

Corporate Social Responsibility and Sustainability within the Aviation Industry - The Case of Emirates and Ryanair

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Corporate Social Responsibility and Sustainability within the Aviation Industry – The Case of Emirates and Ryanair

Capstone Project

Bachelor of Arts in International Business

John Cabot University

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Table of Contents

<i>List of Tables</i>	3
<i>List of Figures</i>	3
<i>List of Abbreviations</i>	4
<i>Abstract</i>	5
<i>Introduction</i>	6
<i>Literature Review</i>	8
The Aviation Industry, CSR, and Sustainability	9
Corporate Social Responsibility	10
Corporate Ethical Responsibility	11
Corporate Economic Responsibility	12
Corporate Environmental Responsibility	13
The regulatory environment in the aviation industry	15
Stakeholder Management and Competitive Advantage in the Aviation Industry	16
<i>Methodology</i>	<i>19</i>
<i>Findings</i>	<i>22</i>
CSR Practices	22
Environmental Practices	22
Social Practices	29
Environmental Risks and Sustainable Investment	34
Environmental Risks	34
Sustainable Investment Strategies	35
CSR Benefits for Stakeholders	38
Shareholders	38

Employees	38
Customers	41
<i>Discussion</i>	45
<i>Limitations</i>	46
<i>Recommendations for Research and Practice</i>	47
<i>References</i>	48

List of Tables

- Table 1: Social responsibility strategies of selected airlines (Areola & Amurao, 2024)
- Table 2: Ethical responsibility strategies of selected airlines (Areola & Amurao, 2024)
- Table 3: Economic responsibility strategies of selected airlines (Areola & Amurao, 2024)
- Table 4: Environmental responsibility strategies of selected airlines (Areola & Amurao, 2024)
- Table 5: Coding table on the relationship between CSR Practices, environmental risks and sustainable investment, and CSR Benefits
- Table 6: Ryanair's climate goals (Ryanair Sustainability Report, 2024)
- Table 7: Summary of findings on Emirates and Ryanair's CSR practices
- Table 8: Summary of findings on Emirates and Ryanair's environmental risks and sustainable investments
- Table 9 Emirates' workers benefits (Emirates Annual Report, 2024)
- Table 10: Summary of findings on Emirates and Ryanair's stakeholder benefits

List of Figures

- Image 1: Emirates corporate social responsibility & ESG (Emirates Annual Report, 2024)
- Image 2: Sustainable aviation fuel (Ryanair Sustainability Report, 2024)
- Image 3: Ryanair's carbon offsetting fares from FCO to BCN (Ryanair, 2024)

List of Abbreviations

- Convention on International Trade Endangered Species (CITES)
- Carbon Dioxide (CO₂)
- Corporate Social Responsibility (CSR)
- Dubai National Aviation Travel Agency (DNATA)
- Emirates Airline Foundation (EA)
- Environmental Social and Governance (ESG)
- Green Standard Operating Procedures (Green SOPs)
- International Air Transport Association (IATA)
- International Civil Aviation Organisation (ICAO)
- Multinational Enterprise (MNE)
- Non-carbon dioxide (Non-CO₂)
- Nitrous oxide (NO_x)
- Research and Development (R&D)
- Sustainable Aviation Fuel (SAF)
- Sustainable Development Goals (SDGs)
- Sulfuric oxides (SO_x)
- United Arab Emirates (UAE)
- United Nations (UN)
- United Nations Global Compact (UNGC)

Abstract

This paper analyzes the role of CSR in dealing with social and environmental concerns within the aviation industry. The research focuses on how multinational airlines manage the complexity of integrating environmental commitments with economic goals in a sector that contributes considerably to the global emission. Through a qualitative approach based on secondary data from two leading airline companies, i.e., Emirates and Ryanair, we analyzed the MNEs' CSR initiatives in three primary areas: environmental and social practices, environmental risks and sustainable investment, and CSR benefits to the MNEs and their stakeholders. We found that both airlines have made improvements to offset their carbon emissions. However, high investment cost, weak consumer involvement in CSR initiatives, and inconsistencies in the global regulatory frameworks limit the achievement of their sustainability goals. Additionally, stakeholder perspectives on greenwashing, as well as transparency gaps, emphasize the need for stakeholder engagement strategies and effective communication. This paper therefore details the importance of innovative technologies, global regulatory consistency, and effective stakeholder collaboration in developing sustainable CSR practices in the aviation industry.

Keywords: Aviation industry, Competitive advantage, Corporate social responsibility, International Civil Aviation Organization, Low-cost airline, Luxury airline, Stakeholder management, Sustainability.

Introduction

Corporate Social Responsibility (CSR) initiatives are being increasingly embraced by multinational corporations to address pressing social, economic, and environmental challenges. CSR demonstrates responsible leadership behavior through fostering ethical practices that include social, economic, and environmental concerns into business strategies (Abubakar et al., 2022; Carroll and Brown, 2018). Beyond its immediate impact on society, CSR has a lasting effect on organizations, positively impacting stakeholders' perceptions and influencing business performance (Bari et al., 2022). Through CSR initiatives, organizations contribute positively to society, operational ecosystems, and the environment. For global companies, especially those in industries with high environmental footprints, CSR represents a strategic necessity and an ethical responsibility. In addition, effective CSR initiatives not only reduce risk, but also increase brand reputation and build stronger relationships with important stakeholders, which include investors, employees and consumers. CSR is a strategy that provides support to companies in coping with their responsibility in the matter of four dimensions: economic, legal, ethical, and philanthropic (Vintro et al., 2021). Strategic CSR aims to align company's mission and vision, and key outcomes with society and stakeholders' expectations. Balancing the expectations of multiple stakeholders is a crucial challenge for multinational corporations. Stakeholders are looking for tangible outcomes, equity, and especially transparency regarding social inequalities and environmental degradation. Furthermore, companies are seeking to integrate CSR into their business model to adhere to global frameworks such as the Sustainable Development Goals (SDGs) of the United Nations (UN).

Despite the widespread discussion of CSR in research and practice, there is a gap between the existing policies and their implementation, in particular in industries such as the aviation, one that has complex operations. Therefore, knowledge on the implementation of

social and environmental practices in the aviation industry can help us understand the effectiveness of regulatory policies and reveal where policy actions could be needed.

Our study aims to analyze the effectiveness of CSR practices in luxury and low-cost airlines and its direct effects to the business and stakeholders. We conduct a qualitative study on two major multinational players in the airline industry, i.e., Emirates and Ryanair. With a comparative case analysis, we can investigate how companies within the same industry are handling CSR issues related to the environment and sustainability, considering that it is now a pressing topic for all industries globally. Thereby, we look at the international or national regulations of the aviation industry, and the resulting investment initiatives for CSR and sustainability practices that the airlines make based on customer segmentation and priorities. Furthermore, we explore the benefits of the CSR initiatives of these two airline industries for their stakeholders, including shareholders, employees, and customers.

We find that looking at the differences in CSR strategies by luxury and low-cost airlines can be beneficial for potential investors who might be considering investing in either a luxury airline, focusing on high-end clients with executive service, or low-cost airline, which focuses on low fares offers to its customers. Additionally, employees who want to work in a sustainable workplace culture can look at this study findings to understand which airline segment would be a better fit for a possible future employment or career advancement. Overall, our study highlights the importance of coping with CSR and sustainability for enterprises in order to survive as a business and remain competitive in the long run.

Literature Review

CSR has become increasingly recognized as a crucial business strategy by companies, helping them build sustainable relationships with their stakeholders, differentiate themselves from competitors, and develop their competitive advantage (Bona-Sánchez & Sorsa, 2024). Effective CSR practices have been connected to positive outcomes such as improved brand image, trust, customer satisfaction and reputation (Lee et al., 2012). CSR is a self-regulating business model that aids companies fulfil their social responsibilities to the public, stakeholders, and itself. Companies that engage in CSR are aware of their impacts on the social, economic, and environmental aspect of society (Rodriguez-Gomez et al., 2020). In addition, a company practicing CSR makes a deliberate effort to operate in a way that benefit society and the environment (Bona-Sánchez & Sorsa, 2024).

CSR has the potential to enhance society while also helping companies develop a positive image. Customers are more likely to have a positive attitude toward a business that supports its clients and community (Rodriguez-Gomez et al., 2020). Employees who believe in their company are more inclined to remain loyal, which reduces turnover, minimizes hiring cost, and workplace dissatisfaction (Lee et al., 2012). CSR practices assist businesses to reduce risk by avoiding challenging situations for all stakeholders. For instance, for employees, social practices focus on diversity and inclusion. Whereas, for investors, the firm focuses on avoiding environmental neglect, unethical use of corporate funds, and activities that could result in legal repercussions (Rodriguez-Gomez et al., 2020). Since consumers are more inclined to associate themselves with companies they perceive as ethical, many corporations view CSR as an essential component of their brand image (Bona-Sánchez & Sorsa, 2024). Moreover, customers are more likely to remain loyal and increase their spending as they feel that the business is addressing social causes (Bona-Sánchez & Sorsa, 2024). Focusing on CSR initiatives to improve operational efficiency leads to cost reduction

and decreased negative impact on the environment (Lee et al., 2012). Additionally, CSR has been known to support organizations to retain both elite and skilled employees, secure funding, and simplify compliance with regulations (Rodriguez-Gomez et al., 2020).

The Aviation Industry, CSR, and Sustainability

The aviation industry contributes 2.5% to the world's carbon emissions (Ritchie & Roser, 2024). With the rise of families' income, the demand for domestic and international flight has increased significantly. Every airline's aircraft emits a range of greenhouse gas emissions through the different stages of the flight. As the aircraft is at a higher level from the ground, it emits directly its gasses into the atmosphere compared to gases emitted from ground level (Civil Aviation Authority, 2024). Indeed, research warns that greenhouse gases contribute to climate change. As most aircrafts use fossil fuels in their engine, carbon dioxide (CO₂) emissions is generated from the burning fuel during the flight cycle time, which consequently plays a key role in climate change (Civil Aviation Authority, 2024). Indeed, after Covid-19 the level of CO₂ emissions decreased significantly from 625.1 MMT in 2019 to 298.7 MMT in 2020, but it increased again to 491.6 MMT in 2023 (Statista & Tiseo, 2024).

The challenge for the aviation industry is to find sustainable practices to reduce their environmental impact globally. It is important for airlines to have efficient CSR practices because they play as a key business strategy to enable the organization to strengthen its competitive advantage, set themselves from their competitors, and have a long-term relationship with their stakeholders. Therefore, having a strategic CSR plan gives sustainable growth and long-term operations to the airline company. Indeed, effective CSR practices must meet stakeholders' expectations including shareholders, employees, and customers. For shareholders, the airline must work on fulfilling the best interest of the board of directors and investors for increasing the market share value (Areola & Amurao, 2024). Since the environment is a major challenge for the aviation industry, it is important to focus on

environmental CSR applications. For employees, the airline must work on the ethical practices for non-discrimination and equality of all employees. Moreover, the company must focus on the need to educate its staff on the importance of CO2 reduction to adapt to environmentally friendly practices. For customers, the airline must act by providing financial assistance to projects for making its consumers aware of their environmental practices. This might bring to a higher cost of flight tickets, but the firm must organize business strategies to retain its customer base and reputation high. Finally, the airline must work on its environmental consciousness to stimulate all its stakeholders to work on environmental actions for decreasing CO2 footprints (Areola & Amurao, 2024). In this context, CSR practices of airlines are highly relevant as they promise to achieve social, ethical, economic, and environmental goals.

Corporate Social Responsibility

The social activities include educational programs, health support, contribution to charities, and support to beautification activities aiming to improve society through donation, charities and non-profit organizations which have the same mission as the airline. Airlines should include employees in these activities to maximize their potential. CSR benefits employees by improving employee morale, satisfaction, and workplace engagement (Areola & Amurao, 2024). Indeed, the benefit of social activities include educational assistance for career advancement, scholarship grants for employees pursuing a career in the aviation, fostering confidence within the company and long-term commitment to make positive impact activities (Areola & Amurao, 2024). Table 1. highlights the primary social responsibility strategies contributing positively to community and society growth.

Social Responsibility Strategies of Selected Airlines	
<ul style="list-style-type: none"> Scholarship grants on travel, aviation, and custom management-related courses to deserving employees 	<ul style="list-style-type: none"> Financial support to projects initiated by its stakeholders
<ul style="list-style-type: none"> Build partnerships with higher education institution offering travel, aviation, etc. to help fill in the gap between the academe and workplace 	<ul style="list-style-type: none"> Portion of profits donated to charities and victims of natural calamities and disasters
<ul style="list-style-type: none"> Employees are involved in the crafting of the social agenda of the company 	<ul style="list-style-type: none"> Implementation of social activities of the company are evaluated by its beneficiaries
<ul style="list-style-type: none"> Educational assistance to employees who seek career advances 	<ul style="list-style-type: none"> Funding for community beautification projects

Table 1: Social responsibility strategies of selected airlines (Source: Areola & Amurao, 2024).

Corporate Ethical Responsibility

Ethical responsibility practices include timely and professional communication of operational issues to investors, engaging employees in decision making, and ensuring transparency with stakeholders (Areola & Amurao, 2024). Airlines prioritize fair and just compensation, encouragement of employee participation in ethical decisions, and application of ethics in fair trade. Restricting employment discrimination, particularly regarding gender adhere, and complying with minimum wages law is highlighted as the best ethical practice (Areola & Amurao, 2024). All these actions demonstrate the effort towards enhancing a higher ethical standard in the airline industry. The airline company’s ethical manual of operation is used

constantly as a reference for practices (Areola & Amurao, 2024). Table 2. illustrates the ethical responsibility strategies, adopted by selected airlines focusing on preserving high ethical standards, transparency and fairness in their operations.

Ethical Responsibility Strategies of Selected Airlines	
<ul style="list-style-type: none"> • Uphold human rights practices in its operation 	<ul style="list-style-type: none"> • Employees are involved in the planning of the Ethical Manual of Operation
<ul style="list-style-type: none"> • Uphold fair treatment across all types of passengers and employees regardless of age, race, culture or sexual orientation. 	<ul style="list-style-type: none"> • Uphold the ethics in fair trade practices
<ul style="list-style-type: none"> • Uphold the principle of gender and development and ensure compliance with minimum wages 	<ul style="list-style-type: none"> • Disclose operation concerns to inventors in a timely and respectful manner

Table 2: Ethical responsibility strategies of selected airlines (Source: Areola & Amurao, 2024)

Corporate Economic Responsibility

Economic activities include improving the company’s operations while engaging in sustainable practices and introducing a new production process to reduce waste. The economic responsibility focuses on all financial decisions on the commitment of maximizing the outer good of the business operations in the long run (Areola & Amurao, 2024). Benefits of economic activities include increase in financial stability, improvement of operational efficiency by saving costs and higher profits, and strong competitive advantage. Airlines must target their financial decisions on optimizing their resources and mitigating their financial risk to work on the best interest of their stakeholders (Areola & Amurao, 2024). Table 3.

provides an overview of the economic responsibility strategies used by airlines to guarantee long-term sustainability, resources optimization, and financial stability.

Economic Responsibility Strategies of Selected Airlines	
<ul style="list-style-type: none"> • Implementation and evaluation of financial management strategies 	<ul style="list-style-type: none"> • Cost allocation for promotion and rewards for employee’s performance/s
<ul style="list-style-type: none"> • Support of employees and clientele needs 	<ul style="list-style-type: none"> • Expenditure on training and development of employees
<ul style="list-style-type: none"> • Financial management measures are applied when financial constraints occur 	<ul style="list-style-type: none"> • Recruitment of different types of talent to ensure a diverse workforce
<ul style="list-style-type: none"> • R&D expenditures 	<ul style="list-style-type: none"> • Review and improvement of the complaint response system

Table 3: Economic responsibility strategies of selected airlines (Source: Areola & Amurao, 2024)

Corporate Environmental Responsibility

The environmental responsibility of airlines covers initiatives to reduce carbon footprint and promote sustainability. These include waste segregation is the most practiced by companies to reduce environmental impact followed by the reduction of water and energy consumptions, life cycle analysis of products, etc. (Areola & Amurao, 2024). Airlines are also participating in environmental initiatives such as tree planting, recycling, clean-up activities and employing eco-friendly packaging. Moreover, airlines are monitoring CO2 emission levels, taking different actions to lower their carbon footprint such as optimizing flight routes, investing in fuel-efficient aircraft and exploring Sustainable Aviation Fuels (SAFs) (Areola & Amurao, 2024). Some companies have developed noise action plans to reduce the impact of aircraft noise on local communities and are actively supporting environmental care initiatives.

Sustainability has been included into overall operational goals of many companies that recognize the critical nature of sustainability to their future (Areola & Amurao, 2024).

However, the data reveals that though airlines are making strides towards better

environmental responsibility practices, there is still room for improvement. Table 4.

highlights airlines' dedication to reducing carbon footprint and promoting sustainability.

Environmental Responsibility Strategies of Selected Airlines	
<ul style="list-style-type: none"> • Environmental commitment is stipulated in its operational objectives 	<ul style="list-style-type: none"> • Partnership with companies engaged in recycling waste materials
<ul style="list-style-type: none"> • Environmental projects such as tree planting, recycling, clean-up drive, using eco-friendly food packaging/utensils, etc. 	<ul style="list-style-type: none"> • Implementation of action plans to reduce waste sent to landfill
<ul style="list-style-type: none"> • Monitor the Carbon Dioxide emission level annually 	<ul style="list-style-type: none"> • Provisions for refilling drinking water to reduce plastic waste
<ul style="list-style-type: none"> • Reduces carbon footprint by using renewable sources such as Sustainable Aviation Fuel (SAF) 	<ul style="list-style-type: none"> • Implementation of noise action plans to minimize the impact of aircraft noise on local communities
<ul style="list-style-type: none"> • Adopt energy efficiency programs to save energy 	<ul style="list-style-type: none"> • Extend invaluable support to local communities for environmental care
<ul style="list-style-type: none"> • Environmental projects are evaluated by the implementers of the airline company 	<ul style="list-style-type: none"> • Environmental protections are placed in visible areas

Table 4: Environmental responsibility strategies of selected airlines (Source: Areola & Amurao, 2024)

The regulatory environment in the aviation industry

The International Civil Aviation Organization (ICAO) is an entity that regulates the national and international regulation for the aviation industry. Moreover, together with Member States, they are developing a State Action Plan to reduce CO₂ emissions from international aviation fleets. The State Action Plan serves countries to regulate their emissions for national and international flights and to work with its stakeholders to have long-term environmental growth complying with ICAO's targets (ICAO, 2017). ICAO's goal is to ensure security and sustainability for the international aviation, complying to 14 out of 17 of the UN SDGs (ICAO, 2017). These include Zero Hunger (SDG 2), Good Health and Well-being (SDG 3), Quality Education (SDG 4), Gender Equality (5), Affordable and Clean Energy (7), Decent Work and Economic Growth (8), Industry, Innovation and Infrastructure (9), Reduced Inequalities (10), Sustainable Cities and Communities (11), Responsible Consumption and Production (12), Climate Action (13), Life on Land (15), Peace, Justice, and Strong Institutions (16), and Partnerships for The Goals (17).

ICAO is responsible for setting standards for airlines in relation to operational measures such as departure and landing, aircraft noise and engine emissions. The International Aviation sector is aspiring to improve its fuel efficiency by 2% every year from 2020 (ICAO, 2017).

ICAO includes three goals within its environmental protection area:

- limit or reduce the number of people affected by significant aircraft noise,
- limit or reduce the impact of aviation emissions on local air quality, and
- limit or reduce the impact of aviation greenhouse gas emissions on the global climate.

Additionally, it is responsible for setting the environmental policy that all airlines must comply to, which goal is to achieve a sustainable aviation system and to contribute to socio-economic issues. This policy's objectives include the reduction of international CO₂ emissions, improve air quality, and build environmental capacity; in order to achieve these

objectives each country must adhere to the State Action Plan and ICAO's regulation by adjusting their own environmental policy and, if needed, implement policies that give environmental benefits (ICAO, 2017). Civil aviation authorities must work with international, national, and local partners and stakeholders to align environmental policy objectives and implement policies that produce environmental benefits. Overall, the aviation industry contributes to the environmental issue due to the CO2 emissions produced by aircrafts when flying and parked at gates; moreover, suggested solutions are the implementation of advanced technology, the improvement of operational procedures, and the development of Sustainable Aviation Fuel (SAF) (ICAO, 2017). The ICAO regulations and airline's CSR activities are setting the standards for airlines to be socially responsible towards the society and environment.

Stakeholder Management and Competitive Advantage in the Aviation Industry

CSR initiatives primarily benefit shareholders by reducing risk and generating financial gains. By adopting CSR practices, such as implementing transparency in governance, sustainable operations, and ethical management, airline companies build shareholder trust, which improves share value and equality (Bona-Sanchez & Sorsa, 2024). Furthermore, CSR policies that emphasize sustainability may increase financial gains of airline companies and attract prospective investors. By integrating CSR activities into financial strategy, aviation companies guarantee long-term development, stability and competitiveness, which is essential to keeping and extending their shareholder's base (Ferah, 2024). Financial strategies that fit with CSR goals, such as investment in greener technology of efficient operational models, increase shareholder value. These techniques improve profitability and dividends, which increase shareholder loyalty (Bona-Sanchez & Sorsa, 2024). Empirical research demonstrates that organizations with strong Environmental, Social and Governance (ESG) integration have lower cost of capital and higher financial performance, making them

appealing to the investors (Bona-Sanchez & Sorsa, 2024; Yildiz et al., 2024). In addition to the shareholders, employees represent another important stakeholder group for companies. They must be included in CSR practices as they are fundamental for developing a sustainable competitive advantage in the aviation industry. CSR activities that support a sustainable workplace culture, such as involvement in decision making, diversity, fair compensation and equal career advancement opportunities positively impact morale, loyalty, and productivity which have been shown to enhance workplace satisfaction and operational efficiency (PACE Academy, 2024). Inclusive policies provide an environment of engagement and trust, motivating employees to contribute to the company's goals (Yildiz, 2024). This engagement not only increases workplace satisfaction but also promotes operational efficiency and loyalty. Career growth opportunities and non-discriminatory policies enhance loyal workforce, decreasing turnover, and increasing productivity (Bona-Sanchez & Sorsa, 2024). Companies that have well implemented CSR strategies have stronger employee engagement, which contribute directly to a competitive advantage and operational excellence (Ferah, 2024; Yildiz, 2024). The aviation industry enhances their position as the industry's chosen employers by prioritizing employee welfare and guaranteeing their sustainable operations. Finally, also consumers play a key role in shaping CSR strategies, as their demand push organizations to adopt more sustainable procedures. For instance, airlines have implemented good advertising campaigns, environmental programs to offer eco-friendly flights, and loyalty programs to its consumers (Areola & Amurao, 2024). Moreover, consumers indicated that honesty and customer engagement are becoming top priorities. This entails good consumer-business relationship, sustainable flights, and rewards from loyalty programs, which give good deals on flights for customers (Areola & Amurao, 2024). Indeed, airlines are implementing environmental practices, which most stakeholders benefit of. Through its CSR practices, airlines can benefit from increasing brand image and good reputation, which makes

a healthy company with a competitive advantage to its competitors (Areola & Amurao, 2024). Overall, the consumers are among the major stakeholders driving CSR initiatives in the airline industry. Incorporating sustainability into operations not only fulfills regulatory requirements but improves consumer loyalty and competitive advantage (Undavalli, 2023) which can be further improved through effective communication of environmental policies (Areola & Amurao, 2024). Summarizing, implementing a strategic approach to CSR and sustainability in the business model, such as aligning corporate objectives with global sustainability goals, investing in SAF, implementing eco-friendly technologies, and fostering robust stakeholder communication (Singh, 2023; Spasojevic, 2019) will help airlines to thrive in a time of increased social and environmental awareness.

Methodology

Our study applies a qualitative research design with a comparative case study (Yin, 2009) to explore the CSR activities in the aviation industry with a focus on stakeholder management and competitive advantage. We purposely selected two major leaders in the airline industry that serve different customer segments, i.e., the Emirates and Ryanair. These airlines cater two distinct customer segments with their business models. Emirates has a reputation for vast destinations, long-distance flights, and differentiated services for high-end luxury customers. On the other hand, Ryanair as a low-cost airline offers cheap flights with little additional services and frills to cost-conscious customers. The qualitative research approach enables us to investigate the components of the distinct business models of these airlines companies and how they tailor CSR practices to different stakeholder needs.

Emirates

Emirates is the largest airline company in the Middle East founded in 1985. It is headquartered in Garhoud, Dubai, United Arab Emirates (UAE) and owned by the government of Dubai's investment corporation. The airline operates in more than 151 destinations in 79 countries owning a total of 559 fleets as of March 2024. It accounts for a total of 112,406 employees from over 170 nationalities in 2024. Emirates is recognized as "The Best Airline in the World" at the ULLTRAs 2024 awards on 11th November (Times Aerospace, 2024). The airline is considered to have the best premium economy and first class, and offer the best amenities, gourmet cuisine, and award-winning in-flight entertainment system to its customers (Emirates, 2024).

Ryanair

Ryanair ranks 10th in the top 10 low-cost worldwide airline 2024 (World Airline Awards, 2024). Held by the Ryanair Holdings PLC, it was founded in 1984 and is headquartered in Swords, Dublin, Ireland. The airline operates more than 3,500 flights every day from over

235 airports in 37 countries, owning a total of 584 aircrafts (Ryanair, 2024). The company accounts for a total of 27.076 employees in 2024. Known as an ultra-low-cost carrier, Ryanair is known for its low flight fares.

Data Collection and Coding

Based on the analysis of the literature, we identified major themes reflecting our research questions, which are CSR Practices, Environmental Risks and Sustainable Investment, and CSR Benefits. In October 2024, we conducted an online interview with Alfredo Cuzzupoli, senior manager at EY and industry expert on sustainable and digital transformation, to verify the validity of our concepts. Finally, we incorporated the validated themes in a coding table, distinguishing between main codes and sub-codes. Table 5. summarizes our coding table.

We collected data mainly from secondary sources, such as case studies in the aviation industries, web-based articles, company websites and reports, and publicly available statistics databases. We analysed the multiple data sources according to the codes and sub codes. New information found which was not initially included in the original coding table was mentioned separately. Table 5 displays our coding scheme for the analysis of our data.

Code Family	Main Code	Sub-code	
CSR Practices	<i>Environmental</i>	ICAO Regulations: Environmental Goals	limit or reduce the number of people affected by significant aircraft noise limit or reduce the impact of aviation emissions on local air quality limit or reduce the impact of aviation greenhouse gas emissions on the global climate
		CO2 emission Carbon emission Sustainability Aviation Fuel (SAF) Recycled Materials Participation in Environmental Initiatives	
	<i>Social</i>	Educational programs Support to Beautification activities	
Environmental Risks and Sustainable Investment	<i>Environmental Risk</i>	Financial Risk Operations Management	
	<i>Sustainable Investment Strategies</i>	New Fleets Partnerships	
CSR Benefits	<i>Stakeholders</i>	Shareholders	Financial Profits Remuneration & Dividends
		Employee	Career advancement Job satisfaction Positive corporate culture Engagement within the airline company
		Customers	Ticket price Sustainable flights Carbon offsetting program

Table 5: Coding scheme on the concepts of CSR practices, environmental risks and sustainable investment, and CSR Benefits

Findings

CSR Practices

Environmental Practices

Emirates

ICAO Policies

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is established by ICAO in 2016. As the UAE is included as a Members State that implements this scheme, Emirates commits to stabilize the international level of emissions to 2019 levels by providing additional incentives for the introduction of sustainable and low carbon fuels (Emirates Annual Report, 2024). Emirates's goal is to reduce its operation's environmental impact while supporting a global transition to a low-carbon economy across the aviation industry. In addition to ICAO, Emirates supports multiple range of sector-led environmental groups that aims to achieve net-zero carbon emissions by 2050 in the aviation industry. The environmental groups include International Air Transport Association (IATA), International Civil Aviation Organization (ICAO) Committee on Aviation, United Nations Global Compact (UNGC), Climate Action Taskforce and more (Emirates Annual Report, 2024). Emirates has key suppliers including aircraft and engine manufactures, fuel suppliers, catering, and on-board service equipment, and waste management contractors to adhere the CORSIA. To ensure its environmental sustainability strategies, Emirates has internal committees and working groups that support these goals.

Emirates has been reporting its environmental, social and governance (ESG) impacts for years. Indeed, the airline covers 14 out of 17 ESG dimensions in its framework. It includes the planet, people communities and customers, and business sections, for which

Emirates organises initiatives. Image 1. shows Emirates' CSR activities and the respective ESG dimensions covered (Emirates Annual Report, 2024).

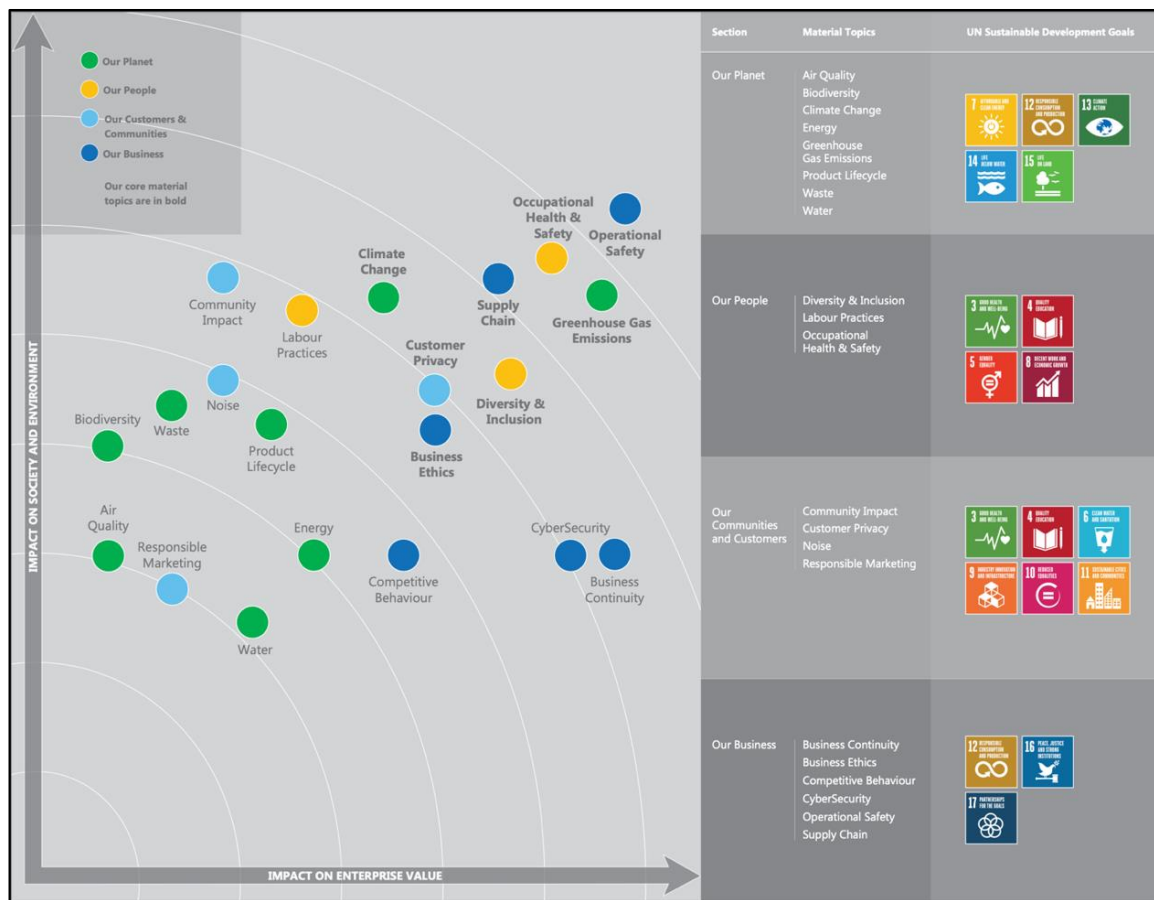


Image 1: Emirates corporate social responsibility & ESG (Source: Emirates Annual Report, 2024)

Emirates Group Environmental Sustainability Framework includes three strategy pillars of reducing emissions, consuming responsibly, and preserving wildlife and habitats.

Reducing Emissions

First, Emirates aims at reducing its carbon footprint emissions through comprehensive policies and activities. Therefore, Emirates engages in different activities to reduce its emissions. The airline explores solutions to replace energy sources with lower carbon alternatives. For instance, Emirates use renewable energy in Dubai National Aviation Travel Agency (DNATA) facilities and offices to avoid consuming fossil-fuel electricity (Emirates

Annual Report, 2024). In addition, the implementation of operating initiatives includes Green Standard Operating Procedures (Green SOPs) executed by Emirates' pilots. This approach involves education, awareness, data analytics and technology supervised by the Operations Efficiency Steering Group that ensures the reduction of unnecessary fuel burn and emissions while maintaining safety standards. Green SOPs reduced fuel by more than 48,000 tonnes and carbon emissions by over 151,000 tonnes (Emirates Annual Report, 2024). DNATA is highly important for Emirates because it handles all the operational activities of the air travel industry including vehicle Tracking Management system, which monitors fuel consumption across the fleet and ground support equipment, optimization of shifts and parking slots to avoid excessive fuel burn, and KPIs for environmental management system (Emirates Annual Report, 2024).

Waste Management and Consuming Responsibly

Second, Emirates commits to use responsibly its resources. The airline focuses on having partnership with ethical suppliers who have to adhere to the Supplier Code of Conduct and share their approach to sustainable practices (Emirates Annual Report, 2024). Indeed, a sustainable supply chain with responsible sourcing and sustainable inflight services is what they want to achieve. Minimizing waste throughout operations through standards for environmental stewardship is part of their commitments. The minimization of waste starts from commercial and residential facilities in order to reduce airside waste by using recycle materials (Emirates Annual Report, 2024). Finally, Emirates sets in-flight initiatives to be sustainable; this includes the recycling of plastic, in-flight materials, amenities, and toy bags from alternative materials. In June 2023, Emirates recycled millions of in-flight materials such as plastic trays, bowls, ready-to-use Emirates meal service products (Emirates Annual Report, 2024).

Natural Environment and Wildlife Preservation

Emirates aims to minimize its environmental impact to safeguard wildlife and habitats for future generations through sustainable practices and advocate for conservation efforts (Emirates Annual Report, 2024). The airline aims to conserve habitats by supporting the sustainable ecosystem. Also, Emirates aims at protecting wildlife through a zero-tolerance policy on carrying banned species and any product associated with illegal wildlife activities on their fleets. Indeed, the airline supports the Convention on International Trade Endangered Species of Wild Fauna and Flora (CITES) protocols together with other Emirate entities such as the UAE Ministry of Climate Change and Environment to ensure the protection of wildlife (Emirates Annual Report, 2024). All Emirates' employees including cabin crew, airport service staff, and security is trained on wildlife awareness for both cargo and passengers. More than 30,000 employees have the skill to identify signs of wildlife trafficking in cargo and passenger operations (Emirates Annual Report, 2024).

Ryanair

ICAO Policies

Ryanair, one of the biggest low-cost airlines in Europe, is regulated by an extensive variety of international aviation laws that guarantee operational standards, safety, environmental sustainability, and security (Ryanair Sustainability Report, 2024). Ryanair agrees with the ICAO's Annexes, such as Annex 6 (Operation of Aircraft), which establishes operating procedures, maintenance standards, and flight crew certifications, and Annex 8 (Airworthiness of Aircraft), which calls for strict adherence to safety regulations for aircraft (Ryanair Sustainability Report, 2024). Ryanair demonstrates its commitment to environmental responsibility by taking part of ICAO's CORSIA, which aims to keep aviation-related carbon emissions within 2019 levels (Ryanair Sustainability Report, 2024). Ryanair's investments in fuel-efficient aircraft and SAF highlight the airline's commitment to attaining

net-zero emissions by 2050, which is in line with ICAO's sustainability targets (Ryanair Sustainability Report, 2024). Ryanair also employs strong security procedures in accordance with ICAO's Annex 17 (Security), which addresses hazards such as passenger identification, baggage screening, and the prevention of unauthorized interference (Ryanair Sustainability Report, 2024). The foundation of Ryanair's regulatory framework is made up of these ICAO rules as well as adherence to other organizations like EASA and IATA. These principles support the airline's dedication to environmental stewardship and operational excellence.

Ryanair is committed to ensuring that its activities comply with global initiatives to mitigate the impacts of climate change; indeed, it plays a significant role in helping to shape the future of sustainable aviation (Ryanair Sustainability Report, 2024). Ryanair has a long-term goal, known as “Pathway to Net Zero¹” which aims to achieve net zero emissions by 2050. Ryanair’s Pathway to Net Zero aligns with a transition to a 1.5°C world scenario (global average temperature is limited to 1.5°C above pre-industrial levels) to cover Scope 1, 2 and 3 emissions. Ryanair has established short-term carbon intensity goals to ensure progress toward our net zero goal is on track. The airline’s path demonstrates that decarbonization and compliance to EU climate goals are achievable. Table 6. lists Ryanair’s climate goals which are part of the airline’s strategy to minimize emissions, agreement to international requirements, and assistance to the industry-wide initiatives to create a low-carbon economy.

¹ Net zero, refers to the idea of balance the absorption and emission of carbon in the atmosphere, according to the Climate Disclosure Project (“CDP”). Companies and nations must become net-zero in order to prevent catastrophic climate change.

Goals	Description
Efficiency	Highest standards of fuel efficiency (Ryanair's SOPs)
Fuel	Work with suppliers to increase SAF with industry-leading SAF goals >10% by 2030
Regulation	Work with policy makers to develop smarter regulations to support ambitious climate targets
Reduction	Prioritize carbon reduction over carbon offsetting
Insights	Work with industry to share insights that helps achieve ambitious climate goals

Table 6: Ryanair's climate goals (Source: Ryanair Sustainability Report, 2024)

Additionally, the following environmental goals are included in Ryanair's Pathway to Net Zero: -26% CO2 intensity by 2031, 12.5% SAF use by 2030, scope 2 absolute emissions reduction of 35% by 2030, and none-fuel scope 3 absolute emissions reduction of 50% by 2030.

Sustainable Aviation Fuel, Climate Change Adaptation & Mitigation

SAF is a non-conventional and sustainable alternative for traditional aviation fuel. According to Ryanair, using SAF is the most practical and efficient way for aviation to cut emissions in the coming decades (Ryanair Sustainability Report, 2024). In accordance with the requirements of the blending mandate as well as bilateral agreements with suppliers, the Group will keep using SAF more (Ryanair Sustainability Report, 2024). Moreover, both CO2 and non-carbon dioxide ("non-CO2") emissions are part of aviation's overall climate impact. Nitrous oxide ("NOx") emissions and the development of persistent contrails are the main sources of non-CO2 emission consequences (Ryanair Sustainability Report, 2024). Other non-CO2 consequences of flying include water vapor, soot, aerosols, and sulfur oxides (or

"SO_x"). There is still much to learn about the effects of non-CO₂ effects. However, Ryanair believes that in order to lower the current degree of uncertainty, it is critical that the research behind aviation's non-CO₂ warming effects should be improved (Ryanair Sustainability Report, 2024). Indeed, Ryanair will participate in the European Commission's Aviation Non-CO₂ Emissions Monitoring, Reporting, and Verification ("MRV") program, which requires airlines to disclose the non-CO₂ emissions of every flight (Ryanair Sustainability Report, 2024). Also, Ryanair declared in 2024 that it would expand its study of aviation's non-CO₂ emissions at Trinity College Dublin's Ryanair Sustainable Aviation Research Centre. The goal of the study is to comprehend and create contrail formation prediction tools as well as an internationally accepted methodology that backs up NO_x, SO_x, and soot particle predictions (Ryanair Sustainability Report, 2024). Finally, Ryanair will work with energy suppliers to acquire certified renewable energy in the quantities required to satisfy the airline's Scope 2 emissions targeting the time of contract renewal, if suitable and financially feasible (Ryanair Sustainability Report, 2024).

Ryanair Sustainable Aviation Research Centre

Trinity College Dublin and Ryanair Company teamed on implementing several innovative initiatives to increase the use of SAF. They will accomplish their objective of using SAF to power 12.5% of their flights by 2030 by hiring top-tier researchers (Trinity College Dublin, 2024). Image 2. shows SAF industry activities.



Image 2: Sustainable aviation fuel (Source: Ryanair Sustainability Report, 2024)

Sustainable Aviation Industry reduces global warming by preventing the production of additional carbon emissions from fossil fuels. SAF is made from sustainable sources like as biological waste oils, agricultural wastes, or non-fossil CO₂ instead of petroleum refinement. Up to 80% of greenhouse gas emissions can be reduced with SAF.

Social Practices

Emirates

The Emirates Airline Foundation (EA) is a non-profit charity organization dedicated to enhancing the lives of children who are the most in need (Emirates Airline Foundation, 2023). The foundation is based on the idea that every child should have access to a safe home, healthcare, and education (Emirates Airline Foundation, 2023). The EA Foundation has provided support to more than 50 initiatives and Non-Governmental Organizations around the world since 2003, extending from Bangladesh and Africa to the United Arab Emirates (Emirates Airline Foundation, 2023). This has been able to provide experienced volunteers to areas that need them most, build schools, run medical programs, and improve the quality of food, water, and housing due to the generous donations of Emirates consumers (Emirates Airline Foundation, 2023).

- 97 % of donation goes directly to funding projects
- 9 % Currently projects supported
- 14 % Countries where the foundation is making a difference
- 40 % NGOs receiving support for humanitarian missions

The foundation offers social assistance and services for children with minimum level of administrative costs, under the patronage of his highness Sheik Ahmed bin Saeed Al Maktoum, Chairman & Chief Executive, Emirates Airline & Group (Emirates Airline Foundation, 2023). The foundations aim to assist children in extreme poverty and disadvantaged children with full potential by providing help with food, health, housing, and education (Emirates Airline Foundation, 2023). Over 700,000 people in remote areas of Bangladesh have received essential medical care from our well-equipped hospital ship during the past 10 years (Emirates Airline Foundation, 2023). Moreover, Emirates collaborated with UK-based specialized service providers for offering a Safe Centre for Autism in Dubai with specialized rooms and an enhanced therapy environment for children struggling with complex learning difficulties. In addition, more than 4200 girls are currently taking part in IMPACT's educational programs, which are located throughout more than 1100 villages across 11 Indian states (Emirates Airline Foundation, 2023). Through this collaboration, girls from economically and socially underprivileged communities in India will have access to more educational opportunities. The goal is to empower girls through education in the most isolated and rural regions of India, which will improve the lives of women, families, and entire communities (Emirates Airline Foundation, 2023). Finally, the Virlanie Foundation was established by a social worker named Dominique Lemay in 1992. Providing underprivileged children and young adults attentions, support and homes in the Philippines to build special protection, care, and a better future. The Emirates Airline Foundation has

supported the foundation since 2016 in reaching out to orphaned, neglected, mistreated, exploited, and abandoned children.

Ryanair

Ryanair's philanthropic practices include multiple social programmes activated in Europe. Indeed, the following programme involves a multiyear pay agreement with union partners and employee groups, more than 400 new members of Ryanair have been employed through 5 Group airlines, and more than 2.000 aviation professionals have been promoted (Ryanair Sustainability Report, 2024). The airline's initiative to expand their "Grad" programme to other group airlines including Buzz, Lauda Europe, and Malta air allows the company to hire graduate management trainees under a 2-year programme to develop the next generation of leaders; indeed, more than 60 graduates have been employed and more than 30 graduates have been promoted into management positions across the Group airlines (Ryanair Sustainability Report, 2024). Additionally, Ryanair launched its Engineering Academy to train up to 1.000 apprentices p.a. as aircraft mechanics and engineers. Furthermore, Ryanair commits to support people with intellectual disabilities (Ryanair Sustainability Report, 2024). At the Trinity Centre for people with Intellectual Disabilities (TCPID), Ryanair provides disabled people with opportunities to participate in educational program in order to enhance their ability to participate in society as independent adults. The airline's donation supports the facility into work placements to give their students a route to third level education and access to a work environment (Ryanair Sustainability Report, 2024). Ryanair's scratch card programme is well known among its consumers. Indeed, the success of this programme abled the airline to donate €2.5M to charities all over Europe including the following (Ryanair Sustainability Report, 2024):

- Kinderhilfe Germany
- Fundação do Gil Portugal

- Make A Wish France, Belgium and Italy
- Jack & Jill Children's Foundation Ireland

Overall, it supports various causes such as children with cleft lip and palate, developing paediatric health and social reintegration projects, grants of children with life-threatening medical conditions, and support for children with neurodevelopmental delay (Ryanair Sustainability Report, 2024). Finally, Ryanair annually hosts its charity flight in December. The airline together with “Make a Wish Italy” gifts special flights to 20 sick children and their families to PortAventura. This allows families to enjoy the park and the neighbouring Ferrari Land to experience a magical journey (Ryanair Sustainability Report, 2024). Table 7. summarizes our findings on Emirates and Ryanair’s environmental and social practices.

Code Family	Main Code	Findings	
CSR Practices	Environmental	<i>Emirates</i>	<ul style="list-style-type: none"> • Carbon offsetting and reduction scheme for international aviation (CORSIA) • Emirates environmental sustainability framework <ul style="list-style-type: none"> ○ Reducing emissions ○ Consuming responsibly ○ Preserving wildlife and habitats
		<i>Ryanair</i>	<ul style="list-style-type: none"> • Follows ICAO rules (Annexes 6, 8, and 17) for safety, airworthiness, and security. • Targets net-zero emissions by 2050 via fuel-efficient aircraft, SAF adoption (10% by 2030), and carbon-cutting activities. • Actively investigates and monitors non-CO2 emissions through research and EU initiatives.
	Social	<i>Emirates</i>	<ul style="list-style-type: none"> • The Emirates Airline Foundation runs approximately 50 activities in 14 countries. • Focuses on education, healthcare, and housing for underprivileged children across the world.
		<i>Ryanair</i>	<ul style="list-style-type: none"> • Europe social programmes • Grad programme for graduate management trainees • Engineering Academy programme • Educational programmes to support intellectual disabled people • Ryanair scratch card programme • Donation to charities

Table 7: Summary of findings on Emirates and Ryanair’s CSR practices.

Environmental Risks and Sustainable Investment

Environmental Risks

Emirates

Emirates is exposed to multiple financial risks through its operations including the volatility of jet fuel price risk. In fact, an increase of 1\$ per barrel could negatively impacts the bottom line of AED 300m set by the airline (Emirates Annual Report, 2024). For this reason, the company forecast purchase of jet fuel up to 36 months in advanced with their risk management strategy. Moreover, Emirates's sustainable supply chain management (SCM) targets the screening of suppliers' ESG risks, the engagement with strategic providers, and ensure ESG consideration in processes and supplier code of conduct. The code of conduct is fundamental for SCM because of the continuous monitoring and audits done, but also for the frequent stakeholder feedback to remain sustainable and competitive (Emirates Annual Report, 2024).

Ryanair

Ryanair's operating cost faced an increase of 24% in 2024 due to the increase of fuel cost of 32% (Ryanair Annual Report, 2024). The airline faces difficulties in managing its jet fuel price due to fluctuations caused by political and economic factors. However, they set a policy to hedge up to 90% of their forecast fuel, but it may not necessarily hedge up to this limit (Ryanair Annual Report, 2024). Indeed, an increase in fuel cost cannot be supported by the airline by transferring the cost to the passengers' flight fares due to its low-cost business model. Ryanair is exposed to multiple risk including increase in costs due to environmental regulations in the EU and higher jet fuel price. Ryanair's supply chain management included in its Scope 3 includes the electrification of vehicles, close agreement with Skytanking, and fuel (well to tank) emissions to reach 80% of 2030 goals (Ryanair Annual Report,2024).

Ryanair aims at improving its environmental position by achieving the 2030 goals included in its agenda.

Sustainable Investment Strategies

Emirates

Emirates is turning its fleet vision into a reality. Emirates purchased an incredible 110 wide-body aircraft together with 95 other products to improve the quality at the 2023 Dubai Airshow (Emirates Annual Report, 2024). Together with the multibillion-dollar retrofit program for 120 current aircraft, this \$58billion investment will improve Emirates' fleet and network capabilities, allowing it to more effectively and comfortably connect customers to medium and long-haul destinations as well as new and underserved regional routes (Emirates Annual Report, 2024). Additionally, the well-crafted fleet will support Emirates' ongoing efforts to lessen its carbon footprint and fulfil its pledge to operate one of the youngest and most fuel-efficient fleets in the world. Furthermore, Emirates invests in SAF and electric Ground Support Equipment (GSE) and vehicle fleets. Indeed, the airline uses fuel monitor systems and advanced data analytics to optimise fuel and potable water and load aircraft at the optimal centre of gravity. Moreover, Emirates' pilots are equipped with the latest technology to monitor and review their flight performance and to improve flying techniques on fuel consumption and carbon emissions. In 2024, Emirates introduce two new fleets the Airbus A345 and Boeing 777X that contributes to up to 22% fuel efficiency (Emirates Annual Report, 2024). Indeed, the transition to hybrid, electric, and hydrogen engine is part of their business model to remove diesel operated engines. Finally, an overall investment of \$20M to advanced fuel and energy solutions for aviation will be used for development projects and research in the next 3 years (Emirates Annual Report, 2024). Moreover, Emirates's effort to SAF extended to its agreement with Shell, which will exclusively supply SAF to the airline at DXB, and Neste, which will supply over 3M gallons of SAF in 2024 and

2025 for flights departing from Singapore Changi airports and Amsterdam Schiphol. This allowed the airline to cut 47.000 tonnes of CO₂ over the lifecycle of the fuel, and their transition to biofuel cut 2.200 tonnes of CO₂. In addition, the airline invests in solar panel power system to generate clean electricity in its major facilities in Dubai. The installation of solar panels allowed to save up to 3.500 tonnes of CO₂ annually (Emirates Annual Report, 2024). Finally, Emirates airline collaborate on projects with AIA located at the Institute for Sustainability Leadership Whittle Laboratory at The University of Cambridge (Emirates Annual Report, 2024). With this new collaboration Emirates will invest \$200M in its first Sustainability Fund for research and development (R&D) initiatives with the goal of decreasing the impact of fossil fuel in commercial aviation (Emirates Annual Report, 2024).

Ryanair

Ryanair continues its commitment to environmental issues by investing in latest technology aircraft that accounts for 32% of Ryanair's Pathway to Net Zero. The airline purchased 146 new Boeing 737-8200 "Gamechanger" that allows to have 4% more seats for passengers, it burns less fuel by 16%, it reduces emissions by 16%, and it is 50% quieter (Ryanair Annual Report, 2024). The total purchase includes also up to 300 Boeing 737-MAX-10 Aircraft that have 39 more seats, LEAP engine, and decreases -20% fuel consumption, -20% CO₂ emissions, and -50% noise emissions. Finally, Ryanair's agreement with the Aviation Partners Boeing guarantees 25% of Boeing 737-800NNG fleets (Ryanair Sustainability Report, 2024). This new fleet is retrofitted with split scimitar winglet technology that reduces carbon emissions and fuel by 1.5%, noise by 6.5%, and NOX emissions by 8% (Ryanair Sustainability Report, 2024). In addition, Ryanair's contribution to Trinity College of Dublin to SAF research continues until 2030, with the belief that delivering low fare growth on new technology will allow to reduce fuel consumption and CO₂ emissions and noise footprint. Given Ryanair and Shell's agreement, the airline was able to purchase 1.000 tonnes of SAF

and power 12.5% of its flights with SAF (Ryanair Sustainability Report, 2024). Table 8. summarizes our findings on Emirates and Ryanair environmental risks and sustainable investments.

Code Family	Main Code	Findings	
Environmental Risks and Sustainable Investments	<i>Environmental Risk</i>	<i>Emirates</i>	<ul style="list-style-type: none"> • Volatility of fuel price • Sustainable supply chain management (SCM)
		<i>Ryanair</i>	<ul style="list-style-type: none"> • Fuel cost increase • Environmental regulations in the EU • Supply Chain Management Scope 3: <ul style="list-style-type: none"> ○ Electrification of vehicles ○ Agreement with Skytanking
	<i>Sustainable Investment Strategies</i>	<i>Emirates</i>	<ul style="list-style-type: none"> • Aiming to reducing carbon footprint by a \$58 billion investment in efficient fleets and SAF alliance (e.g., Neste and Shell) • The Airbus A345 and Boeing 777X were introduced to enhance fuel economy by 22%. • Solar panel installations in Dubai cut CO2 emissions by 3,500 tons per year.
		<i>Ryanair</i>	<ul style="list-style-type: none"> • Investment in aircrafts • Agreement with Aviation Partners Boeing • Contribution to Trinity College of Dublin for SAF research

Table 8: Summary of findings on Emirates and Ryanair’s environmental risks and sustainable investments.

CSR Benefits for Stakeholders

Shareholders

Emirates

Given the high profit margin (14.2%) that Emirates has been able to achieve, this increases the value of the equity to AED 46.5bn, a total increase of 66% from the previous year (Emirates Annual Report, 2024). The percentage of average owner's equity increased by 2.2% for a total of 47.2% in 2023. The company takes AED 2.0bn of its profit as dividends to distribute to shareholders (Emirates Annual Report, 2024).

Ryanair

Ryanair achieved a 46.36% profit margin in 2023, with a total profit of €1.917.100M (Ryanair Annual Report, 2024). Indeed, the equity value of the company is currently valued €7.614.200M by an increase of 34.93% (Ryanair Annual Report, 2024). This year, the airline has decided to not distribute dividends to its shareholders, but the current value of their share is \$46.29 (Google Finance)².

Employees

Emirates

Emirates considers investing in their employees as being essential to their expansion as well as their abilities to attract in, retain, develop, empower and identify the top talent in their industry. Their efforts to recruit, develop, train, and retain the most qualified Emirati talent in the country are guided by Rehlaty framework, which is Emirates's Emiratisation strategy (Emirates Annual Report, 2024). Essentially, Rehlaty initiative includes planning, identifying and hiring skilled individuals, interacting with them and supporting their growth, and creating innovative strategies for rewarding, retaining and motivating them (Emirates Annual Report,

² Disclaimer: The following price is set on Wednesday, 6th November 2024 on the trading market

2024). The goal is to establish the Emirates Group as the as the top choice for employers of UAE nationals by offering challenging professional positions, ongoing learning and development initiatives, and alluring incentives and rewards (Emirates Annual Report, 2024). The company offers UAE National scholarships at approved universities. Multiple specializations within the Emirates are available for the scholarship, including supply chain, finance, artificial intelligence, information technology, aviation management, cadet pilot and aircraft maintenance engineering (Emirates Annual Report, 2024). Within the airline, senior management-level professionals have the chance to advance into leadership roles. These positions are perfect for the UAE national executives who have worked at management level for a number of years and are now prepared to take on strategic leadership roles that involve overseeing and expanding a business area or function within the company. Based in Dubai and at our stations across the world, Emirati professionals have the chance to succeed in their specialized professions at the mid-senior management level in commercial, operational, and support services jobs (Emirates Annual Report, 2024). These positions are intended for experienced UAE nationals who want to advance their careers with a global organization that employs a diverse workforce. Table 9. includes additional benefits for Emirates' workers.

Benefits	Description
Employee Benefits	To provide the greatest services and products to its global costumers, Emirates team integrate their knowledge and varied experiences. They also offer to their employees benefit from professional development.
Cash benefits	The employees in the UAE receive their monthly salary in UAE dirhams (USD:1=AED 3.67), which are tax-free. A competitive accommodation and transportation allowance will be included in the remuneration of qualified employees. Employees who live in accommodation provided by the company will be compensated for their living expenses, utilities, and housing.
Medical insurance	They will receive medical insurance from the firm, and according on their position and pay grade, they may also be able to add coverage for their dependents, which will be paid for with a premium that is subtracted from their monthly pay.
Concessional travel	An annual leave ticket is granted to the company and its employees. Additionally, they can reserve discounted tickets for travel across the Emirates network as soon as they sign up.
Emirates Platinum Card	Only Emirates Group workers and their dependents are eligible to get the Emirates Platinum Card, a yearly subscription service. They can use the card to take advantage of discounts and special offers at more than 600 stores, hotels, restaurants, and service providers for a minimal fee.
Annual Leave:	Emirates recognizes the importance of taking breaks from work and values the physical and mental wellness of its employees. The organization provides at least 30 leave days annually and encourages its employees to take time off when necessary
End of Service Benefits	The employee will be eligible for end-of-service rewards after completing a full year of service. Based on their base pay and computed for each year they have worked for the company; this gratuity is guaranteed.

Table 9: Emirates' workers benefits (Source: Emirates Annual Report, 2024).

Ryanair

Ryanair's 2024 Sustainability Report describes activities that promote career growth, work satisfaction, a strong a company culture, and employee engagement. In order to train future engineers, Ryanair operates an Engineering Training Academy, which it hopes to increase to 1000 trainees by 2025 (Ryanair Sustainability Report, 2024). Regular evaluations and additional training are given to pilot and cabin staff to improve skill development and career advancement. Ryanair's well-organized development initiatives offer employees clear career progression routes, enabling them to advance and assume more important responsibilities inside the organization (Ryanair Sustainability Report, 2024). Every year, Ryanair hosts the Cabin Crew Awards Ceremony to celebrate exceptional crew members, encouraging loyalty and inspiring staff members throughout the network. Employees of Ryanair are eligible for substantial travel benefits, such as unlimited reduced flights throughout the airline's network, which make travel convenient and reasonably priced (Ryanair Sustainability Report, 2024).

Customers

Emirates

Emirates offers a carbon offsetting program after the purchase of a flight ticket, for which consumers can decide optionally either to pay for their carbon emissions or not (Emirates, 2024).

Ryanair

Ryanair offers to its consumers the "Customer Carbon Offsetting" project. This consists of a carbon calculator that incorporates the carbon emissions per passenger on every route they purchase their flight ticket, including the flight distance. For instance, on a flight from Rome FCO to BCN, Ryanair includes CO2 emission compensation fees before completing the purchase for the ticket (see Image 3). As of 2024, 3% of customers are currently offsetting

their carbon emissions (Ryanair Website, 2024). Table 10. summarizes or findings on Emirates and Ryanair’s stakeholder benefits.

The image shows a user interface for carbon offsetting. At the top, a light blue banner displays a CO2 icon and the text: "Your estimated CO2 emissions per passenger for this flight are **110 kg CO2**". Below this, there are two options separated by a dashed line and a central "OR" button. The first option is "Compensate your estimated share of CO2 emissions for this flight" with an "Add" button and a price of "€4.40 per person". The second option is "Partially compensate your estimated share of CO2 emissions for this flight" with an "Add" button and a price of "€2.00 per person".

Option	Action	Price
Compensate your estimated share of CO2 emissions for this flight	Add	€4.40 per person
Partially compensate your estimated share of CO2 emissions for this flight	Add	€2.00 per person

Image 3: Ryanair’s carbon offsetting fares from FCO to BCN (Source: Ryanair, 2024)

Code Family	Main Code	Findings	
Stakeholder Benefits	<i>Shareholders</i>	<i>Emirates</i>	<ul style="list-style-type: none"> • 14.2% Profit margin • Increase in average owner's equity • Dividends distribution
		<i>Ryanair</i>	<ul style="list-style-type: none"> • 46.36% Profit Margin • Increase in equity value by 34.93% • Increase in share value at \$46.29
	<i>Employees</i>	<i>Emirates</i>	<ul style="list-style-type: none"> • Employees Benefits • Provides competitive salaries, tax-free cash benefits, medical insurance, annual le • Reward employees with end of service benefits and Emirates Platinum Card
		<i>Ryanair</i>	<ul style="list-style-type: none"> • Operates an Engineering Training Academy, aiming for 1,000 trainees by 2025 • Offers organized career advancement, frequent training, and Cabin Crew Awards to recognize employee success. • Provides unlimited discount travel advantage across the network
	<i>Customers</i>	<i>Emirates</i>	<ul style="list-style-type: none"> • Carbon Offsetting program • Optional compensation for emission
		<i>Ryanair</i>	<ul style="list-style-type: none"> • Customer Carbon Offsetting project • Optional compensation for emission per flight(s) route(s)

Table 10: Summary of findings on Emirates and Ryanair's stakeholder benefits.

Discussion

Our study explores the differences in CSR practices between the luxury and low-cost airline industry. Thereby we conducted a qualitative study with Emirates and Ryanair as comparative cases. More specifically, we analyzed the social and environmental practices of the two airlines in relation to their stakeholders.

Our findings show that Emirates and Ryanair are addressing CSR and sustainability through similar practices. Both airlines are driven by ICAO Regulations that sets the national and international regulations in terms of environmental goals for the aviation industry. Moreover, they both have environmental strategies that include the reduction of carbon emissions, the use and partnerships with providers of SAF, and sustainable goals for the overall efficiency of the strategies. Also, they have social practices that include educational programs and support to beautification activities. Overall, the two airlines tailor their CSR practices to benefit their stakeholders, such as shareholders, employees, and customers.

However, it is important to address the difference in business model regarding the short- and long-term objectives for each airline. First, Emirates is a luxury airline, well-known for its First and Business class and its award as Best Airline in the world in 2024. Emirates focuses its objectives on a long-term vision, which respectively includes practices that will benefit the airline in the long run. For instance, the adaptation of new aircrafts such as the Airbus A345 and Boeing 777X indicates the airline's effort in improving totally its fleets for its stakeholders. Indeed, Emirates invests in R&D and new aircrafts to benefit all its stakeholders, such as shareholders by increasing profit, employees by offering benefits and career opportunities, and customers by retaining the environmental cost of fleets inside the company. Instead, Ryanair is a low-cost airline, well-known for its affordable fares in Europe. Ryanair, differently from Emirates, focused its objective on a short-term vision. Given its position as low-cost airline, the airline was not able to offset its high investment

inside the company. Indeed, Ryanair's strategy was to mainly invest in SAF to retain its fares as low as possible to its consumers. However, consumers are requested to (partially) compensate for their CO2 emissions when flying before completing their payment on the website. This shows Ryanair's trade-off for its competitive advantage against other low-cost airlines. It invests in sustainable practices to sustain its environmental objectives, but it transfers the cost of this investment towards its passengers. Overall, our findings show that the two airlines adopt different strategies to satisfy their stakeholders. On one hand, Emirates aims at satisfying its stakeholders by investing in new technology and long-term environmental practices, and in return benefits from an increased reputation and customer loyalty. On the other hand, Ryanair aims to satisfy its stakeholders with short-term environmental practices to keep its costs and ticket prices low but might not guarantee long-term competitiveness.

Limitations

The primary focus of our study was on CSR practices in the aviation industry, more specifically the MNE's Emirates and Ryanair for which we faced limitations in the ability to collect primary data through company interviews. Second, focusing on only two airlines, positioned as luxury and low-cost airlines, offered a limited viewpoint, which reduces its relevance to the wider aviation sector, where priority of resources and operational scale might differ significantly. Additionally, information regarding consumers' behavior towards the airlines' environmental practices was limited, especially regarding consumers' involvement in carbon offsetting programs. This might be due to the fact that these initiatives have been introduced only recently. Therefore, a more in-depth analysis on individual companies' business models and practices could provide important insights on the CSR practices and its benefits for stakeholders in the aviation industry.

Recommendations for Research and Practice

To increase the effectiveness of CSR initiatives, airlines could improve involvement of stakeholders by implementing transparent reporting feedback systems. In fact, airlines could enhance consumer-facing activities by providing benefits for taking part of carbon-offsetting or sustainability-related loyalty programs. Additionally, airlines could develop a sustainable culture within company's employees for assuring long-term success. Moreover, to acquire a more comprehensive understanding of CSR practices in the airline industry, further research should be made by including airlines with different customer segments, goals, and locations. Airlines may have different financial limitations, regulatory frameworks, and consumer bases, providing distinct views on CSR integration. By conducting case studies on a broader range of enterprises, including low-cost carriers, regional players, and those in emerging countries, researchers may find best practices that can be used across different operations. Finally, for future studies, it may be recommendable to analyze airlines from the same segment of the aviation sector. For instance, compare luxury airlines to one another such as Qatar Airways and Turkish Airlines; similarly, low-cost ones such as Easy Jet and Vueling.

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