

# ENVIRONMENT, SUSTAINABILITY & GOVERNANCE



AerCap is committed to responsible and sustainable business practices, from reducing environmental impact in our day-to-day operations to incorporating new, modern technology aircraft and engines into our fleet, while disposing of older aircraft.

## OUR SIX KEY PRINCIPLES

- Progressively Modernizing our Fleet
- Continuous Portfolio Transformation
- International Board
- World Class Governance
- Social Responsibility
- Environment & Sustainability











# Progressively Modernizing our Fleet



The purchase of new generation fuel efficient aircraft is a core element of our fleet strategy. AerCap continues to progressively upgrade its fleet to new generation technology aircraft that reduce noise and pollution and generate significant fuel savings. These savings contribute to the business success of our airline customers, while reducing the environmental impact of their operations.

## Significant Fuel Efficiency Gains with Noise and Pollution Reduction

| <br>AIRCRAFT                | <br>FUEL CONSUMPTION | <br>NITROGEN OXIDES | <br>NOISE |
|--|---|---|--|
| <br><b>BOEING 787</b>        | 20-25% lower  | 14-44% below CAEP/8   | 60% smaller footprint  |
| <br><b>AIRBUS A350</b>     | 25% lower   | 23% margin to CAEP/8  | 21 EPNdB margin to ICAO Stage 4  |
| <br><b>BOEING 737 MAX</b>  | 14-20% lower  | 8-17% below CAEP/8  | 40% smaller footprint  |
| <br><b>AIRBUS A320neo</b>  | 15% lower   | 49% margin to CAEP/8  | >18.5db below ICAO hurdle  |
| <br><b>EMBRAER JETS-E2</b> | 17.3% lower   | 48% margin to CAEP/8  | 20 EPNdB margin to ICAO Stage 4  |

Comps: 787 vs. 767-300ER; A350 vs. previous generation; A320neo vs. A320ceo; 737 MAX vs. 737-800; E2 vs. E1.  
Source: Airbus, Boeing, Embraer, U.S. Green Building Council.

# Continuous Portfolio Transformation



**2014**



**2017**

Our portfolio will grow by over 25% by 2021, at which point new technology aircraft will represent over two-thirds of our fleet

**2021**



**NEW TECH. (Potential SLBs)**

**NEW TECHNOLOGY**  
Actual & Contracted

Other Current Technology & Out-of-Production Aircraft<sup>(1)</sup>

737NG

A320 Family

As of June 30, 2014; September 30, 2017; December 31, 2021, respectively. Incl. maintenance rights intangible & net investment in finance and sales-type leases. Refer to: Disclaimer Incl. Forward Looking Statements & Safe Harbor.

<sup>(1)</sup> Current Technology includes 777s, A330s; Out-of-production aircraft: 757s, 767s, 737 classics, CRJ, MD-11, 747s, A340s & A310s

# International Board



 **Pieter Korteweg**



**Non-Executive Chairman, AerCap**

Extensive experience in investing and financial services as well as in government and regulatory affairs.

 **Paul Dacier**



**Non-Executive Vice Chairman, AerCap and General Counsel, Indigo Agriculture**

33 years of corporate law experience and 10 years on aircraft leasing boards.

 **Aengus Kelly**



**CEO, AerCap**

20 years of aviation leasing and financing experience, including more than a decade of experience at AerCap.

 **Richard (Michael) Gradon**



**Former Legal Dept. Group Head, Peninsular & Oriental Steam Navigator**

Significant legal and corporate governance experience, with 10 years on aircraft leasing boards.

 **Salem Al Noaimi**



**Chairman, Waha Capital**

Robust investment and management experience across industries, including in aircraft leasing.

 **James Lawrence**



**Former Chairman & CEO, Rothschild North America**

Major corporate and board experience, including in the aviation industry. Significant background in M&A and investment banking.

 **Homaid Al Shimmari**



**CEO, Mubadala Aerospace & Engineering Services**

Extensive executive management experience across the aerospace industry.

 **Michael Walsh**



**Former Chief Legal Officer, Bord Gais Eireann**

Over 25 years' experience as a non-executive director, senior executive and commercial lawyer in the aircraft leasing and financing industry.

 **Julian (Brad) Branch**



**Former Senior Advisor in the office of the CEO, Deloitte Touche Tohmatsu Ltd**

Significant global financial services and audit experience over a 40 year career in accounting practice, and includes a sector focus on air transportation.

 **Robert Warden**



**Senior Managing Director at Cerberus Capital Management, L.P.**

Over 22 years of financial services and private equity experience.



# World Class Governance

AerCap's Board comprises a distinguished, international group of directors with experience in management, law, finance, governance, aviation and other areas of expertise.

## Board Overview

- Majority independent Board
- Two new independent directors were added in the last year
- Separate Chairman and CEO roles
- Track record of proactive, ongoing shareholder dialogue
- Risk management structure that requires Board approval for transactions >\$600 million, including: M&A, financing and asset purchases

## Area of Expertise



# Social Responsibility



## Education

AerCap is committed to supporting the next generation of industry professionals through educational programs. Programs such as these provide a pipeline of indigenous talent that support the future growth and development of our industry.

AerCap supports University College Dublin (UCD), Michael Smurfit Graduate Business School's MSc in Aviation Finance program. As part of our support we offer an internship program giving graduates the opportunity to gain valuable hands-on experience in a range of disciplines.



**University College Dublin**  
Ireland's Global University

AerCap is proud to support the ISTAT Foundation. The program helps young people develop careers in aviation by offering scholarships to college-level students who are academically qualified and in need of financial support. In addition the funding goes towards education, grants and humanitarian programs of the ISTAT Foundation.

**the ISTAT foundation**



## Community Focus

AerCap supports a range of charities each year in the communities in which we operate. Through our social responsibility program we encourage employees to support local and national organizations that strengthen the communities in which they live and work.

One such example is AerCap's support of Orbis, a global charity fighting blindness in sub-Saharan African countries through training, advocacy and research. Orbis works in Ethiopia where four million people are blind or visually impaired, with the country accounting for 30% of trachoma, a painful blinding eye disease. A scarcity of trained eye care professionals and low awareness of basic eye health contribute to the high prevalence of trachoma. One of the charity's initiatives is the Orbis Flying Eye Hospital, an MD80 aircraft with a state-of-the-art on-board training facility, that reaches developing countries and regions that otherwise may lack access to training. Since Orbis first started working in this region in 2006, there has been a reduction in the prevalence of trachoma by up to 75%. Of the 2.2 million population, almost half now live in trachoma free areas<sup>(1)</sup>.

<sup>(1)</sup> Source: Orbis Ireland.

# Environment & Sustainability



## Social Mobility

AerCap provides a global network of approximately 200 airline customers in approximately 80 countries with comprehensive fleet solutions. Our core business is focused on the provision of operating leases for new and used commercial aircraft from our existing fleet and order book of Boeing, Airbus and Embraer aircraft. The key benefits of an operating lease is that it enables airlines to grow their fleet in a cost effective way, giving them the flexibility to adjust their fleet in response to changing market conditions without the need to make substantial capital investment for aircraft acquisition.



AerCap contributes to the growth, affordability and accessibility of air travel by enabling our airline customers to connect communities and nations across the globe.

The demand for air travel is growing apace with over 100 million people taking a flight for the first time each year. As a result the demand for operating leases has increased. While the world fleet has doubled over the past twenty years, the number of leased aircraft has quadrupled<sup>(1)</sup>.

## Our Approach to Sustainability

AerCap is committed to the efficient use of resources and the reduction of unnecessary waste. Our head office in Dublin meets the requirements of a Platinum LEED green building rating system and has been certified accordingly. The certification pertains to such matters as building materials, energy and water use, and accessibility.

Our office buildings in L.A and Singapore are holding similar green building certifications. We use a number of means including the latest design innovations to lower our energy consumption.

We encourage our employees to act in an environmentally responsible manner through recycling and conservative initiatives, which are in place throughout our offices globally. This enables us to reduce costs, improve resource efficiency, reduce carbon footprint and to improve environmental performance.



[Download LEED certificate](#) 

<sup>(1)</sup> FlightGlobal Fleets Analyzer as of December 31, 2017: Airbus, Boeing, McDonnell-Douglas in-service passenger jets.

## Disclaimer Incl. Forward Looking Statements & Safe Harbor

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