

Sir,

Heathrow has a long history of being at the forefront of the aviation industry – pushing boundaries, driving innovation and always looking for new ways to make the UK’s only hub airport even better. In February 2017, we launched Heathrow 2.0 – our plan to grow the airport with sustainability at its core. It is an ambitious step-change for us – challenging us to consider how we plan for the future and run an airport that will be successful for us and our colleagues, our passengers, our airlines and our communities over the long-term – and we hope that it will be a blueprint for airports across the world to follow.

Once we’d launched Heathrow 2.0, A4S was an inevitable next step. We realised that our financial decision-making needed to evolve if we were going to make the sustainable choices that would deliver our vision and A4S has helped us to do it. Working with other members to find inspiration and share best-practice has helped us achieve the progress we have made so far.

I like how A4S is putting the burden on personal leadership and responsibility. Organisations are ultimately made up by individuals, and we have to take responsible and bold decisions rather than hiding behind an impersonal corporate management system. All the frameworks are designed to provide clear and simple information so individuals can confront a personal choice. A4S has also been very effective at targeting financial decision makers - organisations need money to operate, and A4S targets individuals with budgetary accountability: from portfolio managers and CFOs to regulators and education providers who will shape the mindset of future generations. By targeting individuals who can redirect capital allocation, A4S is confronting the very core of company’s decision-making processes to accelerate change.

Any successful change across a large organisation like Heathrow requires buy-in from our colleagues. We always had a strong vision, but how could we get teams on the ground to begin making the right choices and become advocates for sustainable change? A4S has been instrumental in this regard. It’s helped us to develop the tools that enable our colleagues – particularly in the finance teams – to think in new ways.

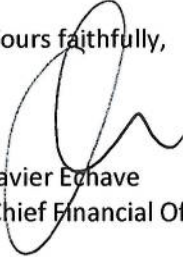
Sustainability outcomes and values are now factored into our business planning process, ensuring that delivering Heathrow 2.0 is a consideration in how we shape the overall business plan for the company and the activity that flows from it. We’ve launched a sustainability investment appraisal tool which enables us to assess not only the financial value of any Heathrow investment, but also the return on natural, human and social capitals too – giving us a comprehensive overview of our investments and the confidence to make the most sustainable choices.

A4s leadership on initiatives such as the Task Force on Climate-related Financial Disclosures has been compelling and had a positive impact. Heathrow is currently developing its response to the proposal and how this thinking can further develop our response to climate change.

These changes mean that sustainability at Heathrow is no longer a “nice to have” – it’s integral to our business planning. We’ve been really impressed by the shift in mindset by colleagues who are challenging older assumptions and liberated to think more broadly about value. All of this is a result of the inspiration we’ve taken as a member of A4S.

The most important thing about A4S is that it has helped us to strengthen our ability to make the case for sustainable growth based on facts, reason and metrics that even the most cynical financial analyst could understand. We’re proud to be a member and delighted at the progress it’s helped us make so far in delivering our ambitious Heathrow 2.0 plan for sustainable growth. But we know that further environmental and social challenges will inevitably arise in the decades to come. Businesses have a choice – they can either take the initiative and help deliver positive change for future generations or they can make short-term decisions which will undoubtedly result in change being imposed and the costs being passed through as self-correcting taxation. The smarter businesses will have developed a sustainable long-term plan for growth and we are confident that that investment will pay off.

Yours faithfully,



Javier Echave
Chief Financial Officer