

CITY OF PHILADELPHIA DEPARTMENT OF AVIATION

PHL PNE

PHILADELPHIA INTERNATIONAL AIRPORT  
NORTHEAST PHILADELPHIA AIRPORT



# ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

Fiscal Year 2023

## ABOUT THIS REPORT

The City of Philadelphia Department of Aviation (the Department or the Airport) prepared this Environmental, Social, and Governance (ESG) report to cover the 2023 fiscal year (FY), from July 1, 2022 to June 30, 2023. All data contained in the report is measured and reported on a fiscal year basis, except when noted for data that is only available on a calendar year (CY) basis.



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## OPENING REMARKS

The City of Philadelphia Department of Aviation is proud to present its annual Environmental, Social, and Governance Report. As travel continues to rebound and our federal government makes significant investments in our national infrastructure, the aviation field and the conversations we are having about economic, social and environmental progress are as vibrant as ever. In FY 2023, Philadelphia International Airport served more than 25 million passengers, making it the airport with the most passengers in Pennsylvania, as well as one of the busiest airports in the region.

Our team has consistently proven our commitment to working collaboratively, achieving big goals, and becoming leaders in airport sustainability. The Department leads the industry in valuing diversity, equity, and inclusion in our staff, contracts, and tenants because we know that solutions to the most complex problems require a myriad of perspectives. During this last year, we worked to improve efficiency and passenger experience through the implementation of innovative biometric technology and queue management systems. As our operations grow, we continue to closely monitor and manage our carbon footprint and have forged partnerships with our airport tenants to incorporate environmental considerations throughout development and operations. Last but certainly not least, our award-winning PHL Exhibitions Program celebrated its 25<sup>th</sup> anniversary this year with 94% of our exhibits showcasing women and minority artists.

We have a lot to be proud of, and we have an excellent team leading the ambitious efforts to achieve our environmental, social, and governance goals. I am thrilled to present this year's FY 2023 ESG Report to our community and stakeholders and know you'll be as proud of our achievements and team as we are.

Onward and upward!

A handwritten signature in black ink that reads "Atif Saeed". The signature is fluid and cursive, with a long horizontal line extending from the end.

## DEPARTMENT OF AVIATION OVERVIEW



Together Philadelphia International Airport (PHL) and Northeast Philadelphia Airport (PNE) comprise the Department of Aviation connecting the nation's seventh largest metropolitan area to destinations around the world.

Conveniently located seven miles from downtown Philadelphia, PHL has over 25 airlines offering approximately 320 daily departures to more than 120 destinations worldwide. In FY 2023, PHL served more than 25 million passengers and is a primary economic generator for the Philadelphia region. In CY 2023, the Airport generated \$18.7 billion for the local economy and approximately 102,600 jobs.

PNE, located in northeast Philadelphia, is a general aviation reliever airport offering no commercial services. As a reliever facility, it serves as a public use airport with an average of 138 based aircraft. PNE has a local economic impact of close to \$974 million generating over 4000 jobs.



**ATIF SAEED, CEO**



**API APPULINGAM, CDO**



**TRACY BORDA, CFO**



**KEITH BRUNE, COO**



**ALLEN MEHTA, CIO**



**JAMAÏNE MUNGO, CISO**



**CASSIE SCHMID, CSO**



**KATE SULLIVAN, CCO**



**DELICSHA WILDS, CAO**



## MISSION & VISION

**Our Mission is to proudly connect Philadelphia with the World.**

**Our Vision is to be a World-Class Global Gateway of Choice.**

## MARKET POSITION

Serving an area population of over six million people, PHL provides services to a wide geographic area that covers both residents and visitors from 11 counties within four states which include Pennsylvania, New Jersey, Delaware, and Maryland. Classified by the Federal Aviation Administration (FAA) as a large-hub airport, PHL enplanes at least 1.0% or more of the total passengers enplaned in the U.S. Based on calendar year 2022 data ACI-NA ranked PHL the twenty-second busiest airport in the U.S., twenty-seventh busiest for aircraft operations, and sixteenth busiest in the nation for cargo tonnage.

PNE, classified by the FAA as a national reliever airport, is the third busiest airport in the state of Pennsylvania. Located approximately 12 miles from downtown Philadelphia, its location offers less than a 30-minute drive to the central business district. PNE supports a variety of general aviation traffic, including extensive corporate/business flights, air charter, aerial inspections, police/law enforcement, and aircraft testing. Based on CY 2022 data, FAA Operational Data ranked PNE 176 out of approximately 5,000 U.S. public-use airports based on number of operations.





## AIRPORT SUMMARIES

### PHILADELPHIA INTERNATIONAL AIRPORT

Key Statistics Summary for FY 2023



### NORTHEAST PHILADELPHIA AIRPORT

Key Statistics Summary for FY 2023



\*Capital program funding is for both PHL and PNE and represents the Airport's Use and Lease Agreement as of FY 2023.

## AWARDS AND RECOGNITIONS

**Airports Going Green (AGG) Outstanding Sustainability Infrastructure Development Award** – The Airport was recognized by the American Association for Airport Executives (AAAE) at the Annual AGG Forum, which is the industry leading forum on sustainability, for its Airport Parking Apron project, which removed 85 million glass bottles from the waste stream through use of an innovative glass aggregate material.

**March of Dimes Mission Award** - PHL's Restroom Renovation Program received the March of Dimes Mission Award for its intentionally inclusive design towards traveling mothers.

### 2023 Stevie American Business Awards

- **Best Marketing or Sales Brochure or Kit (Gold Award)**  
- DiscoverPHL Guide
- **Art, Entertainment & Public - Public Event (Silver Award)**  
- PHL Presents
- **Brand & Experiences - Launch Event (Bronze Award)**  
- Cheesesteak Week
- **Achievement in Customer Satisfaction (Silver Award)**  
- Guest Experience Unit

### Rankings:

- 🏆 **Insider Monkey** ranked PHL as **one of the top 20 airports** in the U.S. for **international travel** based on approximately 3.45 million international travelers for FY 2023.
- 🏆 **Cirium** ranked PHL **eighth** in the world for **on-time performance** for CY 2023.
- 🏆 **Cirium** ranked PHL **fifth** in the U.S. for **on-time performance** for CY 2023.
- 🏆 **MarketWatch** ranked PHL **fifth** for **Best Airports for Layovers** based on the number of loungers and other unique amenities available with food and beverage also weighing heavily in this category in CY 2023.
- 🏆 **Family Vacation Guide** ranked PHL **fourth** on its list of the world's most **family-friendly** airports for CY 2023. Airports were ranked based upon on-time departures, cancellation rates, unlimited free wi-fi, number of restaurants and things to do.
- 🏆 **Planetware** ranked PHL **fourth** for the shortest average **security waiting time** in the U.S in CY 2023.
- 🏆 **USA Today** ranked PHL **8<sup>th</sup>** on its **10 Best List** for **U.S. Airport Dining Options** for CY 2023.





## APPROACH TO ESG REPORTING

The Department is proud of the progress in our sustainability reporting and financial disclosures – most notably the publication of Environmental, Social, and Governance (ESG) Reports for fiscal years 2021, 2022, and now 2023. More than just a report, our FY 2023 ESG report charts a path for future planning at the Department and demonstrates an awareness of who we are and a consensus around what we are prioritizing.

New in our FY 2023 Report is the incorporation of the Airports Council International - North America (ACI-NA) ESG Recommended and Optional Disclosures Framework, published in 2024. The Department utilized the ACI-NA framework to expand and enhance reporting in alignment with this industry standard.

### What's New for FY 2023

The table below summarizes the covered areas across the three components of ESG and highlights new elements you can expect in this year's report.

- |   |  |  |
|---|--|--|
| • Meeting Our Sustainability Goals  | • Diversity, Equity, and Inclusion     | • Organizational Structure             |
| • Monitoring and Managing Our Carbon Footprint (Expanded)                   | • Inclusive Business Relationships     | • Risk Management                      |
| • Transitioning to Low-Emissions Fuels (Expanded)                           | • Workforce Wellness                   | • Cybersecurity                        |
| • Improving Energy Performance  | • Employee Engagement and Development  | • Innovation                           |
| • Sustainable Design  | • Safety and Security                  | • Strategic Planning and Development   |
| • Air Quality   | • Guest Experience                     | • Financial Performance and Disclosure |
| • Building Toward Climate Resilience  | • Accessibility                        | • Air Carrier Partnerships             |
| • Working Toward Zero Waste   | • Community Outreach and Impact        |  |
| • Conserving and Protecting Our Natural Resources and Stormwater Management | • Environmental Justice (New for 2023) |  |
| • Environmental Stewardship (New for 2023)                                  | • Noise Management                     |  |



## Environmental

In line with the goals of ACI-NA, the U.S. Department of Transportation, and the FAA, the Department established ambitious goals and targets in 2022 with the completion of our Sustainability Management Plan (SMP). These goals aim to reduce Scope 1 and Scope 2 emissions as well as energy use intensity (EUI) below a 2019 baseline. EUI is a metric describing the energy usage of a building in comparison to its size. The goals of the Department also align with the goals of the City of Philadelphia (City) as outlined in the 2021 Climate Action Plan.

Our Department sustainability goals are reflected in Table 1.

### Sustainability Goals and Targets

Goal/Target	Emission Scope	Emission Sources
100% Reduction by 2050	Scope 1 and 2	Scope 1: Department vehicles, shuttle buses, snow removal equipment, natural gas boilers, generators, deicing, construction, fire training, refrigerants  Scope 2: Purchased electricity
30% Reduction in Annual Fossil Fuel use by 2030	Scope 1	Department vehicles, shuttle buses, snow removal equipment, natural gas boilers, generators, deicing, construction, fire training, refrigerants
20% Reduction in Energy Use Intensity in PHL Terminals by 2030	Scope 1 and 2	Scope 1: Natural gas boilers  Scope 2: Purchased electricity
100% Renewable Electricity Purchased/Generated by 2030	Scope 2	Purchased electricity

**Table 1.**

Notes: Emissions have been categorized in accordance with the Airport Carbon Accreditation Program.

The Department has tracked Scope 1, 2, and 3 emissions since 2016 at PHL. In 2019, the Department aligned its greenhouse gas emissions methodology with Airport Carbon Accreditation (ACA) standards. Emissions data for Scope 1 and 2 emissions prior to 2019 has been omitted from the report to avoid comparison of inequivalent data. Emissions data are reported on a calendar year basis to maintain alignment with ACA verification timelines.

The Airport remains committed to achieving net zero by 2050 for Scope 1 and 2. The previously reported Scope 1 goal is being reevaluated through the ongoing Decarbonization Plan, which will establish absolute emission reduction targets in line with the Paris Climate Accord. Interim targets will be developed to align with ACA Level 4.

**Scope 3**  
Indirect Emissions not Controlled  
by Airport (i.e. Aircraft)

**Scope 2**  
Indirect Energy Emissions  
(i.e. Electricity)

**Scope 1**  
Direct Emissions  
Controlled by Airport

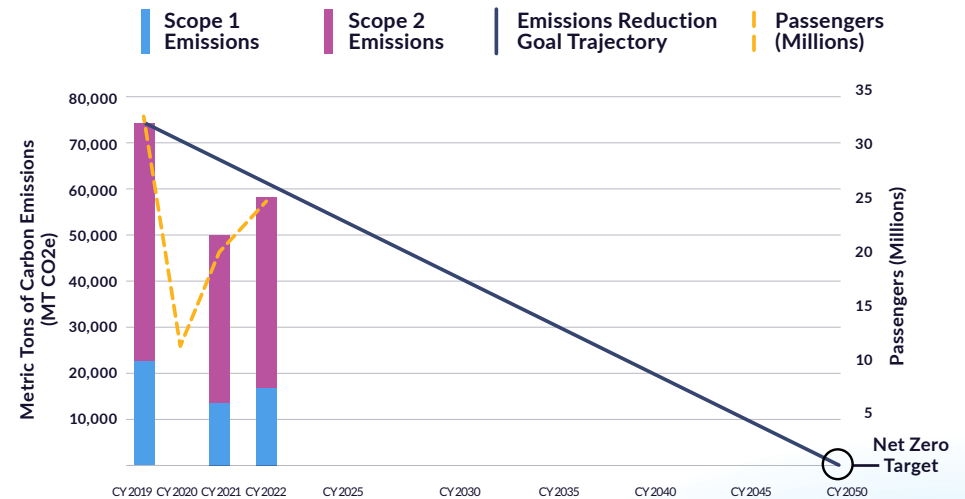
## SCOPE 1 AND 2 GOALS AND TARGETS

The Department is committed to the reduction of Scope 1 and 2 emissions in its operations, with the goal of 100% reduction in Scope 1 and Scope 2 emission by 2050. Scope 1 greenhouse gas (GHG) emissions are attributed to sources directly controlled or owned by an airport, and Scope 2 emissions are indirect emissions from the generation of purchased energy, steam, heat or cooling. Scope 3 emissions are indirect emissions not owned or controlled by an airport operator but make up the majority of emissions sources (i.e. aircraft) at an airport.

The Department made meaningful progress on Scope 1 and 2 reductions from the baseline of 2019 as reflected in Figure 1. The Department's Scope 1 reductions have resulted from our efforts to reduce fossil fuel combustion in our facilities and vehicles.

Our Scope 2 reductions center primarily around the transition to renewable sources of electricity through the City's efforts to procure renewable energy, which will provide decarbonized power to all City facilities, including PHL and PNE. These efforts build upon the City's 2021 Climate Action Playbook, which established the target to purchase or generate 100% renewable electricity by 2030, among other goals. The DOA collaborates regularly with City partners to stay abreast of these efforts, and provide support where possible.

## PHL Scope 1 & 2 Emissions



**Figure 1.**

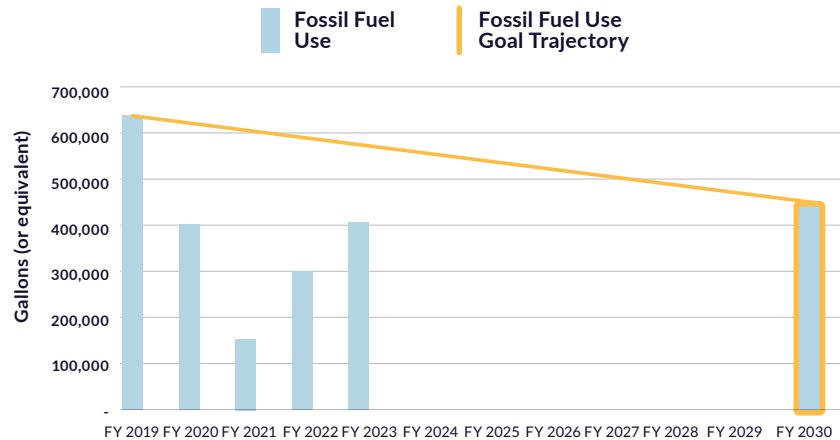
Notes: The Department has tracked Scope 1, 2, and 3 emissions since 2016 at PHL. In 2019, the Department aligned its GHG emissions methodology with ACI's ACA standards. Emissions data are reported on a calendar year basis to maintain alignment with ACA verification timelines.

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, as per ACA recommendations.



Fossil fuels are used in Department vehicles and shuttle buses, as well as boilers, generators, and various airport activities such as deicing, construction, and fire training. The City's Fleet Department tracks diesel and gasoline fuel use for all Department vehicles operating at PHL. The Airport set a goal for reducing fossil fuel usage by 30% by 2030, and we achieved that goal in FY 2023, as reflected in Figure 2. However, we are not declaring victory yet, as lower passenger numbers and mild winter weather helped us achieve this goal. We expect that passenger numbers will continue to rise and that unpredictable winter weather will result in higher use of our snow removal equipment in future years. As such, we will continue in our efforts to reduce fossil fuel usage and monitor progress towards our 2030 goal.

### Annual Fossil Fuel Usage at PHL and PNE

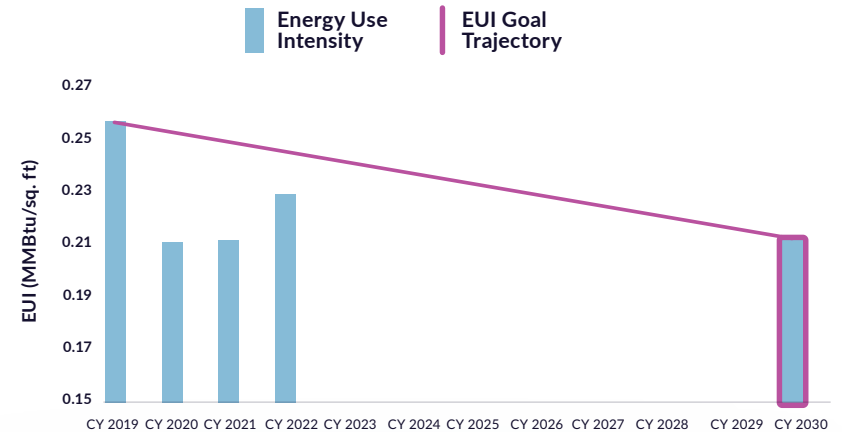


**Figure 2.**

Note: The above goal previously relied on a 2016 baseline; however, 2019 will be used moving forward for consistency with the ongoing development of Scope 1 and 2 emissions targets in line with the Paris Climate Accord.

At the Department, we prioritize energy efficiency wherever possible to decrease the energy use of our facilities. We track our energy efficiency performance using EUI, which measures energy consumption on a square footage basis in a specific facility. Our EUI calculations are based on the PHL terminals, which covers approximately 3.2 million square feet. PHL's EUI is depicted in Figure 3. We continue to track our energy use as we work toward the goal of 20% reduction in EUI by 2030.

### PHL Terminal Energy Use Intensity



**Figure 3.**





## MONITORING & MANAGING OUR CARBON FOOTPRINT

### AIRPORT CARBON ACCREDITATION PROGRAM (ACA) PROGRESS

ACI's ACA Program is the only globally recognized carbon management program for airports. We are committed to reducing the impact of Airport operations on the environment by monitoring and managing our carbon footprint. The Department is proud to continue its participation in ACA at the Reduction Level (Level 2) at PHL. Level 2 requires demonstrating emissions reductions against a three-year rolling average. PNE has maintained the Mapping Level (Level 1) which requires compilation of an annual carbon footprint report, development of a carbon policy statement to share with the public, and an understanding of the sources of emissions within the operational boundary of the airport.

As previously noted in 2022, we completed our Sustainability Management Plan, which outlined a roadmap for carbon reduction at both our airports through the establishment of clear, measurable goals and initiatives. This report provides a summary of the Airport's efforts to reduce on-site and external emissions in a variety of ways.

### SCOPE 1, 2, AND 3 EMISSIONS

As discussed in the Meeting Our Sustainability Goals section, the Department has undertaken several initiatives to reduce Scope 1 and 2 emissions and has taken action to minimize Scope 3 emissions resulting from activities such as aircraft operations, airline ground support equipment, and passenger traffic. The Airport is committed to annual reporting and transparency on Scope 1, 2, and 3 emissions data in this report.

**PHL CY 2022 GHG Emissions -  
Scope 1, 2, and 3**

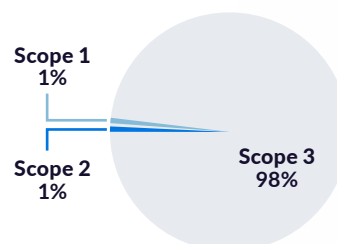


Figure 4.

**PNE CY 2022 GHG Emissions -  
Scope 1 and 2**

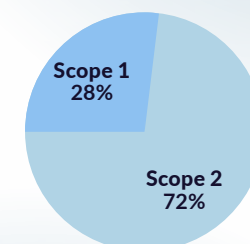


Figure 5.

**PHL GHG Emissions  
Metric Tons of CO<sub>2</sub> equivalent (MTCO<sub>2</sub>e)**

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Scope 1	20,700	22,149	Omitted Due to COVID-19 Pandemic	13,278	16,496
Scope 2	53,667	51,537		36,840	42,232
Scope 3	4,284,598	4,370,153		3,133,698	2,989,077

Table 2.

**PNE GHG Emissions  
(MTCO<sub>2</sub>e)**

	CY 2021	CY 2022
Scope 1	603	584
Scope 2	608	626
Scope 3	32,566	Not Calculated past 2022

Table 3.

## TRANSITIONING TO LOW-EMISSIONS FUELS

The Department has prioritized the transition to zero and low-carbon emissions fuels to protect air quality, reduce our Scope 1 emissions and minimize our contribution to climate change. This effort includes initiatives such as:

- Installing electric charging stations in airport vehicle fleet parking lots and airside to meet the demands of our expanding electric vehicle fleet.
- Prioritizing electric vehicle purchases for all light and medium weight vehicles, when suitable models and sufficient charging infrastructure are available.
- Researching and evaluating alternative sources of fuel for heavy-duty vehicles such as hydrogen, biodiesel, and renewable diesel.

### Vehicle Fleet & Equipment Fuel Usage

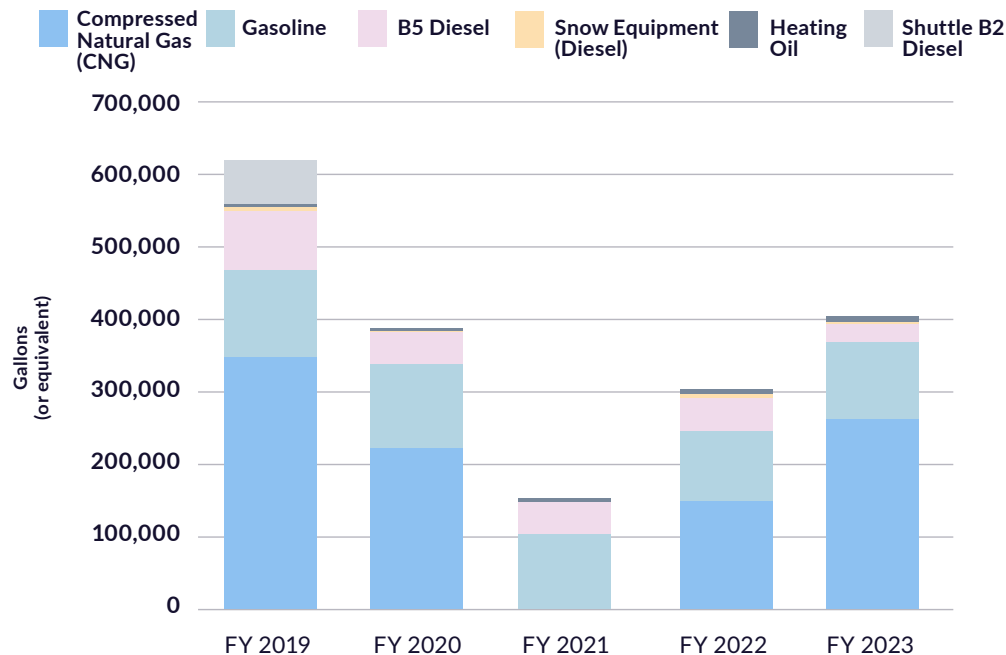


Figure 6.



## FLEET ELECTRIFICATION

The Airport continues to make notable progress on our electric vehicle ecosystem as outlined in the Department's 2022 Vehicle and Equipment Electrification Strategy. In FY 2023, the Department added one new electric vehicle into service for a total of three electric vehicles at PHL, and two new charging stations at PHL with a total of four electric vehicle charging stations now in operation. The Department also submitted 10 orders in FY 2023 for future delivery of electric vehicles. The continued transition of gas-powered vehicles to electric supports the reduction of emissions at our airports.



## IMPROVING ENERGY PERFORMANCE

The Department continues to track energy performance of PHL's terminal complex, as required by the City for all commercial buildings greater than 50,000 square feet. This year, we saw small upticks in electricity, expressed in Kilowatt Hours (kWh), and natural gas consumption, expressed in hundreds of cubic feet (CCF), due to the continued recovery of travel after the pandemic. Overall, there is a continued reduced consumption since 2019.

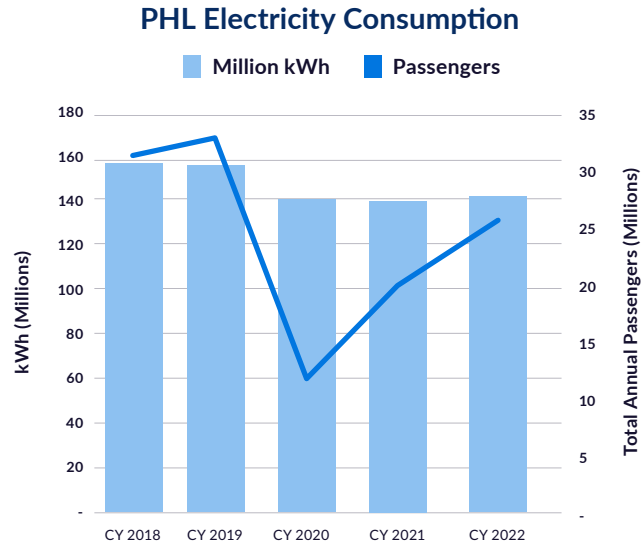


Figure 7.

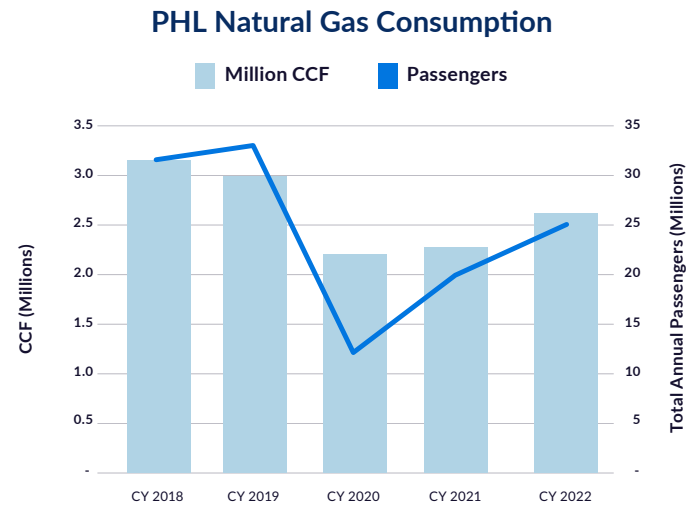


Figure 8.

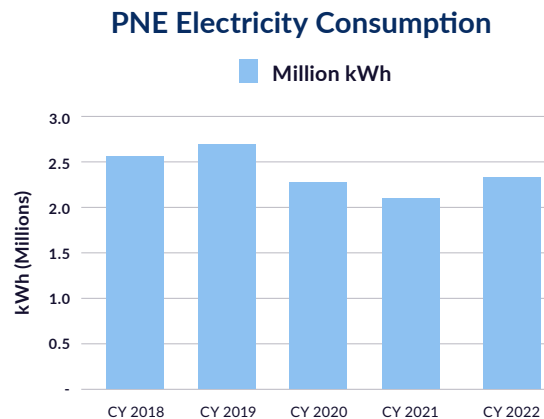


Figure 9.

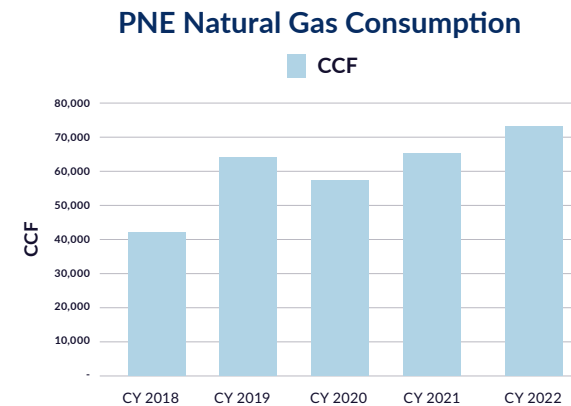


Figure 10.

## ENERGY EFFICIENCY PROJECTS

The Department completed a variety of energy efficiency projects in FY 2023.

- **PHL Telecommunications Room Improvements:** In August of 2022, the telecommunications room was upgraded with an eye towards energy efficiency. Air handling units in six telecommunication rooms within the terminals were replaced with energy-efficient units.
- **Taxiway LED Lighting Upgrades:** The Taxiway K Phase 1 project was completed in November 2022 and included replacing incandescent taxiway lighting fixtures with LED fixtures.
- **PHL Warehouse Lighting Upgrades:** The warehouse at PHL underwent upgrades in December 2022, which included replacing all existing lighting fixtures with LED fixtures. Occupancy sensors were also installed to dim or turn off lights to reduce lighting usage during times of low occupancy.
- **PHL Concourse B and C HVAC Upgrades:** 26 HVAC rooftop units at Concourse B and C roofs were replaced with new, energy-efficient units in January 2023. The new units contain variable frequency drives (VFDs) that allow for precise control over pump speeds, optimizing energy efficiency and performance.

## FY 2023 Energy Efficiency Projects

Project	Rebate Amount	Electricity Saved (kWh) Annually
PHL Telecommunications Room Improvements	\$2,150	32,915
PHL Taxiway LED Lighting Upgrades	\$5,999	59,993
Department Warehouse Lighting Upgrades	\$27,310	120,689
PHL Concourse B & C HVAC Upgrades	\$16,800	150,551
<b>Totals:</b>	<b>\$52,259</b>	<b>364,148</b>

Table 4.

In total for FY 2023, we received \$52,259 of energy efficiency rebates from PECO Energy Co., and we now save approximately 365,000 kWh annually from these installations. The Department continues to identify energy efficiency projects and works with PECO and other external stakeholders to improve efficiencies within our facilities.



## SUSTAINABLE DESIGN



### Outstanding Sustainability Infrastructure Award

The Department was the proud recipient of the 2022 AGG Outstanding Sustainability Infrastructure Development Award for the Northwest Parking Apron project at PHL. The award, presented at the American Association of Airport Executive's 15<sup>th</sup> Annual AGG Forum, was for the innovative use of over 90,000 cubic yards of post-consumer recycled materials in the form of more than 85 million glass bottles permanently removing them from the waste stream. In addition to repurposing this used glass, the ultralight product cut delivery trips by 85%, significantly decreasing the amount of vehicle emissions produced by the project. Aero Aggregates of North America, the local producer that supplied the material for this project, provided the airport an award for the largest-ever foamed glass aggregate project in North America.

## SUSTAINABLE DESIGN STANDARDS

In 2023, the Department expanded upon its sustainable design standards, which go beyond the Leadership in Energy and Environmental Design (LEED) Gold certification requirement for new facilities and major renovations and Envision verification for large-scale infrastructure investments. These new standards provide a structure for sustainable design review for all airport renovations led by the Department as well as airport tenants. These new standards provide sustainable design and construction methods within the following categories, which align with airport capital project typologies:

- Airfield Infrastructure
- Landside Infrastructure
- Architectural Renovations
- Mechanical and Plumbing Projects
- Electrical and Lighting Projects
- Concession Renovations

Highlights of the new design standards include:

- Establishing a maximum flow rate for water fixtures
- Requiring ENERGYSTAR or equivalent for all new appliances
- Utilizing paints, solvents and other finishing materials with minimal volatile organic compounds (VOCs) to prioritize indoor air quality
- Eliminating chlorofluorocarbon- (CFC) and hydrochlorofluorocarbon- (HCFC) based refrigerants in new HVAC and refrigeration systems in mechanical and plumbing projects.



The Airport's new sustainable design standards require the recycling of construction and demolition waste, with a target of 75% recycled materials for airside and landside infrastructure projects and 50% for all other capital projects. Already, our airports are typically recycling or reusing the majority of concrete and asphalt removed during airfield projects. This new standard provides a means for the Department to measure and track the amount of waste recycled and take credit for its sustainable waste management.



## AIR QUALITY

Air quality is an important issue to our surrounding communities and our region and an equally important issue for the Department. As both Philadelphia and Delaware Counties continue to be classified as a nonattainment area for ozone as defined by the U.S. Environmental Protection Agency (USEPA), the Department continues to prioritize reduction of VOCs and nitrogen oxides (NOx) emissions, both of which are precursors to ozone formation. We are proud to have had no air permit violations in FY 2023.

We have also made a conscious decision to incorporate nature into our facilities in order to improve the passenger and employee experience. Our approach to caring for passengers and creating a comfortable environment includes landscaping throughout the interior and exterior spaces of the terminal complex. Plants located in the interior public spaces of PHL are not just decorative elements, but also a natural way to purify air within the terminals.



At PHL, our first-ever green wall was installed at ticketing in Terminal B/C in FY 2023. A green wall (sometimes referred to as a living wall) is a vertical structure of plants and vegetation intended to provide natural air purification and beautification. The wall was designed by a local plant purveyor who identified plant species that would thrive in the mix of natural and artificial lighting, and all plants were grown at their Philadelphia nursery. Work to construct the wall was completed over several months to ensure there was no negative impact to ticketing or other aspects of airport operations. Monthly maintenance takes place to ensure that the irrigation system is functioning, provide fertilizer and pest control as needed, and trim back any overgrowth. The result is a beautiful addition to the terminals that helps improve our indoor air quality and provides public health benefits.

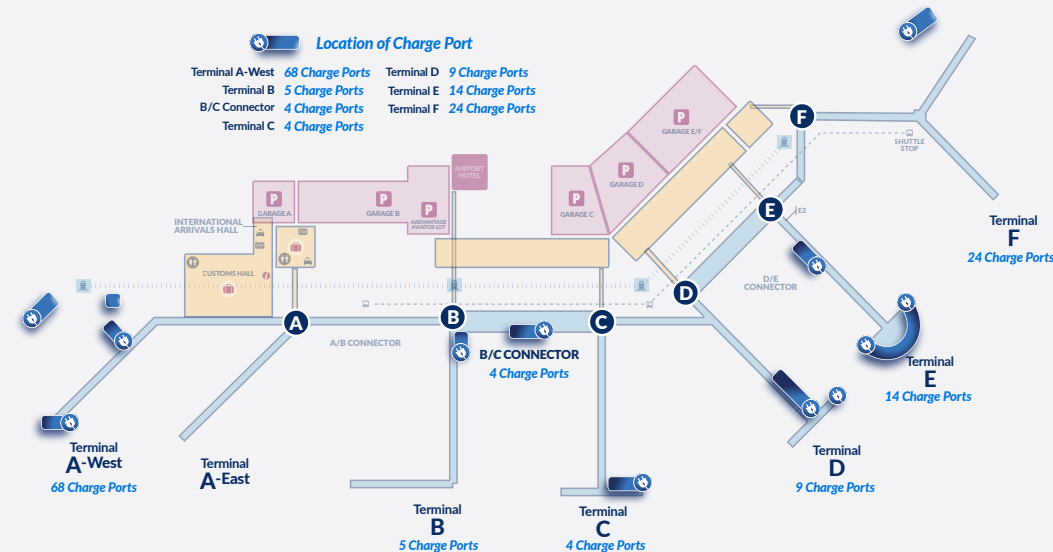


## ELECTRIFICATION OF GROUND SUPPORT EQUIPMENT

The conversion of ground support equipment (GSE) from diesel fuel to electric power is an important airport sustainability initiative requiring partnership between the Department and its tenants. By focusing on where the airport can enact direct change, PHL has worked with its airline and cargo carriers to convert 26% of the diesel GSE fleet to electric models as of 2023. The Department installed 258 GSE chargers throughout PHL's airfield to encourage transition of the fleet to electric models. Presently, there are 74 more electrical GSE (eGSE) chargers than there are eGSE. This provides an opportunity to work with airlines and cargo carriers to grow their electric vehicle fleet in the immediate term.



## Electric Charging Locations for Ground Support Equipment



Since GSE electrification efforts were initiated in 2009, the Department has made significant progress in the reduction of emissions across various criteria pollutants. The transition involved a high-level of collaboration with stakeholders at PHL, including American Airlines, Delta Airlines, United Airlines, and Southwest Airlines, as well as Piedmont and GAT Airline Ground Support. This transition has resulted in notable reductions in carbon emissions at PHL. Approximately 520,000 fewer gallons of fossil fuel were burned at the airport since the inception of the program in 2009.

## Ground Support Equipment by Fuel Type

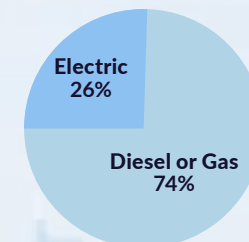


Figure 11.

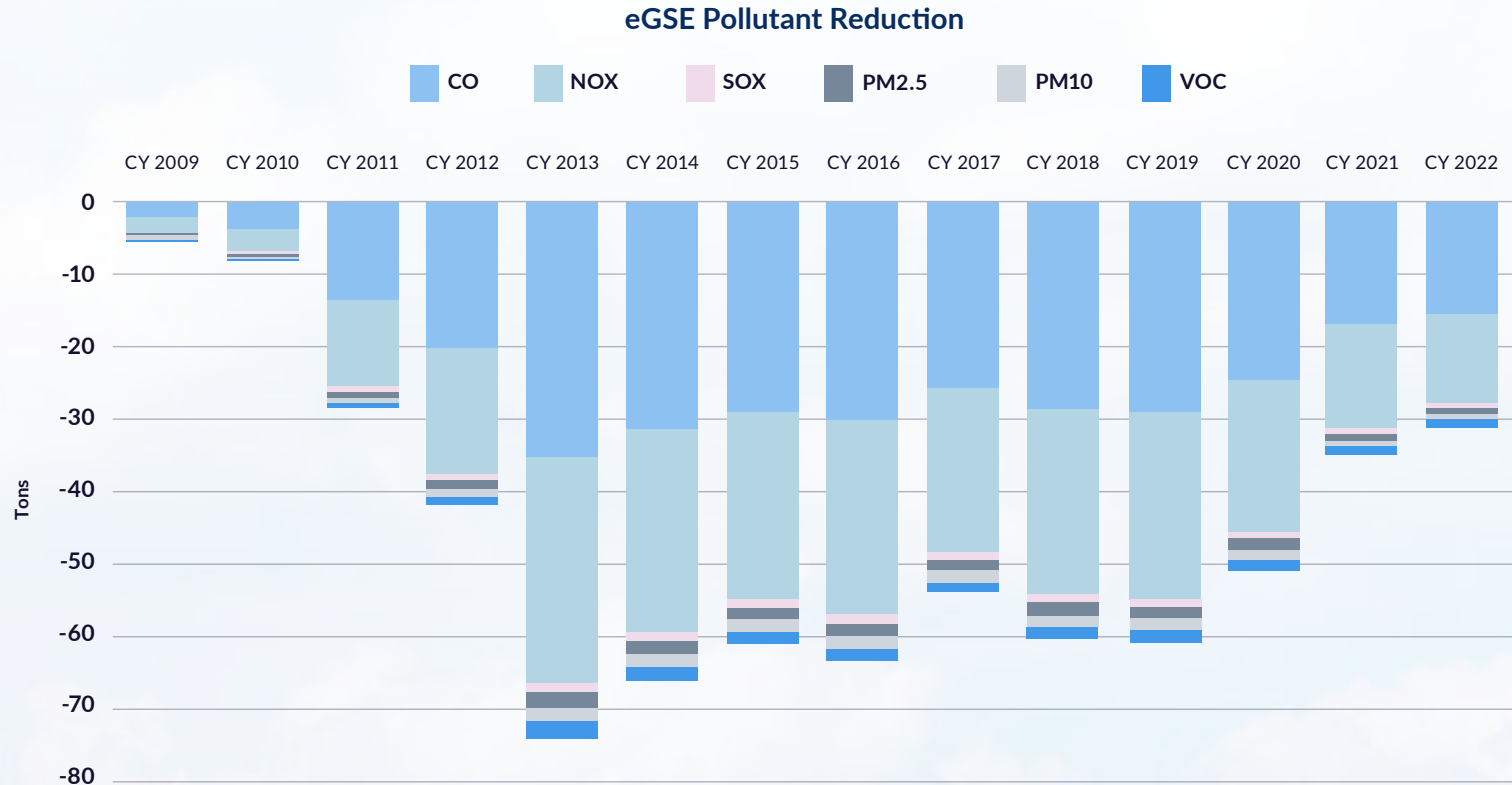


Figure 12.

### IMPROVED AIR QUALITY THROUGH THE VOLUNTARY AIRPORT LOW EMISSIONS PROGRAM

The Department is taking the initiative to reduce emissions of air pollutants including VOCs and NOx by regularly undertaking emission reduction projects via FAA's Voluntary Airport Low Emissions (VALE) program funding. The VALE funding program helps airport sponsors meet and exceed their state-related air quality responsibilities. Through VALE, airport sponsors can use Airport Improvement Program (AIP) and Passenger Facility Charges (PFCs) funds to finance refueling and recharging stations, gate electrification, low emission vehicles and other airport air quality improvements.

In FY 2023, the Department applied for and received a \$1.1 million VALE grant for the procurement and installation of pre-conditioned air units (PCAir) and ground power units (GPU) at five gates at Terminal D. These will replace older units and contribute to lowering emissions from aircraft auxiliary power units (APUs) parked at the gates. Table 5 summarizes the pollutant reductions from this project over the 20-year useful life of the VALE-funded PC Air and GPU funded in 2023.



### Total Emissions Reduction Estimates from FY 2023 VALE-funded GPU and PC Air Project

Pollutant	Pollutant Emissions Reductions (Tons) Over 20 Year Life of Project
Nitrogen oxides (NOX)	27.28
Volatile organic compounds (VOC)	2.31
Ozone	29.59
Carbon monoxide (CO)	24.37
“Coarse” particle matter (PM10)	3.09
“Fine” particle matter (PM2.5)	3.09
Sulfur dioxide (SO2)	3.61

Table 5.

In addition to reducing criteria pollutants as is the focus of the VALE Program, these projects also reduce GHG emissions as shown in Figure 13. This figure reflects emissions reductions from all GPU and PCA at PHL on an annual basis. A total of 115 gates at PHL are equipped with GPU and PCA units, representing 91% of PHL's 126 gates. The Department is working to equip the remaining gates without GPU and PCA units at Terminal F in the near future.

## BUILDING TOWARD CLIMATE RESILIENCE

The Department is committed to understanding our climate vulnerabilities and mitigating risks with the potential to impact our operations and has undertaken several efforts in this vein. Through diligent research and planning, we have identified the climate risks facing our airports and initiated targeted actions to improve the resilience of airport development and operations.

In FY 2023, the Airport undertook the following steps on our path towards climate resilience:

- Updated our Airport Flood Emergency Response Plan, which provides a blueprint for the airport's response to flood risk, including communication protocol and actions to be undertaken to protect our assets and infrastructure.
- Initiated the development of design standards that will help ensure long-term resilience for all new facilities and critical assets.
- Developed a strategic plan for improving and expanding flood mitigation and stormwater management infrastructure.

In addition to preparing our infrastructure and operations for hazards, these efforts help to minimize risk assessed by our property insurance provider, contributing further to our fiscal sustainability.

Climate resilience planning and research efforts at PHL also contribute towards City-wide resilience. Airport staff work closely with City agencies such as the Water Department and Office of Sustainability, as well as local universities, the John Heinz Wildlife Refuge, Federal Emergency Management Agency (FEMA), Pennsylvania Emergency Management Agency (PEMA), and the Army Corps of Engineers to share data and plan collectively for regional climate change risks. The Department serves on the City's Climate Resilience Working Group and engages regularly with nearby communities of Eastwick neighborhood and Tinicum Township on flood mitigation measures.

### Annual Carbon Emissions Reduction from GPU and PC Air Units at PHL

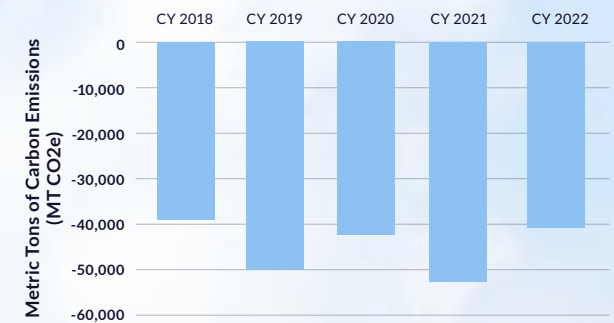


Figure 13.

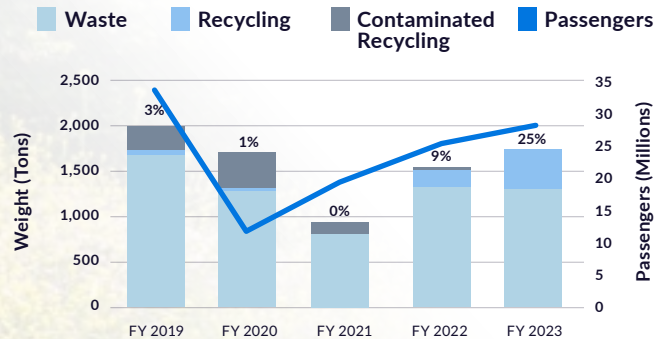


## WORKING TOWARD ZERO WASTE

### SOLID WASTE & RECYCLING

The Airport aligns with the City's goal of Zero Waste by 2035. This goal is defined by the City as 90% waste diversion from landfills and the remaining 10% reduction of waste to be processed for energy production. The recycling rate at PHL reached a historic high of 25% for FY 2023.

#### PHL Solid Waste and Recycling

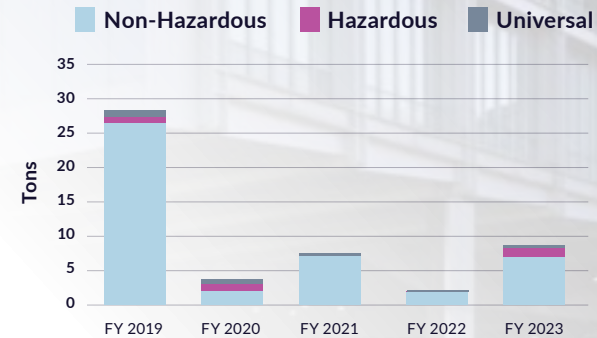


**Figure 14.**

Note: Annual diversion rates are shown above bars

Engaging a new recycling hauler at the start of 2022 helped to reduce contamination rates and increase the waste diversion rate. The new hauler recycles additional materials such as plastic bags and packaging, which has allowed us to reduce our contamination rates to nearly zero. The recycling plant located in Exeter, PA is one of the first in the nation to accept and process flexible plastic packaging, allowing PHL to continue its use of plastic bags for collection of recyclables

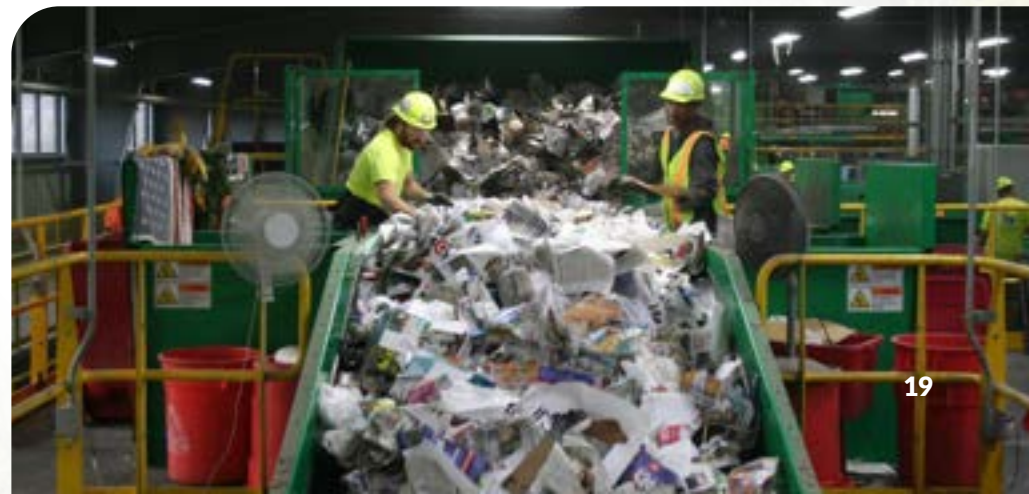
### PHL Hazardous and Universal Waste



**Figure 15.**

### HAZARDOUS, NON-HAZARDOUS, AND UNIVERSAL WASTE

Through our program, universal waste, including electronics, fluorescent lamps, and batteries, are diverted from landfills and collected by a separate hauler for recycling. Hazardous waste includes paints, solvents, and other chemicals generated from daily maintenance and repair activities. Non-hazardous materials collected are those that are excluded from Resource Conservation and Recovery Act (RCRA) requirements for handling hazardous materials. While hazardous and universal waste continue to be a small portion of our waste stream, the Department continues to prioritize proper disposal through well-established programs at both PHL and PNE for waste generated from daily operations and maintenance activities.







## MARKETPLACE FOOD DONATIONS

PHL merchants continue to make a difference through the Marketplace Philabundance partnership. Since 2019, the program has rescued grab-and-go packaged food items from airport concessions for the purposes of distribution through the Philabundance Food Bank to those experiencing food insecurity across the City of Philadelphia. Philabundance food donations comprise food items across multiple categories including bakery, dairy, dry goods, meat, prepared food, and produce items, as well as some non-food items. In FY 2023, Marketplace donated a record of more than 45,000 meals through the Philabundance program. In addition to contributing to the health of our region, these efforts also cut down on unnecessary organic waste and improve the airport diversion rate. Food donations also reduce waste going to landfills thus reducing CO2 emissions and creating bonds of trust between the Department and the communities it serves. The Department is eager to continue meeting these needs and helping to grow this important program.



## WATER BOTTLE FILLING STATIONS

A total of 21 water bottle filling stations are available throughout the terminals at PHL. Since 2018, more than six million plastic water bottles have been diverted from landfills as a result of the water bottle filling stations with nearly two million bottles saved in FY 2023 alone.

**Pounds of Food Donated by Marketplace Concessions**

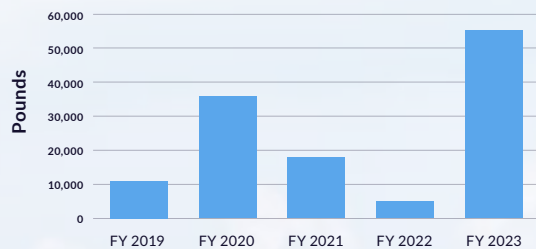


Figure 16.

**Carbon Emissions Reductions from Marketplace Concession Food Donations**

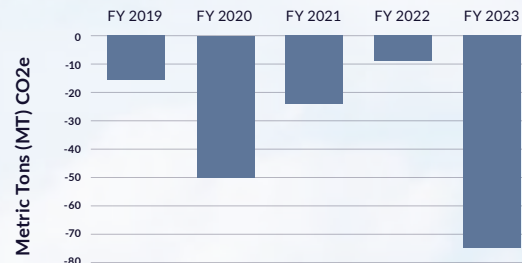


Figure 17.

**Single Use Water Bottles Avoided at PHL**

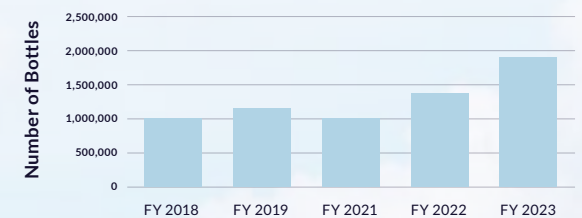


Figure 18.

Note: As was the case with most airports, the Department experienced an unprecedented decrease in passenger traffic during the COVID-19 pandemic. As a result, single-use water bottles avoided were not included for FY 2020.

## CONSERVING AND PROTECTING OUR NATURAL RESOURCES AND STORMWATER MANAGEMENT

### CONSERVING WATER

Water is a precious natural resource, and the Department is sensitive to how water is used and conserved at both PHL and PNE. Potable water consumption has increased slightly in FY 2023 due to the increase in total passengers using our facilities. We know water is a valuable resource and we continue to monitor usage to prioritize conservation measures wherever possible.

### POTABLE WATER

Potable water at both PHL and PNE is provided by the City of Philadelphia Water Department (PWD)'s three drinking water plants. PWD's drinking water plants source water for the more than 1.6 million residents of Philadelphia from the Delaware River Watershed, which includes the Delaware and Schuylkill Rivers.

Annual Potable Water Consumption

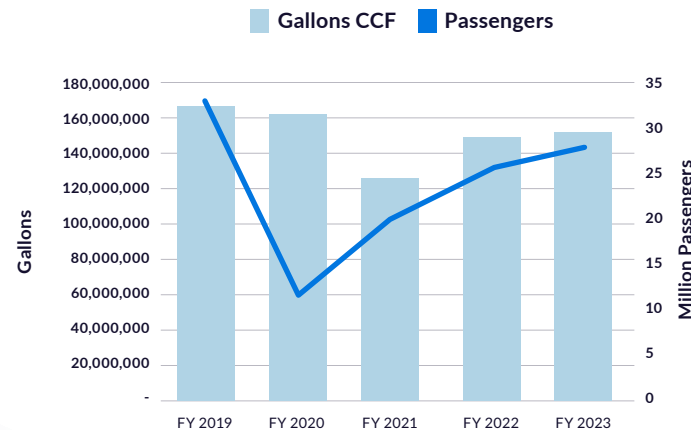


Figure 19.



**STORMWATER PERMITS AND DEICING RUNOFF**

National Pollutant Discharge Elimination System (NPDES) permits at both PHL and PNE provide a standard for construction and industrial activities that aligns with the standard for the City.

The Department is committed to the protection of surface water resources adjacent to our Airports such as the Delaware River and Mingo Creek at PHL and Walton Run at PNE. PHL is classified by the Pennsylvania Department of Environmental Protection (PADEP) as an industrial facility. As a result, the Department is issued NPDES permits by PADEP for industrial and construction activities that discharge pollutants to surface waters. These permits require periodic monitoring including the sampling and testing of stormwater runoff and the reporting of these outputs to PADEP in the form of monthly discharge monitoring reports (DMRs). These DMRs are filed with the PADEP during deicing season.

PHL has a NPDES permit for industrial activities related to deicing aircraft. To minimize deicing fluid entering surrounding bodies of water, the Department constructed a centralized deicing pad in 2001 where a specialized drainage collection system collects runoff containing deicing fluid. In FY 2023, nearly 3,000,000 gallons of stormwater runoff were collected from the deicing pad that contained deicing fluid. Additionally, PADEP tests for 17 different parameters at PHL and six at PNE including the amounts of oil and grease and dissolved solids present in the stormwater runoff. Results for these various parameters have been consistently low across all stormwater samples at both of our airports.

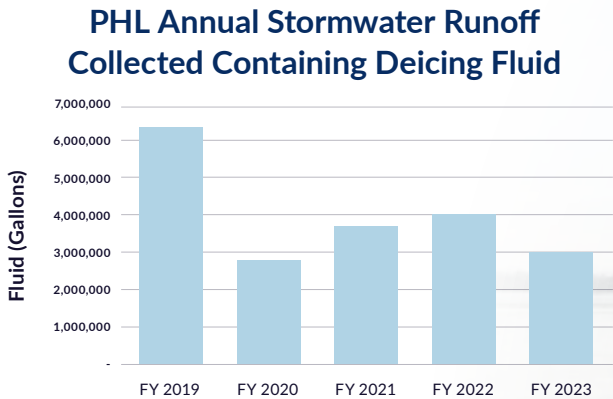


Figure 20.

**SPILL PREVENTION & CONTROL**

The Department continues to prioritize the procedures outlined in the 2019 PHL Spill Prevention, Control, and Countermeasure (SPCC) Plan. This includes procedures to manage fueling activities and minimize fuel-related spills (gasoline, Jet A fuel, aviation gas, or diesel) that can contaminate stormwater into our surface water system. Since September 2012, Environmental personnel have been attending the monthly Ramp Safety meetings to discuss fuel spill-related issues, raise awareness, and reiterate the importance and regulations of properly reporting spills. During these monthly meetings, Environmental personnel present meeting attendees with brief talks on fuel spill reporting requirements, cost implications of spills, and release prevention techniques. This monthly awareness raising and topic refreshing activity is expected to continue for the foreseeable future.

	Reportable Spills				
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Reportable Spills	7	6	6	4	5

**Table 6.**  
Note: Reportable spills to PADEP are spills larger than 50 gallons released to paved surfaces, one gallon or more released onto non-paved surfaces, or any amount that enters a storm drain.

## ENVIRONMENTAL STEWARDSHIP

### EARTH DAY

The Department held its 11th annual Earth Day celebration this year, which included an Earth Day Awards ceremony, an information fair on environmental topics and demonstrations from the Philadelphia Zoo, the Clean Air Council, the Philadelphia Water Department, and SEPTA, as well as a presentation on recent Airport sustainability accomplishments. The Department's Earth Day Award ceremony recognized staff who made significant contributions to sustainability goals at the Airport.

In connection with Earth Day activities, the Department organized a cleanup near the boat ramp along the Delaware River Waterfront. Airport volunteers collected 364 pounds of trash and 300 pounds of materials for recycling. Because of the event's success, the Department is turning this into an annual event for ongoing waterfront maintenance. This work, beneficial to maintaining the area in the unlikely event of a water landing, helps keep the area ready to launch rescue operations.







## Social

### DIVERSITY, EQUITY, & INCLUSION

The Department of Aviation strives to foster an atmosphere where diversity, equity, and inclusion remain at the forefront of what we do. Situated in a region with a significant racially and ethnically diverse population, our staff and activities reflect our location and the uniqueness of Philadelphia. Not only do our differences make us stronger, but they also make us competitive as an employer and business partner of choice.

Our continuous commitment to advancing racial equity is manifested through our PRIDE values, workforce diversity, Racial Equity Advisory Council (REAC or Council), and inclusive business relationships. As travelers make a trip through PHL, our exhibitions also celebrate our diversity. An equitable environment of inclusiveness is practiced throughout our organization.

**P** **People First**  
Our employees, stakeholders, and passengers

**R** **Respect**  
To ourselves, our customers, and our environment

**I** **Integrity**  
We hold ourselves responsible for what we do, say, and think

**D** **Diversity**  
Purposefully inclusive and accepting of all

**E** **Excellence**  
We hold ourselves to the highest standards of service, innovation, and efficiency

### WORKFORCE DIVERSITY

**People are at the heart of the Airport's success.** The significance we place on diversity is evident in our PRIDE values and workforce demographics. We endeavor to maintain a diverse workforce at all levels of the organization, with 61% of the senior leadership team and 73% of the overall staff identifying as minorities. We continuously recruit and employ staff from a variety of backgrounds.

### Full-Time Staff Demographics

Staff Demographics	Minority	Female	Multilingual
FY 2019	73%	34%	10%
FY 2020	73%	34%	10%
FY 2021	72%	32%	11%
FY 2022	73%	33%	11%
FY 2023	73%	34%	12%

Table 7.

### Workforce by Ethnicity

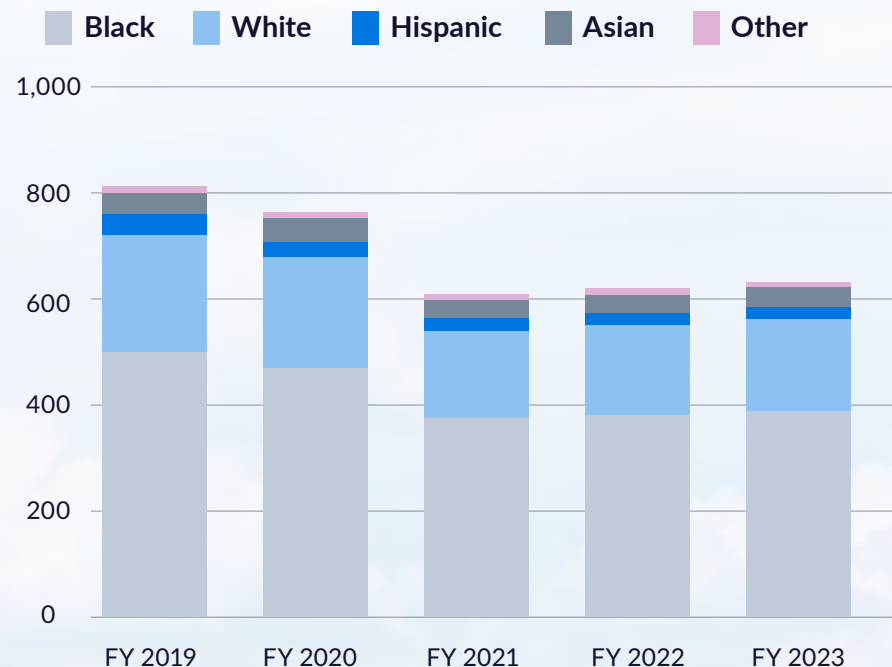


Figure 21.



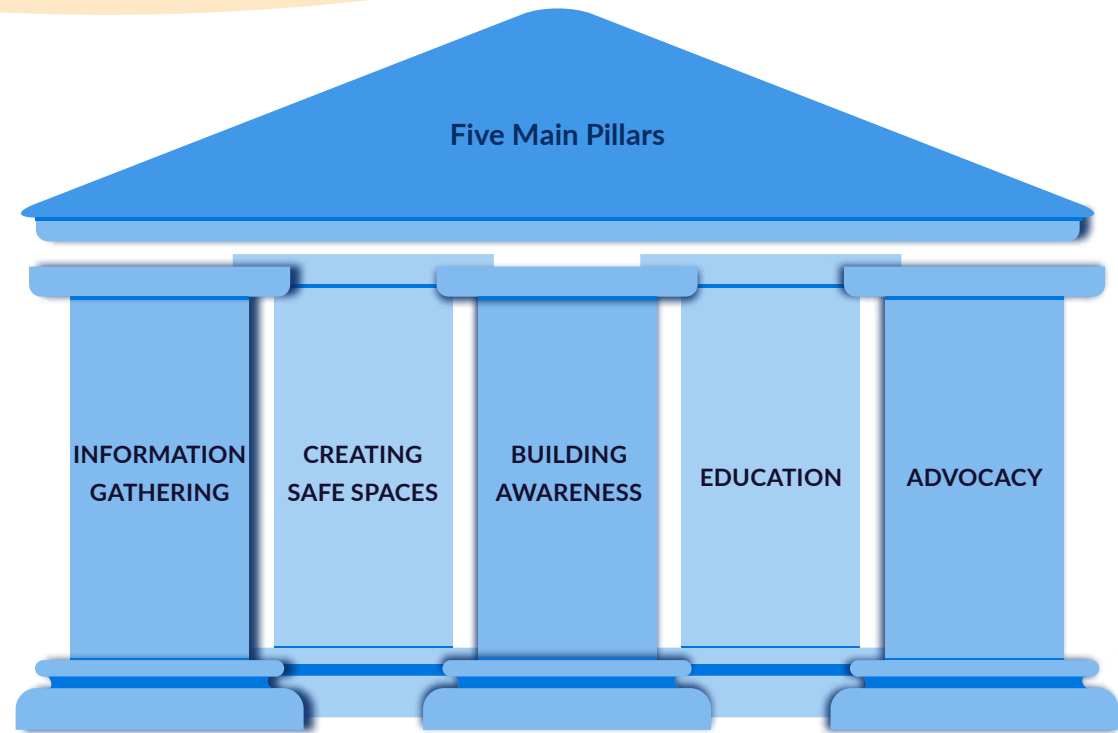
## RACIAL EQUITY ADVISORY COUNCIL

The Department remains committed to building awareness, identifying solutions, and fostering a dynamic workplace that ensures safe spaces and equitable opportunities for all employees.

REAC emphasizes the Department's commitment to nurturing an inclusive culture throughout the organization. The focus is on cultivating an increased sense of understanding/awareness, comradery, and belonging amongst staff. A variety of perspectives are represented with 85% of the Council members identifying as women or minorities.

REAC sponsors programs, such as cultural celebrations, roundtable discussions, healing spaces, employee spotlights, and educational opportunities that help co-workers see, accept, and celebrate the differences in our workforce. REAC also works behind the scenes to identify barriers, research solutions, and make recommendations for change. An example of this work includes REAC identifying disparities in pay by racial group, discussing possible solutions centered around workforce development, and challenging the Airport's Human Resources team to design a program to mitigate the problem.

REAC's approach was originally built on four main pillars of Information Gathering, Creating Safe Spaces, Building Awareness, and Education. Seeing the need to further define the Council's purpose, an additional pillar of Advocacy was also added. The council sees its responsibility to identify areas where equity may not exist and advocate for changes. They strive to be the voice, supporter and/or educator for a cause.





## Cultural Heritage Celebrations

The Department recognizes the importance of acknowledging diverse cultural, racial, and ethnic backgrounds. Through REAC, we annually celebrate and honor various cultural heritage events during the year that include Black History Month; Asian American Pacific Islander Month; Hispanic Heritage Month; and Native American and Indigenous Peoples' Heritage Month. Activities surrounding these events include:

- Employee surveys soliciting input on programs, activities, and exhibitions
- Employee Spotlights (via the intranet or social media)
- Virtual Book Clubs
- Virtual trivia games that teach about the celebrated heritage
- Roundtable discussions with guest speakers moderated by REAC members
- Heritage month intranet information page



## Airport Empowerment Groups

REAC also sponsors Airport Empowerment Groups (AEG) and recognizes that these groups are a critical initiative to support the growth and development of a diverse workforce. In 2023, the Department started the Young Professionals (Yo Pro) employee-led AEG. This group is for employees under 40 years of age in professional, paraprofessional, and select clerical positions. The establishment of the Yo Pro AEG strives to bridge the gap between current and future aviation leaders by providing opportunities for career and professional development, mentorships, and networking for the next generation of airport professionals. The AEG not only benefits existing employees but supports staff attraction and retention.



## INCLUSIVE BUSINESS RELATIONSHIPS



### BUSINESS DIVERSITY

We are committed to fostering diversity and equity in contracting opportunities.

Through our Office of Business Diversity (OBD), we actively engage in several diverse business programs, working closely with the City's Office of Economic Opportunity (OEO) for locally funded projects. OBD directly oversees various federal diversity contracting programs, including the Federal Disadvantage Business Enterprises (DBE) Program, the Federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program, the Federal Certification Program, and the new Small Business Enterprise (SBE) Program. We are also proud participants in the City's Local Business Purchasing Initiative (LBPI).

For locally funded projects, we collaborate with OEO to establish contract ranges, monitor Minority, Women, and Disabled-owned Business Enterprise (M/W/DSBE) individual contract progress, payments, and overall goals. On federally funded projects via the US Department of Transportation (US DOT), OBD:

- Sets contract-level goals
- Monitors projects and payments
- Certifies firms for federal programs
- Reviews requests for proposals (RFP) and bid submissions for DBE participation
- Assesses concession leases for ACDBE participation

### Minority Professional Services Participation

Program	FY 2023 Goal	FY 2023 Achieved
PHL OEO	30%	32%
PHL Federal DBE (FFY*)	19%	11%
ACDBE MarketPlace Storefront Concessions	35%	46%

Table 8.

\*Federal goals and attainments are for the federal fiscal year (FFY). Generally, we consistently meet or exceed our business diversity goals. However, for Federal DBE FFY 2023, several of the projects were awarded without FAA-funding and were for building construction, which historically does not have the necessary certified DBE availability.

### Business Supplier Diversity for Professional Services Contracts

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total Amount of M/W/DSBE	\$21,217,841	\$20,689,770	\$17,810,669	\$30,338,258	\$27,736,830
Total Amount of Contracts	\$69,526,756	\$68,933,431	\$56,430,879	\$69,170,709	\$67,033,152
% M/W/DSBE Contracts	31%	30%	32%	44%	41%

Table 9.

Aviation is an active member of the US Department of Transportation Business Diversity Program, encompassing 60 transportation agencies across the state that receive funding from the FAA, Federal Highway Administration (FHWA), and Federal Transit Administration (FTA). Furthermore, we actively contribute to the Standing Committee on Contracting Equity of the National Transportation Research Board, helping shape policies nationwide and securing funding for pertinent studies in this field.

## Business Outreach and Capacity Building

The Department has successfully launched its pilot Airport Concessions Disadvantaged Business Enterprise (ACDBE) Academy. This comprehensive four-part series commenced at the end of FY 2023 and focused efforts on several primary objectives targeted at aiding in creating a more level playing field for opportunities and increasing the capacity of ACDBEs.



### ACDBE Academy Primary Objectives

- Provide valuable insights to small, regional, and diverse firms about opportunities within PHL's concessions program and at other airports
- Enhance the number and capabilities of ACDBE firms
- Facilitate the growth and diversification of ACDBE firms into new or expanded roles
- Foster an understanding of PHL's existing concessions program, including the prerequisites and advantages of ACDBE certification

Additionally, the Department leads programs and initiatives as a continual effort to attract new and diverse vendors. The Capital Development Group and Purchasing Administration Unit Professional Services teams collaboratively hosted an in-person vendor engagement session on small purchase order contracts.

## Outreach Activities and Workshops

The Department partners with a diverse cross-section of stakeholders for outreach events and workshops. These efforts include:

- Hosting a Professional Services Outreach and Capacity-Building workshop
- Hosting quarterly disability community meetings
- Hosting a public meeting on the federal fiscal year (FFY) 2024-2026 ACDBE goals, Title VI obligations, and the Americans with Disabilities Act (ADA) effective practices
- Presenting at the Second Annual Black and Diverse Business Forum held at Delaware County Community College
- Participating in the United Negro College Fund's Mayor's Masked Ball
- Presenting at the Airport Minority Advisory Council national conference; and
- Presenting DBE Certification quarterly sessions at the OEO "Doing Business in the City"



## Business Opportunity Forum

The Department hosted its 10th Annual Business Opportunity Forum (BOF) virtually, bringing together small and diverse businesses from the Philadelphia area. Over 100 companies, with 10% considered DBEs, participated to learn about business dynamics at the Airports, anticipated opportunities, and network with airport leadership and prime contractors.

The forum highlighted projects beneficial to the airport, contractors, and the community, emphasizing strategies for setting and exceeding DEI goals. Key breakout sessions covered professional services, capital development projects, construction, cargo expansion, concessions, proposal preparation, DBE strategies, and airport technology.

The event concluded with one-on-one networking, allowing participants to build or strengthen professional relationships with PHL and PNE, enhancing their business opportunities.



**In FY 2023, 53% of the confirmed registrants were certified businesses and 37% already had existing contracts to do business with the Airport.**

## Business Opportunity Forum Number of Attendees

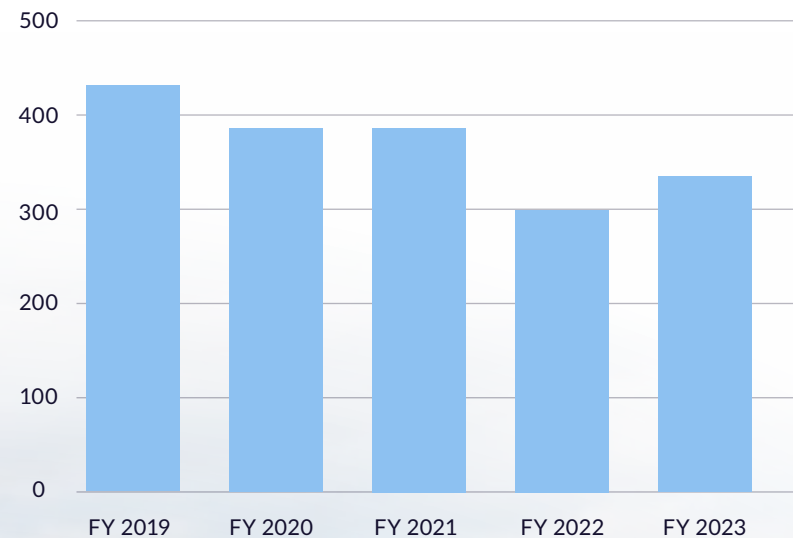


Table 10.



## WORKFORCE WELLNESS

### EMPLOYEE BENEFITS

We understand that caring for our staff ensures a healthy and productive workforce, which is fundamental to achieving our mission. As such, the Department's investment in employee wellbeing and compensation emphasizes a commitment to our biggest resource, our people. We continue our commitment to providing employees with opportunities to maintain and improve their health and plan for their future.

#### Employee Benefits

Health	Pay	Savings	Extras
Medical	Competitive Base Pay	Pension Benefits	Critical Illness Insurance
Prescription Drugs	Longevity Pay	Deferred Compensation	Life & Accident Insurance
Dental & Vision	Wage Increases	Flexible Spending Accounts	Employee Assistance Program
Wellness Incentives			SEPTA Key Advantage (Free Transit)

### EMPLOYEE HEALTH & WELLBEING

The Airport's wellness program, PHLWELL, is focused on educating, informing and engaging employees on how to manage their emotional, physical, financial, and social health. Our Workforce Development team offers activities through a variety of venues that include virtual and in-person workshops, training sessions, wellness updates, events/challenges, featured articles, and important health reminders. The below list represents a sampling of our WELLness offerings.

- Step It Up Challenge
- Biggest Loser Weight Loss Challenge
- Breast Cancer Awareness
- Stress Management
- Conflict Resolution
- Emotional Intelligence
- Mental Health Series – Transforming Illness to Wellness
- Retirement Series – Estate Planning, Medicare 101, and Retirement Planning
- Financial Series - Money Madness Challenge and Money Mindset
- Mindful Moments – Mindful Meditations, Mindful Munching, Mindful Movements, and Meditation for Anxiety

## EMPLOYEE ENGAGEMENT AND DEVELOPMENT



### EMPLOYEE ENGAGEMENT

**Every voice matters at the Airport.**

Listening, engaging, and connecting with our employees strengthens our organization. We believe that when employees feel heard, they feel connected, and their feedback improves our culture and performance. In line with that belief, the Workforce Development Unit advances employee engagement in several ways including through both formal and informal initiatives.

The **Thurs-yay Water Cooler Conversations** were established towards the end of the pandemic to provide a virtual platform for employees to connect socially. The main objectives of the Water Cooler Conversations are to build a positive company culture by providing an inclusive environment for all PHL and PNE employees, build employee morale, as well as improve employee rapport and engagement.

The **PHL Connect** initiative was established with the Human Resources team visiting units throughout the airports. Members of the Human Resources group share information and have an opportunity to hear feedback. We believe these meetings increase employee engagement and effectiveness.

As the Department plans for the next fiscal year, we are preparing for the launch of an **Employee Engagement Survey**. The goal of this survey is to use its feedback to elevate employee satisfaction, foster a positive work environment, and enhance the overall employee experience. We firmly believe that by nurturing a culture where every voice is heard, every contribution is valued, and every individual feels empowered to make a positive impact, we inherently cultivate an environment where PHL and PNE will continue to thrive, providing excellent service to passengers and employees alike.



### TALENT MANAGEMENT PROGRAMS

The Department understands the importance of providing our employees with a chance to further develop their skill sets through training and educational opportunities. This contributes to employee retention and attraction while contributing to positive business results. We have a set of internal development programs, such as Resources and Information for Supervisory Enrichment (RISE), the Leadership Academy, and other initiatives. In addition to a set of current programs that give our employees a foundation for success, we have new programs on the horizon, such as the Bridge Program: Milestones to Success. This program will be implemented in 2024 and is slated to provide upskilling and reskilling to employees, preparing them for future career growth.

The Department believes in not only the development of its current employees but also the importance of engaging with our prospective full-time employees. Co-operative and internship programs were reinstated when post-pandemic hiring and training initiatives resumed. As we invest in the next generation of aviation leaders, there is a mutual benefit to having co-ops and interns. They add fresh perspectives, new ideas, and diversity while providing opportunities for current staff to take on leadership roles by stewarding young talent.



## SAFETY & SECURITY



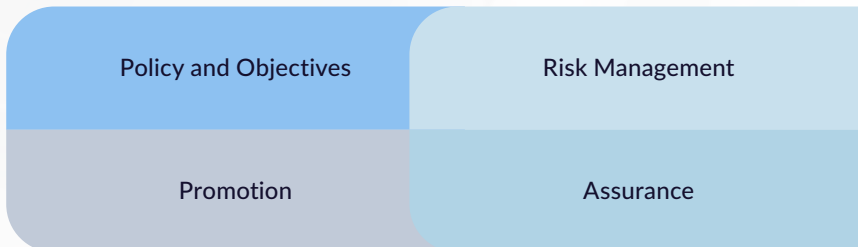
The safety of passengers, guests, and team members is of the utmost priority.

### SAFETY MANAGEMENT SYSTEM

We use the Safety Management System (SMS) as an integral part of all airport activities with the objective of achieving and maintaining safety standards and performance. SMS is a high priority as we operate two airports crucial to the aviation network. We recognize that putting safety behind other objectives not only jeopardizes the people we most value, but also presents other risks such as the penalties associated with regulatory noncompliance.

With the utilization of the SMS, the Department takes a proactive and systematic approach to managing safety by identifying and resolving safety concerns through collaboration and analysis. A Hazard Reporting portal exists for our staff to report safety concerns as we recognize that a key part of the success of the SMS is reliance on each individual to participate in and improve safety as part of their daily work activities.

#### Four Components of the Safety Management System



### EMPLOYEE AND GUEST SAFETY

The Airport's staff are trained in the necessary safety procedures related to their jobs, such as Occupational Health and Safety Administration (OSHA) requirements. Guests and employees can expect to feel safe, including through unanticipated health issues, because of the Airport's safety and security measures. Training, including First Aid/CPR/AED classes, prepares staff to mitigate medical emergencies by responding quickly to crises until the Fire/Rescue unit arrives.





## FIRE FIGHTING TRAINING



**Philadelphia Fire Department Engine 78's Aircraft Rescue Fire Fighting (ARFF) Unit, located at PHL, responded to 80 aircraft emergency alerts in FY 2023.**

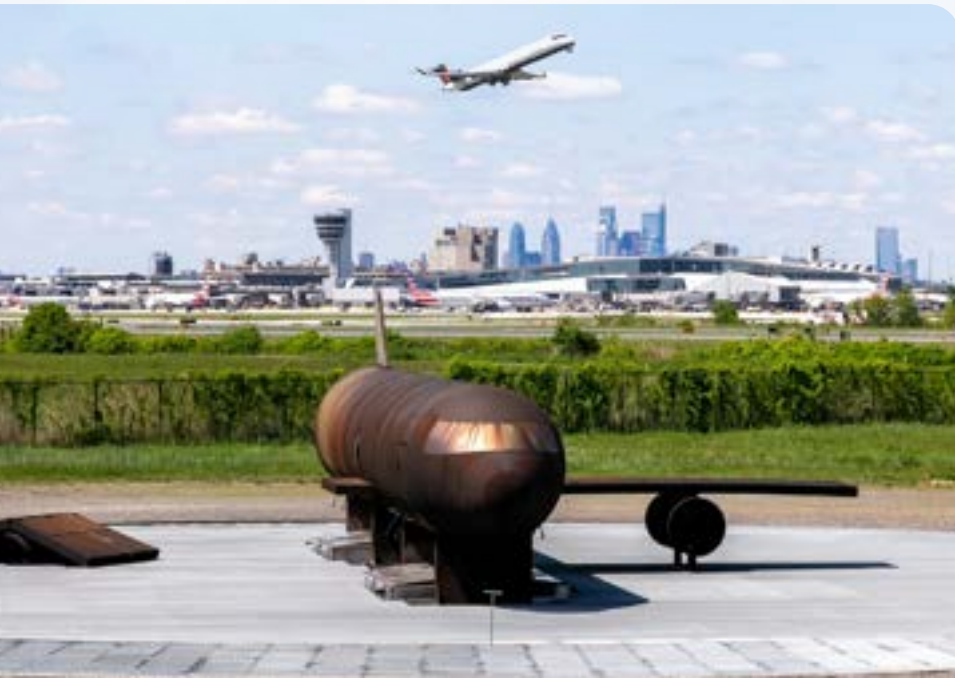
One of the ways the Airport remains prepared for emergencies and maintains the highest safety standards is through its new state-of-the-art training center. In FY 2023, the Airport's ARFF unit's fire safety training equipment was upgraded to the latest industry technology. These critical facility upgrades are part of the Department's multi-billion-dollar capital development program.

A Specialized Aircraft Fire Trainer and a Fuel Spill Trainer were fully renovated with new computer programming, gauges, and piping. A water pit installed for the spill trainer replicates a fuel spill and fire well. With a new wet deck, it is possible to practice putting out fuel spill fires across a sizable area and simulate a plane crash with an ignited fuel spill. The second prop, a plane simulator, allows firefighters to practice putting out fires internally on an aircraft as well as on its wheel brakes.



The risk of fuel or foreign combustion is taken very seriously, and this work acts as an essential part of fire prevention and safety. This updated equipment and the team that manages it protects the airport, surrounding community, and all passengers traveling through PHL. The Fuel Spill Trainer Project also includes training for staff on these new technologies as well as maintaining safety certifications.

These emergency protocols follow FAA fire and rescue requirements to address fire emergencies on the airfield and inside the aircraft. The PHL ARFF Training Center opened more than two decades ago and provides both the required FAA and Department of Defense-compliant training.





## HUMAN TRAFFICKING AWARENESS TRAINING

The Department is committed to raising awareness about human trafficking and providing the airport community with the tools to discover and prevent such activities. In connection with the U.S. Department of Homeland Security (DHS), DOT, and Customs and Border Protection (CBP), PHL utilizes the “Blue Light Initiative” (BLI) to train airport personnel to identify potential traffickers and victims and to report their suspicions to the proper authorities. All Security Identification Display Area (SIDA) badged airport personnel must complete this training, and more than 15,000 personnel have done so as of the end of FY 2023. In addition to the training, messaging is placed throughout PHL’s terminals and gates with instructions on what to do if someone suspects trafficking.

## GUEST EXPERIENCE

### COMMUNICATIONS

The PHL guest experience starts before arriving at the airport. With our social media posts and website updates through our Communications Unit, anyone interested in visiting the Airport can easily obtain information. Through social media, we post news stories about new destinations, airport improvements, employees, and events. This information is regularly noticed and covered by local and national news organizations. Additionally, in 2023, the City named PHL the city social media account with the most “scroll worthy” content. During this time, more than 3,000 social posts were created with 4.6 million impressions.

In addition to regular updates through social media postings, the “WhereWeFly” tool, available on the Airport’s homepage, assists travelers in making their travel dreams a reality. As one of only five airports in the country providing this tool, it offers online assistance featuring interactive route maps and video reels that allow passengers to explore destinations. Also, there is the capability to find and book nonstop flights offered by PHL’s airline partners.





## EMPLOYEE RECOGNITION PROGRAM



PHL affirms employees that elevate the guest experience.

As part of the collaborative efforts of the Guest Experience (GX) Unit and the GX Stakeholder Council, the Employee Recognition Program awards personnel quarterly for providing our guests with outstanding customer service. This is an airport-wide program, which includes both Department of Aviation employees and the almost 20,000 other employees within the PHL ecosystem. Nominations can come from either passengers or fellow badged employees to those persons who go above and beyond to create a positive guest experience. The categories for nomination include:

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

The award winners receive:

- Personal or team profile featured in “People of PHL” article promoted across PHL’s social media channels
- Professional headshot
- Certificate of achievement
- Inclusion on the “People of PHL” advertising campaign in PHL’s terminals
- Recognition at the GX Stakeholder Council Meeting



In FY 2023, there were 46 award winners across 21 airport organizations.





## GUEST CENTRIC INTERACTIONS

### PHL Navigators

With over 80 volunteers, the PHL Volunteer Navigator Program is an indispensable part of the guest experience. Our volunteers are usually people who enjoy the world of aviation and come from a variety of backgrounds including retirees, high school students, and former flight attendants. They provide passengers with all the information they need to navigate PHL's airport benefitting the traveling public while also providing a fulfilling role for our community members.



As part of our “People First” focus, we seek to provide a comfortable and safe guest experience.

### Passenger Assistance

Passenger Assistance staff engage with our international arriving passengers to warmly welcome travelers from around the world. Our bilingual receptionists, who are part-time or full-time college students, translate for the CBP and assist passengers with the Automated Passport Control (APC) and global entry kiosks. The receptionists are many times the first greeters that passengers meet upon arriving in Philadelphia.

Additionally, the Airport Operations Center is a multilingual unit staffed with bilingual operators available to assist travelers. Throughout the Airport, 12% of our total staff are multilingual.

### Lactation Suites



Lactation suites are included in the Restroom Renovation Program as part of how PHL is going beyond the baseline of accommodation by offering comfortable and beautiful spaces for mothers as they travel. Our first lactation suite opened in FY 2023 and five more are planned, providing a lactation suite for each terminal.

These suites are temperature-controlled with amenities such as reclining chairs and charging ports. The comfort, design, and accessibility of these spaces exceed the requirements of the 2018 Friendly Airports for Mothers (FAM) Act of simply providing privacy for nursing and pumping. These suites complement the other lactation spaces available at PHL, Minute Suites and Mamava self-contained mobile pods. The Restroom Renovation Program also incorporates adult changing rooms and handwashing stations as amenities offered within PHL, providing an array of spaces that can be used by mothers depending on their needs.





## Wagging Tails Brigade

The Wagging Tails Brigade, a team of certified therapy dogs, walks through PHL's terminals, offering surprise and delightful moments to passengers and employees. Launched in 2019, through partnerships with Alliance of Therapy Dogs and Comfort Caring Canines, the Wagging Tails Brigade has a calming effect on travelers and provides both guests and employees with positive, memorable experiences.

Within the Wagging Tails Brigade, some dogs have attained training and qualifications that broaden their scope of support for people who need their assistance. Several dogs are trained as **Seeing Eye Guide** dogs and can assist visually impaired people or as **Crisis Response Canines** who deploy after traumatic events.





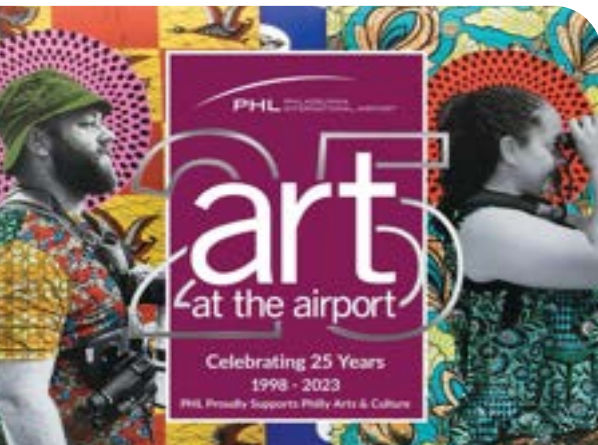
## AIRPORT ARTS PROGRAM

Very few airports worldwide have a robust Exhibitions Program and visual presence similar to PHL. This is a testament to the Department's support of arts and culture in the Philadelphia region.

PHL's Exhibitions Program celebrated its 25th anniversary in 2023. The program showcases artwork and collections by Greater Philadelphia-area artists and art institutions highlighting the region's cultural and historic vibrancy. The Arts program is a unique opportunity for our diverse creative communities to showcase artwork to millions of guests from around the world. The program provides our passengers with a visually engaging place to spend their time which is both educational as well as entertaining.



The Exhibitions Program showcased 33 exhibits throughout PHL with 94% featuring women or minority artists.



**Makeba Rainy:**

**Their Eyes Were Watching God**  
This portrait features bird watchers and participants of the In Color Birding Club founded by Jason Hall. The club's purpose is to "open the world of birding and the outdoors to historically under-represented and Black, Indigenous, and people of color (BIPOC) communities in the Philadelphia area."



**Khari Johnson-Ricks:**

**Mobility Training**  
This piece of art uses large-scale paper assemblages that depict aspirational and dynamic scenes of Black figures in what is described as "moving in a state of flow." The image shows an in-between moment, an everyday activity of stretching where energy flows through the figure.



**Anthony Carlos Molden:**

**Love Light in Flight**

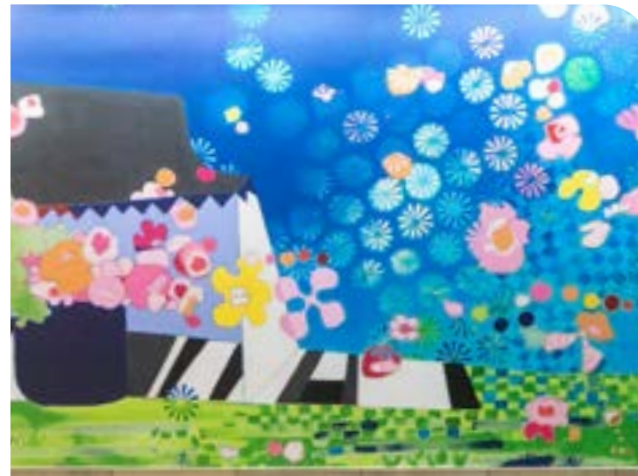
Totem pole reliefs were created using found objects sourced from construction sites, trash piles, and discarded materials. By recycling found elements, items are instilled with renewed energy and the embedded illumination not only adds color but provides motion and brings the work to life.



**Tiff Urquhart:**

**Faces of Philly**

The artist uses stylized imagery that features saturated colors, bold geometric shapes, patterns, and repetition. The exhibition is symbolic of the "people and residents of Philadelphia." It's the people that make Philly, "Philly."



**Constance Culpepper:**

**Over the River and Through the Woods**

The artist's work is "about personal connection – to each other, to the space around us, and to things within it using color to represent life and emotion, and to create make believe places."



## ACCESSIBILITY



The 'Accessibility at PHL' website (<https://www.phl.org/at-phl/accessibility>) is dedicated to providing information, programs, resources, and assistance to those who need it.

Serving nearly two million passengers every month, the diverse accessibility needs of people who travel through PHL are considered in every part of the airport experience. PHL continues to offer a variety of accessibility tools that include the **AIRA App**, which connects blind and low-vision people to remote agents; the **Hidden Disability Sunflower Lanyards**, which raise awareness and increase accessibility for people with non-visible disabilities; and the **Sorenson BuzzCards App**, which allows people to type a message and show it to the person with whom they are communicating.

There are 171 large, easy-to-read LCD monitors throughout PHL's terminals that visually convey information broadcast over the public address system. Guests needing to page someone can obtain assistance by contacting staff using white courtesy phones throughout PHL. Additionally, guests traveling with service animals will find animal relief areas both inside and outside PHL's terminals.



## COMMUNITY OUTREACH & IMPACT



Community engagement is at the heart of what we do.

Keeping the Airport's neighbors engaged and informed is essential to our stability and growth. By maintaining interactions with the adjacent PHL and PNE communities, our Community Relations team is vital to our relationships with our neighbors. Outreach efforts give us the chance to have direct contact and keep people abreast of airport happenings. Through offerings that include group tours and a calendar of fun events, there are ample opportunities to visit the airports and view some of the behind-the-scenes activities.

Examples of the ways the Airport engages with its nearby residents include:

- Quarterly Neighborhood Meetings with Local Community Groups
- Surveys
- PHL Neighbor Newsletter
- Community Engagement Website
- Annual 5K Run/Walk on the Runway
- Schools Tours
- Community Relations Committee
- Resource Job Fair

## CONNECTING WITH STUDENTS

PHL hosts schools from surrounding communities each month as part of our **School Tour program**. Students are given a tour of the airport with a behind-the-scenes look at the day-to-day operations and have the chance to hear from airport leaders discuss their unique career trajectories. The Department's outreach to local schools and youth organizations exposes students to a variety of career paths and inspires an interest in aviation. Through community tour visits, students learn about operations, witness safety demonstrations, and gain insights into accident investigations.

In addition, representatives from the Airport actively participate in career day events at schools and colleges. Other events include:

- Hosting college students learning about air service development and cargo services
- Developing a structured internship program catering to college and upper-class high school students exposing them to aviation careers and helping them build essential skills for the future workforce
- Hosting students from Women Transportation Seminar (WTS) as part of the WTS Philadelphia's Transportation You program introducing girls ages 13 to 18 to transportation careers, with a focus on Science, Technology, Engineering, and Mathematics (STEM)





## MAKING AN IMPACT IN THE COMMUNITY

### 5K Run/Walk on the Runway

PHL held its 5th 5K Run/Walk on the Runway in FY 2023. Almost 400 competitors participated in this rare opportunity to race on a runway while being able to see arriving and departing aircraft up close. Along with the March of Dimes, two neighborhood community groups, Eastwick United as well as Eastwick Friends and Neighbors Coalition, received proceeds from this year's Run. Over \$27,000 was raised from this event.



### Blood Drives

In the second quarter of FY 2023, PHL held its first blood drive since the pandemic. In partnership with the American Red Cross, PHL had 123 donors over three quarterly blood drives. More than 160 pints of blood were collected benefiting persons across the Greater Philadelphia region.



## Community Partnerships

By partnering with Bethesda Project, contributions from employees help make a difference. Bethesda Project provides emergency shelter, housing, and supportive services for individuals experiencing homelessness in Philadelphia. Through donations from Airport employees, the Department gave “Blessing Bags” and greeting cards with words of encouragement to Bethesda residents during the holiday season. Additionally, on Martin Luther King, Jr. Day, Airport employees volunteered for a community service project involving cleaning common use areas, providing snack boxes filled with goodies, as well as playing games and interacting with residents. The Airport’s contributions assisted Bethesda staff in welcoming and supporting individuals, helping them feel safe and aiding in their overall journey to overcome homelessness.



As an organization that stretches across two Pennsylvania counties, the Department looks to play a crucial role in fostering a positive learning environment. During the fiscal year, our staff joined forces with Teachers’ Teammates, a non-profit based in Delaware County that provides school supplies and resources to area students and teachers. Our outreach efforts range from donating binders to volunteering to assist with counting the inventory of supplies. By assisting this non-profit organization, we are directly contributing to the betterment of education in the area.





## ENVIRONMENTAL JUSTICE

While reporting on Environmental Justice in a dedicated section of our ESG report is new for FY 2023, we have a long-standing commitment to environmental justice principles and practices. In 2019, the Department created a staff position solely for the purpose of staying engaged with our community. This Director of Community Relations and Outreach role includes overseeing general stakeholder engagement and maintaining and improving relationships with both internal and external Department stakeholders to facilitate meaningful connection. Additionally, the Airport works directly with city, state and federal agencies addressing environmental justice issues in our region.

Department staff represent the Airport on the City of Philadelphia's Environmental Justice & Climate Resilience Committee, an interagency taskforce to

address climate resilience and environmental justice across the City. The Airport also contributes to the Lower South Infrastructure Resilience Collaborative, an effort to develop a plan and implementation path for a resilient future for the Lower South region of Philadelphia.

The Eastwick neighborhood, directly to the north of PHL, is one of the most prominent Environmental Justice communities in Philadelphia. The neighborhood has suffered from flash floods in recent decades, due to larger and stronger storms such as Hurricanes Floyd, Sandy, and Ida, and Tropical Storm Isaias. Residents experience flooded streets, homes, garages and basements. The Department collaborates regularly with a number of local, state and federal agencies that are taking action to increase resilience and mitigate flooding in

Eastwick and the entire low-lying area in which the airport is located.

The Department is a key member of the Eastwick Intergovernmental Leadership Committee, participates in quarterly Eastwick "townhall" meetings with residents and community leaders and collaborates with Philadelphia Water Department, the Army Corps of Engineers and Drexel University to develop hydrological models of the region that can help predict what types of infrastructure can aid in reducing future flooding. The Department also meets on a semi-annual basis with its Eastwick neighbors to address community concerns, such as noise and flooding, and discuss future plans for airport development and programs.



## NOISE MANAGEMENT

The Department is committed to managing aircraft noise in our operations through the tracking of arrivals and departures, types of aircraft, and atypical flight operations for all aircraft at PHL and PNE. The PHL Noise Office tracks noise continuously using an Airport Noise and Operations Monitoring System (ANOMS) as well as a noise hotline, which allows for both online and telephone complaints. The Department reviews and thoroughly considers all noise complaints and community members who submit a noise complaint are engaged by Department staff to listen to, understand, and log their concerns.

In FY 2023, total noise complaints per household decreased nearly 50% over 2019 levels due partially to the Department's noise abatement measures such as the Fly Quiet program, as well as improvements to aircraft design. The Fly Quiet Program educates pilots and FAA controllers on noise abatement departure routes and preferential runways to reduce noise in residential communities between 10pm and 6am. The Department continues to prioritize tracking and assisting with implementation of new technology and programming to manage and mitigate, whenever feasible, operational noise levels for the benefit of the community.

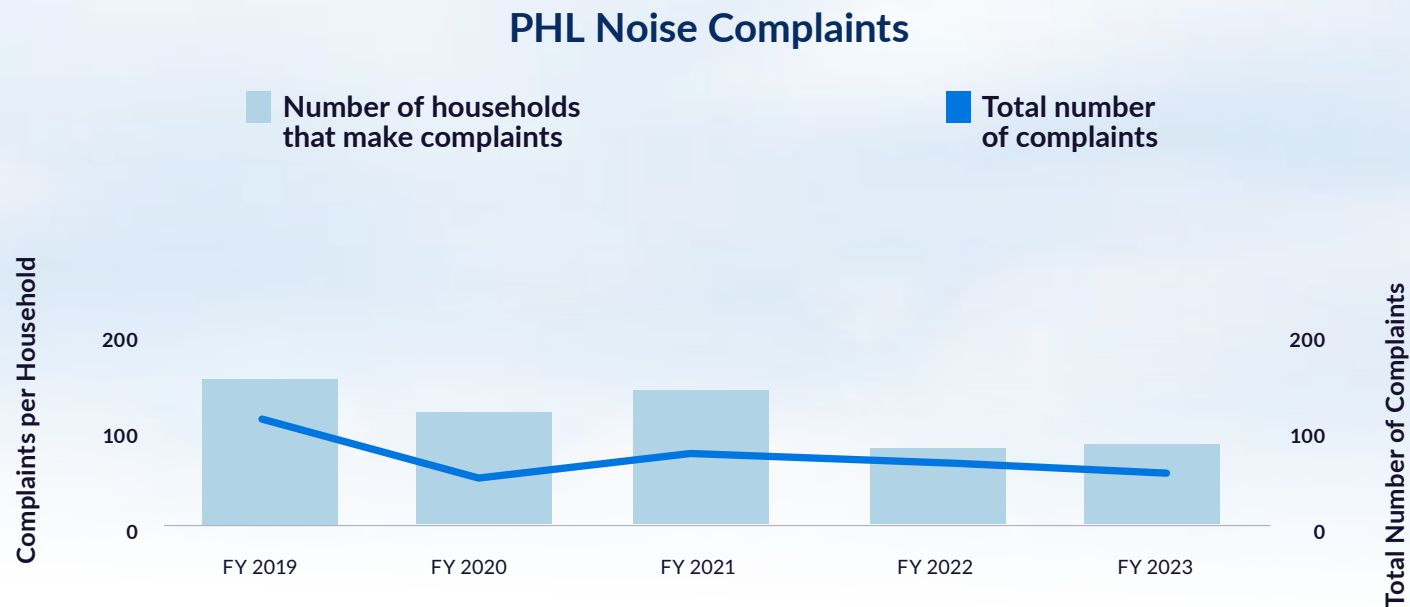


Figure 22.





## Governance

### ORGANIZATIONAL STRUCTURE

Owned by the City of Philadelphia, PHL and PNE are operated by the Department of Aviation, which became a City department at the start of calendar year 2023. Following an amendment to the Philadelphia Home Rule Charter, the Department of Aviation reports directly to the Mayor, instead of operating as a Division under the oversight of the Commerce Department as it had prior to 2023. As a City department, the Department of Aviation continues to receive certain centralized services through the City.

The change from a division to a department enables greater autonomy and efficiency in operations. The change streamlined many activities and allows the airports to adjust to the changing aviation market. The ability to adapt quickly when the need arises is important to the Airport and our stakeholders.

Airports are complex entities with multiple layers of oversight. This encompasses not only the City of Philadelphia, but also federal, state, and adjacent local governments. Additionally, PHL operates under a Use and Lease Agreement, which serves as the main governing document outlining the contractual and business arrangement with the airlines serving PHL.



## ORGANIZATIONAL CHART

The airports are managed by a Chief Executive Officer. In FY 2023, the Department initiated a strategic planning effort led by aviation consultants. As part of the effort, the organizational structure was evaluated, and changes were made to follow best practices in aviation management. The roles of Chief Information Security Officer, Chief Strategy Officer, and Chief Development Officer were created to focus on the critical areas of risk, performance management, and capital project development. In addition, the role of Chief Revenue Officer has been changed to Chief Commercial Officer.

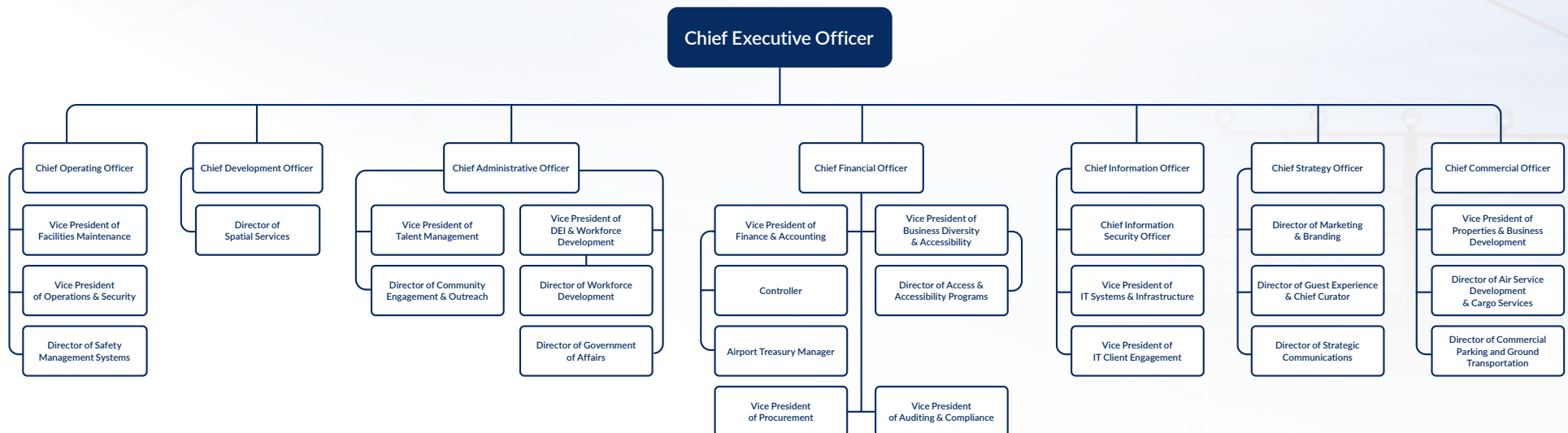
The chart here, reflecting the senior staff of chiefs and vice presidents along with directors, depicts the Department's organizational structure as of January 2024. The changes emphasize the Department's forward-thinking approach to management and are significant to the overall ESG strategy.

## Senior Staff Demographics

	Female	Minority
FY 2019	53%	47%
FY 2020	64%	57%
FY 2021	57%	43%
FY 2022	50%	50%
FY 2023	50%	61%

Table 11.

# DEPARTMENT OF AVIATION





## RISK MANAGEMENT

Risk management is an essential element of our ESG strategy. We proactively seek to identify, evaluate, and manage risks throughout the organization. Our focus areas span environmental, safety, financial, operational, and regulatory risks.

Additionally, the Department coordinates with the City of Philadelphia's Office of Risk Management to obtain insurance coverage and collaborates in evaluating risk exposures, which includes handling claims, worker's compensation, service-connected disabilities, and damage risks to our facilities and equipment. This coordination, together with the Airport's safety and loss prevention programs, aids our efforts to:

- Keep the occurrence and severity of claims and injuries to a minimum
- Lessen the financial impact of claims, lawsuits, and employee injuries
- Deliver a safe environment for our workforce and for the public

## CYBERSECURITY

Along with maintaining a cybersecurity liability insurance policy, a risk mitigation strategy is proactively pursued by the Department. Our strategy focuses on technology governance, risk, and compliance. This three-prong strategy facilitates our ability to determine cybersecurity standards to implement, evaluate proper controls, and continuously monitor threats. Furthermore, this approach allows us to gauge necessary enhancements to our Incident Response Plan.

The probability and impact of cybersecurity incidents are evaluated by using the National Institutes of Standards and Technology (NIST) cybersecurity risk management framework. We assess not only internal risks but evaluate the threats of attacks on third party providers, train both employees and contractors in cybersecurity dangers, and perform regular phishing testing to gauge effectiveness of our efforts. Besides informing employees on the importance of keeping devices secure, we participate in the Cybersecurity and Infrastructure Security Agency (CISA) annual campaign to increase cybersecurity online, at work, and at home. This includes an emphasis on:

- Multi-factor authentication
- Strong password creation
- Phishing attack recognition and reporting
- Timely software updates

## INNOVATION

The Department continues to seek improvements through innovative initiatives. These innovations focus on our people-first values and elevate our customer experience. Projects in FY 2023 include biometric technology, the second phase of the Queue Management System, and plans for technology and infrastructure efficiencies through a new Airport Operations Center.

### BIOMETRIC TECHNOLOGY

Installation of facial biometric technology commenced at 25 of PHL's boarding gates in Terminals A-East and A-West. As one of the first airports in the country to adopt this CBP screening technology, we have increased our ability to process departing passengers on international flights safely and efficiently. According to CBP, PHL's early adoption and successful implementation of the system resulted in some of the highest rates of accurate identity matches in the country.

The biometric system aligns with PHL's strategy and vision of ensuring a safe environment for passengers, while also streamlining the boarding process. Our successful implementation of this state-of-the-art technology sets a standard for improving security while simultaneously enhancing the passenger experience.

### QUEUE MANAGEMENT SYSTEMS (SECOND PHASE)

PHL completed the second phase of its Queue Management System (QMS) to provide passengers with real-time updates at security checkpoints via in-terminal digital signage and at our website. Monitors were first installed at the Terminal D/E checkpoints as part of a pilot program. This next phase includes monitors displaying passenger wait times in PHL's Terminals A-East and A-West. This real-time technology allows passengers to know what they can expect prior to arriving at the security checkpoint and gives them greater control over their travel experience. With this information, passengers can decide how much time they will have to shop and eat or if they would prefer to seek an alternate security checkpoint.





## STRATEGIC PLANNING AND DEVELOPMENT

### MASTER PLAN UPDATE

The Department is planning for a long-term project to create more modern, convenient airport facilities to improve the guest experience. This work will establish a sustainable and efficient global gateway that continues to connect our region to the world. Our objective supports PHL as a preferred domestic and international gateway for air cargo and accommodates the ongoing growth of the region.

Planning for such a project is a massive undertaking that includes community input and collaboration, research and development, and environmental and regulatory studies. To keep operations up and running for our region while building something to last for the future, the project will be implemented in phases starting with a comprehensive plan and a goal of completing all phases by 2040. With the completion of the Master Plan Update, before reaching the construction phase, the next steps include detailed planning, environmental review, and architectural design.

#### PHL Master Plan Status Update

##### *General Implementation Timeline*



### CARGO DEVELOPMENT



**We are transforming PHL into a thriving cargo hub by leveraging our strategic advantages.**

The Department is integrating cutting-edge technology and collaborating with key stakeholders to position PHL as the preferred choice for airlines, freight entities, and major e-commerce players. We have a strategic cargo plan which includes expanding and renovating our current cargo facilities to serve as the foundation for the development of a new 150,000-square-foot cargo facility in the northwest area of PHL's campus. This site already has a dedicated aircraft parking area that was completed in 2023.

The Department is committed to meeting the evolving needs of its cargo community by developing a state-of-the-art 261,000-square-foot cool port facility. This facility will be conveniently located near the Port of Philadelphia along Interstate-95 and specialize in handling temperature-sensitive pharmaceuticals, life sciences, and specialized electronic cargo. To complement this development, the Department plans to undertake a new one-million-plus square foot cargo facility with an additional five million square feet of airfield space.

## FINANCIAL PERFORMANCE & DISCLOSURE

### FINANCIAL PERFORMANCE

As an Enterprise Fund for the City of Philadelphia, the Department is completely self-sustaining, using no local tax dollars for its operations. Revenues from aircraft landing fees, terminal building rentals, concessions, and other facility charges fund the Department's annual expenses. Airport revenue bonds, commercial paper, federal and state grants, passenger facility charges, customer facility charges, and operating revenues are used to fund the capital programs at PHL and PNE.

In FY 2023, total operating revenues were \$396 million. This is a \$71 million (22%) increase over the prior fiscal year. Additionally, this represents 101% of the total operating revenues of FY 2019, which is the last full year of pre-Covid activity. Non-airline revenues increased by 46% due to increases in passenger activity and parking garage income, as well as revenue from a new common use lounge agreement. Enplanements also saw an increase of 8.3% compared to FY 2022.

Parking revenues continued to grow and were \$67 million in FY 2023, which is a \$40 million increase over the prior fiscal year. The 148% increase was due to the growth in the number of passengers using the facilities along with a rate change that went into effect at the end of FY 2022. The FY 2023 parking revenue results represent 181% of FY 2019, which is the last full year of pre-Covid operational activity.

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

### Operating Revenue

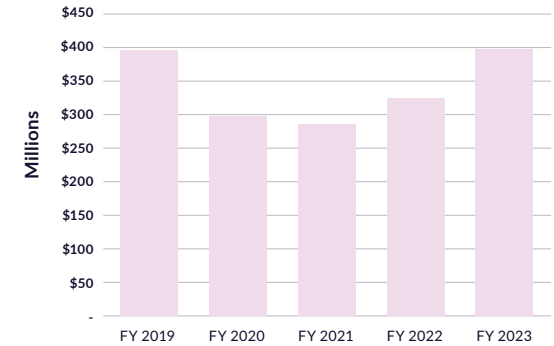


Figure 24.

### Non-Airline Revenue

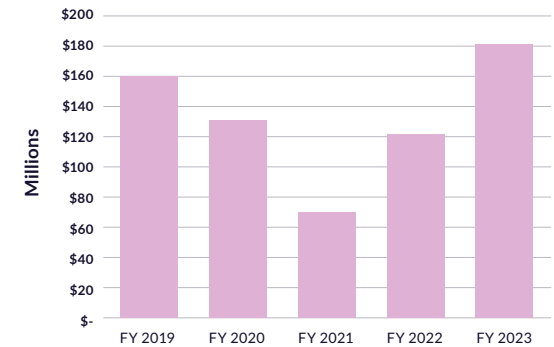


Figure 25.

### Enplanements

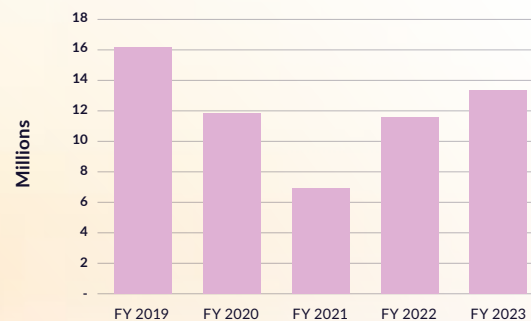


Figure 23.

### Parking Revenue

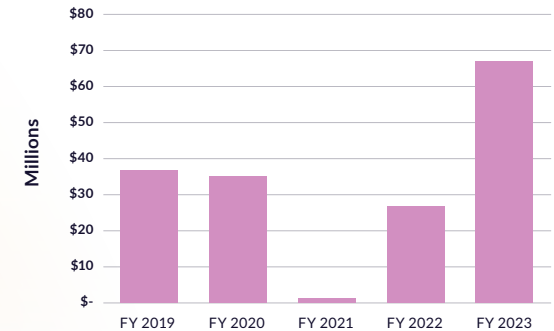


Figure 26.



## CONTINUED TRANSPARENCY & DISCLOSURE PRACTICES

The Department recognizes the importance of transparency along with accountability and strives to provide information to its stakeholders. In addition to information made available on our website and social media accounts, voluntary disclosures of financial and other relevant information are made available via filings with the Electronic Municipal Market Access (EMMA). Additionally, through our dissemination agent (Digital Assurance Certification, LLC), we disclose timely and transparent information to the marketplace.

The City of Philadelphia's Disclosure Policies and Procedures govern our distribution of information. These policies serve as the guidelines for official statement reviews, due diligence related to rating agencies and investors, disclosure coordination with the City Treasurer's Office, document dissemination, and required trainings surrounding the disclosure of information.

## Airport Credit Ratings

Rating Agency	Rating	Outlook
S&P Global	A+	Stable Outlook
Moody's	A2	Stable Outlook
Fitch	A	Stable Outlook*

Table 12.

In FY 2023, S&P Global (S&P) assigned an "A+" rating with a stable outlook on the Airport's general airport revenue bonds. This is up two notches from the "A-" rating received in 2021. In explaining its rating, S&P stated, "The upgrade reflects a passenger recovery resulting in an improved enterprise risk profile to very strong and financial metrics we expect will be maintained at levels generally consistent with a strong financial risk profile."



\* In the first quarter of FY 2024, Fitch affirmed its "A" rating and assigned a positive outlook to the Airport's revenue bonds. In its ratings report, Fitch Ratings cited PHL's new airline Use and Lease agreement which "incorporates enhanced cash reserving mechanisms supportive of the airport's upcoming large Capital Development Plan (CDP) and demonstrates airline carriers' ongoing commitment to serving the airport and its service area."

## GRANTS

In FY 2023, the Department received the grants listed in Table 13, many of which were secured via a competitive process.

### Grant Summary for FY 2023

Program	Grant Amount	Source
Restroom Renovation Program (PHL)	\$24.0M	Federal – Bipartisan Infrastructure Law's Airport Terminal Program
Taxiway Construction (PHL)	\$22.2M	Federal – FAA Airport Improvement Program (AIP)
Terminal Energy Optimization Program	\$15M	Federal – Bipartisan Infrastructure Law's Airport Terminal Program
Taxiway Rehabilitation (PNE)	\$2.8M	Federal – FAA Airport Improvement Program (AIP)
TSA Law Enforcement Officer	\$1.2M	Federal – Transportation Security Administration
Administration Building Rehabilitation (PNE)	\$1M	State - PA Dept. of Community and Economic Development
SEPTA Platforms (PHL)	\$1M	State – PA Redevelopment Assistance Capital Program
FDR Park Wetlands (PHL)	\$1M	State – PA Redevelopment Assistance Capital Program
Security Fence (PNE)	\$945K	State - PA Dept. of Community and Economic Development
AIP Match for PHL project	\$600K	State – PA Dept. of Transportation (PennDOT) Bureau of Aviation
TSA Canine Team	\$555K	Federal – Transportation Security Administration
Decarbonization Plan	\$220K	Federal – Airport Improvement Supplementary Discretionary Grant
AIP Match for PNE project	\$141K	State – PA Dept. of Transportation (PennDOT) Bureau of Aviation
South Commercial Road Rehabilitation	\$100K	State - PA Dept. of Community and Economic Development
ADA Terminal Improvements	\$100K	State - PA Dept. of Community and Economic Development

Table 13.

## AIR CARRIER PARTNERSHIPS

### PASSENGER AIRLINES

It is our strong relationships with our airline partners that contribute to our continued success. At the end of FY 2023, PHL offered 121 non-stop destinations, of which 94 were domestic and 27 were international.

#### DOMESTIC



#### REGIONAL



#### INTERNATIONAL





## LANDLINE SERVICES

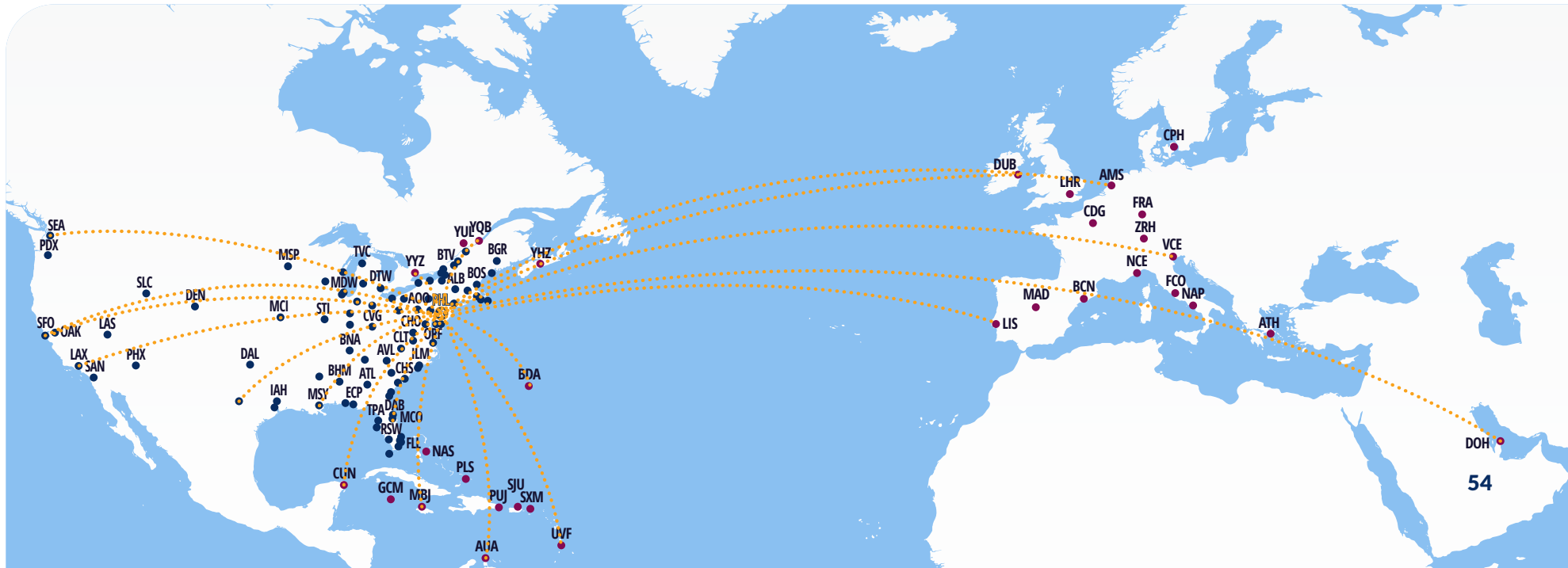
At the end of FY 2023, PHL had plans in motion to extend the American Airlines' Landline motorcoach/plane service. TSA granted an industry-first approach for airside-to-airside connectivity via motorcoach between PHL and two companion airports, Atlantic City International Airport (ACY) and Lehigh Valley International Airport (ABE).

Travelers go through TSA screening, check into their flights, and check their bags at their local airport (ACY or ABE) before being shuttled to PHL by Landline. Upon arrival at PHL, there is no need for travelers to be rescreened. Once the Landline vehicle clears the PHL security gate, passengers are dropped off on the secure side at Terminal F and proceed to their connecting flights while their checked luggage is handled by American Airlines. Travelers returning home arrive at PHL, board their Landline coach airside, and arrive directly at their local airport with their checked baggage directly transferred between Landline's vehicles and the American Airlines' network. Throughout the process, robust security protocols are followed.

This new service provides connectivity for passengers in underserved markets, helps airlines reduce carbon emissions to meet their environmental targets, and is time-competitive with flights on routes under 200 miles. Passengers benefit by bypassing the stress of commuting, finding parking, and waiting in an additional security line. This offers a more convenient, streamlined airside-to-airside experience that also provides the opportunity for travelers to enjoy other PHL amenities.



PHL Domestic and International Route Map 120+ Nonstop Destinations



## CARGO AIRLINES

PHL has licensing agreements with several cargo partners. Our strong alliances allow us to support our cargo expansion program with state-of-the-art facilities. Along with our cargo airline partners, PHL handled over 583,000 tons of cargo in FY 2023 and is the second largest North American cargo hub for United Parcel Service (UPS).

### CARGO



## LOOK AHEAD

It is an exciting time at the Airport as we look ahead to many significant events in our region. Wrestlemania comes to Philadelphia in 2024, and the City hosts the Homecoming 250: Navy & Marines Anniversary in 2025. Major events in 2026 include the 2026 World Cup, Major League Baseball All Star Game, and Semiquincentennial - the 250th Birthday of the United States. We are proud to know our Airport will play a key role in each of these events and preparations are well underway to ensure the safety, satisfaction, and excellent customer service with which the Department has become synonymous. In FY 2023, PHL served more than 25 million passengers, making it the busiest Airport in Pennsylvania and one of the busiest in the region. We are primed for future growth and ready to take on this challenge with an eye toward responsible environmental stewardship. As our operations continue to grow, we continue to prioritize the on-going monitoring, management, and transparent disclosures on our carbon footprint and airport operations through environmental, social, and governance reporting.





## APPENDIX – DATA SUMMARY

ENVIRONMENTAL	2019	2020	2021	2022	2023
<b>Total PHL GHG Emissions (CY)</b>					
Scope 1 (MTCO2e)	22,149	*	13,278	16,496	**
Scope 2 (MTCO2e)	51,537	*	36,840	42,232	**
Scope 3 (MTCO2e)	4,370,153	*	3,133,698	2,989,077	**
Total GHG Emissions (MTCO2e)	4,443,839	*	3,183,816	3,047,805	**
<b>Total PNE GHG Emissions (CY)</b>					
Scope 1 (MTCO2e)	-	*	603	584	**
Scope 2 (MTCO2e)	-	*	608	626	**
Scope 3 (MTCO2e)	-	*	32,566	N/A	N/A
Total GHG Emissions (MTCO2e)	-	*	33,777	1,210	**
<b>Fuel Usage by Type (FY)</b>					
CNG (Gallons)	343,927	223,786	79	161,087	262,311
Gasoline (Gallons)	126,337	116,715	103,289	94,651	103,639
B5 Diesel (Gallons)	68,815	49,414	47,585	37,990	31,495
Snow Equipment (Gallons)	9,731	344	N/A	7,587	3,967
Shuttle B2 Diesel (Gallons)	88,844	-	-	-	-
Annual Vehicle Fossil Fuel Use (Gallons)	637,654	390,259	150,953	301,315	401,412
<b>PHL Terminal Energy Use Intensity (CY)</b>					
Energy Use Intensity (MMBtu/sq. ft.)	0.26	0.22	0.22	0.23	**
<b>Electricity Usage (CY)</b>					
PHL (kWh)	156,694,890	139,266,175	138,437,417	141,333,384	**
PNE (kWh)	2,652,577	2,216,940	2,028,352	2,476,932	**
<b>Natural Gas Usage (CY)</b>					
PHL (CCF)	2,994,933	2,216,940	2,273,925	2,616,080	**
PNE (CCF)	64,396	58,111	65,545	72,043	**
<b>eGSE Pollutant Reduction (CY)</b>					
Petroleum-Based Fossil Fuel Emissions Reduced from Transition to eGSE (Tons)	61	51	35	31	**

ENVIRONMENTAL	2019	2020	2021	2022	2023
<b>Carbon Emissions Reduction (CY)</b>					
GPU/PC Air Data (Emissions Reduction) (Tons)	49,885	42,492	52,866	40,615	**
<b>Waste &amp; Recycling (FY)</b>					
Total Waste Collected (Tons)	1,617	1,350	833	1,387	1,306
Total Recycling Collected (Tons)	42	17	4	131	442
Hazardous, Non-Hazardous, and Universal Waste (Tons)	29	4	8	2	10
<b>Single Use Water Bottles and Food Donations (FY)</b>					
Single Use Water Bottles Avoided (Count)	1,187,292	*	971,763	1,410,740	1,979,338
Food Donated (Pounds)	10,633	35,523	18,403	6,170	55,041
CO2 Emissions Reduction/Hauling Costs Saved from Food Donations (Tons)	15	50	25	9	76
<b>Potable Water, Stormwater Runoff, and Reportable Spills (FY)</b>					
Potable Water Use (Gallons)	168,981,207	164,377,695	125,346,585	151,454,348	154,266,772
Stormwater Runoff Collected Containing Deicing Fluid (Gallons)	6,438,100	2,685,700	3,576,800	4,069,000	2,998,476
Reportable Spills (Count)	7	6	6	4	5

\*Omitted due to COVID-19 Pandemic

\*\* Emissions, electricity, natural gas, eGSE pollutant reduction and carbon emissions reduction data are reported on a calendar year (CY) basis to maintain alignment with ACA verification timelines. CY 2022 is the most recent emissions data included in this report. Emissions calculations may fluctuate slightly as grid carbon intensity changes over time.

## APPENDIX – DATA SUMMARY

SOCIAL	2019	2020	2021	2022	2023
<b>Full-Time Employees (FY)</b>					
Total Number of Staff (Count)	808	754	612	617	643
<b>Workforce by Ethnicity (FY)</b>					
Black (Count)	513	476	377	374	384
White (Count)	220	202	170	168	174
Hispanic (Count)	34	33	25	30	32
Asian (Count)	33	32	30	33	40
Other (Count)	8	11	10	12	13
<b>Full-Time Staff Demographics (FY)</b>					
Minority All Staff %	73%	73%	72%	73%	73%
Female All Staff %	34%	34%	32%	33%	34%
Multilingual All Staff	10%	10%	11%	11%	12%
<b>OEO &amp; ACDBE Goals (FY)</b>					
PHL OEO %	30%	30%	32%	30%	32%
PHL Federal DBE %	9%	15%	17%	18%	11%
ACDBE Storefront Concessions %	39%	41%	41%	30%	46%
M/W/DSBE Professional Service Contract Sales (\$)	\$21,217,841	\$20,689,770	\$17,810,669	\$30,338,258	\$27,736,830
<b>Business Opportunity Forum (FY)</b>					
Business Opportunity Forum Attendees	417	389	384	300	320
<b>Marketplace (FY)</b>					
Philabundance Data: Pounds of Food Donated (Pounds)	10,633	35,523	17,903	6,170	54,201
Philabundance Data: CO2 Emissions Reduction/Hauling Costs Saved (Tons)	14.89 tons	49.73 tons	25.06 tons	8.60 tons	75.88 tons
<b>Noise Complaints (FY)</b>					
Noise Complaints by Number of Households (Count)	154	111	142	72	81

## APPENDIX – DATA SUMMARY

GOVERNANCE	2019	2020	2021	2022	2023
<b>Senior Staff Demographics (FY)</b>					
Minority Senior Staff %	47%	57%	43%	50%	61%
Female Senior Staff %	53%	64%	57%	50%	50%
<b>Economic Performance (FY)</b>					
Enplanements (Count)	16,000,000	12,000,000	7,000,000	12,000,000	13,000,000
Operating Revenue (\$)	\$391,000,000	\$295,000,000	\$288,000,000	\$325,000,000	\$396,000,000
Non-Airline Revenue (\$)	\$160,000,000	\$131,000,000	\$71,000,000	\$126,000,000	\$184,000,000
Parking Revenue (\$)	\$37,000,000	\$35,000,000	\$1,000,000	\$27,000,000	\$67,000,000