

Corporate Operating Plan

April 2025-March 2026

Our Mission, Ambition and Values

Our mission is to enable air connectivity and support lifeline services for the communities we serve through a network of safe and sustainable airports.

This is underpinned by our ambition to become a net zero regional airport group.

Our Values

Our values underpin everything we do and how we do it. They define who we are; our expectations of each other and ourselves; how we interact with each other and how we interact with our customers, communities, and other stakeholders. A strong values-driven culture that supports the delivery of our strategic priorities is key to our long-term success.



Safety

Safety

We care about our people, our communities, our passengers, and our partners. Safety is at the core of everything we do to ensure the security and wellbeing of ourselves and others.



Respect

Respect

We foster a culture that is inclusive and where people are appreciated. We respect the individual differences of those we work alongside, our customers and our communities. We act with integrity and thought for others.



Teamwork

Teamwork

We value contributions from our people and our partners. We work together to achieve our goals and deliver our services to the highest standards.



Excellence

Excellence

We take pride in what we do and always look for opportunities to improve and be open to new ideas. We continually explore new ways of working that will deliver efficient operations and reduce our impact on the environment.

Introduction

Following an internal review undertaken by senior managers, the Strategic Leadership Team and the HIAL Board, we published our Strategic Plan, which was updated in December 2024.

This updated Strategic Plan 2023-28 outlines the goals and priorities to guide us to deliver on our obligation to enable critical air connectivity for some of our more remote communities. It recognises the importance of our strategic priorities, and the work we have progressed to help us maintain safe and sustainable airports for generations to come.

This is our third annual operating plan and covers the period 1 April 2025 to 31 March 2026. It has been structured to show the actions we will take to achieve the six priorities in our updated Strategic Plan:

- **Deliver a safe and sustainable airport operating model to meet the needs of our customers, communities and colleagues.**
- **Realign our infrastructure investment to deliver a safe and sustainable operating model within available resource.**
- **Increase our commercial revenue and develop new revenue streams.**
- **Reduce our environmental impact.**
- **Develop our workforce to deliver a flexible modern business model.**
- **Work in partnership for a sustainable future.**

With the significant financial challenges we will continue to face for the foreseeable future, our continued strategic focus is to operate as efficiently and effectively as possible, while at the same time maintaining the high level of service that HIAL's customers expect.

We will regularly review our actions to ensure they can be delivered within the total funding we have available. Some of the actions detailed in this plan are wide-reaching and as such may span more than one financial year. Therefore, some activities will be rolled forward into future operating plans for completion.

Delivering this operating plan requires the input of all our operational and support colleagues and we look forward to their continued input and support as we deliver on our objectives.



A handwritten signature in black ink, appearing to read 'Paul Kelsall'.

Paul Kelsall
Chief Executive Officer

Monitoring and progress reporting

Progress reports on the actions detailed in this Corporate Operating Plan will be prepared each quarter to provide performance information to effectively manage our activities going forward.

These progress reports will be monitored by the Senior Management Team as part of their planning and performance role. The reporting process will give our senior managers a greater insight of the delivery of our strategic activities and provide effective management of our activities and budgets going forward.

The quarterly performance reports will also be presented to the HIAL Board for scrutiny.

Year-end progress will be reported annually in HIAL's Annual Report and Accounts.

Strategic Priorities



Deliver a safe and sustainable airport operating model to meet the needs of our customers, local communities and colleagues

Develop and implement a revised operating model for airports and Head Office that is affordable, scalable, and meets the operational and service demands of each airport. This will be informed by relevant data and supported by the implementation of a revised pay and grading model.

Review business and operational costs to ensure they are aligned to the delivery of our strategic priorities. Implement measures to reduce operating costs, reduce headcount, increase revenue and maximise business efficiency to ensure our strategic priorities are delivered within our funding allocation in future years.

Main Priority
Linked to Priority

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Work in partnership for a sustainable future

SMT Sponsor	Linked to other Strategic Priorities					
Chief Executive Officer						
Chief Executive Officer						



Realign our infrastructure investment to deliver a safe and sustainable operating model within available resource

Review HIAL's maintenance planning programme and develop a planned preventative maintenance programme and rationalisation plan to include a review of buildings, pavements, and air traffic engineering to align with HIAL Asset Management Strategy.

Deliver a rolling three-year capital investment plan. The plan will prioritise the operation of safe and regulatory compliant airports and will balance the improvement of our infrastructure to deliver our target airport operating models within our available funding.

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SMT Sponsor	Linked to other Strategic Priorities					
Chief Operating Officer						
Chief Operating Officer						

Strategic Priorities



Increase our commercial revenue and develop new revenue streams

Improve yield from non-aviation revenue channels with a focus on land utilisation, that meets budgeted targets and delivers the best return for HIAL. This will include revenue generation from the renewable and energy sector across HIAL Airports through the delivery of windfarm mitigation agreements and PV roll out, supported by marketing collateral that promotes HIAL's capability in emerging energy sectors.

Identify and deliver multi-year commercial agreements with current airline partners to grow relationships and support route retention.

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SMT Sponsor	Linked to other Strategic Priorities					
Chief Commercial Officer						
Chief Commercial Officer						



Reduce our environmental impact

Implement a plan to reduce energy consumption across all HIAL sites. This will include the production of regular management reports detailing targets and actual energy used by HIAL, its tenants, concessionaires and third parties.

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SMT Sponsor	Linked to other Strategic Priorities					
Chief Operating Officer						

Strategic Priorities



Develop our workforce to deliver a flexible modern business model

Deliver a revised leadership development programme that supports individuals to deliver cultural and organisation change and help deliver a flexible and modern operating model.

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SMT Sponsor	Linked to other Strategic Priorities					
Chief People Officer						



Work in partnership for a sustainable future

Work with partner organisations and agencies to explore potential areas where closer working relationships would benefit each organisation and may deliver economies of scale. Support the implementation of the Scottish Government's Aviation Statement and Key Priorities, in conjunction with Transport Scotland and Local Authority airport operators.

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SMT Sponsor	Linked to other Strategic Priorities					
Director of Communications & Corporate Affairs						

