

Birmingham Airport Corporate Responsibility Report 2015-2016



Birm Airp





This year we reinforced our links with the local Air Training Corps when we welcomed air cadets to a ceremony to officially rename their unit '2030 (Birmingham Airport) Squadron'.



Corporate Responsibility Report 2015-2016

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Welcome once more to our annual Corporate Responsibility Report, where we offer a snapshot of some of the work we've been doing during 2015/16 to advance the CSR agenda at Birmingham Airport.

Striking a Balance

Without doubt, it has been a remarkable year of success at Birmingham. New airlines have joined us, additional destinations have been added to our route network and every month has seen records for passenger numbers broken.

But with success, of course, comes responsibility - to ensure that we grow sustainably, that our success is shared amongst all those who can benefit from it and that where our success has an impact on our neighbours, we are prepared to act responsibly to manage that impact.

We face a major challenge in attempting to reconcile the sometimes competing priorities of the many different stakeholders who have an interest in what goes on at Birmingham Airport. I don't doubt there are those who believe it's an impossible task, but that's not a view I share.

At the heart of the challenge is striking a balance between positive and negative impacts and here I invite you to take a look at some of the steps we are taking to do just that.

In a short summary like this, it's impossible to explore complex issues like carbon management or airspace change, so I invite you to visit our website to take a closer look at how we're performing. Better still, why not speak to my Sustainability Team, who are working hard to deliver on our promises? They will be only too happy to provide more information.

Paul Kehoe, CEO



Meeting the Challenges of Growth

It's been another busy year for the Sustainability Team. Alongside the major projects you can read about in this report, the rapid growth in passenger numbers at the Airport has an inevitable knock-on effect on our workload and our ability to meet the needs of our business and our community.

We recognise that we need to ensure we're in a position to meet the challenges that growth brings by having the appropriate resources and expertise in place. I am delighted to report that we have significantly strengthened the team this year, bringing new skills that will better equip us to grow in a sustainable manner.

Richard Hardeman is our new Environment Manager. Joining us from a background in the steel and energy industries, Richard will be taking forward work on our environmental management



with specific responsibility for air quality, water quality and waste management.

Our new Fire Safety Manager is **Neil Eggington**, who joins us from a consultancy background, bringing his professional expertise to bear on developing our fire safety strategy.

Looking to the future, we have welcomed **Abigail Redmond** into team in the role of Sustainability Apprentice. We remain committed

to developing our capacity, something which has been perfectly demonstrated this year by our Environment Specialist **Tom Redfern**, who has worked exceptionally hard to achieve a Postgraduate Diploma in Acoustics. Congratulations to Tom and I am sure his additional expertise will enable us to offer an even better service to all of our stakeholders.

Kirstin Kane,
Head of Sustainability

Business Context

2015/16 has been a period of exceptional growth at Birmingham Airport. A total of 10,439,606 passengers passed through the terminal during the year, a 5.5% rise on the previous financial year, equating to an additional half a million passengers. Passenger numbers reached a rolling annual total of 10 million for the first time ever in August, and in every single month of the year the record for passenger numbers in that month was broken.

This growth has been fuelled by a mixture of new carriers entering the market at Birmingham – Blue Air, Czech Airlines, Iberia Express, Qatar Airways and Wizz Air – and additional services with established carriers such as Flybe, Icelandair, Norwegian, Ryanair and Emirates, which began a third daily operation to Dubai in August. A memorable moment came at the end of March 2016 when the

airline began operating the second of its three daily services to Dubai with the iconic A380 aircraft. This was an exciting and satisfying moment for everyone at Birmingham, for which we had been making preparations ever since it was announced earlier in the year, including the installation of a £1m double-decker airbridge, which was delivered on time and on budget.

Inside the terminal we saw developments in the departure lounge with new food and beverage offerings and a major re-development of the World Duty Free store, while behind the scenes, work has been progressing on a £16m upgrade to the baggage sorting system which will equip us with the most up-to-date facilities to cope with growing passenger numbers.

Operationally we've been busy too with the successful transfer of Air Traffic Control services to a new

in-house company, Birmingham Airport Air Traffic Services, taking place on 1st April and the transition of our airfield operations to the new EASA specification, which harmonises European safety regulations. Lastly and importantly for those communities to the south of the Airport, at the beginning of April 2016, the Civil Aviation Authority announced its decision supporting Birmingham Airport's Airspace Change Proposal for 'Option 6' to become the permanent flight path for aircraft taking off to the south of Birmingham Airport. While we continue to work with the CAA and our community partners to resolve some outstanding matters, this has brought a degree of resolution to a long-running and difficult issue.





Community

This year we have made major changes to our Corporate Social Responsibility Strategy with the introduction of our '30-30-40' scheme.

Responding to Local Needs

During the course of our work with the Airport Health Forum we reviewed our current CSR activities to establish if, where and how they align with the priorities identified by both Birmingham and Solihull Councils. It became clear that there were opportunities to coordinate Airport CSR activity with local authority priorities, particularly in the areas of employment, higher educational attainment and health-related community investment.

Our revised strategy now ensures that we target investment at those communities where evidence shows that social need is greatest and where we believe it can have the greatest impact. 30% of resources will be directed to those communities of east Birmingham which are identified as suffering deprivation under a range of measures. Likewise, 30% will be directed at neighbouring communities in north Solihull facing similar challenges. The remaining

40% will be shared among other communities which we recognise are still impacted by aircraft operations, but where nevertheless, levels of deprivation and social need are less acute.

In practical terms, this has meant:

- A re-drawing of qualification and assessment criteria to promote greater take up of Community Trust Fund grants in target communities;
- A more focussed approach to Airport educational initiatives to make more opportunities available to schools and colleges in target communities;
- In association with partner organisations, and where possible, a more focussed approach to make more training and employment opportunities available to residents in target communities;
- A programme of active promotion of these opportunities in target communities.

We remain committed to supporting our host communities and our refocussed Corporate Social Responsibility Strategy will provide the means to support initiatives which can help deliver healthy, vibrant and cohesive communities.



Community Trust Fund

The Birmingham Airport Community Trust Fund continues to provide the main channel for our investment in local communities.

Our eight independent trustees this year made awards to nearly forty local projects operating in the Fund's Area of Benefit, which stretches from Sutton Coldfield in the north to Temple Balsall in the south. Among them was Training Ship Stirling, a Sea Cadet unit based in Shard End, which was awarded £3,000 for the purchase of a new RS Quest Sailing Boat, enabling the young people to take part in competitive sailing events.

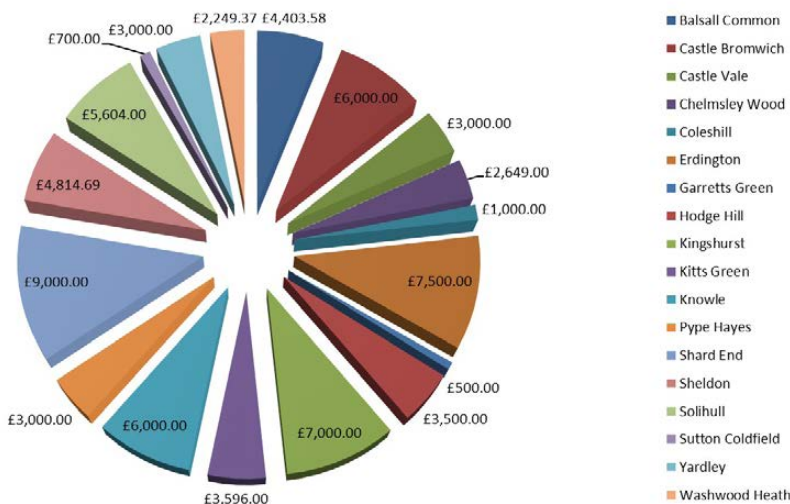
In Erdington, The John Taylor Hospice, the UK's oldest non-denominational hospice, received a grant of £3,000 to help fund its innovative 'Men's Shed' project, which aims to reduce social isolation amongst men with life-shortening illnesses by engaging local craftsmen to develop skills in carpentry, metalwork and other activities and selling the products to provide additional funding for the hospice.

Meanwhile a £1,000 grant helped refurbish the bells at Coleshill parish church to maintain a tradition going back to 1412.

In all, £82,516.64 was awarded, bringing the total invested by the Trust Fund since its inception in 1998 to nearly **£1.4 million**.



Community Trust Grants 2015/16 - By Area



Investing in Communities

Each year, we're able to invest in projects for which the Community Trust Fund may not be the most appropriate way of offering support. The Big Hoot was a perfect example and we were delighted to play our part in making Birmingham's biggest ever public art project the runaway success that it became.

One of our two sponsored owls, 'Unity in Diversity' stood proudly in Victoria Square all summer, while 'Showidon' was a big hit at the farm in Sheldon Country Park. Meanwhile eight owlets, each decorated by local schools, were enjoyed by tens of thousands of passengers in the terminal and the many parents and children who visited to tick them off their trail.

In February we were approached by Spotlight Dance School, who were looking for support to enable them

to represent Team England at the Dance World Cup. This community-led group based in Kingshurst do incredible work on a shoestring budget, providing inspiration, quality training and healthy activity for young people in North Solihull and we were delighted to fund some of the amazing costumes which will be used by young people for many years to come.

Our long-term support for Acorns Children's Hospice continued this year with the highlight being a 100 foot fundraising abseil from the roof of our offices in Diamond House. Led by Chief Executives Paul Kehoe and David Strudley of Acorns, more than fifty colleagues went 'over the top,' raising £10,000 for this amazing charity.

acorns
Your local children's hospice



Unlocking Potential

Recognising that employment is among the most significant determinants of long-term health for individuals and communities alike, our education programmes are explicitly aimed at helping reduce barriers to employment in later life.

Our goal is to deliver inspirational activities to help develop key skills, broaden horizons and raise aspirations, so that children can develop the tools they need to maximise their potential and opportunities.

This year we have seen the exciting development of the Flight School facility, which has been re-launched as 'The Learning Hub at Birmingham Airport' in partnership with The Foundation of the Schools of King Edward VI in Birmingham. We were delighted and honoured to welcome former Education Secretary and prominent campaigner for education, Baroness Morris of Yardley to officially launch the refurbished facility. There is a clear synergy between the Foundation's 'Opening doors'

Sharing Views

Following the changes introduced last year, the Airport Consultative Committee continues to develop in its role as our 'critical friend.'

To provide continuity, Independent Chairman Colin Flack agreed to remain in post for a further year and we've welcomed new members to provide representation for communities in Kitts Green, Shard End and Bromford. At the same time the Airspace Change Forum has continued to prove invaluable as the Airspace Change Process for departures from Runway 15 draws towards its conclusion, working in partnership with the Airport to deliver the best possible outcome for all parties and demonstrating what can be achieved when all sides are committed to an open and transparent relationship.

This year we've tried to make information about the impact of aircraft operations more accessible through the publication of our 'Focus on..' series. Available through our website, a series of information sheets concentrates on how the Airport impacts particular communities, providing specific, detailed answers to many of the questions residents in that particular community ask.

campaign, which seeks to widen accessibility to its schools for talented children from all backgrounds, and our own aim to raise levels of educational attainment and aspiration in our neighbouring communities. By partnering with such a well-respected and prestigious organisation we have been able to increase the range and quality of our educational activities, which this year have included workshops with contributors as varied as earth scientists, comic book creators and the Shakespeare Birthplace Trust. Meanwhile, an ongoing programme of school visits, (123 groups and almost 3,800 children during 2015/16), challenge events and CPD sessions for teachers, underpins the importance of education support as one of the key strands of our CSR Strategy.

So far we've covered Balsall Common, Barston, Castle Bromwich, Hampton in Arden, Knowle and Marston Green and more will follow.

Also new this year has been the introduction of a new Customer Relationship Management system called Oracle RightNow, which provides a more effective service in response to community complaints, comments or enquiries. When enquiring about funding or school visits for example, residents are able to search using keywords and in response receive suggested answers based on those keywords. Likewise, when complaining about aircraft activity, the system prompts residents to provide the information we need to effectively investigate and respond to their concerns, saving both residents' and staff time. As it 'learns' which are the most frequently asked questions, the system brings the answers quickly to the customer's attention, building an effective 'knowledge base' which is added to over time, so that more and more information becomes readily and quickly available. This leaves us with more time to dedicate to projects which are addressing concerns, improving the environment or building community capacity.



Sound Insulation

Our 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. This year a further 40 properties in Kitts Green were fitted with high-specification double glazing, taking total spending since 2002 to £2.2m.

Meanwhile, our Vortex Protection Scheme operates in those communities where there is a risk of damage to roofs caused by the vortices generated in the wake of arriving aircraft. When vortex damage is 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. We recognise this is a serious issue and this year we have accelerated our programme, spending £309,000 on 67 properties. In total, the scheme has re-roofed 377 properties with a total investment of £1.6m.





Environment

Aircraft noise is the single biggest issue for our neighbours and consequently it remains at the top of our list of priorities for action.

Addressing Concerns on Noise

This year we have focussed on addressing issues that emerged from the Airspace Change Process for aircraft departing to the south.

The first of these concerned the northbound turn, (where aircraft departing south turn north to reach destinations in Scotland or across the Atlantic). During the Airspace Change Process, it emerged some aircraft were overflying Hampton in Arden. It also became clear that there was a disparity between the performance of turboprop and jet aircraft types on the northbound turn, causing the former to fly closer to Balsall Common than was anticipated. Working closely with the airlines and the regulator, we have

been developing new procedures, including interim solutions to speed up the process, to bring relief to the communities involved.

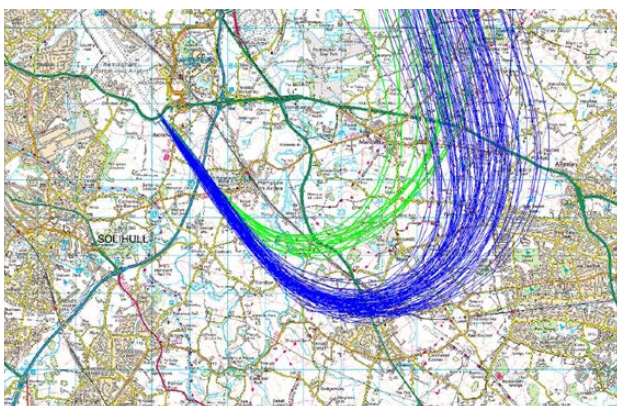
We next looked at 'MOSUN', a non-standard departure route used by aircraft flying to destinations such as southern Ireland, Portugal and the Canaries. Following the Airspace Change Process, aircraft had been flying a route which differed from the majority of departures, flying closer to Balsall Common. We have been working to change this so that they better reflect the track over the ground of the majority of operations.

Finally, as part of our ongoing dialogue with community stakeholders, we were asked to consider raising the Noise Preferential Route (NPR) ceilings at Birmingham from 3000 feet to 4000 feet. An NPR, often referred to as a flight path, is a 'corridor' within which departing aircraft are required to fly.

As the aircraft climbs away from the runway, it is required to remain within the NPR until it reaches an altitude of at least 3,000 feet. Stakeholders felt that if aircraft were not permitted to leave the NPR until they had gained an additional 1000 feet of altitude, there would be fewer aircraft overflying Balsall Common and Castle Bromwich and a reduction in noise impacts. We agreed to undertake a feasibility study and a live trial was undertaken. This was carried out over a 3 month period from August to October 2015, with the aim of assessing whether there would be any benefit local communities and to understand any operational impacts.

During the trial period, a modest benefit was identified and a small reduction in aircraft overflying or flying close to the southern part of Balsall Common was observed. We therefore agreed to raise the ceiling of the NPR to 4000 feet.

In addressing these issues, we have benefitted from the co-operation and constructive engagement of our community stakeholders in working together to find practical solutions to improve the noise climate for our neighbours.



Progress on Carbon Reduction

Despite contributing only 2% to global emissions, air travel is growing and is predicted to continue growing. The aviation industry is taking steps to minimise its CO2 emissions and impact on the global environment.

Efforts to reduce emissions require a collaborative approach between stakeholders including airlines, airports and government. At Birmingham Airport we are committed to collaborative working to reduce our impacts and in 2013 developed a Carbon Management Plan. This year we have reported on our progress to date and set out our targets for the next three year plan.

Our first priority has been to control and reduce greenhouse gas emissions that we directly control, so called – Scope 1 and Scope 2 emissions. However we're also concerned to control emissions outside our direct control, the so-called Scope 3 emissions, such as aircraft Landing and Take-Off (LTO) Cycle and emissions resulting from passengers and visitors travelling to and from the Airport.

We have seen Scope 1 emissions decrease over the lifetime of the plan by 14%, while Scope 2 emissions have also reduced over the same period by 8%.

Our carbon reduction targets are based upon the equivalent carbon emissions per passenger and, with carbon emissions influenced by the number of passengers using the Airport, this allows a comparison of carbon emissions on a year by year basis. We are able to report a significant year-on-year decrease of carbon emissions per passenger such that, over the three year reporting period, we have seen a 26% decrease in carbon emitted per passenger.

It should be noted that Scope 3 emission statistics have increased significantly over the lifetime of the plan. However, this is due to a change in the methodology for calculating



emissions of passenger travel. Using the previous methodology, we would have seen a reduction from 16kg of Scope 3 carbon emissions per passenger in 2012/13 to 14kg per passenger in 2015/16.

The 26% decrease in carbon emitted per passenger has been achieved by implementing a variety of measures including:

- The installation of LED Lighting across the airport site and car parks, with a potential saving of over 600 tonnes of CO² per year.
- Implementing Continuous Descent Approaches for approximately 95% of all incoming air traffic - one of the highest compliance rates in the UK. A typical A321 aircraft descending into Birmingham Airport will save upwards of 130kg of CO² per flight.
- Becoming one of the first British airports to install electrical car charging points to offer fast charging for electric motorists.

Our Travel Plan, which feeds into the agenda for reducing Scope 3 emissions through increasing the use of public transport for staff and passengers travelling to the Airport, was also published this year. It's

a long-term strategy that seeks to deliver sustainable transport objectives through positive action. As part of the Airport's runway extension project, we committed to reducing reliance on the private car and must achieve a minimum of 37% of staff travelling to work by a non-car mode. Our Travel Plan includes a number of objectives to achieve this, promoting more sustainable means of travel for the approximately 9000 staff who work on site, among them 'Liftshare', a new car-sharing scheme which was launched this year.

Going forward, any continued reduction against a backdrop of significant growth is likely to be more challenging. We are undertaking a detailed energy forecast and a review of capital investment and have set a 10% target for emission reduction per passenger for the year 2016/17. We will review this on an annual basis through our internal Energy and Carbon Reduction Group, and will report to the Airport Consultative Committee.



People

As a growing business we need a skilled and motivated workforce to meet the challenges we face.

Developing our People

Equally, growth brings more scope for personal development and we aim to offer every opportunity for our people to learn new skills and reach their full potential.

This year we have revised our Personal Development Review processes to focus on developing talent for the future and ensuring we have the best people to meet future challenges. We have worked with our Security Supervisors to build their management skills, provided a series of 'lunch and learn' sessions to increase manager's capabilities in a range of management disciplines and we have partnered with Solihull College to deliver training in appraisal techniques.

Our Great Volunteers Scheme has been in operation again this year, with new recruits joining our team of existing volunteers, providing a customer-focussed team offering a friendly welcome to our passengers in all areas of the Airport. They bring with them a huge amount of enthusiasm from a variety of backgrounds. In return, we're able to offer rewarding, valuable experience that many have taken with them into their careers.



A Safe Environment for All

In the continuous drive to ensure the Airport remains a safe environment for all, this year has been a period of consolidation and review.

Following our successful retention of the international standard for occupational health and safety management, OHSAS 18001, in 2014 we were again audited in June 2015. Feedback from the auditor was very positive, specifically identifying improvements to the Safety Management System and staff awareness of Health & Safety across the organisation and we were delighted that he recommended continued certification. However, we recognise the importance of continuous improvement and a further comprehensive review of the implementation of our Occupational Health and Safety Management System was carried out by the Sustainability Team in conjunction

with relevant Heads of Department. The review commenced in October 2015 and identified a number of areas for improvement which we are addressing and which will be rolled out into 2016/17.

Health & Safety training has been reviewed across the business. Refresher workshops commenced in March 2016 to target business areas and individual staff members to re-engage qualified staff for risk assessments and supervise staff safely, with a view to keeping training alive and relevant across the business. In 2015/16 the proportion of our staff who have achieved the British Safety Council Level 2 Health and Safety in the Workplace qualification rose from 7% to 42%.

Our Control of Contractors system has now been fully implemented. It requires the submission of Notification of Works forms for

maintenance and projects works which are approved by the appropriate team within the Airport Company. The system has proved to be very successful, increasing our awareness of contractor activity on site and enabling us to monitor what and how works are being carried out. We will continue to further enhance the system by working with our IT team to improve the efficiency of the notification process.

We have seen an improvement in our accident performance this year. There were 60 staff accidents in 2015/16 compared to 91 in 2014/15, a significant reduction. Passenger accidents have also reduced from 190 in 2014/15 to 174 in 2015/16, which is a positive trend against a backdrop of increasing passenger numbers. We have conducted a review of accident hotspots and implemented measures to address common causes.





Economy

This year we've seen a continuing positive impact on reducing unemployment in the region through the work of the Solihull Pact.

Connecting People to Jobs

The Solihull Pact is 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.

Working with Airport-based employers to target local job seekers, it identifies current and future vacancies and connects people to those jobs. The PACT team not only ensures that local people know about what job opportunities are available, but that they are prepared with the appropriate skills and supported throughout the recruitment process and into employment. The results of this year's programme are reported below:

The Prince's Trust exists to help young people who are unemployed or struggling at school to transform their lives. Their free programmes give young people practical and financial support and help them develop key skills while boosting their confidence and motivation. Among them is the 'Get Into' programme, which supports young people aged 16 to 25 who are work ready but who do not have vocational skills, providing them with a mixture of practical training, experience and the opportunity to meet employers. This year, with the Airport's support, The Prince's Trust ran two pilot 'Get Into' customer services programmes with the Launch Group and SSP, to provide young people with key work based, industry specific skills.

The two programmes were attended by 25 young people, of which 15

were educational underachievers, 5 had mental health issues, 2 had disabilities and 2 were homeless. By the time both programmes had finished, 21 of the young people were offered apprenticeships with SSP at either the Airport or at Grand Central Station in Birmingham. Of the four young people who did not receive job opportunities at the end of the programme, each has been allocated a progression mentor for up to 6 months who will work directly with them to support them into their next opportunity, whether this is another Prince's Trust programme or into education, employment or training.

We were delighted with the success of these pilots and will be assessing how we can work with the Prince's Trust to develop the programme even further.

2015/16	Target	Achieved
Employers Engaged	50	68
Vacancies Obtained	500	812
People submitted for pre-employment training	130	144
Number of Job Applications	1000	1390
Job Outcomes	400	633



Prince's Trust

The West Midlands Aviation Opportunity

In October, York Aviation published 'The West Midlands Aviation Opportunity' which highlighted the economic impact and potential of Birmingham Airport. It found that cutting Air Passenger Duty by 100% at Birmingham would attract 2.9 million additional passengers, delivering £521 million more per year and 12,000 new jobs across the UK.

The report also found that HS2 can help attract 750,000 additional passengers to Birmingham Airport per year by enlarging its catchment area to London and the north, enabling the Airport to deliver £52 million more per year and 1,300 new jobs across the UK.

Research like this confirms the Airport as a powerful engine of growth at the heart of our country and over the past year we have continued to present Government with evidence of the role that new road and rail investment, HS2 and changes to taxation can play in making best use of existing UK runway capacity. Working with our regional partners in Midlands Connect, the Midlands Engine for Growth and regional LEPs, we are playing our part in shaping emerging strategies that will maximise social and economic benefits to the communities we serve.



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