

Birmingham Airport Corporate Responsibility Report 2014-2015





Welcome

Welcome to Birmingham Airport's Corporate Responsibility Report for 2014/15, which outlines what we have been doing this year to meet our responsibilities to our local community, to the environment, to our people and to the economy.

Corporate Responsibility at Birmingham Airport

Acting responsibly presents a complex set of challenges for an airport. How do you develop new routes and better regional connectivity, while at the same time minimise the noise impact of more flights on local communities? How do you bring the benefits of secure employment to communities where jobs are desperately needed, while having concern for the environmental impact of your operation on those same communities? The challenges of acting as a responsible business are not unique to an airport, but ours is a high-profile business in which everyone has a stake and on which most people have an opinion; you can't hide an airport!

The factors which drive our CR agenda are many. Our Section 106 Planning Agreement with Solihull Metropolitan Borough Council, which accompanied the granting of permission to extend our runway, contains a long list of obligations

which we have agreed to comply with. Our location, close to large population centres, places us behind only Heathrow and Manchester as the UK Airport with the largest community impact and our understanding that we can be a force for good by linking people to jobs and businesses to markets drives us forward.

As always, we must strive to maximise the positive and minimise the negative. It's a balancing act that isn't always easy. Nor do we always get it right, but we hope you can see in this summary that the team are committed to working across the Corporate Responsibility agenda to do the best we can for all of our stakeholders.

This summary provides only the briefest

snapshot of how we are meeting our responsibilities.

We invite you to get in touch with our Sustainability Team if you would like more information on any of the areas touched on here. They will be only too pleased to assist you.



A Fresh Approach

This year we've taken time to consider how best to deliver a more sustainable future for Birmingham Airport. We've integrated some of our key work streams into a new Sustainability team with the aim of making better use of our resources, sharing knowledge and expertise and delivering a more effective service focused on the needs of our stakeholders.

Kirstin Kane: Head of Sustainability

Our new Head of Sustainability is Kirstin Kane; in 16 years at Birmingham, Kirstin has accumulated an unrivalled understanding of the complex issues facing the Airport and the wider environmental and community impacts of our operations.



Meet the rest of the team

Andy Holding: Corporate Responsibility Manager

Andy manages our Corporate Responsibility activities, develops strong community relations and ensures effective stakeholder engagement.

Tom Redfern: Environmental Executive

Tom leads on our Vortex Protection and Sound Insulation Schemes, and is our expert on community noise issues.

Louise Kelly: Health and Safety Manager

Louise is responsible for ensuring we deliver on our commitment to provide a safe and secure environment for everyone who works at, uses or visits the Airport.

Gary Giles: Health, Safety and Environment Executive

Gary supports the achievement of our Health and Safety objectives and the development of our Safety Management System.

Julie Smith: Integrated Systems Manager

Julie is responsible for implementing the Airport Sustainability System, our safety, fire and environmental audit programme, and for the delivery of an Integrated Management System.

Business Context

What we do under the banner of Corporate Social Responsibility is integral to the operation of our business and has contributed to what has been a successful year for Birmingham Airport. Our fourth consecutive year of passenger growth included the busiest month in our 75-year history in August 2014 and ended with a total of 9,900,075 passengers passing through the Terminal, 7% ahead of the previous year.

Record passenger numbers have been achieved as a result of airlines introducing new routes, including Icelandair to Reykjavik, Norwegian Air Shuttle to Madrid (the first of 3 Spanish routes) and Thomson Airways 787 Dreamliner flight to Montego Bay, Jamaica. In July 2014, we became the first UK airport outside London to operate a direct flight to China. There was growth in the Long Haul sector with Air India increasing frequency to Delhi to daily and higher passenger loads from Emirates. Dublin remained the most popular destination, marginally ahead of Dubai and Amsterdam.

Throughout 2014/15 we again demonstrated our commitment to the safety of the operation with significant investment in airfield infrastructure including the resurfacing of the main runway to tie-in with the newly completed runway extension. As part of this project we upgraded all of the runway lighting to the very latest technology, bringing significant environmental benefits. The project to bring the provision of air traffic control (ATC) under the direct control of the Airport Company was successfully completed following approval from our regulator, the Civil Aviation Authority. This will enable much closer working between the Airfield Teams and ATC, along with better harmonisation of our safety management systems.





Community

The Birmingham Airport Community Trust Fund is the main way we invest in local communities. Launched in 1998, it makes grants of up to £3,000 to small, locally based and managed community projects in those areas most affected by our operations. A board of nine trustees meets twice a year to assess applications to the Fund, which receives an annual contribution from Birmingham Airport Ltd and is topped up by any fines paid as a result of violations of our noise regulations.

Investing in Communities

This year, the Community Trust Fund awarded a total of £76,174 to 34 projects.

Warwickshire Wildlife Trust

were able to purchase camera traps for an innovative 'citizen science' project in nearby Elmdon Park, where they have established the UK's first Hedgehog Protection Area.



Hope Community Shop

in Sheldon purchased new tables and chairs.



Castlemound Girl Guide Camping Site

in Fillongley received funding for kitchen equipment in their new building.



These and the other awards made by the Trustees this year mean that more than 500 local groups have benefitted from the Trust Fund, which in total has now awarded grants worth nearly £1.3m.

St Barnabas Primary School

in Erdington received funding for a playpod in the school grounds containing recycled and reusable materials to teach children about sustainability through play.

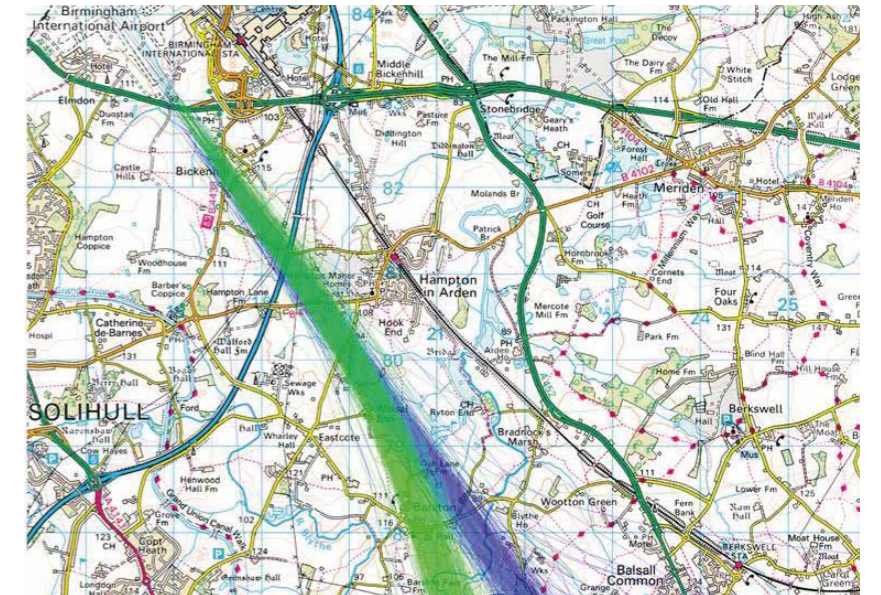


Engaging and Listening

By engaging and consulting with our neighbours, we can ensure we keep people informed about any developments which may affect them. It's equally important that we listen to what communities are telling us about their experience of living close to the Airport. We strive to keep open a range of channels, both formal and informal, for this vital exchange of views to take place in a constructive and co-operative manner.

With the extension of our runway, we were unable to retain the existing departure route for aircraft taking off to the south (the so-called Hampton Turn) and were required by the Civil Aviation Authority to undertake an Airspace Change process. Two viable new routes emerged, known locally as Options 5 and 6 and from 1st May 2014 we trialled both routes to understand the actual impact of each, rather than relying on theoretical modelling.

As part of this process we set up an Airspace Change Stakeholders Forum which has now met four times to consider in detail the issues involved. Following each meeting we have produced a Community Update, available on our web site,



to provide the wider community with the latest commentary on the process. The Forum has proved an invaluable tool for the exchange of views and information and has led to a significant improvement in levels of trust in all parties. Furthermore, its deliberations have had an impact on wider airspace change policy, where the experience at Birmingham is now feeding into a review commissioned by the Civil Aviation Authority to examine the effectiveness of its Airspace Change Process.

The Airport Consultative Committee (ACC) is the formal consultative body for the Airport. Following the issue of new guidelines by the Department for Transport, we introduced a range of proposals for reform, which were not met with universal approval at a time when the debate over Airspace Change was in full swing. This year we have revoked our proposals and set about making changes to ACC

with the full involvement of the Committee.

Again, this exercise has demonstrated the value of good communication in maintaining levels of trust and confidence. With a jointly agreed set of Terms of Reference now in place, alongside measures to promote more involvement and understanding of the airport business, the ACC is moving forward with a renewed sense of co-operation and joint endeavour and we look forward to it playing an effective role as a 'critical friend'.

This year we have also made more extensive use of our dedicated Twitter account: @bhx_community and begun the process of introducing targeted community updates to provide relevant information about the impact of our operations on specific communities and the measures we take to mitigate them.





Inspiring Young Minds

The Airport represents an excellent learning resource where young people can explore every area of the curriculum in an exciting and inspiring environment. Whether it's hosting visits from nursery classes or providing aviation management students with relevant industry advice and information, our education support programme continues to be a key element of our Corporate Responsibility activities.



Our dedicated educational facility, Flight School, with its superb views across the airfield, continues to be popular and this year we hosted 191 visits from primary, secondary and degree-level groups as well as a number of Continuing Professional Development sessions for teachers.

This year we have partnered with Enabling Enterprise, an award-winning not-for-profit social enterprise whose mission is to equip young people with the skills, experiences and aspirations they need to succeed at school and in their working lives. Flight School has hosted a series of intensive challenge days where children as young as six were encouraged to think about and use skills such as entrepreneurship, leadership, determination and team-working.



We aim to offer the most support to those schools closest to our flight paths and we are lucky to have an excellent relationship with The Pilot Partnership, a collaborative network of 11 schools who work with a collective effort for the common good of the learning community of Shard End and Kitts Green. This year we have provided pupils in Pilot Partnership schools with a range of experiences including performing carols for arriving passengers at Christmas and, through our sponsorship of the Royal Shakespeare Company, taking a group of year nine children from Shirestone Academy in Tile Cross to Stratford-upon-Avon to experience a performance of Henry IV Part I.

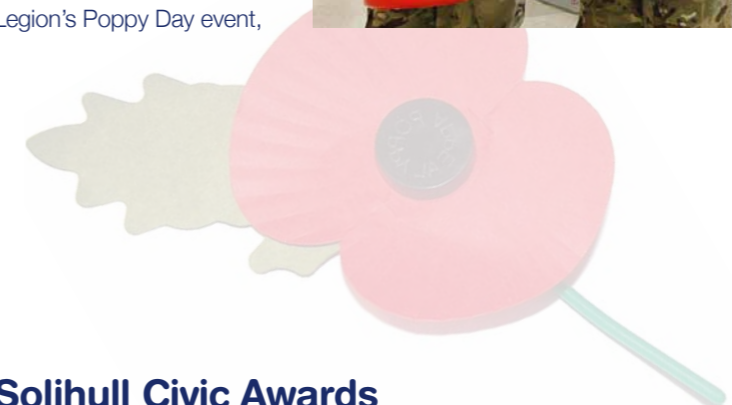
A Helping Hand

Alongside our Community Trust Fund, we maintain an active programme of charitable and community support through fundraising, donations and sponsorships.

In the charitable sector, our long-standing support for our Nominated Charity, Acorns Children's Hospice Trust has continued. During our six year relationship, Airport staff have raised almost £50,000 to fund Acorn's care for life limited children and their families. We were also delighted to again be a part of the Royal British Legion's Poppy Day event,



where major transport hubs and public spaces across the city host collectors and military bands. Over £4,500 was raised at the Airport/International Station site.



Solihull Civic Awards

This year we were again proud to support the Solihull Civic Awards, where we presented the Inspirational Young Person Award to up-and-coming GB track cyclist Dannielle Khan. We also continued our support for the Princes Trust's Team Programme in partnership with Solihull College, helping unemployed young people from North Solihull acquire vital employability skills.



Every Little Helps

On a smaller scale, we hosted collections in the terminal on behalf of eight organisations including Marie Curie Cancer Care, The Royal Air Force Association and Water Aid, while our staff-nominated good causes including The Aylesford Unit at Warwick Hospital and the Katherine House Hospice in Stafford received small amounts from the proceeds of a monthly 'dress-down' day.

Locally, our small awards programme provided support for the Coleshill Drama Group and for the installation of Christmas lights in Lea Village among others.



Community Schemes

Our Sound Insulation and Vortex Protection Schemes provide residents with protection against two of the more notable impacts of living directly beneath our flight paths.

The Sound Insulation Scheme makes up to £3,000 available for insulation against aircraft noise in each of more than 7,600 residential properties that lie within the Scheme boundary, represented by the 2002 63 dB(A) noise contour. We continue to use the 2002 contour even though the current equivalent contour is much reduced in size as a result of improvements to aircraft design. This year, 40 properties in Kitts Green

were fitted with high-specification double glazing, taking total spending on the 488 homes in the current phase to more than £1 million.

Our Vortex Protection Scheme tackles the issue of damage to the roofs of properties close to the airport caused by aircraft wake vortices. These circulating currents of air are caused by the passage of aircraft and under certain conditions may lift roof tiles. We respond to all reports of vortex strikes and, where these are confirmed, our contractors will carry out an immediate repair before the property is placed into the Scheme, which provides long-term protection with a new, vortex-proof roof.

This year we've re-roofed 16 properties bringing the number of properties re-roofed since the Scheme began to 250, with a total investment of over £950,000.



Community Complaints

The way we deal with complaints about our operations is an important strand of our overall noise management strategy. We take people's comments very seriously and their feedback is vital to our understanding of local concerns and issues.

In 2014* we received 1162 complaints associated with aircraft operations. This represents a 113% increase on 2013, when 544 complaints were received. The number of individuals complaining rose by 95%, the highest number for five years.

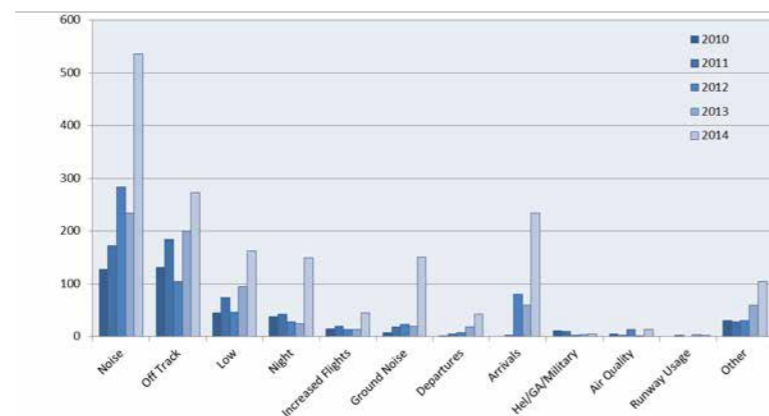
This increase can largely be explained by the ongoing Airspace Change Process, where we noted a heightened awareness of aircraft activity through media coverage of the issues, (though these figures do not include complaints relating directly to the Airspace Change Process, which were recorded separately). A prolonged period when the Runway 33 Instrument Landing System was being renewed during June, also contributed to the increase, when we were contacted by a number of new correspondents.

Noise was the most common concern, accounting for 31.2% of complaints, an increase of 129%

over last year. Off Track, at 15.9%, was the second most reported concern, an increase of 36.5% over 2013. The biggest percentage increase came in ground noise, at 655%, largely attributable to the ongoing trial looking at the feasibility of new Engine Ground Running locations on the airfield which commenced in January 2014. Events in the 'other' category have also increased, due again

to awareness of the airspace change process, where complaints were received from communities completely unaffected by the trial, reporting changes in the use of the airspace in their locations where no change had in fact taken place. *Note: Our annual complaints analysis is undertaken on the basis of complaints received during the calendar, not the financial year. Figures here relate to 2014.

Concern	Concerns 2014	% of Total Concerns	Concerns 2013	% of Total Concerns	Concerns 2012	% of Total Concerns
Noise	536	31.2%	234	32%	284	44.9%
Off Track	273	15.9%	200	27.3%	104	16.5%
Low	163	9.5%	95	13%	46	7.3%
Night	149	8.7%	24	3.3%	28	4.4%
Increased Flights	45	2.6%	13	1.8%	14	2.2%
Ground Noise	151	8.8%	20	2.7%	23	3.6%
Departures	43	2.5%	18	2.5%	7	1.1%
Arrivals	234	13.6%	59	8.1%	80	12.7%
Hel/GA/Military	5	0.3%	4	0.5%	3	0.5%
Air Quality	13	0.8%	1	0.1%	13	2.1%
Runway Usage	3	0.2%	4	0.5%	0	0%
Other*	104	5.9%	60	8.2%	30	4.7%



We recognise that aircraft noise is the single biggest issue for our neighbours and it remains at the top of our list of priorities for action. Our Noise Action Plan is a strategic document that sets out how we manage the impact of noise on local communities.

Action on Noise

This year, we submitted a revised Noise Action Plan, showing that the number of people and households situated within noise contours has reduced in line with improvements in engine and airframe technology so that they are the smallest they have ever been.

It also contains a series of new and revised actions by which we are committed to improving and

developing our action on aircraft noise, including the implementation of a more stringent Daytime and Night Noise Limits, the raising of our track-keeping target from 95% to 97% of all aircraft departing on-track and the reduction of our target for responding to community complaints from seven to five working days. The Plan was recently approved by the Department for Food, Environment and Rural Affairs and we will continue to monitor

and review its effectiveness.

This year we have been conducting a trial of engine ground running, or engine testing, which is required following essential maintenance to ensure an aircraft can safely be returned to service. The trial has been assessing the impact of engine testing on local communities with a view to establishing the most appropriate location for future ground running when increased traffic means testing will become unfeasible at its current location. Owing to a shortfall in data collected, we requested a three-month extension to the trial from Solihull Metropolitan Borough Council in order to obtain further data from an operational, environmental and occupational noise perspective and the trial is continuing.



Protecting our Local Environment

Whether it's preventing our operations polluting local watercourses, monitoring air quality or ensuring that development does not have an adverse ecological impact, we manage a range of projects to protect the environment on and around the Airport site.

This year we completed the North Airfield Drainage Facility a £1.1m investment project representing the latest in a series of major infrastructure projects designed to prevent spillages or run-off from winter de-icing operations polluting the watercourses that traverse the airfield.

Our Air Quality Monitoring Station, located adjacent to the runway, monitors a range of compounds and feeds validated results into the Air Quality England web site, a resource

for local air quality information and air quality data provision hosted by Ricardo-AEA. This year, our Air Quality Monitoring Annual Report, available on our web site, records no exceedances of air quality standards.

Schedule 10 of our Section 106 Planning Agreement for the extension to the runway required the preparation of a Historic Environment, Ecology and Landscape Management Plan (HEELMP). Working with our partners AMEC, Solihull Metropolitan Borough Council, Natural England and Warwickshire Wildlife Trust, the plan focussed on delivering the necessary changes to the local environment resulting from the runway extension works. This year we have finalised

amendments to the HEELMP that were necessary when it became apparent that it would be difficult to meet some of the requirements of the original agreement within the confines of the site. In particular the creation of 4.2 hectares of MG4 grassland proved not to be feasible because of unsuitable soil conditions and so we will contribute £129,000 towards habitat enhancements elsewhere in the Borough of Solihull.



Focus on Carbon Management

This year, we have focussed more than ever on the amount of energy consumed on the Airport site and have seen energy use, measured in kilowatt hours, reduce by 8.47% despite a 7% rise in passenger numbers over the same period.

This was due in no small measure to the success of our I Save Energy campaign and the hard work of our new Energy Champions. The dozen-strong Energy Champions team is drawn from across the business and their role is to inform, influence and inspire colleagues with the I Save Energy message.

They work on energy saving initiatives with individuals and teams whose detailed knowledge of their own work practices means they are best placed to identify waste and savings opportunities.

Stop bars consist of a series of warning lights which alert pilots to

the presence of live runways and taxiways, access to which are only permitted after clearance by Air Traffic Control. Our airfield engineers recognised that these run 24/7, whether or not an aircraft is present. A change in wiring configuration

together with a minor software modification mean that stop bars will now only be energised when called for by ATC, saving the same amount of electricity as 10 average households use in a year.



Waste Management

An operation of the size and complexity of Birmingham Airport inevitably creates large volumes of waste. We have set ourselves the challenge of 100% landfill avoidance and where we cannot recycle, our waste goes to Energy from Waste plants with only a very small percentage of non-recyclable materials being incinerated without recovering any energy at all.

This year we have achieved our target of 100% landfill avoidance with the amount of waste disposed of from the Airport site standing at 1,666.19 tonnes.

This includes 151 tonnes of food waste which we have begun recycling for the first time and 16.3 tonnes of aerosols, gels, pastes and creams surrendered by passengers at our central security search facility.



Engaging and Leading

Aviation is a growing industry and as our own passenger numbers increase, we are faced with the challenge of how we mitigate the negative impacts of that growth. Our aim is play a leading role in responding to that challenge by engaging with our industry partners to find innovative solutions to existing and emerging issues.

This year we became the first Airport in the world to go through the industry specific Environmental Noise Accreditation Scheme (ENA). ENA is an independent accreditation programme analysing how airports manage their noise impact and their report for Birmingham Airport concluded that we are a business

focused on noise and the needs and expectations of its stakeholders. We will review feedback from the assessment process to further develop improvements to our procedures.

In March we upgraded our membership of Sustainable Aviation, a member-driven organisation that brings together the main players from UK airlines, airports, manufacturers and air navigation services to develop a collective, long-term plan for tackling the challenge of ensuring a sustainable future for our industry. A good example of Sustainable Aviation's campaigning is its Continuous Descent Operations (CDO) campaign, which aims to improve

descents into airports across the UK by 5%, delivering over 30,000 individual quieter flights and annual savings of around 10,000 tonnes of CO2. During 2014/15, Birmingham was ranked in 2nd place for CDO performance at 89.3%, only 3% behind East Midlands Airport and we have since moved ahead to be ranked 1st.





Economy

Providing sustainable employment opportunities is perhaps the most significant contribution Birmingham Airport can make to the well-being of local communities and with some of the Midlands' most deprived neighbourhoods located just to the north of the airfield, we recognise that we should be making every effort to open up these opportunities to those who need them most.

Providing Pathways into Employment

This year saw the establishment of The Solihull Pact, a strategic partnership between the Airport, Birmingham and Solihull Department for Work and Pensions, Solihull College and Solihull Metropolitan Borough Council, funded with assistance from our Section 106 contributions.

It offers recruitment support to Airport-based employers and targets local job seekers. It engages with employers at the Airport to capture current and future vacancies and to ensure that local people know about what job opportunities are available. In addition, the partnership team aim to support unemployed people in obtaining appropriate skills for the jobs on offer and to support them throughout the recruitment process and into employment. Since June 2014, the partnership has supported more than 400 people into jobs at the Airport.

The Birmingham Airport Skills Academy runs a Work Ready programme, offering a City & Guilds Level 1 Certificate in Exploring the Aviation Industry. The 12-day

course provides work preparation and of the 49 unemployed local people who took the course, 36 found employment at the Airport, a success rate of 73%.



A Strategy for Sustainable Travel

Excellent connectivity for all modes of transport is essential if the Airport is to continue to grow sustainably, reduce carbon output, and minimise the impact on the surrounding road network.

This year we have renewed our commitment to achieving these goals with the publication of a new Air to Surface Access Strategy, or ASAS, setting out how we will improve how passengers, staff and goods get to and from the airport over the next five years. We have also established both an Airport Transport Forum and a Surface Access Group, which include representatives from Solihull Metropolitan Borough Council, Birmingham City Council, Centro, the Highways Agency and employers on the Airport site. They will help us to identify how to make best use of the car parking levy that we have introduced this year to fund sustainable transport projects.



Building Regional Partnerships

Our role in creating employment and connecting tourists, investors and customers with markets around the world gives us a great vantage point from which we see a bright future for the West Midlands. In exports, the region has the largest trade surplus with North America and is the only UK region to have a positive balance of trade with China. Businesses are telling us they want more

direct flights to growth markets, so we have invested in our runway extension for longer-haul flights. But there is still more to do to ensure that the region's people and businesses can tap into these global opportunities.

This year we have carried out an extensive stakeholder engagement programme with local businesses, politicians and industry partners to

update them on our long-term growth plans and our position regarding the Airports Commission review. At briefings, meetings and workshops, we have been building support for our view that that the UK needs a competitive network of airports to help balance the economy and create better direct connectivity to support investment, trade and tourism. We have continued to work in partnership with HS2, which we believe will make us the most accessible airport in the country and perfectly positioned to relieve congestion on the overcrowded South East. We have supported the creation of the West Midlands Integrated Transport Authority and the new Midlands Connect plans for shrinking our region with road and rail, which we believe will help us to deliver on our mission of helping to create a sustainable economic future for all.





People

With our focus on providing excellent customer service, it is our staff who lead the way. We strive towards the continuous development of our employees, to maximise their - and Company's - potential, recognising that it is only by having a skilled and motivated workforce that we will achieve our overall objectives.

Maximising Potential

This year we have implemented Phase 3 of our Great Customer Service programme. Launched three years ago, Great Customer Service aims to equip every member of staff with the tools to deliver the excellent service our customers deserve.

The programme was devised in conjunction with our partner Little Bird, and is about all of us understanding what our motivations are and what shapes our thoughts, attitudes and actions. Phase 3 is called 'Shaping Tomorrow' and has taken an innovative approach to empowering individuals to decide in what direction the Great Customer Service programme goes next.

Little Bird is also involved in our 1:1 coaching programme to identify our future leaders, develop latent potential within the organisation and ensure that we retain the brightest, best and most committed individuals. New too this year is the Developing Future Leaders programme, a monthly series of two-

hour sessions working to develop individual skills in specific areas of managerial competency.

This year we have recruited in excess of 40 people into our Great Volunteers Programme, which enables people from a diverse range of backgrounds to deliver great customer service for our passengers. While not its primary purpose, it is encouraging that the programme has provided some volunteers with a pathway into permanent employment on the Airport site.



A Safe Environment for All

Ensuring the Health and Safety of our employees, passengers and everyone who uses the Airport remains our top priority. During 2014/15 we have seen significant developments in enhanced communication, expanded training programmes and regulatory compliance, culminating in our retaining accreditation to the international standard for occupational health and safety management, OHSAS 18001.

We first achieved OHSAS 18001 accreditation in 2013, and were subject to a two day surveillance audit in June 2014. Thanks to the hard work of colleagues throughout the business, the audit team concluded that the Airport has established and maintained its management system in line with the requirements of the standard.

This year we have launched a contractor control system. All contractors carrying out works on the Airport site are now required to have been successfully assessed through the Safe contractor pre-qualification scheme and must complete an online induction before any works may commence. The new scheme means that we can have increased confidence in the health and safety capabilities of all those who will be interacting with our customers and our staff.

While we did see an increase in staff accidents in 2014/15 compared with the previous year, none were of a serious nature. The majority occurred within our Security Department which reflects both the numbers of staff involved and the physically demanding nature of the role. Total reported passenger

accidents for 2014/15 stood at 183, a 5.7% decrease compared to 2013/14 which is a positive result when considering the 7% increase in passenger numbers.

This year we have reviewed Health & Safety training across the business and have committed that every staff member be British Safety Council Level 2 Health & Safety in the Workplace trained. In total 196 passes were achieved by Airport Company staff taking Health & Safety training courses this year. In addition, 85 training courses were delivered by our Fire Safety team during 2014/15, training 469 members of staff in both our own and partner organisations in Fire Evacuation.



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