

The Future of YVR

Vancouver Airport Authority presentation to City of Richmond

July 8, 2021

On July 19, 2021, Vancouver Airport Authority President and CEO Tamara Vrooman, will present to City of Richmond's General Purposes Committee. Ms. Vrooman will be accompanied by the City of Richmond's nominee to the Airport Authority's Board of Directors, Dan Nomura.

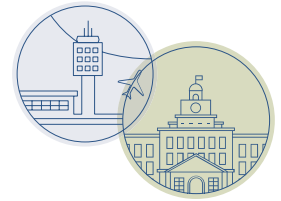
The purpose of this report is to provide Council with an overview of Vancouver International Airport's (YVR) response to the challenges resulting from the global COVID-19 pandemic and 2021 Strategic Plan, which is positions YVR to deliver on its public interest mandate to serve our community and the economy that supports it. Ms. Vrooman will touch on these topics in her brief speaking remarks to allow for ample time for Mayor and Council to ask questions and discuss topics of interest to Richmond community members.

SUPPORTING THE COMMUNITY THROUGH THE COVID PANDEMIC

Throughout the COVID-19 pandemic, YVR—together with Musqueam, airline and airport partners—has cared for our community while remaining open to support essential travel and the movement of goods. The hallmark of our efforts is the YVR TAKEcare health and safety program, which helps people move through the airport safely and with confidence. TAKEcare places industry-leading health, safety and cleaning practices and protocols at the forefront of airport processes.

During the early months of the COVID-19 crisis, the B.C. Public Service, Vancouver Airport Authority, Canada Border Services Agency and federal public health officials came together in a common service to implement the B.C. government's health screening and self-isolation checkpoints at YVR. In addition to screening returning travellers, YVR collaborated with the B.C. Ministry of Agriculture, Food and Fisheries to develop an empathetic arrival process to safely welcome temporary foreign agriculture workers into B.C. These workers are crucial to Richmond's farming community and are integral in safeguarding our province's food supply. The program recognized the stressful journey they faced and provided appropriate support upon their arrival at YVR and during their mandatory quarantine period. The program was so successful, the BC government extended the program again to support the 2021 growing season.

YVR is also host to one of the largest COVID-19 testing facilities in the province. Operated by Vancouver Coastal Health and located on the site of YVR's jetSet parking facility, the site tripled testing capacity in Richmond. As B.C.'s mass vaccination efforts started, we were pleased to again partner with the BC government, deploying YVR Caretakers into the community to help deliver a safe well-organized vaccine clinic at the River Rock Casino. This opportunity has allowed us to recall our own workers as well as Musqueam, airline and other airport business employees to provide meaningful employment in service of our community's greatest priority. To date, the clinic has vaccinated more than 85,000 people, or about 40% of Richmond's population.



PASSENGER AND CARGO MOVEMENTS

Year-over-year passenger traffic at YVR was 7.3 million—down 72% from 2019. As BC reopens to domestic travel, passenger traffic has steadily increased with air carriers adding increased frequencies and destinations. While there is pent up demand for travel and we are seeing more passengers come through the airport as domestic travel begin to recover, we expect 2021 to be another challenging year with depressed passenger numbers. YVR continues to be one of only four airports in Canada permitted to receive international flights at this time. We expect transborder travel to recover next, followed by international travel, as the federal government makes decisions on the Canada–U.S. border and travel restrictions ease with increased global vaccination efforts and declining case counts.

In contrast to passenger traffic, cargo was a bright spot in 2020 and 2021—demonstrating the importance of air linkages. While volumes were down 20% over 2019, the decline was lessened because of the impact of increased e-commerce activity and expanded movement of personal protective equipment and other critical supplies by air. Through May 2021, cargo traffic is up 11.7% from 2020, again largely being driven by the e-commerce boom.

2021 STRATEGIC PLAN: POSITIONING YVR FOR THE FUTURE

Given the high degree of uncertainty in B.C.'s post-pandemic recovery, Vancouver Airport Authority has adopted a one-year strategic plan that will guide the airport in becoming a gateway to the new economy, in service of our community. YVR's 2021 Strategic Plan has six focus areas:

Strengthening the Core

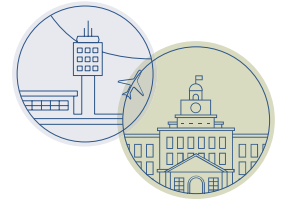
2021 will be a key year to get our operational house in order. We are examining every aspect of our operations, including our asset management program; seeking to be more efficient across all operational areas, including passenger experience, departure punctuality, baggage connections and cargo; and continuing to prioritize environmental sustainability, working to reach net-zero carbon emissions by 2030.

Staying Ahead of COVID

The path to a post-pandemic world cannot go over, around or alongside COVID-19. The only way forward is to go through. We are continually adapting to evolving travel requirements related to the pandemic while preparing thoughtfully for the return of passengers in a new era of travel. We are investing in digital and data-enhanced technologies to respond to COVID and invest to ensure we understand the future travel experience and what our partners need from us. Finally, timely and targeted data investments will ensure we have the right information to stay ahead of, and adapt to, the challenges of navigating through the pandemic to ensure YVR is designed to thrive in the future.

Climate: YVR's Net Zero 2030 Commitment

Aviation is energy-intensive and depends almost exclusively on fossil fuels. While airlines have made great strides in reducing fuel use by purchasing the latest and most fuel-efficient jets, airlines are faced with the reality that practical, low and zero emissions airplanes designed to carry hundreds of passengers long distances remain decades into the future. It's against this challenging backdrop that YVR has an opportunity to play an outsized and immediate role in reducing greenhouse gas emissions, and ensure airports are ready for the sustainable aircraft and operations of the future.



YVR recently successfully achieved Neutrality in the Airport Carbon Accreditation Program by Airports Council International. YVR is the first Canadian airport certified at this level and joins 60 other airports from around the world at this level of certification. As part of our climate commitment, the Airport Authority made the important decision to advance our ambition to eliminate carbon emissions by 20 years: to be net zero by 2030. To achieve our goals, will focus additionally on reducing the direct emissions from both our operations and energy consumption through reducing energy use and displacing remaining fossil fuel use with renewable fuels.

Through our BioPortYVR initiative, we are working closely with our airline partners, as well as the provincial and federal government, to advance the supply and availability of sustainable aviation fuels in British Columbia. Our vision is for YVR to be the first Canadian sustainable aviation fuel hub in Canada.

Gateway to the New Economy

As we navigate out of the pandemic, we are moving beyond our traditional role and focusing on aligning to the future growth and needs of our community and economy: to become our region’s Gateway to the New Economy. In April 2021, we announced the “Innovation Hub @ YVR”—a platform through which YVR will connect and collaborate with local businesses and our community to lead innovation and the economic recovery. Early partners in this initiative include BCIT who will use the airport as a living lab for its Internet of Things program.

YVR has invested in creating a digital twin of the airport terminal, Sea Island and Musqueam lands—the most advanced 3D airport reality model in North American and probably the world. The digital twin will allow us to model and monitor the airport business in ways that enable faster, better business decisions. The platform is also available to third parties and partners, including local governments, service providers and infrastructure operators, to test how new systems or processes will work in a “live” environment.

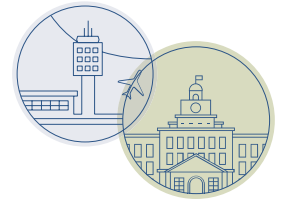
We are also advocating to modernize Canada’s Foreign Trade Zone Points into an optimized Free Trade Zone regime that would allow British Columbia and local communities including Richmond attract new value-added investments, create jobs for local workers and support new business opportunities, while generating up to \$410 million in direct GDP to British Columbia’s economy.

Purpose through People

YVR is a people business, and we continue to ensure that we have a supported workforce where team members can build their careers. Working together, we will ensure our customers and community continue to inform the decisions we make and that we are building a resilient, authentic, adaptable and empathetic culture to embrace the short- and long-term opportunities in our industry.

Financial Sustainability

We start 2021 with the single biggest operating deficit and debt burden in the history of YVR. So, while we work to achieve other strategic goals this year, we must do so in a way that improves our financial resilience. The Airport Authority took several steps to ensure YVR’s financial sustainability during the height of the pandemic, including consolidating terminal operations to cut costs in line with passenger volumes. We are appreciative of the federal government support it received in the form of waived and deferred rent payments. We also deeply thank the City of Richmond for allowing us to defer payment of



our annual Payment in Lieu of Taxes from March to December 2020—this was very helpful in allowing us to manage our liquidity when revenues plummeted drastically.

We will continue to see operating losses in 2021-22, requiring us to fund airport operations with debt. Pre-COVID, 90% of our revenues were passenger-related. To future proof our financial stability in service to the community, we are exploring ways to diversify our revenue streams. This includes the proposed changes to land use at YVR that recently came before Council in June 2021. By opening up underutilized land in Airport South for uses such as air cargo and aircraft maintenance, and creating additional groundside commercial and airside space to the lands at Airport North uses, YVR can help meet the need for large trade and transportation related sites identified in Metro Vancouver’s 2020 Regional Industrial Lands Inventory and in support of BC’s economic recovery plans and Richmond’s long-term economic prosperity.

ADDRESSING COMMUNITY IMPACTS

We recognize that our activities impact different groups in different ways—and that means balancing the contribution we make against the negative effects of YVR’s operations on the quality of life of community residents and their expectations of us. That is why we strive to work collaboratively with the community to deliver on our clear community mandate, safely operate the airport, and plan for the future.

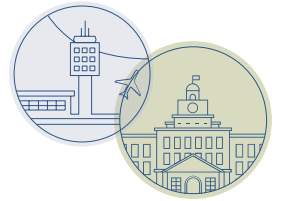
We appreciate the collaborate approach City of Richmond senior staff took in working with our planning team as we move forward on updated land use planning, and we are incorporating council’s feedback into our submission to Transport Canada. We are also working with the new leadership at the Sea Island Community Association to address residents’ questions about YVR’s land use planning and establish a process to regularly update the community on YVR activities and areas of interest.

Wildlife management is a core element of our operations that ensures the safety of aircraft and passengers as well as airport staff, visitors and our community. Since hearing from the community on concerns about our management of the feral rabbit population at the airport, we have suspended the program indefinitely. We are working with independent scientists, wildlife experts and Richmond community partners to re-evaluate our methods and determine alternative solutions that meet our responsibility for safety at the airport, to our environment and to our community.

Finally, we deeply thank the residents of the Burkeville neighbourhood and appreciate their patience as we complete construction work on the new Templeton Corridor and prepare an adjacent YVR tenant site for redevelopment. Our community relations team has stayed in close contact with residents throughout the construction—particularly our neighbours who live along Wellington Crescent and are most impacted by daily activities. We look forward to opening the Templeton Corridor soon and introducing the community to new greenspaces, as well as cycling and walking trails to link Flight Path Park to Miller Road and the Sea Island Canada Line station.

CONCLUSION

The Airport Authority has made good use of the last 16 months to strengthen our operations, diversify, digitize, green and improve YVR. Incorporating innovations and learnings arising from our pandemic response, we will continue to adapt to ensure an efficient, frictionless experience from curb to cloud for our passengers.



We are deeply proud to operate in the City of Richmond and look forward to collaborating more closely with Council and city staff. We recognize that both Richmond's and the Region's economic recovery depends on a strong, sustainable YVR, and we are committed to fulfilling our purpose of serving the community and the economy that supports it. Further, we recognize the opportunity and obligation to work in partnership with the Musqueam Nation on whose traditional lands YVR sits. We will continue to incorporate their traditional knowledge into our thinking and business practices as we move forward together.

ANNUAL STRATEGIC PLAN 2021

Where We're Going & How We'll Get There



What's in this strategic plan?

- 1. OUR PURPOSE
- 2. OUR CONTEXT
- 3. OUR 2021 PLAN

A photograph of a woman with dark hair, wearing a grey sweater, looking out of an airplane window. The background is a soft, out-of-focus view of the sky and clouds. The text is overlaid on a dark blue gradient at the bottom of the page.

Do you remember your first flight?

Most of us do. That first trip to a new country. That first important business meeting abroad. That feeling of hope, opportunity and future possibility.

People understand the intrinsic value of commercial aviation—and so our overall value as an airport is not a hard sell. This in turn informs our reason for being and guides us in terms of who we serve. Nobody builds an airport as an end unto itself.

We exist for the sole purpose of serving our community and the economy that supports it.



Our Purpose

By creating a sustainable, efficient and people-centered airport, YVR enables trade, tourism and knowledge exchange to flourish. We do this by providing top-quality aviation infrastructure, logistics, digital innovation and air transport facilities for passengers and cargo at the terminal and throughout our operations on Sea Island.

At the same time, we recognize that our activities impact different groups in different ways. We therefore strive to balance the contribution we make in providing optimal access for our community to connect to the wider world, against the negative effects of aviation on the quality of life of local residents as well as the negative climate impact of



air travel. Further, we recognize our opportunity and obligation to work in partnership with the Musqueam Nation on whose traditional lands YVR sits.

We gratefully pursue these efforts from a position of strength: YVR has a strong and long history of success. Recognized for innovation, growth and reflecting the very best of our region – in our terminal design, art, and especially in our people. At our core, we are a people business. People serving people to improve the access to – and growth of – our region. It is why our staff choose to work here.

Yet, our industry and region are changing, and we need to change with them.

OUR CONTEXT

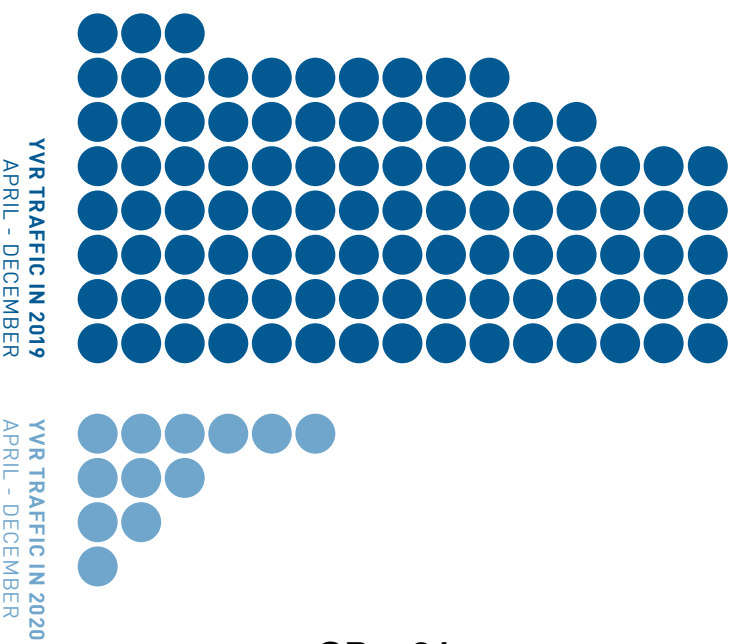
Clearly these are unusual times.

The International Civil Aviation Organization (ICAO) recently reported that the full year 2020 passenger totals were only 40% their 2019 levels, and international passenger levels were much worse at just 26% of what was seen last year. Here at YVR our passenger volumes for the nine-month period of April to December were only 12% of what they were during the same period last year. Further, our revenue has declined by 63% over the same period. This has forced us to reduce our operating expenses by 30% and our capital expenditures by over 65%. Most countries have imposed travel restrictions at the national level and many local health authorities are adjusting mobility and safety protocols regularly in response to changes in COVID case numbers.

What we hoped in March might be a short-lived health emergency has turned out not to be so. The effects of the pandemic will be with us well into 2021, and perhaps beyond. And the pandemic has been so comprehensive and widespread many aspects of our lives will be permanently changed – including the

way we work and the way we travel. As we work to consider how to respond to these changes, we are reminded that pain points and trends that existed before the pandemic – such as the shift toward more digital and personalized services, and an increased emphasis on wellness and sustainability – have not gone away. In fact, their necessity has only been validated and the need to respond to them accelerated.

We had identified many of these trends here at YVR and had taken the initial steps to address them: our move to touchless kiosks, our work with partners to reduce waste and recycle, our work from home protocols, and electrifying our fleet and operations. However, the pandemic has called on us to fundamentally re-examine our assumptions for the future and our planned response to them. YVR does need to strengthen its operations and modify its business strategy in order to thrive in the future. The COVID context pushes us beyond considering these changes - to requiring them.



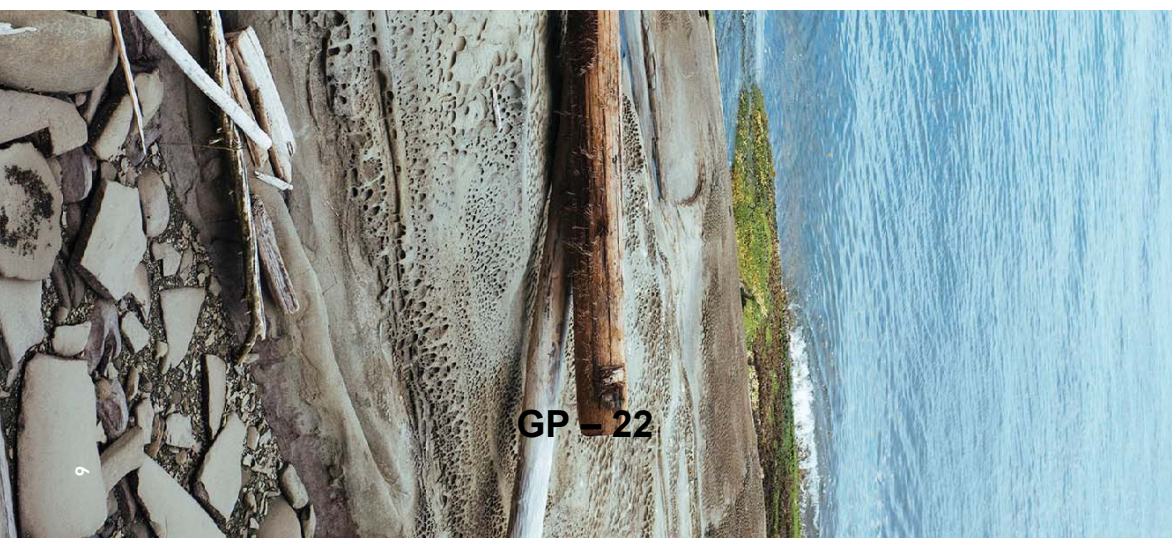


2021 PLAN

Our Way Through

If the pandemic has taught us anything, it is this: the path to a post-pandemic world cannot go over, around, or alongside COVID-19: the only way forward is to go through. Therefore, our strategic and business plans must first address what it means to operate an airport during a global pandemic and then beyond. This requires us to change our traditional approach to planning – taking a one-year view (2021) to test and adjust and then based on those learnings, set the plan for the longer term (2022 to 2024).

At the same time, we must never waiver from our commitment to safety. Ensuring the safe running of our airport for everyone who works here, as well as safe surroundings for passengers and local residents, is not only essential, it is our license to operate.



● STAYING AHEAD OF COVID

● STRENGTHENING THE CORE

● PURPOSE THROUGH PEOPLE

● FINANCIAL SUSTAINABILITY

● CLIMATE

● GATEWAY TO THE NEW ECONOMY

OVERVIEW

What are the things we need to do to adjust to the challenges the pandemic brings? Which of these could be permanent? How do we test and iterate to determine which are 'pilots' and which are permanent? Here, we need to take a test and learn approach. Picking a winner could prove to be 100% incorrect and expensive. Yet, we need to continue to adapt. Here are some of the strategic questions we are considering as we adjust and adapt to COVID.

In our partnership with Deloitte Consulting, they have identified key questions for us to consider as we do this:

- In the medium and long term, YVR may consider re-evaluating strategic priorities and planned investments. Are these correct, and do these align with a post COVID-19 world? Integrating robust

forecasting, analytics, and Voice of the Customer capabilities can enable ongoing analysis and input to make sure efforts are directly aligned with changes in passenger and employee behavior, and that they ramp back up appropriately.

- The post COVID-19 recovery will be challenging for airports but accepting changes to existing orthodoxies can make the recovery easier. Sometimes it is easiest to start with a simple question: What have we always accepted as truth that may no longer be the case in a post COVID-19 world? The answer can be YVR's guide to launching a successful recovery.

- Airports can take immediate action to prepare for the post-COVID-19 world but must challenge traditional orthodoxies on customer expectations.

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WHAT WE'LL DO

In the time of COVID, digital and data-enhanced technologies give airports an opportunity to not only respond to COVID, but to significantly improve our passenger experience and operating efficiency in the process. Success will require us to be both patient and opportunistic. This will require a strategic approach that is non-linear, agile, partnership-based, and customer-centric.

Our first forays into COVID-testing, data-sharing and contactless processing are each showing promise. And we will need to continue to iterate and innovate as we also pay attention to investment

deficits in our core operations. In addition, our planned investments in digital innovations such as the Digital Twin will allow us to model multiple scenarios in order to literally see the impacts of returning passenger numbers while maintaining COVID protocols. These scenarios are a likely part of operating an airport with only portions of the population vaccinated. These types of targeted and timely digital investments will be key to ensuring our operations stay ahead of, and adapt to, the challenges of navigating through the pandemic while making key no-regret investments focused on changing passenger and customer needs.

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Building on YVR's history of leadership – a more focused attention in 2021 is needed on the core of our business; 2021 will be a key year to get our operational house in order. Our focus on building for growth has meant we have deferred maintenance and operational inefficiencies in many areas. With passenger and flight volumes down, now is the time to focus on these key areas. Whereby ensuring that when passenger volumes return, they do so with far greater efficiency in terms of passenger experience, departure punctuality, baggage connections and cargo.

In addition, our work to improve our operational efficiency will also need to contribute to our climate objectives through reducing our overall GHGs. Efficiency will be measured in terms of operating savings, improved safety, efficiency of staff resources, improved customer satisfaction and climate objectives.

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WHAT WE'LL DO

A focus on asset planning, asset management and optimization will be key to ensuring we strengthen our core assets, infrastructure and operations. As we move towards strengthening our asset management mindset, it is important for us to have a more holistic view, considering both the capital and maintenance expenditures to ensure that we have the right areas targeted for improvement and investment. We will place greater emphasis on maintaining our assets and infrastructure in a state of good repair, maximizing the value of assets, reducing enterprise risk, while continuing to ensure safety and regulatory compliance.

Operationally we will seek to be more efficient across all areas, using data and analytics to guide optimization with the objective of improving customer experience while reducing overall operational costs.

In addition, a focus on data and analytics applied to our assets, as well as investments in digital tools such as the Digital Twin will provide new ways to test the resilience of critical systems such as HVAC and power supply, to reduce the risk of failures, power outages, fire, flood and contamination as well as improve overall maintenance and efficiency.

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OVERVIEW

At our core we are a people business. And we need to develop our workforce to ensure that we have the right team, with the right skills and attributes, at the right time to deliver on our purpose.

One of the things employees say often about working at YVR is that they are drawn to our purpose. And, with so many companies talking about being 'purpose-driven', YVR has the advantage of actually being so. However, we need to do the work to ensure we are collectively clear regarding our purpose and then establish the structure, accountabilitys, and leadership behaviours to ensure we are aligned to it.

As a people business, our culture of belonging is in our DNA, its values, beliefs and how work gets done – and it needs to align with our purpose. As

our customers and community evolve, so does our culture. We need to ensure our customers and community continue to inform the decisions we make and that we build a resilient, authentic, adaptable, and empathetic culture to embrace the short and long-term opportunities in our industry.

In return we need to support, reward, and develop our talent with financial, social and health-based programs to create a compelling value proposition as a great place to work. Diversity, inclusion and belonging are all pre-conditions of our success as a team to ensure we learn from one another as we go forward.

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WHAT WE'LL DO

The core of our business is people. We will collaborate with all employees to help define and understand the guiding path to our future.

The path will include 3 intersecting streams.

Built for Purpose: Enhance our ability to move quickly and flexibly to provide value to our customers and community by redesigning our organizational structure. This includes assessing our current and future work requirements, providing role clarity, updating our leadership behaviours and ensuring our success profiles are aligned to the work we need to deliver.

Talent Strategy: Create an integrated talent strategy that supports, develops, rewards and enhances our talent. Our programs have the sole purpose of

supporting our staff to connect engagement with business performance. This includes redesigning our performance management, compensation & incentive plans, training approach, belonging strategy and employee community engagement strategy.

Culture: Align our individual values, norms and behaviours to the new cultural traits to ensure cultural adaptability from hire to retire – achieved through the ability to rapidly learn and conform to organizational cultural norms through change. This will include identifying where we are today, and through interaction with key stakeholders, exploring the definitions of our cultural attributes. Once defined we will build programs and approaches that support us in embracing our new approach. This will help us update our value proposition to attract, retain and develop our talent.

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OVERVIEW

At the core of our business model are three simple concepts: do the right thing (follow our purpose), do it well (our commitment to operational excellence and quality), and do it sustainably (do it in a way that allows us to keep doing the right thing and doing it well in the future). There are many aspects of sustainability – but a key one is the ability to generate sufficient income to meet both our current and future obligations.

We start 2021 with the single biggest operating deficit and debt burden in the history of YVR.

While we work to achieve our other strategic goals in 2021, we must do so in a way that improves our profitability and financial resilience in the medium and longer term. Until we see significant volumes of traffic return, we will continue to see operating losses, requiring us to fund our operations with debt. When we emerge, it is imperative that we are more profitable. The amount of expense it takes to generate a dollar of revenue must decline to be less than what it was pre-COVID.

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WHAT WE'LL DO

Our revenue sources must be strengthened and diversified. The financial relationships with our major customers will be consolidated and aligned to the future, including re-designing our aeronautical rate structure. Through our work towards being the Gateway to the New Economy, we will look for opportunities to diversify into industries and sectors that are outside of aviation and less reliant on passenger traffic.

Our financial model will be revised to reflect our new and changing circumstances. It will provide a frame for us to better understand 'how we make money' and the relationship between costs and profits, which will allow us to better control and allocate our funds. Our preference for capital expenditures over operating dollars must be neutralized so that we make the right business decision for the long-term.

Monitoring of our corporate performance against indicators will help us ensure we are improving our efficiency over time. After all, what gets measured, usually gets done.

And integral to all of this is information. Re-defining the process and the data we use to generate our annual budget, to monitor our performance and to evaluate our business decisions will simplify and make more transparent the information and business decisions we make.

Doing these things will not solve our financial sustainability challenges in and of themselves, but they are necessary steps to ensure our collective financial foundation and understanding are robust and aligned with our strategy going forward.

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OVERVIEW

It is a fact that aviation is energy-intensive and depends almost exclusively on fossil fuels. Emissions from flights stay in the atmosphere and will warm it for several centuries. While many sectors are beginning to reduce their carbon emissions, aviation's have continued to grow. And although emissions from flying have been reduced in the short term due to the pandemic and the fact fewer are flying in the past nine months, the International Air Transport Association (IATA) still expects emissions to triple over the next two decades as ridership takes off in Asia, cargo transport continues to grow, and mature markets like the US continue to expand.

While we have collectively been talking more about climate change as an industry, airlines are faced with the reality that practical, low and no-emissions airplanes designed to carry hundreds of passengers long distances remain decades into the future. And while airlines have made great strides in reducing fuel use by purchasing the latest and most

fuel-efficient jets, and using software to further maximize fuel economy, they have not found a route to real emissions reductions.

Therefore, the purchase of carbon offsets has formed the basis of most of our industry's response to climate change in the near term. The International Civil Aviation Organization (ICAO) has proposed a plan that would halt net carbon emissions growth at pre-pandemic 2020 levels. It is to take effect in 2021 and be complete by 2027. However, the validity of the use of offsets as well as their price and place of origin has called into question the use of offsets as a strategy altogether. For example, the European Union has decided that it will not allow them to be used to meet its greenhouse gas reduction targets for the year 2030 as a result. Further, individual countries are beginning to place carbon taxes on jet fuel—and in some places, even on airline tickets—in an attempt to meet their own Paris Accord climate targets.

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WHAT WE'LL DO

It is against this challenging backdrop that there is an opportunity for YVR. The difficulties in reducing emissions in the air are not as challenging on the ground. Therefore, airports must play an outsized and immediate role in reducing greenhouse gas emissions as a contribution to the overall performance of our industry and also to ensure our infrastructure investments are ready for the sustainable aircraft and operations of the future.

This will require us to accelerate our ambition to eliminate carbon emissions by 20 years: to be net-zero in 2030 vs 2050.

YVR has been a leader for many years in the areas of environmental stewardship and sustainability—including our commitment to environmental stewardship of the land, water and ecosystem in and around Sea Island that are affected by our operations as an airport. More recently we have achieved significant improvements to reduce the amount of waste we produce, increase the amounts diverted from the landfill, and in reducing our water use and consumption. We now will focus additionally on reducing the direct emissions from both our operations and energy consumption through reducing energy use and displacing remaining fossil fuel use with renewable fuels.

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Our history as an airport can be seen within the context of three broad phases: from inception in 1931 to 1992 (operated by government), from 1992 (transfer from government to the new airport authority) to 2020, and 2020 and beyond (post COVID). Just as new thinking and structures in 1992 laid the groundwork for decades of future success, the pandemic has created the requirement to think similarly now. YVR had much success as the 'Gateway to Asia Pacific' – that led to our strategy to focus on Asian routes and growth and the build-out of our current terminal and facilities. Our success was built on the premise that the community YVR serves was also looking to build stronger investment, economic, educational, family and social ties with Asia – and YVR became a key partner to facilitate this.

While our role as a connecting hub for Asia to the Americas will continue, the pandemic has shown the need to move beyond this as a sole focus to one where we are aligned to the future growth and needs of our community and economy. There are major shifts at play in our economy – many of which had the seeds sown pre-COVID – but now COVID has accelerated this change and given us an opportunity/requirement to ensure YVR keeps pace with it. This is our opportunity to build on our success as a gateway in the past and align it to the next wave of growth in our region. Thus, our focus will be to become our region's Gateway to the New Economy.

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WHAT WE'LL DO

By 2022, we will have more clarity about the future in which YVR will operate. And we will have strengthened the foundation of our operations, our organization and our finances to allow us to pursue our next phase of growth. But the work to better connect our strategy to the needs of the New Economy of our region needs to start now, in 2021 to ensure we are positioned to implement these opportunities starting in 2022.

The initiatives we test in 2021 will be measured against community (aligned with regional benefit), financial (diversified revenue and improved profitability), and climate (reduced GHGs).



2022-2024

The Next Normal

Taking an entire year to test and learn is a changed approach of our airport. As a business that requires large capital investments designed to generate long term value, we are used to thinking in decades not months. However, the pandemic and its effect on the aviation industry presents a once-in-a-generation opportunity. The opportunity to truly re-examine every aspect of our business to ensure it is designed to thrive in the future. It forces us to take a few steps back, in order to take a giant leap forward.



If we are successful by the end of 2021 we will have improved the foundation of our business: from the way we operate our facilities, to the way we include our customers' perspectives in our decisions – from the way we budget, to the way we work. In each and every part of our business, the six strategic areas of focus in 2021 will lay the groundwork for our success in 2022 and beyond.

We've got this.

It has been said that weak organizations are destroyed by crises, good organizations survive them, and great organizations are improved by them.

YVR is a great organization.