

ESG Summary Report

The City of Philadelphia Division of Aviation (DOA) is proud to share this Environmental, Social, and Governance (ESG) Summary Report. The ESG Summary Report provides our key stakeholders with information about how we manage, develop, and operate our airports. In 2021, the DOA kicked off Phase 2 of our Sustainability Plan for both of our airports and a coordinated Climate Adaptation and Resilience Plan (CARP) specifically for Philadelphia International Airport (PHL). These plans will establish a roadmap for the DOA focused on reducing impacts, providing value, and enabling the airports to serve our stakeholders and communities. Through these processes, we are reviewing the topics covered in this ESG Summary Report to establish a cohesive set of goals, targets, and actionable steps to achieving them. We look forward to sharing more information in future reports.

Our ESG Summary Report expands our existing disclosures to include additional information about our approach to managing the following issues:

Environmental	Social	Governance
<ul style="list-style-type: none"> •Monitoring & Managing Our Carbon Footprint •Reducing & Diverting Waste •Managing Our Natural Resources •Assessing & Mitgating Our Climate Risks 	<ul style="list-style-type: none"> •Focus on diversity, equity and inclusion •Initiatives to support MWBE businesses •Community Engagement & Outreach •Health & Safety programs at PHL 	<ul style="list-style-type: none"> •The Division operates as a self-supporting enterprise fund of the City and is governed by the City Council and Mayor •PHL services a market covering eleven counties in four states

Environmental

Monitoring and Managing Our Carbon Footprint

The DOA understands the importance of reducing carbon emissions to mitigate our impact on global climate change. In early 2021, the City of Philadelphia updated its Greenhouse Gas (GHG) goal to achieve carbon neutrality by 2050 in line with the need to limit global warming to 1.5 degrees Celsius.



While the COVID-19 pandemic led to a significant reduction in air travel, thus reducing associated emissions, we understand that this reduction will not remain if we do not act. Given the role our airports play in connecting people and goods, offering economic opportunities, and enabling emergency services, we are seeking ways to “decouple” our return to pre-pandemic activity levels from the potential emissions this could yield. Our efforts can be categorized in three ways:

- 1) Monitoring our emissions transparently
 - a. Prior to COVID-19, we developed annual Greenhouse Gas (GHG) emissions inventories and posted these for the public’s review on our website. Due to the anomaly of 2020, we decided to repurpose our efforts typically spent on these inventories to instead pursue the Airport Carbon Accreditation (ACA) Program. ACA is the only airport-focused, voluntary carbon management and reporting program. PHL will enter ACA at Level 1 – *Mapping* by the end of calendar year 2021.

- 2) Transitioning to low- or no-emitting technologies and equipment
 - a. Following our successful pursuit of Voluntary Airport Low Emissions (VALE) funding for electric ground support charging equipment in fiscal year 2020, we pursued additional grant monies in 2021 for pre-conditioned air units. The final application was submitted in May 2021. This project would enable aircraft parked at the gates to turn off their auxiliary power units, thus reducing fuel demand and associated pollutants. Thanks to COVID-19 Relief funding, the DOA is eligible for a 100% grant (i.e., will not need to provide matching funds). We are actively evaluating and pursuing additional funding sources so we can implement important projects despite ongoing financial constraints from the pandemic’s impacts.



Electric Ground Support Equipment (eGSE) charging station supported with VALE grant funds

- 3) Integrating energy efficiency and sustainability into our projects
 - a. In addition to incorporating sustainability into our Requests for Proposals for professional services contracts, we are in the process of updating our Design Standards to expand upon our current sustainability and climate resilience requirements. We recognize that our projects are opportunities to reduce our impacts and invest in the future. Our recent restroom renovation project included high-efficiency fixtures that minimize both energy and water consumption. We also

follow the City's LED policy, which requires LED use for all lighting where the technology is available. To ensure our staff have the information and expertise necessary to guide sustainable decision-making on projects, we provide relevant educational events, such as our recent Lunch & Learn on the Envision sustainability rating system for infrastructure projects.

Reducing and Diverting Waste

The COVID-19 pandemic's increase in personal protective equipment (PPE) is a unique challenge to all airports; we want to ensure the safest environment for our passengers and employees, but this source of waste does not have a simple answer for diversion from landfills. In response, we are planning a pilot program that would help pull a portion of this PPE, specifically gloves used daily and changed frequently by our custodial staff and TSA, out of our trash cans. We are looking to partner with an entity that will accept and process these hard-to-recycle materials into new products.

We are also continuing many of our successful waste diversion programs and are expanding our liquid collection sinks from the initial pilot to additional checkpoints throughout the terminals. These allow passengers to empty their reusable bottles before security and refill these at our water refilling stations throughout the terminals. This has an added benefit of reducing waste weight, limiting the chances of custodial worker injuries, and reducing waste management charges to the DOA.

Beyond reducing waste at our facilities, we recognize that our actions can influence the supply chain. In 2021, we implemented an innovative construction solution on an airfield pavement project at PHL, which is using approximately 90,000 cubic yards of foamed glass aggregate made from recycled glass bottles.

Managing Our Natural Resources

Although many of our passengers may have paused or scaled back their travel, DOA staff have been busy maintaining compliance with our environmental commitments. We continued to capture wastewater, including stormwater, snow melt, and deicing fluid, and transport this to the Philadelphia Water Department (PWD) for proper treatment and disposal in accordance with all federal, state, and local regulations and permits. Since 2008, this partnership with PWD has had the added benefit of contributing to their anaerobic digesters at the Southwest Water Pollution Control Plant. The addition of organic compounds found in deicing fluid has two benefits: it increases the production of the methane-rich biogas that we can use to decrease fossil fuel consumption, and it keeps the deicing fluid, toxic to both humans and animals, safely out of our waterways.

As noted above, our efforts throughout the terminals to increase energy efficiency included the restroom renovations. Our new, low-flow fixtures will reduce potable water consumption.

Assessing and Mitigating Our Climate Risks

PHL may be impacted by rising sea levels. Our previously mentioned Design Standards include climate adaptation and resilience criteria that all projects must consider at the design phase. With our ongoing Climate Adaptation and Resilience Plan, we are seeking to better understand and prepare for the impacts of climate change on PHL's employees, visitors, services, facilities and assets. This plan builds on a Climate Vulnerability Assessment (CVA) previously prepared for PHL. The CVA approach involved researching climate trends and projections for the Philadelphia region, identifying and assessing key vulnerabilities at PHL and recommending priority action areas to address projected climate change impacts to the DOA.

Recognizing the importance of collaboration and a cohesive approach to a broad issue such as sea level rise, we are coordinating closely with other agencies, surrounding residents, and nearby businesses. This includes participation in a Climate Resilience Task Force led by the City, which encourages collaboration between City departments and agencies and will help to maximize the City's resources for addressing flooding issues.

Social

The DOA continues to be in the forefront of issues that have a social impact in our community recognizing concerns surrounding diversity, equity, and inclusion. The DOA has very well developed racial and social equity initiatives and achievements and seeks to be recognized as a leader in these areas nationwide. Our initiatives are designed to reduce existing and historic racial and social inequities in access to contracting opportunities, environmental justice, limited English proficiency, accessibility of our built environment and our services, supporting neurodiverse individuals and Title VI nondiscrimination for travelers and LGBTQ+ travelers.

Diversity, Equity, and Inclusion

The DOA has started its own Racial Equity Advisory Committee (REAC) to address historic and ongoing racial inequities. We are also part of the Citywide Racial Equity Strategy Implementation Plan's first cohort of departments. Led by the Mayor's Office of Diversity, Equity and Inclusion, the strategy is an important step to ensure that race is not a determinant of success, and all Philadelphians can thrive. Outcomes from DOA's participation in the first cohort include: an annual Workforce Diversity, Equity, and Inclusion Plan to promote full representation and inclusion in the workplace; a Racial Equity Assessment, which looks for opportunities to address inequities in policies and practices; and a Racial Equity Action Plan, which sets out steps for addressing key disparities.

The DOA worked to support diverse businesses during the pandemic and continued its commitment to equity ownership in our concession opportunities. We increased virtual stakeholder support as well as implemented changes to the statewide federal business certification program (PA UCP). The impact of these changes did not go unnoticed with several of

these initiatives being adopted by the US DOT nationwide. We ensured that our diverse concessionaire business partners were not disparately impacted by either the closing of concessions or in concessions reopening. Our reopened concessions have 76% diverse business partner or sole ownership participation and 35% of our reopened concessions are 100% certified ACDBE owned.

Several efforts were initiated to support minority and women owned businesses during the pandemic and leading to recovery. We worked to raise awareness of pandemic relief programs for diverse businesses, held and participated in webinars to support these businesses, and connected these firms to options that can help them persevere and thrive when recovery arrives.

The DOA held webinars to help firms best position themselves for PPP Loans and to prepare them to be eligible for the loan forgiveness process. We also worked with the US DOT to revise its procedures to better support DBEs through the pandemic. The DOA Chairs the statewide US DOT DBE Program.

Over the past year, the DOA has held many Outreach Events and Workshops in addition to partnering with many community organizations and transportation industry partners. Our partnership with community agencies includes SEPTA, PIDC, Turnpike, PGW, the African, Hispanic, Asian, and other Chambers, Temple University, OSHA DRPA, and many others. Our schedule of outreach events and workshops have included:

- Our first in a series of Small Business Roundtables; providing opportunities to network in a personal setting with Prime Contractors at PHL.
- Concessions Pandemic Recovery event with PHL, PIDC and the SBA.
- "Relief, Regulations and Resources" Workshop to help diverse businesses access pandemic resources and plan to help businesses qualify for PPP loan forgiveness.
- "Preparing for Capital Project Opportunities at PHL Airport" Workshop
- "Doing Business with Regional Transportation Agencies" Workshop
- "Financial Strategies for Success – Access to Capital and Cashflow" Workshop
- "Are You Ready for Prime Time?" Workshop
- "DBE Considerations – You're Certified – What's Next?" Workshop
- How to Structure Concessions Joint Ventures for ACDBE Firms
- Software Solutions to Manage Your Business
- Business Opportunity Forum

Annually, the DOA holds a Business Opportunity Forum and continued to do so virtually in October of 2020. This signature yearly event was well attended with over 380 participants of which 62 percent were minority or women-owned businesses. During the event, there were breakout sessions focused on specific opportunities upcoming at the Airport, expected timelines to help businesses prepare, partner, and find support systems to prosper together in the future. Based on attendee feedback, the Forum was an overwhelming success.

In an effort to expand the airport's contractor base and open opportunities to more diverse firms, PHL's Office of Business Diversity and Capital Development Group has scheduled a series of virtual roundtable networking sessions for Minority, Women, Diversity Business Enterprises (M/W/DBE). The first session was held in March 2021.

In December of 2020, the Airport held a mentoring roundtable and staff volunteered as individual mentors for Jefferson Health's Rise Up Philly weeklong seminars seeking to support entrepreneurship in communities of color. DOA provided training on how to do business with the City, the Federal Program certification process and how to structure Airport Concession Joint Venture Agreements to comport with the FAA ACDBE Program.

In partnership with the Temple Fox School of Business, the DOA is providing a 9-month long construction management course program leading to a certificate from Temple Fox School. This will increase the capacity of small and diverse businesses and provide PHL with a strengthened pool of diverse business partners. We partnered with the ethnic chambers to locate firms and additionally partnered with SELF, Inc (a nonprofit serving homeless African American Men) and provided 3 seats in our class to their residents. SELF provides support for these students. The course was completed during the pandemic by switching to a virtual classroom.

The DOA was the founding partner of the TransWork Transgender Job Fair. This is a program that addresses unemployment in the transgender community by partnering with regional large employers. After we spearheaded this effort – Blue Cross, Comcast and UPENN signed on. Most of the attendees come from communities of color and we will continue to partner with the TransWork Program in the future.

Accessibility

The DOA continues to develop groundbreaking initiatives to ensure all of our guests are welcome and supported. We were one of the earliest adopters of the use of the AIRA smartphone app that provides blind and visually impaired travelers individual support to navigate the Airport independently. Beside the launching of the AIRA app, we recognize there are other ways to assist our guests who may be presented with challenges while traveling.

Efforts to provide excellent customer service to all guests include the DOA launching of the Hidden Disabilities Sunflower Lanyard program in April 2021. The program is based on the sunflower scheme developed in the United Kingdom, where green lanyards with sunflowers are used in airports, rail stations, and retail stores to signal that an individual may need a little extra support. Guests do not have to discuss the details of their disability to participate in the program and can voluntarily request a lanyard, free of charge, from an airport security counter located just past the security checkpoints. Airport employees have been trained to recognize and engage with people wearing sunflower lanyards. People can ask for any assistance that may be helpful to their individual experience while at the airport. Some examples of things people may ask for include additional time, the ability to accompany another person to the gate, or help reading a sign.

The DOA is starting a first in the nation program to help our concessionaires raise the bar in providing accessible services. The Star Program is a new collaboration between the airport and Marketplace that recognizes concession operators who exceed Americans with Disabilities Act (ADA) standards. Although all airport concession locations have been designed according to ADA standards, PHL's Star Program draws special attention to those concession locations that are designed and continue to operate above and beyond the law's requirements.

Community Engagement & Outreach

The DOA is committed to community engagement and outreach. We were recognized by the Philadelphia Business Journal as one of the publication's "2020 Faces of Philanthropy." The loss of jobs and school closures in March 2020, caused by COVID-19, left more residents of the Greater Philadelphia region grappling with food insecurity and turning to Philabundance, one of the Delaware Valley's largest hunger relief organizations, for assistance. For the past year, MarketPlace and the DOA's Food & Shops have partnered with Philabundance to implement a program that rescues food from more than 65 merchants at the airport for redistribution to various agencies and neighborhoods in the Greater Philadelphia region. Thanks to the hard work of MarketPlace staff and merchants, over 30,000 pounds of rescued food [about 30,000 meals] have nourished DOA's neighbors in need across the Delaware Valley.

The DOA seeks to communicate statements of support through the launching of a new Ramp Tower Lighting System. In May 2020, the Ramp Tower was lit blue in support of healthcare workers facing the COVID-19 pandemic. With this new feature, the Airport's Ramp Tower (located between Terminals A and B) joined other local buildings and landmarks in illuminating the region in blue in appreciation of the healthcare community. The new fixtures, which can be static or in motion and range in multiple colors, include a non-High Output Linear Color-Changing Linear Direct-View light that runs the length of the Tower's 35-foot light well and a LED floodlight to boost the effect. Throughout the year, the Tower lights will reflect the colors of Philadelphia's sports teams, as well as hues associated with holidays, special city and airport events and causes, including Valentine's Day, LGBTQ Pride, July 4th and Breast Cancer Awareness Month.

The adverse economic effects of COVID-19 have been far reaching and the DOA offered resources to airport employees impacted by COVID-19. In May 2020, we launched a COVID-19 Employee Resources page where workers can access information on entering the displaced worker program, applying for unemployment benefits, and obtaining current job openings throughout the city. Workers can also access information regarding mortgage, rent, utility, phone, internet, food, transportation, and credit card payments.

Health and Safety

DOA provides COVID-19 testing. On December 4, 2020, Jefferson Health, Ambulnz and DOA announced a partnership to launch a COVID-19 testing program. The program provides passengers with the confidence they need to travel safely and conscientiously between

destinations. The COVID-19 testing program is designed for asymptomatic passengers flying out of Philadelphia, with multiple testing options, including an antigen test, a Polymerase Chain Reaction (PCR) test, and a Rapid PCR test planned in the future. With complimentary parking provided for up to 2 hours for testing patrons, test results are texted to passengers the same day for antigen tests, and within 48 to 72 hours for the standard PCR test. The availability of COVID-19 testing enabled the ability to expand connections with destinations requiring testing prior to arrival.

The DOA has a State-of-the-Art Mass Medical Care Unit at the airport. In January 2021, the Philadelphia Fire Department Engine 78 at Philadelphia International Airport put into service a new Mass Medical Care Unit that improves the deployment of resources should a mass medical emergency occur at the airport. Known as Foxtrot 11, the state-of-the art apparatus replaces a 1982 box truck and 20-foot trailer that needed to be towed to the scene of an incident.

As part of COVID-19 response activities, the DOA sought to earn certain health accreditations. In March 2021, we achieved the Airport Health Accreditation (AHA) from Airports Council International (ACI) and Global Biorisk Advisory Council (GBAC) STAR Facility Accreditation for health and safety measures put in place throughout the airport's facilities. The AHA program provides airports with an assessment of how aligned their health measures are with ACI Aviation Business Restart and Recovery guidelines and ICAO Council Aviation Restart Task Force recommendations, along with industry best practices.

As part of enhancing safety efforts, the DOA implemented a Safety Management System (SMS), becoming an early adopter of SMS among U.S. airports in January 2021. While Safety Management Systems are becoming the standard at airports around the globe, it is not yet mandatory at U.S. airports though there is legislation in the works to require it in the future. We voluntarily introduced SMS, pointing to the positive impact SMS is shown to have on airport safety initiatives and creating a safety culture.

As part of the March of Dimes Annual Transportation, Building and Construction awards, the DOA East Airfield rehabilitation project was recognized with an aviation project award. The project will be formally recognized in November 2021 at the organization's annual awards event, which honors leaders and projects from the public and private sectors of the transportation, building and construction industries.

In February 2021, the DOA installed a [Road Warning Light \(IRWL\) system](#) on its Arrivals Road and Rectangular Rapid Flash Beacons (RRFB) on its South Commercial Road to enhance pedestrian safety on its roadways. The project also involved repaving, adding new raised crosswalks, and making ADA compliant curb ramp improvements to the commercial vehicle side of the Arrivals Road; enlarging the taxi loading lane at B-C baggage claim; and installing bus shelters for rental car passenger pickup on the South Commercial Road.

Governance

The City of Philadelphia Division of Aviation is comprised of the Philadelphia International Airport (“PHL”, or the “Airport”) and Northeast Philadelphia Airport (“PNE”). The DOA operates an enterprise fund (The Aviation Fund) of the City. Enterprise funds are established by governmental units to account for services that are provided to the general public based on user charges, and they are operated in a manner similar to business-type activities. The Aviation Fund was created and authorized as part of the fiscal year 1974 Operating Budget Ordinance approved by City Council on June 7, 1973 and made effective July 1, 1973. The Aviation Fund is self-supporting, using aircraft landing fees, terminal building rentals, concession revenue and other facility charges to fund annual expenses. The Airport’s capital program is funded by airport revenue bonds issued by the City, commercial paper (“CP”), federal and state grants, passenger facility charges (“PFCs”), customer facility charges (“CFCs”), and operating revenues

Market Position

PHL is classified by the Federal Aviation Administration (“FAA”) as a large air traffic hub (enplaning 1.0% or more of the total passengers enplaned in the U.S.). According to data reported for calendar year 2019 by Airports Council International – North America, PHL was ranked the twentieth busiest airport in the United States, serving 33.0 million passengers; nineteenth busiest in the nation for aircraft operations; and fifteenth busiest in the nation for cargo tonnage. The Airport serves residents and visitors from a broad geographic area that includes eleven counties within four states: Pennsylvania, New Jersey, Delaware, and Maryland.