



# SUSTAINABILITY MANAGEMENT APPROACH AND GRI INDEX

At Toronto Pearson, we embrace our obligation to manage growth sustainably as we move closer to our goal of being one of the leading global airport hubs in the world. We respect the needs and values of all our stakeholders while balancing the vital dimensions of social, economic and environmental responsibility. That's what being a leader is all about – and it's critical to maintaining our social licence to grow and operate.

## **OUR APPROACH**

Sustainability is at the heart of Toronto Pearson's corporate strategy and growth plans. We manage it as an integral part of our business, in pursuit of six strategic goals related to safety, engaged people, passenger and customer service, financial sustainability, aviation growth and corporate responsibility.

We publish our performance in our annual report and in this downloadable Sustainability Management Approach and GRI Index. Also included in this document are our material topics (i.e., specific priorities falling within our strategic goals), which were last reviewed in 2015 and align with specific GRI topics. To ensure that we're focused on topics that are top of mind to our most important stakeholders, and that we consider our current and expected impacts, we plan to conduct a comprehensive materiality assessment by 2020.

For 2017 reporting purposes, we considered ongoing feedback from our stakeholders, gathered through surveys and other methods outlined in the Stakeholder Engagement section of our 2017 Annual Report.

The following sections describe what we're doing in key areas of sustainability. For more information, we encourage you to see our 2017 Annual Report.

#### SAFETY

The safety and security of everyone who visits or works at our airport is a top priority. We have a saying at Toronto Pearson: "Be Safe. You mean the world to someone." This reminds us of why we need to be vigilant about safety. Zero injuries is the ultimate goal, and every employee plays a role in helping achieve it.

Our Safety Policy sets out guiding principles. The Toronto Pearson Safety Program comprises seven safety systems that include policies, programs and training relevant to the various aspects of airport operations: aviation safety; security; terminal and groundside safety; environment; technical and construction; occupational health and safety; and emergency management. As of January 1, 2017, all contractors are required to be COR certified, as confirmation that their health and safety program meets provincial standards and has been evaluated by a certified auditor.

Safety performance is tracked through the Toronto Pearson Safety Index, which measures employee lost-time injuries per million passengers. We strive to achieve at least a five per cent reduction in injuries each year. We also ask employees to complete an annual safety climate survey, which assesses the overall culture and attitudes toward safety at our airport and identifies opportunities for improvement.

#### ENGAGED PEOPLE

Of roughly 49,000 people directly employed at Toronto Pearson, 1,606 worked at the GTAA as of December 31, 2017. Most of our employees work in management, technical, administrative and other operational roles, while some are seasonal employees hired for deicing and airfield maintenance. The majority are unionized, represented by either Unifor Local 2002 or the Pearson Airport Professional Fire Fighters Association.

To achieve our mission and vision to be the best airport in the world, Toronto Pearson needs to attract, engage and reward a high-performing workforce, developing talent internally and casting a wide net in recruiting new talent. Our people strategy focuses on five areas, each of which has specific action plans, as well as one-year and five-year goals:

- Plan and attract the right talent for now and for the future.
- Develop and build individual potential and sustainable talent pipelines.
- Lead and engage to inspire individual and collective success.
- Align and reward to leverage talent and deliver business results.
- Equip and support GTAA colleagues with the right tools and expertise.

Employee feedback survey results are a strong indicator of how we're doing and what we need to change. Since 2015, our engagement score has risen from 58 per cent to 69 per cent. We attribute much of the increase to having acted on employee feedback. This included improving business processes that help us work more efficiently, as well as building the capabilities of our people managers, onboarding new hires more effectively and learning new ways to solve everyday problems.

#### SOCIAL RESPONSIBILITY

Toronto Pearson plays a vital role in Canada and in the life of our surrounding communities. Being a good neighbour is central to our mandate and critical for maintaining our social licence to operate and grow. Our key areas of focus can be summarized as follows:

**Stakeholder engagement** – Our stakeholders keep us abreast of the latest changes, challenges and opportunities affecting Toronto Pearson, our industry, surrounding neighbourhoods and the regional economy. We gather feedback and collaborate with our diverse stakeholders through industry committees, passenger surveys, employee forums, social media outreach, public meetings and tours, and more. Taken together, these efforts help ensure we're in the best possible position to plan strategically and act responsibly.

**Noise management** – Noise management is a top concern for our communities, and we continue to evolve our approach to addressing the issue. Following a two-year process that included extensive study and community engagement, we released our 2018–2022 Noise Management Action Plan in 2017. We're also making progress on initiatives such as a three-phase Noise Mitigation Initiatives Engagement Plan with NAV Canada.

**Economic impact** – The GTAA employs 1,606 people, while tens of thousands more are directly employed at Toronto Pearson. As a key player in the local, regional and national economies, we're working to grow employment opportunities in tandem with the growth of our airport – and to develop new ways of increasing connectivity to the world's economies.

**Community investment** – The GTAA invests in social good and community-building initiatives through the Propeller Project, Toronto Pearson's community investment program. In particular, we try to help local unemployed and underemployed people gain the skills, connections and opportunities they need to find more meaningful jobs and potential careers.

#### **ENVIRONMENTAL MANAGEMENT**

We're the first to acknowledge that an airport affects local ecosystems and contributes to climate change. However, there are many things we can do at Toronto Pearson to minimize our environmental impact and preserve natural resources – and we take strong action on them.

Our Environmental Policy sets out the key elements of our approach. In addition to complying with all applicable standards and regulations, we maintain an ISO 14001:2015 certified environmental management system (EMS), which helps us set performance targets and pursue continuous improvement. Our EMS focuses on three areas:

Climate change: Reducing greenhouse gas (GHG) emissions and taking measures to ensure our facilities are ready for the expected future effects of climate change. We're working toward reducing our GHG emissions from 2006 levels by 20 per cent by 2020, and by 80 per cent by 2050.

**Healthy environment**: Mitigating the environmental impacts of airport operations by managing issues such as stormwater runoff and the prevention of wildlife strikes by aircraft.

**Resources**: Tracking the resources we use and the waste we generate, as part of a broader evolution toward a circular economy that minimizes waste and gets maximum value out of the materials we consume before disposing of them.

The GTAA works with air carriers, concession holders and other commercial businesses that operate at Toronto Pearson to advance sustainability initiatives. We work with our airline partners to promote processes and technologies that lower aircraft fuel burn, which is a large contributor to GHG emissions. At the same time, reducing fuel consumption clearly represents a substantial cost-savings opportunity for our partners.

### **OUR PRIORITIES**

Due to the evolving nature of the global aviation industry, the GTAA has committed to reviewing our priority (material) topics every five years. However, we address specific stakeholder priorities and concerns on an ongoing basis. We will next review our priority topics by 2020.

In our 2015 Annual Report, we undertook a thorough review of priority topics by reassessing those identified in the previous year's report. To determine priority reporting topics, we considered stakeholder feedback gathered through surveys and other methods, as outlined in the Stakeholder Engagement section of this report.

We also looked at our priorities from an internal perspective – for example, how they aligned with the goals outlined in our strategic framework, and with leadership insights shared during annual in-person interviews conducted with members of the GTAA's executive team.

#### PRIORITY TOPICS

The table below provides a present-day view of our corporate responsibility priorities. They are tied to our 20-year strategic goals, which were developed to reflect what is most important to the GTAA and its stakeholders, along with areas where our impact is considered to be most significant.



#### SAFFTY

Lost-time injuries (LTI) reduction

Promoting a culture of safety and security

Safety and security management systems

Toronto Pearson Safety Index Program



## PASSENGER AND CUSTOMER SERVICE

Airport Service Quality (ASQ)

Efficient passenger flow per ICAO standards

Service Level Agreements and performance standards with major airline partners

**Ground transportation** 



#### CORPORATE Responsibility – Social

Economic impact and opportunities

Community engagement

Noise management



## CORPORATE RESPONSIBILITY — ENVIRONMENTAL

**Energy** 

Climate-change adaptation

Greenhouse gas emissions

Waste and stormwater management

Deicing and anti-icing fluid



#### **AVIATION GROWTH**

Airport capacity

Long-term partnerships

Public policy and

compliance



## FINANCIAL SUSTAINABILITY

Net income
Return on assets
Free cash flow generation
Business continuity



#### **ENGAGED PEOPLE**

Employee engagement
Talent acquisition
Talent development
Rewards and recognition

#### PRIORITY TOPICS AND BOUNDARIES

This table indicates our priority topics and how they align to specific topics linked to the GRI Standards, as well as to the perspectives of those stakeholder groups that are most impacted by, or able to influence, each priority topic.

| Our Priority Topics  | GRI Topics   | Boundaries             |  |  |
|--|--|------------------------|--|--|
| SAFETY   |  | ,                      |  |  |
| Lost-time injuries (LTI) reduction   | Occupational health and safety   | Internal:              | GTAA and airport employees   |  |
| Promoting a culture of safety and security                                     | Training and education   | External:              | Airport service providers  |  |
| Safety and security management systems   | Occupational health and safety   |                        | Airport facilitation agencies  |  |
| Toronto Pearson Safety Index Program   | Environmental compliance   |                        | Governments<br>Industry<br>Media   |  |
| PASSENGER AND CUSTOMER SERVICE   |  | ,                      |  |  |
| Airport Service Quality (ASQ)  | Customer health and safety<br>Service quality  | Internal:<br>External: | GTAA and airport employees Airport service providers                                     |  |
| Efficient passenger flow per ICAO standards                                    | Marketing and labelling  |                        | Airport facilitation agencies  |  |
| Service Level Agreements and performance standards with major airline partners | Marketing and labelling<br>Service quality   |                        | Passengers   |  |
| Ground transportation  | Marketing and labelling  |                        |  |  |
| CORPORATE RESPONSIBILITY – SOCIAL  |  |                        |  |  |
| Economic impact and opportunities  | Economic performance Market presence Indirect economic impacts Local communities         | Internal:<br>External: | GTAA and airport employees<br>Community residents<br>Governments<br>Media                |  |
| Community engagement   | Local communities<br>Inter-modality  |                        |  |  |
| Noise management   | Socioeconomic compliance<br>Noise  |                        |  |  |
| CORPORATE RESPONSIBILITY – ENVIRONMENTAL                                       | L  |                        |  |  |
| Energy   | Energy   | Internal:              | GTAA and airport employees   |  |
| Climate-change adaptation  | Economic performance   | External:              | Airport facilitation agencies  |  |
| Greenhouse gas emissions   | Emissions  |                        | Community residents Governments  |  |
| Waste and stormwater management  | Effluents and waste - Water  |                        | Industry   |  |
| Deicing and anti-icing fluid   | Effluents and waste – Materials  |                        | Media  |  |
| AVIATION GROWTH  |  |                        |  |  |
| Airport capacity   | Market presence<br>Business continuation and emergency<br>preparedness                   | Internal:<br>External: | GTAA and airport employees<br>Airport service providers<br>Airport facilitation agencies |  |
| Long-term partnerships   | Procurement practices  |                        | Community residents  |  |
| Public policy and compliance   | Public policy<br>Socioeconomic compliance  |                        | Governments<br>Analysts and bondholders  |  |
| FINANCIAL SUSTAINABILITY   |  |                        |  |  |
| Net income   | Economic performance   | Internal:              | GTAA and airport employees   |  |
| Return on assets   | Economic performance   | External:              | Airport service providers  |  |
| Free cash flow generation  | Economic performance   |                        | Community residents  |  |
| Business continuity  | Economic performance   |                        | Governments<br>Analysts and bondholders<br>Media   |  |
| ENGAGED PEOPLE   |  |                        |  |  |
| Employee engagement  | Employment   | Internal:              | GTAA and airport employees   |  |
|  | Labour/management relations<br>Training and education<br>Diversity and equal opportunity | External:              | Airport service providers Community residents  |  |
| Talent acquisition   | Employment   |                        | Media  |  |
| Talent development   | Training and education   |                        |  |  |
| Rewards and recognition  | Labour/management relations  |                        |  |  |

## **PERFORMANCE**

We track and measure key sustainability indicators to help manage performance and drive continuous improvement.

We use an internal verification program to review performance data – including, but not limited to, assessing how data was captured, collected, reviewed and reported. We evaluated a sample of information related to the performance indicators to confirm that a documented process and adequate controls are in place; this ensures our ability to present consistent and accurate data. The GTAA does not currently have a policy or mandate with respect to externally assuring our non-financial reporting.

#### PERFORMANCE SCORECARD

| Goals and Performance Metrics                | 2016  | 2017   | Projected  |
|--|---|--|--|
| Aviation Growth                              |   |  |  |
| Passenger traffic (millions)                 | 44  | 47   | 51 (2018)  |
| Aircraft movements (thousands)               | 456   | 465  | 510 (year 2020)  |
| Cargo volume (tonnes)                        | 472,300   | 534,500  | 590,000 (year 2020)  |
| New international cities (net increase)      | 10  | 11   | Continue to increase new international destinations  |
| Passenger and Customer Service               |   |  |  |
| Airport Service Quality (ASQ)                | 4.25 Second in North America and 13th in the world (>40MM passengers) | 4.31 First among North American & European airports (>40MM passengers) | Top 10 of World Airports (in the same size category) for ASQ   |
| Customer complaints per                      | 52.7  | 74   | Continue to improve the  |
| million passengers*                          |   |  | passenger and customer experience  |
| Customer compliments per million passengers* | 9.4   | 11   | Continue to improve the passenger and customer experience  |
| Engaged People                               |   |  |  |
| Employee engagement (Aon Hewitt)             | 66%   | 69%  | Top quartile among Canadian employers by 2019  |
| Direct jobs                                  | 49,000  | 51,000   | By 2030, it's estimated that<br>Toronto Pearson could generate<br>and facilitate 542,000 jobs<br>in Ontario.   |
| Diversity                                    | Diversity (% employees)   | Diversity (% employees)  | The GTAA views diversity as one of   |
|  | Women: 27.2%  | Women: 28.4%   | our most competitive advantages;   |
|  | Aboriginal peoples: 0.8%  | Aboriginal peoples: 0.9%   | it ensures our ability to meet<br>the demand of a challenging  |
|  | Persons with disabilities: 0.7%                                       | Persons with disabilities: 0.7%  | marketplace. At the GTAA, we   |
|  | Visible minorities: 19.7%   | Visible minorities: 20.7%  | strive to create a workplace that reflects the diversity of the community we serve. To us, it is critical to ensure fair employment practices and treatment of our employees across our organization |
| Average salary                               | Women   | Women  | The GTAA embraces its obligations  |
|  | Managers: \$113,000   | Managers: \$114,932  | under federal employment equity and human-rights legislation; hiring   |
|  | Non-managers: \$69,000  | Non-managers: \$74,798   | practices are determined based<br>on the individual, irrespective of   |
|  | Men   | Men  | the gender and background of   |
|  | Managers: \$120,000   | Managers: \$130,522  | employees.   |
|  | Non-managers: \$78,000  | Non-managers: \$83,456   |  |

| Safety   |   |   |  |
|--|---|---|--|
| Toronto Pearson Safety Index<br>(lost-time injuries per million<br>enplaned and deplaned passengers) | 7.78% reduction from 2015   | 6.5% reduction from 2016  | Vision of zero lost-time injuries  |
| Corporate Responsibility - Enviror   | nmental   |   |  |
| Stormwater   | Refer to 2016 GRI Index   | Refer to GRI Index  |  |
| Ambient air quality  | The results from the modelling the study area is dominated by particular those associated with  |   | Develop and implement an action<br>plan associated with the Air<br>Quality and Human Health Risk<br>Assessment |
| Solid waste  | 74% diversion   | 71% diversion   | Develop a roadmap for GTAA to achieve zero waste   |
| GHG emissions and climate change   | Airport Carbon Accreditation<br>Program – Level 3   | In 2017, the GTAA increased its use of electric vehicles and installed charging stations for electric fleet vehicles and for employees in the parking lots.                             | 80 per cent reduction by 2050  |
| Energy conservation (MWh)  | 4,100 MWh   | 5,000 MWh   | \$10M in expected savings by<br>2026 from the GTAA's LED<br>projects   |
| Natural gas (GJ)   | Natural gas: 412,886 GJ   | Refer to GRI Index  | Continue to implement the  |
| Gasoline (litres)  | Gasoline: 447,415 litres  |   | energy conservation and  |
| Diesel (litres)  | Diesel: 1,449,330 litres  |   | efficiency initiatives identified in<br>the 2015–2019 Energy Master<br>Plan to reduce consumption              |
| Sustainable transportation   | Introduced Green Commuter<br>Rebate Program: \$50/month<br>rebate for GTAA employees<br>taking a green mode of<br>transportation to/from work | Over 200 employees registered<br>for the Green Commuter<br>Rebate Program   | Continue to increase<br>participation in the Green<br>Commuter Rebate Program                                  |
| Corporate Responsibility - Social  |   |   |  |
| Noise  | 53,135 complaints from<br>880 callers   | 168,676 complaints from 2,399 callers   | 2018–2022 Noise Management<br>Action Plan  |
| Community Investment Impact<br>(Propeller Project participants)                                      | 29,499 participants   | Committed nearly \$800,000 in support of 24 community projects – including Scientists in School, CivicAction, ACCES Employment and others – which benefited more than 67,000 residents. | Continue to support community investment opportunities   |

## **GRI STANDARDS INDEX**

Our GRI reporting has been prepared in accordance with the GRI Standards: Comprehensive option (self-declared). It includes the Airport Operators Sector Disclosure, which the GTAA helped to develop in 2011.

| GRI Standard<br>Number | GRI Standard<br>Title | Disclosure<br>Number | Disclosure Title   | Disclosure Response  |
|------------------------|-----------------------|----------------------|--|--|
| GRI 102                | General               | 102-1                | Name of the organization                                     | Annual Report – front cover  |
|                        | Disclosures           | 102-2                | Activities, brands, products, and services                   | Toronto Pearson is a key North American gateway and one of the continent's largest airport in terms of international passenger traffic.  |
|                        |                       | 102-3                | Location of headquarters                                     | The GTAA operates out of Mississauga, Ontario, Canada  |
|                        |                       | 102-4                | Location of operations                                       | The GTAA operates out of Mississauga, Ontario, Canada  |
|                        |                       | 102-5                | Ownership and legal form                                     | The GTAA was incorporated in March 1993 as a corporation without share capital under the Canada Corporations Act and recognized as a Canadian Airport Authority by the federal government in November 1994. Effective February 27, 2014, the GTAA was continued under the Canada Not-for-profit Corporations Act, the successor legislation to the Canada Corporations Act. The GTAA is authorized to operate airports within the south-central Ontario region, including the Greater Toronto Area (the "GTA"), on a commercial basis, to set fees for their use and to develop and improve the facilities. In accordance with this mandate, the GTAA currently manages and operates Toronto Pearson International Airport (the "Airport" or "Toronto Pearson") under a ground lease with the federal government, which was executed in December 1996 (the "Ground Lease"). The Ground Lease has a term of 60 years, with one renewal term of 20 years. The Ground Lease is available on SEDAR at www.sedar.com and on the GTAA's website at www.torontopearson.com. |
|                        |                       | 102-6                | Markets served   | The More Links We Forge  |
|                        |                       | 102-7                | Scale of the organization                                    | Passenger traffic at the Airport increased in 2017 by 4.3 per cent, from 44.3 million passengers in 2016 to 47.1 million passengers in 2017. The GTAA monitors passenger activity levels and aircraft movements, including the type and size of aircraft, as both passenger and aircraft activity have a direct impact on its financial results.   |
|                        |                       | 102-8                | Information on employees and other workers                   | 2017 Stakeholder Engagement: GTAA Employees and Airport Employees  |
|                        |                       | 102-9                | Supply chain   | The More Growth We Spark   |
|                        |                       |                      |  | The GTAA facilitates the movement of people and goods by air; our supplies are purchased locally through an audited contracting process.   |
|                        |                       | 102-10               | Significant changes to the organization and its supply chain | No significant changes   |
|                        |                       | 102-11               | Precautionary Principle or approach                          | The GTAA is federally regulated and follows the Canadian Environmental Assessment Act. The GTAA also maintains an ISO 14001 environmental management system.   |
|                        |                       | 102-12               | External initiatives   | Sustainability Overview: Our Approach  |
|                        |                       | 102-13               | Membership of associations                                   | Airports Council International, Canadian Airports Council, Smart Commute   |
|                        |                       | 102-14               | Statement from senior decision-maker                         | A Message from the President and CEO   |
|                        |                       | 102-15               | Key impacts, risks, and opportunities                        | Sustainability Overview: Our Approach  |

| GRI Standard<br>Number         | GRI Standard<br>Title | Disclosure<br>Number | Disclosure Title  | Disclosure Response  |
|--------------------------------|-----------------------|----------------------|---|--|
| GRI 102 General<br>Disclosures |                       | 102-16               | Values, principles,<br>standards, and norms of<br>behaviour                   | The Corporation has a Code of Business Conduct and Ethics (the "Code"), which has been approved by the Corporation's Board of Directors (the "Board"). The Code complies with the requirements of the Canadian Securities Administrators' National Policy 58-201 and represents a comprehensive approach to addressing, among other matters, conflicts of interest and promoting fair, honest and ethical behaviour by all of the Corporation's Directors, officers, employees and contracted staff. A copy of the Code may be accessed at SEDAR. The Board monitors compliance with the Code and the Corporation requires that each Director and officer sign an Annual Declaration advising that the Director or officer has read the Code and either declares that the Director or officer is in compliance or not in compliance with the Code and declares the reasons for the non-compliance. |
|                                |                       |                      |   | Code of Business Conduct and Ethics  |
|                                |                       | 102-17               | Mechanisms for advice and concerns about ethics                               | The Board has implemented Confidential Anonymous Reporting for Employees ("C.A.R.E."), which permits the anonymous reporting of an employee, officer or Director's unethical behaviour. C.A.R.E. also extends to business partners contracted by the Corporation. All Directors and officers indicated that they were in compliance with the Code.   |
|                                |                       | 102-18               | Governance structure  | As a corporation without share capital, the GTAA has Members rather than shareholders or other equity holders. The GTAA is governed by a Board consisting of 15 Directors. The Directors are elected by the Members. Directors serve a term of three years and are eligible to be re-elected subject to a maximum total term of nine years.  |
|                                |                       | 102-19               | Delegating authority  | The GTAA's Board meets on a regular basis and views its principal responsibility as overseeing the conduct of the GTAA's business and setting the strategic direction for the GTAA.  |
|                                |                       |                      | Executive-level responsibility for economic, environmental, and social topics | Economic: Chief Strategy Officer & Chief Financial Officer   |
|                                |                       |                      |   | Environmental: Vice-President, Airport Development and Technical Services  |
|                                |                       |                      |   | Social: Vice President, Stakeholder Relations and Communications   |
|                                |                       | 102-21               | Consulting stakeholders on economic, environmental, and social topics         | Stakeholder Engagement   |
|                                |                       | 102-22               | Composition of the highest  | The GTAA is governed by a Board consisting of 15 Directors.  |
|                                |                       |                      | governance body and its committees  | There are five standing committees of the Board: the Audit Committee; the Governance and Stakeholder Relations Committee; the Risk Oversight Committee; the Human Resources and Compensation Committee; and the Planning and Commercial Development Committee.   |
|                                |                       | 102-23               | Chair of the highest governance body  | Board Chair, David Wilson  |
|                                |                       | 102-24               | Nominating and selecting the highest governance body                          | Five Directors are elected by the Members from candidates nominated by municipalities. Specifically, each of the regional municipalities of York, Halton, Peel and Durham, and the City of Toronto, is entitled to provide, on a rotating basis, the names of up to three candidates, and following an assessment process the Members elect one of them for each available position as a Director.   |
|                                |                       |                      |   | In addition, seven Directors are elected by the Members on a cyclical basis from a pool of eligible candidates who are identified and assessed through a search process, which includes engaging the Law Society of Upper Canada, Professional Engineers Ontario, the Institute of Chartered Accountants of Ontario, the Toronto Region Board of Trade, the Board of Trade of the City of Mississauga and the Board of Trade of the City of Brampton.  |
|                                |                       |                      |   | Finally, the Government of Canada provides the names of two individuals and the Province of Ontario one individual, all of whom are elected as Directors by the Members.   |
|                                |                       | 102-25               | Conflicts of interest   | None   |
|                                |                       |                      |   |  |

| GRI Standard<br>Number         | GRI Standard<br>Title | Disclosure<br>Number | Disclosure Title   | Disclosure Response  |
|--------------------------------|-----------------------|----------------------|--|--|
| GRI 102 General<br>Disclosures |                       | 102-26               | Role of highest governance<br>body in setting purpose,<br>values, and strategy | The Board ensures that long-term goals and strategies are developed and implemented to ensure Toronto Pearson continues to support and foster growth in the Greater Toronto Area. The Board also ensures that the necessary systems are in place to manage the risks associated with the GTAA's business and to monitor and measure management's performance in carrying out the GTAA's objectives.  |
|                                |                       | 102-27               | Collective knowledge of highest governance body                                | A Message from the Board Chair   |
|                                |                       | 102-28               | Evaluating the highest governance body's performance                           | The Board also oversees the processes and systems to manage the risks associated with the GTAA's business, and monitors and measures management's performance in carrying out the GTAA's strategic plan, vision and mission.   |
|                                |                       | 102-29               | Identifying and managing economic, environmental, and social impacts           | Sustainability Overview  |
|                                |                       | 102-30               | Effectiveness of risk<br>management processes                                  | The Risk Oversight Committee oversees the identification, management and mitigation of the GTAA's principal risks. The Committee's mandate includes proposing to the Board risk tolerances and appetites for identified risks driven by and aligned with the GTAA's strategic goals and priorities, overseeing the effectiveness of the GTAA's risk management program including resilience and adaptability to deal with emerging risks, risk mitigation, stress testing and scenario planning. The Committee's responsibilities include overseeing risks relating to environmental, safety, security and airport operations. |
|                                |                       | 102-31               | Review of economic,<br>environmental, and social<br>topics                     | Sustainability Overview  |
|                                |                       | 102-32               | Highest governance<br>body's role in sustainability<br>reporting               | Annual Report reviewed by Governance and Stakeholder Relations Committee   |
|                                |                       | 102-33               | Communicating critical concerns  | Regular board meetings, strategy updates and meeting minutes   |
|                                |                       | 102-34               | Nature and total number of critical concerns                                   | The day-to-day operation of the airport is the responsibility of management.  The response to the interruption of airport operations lies with management through well-developed emergency plans.  |
|                                |                       | 102-35               | Remuneration policies  | Priorities and Performance   |
|                                |                       |                      |  | Management's Discussion and Analysis [PDF link]  Disclosure Requirements of the Ground Lease   |
|                                |                       | 102-36               | Process for determining  | Management's Discussion and Analysis [PDF link]  |
|                                |                       |                      | remuneration   | Disclosure Requirements of the Ground Lease  |
|                                |                       | 102-37               | Stakeholders' involvement in remuneration                                      | The GTAA embraces its obligations under federal employment equity and human rights legislation; hiring practices and remuneration are determined based on the individual, irrespective of the gender and background of employees. In addition, five of the GTAA Board members are required to annually present GTAA operational updates to their respective communities. The public has access to these meetings and the GTAA's annual general meeting.  |
|                                |                       | 102-38               | Annual total compensation ratio  | Priorities and Performance   |

| GRI Standard<br>Number | GRI Standard<br>Title  | Disclosure<br>Number | Disclosure Title   | Disclosure Response  |
|------------------------|------------------------|----------------------|--|--|
|                        | General<br>Disclosures | 102-39               | Percentage increase in annual total compensation ratio     | 2017<br>Women (average salary)<br>Managers: \$114,932<br>Non-managers: \$74,798  |
|                        |                        |                      |  | Men (average salary)<br>Managers: \$130,522<br>Non-managers: \$83,456  |
|                        |                        |                      |  | 2016<br>Women (average salary)<br>Managers: \$113,000<br>Non-managers: \$69,000  |
|                        |                        |                      |  | Men (average salary) Managers: \$120,000 Non-managers: \$78,000  |
|                        |                        | 102-40               | List of stakeholder groups                                 | Stakeholder Engagement   |
|                        |                        | 102-41               | Collective bargaining agreements                           | Stakeholder Engagement   |
|                        |                        | 102-42               | Identifying and selecting stakeholders                     | Stakeholder Engagement   |
|                        |                        | 102-43               | Approach to stakeholder engagement                         | Stakeholder Engagement   |
|                        |                        | 102-44               | Key topics and concerns raised                             | Stakeholder Engagement   |
|                        |                        | 102-45               | Entities included in the consolidated financial statements | Management's Discussion and Analysis [PDF link]  |
|                        |                        | 102-46               | Defining report content and topic Boundaries               | Sustainability Management Approach and GRI Index   |
|                        |                        | 102-47               | List of material topics                                    | Priorities and Performance   |
|                        |                        |                      |  | Sustainability Management Approach and GRI Index   |
|                        |                        | 102-48               | Restatements of information                                | There were no restatements of information.   |
|                        |                        | 102-49               | Changes in reporting                                       | Online Summary Report with additional downloadable files:  |
|                        |                        |                      |  | Management's Discussion and Analysis   |
|                        |                        |                      |  | Sustainability Overview  |
|                        |                        |                      |  | Annual Review  |
|                        |                        |                      |  | Full Report  |
|                        |                        | 102-50               | Reporting period   | January 1, 2017 – December 31, 2017  |
|                        |                        | 102-51               | Date of most recent report                                 | January 1, 2016 – December 31, 2016  |
|                        |                        | 102-52               | Reporting cycle  | Annual   |
|                        |                        | 102-53               | Contact point for questions regarding the report           | Final page of Full Annual Report   |
|                        |                        | 102-54               | Claims of reporting in accordance with the GRI Standards   | This report has been prepared in accordance with the GRI Standards: Comprehensive option   |
|                        |                        | 102-55               | GRI content index  |  |
|                        |                        | 102-56               | External assurance   | Internal verification program to review Toronto Pearson's performance data – including, but not limited to, assessing how data was captured, collected, reviewed and reported. |

| GRI Standard<br>Number     | GRI Standard<br>Title   | Disclosure<br>Number | Disclosure Title  | Disclosure Response  |
|----------------------------|-------------------------|----------------------|---|--|
| GRI 201                    | Economic<br>Performance | 103-1                | Explanation of the material topic and its Boundary                                      | Sustainability Management Approach and GRI Index   |
|                            |                         | 103-2                | The management approach   | Management's Discussion and Analysis [PDF file]  |
|                            |                         |                      | and its components  | The More Growth We Spark   |
|                            |                         |                      |   | The More Jobs We Create  |
|                            |                         |                      |   | Sustainability Overview  |
|                            |                         | 103-3                | Evaluation of the   | Stakeholder Engagement   |
|                            |                         |                      | management approach   | Internal verification through stakeholder interviews, benchmarking and stakeholder feedback  |
|                            |                         | 201-1                | Direct economic value generated and distributed   | Management's Discussion and Analysis [PDF file]  |
|                            |                         | 201-2                | Financial implications<br>and other risks and<br>opportunities due to<br>climate change | This information is currently not collected.   |
|                            |                         | 201-3                | Defined benefit plan  | Management's Discussion and Analysis [PDF file]  |
|                            |                         |                      | obligations and other<br>retirement plans   | The GTAA maintains two pension plans with defined benefit provisions. One of these plans is a registered pension plan for former Transport Canada employees who were eligible to elect to transfer their pension credits to the GTAA plan. The GTAA measures its accrued benefit obligations and the fair value of plan assets for accounting purposes as at December 31 of each year. |
|                            |                         | 201-4                | Financial assistance received from government   | The GTAA did not receive significant financial assistance from any level of government.  |
| GRI 202 Market<br>Presence |                         | 103-1                | Explanation of the material topic and its Boundary                                      | Sustainability Management Approach and GRI Index   |
|                            |                         | 103-2                | The management approach and its components  | Sustainability Overview  |
|                            |                         |                      |   | Management's Discussion and Analysis [PDF file]  |
|                            |                         | 103-3                | Evaluation of the management approach   | Internal verification through stakeholder interviews, benchmarking and stakeholder feedback  |
|                            |                         |                      |   | Stakeholder Engagement   |
|                            |                         | 202-1                | Ratios of standard entry<br>level wage by gender<br>compared to local<br>minimum wage   | Not applicable: This indicator is not relevant as all starting salaries exceed the local minimum wage rate specified under the relevant labour legislation.  |
|                            |                         | 202-2                | Proportion of senior<br>management hired from<br>the local community                    | The GTAA is based at one single location in Toronto, Ontario, Canada. The GTAA does not have a procedure for local hiring for senior management. When hiring executive roles, the search is not limited to just those who live in the GTA. Individuals residing in the local community receive equal consideration to those outside depending on the particular role.                  |
|                            |                         | A01                  | Total number of passengers annually, broken down by                                     | Domestic: 17,475,217<br>International: 29,655,141  |
|                            |                         |                      | passengers on international and domestic flights and                                    | Total enplaned/deplaned (E/D) passengers: 47,130,358   |
|                            |                         |                      | broken down by origin-and-  | Connecting/transfer passengers: 13,739,984   |
|                            |                         |                      | destination and transfer,   |  |
|                            |                         | A02                  | including transit passengers  Annual total number of                                    | Total originating/destination (O/D) passengers: 33,390,374  Commercial (terminal): 427,773   |
|                            |                         | AV2                  | aircraft movements by day   | General Aviation (non-terminal): 31,006  |
|                            |                         |                      | and by night, broken down   |  |
|                            |                         |                      | by commercial passenger, commercial cargo, general                                      | Commercial Cargo (non-terminal): 6,392   |
|                            |                         |                      | aviation and state aviation flights.  | Government/Military: 384   |
|                            |                         | A03                  | Total amount of cargo tonnage   | 534,500 tonnes in 2017   |

| GRI Standard<br>Number | GRI Standard<br>Title    | Disclosure<br>Number | Disclosure Title                                   | Disclosure Response   |
|------------------------|--------------------------|----------------------|--|---|
| GRI 203                | Indirect<br>Economic     | 103-1                | Explanation of the material topic and its Boundary | Sustainability Management Approach and GRI Index  |
|                        | Impacts                  | 103-2                | The management approach                            | The More Growth We Spark  |
|                        |                          |                      | and its components                                 | The More Jobs We Create   |
|                        |                          |                      |  | How Airports Drive Economic Growth  |
|                        |                          |                      |  | Sustainability Overview   |
|                        |                          | 103-3                | Evaluation of the                                  | Stakeholder Engagement  |
|                        |                          |                      | management approach                                | Internal verification through stakeholder interviews, benchmarking and stakeholder feedback   |
|                        |                          | 203-1                | Infrastructure investments and services supported  | Management's Discussion and Analysis [PDF file]   |
|                        |                          | 203-2                | Significant indirect economic impacts              | Management's Discussion and Analysis [PDF file]   |
| GRI 204                | Procurement<br>Practices | 103-1                | Explanation of the material topic and its Boundary | Sustainability Management Approach and GRI Index  |
|                        |                          | 103-2                | The management approach and its components         | The GTAA's treasury function is responsible for the procurement of the GTAA's capital resources and for the management of financial risk. All treasury operations are conducted within policies and guidelines approved by the Board of Directors and are within the requirements set out in the Trust Indenture dated December 2, 1997, as supplemented or amended from time to time. Compliance with these policies is monitored by the regular reporting of treasury activities to the Audit Committee of the Board. The GTAA's operating activities result in financial risks that may arise from changes in market risk, credit risk and liquidity risk. |
|                        |                          | 103-3                | Evaluation of the management approach              | Internal verification through stakeholder interviews, benchmarking and stakeholder feedback   |
|                        |                          | 204-1                | Proportion of spending on local suppliers          | In the GTAA's procurement policy, we have clauses on use of Canadian labour and materials where feasible.   |
| GRI 301                | Materials                | 103-1                | Explanation of the material topic and its Boundary | Sustainability Management Approach and GRI Index  |
|                        |                          | 103-2                | The management approach and its components         | Sustainability Overview   |
|                        |                          |                      |  | GTAA Environmental Policy   |
|                        |                          |                      |  | The Vice President of Airport Development and Technical Services oversees the Environmental Management Program in concert with several groups within the GTAA. Always evolving, the Program is meant to reflect the requirements of the new 2015 ISO 14001 standard and Toronto Pearson's Corporate Responsibility Strategy.  |
|                        |                          |                      |  | Environmental Management System (EMS) designed to assist in operating the airport in an environmentally responsible manner, and in compliance with the relevant environmental legislation. Our EMS meets the specifications of the ISO 14001 international standard and is audited annually. In 1999, Toronto Pearson became the first North American airport to achieve ISO 14001 certification. Through this system, we are able to identify significant environmental aspects, allowing us to set performance targets, ensure environmental compliance, prevent pollution and continously improve.   |
|                        |                          | 103-3                | Evaluation of the management approach              | ISO 14001 annual audit, Airport Carbon Accreditation Program, Community<br>Environment & Noise Advisory Committee (CENAC)   |

| GRI Standard<br>Number | GRI Standard<br>Title | Disclosure<br>Number | Disclosure Title                                   | Disclosure Response  |
|------------------------|-----------------------|----------------------|--|--|
| GRI 301                | Materials             | 301-1                | Materials used by weight or volume                 | This is a list of some of the key materials used by the GTAA in our operations:  |
|                        |                       |                      | Potassium and Sodium Formate (deicing and          | Potassium acetate (KA) – quantity purchased from January 1, 2017 to December 31, 2017 (kg): 665, 840   |
|                        |                       |                      | anti-icing fluid)                                  | Sodium formate (SF) – quantity purchased from January 1, 2017 to December 31, 2017 (kg): 519,000   |
|                        |                       |                      | Total Glycol Dispensed                             | Aircraft and pavement deicing/ anti-icing fluid used – Total Glycol Dispensed (litres): 8,612,461  |
|                        |                       |                      | Natural Gas Consumption                            | Natural Gas Consumption (m³): 32,446,628   |
|                        |                       |                      | Unleaded Fuel and Diesel                           | Unleaded Fuel Consumption (litres): 486,554  |
|                        |                       |                      |  | Diesel Consumption (litres): 1,366,062   |
|                        |                       |                      | Total Energy Consumption                           | Total Electricity Consumption (kWh): 190,048,794   |
|                        |                       |                      | Other  | The GTAA also tracks pesticide use; aircraft, runway and road deicers and paper use in addition to those found in the Annual Report.   |
|                        |                       | 301-2                | Recycled input materials used                      | GTAA attempts to use recycled material when possible. For example, the Terminal 1 ground transportation level food court seating was constructed using sustainable and recycled materials. The printer paper used at the GTAA is made with recycled input. Currently, 40% of office supplies purchased through Staples Canada are Ecobrand, which are items made with some recycled input. |
|                        |                       |                      |  | The GTAA is also a member of the Partners in Project Green Materials Exchange program, which is an online platform facilitating the exchange of materials between organizations to divert resources from landfill and reduce costs.  |
|                        |                       | 301-3                | Reclaimed products and their packaging materials   | Not applicable. The GTAA does not produce products for sale.   |
| GRI 302                | Energy                | 103-1                | Explanation of the material topic and its Boundary | Sustainability Management Approach and GRI Index   |
|                        |                       | 103-2                | The management approach and its components         | Sustainability Overview  |
|                        |                       |                      |  | 2015–2019 Energy Master Plan   |
|                        |                       | 103-3                | Evaluation of the management approach              | ISO 14001 annual audit, Airport Carbon Accreditation Program, Community<br>Environment & Noise Advisory Committee (CENAC)  |
|                        |                       | 302-1                | Energy consumption within                          | Direct Energy Consumption  |
|                        |                       |                      | the organization                                   | Natural Gas (m³): 32,446,628   |
|                        |                       |                      |  | Diesel (litres): 1,366,062   |
|                        |                       |                      |  | Gasoline (litres): 486,554   |
|                        |                       |                      |  | Indirect Energy Consumption  |
|                        |                       |                      |  | Total Electricity (kWh): 190,048,794   |
|                        |                       |                      |  | Unleaded Fuel (litres): 486,554  |
|                        |                       |                      |  | Diesel (litres): 1,366,062   |
|                        |                       | 302-2                | Energy consumption outside of the organization     | Reported in detail in the Toronto and Region Conservation Authority's Partners in Project Green Annual Report  |
|                        |                       | 302-3                | Energy intensity ratio                             | This is currently not calculated. The GTAA is trying for an absolute reduction.  |

| GRI Standard<br>Number | GRI Standard<br>Title | Disclosure<br>Number | Disclosure Title   | Disclosure Response   |
|------------------------|-----------------------|----------------------|--|---|
| GRI 302                | Energy                | 302-4                | Reduction of energy  | Reduction in energy consumption: 5,000 MWh  |
|                        |                       |                      | consumption  | T1 HHF Baggage Area LED T8 replacement T1 Departure Hold Rooms LED T8 replacement T1 HHF & Pier F Mechanical Rooms LED T8 replacement T1 Pier F Baggage Area LED T8 replacement Admin Cafeteria lighting T1 Lighting management – Photocells and scheduling T1 all remaining Baggage Area LED T8 replacement T1 Service Corridor LED T8 replacement Sustainability Screen – Admin T1 Departure Hall 3' LED T8 replacement T1 Interior lighting, Baggage Claim Halls T8 T1 HVAC improvement – Phase 2 Infield Tunnel   |
|                        |                       |                      |  | Reduction based on total calculated saving from all initiatives completed in a year. Not comparing to a base year due to complexity of an airport energy comparison   |
|                        |                       | 302-5                | Reductions in energy requirements of products and services     | The GTAA does not produce products for sale.  |
| GRI 303                | Water                 | 103-1                | Explanation of the material topic and its Boundary             | Sustainability Management Approach and GRI Index  |
|                        |                       | 103-2                | The management approach and its components                     | Sustainability Overview   |
|                        |                       |                      |  | GTAA Environmental Policy   |
|                        |                       |                      |  | The Vice President of Airport Development and Technical Services oversees the Environmental Management Program in concert with several groups within the GTAA. Always evolving, the Program is meant to reflect the requirements of the new 2015 ISO 14001 standard and Toronto Pearson's Corporate Responsibility Strategy.  |
|                        |                       |                      |  | Environmental Management System (EMS) designed to assist in operating the airport in an environmentally responsible manner, and in compliance with the relevant environmental legislation. Our EMS meets the specifications of the ISO 14001 international standard and is audited annually. In 1999, Toronto Pearson became the first North American airport to achieve ISO 14001 certification. Through this system, we are able to identify significant environmental aspects, allowing us to set performance targets, ensure environmental compliance, prevent pollution and continously improve. |
|                        |                       | 103-3                | Evaluation of the management approach                          | ISO 14001 annual audit, Airport Carbon Accreditation Program, Community Environment & Noise Advisory Committee (CENAC)  |
|                        |                       | 303-1                | Water withdrawal by source                                     | 768,044 m³  |
|                        |                       | 303-2                | Water sources significantly affected by withdrawal of water    | No water sources are significantly affected by the withdrawal of water. The GTAA is provided with potable water from the Region of Peel municipal system which draws primarily from lake Ontario.   |
|                        |                       | 303-3                | Water recycled and reused                                      | The GTAA currently does not recycle or reuse water. GTAA commissioned a Water Use Profile Study by external consultants to identify and evaluate potential potable water savings. A number of minor items were identified that are being actioned as appropriate. In addition, GTAA was subjected to water audits by the Region of Peel in 2011 and no significant opportunities were identified.   |
|                        |                       | A04                  | Quality of stormwater<br>by applicable regulatory<br>standards | During the winter de-icing program, a total of 261 samples for glycol were taken with one exceedences of the Canadian Environmental Protection Act guideline. In addition, a total of 112 BOD samples were taken, with a total of 14 exceedences. For more detailed stormwater information, contact the GTAA Environment Department.  |

| GRI Standard<br>Number | GRI Standard<br>Title  | Disclosure<br>Number | Disclosure Title   | Disclosure Response  |
|------------------------|------------------------|----------------------|--|--|
| GRI 305                | Emissions              | 103-1                | Explanation of the material topic and its Boundary                           | Sustainability Management Approach and GRI Index   |
|                        |                        | 103-2                | The management approach  | Sustainability Overview  |
|                        |                        |                      | and its components   | GTAA Greenhouse Gases Policy   |
|                        |                        | 103-3                | Evaluation of the  | ISO 14001 annual audit, Airport Carbon Accreditation Program, Community  |
|                        |                        |                      | management approach  | Environment & Noise Advisory Committee (CENAC)   |
|                        |                        | 305-1                | Direct (Scope 1) GHG<br>emissions and explanation<br>of the methodology used | 66,710 tonnes CO <sub>2</sub> e  |
|                        |                        | 305-2                | Energy indirect (Scope 2) GHG emissions                                      | 7,962 tonnes CO <sub>2</sub> e   |
|                        |                        | 305-3                | Other indirect (Scope 3)<br>GHG emissions                                    | As part of our commitment to reducing environmental impacts, we have aligned our reporting standards to include ISO 14064, plus the new Ontario Cap and Trade program, and the internationally recognized Airport Carbon Accreditation program (GTAA is currently level 3 – optimization). In order to align all three standards, the GTAA has expanded the reporting boundary beyond the core airport operations to include the emissions from sale and production of electricity in this year's report. The GTAA currently reports on Scope 1 and Scope 2 emissions. |
|                        |                        | 305-4                | GHG emissions intensity  | 1.62 CO <sub>3</sub> e (kilograms per passenger)   |
|                        |                        | 305-5                | Reduction of GHG<br>emissions  | 54% reduction since 2006   |
|                        |                        | 305-6                | Emissions of ozone-depleting substances (ODS)                                | 16.2 (CFC-11 equivalent in tonnes)   |
|                        |                        | 305-7                | sulfur oxides (SO <sub>x</sub> ),  | Volatile Organic Compounds (VOCs) (tonnes): 6.36   |
|                        |                        |                      |  | NO <sub>x</sub> (tonnes): 37.02  |
|                        |                        |                      | and other significant air emissions  | SO <sub>2</sub> (tonnes): 1.508  |
|                        |                        |                      | Cinissions   | CO (tonnes): 48.570  |
|                        |                        |                      |  | Total particulate matter (tonnes): 1.195   |
|                        |                        |                      |  | PM <sub>10</sub> (tonnes): 1.184   |
|                        |                        |                      |  | PM <sub>2.5</sub> (tonnes): 1.182  |
|                        |                        | A05                  | Ambient air quality levels according to pollutant                            | Ambient air quality levels according to pollutant concentrations in microgram per cubic metre ( $\mu g/m^3$ ) or parts per million (ppm) by regulatory regime.   |
|                        |                        |                      | concentrations in  | PM <sub>10</sub> 24-hour μg/m³ (reference level): 62.7   |
|                        |                        |                      | microgram per cubic metre<br>(μg/m³) or parts per million                    | SO <sub>2</sub> 1-hour μg/m³: 131.3  |
|                        |                        |                      | (ppm) by regulatory  | SO <sub>2</sub> 24-hour μg/m³: 12.8  |
|                        |                        |                      | regime   | SO <sub>2</sub> annual μg/m³: 4.1  |
|                        |                        |                      |  | NO <sub>2</sub> 1-hour μg/m³: 178.0  |
|                        |                        |                      |  | NO <sub>2</sub> 24-hour μg/m³: 112.2   |
|                        |                        |                      |  | CO 1-hour μg/m³*: 12,777   |
|                        |                        |                      |  | CO 8-hour µg/m³*: 2,490.6  |
|                        |                        |                      |  | Ozone (O <sub>3</sub> ) 1-hour µg/m <sup>3</sup> : 132.6   |
|                        |                        |                      |  | Ozone (O <sub>3</sub> ) 24-hour μg/m <sup>3</sup> : 102.8  |
|                        |                        |                      |  | Ozone (O <sub>3</sub> ) annual µg/m <sup>3</sup> : 43.0  |
|                        |                        |                      |  | PM <sub>2.5</sub> 24-hour ug/m³ (reference level)*: 24.2   |
| GRI 306                | Effluents and<br>Waste | 103-1                | Explanation of the material topic and its Boundary                           | Sustainability Management Approach and GRI Index   |
|                        |                        | 103-2                | The management approach and its components                                   | Sustainability Overview GTAA website – Waste Management  |
|                        |                        | 103-3                | Evaluation of the management approach  | Waste audits, ISO 14001 annual audit, Airport Carbon Accreditation Program, Community Environment & Noise Advisory Committee (CENAC)   |

| GRI Standard<br>Number | GRI Standard<br>Title       | Disclosure<br>Number | Disclosure Title  | Disclosure Response   |
|------------------------|-----------------------------|----------------------|---|---|
| GRI 306                | Effluents and<br>Waste      | 306-1                | Water discharge by quality and destination  | kg BOD: 21,092.57   |
|                        |                             |                      |   | To Humber from stormwater facilities  |
|                        |                             | 306-2                | Waste by type and disposal method   | kg BOD: zero  |
|                        |                             |                      | Demolition Waste  | Total unrecycled material (tonnes): 1,094.95  |
|                        |                             |                      |   | Total recycled materials (tonnes): 8,050.72   |
|                        |                             |                      |   | Total material (tonnes): 9,145.67   |
|                        |                             |                      | Hazardous   | Liquids – total amount (litres): 166,134  |
|                        |                             |                      |   | Solids – total amount (kg): 42,018  |
|                        |                             |                      |   | Recycled – batteries (kg):738   |
|                        |                             |                      |   | Recycled – car/equipment batteries: 188 each  |
|                        |                             |                      |   | Recycled – lamps: 40,778  |
|                        |                             |                      |   | Electronic recycling (kg):23,323.54   |
|                        |                             |                      |   | Remediated and disposed of in landfill – contaminated soil (tonnes):  |
|                        |                             |                      |   | No material was moved from the biopile in 2017  |
|                        |                             |                      | Non-hazardous   | Landfill – general building: 2,138 metric tonnes  |
|                        |                             |                      |   | Landfill – demolition waste: 1,094.95 tonnes  |
|                        |                             |                      | Waste and Recycling   | Recycled – general building: 5,497 metric tonnes  |
|                        |                             |                      |   | Recycled – demolition waste: 8,050.72 tonnes  |
|                        |                             |                      |   | Recycled – logistics program shrink wrap: 14,514.5 kg   |
|                        |                             |                      |   | Corporate waste diversion rate: 71%   |
|                        |                             |                      | Shrink Wrap Recycling   | In 2017, 14,514.5 kg of shrink wrap was recycled through the GTAA logistics program; additionally, close to 200,000 other logistics items (e.g., pallets, beer bottle cases, crates, kegs, etc.) were also recycled through the program |
|                        |                             | 306-3                | Significant spills  | None  |
|                        |                             | 306-4                | Transport of hazardous waste  | The GTAA does not ship hazardous waste across international borders. All waste is must be manifested by the Ontario Ministry of the Environment before it is allowed to be transported.   |
|                        |                             | A06                  | Aircraft and pavement<br>deicing/anti-icing fluid used<br>and treated by m <sup>3</sup> and/or<br>metric tonnes | Total Glycol Dispensed (litres): 8,612,461  |
|                        |                             |                      | Potassium/Sodium  | Potassium acetate (KA) – quantity purchased from January 1, 2017 to December 31, 2017 (kg): 665,840   |
|                        |                             |                      |   | Sodium formate (SF) – quantity purchased from January 1, 2017 to December 31, 2017 (kg): 519,000  |
|                        |                             |                      | Glycol  | Deicing fluid applied to aircraft: Type-I = 6,824,520 litres;<br>Type IV = 1,787,941 litres   |
|                        |                             | 306-5                | Water bodies affected by water discharges and/or runoff   | No water bodies are significantly affected by the GTAA's discharge of water and runoff.   |
| GRI 307                | Environmental<br>Compliance | 103-1                | Explanation of the material topic and its Boundary  | Sustainability Management Approach and GRI Index  |
|                        |                             | 103-2                | The management approach and its components  | Sustainability Overview   |
|                        |                             |                      | <u> </u>  | GTAA Environmental Policy   |
|                        |                             | 103-3                | Evaluation of the management approach   | ISO 14001 annual audit, Airport Carbon Accreditation Program, Community Environment & Noise Advisory Committee (CENAC)  |
|                        |                             | 307-1                | Non-compliance with environmental laws and regulations  | The GTAA has not received any fines or non-monetary sanctions for non-compliance with environmental laws and regulations for 2016–2017 operations at the time of printing.  |

| GRI Standard<br>Number | GRI Standard<br>Title | Disclosure<br>Number | Disclosure Title   | Disclosure Response   |
|------------------------|-----------------------|----------------------|--|---|
| AO                     | Inter-modality        | 103-1                | Explanation of the material topic and its Boundary   | Sustainability Management Approach and GRI Index  |
|                        |                       | 103-2                | The management approach and its components   | Sustainability Overview   |
|                        |                       |                      |  | The Smarter the Plan  |
|                        |                       | 103-3                | Evaluation of the management approach  | An evaluation of the management approach did not occur in 2017.   |
| AO                     | Noise                 | 103-1                | Explanation of the material topic and its Boundary   | Sustainability Management Approach and GRI Index  |
|                        |                       | 103-2                | The management approach and its components   | Sustainability Overview   |
|                        |                       | 103-3                | Evaluation of the management approach  | An evaluation of the management approach did not occur in 2017.   |
|                        |                       | A07                  | Number and percentage change of people residing in areas affected by noise                                   | Updated every five years as new census data becomes available   |
| GRI 401                | Employment            | 103-1                | Explanation of the material topic and its Boundary   | Sustainability Management Approach and GRI Index  |
|                        |                       | 103-2                | The management approach and its components   | Sustainability Overview   |
|                        |                       |                      |  | GTAA Website - Careers  |
|                        |                       | 103-3                | Evaluation of the management approach  | The Human Resources and Compensation (HR&C) Committee oversees the GTAA's employment relationship with the President and Chief Executive Officer (CEO), and provides oversight of succession planning, executive compensation, talent and performance management, and enterprise people risks and policies. Advising the Board on these matters, the HR&C Committee makes recommendations in respect of executive compensation and human resources matters. |
|                        |                       | 401-1                | 401-1 New employee hires and employee turnover   | The GTAA has a single location of operations.   |
|                        |                       |                      |  | As of Dec 31, 2017:   |
|                        |                       |                      |  | Total Workforce by Employment Type:   |
|                        |                       |                      |  | Number of full-time employees: Permanent: 1,377, Contract: 28   |
|                        |                       |                      |  | Number of part-time employees: Permanent: 24, Contract: 3   |
|                        |                       |                      |  | NEW HIRES: For 2017 we had 216 New Hires, 31% female and 69% male. 32% of hires were under 30 years old (11% female, 21% male), 57% were 30–50 years old (19% female and 38% male) and 11% were over age 50 (2% female and 9% male).  |
|                        |                       |                      |  | TURNOVER: For 2017 we had 125 permanent employee departures, 40% female and 60% male. 10% of departures were under 30 years (7% female and 3% male), 50% were 30–50 years old (21% female and 29% male) and 40% were over age 50 (12% female and 28% male). This represents 6.32% Total Turnover of permanent staff.  |
|                        |                       | 401-2                | Benefits provided to full-<br>time employees that are<br>not provided to temporary<br>or part-time employees | The GTAA has a single location of operations, and all employees are eligible for benefits with the exception of temporary non-unionized employees. Permanent full-time and part-time GTAA employees are provided a comprehensive compensation package that includes group health benefits, paid and unpaid leave, and participation in a Defined Contribution Pension Plan.   |

| GRI Standard<br>Number | GRI Standard<br>Title                | Disclosure<br>Number | Disclosure Title   | Disclosure Response  |
|------------------------|--------------------------------------|----------------------|--|--|
| GRI 401                | Employment                           | 401-3                | Parental leave   | There is a legislated obligation under the Canada Labour Code (Part III) to provide an employee with Parental leave upon their request (provided they are eligible as the birth parent of a newborn or parent of an adopted child) and to ensure any employee who take Maternity or Parental leave is reinstated in the position that the employee occupied when the leave commenced. If there is a valid reason that the employee cannot be reinstated, the GTAA is still obliged to reinstate the employee in a comparable position with the same wages and benefits and in the same location. |
|                        |                                      |                      |  | In addition, the GTAA tops up the equivalent of the difference between Canada's Employment Insurance benefits and 93% of the employee's normal weekly rate up to a maximum of 30 weeks (employee must have completed six (6) months of service).   |
| GRI 402                | Labor/<br>Management                 | 103-1                | Explanation of the material topic and its Boundary   | Sustainability Management Approach and GRI Index   |
|                        | Relations                            | 103-2                | The management approach and its components   | Sustainability Overview  GTAA Website – Working Environment  |
|                        |                                      | 103-3                | Evaluation of the management approach  | The Human Resources and Compensation (HR&C) Committee  |
|                        |                                      | 402-1                | Minimum notice periods regarding operational changes   | The collective agreement includes language pertaining to minimum notice periods regarding significant operational changes, in particular the articles on Layoff / Recall and Technological Change, where a 120-day notice period is provided to the union. At the commencement of this notice period, the parties meet to consult prior to the employees ultimately receiving notice pertaining to such operational changes.   |
| GRI 403                | Occupational<br>Health and<br>Safety | 103-1                | Explanation of the material topic and its Boundary   | Sustainability Management Approach and GRI Index   |
|                        |                                      | 103-2                | The management approach and its components   | Sustainability Overview  |
|                        |                                      |                      |  | GTAA Website — Safety and Security   |
|                        |                                      | 103-3                | Evaluation of the management approach  | Toronto Pearson Safety & Security Policy   |
|                        |                                      |                      |  | Toronto Pearson Safety Index measures in-scope injuries per million passengers.  Toronto Pearson Safety & Security Awards have been put in place to promote and recognize airport employees who contribute to a safe and secure culture at Toronto Pearson.  |
|                        |                                      |                      |  | On-going stakeholder consultations with employees.   |
|                        |                                      | 403-1                | Worker representation in<br>formal joint management—<br>worker health and safety<br>committees                               | All GTAA employees are represented by both a Workplace Health and Safety Committee (WHSC) and a Policy Occupational Safety and Health (POSH) Committee. These committees meet regularly to discuss health and safety concerns, review progress and make recommendation to improve health and safety in the workplace, ensuring that the underlying principles of the internal responsibility system are followed at all times.   |
|                        |                                      | o<br>d<br>a          | Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities | Total Reported Injuries = 97   |
|                        |                                      |                      |  | Total Lost-time Injuries = 7   |
|                        |                                      |                      |  | Lost-time Injury Frequency Rate -= 0.60  |
|                        |                                      |                      |  | Lost-time injury Severity Rate = 2.50  |
|                        |                                      |                      |  | Fatalities = 0   |
|                        |                                      |                      |  | We do not track incidents by gender.   |
|                        |                                      | 403-3                | Workers with high incidence or high risk of diseases related to their occupation   | The GTAA operations are in Toronto, Ontario, Canada where there is no prevalence of serious diseases as contemplated by the indicator. Having said that, we provide group health benefits and employee assistance programs that provide employees support if required.   |

| GRI Standard<br>Number | GRI Standard<br>Title                 | Disclosure<br>Number                               | Disclosure Title   | Disclosure Response  |
|------------------------|---------------------------------------|--|--|--|
| GRI 403                | Occupational<br>Health and<br>Safety  | 403-4  | Health and safety topics<br>covered in formal<br>agreements with trade<br>unions     | Both collective agreements with unionized employee groups affirm that the GTAA has the primary responsibility for ensuring that safe conditions prevail within the workplace and for taking appropriate and effective measures (preventative and Corrective) to protect the health and safety of employees. Both the GTAA and the unions jointly declared their intent to develop and maintain a safe workplace and that work practices shall be governed by the Canada Labour Code and its Regulations. |
| GRI 404                | Training and Education                | 103-1  | Explanation of the material topic and its Boundary                                   | Sustainability Management Approach and GRI Index   |
|                        |                                       | 103-2  | The management approach and its components   | Sustainability Overview  |
|                        |                                       |  |  | GTAA Website - Safety and Security Training Programs   |
|                        |                                       |  |  | Corporate Learning and Development:  |
|                        |                                       |  |  | Corporate Learning analyses, design – develops and implements learning solutions that impact all departments organizationally. This area leads the functional areas through collaboration in establishing learning strategies, standards, and processes to ensure a consistent and effective approach to learning organizationally.  |
|                        |                                       |  |  | Functional Learning departments – analyze, design, develop and implement learning solutions that impact the specific roles in their functional department This learning team can be seen as the resident expert on creating learning solutions that meet the technical and job-specific requirements to help employees excel in their day-to-day job accountabilities.   |
|                        |                                       |  |  | Learning Council – Leaders from Corporate Learning and the Functional Learning areas make up the GTAA Learning Council. This council has been formed to steer the strategy for learning and ensure all employees receive a consistent learning experience. Additionally, the council members collaborate together on project work to ensure efficiency and effectiveness of learning.  |
|                        |                                       | 103-3  | Evaluation of the management approach  | Employee Evaluation  |
|                        |                                       | 404-1  | Average hours of training per year per employee                                      | 29 minutes and 15 seconds  |
|                        |                                       | 404-2  | Programs for upgrading<br>employee skills and<br>transition assistance<br>programs   | The GTAA provides employees with a wide range of both job-specific and developmental training opportunities, based on training plans that are created for them based on their specific, identified training needs. The GTAA also regularly provides information sessions to employees on a range of topics, including retirement planning.   |
|                        |                                       | 404-3  | Percentage of employees receiving regular performance and career development reviews | 100% of our non-unionized employees receive a semi-annual and an annual performance and career development review.   |
| GRI 405                | Diversity<br>and Equal<br>Opportunity | 103-1  | Explanation of the material topic and its Boundary                                   | Sustainability Management Approach and GRI Index   |
|                        |                                       | ity 103-2 The management app<br>and its components | The management approach  | Sustainability Overview  |
|                        |                                       |  | and its components   | Toronto Pearson welcomes the world to Canada every day and the GTAA views diversity as one of its most competitive advantages. A diverse workforce ensures the airport's ability to meet the demands of a challenging global marketplace, drives innovation and provides a warm welcome to people from around the globe.   |
|                        |                                       |  |  | The GTAA has a Diversity & Inclusion Committee. The Diversity & Inclusion Committee leads and models diversity toward equitable treatment in programs, policy formulation, and decision-making at all organizational levels.   |
|                        |                                       | 103-3  | Evaluation of the management approach  | Executive Sponsor of the Diversity & Inclusion Committee   |

| GRI Standard<br>Number | GRI Standard<br>Title                 | Disclosure<br>Number | Disclosure Title  | Disclosure Response  |
|------------------------|---------------------------------------|----------------------|---|--|
| GRI 405                | Diversity<br>and Equal<br>Opportunity | 405-1                | Diversity of governance bodies and employees  | Governance bodies are excluded from our reporting because the GTAA does not have direct control over the composition of our Board of Directors.  Appointments to the Board are made by local municipalities and Board of Trade.  |
|                        |                                       |                      |   | As of December 31, 2017: 28% of our current workforce is female. 8% is under age 30 (2% female and 6% male) 59% is 30–50 years old (18% female and 41% male) 34% is over age 50 (9% female and 25% male)   |
|                        |                                       | 405-2                | Ratio of basic salary and remuneration of women to men  | The GTAA has a single location of operations. The GTAA embraces its obligations under federal employment equity and human rights legislation. Employee salaries are determined based on the scope of work performed, irrespective of the gender of employees.  |
|                        |                                       |                      |   | Women (average salary)<br>Managers: \$114,932<br>Non-managers: \$74,798  |
|                        |                                       |                      |   | Men (average salary)<br>Managers: \$130,522<br>Non-managers: \$83,456  |
| GRI 413                | Local<br>Communities                  | 103-1                | Explanation of the material topic and its Boundary  | Sustainability Management Approach and GRI Index   |
|                        |                                       | 103-2                | The management approach   | Sustainability Overview  |
|                        |                                       |                      | and its components  | GTAA Website – Community   |
|                        |                                       | 103-3                | Evaluation of the management approach   | Participants in the Propeller Project, amount invested, noise complaints   |
|                        |                                       | 413-1                | Operations with local community engagement, impact assessments, and development programs  | Stakeholder Engagement   |
|                        |                                       | 413-2                | Operations with significant actual and potential negative impacts on local communities  | The Toronto Pearson Noise Management Program is a set of initiatives – land use planning, operating restrictions, such as the night flight budget, noise abatement procedures, the preferential runway system – that are standard across airports worldwide in the efforts to mitigate noise impacts on residents. |
|                        |                                       | A08                  | Number of persons physically or economically displaced, either voluntarily or involuntarily, by the airport operator or on its behalf by a governmental or other entity, and compensation provided. | The GTAA does not currently collect this information.  |
| GRI 416                | Customer<br>Health and<br>Safety      | 103-1                | Explanation of the material topic and its Boundary  | Sustainability Management Approach and GRI Index   |
|                        |                                       | 103-2                | The management approach and its components  | Toronto Pearson Safety & Security Policy   |
|                        |                                       | 103-3                | Evaluation of the management approach   | Toronto Pearson Safety Index   |
|                        |                                       | 416-1                | Assessment of the health<br>and safety impacts of<br>product and service<br>categories  | Toronto Pearson Safety Index   |
|                        |                                       | 416-2                | Incidents of non-<br>compliance concerning the<br>health and safety impacts of<br>products and services   | No reports of non-compliance regarding products or services rendered.  |

| GRI Standard<br>Number | GRI Standard<br>Title            | Disclosure<br>Number | Disclosure Title   | Disclosure Response   |
|------------------------|----------------------------------|----------------------|--|---|
| GRI 419                | Socioeconomic<br>Compliance      | 103-1                | Explanation of the material topic and its Boundary                       | Sustainability Management Approach and GRI Index  |
|                        |                                  | 103-2                | The management approach and its components                               | Sustainability Overview   |
|                        |                                  | 103-3                | Evaluation of the management approach                                    | An evaluation of the management approach did not occur in 2017.   |
|                        |                                  | 419-1                | Non-compliance with laws and regulations in the social and economic area | There have been no violations.  |
|                        |                                  | A09                  | Total annual number of wildlife strikes per 10,000 aircraft movements    | Total number of wildlife strikes reported at Toronto Pearson: 135. This includes any remains found near the runway environment that have not been reported as strikes (per Canadian Aviation Regulation). |
|                        |                                  |                      |  | Cumulative strike rate: 2.9 Strikes/10,000 movements  |
|                        |                                  |                      |  | The majority of strikes occur on the east/west runways, reflecting the majority of aircraft traffic.  |
| AO                     | Business<br>Continuation         | 103-1                | Explanation of the material topic and its Boundary                       | Sustainability Management Approach and GRI Index  |
|                        | and<br>Emergency<br>Preparedness | 103-2                | The management approach and its components                               | Sustainability Overview   |
|                        |                                  | 103-3                | Evaluation of the management approach                                    | An evaluation of the management approach did not occur in 2017.   |
| AO                     | Service Quality                  | 103-1                | Explanation of the material topic and its Boundary                       | Sustainability Management Approach and GRI Index  |
|                        |                                  | 103-2                | The management approach and its components                               | Sustainability Overview   |
|                        |                                  | 103-3                | Evaluation of the management approach                                    | An evaluation of the management approach did not occur in 2017.   |