# HEATHROW 2.0: CONNECTING PEOPLE AND PLANET

OUR SUSTAINABILITY STRATEGY

FEBRUARY 2022

Heathrow



INTRODUCTION

NET ZERO AVIATION

A GREAT PLACE TO LIVE AND WORK

RESPONSIBLE BUSINESS FOUNDATIONS

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# Welcome from our CEO



When we launched Heathrow 2.0 in 2017, it marked a step change in our approach and made sustainable growth a priority for the business. Fast-forward five years and I'm incredibly proud of the progress we've made. Despite challenges along the way, we've been guided by our values and taken a leadership role within our sector's response to the global climate emergency. And we've continued to invest in our local communities, taking action to upskill local people and supporting them to access fulfilling careers at Heathrow. Within the business, we've explored what equality, diversity and inclusion truly means for Heathrow, and committed to our airport being a place where everyone feels comfortable to be their true self at work.

But now is the right time to refresh our strategy. The past two years have been the most challenging in our history. We've had to make difficult decisions to ensure that Heathrow would remain open safely and survive as a business during the darkest days of the pandemic. Despite these testing times, we've remained resolute in our commitment to sustainability. It's integral to our success and it remains a top priority. Now, thanks to the UK's vaccine success, we need to look ahead to recovery and returning to growth.

We're launching this refreshed strategy at a time when we're still feeling the impacts of the pandemic. We've needed to think carefully about how to prioritise to ensure that we focus our more limited resources on the issues that matter most to our stakeholders, and where Heathrow can make the biggest difference. Our simplified framework aims to do just that. We'll focus on two key areas: (1) Heathrow's plan to take the carbon out of flying this decade, on our journey to net zero carbon emissions; and (2) the steps we will take to ensure that Heathrow is a great place to live and work for our colleagues and local communities. Underpinning these are our responsible business foundations, which capture our ongoing commitment to do the right thing across all aspects of our business.

We've focused this plan on the changes we want to make this decade. By 2030, it's vital that we achieve absolute cuts in our carbon footprint to put us firmly on the path to achieve net zero by 2050. Heathrow's future depends on this, and we've set challenging goals to cut carbon emissions from flying by up to 15%, and at least 45% from airport operations on the ground.

Our goal is for 2019 to be the year of "peak carbon" from Heathrow, even with a third runway in the future.

It's also critical that we remain focused on our colleagues and communities. They are the lifeblood of the airport and integral to our success. Through Heathrow 2.0, we will deliver change on the issues that will make Heathrow a better, healthier place to live and work. We'll improve quality of life through cleaner air, quieter nights and taking care of our local environment. We'll support at least 10,000 local people to access jobs at Heathrow. We'll ensure that we reflect the diversity of our neighbouring communities at all levels within our business. And we'll give back to at least one million local people in those communities, providing support to school and community projects that lead to improvements in quality of life.

We can't do any of this alone. I'm excited about the opportunities that will come from working with our partners to drive progress on our shared ambitions. We welcome challenge from our stakeholders, and we'll continue to listen to ensure we understand what's most important.

This strategy sets a clear direction of travel for sustainability at Heathrow in the 2020s. We want to protect the benefits of aviation as a force for good in the world, and face challenging issues head on, with the conviction that we can be successful if we stay true to our values and work together. I believe we've shown we can achieve this, and I encourage you to read on and see for yourself.

# JOHN HOLLAND-KAYE

Chief Executive Officer



It has never been more important for aviation to take the lead on sustainability. The pandemic has highlighted how reliant the world is on air travel to work, connect and experience cultures and places beyond our own.

However, while that part of our lives – visiting family and friends, taking an overseas holiday or doing business – was put on hold, it was impossible to pause the global climate crisis. The pandemic was global, the answer was global, and the recovery must be global. If we are to continue to travel for years to come, the aviation industry must act now to embrace sustainability in all its operations and take the carbon out of flying.

Heathrow is leading the way with this strategy, Heathrow 2.0: Connecting People and Planet. Following the most difficult time the airport has ever faced, the timing of the plan is particularly significant and underlines Heathrow's unwavering commitment to the implementation of wide-reaching sustainability policies.

Sustainability covers a broad range of issues and every one of them matters. Businesses must also prioritise in times like these and focus on the goals that best align with their business operations and core values, and will make the biggest difference to the greatest number of people. This is never easy, but I believe Heathrow has got it right in this revised plan that establishes two crucial pillars of sustainability.

This strategy is not just about the huge global issues facing our planet. It has a meaningful impact on the everyday lives of individuals, families, and communities in and around Heathrow. These are the people who will directly and immediately benefit from the strategies outlined in the plan, from the families who will sleep more soundly with quieter nights to the local people who can develop long-lasting and worthwhile careers at Heathrow.

Making changes for the better is quite often the most difficult, rather than the simplest, option. As I have acknowledged, I'm fully aware of those who have been critical of Heathrow and the historical lack of trust that exists.

However, in my role as Heathrow Local Recovery Forum Chair for the last two years, I have seen that by working together with partners, Heathrow can indeed deliver positive change. Since the forum launched in late 2020, we have focused on creating supply chain opportunities for local businesses amidst the unprecedented challenges of the pandemic. We have also created a dedicated Heathrow Job Centre Plus Service with the Department for Work and Pensions to support colleagues across Team Heathrow and to help the local community access job information and advice. Continuing to work closely with partners including local authorities, small businesses and community leaders is critical to making these goals a success.

I am of course aware there are critics of Heathrow. This updated strategy seeks to reassure stakeholders that Heathrow still has sustainability at the core of its business now and in the future. It sets out a very clear blueprint for the ways the airport will consider and protect its colleagues, its local communities and the wider world and it is beholden on all of us to ensure that Heathrow does deliver on its promises.

### **DAVID BLUNKETT**

The Rt. Hon. the Lord Blunkett



# Introduction

The world now looks very different from a few short years ago. Since we first published Heathrow 2.0 in 2017, Covid-19 has seen the aviation industry confront the biggest crisis in its history. Priorities have since changed. Our refreshed strategy seeks to address these so everyone at Heathrow, our stakeholders, and our partners can work together towards a new future, both in the short term and following any expansion to come.

This refreshed strategy details the goals Heathrow will work towards over the next decade, and the actions we will take to connect our people and our planet in all our operations. It is the next step to building an airport for the future. Together with our partners, we want to make a real difference by 2030, working towards a better, more successful and more sustainable business for our colleagues, our customers, our communities and all the many other groups that have a stake win Heathrow.

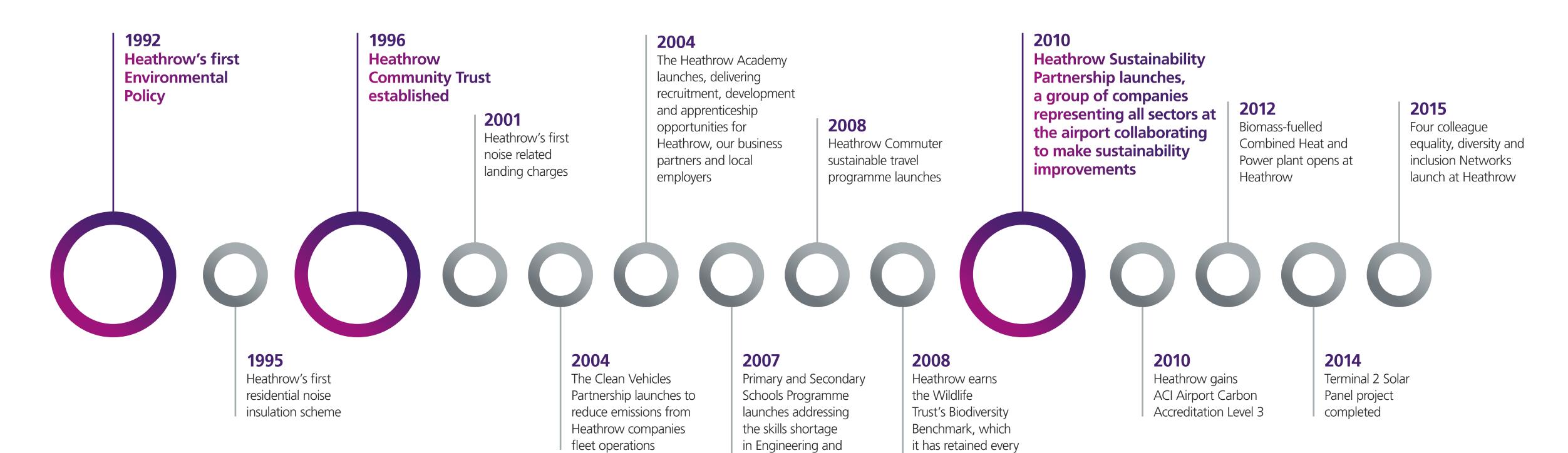
Aviation is a force for good in the world. But those benefits cannot come at any cost. Climate is an existential threat to aviation, to us all personally and it must be addressed. Our goal is clear: to protect the benefits of aviation for the future, the carbon must be taken out of flying. Like every other part of the global economy, aviation needs to reach net zero emissions by 2050. That may seem like a long time, but if the substantive changes that are needed have not been made by 2030, the industry won't be on track for its 2050 goal. This is the decade to make a difference.

The good news is that it is possible to take the carbon out of flying through ongoing efficiency improvements, sustainable aviation fuel (SAF), zero carbon aircraft and carbon removal projects. But this requires urgent action, by Heathrow, by the aviation sector and by the Government.

Heathrow must also be a great place to live near, work in and travel through. From reducing noise levels to supporting rewarding long-term employment, our commitments aim to improve daily life for our neighbours and colleagues and invest in our communities to make a positive impact on our immediate doorstep. NET ZERO AVIATION

year since

# Timeline



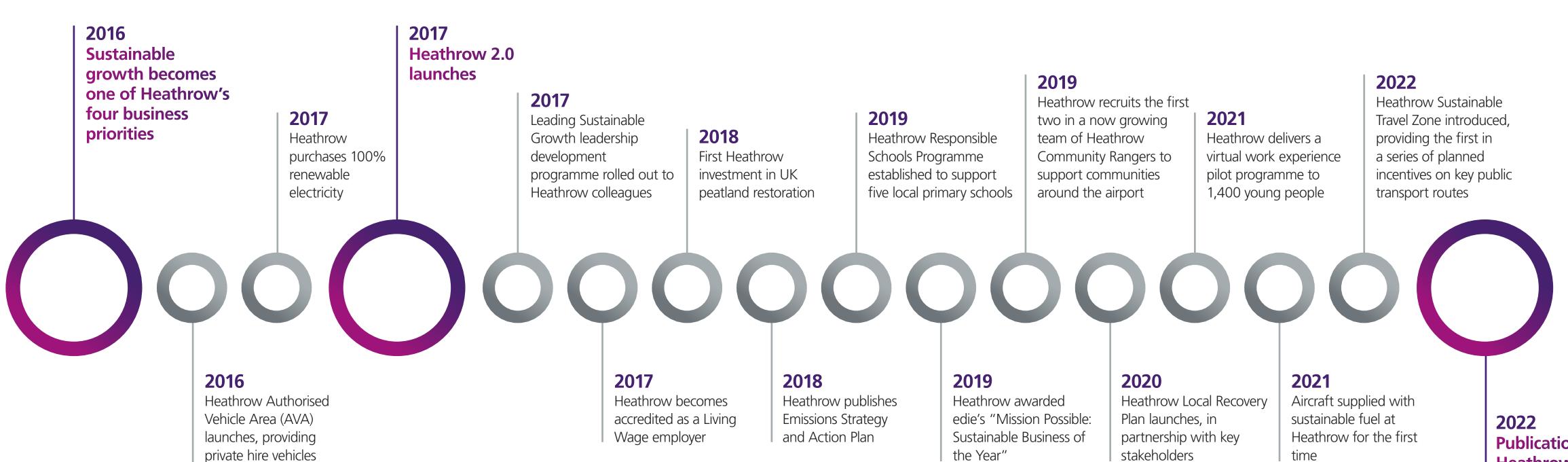
Technology

NET ZERO AVIATION

with dedicated

waiting facilities

# Timeline



**Publication of Heathrow 2.0: Connecting People** and Planet and **Heathrow's Net Zero Plan** 

Our Purpose is the reason we exist – it's who we are and why we're here. It reminds us of our beacons and values which reflect a simple business logic:

Motivated and engaged colleagues deliver great customer service, which we know makes customers more likely to choose Heathrow again. People and Planet is one of our six beacons, ensuring that sustainability sits at the heart of how we operate.

PURPOSE	Making every journey better		
VISION	To be an extraordinary airport, fit for the future		
OUR BEACONS	Winning Fast and Focused Value for Customers  Digital Future People and Planet  Creating Capacity		
OUR FOUNDATIONS	Governance and Financial Resilience  Service and Operations  Safety, Security and Compliance		
VALUES	ONG THE RIGHT THE REPARCE OF THE REP		

Throughout the pandemic, we have maintained a close dialogue with our stakeholders as the airport faced the biggest challenge in its history. As a result of those ongoing conversations, we are updating the strategies detailed in Heathrow 2.0 to better suit our changed world. Through a structured materiality assessment, we have prioritised the issues that are most important to our stakeholders, and where Heathrow can make the biggest difference. This strategy protects both today's operation and **creating** capacity in the future, while adapting to the current reality of fewer customers and less revenue. Our goals contribute to global frameworks including the UN Sustainable Development Goals (SDGs), focusing on the ones that mean the most to our people, our communities and our customers. We will report our progress transparently in our annual sustainability report, and we will establish an external and independent scrutiny process to hold us to account for our commitments.

# About this strategy

# We have structured this strategy refresh around two pillars:

- Net zero aviation to work towards our vision of sustainable aviation at Heathrow and across our industry.
- A great place to live and work to improve the quality of life of our colleagues and our neighbours and make a positive impact in our community.
- These are supported by our responsible business foundations, which show how Heathrow addresses a range of key issues, including safety, security, and governance through its strategies and policies.

## **NET ZERO AVIATION**

### Net zero in the air

**GOAL BY 2030:** Up to 15% cut in carbon compared to 2019

### Net zero on the ground

**GOAL BY 2030:** At least 45% cut in carbon compared to 2019



## A GREAT PLACE TO LIVE AND WORK

## Clean air at and around the airport

**GOAL BY 2030:** Reduce NOx airside by 18% compared to 2019

# Quieter nights, quieter flights

**GOAL BY 2030:** Limit and where possible reduce the number of people highly sleep disturbed and highly annoyed compared to 2019

### **Nature positive** airport

**GOAL BY 2030:** Work with partners to support a nature network around Heathrow

### Zero waste airport

**GOAL BY 2030:** Maximise reuse, recycling and recovery of materials used at Heathrow

# Thriving sustainable supply chain

**GOAL BY 2030:** Maximise suppliers achieving gold standard against our Balanced Scorecard

**Better quality of** life in Heathrow's neighbouring communities

> **GOAL BY 2030:** Give back to 1 million people in our local communities

**Inclusive employer** of choice for local diverse talent

**GOAL BY 2030:** Reflect the diversity of our local community at all levels

**Inclusive employer** of choice for local diverse talent

10,000 external jobs, apprenticeships and early

career opportunities

**GOAL BY 2030:** 















DEVELOPMENT GOALS

OBJECTIVES AND GOALS

### RESPONSIBLE BUSINESS FOUNDATIONS

# Enabling progress

Our refreshed strategy refocuses our long-term goals and clarifies the impact we want to make on our most material issues and targets. Heathrow 2.0: Connecting People and Planet is the umbrella strategy that brings our sustainability commitments together in one place. Further detailed plans on specific issues are laid out in separate documents such as our Net Zero Plan, Noise Action Plan and Local Recovery Plan.



We cannot achieve our vision of the Heathrow of the future without making real and radical progress on our sustainability goals. Our strategy directly supports more efficient operations, the sustainable growth of the airport and the development of our colleagues to ultimately benefit airlines, our local community, and the passengers we serve.

Our refreshed plan continues the journey we started with Heathrow 2.0 in 2017, focusing on what we want to achieve over the next decade with targets that are actionable immediately and over the coming years. This new content relates to Heathrow's existing two runway operation. When we bring forward expansion plans in the future, all relevant policy requirements, including those in the Airport National Policy Statement (ANPS), will be met. We will keep making progress on our sustainability impacts and this plan lays the groundwork for us to do more in the future with the investment that expansion would enable.

The Covid-19 pandemic significantly impacted Heathrow, with passenger numbers in 2021 down by more than 76% compared to 2019 levels, and total losses exceeding £3.4bn. Against this backdrop, we are more conscious than ever of the need to deliver our refreshed Heathrow 2.0 commitments as cost-effectively as possible. We have proposed a robust business plan to the Civil Aviation Authority (CAA) for H7, our next five-year regulatory period (2022-2026), which includes dedicated funding for sustainability. At the time of publication we are awaiting the CAA's final determination, allowing us to move forward with delivery when our new economic licence comes into effect this summer.

We are ensuring that all our colleagues are committed to our goals by aligning remuneration to carbon and sustainability targets. Carbon performance metrics have already been introduced in Heathrow's long-term incentive plans, focusing individual behaviour on making sustainable choices and rewarding sustainable outcomes.

# Net zero aviation Net Zero Plan

# A great place to live and work

For example:
Heathrow Local Recovery Plan
Noise Action Plan

# Responsible business foundations

For example:
Modern Slavery Statements
London Living Wage Roadmap
Sustainability Policies

# Enabling progress

# What happens now?

These are not short-term goals or ones that are easy to attain. We recognise we do not have all the answers and we are committed to working with others to effect positive change, while pledging to regularly review our goals and update our materiality assessment.

This refreshed plan commits to making cuts to our carbon footprint by 2030, so we can make significant inroads on our path to net zero. We want to work with airlines and our other Team Heathrow partners to change the impact aviation has on the planet and we know this requires a clear, shared vision. For over a decade we have worked with key employers across the airport, through the Heathrow Sustainability Partnership, to make greater progress together on our shared sustainability goals. This refreshed plan gives us a new roadmap to further that shared journey.

We will work together to reduce noise and tackle air pollution to improve the quality of life in our local communities. Within the airport, with our retail partners, we will tackle the use of single-use materials and target the elimination of waste to help businesses and our passengers work and travel more responsibly. We will also make a real difference to the people who use, live near, or work at Heathrow every day, offering new, secure opportunities for employment, championing equality, diversity and inclusion and investing in skills and education.

The pandemic has shown us all that no one can predict the future. We know we need to be ready to change and adapt so this refreshed strategy is only the first step. It outlines our long-term objectives and future goals, but we must continue to listen to and collaborate with all our stakeholders, especially those who live close to Heathrow. We will regularly review our strategies as we move forward to make sure we are doing the very best we can to achieve a future of sustainable air travel.





# Net zero aviation

Aviation is a force for good in the world. Flying underpins the global economy, delivering trade and tourism to all corners of the globe. It supports hundreds of millions of people's livelihoods, builds understanding across cultures, connects families and friends.

**NET ZERO AVIATION** 

But those benefits cannot come at any cost. Climate change must be addressed. The risk to the sector is not just opposition to airport expansion and flight shaming. It is the real impact of climate change. No one will fly to coastal cities or tropical islands that are under water. The wider impacts of dangerous global heating – extreme weather, food, and water shortages – would have a huge impact on our global society and economy.

95% of Heathrow's carbon footprint is from aircraft. The remaining 5% comes from people getting to and from the airport on the ground, as well as our supply chain, airport vehicles and buildings. That percentage may be smaller, but we have more influence over those emissions and a responsibility to "get our own house in order". We can get to net zero on the ground too. Again, this needs action by Heathrow but also by the Government: the national shift to electric vehicles in the UK will play the single biggest role.

Our new plan comes at an exciting time in aviation. Already the 2020s have seen the UK aviation sector commit to net zero – a world first – when the industry coalition Sustainable Aviation published its decarbonisation roadmap at the start of the decade. In October 2021, the whole global aviation sector set the same goal, and, at COP26, 21 states joined a new governmental coalition calling for a commitment to net zero by 2050 at ICAO's General Assembly in September 2022. A growing number of airlines are committing to using at least 10% sustainable aviation fuel by 2030. There is real momentum.

If passengers and cargo are to fly net zero by 2050, solutions must be rolled out this decade. That is why Heathrow's plan is centred on two ambitious 2030 goals to cut absolute carbon emissions.

Our goal is for 2019 to be the year of "peak carbon" from Heathrow. This will rely on Heathrow, the aviation sector and the Government acting with urgency and purpose to scale up solutions, particularly sustainable fuels.



# What is net zero?

This plan sets out the actions Heathrow will take to achieve those goals. Where we do not directly control emissions, it establishes how we will work in partnership and influence others, particularly our airline customers, the many other companies that operate at the airport, and our passengers. Heathrow can pull different levers to influence emissions – sending the right financial signals (like our sustainable fuels incentive in landing charges), setting the right standards (like our airside vehicle ultra-low emissions zone (ULEZ)) and offering the right products and services (like electric vehicle charging).

Where only the Government can pull the levers that will drive change – like setting a mandate for sustainable fuel use or agreeing a global net zero goal for aviation – the plan sets out what our policy asks are. We will continue to be a vocal advocate for change.

Heathrow will need to invest to deliver this plan. In H7, our next five-year business plan that runs to 2026, we have proposed nearly £200m of capital investment in projects to cut carbon – from modernising airspace to installing EV charging points. We are economically regulated by the CAA, so we need their support for this investment when they publish their final proposals for our investment which we are awaiting at the time of publication. Tackling climate change is fundamental to the CAA's primary duty or protecting affordable air travel for consumers, and to its environmental duties.



### **OBJECTIVE:**

Net zero in the air

# **GOAL:**

Up to 15% cut in carbon by 2030 compared to 2019



# **OBJECTIVE:**

Net zero on the ground

# **GOAL**:

At least 45% cut in carbon by 2030 compared to 2019

### What is net zero?

Net zero is a scientific concept established by the Intergovernmental Panel on Climate Change (IPCC). For an organisation, 'net zero' means achieving as close to zero carbon emissions as possible and removing any residual emissions, such as by absorbing it in restored natural ecosystems or by using 'engineered removals' to capture carbon from the atmosphere and to store it permanently.

# Why does it matter?

The IPCC recommends reaching net zero emissions around 2050 will help restrict global heating to 1.5°C above pre-industrial levels, which is what is required to drastically limit the effects of climate change on people, nature, and the environment.

## How can we achieve it?

Widespread emission reductions are the absolute priority. This must be done as deeply as technically and economically possible before carbon removal offsetting is employed to reduce anything left over.

# What is net zero?

### What does this mean for Heathrow?

Heathrow's carbon footprint encompasses a broad scope of emissions including passenger and colleague travel to the airport, the operation of all buildings and vehicles within the airport and departing flights all the way to their destination. Over 95% of Heathrow's carbon emissions from flights and much of the remaining 5% is not within our direct control, so it is critical to use our influence and work with others to achieve our target in line with net zero.

# What happens next?

Heathrow has devised a credible, ambitious pathway to net zero, both in the air and on the ground. This is based on Heathrow's knowledge and experience of our own carbon footprint and the ways we can reduce it, alongside the UK Government's advisory body on net zero, the Climate Change Committee (CCC). They set out the volume of carbon emissions recommended for the economy to remain on track to achieve net zero.

# **Looking forward to 2050**

By 2050, our goal is that carbon from flights falls by over 80%, even with a new runway. This would leave less than 20% of carbon emissions to be removed from the atmosphere to reach net zero. These figures are based on a set of detailed assumptions regarding ongoing fleet efficiency improvements, roll-out of zero carbon aircraft from 2035 and, most significantly, the scale-up of SAF to replace 90% of the remaining kerosene by 2050. However, our collective goal should be to reach absolute zero by 2050 if possible.

# Removing carbon from the atmosphere

It takes time to scale up SAF and introduce zero-carbon emissions flight, so we must also fund projects that avoid causing emissions, reduce emissions or directly remove them from the atmosphere.

# **Government support**

Our plans are dependent on the Government delivering on a range of policies alongside our strategy to achieve our stated goals by 2030. These include the modernisation of UK and EU airspace alongside the delivery of airspace change at Heathrow, maintaining and enhancing funding for the Aerospace Technology Institute to continue aerospace research and development. Hitting our 2030 SAF target is largely reliant on the Government introducing the right policies.

On the ground, the Government has already accelerated the shift to zero-carbon emission vehicles (ZEVs) by banning internal combustion engine vehicle sales from 2030 and hybrids from 2035. Heathrow will continue to push for appropriate policies to drive decarbonisation across all sectors (including new public transport links) driving net zero through its supply chains, and decarbonising its vehicles, buildings and infrastructure.



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# • Net zero in the air

# **RATIONALE:**

By 2030, our goal is that carbon from flights falls by up to 15% from peak 2019 levels. Many airlines have already committed to using at least 10% SAF by this date. Our plan aims for 11% SAF to be in use by airlines by 2030, delivering a carbon saving of over 7.5%. This is a result of Government ambition to achieve a 10% SAF blend in the UK by that date, plus the effect of Heathrow's landing charges incentivising its use. The aviation sector will further cut carbon emissions in the air by 2030 through operating more efficiently, modernising airspace and using fewer fossil fuels by improving the efficiency of conventional aircraft and engines.

# GOAL:

Up to 15% cut in carbon by 2030 compared to 2019



Cut up to

10/0

of 'in the air' carbon emissions by 2030 through more efficient operations and modernising airspace

Cut up to

8%
of 'in the air' carbon emissions by 2030 through improvements to conventional aircraft

Cut up to
70/0

of 'in the air' carbon emissions by 2030 through use of Sustainable Aviation Fuel



### **KEY ACTIVITIES:**

# Airspace and operational efficiency

Efficient operation is the foundation of all other solutions. Using less fuel for flights delivers the instant benefit of lower carbon emissions. Airspace describes the invisible routes aircrafts use as they fly. These 'motorways in the sky' were first designed in the 1950s and modern technology can help us deliver more efficient journeys with less fuel burn. Airspace at Heathrow and across the UK is currently being redesigned to be completed this decade.

Aircraft also use fuel before taking off and after landing. Cutting these emissions improves the air quality at and around the airport. We will continue to encourage use of fixed electrical ground power and pre-conditioned air so pilots can switch engines on later. We will support ground handlers to use electric pushback tugs to push aircraft from their stands and cut engine use. We will optimise ground movements, reducing taxiing time to minimise emissions.

# **New conventional aircraft**

Another way to use less fuel is through the new, more modern and more efficient aircraft entering service in airline fleets. This will be delivered largely through aircraft and engine manufacturers continuing to design more efficient planes and through airlines continuing to buy them. Heathrow's role as an important hub means the airport tends to attract a greater proportion of newer aircraft than most other airports. We will continue to encourage this transition by incentivising use of the cleanest and quietest aircraft through our landing charges. By 2028 aircraft will be rated based on their carbon emissions which will make it easier for airports to incentivise the most carbon efficient fleet.

# Change the fuel

Using SAF is the most certain way to achieve net zero flying by 2050. It can be used with existing aircraft, so it avoids waiting for the 25-year cycle of aircraft replacement. There are already eight approved ways of making SAF and it is certified for blends of up to 50% with conventional jet fuel. This will go higher – test flights were undertaken in 2021 using a 100% SAF. Relative to fossil kerosene, SAF typically cuts carbon by 70% or more today, with the potential for greater cuts by new fully synthetic fuels that are currently at an early stage of development.

Many airlines have committed to using SAF. Those that have pledged to use at least 10% by 2030 represent 66% of flights at Heathrow. Heathrow is actively supporting the scale-up of SAF, including through its role in the World Economic Forum's Clean Skies for Tomorrow. This initiative encourages governments, industry partners and investors to implement the policies and take the necessary steps to scale up SAF use globally.

At Heathrow, SAF was blended into the airport's main fuel supply and distributed through its fuel hydrant system for the first time in June 2021. Since 2021, we have also offered companies and passengers the chance to offset their flights by paying for SAF credits, used on existing scheduled flights. From 2022, our landing charges will include a new escalating incentive for the use of SAF.

# Change the plane

Although new zero-carbon aircraft are unlikely to enter service at Heathrow before 2030, we have begun exploring how our infrastructure will support them through new research. With demonstration flights for small electric and hydrogen powered aircraft already taking place, and the first commercial passenger services anticipated in the UK by 2025, there is already strong momentum.

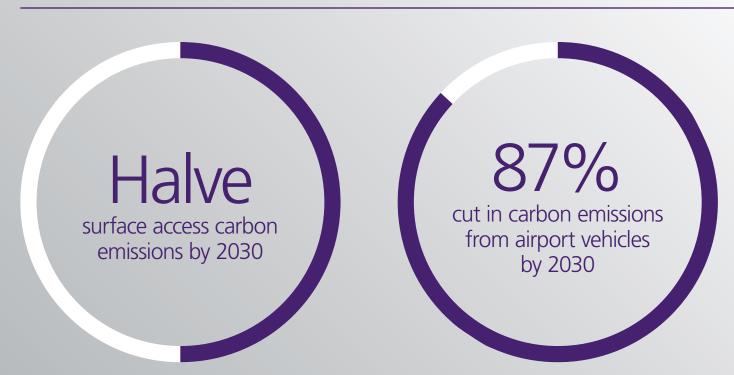


# **RATIONALE:**

On the ground, we will cut carbon by at least 45% compared to 2019 by enabling passengers and colleagues to access the airport sustainably, delivering a net zero supply chain, replacing airport vehicles with zero carbon alternatives and investing in our buildings and infrastructure.

**NET ZERO AVIATION** 





**NET ZERO AVIATION** 

Cut supply chain carbon emissions by 36% by 2030

Heathrow buildings and infrastructure to be zero carbon by the mid-2030s



### **KEY ACTIVITIES:**

### **Surface access**

We will continue to encourage more of our passengers and colleagues to use public transport or cycling and walking to get to and from Heathrow, helping to provide the right connections and make them faster, easier, more reliable, and more affordable. When people do travel by car, we will promote efficient journeys and provide the right infrastructure to support zero emission vehicles. We have invested in rail connections like Heathrow Express and the Elizabeth Line and supported long-distance coach links as well as subsidising public transport for colleagues.

# **Supply chain**

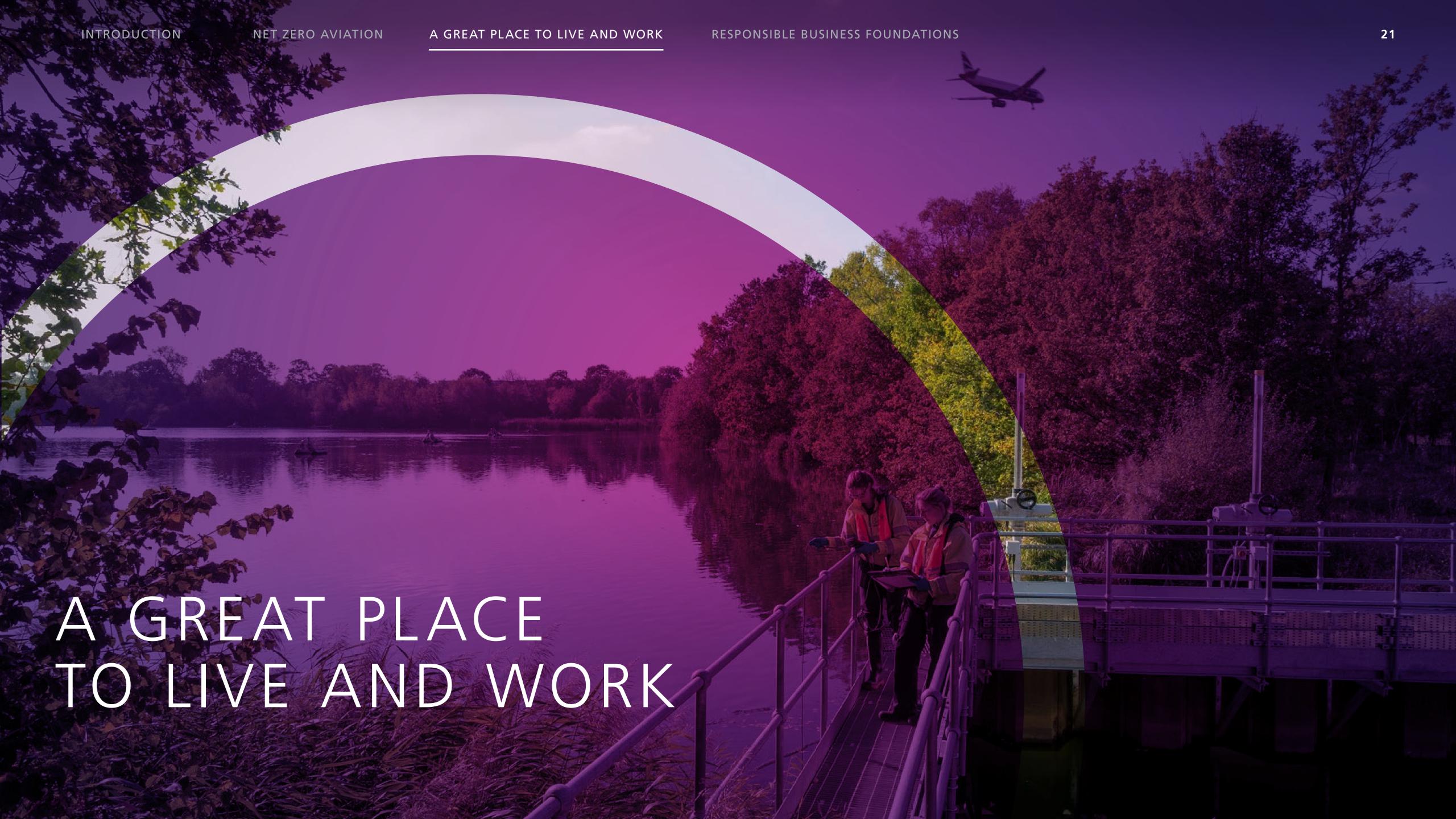
Heathrow can have a significant impact delivering carbon reduction in its supply chains. Many of our strategic suppliers have already set their own net zero targets. Contractual supplier obligations will cut carbon from the goods and services provided to Heathrow in line with our targets and we will continue to partner with companies that share our climate ambitions. Through our balanced scorecard approach, we will proactively seek to collaborate with suppliers sharing new ideas, experience, and solutions.

# **Airport vehicles**

All conventional vehicles we own will be zero emissions by 2030 and we will support Team Heathrow to make the same transition through incentives and infrastructure. We will reduce fuel used by minimising journeys, better routing, proactive maintenance and good 'eco-driving' behaviours. Emissions will be cut by switching airport vehicles to ZEVs and we will support Team Heathrow to do the same by cutting the cost of electricity at the airport and improving charging infrastructure. Vehicle standards will be tightened in phases to drive ZEV uptake and we will increase the 'biofuel' blend in the airports fuel supply to improve the carbon emissions of vehicles not yet converted to ZEV.

# **Buildings and infrastructure**

We will invest to achieve almost zero carbon buildings and infrastructure including factoring decarbonisation targets into investment plans. Our electricity network will be upgraded and improved, and we will introduce a hydrogen supply where there is demand. Heating and standby power generation will be decarbonised, and we will switch from fluorinated gases to ultra-low GWP (global warming potential) alternatives where possible. Small residual emissions will be reduced by switching to renewable fuels for fire training.



# A great place to live and work

The people who work in and around Heathrow every day are the lifeblood of the airport. They shape the experience of every passenger and offer the world's best airport service, keeping Heathrow safe, secure, and welcoming. It is critical to ensure our airport is a diverse and inclusive workplace for all, and that we provide the skills, education and long-term employment opportunities that make Heathrow the local employer of choice.

Heathrow employs tens of thousands of people, many of whom live within a few miles of the airport. Our strategy will ensure this continues, with a strong focus on enabling local people to work at the airport as we recover from the impact of the pandemic and demand returns. We want to help them find the right work at Heathrow and nurture them to fulfil their potential.

We must also be a valuable neighbour for those who live closest to us, making sure these communities benefit from cleaner air, quieter nights and improved quality of life.

A GREAT PLACE TO LIVE AND WORK

We want the area surrounding Heathrow to be a great place to live. Our proximity to London is a great advantage for passengers, but it also means the airport is located close to many homes and local communities. We recognise that our airport impacts those communities, and we want to make sure it is as positive as possible.

The best way for us to do that is by listening and talking to local people and understanding their needs. This will allow us to build the long-term productive relationships that help local communities thrive and improve quality of life for all. This strategy prioritises the issues our neighbours tell us matter most – noise, air quality, the local environment, opportunities for local business and investing in our communities.



# **OBJECTIVE:**

Clean air at and around the airport

# **GOAL**:

Reduce NOx airside by 18% compared to 2019



# **OBJECTIVE:**

Quieter nights, quieter flights

# **GOAL:**

Limit and, where possible, reduce the number of highly sleepdisturbed and highly annoyed people compared to 2019

# A great place to live and work



# **OBJECTIVE:**

Nature positive airport

# **GOAL**:

Work with partners to support a nature network around Heathrow



# **OBJECTIVE:**

Zero waste airport

# **GOAL**:

Maximise reuse, recycling and recovery of materials used at Heathrow



A GREAT PLACE TO LIVE AND WORK

# **OBJECTIVE:**

Thriving sustainable supply chain

# **GOAL**:

Maximise suppliers achieving gold standard against our **Balanced Scorecard** 



# **OBJECTIVE:**

Better quality of life in Heathrow's neighbouring communities

# **GOAL**:

Give back to 1 million people in our local communities



# **OBJECTIVE:**

Inclusive employer of choice for local diverse talent

# **GOAL**:

Reflect the diversity of our local community at all levels of the business

10,000 external jobs, apprenticeships, and early career opportunities



# **RATIONALE:**

Local air quality and its potential effects on public health are critical issues for our colleagues and for communities around Heathrow.

We remain committed to playing our page.

We remain committed to playing our part in improving local air quality.

Although the actions in our Net Zero Plan will deliver air quality benefits alongside carbon reduction, we have also set out specific goals and targets to improve air quality with measures focused on reducing emissions from road transport and from airside vehicles. Our overarching goal focuses on reducing emissions of nitrous oxides (NOx) from all airside sources, and we have set targets for Heathrow's operational vehicles as this is where we can make the most meaningful difference. We also remain focused on sustainable surface access to reduce carbon emissions, help improve local air quality and reduce congestion in the communities around the airport.

# GOAL:

Reduce NOx airside by at least 18% compared to 2019





No more than 57% colleague single occupancy vehicle trip mode share by 2026

By 2026 increase the UK population located within 1.5 hours of Heathrow by public transport by and within 3 hours by 12%

By 2030 all airport vehicles are zero emissions or use biofuels

Airside by 2025

# **KEY ACTIVITIES:**

# **Surface access and connectivity**

We remain committed to encouraging passengers and colleagues to travel to the airport using public transport, walking or cycling. To support this, and to provide better travel options to local communities, we will implement a new Sustainable Travel Zone during 2022. This will introduce improvements and incentives for bus and coach travel, as well as walking and cycling. It will replace some benefits suspended in 2020 and improve the overall offer for a greater number of colleagues and local communities. The opening of the Elizabeth Line in 2022 will also deliver an improvement in public transport connections to Heathrow, and we will continue to look at new bus and coach services to fill gaps in the public transport network, so more people can get to the airport with a maximum of one interchange.

When people do travel by car, we will promote efficient journeys and provide the right infrastructure to support zero emission vehicles. We will enable the update of zero emission vehicles amongst bus, coach, and freight operators as well as for private cars, including passengers, colleagues, taxis, private hire vehicles, and car rental.

We will also focus on increasing our understanding of how freight is moving in and out of the airport so that we can better manage the impact it has, both in terms of emissions and impacts to local communities. As the UK's largest port by value, freight vehicle activity takes place at Heathrow 24 hours a day and for 365 days a year, with vehicles accessing the airport from all directions.

# **Airport vehicles**

As well as converting our own fleet of vehicles to zero emissions, we will work with our Team Heathrow partners to support them to do the same. We also plan to implement an airside ULEZ at Heathrow by 2025, a target which we have been working on for several years. We had hoped to bring the launch forward to 2022, but the disruption caused by the pandemic means we need to revert to the original date of 2025. As well as setting standards for emissions, the ULEZ will also include safety standards and incentivise optimisation of vehicles operating airside.

# **Monitoring and reporting**

We have carried out continuous air quality monitoring at locations on and around Heathrow since 1993 in addition to the monitoring conducted by the local authorities and we will continue to do so. We are also committed to protecting colleagues from emissions that are harmful to health so we will continue to monitor ultrafine particles at Heathrow and take appropriate steps to address them.



# **RATIONALE:**

We understand that noise can impact people's quality of life in different ways and it is a more complex issue than it first appears. When we experience noise, everything from its volume, our attitude towards it, to whether we can control it, determines how it affects us.

NET ZERO AVIATION

We have been working to reduce our impact for many years. For example, Heathrow is one of the world's leading airports in noise management: even though the number of flights has increased significantly since the 1970s, Heathrow's noise footprint has continuously reduced. Our updated strategy outlines how we will continue to work with local groups to manage our noise impact.

Our goal focuses on tackling the negative impact that noise can have on sleep disturbance and annoyance. We want to limit the number of people whose health is affected in this way and ensure that all our targets lead to improvements for our local communities. We remain committed to supporting a research agenda that enhances understanding of the impacts of aviation and the effectiveness of the interventions used to reduce noise impacts.

# GOAL:

Limit and, where possible, reduce the number of highly sleep-disturbed and highly annoyed people compared to 2019









Incentivise the use of Chapter 14 aircraft to reduce Chapter 4 operations

to less than 2019 levels



# **KEY ACTIVITIES:**

# **Noise strategy**

Heathrow's long-term noise strategy is based on the International Civil Aviation Organization's (ICAO) Balanced Approach, with the addition of a focus on working with communities. Our Noise Action Plan provides the detail on our approach.

# **Quieter planes**

As aircraft and technology improve and planes become quieter, we will continue to work to ensure that residents share in the benefits. We are committed to providing a strong financial incentive for airlines to use the quietest planes currently available, including in the early morning period, through the use of variable landing charges. We will continue to annually review our noise related charges as the aircraft fleet improves, within a structure that enables airlines to make long term strategic decisions.

# **Quieter procedures**

There are opportunities to reduce the impact of aircraft noise through the use of operating procedures which effect how and/or where is flown. For example, following a continuous descent approach on arrival can mean aircraft are higher and use less engine thrust, whilst on departure ensuring aircraft remain within designated flightpaths below 4000ft reduces the number of people overflown. We will continue to focus on improving adherence to these procedures, as well as exploring opportunities to manage airspace differently, working with local communities to identify changes that could benefit them.

# Land use planning and management

We will continue to help with noise insulation and mitigation through a range of schemes. Over the next few years, we will be launching a new approach to noise insulation which will seek to improve on our existing schemes, as well as to recognise improvements in noise exposure over the past 25 years. We will also continue to press the Government to provide more detailed guidance on planning around airports, and to restrict noise sensitive development in high noise areas. We will work with local authorities on this important aspect of the ICAO Balanced Approach.

# **Operating restrictions and voluntary measures**

We do not see restrictions as a first resort and are committed to developing voluntary measures through collaborative approaches. These can be quicker to implement and more effective. For instance, from 2025, we intend to agree a voluntary measure to restrict flights after midnight to those required in very exceptional circumstances. Where restrictions are in place, we are focused on ensuring that they are fully adhered to. These include the night flight restrictions set by Government which are currently under review.

# **Working with local communities**

Underpinning all our work to address aircraft noise, we are committed to engaging openly and constructively with local communities to understand their concerns and to provide accessible information and an on-going dialogue. We will continue to seek views from a diverse range of community stakeholders through forums such as the Heathrow Noise and Airspace Community Forum (NACF), research surveys and focus groups to help shape our strategic approach and develop our noise action plans.



# GOAL:

# Work with partners to support a nature network around Heathrow

RESPONSIBLE BUSINESS FOUNDATIONS

# **RATIONALE:**

so it is crucial we protect and look after the world we travel and live in. The link between global heating and the alarming loss of nature and biodiversity is clear, not only affecting tourism but damaging wider business and communities. We rely on nature for resources and essential mechanisms such as clean air, clean water, and food crop pollination. Protecting nature is also a key tool in slowing the rate of climate change and helping wildlife, people, and communities to adapt to it. Heathrow is helping to reduce harm and to work towards restoring nature - something we can all play a role in.

Aviation relies on people travelling,

NET ZERO AVIATION

At Heathrow we currently manage around 170 hectares across 13 sites for nature conservation purposes – roughly 10% of the entire airport footprint. The airport sits between two large and ecologically important river systems: the River Colne and the River Crane. Our biodiversity sites sit between them. They provide habitats for wildlife and create potential corridors for species to move naturally between sites across the local landscape. This potential connectivity makes Heathrow an important regional site for nature conservation, linking urbanised areas to parts of the wider countryside. We will continue to preserve these green spaces for future generations to enjoy, supporting flora and fauna to thrive around the airport.

We have also funded several projects to regenerate natural ecosystems in the UK, including peatlands and woodlands in areas of Scotland, Wales, and England. The primary purpose of these projects is to cut carbon emissions and store them in ecosystems, but we have chosen these for the wider benefits they also deliver – particularly their role in nature's recovery. This work continues as part of our net zero pillar.







**NET ZERO AVIATION** 

Maximise de-icer recovery through our Clean Water Programme



## **KEY ACTIVITIES:**

### **Nature Positive Plan**

During 2022, we will develop Heathrow's Nature Positive Plan. This will bring together much of the work we already do to protect and preserve the natural environment at and around the airport, and build on that strong foundation. It also encompasses our work on nature-based solutions for offsetting residual carbon emissions – tackling the nature and climate emergencies in tandem. In 2021, Heathrow was a founding signatory of the Get Nature Positive campaign, committing to work towards halting and reversing the decline of nature by 2030.

# **Biodiversity management**

Heathrow has operated a comprehensive biodiversity management programme for many years, which is part of our commitment to running the airport responsibly. Our sites include freshwater lakes, reedbeds, grassland and woodland. They contain a wealth of wildlife and make an important contribution to local green spaces, with several sites fully or partially open to the public. Our approach varies between sites in order to benefit the specific flora and fauna evident within each. Techniques we use include woodland coppicing, hedgerow management and invasive species control.

# **Clean Water Programme**

We have a strong track record of implementing pioneering, innovative ways of improving the quality of our water discharges into local rivers and lakes. Our surface water Pollution Control System (PCS) stores and treats surface water runoff so that it complies with permitted limits when it is discharged. The system is made up of drainage pipes and interceptors, balancing ponds, reservoirs, biological treatment reedbeds, combined with various mechanical pumps, divert structures and electrical monitoring and control equipment. In winter, de-icing of runways, taxiways and aircraft is critical to maintain safety. We seek to maximise the amount of de-icing fluid we recover, both by evolving techniques to recover glycol de-icer used on aircraft and through the capability of the PCS.



# Zero waste airport

# **RATIONALE:**

Heathrow's size and scale create unique challenges for resource efficiency. The airport is akin to a small city, so when looking to reduce waste or water, it is imperative that we work with our partners and take a whole system approach. We also need to deepen our understanding of how behaviours around resource efficiency have changed since the pandemic. We will focus on this in 2022 and plan to further develop our goal and targets for the rest of the decade by the end of the year, towards our ambition of becoming a zero waste airport in the longer term.







# **KEY ACTIVITIES:**

# Reuse, recycle, recover

Our aim is to become a resource efficient, zero waste airport, shifting our focus from managing waste to managing materials so we can implement a circular approach to our use of resources. We will consider the materials we use in operations, commercial activities, and construction – maximising the use of materials that can be commercially recycled, reprocessed, and sold for use again in the economy once we no longer need them. We will keep those materials in use for as long as possible by repairing, re-using, and donating, thereby reducing the total amount of material we throw away. Where that is not possible, we will maximise the recycling of materials that can be commercially recycled and we will improve our infrastructure to ensure better segregation of material for recycling and reprocessing. Where no other option exists, we will convert materials to fuel or other beneficial uses.

# **Lobbying for change**

We are obliged to treat cabin waste from all non-domestic flights as 'Category 1', meaning it is required to be disposed of in a specific way, and cannot be sorted for recycling. Following the UK's departure from the European Union, there is an opportunity to review the legislation to ensure the right balance is struck in maintaining sufficient controls against potential health risks, while also maximising recyclability. We will work with industry partners to make this case to Government.

# **Reducing wasted water**

We know that a significant amount of water at Heathrow is unaccounted for, and we want to address this. By expanding our metering coverage and focusing on understanding and reducing leakage, we will improve water efficiency at the airport.



# **RATIONALE:**

With thousands of companies operating from or supplying goods and services to Heathrow, our influence stretches far beyond our boundary.

We want to use that influence to encourage others to adopt ethical, low carbon and sustainable practices. Heathrow's new Balanced Scorecard will enable clear communication of priorities to strategic partners, and a collaborative approach to working together to deliver our desired outcomes. By engaging our partners in this way, we aim to bring the best of their resources and expertise to bear at the airport. Together we will regularly celebrate success and drive local and regional economic opportunities through our supply chain.

By supporting small and medium sized enterprises (SMEs) across the UK to do business with Heathrow we can have a real impact on smaller businesses both regionally and those that are local to the airport, driving local economic recovery from the impacts of the pandemic.

<sup>&</sup>lt;sup>1</sup> Heathrow's Balanced Scorecard will record our suppliers' progress on sustainability and engage them in contributing to our key goals. 'Gold' is the highest level they can achieve.



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Deliver business opportunities at Heathrow by growing the proportion of SMEs in our supply chain (from 40%) and the proportion of local SMEs (from 50%)

Switch on CompeteFor<sup>2</sup> in 2022 and then set a target to grow the level of business with SMEs amongst our Tier 1 & 2 partners and suppliers



# **KEY ACTIVITIES:**

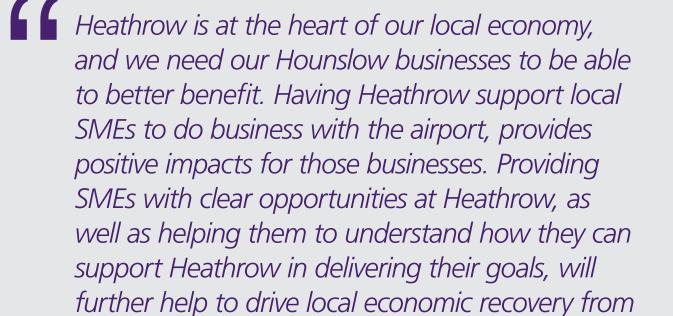
A GREAT PLACE TO LIVE AND WORK

# Working together to deliver our sustainability goals

Our Balanced Scorecard will enable us to clearly communicate to suppliers how they can support us to deliver our goals. It will embed a methodology that will allow us to work together to set KPIs, record progress and encourage collaboration to deliver against our strategic priorities. We will use it to celebrate and champion success by awarding gold, silver, and bronze levels, and to share best practice.

# Remove barriers to entry for local SMEs

We want to ensure that SMEs and local businesses in particular, can share in the economic benefits generated by Heathrow.



the pandemic and the downturn at the airport."



**Sally Smith** COO, Hounslow Chamber of Commerce

<sup>&</sup>lt;sup>2</sup> CompeteFor is a free supplier platform that enables businesses to compete for contract opportunities.



# Better quality of life in Heathrow's neighbouring communities

**NET ZERO AVIATION** 

# **GOAL**:

# Give back to 1 million people in our local communities

# **RATIONALE:**

For Heathrow, being a responsible neighbour is a priority. It is important that we share the benefits of the airport with the communities, families, and organisations that live or operate locally.

However, we recognise that there are also adverse impacts associated with living near to an airport. By building relationships with an engaged local community, we are able to listen to what matters most, and use this to guide our approach to managing and improving things. Many of our colleagues are also our closest neighbours, and we want them to feel proud of the work we do too. Our aim is for colleagues to understand the community they work within, encouraging them to get involved through fundraising and volunteering, as well as making them aware of the impacts the airport has.

We aim to have a positive impact on the communities around Heathrow, collaborating with local people and partners on projects that make their areas even better places to live. We have set ourselves an ambitious goal for more than one million local residents to benefit from our community investment programmes by 2030. We will achieve this through activities like our Heathrow Community Rangers, our local primary school partnerships, community volunteering, and supporting local charities and community groups through the Heathrow Community Trust.







**NET ZERO AVIATION** 

Publish a target in 2022 to increase the number of Heathrow colleague volunteering hours made available in local neighbourhoods by 2030

At least £6.5 million

> in funds generated for the Heathrow Community Trust by 2030



### **KEY ACTIVITIES:**

# **Giving Back Programme**

We focus on delivering community investment within the boroughs closest to Heathrow and on causes that will have a long-term social impact. To ensure that we add value, we consider the level of need and the proximity of communities to the airport. Our programmes include the Heathrow Community Rangers (a dedicated team who carry out projects to enhance the local area identified by local community members or council representatives) and our Responsible Schools Programme (through which we partner with five local primary schools by offering an array of learning and development activities led by colleague volunteers). In 2022, we will work with local stakeholders to evolve our current approach into a new Giving Back Programme which will set out how we will improve quality of life by supporting worthwhile local causes that bring about wider community benefits.

RESPONSIBLE BUSINESS FOUNDATIONS

# **Colleague volunteering**

A key strand of our community investment programme is in providing opportunities for our colleagues to volunteer their time and skills to support local communities. This not only helps us have a greater impact in the community, but also improves knowledge among colleagues of the community they work in. We will develop a target in 2022 to increase the number of Heathrow colleagues taking part in volunteering by 2030.

# **Supporting Heathrow Community Trust**

The Heathrow Community Trust (HCT) is an independently run grant-making charity that funds projects that improve quality of life in the communities near the airport. HCT supports a wide range of community projects and organisations, helping young people to raise their aspirations, bringing communities together, reducing isolation for older people and enhancing local environments. We will continue to work closely with HCT and support its important work by generating at least £6.5 million in funds by 2030.

Heathrow Community Trust is proud to have been supporting local communities for 25 years. Our grants provide essential funding for a diverse range of groups who deliver much needed projects and services to improve local residents' quality of life. These organisations are dedicated to bringing communities together, raising aspirations and improving their local environment. The pandemic has further highlighted the need across the area we fund and HCT is committed to doing all we can to help."



# **Clare Knight**

CEO, Heathrow Community Trust



NET ZERO AVIATION

# **RATIONALE:**

We want Heathrow to become a truly great place to work where anyone can fulfil their potential. In 2017, we set a goal for our workforce

to reflect local diversity at every level by 2025. We have made some progress towards this goal, particularly for gender balance, but still have a lot of work to do.

Equality, diversity, and inclusion (ED&I) remain a fundamental part of our business strategy, so we are redoubling our efforts and putting in place a roadmap to help us achieve our goal by an extended timeframe of 2030. We have also set milestone targets for our next five-year regulatory period, H7, which runs from 2022-2026, to help ensure that we are making the progress we need to.



At least
43%
female colleagues
at senior levels
by 2026

At least

27%

Black, Asian and
Minority Ethnic
colleagues at senior
levels by 2026



### **KEY ACTIVITIES:**

# **Driving sustainable growth**

We will improve company polices, making them more inclusive and aligning them to support our goal to 'reflect the diversity of our local community at every level'. We will also drive improved levels of consistency and clarity, by setting out clear targets to our leaders, whilst providing all our colleagues with an understanding of what we are aiming to achieve, and how we are performing over time.

# **Creating career fulfilment**

We will ensure that there are clear opportunities for anyone working at Heathrow to develop and progress their career. As well as introducing mentoring and reverse mentoring schemes, we will extend our performance and talent framework to more junior levels, and support emerging talent through apprenticeships, internships, and graduate schemes.

# Developing an inclusive organisation

Our leadership capability is a key element of our ED&I plans. We want all our leaders to be able to value and embrace difference and to lead in an inclusive manner. To support this we will deliver conscious inclusion training and develop a suite of ED&I learning and tools that is accessible to the whole business.

# **Amplifying our colleague voice**

We want our colleagues to feel comfortable to express their views, opinions, concerns, and suggestions to influence organisational decisions and strategies and we encourage open, trusting relationships between colleagues. Our thriving colleague ED&I Networks are an important tool to enable this.

Leading the en-haNCE network gives me the opportunity to use my voice, experience, and skills to address and amplify the challenges and achievements of our diverse airport community. enhaNCE's vision is to create a working environment for colleagues in which their culture and ethnicity is one of their greatest assets to themselves and the business. I want to create opportunities for colleagues to celebrate their similarities and differences and to drive change across the business with the intention of helping each of us achieve our greatest potential."



Anita Chagar en-haNCE (Culture and Ethnicity) Network Lead

Inclusive employer of choice for local diverse talent (continued)

NET ZERO AVIATION

# RATIONALE:

Although the pandemic affected the jobs and livelihoods of many colleagues at the airport, providing good quality opportunities for local people to develop their careers at the airport is our priority during recovery.

This includes residents continuing their education and learning new skills, rebuilding apprenticeship programmes and providing individuals with the resources needed to help them re-enter the local jobs economy.

We want to connect our residents to the world of work at Heathrow and build a diverse pipeline of skills by engaging with local young people in education. This in turn contributes to reducing unemployment levels by filling thousands of jobs, apprenticeship, and early career opportunities from the local community.





Schools programmes

> available every year to children in all local boroughs



## **KEY ACTIVITIES:**

# **Early career opportunities**

Our local communities depend on the employment opportunities provided by the airport and its wider supply chain. As we rebuild and recover from the pandemic, we will ensure that we provide a range of entry level options to local people. These include providing brokerage into live jobs, embedding Heathrow essential skills into pre-employment training provided by local colleges and expanding on our shared apprenticeship scheme in construction – in collaboration with our supply chain. We have set a goal to provide at least 10,000 new career opportunities at Heathrow. This will include a range of entry level opportunities, including new security officers, as well as apprenticeships across our network of Team Heathrow partners.

# **Experience of work**

We want to enable local young people to understand and access the exciting range of jobs and careers at Heathrow. By 2030, we will deliver at least 15,000 experience of work days to 16 to 19-year-olds through our virtual and in-person work experience options, airport tours and host students carrying out T-Level placements with our digital technology team.

# **Schools programmes**

We already deliver a range of education programmes to schools in our neighbouring boroughs, and we will continue to do so. Our education activities are designed to inspire young people and support them to develop essential skills. For example, Heathrow Young Explorers is our primary school challenge where children design a sustainable transport option using 3D PowerPoint. In addition, our Responsible Schools programme provides targeted support to our partner primary schools, through reading sessions and enterprise and career day workshops.

Thank you very much for sparing your time to teach us about Heathrow and the wonderful jobs it offers and the amazing people that work there including yourselves, I will definitely consider working at Heathrow in the future."

**Participant in Heathrow Work Experience Programme** 

INTRODUCTION NET ZERO AVIATION A GREAT PLACE TO LIVE AND WORK RESPONSIBLE BUSINESS FOUNDATIONS

# Full strategy overview

#### **NET ZERO AVIATION**

Net zero in the air

Up to 15% cut in carbon by 2030 compared to 2019

Cut up to 1% of 'in the air' carbon emissions by 2030 through more efficient operations and modernising airspace

Cut up to 8% of 'in the air' carbon emissions by 2030 through improvements to conventional aircraft

Cut up to 7% of 'in the air' carbon emissions by 2030 through use of Sustainable Aviation Fuel

Net zero on the ground

At least 45% cut in carbon by 2030 compared to 2019

Halve surface access carbon emissions by 2030

An 87% cut in carbon emissions from airport vehicles by 2030

Cut supply chain carbon emissions by 36% by 2030

Heathrow buildings and infrastructure to be zero carbon by the mid-2030s

#### A GREAT PLACE TO LIVE AND WORK

Clean air at and around the airport

Reduce NOx airside by 18% compared to 2019

At least 45% passengers using public transport by 2026

No more than 57% colleague single occupancy vehicle trip mode share by 2026

By 2026 increase the UK population located within 1.5 hours of Heathrow by public transport by 25% and within 3 hours by 12%

By 2030 all airport vehicles are zero emission or use biofuels

Airside ULEZ by 2025

Quieter nights, quieter flights

Limit and where possible reduce the number of people highly sleep disturbed and highly annoyed compared to 2019

Reduce noise contour areas compared to 2019

Introduce easterly alternation by 2028

Protected period of the core night by 2025 (no flights except dispensed operations between 0000 and 0430)

Incentivise the use of Chapter 14 aircraft to reduce Chapter 4 operations to less than 2019 levels

Increase nights without aircraft post 23:45 compared to 2019 levels

Nature positive airport

Work with partners to support a nature network around Heathrow

Develop a Nature Positive Plan for Heathrow by 2022

Retain Biodiversity Benchmark Award

Maximise de-icer recovery through our Clean Water Programme

#### Zero waste airport

Maximise reuse, recycling and recovery of materials used at Heathrow

Reduce total waste generated compared to 2019

Reduce water leakage by 15% compared to 2019

Thriving sustainable supply chain

Maximise suppliers achieving gold standard against our Balanced Scorecard

Deliver business opportunities at Heathrow by growing the proportion of SMEs in our supply chain (from 40%) and the proportion of local SMEs (from 50%)

Switch on CompeteFor in 2022 and then set a target to grow the level of business with SMEs amongst our Tier 1 & 2 partners and suppliers.

Better quality of life in Heathrow's neighbouring communities

Give back to 1 million people in our local communities

Publish a new Giving Back Programme in 2022

Publish a target in 2022 to increase the number of Heathrow colleague volunteering hours made available in local neighbourhoods by 2030

At least £6.5million funds generated for the Heathrow Community Trust by 2030

Inclusive employer of choice for local diverse talent

Reflect the diversity of our local community at all levels of the business

At least 43% female colleagues at senior levels in by 2026

At least 27% Black, Asian and Minority Ethnic colleagues at senior levels by 2026

10,000 external jobs, apprenticeships, and early career opportunities

15,000 experience of work days by 2030

Schools programmes available every year to children in all local boroughs









Target



# Responsible business foundations

**Underpinning Heathrow 2.0 is our** commitment to do the right thing across a range of responsible business **issues.** Many of these are of interest to investors under the broad banner of ESG (Environment, Social, Governance). This plan signposts to the strategies, policies, standards and governance structures we have in place to address these topics. We will continue to transparently report our progress in our annual Sustainability Report which can be found on our website heathrow.com/ sustainability.

# Fire, health, safety and wellbeing

**Colleague and passenger safety** – we look out for ourselves and others as we want everyone to feel safe, secure, and well. We never compromise on the safety of our colleagues or passengers. At Heathrow, if we see something unsafe, we stop and think, then take immediate action to make it safe. We are committed to safety as the foundation of an efficient operation and a secure airport, understanding that both are essential for a great passenger experience.

# Our fire, health, and safety (FHS) management system

- we manage our risks systematically and apply proportionate control measures. We set the FHS standards for our own operation and the organisations that work and operate at Heathrow. All our senior leaders, managers and colleagues are role models for safety and receive the training they need to understand and manage the FHS risks to themselves and their teams. We care about their health, safety and wellbeing and encourage them to speak up when something is not right so that issues can be addressed quickly.

**Colleague wellbeing** – we take the wellbeing of our people extremely seriously. The physical and mental wellbeing of our colleagues has never been more important. We provide a range of support products and services, and have an occupation health service, as well as developing focused wellbeing programmes such as mental fitness. We are continuing to develop our policies and the support available to managers and colleagues as we know that when they feel safe, secure, and well, they can achieve and enjoy a great place to work.

Risk of infectious diseases – we were the only UK airport to win the Covid-19 Airport Excellence Award at the 2021 Skytrax World Airport Awards. In addition, Heathrow was certified with a four-star Covid-19 Airport Safety Rating by Skytrax, the highest achieved by a UK airport. This was accomplished by investing in Covid-19 control technologies to prioritise the health and safety of passengers and colleagues at Heathrow.

# Responsible business foundations

# **Ethical and responsible business**

**Bribery and corruption** – we take a zero-tolerance approach to bribery and corruption and is committed to conducting its business in an honest and ethical manner, in compliance with the Bribery Act 2010 and applicable anti-bribery and anti-corruption laws.

**Modern slavery and human trafficking** – we will not tolerate slavery or human trafficking in its business or supply chain. We embed and maintain effective systems, controls, and internal policies to prevent slavery and human trafficking and take all allegations of slavery or human trafficking very seriously. Our annual Modern Slavery Act Statements can be found on our website **heathrow.com/modern-slavery-statement).** 

Meaningful engagement with stakeholders – we engage with a wide range of stakeholders to understand their views, learn from their expertise, and share our approach and performance. Our main stakeholder groups are consumers, colleagues, local communities, investors, and airlines. We also engage with Government, regulators, Team Heathrow partners, NGOs, local authorities, elected officials and organisations working on sustainable business issues and opportunities.

# **Supply chain**

Paying the living wage – we became a Living Wage employer in 2017 and published our London Living Wage roadmap. Since then, we have been working to ensure that all our direct suppliers also pay the living wage and we will continue to support other Team Heathrow partners to transition.

**Responsible procurement** – sustainability is built in at all stages of the procurement process so we can ensure that our partners share our values and understand our sustainability ambitions.

# Colleagues

**Training and development** – we are committed to supporting colleagues to develop their careers at Heathrow and we provide a range of training options targeted to different levels and teams within the business. Our management grades are required to set development goals each year, and completion of these is linked to our performance framework.

**Colleague engagement** – for us to succeed in our mission of making every journey better, we know we need engaged colleagues delivering excellent service every day. We undertake regular colleague surveys to understand the areas we need to focus on.

# **Security**

**Secure operation** – security is a non-negotiable priority at Heathrow, both in the operation and in terms of data and cyber security. We maintain the highest standards across these areas. Our work in this area includes our efforts to detect and eliminate illegal wildlife trafficking.

# Glossary

#### **Balanced Approach**

The Balanced Approach to noise management developed by ICAO is an approach to managing noise at an airport that consists of identifying the noise problem at an airport and then analysing the various measures available to reduce noise.

NET ZERO AVIATION

#### **Balanced Scorecard**

Heathrow's Balanced Scorecard will record our suppliers' progress on sustainability and engage them in contributing to our key goals. 'Gold' is the highest level they can achieve.

#### CAA

Civil Aviation Authority, overseeing and regulating civil aviation in the UK.

#### Carbon

'Carbon' is used as shorthand for carbon dioxide equivalent (CO<sub>2</sub>e) – meaning all greenhouse gases.

### **Chapter 4 and Chapter 14**

Aircraft that meet the noise certification standard set out in the relevant chapter of ICAO Annex 16 Volume 1. Chapter 14 in the most recent and came into effect in 2017.

### Circular economy

Moving from a linear model of how we consume resources ("take, make, waste") to a more "circular" model based on reuse, refurbishment, recycling, sharing of resources, and finding novel uses for waste streams. Aiming for a circular economy ensures resources are put to best use, for the longest possible time, with waste avoided where possible.

#### CompeteFor

A free supplier platform that enables businesses to compete for contract opportunities.

#### **Easterly alternation**

During the day, when planes are landing and taking off to the west (westerly operations), we alternate the use of our two runways to provide local communities with respite. On easterly operations, we do not alternate the runways at 15:00 because of the Cranford Agreement which prevented us from using the northern runway for departures during the day. Although the Cranford Agreement has now ended, we need to undertake works to the airport's infrastructure before runway alternation on easterly operations will be possible from 2028.

#### **ED&I Networks**

Heathrow's Equality, Diversity & Inclusion Networks focus on bringing together colleagues around equality themes, including: disability, gender, sexual orientation, transgender, race and ethnicity, and religion & belief. Our Networks are open to all colleagues and are designed to be inclusive.

Electric Vehicles (fully battery electric or hybrids).

#### F-gases

Fluorinated gases or f-gases are released through various human activities and often have a high global warming potential and residency time in the atmosphere. They are commonly used as refrigerants.

#### **H7**

Heathrow is regulated by the Civil Aviation Authority. The five regulatory periods are each given a code. The current period from 2022 to the end of 2026 is called H7.

#### **ICAO**

The International Civil Aviation Organisation, a specialised agency of the United Nations.

### **Heathrow Noise and Airspace Community** Forum (NACF)

A group made up of local councillors and residents from 12 boroughs around Heathrow affected by noise from the airport.

#### **Heathrow Sustainability Partnership**

A group of the largest companies at the airport representing all areas of activity, led by a CEO board.

### **International Civil Aviation Organization (ICAO)**

The International Civil Aviation Organization works on international standards and policies that support a safe, efficient, secure, economically sustainable and environmentally responsible civil aviation sector.

#### Nitrous oxides (NOx)

The nitrogen oxides that relate to air pollution: nitric oxide (NO) and nitrogen dioxide (NO<sub>2</sub>).

#### **Noise contour**

A geographic zone used to identify how many people live or work in areas where there is significant annoyance from noise. They are used to measure progress against the Government's stated aim to reduce the number of people who are affected by noise.

#### **Surface access**

Refers to how passengers get to and from Heathrow airport, other than flying. For example, via Heathrow Express Train.

#### **Sustainable Aviation**

A UK coalition of airlines, airports, manufacturers, air navigation service providers and others, that sets out the collective approach of UK aviation to tackling the challenge of ensuring a cleaner, quieter, smarter future for the industry.

#### **Sustainable Aviation Fuels (SAF)**

Any alternative aviation fuels that provide net carbon lifecycle savings (typically over 70%) when compared with fossil equivalent and also meet stringent sustainability criteria. SAFs can be derived from wastes but can also be derived from other sustainable sources including direct carbon capture (synfuels).

#### **Team Heathrow**

All of our partners, working collaboratively and in partnership, to ensure the day-to-day running of the airport. Team Heathrow is made up of hundreds of organisations and thousands of people.

#### Tier 1 and 2 suppliers

Tier 1 suppliers do business directly with Heathrow, while Tier 2 suppliers contract with Tier 1 organisations.

#### **Ultrafine Particles (UFP)**

Particles with one dimension less than 100 nanometres. They are the smallest group of particles in the atmosphere.

#### **Ultra-Low Emissions Zone (ULEZ)**

An area within which all cars, motorcycles, vans, minibuses, buses, coaches and heavy goods vehicles will need to meet exhaust emission standards or pay a daily charge to travel.

### **UN Sustainable Development Goals**

The United Nations' Sustainable Development Goals (SDGs) were launched in 2015. They are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

# **Zero Emission Vehicle (ZEV)**

Vehicles with zero or very low tailpipe emissions using battery electric or hydrogen technology.

# Further reading and resources

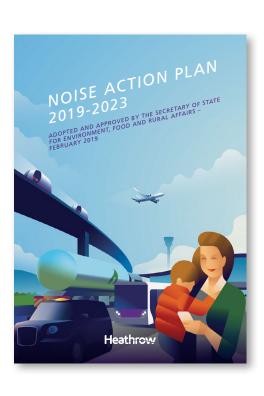
1. Net Zero Plan



Heathrow Airwatch



3. Noise Action Plan



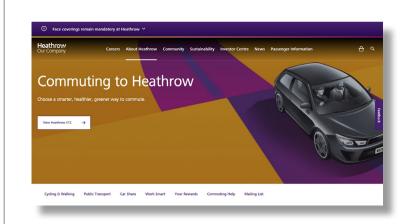
4. Heathrow Local Recovery Plan



5.HeathrowCommunity Trust



Heathrow Commuter



For more information visit our website: heathrow.com/sustainability

We welcome feedback on our plans and performance. Contact us here: sustainability@heathrow.com

