check-In Hall and Departure Hall in order to observe and record the customer experience. The exercise analyses the various aspects of the service provided to members, as well as the general atmosphere, presentation, and check-in desks. The results of this exercise for 2015 are tabulated below:

Criteria	Q1*	Q2*	Q3*	Q4*	Total Score
Appearance at Information Desk	1.25	1.25	2	1.3	1.5
Contact with Customer	1.8	1.5	1.5	1.8	1.7
Friendliness of Staff	1.3	1.3	1.4	1.7	1.4
Helpfulness of Staff	1.1	1.2	1.3	1.4	1.3
Overall Impression	1.4	1.5	1.6	1.5	1.5
Feedback from external info. desk visitors (overall service)	1.3	1.4	1.35	1.8	1.5
Security Staff (Screening thoroughness)	N/A	2	1.75	2	1.9

Key: 1 = Very Good, 4 = Very Bad



G4 - PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes

The Company did not have any incidents of non-compliance.

G4 - PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

The Company did not receive any complaints from outside parties or from regulated bodies in relation to breaches of customer privacy and losses of customer data.

G4 - PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

Malta International Airport plc. has not been found in breach of any laws and regulations concerning the provision and use of products and services.



GRI Appendix



Criteria for reporting on select Sustainable Information – 31 December 2015

The following reporting criteria are based on the GRI-G4 sustainability reporting guidelines.

Category	Aspect	Indicator	Description of indicator	Specific	Basis of measurement	Page in report
Economic	Market presence	EC-5	Ratio of standard entry level wage by gender compared to local minimum wage	(1) 2015 entry level salaries (2) 2015 actual lowest paid salary	(1) Information was extracted from the latest available Collective agreement (2013) (2) Information was extracted from the Company's payroll records	21
	Indirect economic impacts	EC-7	Development and impact of infrastructure investments and services supported	€120,000 of airport funds committed to the restoration of Ta' Xutu Tower	Information was based on contractual arrangement	22-23
	Procurement practices	EC-9	Proportion of spending on local suppliers at significant locations of operations	Less than 15% of total supplies are being outsourced to EU and non-EU suppliers	Information was extracted from the Group's purchase ledger, adjusted to include accruals and is inclusive of VAT	24
Environment	Energy	EN-3	Energy consumption within the organisation	(1) Direct energy consumption in Litres (Fuel: Diesel and Petrol) (2) Indirect energy consumption in Kwh (Electricity)	(1) Consumption of fuel purchased was based on supplier invoices (2) Electricity consumption was based on MIA meter readings and supplier invoices (net of metered energy consumption by tenants/airport partners)	25
		EN8	Water withdrawal by source	Water sourced from: (1) Water Services Corporation (2) Ground water (3) Rainwater collection	(1) Water consumption was based on MIA meter readings and supplier invoices (2) Information for ground water extraction was based on third party invoices and meter readings (3) Estimate based on catchment areas and MET office rainfall readings	27
		EN10	Percentage and total volume of water recycled and reused	Rainwater collected/stored for re-use as a percentage of total water withdrawn	Information as per EN-8	28
	Emissions	EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	EN3 scope 1 measurements converted to GHG emissions using standard emission factors for fuels.	Reference Document: Airport Carbon Accreditation Guidance Document; Issue 5: September 2012 published by Airports Council International.	28
		EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	EN3 scope 2 measurements converted to GHG emissions using emission factors provided by the National Utility Provider (Enemalta plc).	Emission factors provided by Enemalta plc for 2015 have been used. It is noted that these Emission Factors are in the process of certification by Enemalta Auditors, prior to official publication	28
		EN21	Other significant air emissions	EN3 scope 2 measurements converted to 'other significant air emissions' using emission factors provided by the National Utility Provider (Enemalta plc).	Emission factors for 'other significant air emissions' for 2015 were not available (expected to be available by end April 2016) and therefore conversion factors for 2014 were applied to calculate emissions for 2015	29

Continued
from page 48

Category	Aspect	Indicator	Description of indicator	Specific	Basis of measurement	Page in report
Environment	Effluents and waste	EN23	Waste management	Waste generated by MIA and its disposal	Information was extracted from documentation provided by third party contractors	30
Social	Employment	LA1	Total number of new employee hire and employee turnover by age, group, gender and region		Information was extracted from the Company's payroll records	33
	Occupational health and safety	LA6	Type of injury and rate of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and gender	(1) Injury rate (2) Lost day rate (3) Absentee rate	(1) Information was extracted from the Occupational Health and Safety report (2) Information was extracted from the MIA's payroll system (3) Information was extracted from the MIA's payroll system	36
	Training and education	LA9	Average hours of training per year per employee by gender, and employee category		Information was based on training records maintained by the Company	36
		LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category		Information was based on records maintained by the Company	37
	Diversity and equal opportunity	LA12	Composition of Governance Bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity		Information was based on terms of reference for each committee and payroll records	38
Equal remuneration for men and women	LA13	Rate of basic salary and remuneration of women to men by employee category, by significant locations of operation		Information was extracted from the Company's payroll records	38-39	

Independent assurance report on the Malta International Airport p.l.c. sustainability report for the year ended 31 December 2015

To the Corporate Responsibility (CR) Committee of the Malta International Airport plc

We have undertaken a limited assurance engagement in respect of the selected sustainability information listed below and identified with a 1 in the Malta International Airport plc ('MIA') sustainability report for the year ended 31 December 2015 ('Sustainability Report 2015') ('Identified Sustainability Information').

Identified Sustainability Information

The Identified Sustainability Information for the year ended 31 December 2015 is summarised below:

- Energy consumption (as identified within EN-3)
- Water consumption (as identified within EN-8 and EN-10)
- Greenhouse gas emissions (Scope 1 and 2) ('GHG') (as identified within EN-15, EN-16, EN-21)
- Waste disposal (as identified within EN-23)
- Certain social indicators primarily related to employee related information (as identified within LA-1, LA-6, LA-9, LA-11, LA-12 and LA-13)
- Ratio of standard entity level wage by gender compared to local minimum wage (EC-5)
- Financial commitment for project undertaken by MIA Foundation as identified in (EC-7)
- Proportion of spending on local suppliers (EC-9)

Our assurance was with respect to the year ended 31 December 2015 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Sustainability Report 2015 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by MIA to prepare the Identified Sustainability Information are set out in the GRI Appendix 'Criteria for reporting on select Sustainable

Information – 31 December 2015' on pages 48 and 49 of the Sustainability Report 2015 and the GRI G4 Guidelines at the Core level (the 'Criteria').

MIA's Responsibility for the Identified Sustainability Information

MIA is responsible for the preparation of the Identified Sustainability Information in accordance with the Criteria, including the GRI G4 Guidelines. This responsibility includes:

- designing, implementing and maintaining internal control relevant to the preparation and presentation of the Identified Sustainability Information that is free from material misstatement, whether due to fraud or error;
- applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances;
- establishing objective criteria for preparing the Identified Sustainability Information;
- application of GRI G4 principles to ensure compliance with GRI G4's Guidelines at the Core level;
- responsibility for the content of the Sustainability Report 2015, including responsibility for determining the Material Aspects (as defined in GRI G4 Guidelines), Indicators (as so defined) and other content of the Sustainability Report 2015; and
- retention of sufficient, appropriate evidence to support the aforementioned.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information', and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of MIA's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the

risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, inspection of documents, evaluating the appropriateness of quantification methods and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Identified Sustainability Information;
- obtained an understanding of the process for collecting and reporting the Identified Sustainability Information.
- performed limited substantive testing on a selective basis of the Identified Sustainability Information to check that data had been appropriately measured, recorded, collated and reported;
- evaluated whether the Company's methods for developing estimates are appropriate and
- considered the presentation of the Identified Sustainability Information.

Our procedures were limited to the Identified Sustainability Information, and we have not performed any procedures in relation to any other GRI G4 disclosures included in the Sustainability Report 2015, including the completeness thereof.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express

a reasonable assurance opinion about whether MIA's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the MIA's Identified Sustainability Information for the year ended December 31, 2015 is not prepared, in all material respects, in accordance with the Criteria.

Restriction of Use

This report, including the conclusion, has been prepared solely for the CR Committee of MIA as a body, to assist them in reporting on MIA's sustainable development performance and activities. We permit the disclosure of this report within the Sustainability Report 2015, to enable the CR Committee to demonstrate that it has discharged its governance responsibilities by commissioning an independent assurance report in connection with the Sustainability Report 2015. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the CR Committee as a body and MIA for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PricewaterhouseCoopers

78 Mill Street
Qormi
Malta



Romina Soler, Partner
11 April 2016