

# ENVIRONMENTAL, SOCIAL, & GOVERNANCE REPORT



PHL PNE

PHILADELPHIA INTERNATIONAL AIRPORT  
NORTHEAST PHILADELPHIA AIRPORT



## FY 2022

City of Philadelphia  
Department of Aviation



ENVIRONMENTAL



SOCIAL



GOVERNANCE



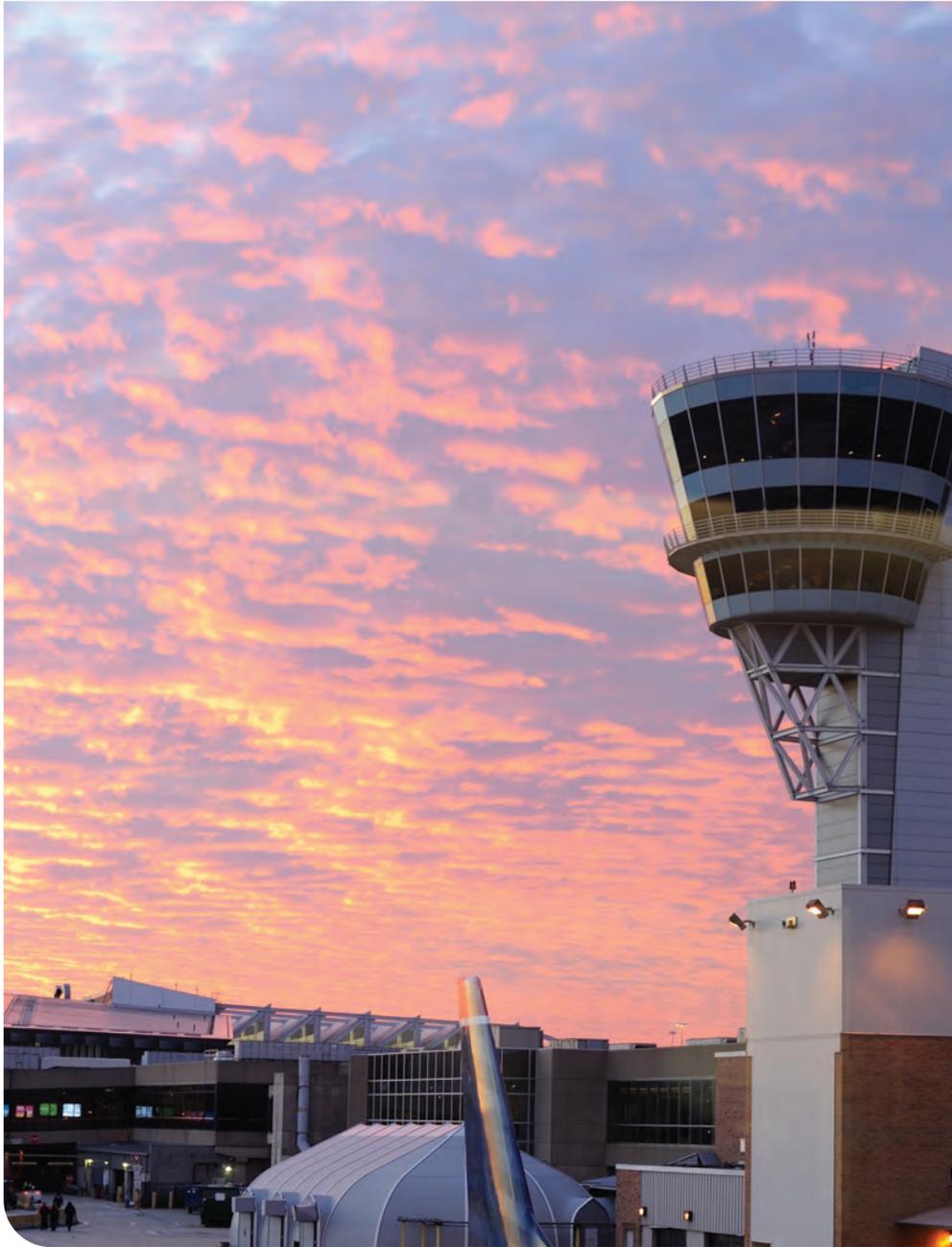
# ABOUT THIS REPORT

The ESG Report summarizes how we develop, manage, and operate our airports, Philadelphia International Airport (PHL) and Northeast Philadelphia Airport (PNE), in a sustainable, equitable, and fiscally responsible manner.

The City of Philadelphia Department of Aviation (the Department or the Airport) has prepared this Environmental, Social, and Governance (ESG) report to cover the 2022 fiscal year (FY), from July 1, 2021 to June 30, 2022. All data contained in the report is measured and reported on a fiscal year basis, except when noted for data that is only available and reportable on a calendar year (CY) basis.

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# OPENING REMARKS

*The City of Philadelphia Department of Aviation is pleased to share our Environmental, Social, and Governance Report for Fiscal Year 2022.*



In my first year here, I have been impressed by our team's commitment to be at the forefront of ESG issues in the airport industry. From our work on climate resilience and fleet electrification to our plans for renewable energy generation and workforce inclusivity, the City of Philadelphia Department of Aviation is addressing the critical challenges and opportunities that will define aviation in the 21st century. That forward-thinking perspective is one of many reasons I am so happy to have "landed" in Philadelphia.

ESG is a rapidly evolving topic for airports, but in Philadelphia, we are building on years of innovation and strategic thinking that align with our core vision to be a "world-class gateway of choice." Establishing an annual ESG report provides an excellent opportunity for us to demonstrate and expand upon our steadfast commitment to being a good neighbor, an advocate for our environment, and an accountable steward of the public's trust.

As we celebrate our successes, we also know that ESG is a process of continual improvement in looking at environmental, social, and governance issues through the lens of business risk and opportunity. For that reason, my team and I are committed to continuing our track record of transparency around ESG topics by providing timely and robust public disclosures. We will continue to pursue innovative strategies that promote positive outcomes for the people that live near, work within, or pass through our airports each year. We will seek to leverage our position as a global hub to not just reduce our impacts, but to actively create a sustainable and resilient future for aviation.

Thank you for your interest in our ESG report. We hope you'll join us on this journey.

Atif Saeed  
CEO

*I am proud of our many accomplishments showcased in this report, including some of the following highlights:*

## ENVIRONMENTAL

PHL rose from Level 1 to Level 2 and PNE achieved Level 1 Airport Carbon Accreditation (ACA) for tracking and reducing greenhouse gas emissions. ACA is an international program recognizing the effort of airports to lower their carbon emissions.

22% of ground support equipment (GSE) at PHL has been electrified.

125 tons of used carpet have been recycled from our terminals since 2013.

## SOCIAL

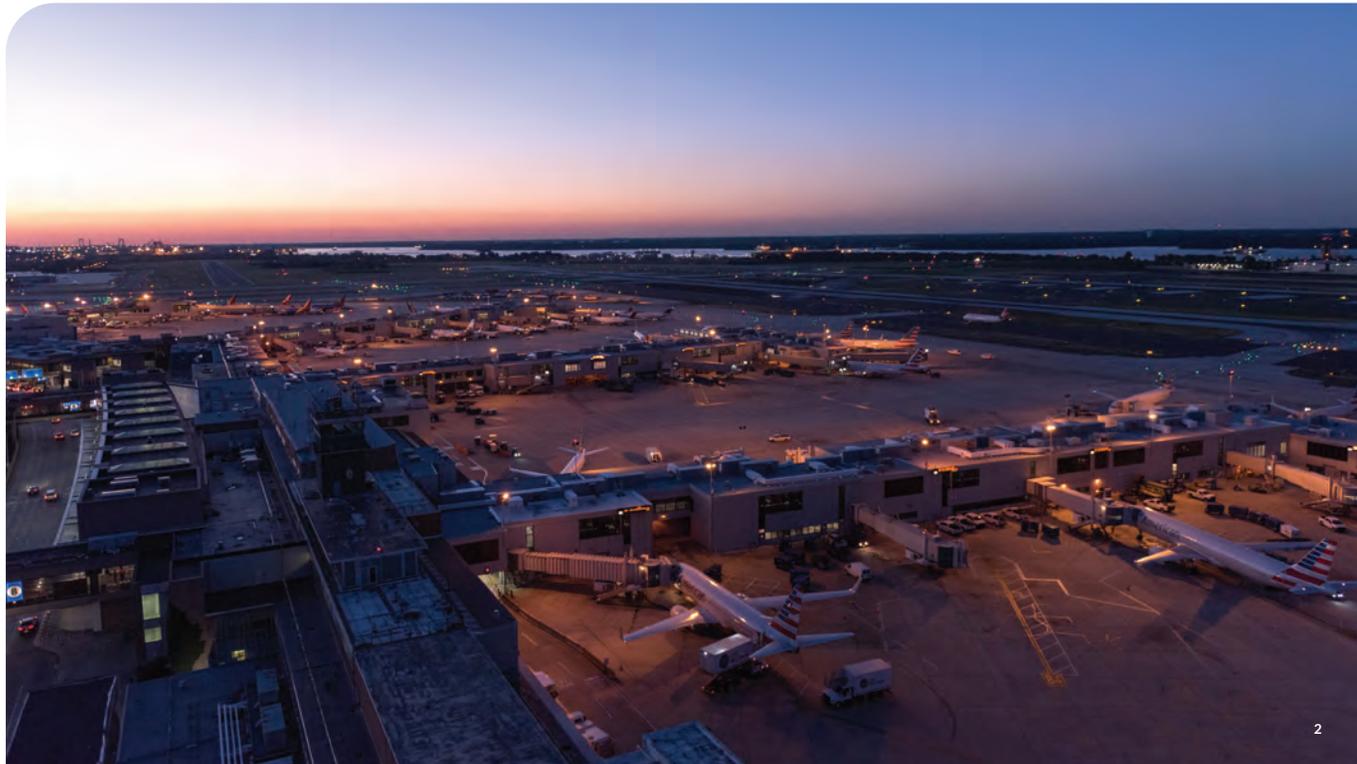
The Airport has an exceptional and diverse staff consisting of 53% females in senior leadership roles and 72% minority representation.

We have consistently exceeded our minority/women-owned business enterprise (M/WBE) participation goals for diverse suppliers for the last three years.

## GOVERNANCE

Over \$51 million in grants were awarded to the Department to continue modernizing our infrastructure and providing world-class facilities for our passengers.

We are continuing our robust Cargo Expansion Strategy, including expanding our cargo facility footprint by 136 acres and more than doubling cargo building square footage to 1.4 million square feet.





Atif Saeed, CEO



Tracy Borda, CFO



Keith Brune, COO



Allen Mehta, CIO



James Tyrrell, CRO



Delicsha Wilds, CAO

# DEPARTMENT OF AVIATION OVERVIEW

Philadelphia International Airport & Northeast Philadelphia Airport

*Philadelphia International Airport (PHL) connects passengers and cargo from the nation's seventh largest metropolitan area to destinations across the world.*

Conveniently located just seven miles from downtown Philadelphia, PHL is the only major airport in the region with over 25 airlines offering approximately 320 daily departures to more than 120 destinations worldwide. Serving more than 25 million passengers annually, PHL is one of the primary economic generators in the Philadelphia region. Pre-pandemic, the Airport generated \$16.8 billion for the local economy and approximately 106,000 full-time jobs.

In addition to PHL, the Northeast Philadelphia Airport (PNE) serves as a reliever airport for PHL, providing U.S. Immigration and Customs services as well as U.S. Department of Agriculture services to corporate domestic and international travel. Located in northeast Philadelphia, PNE does not offer commercial services, but PNE averages 138 based aircraft providing general aviation, air taxi, corporate, and occasional military use.

# Airport Summaries

## Philadelphia International Airport

Key Statistics Summary for FY 2022



\*Capital program funding is for both PHL and PNE and represents the Airport's Use and Lease Agreement as of FY 2022.



## Northeast Philadelphia Airport

Key Statistics Summary for FY 2022



# 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 2021 by Airports Council International – North America (ACI-NA), PHL was ranked the twenty-first busiest airport in the U.S.; twenty-eighth busiest in the nation for aircraft operations; and fourteenth 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. The Airport System serves an area population of over 6 million people.

PNE is the fourth busiest airport in Pennsylvania and is classified as a national, reliever airport by the FAA National Plan of Integrated Airport Systems (NPIAS). A "national airport" is defined as being located in metropolitan areas near major business centers and support flying throughout the nation and the world and provide pilots with attractive alternatives to the busy primary airports.<sup>1</sup> A "reliever airport" is an airport "designated by the FAA to relieve congestion at Commercial Service Airports and to provide improved general aviation access to the overall community."

<sup>1</sup>National Plan of Integrated Airport Systems (NPIAS) 2023 - 2027 (faa.gov)

## Mission & Vision

### OUR MISSION

is to proudly connect Philadelphia with the world.

### OUR VISION

is to be a world-class global gateway of choice.



**PHL was ranked the 21<sup>st</sup> busiest airport in the United States for CY 2021.**



## Awards & Recognitions

### NEC-AAAE Honorable Mention

The Northeast Chapter of the American Association of Airport Executives recognized the Airport with an Honorable Mention in the Large Hub category for the Balchen-Post Award for Excellence in the Performance of Airport Snow and Ice Control. Additionally, the collaborative efforts of PHL and RS&H received an honorable mention for Airfield Project of the Year for the Terminal D/E Apron Repairs project.

### Women's Transportation Seminar (WTS) Philadelphia Diversity Award

PHL was recognized for its achievements in diversity by WTS, one of the top transportation industry organizations.

### Cirium On-Time Performance Award

PHL was ranked fifth among the World's Most On-Time Airports in the Cirium Data On-Time Performance Review for CY 2022.

### March of Dimes 2021 Philadelphia Aviation Project Award

PHL's East Airfield Rehabilitation Project received the 2021 Philadelphia Aviation Project Award at the March of Dimes Annual Transportation, Building and Construction Awards ceremony.

### Uber Innovation Award

PHL was awarded Uber's Innovation Award and was recognized as the airport that adapted to facilitate consistent service to its shared riders and passengers during an unprecedented time in travel. PHL realized rideshare volume had grown significantly in recent years and

decided to dedicate a commercial road for rideshare pickups, invest in weather shelters, and deploy enhanced wayfinding.

### ACI-NA Social Media Campaign Award

PHL was recognized for the ACI-NA category for Excellence in Airport Marketing Communications and Customer Experience. This award recognized the PHL Black History Month social media and website campaign and its design to amplify the voices of Black individuals who are making a difference at PHL and across the aviation industry.





# Approach to ESG Reporting

ESG issues touch all areas of our organization, and as such we are mindful of the impact that our programs have on the community and our business. Our approach to reporting on our ESG efforts focused on the topics that are most important to our organization and stakeholders. This report continues our longstanding history of transparency and progress toward our ESG goals.

As far back as 2008, the Airport has received numerous accolades in recognition of its achievements in supporting diverse businesses, and since 2009 the Airport has consistently achieved or surpassed its established goals. Not only do we have a staff that consistently includes large percentages of women and minorities, but our management team also consists of people from diverse backgrounds and experiences. Coupled with our people first culture, our approach to governance goals continues to position

the Airport as an industry leader through its contract awards, outreach events, hiring of diverse staff, and enhanced customer experiences.

In 2010, the Department began publishing annual recycling reports, and in 2016 transitioned to developing an annual Environmental Progress Report and annual greenhouse gas inventories. In 2021, we published our inaugural Sustainability Annual Report which addressed recycling, emissions, and other environmental data as well as sustainability efforts.

Following the issuance of our fiscal year 2021 ESG report, we made the decision to incorporate our sustainability report into the ESG report. This approach allows us to highlight our sustainability efforts along with our social and governance initiatives. Having this information under the umbrella of one report allows our stakeholders to

comprehensively view the integration of our strategies.

This report illustrates the current status of our operations through a variety of metrics, illustrating the areas in which we are making strides towards sustainability. This report, and future iterations, provides us an opportunity to reflect, review, and continually chart our course towards sustainability in an ever-changing political, social, and ecological environment.

The Department recognizes that ESG is an emerging and rapidly evolving topic. We continually monitor ESG trends, standards, and practices relevant to our industry. Moving forward, we will continue to engage with our peer airports and industry groups to stay abreast of best ESG practices, including potential adoption of any airport-specific sector guidance or frameworks that may emerge.

*Based on reviews of industry best practices and engagement with the Airports Council International – North America ESG Task Force, we have developed the following construct for the FY 2022 ESG Report:*

## ENVIRONMENTAL



### Key Issues

- Sustainability & Environmental Management
- Integrating Sustainability into Capital Projects
- Managing our Carbon Footprint
- Air Quality
- Building Towards Climate Resilience
- Working Towards Zero Waste
- Conserving & Protecting our Natural Resources
- Stormwater Management

## SOCIAL



### Key Issues

- Diversity, Equity, & Inclusion
- Inclusive Business Relationships
- Employee Wellness & Development
- Safety & Security
- Guest Experience
- Accessibility
- Community Engagement & Impact
- Noise Management

## GOVERNANCE



### Key Issues

- Organizational Structure
- Risk Management
- Cyber Security
- Innovation
- Strategic Planning
- Financial Reporting and Disclosure

# ENVIRONMENTAL

The Department of Aviation prioritizes the protection of our environmental and natural resources in our operations, management, and development and has made significant progress in recent years towards sustainability by tracking and reducing carbon emissions; pursuing sustainability certifications for facilities and infrastructure; electrifying the vehicle fleet; and planning for climate change.

## Sustainability & Environmental Management

The Department has established a robust management framework through which it monitors environmental performance, tracks emerging industry issues, and coordinates with key stakeholders to minimize impacts to natural resources and surrounding communities. In 2022, the Department developed its first Sustainability Management Plan (SMP), which lays out a “flight plan” for the future of sustainability within our airport system and establishes goals, targets, metrics, and initiatives to gauge our progress. The plan combines key elements of sustainability by bringing environmental, social, operational, and financial viability into balance.

Our sustainability and environmental programs complement the City of Philadelphia’s Office of Sustainability programs including Greenworks, the Philadelphia Climate Action Book, and the Building Energy Performance Program, all of which set the standard for City entities to take on a leadership role in creating a more sustainable Philadelphia.



*We are proud of our reputation as an emerging leader in airport sustainability, but cognizant that we have more to do to meet our ambitious goals of net zero carbon, zero waste, and resilience in the face of climate change.*



# Department of Aviation’s Environmental Milestones\*



\*Milestones indicated are relative to the calendar years shown above.

*The Airport is in the middle of a \$1.3 billion multi-year capital improvement plan that incorporates sustainability throughout our design and construction.*

## Integrating Sustainability Into Capital Projects

The Department manages a wide range of assets at PHL and PNE, including the terminals, airfields, roadways, utility plants, and substations. We proactively seek opportunities to integrate sustainability into planning, design, and maintenance of our infrastructure. This includes reducing embodied carbon of materials, recycling construction and demolition waste, prioritizing energy efficiency, integrating equity considerations into how projects are

conceptualized and constructed, and considering the full lifecycle of our investments.

To formalize our commitment to sustainable development, the Airport has published design guidelines that prioritize energy efficiency, water conservation, noise reduction, and mitigation of climate change risk that apply to all capital projects.



## Sustainable Design

In FY 2022, the Department instituted a requirement of LEED Gold for all new occupied facilities and major renovations, increasing that standard from the previous target of LEED Silver. All infrastructure projects costing more than \$2 million are required to meet Envision verification for sustainable infrastructure. To date, our successes in this area have included:

- LEED Silver Certification of American Airlines' GSE Maintenance Facility
- LEED Gold Certification of PHL's Commuter Terminal F Baggage Claim Facility



### PHL NORTHWEST PARKING APRON

A new 58,000 square foot Northwest Parking Apron was constructed at PHL that included an innovative approach to materials reuse, incorporating 90,000 cubic yards of ultra-lightweight foamed glass aggregate (UL-FGA) into the concrete, equivalent to diverting 85 million glass bottles from landfills. The UL-FGA is made from 100% post-consumer curbside recycled glass containers. Use of this lightweight material also reduced the number of delivery trips by 85%, significantly cutting carbon emissions from the project.



### PHL RESTROOM RENOVATION PROGRAM

A total of 16 sets of restrooms have been completed out of 48 total sets of men's/women's/companion care restrooms. We are also constructing gender-neutral restrooms during the next phases of this project. Sustainable design elements include state-of-the-art HVAC equipment, water efficient and touchless fixtures, adult changing facilities, lactation suites, service animal relief areas, water bottle filling stations, and electronic occupancy sensors and displays.



# Managing Our Carbon Footprint

Aviation's historic and present reliance on fossil fuels has made it a difficult industry to decarbonize. However, the Airport has set an ambitious goal of carbon neutrality by 2050 and is investing in innovative strategies to minimize our carbon footprint. By reducing the amount of fossil fuels used in our operations, converting to renewable energy sources, and working with airline partners to reduce emissions, we are moving towards a low-carbon future.

## Aligned with the City of Philadelphia's goals, the Airport continues striving towards achieving Carbon Neutrality by 2050.

We are implementing a wide range of carbon management initiatives outlined in our Sustainability Management Plan.

The Department has made strides in reducing Scope 1 and Scope 2 GHG

emissions (our direct emissions) at both PHL and PNE, as measured by metric tons of carbon dioxide equivalent (MT CO<sub>2</sub>e). Scope 3 emissions resulting from aircraft operations, airline GSE, and passenger traffic have also shown a downward trend. However,

the reduction in these emissions are closely linked to the decrease in air traffic due to the COVID-19 pandemic. As air traffic levels rebound, future emissions inventories will show us a clearer picture of the impacts of our emissions reduction efforts.

PHL GHG EMISSIONS (MT CO<sub>2</sub>e)

Scope	CY 2018	CY 2019	CY 2020	CY 2021
Scope 1	20,700	22,149	Omitted due to COVID-19 Pandemic	13,277
Scope 2	53,667	51,537		36,840
Scope 3	4,284,598	4,370,153		3,133,698

Table 2: PHL GHG Emissions (MT CO<sub>2</sub>e)

PNE GHG EMISSIONS (MT CO<sub>2</sub>e)

Scope	CY 2021
Scope 1	304
Scope 2	608
Scope 3	32,566

Table 3: PNE GHG Emissions (MT CO<sub>2</sub>e)

## CARBON FOOTPRINT GOALS, TARGETS, AND PROGRESS

Goal	Target	FY 2022 Progress
Protect air quality & reduce climate change	Carbon Neutrality by 2050 30% reduction of fossil-fuel use by 2030	<ul style="list-style-type: none"> <li>2021 PHL GHG emissions inventory</li> <li>27% reduction in PHL's GHG emissions</li> <li>Vehicle and Equipment Electrification Strategic Plan completed</li> <li>Passenger shuttle fleet converted to CNG in 2018</li> <li>Two electric and 17 hybrid vehicles added to Department fleet</li> <li>Five electric vehicle charging stations installed for Aviation fleet use</li> </ul>
Generate or purchase renewable electricity	100% renewable energy by 2030	<ul style="list-style-type: none"> <li>PHL solar feasibility analysis indicates potential to generate up to 25% of power needs</li> </ul>
Reduce Scope 3 emissions	80% reduction in PHL Scope 3 emissions by 2050	<ul style="list-style-type: none"> <li>236 electric GSE chargers</li> <li>400 Hz power and pre-conditioned air units at 90% of PHL gates</li> <li>22% of PHL GSE fleet converted to electric models</li> <li>14 electric vehicle charging stations in passenger parking areas</li> </ul>
Improve energy efficiency	20% reduction in PHL Energy Use Intensity by 2030	<ul style="list-style-type: none"> <li>5,900 fixtures converted to LED lighting resulting in 3.37 million kWh annual energy savings</li> <li>77 new HVAC rooftop units installed resulting in 1.7 million kWh annual energy savings</li> <li>\$450,000 in PECO rebates for energy efficiency upgrades</li> </ul>

Note: The progress toward targets shown above reflect a baseline year of 2016.

Table 1: Carbon Footprint Goals, Targets, and Progress

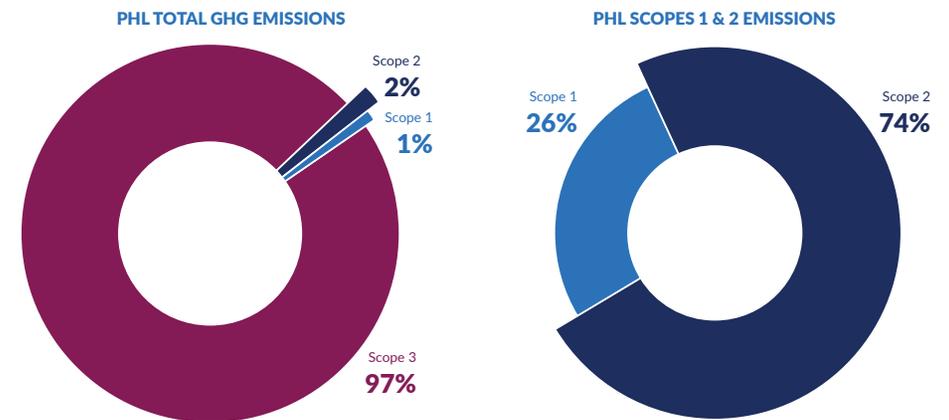


Figure 1: PHL Total GHG Emissions

Figure 2: PHL Scopes 1 & 2 Emissions

Notes: The Department has tracked Scope 1, 2, and 3 GHG emissions at PHL since 2016 and in recent years also tracked emissions at PNE. Beginning in 2018, the Department aligned our GHG accounting methodology with the ACA program. To avoid comparisons between years using different methodologies, emissions data prior to 2018 have been omitted from this report. Emissions data are reported on a calendar year basis to maintain alignment with the Department's verified ACA data. As was the case with most airports, the Department did not complete a GHG inventory for 2020 due to the unprecedented decrease in passenger traffic during the COVID-19 pandemic. For PHL, Scopes 1 and 2 emissions exclude tenant energy consumption.

# Transitioning to Zero or Low-Carbon Energy and Fuels

*In 2022, we completed a comprehensive photovoltaic (PV) study for PHL that indicates the potential to generate up to 25% of PHL's power needs using solar panels.*

The Department is working with PECO, our electric utility, to develop grid infrastructure upgrades that allow for a future PV installation at PNE that could provide power equivalent to PNE's annual electricity usage. The City of Philadelphia, through which the Department purchases our power, has committed to sourcing electricity from 100% renewables by 2030. In 2022, we completed a Vehicle & Equipment Electrification Strategic Plan that charts our transition to more electric vehicles and equipment at PHL. The plan provides guidance on which vehicles and equipment are best positioned for electrification and recommendations regarding charging infrastructure needed.



**LANDSIDE**  
**14**  
 electric vehicle charging ports for passenger use

**AIRSIDE**  
**236** charging ports for **160** electric GSE  
**4** charging ports for Airport fleet vehicles



**AIRPORT CARBON ACCREDITATION (ACA) PROGRAM**  
 ACA is the world's only airport-specific carbon reporting program with six levels of achievement demonstrating progress in carbon management. In 2022, ACA participation was expanded to cover the entire airport system, with PNE entering the program for the first time at Level 1.



**PHL:**  
airport carbon accredited  
**REDUCTION**



**PNE:**  
airport carbon accredited  
**MAPPING**



**airport carbon accreditation**

## Improving Energy Performance

As part of a new City initiative, the Department is actively tracking the energy performance of PHL's terminal facility along with other commercial

buildings larger than 50,000 square feet. We report energy and water use, conduct energy audits, and implement energy efficiency upgrades as part

of the City of Philadelphia Building Energy Performance Program. Moving forward, we aim to continue improving energy efficiency of our facilities.

### PHL ENERGY CONSUMPTION

Scope	Unit	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Electricity	kWh	158,014,936	156,694,890	139,266,175	138,437,417	152,662,203
Natural Gas	CCF	3,170,739	2,994,933	2,216,940	2,273,925	2,616,080

Table 4: PHL Energy Consumption

### PNE ENERGY CONSUMPTION

Scope	Unit	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Electricity	kWh	2,646,938	2,652,577	2,341,683	2,341,239	2,293,194
Natural Gas	CCF	42,467	41,583	36,373	38,961	34,990

Table 5: PNE Energy Consumption

Note: Electricity and natural gas are based on the PNE Main Building.

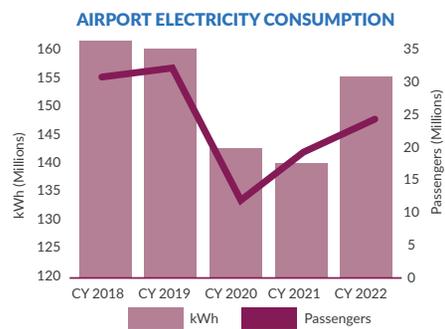


Figure 3: Airport Electricity Consumption

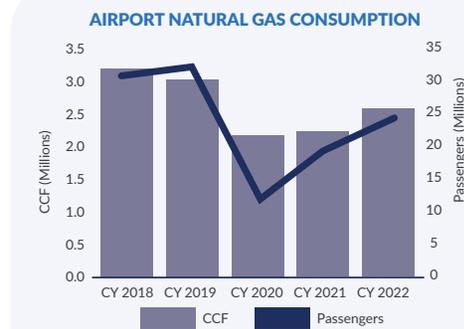


Figure 4: Airport Natural Gas Consumption



## Air Quality

PHL is in both Delaware and Philadelphia counties, which have been identified by the U.S. Environmental Protection Agency as not meeting several of the National Ambient Air Quality Standards, being in non-

attainment with the eight-hour ozone standard, and in maintenance for particulate matter (PM2.5) and carbon monoxide. We have therefore taken initiatives to reduce emissions of air pollutants, including ozone precursor

gases volatile organic compounds (VOCs) and oxides of nitrogen (NO<sub>x</sub>). Funding is regularly pursued through the FAA's Voluntary Airport Low Emission (VALE) program.

### RECENT VALE GRANT AWARDS FOR AIR QUALITY IMPROVEMENTS

Fiscal Year	Project Description	VALE Grant Amount	Estimated Emissions Benefits (tons)		
			VOCs	NO <sub>x</sub>	PM <sub>2.5</sub>
2022	7 pre-conditioned air units and 7 ground power units	\$1.8 million	19.7	93.3	15.9
2021	11 pre-conditioned air units	\$2.9 million	5.6	78.1	5.8
2020	13 dual port electric GSE chargers and associated infrastructure	\$1.04 million	2.4	50.9	4.1

Table 6: Recent VALE Grant Awards For Air Quality Improvements

# Building Towards Climate Resilience

The Department developed a Climate Vulnerability Assessment in 2019 which identified stronger storms, increased precipitation, and flooding due to sea level rise as the primary climate risks facing PHL. The Department's assessment led to proactive measures such as safeguarding key assets from flooding and ensuring regular maintenance of all drainage systems and flood protection infrastructure. Our recent steps in climate change planning include:

### Climate Adaptation and Resiliency

**Plan:** This plan establishes strategies to incorporate resiliency throughout the Airport. The plan provides a detailed review of PHL's infrastructure and equipment and ranks them based upon criticality. Finally, it prioritizes steps to replace, reconstruct, or retrofit for resiliency.

### Hydrologic and Hydraulic Resiliency

**Study:** This study developed a detailed model of the Airport property and produced projections for flooding based on estimated sea level rise between now and 2080.

### Stormwater Drainage Plan:

This plan reviews our current drainage system and planned development, and it provides recommendations on expansions needed to ensure that our airfield drains quickly during and after storms.

## PHL CLIMATE VULNERABILITIES

Increase in Temperature	Sea Level Rise	Changing Precipitation	Increase in Extreme Storm Events
			
<ul style="list-style-type: none"> <li>Passengers and Employees</li> </ul>	<ul style="list-style-type: none"> <li>Aircraft Operations</li> <li>Airfield Operations</li> </ul>	<ul style="list-style-type: none"> <li>Landside Facilities &amp; Infrastructure</li> <li>Utility Systems</li> </ul>	<ul style="list-style-type: none"> <li>Landside Facilities &amp; Infrastructure</li> <li>Airport Non-terminal Facilities</li> <li>Utility Systems</li> </ul>

Table 7: PHL Climate Vulnerabilities

## WHAT WE ARE DOING TO MITIGATE RISK

In order to address the rising threat of climate change, the Department is pursuing a number of capital improvements including:

- Replacing tide gate infrastructure
- Expanding our stormwater management and conveyance system
- Investigating the feasibility of flood protection measures along PHL's Delaware River coastline
- Instituting design standards that will require new development to be designed for resilience to future flooding based on sea level rise in accordance with the projected lifespan of that facility



## Operational Resilience

We are making our facilities more resilient to disruptions of all types. At PHL, we participate in utility demand response events where we decrease our load during high demand periods by turning off unnecessary lighting and equipment. There are three utility plants powering PHL's terminal complex with redundancies built into our heating and cooling systems. In addition, redundant main feeds into the Airport from PECO, our electric utility provider, are in place. As one of the largest consumers of electricity

in the City of Philadelphia, the Department works closely with PECO on electrical infrastructure upgrades to ensure a reliable power supply now and in the future. Similarly, utility master planning efforts are underway for other major infrastructure systems to inventory and assess condition and plan for any needed improvements or repairs.

Electrical power disruptions have been infrequent in recent years; however, in the event of a disruption to electrical,

gas, or water service, we are enhancing our utility systems to be more resilient. In addition to both airports having back-up diesel generators in the event of a power outage, we are focusing on hardening or relocating assets that are below grade and may be susceptible to flooding. For example, we installed flood barriers to one of our electrical substations. We are also working on creating redundancies in critical electrical, telecommunication, and other utility systems as needed.

# Working Towards Zero Waste

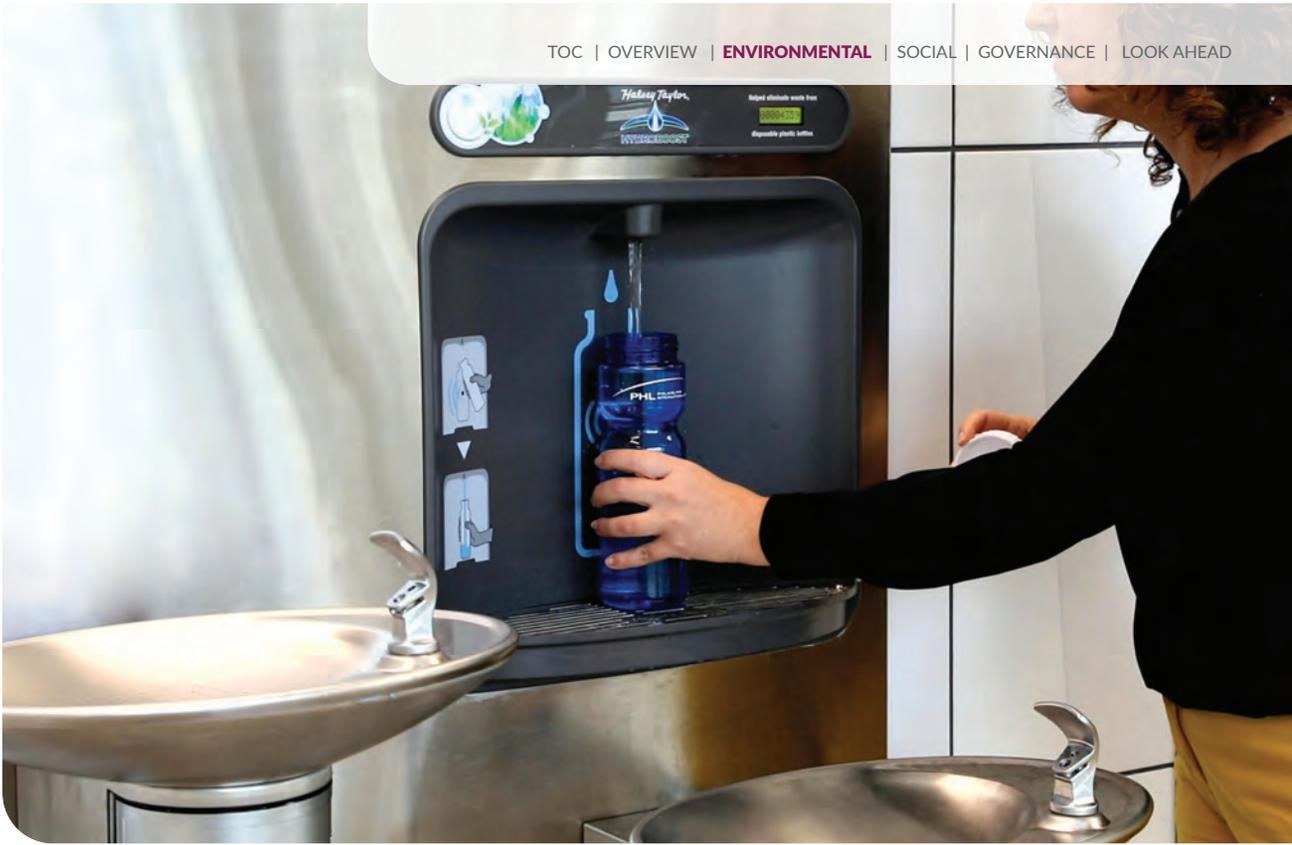
Over 4.5 million plastic bottles avoided with bottle filling stations in terminals.

## Solid Waste & Recycling

The Department has a comprehensive solid waste and recycling program with recycling collected throughout the terminals and airport employee offices and workshops. PHL, like many airports, faced recycling challenges from 2018-2021. The recycling industry underwent a massive change after China, the primary recipient of U.S. recyclables, introduced a 0.5% contamination limit along with a ban on plastics. Many waste haulers began rejecting contaminated recycling streams and penalizing for contamination. As such, airport recycling rates dropped almost to zero despite efforts to minimize

the contamination of our recycling stream. This issue was remedied in 2022, when we entered into a contract with a new recycling hauler that accepts our recycling loads and sorts contaminated materials appropriately. Since then, our diversion rate has rapidly increased, and we look forward to building on this success. The Department is encouraged by recent improvements in our waste diversion rate, reaching 9% in FY 2022.

Water bottle filling stations are offered throughout the terminals which help to reduce single-use plastic containers.



Over the past decade, we have recycled approximately 125 tons of used carpet from our terminals.\*

\*Gaps in data exist during years where no carpet projects occurred

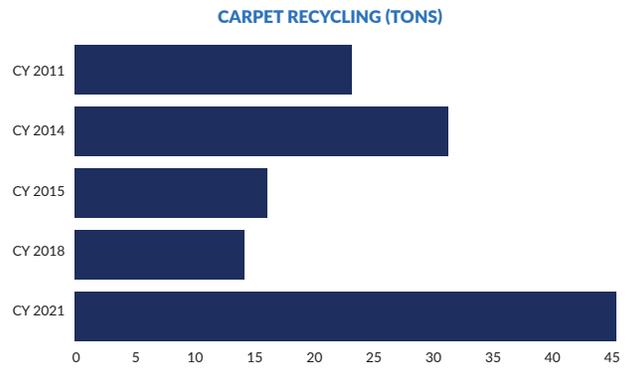


Figure 5: Carpet Recycling (Tons)

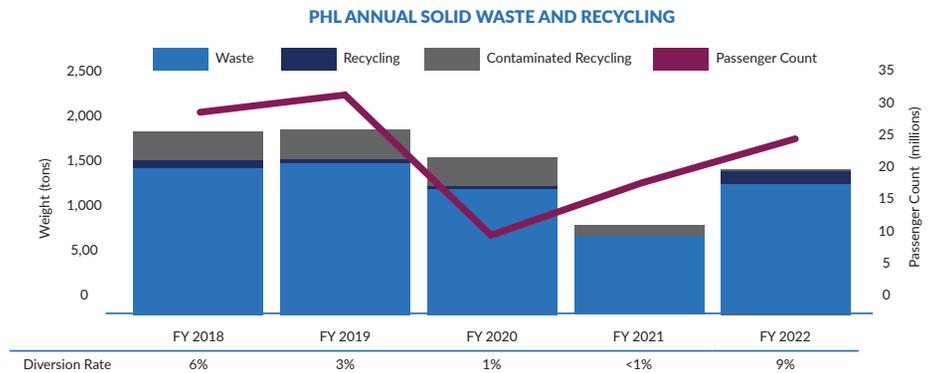


Figure 6: PHL Annual Solid Waste and Recycling

# Conserving & Protecting Our Natural Resources



## Conserving Water

Conserving water resources at PHL and PNE is critical to operating efficiently and sustainably. Our PHL terminal facility has been the focus of water conservation efforts, including

the restroom renovation program that includes low flow fixtures. Total potable water consumption at PHL saw a significant decline during the COVID-19 pandemic, but per-

passenger consumption increased. Additional emphasis on handwashing and cleaning during this time likely drove this increase.

PHL WATER DATA

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Potable Water Used (Gallons)</b>	163,318,453	168,981,207	164,377,695	125,346,585	151,454,348
<b>Passenger Volume</b>	31,691,956	33,018,886	11,865,006	19,638,387	25,242,133
<b>Gallons/Passenger</b>	5.15	5.11	13.85	6.38	6.00

Table 8: PHL Water Data

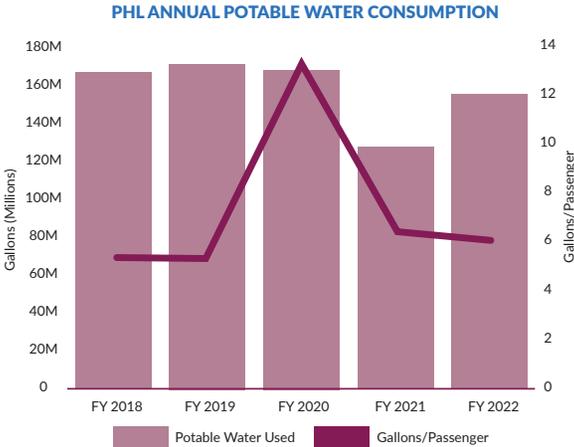


Figure 7: PHL Annual Potable Water Consumption



# Stormwater Management

The Department manages stormwater quality and quantity using various resources. We recently completed a plan for future stormwater management investments based on projected airport development.



# Stormwater Permits

Both PHL and PNE have National Pollutant Discharge Elimination System (NPDES) stormwater permits that cover stormwater discharges for both industrial and construction activities and follow City of Philadelphia stormwater regulations. Over the past five years, there were no violations related to stormwater permits and Pennsylvania Department of Environmental Protection (PA DEP)

monitoring results typically fall at or below permit limits.

Stormwater best management practices installed at PHL and PNE include rain gardens, bioswales, and pervious pavement. These stormwater systems were installed in compliance with the City of Philadelphia and PA DEP's stormwater management requirements.

The Department has been partnering with the Philadelphia Water Department since 2008 to provide deicing fluid (combined with stormwater runoff) to feed the anaerobic digesters at Philadelphia Water's Southwest Water Pollution Control Plant. Deicing fluid is collected, stored, and transported offsite to the water treatment facility.

PHL ANNUAL STORMWATER RUNOFF COLLECTED CONTAINING DEICING FLUID

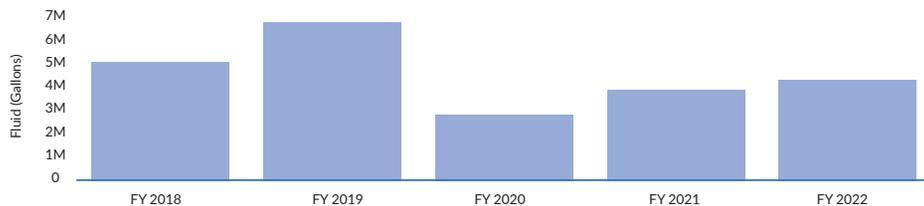


Figure 8: PHL Annual Stormwater Runoff Collected Containing Deicing Fluid

# Spill Prevention & Control

PHL's Spill Prevention, Control, and Countermeasure (SPCC) Plan outlines procedures to help prevent discharges of oil and oil products (e.g., diesel, gasoline, Jet A / Avgas fuel, hydraulic oil) into surface waters. Spills that involve fuels or other oil products occurring at PHL are carefully tracked and responded to, including the cause of each incident, with close coordination with PA DEP to undertake corrective actions. Reportable spills to PA DEP are spills greater than 50 gallons released to paved surfaces, one gallon or more released to non-paved surfaces, or any amount that enters a storm drain. For the past five years, fewer than 10 reportable spills have occurred annually.



REPORTABLE SPILLS

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Reportable Spills	8	7	6	6	4

Table 9: Reportable Spills



Since 2012, the Department's Environmental staff have attended ongoing monthly PHL Ramp Safety meetings discussing fuel spill-related issues, raising awareness, and reiterating the importance and regulations of properly

reporting spills. These monthly meetings include brief talks on fuel spill reporting requirements, cost implications of spills, and release prevention techniques.

# SOCIAL

*People come first at our Airports.*

## Diversity, Equity, & Inclusion

The Department has prioritized diversity, equity, and inclusion in all that we do because our differences make us stronger. Philadelphia is one of the nation's most racially and ethnically diverse cities, and with PHL and PNE being major gateways to the region, our staff and our activities reflect this diversity and what makes Philadelphia unique.

We continue our efforts to maintain a diverse work environment where all feel included and treated equitably. Our commitment to advancing racial equity is reflected in our PRIDE values, workforce diversity, Racial Equity Advisory Council, and inclusive business relationships.

Not only do we seek to recruit and hire from diverse populations, but we also advance efforts to work with diverse businesses for contracting opportunities.



### PRIDE VALUES

- People First**  
Our employees, stakeholders, and passengers
- Respect**  
To ourselves, our customers, and our environment
- Integrity**  
We hold ourselves responsible for what we do, say, and think
- Diversity**  
Purposefully inclusive and accepting of all
- Excellence**  
We hold ourselves to the highest standards of service, innovation, and efficiency

*Our stakeholders comprise our highly skilled workforce, airport tenants, vendors, and concessionaries as well as key external stakeholders including our investors, business partners, travelers, and our local community.*



## Workforce Diversity

At the Airport, diversity is who we are and has been a key focus for many years. The Department strives to have a diverse workforce at all levels of the organization. The Department has been tracking the diversity of our workforce for many years, and we are proud of our representation of minorities and women across our entire staff and in senior level positions.

Typically, the Department employs almost 800 employees. However, we ended FY 2021 with almost 19% less staff than the prior year. During the COVID-19 pandemic, recognizing the change in air travel demand, the Airport implemented several cost reduction measures including a hiring freeze and an early retirement program. These actions caused a shift in the number of full-time employees, but we continued to be committed to our people-first values. The diversity of our workforce has remained consistent.

### KEY DEMOGRAPHICS OF DEPARTMENT STAFF FOR FY 2022



Figure 9: Key Demographics of Department Staff for FY 2022

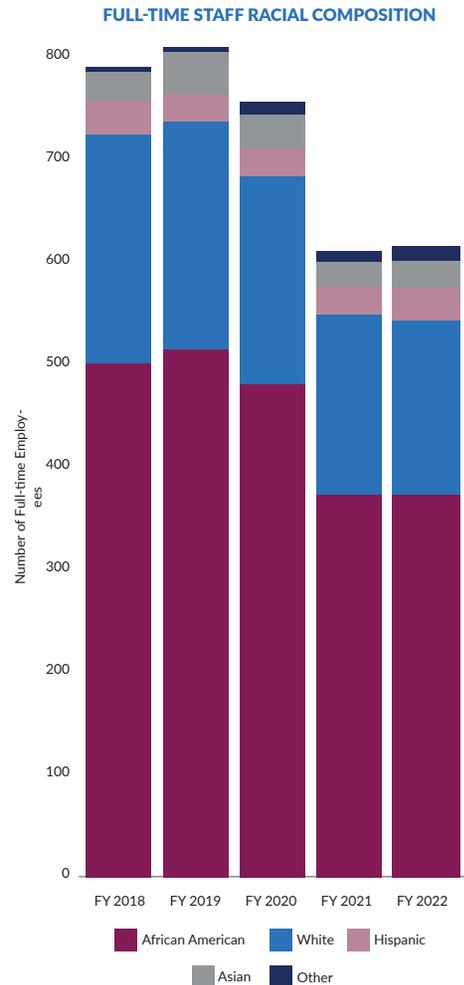


Figure 10: Full-time Staff Racial Composition

## Racial Equity Advisory Council

The Department is committed to addressing disparities by building awareness, identifying solutions, and fostering a dynamic workplace that ensures equitable opportunities for all employees. With the establishment of the Racial Equity Advisory Council (REAC or the Council) in 2020, there remains a commitment to cultivate an inclusive culture throughout the organization. REAC creates safe spaces for awareness, education, and honest dialogue while serving as a repository and conduit for topics related to advancing racial equity throughout the Airport community and beyond.

REAC's approach is built on four main pillars: **Information Gathering, Creating Safe Spaces, Building Awareness, and Education.** The Council has held townhall discussions on racial and social justice, staff-led moments of solidarity, and a racial equity survey. REAC maintains our diverse representation, not only by race but also by gender, background, experience, job title, and work portfolio. Of the Council members, 83% represent women or minorities bringing a variety of perspectives to the Airport's initiatives.

The Department established the Racial Equity Strategic Plan to address areas for growth within and around the airport system.

### EMPOWERING THE WORKFORCE

As part of the first group of participants in the Citywide Racial Equity Strategy Implementation Plan, the Department was engaged with The Mayor's Office of Diversity, Equity and Inclusion in creating important steps to ensure that race is not a determinant of success, and that all Philadelphians can thrive. From this process, the Department identified workforce development along with foundational education and awareness as part of the strategy for empowering our workforce, guests, and business partners/neighbors.

### RACIAL EQUITY PLAN FOCUS AREAS

Individual	Organization	Larger Community
<ul style="list-style-type: none"> <li>Provide content and tools that increase awareness and understanding of racial equity.</li> </ul>	<ul style="list-style-type: none"> <li>Solicit information from employees regarding racial equity concerns.</li> <li>Engage widely and encourage comradery.</li> <li>Assess the hiring, promotion, and compensation process.</li> <li>Provide safe spaces for employees during difficult periods of time.</li> </ul>	<ul style="list-style-type: none"> <li>Champion diversity and equity throughout the value chain.</li> <li>Participate in the first interdepartmental cohort for the Citywide Racial Equity Strategy Implementation Plan.</li> <li>Cultivate an environment at PHL for our employees and guests that celebrates diversity.</li> <li>Leverage the Airport Cargo Expansion Program to promote diversity within the context of job creation.</li> </ul>

Table 10: Racial Equity Plan Focus Areas

# Inclusive Business Relationships

Over the last three years, the Department has consistently met or exceeded our Minority, Women, and Disabled-owned Business Enterprise (M/W/DSBE) participation goals.

## Business Diversity

Seeking to eliminate barriers often encountered by minority or small businesses, the Department operates several business diversity programs connected to Airport-related contracting opportunities. Additionally, the Department provides training on doing business at the Airport along with conducting both in-person and virtual capacity-building workshops and business events to connect

prime contractors with small, diverse businesses. In coordination with the City of Philadelphia's Office of Economic Opportunity (OEO), goals for M/W/DSBE are established to increase the level of diversity in contracting for locally funded projects.

For federally (U.S. Department of Transportation) funded projects, the Department sets both contract

level and overall departmental goals. In addition to monitoring ongoing projects and payments, the Department certifies firms for the federal program and reviews bids, proposals, and leases for diverse business participation.

### DIVERSE SPENDING GOALS AND PROGRESS

Program	FY 2022 Goal	FY 2022 Achieved
PHL OEO	30%	32%
PHL Federal Disadvantage Business Enterprise (DBE) Program	18%	17%
PHL Federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program	21%	36%
PHL ACDBE Marketplace Storefront Concessions	30%	44%

Table 11: Diverse Spending Goals and Progress

Note: Federal goals and attainments are for the federal fiscal year.

### FY 2022 ACDBE CONCESSIONS HIGHLIGHTS

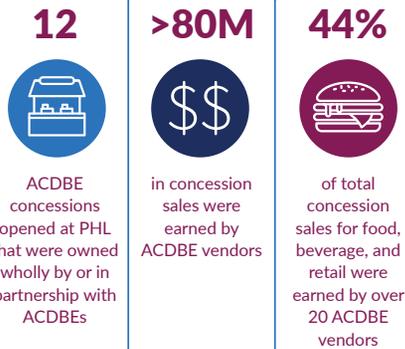


Figure 11: FY 2022 ACDBE Concessions Highlights

# Business Outreach & Capacity Building

The Airport's outreach strategy aligns its goals around continuous vendor engagement through capacity building workshops and business events that facilitate networking between small and diverse businesses, prime contractors, resource partners, and Airport representatives. Events focus on upcoming Airport projects and opportunities and provide training on some of the following topics:

- Federal business diversity certification processes
- Airport concessions joint venture agreements
- Department and contract goal setting for diverse businesses
- Preparing winning bids and proposals

In FY 2022, the Department hosted the 9<sup>th</sup> Annual Business Opportunity Forum, where small and diverse businesses gathered to network and learn about the dynamics of doing business at PHL and within the City of Philadelphia. The forum, which is typically an in-person event, was held virtually and focuses on contracting opportunities, successful partnerships, and increasing representation. Since FY 2018, the forum has been a well-attended event. In FY 2022, despite the decision to have a virtual forum due to the pandemic, the event drew approximately 300 attendees from a variety of businesses and partnering agencies. The forum is held in conjunction with the City of Philadelphia's Minority Enterprise Development Week. The Department's efforts were in keeping with the City's theme of "Unmute Your Opportunities" and aided in providing minority business and partnering agencies with the resources to help them grow.

## BUSINESS OPPORTUNITY FORUM

### BUSINESS OPPORTUNITY FORUM ATTENDANCE

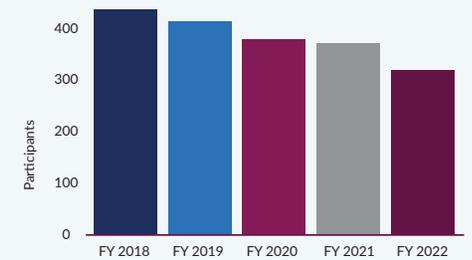


Figure 12: Business Opportunity Forum Attendance



In FY 2022, 56% of the confirmed registrants were certified businesses and 38% already had existing contracts to do business with the Airport.

### REGISTRANT ATTENDANCE BY AREA OF EXPERTISE

- 31.0% .....Architecture & Engineering Professional
- 10.5% .....Information Technology
- 10.5% .....Construction
- 9.9% .....Non-Architecture & Engineering Professional
- 8.5% .....City/Government
- 8.0% .....Other For-Profit Business
- 7.4% .....Concessions/Merchant
- 6.0% .....Supply/Commodities
- 4.2% .....Cargo
- 4.0% .....Non-Profit Agency

Figure 13: Registrant Attendance by Area of Expertise

# Employee Wellness & Development

The Department recognizes that our employees are essential to the airport system and local community. We are committed to giving back to our employees by providing opportunities to develop professionally and promote career advancement. With the current economy-wide challenges of recruitment and retention, this topic has never been more important.

## Employee Health & Wellbeing

The Airport's wellness program, PHL WELL, is aimed at educating, informing, and engaging employees on how to manage their physical, mental, and financial WELLbeing. Activities include virtual and in-person workshops, training sessions, WELLness updates, events/challenges, featured articles, and important health reminders. A selection of programs are included below:

- Men Take Charge of Your Health Guide
- His Breast Cancer Awareness
- Breast Cancer Awareness for Women
- We Walk PHL
- Step It Up Challenge
- Well Hydration Challenge
- Biggest Loser Weight Loss Challenge
- Mental Health 101
- Resilience Workshop
- Stress Management
- Employee Resource Groups



The Department supported the Mayor's Office of Black Male Engagement Walk, the "Brothas Stroll" to generate awareness about men's health. Fifty participants walked three miles at John Heinz National Wildlife Refuge.



## Talent Management Programs

Not only are diverse, qualified candidates recruited for positions at all levels of the organization, but our budget includes funding to support different workforce development programs. We are advancing opportunities around apprenticeships, small-scale career exposure experiences, external stakeholder engagement, and tuition reimbursement, as well as internal and external professional development for line staff, supervisors, and managers.

We created a set of internal professional development programs, which include Resources and Information for Supervisory Enrichment (RISE), Stars and Leads, Leadership Academy, Supervising with Pride, and other initiatives. Additionally, we offer a variety of training modules and professional development opportunities that support DEI, health and wellness, skill building, and more.



## Training Programs

The Department requires several training programs to be completed during the new employee onboarding process and in some cases to be repeated every one to three years. As part of this process, the Department tracks our completion rate for all trainings, some of which can be seen below. This data covers all of CY 2022.

### STAFF TRAINING COMPLETION RATES

Required Airport Training	Completion Rate (CY 2022)
Equal Employment Opportunity Training	95.6%
Reasonable Suspicion Training	93.0%
Sexual Harassment Prevention Training	79.1%
Ethics Training	78.3%
Labor Relations Training	72.3%

Table 12: Staff Training Completion Rates



## Safety & Security

Ensuring the safety of passengers, employees, and other users of our facilities is a top priority. Since our response to COVID-19, PHL implemented an additional set of health and safety protocols to protect the well-being of its community, including use of Envirox Critical Care and electrostatic technology to disinfect surfaces quickly and comprehensively. Additionally, we installed motion sensor activated technology throughout public areas to reduce touchpoints and have added bipolar ionization technology in our HVAC system to purify the air through the generation of charged particles.

## Employee Safety

Staff at PHL and PNE are trained in necessary public health, safety, and security issues related to their job, such as requirements from the Occupational Safety and Health Administration (OSHA) and First Aid/CPR. General airport safety and security-related training is required for badged employees including Security Identification Display Area (SIDA) training, airfield drivers training, human trafficking awareness, and authorized signers training.

## Safety Management System

Before the Airport Safety Management Systems (SMS) became a requirement by the FAA, PHL voluntarily initiated implementation, becoming an early adopter of SMS among airports. Components of our SMS focus on policy, risk, assurance, and promotion. The SMS helps Airport Operations staff with identifying safety issues, analyzing and compiling findings, as well as proposing additional controls or actions, and implementing changes. The SMS also features a Hazard Reporting website portal where safety issues are reported. To promote the program and educate employees, the Department offers training classes in addition to training being offered to tenants.

## Human Trafficking Awareness Training

Human trafficking is the fastest growing and second largest criminal industry in the world. In recognition of the importance of the topic, PHL participates annually in the national "Blue Lightning Initiative" (BLI) campaign to promote awareness and prevention of human trafficking. BLI is coordinated by the U.S. Department of Homeland Security (DHS), Department of Transportation, and Customs and Border Protection.

Our human trafficking awareness training is intended to help our team identify individuals that might be

in danger. Our training includes the following:

- Starting in CY 2023, all employees will be required to complete a human trafficking prevention test to receive new and reissued Security Identification Display Area (SIDA) badges.
- Messaging placed throughout the Airport terminals and at gates with instructions on what to do if someone suspects trafficking.
- Providing employees access to DHS general awareness training videos.

Additionally, PHL's efforts to raise awareness to the dangers of human trafficking include:

- Participating in the #WearBlueDay and inviting employees to take photos of themselves, friends, family, and colleagues wearing blue.
- Lighting the PHL Ramp Tower in blue on Human Trafficking Awareness Day (January 11<sup>th</sup>).



# Guest Experience

With the overall guest experience in mind and a desire to bring businesses, employees, and guests together as part of a unified guest-centric approach, PHL established the Guest Experience (GX) Unit in 2019. The GX Unit strives to improve overall satisfaction, facilitate airport-wide communication, and create a better experience for guests and team members. Recent initiatives include the launch of People of PHL, an airport-wide “people-first” culture initiative that aims to transform the Airport’s customer service ecosystem.

*The Airport is not just a place for passengers to wait for flights but is a dynamic facility constantly evolving to meet the expectations of travelers.*



# PHL Navigators

PHL Volunteer Navigators engage with the Airport community and provide an essential part of the guest experience. Volunteer Navigators help passengers find their gate and terminal, locate amenities and dining choices, understand transportation options, provide information on Philadelphia attractions, and answer any number of questions. Their services are invaluable to someone in an unfamiliar place.

For more than 20 years, the PHL Volunteer Navigators have recruited and trained individuals to provide in-

person customer service at Information Counters throughout the terminal.

Our recruitment focused on seeking people who were dedicated, friendly, and interested in travel and hospitality. These efforts also included a unique and special partnership with three local Philadelphia high schools, Benjamin Franklin High School, West Philadelphia High School, and South Philadelphia High School, where students with learning disabilities and autism were welcomed into the program, trained as volunteers, and

now actively participate in providing information to travelers. In addition to expanding the number of Volunteer Navigators, technology was added as an option to supplement the volunteers and provide real-time 24/7 information. More than 80 volunteers along with the 18 employee navigators provide enhanced customer experiences throughout all seven terminals. Because the Airport is often the first and last impression people have when they travel to our region, this assistance leaves a lasting, positive impact.



## Passenger Assistance

The Department aims to provide world-class customer service to all passengers, regardless of the language they speak. Accordingly, the Department has implemented a number of multilingual assistance programs, several of these are listed below.

- Language access services are provided to support passengers throughout the terminals. In FY 2022, the Department provided services in ten different languages and met over 1,400 requests for language assistance in Spanish alone.
- Postings are maintained at information desks so that passengers can identify to the desk staff which languages they speak.
- Multilingual access training for Communications Center Staff is ongoing as part of our employee orientation training.
- Non-discrimination posters located throughout the terminals are also translated into Spanish, the most commonly encountered language other than English.
- Personnel are available to assist passengers in Customs and Border Patrol to navigate the passport control process through streamlined application procedures and multilingual assistants.



## Lactation Suites

With PHL set to open its first ever built-in lactation suite in the Terminal B/C Food Court, the Airport continues its commitment to provide nursing mothers with clean, quiet, accessible spaces. The new lactation suite, designed by a women-led design team, will provide comfortable seating, USB charging, adjustable lighting, and temperature controls.

This state-of-the-art addition to the Airport's Restroom Renovation Program further extends the options already available to nursing mothers. Since 2015, PHL has partnered with Minute Suites to bring private lactation spaces to Terminals A-East and B. Additionally, Mamava self-contained, mobile pods can be found at PHL with available usable locations identified via the Mamava app.



## Philadelphia Zoo Visits

PHL welcomed the return of the live animal visits by the Philadelphia Zoo. Prior to the pandemic, the Zoo brought different animals to PHL to educate and entertain passengers each month. As part of our enhanced guest experience, this initiative brings some of the amazing creatures that reside at America's first zoo to PHL to interact with travelers. The presence of the zoo is a fun distraction and visitors are fascinated with the various exotic mammals and birds.



## Wagging Tails Brigade

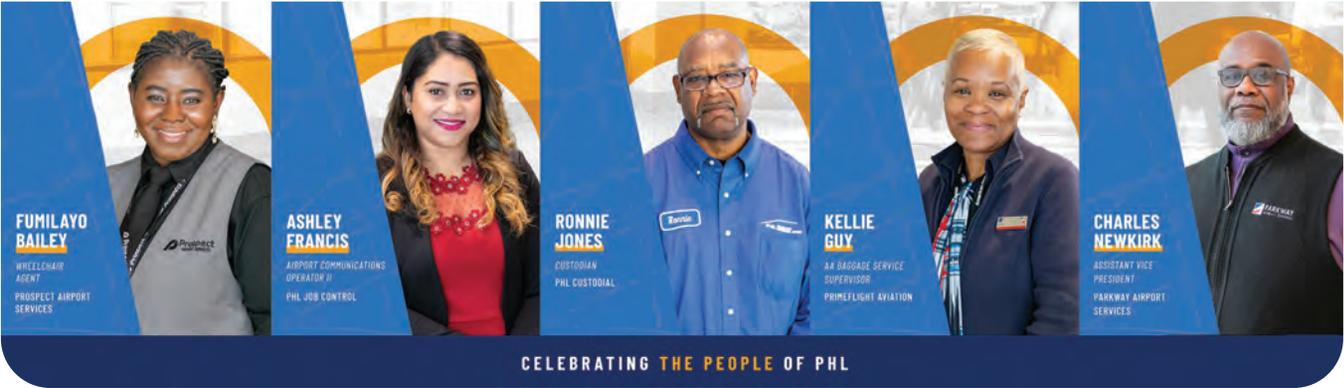
Our brigade of friendly, certified therapy dogs, known as the Wagging Tails Brigade, can often be found roaming the terminals with their handlers. With 14 brigade teams, there's always an opportunity for a weekly visit from our four-legged friends. Often seen donning blue "Pet Me" vests, our brigade brings smiles throughout the Airport. Operating since 2019 in partnership with the Alliance for Therapy Dogs, these furry friends visit the terminals weekly sharing snuggles and providing a calming environment for passengers.

# Airport Employee Recognition Program

The GX Unit, with support from the GX Stakeholder Council, launched the Airport Employee Recognition Program to honor employees from all Airport stakeholders who go above and beyond to create a positive experience for PHL's guests. Employees from across organizations and functions within the Airport community can be nominated for awards in the following categories:

- Teamwork Makes the Dream Work
- Impression-makers
- Unsung Heroes
- Safe and Sound
- Caring

*PHL affirms employees that elevate the guest experience.*



Employees are nominated by passengers and fellow badged employees. Winners of the awards receive:

- Personal or team profile featured in "People at PHL" article promoted across PHL's social media channels
- Professional headshot
- Certificate of achievement
- Inclusion on the "People of PHL" ad campaign in the Airport terminals
- Recognition at the GX Stakeholder Council meeting

Over the course of six quarterly rounds, there have been more than 120 nominations across 37 organizations.



## Airport Arts Program

PHL has long been recognized for its art exhibits that enhance the passenger experience and showcase the Philadelphia region's unique cultural heritage.



PHL's Exhibitions Program showcases the work of hundreds of diverse artists and art institutions from across the Airport's service region. This program is responsible for organizing and presenting rotating exhibitions that are located throughout the Airport. The forum for presenting visual arts attests to the Department's commitment to supporting arts and culture and provides tens of millions of visitors access to a wide variety of art forms by artists and arts institutions from the Philadelphia area.

*The Exhibitions Program featured 30 exhibits presented throughout PHL and 70% featuring solo/single artist exhibitions by minority artists.*



**Tia Santana: Vessels for My Hair Exhibit.** The C.R.O.W.N. Act stands for "Create a Respectful and Open World for Natural Hair," and was created in 2019 to ensure protection against discrimination around race-based hairstyles by extending statutory protection to hair texture and protective styles such as braids, locs, twists, and knots.



**"Sit a Spell" - The Colored Girls Museum Exhibit.** The Colored Girls Museum resides in a Victorian twin house in the Germantown section of Philadelphia. This installation is borrowed from the "First Time Ever I Saw Your Face" traveling exhibition. "Sit a Spell" reminds us that while stillness and motion might seem at odds, in truth they sustain each other.



**BlackStar Film Festival.** The BlackStar Film Festival is a celebration of the visual and storytelling traditions of the African diaspora and global communities of color. It showcases films by Black, Brown, and Indigenous people from around the world. BlackStar elevates artists who are overlooked, invisibilized, or misunderstood and celebrates the wide spectrum of aesthetics, storytelling, and experiences that they contribute.



**Ife Nii Owoo: Fans of Homage.** This Philadelphia artist has been creating fans that combine hand-painted watercolor paper with photo-based images, monoprints, and recycled objects since 2007. Owoo's fans, with thick wooden handles and decorated blades, are styled after church fans that were traditionally found in places of worship without access to air conditioning and are still part of the Black church experience.

# Accessibility

*The Department continues to develop initiatives to ensure all of our guests are supported.*



## Guest Communications Around Accessibility

In addition to upgrading several public spaces to meet and exceed the Americans with Disabilities Act (ADA) standards, the robust **'Accessibility at PHL'** website (<https://phl.org/about/accessibility>) is dedicated to providing information, programs, resources, and assistance to those who need it. Highlights of PHL's current programs that focus on accessibility are noted here. The **'Access for All'** section of the Accessibility webpage provides passengers online help for all aspects

of travel from baggage to take off, including an in-depth guide and several short stories that walk through the process of getting to and through the Airport. Passengers may also take advantage of a free app 'AIRA,' which provides passengers who have low vision or are blind with navigation through the airport.

Additionally, the **Sunflower Lanyards** continue to be available to travelers. By discreetly raising awareness about

hidden disabilities, Sunflower Lanyards allow the Airport to provide improved customer service.

In an effort to continue to meet the needs of all guests, the **Disability Feedback Program** seeks comments, either in person, by phone, online, or via written submissions about PHL's program, services, and activities. This feedback helps shape and inform PHL's disability programs, policies, and procedures.

## Capital Projects Around Accessibility

The Airport continues to enhance accessibility in the capital projects it undertakes by:

- Renovating all restroom facilities at PHL, which includes making restrooms, water fountains, and water bottle filling stations accessible, as well as adding companion care rooms, adult changing rooms, and accessible lactation suites.
- Initiating a dedicated ADA project to replace handrails, vision lights, and doors inside all the terminal areas at PHL.
- Updating hold rooms with replaced and enhanced ADA features such as accessible seating, charging facilities, and tables.
- Creating a gender-neutral bathroom and service animal relief area at PNE.

*Visual paging is available throughout PHL on over 170 large, easy-to-read monitors throughout the terminals that visually convey information broadcast over the public address system.*



# Community Outreach & Impact

Our Community Relations team is fundamental to our efforts to proactively engage with the public and to keep open lines of communication between PHL, PNE, and members of the surrounding communities. Outreach efforts provide an opportunity to have direct contact with airport neighbors so they can stay informed about airport happenings, including opportunities to come and explore some of the behind-the-scenes activities.

## Community Engagement

We believe that it is important to actively engage with our neighbors. Our outreach efforts extend beyond educating our neighbors on the projects that impact their neighborhoods or listening to their concerns. We attend community events as we look to build meaningful relationships with our neighbors.



## Virtual PNE 5K

PNE sponsored a virtual 5K race benefitting the March of Dimes. Almost 120 runners, walkers, and bikers followed a narrated race through PNE's runways and taxiways in September 2021. We were proud to sponsor this virtual event, raising much-needed funds for our community, even during a pandemic.



## Operation Fly Formula

In July 2022, as part of a federal initiative to combat the nationwide shortage of baby formula, PHL participated in "Operation Fly Formula." This initiative involved a partnership between the U.S. Department of Agriculture, the Department of Health and Human Services, and the General Service Administration to import formula from other nations.



**200,000**  
Pounds of Baby Formula Delivered

**5.5M**  
Eight Ounce Bottles

# Our Merchants Make a Difference

Part of the impact that we have on our surrounding community comes from the participation of our merchants in those efforts. Led by our concession manager, MarketPlace PHL, our merchants have been actively engaged in various sustainability initiatives at PHL for nearly

25 years. Not only do they participate in single-stream recycling, they also participate in the reprocessing of used fryer oil. These initiatives create a greener footprint along with annual cost reductions, which translate to reduced operating expenses to our merchants.



## REPURPOSING FRYER OIL

Although single-stream recycling is the largest initiative, MarketPlace facilitates reprocessing of used fryer oil into bio-diesel fuel. The used fryer oil is collected and transported to special storage dumpsters, where the oil is pumped out weekly. This program has recycled over 20,000 gallons of waste oil a year.

## PHILABUNDANCE

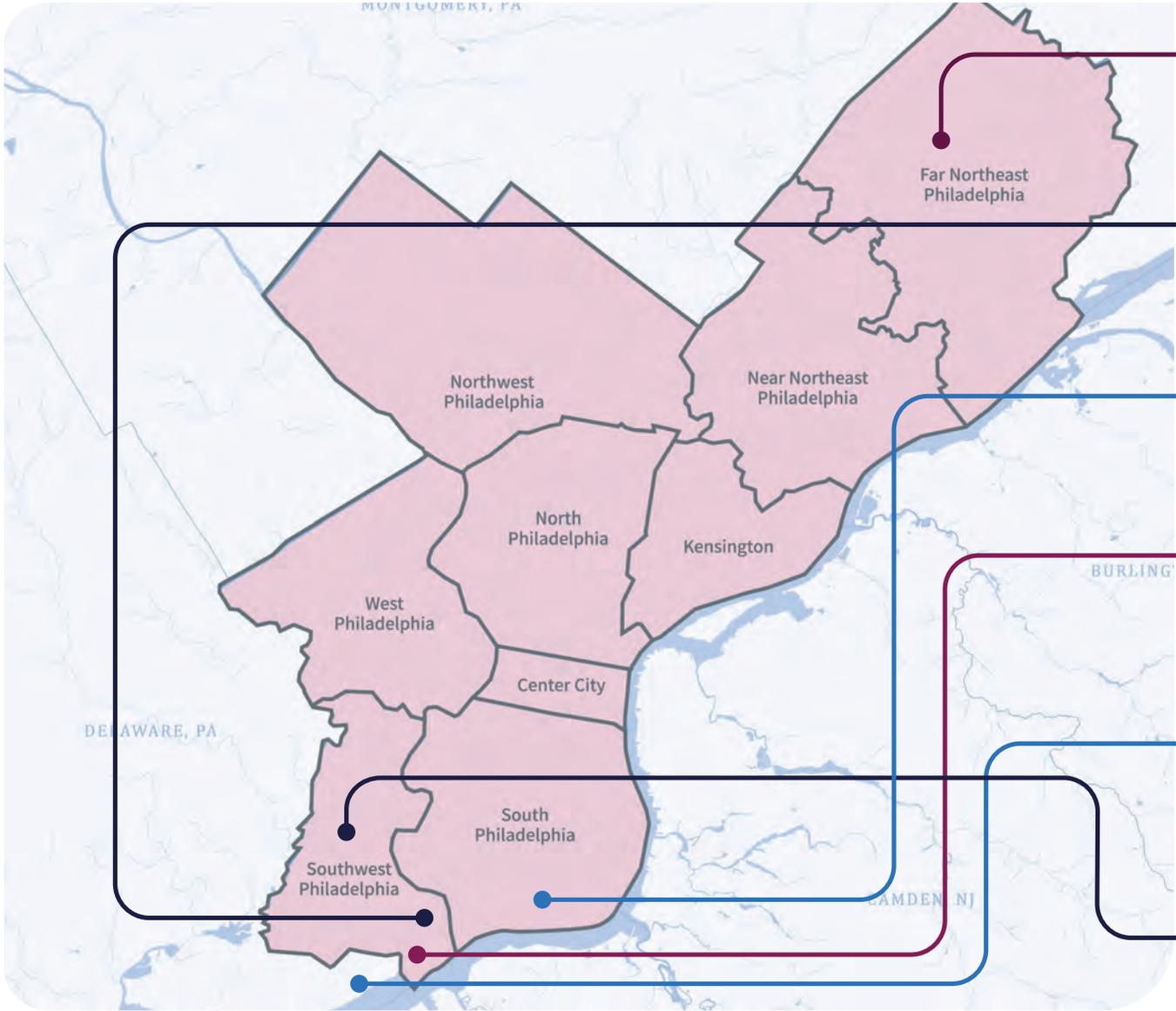
In March 2019, Marketplace began a program in conjunction with Philabundance to rescue grab-and-go foods that are nearing their age-out dates. From the inception of the program through the end of CY 2022, Marketplace and Philabundance have rescued over 89,000 pounds of food which is equivalent to approximately 74,000 meals, thus helping to address food insecurity for tens of thousands of Philadelphians.

MARKETPLACE FOOD DONATIONS

Year	Number of POUNDS DONATED	Number of EQUIVALENT MEALS
CY 2019	25,691	21,409
CY 2020	23,153	19,294
CY 2021	16,575	13,813
CY 2022	23,768	19,800

Table 13: Marketplace Food Donations

**INVESTING IN OUR PEOPLE AND COMMUNITIES**



- At PNE:**
- West & East Torresdale community meetings
  - Community planning efforts
  - Volunteer opportunities

- Eastwick Neighborhood:**
- Attend & host community meetings on capital development, noise impacts, and other social and environmental concerns
  - Hold job fairs and other career events
  - Eastwick Community Day
  - Support the City of Philadelphia’s infrastructure resilience effort
  - Community plans and airport master planning efforts

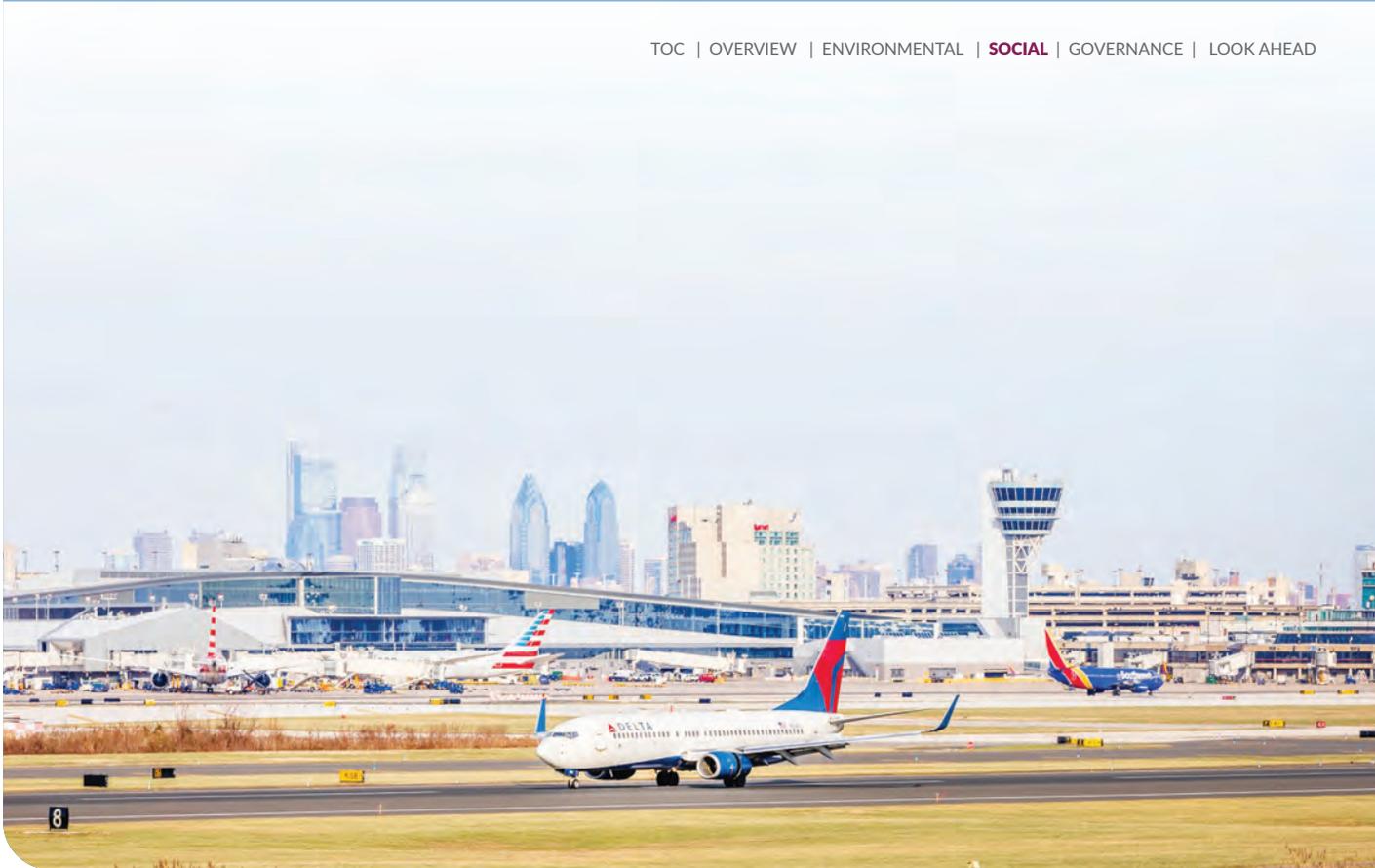
- FDR Park:**
- Wetland restoration

- At PHL:**
- 5K Run on the Runway
  - Aviation and STEM educational outreach events
  - On-site tours and community meetings
  - Intern and co-op programs
  - “Town Hall” informational meetings
  - Business opportunity events
  - Volunteer opportunities

- Tinicum Township:**
- Farmers’ market
  - Coordination on West Cargo Development
  - Sound Insulation Program

**Southwest Initiatives for Neighborhood Growth (SWING)**  
 This program is helping to grow stronger relationships with PHL’s surrounding neighborhoods through impact-driven engagement and connectivity to resources. For the better part of a decade, PHL has developed and implemented a series of outreach and training programs designed to increase diversity in jobs, contracting, and engagement. PHL continues to be committed to assisting its neighboring communities.

Figure 14: Investing In Our People and Communities



# Noise Management

*The Department understands the impact of aircraft noise and has implemented systems and programs to help track community concerns and minimize the impact of aircraft operations on nearby residents.*

PHL's Noise Compatibility Program was first approved by the FAA in 2003 and subsequently revised and updated in 2012. For PHL, we have developed a Noise Compatibility Plan and Noise Exposure Maps under Part 150 of the Federal Aviation Regulations.

The Department's Noise Office tracks all aircraft operations at PHL and PNE, monitoring arrival and departure times, flight paths, aircraft types, runways used, and atypical flight operations. The Noise Office tracks and responds to noise-related complaints concerning aircraft operations at PHL and PNE and advocates for compatible land

uses surrounding the airports. In recent years, several buildings at Fort Mifflin National Historic Landmark were also renovated to mitigate noise impacts.

Noise complaints are managed using recently updated software that tracks complaints submitted through the noise hotline (phone or email). The Department recently transitioned to a new Airport Noise and Operations Monitoring System (NOMS). As a result, noise complaint data from November and December 2020 was not available for inclusion in this report, but it will be compiled into future noise complaint data.

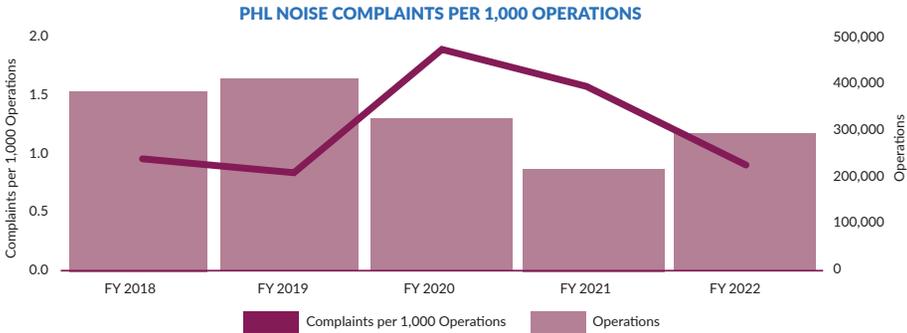


Figure 15: PHL Noise Complaints Per 1,000 Operations

## NOISE ABATEMENT MEASURES

The Noise Office established a Fly Quiet program in 2011, introducing voluntary best practices to minimize noise due to aircraft maintenance and operations, with an emphasis on nighttime operations. The Fly Quiet Program educates pilots and FAA controllers on noise abatement departure routes and preferential runways to reduce noise for residential communities between 10 pm and 6 am. While the FAA is ultimately responsible for managing air traffic, we partner with them to reduce aircraft noise for our neighboring communities.

## FLY QUIET PARTICIPATION RATES FOR PRIMARY RUNWAYS\*

	FY 2020	FY 2021	FY 2022
Total Nighttime Jet Departures	12,659	8,138**	11,492
Nighttime Departure Conformance	97.8%	98.3%	97.6%
Overall Fly Quiet Program Participation	97.1%	97.4%	96.7%

\*Covers Runways 9L, 9R, 27L, and 27R.  
 \*\*The drop in total nighttime departures is reflective of fewer aircraft operations due to the COVID-19 pandemic Participation Rates for Primary Runways.

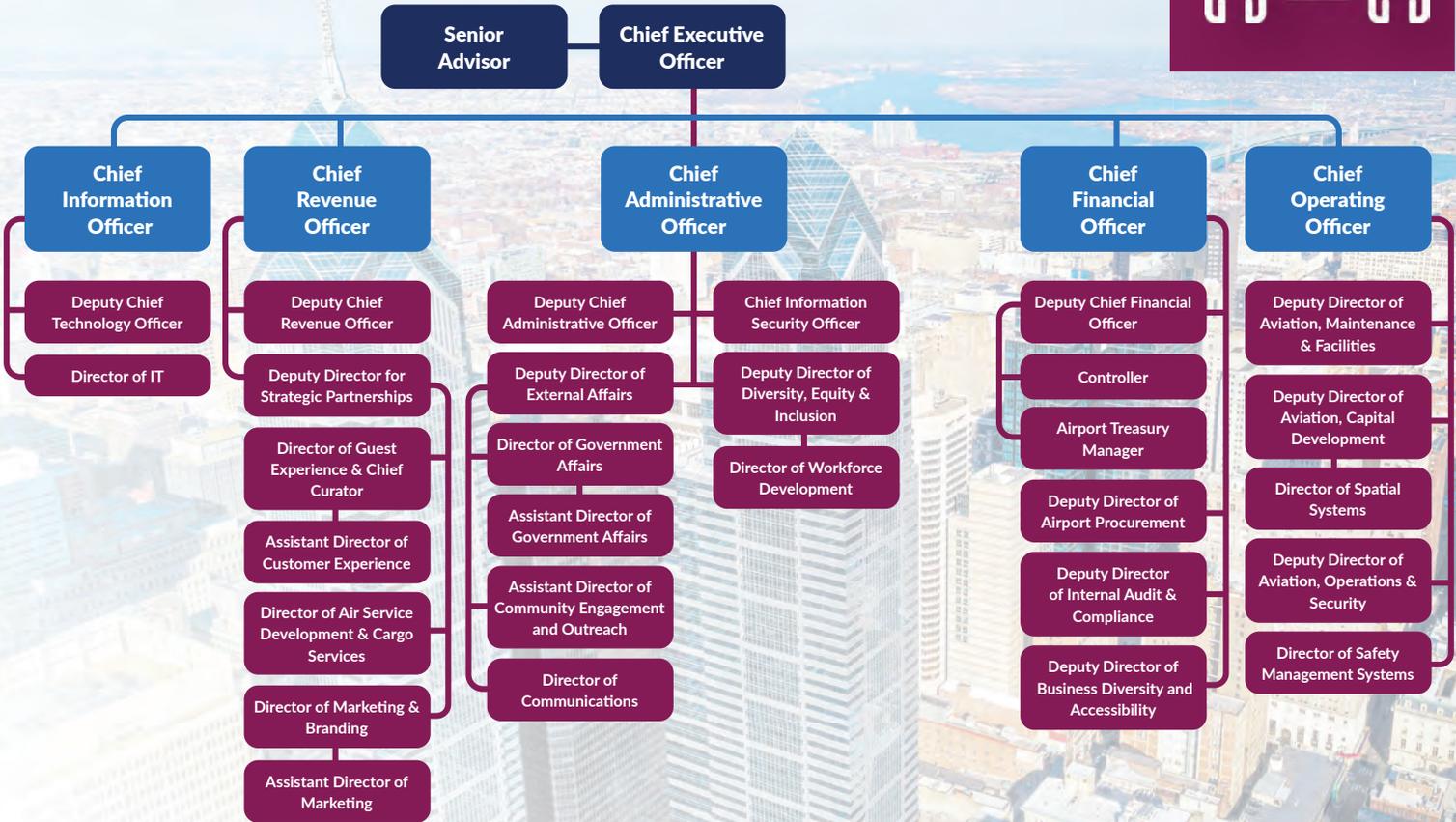
Table 14: Fly Quiet Participation Rates for Primary Runways

# GOVERNANCE

The establishment of the Department of Aviation provides the airport system greater autonomy in our decision making, allowing the airports to operate more independently and efficiently.

### SENIOR STAFF DEMOGRAPHICS

53% Female Senior Staff  
41% Minority Senior Staff



# Organizational Structure

PHL and PNE are owned by the City of Philadelphia. A 1974 ordinance allowed the City to establish a Division of Aviation to operate the airports. In November 2022, voters passed an amendment to Philadelphia's Home Rule Charter changing the Division of Aviation to a standalone Department of Aviation. Although this date is outside of the timeframe of this ESG Report, the change is relevant to the organization's structure and management moving forward.

The previous Division of Aviation operated under the oversight of the City's Department of Commerce. The newly established Department continues to be managed by a Chief Executive Officer, who reports directly to the Mayor of Philadelphia. As a City department, the airports receive certain centralized services and budget approval through the City. The establishment of the Department provides the airport system greater autonomy in our decision making, allowing the airports to operate more independently and efficiently. This streamlines operations, positions the airports to be more adaptable within the changing market, and allows advocating for policy changes at the City level that are important to the airports and our stakeholders.

# Organizational Chart

The chart shown here depicts the Department's organizational structure as of December 2022. Although there are slight deviations compared to the FY 2022 structure, the changes reflect the organization's forward-looking approach to management and are thus relevant to our overall ESG Strategy.

# Risk Management

The Department partners with the City of Philadelphia's Office of Risk Management. This partnership is key in obtaining insurance coverage and analyzing risk exposures including managing claims, workers' compensation, and service-connected disabilities. This coordination, along with our safety and loss prevention programs, assists the Airport with its efforts to:

- Reduce the financial impact of claims, lawsuits, and employee injuries.
- Reduce the frequency and severity of claims and injuries.
- Provide a safe environment for employees to work and for the public to enjoy.

# Cyber Security

The Department is proactive with our cybersecurity risk mitigation strategy. PHL uses the National Institutes of Standards and Technology (NIST) cybersecurity risk management framework to assess the probability and impact of cybersecurity incidents. The Airport has implemented firewall and infrastructure upgrades to provide better cybersecurity protection.

Additionally, the Department trains employees and contractors in cybersecurity risks and performs regular phishing testing to gauge effectiveness, maintains a Cybersecurity Liability Insurance policy, and follows a documented program to assess the risk of cyberattacks on third party providers.



# Innovation

With our people-first values weaved within all our efforts, as part of our response to the COVID-19 pandemic, the Department established the Transition and Recovery (T&R) team. This team evaluated pressing issues impacting the Airport and presented solutions to enhance the airport experience for passengers and employees, especially those that

focused on health and safety. The work of this team has resulted in 24 approved projects, ranging from plexiglass installation and employee scheduling to scrubbing robots and a queue management system. As the Airport's focus shifted from recovery to long-term successes, the work of the T&R team moved to a new initiative, Transformation and Innovation. This

initiative brings together a dedicated core team of employees from various departments and provides the necessary resources and support to sustain a pipeline of innovative projects. Projects in FY 2022 include the Queue Management System, modernization of gate waiting areas, and the Virtual Information Program.

## Queue Management System

PHL launched the first phase of its Queue Management System Wait-Time Monitoring System at Terminals D and E Security Checkpoints to provide passengers with accurate, real-time updates via both in-terminal digital signage and at PHL's website. Providing this information helps passengers plan their trip to the Airport and decreases the stress at security, boosting their overall satisfaction with the security experience.



## Modernized Waiting Areas

The Department developed and implemented a pilot initiative to modernize the existing conditions of four PHL gate waiting areas. The newly improved gates provide comfortable seating and electrification options to guests with layouts that surpass ADA requirements. The program responds to guests' needs by increasing the availability and options for charging devices and providing seating options for all types of passengers.



Before



After

## Virtual Information Program

The Guest Experience and Information Technology Units collaborated to launch a new innovative way to assist travelers. The Virtual Information Program allows guests to have live interactions with the Airport's Information Services team. Operating 24 hours a day, seven days a week, travelers are able to contact a live person for assistance with general questions via an in-terminal kiosk or QR code.



# Strategic Planning

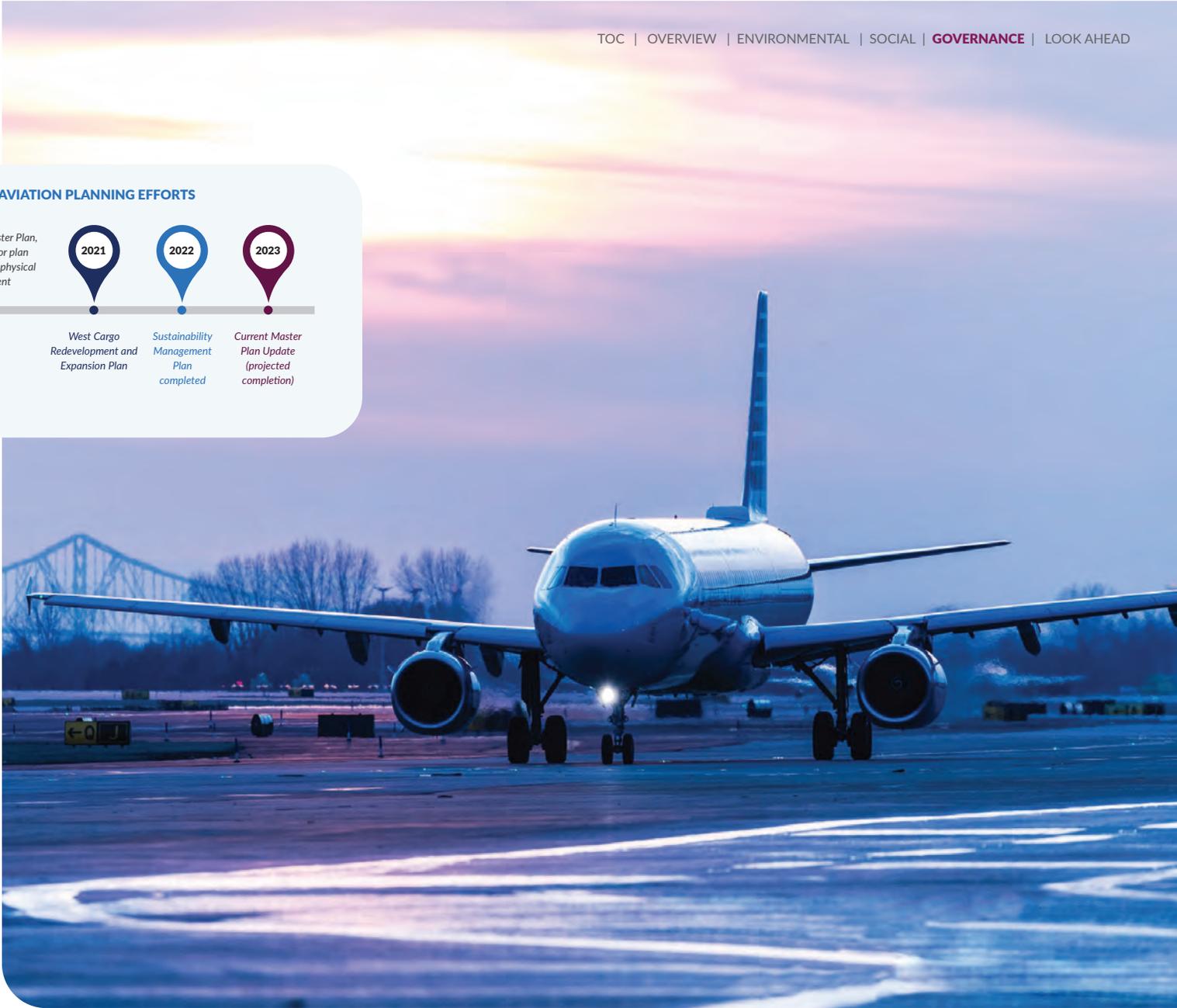
## HISTORY OF SIGNIFICANT DEPARTMENT OF AVIATION PLANNING EFFORTS



## Master Plan

The Department is currently updating a Master Plan for PHL, which outlines a Capital Improvement Program and 20-year implementation plan. This update develops a strategic framework providing clear guidance for development. The focus of the Master Plan Update is on the passenger terminal and landside area of the Airport. The landside area encompasses the public side of an airport, including roads, garages, and terminal buildings that the general public uses.

The planning process leverages internal and external stakeholders, identifying infrastructure and facility needs while focusing on developing solutions to support future airport development. The Plan's implementation will support improved customer experience, optimize land use, expand economic opportunities for the region, and promote environmental stewardship, efficiency, and safety. Accommodating ongoing growth within the region and modernization of our facilities, the Plan clearly establishes how improvements can be made (and funded) to support the vision of a world-class airport that connects Philadelphia's people and economy to the rest of the world.



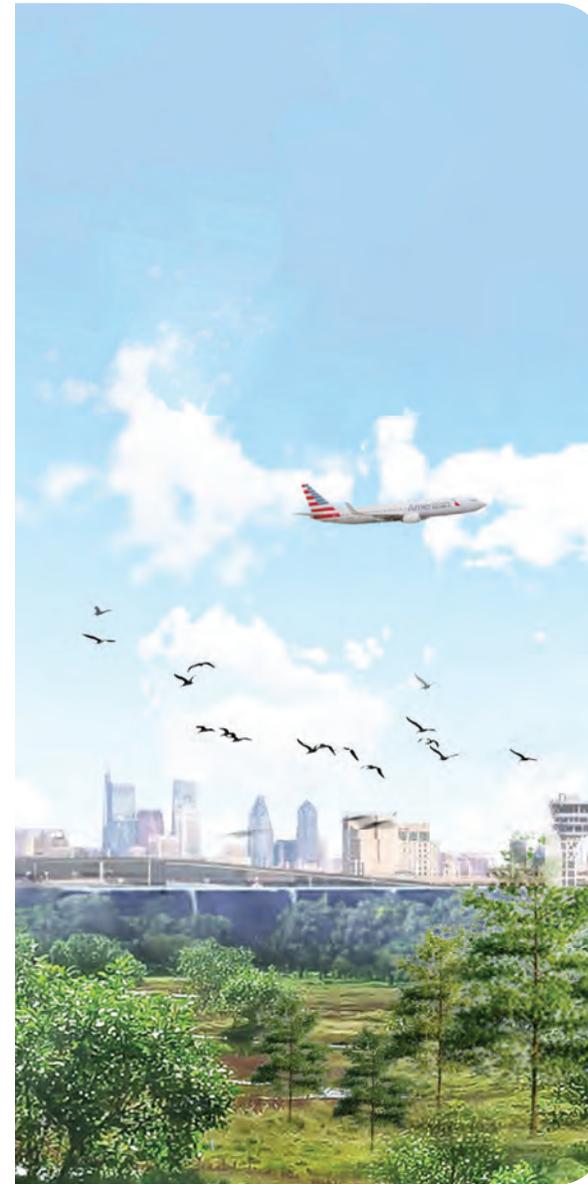
## Cargo Expansion

The Department has initiated a robust cargo expansion strategy to increase cargo facility space from the current amount of 600,000 square feet to 1.4 million square feet. The Department is partnering with Aviation Facilities Company Management (AFCO) on the construction of a 150,000 square foot air cargo facility, providing a modern and efficient space for cargo operations, and a 70,000 square foot airport support facility located on approximately nine acres of the former PHL economy parking lot with direct access to the airfield.

On the west side of the PHL property, the Department has initiated the \$1.2 billion West Cargo Development project,

which has thus far received \$30.7 million in federal funds from the Infrastructure Investment and Jobs Act and \$90 million of investment from the Department via Airport revenue bonds. Multiple enabling projects are currently underway, including an environmental assessment, a \$30 million wetland mitigation project, construction of a \$40 million aircraft parking apron, and a \$22 million investment in relocation of a one-mile stretch of Tinicum Island Road.

*Together, these expansion projects will ultimately add 136 acres to the air cargo capacity of PHL, nearly tripling its current airport cargo warehouse capacity adjacent to the airfield.*



## ROAD RELOCATION PROJECT

An approximately one mile stretch of Tinicum Island Road is being relocated to integrate recently acquired land into the Airport cargo expansion. The Airport has received a \$1.4 million grant from the Commonwealth of Pennsylvania's Multimodal Transportation Fund for the Tinicum Island Road Relocation Project. The newly-constructed road will also provide a landscaped walking trail and nature-based stormwater management systems and serve as a buffer for the surrounding community.

## WETLANDS MITIGATION

In cooperation with Philadelphia Parks and Recreation, the Department is developing wetlands at Franklin Delano Roosevelt (FDR) Park in South Philadelphia. The wetlands development will mitigate anticipated impacts to wetlands located on PHL property as part of the West Cargo Development. The wetland development project is 33 acres in size and is located in an area of the park that is mostly inaccessible due to decades of fill placement and invasive species growth.

This project will result in high-quality tidal wetlands connected to the Delaware River, a tidal water body, via a conveyance system through the Philadelphia Naval Shipyard basin. This project will remove a nonperforming tide gate at the reserve basin and replace it with two tide gates at FDR Park, one for the wetlands' development and another for the rest of the Park's drainage. This will allow better access for maintenance, promoting increased drainage at the Park. This program increases climate resilience for the Park, the Airport, and the region.

# Financial Reporting & Disclosure

## Financial Performance

The Aviation Fund is an enterprise fund of the City. Enterprise funds are established by governmental units to account for services that are provided to the general public. The Aviation Fund uses aircraft landing fees, terminal building rentals, concession revenue, and other facility charges to fund annual expenses and uses no local tax dollars to operate. The Department's capital program for PHL and PNE are primarily 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.

Prior to the Covid-19 pandemic, PHL reached record levels for passenger growth. With the onset of the pandemic and federal restrictions placed on travel, there was a decrease in revenues and we proactively took measures to reduce expenses. As travel restrictions were lifted, we saw a recovery in the growth of our revenues. Our total operating revenue for FY 2022 was \$321 million. This was an increase of \$33 million from the prior year and 82% of the reported

operating revenues for FY 2019, which is the last full year of pre-COVID activity. Revenues increased across all reporting categories with a 78% increase in enplanements and 77% increase in non-airline revenues compared to the prior year.

FY 2022 also saw a change in the ownership of the PHL parking garages. Through the end of CY 2021, the parking garages at PHL occupied leased land space and were owned and operated by Philadelphia Parking Authority (PPA). In January 2022, the Airport defeased PPA's airport parking bonds in the aggregate amount of \$53.8 million, assumed ownership of the garages, and terminated PPA's leasehold interest in airport land. With the resumption of air travel, our parking revenue in FY 2022 increased \$26.6 million from the prior year.

Detailed financial performance data is available on our website on the Investor Information page: <https://www.phl.org/business/investor-info>

## Continued Transparency & Disclosure Practices

The Department has many practices in place to ensure transparency and accountability to our stakeholders. The Department files financial and other pertinent voluntary disclosure information with the Electronic Municipal Market Access (EMMA) system and also discloses this information online via our website and social media accounts. We work with our Dissemination Agent (Digital Assurance Certification, LLC) to provide timely and transparent information to the marketplace.

The Department utilizes the City of Philadelphia's Disclosure Policies and Procedures to govern our distribution of information. This policy covers topics such as official statement reviews, due diligence related to rating agencies and investors, disclosure coordination with the City Treasurer's Office, document dissemination, and training required for City employees related to disclosure of information.



Figure 16: Operating Revenues

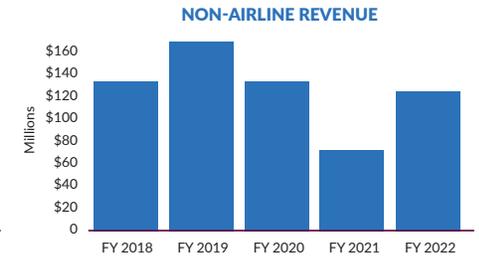


Figure 17: Non-Airline Revenue

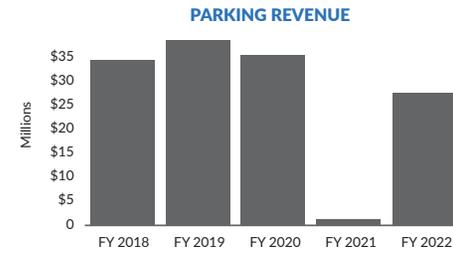


Figure 18: Parking Revenue

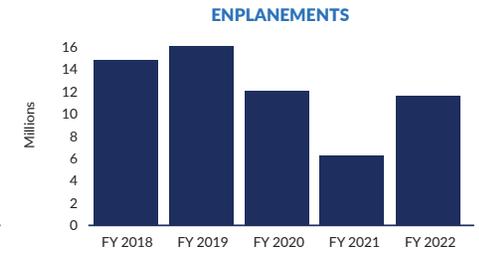


Figure 19: Enplanements



# Airport Credit Ratings

As of June 30, 2022, the airport revenue bonds were rated "A" by Fitch with a stable outlook, "A2" by Moody's with a stable outlook, and "A-" by S&P Global with a positive outlook.



# Grants

In FY 2022, the Department received the grants shown below, many of which were successfully secured via competitive programs.

GRANT SUMMARY FOR FY 2022

Program	Grant Amount	Source
Restroom Renovation Program (PHL)	\$24.0M	Federal – Bipartisan Infrastructure Law’s Airport Terminal Program
Taxiway Construction (PHL)	\$20.7M	Federal – FAA Airport Improvement Program (AIP)
Taxiway Rehabilitation (PNE)	\$2.8M	Federal – FAA AIP
Installation of Pre-conditioned Air & Ground Power Units (PHL)	\$1.8M	Federal – FAA Voluntary Airport Low Emissions (VALE) Program
TSA Law Enforcement Officer	\$1.1M	Federal – Transportation Security Administration
Baggage Tug Tunnel (PHL)	\$1M	State – PA Dept. of Community and Economic Development
Taxiway J Reconstruction (PHL)	\$600K	State – Pennsylvania Department of Transportation (PennDOT)
TSA Canine Team	\$555K	Federal – Transportation Security Administration

Table 15: Grant Summary for FY 2022



# Air Carrier Partners

## PASSENGER AIRLINES

At the end of FY 2022, PHL offered 121 non-stop destinations, of which 92 were domestic and 29 were international. PHL's ongoing success is related to our strong working relationship with the Airport's signatory airline partners. Locally, American Airlines launched its Landline service connecting passengers to PHL via bus with ticketing occurring at the location of origin at either Lehigh Valley International Airport (ABE), Lancaster Airport (LNS), or Atlantic City International Airport (ACY).

PHL DOMESTIC ROUTE MAP - 92 NONSTOP DESTINATIONS



Figure 20: PHL Domestic Route Map - 92 Nonstop Destinations | Source: Cirium schedule data for FY 2022

DOMESTIC	REGIONAL	INTERNATIONAL



## CARGO AIRLINES

PHL continues its Cargo Expansion Strategy, which includes expanding the cargo facility footprint by 136 acres and more than doubling the cargo building square footage to 1.4 million square feet. Licensing agreements allow PHL to build strong alliances with our cargo airline partners. PHL handled almost 638,500 tons of cargo in FY 2022 and is the second largest North American cargo hub for UPS.



PHL INTERNATIONAL ROUTE MAP - 29 NONSTOP DESTINATIONS

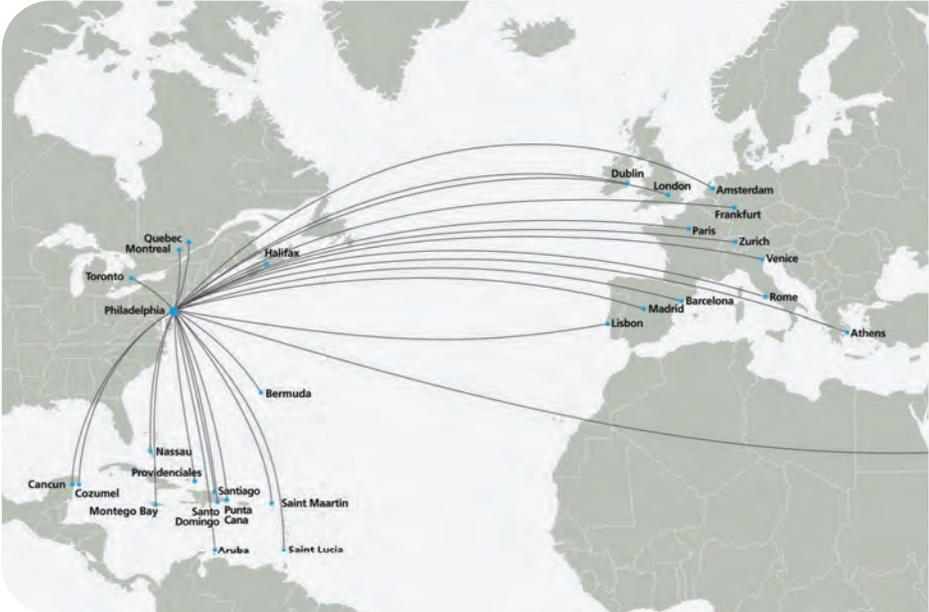


Figure 21: PHL International Route Map - 29 Nonstop Destinations | Source: Cirium schedule data for FY 2022



# LOOK AHEAD

*We are looking ahead to a bright future for our airport system, helping to connect our communities to the world in a sustainable, socially responsible, diverse, and resilient manner.*

We aim to continue in our role as a major economic engine for the region, supporting and growing diverse jobs and businesses while caring for the environment and our people. With major events coming up in the Philadelphia area such as the World Cup and the United States' 250<sup>th</sup> Birthday, we are poised to represent the City and our airport system as a "world-class gateway of choice," and we are committed to continued improvement in our ESG efforts to support that end.

# PHL PNE

PHILADELPHIA INTERNATIONAL AIRPORT  
NORTHEAST PHILADELPHIA AIRPORT

