



# ESG Performance and Metrics Framework for North American Airports

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# Who are we?



# FAST FACTS

 <p><b>EST</b> 1948</p>	 <p>755 members</p>	 <p>215 Airports Operators</p>	 <p>58 Airport Operators</p>
 <p>30+ committees and programs</p>	 <p>15000 airport contacts</p>	 <p>15 - 20 yearly Conferences</p>	
 <p>5 ACI Regions</p>	 <p>166 Young Professionals</p>	 <p>Washington, D.C.</p>	 <p>Ottawa, ON</p>

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# ESG Reporting and Metrics Task Group

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- Canadian and U.S. airport representatives
- Chief Financial Officers
- Environmental and sustainability professionals
- In-house and outside legal counsel
- Disclosure specialists
- Financial, sustainability, and strategic consultants
- Insurance underwriters

# Purpose, Process and Outcome

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- **Not** a “best practice” manual
- Used existing prominent ESG frameworks as a baseline
- Interviewed and obtained buy-in from rating agencies, investors, insurers, airlines, and data aggregators
- Developed framework based on stakeholders’ requirements and requests, but focusing on what is reasonable and rational for North American airports
- Also helpful to federal/state/provincial regulators, airport employees, and neighboring communities
- Developed recommended disclosures and metrics framework so that information can be accurate and consistently reported

# Disclosures: 20 Recommended and 39 Optional

ESG Category	Recommended		Optional	
	Narrative	Metric	Narrative	Metric
Environmental	6	3	4	8
Social	0	4	5	13
Governance	2	5	1	8
<b>Total</b>	<b>20</b>		<b>39</b>	

# Environmental Disclosures and Metrics

## Recommended:

- Energy consumption
- Energy intensity
- GHG emissions (Scope 1 and 2)
- GHG intensity (Scope 1 and 2)
- Climate risk and adaptation\*
- Environmental commitments
- Environmental non-compliance
- Waste management\*
- Water management\*

\* Narrative only

\*\* Stakeholders requested “recommended”

## Optional:

- Energy consumption - source (renewable and non-renewable) \*\*
- Energy initiatives\* and reductions
- GHG emissions (Scope 3) \*\*
- GHG reductions intensity\* and actual reductions (Scopes 1, 2 and 3)
- Waste generated, diverted and disposed \*\*
- Water withdrawal by source \*\*
- Biodiversity/ecological impacts\*
- Noise activities\* and complaints
- Significant pollutions spills

# Social Disclosures and Metrics

## Recommended:

- Diversity, equity & inclusion in workforce
- Business supplier diversity
- Concessions diversity
- Workplace safety
- Labor relations;\* employees covered by collective bargaining agreements
- Environmental justice\*
- Community support, engagement,\* and charitable contributions

## Optional:

- DEI in recruiting
- Labor relations management\*
- Employee engagement
- Employee education\* and training hours
- Economic impact of airport on community
- Employee health and wellness
- Construction safety measures \*\*
- Health safety (wellness)\*
- Human trafficking\* and training
- Customer satisfaction scores \*\*

\* Narrative only

\*\* Stakeholders requested “recommended”

# Governance Disclosures and Metrics

## Recommended:

- Governance/Organization structure\*
- Board of Directors practices\* and diversity (ethnic/business)
- Executive management diversity and experience
- Approach to risk management (RM)\*
- Cyber security\*
- Reporting and transparency\*
- Ethics and compliance\*

## Optional:

- Leadership systems & business results
- Incentive compensation system \* and results
- Cyber security data
- RM – Major risks \*
- RM – Financial risks (Liquidity, coverage, pension plan funding) \*\*
- RM – Budget accuracy
- RM – Capital programs budget accuracy and schedule adherence

\* Narrative only

\*\* Stakeholders requested “recommended”



# White Paper Content – Published 04.04.24

## Background information

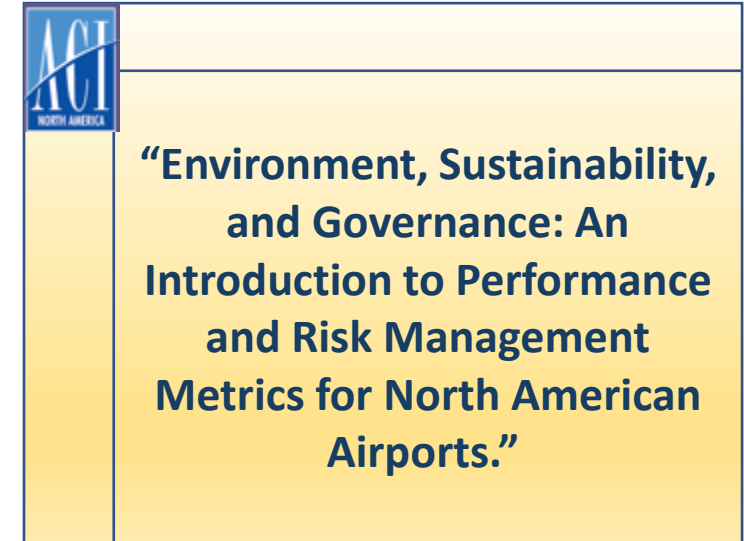
- Stakeholders' perspectives
- Europe v North America perspectives
- Impact and financial materiality

## Reporting considerations

- Whether to issue report or only track data
- Report content
- Team to help prepare the Report
- Legal considerations for disclosures

## Recommended/optional disclosures and metrics

## Summary of airport information included in airline ESG reports



The White Paper is included with the WALA Conference materials

# Questions?

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**Thank you!**