



2018 ANNUAL & SUSTAINABILITY REPORT

VANCOUVER AIRPORT
AUTHORITY



ABOUT THIS REPORT

The YVR 2018 Annual & Sustainability Report provides an in-depth look at Vancouver Airport Authority and Vancouver International Airport (YVR), continuing a tradition of honest and transparent reporting under our sustainability pillars: Governance, Economic, Environment and Social. It presents a broad view of the Airport Authority's activities from 2018, identifying key priorities and challenges, while also tracking performance. Driving this narrative is our commitment to improvement, which—for the first time—aligns our reporting in accordance with the Global Reporting Initiative (GRI).

WHAT IS GRI?

“GRI helps businesses and governments worldwide understand and communicate their impact on critical sustainability issues such as climate change, human rights, governance and social well-being. This enables real action to create social, environmental and economic benefits for everyone. The GRI Sustainability Reporting Standards are developed with true multi-stakeholder contributions and rooted in the public interest.”

—[globalreporting.org](https://www.globalreporting.org)

For more information on how we approach GRI, **see page 157.**

ABOUT VANCOUVER AIRPORT AUTHORITY

Vancouver Airport Authority is the community-based, not-for-profit organization that manages Vancouver International Airport (YVR). We have no shareholders and we reinvest all profits back into airport operations and development—providing social and economic benefits for the region, while inspiring airports around the world and improving YVR for everyone. We strive to make YVR an airport that British Columbia can be proud of and we do this, every day, through our commitment to excellence and our focus on serving passengers, partners and communities.



MISSION

**Connecting
British Columbia
Proudly to the
World**

VALUES

**Safety,
Teamwork,
Accountability,
Innovation**

VISION

**A world-class,
sustainable hub
airport**



25
MILLION

On December 18, YVR welcomed its 25 millionth passenger—two years ahead of forecast. We are experiencing unprecedented growth and, as this report demonstrates, we couldn't have achieved our many milestones without the support of our passengers, partners, communities and the team of over 24,000 people who work on Sea Island.

2018 AWARDS AND RECOGNITION



Best Airport in North America for nine consecutive years. And this just in: 2019 Best Airport in North America for a record 10 years!



Airport Efficiency Excellence Award (15 – 25 million passengers category)
Air Transport Research Society



Canada's Best Diversity Employers



Accessibility Certified Gold
First airport in North America



Employment Equity Achievement Awards
Employment Equity Champion—Craig Richmond
Employment Equity Achievement
(sector distinction)



1st Place – Corporate Challenge Competition



Tree for Life Award
North Airfield Upgrades Project



Highest sales per enplaned passenger in North America



Cake of the Week—Air Canada: Vancouver to Paris

2018 AWARDS AND RECOGNITION



Best Retail Program Large Airport—3rd place

ACI-NA Conference and Awards

Best New Food and Beverage (Full Service Concept): Lift Restaurant—2nd place

ACI-NA Conference and Awards

Environmental Achievement Award

YVR’s Waste Management Program

Level 3 Carbon Accreditation

Marketing and Communications Awards

- | | |
|---------------------|---|
| 1st Place: | Overall Public Relations Program for YVR’s “More” construction campaign |
| Honourable Mention: | Partnering with Carriers for YVR’s Expedia hub building campaign |
| Honourable Mention: | Community Education and Outreach for Beyond, Every Day video series |
| Honourable Mention: | Print Communications for Skytrax 9 campaign |
| Honourable Mention: | Video and Film Production for Bigfoot Gets a Job at YVR |
| Honourable Mention: | Overall Marketing Programs (Medium Airport) for Rumble at YVR with Jackie Chan and Hong Kong Airlines |

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MESSAGE FROM MARY JORDAN

Chair, Board of Directors

2018 was a historic year. We completed key milestones, strengthened our community relationships and further developed YVR—as a world-class hub that benefits everyone.

Vancouver Airport Authority is committed to serving the needs of our region. Through our unique governance model, we reinvest all profits back into the airport, constantly improving it while providing social and economic benefits for our communities. We truly believe in this model and, as 2018 demonstrated, we're very proud of the results.

We were pleased to share the new, YVR 2037 Master Plan in 2018. This plan will guide YVR's land use and includes our future vision, outlining a range of transportation and terminal enhancements. Most importantly, it's the result of a multi-phased and multi-year consultation process and will bring many of your ideas to life—from creating more community connections to improving the airport experience.

We celebrated the first year of the historic *Musqueam Indian Band - YVR Airport Sustainability & Friendship Agreement*, a 30-year collaboration that ensures we work together to create a thriving airport. We made great progress, providing numerous scholarship and job opportunities for our Musqueam friends, while launching environmental and cultural projects together.

We also continued to strengthen our community and environmental initiatives. This included donating over \$1 million to more than 50 organizations such as Covenant



House, the Pacific Salmon Foundation, British Columbia Mobility Opportunities Society and more. In addition, we received Level 3 Carbon Accreditation from Airports Council International and we diverted 51 per cent of our terminal waste from landfill, a key 2020 goal—for the third year in a row.

I was very proud to see that, for the first time, Vancouver Airport Authority was named one of Canada's Best Diversity Employers in 2018. This award demonstrates, more than anything, that our unique model has created an airport that represents the communities we serve. British Columbia's communities are an integral part of our story as a world-class hub.

And I am pleased to announce that we have aligned our story with the Global Reporting Initiative. We worked with key stakeholders to identify topics that are important to them and, through this report, we tell the story of how YVR strives to improve. I hope you enjoy reading it and, most of all, I want you to know that YVR couldn't succeed without your support. Thank you.

Mary Jordan

Chair, Board of Directors
Vancouver Airport Authority

MESSAGE FROM CRAIG RICHMOND

President & CEO

2018 was a big success, thanks to the support of our partners and our amazing team, which delivered an exceptional airport experience—in the midst of unprecedented growth.

YVR continued to connect B.C. proudly to the world in 2018, a year that ended strong with our 94th month of consecutive growth. There were many big moments throughout the year including one of our most celebrated milestones on December 18, when YVR welcomed its record 25 millionth passenger.

Our growth was ahead of schedule thanks to our innovative approach to business and the great work of our partners, who gave passengers more destinations to choose from. Air Canada started new services to Zurich, Paris, Sacramento and Lihue—and expanded its services to Delhi, London-Heathrow and Melbourne. We also welcomed Lufthansa's new Airbus A350—a first for Canada—and new airline partner Hainan Airlines, with service to Shenzhen.

At the same time, we broke ground on our ambitious 20-year expansion program, which consists of up to 75 projects valued at \$9.1 billion. These projects, which include a new Parkade, one of Canada's largest GeoExchange plants and an international terminal expansion, currently support over 2,000 jobs at the airport and provide economic benefits across B.C. And some of them have recently been completed, including our Value Long Term lot and a new jetSet valet parking product.



We continued to improve the terminal experience while upholding the highest safety standards. Our airside teams conducted annual runway and taxiway maintenance and started building Runway End Safety Areas on our North Runway. Meanwhile, we launched our new CHECKITXPRESS™ product, the world's most accessible and intuitive self-service bag drop. And our friendly green coat volunteers continued to deliver exceptional customer care.

These efforts led to YVR's biggest achievement to date: being named Best Airport in North America for a record nine years in a row. This award, voted on by over 13 million passengers worldwide, shows that we are on the right path. And it's all thanks to our incredible team—a community of over 24,000 people who work on Sea Island, every day, to connect our airport proudly to the world. I want to thank this team for another great year and for the many successes to come.

Craig Richmond

President & CEO

Vancouver Airport Authority



2018 HIGHLIGHTS

2018 was a big year for YVR. We continued to embed sustainability throughout our decision-making and culture, focusing on a wide range of initiatives under our governance, economic, environment and social pillars. At the same time, we worked towards major milestones under the guidance of the Airport Authority's new three-year Strategic Plan (2018 – 2020). The plan contains an ambitious vision—to make YVR a world-class sustainable hub airport—and includes bold new targets for 2020: 29 million passengers, direct access to 144 destinations and 327,000 metric tonnes of cargo.

We made great progress by focusing on the Strategic Plan's vision and major objectives:

10
**Building
the Hub**

12
**Speed and Ease
of the Hub**

14
**Outstanding
Customer
Experience**

16
**Exceptional
Foundation**

**25.9
MILLION
PASSENGERS**



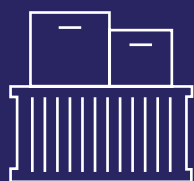
In 2018, YVR welcomed a record 25.9 million passengers thanks to the efforts of our partners, the great work from our team and the support of the travelling public.

YVR finished 2018 with direct access to 128 destinations worldwide. We connected people and products with key markets in the Americas, Europe and the Asia-Pacific—spurring growth and innovation around the world.

**128
DESTINATIONS**



**338,218
TONNES OF CARGO**



In 2018, we moved 338,218 metric tonnes of cargo, an 8.1 per cent increase over 2017—reaching our 2020 target two years early. Our cargo included a range of products, from prized B.C. fruit and seafood to high-tech products, apparel and much more.

BUILDING THE HUB



YVR has come a long way since first opening in 1931, as a single runway airport with just over 1,000 annual passengers. We are now a major connecting hub, linking millions of people to destinations

all over the world. Our success is built around a natural advantage: the airport is ideally positioned for growth as it's located directly between Asia and the Americas, two of the world's major growth regions.



WHY ARE CONNECTING HUBS IMPORTANT?

YVR's mandate is to serve our region, connecting people and products to destinations all over the world through a safe, efficient and reliable airport experience. We deliver on this mandate—and go well beyond—by being a connecting hub, which encourages passengers from other parts of the world to travel through our airport. Connecting passengers create enough demand to support air services that would not otherwise be

possible, and the result is more destinations, airlines and choices for everyone. These additional services provide many other benefits for our local communities. For instance, YVR's operations support over 24,000 jobs at the airport and we help facilitate over 100,000 jobs across B.C. The airport contributes over \$16.5 billion in total economic output and, as we continue to grow, we expect this impact to increase.

10 YEARS OF GROWTH (2009 – 2018)

We are seeing strong growth from our connecting hub vision, thanks to our team's efforts to improve the hub and attract more wide-body aircraft, which facilitate global connections.

DOMESTIC:

+3.7 M PASSENGERS, **43%** GROWTH

ASIA-PACIFIC:

+2.3 M PASSENGERS, **111%** GROWTH

EUROPE:

+650,000 PASSENGERS, **59%** GROWTH

LATIN AMERICA:

+510,000 PASSENGERS, **119%** GROWTH

TRANSBORDER (U.S.):

+2.4 M PASSENGERS, **65%** GROWTH

CARGO:

+140,690 METRIC TONNES, **71%** GROWTH

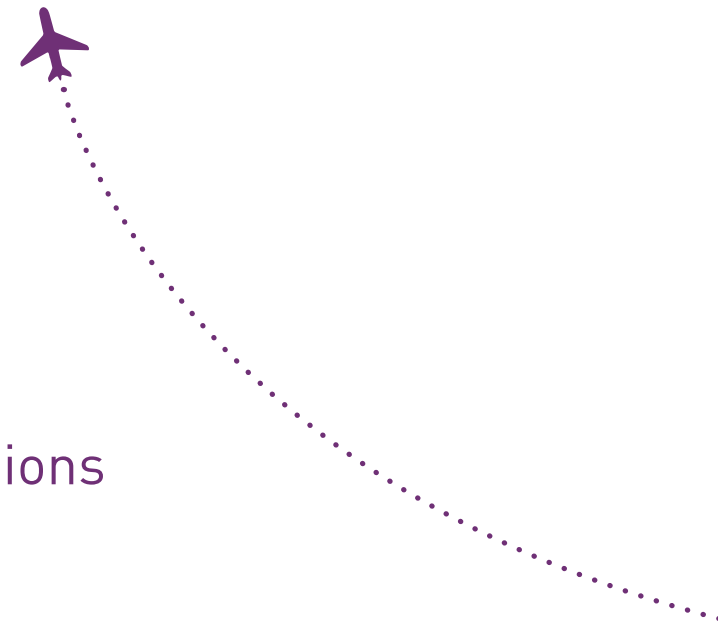
AIR CANADA'S TRANS-PACIFIC HUB

Our major airline partner, Air Canada, is key to YVR's success as a connecting hub. Over the last several years, we have worked closely with Air Canada to support their vision to make YVR a trans-Pacific hub. We have welcomed Air Canada's new strategic links to key destinations including Delhi, Brisbane, Melbourne, Paris and Zurich. In addition, Air Canada has continued to connect YVR with strategic markets in Asia and the Americas with service to major hubs including Beijing, Shanghai, Hong Kong, Taipei and Mexico City. Millions of passengers and a wide range of products from these destinations fly through YVR every year—many of which connect through our airport to markets in the Americas and beyond.

We would like to thank Air Canada for their support in realizing our hub vision and connecting our region proudly to the world!

*Growing a global airport takes careful planning and dedication. As detailed in the **following section**, we continued to grow our hub in 2018 by focusing on a range of initiatives.*

SPEED AND EASE OF THE HUB



To be a world-class hub, we seek to make our airport more efficient—through terminal expansions and upgrades, innovative technologies, process improvements and policy changes.

FUTURE EXPANSION

On June 14, YVR celebrated a historic ground-breaking event to mark the beginning of its \$9.1 billion expansion program, which will comprise up to 75 projects over the next 20 years. Projects currently underway include an international terminal expansion, a new Parkade, a Central Utilities Building and one of Canada's largest GeoExchange plants. Learn more at yvr.ca/construction.



IMPROVED CHECK-IN PROCESS

In May, we celebrated the installation of the first CHECKITXPRESS™ self-bag drop. Our Innovative Travel Solutions (ITS) team developed this new product with Glidepath, one of the world's leaders in airport baggage handling. It's accessible, efficient and intuitive, improving speed and ease of use for travellers regardless of age, digital fluency, language or mobility. There are now 10 CHECKITXPRESS™ units in place at YVR that have processed over 120,000 bags.



BEYOND PRECLEARANCE COALITION

2018 was a significant year for our Government Relations team. We helped establish the **Beyond Preclearance Coalition**, a group of bi-national organizations with a vested interest in advancing the efficiency and security of the movement of goods and people across the shared U.S.– Canada border. The coalition commissioned a **White Paper** that identified the steps needed to achieve our future border vision.

In October, we hosted the two-day YVR Aviation Border Summit II, which focused on the aviation recommendations identified in the White Paper. More than 120 decision-makers from the Canadian and U.S. governments, agencies and industry gathered to discuss key initiatives.

The successful Summit identified six action items including the creation of a single window for eTA/ESTA applications, remote cargo screening for goods and the use of facial biometrics to expedite passenger processes. We will continue to work closely with the Beyond Preclearance Coalition, industry and government partners to move the recommendations forward.



OUTSTANDING CUSTOMER EXPERIENCE



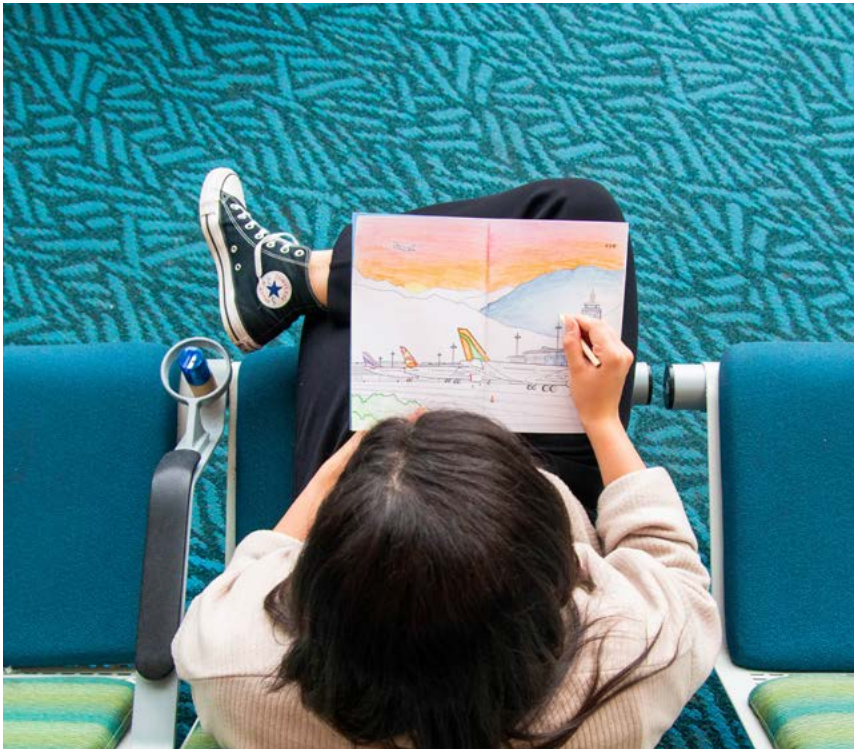
In 2018, we continued to delight our customers with new amenities, improved facilities and key initiatives, improving the travel experience during a period of unprecedented growth.



GOLD CERTIFIED ACCESSIBILITY

In 2018, YVR received the Accessibility Certified Gold rating under the Rick Hansen Foundation Accessibility Certification™ program. YVR is the first airport in North America to receive the rating and our terminal is the

highest-rated building in the program, which measures meaningful access beyond building code and is based upon the holistic user experience of people with varying disabilities affecting their mobility, vision and hearing.



FLY CALM INITIATIVE

To further improve the airport experience, we launched the Fly Calm Initiative together with the Canadian Mental Health Association. Designed to help with the stress of travel, the new initiative includes a range of resources to help reduce stress throughout the travel experience.

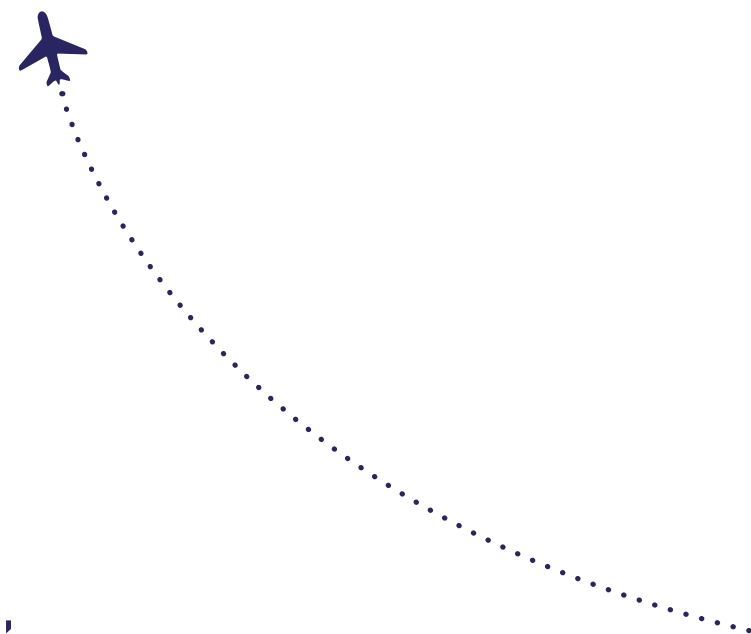
MORE OPTIONS FOR PASSENGERS

Each year we conduct quarterly customer satisfaction surveys, and one of the key areas noted for improvement has been our food and beverage options. We listened and in 2018 embarked on a significant transformation of our commercial program, emphasizing local and authentic flavours while offering a variety of strong international brands. Over the next several

years, travellers can look forward to a wide range of new options, including many first-time concepts to complement the airport's existing award-winning portfolio of more than 170 shops, services and restaurants located before and after security. More information on our new offerings is available [here](#).



EXCEPTIONAL FOUNDATION

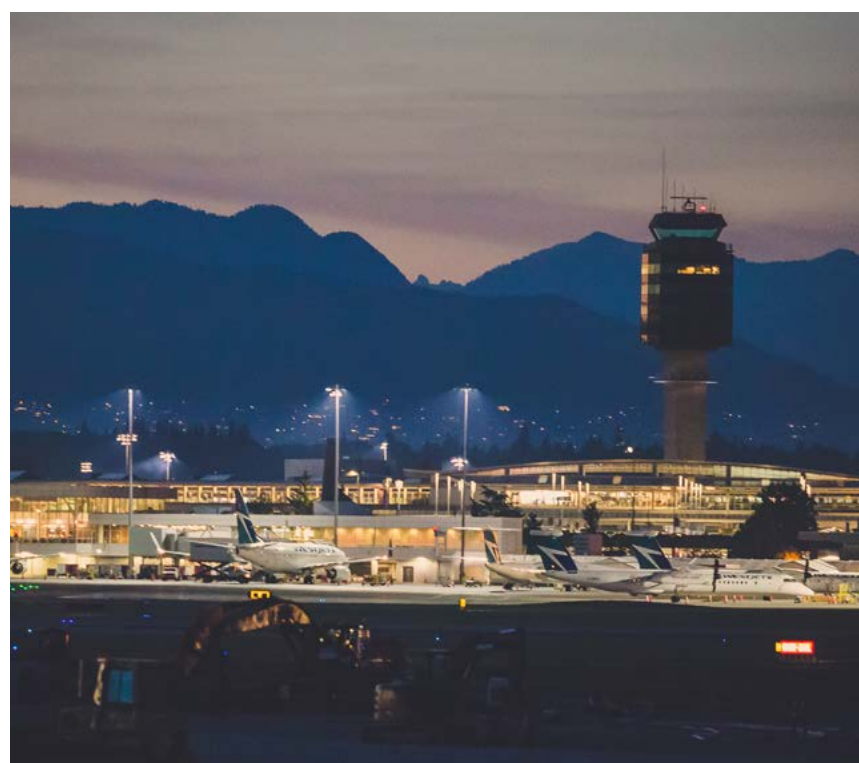


The pursuit of our strategic goals is supported by an exceptional foundation. Key elements include: employees, environment, financial strength, sustainability, reputation, enterprise risk management, IT and digital, infrastructure, governance and accountability.

YVR LIFTS BRITISH COLUMBIA

On January 23, the Airport Authority engaged an audience of nearly 500 community and business members at its annual Greater Vancouver Board of Trade (GVBOT) presentation. The presentation marked

another successful year and helped convey our story to a wide audience through an entertaining and thought-provoking approach: showing how YVR “lifts” B.C. **Watch the full presentation.**



CARBON ACCREDITATION— LEVEL 3



In 2018, we achieved Airports Council International’s Level 3 Carbon Accreditation, recognizing our efforts to be a leader in environmental management. As part of Level 3 accreditation, we engaged partners in carbon reduction and implemented a range of programs to reach environmental targets. More information on our environmental activities is available starting on **page 77**.

IMPROVING SAFETY

Safety is our top priority—at all times. In 2018, we worked on key projects that will ensure we continue to provide a safe airport experience for everyone. This included the start of construction for Runway End Safety Areas (RESAs) on our North Runway. As their name implies, RESAs improve safety in the unlikely event an aircraft lands short or overshoots a runway. We have invested \$150 million to build 300-metre RESAs, double the length of the proposed Canadian standard and in compliance with International Air Transport Association (IATA) standards. We have completed RESAs on both the South and Crosswind Runways.



DETERMINING REPORT CONTENT

Vancouver Airport Authority is committed to constantly improving its sustainability reporting. We regularly identify opportunities, through annual benchmarking and third-party audits, and we aim to reflect a high level of open, honest and timely communication—in keeping with our core value of accountability.

We prepared the 2018 Annual & Sustainability Report in accordance with the **Global Reporting Initiative** (GRI) for the first time. The GRI Sustainability Reporting Standards are the most widely adopted global standards in sustainability reporting. They align with the Airport Authority's commitment to accountability, helping us better understand our contribution to social, economic and environmental impacts and how we can strengthen relationships with stakeholders.

The result of reporting in accordance with GRI, highlighted throughout this document, covers a broad range of key topics that demonstrate our many efforts. This report reflects the environmental, economic and social impacts of Vancouver Airport Authority. It does not include the impacts of our subsidiaries; it does, however, include a brief update on our subsidiaries and incorporates their financial activities as part of the Airport Authority's consolidated financial statements.

We have included several new features, which form the framework of this report and are referenced throughout:



STAKEHOLDER ENGAGEMENT

We have highlighted our key stakeholders—those who are impacted by or have an influence on YVR's operations—and we identify how we engage with them and what topics are relevant to each group.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We have adopted the United Nations Sustainable Development Goals, identifying areas of our operations where we are contributing the most.



MATERIAL TOPICS

We have developed our reporting narrative around 17 material topics, which are topics that reflect our impacts and influence the assessment and decisions of stakeholders. We identified these topics

through an extensive process that included a document review, surveys, workshops and interviews with key stakeholders. These material topics, which are a core requirement of GRI, are in alignment with our four pillars of sustainability.

STAKEHOLDER ENGAGEMENT



YVR plays an important role in Canada's aviation sector, connecting passengers and products to destinations all over the world. As a community-based organization, Vancouver Airport Authority is accountable to our region and we deliver on this responsibility by working with our many stakeholders to constantly improve YVR for everyone.

OUR STAKEHOLDERS

We define our stakeholders as anyone who influences or is impacted by YVR’s operations. This includes the millions of passengers who pass through YVR every year, employees, local communities and a wide range of partners.



Passengers

As Canada’s second-busiest airport, YVR welcomes millions of passengers every year. These passengers come from all over the world, with key markets including Canada, the U.S., the Asia-Pacific, Latin America and Europe.



Airlines

Fifty-six airlines serve YVR, connecting people and businesses to more than 125 non-stop destinations worldwide.



Airport business partners

Over 24,000 people work on Sea Island to support YVR’s operations. This team includes a broad range of YVR business partners—from commercial tenants to maintenance and our customer care team, ground transportation, baggage providers, contractors and much more.



Vancouver Airport Authority

Vancouver Airport Authority employs a core team of over 500 professionals in a range of occupations including technical and administrative roles, management, trades and operations. Our community-based Board of Directors oversees the business conduct and activities of the Airport Authority’s Executive Team.



Local communities

YVR is located on Sea Island in Richmond, British Columbia, and is bordered by Vancouver across the Fraser River. Our local communities include the 23 authorities that make up the Metro Vancouver Regional District and Musqueam Indian Band, whose traditional land YVR is located on.



Government and regulators

We work with municipal, regional, provincial and federal governments, as well as federal and international regulators, to ensure the airport meets and exceeds all regulations, while providing economic and social benefits for our region.



Industry associations

We strive to be a leader in the aviation industry and we work with a broad range of industry partners: regional airports and industry organizations such as Airports Council International – North America (ACI – NA), the Canadian Airports Council (CAC), the International Air Transport Association (IATA) and the International Civil Aviation Organization (ICAO).

ENGAGEMENT

STAKEHOLDER	HOW WE ENGAGE	2018 HIGHLIGHTS
 <p>Passengers</p>	<ul style="list-style-type: none"> • Annual Customer Satisfaction Survey • Daily frontline Customer Care team • Information kiosks • Monthly Sea Island newspaper • YVR Website • Social media • Regular airport events 	<ul style="list-style-type: none"> • 92 per cent Customer Satisfaction rating, our highest ever • Most followed airport in Canada—Twitter
 <p>Airlines</p>	<ul style="list-style-type: none"> • Regular meetings, communications • Key airport initiatives and events • Airline Consultative Committee 	<ul style="list-style-type: none"> • Four new Air Canada services: Paris, Zurich, Sacramento, Lihue • A new airline partner, Hainan Airlines, with service to Shenzhen • American Airlines' new service to Chicago
 <p>Airport Business Partners</p>	<ul style="list-style-type: none"> • Regular meetings, communications • Annual Public Meeting • Key airport initiatives and events • Monthly Sea Island newspaper • Airline Operations Committee 	<ul style="list-style-type: none"> • 51 per cent terminal waste diverted from landfill with the support of our business partners—a 2020 target • Voted Best Airport in North America for a record nine consecutive years in 2018
 <p>Vancouver Airport Authority</p>	<ul style="list-style-type: none"> • Regular meetings, communications • Quarterly all-employee meetings • Biennial employee feedback survey • 24-hour whistleblower hotline • Regular updates on YVR Intranet • Monthly video series with CEO and employees • Annual engagement initiatives • Annual employee recognition programs 	<ul style="list-style-type: none"> • 10.5-year average length of employee service • Ranked among BC's Top Employers—for the twelfth year in a row

STAKEHOLDER

HOW WE ENGAGE

2018 HIGHLIGHTS



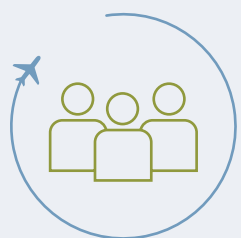
Local Communities

- Annual Community Survey
- Annual Public Meeting
- Social Media
- YVR Website
- News releases, media statements and interviews
- Consultation and engagement for airport projects (e.g. Master Plan, Templeton area redevelopment)
- Quarterly meetings with Aeronautical Noise Management Committee and Environmental Advisory Committee
- Community Investment Program
- Summer Festival Series
- Regular YVR Explorer tours
- Experiential airport tours
- Regular meetings with a Relationship Committee, consisting of Airport Authority and Musqueam members
- YVR-Musqueam newsletter
- Monthly YVR newsletter
- Participation in YVR events for Musqueam elders and representatives
- \$1+ million donated to 50+ community organizations
- 18 events attended as part of YVR's summer festival series
- A 75 per cent rating on our annual community survey
- 1.2 billion media impressions; 93 per cent positive or neutral media coverage
- Eight Musqueam members joined the Airport Authority; airport business partners hired 71 Musqueam members
- Developed a new scholarship program for Musqueam members and granted eight scholarships



Government and Regulators

- Annual presentations to local municipalities
- Ongoing one-on-one meetings with government representatives
- Formed the Beyond Preclearance Coalition to explore the future of cross-border travel
- Hosted Canada and U.S. representatives at the second YVR Aviation Border Summit



Industry Associations

- Industry association meetings, conferences and working groups
- Industry sponsorship initiatives
- Achieved Level 3 in ACI-NA's Carbon Accreditation program
- Became the first airport in North America to receive the Rick Hansen Foundation's gold accessibility certification

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Vancouver Airport Authority has a wide-ranging impact and we take sustainability seriously. We recognize the United Nations Sustainable Development Goals as a step in the right direction and we are proud to do our part in working towards their fulfillment.

In 2015, the United Nations introduced its **Sustainable Development Goals** (SDGs)—17 ambitious areas that seek to address a range of rising global challenges by 2030. The SDGs include 169 targets incorporating issues such as economic growth, social need and environmental degradation.

As YVR continues to connect more people and products to the world, we want to balance our success with accountability. Vancouver Airport Authority has a vision to make YVR a sustainable, diversified hub and for us the SDGs are a way to understand the broader context of our actions.

In preparing this report, we conducted a thorough review of each SDG, comparing all 169 targets to our business operations to see which goals we influenced the most. While we recognize the importance of all 17 goals, our greatest contribution is to eight of the 17:



4 – Quality Education

We demonstrate support of quality education by providing a broad range of educational programs that support employee performance development and career development for young professionals.



5 – Gender Equality

We demonstrate our commitment to achieving gender equality by engaging a diverse and inclusive workforce with ambitious employment equity targets. Furthermore, we offer additional support to Women in Management and leadership roles by facilitating a Women in Management program and Women Coaching Circles.



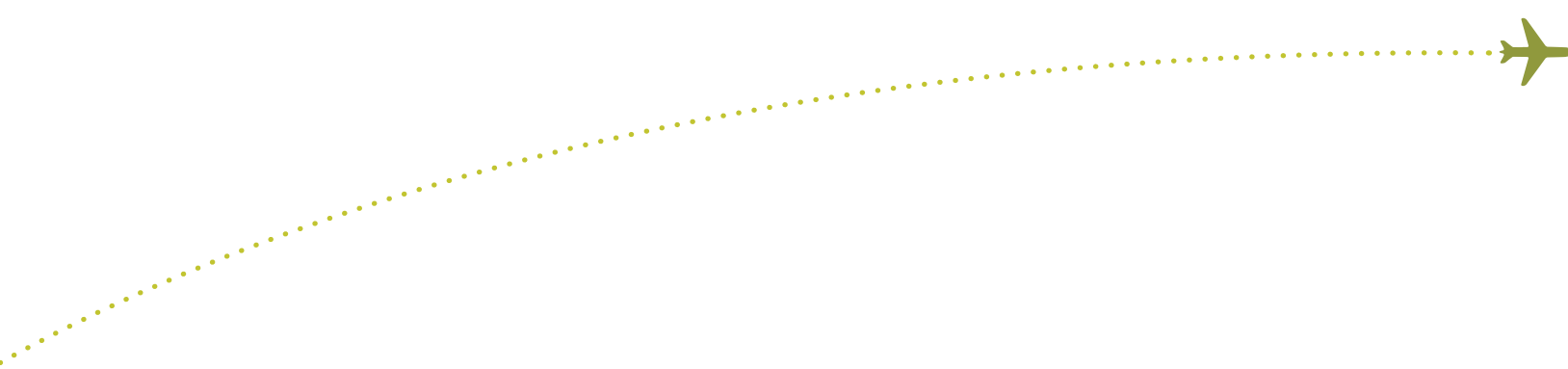
6 – Clean Water and Sanitation

Our contribution to clean water and sanitation is part of a multistep approach that consists of fixed targets and commitments outlined in our Environmental Management Plan.



7 – Affordable and Clean Energy

We are strongly committed to reducing our carbon footprint and continuously strive to implement sustainable energy solutions. In 2022, we will complete one of Canada’s largest GeoExchange plants, which will greatly reduce YVR’s environmental footprint and help us meet our aggressive GHG reduction target.



9 – Industry, Innovation and Infrastructure

We are continuously exploring new technologies with the development of our airport. Sustainable features include GeoExchange, solar hot water, photovoltaic panels, wind turbines, a rainwater collection system and energy-efficient LED lighting.



11 – Sustainable Cities and Communities

We play a major role in the sustainability of cities and communities. Thus, we aim to strengthen and support our natural heritage by minimizing environmental impacts and fostering strong relationships with local and Indigenous communities.



12 – Responsible Consumption and Production

Our efforts towards sustainably managing our use of natural resources is part of a multistep approach that consists of fixed targets and commitments outlined in the Environmental Management Plan.



13 – Climate Action

We realize the importance of taking action towards the potential effects of Climate Change. As part of managing risks, we strengthen our resilience by carefully assessing operational and infrastructure-related risks susceptible to the effects of climate change.

HOW TO IDENTIFY OUR CONTRIBUTION

Throughout this report, we identify reporting areas where we contribute to the eight SDGs, including the SDG icons at the front of each applicable material topic.

MATERIAL TOPICS



Our new approach to sustainability reporting is based on a clear understanding of what's important to YVR's many stakeholders. We focus on material topics—areas that have a real impact on employees, partners and communities—under the Airport Authority's sustainability pillars. This report contains 17 key areas, selected through workshops, surveys and interviews, ranging from water use to economic impact, community investment and much more.



MATERIALITY ASSESSMENT

This report's framework is based on a comprehensive materiality assessment, conducted in 2017 as the first phase of moving to GRI reporting. The assessment revealed YVR's significant sustainability impact through a multi-phased process that identified, prioritized and confirmed our key economic, social and environmental topics.

During the first phase of the materiality assessment, we worked with an external company to compile key topics through an extensive document review, using the Global Reporting Initiative (GRI) Standards and the GRI G4 Airport Operators Supplement as a starting point. We looked at strategic documents such as Flight Plan 2037, which consolidates the Airport Authority's capital, financial, terminal and master plans under a single roadmap. We reviewed meeting records from influential groups including the internal Sustainability Working Group (SWG), the Environmental Advisory Committee (EAC) and the Aeronautical Noise Management Committee (ANMC). We analyzed significant contractual agreements including YVR's Ground Lease and Collective Agreement. We also referred to industry standards and other public sources for relevant sustainability issues and likely impacts. These activities produced a long list of potential material topics.

Following the document review, the external company led a stakeholder engagement process that sought to evaluate the impact and importance of key topics across the organization and among select stakeholders. The engagement process included the following:

Survey

1,582 respondents participated in the YVR Sustainability Survey, which asked them to rank the importance of a range of sustainability topics. We opened the survey to employees and the public for 42 days, posting its URL on our intranet, public website and public WiFi log-in page.

Workshops

We conducted a series of small to large-scale workshops with invited YVR stakeholders. These included: Vancouver Airport Authority management, executives and staff (the SWG, Director's Working Group, Board of Directors and Navigators, a group of emerging leaders); a joint meeting of the EAC and ANMC; and two multi-stakeholder workshops.

Direct Interviews

We conducted 13 direct interviews with stakeholders identified as critical in gaining additional qualitative data. Stakeholders included Musqueam Indian Band, the Association of Professional Engineers and Geoscientists of British Columbia, Metro Vancouver, City of Vancouver, Greater Vancouver Board of Trade, Air Canada, Transport Canada, Canadian Airports Council and the Airport Authority's Board of Directors.

At the end of the engagement process, our Executive Team and Board of Directors validated and vetted the final list of 17 material topics, which form the basis of this report.

MATERIAL TOPICS

The following snapshot provides key information for the 17 material topics. While this report is not solely focused on these topics, they are a key component of our alignment with GRI and can be found throughout the narrative.

BUSINESS ETHICS		Our Leadership PAGE 43	
Includes: Anti-corruption, Sustainable purchasing, Airport advertising (GRI 205-2, 414-1)		98.9% new suppliers screened for social criteria	
Sustainable Development Goals		Stakeholders	
			
AIR SERVICES AND CONNECTIONS		Our Business PAGE 52	
Includes: Airline connections (GRI A01)		25.9 MILLION— record passengers in 2018	
		Stakeholders	
			
CUSTOMER CARE		Our Business PAGE 60	
Includes: Accessible air travel, Customer privacy, Customer service quality, Non-discrimination towards passengers (GRI 418-1)		92% A Record Customer Satisfaction Rating	
Sustainable Development Goals		Stakeholders	
			
DIRECT ECONOMIC IMPACT		Our Business PAGE 68	
Includes: Direct economic impact, Climate change adaptation (GRI 201-1)		24,000+ Jobs on Sea Island supporting YVR's operations	
Sustainable Development Goals		Stakeholders	
   			

AIR EMISSIONS		Our Environment PAGE 79	
Includes: Air emissions (GRI 305-1, 305-2, 305-4, A05)		11% emissions reduced in 2018 (below 2012 levels)	
Sustainable Development Goals <div>   </div>		Stakeholders <div>       </div> <div> Vancouver Airport Authority Airlines Local communities Airport business partners Government and regulators Industry associations </div>	
EFFLUENT AND WASTE		Our Environment PAGE 86	
Includes: Water discharge, Hazardous waste and non-hazardous waste (GRI A06, 306-2)		51% waste diverted from landfill in 2018	
Sustainable Development Goals <div>   </div>		Stakeholders <div>       </div> <div> Vancouver Airport Authority Airlines Airport business partners Passengers Local communities Government and regulators </div>	
ENERGY		Our Environment PAGE 93	
Includes: Energy (GRI 302-1)		\$18+ MILLION— Cumulative energy savings since 1999	
Sustainable Development Goals <div>    </div>		Stakeholders <div>      </div> <div> Vancouver Airport Authority Airlines Local communities Airport business partners Government and regulators </div>	
WATER USE		Our Environment PAGE 98	
Includes: Water (GRI 303-1)		37% reduction in potable water consumption per passenger from 2012	
Sustainable Development Goals <div>  </div>		Stakeholders <div>       </div> <div> Vancouver Airport Authority Airlines Airport business partners Passengers Local communities Government and regulators </div>	

GROUND TRANSPORTATION		Our Environment PAGE 104	
Includes: Ground transportation		89,587 bike trips on Sea Island in 2018	
Sustainable Development Goals 		Stakeholders <div>     </div> <div> Vancouver Airport Authority Airlines Airport business partners Passengers </div>	
ECOSYSTEM HEALTH		Our Environment PAGE 109	
Includes: Biodiversity, Remediation, Heat island effect (GRI 304-1)		 Salmon-Safe Certified—three years in a row	
Sustainable Development Goals 		Stakeholders <div>      </div> <div> Vancouver Airport Authority Airlines Airport business partners Local communities Government and regulators </div>	
AERONAUTICAL NOISE		Our Environment PAGE 115	
Includes: Aeronautical noise		27 reported noise concerns per 10,000 aircraft runway movements	
Sustainable Development Goals 		Stakeholders <div>      </div> <div> Vancouver Airport Authority Airlines Local communities Airport business partners Government and regulators </div>	
EMPLOYMENT PRACTICES		Our Community PAGE 120	
Includes: Employee working conditions, Employee development and training, Labour practices (GRI 401-1, 404-2)		10.5 YEARS —average employee tenure at Vancouver Airport Authority	
Sustainable Development Goals <div>   </div>		Stakeholders <div>   </div> <div> Vancouver Airport Authority Government and regulators </div>	

EMPLOYEE HEALTH AND SAFETY		Our Community PAGE 127	
Includes: Employee health and safety (GRI 403-2)	1 st Place Corporate Challenge Competition		
	Stakeholders <div><div> Vancouver Airport Authority</div><div> Airlines</div><div> Government and regulators</div><div> Airport business partners</div></div>		
DIVERSITY AND EQUAL OPPORTUNITY		Our Community PAGE 131	
Includes: Diversity of governance bodies and employees, Non-discrimination in the workplace (GRI 405-1, 406-1)	60% Women on Vancouver Airport Authority's Executive Team		
	50% Women on Vancouver Airport Authority's Board of Directors		
Sustainable Development Goals	Stakeholders		
	<div><div></div><div> Vancouver Airport Authority</div><div> Government and regulators</div></div>		
SECURITY AND SAFETY		Our Community PAGE 137	
Includes: Security practices, Passenger and customer health and safety, Emergency preparedness (GRI A09)	238 RAPTORS successfully relocated from YVR		
	Stakeholders <div><div> Vancouver Airport Authority</div><div> Passengers</div><div> Airlines</div><div> Local communities</div><div> Airport business partners</div><div> Government and regulators</div></div>		
INDIRECT ECONOMIC IMPACT		Our Community PAGE 142	
Includes: Community investments (GRI 203-1)	\$1+ MILLION— donated to more than 50 organizations		
	Stakeholders <div><div></div><div> Vancouver Airport Authority</div><div> Local communities</div></div>		

Includes: Community relations, Community impacts, Relationships with Indigenous peoples (GRI 413-1)

18 Community events attended in 2018

Sustainable Development Goals



Stakeholders



Vancouver
Airport Authority



Local
communities



GOVERNANCE



OUR LEADERSHIP

At the core of our success is a strong leadership team, whose vision inspires us to deliver an exceptional airport experience—every day. This team works in accordance with the highest standards, supporting a foundation of transparent, ethical and sustainable behaviour.

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**Board of
Directors**

39

**Executive
Team**

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**Executive
and Board
Compensation**

43

**Material Topic:
Business
Ethics**

BOARD OF DIRECTORS

Vancouver Airport Authority's community-based Board of Directors seeks to foster the long-term success of YVR. Our Board reviews and approves the Strategic Plan, long-term financial plans and annual budgets. It also selects the President & CEO, oversees senior management succession, identifies risks, maintains the integrity

of internal controls, monitors health and safety management systems and ensures we have a comprehensive public Communications Policy. The Board follows the *Board of Directors Governance Rules and Practice Manual*, available at yvr.ca/board, which includes terms of reference, guidelines and policies.



MARY JORDAN

Chair, Director at Large

Mary Jordan has spent more than 20 years in the airline industry, holding senior executive positions with American Airlines, Canadian Airlines and Air Canada.



CRAIG RICHMOND

President & Chief Executive Officer

Vancouver Airport Authority

In addition to his role as President & CEO of Vancouver Airport Authority, Craig Richmond has an extensive aviation background, including being CEO of six airports in three countries.



JOSEPH CARON

Director at Large

Joseph Caron has extensive experience providing strategic counsel to Asian and Canadian businesses and has held top diplomatic positions including Canada's Ambassador to China and Japan.



JOHN CURRIE

Chartered Professional Accountants of British Columbia

John Currie is a respected business leader, with previous experience as Executive Vice President and CFO of lululemon athletica Inc. and CFO of Intrawest Corporation.



MARY ANNE DAVIDSON

Greater Vancouver Board of Trade

Mary Anne Davidson brings extensive experience in Human Resources management and strategy and previously served as Vice President Human Resources for ACCIONA Canada Inc.



FRANCES FIORILLO

Director at Large

Frances Fiorillo most recently served as Senior Vice President, People and Inflight Service at Virgin America and has extensive airline industry experience.



ANNA FUNG

Law Society of British Columbia

Anna Fung is a full-time Commissioner of the British Columbia Utilities Commission and has held senior executive positions at TimberWest Forest Corp. and Intrawest ULC.



KENNETH GOOSEN

Engineers and Geoscientists British Columbia

Kenneth Goosen has more than 30 years of experience in senior management, engineering and operations positions with Canada's major airlines. He is currently Senior Aviation Advisor at AeroInfo Systems, a Boeing company.



HOWARD JAMPOLSKY

City of Richmond

Howard Jampolsky is a local entrepreneur whose business interests include Scadax Automation Corp., which provides remote monitoring and control systems for the water and waste industry.



ANNALISA KING

Director at Large

Annalisa King was the former CFO and Senior VP of Best Buy Canada Ltd. She was recognized in 2012 as BC's CFO of the Year and inducted into Canada's Most Powerful Women: Top 100 Hall of Fame. In 2019, she received a Peak Award honouring Women in Finance in the category of Significant Board Contribution.



KUSH PANATCH

Government of Canada

Kush Panatch brings over 25 years of knowledge in real estate development and is the principal owner of a group of real estate companies involved in acquisition, management and development.



GERRI SINCLAIR

Director at Large

Dr. Gerri Sinclair's career encompasses more than 20 years in the internet and new media technology, entrepreneurial business, academic research and education and government policy.





TAMARA VROOMAN
City of Vancouver

Tamara Vrooman serves as President & CEO of Vancity, the first carbon-neutral financial institution in North America. Prior to joining Vancity, she served as Deputy Minister of Finance for the Province of British Columbia. In 2019, Tamara received a Peak Award honouring Women in Finance in the category of Excellence in Industry.



WAYNE WRIGHT
Metro Vancouver (GVRD)

Wayne Wright served as Mayor of New Westminister from 2002 to 2014. For more than 30 years, he supported local organizations and was named “New Westminister’s Citizen of the Year.”

Vancouver Airport Authority would like to extend a warm welcome to Mary Anne Davidson and Frances Fiorillo, who joined the Board in 2018.



KENNETH MARTIN

Vancouver Airport Authority would like to recognize the contribution and service of Kenneth Martin, who passed away in 2018. Kenneth was the representative of the Greater Vancouver Board of Trade and, during his three years on the Board, he served as a member of the Planning and Development and Human Resources and Compensation Committees. With his broad experience, he brought many valuable insights to the team.

DIVERSITY

50% Women on Vancouver Airport Authority's Board of Directors

Our Board believes that its composition should reflect the rich diversity of the communities we serve. The Board identifies diversity as an essential element in attracting qualified directors and maintaining a high-functioning Board. Having achieved the target of having at least half our Board members being made up of individuals from the four designated groups identified in our governing legislation—women, visible minorities, persons with disabilities and Aboriginal peoples—the Board set new stretch targets in 2018. The Board aspires to achieve a target of gender parity and having 20 per cent of its directors comprised of individuals from the other three designated groups. The Board also welcomes other aspects of diversity such as age, sexual orientation and geographic location. The average age of current directors is 61. Among the Board, 93 per cent are above the age of 50; seven per cent are 30 – 50 years old.

Board Diversity	Number	%
Women	7	50
Visible Minorities	2	14.3
Persons with Disabilities	0	0
Aboriginal Peoples	0	0

The Board Diversity Policy also charges the Board with monitoring management’s implementation of its workforce diversity policy. Information on employment equity in the workforce and in management can be found on **page 131**.



DIRECTOR ETHICS AND CODE OF CONDUCT

Our directors are expected to carry out their duties honestly, with integrity and in good faith. Although we are not a listed company, we choose to report against National Policy 58-201, Corporate Governance Guidelines, and the accompanying National Instrument 58-101, Disclosure of Corporate Governance Practices. Our Corporate Governance Guidelines, available on **yvr.ca/board**, provide an annual disclosure against 15 key guidelines.

EXECUTIVE TEAM

Our Executive Team guides over 500 employees and ensures we operate the airport in a safe, efficient and reliable manner.



CRAIG RICHMOND
President & Chief
Executive Officer



LYNETTE DUJOHN
Vice President,
Information Technology
and Chief Digital Officer



DON EHRENHOLZ
Vice President,
Engineering



STEVE HANKINSON
Vice President,
Planning and Innovation



ARGIRO KOTSALIS
Vice President, Legal and
Chief Governance Officer



MICHELE MAWHINNEY
Vice President, People
and Sustainability



ROBYN MCVICKER
Vice President,
Operations and
Maintenance



ANNE MURRAY
Vice President, Airline
Business Development &
Public Affairs



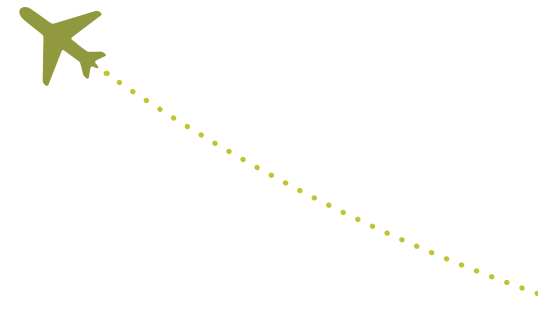
SCOTT NORRIS
Vice President,
Commercial Development



DIANA VUONG
Vice President, Finance
and Chief Financial Officer

Vancouver Airport Authority would like to welcome our new Executive Team members in 2018, Robyn McVicker and Diana Vuong. We would like to thank Glenn McCoy for his incredible contributions. Glenn retired from the Executive Team in 2018, following a career at YVR that spanned 28 years.

EXECUTIVE AND BOARD COMPENSATION



To ensure YVR remains a global leader, Vancouver Airport Authority has a comprehensive executive compensation program in place. This enables us to remain competitive in the marketplace, attract and retain the calibre of executive required and motivate executives to achieve business results, support our vision and reinforce accountability to our customers and communities. We strive to create alignment throughout the organization with regard to how incentive pay is structured—the same compensation philosophy informs management and employee groups' incentives.

The targets in the Strategic Plan inform the incentive measures that are core to YVR's executive compensation program. The key elements to the executive compensation program are base salary and incentive compensation, with short-term (one year) measures that include individual performance objectives and long-term (three year) measures.

INCENTIVE MEASURES

The short-term incentive plan measures focus on customer satisfaction, employee engagement, our reputation within the community, net operating margin and operating costs per enplaned passenger. The results are determined based on audited financial information and through surveys conducted by independent, third-party firms.

The long-term incentive plan measures are based on a rolling cycle that measures performance over three years. The measures for the 2016 to 2018 and 2017 to 2019 cycles are based on continued performance in passenger growth, sustainability leadership, reductions in greenhouse gas emissions, water usage and airport waste and a financial management/interest coverage ratio target. An independent firm measures sustainability leadership.

In 2018, the long-term incentive plan measures were aligned to the new Strategic Plan and Flight Path 2037. Beginning with the three-year cycle starting in 2018, along with passenger growth, the plan measures include free cash flow and project completion—on time and within budget—for two key capital projects that enable airport growth.

The Human Resources and Compensation Committee and the Board review the individual objectives set annually for each executive. Performance on these objectives is part of the short-term incentive award calculation and influences salary increase decisions.

EXECUTIVE COMPENSATION PEER GROUP

To monitor the competitiveness of executive pay levels, Vancouver Airport Authority is compared to three peer groups:

1. Canadian airport authorities and, for reference purposes, international airports of comparable size in the U.S., Europe and Australia.
2. Canadian organizations in industries where skillsets for executive-level jobs are similar including transportation, utilities, communications, engineering, construction and commercial real estate industries.
3. Canadian organizations with similar ownership including privately held or subsidiary organizations from a wide range of industries.

Vancouver Airport Authority targets compensation at the median of the peer group with the opportunity for pay to exceed median when individual and corporate performance exceed expectations.

EXECUTIVE COMPENSATION REVIEW PROCESS

The Human Resources and Compensation Committee retains an independent compensation consultant, Mercer, to provide market compensation data, assistance with incentive plan design and information on trends in executive pay. The Committee recommends the compensation of the CEO and the Executive Team to the Board only after considering market data, recommendations from the CEO on compensation for positions reporting to the CEO and individual and corporate performance objectives.

EXECUTIVE COMPENSATION

The salary range for the President & CEO is \$388,000 to \$582,000, with a midpoint of \$485,000. For Vice Presidents the range is \$188,000 to \$282,000, with a midpoint of \$235,000.

All executives participate in the short-term incentive plan. Under the short-term plan, the President & CEO has a target opportunity of 50 per cent of base salary and a maximum opportunity of 75 per cent of base salary. Vice Presidents have a target opportunity of 30 per cent of base salary and a maximum opportunity of 45 per cent of base salary.

All executives also participate in the long-term incentive plan. This plan has a target opportunity of 45 per cent of base salary and a maximum opportunity of 90 per cent of base salary for the President & CEO and a target opportunity of 30 per cent of base salary and a maximum opportunity of 60 per cent of base salary for Vice Presidents.

Under both the short and long-term incentive programs, actual performance results measured against the various metrics determine the magnitude of the payouts. If performance objectives are not met, no incentives are paid.

In 2017, the average base salary increase for executives was 2.9 per cent, along with other adjustments to increase salaries further within the salary range for certain executives to reflect development in their role, positioning of their salary relative to the market, or internal pay equity. In addition to the programs described above, the executives participate in standard health, retirement and prerequisite programs.

DIRECTORS' REMUNERATION

The Governance Committee reviews directors' compensation every two years with the assistance of an independent compensation consultant. In late 2017, the Board approved the retainer and meeting fee structure for both 2018 and 2019. The President & CEO receives no additional compensation for services as a director.

In making its recommendation to the Board, our Governance Committee is guided by the compensation principles set out below.

Compensation Principles:

1. Compensation paid to directors will neither unduly reward, nor unduly penalize, an individual for choosing to serve on Vancouver Airport Authority's Board rather than on any other Board of Directors.
2. Every two years, the Board will review market data and set compensation at a level generally consistent with the mid-range of that being paid to directors of B.C. corporations of similar responsibility with assets within a reasonable range of the Airport Authority and Canadian airport authorities (the Comparable Corporations—defined below).
3. To reflect both the inherent responsibilities and the variable time commitments, each director will be paid through a combination of an annual retainer and fees for each meeting attended.



4. To reflect the additional time and responsibility of serving as Chair of a Committee or Task Force, these directors will receive additional compensation in the form of an additional annual retainer.
5. To reflect the extra fiduciary responsibilities and time commitments entailed in the role, the Chair of the Audit Committee's additional annual retainer will be 125 per cent of the additional annual retainer.
6. The Board Chair will be paid an annual retainer, calculated as 275 per cent of the average total annual compensation of the other directors.
7. The Comparable Corporations that formed the basis for the 2013 and 2015 reviews are:
 - a. Airport Authorities of Toronto, Montreal and Calgary
 - b. British Columbia's major government transportation companies and
 - c. Twenty corporations with operations in British Columbia, with assets within a reasonable range of the Airport Authority's (i.e. 50 to 200 per cent), whose shares are publicly traded.
8. The Board will be guided by, but not bound by, the following calculation:

(a + b + c) divided by 3 = mid-range of Comparable Corporations

a = average of the average annual total compensation paid to Boards in group A

b = average of the average annual total compensation paid to Boards in group B

c = average of the average annual total cash compensation (stock options and other compensation are excluded) paid to Boards at the 50th percentile in group C.

The remuneration for non-management directors in 2018 is set out in the table below.

Annual Retainer	Chair	\$175,000
	Directors	\$35,000
Additional Retainer for Committee Chairs	Chair Finance and Audit Committee	\$9,000
	Chair other Board Committees	\$7,500
Board and Committee meeting attendance fee		\$1,400
Other meetings fee		\$ 700

Directors are also reimbursed for reasonable out-of-pocket expenses, which are reviewed by the Chair and the Corporate Secretary. The Chair's expenses are reviewed by the Governance Committee Chair. We do not reimburse directors for travel expenses to attend Board and Committee meetings unless the director resides outside the Metro Vancouver Regional District.

The total remuneration paid during 2018 to each director was as follows:

M. Jordan ¹	\$175,000	H. Jampolsky	\$62,300
J. Caron	\$62,300	A. King	\$76,800
J. Currie	\$70,600	K. Martin	\$25,200
M. A. Davidson	\$40,833	K. Panatch	\$65,800
F. Fiorillo	\$19,250	G. Sinclair	\$60,900
A. Fung	\$56,700	T. Vrooman	\$67,000
K. Goosen	\$75,400	W. Wright	\$60,900
Total	\$918,983		
Average²	\$60,394		

In addition to the above remuneration, directors were reimbursed for expenses totalling \$9,918 in 2018.

1 Our Chair receives an annual retainer for her work on the Board and does not receive additional meeting fees.

2 Excludes the salary for the Chair of the Board of Directors.

BUSINESS ETHICS

Vancouver Airport Authority is committed to ethical business practices. We expect our team to uphold the highest standards and we have a range of internal policies and programs to ensure there is a clear understanding across the organization. We work closely with airport partners to promote sustainable business practices, in recognition that our actions and decisions have a broad impact.

98.9%

new suppliers screened for social criteria

In this Section

Anti-corruption, Sustainable purchasing, Airport advertising

GRI Disclosure and Stakeholders

GRI 205-2, 414-1



Vancouver Airport Authority



Airlines



Airport business partners



Passengers



Government and regulators





A strong ethical foundation is essential to Vancouver Airport Authority because it demonstrates that we are fulfilling our commitment to be a transparent and accountable organization that provides social and economic benefits for the region. We strive to deliver excellence in corporate governance. As a community-based organization, we are committed to providing social and economic benefits to the region. As a leader in sustainability, we consider our impact on the environment. And as a major employer, we have a responsibility to set a good example for others to follow.

OUR APPROACH

Our conduct has a direct impact on employees and business partners, whereas the consequences of this conduct involve a broader spectrum including industry partners and regulators. Ethics is an essential component in the Airport Authority—as a regulatory requirement and as an aspirational part of our culture—and we approach its management as a key part of business conduct.

ETHICS IN THE WORKPLACE

We conduct ourselves in accordance with the highest standards through a Code of Ethics, corporate policies, management systems and an internal audit program.

Code of Ethics

Vancouver Airport Authority employees and directors follow our Code of Ethics; in addition, our Board follows a Director Ethics and Code of Conduct. The Code of Ethics plays an important role in ensuring we meet Social Policy objectives. We regularly encourage employees to read and report instances of non-compliance. In addition, employees in certain groups are required to sign an annual Conflict of Interest

declaration, confirming their compliance with the Code of Ethics and any potential conflicts of interest in their role at the Airport Authority.

Corporate Policies

While the Code of Ethics acts as an umbrella policy for key issues like ethics, business judgment and general conduct, our corporate policies are intended to provide specific guidance on issues linked to corruption, perceived wrongdoing or workplace incidents, and to further articulate our values in the areas of social, economic and environmental practices.

Anti-Corruption Policy

We take anti-corruption laws very seriously, with the understanding that violating them may result in severe consequences for both employees and the Airport Authority. We recognize that anyone conducting business or otherwise acting for or on behalf of the Airport Authority is subject to these laws. We manage anti-corruption practices through our foundational element Governance and Accountability, under the Strategic Plan, and through our Anti-Corruption Policy,

Code of Ethics, Whistleblower Policy, Community Investment Policy and Guidelines and Social Management System.

We expect all employees to act in accordance with applicable domestic laws, including the *Corruption of Foreign Public Officials Act* and the *Criminal Code of Canada*, and all applicable foreign laws. We have a zero-tolerance approach to corruption and our goal is 100 per cent compliance. To achieve this target, we provide anti-corruption resources and education for our employees and Board.

Whistleblower Policy

Our internal Whistleblower Policy provides a framework to report any perceived wrongdoings. Overseen by the Vice President Legal and Chief Governance Officer and the Director Internal Audit, the policy offers several options: reporting to superiors, reporting anonymously through the Safety Management System or calling the Confidence Line, a 24-hour ethics hotline managed by an independent third party. We share this policy with employees and contractors working at Airport Authority offices.

Social Policy

Vancouver Airport Authority is committed to being a socially responsible organization, increasing awareness about Corporate Social Responsibility (CSR) among employees, stakeholders, customers and communities.

We want to be an organization that British Columbians can be proud of and an airport that is considered a leader in CSR. In defining our Social Policy, we embrace the United Nations Global Compact and the ISO26000 standards. We measure, audit and share our performance on CSR practices. Our Social Policy and related programs are the direct responsibility of the President & CEO and the Executive Team and are managed through our Social Management System. The Board of Directors oversees

the conduct of the organization and ensures the President & CEO and the Executive Team monitor and enforce compliance.

Vancouver Airport Authority's Social Management System demonstrates how we will uphold our Social Policy and follow ISO2600. It is broad and encompasses a large portion of our programs and actions—as seen throughout this report. The Sustainability Working Group, chaired by the Vice President, People and Sustainability, is responsible for overseeing the Social Management System and monitoring the policies and programs under the Social Policy. The committee sets targets, monitors performance and reports findings and recommendation to the Executive Team. If an area of non-compliance is identified, it is addressed as per its governing policy or system. An annual review of adherence to the Social Policy is included in this report where areas of non-compliance and the associated mitigation actions are reported.

Global Risk Management

The Global Risk Management Program helps protect the critical elements of the Airport Authority's global activities—our people, our assets, our operations and our business reputation—in accordance with prevailing political, security, integrity and other key risks. The program provides a due diligence framework from which we assess potential international business activities, including weighing such opportunities against a risk assessment by country. Our Anti-Corruption Policy helps inform this program, governing business activities at home and abroad.

Internal Audit

The Internal Audit Department provides independent and objective assurance as to whether risks, internal controls and governance processes are appropriately managed to acceptable levels to enable the Airport Authority



to achieve its strategic objectives. The department develops an annual risk-based audit plan that includes assurance on the effectiveness of the Airport Authority's risk management network. It also provides a core compliance function, by conducting independent investigations of suspected fraudulent activities, internal control audits, compliance audits of core policies, such as the Expense Reimbursement Policy, and assesses the Airport Authority's compliance with applicable regulations and contractual obligations.

SUSTAINABLE PURCHASING

Every day, the Airport Authority makes purchasing decisions that impact much more than our organization. In keeping with our commitment to sustainability, we set policies and guidelines to promote our values among suppliers.

Our sustainable purchasing approach impacts a broad range of business partners, including those on and off Sea Island. We outline this approach through the Sustainable Supply Management Plan, which focuses on initiatives that gain a better understanding of the market, providing a fair and transparent competitive procurement process, managing contracts after being awarded and optimizing internal materials handling processes to support YVR's operations.

The Sustainable Purchasing Policy aims to embed sustainability in purchasing decisions and ensure meaningful consideration of environmental, social and economic criteria. We include sustainability as a weighted component of criteria through a Sustainability Leadership Questionnaire that asks respondents about management systems and reporting, environmental considerations, workplace and supply chain practices including diversity, compensation and leadership. The questionnaire helps identify companies that are fair trade partners, local

suppliers and that are Indigenous, woman or minority-owned. In addition, through the *Musqueam Indian Band – YVR Airport Sustainability & Friendship Agreement*, we work with Musqueam to identify supplier opportunities.

Our commitment is to pursue total compliance with the Supplier Code of Conduct, available at yvr.ca/suppliers. Every new supplier is asked to sign off on the Code and if they are not in compliance they must submit a plan outlining how they will rectify the situation. We are committed to fair and competitive procurement of goods and services and note that exceptions may only be made for several specific reasons including proprietary nature, a single qualified supplier, an urgent safety issue and compliance. Permission to single-source a purchase must be obtained prior to a purchase with authorization from the accountable departmental Vice President.

AIRPORT ADVERTISING

Advertising is an important business and ethical consideration for Vancouver Airport Authority. Not only does advertising provide a source of revenue, which helps YVR keep costs low and remain competitive, it also impacts the airport experience for our business partners and passengers and thus requires careful consideration.

To ensure we maintain high standards, we manage advertising through the Advertising Policy and Guidelines. Under the Guidelines, companies who wish to advertise at the airport must take the following into account: ad quality, barrier-free standards and content that is respectful of our diverse passengers and business partners. We regularly communicate the policy and guidelines to advertising partners and have an open line of communication to receive any feedback on our approach.



BUSINESS ETHICS: 2018 RESULTS



To keep our Code of Ethics both accessible and top-of-mind for employees, we created a four-part video series in 2018 that delves deeper into key topics like Respect in the Workplace, Conflicts of Interest and Off-Duty Conduct. As of the end of 2018, we had two investigations underway with respect to Code of Ethics violations: one related to a conflict of interest violation and another that pertained to unauthorized review of confidential information.

In addition, there were no complaints reported in 2018 through our 24-hour ethics hotline.

NEW ANTI-CORRUPTION POLICY

In 2018, we finalized the Anti-Corruption Policy, which assists all persons doing business on behalf of the Airport Authority to understand, identify and avoid corruption and bribery risks. The policy applies to all Airport Authority employees, managers, senior managers, consultants, contractors, representatives, agents, officers, directors, and members and directors of our Board. We communicated the policy to Airport Authority employees and will incorporate it into training in 2019.

COMPETITION BUREAU

In 2016, the Commissioner of Competition brought an application before the Competition Tribunal, alleging abuse of dominant position against Vancouver Airport Authority in connection with its refusal to allow two in-flight caterers to be licensed at YVR. The application sought an order requiring the Airport Authority to essentially allow open entry of in-flight caterers. The Airport Authority believes it has acted and is continuing to act in full compliance with the *Competition Act* and has vigorously defended its right to determine how services are provided at YVR for the greatest overall benefit of its stakeholders. Making such determinations is at the heart of the Airport Authority's unique, not-





for-profit, public interest mandate to operate a safe and efficient airport and to promote economic development. This mandate is shared by other Canadian airport authorities; the Commissioner's application was the first case of its kind against a Canadian airport authority.

The matter was heard before the Competition Tribunal over a number of weeks in October – November 2018 and, at the time of publishing this report, the Tribunal's decision is pending.

Leading up to the trial, the Airport Authority won an appeal before the Federal Court of Appeal, whereby the Court ruled that the Commissioner was required to make much broader disclosure of documents to a respondent than had previously been the Commissioner's practice. Going forward, the Court's ruling will apply in all contested proceedings before the Tribunal, including those related to contested mergers, abuse of dominance and unfair trade practices. In the eyes of many in the Competition Bar, this decision represents a significant, positive development in the law governing competition law proceedings, which will ensure greater fairness to respondents.



PURCHASING

We recognize that suppliers have a valuable role to play in upholding our commitment to sustainability. In 2018, the Airport Authority screened 98.9 per cent of new suppliers using the environmental, economic and social criteria detailed in the Supplier Code of Conduct, available at yvr.ca/suppliers.

Over 78 per cent of our total spend was in the Metro Vancouver Regional District, over 18 per cent was in the rest of B.C. and Canada and the remaining spend was in the U.S. and abroad.

Report on 2018 Single-Source Contracts

In general, the Airport Authority's procurement of goods and services follows a competitive process. Exceptions may be made in the circumstances described as follows:

Reasons* for exceptions:

1. The goods or services are of a proprietary nature or there is only one qualified supplier;
2. The urgency of a safety, security or critical operating need so requires;
3. In compliance with a product, services or equipment standardization program;
4. When the supplier has satisfactorily performed previous related services with a cost saving;
5. The supplier has been awarded a contract for a similar product or service by the Airport Authority as the result of a competitive process within the previous five years.

In keeping with our policy of being transparent, we publish the list of goods and services costing more than \$139,328 (\$100,000 in 2000 dollars), which were not awarded on the basis of a competitive process during 2018. The contracts below total \$211,270,347 in single source contracts, representing 22.1 per cent of the total goods and services purchased in 2018.



Contracts of \$ 1 million and over

Contract Value	Contractor	Description	Multi-Year?	Reason*
\$150,000,000	Vanderlande Industries Canada Inc.	Strategic Baggage Cooperation Agreement	Y	3
\$16,648,738	Fujitec Canada Inc.	Master Construction Agreement for Elevators, Escalators, Autowalks	Y	3
\$8,045,956	Team Eagle Ltd.	MB Broom, Tractor and Various Components	Y	3
\$7,000,000	John Bean Technologies Canada Ltd.	Pier D Apron Drive Bridges	Y	3
\$3,383,000	Sleeping Giant Enterprises	Winter Jet Brooms	Y	1
\$2,647,680	Vestergaard Company Inc.	Deicer Trucks	Y	3
\$1,800,000	AE Concrete Products Inc.	Concrete Manholes East RSO, North RESA, and West Pads	N	3
\$1,651,151	Securiguard Services Ltd.	K9 Security Program	Y	3
\$1,537,800	Universal Coach Line Ltd.	Bus Leases for ITD Project	Y	2
\$1,056,000	Coast Industrial Maintenance and Machine Ltd.	Baggage Maintenance & Repair	N	3

Contracts under \$ 1 million

Exception 1: Glidepath Systems Ltd., QinetiQ Ltd., AIMIA Canada Inc., Coniferous Inc., Intervistas Consulting Inc., Tyco Integrated Fire and Security Canada Inc., Autopro Automation Consultants Ltd., Arinc International of Canada ULC, Western Integrated Systems Ltd., Flir 360 Surveillance Inc., Onica Inc., Creacom Services Inc.

Exception 2: Aconex Ltd., Studio One Architecture Inc. (two contracts), PCL Constructors Westcoast Inc., W.S. Nicholls Construction Inc., Glidepath Systems Ltd., WSP Canada Inc.

Exception 3: Western Weed Control (1980) Ltd., JCAI Inc., Musco Sports Lighting Canada Co. (two contracts), Glidepath Systems Ltd. (two contracts), AE Concrete Products Inc., Scheidt & Bachmann USA Inc., Jaquith Industries Inc., Modis Canada Inc., Induperm (three contracts), Vanderlande Industries Canada Inc., Kal Tire, Jaquith Industries Inc., Koolhaus Games Inc., Remsoft Consulting Inc., Crosstown Metal Industries Ltd., Integra Consulting Inc.

Exception 4: Nanolumens Inc., McRae's Environmental Services Ltd., Studio One Architecture Inc. (three contracts), Integra Consulting Inc., Walker Environmental Group Inc., ASSA ABLOY Entrance Systems, Ledcor Construction Ltd., Alpha Anchor and Pile Ltd.

Exception 5: AdlarHicks Associates Ltd., Stantec Architecture Ltd., Hatfield Consultants Partnership, Long View System Corp.

A detailed list of the Airport Authority's 2018 Single-Source contracts is available [here](#).

ECONOMIC



OUR BUSINESS

2018 was another incredible year. We welcomed a record 25.9 million passengers and connected people and businesses to destinations all over the world—thanks to our airline partners. At the same time, our team delivered exceptional customer care and our airport continued to provide direct economic benefits for the region.

52

Material Topic:
**Air Services and
Connections**

60

Material Topic:
**Customer
Care**

68

Material Topic:
**Direct Economic
Impact**

75

**Business
Units**

AIR SERVICES AND CONNECTIONS

Every day, YVR facilitates the movement of thousands of passengers to destinations all over the world. We drive passenger and air service growth through teamwork, constant terminal improvements and a strong vision.

25.9 MILLION

Passengers in 2018—
a new record

In this Section

Airline connections

GRI Disclosure and Stakeholders GRI A01



Vancouver Airport
Authority



Airlines



Passengers



Airport business
partners



Industry
associations





YVR is a major international airport that provides critical and strategic links to markets all over the world. To achieve our vision to be a world-class sustainable hub, the Airport Authority recognizes the importance of supporting a strategic approach to air service offerings and growing connecting traffic as this allows us to strive for sustainable growth. We benefit from a strong relationship with key airlines—including Air Canada, which is basing their trans-Pacific hub at YVR. Additionally, our focus on airline connections drives the capital plan and investments in process innovations and terminal expansions.

OUR APPROACH

Airline connections have a substantial impact on the airport, including its partners and passengers. Growth requires constant improvements, which not only alter the passenger journey but also change how we operate. While we provide the facilities, airlines provide the right transportation and passenger choices drive our decision-making.

Our approach to airline connections is focused on building an efficient and attractive hub for everyone. This approach ensures that we not only stay ahead of the competition, but also provide the facilities necessary to attract and retain valuable connecting traffic, a key source of growth and route profitability.

In the Strategic Plan, we outline a range of initiatives to improve the speed and ease of the hub. Our ConnectYVR rates and charges program, launched in 2016, incentivizes airlines with some of the lowest aeronautical rates in North America. Our Asia-Pacific office, located in Hong Kong, strengthens airline partnerships in several key markets. We also work with partners to drive policy changes that support growth, improving the airport experience with innovative programs and aligning our interests.

Our 2020 goal is to welcome 29 million passengers, offer 144 destinations and move 327,000 tonnes of cargo. We are committed to reaching these targets while managing environmental impacts and providing benefits for the region. This commitment will require strong partnerships and an innovative approach to growth.





AIR SERVICES AND CONNECTIONS: 2018 RESULTS

2018 saw strong growth from all markets, including an impressive 23.8 per cent in Latin America and over nine per cent in the Asia-Pacific and Europe.

25,936,907

PASSENGERS

+7.3%

ANNUAL GROWTH

- Domestic:

12,446,722

PASSENGERS WITH +6.1% ANNUAL GROWTH
- Transborder (U.S.):

6,332,091

PASSENGERS WITH +5.5% ANNUAL GROWTH
- Asia-Pacific:

4,465,253

PASSENGERS WITH +9.6% ANNUAL GROWTH
- Europe:

1,754,538





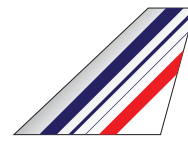













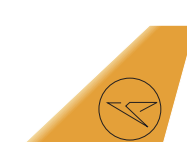











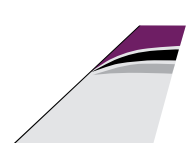




PASSENGERS WITH +9.4% ANNUAL GROWTH
- Latin America:

938,303

PASSENGERS WITH +23.8% ANNUAL GROWTH

TOTAL NUMBER OF ARRIVING AND DEPARTING PASSENGERS			
PASSENGERS	DOMESTIC	INTERNATIONAL	TOTAL
ARRIVING PASSENGERS	6,193,503	6,724,206	12,917,709
DEPARTING PASSENGERS	6,253,219	6,765,979	13,019,198
TOTAL PASSENGERS	12,446,722	13,490,185	25,936,907

AIR SERVICES

 AEROMÉXICO	 AIR CANADA / AIR CANADA EXPRESS	 AIR CANADA ROUGE	 AIR CHINA	 AIR FRANCE
 AIR NEW ZEALAND	 AIR NORTH	 AIR TRANSAT	 ALASKA AIRLINES	 ALL NIPPON AIRWAYS
 AMERICAN AIRLINES	 BEIJING CAPITAL AIRLINES	 BRITISH AIRWAYS	 CATHAY PACIFIC AIRWAYS	 CENTRAL MOUNTAIN AIR
 CHINA AIRLINES	 CHINA EASTERN AIRLINES	 CHINA SOUTHERN AIRLINES	 CONDOR	 DELTA AIR LINES
 EDELWEISS AIR	 EVA AIR	 FLAIR AIR	 HARBOUR AIR	 HAINAN AIRLINES
 HELIJET AIRWAYS	 HONG KONG AIRLINES	 HORIZON AIR	 ICELANDAIR	 INTERJET
 ISLAND EXPRESS AIR	 JAPAN AIRLINES	 KD AIR	 KLM ROYAL DUTCH AIRLINES	 KOREAN AIR

AIR SERVICES (continued)



LUFTHANSA
AIRLINES



PACIFIC COASTAL
AIRLINES



PHILIPPINE
AIRLINES



QANTAS
AIRWAYS



SALT SPRING AIR



SEAIR
SEAPLANES



SICHUAN
AIRLINES



SUNWING
AIRLINES



TOFINO AIR



UNITED AIRLINES



WEST COAST
AIR



WESTJET AIRLINES/
WESTJET ENCORE



XIAMEN
AIRLINES

CARGO AIRLINES SERVING YVR



CARGOJET



CATHAY PACIFIC
AIRWAYS



KOREAN AIR



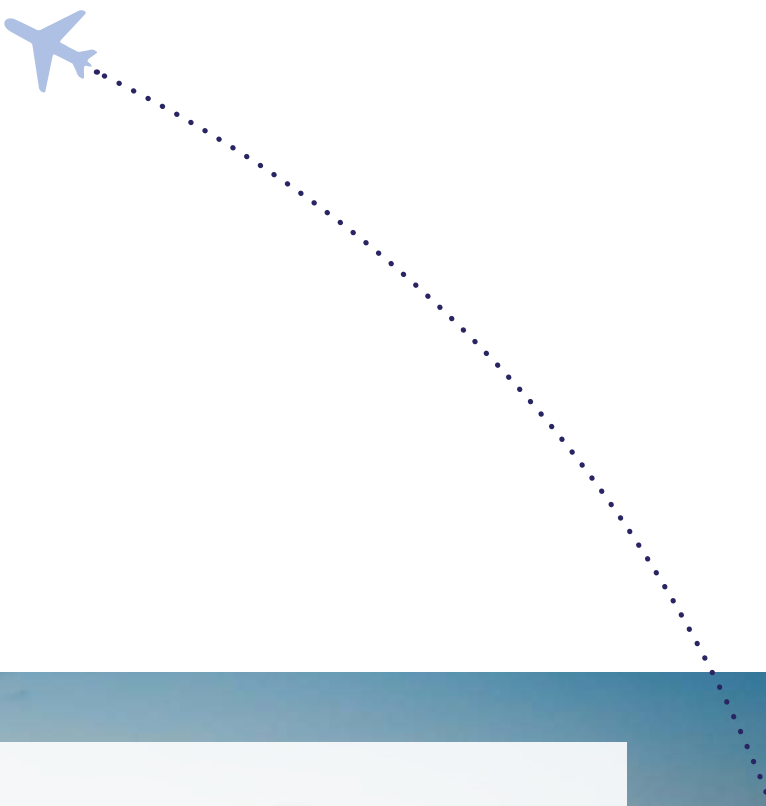
DHL



FEDEX



UPS



THANK YOU

Vancouver Airport Authority would like to thank YVR’s airline partners for another great year. Our mission is to connect B.C. proudly to the world and we couldn’t do this without your continued support.



NEW ROUTES AND SERVICES



6 New Services : 1 New Airline



In 2018, we continued to expand connections to destinations all over the world. Air Canada had a great year, accounting for over 41 per cent of YVR’s passenger growth. Air Canada launched new service from YVR to key destinations including Paris, Zurich, Sacramento and Lihue in Hawaii.



We welcomed our new airline partner, Hainan Airlines, with service to Shenzhen.



In addition, American Airlines added a new route to Chicago, a key hub for our Transborder network.



September marked 50 years of Japan Airlines—the first Asian carrier to serve the West Coast—flying to Vancouver. We celebrated Canada and Japan’s important cultural and economic ties with a formal gate event and a flight giveaway.

CAKE OF THE WEEK

**AIR CANADA:
VANCOUVER TO PARIS**

A large, detailed model of the Arc de Triomphe in Paris is displayed in a museum or gallery. The model is white and has intricate carvings. In the background, there are large windows and a flag.

The logo for Anna Aero, which includes a stylized airplane icon and the text "anna+aero" and "airline network news and analysis".

AIRPORT SOUTH



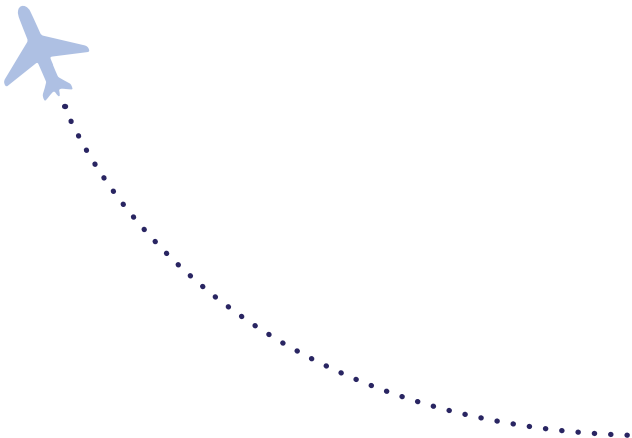
467,938 South Terminal and Floatplane Terminal passengers



95% Customer Satisfaction—South Terminal



33,037 Floatplane river movements



Airport South is a unique reflection of our history and province. In addition to being the location of the original airport, it connects passengers and communities across British Columbia to a range of locations that demonstrate our diverse economy and people. It includes the South Terminal Building, the public

Floatplane Facility on the Fraser River, and provides an aviation hub for regional and coastal air services, helicopter operations, corporate charters, sport fishing camps and aerospace facilities.

Airport South continued to connect passengers and communities across British Columbia to

the world in 2018, with floatplane operators such as Harbour Air and Seair Seaplanes and regional carriers including Pacific Coastal Airlines and Central Mountain Air. A total of 467,938 passengers used the South Terminal and Floatplane Terminals, a slight decrease from 2017.

We continued to improve Airport South in 2018, constructing a new sanitary lavatory disposal facility, adding another aircraft parking position to address increased carrier requests for overnight and longer-term aircraft parking and completing detailed design to upgrade the floatplane dock in 2019.

AIRPORT IMPROVEMENTS

New Boarding Processes

YVR expanded its airside passenger busing operations in 2018 to serve customers on arriving and departing international flights. To enable this growth, the Airport Authority took delivery of seven additional electric buses and implemented Aviramps, which allow all passengers to enplane and deplane through an accessible covered ramp. Eight carriers participated

in busing operations, which we supported with new purpose-built holdrooms. We will continue to focus on passenger busing in 2019, giving YVR additional operational flexibility and capacity through periods of growth and change. A big thank you to our 2018 busing partners—we are grateful for your ongoing commitment to YVR's success!



Seamless Connections

We made great progress in 2018 with YVR's International to Domestic Transfer Process (ITD), a procedure that allows passengers from select international destinations to connect to domestic flights without having to retrieve their baggage.

We continued the discussion on expansion efforts with Canada Border Services Agency (CBSA) and our current airline partners, WestJet and Air Canada. We expanded the program's eligibility, which includes flights from the United States, European Union, United Kingdom and Australia, to include all Air Canada flights arriving from Japan—and in September CBSA officially declared this program as the new default domestic connections

process within Canada. In addition, we started a temporary passenger busing operation, which will be in place while YVR builds the permanent ITD structure. Under this new process, eligible arriving passengers are directed to a separate area in the Customs Hall, where they board a bus that takes them directly to the Domestic Terminal for their connecting flight. The new service has greatly improved the connecting process for our passengers, saving time and steps.

We sincerely appreciate the support of CBSA, WestJet and Air Canada as we work together to improve the connection process at YVR.

CUSTOMER CARE

Our team strives to deliver a great airport experience for passengers, partners and communities. We are always looking for ways to improve the airport and our efforts range from ensuring passengers have everything they need to navigate the terminal buildings, to working with partners on accessibility improvements—and much more.

92%

A Record Customer Satisfaction Rating

In this Section

Accessible air travel, Customer privacy, Customer service quality, Non-discrimination towards passengers.

GRI Disclosure and Stakeholders GRI 418-1



Vancouver Airport Authority



Passengers



Airlines



Airport business partners



Government and regulators





As a community-based organization, Vancouver Airport Authority is in a unique position: we constantly reinvest our success back into the airport, creating an environment that caters to the needs of our many stakeholders. Customer care is at the core of our success. It's what sets us apart as an airport, a community asset and a leader.

OUR APPROACH

YVR welcomes millions of passengers every year and these passengers interact with a range of stakeholders including Vancouver Airport Authority employees and our many partners. We take a multi-pronged approach to customer care, which starts with a strategic focus that places customer care under one of our key organizational and strategic objectives: create an outstanding customer experience.

We strive to create an exceptional culture of care for all passengers. We offer training for Airport Authority employees and Sea Island business partners, we undergo extensive terminal audits and we partner with key organizations, such as the Rick Hansen Foundation, to improve the terminal for everyone. In addition, we seek feedback on how the airport can improve—through the customer care team, website, social media and surveys.

Customer Service Quality

Improving the passenger experience is critical to building a successful, diversified hub as it impacts our reputation and influences customers' choices. Customer service is visible at all points in the passenger journey—from interacting with friendly staff or volunteers to considering appropriate terminal design.

To ensure passengers receive outstanding service, we have a comprehensive approach that includes terminal improvements, employee recognition programs and new and improved passenger processes. And we constantly measure success, through satisfaction surveys, audits, mystery shops and meetings with partners.





Accessible Air Travel

Our approach to accessibility is grounded on a belief that YVR has a responsibility to make travel accessible for everyone. We interact with a diverse range of passengers and our actions have a big impact on their travel experience.

We approach universal access as an essential component of customer care. We strive to offer a welcoming environment that provides meaningful universal access. We are committed to meet and, where possible, exceed requirements. Our strategy includes adhering to all applicable regulations following the National Building Code of Canada, Canadian Standards Association—Accessible Design for the Built Environment, Canadian Transportation Agency standards and codes, the *Canada Transportation Act* and the Personnel Training for the Assistance of Persons with Disabilities Regulation. We strive to go beyond code, whenever possible.

We have established universal access design guidelines for all renovations and new construction. In addition, we conduct a wide range of activities and programs under the Universal Access Plan including working closely with partners at the airport and in the community, conducting terminal upgrades, outlining accessibility in tenant leases and offering accessibility training for employees and contractors. We also host popular experiential programs to help individuals and families prepare for air travel requirements and we are constantly adding new features and services.

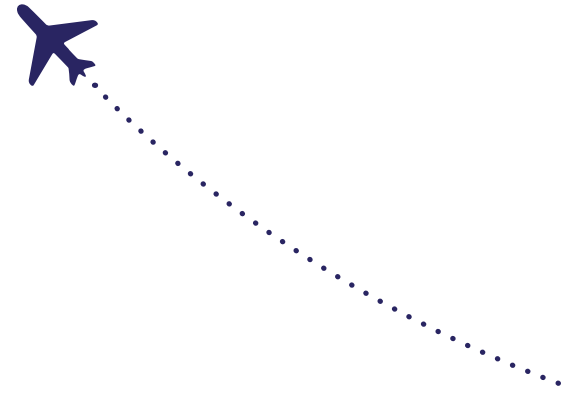
Customer Privacy

Vancouver Airport Authority is subject to the *Personal Information Protection & Electronic Documents Act*. Privacy matters are overseen by our Vice President Legal, in her capacity as Privacy Officer, as well as a Privacy Committee comprised of the Privacy Officer, Vice President People and Sustainability, Vice President Operations and Maintenance and Vice President Information Technology and Chief Digital Officer.

We take the collection of information very seriously. Our foundational item, IT & Digital, is a critical element that supports the Strategic Plan. It guides our goals to deliver a stable and resilient foundation of technology and protect the environment through a multi-layered system of cyber security. Our team follows several policies—Privacy, Privacy Breach Reporting, Technology Use—which guide a range of actions including the Privacy Management Program.

Recognizing that privacy and security go hand-in-hand, we have a cross-departmental, cyber security and privacy team. In the event of a breach, we would engage the team to contain it, evaluate risks and mitigate the situation. Under this team's guidance, we regularly update our policies, offer customized departmental training and communicate changes to our approach through multiple channels. In addition, we publish our privacy statement on yvr.ca and we field all complaints through our Privacy Officer.





Non-discrimination towards passengers and employees

Vancouver Airport Authority strives to offer a great airport experience for everyone, free of discrimination, which is paramount to our success and reputation. We treat passengers with honesty and integrity and we work with business partners to ensure passengers receive fair and ethical service. We uphold our standard of conduct to obligations found under the national *Human Rights Act* and elevate our standards through our corporate guidelines, found in the Social Policy and Code of Ethics.

YVR supports Canada's linguistic duality, a cornerstone of our country's rich heritage and diversity. We have a strong foundation in ensuring that we communicate

in both French and English with the travelling public. Building on that strong foundation, we are continuing to broaden and expand our Official Languages Program.

We undertake a range of actions to ensure a goal of zero-discrimination. This includes full compliance with English and French language laws, 24/7 language line translation services for passengers, concessionaires and airlines, training for our employees and customer care contractors, pictograms and language options on signage (English, French and Simplified Chinese), cultural awareness programs and inclusive washroom signage.



CUSTOMER CARE: 2018 RESULTS



92%

**A Record Customer
Satisfaction Rating**



935,029

**customer enquiries
answered in 2018**

2018 was our busiest year ever. We welcomed a record number of passengers and we did this while maintaining a high level of customer care. YVR received Best Airport in North America at the Skytrax World Airport Awards—for an unprecedented nine years in a row—and we achieved a top customer satisfaction rating of 92 per cent.



Our customer satisfaction rating is based on an annual survey that helps us monitor passenger satisfaction, formulate future initiatives and evaluate the impact of capital improvements. In 2018, we scored a 4.4 out of 5.0 on this survey, with 92 per cent of respondents either “very satisfied” or “satisfied” with our services and facilities. This is a new record and it is all thanks to the broad team of over 24,000 people who work at YVR.

We answered 935,029 enquiries at information counters, a nine per cent decrease from 2017. We responded to 26,333 interactions through our 24/7 communications channels, down 13 per cent over 2017. This included 750 responses through Twitter, 6,162 through email and 18,593 phone calls.

CUSTOMER SERVICE QUALITY

Green Coat Volunteers

For over 28 years, YVR's Green Coat volunteers have assisted travellers and visitors. They are located throughout the terminal and are always happy to help answer questions and ensure everyone has a great experience. This friendly team of 446 active volunteers delivered 82,513 hours of service in 2018. In addition to the above hours, volunteers logged over 2,600 training hours. Volunteers all completed accessibility training as part of their recurrent training.



YVR Stars

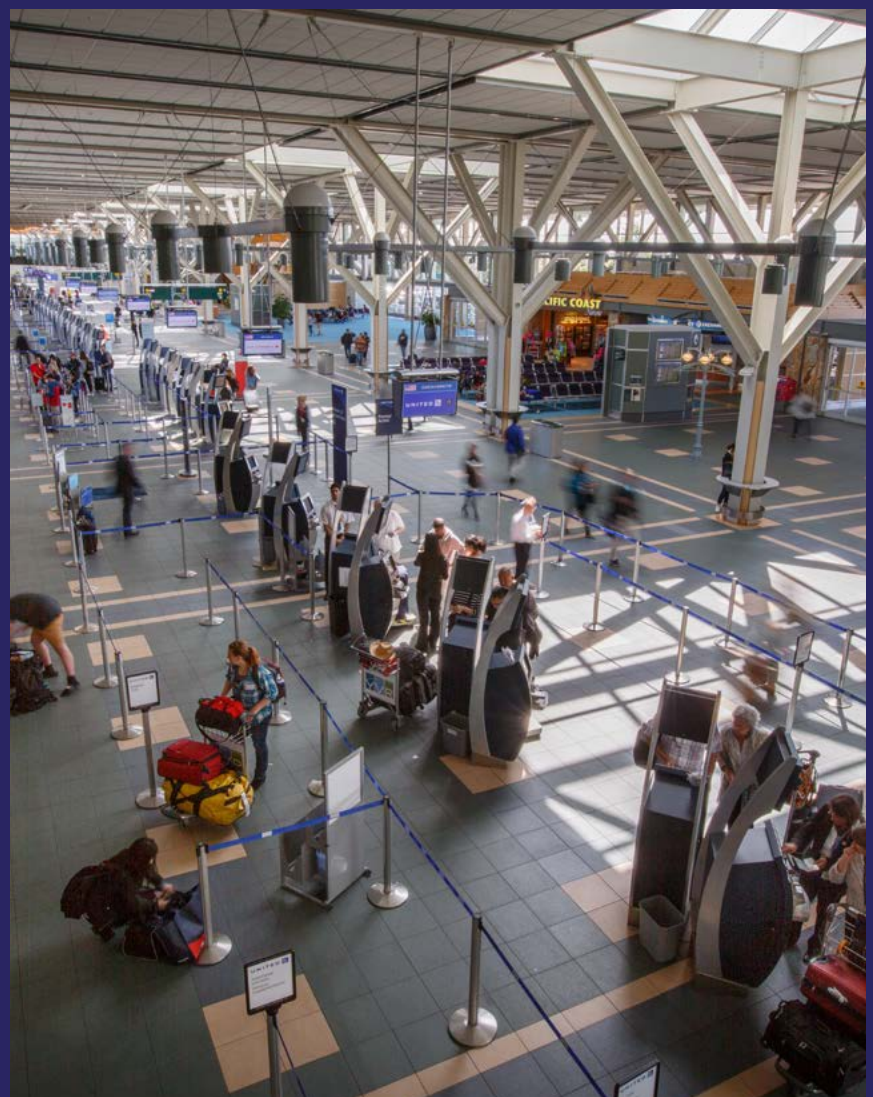
The YVR Stars program encourages travellers, visitors and employees to nominate anyone who works or volunteers on Sea Island for providing exceptional customer care. In addition to promoting great service, the program inspires the YVR community to take pride in their work. In 2018, YVR Stars received 450 nominations encompassing 37 companies on Sea Island. We hosted our fourth annual celebration event in January for YVR Stars, welcoming winners that demonstrated exceptional safety and security, teamwork, care and compassion and overall customer service.



Terminal Improvements

In 2018, we conducted a range of terminal enhancements. We trialled several programs including hearing loop systems, which improve the airport experience for individuals who are hard of hearing. We added 58 accessible check-in kiosks that include audio capabilities, bringing the total to 91. We also piloted a number of innovative janitorial equipment to enhance terminal cleanliness including robotic self-driven floor care and aqueous ozone to replace cleaning chemicals.

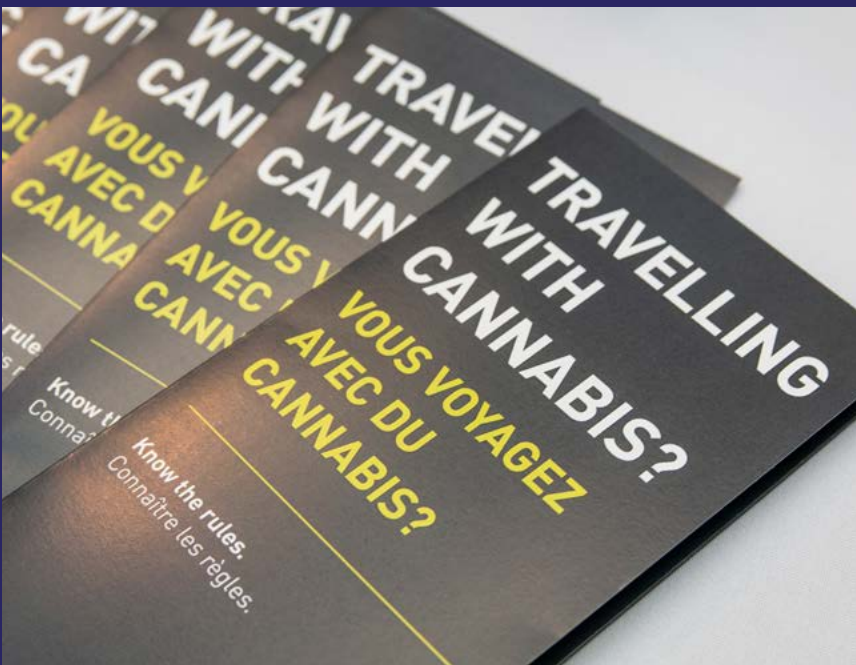
To enhance access to information, we launched a new digital information kiosk in the Transborder departures area. We enhanced our signage by integrating digital messaging that helps facilitate passenger arrival and connection flows and allows for real-time changes to signage content. And we enhanced the curbside experience, offering more smoke-free areas and adding signage to assist passengers arriving curbside.



CUSTOMER SERVICE QUALITY

Cannabis legalization

To prepare for the Canada-wide legalization of cannabis in 2018, the Airport Authority established five working groups to explore key areas: employees, curbside, security and enforcement, airport experience and stakeholders. We developed a strategic approach focused on minimizing operational impacts while ensuring the safety, security and comfort of everyone. The working groups developed specific action items to prepare for the October legalization including updating internal policies, addressing curbside smoking, working with partners to clarify security and enforcement and developing a communications strategy that looked at educating our passengers, partners and stakeholders. This strategy included a multi-pronged media approach that culminated in a well-attended press event.



Extended Concession Hours

To help make YVR a memorable experience for all passengers, the Commercial Development team extended the operating hours of all concession partners on June 1. The extended hours ensured consistent operating hours in all terminals and provided earlier openings and later closing times for our retail, food and beverage and service providers.



ACCESSIBILITY

Accessibility Awareness and Tours

We continued to partner with the Western Institute for the Deaf and Hard of Hearing (WIDHH) to implement changes originating from their 2017 terminal audit. We launched an updated YVR sticker with the Canucks Autism Network (CAN) and sent volunteers from the Airport Authority to their sports day event. Our popular tours with Spinal Cord Injury BC and the Canadian National Institute for the Blind continued in 2018.

We also established a lost and found primary partnership with Developmental Disabilities Association.

Rick Hansen Foundation Accessibility Certification Program

In 2018, YVR received the Accessibility Certified Gold rating under the Rick Hansen Foundation Accessibility Certification™ (RHFAC) program. Read more on [page 14](#).

PRIVACY MANAGEMENT

The Airport Authority experienced two cyber-related incidences in 2018 as a result of phishing campaigns. In both cases, we acted swiftly to contain the attack, investigate the information at risk and notify affected individuals. We have taken measures to prevent recurrence, through software and hardware changes, as well as through employee training.

Throughout 2018, we continued to build on our Privacy Management Program. Activities included:

- Putting together a cross-departmental team to respond to privacy breaches, to be supported by external legal counsel.
- Rolling out a new Privacy Breach Reporting Policy and a Privacy Breach Response Policy. We also updated our Privacy Policy (both for employees and the wider airport community, including passengers) and developed customized departmental training on the same topic. All departments received this training in 2018.
- Applying a data-mapping approach to proactively answer questions about the personal data we are entrusted with safeguarding.
- Ensuring that all employees completed mandatory privacy and cyber awareness training computer modules.



DIRECT ECONOMIC IMPACT

YVR plays a key role in the economy—creating jobs and driving business activity. The airport's success is built on Vancouver Airport Authority's unique business model, which includes a conservative approach to debt, multiple revenue streams and a robust risk management system. Our approach to risk also addresses climate change.

24,000+
Jobs on Sea Island
supporting YVR's operations

In this Section

Direct economic impact,
Climate change adaptation

GRI Disclosure and Stakeholders GRI 201-1



Vancouver Airport
Authority



Local
communities



Airlines



Airport business
partners



Government
and regulators





Direct economic impact is crucial because it reflects our success as a business. Under our not-for-profit governance model, the Airport Authority reinvests all profits back into the airport and region. This approach has strengthened our financial position and supports a broad range of economic impacts in the region.

OUR APPROACH

YVR's direct economic impact has a wide-reaching influence—supporting the employment of over 24,000 people on Sea Island and a range of businesses through the purchase of goods and services. We seek to ensure financial strength and revenue growth, both critical elements supporting the Strategic Plan, through three sources: aeronautical revenue, which includes landing and terminal fees; non-aeronautical revenue from concessions, parking, kiosks and terminal and land rents; and an Airport Improvement Fee, which is dedicated to supporting capital projects. We approach economic impact as a positive outcome of the Airport Authority's governance model, with its emphasis on strategic and sustainable growth.

We are committed to being financially stable and this is reflected in our high credit rating and conservative approach to debt financing. We are also committed to providing social and economic benefits to the region and we do this by seeking out new revenue streams—from developing new technologies to go to market to implementing innovative business practices as seen with our part-ownership of the McArthurGlen Designer Outlet Centre. At the same time, we provide significant economic benefits through the growth of the airport and its air services.

Climate Change

Climate change presents risks and opportunities for YVR's economic performance. From an opportunity perspective, we conduct a range of activities that help us prepare and adapt to a changing climate and in turn reduce our impact on climate change. For instance, we support more efficient and environmentally friendly supply chain logistics, develop alternative forms of power for the airport terminals and supporting efficient modes of transportation.

We recognize that climate change presents a range of potential impacts and we acknowledge our responsibility to sustainably manage these risks. The airport is located on Sea Island, surrounded by the Pacific Ocean and the Fraser River, and is susceptible to rising sea levels, changing weather patterns and natural hazards. This presents a potential financial impact to all of Sea Island, including our employees, business partners and surrounding communities.





To properly address climate-related risks, the Airport Authority's cross-departmental Climate Change Adaptation Working Group prepared a Climate Risk and Resilience Report. The report focuses on business continuity, with an emphasis on identifying and monitoring potential climate-related risks. Key to the group's work is a Climate Change Matrix that identifies 28 climate-related risks, details the nature of the risks and the methods used to manage them, as well as their potential impact.

In addition to identifying and monitoring climate-related risks, the Airport Authority has taken proactive steps over the last several years to mitigate the impacts of climate change. For instance, we are part of an inter-jurisdictional initiative to develop a coordinated flood management strategy for the lower Fraser River. We have a multi-year plan to raise our dykes to an elevation of 4.7 m based on the expected sea level rise of one metre within 100 years. As of the publication of this report, the Airport Authority has 15 km of dykes: 3.5 km at 4.7 m in elevation, 4.5 km at 4 m and the remaining 7 km at 4 m.



DIRECT ECONOMIC IMPACT: 2018 RESULTS

\$34.5 MILLION

Overall revenue
increase

FINANCIAL AND OPERATING HIGHLIGHTS (2009 – 2019)

Year	Revenue (millions)	Operating expenses (millions)	Ground lease (millions)	Excess of revenue over expenses (millions)	Net assets (millions)	Capital expenditures for the year (millions)	Passengers (millions)	Aircraft runway take-offs and landings (thousands)	Cargo handled (thousands of tonnes)
2018	565.1	408.5	59.5	101.7	1,765.4	351.1	25.9	296	338.2
2017	530.6	388.5	55.3	88.6	1,668.7	167.9	24.2	289	312.9
2016	490.5	360.1	50.6	85.1	1,578.0	160.2	22.3	280	282.8
2015	485.5	346.9	49.3	131.5	1,495.8	205.0	20.3	279	271.8
2014	465.6	325.1	46.6	105.6	1,360.7	277.6	19.4	273	256.9
2013	434.2	291.9	42.3	58.0	1,256.5	186.0	18.0	263	228.3
2012	403.9	280.7	39.1	82.5	1,181.6	106.0	17.6	261	227.9
2011	369.4	276.1	34.8	69.3	1,098.2	59.9	17.0	258	223.9
2010	368.8	281.4	33.2	63.7	1,037.9	71.2	16.8	255	228.4
2009	359.1	256.7	65.6	41.3	974.0	226.6	16.2	258	197.5

Based on Vancouver Airport Authority's audited Consolidated Financial Statements.

FINANCES

Sustainability requires strong financial health, which is one of the Airport Authority's fundamental responsibilities. Our sound financial planning is reflected in our consistently high credit rating, which is among the best in the world. Both Standard & Poor's and Dominion Bond Rating Service confirmed the Airport Authority's ratings at AA and AA (low), respectively, in 2018. Our AA credit rating is the second-highest airport credit rating in the world, after Hong Kong.



6.2%

**Increase in non-aeronautical
revenue in 2018**



**CREDIT
RATING**

**Second-highest
airport rating in
the world**



FINANCIAL REVIEW

The Airport Authority earns revenue from three main sources:

- **Aeronautical revenue**

The Airport Authority collects landing and terminal fees to recover the operating and capital costs related to airline operations. This revenue amounted to \$143.2 million in 2018, an increase of \$7.3 million from \$135.9 million in 2017. In 2016, the Airport Authority introduced ConnectYVR, an innovative five-year program that freezes aeronautical rates for five years designed to incent growth and efficiency. ConnectYVR incents carriers to utilize the same aircraft gates for flights to allow the Airport Authority to best utilize its terminal infrastructure.

- **Non-aeronautical revenue**

This includes revenue from concessions, such as duty free, car rental facility charges and advertising, as well as car parking, kiosks and terminal and land rents. Revenue from these sources amounted to \$249.8 million in 2018, an increase of \$14.5 million from \$235.3 million in 2017, due mainly to the increased concessions, rental and car parking revenue.

Almost half of YVR's revenue comes from non-aeronautical sources. This includes sales of our award-winning BORDERXPRESS™ kiosks, parking and tenant rent. We reinvest non-aeronautical revenue back into the airport, keeping costs low for our airline partners and passengers.

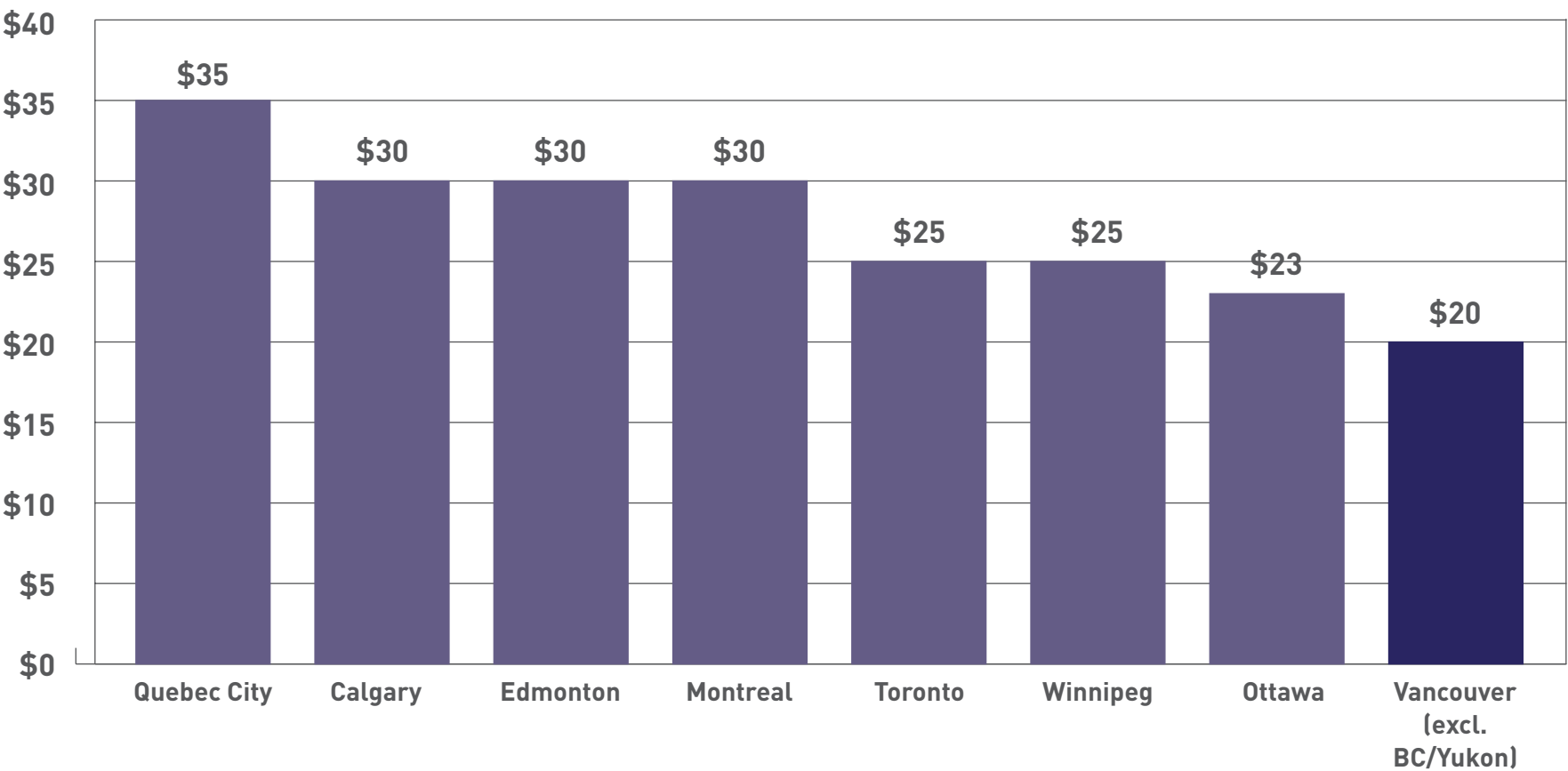


• **Airport Improvement Fee (AIF)**

All of the Airport Authority’s excess of revenue over expenses are reinvested into capital infrastructure. However, the revenue earned from aeronautical and non-aeronautical sources is not sufficient to cover both the costs of operating the airport and the required capital projects. These projects include a new Parkade, a Central Utilities Building with one of Canada’s largest GeoExchange systems, an expansion to one of our international piers and

Runway End Safety Areas (see yvr.ca/construction for more). To help fund capital projects, the Airport Authority collects an Airport Improvement Fee (AIF). Total AIF revenue earned in 2018 was \$172.1 million, an increase of \$12.8 million from \$159.3 million in 2017, due mainly to the 7.3 per cent growth in passenger traffic over 2017. YVR’s AIF remains one of the lowest of the major airports in Canada and continues to provide one of the lowest fees for travel within B.C. and the Yukon.

YVR has the lowest Airport Improvement Fee (AIF) of all major Canadian airports. In addition, YVR is the only major Canadian airport with an in-province AIF of just **\$5**.



Non-AIF revenue goes towards covering the costs of operating the airport, which include salaries, wages and benefits, materials, supplies and services, payments in lieu of taxes and insurance. In 2018, these costs increased to \$223.6 million, an increase of \$12.3 million from 2017. These increases were mainly due to materials, supplies and service costs for legal services, security services, baggage sortation, terminal and airside repair and maintenance, customer care, cleaning and utilities, while salaries, wages and benefits costs increased based on the negotiated wage increases per the Collective Bargaining Agreement as well as from an increase in the number of employees.

The Airport Authority also uses a portion of its revenue to pay rent to the federal government under the Ground Lease, which amounted to \$59.5 million in 2018, an increase of \$4.3 million from 2017. The increase in rent resulted from the increase of the Airport Authority's revenue upon which the rent payment is based.

The Airport Authority paid \$16.4 million to the City of Richmond, with a minor amount to City of Vancouver, for payments in lieu of taxes. In April 2018, the Airport Authority paid the Musqueam Indian Band \$5.3 million based on one per cent of the Airport Authority's 2017 revenue as part of the 30-year Sustainability & Friendship Agreement between YVR and Musqueam.

The total cash needed to pay for capital projects can exceed the amount available after payment of operating costs, ground lease and interest costs. In these situations, debt financing is required. The Airport Authority takes a conservative approach to debt levels and strives to achieve a reasonable balance between debt and sources of revenue. In November 2018, the Airport Authority financed a new \$250 million debenture to replace a \$200 million debenture that matured in December 2018 and an additional \$50 million to take advantage of the favourable economic environment. The Airport Authority had \$600.0 million in outstanding debt financing consisting of a series of three long-term debentures with fixed interest rates and varying maturity dates. Interest cost, which included interest payments, standby fees and service charges, amounted to \$30.4 million in 2018, an increase of \$0.4 million from 2017.

As required under generally accepted accounting principles and in the statement of operations, the costs of capital projects are spread over the useful life of the assets, as opposed to being recognized as the total cash paid for the projects in the current year. This

spreading of cost over the useful life is reflected as amortization on the statement of operations, which is a non-cash charge. Total amortization in 2018 amounted to \$154.5 million, an increase of \$7.3 million from 2017 as a result of new facilities that came into operation.

The Airport Authority earned \$8.8 million in partnership income from the rental of buildings owned by the Airport Authority.

Total excess of revenue over expenses, which includes amortization, was \$101.7 million in 2018, an increase of \$13.1 million from 2017. When amortization, a non-cash item, is removed, the Airport Authority generated \$285.1 million of net cash flow, prior to its investment in capital projects.

During 2018, the Airport Authority invested \$351.1 million in capital projects. The capital projects included Pier D Expansion, Sustainable Energy System/Electrical Infrastructure, Parking and Ground Transportation Facilities, Remote Stand Operations, Runway End Safety Areas and South Templeton Parking Lot.

In order to pay for these capital projects, the following amounts were used:

- Ending 2017 cash balance of \$286.3 million.
- Net AIF in the amount of \$165.2 million.
- Net cash flow (excluding AIF) of \$119.9 million.
- New incremental debenture borrowings of \$50.0 million.

These amounts in total were more than sufficient to pay for the 2018 capital project costs, which when combined with the cash available at the start of the year leaves \$270.3 million in cash available to pay for capital projects in 2019.

FINANCIAL STATEMENTS

Vancouver Airport Authority's 2018 Consolidated Financial Statements are available at **yvr.ca/2018**.



BUSINESS UNITS



INNOVATIVE TRAVEL SOLUTIONS

Innovation is a core value and is integral to Vancouver Airport Authority's strategy to continue to grow and develop as a connecting hub. The net profits earned from Innovative Travel Solutions (ITS), a business unit within the Airport Authority, fund innovation at YVR. ITS is responsible for solving challenges at YVR and, where appropriate, commercializing solutions for sale to other airports. The ITS team has been primarily focused on developing, selling and supporting its BORDERXPRESS™ kiosks. ITS is the largest provider of common-use, self-service border control solutions with more than 1,600 kiosks operating in over 42 airport and seaport locations around the world. This solution has helped more than 250 million passengers clear the border efficiently and safely.

In 2018, ITS expanded its portfolio of industry-leading technology with the launch of CHECKITXPRESS™. See more on [page 12](#).

For more information on Innovative Travel Solutions, visit yvr.ca/its.

VANCOUVER AIRPORT AUTHORITY (HONG KONG) LTD.

Vancouver Airport Authority (Hong Kong) Ltd. was established in 2012 as a wholly-owned subsidiary of Vancouver Airport Authority to strengthen airline relationships and forge new partnerships in the

Asia-Pacific region. In 2018, the team's efforts resulted in several key developments: new partner Hainan Airlines, with service to Shenzhen; a successful 50th anniversary celebration of our long-standing partner Japan Airlines and its service between Tokyo and YVR; and extended eligibility for passengers flying with China Eastern under the Transit Without Visa initiative.

YVR PROJECT MANAGEMENT

Established in 2005, YVR Project Management Ltd. (YVRPM) is a wholly-owned subsidiary of Vancouver Airport Authority overseeing major capital expansion projects at YVR and on Sea Island. YVRPM managed the construction of the first phase of the McArthurGlen Designer Outlet Centre and is currently managing the construction of the second phase. YVRPM continues to work on the planning and development of a number of other capital projects on Sea Island.

VANCOUVER AIRPORT PROPERTY MANAGEMENT LLP

Vancouver Airport Authority established Vancouver Airport Property Management LLP (VAPM) in 2014 to own and operate the multi-tenanted cargo and office facilities on Sea Island. The VAPM team manages these facilities with a focus to develop and expand cargo business at YVR. As of December 31, 2018, the portfolio of assets is over 92 per cent occupied and during 2018 generated more than \$11 million in cash from operations.



VANCOUVER AIRPORT ENTERPRISES (TEMPLETON) LTD.

Established in 2012, Vancouver Airport Enterprises (Templeton) Ltd. is a wholly-owned subsidiary of Vancouver Airport Authority holding our 50 per cent investment in the McArthurGlen Designer Outlet Centre (Outlet Centre). McArthurGlen,

a leading European outlet developer, holds the other 50 per cent investment.

Just minutes from the terminal on public transit, the Outlet Centre has become one of the top performing malls in Canada, having welcomed over 13 million shoppers

since its opening in 2015. In addition to offering our passengers a great shopping experience, the Outlet Centre has a considerable economic impact, providing jobs and creating business activity in the region. During 2018, construction started on the second phase of

the Outlet Centre, which is expected to open in August 2019. The second phase will include over 80,000 square feet of additional retail space made up of 30 new luxury, premium and lifestyle brands.





ENVIRONMENT



OUR ENVIRONMENT

Vancouver Airport Authority strives to be a leader in environmental management. To effectively manage the environment, we maintain robust policies and procedures aligned with our values and regulatory obligations. We actively identify, seek out and report issues and hazards, promoting a culture of accountability. And we always seek to improve our performance—because we care about our environment and our place in it.

79

Material Topic:
**Reducing Air
Emissions**

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SAFETY, SECURITY AND ENVIRONMENT POLICY



Our *Safety, Security and Environment Policy* serves as a reminder to each employee that we are all individually responsible to report hazards and to always look for ways to improve our programs and processes—especially regarding safety, security and

environmental performance. This Policy plays an important role in YVR's Social Management System. Each member of our Executive Team has signed the Policy, which is available externally in YVR's Environmental Management Plan and is included below.

Vancouver Airport Authority is committed to excellence in safety, security and environmental management. Our primary objective is to build, operate and maintain a safe, secure and environmentally sustainable airport for our employees, stakeholders and customers.

Our commitment is delivered through a collaborative approach with continuous review and improvement of our operating performance, processes and procedures. Our safety, security and environmental programs are driven and supported by our Executive Team working together with our strong, flexible and capable team of professional employees.

The Executive Team will lead our efforts to:

- Meet all applicable safety, security and environmental laws and regulations
- Train and educate our employees and allocate sufficient resources in support of safety, security and environmental excellence
- Set specific measurable goals for safety, security and environmental performance and regularly report on these results
- Promote transparency and accountability through a culture whereby employees and stakeholders can:
 - Voluntarily self-report any acts, deficiencies, hazards, incidents or occurrences that threaten safety, security or the environment; and
 - Actively and collaboratively identify, seek out, report, analyze and rectify hazards in order to prevent or mitigate re-occurrence and maintain a safe, secure and environmentally sustainable airport.



REDUCING AIR EMISSIONS



The sky above YVR is not just a major component of our business—it’s also an essential part of our environment. We protect this vital asset through a concerted effort that seeks to minimize our emissions and those of our partners, while promoting clean energy and efficiency.

11%

Emissions reduced in 2018
(below 2012 levels)

In this Section

Air emissions

GRI Disclosure and Stakeholders

GRI 305-1, 305-2, 305-4, A05



Vancouver Airport Authority



Local communities



Airlines



Airport business partners



Government and regulators



Industry associations





Air emissions are a key indicator of our impact on the atmosphere and are a significant aspect of the aviation industry. Emissions are both global and local in nature and are a result of many contributing factors. At YVR, we measure and report on our emissions (Airport Authority-owned buildings and operations), and we are also broadening our commitment by working closely with our Sea Island business partners to minimize their impact.

OUR APPROACH

Managing air emissions takes into account a complex framework of energy sources, operational and business activities and environmental commitments. We allocate resources under our Strategic Plan, with specific targets set in our Environmental Management Plan. In addition, we communicate our commitment to the environment through our Safety, Security and Environmental Policy, our Social Policy and our Social Management System.

YVR works with employees, business partners and communities to minimize vehicle, building and aircraft greenhouse gas emissions (GHGs) and air contaminants. We focus on several key areas: emissions types, the intensity of emissions and ambient air quality (see following sections). We take action, promoting alternative forms of transportation to and from Sea Island, upgrading our fleet, improving airport infrastructure, reducing fossil fuel consumption and raising awareness of clean air practices. We also include consideration of greenhouse gas emissions as key criteria when evaluating new projects.

Emissions Types

Differentiating between emissions types helps us better understand how to mitigate our impact on the environment. We measure, monitor and review emissions under several categories: direct emissions from Vancouver Airport Authority-owned and controlled operations (Scope 1); indirect emissions from the purchase of electricity for our operations (Scope 2); and some activities we can only estimate because they are generated by airport businesses and public sources (Scope 3). Under globally-recognized GHG reporting protocols, companies are required to account for Scope 1 and 2 emissions. Scope 3 is an optional reporting category and is largely comprised of emissions from traffic on Sea Island, non-terminal buildings occupied by airport-affiliated businesses and partner airlines, ground support vehicles and equipment and aircraft landing, taxiing and take-offs.



We set an ambitious target to reduce Vancouver Airport Authority Scope 1 and Scope 2 emissions to 33 per cent below a 2012 baseline by 2020. We use 2012 as our baseline as it was the first year the Airport Authority undertook an inventory assessment with an external expert. We calculate annual emissions using a methodology consistent with the Provincial Government's framework for reporting emissions (2017 B.C. Best Practices Methodology for Quantifying GHG Emissions). We review this inventory annually with an internal audit, and we are certified under the Airport Carbon Accreditation program as administered by Airports Council International. While we work towards reporting and reducing our operational emissions, we are committed to working with business partners in reducing their impact.

Strong passenger growth will mean greater heating, cooling and electrical demands. This, combined with annual fluctuations in weather, contribute to our annual emissions. Understanding emissions intensity helps us better focus on realistic and attainable reduction efforts; thus, we also report and manage our emissions based on passenger volume.

Ambient Air Quality

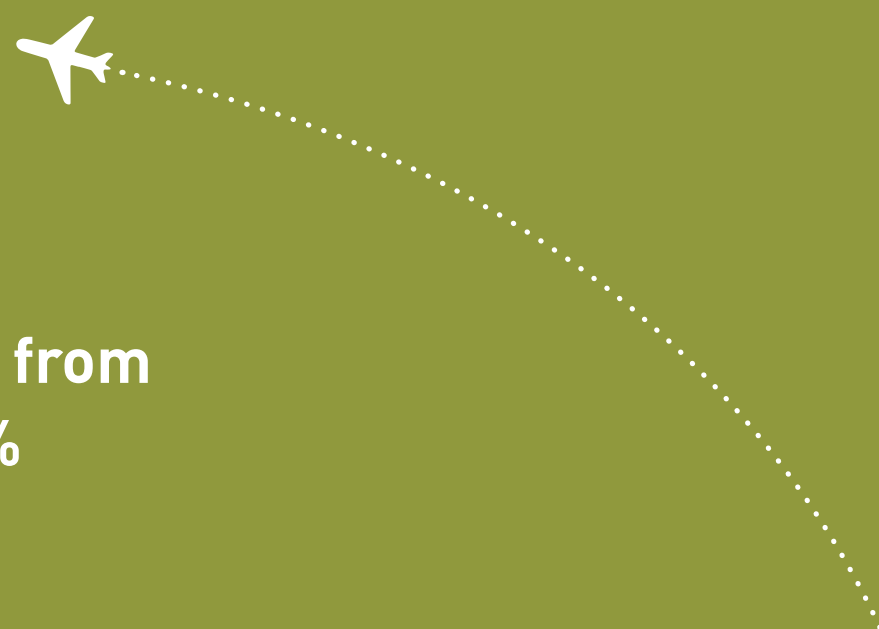
The quality of our airshed is crucial to ensuring the health and safety of our communities and the environment.

The Airport Authority tracks emissions associated with airport operations and our use of substances that are emitted to the environment and completes detailed analyses each year for the Federal Government. We are committed to reducing air pollution and we track air quality through continuous monitoring. We report to the National Pollutant Release Inventory (NPRI) and we participate voluntarily in the Lower Fraser Valley Air Quality Monitoring Network.

As part of this network, the data we collect from Metro Vancouver's monitoring station on Sea Island is displayed on a live stream through their website. Under the *Environmental Management Act*, Metro Vancouver manages air quality within its boundaries, sampling the air at this station several times per minute and analyzing this data to demonstrate trends and performance against annual, hourly and 24-hour objectives—publishing it in the Caring for the Air Report each May. We present the data in the following section, comparing it with several of Metro Vancouver's current ambient air quality objectives to ensure we stay aligned.



REDUCING AIR EMISSIONS: 2018 RESULTS



2020
TARGET

Reduce emissions from
2012 levels by 33%



2018
RESULT

Emissions reduced 11%

DIRECT EMISSIONS

Our direct emissions (Scope 1 and 2) were 8,531 tonnes of carbon dioxide equivalent units (CO₂e) in 2018—an 11 per cent reduction from our 2012 baseline year (9,613 tonnes). While these direct emissions are one-third of the way to reaching our 2020 goal, we recognize that 2018 was a challenging year. In addition

to record passenger growth, there was a province-wide shortage of natural gas. YVR was asked to curtail natural gas use for a short period of time and used diesel to heat the terminal buildings. This contributed to Scope 1 emissions. The results below include CO₂, CH₄ and N₂O gases.

	2012	2013	2014	2015	2016	2017	2018	2020 Target
Scope 1 emissions (tonnes of CO ₂ e): fleet vehicles, plant operations, emergency power	7,761	8,185	8,564	7,861	6,568	8,250	7,379	
Scope 2 emissions (tonnes of CO ₂ e): purchased electricity	1,852	1,322	998	1,096	1,108	1,148	1,152	
Total	9,613	9,507	9,562	8,957	7,676	9,398	8,531	6,441*

* Represents a 33 per cent reduction over 2012 levels.

Emissions per passenger

40% 

decrease in emissions
per passenger since 2012

Emissions per passenger improved 40 per cent from 2012 (0.546 tonnes/passenger) to 2018 (0.328 tonnes/passenger). To calculate the ratio, we divide total GHGs in tonnes by total passengers in 000s. This ratio includes the emissions types and GHGs noted in the table above.

INDIRECT EMISSIONS

Vancouver Airport Authority has low to moderate control over Scope 3 (Sea Island) emissions, but is in a position to influence reductions in greenhouse gases from the public and our business partners. We conduct comprehensive emissions inventories every five years and, in keeping with this reporting cycle, the 2017 emissions were calculated to be 355,007 tonnes of CO₂e. Improved data collection and methodologies developed during the 2017 inventory indicate a revised baseline calculation for 2012 of 349,583 tonnes CO₂e. This means that Scope 3 emissions increased by 1.6 per cent between 2012 and 2017, while passenger growth increased by 37 per cent over the same period. Scope 3 emissions for 2018 are estimated to be 367,728 tonnes CO₂e.



2018 ACTIVITIES & INITIATIVES



In 2018, the Airport Authority achieved Level 3 Airport Carbon Accreditation through Airports Council International (ACI). As part of this accreditation, we received a third-party audit of our carbon inventory and management program. We also undertook a wide range of initiatives to assist our partners and tenants in reducing emissions on Sea Island:

Electric Vehicle Charging Stations



7,827

EV charges in 2018, an 84% increase

YVR currently has 60 accessible electric vehicle charging stalls for public, employee and fleet use. In 2018, we recorded 7,827 charges from our public and employee stations—an increase of 84 per cent over 2017. Since installing our first charging station in 2013, we have seen growth every year in the number of charges, totalling 15,475 charges recorded from these stations.

In 2018, we continued to expand electric vehicle charging infrastructure in our public, employee and fleet parking lots. We added two dual-head charging stations in the Parkade and five dual-head charging stations in the Value Long Term parking lot. We also added eight dual-head charging stations in the new YVR Aylmer Road Complex parking lot, four for employees and four for fleet charging.

To ensure consistency among all of our electric vehicle charging infrastructure, we replaced four single-head charging stations in two of our employee parking lots on North Service Road.

Pre-conditioned Air Units

We continued to install pre-conditioned air units to encourage aircraft to shut off their auxiliary power units when parked at gates. Our team installed six units, providing electrical heating and cooling to aircraft.

Building Improvements

We undertook a wide range of building improvements in 2018—saving over 960,000 kWh per year. We installed new LED lighting and higher efficiency electrical heating and cooling units in nine buildings on Sea Island. In the Parkade, we installed 140 motion sensors and set interior lights to dim from 100 to 40 per cent if no movement is detected. We also engaged occupants in our Aylmer Road Complex to participate in an energy savings program.

Climate Smart

In 2018, we continued a business partnership with Climate Smart, a local organization that specializes in business engagement and providing training and tools to manage carbon emissions, waste and water use with a goal of reducing greenhouse gas emissions. We helped 13 Sea Island businesses join the program, with three half-day training sessions. Topics covered included GHG reporting standards, steps required to build an annual greenhouse gas inventory and knowledge-sharing around energy, fuel, waste and water reduction activities.

Additional 2018 activities and initiatives that helped reduce emissions are available in our **Ground Transportation** and **Energy** results.



SEA ISLAND AIR QUALITY

In 2018, the Airport Authority submitted an air quality report to the National Pollutant Release Inventory (NPRI) for the 2017 emissions period. We found that we continued to remain below the reporting thresholds for all substances including Carbon Monoxide, Sulphur Dioxide, Oxides of Nitrogen and Volatile Organic Compounds. Particulate matter includes matter that is produced from boilers, emergency generators and road dust, as well as asbestos disposal releases. Generators are required by law to run as a primary

energy source for runway and airfield lighting during heavy fog conditions. The amount of road dust generated varies annually depending on construction and wildlife management activities. Our reported levels for particulate matter and asbestos disposal releases in 2017 were above 2016 levels, as emergency generators saw more use in 2017 due to more low visibility days. Similarly, our reported levels of asbestos disposal releases in 2017 were above 2016 levels as we experienced greater construction activities at YVR.

Air Pollutants monitored on Sea Island

Annual Averages	2012	2013	2014	2015	2016	2017*	Metro Vancouver Objectives
Nitrogen Dioxide (NO ₂) (ppb)	14	14	15	14	14	16	21
Carbon Monoxide (CO) (ppb)	239	244	239	254	242	250	No annual average
Sulphur Dioxide (SO ₂) (ppb)	0.8	0.7	0.6	0.4	0.2	0.4	5
Fine Particulate Matter (PM _{2.5}) (µg/m ³)	4.2	6.3	6.4	6.0	4.9	6.2	8
Fine Particulate Matter (PM ₁₀) (µg/m ³)	11.1	11.5	11	12.8	10.3	11.1	20
Ozone (O ₃) (ppb)	18	16	17	16	16	17	No annual average

*2018 data will be available in May 2019



REDUCING WASTE

We seek to make YVR a sustainable hub and a big part of this vision is ensuring we properly manage waste, minimizing its impact on people and the environment. We take an innovative and hands-on approach to waste management that includes ambitious targets, accountability, diverse programs and an emphasis on working with partners.

51%

Waste diverted from landfill in 2018. A 2020 goal achieved, three years in a row!

In this Section

Water discharge, Hazardous waste and Non-hazardous waste

GRI Disclosure and Stakeholders

GRI A06, 306-2



Vancouver Airport Authority



Airlines



Airport business partners



Passengers



Local communities



Government and regulators





YVR's operations and construction create various forms of waste and this waste, if not properly managed, could have a negative impact on local communities and the environment. Our waste management efforts focus largely on YVR's main terminals, where we work with partners to reduce our impact—from offering passengers multi-stream recycling stations throughout the terminal, to implementing alternative solutions with food and beverage tenants to divert waste from landfill. YVR is considered an industry leader in recycling construction waste, which in any given year could include millions of kg of asphalt, concrete, metal and more.

OUR APPROACH

Waste management falls under our Environment foundational element in our Strategic Plan and is a key deliverable in YVR's Environmental Management Plan (EMP), which includes subsequent plans and programs to address several types of waste: hazardous waste, non-hazardous waste and water discharge. The purpose of this approach is to properly manage and reduce waste, while striving towards ambitious 2020 targets.

To achieve our vision, we place waste reduction as a key measurable component for our organization and we share its management across our Environment and Health and Safety departments. Our goal is to ensure regulatory compliance, protect the environment, assess and manage risks and strive for continuous improvement.

Non-Hazardous Waste

Non-hazardous waste is an important focus because it not only constitutes the largest amount of waste at YVR, but also presents many opportunities for innovation. This waste, which includes compostable organics, containers (plastic, metals and glass), fibre (paper and cardboard) and garbage, comes from the main terminal buildings and impacts terminal business partners, passengers and local communities. Under our Waste Management Program, we employ a wide range of methods to reduce terminal waste—from promoting recycling among tenants through creative programs, to piloting new composting initiatives, introducing incentive programs and undertaking regular waste audits. Driving this activity is an ambitious goal: to divert 50 per cent of terminal waste from landfill by 2020.



We work closely with construction partners to ensure they are properly disposing of construction waste (both hazardous and non-hazardous). Under facility permit conditions, we require all construction contracts to dispose of waste according to Metro Vancouver guidelines and we require partners to regularly report waste and recycling information for annual construction waste statistics.

Hazardous Waste

We take hazardous waste management very seriously as its use and disposal can present significant impacts to our employees, airport business partners, local communities and the environment.

To responsibly manage and reduce hazardous waste, we have a comprehensive Hazardous Materials Management Program that reduces risk by meeting or exceeding the regulatory requirements for life cycle management, safe handling of hazardous materials and spill preparation and prevention. In addition, our Building-Related Hazardous Exposure Management Program (BRHEMP) helps us identify and control building-related hazardous materials throughout Sea Island. More information on the BRHEMP is available [here](#).

We track and store hazardous waste and use a third party to oversee proper hauling, recycling and disposal. We also educate employees and advise contractors on our approach to hazardous waste, while conducting regular inspections and audits of partners and facilities to ensure compliance with hazardous materials regulations, including the use of pesticides and other hazardous materials.

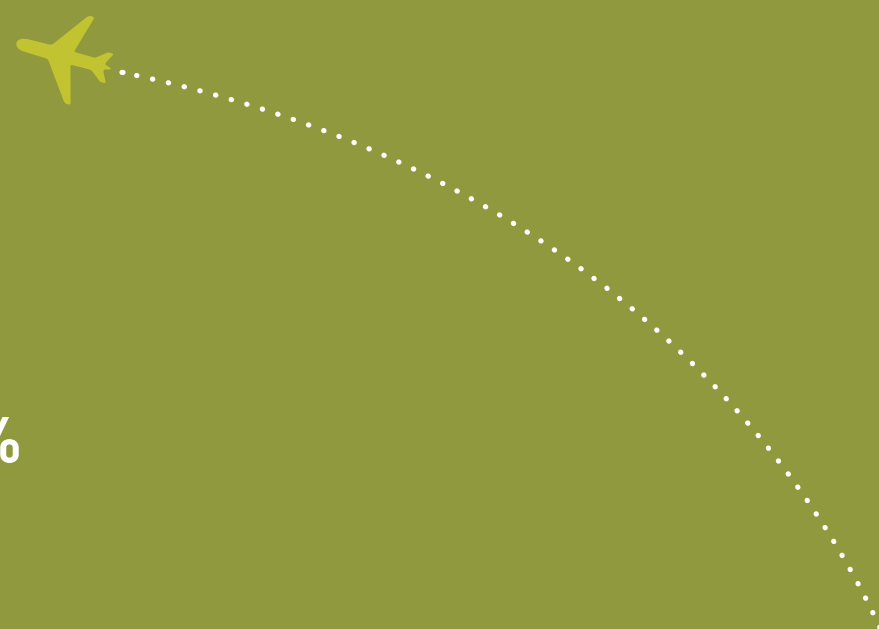
Water Discharge

Vancouver Airport Authority's Water Quality Program aims to prevent pollution from entering surface waters and impacting the Fraser River estuary, which contains habitat for many species of salmon and wildlife as well as being an important area for migratory birds. We do not discharge waste water into the environment; instead, we send all waste water to a sewage treatment facility.

Under our Water Quality Program, we have a robust monitoring system, we strategically use oil-water separators and de-icing pads and we educate the Sea Island community about water quality protection. We have a Hazardous Materials Spill Response Plan that provides clear guidance on preventing and mitigating releases of hazardous substances and ensuring proper cleanup. We work closely with Aero Mag, which manages YVR's de-icing infrastructure and procedures. We submit an annual glycol report to Transport Canada, and we have adopted a goal to ensure glycol run-off does not exceed 100 mg/L per stormwater sample, as set out under the *Canadian Environmental Protection Act* (CEPA) Glycol Guidelines.



REDUCING WASTE: 2018 RESULTS



**2020
TARGET** | divert waste from
2012 levels by 50%

**2018
RESULT** | Waste
diverted
by 51% **2.4** million kg recycled and
composted in 2018

In 2018, we recycled and composted 2.4 of 4.8 million kg of domestic and international terminal building waste, resulting in a 51 per cent diversion rate—one per cent over the 2020 target, for the third year in a row! We did this by working with our partners, promoting our waste reduction initiatives and constantly checking our progress. We project that we will maintain this achievement through to 2020.

	2012	2013	2014	2015	2016	2017	2018	2020
Total Waste (kg)	1.3 M	3.4 M	3.8 M	3.8 M	4.2 M	4.5M	4.8 M	
Diversion Rate	38%	37%	36%	46%	51%	51%	51%	50%*

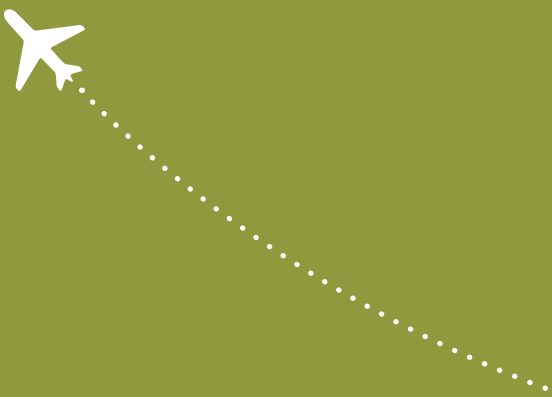
* Represents a 50 per cent reduction from 2012 levels

REDUCING ORGANIC WASTE

We continued to see great success with our organic waste diversion program in 2018, with a record 826,605 kg diverted from landfill—thanks to our many initiatives and the hard work of our partners. This includes our

green bin program, our International Terminal Building food-waste composter, our centralized food court waste sorting station and much more.

WASTE WARS



In 2018, the Airport Authority hosted its fourth annual Waste Wars, a friendly competition that seeks to engage food and beverage tenants on proper waste sortation. Throughout the competition, we worked with tenants to inspect their waste sorting facilities, allocating points based on the level of appropriate separation. The 2018 Waste Wars winners were:

Restaurant Category

- 1. Globe@YVR Fairmont
- 2. Lift and Hanami

Quick Service Restaurant Category

- 1. Thai Hang – with a perfect Waste Wars score!
- 2. Camden Food and Place Bahn Shop



CONSTRUCTION MATERIAL REUSE AND RECYCLING



We diverted 12.5 million kg of construction waste, which included a range of materials such as wood, drywall, 175,000 kg of metals, 6.3 million kg of concrete and 4.5 million kg of asphalt. This equalled a 96.8 per cent recycling rate, matching our average over the last five years of 96.6 per cent.

HAZARDOUS WASTE

We disposed of 535 kg of hazardous waste to landfill, a decrease from 6,365 kg in 2017. We recycled and repurposed 5,109 kg of waste oil, waste oily water and antifreeze. We recorded 148 spills, an increase of four per cent over 2017. Of these spills, 96 per cent were considered small, meaning less than 100 L. Accidental releases of hydraulic oil from baggage loaders and lavatory fluid from aircraft accounted for the majority of total material spilled onto the apron.



WASTE TYPE IN 2018

The following includes YVR’s waste by type, amount and disposal method in 2018. All hazardous and non-hazardous waste is disposed of by a third party. Waste data is received in the form of a manifest spreadsheet or invoice.

Hazardous

Waste Type	Amount	Disposal method
Batteries, Auto Parts, E-waste, Light Bulbs, Waste Oil	14,529 kg	Recycled
Biomedical, International Custom Hall*	40,832 kg	Incinerated
Other Waste (e.g. Oil Filters)	535 kg	Landfill
Asbestos, Nucor, Proactive, QM and Actes	98,461 kg	Other

* International Custom Hall: under CFIA international waste regulation, waste generated in the International Customs Hall is considered hazardous waste

Non-Hazardous

Waste Type	Amount	Disposal method
Containers, Paper, Liquid Diversion, Gloves	1,584,710 kg	Recycled
Chopsticks, Broom Cores	2,967 kg	Reused
Compostable Material and Moisture Diverted by Composter	826,605 kg	Composted
Other Waste	2,340,530 kg	Landfill
Construction Waste	12,535,742 kg	Recycled Construction Waste

Our 51 per cent diversion rate was based on the first three categories noted in the table above: non-hazardous recycled, reused and composted materials (not including construction waste).

Effluent

We set clear targets for reducing impacts to water quality, including a 2020 target that strives for zero water samples with glycol concentration above the Canadian Glycol Guideline level of 100 mg/L. In 2018, we applied 974 m³ and 133 m³ of de-icing and anti-icing fluid, respectively, to aircraft, a 69 per cent decrease from 2017. We discharged 1,107m³ of de-icing fluid and experienced one glycol exceedance above the 100 mg/L guideline. In February 2018 YVR recorded over 17.2 cm of snow over 24 hours, following a period with temperatures consistently below 0° C, which required constant de-icing for over a week.

Glycol Sampling Data (Samples above 100mg/L)

2012	2013	2014	2015	2016	2017	2018
1	1	4	0	2	6	1



TRAINING

Environmental considerations are integrated into the Airport Authority's emergency response procedures. In 2018, we conducted regular training for employees and business partners through our Climate Smart and Waste Wars programs. We also provided hazardous materials training for Airport Authority employees and training and technical advice to contractors and project managers through the environmental assessment and Facility Permit processes.



WASTE & ENVIRONMENTAL AUDITS

Vancouver Airport Authority regularly conducts waste audits to mitigate environmental risk. We conducted bi-weekly waste and recycling bin inspections of YVR's food and beverage tenants in 2018, in addition to the audits that were a part of our Waste Wars program. We also conducted environmental audits on 15 tenants as part of our multi-year auditing cycle and we conducted environmental audits on our fuel storage tanks to ensure they were in agreement with the Federal Storage Tank Regulations. Additionally, our Airfield Maintenance Fleet Shop was audited for hazardous materials management.

OUTREACH

Since 2011, the Airport Authority has helped divert 41 metric tonnes of quality surplus food and products diverted from landfill by placing them in Quest's not-for-profit markets.



REDUCING ENERGY USE

Vancouver Airport Authority is committed to improving energy efficiency and advancing renewable sources. Improving energy use not only lessens our impact on the environment, but also reduces costs—helping us mitigate business risk and focus on improving YVR for everyone.

\$18+
MILLION

Cumulative energy savings since 1999

In this Section

Energy

GRI Disclosure and Stakeholders

GRI 302-1



Vancouver Airport Authority



Local communities



Airlines



Airport business partners



Government and regulators





Aviation is an energy-intensive industry and it is our responsibility, as an organization committed to accountability and protecting the environment, to properly track and disclose our energy sources, including their annual usage and contributions to emissions.

OUR APPROACH

YVR receives energy from renewable and non-renewable sources. Our renewable energy includes geothermal, solar and wind power from our buildings and purchased hydroelectric power from BC Hydro. Our non-renewable energy includes natural gas, used for heating and cooling the terminal and for cooking, as well as gasoline and diesel, which we use for our ground fleet as well as for backup emergency generators. We categorize energy's impact on the environment through Scope 1 and 2 emissions (see **Air Emissions**). We do not sell any self-generating energy.

The Airport Authority's approach to managing energy focuses on protecting the environment while finding operational efficiencies. This approach allows us to articulate our commitment to being a leader in sustainability, while providing guidance to decision-makers and establishing goals and targets that are in alignment with our mission and vision. We set energy usage as a priority under Environment in our Strategic Plan and have a wide range of policies and plans to properly manage it. This starts with our Environmental Management Plan, which sets a tough 2020 target to reduce our emissions (Scope 1 and 2) by 33 per cent below 2012 levels—a target largely impacted by our type of energy use. Our 2018 Energy Source Strategy incorporates emissions, resiliency, reliability, community impacts as well as financial impacts in guiding our investment decisions. In addition, we have a Fleet Management Plan that seeks to reduce our own

fleet by retiring and, when necessary, replacing vehicles with more efficient or electric versions. Beyond our own fleet, we are actively supporting conversion of ground handling equipment owned by external ground handlers to have 50 per cent of our ground handling fleet running on electric power by 2020. And we establish energy as a key commitment in our Safety, Security and Environmental Policy, our Social Policy and Social Management System.

We coordinate an internal Energy Efficiency Team and we regularly seek feedback on our approach to energy management through an Environmental Advisory Committee. This team works closely with airport business partners to improve energy. For instance, we are electrifying our equipment, installing charging stations for vehicles in our parking lots and airside, adding electric buses to our fleet and installing pre-conditioned air and ground power units at gates. We are constantly improving our buildings—from recovering lost energy by better sealing openings to implementing retrofits, improving automatic lighting and walkway controls and looking at sustainability features for future expansions. We are also part of the BC Clean Transportation Trade Corridors Advisory Council, a multi-agency collaborative led by the Province of BC to advance our province as a globally competitive region. In addition, we have a Memorandum of Understanding with BC Hydro, under which we are working towards low-carbon electrification.

REDUCING ENERGY USE: 2018 RESULTS

ENERGY CONSERVATION & RENEWABLES

We have created a cumulative savings of more than \$18 million in electric and gas costs since launching our energy conservation efforts in 1999. Over this time, our passenger numbers have grown by over 10 million and we have expanded the terminal area substantially—all while improving energy efficiency through conservation initiatives, building renovations and improved building design.

The table below shows the growth in natural gas and electrical consumption and the improvements in efficiencies per passenger.

	2012	2013	2014	2015	2016	2017	2018
Natural Gas consumption (GJ)	128,608	135,282	143,914	130,167	110,157	143,576	114,048
Electrical consumption (GWh)	97.5	96.7	99.8	102.8	103.8	107.6	108.0
Natural Gas – heating efficiency per passenger (GJ/100,000 passengers)	731	753	743	641	494	594	440
Electrical use per passenger (GWh/100,000 passengers)	0.55	0.54	0.52	0.51	0.47	0.45	0.42

In 2018, we consumed 114,048 GJ of natural gas and 108.0 GWh of electricity in the main terminal building. This consumption equates to \$848,435 in natural gas costs and \$6,987,355 in electricity costs, totalling \$7,835,790 to heat and power all buildings and activities.

Our natural gas consumption decreased by 21 per cent in 2018 (from 2017) mainly due to a province-wide shortage of natural gas in late 2018. In November and December, we consumed 171,280 L of diesel to heat the Main Terminal Building. To minimize the amount of energy consumed, we lowered the set temperature by two degrees in public areas and by one degree in our offices at the Main Terminal.

Building Upgrades

Part of our Energy Conservation Plan includes reducing wasted energy by upgrading insulation levels in the terminal building and stopping the loss of warm air or entry of cold air into buildings. In 2018, we re-roofed a section of our Domestic Terminal, with a new membrane and insulation. In addition, we replaced seven air dampers in the International Terminal Building so the volume of outside air coming into the building could be monitored and controlled.

Smart Lighting

In addition to using schedules and sensors to reduce lighting, we have shifted towards efficient LED technology over the last several years. Every year, LED lighting saves 1.3 GWh of electricity in the terminal. In 2017, YVR completed the largest installation of Apron LED lighting in Canada. While the new lighting system saves over 715,000 kWhrs/year and associated energy cost savings, the upgrade also results in a safer and more secure airport and reduces glare.

Renewable Energy

We have focused investment on renewable energy to reduce our greenhouse gas footprint, offset electrical demand and increase resiliency.



Airside Operations Building

YVR's Airside Operations Building (AOB) consolidates all airside operations under one roof and includes a number of sustainability features such as a GeoExchange field, heat recovery ventilation, solar hot water, photovoltaic panels, a wind turbine, a rainwater collection system and energy efficient LED lighting.

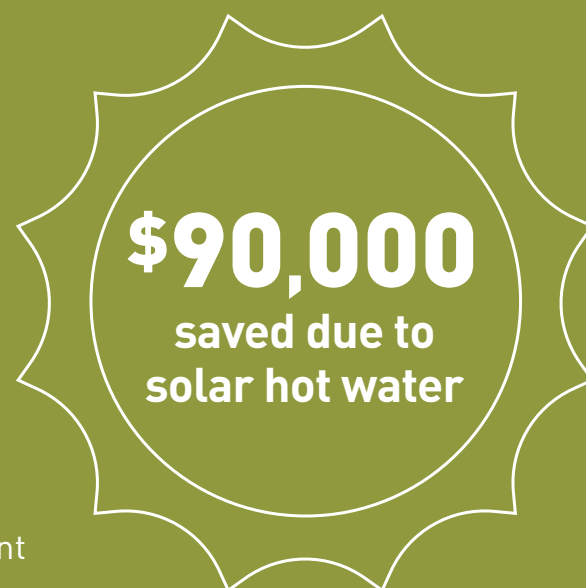
The building's renewable energy features act as a pilot for YVR to benchmark its ability to produce alternative energy sources. In 2018, the AOB consumed an estimated 2,515,739 kWh of energy and approximately 97 per cent was from renewable sources.

Solar Hot Water

YVR has a solar panel system on the roof of the Domestic and International Terminal Buildings. These panels heat two solar hot water systems, which pre-heat more than 1,500 gallons of hot tap water every hour—resulting in an annual energy savings of 8,640 GJ of natural gas. We are seeing \$90,000 in savings every year as a result of downsizing to a smaller backup boiler.

BC Hydro

In 2018, we worked closely with BC Hydro on a range of initiatives. We continued to participate in BC Hydro's Energy Manager program, which dedicates an employee to manage the implementation of energy-saving projects and improve existing operational and maintenance procedures. We developed a comprehensive approach to electrical infrastructure development and a focus on the intelligent management of energy use to improve energy performance—facilitated through a BC Hydro employee at YVR.



SUPPORTING OUR BUSINESS PARTNERS

As part of a working group with Transport Canada, we look at ways to reduce emissions from aircraft auxiliary power units and ground support equipment. We also work closely with our business partners to reduce their footprints.

Ground Service Equipment

We continue to work towards our goal, established in 2015, of having 50 per cent of the ground handling fleet at YVR running on electric power by 2020. In 2018 there were 539 licensed vehicles, 171 of which were electric—representing 32 per cent of the total fleet. Also, 73 per cent of the baggage support equipment in 2018 was electric. In addition, there are currently 40 common-use charging stalls at four aircraft gates to support our electrification goal.

IMPROVING FLEET EFFICIENCY

In 2018, we retired nine vehicles while commissioning 12 new, non-road vehicles. In addition to regular fleet vehicle replacements, we also purchased 14 new vehicles for dedicated use for Remote Stand Operations (RSO). These vehicles included seven new Aviramps and seven electric buses. The RSO Program now operates eight fully electric buses.

In 2016, we launched our Fleet Bicycle Program, which provides six common-use bikes for a zero-emission alternative to using fleet vehicles. In 2018, YVR employees working at three different locations were able to use fleet bikes to transport them between meetings, with trips recorded totalling 60 hours.

Fuel Consumption

YVR uses a five per cent blend of biodiesel (B5) and a 10 per cent blend of ethanol (E10 for fleet vehicles). The amount of fuel we have consumed has decreased, from 481,375 L in 2012 to 439,893 L in 2018. This is partly due to reduction and electrification and also to the six hybrid diesel buses that replaced existing buses in 2016. In total, we consumed 158,885 L of gasoline (E10) and 281,007 L of diesel (B5)—an increase of nine per cent in diesel and a decrease of four per cent in gasoline from 2017.

TRAINING

In 2018, we launched the Energy Matters campaign at YVR's Aylmer Road Complex. The program educated employees about the effectiveness of powering down electronics—particularly their computers over the weekends. The program was very effective among employees, who received the energy-saving results shortly after the campaign ended.

REDUCING WATER USE

As a major connecting hub, YVR plays an important role in supporting water conservation. We strive to improve YVR’s efficient use of water, balancing consumption with sustainable growth.

37%

Reduction in potable water consumption per passenger from 2012

In this Section

Water

GRI Disclosure and Stakeholders

GRI 303-1



Vancouver Airport Authority



Airlines



Airport business partners



Local communities



Government and regulators



Passengers





Water is our most important resource, providing the foundation for a healthy ecosystem that supports our airport, local communities and the environment in which we live and work. Vancouver Airport Authority and its Sea Island business partners have a direct impact on our region's water supply through various uses including terminal building operations, landscape irrigation, hydrant flushing, emergency firefighting and construction activities. We own and maintain 42.8 km of the water mains on Sea Island and receive our water from the City of Richmond.

OUR APPROACH

Minimizing water usage is a key priority under our foundational objective for Environment in our Strategic Plan and is directly managed through our Water Conservation Management Plan and our Environmental Management Plan (EMP). Through this approach, we work to protect water quality and reduce potable water consumption in Airport Authority sources, as well as those of our business partners and stakeholders.

We set tough targets to guide our progress, including a goal to reduce Sea Island potable water consumption by 30 per cent in 2020 (below 2012 levels). We also adhere to water usage restrictions when they arise, as issued by Metro Vancouver, and we recognize water consumption as being a key element in our Social Policy.

The Airport Authority employs a range of initiatives to reduce water usage. We replace, retrofit and repair existing infrastructure wherever possible. We place a major focus on working with our tenants through our Project Green YVR Climate Smart program, which helps businesses identify how to measure their environmental impact and reduce their water footprint. We also conduct regular water audits and have provided financial rebates to tenants based on their water reduction initiatives.

In addition, we are always looking at alternative ways to improve our water use. This includes a rainwater collection system that operates at our Airside Operations Building and one that is set to be included in YVR's new Parkade, which is currently under construction. And our team is constantly looking for efficiencies, working to improve our water metering and monitoring, reducing water use in washrooms and much more.



REDUCING WATER USE: 2018 RESULTS

2020 TARGET

Reduce Sea Island potable water consumption 30% (below 2012 levels)



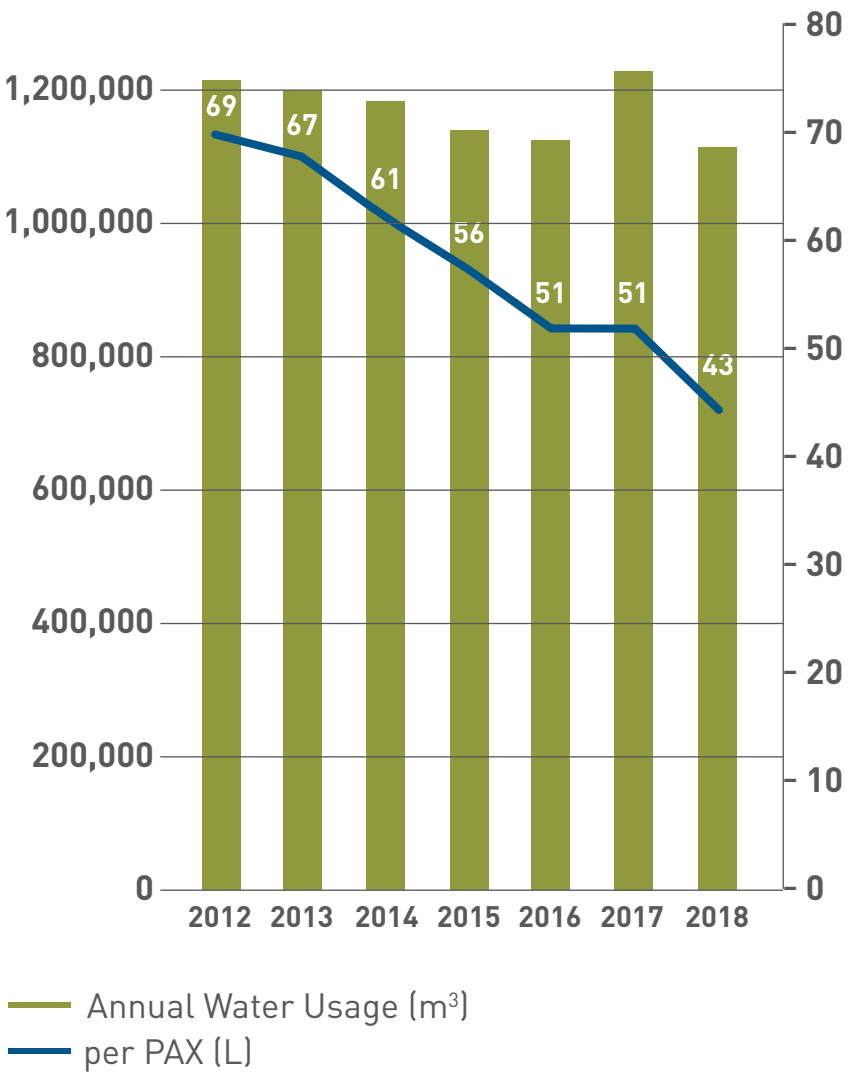
2018 RESULT

Potable water consumption reduced 7%

In 2018, potable water consumption across Sea Island was 1,121,485 m³—seven per cent below our 2012 baseline of 1,206,721 m³. Several factors contributed to this decrease including the replacement of inefficient pre-rinse spray valves to low-flow models in food and beverage tenanted spaces and washroom fixture upgrades to WaterSense-certified models in the main terminal building, as well as washroom fixture upgrades in tenanted spaces.

WATER USE TRENDS

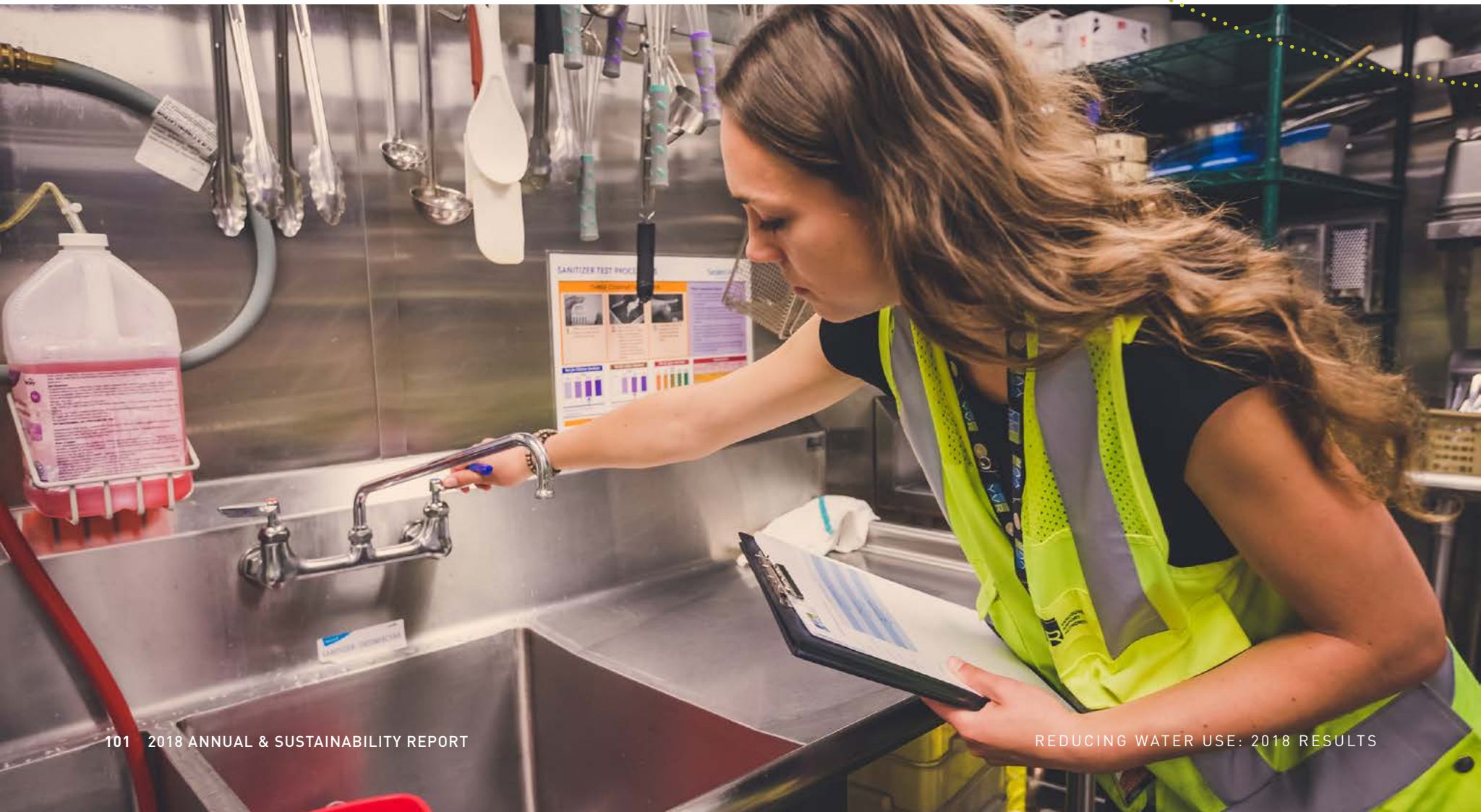
While YVR grew by almost two million new passengers in 2018, potable water consumption per passenger decreased to 43 L. This is significant as it demonstrates how our efforts have created a more efficient and environmentally friendly airport.



OUR PROGRESS

To achieve our ambitious water consumption target, we continually check our progress. The City of Richmond replaced four new water meters in 2018 to ensure we receive accurate data. In 2018, we withdrew 1,121,485 m³ from municipal sources and 620 m³ from rainwater. Unlike many other airports, the Airport Authority tracks all water consumed on Sea Island. This means that the water consumption we track and report on is also that of our partners.

By installing new water meters in our buildings in 2017, we are now able to accurately track water usage in the Main and South Terminal Buildings as well as the Airside Operations Building. Collectively, these Airport Authority-operated buildings consumed 383,624 m³ in 2018.





WATER MANAGEMENT

Since 2012, we have reduced potable water use on Sea Island by over 85,000m³ from many initiatives. We are committed to reducing potable water consumption on Sea Island and to do this we have a range of programs in our Water Conservation Management Plan. Work in 2018 included:

Terminal Washroom Retrofits

We started a retrofit program in the main terminal washrooms, replacing 215 toilets, 66 urinals and 31 lavatory faucets with WaterSense models, while also installing 157 aerators. Water savings from this project are estimated to be 16,250 m³.

Tenant Kitchen Retrofits

We offered free water assessments to all food and beverage tenants in the main terminal, followed by free, low-flow pre-rinse spray valve (PRSV) replacements and aerator installations. As part of this program, 52 tenants participated with 51 PRSVs replaced and 96 aerators installed, resulting in an estimated 16,862 m³ of water savings per year.

Water & Engineering Assessment

Vancouver Airport Authority owns and manages 33 commercial tenanted buildings, a handful of which use high-water consuming fixtures and appliances. We conducted a water and engineering assessment in two of these buildings in 2018 in preparation of upgrading the existing water fixture with low-flow models.

Audits

We provided free water audits to eight tenants to better understand how water is used within their facilities and operations and to identify water reduction opportunities.



Water Fixture Rebate Program

To encourage tenants who received a water audit from the Airport Authority to implement water reduction initiatives, we offer free fixture rebates as financial incentives. In 2018, we continued to work with one of the tenants in retrofitting 29 of their continuous flush urinals, with water savings estimated at 7,000 m³ per year.

Education & Outreach

We celebrated B.C. Water Week to raise employee awareness about water resource management and conservation through educational videos and daily trivia.

Research & Development

While there is a plentiful supply of potable water in the region, we are cognizant of the impacts of climate change and the potential for increased periods of drought. In 2018, we did not experience any impacts due to drought; however, we continue to consider this issue as part of our risk management system.

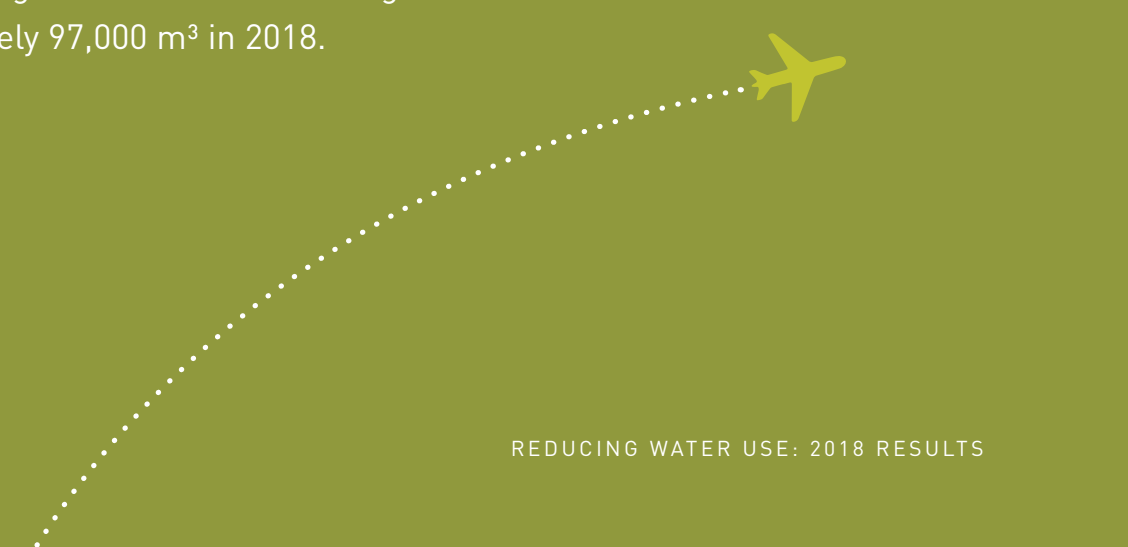
In 2018, we conducted a preliminary study to explore alternative ways to reduce our potable water use. In the Non-Potable Water Feasibility Study, we assessed opportunities on Sea Island, reviewing available non-potable sources such as rainwater, groundwater and surface water, and determined their feasibility using a cost-benefit analysis.

Rainwater Capture

Vancouver Airport Authority collects rainwater from the rooftop of the Airside Operations Building and currently uses this water for non-potable uses. We are closely monitoring this system, which we estimate saves approximately 620 m³ of potable water per year. This type of feature will be included in YVR's new Parkade, where non-potable water will be treated and reused for emergency firefighting and vehicle washing. We anticipate it will have a significant positive impact on our water use.

Operational efficiencies

We estimate that changes in our use of heat exchangers to curtail use during summer months reduced water use by approximately 97,000 m³ in 2018.



GROUND TRANSPORTATION

YVR is a major transportation hub, connecting air passengers and cargo to destinations across the region. We seek to strike a balance between the efficient movement of people and goods with efforts to reduce our environmental footprint.

89,587

Bike trips on Sea Island
in 2018

In this Section

Ground transportation

GRI Disclosure and Stakeholders



Vancouver Airport
Authority



Airlines



Airport business
partners



Passengers





A strong, accessible ground transportation network that supports air services and operations is essential to YVR's role as a connecting hub. Passengers, businesses and employees need reliable access to and from the airport; yet we also recognize that transportation is a major contributor to greenhouse gas (GHG) emissions and that, as a leader in sustainability, it's our responsibility to reduce its impact.

OUR APPROACH

YVR's ground transportation network encompasses all of Sea Island, impacting our passengers, employees, business partners and service providers. Beyond Sea Island, regional ground access is affected by a variety of factors. As a transportation authority, we have a significant influence on ground transportation on Sea Island and we work closely with our partners, which include TransLink, to increase sustainable transportation.

We manage ground transportation through our Strategic Plan, as reflected in YVR's 20-year Master Plan. Through our Strategic Plan, we set priorities for ground transportation and we connect our approach to key areas of our operations. We also link ground transportation to GHG reduction targets in our approach to Air Emissions (see **page 80**).

While we have no specific targets for transit ridership or sustainable modes of transport, we have an objective to support and increase sustainable modes of transit and we continue to reduce emissions and improve ground access thanks to a number of existing initiatives. These initiatives include past incentives to expand airport-licensed hybrid taxi fleets, the expansion of our electric vehicle charging infrastructure and the ongoing use of the Canada Line, as well as carpooling options, cycling infrastructure and our cellphone waiting lot. Together with TransLink, we are working to extend operating hours for public transportation and increase train frequency and capacity. We also encourage our employees to use alternative forms of transport through incentive programs and friendly competitions. And every year we check our progress through YVR's customer satisfaction survey and TransLink ridership data.



GROUND TRANSPORTATION: 2018 RESULTS



CANADA LINE

As part of our commitment to sustainable transportation, the Airport Authority invested \$300 million in the Sea Island portion of the Canada Line, which is used for trips to and from the airport as well as trips between destinations on Sea Island. Since it began operations in 2009, the Canada Line has been a big success—making YVR’s transit ridership the highest among North American airports. In 2018, there were 10.23 million boardings and alightings at the three stations on Sea Island, a 10.9 per cent increase over 2017. Off-island Canada Line trips increased by 3.8 per cent to 6.75 million; intra-island trips increased by 27.6 per cent to 3.47 million.



A 2018 survey of air passengers showed that 29 per cent reported using transit for their journey to YVR, up seven per cent from 2017. Of this 29 per cent, 21 per cent used the Canada Line and eight per cent used other forms of collective transportation (e.g. shuttle buses, courtesy buses and coaches). In 2015, YVR

undertook a survey of all employees working on Sea Island, which revealed transit ridership at 25 per cent. In addition, another 13 per cent of employees chose sustainable alternatives including carpooling, cycling, walking and motorcycles/scooters.

CYCLING



89,587

Bike trips on Sea Island in 2018



We continue to see growth in cycling at YVR. Our bike trackers recorded 89,587 cyclists on Sea Island in 2018, a two per cent growth over 2017. To encourage this positive trend, 18 YVR employees participated in Bike to Work Week, travelling a total of 1,492 km and avoiding 0.32 tonnes of carbon emissions.

In support of these events, YVR organized a bike tour to Iona Beach and offered two complimentary bike inspection workshops to employees in partnership with Union Street Cycle, a Vancouver-based bike servicing company.

HYBRID TAXIS

In 2018, there were 579 taxis operating at YVR, 409 of which used alternative fuels—an increase of five per cent compared to 2017.

GREEN COMMUTER PROGRAM

We continue to see great results from the popular Green Commuter Program, which offers Airport Authority employees a \$50 per month rebate to take public transit, bike, walk or carpool. In 2018, 201 employees (36 per cent of our workforce) participated. Their collective efforts helped us avoid 990,119 km of single vehicle trips and 166 tonnes in carbon emissions. Since the program started in 2006, YVR has saved 11,662,815 km of vehicle trips and 1,985 tonnes of emissions.

COMMUTER CHALLENGE

The Airport Authority has been a long-standing participant of the Commuter Challenge, a national, week-long event during Canadian Environment Week encouraging Canadians to walk, cycle, take public transit, carpool, or work from home. In 2018, 37 Airport Authority employees participated in the Commuter Challenge, travelling 8,265 km and avoiding 0.92 tonnes of greenhouse gas emissions.





PARKING & GROUND TRANSPORTATION

In 2018, we started building our new Ground Transportation Facility, which will include space for over 850 new rental car stalls and approximately 1,800 new parking spaces. The new facility will have innovative features including a parking guidance system and additional electric vehicle charging stations.

We successfully opened our new, fully-automated Value Long Term parking lot at Templeton Station. This new facility provides additional parking capacity, with occupancy having exceeded our expectations. In addition, we worked on a new product for jetSet YVR Parking that significantly elevates the customer experience and improves our range of parking services.

Taxi program

YVR's taxi program has continued to grow alongside passengers. In 2018 there was a record 1.27 million outbound trips—a 9.4 per cent increase from 2017. To reduce taxi shortages and long wait-times, 54 additional licenses were added to the YVR taxi fleet.

Bus services

Through a competitive bid process, YVR awarded its scheduled bus service contract for the Whistler and Tsawwassen routes to Universal Coach Lines. Universal Coach commenced service in December 2018 and has been successfully operating the route with a focus on transportation for families travelling to Whistler.

PROTECTING ECOSYSTEM HEALTH

YVR strives to protect the ecosystem. From conducting robust environmental impact assessments for all projects to managing the natural habitat through a range of initiatives and programs, we focus on ensuring both the safety and success of our operations align with the health and well-being of the natural world.



**Salmon-Safe
Certified—three
years in a row**

In this Section

Biodiversity, Remediation,
Heat island effect

GRI Disclosure and Stakeholders

GRI 304-1



Vancouver Airport
Authority



Airlines



Airport business
partners



Government
and regulators



Local
communities





Vancouver Airport Authority's efforts to protect the environment go far beyond fulfilling a commitment to reduce our impact. These efforts stem from our core belief that without a healthy ecosystem, our business and communities cannot successfully operate. The health of the ecosystem underpins everything—from our economy to our security.

OUR APPROACH

YVR is located on Sea Island, Richmond, in the mouth of the Fraser River, which is one of the largest estuaries on the west coast of North America. This estuary supports one of the biggest salmon runs on the west coast and is an important location for migratory birds. Our operations are located in an ecologically rich area, which includes the following: Sturgeon Bank, a Provincial Wildlife Management Area with significant habitat value that is located directly adjacent to YVR; Sea Island Conservation Area, located adjacent to YVR and managed by the Canadian Wildlife Service for certain wildlife habitat values; Swishwash Island, private land owned by the Nature Conservancy of Canada and managed as a nature sanctuary, which is near our operations; Iona Island Regional Park; and McDonald Beach Park. We lease 13.4 km² of land on Sea Island and we are responsible for balancing the need for safe airport operations with wildlife management and environmental protection.

We recognize that our operations can have an impact on Sea Island and beyond. To mitigate our impact, we structure our efforts under YVR's Environmental Management Plan, which sets a clear strategic priority—to improve ecosystem health—with specific goals and targets including maintaining our Salmon-Safe certification, managing water quality, tackling invasive species and balancing the need to ensure aviation safety while protecting important wildlife. The purpose of this approach is to not only minimize and mitigate our impacts on the environment, but also to improve ecosystem health.

Our efforts align with YVR's Safety, Security and Environmental Policy and Social Policy. We have clear commitments to comply with environmental legislation under Environment and Climate Change Canada as well as applicable legislation under Transport Canada, the *Canada Wildlife Act*, the *Migratory Birds Convention Act*, the *Canadian Environmental Assessment Act* and the *Species at Risk Act*.





Our activities fall under a range of plans and programs such as an Integrated Pest Management Plan, an Environmental Assessment Program and a Natural Habitat Management Program. Our Environment team works with a large group of experts and organizations to ensure we fulfill our commitments. This team is involved in all aspects of planning and operation of the airport including reviewing environmental components under our Facility Permit process and coordinating updates to YVR's Sustainable Design Guidelines. The team proactively manages the protection of natural and cultural resources and contaminated sites and conducts environmental reviews and monitoring of all construction projects to ensure they meet our environmental standards. They identify pests and invasive species and employ ecological approaches to mitigate their impact. They also regularly conduct sustainability assessments for new operations and facilities through our Sustainability Case Document, which helps narrow down options through a comprehensive matrix based on our social, governance, economic and environment pillars.

YVR has a successful wildlife management program developed in accordance with guidelines established by Transport Canada that includes raptor trapping, tagging and relocation (see **Security and Safety**).

Remediation

Vancouver Airport Authority has a Contaminated Sites Program, which seeks to protect human health and the environment. We follow federal and provincial environmental guidelines and procedures with respect to land reclamation under our Contaminated Sites Program, which consists of four key activities: Site Identification, Assigning Responsibility, Management Plans and Monitoring.

After Transport Canada transferred management of YVR to Vancouver Airport Authority in 1992, they remained financially responsible for all documented historical contaminated sites identified in the Ground Lease. We will continue to work with Transport Canada to address these sites under our Contaminated Sites Program. In addition, we undertake island-wide water quality sampling and independent laboratory analysis to monitor the natural environment.

Heat Island Effect

Heat Island Effect refers to when paved surfaces, buildings and airport processes contribute to warmer temperatures. While the Airport Authority does not have formal programs in place to reduce a potential Heat Island Effect, we indirectly reduce this through our Environmental Management Plan and its objectives to reduce greenhouse gas emissions and improve ecosystem health. For instance, we plant trees and vegetation and incrementally build our infrastructure as required, reducing our impact.



PROTECTING ECOSYSTEM HEALTH: 2018 RESULTS



2020 TARGET

Become Salmon-Safe Certified



2018 RESULT

Salmon-Safe Certified,
3 years in a row

NATURAL HABITAT MANAGEMENT

Salmon-Safe Certification



In 2016, YVR proudly became the first airport in North America to achieve Salmon-Safe Certification, acknowledging our commitment to the environment. We have retained the certification—a 2020 goal in our Environmental Management Plan—since then and have developed innovative ways to restore, protect and enhance our ecosystem.

As part of our 30-year friendship agreement, YVR and Musqueam Indian Band worked together in 2018 to enhance the habitat on Sea Island through an invasive plant management program. We removed over 10,000 kg of invasive plants from a section of river habitat—including Bamboo, Himalayan Blackberry, Laurel, Scotch Broom, English Holly and English Ivy—and planted 700 native plants.





Sustainable Landscapes

We constantly improve our landscaping practices. In 2017, we performed a Drought Tolerant Landscape Management Study. We actioned this study in 2018, developing and implementing a drought-tolerant plant list, with a focus on native plants. For instance, we developed YVR's new Value Long Term parking lot as a demonstration project for water-conservation. In keeping with our commitment to sustainability, the lot offers a number of environmental management initiatives including the implementation of bioswales between parking stall isles as natural run-off water filtration.

Invasive Species and Pest Management

In 2018, we implemented our new Integrated Pest Management Plan. We conducted an invasive plant survey in the summer and provided a training workshop for Airport Authority employees and contractors, focused on identification and best practices.

Contributions to Conservation

YVR coordinates and sponsors the annual Great Canadian Shoreline Cleanup in cooperation with the Vancouver Aquarium on Sea Island at Iona Beach. In 2018, over 315 volunteers, including the Federal Minister of Environment and Climate Change, came out to remove litter from the habitat around Iona beach.





REMEDIATION

In 2018, there were no new contaminated sites identified on Sea Island. We continued to conduct investigations and implemented management plans, some of which include off-site soil removal

to a licensed facility to ensure protection of human health and the environment. As part of a multi-year improvement program, we also conducted investigations in other areas to better delineate contamination

and develop options for remediation. In addition, we conducted several Environmental Site Assessments to verify existing conditions prior to the development or leasing of airport lands. To ensure our

programs and approach to remediation are sound, we brought in an independent third-party to assess our approach. This third-party gave our approach a highly favourable assessment.

ENVIRONMENTAL REVIEWS

Our Environment team conducted a broad range of site visits and reviews in 2018. See **page 152**.

LIGHT POLLUTION

Every year, LED lighting saves 1.3 GWh of electricity in the terminal, 77,000 kWh on Arthur Laing Bridge and 25,000 kWh for theatrical lighting of art installations.

To improve lighting in the Parkade, we installed 140 motion sensors and adjusted the perimeter and interior lights to dim if no movement is detected. These upgrades resulted in 35,000 kWh of electricity savings. Additionally, we implemented dimming features on our high mast apron LED lighting system to align with our gate scheduling system to reduce light pollution and electricity usage.



MANAGING NOISE

We recognize the importance of managing noise from aircraft operations. Our approach is based on being a good neighbour and business partner—balancing the needs of our communities with our commitment to operating an efficient and reliable connecting hub.

27

reported noise concerns per 10,000 aircraft runway movements

In this Section

Aeronautical noise

GRI Disclosure and Stakeholders



Vancouver Airport Authority



Airlines



Airport business partners



Local communities



Government and regulators





Aircraft noise is an inherent part of a functioning airport and can also be a source of disturbance for local communities. Vancouver Airport Authority recognizes that we must take a responsible approach towards managing our social and environmental impacts, ensuring the well-being of our local communities while reaching our business objectives.

OUR APPROACH

We recognize that noise can have an impact on communities under aircraft flight paths and in areas near the airport. Under the provisions of our Ground Lease with Transport Canada, the Airport Authority is responsible for noise management activities within 10-nautical miles from the airport. We manage noise through our Aeronautical Noise Management Program and its supporting Noise Management Plan; we develop both every five years and submit the plan to Transport Canada for review and approval.

The Aeronautical Noise Management Program aligns with the requirements in our Ground Lease, our Social Policy, Canadian Aviation Regulations and the International Civil Aviation Organization policy on aircraft noise management. Our commitment is to comply with all regulations and meet the obligations in our Ground Lease. Our objective is to minimize disturbance to those living in communities in the vicinity of the airport while recognizing the need for continued safe and efficient 24-hour airport operations. We achieve this objective through the following core program elements:

- Consulting with the YVR Aeronautical Noise Management Committee (ANMC) on all aspects of noise management activities and soliciting their input on implementing initiatives outlined in the Noise Management Plan. The ANMC includes representatives from Musqueam, City of Richmond,

City of Vancouver, City of Delta, City of Surrey, National Airlines Council of Canada, Floatplane Operators Association, YVR Airline Operators Committee, Canadian Business Aviation Association, NAV CANADA and Transport Canada.

- Monitoring and assessing aircraft noise levels in the community.
- Maintaining relevant operating procedures (Noise Abatement Procedures, Airside Directives & Procedures) to minimize noise from aircraft operations.
- Responding and providing information to address community questions and concerns about aircraft noise.
- Participating in and supporting noise management discussions at a national and international level to develop new standards and technologies for noise mitigation.
- Partnering and working with community and aviation stakeholders.
- Conducting an annual community survey to track the level of aircraft noise annoyance.
- Working with local cities to encourage compatible land use planning for areas around the airport exposed to aircraft noise.

For more information on YVR's approach to noise management, please visit yvr.ca/noise.



MANAGING NOISE: 2018 RESULTS

MANAGING NOISE

Major work throughout 2018 included the creation of the Airport Authority's new Noise Management Plan (2019 – 2023), a critical piece of our Aeronautical Noise Management Program that identifies key areas of focus and initiatives. We developed the plan in close consultation with the YVR Aeronautical Noise Management Committee. Supporting work included hosting a community web

questionnaire to gather information on current issues and solicit ideas for new initiatives, hosting an information session for Musqueam and completing a review of noise management activities at other international airports.

We deployed our portable noise monitoring equipment in the Musqueam community, which helped increase their understanding by

enabling them to view current and historical noise data. We continued our participation in national industry working groups to discuss emerging noise issues. And, in order to reduce the impact of ground-based noise on our surrounding communities, we coordinated studies on various airport capital projects.

We continued to use our Ground Run-Up Enclosure (GRE), a structure

designed to reduce noise from maintenance engine run-ups that primarily serves business jets and propeller aircraft on the south side of the airport. In 2018, the GRE accommodated approximately 1,050 run-ups, a decrease from 2017. We received 71 noise concerns regarding run-up noise from 24 individuals, with 54 per cent of these concerns associated with one person.





YOUR FEEDBACK

Our 2018 community survey of Metro Vancouver residents shows that 80 per cent of respondents reported not being annoyed by aircraft noise—down from 82 per cent in 2017. We received 920 noise concerns from 250 individuals, and three individuals accounted for 50 per cent of the total number of concerns.

We developed a new benchmark in 2018, looking at noise concerns per 10,000 aircraft. In total, we recorded 27 concerns per 10,000 aircraft movements. We will track this benchmark in future years.



FLY QUIET AWARDS

The annual YVR Fly Quiet Awards acknowledge airlines that demonstrate good noise management practices, with winners selected based on having the lowest average measured noise levels and being in good standing with the YVR Noise Abatement Procedures.

We select winners based on three aircraft classes: wide body, narrow body and propeller. The winners of the 2018 Fly Quiet Awards are: All Nippon Airways (wide-body jet aircraft); American Airlines (narrow-body jet aircraft); and Horizon Air (propeller aircraft).



HORIZON AIR:
Propeller



AMERICAN AIRLINES:
Narrow Body



ALL NIPPON AIRWAYS:
Wide Body

Congrats to our winners!

SOCIAL



OUR COMMUNITY

We are committed to serving our region by building a dedicated and diverse team, who strive for excellence. We put considerable focus on fostering the success of this team and we constantly strive to achieve the highest level of safety and security for our passengers, partners and communities, while operating a successful hub that provides a broad range of social and economic benefits for the region.

120

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Communications

EMPLOYMENT PRACTICES

Vancouver Airport Authority employees reflect our core values—safety, accountability, teamwork, innovation—and our commitment is to provide them with the tools and support they need to thrive.

In this Section

Employee working conditions, Employee development and training, Labour practices

GRI Disclosure and Stakeholders

GRI 401-1, 404-2



Vancouver Airport Authority



Government and regulators

10.5 YEARS

Average employee tenure at Vancouver Airport Authority





Having a motivated team, in which every member takes pride in their work and goes beyond, is essential to YVR delivering an outstanding customer experience. Providing a strong workplace culture, which supports and encourages this team, is thus an essential part of our mission to connect B.C. proudly to the world.

OUR APPROACH

YVR is an economic engine, supporting more than 24,000 jobs on Sea Island including Vancouver Airport Authority, airlines and various airport business partners. Under our Talent Strategy, we strive to build and maintain the best team possible by attracting and retaining the right talent. We ensure our people have all the resources needed to build and operate an award-winning hub. And we constantly seek out new programs and tools to ensure that our workforce remains engaged—from strategic sourcing and recruiting, to leadership development and performance-based reward programs.

Employee Working Conditions

We are committed to providing a safe and healthy workplace. We promote health and wellness through a variety of means, from fitness classes to mental health education and leaves of absence including paid family leave and maternity leave top-up. In addition, we provide adaptive workstations and ergonomic support and our Joint Occupational Safety and Health Committee reviews policies, programs and safe work practices, resolving safety and health issues through consensus.

We recognize and celebrate achievement and milestones through rewards programs. This includes: our Stellar Awards, which are the highest form of recognition YVR employees can receive; the Bravo Awards, which recognize those who have gone above their regular scope of duties; and the Long Service Awards, which celebrate the long-term commitment of employees who have worked for Vancouver Airport Authority for five, 10, 15, 20, 25 and 30 years.

To support constant improvement, we encourage feedback through a biennial employee engagement survey, all-employee meetings, coaching and performance discussions, an intranet site and more.





Employee Development and Training

Vancouver Airport Authority supports employee development by proactively managing performance and creating a variety of learning opportunities. As part of our Leadership and Capability Development Strategy, we offer comprehensive Corporate Learning and Development Programs to provide the necessary learning tools for employees to reach their full potential. We help employees meet their learning and development objectives by offering approximately 400 course offerings and an online career development process that helps them map a career path. We offer competitive compensation and benefits programs and a performance management program, where employees outline their objectives and development plans each year and obtain performance feedback, culminating in a final review.

Through the Management and Leadership Development Program, we offer support for emerging and seasoned leaders to reach their full potential. We offer a framework that uses a combination of self-directed, experiential and formal education for leaders. In addition, we have a succession planning program that helps identify and support existing employees with the potential to fill executive and director positions.

Labour Practices

We employ fair labour practices and work with suppliers and subcontractors to promote these practices within their organizations, under the Airport Authority's Supplier Code of Conduct.

Our labour standards are based on the core labour conventions of the International Labour Organization. They include conventions focused on freely chosen employment, age of employment, non-discrimination and diversity, health and safety, employee treatment, freedom of association and collective bargaining, wages and benefits, hours of work, environmental responsibility and anti-corruption business practices.

Non-exempt employees of Vancouver Airport Authority are part of a bargaining unit with the Public Service Alliance of Canada (PSAC) Local 20221. 2018 marked the second year of a new Collective Agreement, which will expire at the end of 2022. The agreement continues to maintain harmonious and mutually beneficial relationships between Vancouver Airport Authority, the Union and the employees and outlines the terms and conditions of employment.





EMPLOYMENT PRACTICES: 2018 RESULTS

Success starts with a motivated team, which cares for every customer and takes pride in their work. In 2018, the Airport Authority team grew to 511 employees, with the addition of 87 new employees. Our 10.5-year average length of employee service demonstrates a committed workforce. And our ranking as one of BC's Top Employers—for the twelfth year in a row—shows that we are getting noticed.

Our voluntary turnover rate was 4.5 per cent in 2018, up from 3.7 per cent in 2017, due to a strong labour market. There were no layoffs in 2018.

New employee hires and employee turnover

Total number and rate* of new Vancouver Airport Authority **employee** hires during 2018 by age group, gender and region**.

	Under 30 years old	30-50 years old	Over 50 years old	Male	Female	Total
Total Number	19	57	11	45	42	87
Rate	3.72%	11.15%	2.15%	8.81%	8.22%	17.03%

Total number and rate* of Vancouver Airport Authority **employee turnover** during 2018 by age group, gender and region**.

	Under 30 years old	30-50 years old	Over 50 years old	Male	Female	Total
Total Number	4	25	18	31	16	47
Rate	0.78%	4.89%	3.52%	6.07%	3.13%	9.2%

* Hires/turnover divided by headcount.

** The Airport Authority operates as one entity, located on Sea Island.





TALENT STRATEGY

The Talent Strategy encompasses a range of practices, programs and tools within our organization. Key activities in 2018 included sourcing and recruitment, performance management, career management, compensation and rewards, succession management, leadership and capability development and strategic workforce planning.

We completed a training needs assessment in 2017, identifying future skills for success. In 2018, we incorporated these skills in our Leadership & Capability Development framework, adding new courses and promoting those aligned to these skills.

CAREER DEVELOPMENT

Performance Management

Performance Management is the continuous process of setting objectives, assessing progress and providing ongoing coaching and feedback to ensure that employees are meeting their objectives and career goals. In 2018, 85 per cent of bargaining unit employees completed performance reviews for the 2017 performance year. All managers who worked for the Airport Authority for at least three months submitted their performance reviews for the 2017 performance year.

Continuous Learning

Our Human Resources team manages several programs that support continuous learning and leadership development. In 2018, they launched a new online learning platform with over 90 offerings including financial literacy, developing an excellence mindset and helping managers have meaningful coaching conversations.

To help employees develop their full potential, we looked at ways to address the needs of managers at all levels. Twelve managers completed our UBC Sauder co-branded Certificate in Corporate Management Excellence program, and we sponsored four director-level employees who participated in Rotman's Executive Leadership Development Program.

We run an emerging leaders program, Navigating through Change, for non-management. In 2018, 17 employees participated in the program (50 have participated since its inception in 2014). 65 per cent of those who completed the program have been promoted to a more senior role in the organization.

Training

In 2018, Airport Authority employees completed 6,254 courses—averaging 12 per person. The average number of courses for men and women was the same at 12, the average for bargaining unit employees was 13 and the average for excluded employees was nine. All full-time, part-time, term and casual employees are included in this count, totalling 520 employees (220 women, 300 men) as of December 31, 2018. Casual employees are included as some operate in high-risk positions and partake in health and safety-related training courses. The calculation also includes apprenticeship classroom training, but does not include students.

Other Education Opportunities

We support a range of formal education programs including the Industry Training Authority Apprenticeship Program, external training for professional development, a long-term education program that offers up to \$20,000 of tuition reimbursement and up to 20 scholarships each year, valued at \$2,000 each, for our employees' children. In 2018, four employees accessed the long-term education program.

RECOGNITION



At our 2018 holiday party, we handed out three awards for safety, accountability and innovation to individuals and a teamwork award to a deserving team.



We gave 143 Bravo Awards to exceptional employees.



And we presented 91 Long Service Awards.



EMPLOYEE FEEDBACK

We conduct an employee engagement survey every two years and share results at employee meetings. For the 2018 survey, we had an 86 per cent participation rate with a 77 per cent engagement score (one per cent above 2017). As a follow-up, managers worked with their teams to develop a sustainment plan for engagement levels.

WORKING CONDITIONS

Flexible Work Environments

We explored options for new work environments in 2018. To better understand flexible work options, we conducted a study to identify gaps and risks, capture feedback and consider impacts to the business. Employees provided feedback through a survey, focus group sessions and a series of one-on-one interviews with senior leaders and executives.

COMPENSATION AND BENEFITS

As part of the Collective Agreement, we publish our compensation salary structure reflecting a broad range of bargaining unit positions. The salary structure has 11 bands, each with six steps that employees progress through on an annual basis. This ranges from Band 1, with an entry level salary position at \$36,090 and a maximum at \$47,168, to Band 11, which includes roles such as Senior Project Engineer, Project Leader, and Corporate Financial Analyst—with a starting salary of \$83,969 and a maximum of \$109,740. The median base salary for Union employees in 2018 was \$81,570. The Collective Agreement provided for a two per cent salary increase in 2018.

Union and management jointly developed a job evaluation system for internal equity and gender neutrality. Under this system, we evaluate jobs against a nine-factor structure that includes skill, effort,

responsibility and working conditions, as required under the *Canadian Human Rights Act*. Once jobs are evaluated, they are placed in the bargaining unit salary structure. Men and women hired into jobs of equal internal value are paid in the same salary band and progress along the same six salary steps in each band.

For management and excluded positions, which are non-executive roles, a similar job evaluation system is in place that evaluates jobs and places them in a structure of eight salary grades ranging from A-H. Overall, grade A and B are comprised of Administrative Professionals, grade C is comprised of HR Professionals and grade D through H covers different levels of senior professionals, managers and directors. As of December 31, 2018, the average woman's salary in all eight grades was 99 per cent of the average man's, with no incumbents in grade A and no men holding positions in salary grades B and C.

GRIEVANCES AND ARBITRATION

In 2018, we heard five grievances. Two grievances were a result of employees released during their probationary period and therefore ineligible to pursue the grievance to arbitration. One grievance was withdrawn, another was settled through mediation and the final grievance is still in progress. One arbitration hearing, which was settled, took place in 2018.



EMPLOYEE HEALTH AND SAFETY

Health and safety are key to our success. To provide a safe working environment, we maintain rigorous standards that meet and exceed all requirements and we constantly test these standards—through training, education and industry involvement.

1ST PLACE
Corporate Challenge Competition

In this Section

Employee health and safety

GRI Disclosure and Stakeholders

GRI 403-2



Vancouver Airport Authority



Airlines



Government and regulators



Airport business partners



Over 24,000 employees work on Sea Island, supporting YVR's operations. These employees represent a diverse team—from engineers to transportation companies, retail partners and operations personnel. We are committed to protecting the health and safety of this team.

OUR APPROACH

Vancouver Airport Authority is federally regulated under the *Canada Labour Code Part II Act* and associated Canada Occupational Health and Safety Regulations. We manage health and safety through the Employee Strategy with an integrated Safety, Security and Environment Policy, which provides the framework for our Health and Safety Management System. This system is verified by the three-year Certificate of Recognition program and is based on the “plan, do, check, act” continual improvement model seen in other management standards.

Under the Health and Safety Management System, our Joint Occupational Safety and Health Committee reviews policies, programs and safe work practices. The committee, which equally includes men, women, management and bargaining unit employees across departments, meets to discuss and resolve safety and health issues through consensus. The committee is active in developing and promoting our health, safety and wellness initiatives, along with regulatory activities such as conducting inspections and investigations and reviewing health and safety programs. Every year, the team sets specific targets including no lost time accidents, zero non-compliances and training.

As we work towards completing up to 75 major capital projects over the next 20 years, it is essential that

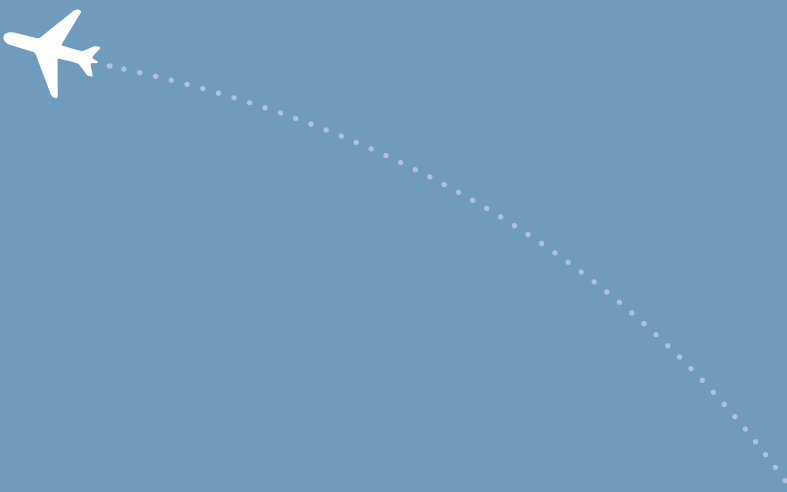
we have a comprehensive health and safety program in place for the growing number of contractors on Sea Island. All contractors working for the Airport Authority and accessing our holdings must complete the Contractor Safety Orientation before arriving on site as part of the broader Contractor Safety Management Program. Contractors are also provincially regulated under WorkSafeBC.

Health and Safety Training

Management identifies training needs for employees and maintains records. To support this responsibility, we have a Health and Safety Checklist for New Employees, a Student/Contractor Orientation Checklist and the New Employee Health, Safety and Wellness Orientation. In addition, all new managers joining the Airport Authority receive additional supervisor health and safety training.

The Health and Safety team has developed a Health and Safety Training Calendar based on Work Practices Code and Corporate Health and Safety training. This training includes computer-based training modules (CBTs), instructor-led training (ILTs) and peer-to-peer or peer-to-supervisor competency-based evaluations (CBEs). Depending on risk category, all Airport Authority employees receive training in the form of CBT, ILT or CBE.

EMPLOYEE HEALTH AND SAFETY: 2018 RESULTS



LOST-TIME INJURIES

We measure health and safety performance by tracking any at-work injuries that result in an employee missing work. Whenever we have an employee lost-time injury, we conduct an incident investigation to identify root causes and develop recommendations to prevent the incident from happening again. This has led to improvements such as sourcing and distributing new equipment and tools to improving safe work practices for various work tasks. In 2018, we had two lost-time injuries and 47 lost-time days, compared to three lost-time injuries and 41 lost-time days in 2017. This did not meet our zero target.

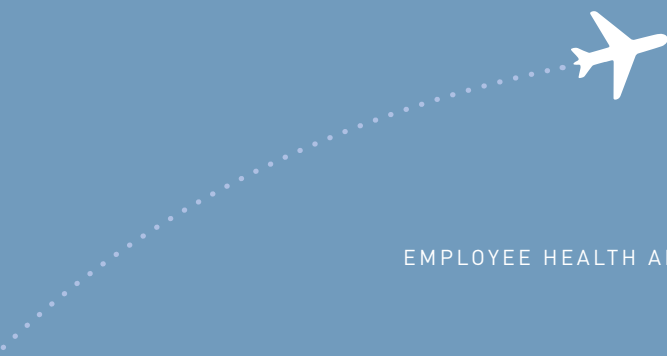
	Total
Total Lost-Time Injuries	2
Lost-Time Injury Frequency Rate	0.44
Total Number of Lost-Time Days	47
Absenteeism Rate	3.40%
Total Number of Fatalities	0

Certificate of Recognition

In 2018, we successfully passed an external certification audit through WorkSafeBC’s Certification of Recognition Program, with outstanding scores of 94 per cent for the occupational health and safety management system audit and 93 per cent for the injury management audit. These high scores reflect our strong safety management systems and safe working conditions, which meet the Canada Labour Code.

Contractor Safety Management Program

In 2018, the Airport Authority implemented the Contractor Safety Management Program (CSMP). We are the first airport in Canada to have such a comprehensive program, which provides a consistent and streamlined framework to manage health and safety risks for contractors, consultants and service providers. This collaborative and safe approach was demonstrated in the 944,981 person hours worked on capital construction projects last year with no lost-time injuries.





NORTH AMERICAN OCCUPATIONAL SAFETY AND HEALTH WEEK

From May 7 to 11, YVR took part in the North American Occupational Safety and Health (NAOSH) Week, a continent-wide event that highlights the importance of increasing understanding, raising awareness and reducing injuries and illness in the workplace, at home and in the community. NAOSH Week started with the annual Day of Mourning ceremony, an event held in memory of workers who have been killed, injured or suffered illness as a result of work-related accidents and illness.

Throughout May, we conducted a range of activities to promote health and wellness such as courses and presentations on mental health, workplace violence de-escalation and proper use of fire extinguishers. We also hosted the annual Foreign Object Debris Walk, which saw a large number of Sea Island volunteers clear the airfield of debris.

WELLNESS PROGRAM

Now in its seventeenth year, our incentive-based Wellness Program continued to support the Social Policy by promoting health and wellness through fitness classes, mental health education, lunch-and-learn sessions, wellness e-magazine subscriptions and community involvement. Our employees continued to engage, with strong participation in the program through various events and functions. We hosted five sessions of The Working Mind, a course that aims to reduce the stigma of mental illnesses by increasing awareness, offering resources and increasing resiliency. We also provided financial wellness rewards using a system that awards employees up to \$210 per year in pursuit of their health and social goals.

In May and June, over 100 employees participated as 27 teams across 11 sport and activity events at the annual Corporate Challenge competition. For the third consecutive year, we placed first overall among 65 organizations, with four gold, three silver and three bronze medals.



INDOOR AIR QUALITY

In accordance with our Environmental Air Quality Program, we have four industrial hygienists and a multitude of Indoor Air Quality (IAQ) monitoring equipment to keep air quality in check. This includes CO² sensors, which monitor and regulate building ventilation. In 2018, we conducted baseline and ongoing IAQ assessments throughout the terminal and airside to monitor potential air quality impacts for construction projects and airborne contaminants. We found the air quality was within acceptable levels, as determined by Canada Occupational Health and Safety Regulations and WorkSafeBC Occupational Health and Safety Regulations.

DIVERSITY AND EQUAL OPPORTUNITY

We are proud to have a vibrant workforce that reflects the region. We support diversity by identifying areas for improvement, managing a range of programs connected to specific targets and constantly checking our progress.

60%

Women on Vancouver Airport Authority’s Executive Team

50%

Women on Vancouver Airport Authority’s Board of Directors

In this Section

Diversity of governance bodies and employees, Non-discrimination in the workplace

GRI Disclosure and Stakeholders



Vancouver Airport Authority



Government and regulators





A diverse workforce is essential to our goal of providing an exceptional airport experience for passengers, partners and communities. By having a broad range of perspectives, we are better able to serve everyone—through barrier-free terminal design, inclusive hiring practices and a culture that promotes respect and equality.

OUR APPROACH

Vancouver Airport Authority aims to have a diverse and inclusive workforce. Under the Talent Strategy, the Employment Equity Plan supports our commitment to having a representative workforce and a work environment where all employees are treated with dignity and respect. We take a collaborative approach, in compliance with the Canadian *Employment Equity* and *Human Rights Acts*, and we support this approach through several corporate policies to ensure fair employment practices and treatment across the organization. In addition, our diversity initiatives include work with the LGBTQ2S+ community.

As part of our organizational commitment to employment equity, and as outlined in the Canadian *Employment Equity Act*, we identify occupational gaps in the workforce and set specific hiring targets for four designated groups including women, Aboriginal peoples, persons with disabilities and members of visible minorities. Each year, we report on our progress to the public and the Federal Government. We also provide ongoing updates for the Executive Team and annual updates for the Human Resources and Compensation Board Committee. Responsibility for achieving equal employment rests at a high level within the organization. In addition to providing extensive training on diversity and respect in the workplace, we have a dedicated position to oversee and execute employment equity objectives.



Diversity of Governance Bodies and Employees

We believe that diversity is enhanced when employment equity goals and initiatives are integrated into the normal processes and practices of the workplace. As part of the organizational commitment to employment equity, we identify areas for improvement through voluntary surveys, workshops, audits and interviews. We have an Employment Equity and Diversity team, comprised of employee and employer representatives, to support and execute employment equity objectives. We evaluate our progress each year, setting targets based on the demographics of designated groups in the national, provincial and Metro Vancouver recruitment areas using current labour market data.

Our Board identifies diversity as an essential element in attracting qualified directors and maintaining a high-functioning senior management team. The Board Diversity Policy includes a stretch target of gender parity as well as 20 per cent of the Board being made up of members from the three other designated groups: visible minorities, persons with disabilities and Aboriginal peoples. The policy also charges the Board with monitoring management's implementation of its workforce diversity policy.

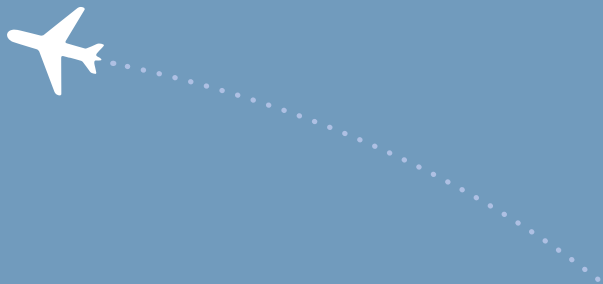
Non-discrimination in the Workplace

Vancouver Airport Authority is committed to providing a work environment where all employees are treated with dignity and respect and are free from harassment, bullying, discrimination, violence and the effects of alcohol and drug usage. This commitment aligns with the obligations under the *Canadian Human Rights Act*, which prohibits discrimination in respect to employment.

The Code of Ethics acts as an umbrella policy that helps guide our organization's business decisions and general conduct. It applies to all employees and any party conducting work for, or acting on behalf of, the Airport Authority. Amongst many things, it supports a work environment that is respectful, safe and healthy for everyone. In addition, our Respect in the Workplace Policy includes definitions, examples and a complaint process for employees. For more information on our commitment to non-discrimination, see **page 63**.



DIVERSITY AND EQUAL OPPORTUNITY: 2018 RESULTS



In 2018, we received the Canada’s Best Diversity Employers award for having strong workplace programs. We also received two additional awards: the Sector Distinction Award, recognizing employers that are inspirational role models; and the Employment Equity Champion Award—presented to our President & CEO for his contribution to diversity and inclusiveness.

EMPLOYMENT EQUITY

Each year, we evaluate our employment equity progress and every six months the Executive Team reviews departmental scorecards. In 2018, we adjusted our targets to serve us until 2022 and include:

- Women in management: 50%
- Women in the workplace: 50%
- Visible minorities in management: 25%
- Visible minorities in the workplace: 35%
- Aboriginal peoples in the workplace: 3%
- Persons with disabilities in the workplace: 5%

While we work towards achieving the 2022 employment equity targets, we strive to surpass annual labour market representation. The following table is a summary of our year-end 2017 representation levels compared to 2017 labour market availability.

Vancouver Airport Authority Demographics vs Labour Market Demographics (2017*)

Designated Group	Vancouver Airport Authority	Labour Market**	Airport Authority Representation
Women	40.3%	34.5%	+5.8%
Aboriginal peoples	1.3%	2.7%	-1.4%
Persons with disabilities	2.8%	4.3%	-1.5%
Visible minorities	31.5%	24.0%	+7.5%

* 2018 data was unavailable at the time of reporting

** Includes combined Metro Vancouver, provincial and national employment data

Please refer to the **GRI index** for a detailed breakdown by occupational group.

The following figure indicates the difference in the actual number of employees when comparing our representation by occupation groups to labour market

availability. The shaded cells denote where we have gaps of more than one.

Occupational Group	Women	Aboriginal Peoples	Persons with Disabilities	Members of Visible Minorities
Senior Managers	1	0	1	-1
Middle & Other Managers	7	-1		5
Professionals	4	-2	-1	22
Semi-Professionals & Technicians	1	-2	-2	3
Supervisors	-1	0	0	0
Supervisors: Crafts & Trades	1	0	0	3
Admin & Sr. Clerical Personnel	8	-1	-1	3
Skilled Crafts & Trades Workers	0	1	-2	7
Clerical Personnel	5	-1	-2	-3
Intermediate Sales and Service Personnel	1	0	0	1
Semi-Skilled Manual Workers	2	0	0	-3
Total	29	-6	-7	37

INITIATIVES SUPPORTING DIVERSITY



In 2018, our Employment Equity and Diversity team hosted two lunch-and-learn activities as part of Canada’s National AccessAbility week. A guest speaker shared stories of his involvement with the Paralympics and highlighted his experience with accessibility at YVR and other airports around the world. In addition, employees participated in a session on American Sign Language.

In celebration of National Aboriginal History Month, employees participated in a series of events featuring the art of hand drum making and the art of traditional weaving. Additional workshops included a lunch-and-learn series featuring traditional Indigenous storytelling and an interactive workshop focused on the Musqueam people.

In support of Diversity Awareness Month, we held a month-long campaign to raise awareness and inspire discussions on topics related to women, the LGBTQ2S+ community, visible minorities, persons with disabilities and Indigenous peoples. During this campaign, employees participated in various training opportunities, lunch-and-learns and a diversity lunch featuring different ethnic foods from around the world.

We undertook a range of activities to promote diversity and inclusion under the *Musqueam Indian Band – YVR Airport Sustainability & Friendship Agreement*. See **page 153**.

The Presidents Group

Our leadership team takes an active role in promoting inclusive workplaces. Our President & CEO co-chairs the Presidents Group, a network of business leaders who are champions for more accessible and inclusive workplaces. In October, the Minister of Social Development and Poverty Reduction and Presidents Group co-chairs hosted a roundtable to discuss how organizations utilize a diverse talent pool as a competitive advantage.

WOMEN IN MANAGEMENT

Achieving gender equity at all levels of the organization is an important commitment. Since 2014, the Airport Authority has sponsored the Women in Management program. As part of this voluntary program, women in management are placed in one of five leadership circles, led by Vice Presidents and Directors. The group meets regularly to discuss key topics and have candid dialogue in a confidential setting. In 2018, in addition to the circle meetings, we held two meetings with all women in management.

RESPECT IN THE WORKPLACE AND NON-DISCRIMINATION POLICY

In 2018, we updated our Respect in the Workplace and Violence in the Workplace policies and packaged them in a single document for easy access. The new Respect and Violence in the Workplace Policy outlines what employees should do if a workplace issue arises. To ensure employees understood the new policy, we provided training in our new employee orientation process.

We investigated two internal complaints through an external party. One of the complaints was found to have involved employee conduct that was deemed harassment and corrective measures were taken. A further complaint was registered by a former employee with an external authority alleging a probationary termination based on discriminatory grounds. This complaint has yet to be investigated and is pending.



SECURITY AND SAFETY

To maintain the highest standards, we focus on passenger health and safety, security practices and emergency preparedness and response.

In this Section

Security practices, Passenger and customer health and safety, Emergency preparedness

GRI Disclosure and Stakeholders

GRI A09



Vancouver Airport Authority



Passengers



Airlines



Local communities



Airport business partners



Government and regulators

238

Raptors successfully relocated from YVR



Millions of passengers travel through YVR every year and our focus is ensuring their safety. Our primary objective is to build, operate and maintain a safe, secure and environmentally sustainable airport for our employees, stakeholders and customers.

OUR APPROACH

We take a multi-pronged approach to security and safety—working with agencies to ensure safety at every stage of the check-in and screening process, monitoring wildlife to ensure safe landing and take-offs and continuously working with our partners to ensure we have the best possible programs and plans to deal with any emergency situation. Safety and security is one of the foundational elements supporting the Strategic Plan and we manage it with numerous policies, programs and training workshops focused on security, preparedness and continuity.

Security Practices

Our customers and passengers interact with a large number of frontline service staff on a daily basis who ensure their safety and security. In line with Canadian Aviation Security Regulations, we are required to have a Security Awareness Program, where all staff working at the airport complete airport security awareness training. This program models the Canadian Aviation Security Awareness Program and includes monthly red teaming exercises and other regular exercises such as tabletops with local police and customs. We work closely with our agency partners at Canada Border Services Agency and Canadian Air Transport Security Authority to support national security and public safety priorities.

Passenger and Customer Health and Safety

At all times, we focus on passenger safety. Our efforts include a large range of partners, working in compliance with the *Quarantine Act*, *Public Health Act*, Canadian Aviation Security Regulations and Canadian Aviation Regulation.

In addition, our commitment includes wildlife management. YVR is located on a migratory bird path and as a result we have a responsibility to ensure safe aircraft operations while conserving wildlife. We are always working on new and innovative solutions to manage wildlife. We use limited pesticides to reduce bird-attracting insects and we patrol the airfield year-round, using lethal and non-lethal methods to scare and disperse wildlife. The Fraser River delta is home to the highest density of wintering raptors in Canada. To manage this density, we operate a successful Raptor Trap & Translocation Program. Once captured, the birds are tagged with a unique numbered leg band and translocated to the east, away from YVR. Special wing tags on the larger hawks help us understand the movement of the birds.





Emergency Preparedness

Vancouver Airport Authority is committed to emergency preparedness and seeks to minimize all risks. Our Emergency Management Plan includes a robust Emergency Management Program, outlining a response structure. Under this program, we follow the Canadian Aviation Security Regulations and Canadian Aviation Regulations, focusing on three principles: plan, prepare and practice. We incorporate our Hazardous Materials Spill Plan into our approach and follow the BC Emergency Management System response, which highlights the protection of the environment. Under our Seismic Upgrade Master Plan, we continue to prioritize and upgrade our Domestic Terminal Building.

Our approach integrates with a Crisis Communications plan that commits to delivering open, honest and timely information. And we continually test and improve plans and initiatives through a range of exercises and drills involving employees, partners and communities.

As a part of the Strategic Plan, our Emergency Management team seeks to establish an industry-leading Emergency Management & Continuity Program by 2020—focused on safety, accountability, innovation, teamwork and sustainability.





SECURITY AND SAFETY: 2018 RESULTS

WILDLIFE MANAGEMENT

Each year, our team tests new approaches for controlling wildlife. In 2018, we installed motion detection cameras, which provide 24-hour monitoring and help determine animal behaviour such as whether surface pooling increases bird visitation. The data from these cameras will help inform our wildlife management.

In 2018, we moved 956,690 animals away from runways, taxiways and aprons. In addition, we removed 241 raptors from the airfield and successfully relocated 238 of them away from YVR.

There were 268 wildlife strike incidents at YVR in 2018, resulting in nine wildlife strikes per 10,000 aircraft runway movements (295,870 movements in total). From the total number of reported strikes, we determined that 169 animals were confirmed struck³ (6 strikes per 10,000 aircraft movements), including two bats and one coyote. In order to maintain safe aircraft operations, we use lethal control when necessary and in 2018 we culled 286 birds, a decrease from 300 birds in 2017, including 111 mallard ducks.

³ Confirmed strike: a reported wildlife strike where there is evidence in the form of animal remains or damage to the aircraft.



SECURITY UPGRADES

In 2018, the Airport Authority performed several structural security upgrades. This included installing curb bollards to prevent cars from injuring passengers and installing safety film on curbside terminal glass to prevent injuries from shattered glass in the event of a car crash.

EMERGENCY RESPONSE PROCEDURES

In 2018, we enhanced engagement with local municipalities and partners. We actively participated in the Federal Coordination Working Group and attended the Regional Emergency Planning Committee meetings, which gathered both federal agencies and local municipalities to plan, prepare, and share data for emergency management. Throughout the year, our Emergency Exercise Planning Committee met regularly, gathering key airport stakeholders and airport community partners together to discuss emergency coordination and communications. We also hosted our annual Emergency Planning Committee meeting to discuss any updates, risks and new developments among key stakeholders.

In 2018, we tested and improved plans through a range of exercises and drills, involving employees, partners and local communities.

Tabletops and Live Exercises

We facilitated several tabletop exercises to test response strategies for viral outbreaks, a crash on the airport and active threats. We also carried out a full-scale exercise of an active shooter within the terminal. These exercises provided valuable training, clarification for personnel and helped identify areas to improve.

Earthquake Preparedness

In 2018, we conducted a series of annual safety exercises for our employees and our team of trained Floor Wardens. In association with the Great British Columbia ShakeOut, we lead an organization-wide evacuation drill.

We continued implementing seismic upgrades to our Domestic Terminal Building, strengthening foundations and installing grade beams to improve the transfer of seismic forces. To support our emergency preparedness efforts, we developed post-earthquake manuals and conducted training with our team.

ENTERPRISE RISK MANAGEMENT

Our Enterprise Risk Management (ERM) system helps safeguard the achievement of strategic and business objectives by identifying and mitigating a broad range of risks. It has become a key component of our organizational culture, embedded into every-day planning through the Board and Executive Team. In 2018, we continued to work on the ERM system, developing a risk appetite statement and a set of risk tolerance thresholds for the organization.

As a subset of the ERM program, our Business Continuity Plan (BCP) provides an overall framework for managing business resumption efforts following any major incident affecting YVR's operations. The BCP facilitates timely recovery strategies from disruptions that affect critical business functions essential to moving people, bags and planes. In 2018, we continued to develop specific contingency and recovery plans for those critical functions with the highest impact to our core business.



INDIRECT ECONOMIC IMPACT

As a major transportation hub, YVR plays a large role in the economy. The airport provides a broad range of social and economic benefits—through community investment, operations, growth and partnerships.

\$1+ MILLION

Donated to more than
50 organizations

In this Section

Community investments

GRI Disclosure and Stakeholders

GRI 203-1



Vancouver Airport
Authority



Local
communities





While YVR impacts the region through direct employment and purchasing that support airport operations, it also plays an important role in the broader economy. As a major North American hub, YVR participates in the global supply chain with non-stop air services to destinations in Asia, Europe, the South Pacific and North America, and facilitates the movement of millions of visitors to Canada every year. YVR also provides many additional benefits to local communities—through indirect jobs, purchasing and charitable contributions.

OUR APPROACH

We are committed to operating an airport that provides value for everyone. Our goal is to gain the maximum return on financial and human investment, both for the Airport Authority and the community. YVR indirectly contributes to regional and global markets by facilitating the movement of millions of people and goods across borders. And through our Social Policy and the Strategic Plan, we ensure that the benefits of YVR's operations make their way into the community.

Community Investment

Community is at the heart of the Airport Authority's commitment to be a responsible corporate citizen, and to demonstrate this dedication we engage in strategic community investment. Through the Community Investment Program, we invest more than \$1 million annually to a variety of local organizations and charities that represent our three key areas of focus: Accessibility, Community and Environment.

We distribute these donations to not only the local Sea Island community and immediate municipalities including Richmond and Vancouver, but also to organizations in the Lower Mainland and across B.C. The program connects our philanthropic giving with our business values and ties into the social aspect of sustainability. While we focus on communities close to home, we consider funding initiatives outside of B.C. through discretionary funding in certain circumstances.

We set clear and objective criteria for donations, sponsorships and in-kind gifts that are distributed through our Community Investment Program. In 2016, the Governance Committee approved three areas of focus and Community Investment Guidelines. Our President & CEO reviews and approves all budget line items and partnerships. In addition, the Board of Directors receives an annual report on our Community Investment Program highlights.



INDIRECT ECONOMIC IMPACT: 2018 RESULTS

In 2018, YVR continued to play a significant role in the local economy, driving innovation and supporting a broad range of jobs. YVR's operations, including tourism and cargo, helped facilitate a significant economic impact across the province:

100,000 jobs

\$16.5 BILLION
in total economic output

\$8.4 BILLION
in total GDP

\$1.4 BILLION
in total government revenue

COMMUNITY INVESTMENT

A key component of the Airport Authority's Social Management System is supporting local communities and in 2018 we did this through a range of methods—including donating over \$1 million to over 50 organizations and an additional \$29,040 to organizations through one-time funding sources of lost and found money at the airport. Our coin balls, which take change that travellers may not want to take with them, collected more than \$18,000 and we donated this and another \$1,810 of in-kind donations—both to local organizations. Major funding contributions in 2018 included the City of Richmond's World Festival and Canada Day Celebration, YVR Art Foundation, Vancouver Fireworks Festival Society, Canadian Mental Health Association and Pacific Salmon Foundation.

\$1+ MILLION



**donated to more than
50 organizations**



Measuring Success

At the end of the donation period, we ask partners to fill out a survey and provide feedback. We received extremely positive feedback from many of our community partners in 2018: highlights include 1,798 people receiving free admission to the Bill Reid Gallery, 1,500 pairs of socks donated to Covenant House, a nine per cent

increase in the use of bike lights following an awareness campaign with HUB Cycling and an additional \$135,000 raised by Power to Be Adventure's fundraising campaign, which focused on a partnership video and photos that YVR created.



“In our post-event survey, participants reported an increase of nine per cent in the use of bike lights from before the event and 24 per cent of participants noted that Bike the Night was their first-time riding at night! Behaviour change is an important element in all of HUB Cycling's work and YVR's ongoing support has been critical to the success of Bike the Night and getting more people on bikes.” —Hub Cycling



“Our 2018 year-end campaign, which was focused on partnership videos and photos with YVR, raised an incredible \$135,000! That direct impact will make a huge difference in the lives of many participants and families. The response we have received since launching the video has been overwhelming—Watch Codi Surf has been viewed 125,000+ times and shared 200+ times on Facebook between the two organization's social media channels. This is the most viewed video in Power To Be's history!” —Power To Be



“Thanks to YVR’s funding, nine vessels operated by trained volunteers were able to sample the entire Strait of Georgia in one day for the first time ever. This is important because we can’t fully understand the Strait of Georgia as an ecosystem unless we have comparative data points across the entire Strait.”

—Pacific Salmon Foundation

Employee Volunteering

Our employees positively represent YVR at all times—at work and in the community. In 2018, 74 employees participated in our Employee Volunteering program, which rewards and recognizes employees who make a difference in our community. These employees donated \$8,500 towards Canadian charities of their choice. YVR Givers, consisting of a group of representatives from various departments, helped provide direction for our Employee Giving campaign, which saw a 40 per cent employee participation rate.

*We also did a lot of work in our local communities that had an indirect benefit. See **Local Communities** for more.*



LOCAL COMMUNITIES

Vancouver Airport Authority is committed to serving the needs of our region. We reinvest all profits back into the airport, constantly improving the hub, and we engage with communities and partners to operate an airport that benefits everyone.

18

Community events attended in 2018

In this Section

Community relations, Community impacts, Relationships with Indigenous peoples

GRI Disclosure and Stakeholders

GRI 413-1



Vancouver Airport Authority



Local communities





Our mandate is to be accountable to the communities we serve. We recognize that our operations and growth can have impacts on the region; thus, we are committed to being transparent. We are located on traditional Musqueam land and, as a result, we have a unique responsibility to work with Musqueam to manage the airport in a sustainable manner.

OUR APPROACH

Engaging with local communities is fundamental to the success of YVR; our operations integrate community engagement, impact assessments and development programs. Our approach is grounded in a Communications Policy of being open, honest and providing timely information to stakeholders. We provide multiple opportunities for the community to engage with our team throughout the year: at our Annual Public Meeting, at local festivals and events, through community notifications and through formal consultation activities. We are active with all levels of government, with annual updates to Municipal Councils across the region and regular meetings with Provincial and Federal Government representatives.

Local Community Engagement

A key component of the Airport Authority's Social Policy is to support our community through effective public engagement. We always consider the health and safety of neighbours and reflect this commitment by performing impact assessments on all new projects, in accordance with Section 67 of the *Canadian Environmental Assessment Act*. These reviews identify potential impacts, such as loss of sensitive habitats, and include an analysis of potential social impacts.

We engage the public and key stakeholders on the potential environmental and health impacts of airport operations. Both the Environmental Advisory Committee and the Aeronautical Noise Management Committee enable local communities to give direct feedback. Committee representatives are appointed by their stakeholder groups, which include community and environment groups, industry, government, Musqueam Indian Band, airlines, NAV CANADA, Transport Canada and Vancouver Airport Authority. In addition, we regularly undergo consultation with communities and stakeholders on key airport development and planning initiatives (see **page 151**).

We provide a range of feedback opportunities including an annual community survey, regular communication channels, 24/7 customer call centres and noise complaint platforms.





Relationships with Indigenous peoples

Vancouver Airport Authority recognizes that Indigenous peoples are an important part of the communities we serve. We honour the traditional and contemporary culture of Indigenous peoples and we commit to mutually beneficial and resilient relationships based on respect, trust and meaningful engagement.

Our *Musqueam Indian Band – YVR Airport Sustainability & Friendship Agreement* serves as a roadmap to create thriving, respectful and resilient relationships with Musqueam. It includes a broad range of benefits such as revenue sharing, scholarships, jobs,

environmental protection and support for the airport's long-term development. More than anything, the agreement is about fostering a real friendship and a sustainable future.

Building on the successful agreement, the Airport Authority aims to deliver a new Indigenous Peoples Engagement Strategy in 2019. The principles of this strategy, which include respect, collaboration, inclusivity and innovation, align with various Articles in C169 – Indigenous and Tribal Peoples Convention, 189 (No. 169).



LOCAL COMMUNITIES: 2018 RESULTS

COMMUNITY ENGAGEMENT

Pride Parade

The Airport Authority participated in the Pride Parade for the fourth year and showcased a co-branded float in partnership with Air New Zealand. Over 45 Airport Authority and Air New Zealand employees and their friends and family joined us in the parade.



Quest Food Exchange

1,288

hampers donated
—a new record

We continued to support Quest Food Exchange and led the annual Holiday Hamper Drive for the eighth year, setting a new record of 1,288 donated hampers—almost 20 per cent more than our record-setting year in 2017. Each hamper feeds a family in need and for every hamper donated the Airport Authority contributed a turkey to complete the holiday meal.



Great Canadian Shoreline Cleanup

On September 15, more than 300 volunteers from the airport and the community took part in the Great Canadian Shoreline Cleanup at Iona Beach Regional Park. This team wielded gloves and pick-up-sticks to help clear the beach of debris. Thanks to their efforts, we removed and recycled an estimated 205 kg of waste. Vancouver Airport Authority donated \$20,000 to the Vancouver Aquarium in support of this initiative, ensuring we continue to keep Canada's shorelines clean.





Summer Festival Series

We were very active connecting with our communities in 2018—especially in the summer, which saw the return of our #getpacking social media contest. The activation invited community members who visited the YVR tent at community events to take a picture standing on one of our “destination tiles” and post the picture to either Twitter or Instagram for a chance to win two free flights.

The contest promoted tickets and destinations from many of our airline partners including Hainan Airlines, Aeroméxico, Air Canada, Air New Zealand and WestJet.



Explorer Tours

Our Explorer Tour program offers free, year-round guided tours of YVR, showcasing the airport’s award-winning art, accessible terminal features and architecture. In 2018, we hosted 100 tours, totalling 2,443 participants. This included day camps, school groups, adult students, seniors, social support groups, leisure groups and other interested community members.

CONSULTATION

Templeton Area Redevelopment Project

As part of our Templeton Area Redevelopment Project, which seeks to develop 44 acres of land in the Templeton Area, we continued to engage with Burkeville residents to ensure we take measures to minimize project impacts and consider a range of community enhancements.

We facilitated Phase 2 and 3 of the engagement program. Engagement opportunities included two Community Advisory Committees, two community open houses, feedback surveys as well as sharing Consultation Summary Reports for both phases. We sent regular project updates to each of the 267 Burkeville households, and we shared information through the Sea Island Times newsletter and the project subscribers list of approximately 140 people. We regularly met with City of Richmond staff to keep them informed and provided a memo with key information to Mayor and Council.

Community feedback has informed planning and engagement. Several major changes have taken place as a result of this input including widening the planned corridor between the community and the proposed development, restricting traffic on Templeton Street south of Sea Island Elementary and directing all vehicles accessing the development to Aylmer and Terrace Road.



YVR 2037 Master Plan

Vancouver Airport Authority received federal approval from the Minister of Transport on our land use plan in our 2037 Master Plan. We shared YVR 2037 with stakeholders and local communities. This plan will guide development and programs at YVR for the next 10 years.

Noise Management Plan

For more information about the Noise Management Plan, see **page 115**.

Environmental Impact Assessments

We conducted environmental reviews of all proposed projects, exceeding the requirements set out in Section 67 of the *Canadian Environmental Assessment Act*. These reviews identify potential impacts, such as loss of sensitive habitats, and include an analysis of potential social impacts. We conducted environmental reviews on more than 215 projects in 2018 and no projects were expected to result in significant effects. Working closely

with Musqueam Indian Band, we performed three archaeological assessments and did not identify any new sites.

Our Environment team regularly monitors construction projects to ensure mitigation efforts are implemented and remain effective. We conducted more than 380 site visits in 2018 to major construction projects. None of the projects were found to have caused adverse environmental or social effects of any significance.

Community Survey

We undertake a community survey each year as part of our public engagement strategy to monitor our social impact, and we measure the survey's success through favourability of YVR—with a goal to achieve at least a 77 per cent positive impression. In 2018, 75 per cent of survey respondents noted they had a very favourable or somewhat favourable impression of YVR. This result is within the margin of error of our target.

WORKING WITH GOVERNMENT

In 2018 we continued to work on reflecting the needs of communities with all levels of government. We sought to improve air access through bilateral agreements, opening visa policies, improving transit connection policies and leveraging the new preclearance opportunities through the Land, Marine and Rail Act—while continuing to advocate against the share capitalization of Canadian airports. We also worked with our provincial government to support the arrival of ridesharing in British Columbia.

We had regular meetings with municipal, provincial and federal representatives and provided updates to caucuses to help with the ongoing work towards informing and shaping legislation, regulations and policy.



RELATIONSHIPS WITH INDIGENOUS PEOPLES

We made great progress in the first full year of the 30-year *Musqueam Indian Band – YVR Airport Sustainability & Friendship Agreement*. The agreement includes a broad range of benefits including support for operations and long-term development at the airport, scholarship and job opportunities, revenue-sharing, protection of environmental and archeological resources and more.



Implementing the Agreement

We hired a member of Musqueam Indian Band as our Relationship Manager, a role that is responsible for implementing the agreement and facilitating an effective working relationship between our two organizations.

Employment and Contracting

In 2018, the Airport Authority hired eight Musqueam members and our YVR business partners hired 71. We launched a Musqueam Elders-in-Residence program to provide support for new applicants and employees. In addition, we accepted five Musqueam small businesses and seven independent contractors into the YVR supplier database.

Education and Training

We implemented a Musqueam scholarship program, awarding scholarships to eight Musqueam members. We also hired two Musqueam members for our new, robust apprenticeship program for trade-related work at the airport.

Revenue Sharing

As part of our revenue-sharing agreement, we paid one per cent of the Airport Authority's 2017 revenue to Musqueam Indian Band in 2018. See **page 74** for more.

Culture, Environment & Sustainability

Archeological & Environmental Monitoring

Musqueam participated in the selection of the Airport Authority's archeological consultant, Kleanza Consulting Ltd., in 2018 and worked closely with the Airport Authority to address invasive species. See **page 113** for more information.

For more information on the *Musqueam Indian Band – YVR Airport Sustainability & Friendship Agreement*, visit yvr.ca/musqueam.



COMMUNICATIONS



Vancouver Airport Authority is committed to providing open, honest and timely information to our many customers. This includes travellers, the general public, over 24,000 people who work on Sea Island, business partners, industry associations, local communities, government, Indigenous peoples, charities and media.

MEDIA RELATIONS

1.2 BILLION

media impressions

YVR monitors and responds to media requests 24/7 and in 2018 we had over 650 phone and email media enquiries. These enquiries covered a wide range of topics including the impact of weather, news and events at YVR, irregular operations, information for flights and services.

Every year, we work with an external consultant to gauge print, online and broadcast media clips. In 2018, there were 5,392 media items that contained YVR coverage, with a reach of more than 1.2 billion. Over 90 per cent of coverage in 2018 was positive or neutral.

Overall tone

25%
Positive

68%
Neutral

7%
Negative



In 2018, we focused on promoting our business model, economic impact, air services and the ground-breaking of our capital construction plans under the Airport Authority's 20-year blueprint. *YVR as an economic generator* remained our top key message. The next most popular message was new and highlighted that *growth is good* – *YVR is undergoing multi-year expansion projects to meet demand*. The third most popular message was *YVR is a jobs creator and major employer*. The consistency of these key messages demonstrates that our major activities over the last several years resonate with our communities. These activities included the launch of \$9.1 billion in construction, our consistent messaging on the Airport Authority's unique governance model and our announcements of new services and programs.

HEADLINES

“First border control kiosks installed on cruise ship”

—Richmond News, January 31

“YVR announces \$9.1 billion in expansion plans”

—Vancouver Sun, June 14

“K9s of YVR: Hard at work during the busy dog days of summer”

—The Province, July 30

“Therapy dogs to help relieve passengers’ stress at YVR”

—News 1130, August 22

“New YVR program to help passengers reduce stress takes flight”

—Vancouver is Awesome, October 10

“Vancouver airport warning travellers about flying with pot in your luggage”

—Global News, October 16

“Vancouver International Airport earns highest rated building award for accessibility”

—Daily Hive, December 6

“YVR welcomes 25 millionth passenger”

—CTV, December 18

SOCIAL MEDIA

Social media helps us engage with the community and communicate directly with customers, partners and passengers. All of our channels saw incredible growth in 2018. Our Twitter and Facebook accounts grew by 15 per cent and Instagram grew by 45 per cent. Our Weibo account, used to connect directly with our Chinese followers, increased its followers by over 1,000 per cent. We also launched a new Chinese social media account, WeChat, which gained more than 5,000 followers.

Twitter

+15% growth

Most followed airport in Canada in 2018



Best Banter – YVR
Twitter Canada Awards

Our Twitter account (@yvrairport) had an incredible year, with more than 17.9 million impressions, 8.8 million more than 2017. Our follower count went from 57,702 to 66,804, a 15.7 per cent growth over 2017. We remained the top Canadian airport on Twitter by a significant margin.

Facebook

+15% growth

Second most followed airport in Canada in 2018

Our Facebook page gained 14,707 likes in 2018—an increase of 15 per cent. We focused content on a range of interesting topics, including operations highlights, events, career postings and the latest happenings at YVR.

Instagram

45% growth

Most followed airport in Canada in 2018

Our Instagram account showed major growth in 2018, increasing followers by 45 per cent. YVR held the top spot for a Canadian airport on Instagram and is now ranked 11th globally.

Weibo

1,633% growth

Our Weibo channel experienced tremendous growth, adding more than 110,000 followers. There were over 1.9 million views on our posts and our total reach was over 6.8 million. YVR is the second most followed airport on this channel behind Singapore's Changi Airport.

WeChat

5.1k followers

Best engaged airport audience

In June 2018, YVR launched its WeChat account. This channel has emerged as a major customer service channel. The most popular blogs written include travel tips, information on McArthurGlen Designer Outlet Vancouver Airport and information on transportation from YVR.

WEBSITE

12.7 MILLION
unique page views

In 2018, YVR.ca received 12,703,117 unique page views, an increase of nine per cent from 2017. Our blog received 153,673 views in 2018. The most read articles centred on the entry process to Canada with our Primary Inspection Kiosks, car-sharing services at the airport, our pet relief area and hot jobs at YVR.

Air Mail

YVR's monthly e-newsletter, Air Mail, is a key communications tool that provides regular updates to the airport community. In 2018, we saw our subscriber base grow from 10,500 to over 12,300, closing out the year with an open rate of 33 per cent—well above the industry standard.

Want to hear more? Sign up at yvr.ca/newsletter.

APPENDIX



GRI INDEX

The following index provides detailed information on Vancouver Airport Authority, for the reporting period covering January 1 – December 31, 2018, with the exception of our Ambient Air Quality and Employment Equity data as noted below (GRI A05, 405-1). This report has been prepared in accordance with GRI Standards: Core option.

GRI	DISCLOSURE	PAGE																								
GENERAL DISCLOSURES AND GOVERNANCE (OUR LEADERSHIP)																										
ORGANIZATIONAL PROFILE																										
102-1	Name of the organization: Vancouver Airport Authority	01																								
102-2	Activities, brands, products, and services: Vancouver Airport Authority is the community-based, not-for-profit organization that manages Vancouver International Airport (YVR). Canada's second busiest airport, YVR served over 25.9 million passengers in 2018. For a complete list of our Air Services refer to our Air Services and Connections section on page 55.	52																								
102-3	Location of headquarters: Sea Island, Richmond, B.C., Canada.																									
102-4	Location of operations: Vancouver Airport Authority operates in Richmond, B.C., Canada.																									
102-5	Ownership and legal form: Vancouver Airport Authority is a not-for-profit organization, formed in 1990 under Part II of the <i>Canada Corporations Act</i> and continued in 2013 under the <i>Canada Not-for-profit Corporations Act</i> . The Airport Authority is governed by a community-based Board of Directors. The Airport Authority operates YVR pursuant to a lease of most of Sea Island, Richmond, B.C., from the Government of Canada.																									
102-6	Markets served: Refer to our Air Services and Connections section for a description of our markets served.	52																								
102-7	Scale of the organization: <ul style="list-style-type: none"> Total Number of Employees: 511 (excluding casuals and temporary employees). Total Number of operations: 1 (our four subsidiaries are excluded from this report, with the exception of financial data based on Consolidated Financial Statements). Quantity of products or services provided: 56 airlines serve YVR, connecting people and businesses to more than 128 destinations worldwide. Net financial overview: See Financial Overview on page 71. For more detailed information, see our Consolidated Financial Statements at yvr.ca/2018. 																									
102-8	Information on employees and other workers: Total number of employees by employment contract and employment type <table> <tr> <th>Employment Contract</th><th>Male</th><th>Female</th></tr> <tr> <td>Permanent Full-Time</td><td>281</td><td>192</td></tr> <tr> <td>Permanent Part Time</td><td>11</td><td>16</td></tr> <tr> <td>Term Full-Time</td><td>3</td><td>7</td></tr> <tr> <td>Term Part-Time</td><td>1</td><td>0</td></tr> <tr> <td>Temporary</td><td>1</td><td>2</td></tr> <tr> <td>Casual</td><td>3</td><td>3</td></tr> <tr> <td>Total</td><td>300</td><td>220</td></tr> </table>	Employment Contract	Male	Female	Permanent Full-Time	281	192	Permanent Part Time	11	16	Term Full-Time	3	7	Term Part-Time	1	0	Temporary	1	2	Casual	3	3	Total	300	220	
Employment Contract	Male	Female																								
Permanent Full-Time	281	192																								
Permanent Part Time	11	16																								
Term Full-Time	3	7																								
Term Part-Time	1	0																								
Temporary	1	2																								
Casual	3	3																								
Total	300	220																								

	An employment contract refers to a position that is permanent, term, temporary or casual. An employment type refers to full-time or part-time. This data was compiled using data from the HR system.	
102-9	Supply chain: Vancouver Airport Authority's top supplier categories by spend: <ol style="list-style-type: none"> 1. Construction and Civil Services 2. Engineering Services 3. Security Services 4. Janitorial Services 5. Customer Service Representative Services 6. Information Technology Services and Equipment 7. Terminal Equipment and Maintenance Services 	
102-10	Significant changes to the organization and its supply chain: While airport expansions are underway, for the 2018 reporting period there were no significant changes in operations. Regarding the supply chain, Metro Vancouver is experiencing a significant increase in infrastructure investment from the Provincial and Federal governments, impacting the local construction market and the Airport Authority's Capital Program. Affordability and increases in the minimum wage have also created a challenge for workers and suppliers. In addition, increased global trade pressures have impacted material prices, which has increased costs for projects.	
102-11	Precautionary Principle or approach: We are a federally regulated organization and adhere to guidelines specified under the <i>Canadian Environmental Assessment Act</i> .	
102-12	External initiatives: United Nations Global Compact, United Nations Sustainable Development Goals, Salmon-Safe Certification, Airport Carbon Accreditation (Airports Council International), International Organization for Standardization, Occupational Health & Advisory Services.	
102-13	Membership of associations: Airports Council International – North America, Canadian Airports Council, Airports Council International – Asia Pacific, Greater Vancouver Board of Trade, Business Council of BC, Canadian Chamber of Commerce, BC Chamber of Commerce, Greater Vancouver Gateway Council, Tourism Industry Association of Canada, Richmond Chamber of Commerce. Partnerships: YVR has partnerships with the Greater Vancouver Board of Trade, Richmond Chamber of Commerce, Canada China Business Council, Hong Kong Canada Business Association, BC India Business Network, Surrey Board of Trade, BC Chamber of Commerce, Greater Vancouver Gateway Council, Tourism Industry Association of Canada, Richmond Chamber of Commerce, Canada's Aviation Hall of Fame, BC Women's Hospital Foundation, BC Aviation Council, Destination Canada, Destination British Columbia, Tourism Vancouver, Vancouver Hotel Destination Association, Rocky Mountaineer and Tourism Richmond.	
STRATEGY		
102-14	Statement from senior decision-maker: See letters from Mary Jordan and Craig Richmond.	06, 07
102-15	Key impacts, risks, and opportunities: See Materiality Assessment.	26
ETHICS AND INTEGRITY		
102-16	Values, principles, standards, and norms of behavior: See Business Ethics.	43
102-17	Mechanisms for advice and concerns about ethics: YVR's internal Whistleblower Policy provides a framework to report any perceived wrongdoings. Overseen by our Vice	45

	President Legal and our Internal Audit team, the policy offers several options: reporting to superiors, reporting anonymously through our Safety Management System or calling a 24-hour hotline, managed by an independent third party.	
GOVERNANCE		
102-18	Governance structure: See Our Leadership; view the Airport Authority's Board Manual at yvr.ca/board .	33
102-19	Delegating authority: See Our Leadership; view the Airport Authority's Board Manual at yvr.ca/board .	33
102-20	Executive-level responsibility for economic, environmental and social topics: Executive level responsibilities for economic, social and environmental topics primarily fall within the responsibility of the Sustainability Working Group, which consists of the following: Chief Financial Officer, Vice President of Engineering, Vice President of People and Sustainability, Vice President of Airline Business Development and Public Affairs and Vice President of Legal and Chief Governance Officer. All post holders report directly to the highest governance body.	
102-21	Consulting stakeholders on economic, environmental and social topics: See Stakeholder Engagement and Local Communities.	19, 147
102-22	Composition of the highest governance body and its committees: See Our Leadership; view the Airport Authority's Board Manual at yvr.ca/board .	33
102-23	Chair of the highest governance body: Mary Jordan is Chair of the Board of Directors. Mary is not an Executive Officer in the organization.	
102-24	Nominating and selecting the highest governance body: Read more about our Board and view the Airport Authority's Board Manual at yvr.ca/board .	
102-25	Conflict of interest: View the Airport Authority's Corporate Governance Guidelines (5 – Ethical Business Conduct) at yvr.ca/board .	
102-26	Role of highest governance body in setting purpose, values and strategy: Read more about our Board and view the Airport Authority's Board Manual at yvr.ca/board .	
102-27	Collective governance of highest governance body: Read more about our Board and view the Airport Authority's Board Manual at yvr.ca/board .	
102-28	Evaluating the highest governance body's performance: View the Airport Authority's Corporate Governance Guidelines (9 – Assessments) at yvr.ca/board .	
102-29	Identifying and managing economic, environmental and social impacts: See Stakeholder Engagement, Material Topics, Enterprise Risk Management.	19, 26, 141
102-30	Effectiveness of risk management processes: See Enterprise Risk Management.	141
102-31	Review of economic, environmental and social topics: See yvr.ca/board and our Social Policy.	45
102-32	Highest governance body's role in sustainability reporting: The Board of Directors reviews and approves Vancouver Airport Authority's Annual & Sustainability Report.	
102-33	Communicating critical concerns: The Airport Authority has a series of corporate policies and guidelines outlining the process for communicating critical concerns to the highest governance body. See Whistleblower Policy.	43-45

102-34	Nature and total number of critical concerns: See GRI 406-1.	
102-35	Remuneration policies: See Executive and Board Compensation.	40-42
102-36	Process for determining remuneration: See Executive and Board Compensation.	40-42
102-37	Stakeholders' involvement in remuneration: See Executive and Board Compensation.	40-42
STAKEHOLDER ENGAGEMENT		
102-40	List of stakeholder groups: See Stakeholder Engagement.	20
102-41	Collective bargaining agreements: 71.35 per cent of employees are covered by the collective bargaining agreement.	
102-42	Identifying and selecting stakeholders: See Stakeholder Engagement.	19
102-43	Approach to stakeholder engagement: See Stakeholder Engagement.	19
102-44	Key topics and concerns raised: See Stakeholder Engagement and Material Topics.	19, 26
REPORTING PRACTICES		
102-45	Entities included in the Consolidated Financial Statements: We do not report on the financial, environmental and social impacts of our subsidiaries in this report.	
102-46	Defining report content and topic boundaries: See Stakeholder Engagement and Material Topics.	19, 26
102-47	List of material topics: See Material Topics.	26
102-48	Restatements of information: Not applicable. This is the first time of reporting.	
102-49	Changes in reporting: Not applicable. This is the first time of reporting.	
102-50	Reporting period: January 1, 2018 – December 31, 2018.	
102-51	Date of most recent report: This is the first time reporting under GRI. The most recent Annual & Sustainability Report was for January 1, 2017 – December 31, 2017.	
102-52	Reporting cycle: Annual.	
102-53	Contact point for questions regarding the report: Questions can be directed to sustainability@yvr.ca .	
102-54	Claims of reporting in accordance with the GRI Standards: This report has been prepared in accordance with the GRI Standards: Core option.	
102-55	GRI content index: Included in this report.	157
102-56	External Assurance: With the exception of the Consolidated Financial Statements, this report has not been externally assured. The Airport Authority does not currently have policies with regard to seeking external assurance for the report.	

BUSINESS ETHICS																						
103.1-3	The Management Approach: See Business Ethics.	43																				
414-1	New suppliers that were screened using social criteria: 98.9 per cent of new suppliers screened using the environmental, economic and social criteria detailed in our Supplier Code of Conduct, available at yvr.ca/suppliers .	49																				
205-2	Communication and training about anti-corruption policies and procedures: All Airport Authority employees and Board members received communication around anti-corruption resources and education. While the Airport Authority takes anti-corruption laws very seriously, organizational anti-corruption policies were not explicitly communicated to business partners. There was no training provided in 2018.	47																				
ECONOMIC (OUR BUSINESS)																						
DIRECT ECONOMIC IMPACT																						
103.1-3	The Management Approach: See Direct Economic Impact.	68																				
201-1	Direct economic value generated and distributed: <table><tr><td colspan="2">Economic Value Generated (\$000's)</td></tr><tr><td>Revenue</td><td>575,138</td></tr><tr><td colspan="2">Economic Value Distributed</td></tr><tr><td>Operating expenditures</td><td>144,446</td></tr><tr><td>Employee wages and benefits</td><td>60,502</td></tr><tr><td>Payments to providers of capital</td><td>30,396</td></tr><tr><td>Payments to government</td><td>76,875</td></tr><tr><td>Community investments</td><td>6,682</td></tr><tr><td>Total Economic Value Distributed</td><td>318,901</td></tr><tr><td>Total Economic Value Retained</td><td>256,237</td></tr></table> Please refer to the Consolidated Financial Statements for more information.	Economic Value Generated (\$000's)		Revenue	575,138	Economic Value Distributed		Operating expenditures	144,446	Employee wages and benefits	60,502	Payments to providers of capital	30,396	Payments to government	76,875	Community investments	6,682	Total Economic Value Distributed	318,901	Total Economic Value Retained	256,237	
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Total Economic Value Distributed	318,901																					
Total Economic Value Retained	256,237																					
AIR SERVICES AND CONNECTIONS																						
103.1-3	The Management Approach: See Air Services and Connections.	52																				
A01	Total number of passengers annually, broken down by passengers on international and domestic flights, and broken down by origin-and-destination and transfer passengers, including transit passengers: <table><tr><td colspan="4">Total Number of Arriving and Departing Passengers</td></tr><tr><td>Passengers</td><td>Domestic</td><td>International</td><td>Total</td></tr><tr><td>Arriving Passengers</td><td>6,193,503</td><td>6,724,206</td><td>12,917,709</td></tr><tr><td>Departing Passengers</td><td>6,253,219</td><td>6,765,979</td><td>13,019,198</td></tr><tr><td>Total Passengers</td><td>12,446,722</td><td>13,490,185</td><td>25,936,907</td></tr></table> Omissions, confidentiality constraints, information not available: while the Airport Authority collects accurate data for transfer passengers, specific data related to connecting passengers is currently not available.	Total Number of Arriving and Departing Passengers				Passengers	Domestic	International	Total	Arriving Passengers	6,193,503	6,724,206	12,917,709	Departing Passengers	6,253,219	6,765,979	13,019,198	Total Passengers	12,446,722	13,490,185	25,936,907	54
Total Number of Arriving and Departing Passengers																						
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Arriving Passengers	6,193,503	6,724,206	12,917,709																			
Departing Passengers	6,253,219	6,765,979	13,019,198																			
Total Passengers	12,446,722	13,490,185	25,936,907																			
CUSTOMER CARE																						
103.1-3	The Management Approach: See Customer Care.	60																				

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data: The Airport Authority did not identify or receive any substantiated complaints concerning breaches of customer privacy from outside parties and regulatory bodies. We experienced two cyber-attacks in 2018 as a result of phishing campaigns.	67																																																												
YVR-Specific	Customer Service Quality: We scored an impressive 4.4 out of 5.0, or 92 per cent, in our annual Customer Satisfaction Survey.	64																																																												
ENVIRONMENT (OUR ENVIRONMENT)																																																														
ENERGY																																																														
103.1-3	The Management Approach: See Reducing Energy Use.	93																																																												
302-1 ⁱ	Energy consumption within the organization: <table> <tr> <td colspan="3">Total Non-Renewable Energy</td></tr> <tr> <td>Fleet</td><td>Pure Gasoline</td><td>5,092 GJ</td></tr> <tr> <td>Fleet</td><td>Pure Diesel</td><td>10,253 GJ</td></tr> <tr> <td>Emergency Power Generator</td><td>Pure Diesel</td><td>1,721 GJ</td></tr> <tr> <td colspan="2">Total Non-Renewable</td><td>17,066 GJ</td></tr> <tr> <td colspan="3">Total Renewable Energy</td></tr> <tr> <td>Fleet</td><td>Pure Ethanol</td><td>372 GJ</td></tr> <tr> <td>Fleet</td><td>Pure Biodiesel</td><td>501 GJ</td></tr> <tr> <td>Emergency Power Generator</td><td>Pure Biodiesel</td><td>84 GJ</td></tr> <tr> <td>Wind</td><td></td><td>22 GJ</td></tr> <tr> <td>Solar Thermal</td><td></td><td>16 GJ</td></tr> <tr> <td>Solar Photovoltaic</td><td></td><td>28 GJ</td></tr> <tr> <td>GeoExchange</td><td></td><td>4,230 GJ</td></tr> <tr> <td colspan="2">Total Renewable</td><td>5,253 GJ</td></tr> <tr> <td colspan="3">Total Electricity, Heating and Cooling Consumption</td></tr> <tr> <td>Purchased Electricity</td><td>Hydro</td><td>388,800 GJ</td></tr> <tr> <td>Heating and Cooling</td><td>Natural Gas</td><td>114,048 GJ</td></tr> <tr> <td>Heating and Cooling</td><td>Pure Diesel</td><td>6,250 GJ</td></tr> <tr> <td>Heating and Cooling</td><td>Pure Biodiesel</td><td>305 GJ</td></tr> <tr> <td colspan="2">Total</td><td>509,403 GJ</td></tr> </table>	Total Non-Renewable Energy			Fleet	Pure Gasoline	5,092 GJ	Fleet	Pure Diesel	10,253 GJ	Emergency Power Generator	Pure Diesel	1,721 GJ	Total Non-Renewable		17,066 GJ	Total Renewable Energy			Fleet	Pure Ethanol	372 GJ	Fleet	Pure Biodiesel	501 GJ	Emergency Power Generator	Pure Biodiesel	84 GJ	Wind		22 GJ	Solar Thermal		16 GJ	Solar Photovoltaic		28 GJ	GeoExchange		4,230 GJ	Total Renewable		5,253 GJ	Total Electricity, Heating and Cooling Consumption			Purchased Electricity	Hydro	388,800 GJ	Heating and Cooling	Natural Gas	114,048 GJ	Heating and Cooling	Pure Diesel	6,250 GJ	Heating and Cooling	Pure Biodiesel	305 GJ	Total		509,403 GJ	95
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Total		509,403 GJ																																																												
WATER USE																																																														
103.1-3	The Management Approach: See Reducing Water Use.	98																																																												
303-1 ⁱⁱ	Water withdrawal by source: 383,624 m ³ from municipal sources and 620 m ³ from rainwater.	101																																																												
ECOSYSTEM HEALTH																																																														
103.1-3	The Management Approach: See Protecting Ecosystem Health.	109																																																												
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas: YVR is located on Sea Island, along the Fraser River, which includes the following: Sturgeon Bank, a Provincial Wildlife Management Area with significant habitat value that is located directly adjacent to YVR; Sea Island Conservation Area, located adjacent to YVR and managed by the Canadian Wildlife Service for certain wildlife habitat values; Swishwash Island, private land owned	110																																																												

	by the Nature Conservancy of Canada and managed as a nature sanctuary, which is near our operations; Iona Island Regional Park; and McDonald Beach Park. We lease 13.4 km² of land on Sea Island. The Fraser River Delta is recognized as a wetland of international importance and is listed on the Ramsar list of Canada.																													
AIR EMISSIONS																														
103.1-3	The Management Approach: See Reducing Air Emissions.	79																												
305-1 ⁱⁱⁱ	Direct (Scope 1) GHG emissions (tonnes of CO ₂ e): GHG Performance: <table><tr><td></td><td>2012</td><td>2013</td><td>2014</td><td>2015</td><td>2016</td><td>2017</td><td>2018</td></tr><tr><td>Scope 1</td><td>7,761</td><td>8,185</td><td>8,564</td><td>7,861</td><td>6,568</td><td>8,250</td><td>7,379</td></tr></table> Biogenic CO ₂ Emissions: 66 t CO ₂ e		2012	2013	2014	2015	2016	2017	2018	Scope 1	7,761	8,185	8,564	7,861	6,568	8,250	7,379	82												
	2012	2013	2014	2015	2016	2017	2018																							
Scope 1	7,761	8,185	8,564	7,861	6,568	8,250	7,379																							
305-2	Energy indirect (Scope 2) GHG emissions (tonnes of CO ₂ e): GHG Performance <table><tr><td></td><td>2012</td><td>2013</td><td>2014</td><td>2015</td><td>2016</td><td>2017</td><td>2018</td></tr><tr><td>Scope 2</td><td>1,852</td><td>1,322</td><td>998</td><td>1,096</td><td>1,108</td><td>1,148</td><td>1,152</td></tr></table>		2012	2013	2014	2015	2016	2017	2018	Scope 2	1,852	1,322	998	1,096	1,108	1,148	1,152	82												
	2012	2013	2014	2015	2016	2017	2018																							
Scope 2	1,852	1,322	998	1,096	1,108	1,148	1,152																							
305-4	GHG emissions intensity: 0.328 tonnes/passenger (passengers in 000s) from both Scope 1 and Scope 2 emissions.	83																												
A05	Ambient air quality levels according to pollutant concentrations in microgram per cubic meter (µg/m3) or parts per million (ppm) by regulatory regime: Annual Averages 2017 Metro Vancouver AIR POLLUTANTS MONITORED ON SEA ISLAND <table><tr><td></td><td>2016</td><td>2017</td><td>Metro Vancouver Objectives</td></tr><tr><td>Nitrogen Dioxide (NO2) (ppb)</td><td>14</td><td>16</td><td>21</td></tr><tr><td>Carbon Monoxide (CO) (ppb)</td><td>242</td><td>250</td><td>No annual average</td></tr><tr><td>Sulphur Dioxide (SO2) (ppb)</td><td>0.2</td><td>0.4</td><td>5</td></tr><tr><td>Fine Particulate Matter (PM2.5) (µg/m3)</td><td>4.9</td><td>6.2</td><td>8</td></tr><tr><td>Fine Particulate Matter (PM10) (µg/m3)</td><td>10.3</td><td>11.1</td><td>20</td></tr><tr><td>Ozone (O3) (ppb)</td><td>16</td><td>17</td><td>No annual average</td></tr></table> <p>*1ppm = 1000ppb; The air quality data is compliant with relevant ambient air quality data; both Carbon Monoxide and Ozone do not have Metro Vancouver annual average objectives.</p> <p>Omissions, confidentiality constraints, information not available: this report represents 2017 data and is the most current reporting period provided by Metro Vancouver.</p>		2016	2017	Metro Vancouver Objectives	Nitrogen Dioxide (NO2) (ppb)	14	16	21	Carbon Monoxide (CO) (ppb)	242	250	No annual average	Sulphur Dioxide (SO2) (ppb)	0.2	0.4	5	Fine Particulate Matter (PM2.5) (µg/m3)	4.9	6.2	8	Fine Particulate Matter (PM10) (µg/m3)	10.3	11.1	20	Ozone (O3) (ppb)	16	17	No annual average	85
	2016	2017	Metro Vancouver Objectives																											
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Ozone (O3) (ppb)	16	17	No annual average																											
EFFLUENT AND WASTE																														
103.1-3	The Management Approach: See Reducing Waste.	86																												
A06	Aircraft and pavement de-icing/anti-icing fluid used and treated by m3 and/or metric tonnes: Applied 974 m³ of Type I and 133 m³ of Type IV and discharged 1,107m³ of de-icing fluid, of which 100 per cent was captured for treatment.	91																												

	Omissions, confidentiality constraints, information not available: Vancouver Airport Authority is currently not collecting de-icing and anti-icing data applied to operational surfaces.																																							
306-2 ^{iv}	Waste by type and disposal method: Total weight of Hazardous Waste <table><tr><td>Waste Type</td><td>Amount</td><td>Disposal method</td></tr><tr><td>Batteries, Auto Parts, E-waste, Light Bulbs, Waste Oil</td><td>14,529 kg</td><td>Recycled</td></tr><tr><td>Biomedical, International Custom Hall</td><td>40,832 kg</td><td>Incinerated</td></tr><tr><td>Other Waste, (e.g. Oil Filters)</td><td>535 kg</td><td>Landfill</td></tr><tr><td>Asbestos, Nucor, Proactive, QM and Actes</td><td>98,461 kg</td><td>Other</td></tr></table> Total Weight of Non-Hazardous <table><tr><td>Waste Type</td><td>Amount</td><td>Disposal method</td></tr><tr><td>Containers, Paper, Liquid Diversion, Gloves</td><td>1,584,710 kg</td><td>Recycled</td></tr><tr><td>Chopsticks, Broom Cores</td><td>2,967 kg</td><td>Reused</td></tr><tr><td>Compostable Material and Moisture Diverted by Composter</td><td>826,605 kg</td><td>Composted</td></tr><tr><td>Other Waste</td><td>2,340,530 kg</td><td>Landfill</td></tr><tr><td>Construction Waste</td><td>12,535,742 kg</td><td>Recycled Construction Waste</td></tr></table>						Waste Type	Amount	Disposal method	Batteries, Auto Parts, E-waste, Light Bulbs, Waste Oil	14,529 kg	Recycled	Biomedical, International Custom Hall	40,832 kg	Incinerated	Other Waste, (e.g. Oil Filters)	535 kg	Landfill	Asbestos, Nucor, Proactive, QM and Actes	98,461 kg	Other	Waste Type	Amount	Disposal method	Containers, Paper, Liquid Diversion, Gloves	1,584,710 kg	Recycled	Chopsticks, Broom Cores	2,967 kg	Reused	Compostable Material and Moisture Diverted by Composter	826,605 kg	Composted	Other Waste	2,340,530 kg	Landfill	Construction Waste	12,535,742 kg	Recycled Construction Waste	91
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GROUND TRANSPORTATION																																								
103.1-3	The Management Approach: See Ground Transportation.						104																																	
YVR-Specific	Proportion of surveyed air passengers using collective transit: 29 per cent reported using transit for their journey to YVR						106																																	
AERONAUTICAL NOISE																																								
103.1-3	The Management Approach: See Managing Noise.						115																																	
YVR-Specific	Community Survey Questionnaire: 80 per cent of respondents reported not being annoyed by aircraft noise.						118																																	
YVR-Specific	Total Number of Complaints/10,000 aircrafts: 27 concerns per 10,000 aircraft movements.						118																																	
SOCIAL (OUR COMMUNITY)																																								
INDIRECT ECONOMIC IMPACT																																								
103.1-3	The Management Approach: See Indirect Economic Impact.						142																																	
203-1	Infrastructure investments and services supported: Over \$16.5 billion in total economic output in B.C.; over \$1 million in donations to over 50 organizations; \$29,040 through lost and found money at the airport; \$18,217 through coin ball donations; and \$1,810 of in-kind donations to local organizations.						144																																	
EMPLOYMENT PRACTICES																																								
103.1-3	The Management Approach: See Employment Practices.						120																																	
401-1	New employee hires and employee turnover: Total number and rate of new employee hires <table><tr><td>Age</td><td>→30</td><td>30-50</td><td>→50</td><td>Male</td><td>Female</td><td>Total</td></tr></table>						Age	→30	30-50	→50	Male	Female	Total	123																										
Age	→30	30-50	→50	Male	Female	Total																																		

	<table><tr><td>Total Number</td><td>19</td><td>57</td><td>11</td><td>45</td><td>42</td><td>87</td></tr><tr><td>Rate</td><td>3.72%</td><td>11.15%</td><td>2.15%</td><td>8.81%</td><td>8.22%</td><td>17.03%</td></tr></table> <p>*Includes permanent and term employees. Casual and Temporary employees are not included.</p> <p>Total number and rate of employee turnover</p> <table><tr><td>Age</td><td>→30</td><td>30-50</td><td>→50</td><td>Male</td><td>Female</td><td>Total</td></tr><tr><td>Total Number</td><td>4</td><td>25</td><td>18</td><td>31</td><td>16</td><td>47</td></tr><tr><td>Rate</td><td>0.78%</td><td>4.89%</td><td>3.52%</td><td>6.07%</td><td>3.13%</td><td>9.2%</td></tr></table> <p>*Includes permanent and term employees. Casual and Temporary employees are not included.</p>	Total Number	19	57	11	45	42	87	Rate	3.72%	11.15%	2.15%	8.81%	8.22%	17.03%	Age	→30	30-50	→50	Male	Female	Total	Total Number	4	25	18	31	16	47	Rate	0.78%	4.89%	3.52%	6.07%	3.13%	9.2%						
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Total Number	4	25	18	31	16	47																																				
Rate	0.78%	4.89%	3.52%	6.07%	3.13%	9.2%																																				
404-2	<p>Programs for upgrading employee skills and transition assistance programs: Management and leadership development, corporate learning and development, Managing my Career, Retirement Readiness Program.</p>	124																																								
EMPLOYEE HEALTH AND SAFETY																																										
103.1-3	<p>The Management Approach: See Employee Health and Safety.</p>	127																																								
403-2	<p>Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities:</p> <table><tr><td></td><td>Total</td></tr><tr><td>Total Lost-Time Injuries</td><td>2</td></tr><tr><td>Lost-Time Injury Frequency Rate</td><td>0.44</td></tr><tr><td>Total Number of Lost-Time Days</td><td>47</td></tr><tr><td>Absenteeism Rate</td><td>3.40%</td></tr><tr><td>Total Number of Fatalities</td><td>0</td></tr></table> <p>* IR and LDR to be expressed as incidents per 100 employees with maximum straight-time hours as per OSHA standards.</p> <p>Omissions, confidentiality constraints, information not available: We do not disclose the health and safety information of our contractors and suppliers due to confidentiality constraints. We do not currently collect data on the occupational disease rate due to our limited control over external validation measures. In keeping with safeguarding employee confidentiality, we do not disclose the data in terms of gender.</p>		Total	Total Lost-Time Injuries	2	Lost-Time Injury Frequency Rate	0.44	Total Number of Lost-Time Days	47	Absenteeism Rate	3.40%	Total Number of Fatalities	0	129																												
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DIVERSITY AND EQUAL OPPORTUNITY																																										
103.1-3	<p>The Management Approach: See Diversity and Equal Opportunity.</p>	131																																								
405-1	<p>Diversity of governance bodies and employees:</p> <p>Percentage of individuals within the organization’s governance bodies</p> <table><tr><td>Board Diversity</td><td>Number</td><td>%</td></tr><tr><td>Women</td><td>7</td><td>50</td></tr><tr><td>Visible Minorities</td><td>2</td><td>14.3</td></tr><tr><td>Persons with Disabilities</td><td>0</td><td>0</td></tr><tr><td>Aboriginal Peoples</td><td>0</td><td>0</td></tr></table> <p>Percentage of employees per employee category Information below is data from December 31, 2017</p> <table><tr><td>Employee Category</td><td>Women</td><td>Aboriginal Peoples</td><td>Persons with Disabilities</td><td>Members of Visible Minorities</td></tr><tr><td>Senior Managers</td><td>40</td><td>0.0</td><td>4.9</td><td>0.0</td></tr><tr><td>Middle and Other Managers</td><td>39.8</td><td>1.1</td><td></td><td>20.4</td></tr><tr><td>Professionals</td><td>40.7</td><td>0.0</td><td>2.7</td><td>49.6</td></tr><tr><td>Semi-Professionals and Technicians</td><td>13</td><td>0.0</td><td>0.0</td><td>21.7</td></tr></table>	Board Diversity	Number	%	Women	7	50	Visible Minorities	2	14.3	Persons with Disabilities	0	0	Aboriginal Peoples	0	0	Employee Category	Women	Aboriginal Peoples	Persons with Disabilities	Members of Visible Minorities	Senior Managers	40	0.0	4.9	0.0	Middle and Other Managers	39.8	1.1		20.4	Professionals	40.7	0.0	2.7	49.6	Semi-Professionals and Technicians	13	0.0	0.0	21.7	134
Board Diversity	Number	%																																								
Women	7	50																																								
Visible Minorities	2	14.3																																								
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Employee Category	Women	Aboriginal Peoples	Persons with Disabilities	Members of Visible Minorities																																						
Senior Managers	40	0.0	4.9	0.0																																						
Middle and Other Managers	39.8	1.1		20.4																																						
Professionals	40.7	0.0	2.7	49.6																																						
Semi-Professionals and Technicians	13	0.0	0.0	21.7																																						

	<table><tr><td>Supervisors</td><td>0</td><td>0.0</td><td>0.0</td><td>50.0</td></tr><tr><td>Supervisors: Crafts and Trades</td><td>10</td><td>0.0</td><td>10.0</td><td>40.0</td></tr><tr><td>Admin and Sr. Clerical Personnel</td><td>72.8</td><td>1.2</td><td>2.5</td><td>37.0</td></tr><tr><td>Skilled Crafts and Trades Workers</td><td>1.7</td><td>6.9</td><td>0.0</td><td>22.4</td></tr><tr><td>Clerical Personnel</td><td>83.3</td><td>0.0</td><td>2.8</td><td>33.3</td></tr><tr><td>Intermediates Sales and Service Personnel</td><td>100</td><td>0.0</td><td>0.0</td><td>66.7</td></tr><tr><td>Semi-Skilled Manual Workers</td><td>11.8</td><td>0.0</td><td>5.9</td><td>5.9</td></tr></table> <p>*Includes permanent positions (full and part time) and does not include term, temporary, casual, students and permanent employees on leaves of absence</p> <p>Omissions, confidentiality constraints, information not available: This information was prepared in accordance with the <i>Employment Equity Act</i> guidelines. In order to remain consistent, age group is not included. This report represents 2017 data and is consistent with the reporting period specified under the Employment Equity Act guidelines.</p>	Supervisors	0	0.0	0.0	50.0	Supervisors: Crafts and Trades	10	0.0	10.0	40.0	Admin and Sr. Clerical Personnel	72.8	1.2	2.5	37.0	Skilled Crafts and Trades Workers	1.7	6.9	0.0	22.4	Clerical Personnel	83.3	0.0	2.8	33.3	Intermediates Sales and Service Personnel	100	0.0	0.0	66.7	Semi-Skilled Manual Workers	11.8	0.0	5.9	5.9	
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406-1	Incidents of discrimination and corrective actions taken: In 2018, we investigated two internal Respect in the Workplace complaints through an external party. One of the complaints was found to have involved employee conduct that was deemed harassment under the policy and corrective measures were taken. A further complaint was registered by a former employee with an external authority alleging a probationary termination based on discriminatory grounds. This complaint has yet to be investigated and is pending.	136																																			
LOCAL COMMUNITIES																																					
103.1-3	The Management Approach: See Local Communities.	147																																			
413-1	Operations with local community engagement, impact assessments, and development programs: Vancouver Airport Authority operates a single airport and therefore this equates to 100 per cent.	150																																			
SECURITY AND SAFETY																																					
103.1-3	The Management Approach: See Security and Safety.	137																																			
A09 ^v	Total Annual Number of Wildlife Strikes per 10,000 Aircraft Runway Movements: 268 reported wildlife strike incidents; 9 reported wildlife strikes per 10,000 aircraft runway movements, where 169 animals were confirmed struck; and 6 confirmed wildlife strikes per 10,000 aircraft movements. There were 295,870 runway aircraft movements in 2018. Omissions, confidentiality constraints, information not available: We do not currently collect information relative to the exact location of the wildlife strike. However, the overall boundary for which the wildlife strike is recorded is defined as within 90 m of the extended runway center and/or when the aircraft is below 200 ft on approach and 500ft on take-off.	140																																			

ⁱ 302-1: Non-Renewable energy for fleet fuel does not include fuel used for snow-clearing equipment. YVR fleet use two fuel blends: Ethanol (10 per cent) and Biodiesel (5 per cent). YVR generators use Biodiesel (5 per cent). Although hydro is considered renewable, it is not self-generated in this case and is B.C.'s primary source of electricity. For fuel used for heating and cooling, in 2018 natural gas and biodiesel (5 per cent) was used in the Domestic Terminal Building and International Terminal Building boilers. We separated the diesel-biodiesel fuel blend to show what is non-renewable vs. renewable. This is not reflected elsewhere as to avoid double counting. Conversion factors are referenced in the 2017 BC Best Practices for Quantifying Greenhouse Gas Emissions. The renewable energy data is based on a combination of actuals and averages from previous years.

ⁱⁱ 303-1: The total volume of rainwater was calculated based on an estimated value from a 2016 annual water catchment study. The total volume of potable water consumption is based on water usage in the Main and South Terminal Buildings as well as the Airside Operations Building.

iii 305-1: In preparation for GRI reporting, the Airport Authority reviewed its GHG data-gathering and reporting procedures and is now able to report previously unavailable Scope 1 emission sources for 2018 (176 tonnes CO₂e of diesel fuel from snow-clearing equipment and 90 tonnes CO₂e from HFC and HCFC refrigerant gas releases from cooling systems). Estimates of these extra sources in 2012 were approximately 136 tonnes CO₂e and are not material to our baseline. With these sources, total 2018 GHG emissions were 8,797 tonnes CO₂e (Scope 1 & 2). As required under GRI reporting, the 2018 biogenic CO₂ emissions resulting from the combustion of biodiesel and ethanol from B5 and E10 blended fuel is 66 tonnes CO₂e. An additional 8 tonnes of CO₂e is reported if B5 diesel burned by snow-clearing equipment is included. With this addition, the total 2018 biogenic CO₂e emissions were 74 tonnes CO₂e.

iv 306-2: In 2018, we implemented a new initiative where passengers at the international check-in point disposed of liquids before recycling the bottles. In previous years, recycled bottles consisting of liquids were accounted for as part of the total recycled weight. As such, in order to stay consistent with our methodology from previous years, we included the weight of the discarded water in the total recycled weight. An additional recycled source, kitchen grease, has been identified and accounts for an additional 80,513 kg of total recycled waste. Since the total recycled weight of kitchen grease does not result in a material difference, the baseline was not re-adjusted to reflect this additional source and thus is not included as part of the total recycled weight.

v A09: Confirmed strike: any reported wildlife strike where evidence in the form of a carcass, remains, blood or damage to the aircraft is found.