

GTAA ANNUAL REPORT 2020

HEALTHY AIRPORT



The past year has been a powerful reminder that the health of people, communities, economies and the planet are all connected. As we realize our Healthy Airport commitment, Toronto Pearson is not only creating a safe, healthy airport experience for passengers and employees, we're also striving to connect people and economies in ways that expand opportunity and build shared resilience.



CORPORATE GOVERNANCE **MD&A AND**

FINANCIALS

in the same sector is a solution

FORWARD-LOOKING INFORMATION

SUSTAINABILITY

APPROACH AND

PERFORMANCE

37

GRI, SASB AND TCFD INDEX

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This document contains certain forward-looking information. Please refer to the section titled "Caution Regarding Forward-Looking Information" contained at the end of Management's Discussion and Analysis for a discussion of the risks and uncertainties and the material factors and assumptions related to forward-looking information.

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Redefining the standards for hygiene and cleaning. Accelerating innovation through technology partnerships. Rethinking the flow of people and processes. Leading the aviation sector in creating a healthy airport experience for passengers and employees. All to create a safer, healthier and more sustainable way of connecting Canada to the world.

HEALTHY WORKFORCE

We're committed to protecting and sustaining the well-being of everyone who works at Toronto Pearson. Not only GTAA employees, but tens of thousands of colleagues in nearly 400 organizations who support our passengers and operate our facilities.

- Rapid workplace COVID testing
- Health-promotion technologies
- Addressing pandemic-related mental health issues
- Helping impacted aviation workers seek new opportunities

HEALTHY BUSINESS

We're transforming every area of operations at Toronto Pearson, adopting new ways of working that are nimble, collaborative, outcome-focused, driven by analytics – and above all, highly innovative, challenging every assumption.

> Creating integrated cross-functional teams

 Adding revenue streams, such as enhancing existing cargo infrastructure

Expanding digitally enabled services

Reinforcing financial resilience

HEALTHY ECONOMY

Toronto Pearson is a vital engine of job creation, economic activity and investment. As we build and execute our recovery plan, we're working with business, government and community partners to drive renewal and growth across the regional and national economies.

- Forging valuable innovation partnerships
 - Rebuilding region with business and industry partners
 - Promoting transit connectivity
- Advancing the Airport Employment Zone

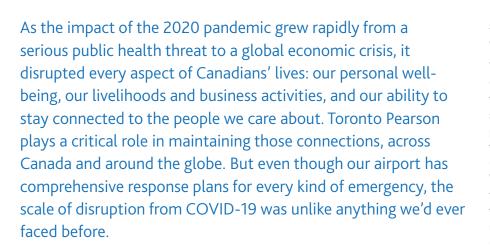
HEALTHY COMMUNITIES

We connect Pearson's neighbours to the world, strengthening social and economic links and providing access to essential goods such as food, medicine and technology. Partnering with diverse stakeholders, we're helping build more equitable and sustainable communities.

Addressing social inequity and injustice

- Investing to reduce underemployment
- Partnering on environmental initiatives
 - Fostering community dialogue via new channels

MESSAGE FROM THE BOARD CHAIR HEALTHY FUTURE



On behalf of the Board of Directors, I want to thank the employees of the GTAA – and the entire Toronto Pearson workforce – for the energy, focus and determination you've brought to confronting the pandemic and its consequences. Your collective efforts have protected passengers, your co-workers and our nearby communities, even as we've had to dramatically scale back operations because of the temporary decline in air travel.

I'd also like to express our gratitude to the many partners of the GTAA – including all levels of government, businesses large and small, labour organizations, public service agencies and diverse stakeholder groups – who have worked alongside us in the search for innovative solutions to complex problems. Together, we're turning a difficult challenge into a catalyst for change as we reinvent our airport, rebuild the aviation sector and help to fuel Canada's economic recovery.

ENSURING FINANCIAL SUSTAINABILITY

Faced with a steep reduction in passenger traffic, the GTAA management team moved quickly to review operating processes and look for cost-efficiencies throughout. They also renegotiated agreements with Toronto Pearson's primary carriers, balancing the airlines' financial obligations with our need to continue investing in enhanced facilities and



services – and our shared commitment to delivering a great passenger experience.

This difficult year was particularly hard on GTAA employees, and indeed on everyone working at Toronto Pearson. As we sought solutions that took into account the priorities and concerns of our workforce, we collaborated closely with the airport's unions – directly and via the Toronto Airport Workers Council. And when it became clear that despite our best efforts the GTAA would have to be restructured, the open and respectful relationship we've built with our union leaders again proved invaluable.

Equally vital to ensuring our financial sustainability is support from governments. We're grateful to the Government of Canada for providing temporary rent relief under our Ground Lease agreement and the Canada Emergency Wage Subsidy program. We also appreciate the support we've received from the Government of Ontario, particularly in our collaborations on COVID-19 testing and other public health programs at Toronto Pearson. Moving forward, we'll continue working closely with all governments – federal, provincial, regional and municipal – on initiatives to benefit the travelling public, create jobs and drive economic growth.

MESSAGE FROM THE BOARD CHAIR

EVOLVING AN ESG FRAMEWORK

Even as we address the impacts of the pandemic, the GTAA remains focused on the longer-term challenges to global sustainability – foremost among them climate change, which is an urgent concern for our stakeholders, as it is for all Canadians. We've joined a growing number of responsible enterprises in exploring how best to weigh environmental, social and governance (ESG) factors - not only in assessing risk (which in our case already considers ESG issues), but in our strategic planning and how we prioritize investments. The ultimate goal is a comprehensive ESG framework that will guide all aspects of management decision-making.

As a critical component of that framework, in the fall of 2020 we unveiled a robust Environmental Sustainability Strategy that maps out specific initiatives for the next several years. After posting the draft document online, we invited GTAA stakeholders to contribute their ideas and comments. We're now incorporating their helpful feedback and expect to share the final version of our strategy with the public later in 2021. In the meantime, as confirmation that our efforts are on track, we were pleased to receive the 2020 ACI-NA Environmental Management Award from Airports Council International in recognition of our "20/2020" greenhouse gas policy and the substantial reductions in emissions achieved at Toronto Pearson over the past decade.

As for the social dimension of ESG, this too has remained a top priority, in spite of – and in response to – the challenge of COVID-19. The organizations we partner with through the GTAA's Propeller Project community investment program focus on the needs of unemployed and underemployed workers, whose numbers have grown significantly



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in the past year. These partnerships will be more important than ever as we extend our business recovery efforts into Pearson's surrounding communities, removing barriers to employment by supporting training and development opportunities.

RETHINKING AIR TRAVEL

Moving forward, our focus at the GTAA will be on finding new and better ways to deliver a safe, comfortable travel experience, sustainably and cost-efficiently. As the operator of Canada's principal global gateway and a recognized leader in our industry, we're rethinking every dimension of Toronto Pearson to create a healthy, lowtouch, seamless airport journey that will be a model for the world.

Of course, we can't achieve that ambition alone. We're working more closely than ever with our airlines and a range of other business partners, from baggage handlers and cleaning services to retailers and food-andbeverage providers. We're also collaborating with technology innovators on new solutions for managing our facilities and enhancing passenger services. And we're exploring ways to further diversify our business and develop added sources of revenue, notably by expanding our air cargo capabilities.

DRIVING ECONOMIC RECOVERY

The COVID-19 pandemic has had a severe impact on our airport and the entire aviation sector, with economic and financial consequences that we'll be wrestling with for some time. But this crisis has also given us an opportunity to make a strategic pivot, rethinking Toronto Pearson's business model and advancing our critical role as a driver of the regional, provincial and national economies.

Guided by a new three-year strategic plan – which the Board approved at the end of 2020 – we will continue strengthening our relationships with current business partners while forging new ones. And to sustain our momentum, we will reinforce the common goals we share with governments and our neighbouring communities.

MESSAGE FROM THE BOARD CHAIR

In closing, let me underline our appreciation for the dedicated teamwork and creative thinking that GTAA employees have brought to tackling problems that at times must have seemed overwhelming. I especially want to recognize the efforts of the senior management team under the leadership of Deborah Flint, who assumed her executive role just before we were plunged into the gravest crisis in our airport's 73-year history. Thanks to Deborah's vision and tenacity, backed by her deep industry knowledge, the GTAA has navigated through an extremely difficult year.

Lastly, I'm grateful to the members of the Board – Including our newest directors, Rajeev Viswanathan and Don Kennedy – for their rigorous oversight and expert counsel during this challenging time. And on their behalf, I want to thank Terrie O'Leary, who departs the Board in May 2020 after serving more than five years. Terrie's wise advice and thoughtful contributions in the areas of economic development and tourism were deeply appreciated by her fellow directors.

In retrospect, this pandemic year will be seen as an inflection point. Our focus now is on building the airport of the future. Toronto Pearson must be ready not just for the return of past passenger volumes, but for future growth, as the demand for connectivity regains momentum.

We're confident that the steps we're taking today will enable the GTAA to once again generate positive returns within the next few years. We'll achieve this by setting the standards, alongside our partners, for a new kind of air travel experience. We've started by creating an award-winning healthy airport: safe, hygienic and designed in every respect to boost traveller confidence. But this is just



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one part of a larger vision. Being a healthy airport also means fostering a healthy workforce, forging healthy partnerships and sustaining a healthy balance sheet. And it means building healthy communities and a healthy economy by helping to drive growth – in our region and across Canada.

In short, it's about overcoming the obstacles still in our path as we work to create a healthy future. And we believe that Toronto Pearson has the resilience, momentum and innovative spirit to do exactly that.

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Doug Allingham Chair, GTAA Board of Directors

MESSAGE FROM THE PRESIDENT AND CEO

PEARSON STRONG

Pearson Strong. This is the rallying cry that symbolized how we stood together across the 4,600-plus acres of YYZ in the early days of a pandemic that brought fear, loss, uncertainty and an abrupt stop to passenger air travel. It was unknown how deep or long the pandemic and its impacts would last. We know now that it has affected the most vulnerable in the deepest ways – from the physical and mental health toll, to the loss of a staggering amount of human life, employment and economic hope. We know now that our ability to connect as humans would be reduced or removed in ways we never imagined. When the time is right, we see a strong future for passenger travel.

As an airport community we have long understood that we serve a purpose far deeper than the complex movements of goods and people. We connect people, places, cultures and economies, changing lives and strengthening our country. In the throes of the pandemic, we found strength in getting Canadians back home and facilitating the movement of essential goods like medical equipment and personal protective equipment (PPE). Our terminals are still eerily empty, our aprons serve as long-term parking for airplanes and our roadways are wide open. Despite this, we still serve the same purposes for our country and humanity: Airports are beacons of opportunity, centres of human connection and empathy and a reflection of a country's values and vision.

Our message to GTAA stakeholders, though, is not one of doom and gloom. Through the past year, our organization has shown remarkable focus and determination as talented people have worked together to tackle problems for which none of us, even in an industry focused on proactively managing risk, were fully prepared. Confronted by an escalating health threat, the impacts of which were still uncertain, we moved quickly to protect passengers, airport employees and the wider community.

MANAGING RISK

As an industry focused on managing risk, we recognized that digitization and health security were disruptors that were structurally shifting our business. With uncertainty being the only certainty, we



created a core practice of scenario planning for multiple outcomes. A cross-organizational approach to business resiliency was taken and provided the foundation for us to be agile, anticipatory, focused and disciplined.

DIVERSIFYING OUR BUSINESS

We see a strong future for passenger travel at Pearson. Working with economists, industry analysts and our partners, we will position Pearson to be built back better. Using the opportunity of foresight, we will recreate a future-proofed airport – passenger experiences that are biometrically and digitally enhanced; operational efficiency driven by data; advances in biosecurity; and health and hygiene that defends against infectious disease. We will develop alternative revenue streams to enhance our financial resilience by leveraging GTAA's real assets in the Airport Employment Zone – already Canada's second largest employment cluster, enabling over 300,000 jobs. New digital capabilities will drive new opportunities in business-to-business and business-toconsumer segments.

CHANGING HOW WE WORK

We'll look back at 2020 as a defining moment for our airport and our industry – the pivot point where the world of air travel had to align with digital connectivity. Every initiative that is moving us from crisis to recovery is also propelling us forward into a new era of aviation.

MESSAGE FROM THE PRESIDENT AND CEO

Driving these changes took a remarkable team effort. By the summer of 2020, however, it was clear that despite our efforts to explore every alternative, a restructuring of our organization had become inevitable. The decision to reduce the GTAA's workforce by 27 per cent was an extremely difficult one. In implementing it, we worked closely with our union leaders, who balanced support for their membership with an appreciation for the challenges faced by our airport. That we were able to collaborate successfully on the complex restructuring process is a testament to the positive relationships we've forged over many years.

In putting that plan into effect, we maintained transparent communications with the GTAA workforce. We committed to treating everyone affected by the changes with fairness and empathy. And we provided transition support and access to training and development opportunities – as we did for other laid-off and furloughed workers across the Pearson community.

EQUITY AND SOCIAL JUSTICE

The goals of equity, diversity and inclusion have long been priorities for the GTAA. The executive team, with strong support from our Board of Directors, quickly joined those condemning anti-Black racism and the indefensible legacy of systemic discrimination, inequality and injustice in all forms.

One of our cross-functional BRIT teams focuses exclusively on building a more equitable and inclusive organization. We've expanded our existing human resources policies, sharpened our HR practices, and launched education and awareness programs – all aimed at fostering equity throughout the GTAA and across our airport. Every person who works here must feel that their experience and views are valued, and their career goals are achievable. Likewise, every passenger must be treated with respect and dignity – and we will hold all of our



Together, we're creating one of the world's healthiest airports. We're leading the way in deploying technology to create a new kind of passenger experience: safe, digitally connected, predictable, sustainable and seamless.

partners and workers accountable for that. I'm proud to have joined many of Canada's most prominent corporate leaders in signing the BlackNorth Initiative, reinforcing our commitment to advance diversity and equity, not only within the GTAA, but also across the Pearson community and in Canadian society.

OUR STRATEGIC PLAN

In the face of disruption, a strategic plan was essential to align the organization, from the Board of Directors to each and every employee. The 2021–2023 strategic plan charts a course for navigating the economic recovery and returning our business to stability. The plan reflects our need to remain flexible in the face of continuing uncertainty, and to test strategic options in multiple scenarios. It sets out four goals:

- Driving financial strength and cost competitiveness
- Delivering operational effectiveness and a healthy airport experience
- Growing revenue through business
 diversification
- Empowering employees to thrive in a new work environment

Our three-year plan is designed to make the GTAA more agile and innovative, inspiring collaboration around our shared purpose. It is aligned with current fiscal realities and laser-focused on the activities we know are most critical to our future success.

THE WAY FORWARD

In everything we do – from championing arrivals testing so that passengers and communities stay safe, to testing air quality and hygiene standards in every area of our airport – Pearson understands the leadership role that is expected of us. We are fuelled by the world-class expertise and strength of our people, within the GTAA and across the Pearson community, who've shown incredible teamwork and solutioning over the past year. Faced with one daunting challenge after another, our dedicated workforce has continually rallied and kept on pressing forward. Words don't fully express my appreciation for the values demonstrated and the progress made by our airport community.

Together, we're creating one of the world's healthiest airports. We're leading the way in deploying technology to create a new kind of passenger experience: safe, digitally connected, predictable, sustainable and seamless. These bold aims are summed up in our north-star statement:

Pearson Strong: creating the airport of the future by building our business in a smart, healthy and profitable way.

Deborah Flint President and Chief Executive Officer



When the World Health Organization (WHO) declared a global pandemic on 11 March 2020, Toronto Pearson was already in motion, building on detailed plans that were previously in place. The threat of a viral pandemic is one of various critical scenarios prepared in the GTAA's emergency response planning.

WE HAD TESTED AND REFINED OUR STRATEGY DURING THE SARS AND H1N1 SWINE FLU OUTBREAKS OF THE EARLY 2000s. And our

efforts had earned recognition from public health experts. For example, on a June 2019 visit to Pearson, the Director-General of the Centre for Emergency Preparedness and Response, part of the Public Health Agency of Canada (PHAC), paid tribute to "the strong collaboration between PHAC, CBSA, airline operators, and provincial and local health partners to ensure an integrated response." However, nothing could have fully prepared us for the scale, pace and impact of COVID-19.

ONE THING WAS CERTAIN: AIR TRAVEL WOULD

CHANGE DRAMATICALLY. We soon saw that the urgent need to address the pandemic could also be a catalyst for longer-term change – an opportunity to transform not only Canada's largest airport, but the entire aviation sector. With our partners, we began rethinking processes, exploring new technologies and accelerating innovative work in progress. We were determined to emerge from this crisis with even safer, healthier and more sustainable ways to connect the world.

RESPONSE

THE GTAA BOARD AND EXECUTIVE TEAM

MOBILIZED QUICKLY. Within the GTAA, we formed crossdisciplinary teams integrating all aspects of airport operations, passenger experience and communications. At the same time, we consulted our Pearson partners, including airlines, government agencies, various service providers and representatives of airport workers. Leveraging our existing collaborations and collective expertise, we identified the areas that would benefit most from our focused attention. We also reached out to public health experts and other scientists who could partner with us on new research and pilot programs aimed at ensuring efficient, predictable air travel.



We commit to making passenger and employee health our top priority.

THESE EFFORTS LED TO OUR HEALTHY AIRPORT COMMITMENT:

- We commit to making passenger and employee health our top priority.
- We commit to working with our partners to set strong, consistent standards for passenger and airport worker health.
- We will deploy multi-layered tools and adjust quickly to changes and current intelligence.
- We will ensure our approach is best in class and aligned with international aviation standards.
- We will explore all innovative and technologically advanced solutions for ensuring the safety of our passengers and employees.



Toronto Pearson's in-terminal HVAC systems have been modified to deliver increased airflow with enhanced filtering. New monitoring equipment helps us ensure air quality remains excellent.

📃 Letters to Shareholders Healthy Airport Healthy Workforce Healthy Business Healthy Economy Healthy Communities Sustainability Corporate Governance MD&A and Financials GRI

HEALTHY AIRPORT

WE QUICKLY IMPLEMENTED A WIDE RANGE OF HEALTH AND HYGIENE MEASURES.





MANDATORY MASKS

Before it became a legal requirement, Toronto Pearson imposed an airport-wide rule requiring protective face coverings for both employees and the public.



RESTRICTED ACCESS

The only people who can enter our terminals are airport employees on duty and passengers travelling that day, who use specific drop-off and pick-up points.



TEMPERATURE CHECKS

All arriving and departing passengers are checked with touchless thermometers, as mandated and coordinated by the Government of Canada.



PHYSICAL DISTANCING

Floor decals and over 6,500 signs and digital screens help keep passengers safely apart. We provide frequent reminders over the public address system and monitor traffic flow remotely to avoid potential congestion.



PROTECTIVE BARRIERS

We've installed about 3 km of plexiglass in over 800 areas, such as check-in counters, where closer interactions are necessary.



HAND SANITIZING

There are about 500 no-touch stations throughout our terminals, with a concentration in high-contact areas like check-in and security screening.



CONTINUOUS CLEANING

Guided by our new industrial hygienist, Pearson's cleaners use one of four levels of disinfectant – Tersano, Oxivir, Ultra-Lyte and microbial-probiotic – in high-traffic areas, including escalators, moving walkways, handrails and stairways, as well as on kiosks, baggage carts and wheelchairs.



AUTONOMOUS CLEANERS

Six robotic floor cleaners use UV-C technology to clean and disinfect floors.



AIR QUALITY

New monitoring stations ensure optimum air quality in both terminals, while the HVAC system has been modified to deliver increased flow with enhanced filtering.



VIRTUAL COMMUNICATIONS

Passengers can seek assistance from customer service staff via mobile and desktop video or voice chat. The public can also get regular updates on our COVID-19 response through Toronto Pearson's website and social media channels. 🗮 Letters to Shareholders Healthy Airport Healthy Workforce Healthy Business Healthy Economy Healthy Communities Sustainability Corporate Governance MD&A and Financials GRI

HEALTHY AIRPORT



Robotic floor cleaner at Pearson cleans and disinfects floors using UV-C technology.

MEASURING SUCCESS: CANADA'S FIRST

ACCREDITED HEALTHY AIRPORT. The cumulative impact of our various health and safety initiatives was formally recognized in September 2020, when Pearson became the first Canadian airport to qualify under the Airport Health Accreditation program launched by Airports Council International (ACI). The program assesses COVID-19 measures recommended by the Aviation Recovery Task Force of the International Civil Aviation Organization. "Consistency will be the key to a sustained global recovery," said Luis Felipe de Oliveira, ACI's World Director-General. "I am very impressed by how Toronto Pearson has swiftly adapted to new realities to introduce new measures based on globally consistent protocols."



Toronto Pearson was named Best Large Airport in North America for the fourth year in a row.

THE LAST WORD: PASSENGERS BELIEVE WE'RE

TAKING THE RIGHT STEPS. As Toronto Pearson's pandemic response has broadened and evolved, we've evaluated its effectiveness using many metrics. But one factor ranks above all others: the perception of passengers. In the fall of 2020, we began conducting in-depth monthly surveys to gauge passengers' confidence levels and potential concerns. Top of mind for most people travelling through Pearson are preventive measures like face coverings and plexiglass barriers, as well as the enforcement of physical distancing guidelines.

The insights gathered through year-end and into the first quarter of 2021 have been consistently positive: on average, well over 90 per cent of passengers rate Toronto Pearson's safety and hygiene measures as effective. When we factor health and safety into the overall quality of the passenger experience, our satisfaction scores remain strong.

As for benchmarking within the industry, in the 2020 Airport Service Quality satisfaction survey conducted by the ACI – whose criteria have been modified to reflect the pandemic – Toronto Pearson was named Best Large Airport in North America for the fourth year in a row, among airports serving over 40 million passengers annually. Pearson was also among the airports in the region recognized for "Best hygiene measures."

INNOVATION

HOW CAN WE BETTER PROTECT PUBLIC HEALTH WHILE ALSO FACILITATING AIR TRAVEL? This is the pivotal question that led the GTAA, in partnership with Air Canada, to pilot a science-based initiative with the potential to influence the aviation industry globally: arrivals testing at Toronto Pearson.

INITIALLY, THE FEDERAL GOVERNMENT MANDATED A 14-DAY QUARANTINE FOR INTERNATIONAL

TRAVELLERS ARRIVING IN CANADA. Although this was an appropriate and effective public health measure, it was also an acknowledged "blunt instrument," ascribing the same risk of infection to all travellers. As the government then focused on implementing widespread COVID-19 testing to help reduce transmission and accelerate recovery, the GTAA stressed the value of this strategy for the aviation sector in particular. If effective testing allowed a reduction in quarantine times, it would help restore public confidence in flying – with all of the positive social and economic impacts that would bring.

BUT FIRST WE NEEDED TO BETTER UNDERSTAND WHAT ROLE AIR TRAVEL PLAYS IN COVID-19

TRANSMISSION. By working with medical and public health experts, we could determine what further steps might help ensure that arriving and departing passengers didn't contribute to spread. So we partnered with Air Canada and McMaster HealthLabs to develop a voluntary program in which international passengers could opt to have a COVID-19 test on arrival at Toronto Pearson, with self-administered follow-up tests on days 7 and 14. Our research study was among the world's largest to that point and the first to test three times, providing richer data for policymakers.

Conducted between September and November 2019, the pilot had over 16,000 participants, who completed more than 40,000 tests. Interim results from 8,600 participants showed that 99 per cent of tests were negative for COVID-19. Among the 1 per cent who tested positive:

- 0.7% were detected on arrival
- 0.3% were detected on day 7
- 0.1% were detected on day 14

The results were encouraging, both from a public health perspective and as a hopeful sign that travel restrictions might be relaxed somewhat without risking the safety of air travellers and the broader community.

WITH THESE INSIGHTS, WE THEN LOOKED AT HOW TO IMPLEMENT PASSENGER TESTING. In early January

2021, we announced a provincially sponsored program that would provide voluntary testing for international travellers arriving at the airport and remaining in the province for at least 14 days. Under this pilot program, eligible passengers, having registered beforehand, administered a self-test on arrival (supervised by a health professional) and then proceeded to their local destinations to quarantine. Swab samples were collected by the government's chosen provider, Switch Health, for lab-based testing using polymerase chain reaction (PCR) technology. Results were then relayed to passengers and the provincial health information system within 48 hours. Local public health units followed up on any positive tests.



In addition to demonstrating the feasibility of conducting COVID-19 testing at the airport, the study has also shown the effectiveness of a self-collected COVID-19 sample using a cheek and nasal swab that is completed in minutes.

Dr. Marek Smieja Scientific Director, McMaster HealthLabs

The updated results strongly suggest that some form of testing regime can provide a viable alternative to a blanket 14-day quarantine requirement and also provide a mechanism to reduce travel restrictions more generally.

Dr. Jim Chung Chief Medical Officer, Air Canada

Testing upon arrival with a follow-up test to catch later positive results could provide a reasonable path forward to help keep borders and the economy open while maintaining public safety.

Dr. Vivek Goel University of Toronto

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IN THIS PILOT PHASE, THE FEDERALLY MANDATED

14-DAY QUARANTINE STAYED IN PLACE. But the hope was that voluntary arrivals testing, supplemented by further self-testing while passengers remained isolated (as in the McMaster HealthLabs study described above), could yield the necessary data to modify the quarantine period for many travellers while protecting against further community spread of COVID-19.

IN EARLY FEBRUARY 2021, THE PROVINCE OF ONTARIO MADE ARRIVALS TESTING MANDATORY.

Now all international passengers were obliged to follow the protocols established for voluntary testing – compared to about 10 per cent of passengers who'd opted to participate during the initial pilot. This naturally required some adjustments at Toronto Pearson: GTAA staff worked with the Canada Border Services Agency (CBSA) and other partners to facilitate the flow of passengers through an extended arrivals process.

ARRIVALS TESTING HAS SINCE TRANSITIONED TO A FEDERALLY MANDATED PROGRAM. As of 21 February

2021, international passengers are required to reserve and stay in a government-authorized hotel for up to three nights, at their own expense, while awaiting the results of the test they take on arrival at Pearson. Passengers who test negative for COVID-19 can complete their 14-day quarantine in accordance with their isolation plan – identified in the ArriveCAN mobile app – with a follow-up self-test on the 10th day. Passengers who test positive are obliged to move to a designated federal quarantine facility or other authorized location to isolate for the balance of the 14-day period. Mandatory arrivals testing complements the federal government's *pre-departure* test requirement for inbound international travellers, which stipulates that anyone flying to Canada (via Pearson and three other approved airports) must provide proof of negative results from a COVID-19 test taken within three days prior to departure.



Passengers who test positive are obliged to move to a designated federal quarantine facility or other authorized location to isolate for the balance of the 14-day period.



Over 6,500 signs at Toronto Pearson remind passengers to keep safely apart.

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Sanitize Your Mobile Devices

cleanslate 🧐

Toronto Pearso

HEALTHY AIRPORT

PARTNERSHIPS

PEARSON'S COVID-19 RESPONSE IS A TRUE

COORDINATED APPROACH. We've worked with the Public Health Agency of Canada and provincial and local authorities to safeguard the health of passengers and employees. We've collaborated with Canadian Air Transport Security Agency (CATSA), the Canada Border Services Agency (CBSA) and U.S. Customs and Border Protection (CBP) on ensuring safer hygiene, protective measures and physical distancing while maintaining passenger flow. And we've coordinated efforts with airlines as we adapt check-in processes and waiting areas to the new realities of the pandemic.

IN ALL AREAS OF INNOVATION, WE APPLY A SCIENCE-BASED, TEST-AND-LEARN APPROACH.

For example, we've adopted increased air flow through high-end filtration, the introduction of UV-C technology to keep the HVAC system clean, and real-time indoor air quality readings made available to passengers and the public. We're testing a technology that enables passengers to operate elevators using their smartphones. We also have a solution to ensure everyone has convenient access to protective gear: cashless vending machines offering masks, hand sanitizers and disinfectant wipes.

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WE'RE PARTNERING WITH EXPERTS ON UV

SANITIZING. We now use ultraviolet light to kill potential pathogens on floors, on escalators and moving walkways, in our air handling systems – and even on personal electronics. Technology developed by our Toronto-based partner CleanSlate UV allows passengers to sanitize their smartphones, tablets and other devices in just 20 seconds, without the use of any chemical cleaners.

WE ARE COOPERATING ON THOUGHT LEADERSHIP FOR FUTURE PANDEMIC PREVENTION. For example,

we formed a partnership with a Canadian company that uses advanced analytics to track infectious diseases. BlueDot has created a technology platform to predict and monitor outbreaks around the globe, helping governments, businesses and other organizations mitigate risk and build resilience. Gathering data from a wide array of sources, BlueDot provides daily COVID-19 updates from 150 countries. We're able to use these insights in prioritizing, for instance, gate assignments and cleaning procedures for flights from high-risk regions. "Smarter airports deliver a safer experience for travellers," says Dr. Kamran Khan, the company's founder and CEO. "BlueDot is incredibly proud to partner with the GTAA to use advanced data analytics and digital technologies to stay a step ahead of global infectious disease risks."



Dr. Kamran Khan Founder and CEO

Technology developed by CleanSlate UV allows passengers to sanitize their personal electronic devices without the use of chemical cleaners.

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NEXT

OUR HEALTHY AIRPORT IS ONLY GOING TO

BECOME MORE ADVANCED. Through the coming year and beyond, we'll continue exploring ways to keep travel safe – and ensure passengers feel confident and comfortable – as we work with our partners to create the airport of the future. Here are just a few of the innovative directions we're pursuing:

- **Pre-departure COVID-19 testing:** As part of a study funded by the National Research Council of Canada, on 16 March 2021 we introduced antigen testing for U.S.-bound passengers, offering this service free of charge for the duration of the trial. Our hope is that this will be a significant improvement over other pre-departure testing programs that take up to three days to provide results. Once the complex logistics have been fine-tuned, we expect to scale up this program through the rest of 2021.
- Infrastructure enhancements: For example, we're reconfiguring the arrivals and transfer facility in Terminal 3 so connecting passengers can stay within the secure area and not have to unnecessarily repeat processes. (Currently passengers in transit have to exit, collect their bags, re-check them for connecting flights and

pass back through security to continue their journey.) A redesigned facility will help reduce congestion and facilitate physical distancing.

• Touchless or low-touch technologies: These include facial verification (now used for NEXUS travellers arriving from the U.S.), self-service e-gates and the pursuit of standardized digital health permissions as an additional layer to conventional passports. We're collaborating with other airports, airlines and travel authorities around the world on standards, best practices and promising technologies.

WE DRIVE CHANGE AND SHAPE DIALOGUE WITH

INNOVATION LEADERS. In October, for instance, Deborah Flint, the GTAA's Chief Executive Officer, convened a virtual roundtable with three of our Canadian partners:

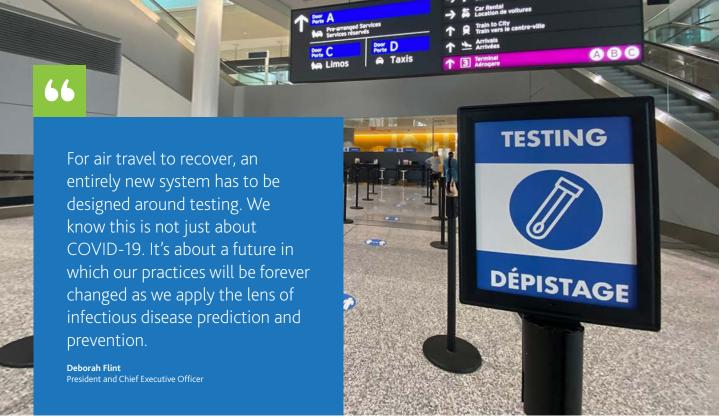
- Taylor Mann, CEO and co-founder of CleanSlate UV
- Dr. Kamran Khan, founder and CEO of BlueDot and an infectious disease physician
- Dr. Vivek Goel, University of Toronto professor, former CEO of Public Health Ontario and co-principal investigator of the McMaster HealthLabs COVID-19 study.



Pearson's cleaning process sanitizes baggage carts and other high-touch surfaces with four levels of disinfectant: Tersano, Oxivir, Ultra-Lyte and microbial-probiotic.

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HEALTHY AIRPORT



Antigen testing for U.S.-bound passengers was introduced in March 2021.

These innovators discussed the collaborative, science-based efforts that are critical to restoring passenger confidence, reinventing the airport experience and charting a new path for the entire aviation sector. In their concluding remarks, each offered a point of view on the way forward:

Taylor Mann: "After 9/11, you saw systemic change in how security worked.... At the end of the day, the risk is in lack of collective action, because Toronto Pearson is only one airport. Once we [address the challenge of this pandemic], we need to look at how we prevent it from happening again. How do you take the insights we've gained and implement them in a systemic change model?"

Kamran Khan: "Getting insights into action...involves behavioural and organizational change. Usually, it's a relatively small group of people in public health who first recognize these threats. Then it trickles down to the broader healthcare sector, and from there to industry and to the general public. What we need is a contemporaneous dissemination of insights to different sectors – to support government and policy decisions, but also to empower organizations to think about how they can protect their employees and their customers. The best way to do that is to use data and analytics, and to democratize more of the insights. They obviously have to be vetted and thought through carefully; you don't want to be creating confusing messages. But this [pandemic] highlights that it's a cross-sectoral problem." Vivek Goel: "In our arrivals testing study, we collaborated with the GTAA and Air Canada. My institution, the University of Toronto, did the data analysis. And we've worked with our partners at the Public Health Agency of Canada, as well as Public Health Ontario, on the interpretation of results, looking at the policies around quarantine.... The final piece is pre-departure testing. All of the innovations we've talked about could be used to create testing for [departing] travellers that's outside the healthcare system, using completely separate supply chains so it doesn't interfere with diagnostic capacity. As we continue to move toward that, we'll again be working in partnership with the airlines and the airport on how to make it available in the most accessible way to passengers."

Deborah Flint: "For air travel to recover, an entirely new system has to be designed around testing. We know this is not just about COVID-19. It's about a future in which our practices will be forever changed as we apply the lens of infectious disease prediction and prevention. We've accomplished much that we can be proud of, but there's so much more to do. I'm excited about the partnerships around this table, and how we've embraced a culture of collaboration throughout the GTAA and across Toronto Pearson."

HEALTHY WORKFORCE



Our Healthy Airport initiative, at the fundamental level of ensuring a safe, hygienic environment, naturally includes everyone at Toronto Pearson who works to support passengers and operate our facilities.

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HEALTHY WORKFORCE

MOREOVER, THE CONCEPT EXTENDS BEYOND ANTI-INFECTION PROTOCOLS TO ALL DIMENSIONS OF WELL-BEING, from addressing

mental health issues amplified by the pandemic to helping workers who've been laid off or furloughed explore new career opportunities. And as always, our efforts to promote a healthy workforce include not only the direct employees of the GTAA but our tens of thousands of colleagues who work for some 400 organizations across the airport.

WE'VE GAINED A DEEPER UNDERSTANDING OF PEARSON'S WORKFORCE IN RECENT YEARS. Canada's

largest airport relies on close teamwork among employees of many different companies and organizations, who work around the clock to ensure the safe, efficient flow of travellers, aircraft, baggage and cargo. Since 2017, the GTAA has been collaborating with the Toronto Airport Workers Council (TAWC), which represents unions across Pearson, to learn more about the diverse backgrounds, skills, goals and challenges of everyone who works here.

AS A GLOBAL AVIATION LEADER, TORONTO PEARSON HAS NEVER STOOD STILL. But the events

of the past year, including the need to restructure our organization (see page 27), have underlined the fact that reinventing an entire sector starts with rethinking how we work together each day to help our airport run more safely, smoothly and efficiently.

RESPONSE

WHEN COVID-19 HIT, OUR FIRST PRIORITY WAS WORKER HEALTH AND SAFETY. We immediately

implemented social distancing rules, intensified cleaning protocols and adopted many other safety measures (see page 77). Our approach was informed by dialogue and collaboration with both workers and employers across Toronto Pearson. Other measures to promote workplace health and safety included supports tailored to employees newly working from home, with newsletters and video trainings on topics such as workspace ergonomics and managing anxiety or sleep issues magnified by the pandemic.

EMPLOYEES CONFIRMED OUR COVID RESPONSE

WAS ON THE RIGHT TRACK. We conducted a special survey in May 2020 to learn how GTAA employees felt we were doing in protecting workplace safety during the pandemic. The results suggested our early efforts were well received, with scores of 80 per cent for employee wellness, health and safety and 86 per cent for "concern and connection."

WE RESPONDED TO THE UNIQUE CONCERNS OF

TAXI AND LIMO DRIVERS. Although not airport employees, drivers are important members of the Pearson community. After many expressed a need for extra support in the early days of the pandemic, we provided them with masks and helped with the purchase and installation of Plexiglas shields in their vehicles. We also ensured arriving passengers did not proceed to the taxi/limo pick-up area without masks. And we increased our communications about the temperature checks and other safety practices that had been introduced across the airport.



In a survey of GTAA employees in April 2020, we were rated 80 per cent for employee wellness, health and safety and 86 per cent for "concern and connection."

HEALTHY WORKFORCE

IT WAS CLEAR FROM THE OUTSET THAT COLLABORATION WOULD MATTER MORE THAN

EVER. As the scale of the pandemic became evident, crossdisciplinary teams were quickly formed across the GTAA to consider how we should respond to – and anticipate – the impact of COVID-19 on our operations. These groups soon evolved into a formal program of Business Resilience Integration Teams (BRITs) focusing on various dimensions of our response and recovery planning, including the evolution of the Pearson work environment. At the same time, as the program has expanded, we've ensured that each BRIT includes employees with diverse skills, backgrounds and points of view – a proven catalyst of successful solution building. The BRIT model has amplified our efforts in recent years to eliminate silos and foster a culture of collaboration within the GTAA, as we create a nextgeneration workplace.

WORKING IN NIMBLE, CROSS-FUNCTIONAL TEAMS

REQUIRES NEW CAPABILITIES. The success of BRITs has shown us how working more effectively together, experimenting and learning as we go, can yield measurable service improvements, efficiency gains and cost savings. As we've moved quickly to ensure the resilience of Toronto Pearson and start building toward recovery, our education programs have had to adjust accordingly. Design thinking – already part of our leadership development curriculum – is more important than ever as we examine every aspect of our business, looking for better ways to do things.

WE HAVE DIGITALIZED LEARNING AND

DEVELOPMENT. For example, the Pearson Aviation Academy, launched in early 2019 through a partnership with Seneca College, provides employees across the GTAA with the operations training they need to advance in their current areas or move into other parts of the organization. We've now brought the program entirely in-house, with new virtual tools and experiential scenarios designed to foster creative thinking, improve communications skills and help employees thrive in an environment of constant change.

WE'VE INTENSIFIED OUR WORK TO BUILD A MORE

INCLUSIVE, EQUITABLE GTAA. Toronto Pearson is based in one of the most socially diverse regions in the world, and our workforce reflects that reality. Coming into 2020, we already had a program in place to promote employment equity in our organization. The international groundswell of protests against systemic racism over the past year intensified this work and sharpened our focus on anti-Black racism. The GTAA took important steps on racial equity in 2020, both within our organization and beyond. (For our endorsement of the BlackNorth Initiative, see page 43; for our Nest Fund community investments focused on capacity-building in Black and Indigenous communities, see page 41.)

OUR EQUITY EFFORTS HAVE STRONG BOARD AND

EXECUTIVE SUPPORT. GTAA President and CEO Deborah Flint issued a public statement in June 2020 condemning "anti-Black racism, systemic racism, inequality and injustice in all forms" and committing to a "visible, accountable and dynamic approach" to diversity and inclusion in the GTAA.

With the engagement and support of the Board, the GTAA executive team has advanced a range of in-house efforts, including:

- An education program on anti-Black racism supported by team leaders across the GTAA.
- A planned review of our employment systems to identify and dismantle bias and barriers to success for underrepresented groups.

WE'VE ADOPTED NEW WAYS OF WORKING – AND TRANSFORMED OUR WORKPLACE FOREVER. Many of

the practices we've introduced to address the pandemic will remain in place after the COVID-19 threat has subsided, because they help make Pearson a healthier, more convenient travel hub and a safer, more productive work environment. Indeed, the innovation efforts of 2020 accelerated a journey we were already on, as a top-ranked global airport that is constantly evolving to meet future needs and expectations.



As the scale of the pandemic became evident, cross-disciplinary teams were quickly formed across the GTAA to consider how we should respond to – and anticipate – the impact of COVID-19 on our operations.

HEALTHY WORKFORCE

INNOVATION

WE'VE DEVELOPED AN INNOVATIVE WAY TO MONITOR AND RESPOND TO COVID-19 CASES. In the

first phase of the pandemic, we quickly established a contact-tracing program in the GTAA workplace that ensures we notify our employees if they've been exposed to a colleague who has since tested positive for COVID-19. Workers expressed a desire for more information about overall cases at the airport. So we took steps to create a tool that would (a) respond to workers' need for information about workplace health and safety, (b) support data-driven pandemic responses by the GTAA and (c) protect the privacy of workers who have tested positive.

WORKING WITH PHAC, WE DEVELOPED THE

TORONTO PEARSON COVID LOG. It's a voluntary online reporting system through which employers can advise the airport community of new COVID cases. Keeping individual identities private, the public register posts salient information, including the date a worker tested positive, their last day at work prior to the test, and their employer and general role (for example, "safety officer"). By the end of the year, 89 employers were participating in the program, signalling a strong commitment to openness and transparency. The initiative, which received significant input from the Toronto Pearson Worker Safety Forum, has attracted interest from Transport Canada, as well as from other airports, including London Heathrow.

WE'VE MADE RAPID WORKPLACE TESTING AVAILABLE TO ALL PEARSON EMPLOYEES. On 8 March

2021, in parallel to our pre-departure passenger testing (see page 13), we began offering on-site COVID-19 antigen testing to airport workers who volunteered to be tested three times a week as part of a study funded by the National Research Council of Canada. The study will generate valuable comparative data that researchers affiliated with the University of Toronto can use to determine the efficacy of using antigen testing in the workplace. Airport workers are also able to take a rapid PCR test that provides results in two hours. This pilot program enables all asymptomatic individuals who may be at risk of infection to receive a test.

WE'VE PILOTED A WEARABLE DEVICE TO REINFORCE THE NEED FOR PHYSICAL DISTANCING. Developed

by Wipro, one of Pearson's key IT partners, the technology alerts wearers if they move closer to their co-workers than health guidelines recommend. It also provides critical contact tracing data in the event of a COVID-19 infection in the workplace.

WE QUICKLY RETOOLED AN EMPLOYEE-SUPPORT PLATFORM TO MEET PANDEMIC NEEDS. In early 2020,

we were laying the groundwork for an airport workforce development strategy called Pearson Works! However, when the pandemic caused a dramatic decline in air travel, it led to layoffs and furloughs for many airport workers. Acting quickly alongside TAWC and more than 20 employment-focused community organizations, we adapted our vision to launch Pearson Works Online, a virtual space designed to support the pressing employment needs of the airport community.

JOB SEEKERS TURNED TO THE PLATFORM FOR INFORMATION AND HELP WITH NEXT STEPS.

First, we posted emergency information to Pearson Works Online, assembling guidance for displaced employees on government and community support programs in areas such as income, food and housing. Next, we worked with community partners to provide employment support to airport employees, including workshops and employment counselling tailored to their needs and experience. More than 600 workers have registered for Pearson Works Online webinars and workshops, and in surveys the workshops earned an 85 per cent satisfaction rate. As air travel resumes, we plan to move the platform toward its original purpose of supporting employees as they build their skills and advance their aviation careers. 😑 Letters to Shareholders Healthy Airport Healthy Workforce Healthy Business Healthy Economy Healthy Communities Sustainability Corporate Governance MD&A and Financials GRI,

HEALTHY WORKFORCE

66

The toughest part about being laid off is starting all over again: learning new skills, being persistent, not giving up. Especially when COVID-19 was out of our control. ACCES Employment [a Pearson Works Online partner] helped me realize there are options. My success was finding a great company to work for in the logistics field. Please keep up the great work. I am grateful for the help and assistance.

Pearson Works Online user and employment program participant

Danger! Défense de s'assec

on conveyor

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HEALTHY WORKFORCE

PARTNERSHIPS

TEAMWORK WAS THE KEY TO MOUNTING AN EFFECTIVE COVID-19 RESPONSE. Managing a pandemic in a workplace as complex as Pearson's demands extensive collaboration. Fortunately, as part of our work to continuously enhance health and safety practices, discussions were already underway that subsequently proved vital to our COVID-19 response. The Toronto Pearson Safety Leadership Forum, comprising safety leaders with the airport's 16 largest employers, and the Toronto Pearson Worker Safety Forum, made up of union representatives from the Toronto Airport Workers Council (TAWC), had been meeting since 2019 with a focus on delivering coordinated safety messages to airport employees. When the pandemic hit, these groups expanded their scope to include identifying key safety measures and designing ways of working together more effectively. (TAWC's input was also critical to the creation of our employment resource hub, Pearson Works Online, and its evolution to address the new realities of COVID-19; see page 22.)

PEARSON PARTNERS WEEK CONNECTS PEARSON WORKERS WITH THE COMMUNITY. Over the past

few years, employees of more than 300 airport companies and organizations have joined *I am Toronto Pearson*, our grassroots movement devoted to delivering the best possible passenger experience. As the pandemic's second surge unfolded in late 2020, we extended that welcoming spirit into our surrounding communities through a new event called Pearson Partners Week. Working with organizations supported by the Propeller Project, our community investment program, we created a series of virtual gatherings in which airport employees shared their insights and experience with over 1,100 community participants. It's another way we're staying connected to our neighbours during a difficult time – and pointing the way to potential opportunities as the economy recovers.

NEXT

TO REINVENT OUR AIRPORT, WE NEED TO UNLEASH THE FULL POTENTIAL OF OUR WORKFORCE. We're

empowering Pearson employees to thrive in a new work environment. Through the coming year and beyond, we'll be leveraging what we've learned in addressing COVID-19 to further improve and enhance how we work together. That means evolving not only our health and safety practices, but also our technology platforms (for both remote and onsite workers), our internal communications and, crucially, our support for the well-being of employees and their partners and families. Transforming our business and the broader aviation sector starts with ensuring our culture and shared values – and the day-to-day practices by which we put those values into action – are ready for the future.





In April 2020, the first full month after the pandemic was declared, activity at Toronto Pearson was 97 per cent lower than in the same period the previous year.

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DAILY TRAFFIC AVERAGED ABOUT 2,000 PASSENGERS, COMPARED

TO MORE THAN 138,000 IN 2019. This dramatic contraction was mirrored in data from airports worldwide, as travel restrictions and the overall economic slowdown caused a precipitous drop in air travel. By the end of 2020, activity had recovered to some degree but was still far below normal. Annually, traffic declined by 73.6 per cent to 13.3 million passengers, down from 50.5 million passengers in 2019.

NO AIRPORT CAN RECOVER FROM THIS CHALLENGE

ON ITS OWN. We're part of a global aviation sector whose fundamental service – connectivity – depends on airports around the world operating in concert. The downturn caused by the pandemic has only magnified this interdependence. It will take all of us working together – alongside our airlines and other partners, and with support from governments and community stakeholders – to steadily rebuild our vital sector. That process has already begun. But for Toronto Pearson to fully contribute, we also need to focus on restoring the health of our own business. Deborah Flint, the GTAA's Chief Executive Officer, mapped out the challenge for employees in a July 2020 message:

While there is still uncertainty ahead, we will ultimately recover and adapt as an organization by capitalizing on our strengths and bringing greater focus, sustainability and impact to our operations. This transformation will be fuelled by a new way of working that is:

- Nimble: enabling us to break down barriers and work in more integrated, collaborative teams, outside of traditional silos
- Outcome-oriented: keeping us focused on our priorities and delivering results
- Insight-driven: grounding every decision in analytics, data, expertise and best practices
- **Innovative:** pushing us to challenge every assumption as we reimagine the future.

RESPONSE

THE DRIVE TO BE MORE AGILE AND COLLABORATIVE WAS EVIDENT FROM DAY ONE.

Leaders across the aviation community began sharing expertise and finding new ways to coordinate efforts as the pandemic affected every area of operation. Data was shared to manage capacity at each point in a journey and passenger flows were redeveloped, enabling the temporary closure of over 40 per cent of terminal facilities. At each step, changes in process were reviewed, including by an industrial hygienist, to maintain quality control.

WE'RE ENHANCING, ADAPTING OR REINVENTING

EVERY AREA OF OUR BUSINESS. That may mean redeploying resources within a smaller terminal footprint. Or introducing contactless technologies to keep passengers healthy while also improving flow. Or exploring the workplace of the future as the pendulum swings from remote to hybrid workplaces. Everything is up for analysis as we transition from crisis response to creating a new kind of airport.



It will take all of us working together – alongside our airlines and other partners, and with support from governments and community stakeholders – to steadily rebuild our vital sector.

CLEAR, CONSISTENT COMMUNICATIONS HAVE

NEVER BEEN MORE CRUCIAL. From the onset of the pandemic, we've kept passengers and community members informed on health and safety measures, travel restrictions and other impacts of COVID-19 at Pearson. We've also been in constant dialogue with airlines and other business partners, with public health agencies and research facilities, and with every level of government.

IN JULY 2020, WE ANNOUNCED A 27 PER CENT REDUCTION IN THE GTAA'S

WORKFORCE. Approximately 300 employees were laid off or departed voluntarily; we also eliminated about 200 positions that were unfilled. The restructuring included the departure of two executives, whose portfolios were reallocated across the management team. In addition to notice and severance packages, all departing staff were offered career transition and employee assistance support, as well as continued health benefits.

THE RESTRUCTURING WAS IMPLEMENTED IN CLOSE CONSULTATION WITH UNION REPRESENTATIVES.

GTAA management worked with the leadership of Unifor and the Pearson Airport Professional Fire Fighters Association to ensure that any changes affecting their members respected the letter and the spirit of our collective bargaining agreements.

THIS WAS CHALLENGING, BUT WE ASSESSED AND MANAGED THE RISK THROUGH THIS DECISION.

It came only after we had implemented many other cost-reduction measures (detailed in the section below on financial resilience), and as we faced a reduction in passenger traffic to the lowest levels since the GTAA's founding in 1996. Along with our industry peers, we could see that the pandemic and resulting economic downturn would have a negative impact on air travel not for a few months, but for several years. Moreover, even as aviation gradually recovered, it was clear that our business would never be the same. To meet the future needs of air carriers and their customers, we would have to transform Pearson's operations to be nimbler – and leaner – than ever before. At the same time, we were committed to treating our departing colleagues with fairness and sensitivity, while continuing to support the well-being and morale of everyone in our restructured organization.







This reduction is a difficult but necessary step, and one that we take with great sadness. The leadership team and I are deeply grateful for the contributions of our employees, each of whom has been part of the success and legacy of the GTAA. We are dedicated to treating everyone with the greatest respect and consideration throughout this process. We are committed to maintaining our operations and the health and safety of the airport as we evolve our organization to drive our recovery. I am confident that we have a capable and resilient team and the right approach to come through these challenging times with strength.

Deborah Flint President and CEO, 14 July 2020

THE CORNERSTONE OF TORONTO PEARSON'S TRANSFORMATION IS FINANCIAL RESILIENCE. This

has always been a guiding principle of the GTAA: as a non-share capital corporation, we are self-sustaining and must constantly reinvest in our airport to keep pace with future needs. When the COVID-19 pandemic led governments to impose travel advisories and restrictions – which in turn prompted carriers to cancel flights, suspend routes and ground aircraft fleets – we inevitably saw the impact on our business. To address the significant decline in both aeronautical and commercial revenues, we immediately took steps to increase operational efficiency, reduce costs and develop new potential sources of revenue.

Steps we've taken to maintain and strengthen liquidity include:

- A reduction of \$265 million in planned capital spending for 2020.
- A hiring freeze, as well as temporarily reduced salaries for GTAA executives and Board members.
- Applying for the federal government's Canada Emergency Wage Subsidy.
- Obtaining temporary relief in our Ground Lease agreement with the Government of Canada: a waiver of rent from March through December 2020, and a subsequent deferral of 2021 rent (to be paid back over 10 years beginning in 2024).
- Raising, for the first time in over a decade, our standard aeronautical charges to carriers, which include landing fees, general terminal charges and apron fees due to reduced flight activity.
- Increasing the Airport Improvement Fee (AIF) added to passenger fares, aligning our rates with those charged by other major Canadian airports.
- Negotiating an agreement with the GTAA's bondholders for temporarily relief from the rate covenant established for 2020 and 2021.
- Seeking additional support from federal government stimulus spending programs, including for investments in health and safety, security and public transit infrastructure.

THESE MEASURES HAVE HELPED BUT CAN ONLY PARTIALLY OFFSET THE PANDEMIC'S IMPACT.

Aeronautical revenues are driven by passenger traffic and naturally remained low as a second surge in COVID-19 infections (including several variants of the original virus) sparked new global travel restrictions in late 2020 and early 2021. For the same reason, commercial revenues – from non-aeronautical sources such as restaurants and shops, parking, ground transportation, and rent paid by airlines for check-in counters and kiosks – declined dramatically after reaching record highs in 2019. As a result, total annual revenues for fiscal 2020 fell by 45.9 per cent compared to the previous year. Net income decreased by \$523.2 million for a net loss of \$383.4 million.

TO ACCELERATE RECOVERY AND REINVENT OUR AIRPORT, WE NEED NEW SOURCES OF REVENUE.

This is another concrete goal of the GTAA's 2021–2023 strategic plan: growing revenue through business diversification. By leveraging Toronto Pearson's assets and expertise, we'll create new lines of business that are less dependent on traditional revenue streams derived from passenger services.



To address the significant decline in both aeronautical and commercial revenues, we immediately took steps to increase operational efficiency, reduce costs and develop new potential sources of revenue.

INNOVATION

AIR CARGO PLAYS A CRUCIAL ROLE IN A GLOBALLY CONNECTED, DIGITALLY DRIVEN ECONOMY. Toronto Pearson is already a significant cargo hub, handling 40 per cent of Canada's annual air freight needs in 2019. As more and more businesses depend on global supply chains for high-value products and components, we expect cargo traffic to continue rising steadily.

THIS IS ONE AREA OF AVIATION THAT HAS GROWN

DURING THE PANDEMIC. In the spring of 2020, air carriers and logistics companies at Toronto Pearson worked round-the-clock to deliver personal protective equipment, medicines and other critical supplies to the front lines of the COVID-19 response. By late fall, our specialized cargo role had expanded to include vaccine deliveries. GTAA teams have been working with governments, health agencies and a range of business partners to manage the highly complex process of shipping, storing and distributing these precious lifesaving products.

CARGO WILL REMAIN CRITICALLY IMPORTANT IN

THE ECONOMIC RECOVERY AHEAD. As global companies rethink supply chains, many are shipping more products by air to reach markets faster and avoid disruptions. At the same time, the boom in e-commerce – amplified by the pandemic, but expected to retain much of its momentum going forward – has sparked industry giants like Amazon, Wayfair, FedEx and UPS to expand their reach by

investing in new facilities, staff and infrastructure. Pearson has already seen the benefits in rising cargo revenues, and we expect that growth will continue.

WE'RE POSITIONED TO STRENGTHEN THE SUPPLY

CHAIN. In the first days of the pandemic, it was a matter of responding quickly to urgent needs. For example, when Air Canada converted several passenger aircraft to carry more commercial goods beyond what is already transported in belly cargo holds, a GTAA team helped modify baggage equipment to load freight more efficiently. Now we're working with all of our cargo partners – especially those who operate the growing number of dedicated freighters – to develop more strategic long-term solutions.

AMONG THE OPTIONS WE'RE EXPLORING:

- Enhancing Pearson's existing cargo infrastructure which includes
 1.2 million square feet of warehouse space with specialized storage, sorting and distribution facilities.
- Providing integrated systems to process digitized waybills, customs declarations and other documentation, enabling a more efficient data flow. The ultimate objective: a single information hub for cargo airlines, freight forwarders, ground handlers, customs and security agencies, and GTAA support teams.



PARTNERSHIPS

WE'RE LEADING THE CONVERSATION ON MODERNIZING AIR CARGO SUPPLY CHAINS. In April

2020, the GTAA and the Ontario Chamber of Commerce co-hosted a virtual roundtable of key players in the air cargo ecosystem. Victor Fedeli, the province's Minister of Economic Development, Job Creation and Trade, met with GTAA Chief Executive Officer Deborah Flint and other leaders to discuss the complexities of air cargo and the need to strengthen and streamline supply chains to accelerate economic recovery. Then in August, Deborah Flint joined Marc Garneau, then federal Minister of Transport, for a national roundtable co-hosted by the GTAA and the Canadian Chamber of Commerce. The outcome of these meetings was to highlight the importance of air cargo to Canada's economy and how improvements in the supply chain network, particularly through digitization, will advance future development in this critical area of our country's global competitiveness.

CONSUMERS ARE EMBRACING TOTAL SERVICE EXPERIENCES ENABLED BY TECHNOLOGY. In the travel

sector, guests welcome the ability to plan and book every aspect of their trips online, then engage seamlessly with each provider along the way, using their mobile devices. Several of Pearson's airline partners are already heading in this direction – offering, for example, convenient home baggage pick-up to loyal customers. Moving forward, we see opportunities to integrate even more elements into a passenger's airport journey, from parking or limousine services, to food-and-beverage offers, to exclusive e-commerce and retail shopping opportunities. By working more closely with our partners, we can create a holistic experience for air travellers while building the kind of loyalty that translates into higher revenues.



In the travel sector, guests welcome the ability to plan and book every aspect of their trips online, then engage seamlessly with each provider along the way, using their mobile devices.

NEXT

IN A DIGITAL WORLD, WE CAN GET TO KNOW TRAVELLERS BETTER THAN EVER. The information they share with us today ensures a healthy, comfortable airport experience. Looking ahead, we have the opportunity to build a platform with our partners that will support enhanced e-commerce, growing and diversifying our revenue streams. At the same time, the data-driven insights from such a platform will allow us to operate Toronto Pearson even more safely and efficiently while creating a more personalized and enjoyable airport experience.

BY DEEPENING PASSENGER ENGAGEMENT, WE'LL REALIZE ANOTHER OF OUR STRATEGIC GOALS:

driving financial strength and cost-competitiveness. Recovery doesn't mean restoring the status quo: Pearson will need to compete on cost and value as we inspire travellers to fly again and reactivate the growth in demand that has propelled our business for the past two decades. We have the experience and expertise, as do our partners. With our continued focus on advancing innovation while managing costs, we're committed to enabling a sustainable recovery.

A HEALTHY BUSINESS, OF COURSE, MUST BE MORE THAN FINANCIALLY SUSTAINABLE. The GTAA can also build

on a strong record of environmental leadership as we work toward a truly sustainable recovery alongside our employees, communities, and industry and government partners. In 2020, as we concluded the final phase of our previous environmental management plan, we were pleased to have our efforts recognized with an ACI Environmental Award from Airports Council International (see page 36). And even as we marked that milestone, we were finalizing a new environmental strategy that will guide our sustainability efforts going forward. Seven detailed action plans will direct our work on reducing emissions, building resilience to climate risks, overhauling our energy systems, improving water management, managing natural resources and reducing waste.

THIS CHALLENGING YEAR HAS ALSO OFFERED OPPORTUNITIES TO BOOST SUSTAINABILITY. One

effect of the COVID-19 pandemic was that reduced air travel lowered the intensity of Toronto Pearson's operations: less passenger traffic meant, for instance, that our airport needed less water and produced less waste. Importantly, we haven't treated this unique downturn as an excuse to relax our environmental efforts; rather, we've seized the opportunity to take additional steps, such as measuring air quality in our terminals. Insights from this year will inform our future thinking and actions as we continue our journey to become a net-zero facility – in both waste and greenhouse gas emissions – by 2050.



Toronto Pearson plays a vital role in the regional and national economies. An independent 2016 study, conducted by Frontier Economics for the GTAA, concluded that our airport and the activities it supports contributed about \$42 billion annually to Ontario's economy, or more than 6 per cent of GDP.

BEFORE THE PANDEMIC, NEARLY 50,000 PEOPLE WERE DIRECTLY

EMPLOYED AT PEARSON. More than 300,000 worked in the surrounding Airport Employment Zone, Canada's second-largest employment cluster (after downtown Toronto).

PEARSON CREATES JOBS IN EVERY SECTOR THAT

RELIES ON AIR CONNECTIVITY. In addition to supporting trade in high-value goods and services, our airport helps to attract foreign direct investment. We link the GTHA, Ontario and all of Canada to the world: prior to the pandemic, regular non-stop flights from Pearson reached more than two-thirds of the global economy. We connect people, ideas and capital, facilitating strategic partnerships and new ventures that in turn stimulate domestic economic growth. As Canada's largest airport, we're also a hub for immigration, helping grow the national talent pool and build more diverse, economically vibrant communities.

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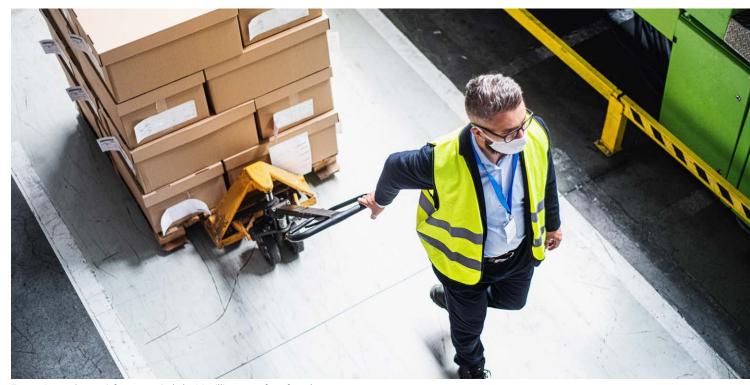
Toronto Pearson contributes about \$42 billion annually to Ontario's economy.

ALL OF THESE POSITIVE IMPACTS HAVE BEEN SEVERELY COMPROMISED BY COVID-19. The

consequences have been particularly harsh in the aviation industry, and they extend throughout the broader travel and tourism sector, where Pearson plays a critical role as an international gateway. We're part of an economic ecosystem that supports hundreds of thousands of jobs and contributes billions to Canada's GDP.

FROM THE ONSET OF THE PANDEMIC, OUR

RESPONSIBILITIES WERE CLEAR: Not simply to protect our passengers and employees, but to safeguard the communities and the nation that Toronto Pearson serves. And not only to start building a recovery plan for our airport, but to join with our business, government and community partners in restoring and advancing the overall economy.



Toronto Pearson's cargo infrastructure includes 1.2 million square feet of warehouse space.

RESPONSE

IN AUGUST 2020, THE FEDERAL GOVERNMENT RELEASED CANADA'S FLIGHT PLAN FOR NAVIGATING

COVID-19. The product of extensive collaboration among governments, public health experts and the aviation industry – including the GTAA – *Flight Plan* set out proven international best practices – from health checks and face coverings to touchless technologies – designed to protect air travellers and aviation workers. The document also provided a detailed framework for restarting the aviation sector in Canada.

THE GTAA MAINTAINS A CONSTANT DIALOGUE WITH ALL LEVELS OF GOVERNMENT. It's part of our

responsibility as a critical piece of public infrastructure and an engine of the regional and national economies. When the pandemic hit, those conversations quickly shifted to how we could work with our government partners to protect travellers and airport employees. Toronto Pearson also had an important part to play in repatriating hundreds of thousands of Canadians as new travel restrictions were introduced around the world. And as the nation's principal air cargo hub, Pearson was a key entry point for much-needed protective equipment and medical supplies.

WE ALSO HAVE AN IMPORTANT ADVOCACY ROLE.

In light of the economic challenges posed by the pandemic, we recognized the need for extraordinary government support measures – not just for Toronto Pearson, but for our entire sector, from airlines and aviation-related businesses to travel operators, hotels and other hospitality providers.

KEY PROPOSALS PRESENTED TO THE FEDERAL GOVERNMENT INCLUDE:

- Rent relief for Canadian airports operating on leased government lands.
- Investment in critical infrastructure and low-touch technologies to enhance passenger and workplace safety.
- Border modernization to ensure the safe, efficient movement of international travellers, including enhancements such as e-gates, biometrics and advanced CT scanners.
- Loan and bond guarantees provided to Canadian airports to forestall potential action by creditors until passenger activity returns to profitable levels.

- Stimulus investment that includes the transportation sector, as well as funding of capital costs for enhancing airport facilities and related transit infrastructure.
- New revenue-generating tools to help Canadian airports recover faster: notably arrivals duty-free stores (currently available in over 60 countries), where inbound international passengers can shop before leaving the airport; and dual-shop stores, which offer both duty-free products for international travellers and duty-paid goods for domestic passengers and airport employees.

KEY PROPOSALS PRESENTED TO THE ONTARIO PROVINCIAL GOVERNMENT INCLUDE:

- Collaborating on a voluntary arrivals testing program at Toronto Pearson (see page 15) to safeguard community health.
- Conferring with leaders in the travel and tourism sector on interprovincial border restrictions (which vary widely) and selfisolation/quarantine rules, as we seek ways to streamline the travel experience while ensuring public health.
- Exploring opportunities to reinvigorate Ontario's travel and tourism ecosystem with measures that could increase competitiveness and stimulate demand.
- Continued investment in a public transit strategy for the western GTHA that integrates Toronto Pearson (see page 38 on the Eglinton Crosstown West extension).



Flight Plan set out proven international best practices – from health checks and face coverings to touchless technologies – designed to protect air travellers and aviation workers.

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In light of the economic challenges posed by the pandemic, we recognized the need for extraordinary government support measures – not just for Toronto Pearson, but for our entire sector, from airlines and aviation-related businesses to travel operators, hotels and other hospitality providers.

INNOVATION

OUR INNOVATIVE RESPONSES TO COVID-19 WILL ALSO HELP FUEL ECONOMIC GROWTH. As we collaborate with companies like BlueDot (infectious disease analytics), Dexterra (robotic floor cleaners) and CleanSlate UV (sanitizing of electronic devices), we help create new opportunities for these Canadian enterprises while contributing to the overall innovation ecosystem, regionally and across the country.

THE GTAA HAS BEEN RECOGNIZED FOR

ENVIRONMENTAL LEADERSHIP. We were proud to receive a 2020 ACI Environmental Award from Airports Council International for our "20/2020" Greenhouse Gas Policy and the substantial reductions in emissions it has spurred at Toronto Pearson over the last decade. When we embarked on "20/2020" in 2009, our goal was to reduce our airport's emissions by 20 per cent relative to a 2006 baseline. To realize this vision, we introduced many equipment upgrades and process improvements, such as shifting to LED lighting, adopting more efficient HVAC systems, adding charging stations for electric vehicles and adapting airside infrastructure to reduce aircraft idling.

On the strength of these and other measures, we've exceeded our goal, cutting airport emissions by more than 60 per cent from 2006 levels (based on audits conducted as part of our Airport Carbon Accreditation Level 3 certification, which are independently verified). As we embark on our next Environmental Sustainability Strategy, the ACI award is a welcome reminder of our progress to date and the momentum we've built together.



The GTAA received a 2020 ACI Environmental Award from Airports Council International for our "20/2020" Greenhouse Gas Policy.



From left to right: CleanSlate UV stations in our terminals sanitize electronic devices; eq wave wearable technology prompts team members to maintain physical distance and supports contact tracing; autonomous floor cleaners use UV-C technology to disinfect.



PARTNERSHIPS

WE'RE COLLABORATING WITH THE PROVINCE ON ECONOMIC RECOVERY AND EXPANSION. The

Airport Employment Zone (AEZ) supports more than 300,000 jobs in a wide range of industries, from freight forwarding and logistics, to technology and life sciences, to tourism and hospitality. The economic significance of Canada's second-largest employment cluster is recognized by the Province of Ontario, which mirrored the AEZ boundaries in designating a Provincially Significant Employment Zone (PSEZ) centred on Toronto Pearson and incorporating lands within several neighbouring municipalities.

WE ADVOCATE A COORDINATED APPROACH TO FURTHER DEVELOPING THE AEZ/PSEZ. To fully

leverage the opportunities the zone provides for large-scale job creation and economic growth, we've proposed that the provincial government spearhead a multi-stakeholder initiative aligning the interests and efforts of the GTAA, the Region of Peel, and the cities of Brampton, Mississauga and Toronto. The AEZ/SPEZ is already a major transportation crossroads, with extensive regional road networks and continental rail connections. By working in concert, the zone's various stakeholders can prioritize initiatives that will yield the greatest benefit, from an improved transit network (see next section) to investment by enterprises that gain the most from the connectivity that Pearson provides. With coordinated planning and development – as practised, for example, in the vibrant economic zone around Amsterdam's Schiphol Airport – we will speed up recovery and fuel long-term growth.

THE PANDEMIC REINFORCED OUR VITAL PARTNERSHIPS WITH THE BUSINESS COMMUNITY.

The GTAA has always fostered close working relationships with industry groups and other stakeholders in the regional and national economies. Those ties were only strengthened by our collective response to COVID-19 – for instance, in the roundtables we've helped convene on leadership in innovation (see page 17) and the growing importance of air cargo in global supply chains (see page 31). Organizations we've collaborated with in advocacy, knowledge exchange and solution building include:

- Toronto Region Board of Trade
- Brampton Board of Trade
- Mississauga Board of Trade
- · Canadian Chamber of Commerce
- Ontario Chamber of Commerce
- Southern Ontario Airport Network
- · Tourism Industry Association of Canada
- Tourism Industry Association of Ontario
- Destination Toronto (Toronto Convention and Visitors Association)
- Tourism Mississauga
- Greater Toronto Hotel Association

NEXT

WE'RE ACTIVELY PURSUING A TRANSIT STRATEGY THAT INTEGRATES TORONTO PEARSON. Over the

past few years, the GTAA, guided by our Board of Directors, has collaborated with the Government of Ontario, Metrolinx and other transportation agencies, along with municipal governments and community stakeholders, on efforts to extend ground connectivity in the GTHA and across the region. More specifically, we've invested more than \$20 million in planning and design work for transit integration at Toronto Pearson – including collaborations with Metrolinx on initial studies for the proposed Kitchener GO Rail Corridor Airport Connection and the Airport Segment of the light-rail Eglinton Crosstown West Extension (ECWE).

THE CRUCIAL NEXT PHASE CAN ONLY PROCEED

WITH GOVERNMENT SUPPORT. The ECWE Airport Segment will connect Pearson and the surrounding Airport Employment Zone (AEZ) to a broader, densely populated catchment area that studies show will have high levels of ridership. With Metrolinx's initial business case complete, the project is ready to move into preliminary design and procurement preparation.

BETTER TRANSIT CONNECTIONS WILL BENEFIT OUR REGION – AND THE NATIONAL ECONOMY. The

business case developed by Metrolinx sets out significant benefits of the project. Connecting the ECWE to Toronto Pearson will provide a rapid transit option not only for air travellers, but for more than 300,000 workers who today mainly drive to the AEZ, adding to growing congestion on regional roads. An integrated regional hub at Pearson will provide faster, more reliable transit to the entire western GTHA – including thousands of low-income households within a "one-seat" trip of AEZ jobs. Freeing up road capacity will also allow more of the cargo truck traffic that is critical to Canadian supply chains and foreign trade – even as GHG emissions are reduced by an estimated 17,000 tonnes annually.

TRANSIT IS JUST ONE PIECE IN A LARGER RECOVERY

STORY. And as that story continues to unfold, we increasingly see that what began as a threat to public health and economic well-being has become a catalyst for positive change. It will be some time before flight activity at Toronto Pearson returns to pre-COVID levels. But soon enough, we expect to resume the growth trajectory of the past two decades, for a few fundamental reasons: Our airport creates jobs, attracts investment and drives long-term growth. It's an international gateway for travel and tourism – local, regional and nationwide. And it's a critical hub for a dynamic trading nation that thrives on connectivity.



The Union Pearson Express is a convenient and cost-efficient transit option to and from downtown Toronto.

HEALTHY COMMUNITIES

Toronto Pearson's community impact extends far beyond the passengers and employees who pass through our doors each day. All Canadians benefit from the economic activity and social links that strong air connectivity supports.



WHAT'S MORE, THE FLOW OF GOODS THROUGH OUR AIRPORT HELPS TO MEET THE NEEDS OF MILLIONS OF CANADIANS – for

everything from food and medicine to digital devices and workplace equipment, along with countless other essentials. This has been especially true during the COVID-19 pandemic. Vital supplies such as personal protective equipment, ventilators, testing kits and, most recently, vaccines have all passed through our airport.

RESPONSE

WE COMMUNICATED CLEARLY ABOUT THE

PANDEMIC'S EFFECTS ON AIR TRAVEL. From the early days of the COVID-19 crisis, we issued regular communications about how it was affecting airport operations and our partners in the Toronto Pearson community. We helped passengers understand how new travel rules could affect them, and we supported many in changing their plans. We also explained the specific health and hygiene measures we were taking – from basics like intensified cleaning to innovations like UV sterilization and touchless elevators (see page 77) – to protect passengers, employees and the wider community.

WE WORKED TO KEEP THE PUBLIC INFORMED AT A

CONFUSING TIME. In addition to using established outbound channels like email and posts on torontopearson.com, we fielded questions via social media and through a new live chat feature on our website. Some of the queries we received were not from passengers but from community members concerned about the risks of the coronavirus spreading as the result of international travel. Our teams strived to deliver timely, accurate answers to everyone who looked to Pearson for information.



Toronto Pearson handled 40 per cent of Canada's air freight needs in 2019. In 2020, we've played an important role in handling pandemic-related supplies, including vaccines.

HEALTHY COMMUNITIES

WE CONTINUED TO PARTNER ON REGIONAL

ECONOMIC DEVELOPMENT. In 2019, after working with the consulting firm Deloitte to develop a white paper on underemployment in the GTHA, we committed to moving the needle on this issue by focusing our community investment program, the Propeller Project, on the priorities we'd identified. COVID-19 forced us to adapt some of these efforts to a radically altered employment landscape (see Pearson Works Online, page 22). Still, we followed through on six planned community investments, committing \$1 million toward achieving longer-term progress on underemployment, especially in Mississauga, Brampton and Etobicoke.

BLACK AND INDIGENOUS PEOPLE ARE A KEY FOCUS OF OUR COMMUNITY INVESTMENT. In 2020,

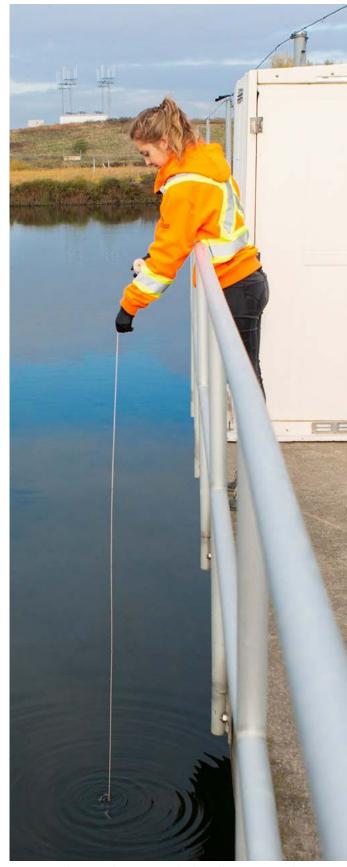
as we accelerated work on equity and inclusion within our own organization (see page 21), we launched a parallel response via the Propeller Project. Through our Nest Fund, we issued a \$300,000 call for proposals directed at charities and non-profit organizations primarily run by, and targeting the needs of, people who identify as Black or Indigenous. Our support will be directed toward capacitybuilding activities. The partnerships we expect to forge, together with our commitment to the BlackNorth Initiative (see page 43), represent an important step forward in the GTAA's work to improve racial equity across our region.

WE'VE REMAINED ENGAGED ON NOISE ISSUES – BY TAKING THE CONVERSATION ONLINE. The new

Noise Management Forum earned broad approval when it was introduced in 2019: participants saw it as effective in building mutual understanding and delivering positive outcomes. When COVID-19 made it difficult to meet in person, we were committed to maintaining this new engagement structure and to maintaining strong working relationships with Pearson's stakeholders and partners. We quickly moved the forum online, maintaining the same schedule and continuing to keep our neighbours and others informed about the potential impacts of evolving operations during the pandemic (for example, as passenger traffic diminished but cargo flights increased).

WE MADE PANDEMIC RECOVERY PART OF OUR ENVIRONMENTAL CONSULTATIONS. The GTAA's

commitment to environmental leadership informs everything we do, including how we're approaching economic recovery. To develop our new environmental action plans (see page 31) and promote alignment on sustainability issues, over the past year we engaged with a wide range of stakeholders, including industry partners and municipalities; airport employees; passengers and the general public; regional communities; and elected officials in all levels of government.



A Pearson employee tests the water in a wetlands near the airport. We work with partners to support local conservation and biodiversity initiatives.

HEALTHY COMMUNITIES

INNOVATION

WE'RE USING NEW CHANNELS TO STAY CONNECTED WITH OUR COMMUNITIES. Digital tools have become even more vital to Pearson's operations during the pandemic. In addition to our usual social media interactions and email updates, in the past year we added a chat feature to our website to field questions from passengers and the public. Additional tools, including a Business Chat link for iPhone users and enhanced interactivity via WhatsApp and text messaging, are now in development. While our top priority continues to be providing passengers and the public with constantly updated information on airport operations, in 2020 we also took steps to sustain the programming that keeps Toronto Pearson connected to the vibrant communities we serve. To that end, we launched YYZ Live Online, a virtual variation on the live concert series we co-host at our airport in partnership with the City of Toronto.

OUR NEIGHBOURS CAN NOW USE A NEW NOISE

MONITORING TOOL. Toronto Pearson is the first airport in North America to launch InsightFull, an interactive web-based tool through which users can enter location data, such as a home address, and receive customized, site-specific noise data. The information InsightFull provides is designed to be easily understandable: reports are structured around common questions we receive about noise impacts. Complementing the GTAA's many other engagement channels around noise management, InsightFull underscores our commitment to transparency and informed dialogue.

WE'VE ALWAYS LOOKED FOR INTERESTING WAYS TO SHARE OUR STORY WITH THE COMMUNITY.

This year, with our usual in-person programs suspended due to the pandemic, we reached out to kids and families online through the Pearson Airport Explorers' Club, a virtual camp program for students in grades three through eight. Each monthly camp session features a theme: "Animals at the Airport," for instance, or "The History of Flying," or "Welcome to Canada!" (which showcased newcomers arriving at Pearson). The Airport Explorers' Club has also attracted some notable guests with unique perspectives on aviation; Marc Garneau, then federal Minister of Transport, and Deborah Flint, the GTAA's President and CEO, have both shared their thoughts with young Explorers. The impact of the Pearson Airport Explorers' Club was recognized with the 2020 ACI-NA Award for Best Educational and Outreach program.

WE HOSTED OUR FIRST-EVER VIRTUAL TAKE OUR KIDS TO WORK DAY IN 2020. Developed in collaboration

with the Pearson Airport Explorers' Club and the Learning Partnership, this interactive e-learning event included over three hours of content inviting students and guardians to choose their own educational adventure at our airport. Segments and activities covered everything from the workings of terminals and runways to the people of our Pearson community and the diverse career opportunities we provide. We were pleased to be able to open this to all Grade 9 children of Toronto Pearson workers, as well as to the broader community.

TRAVELLERS WITH INVISIBLE DISABILITIES HAVE NEW RESOURCES AT OUR AIRPORT. The Sunflower Lanyard Program supports passengers with sensory, medical or

other disabilities that may not be evident to others. Available at our information desks, the lanyards are discreet but recognizable to airport employees. Passengers who choose to wear or hold a lanyard let our team members know they may need support or extra time for tasks, such as boarding flights or making retail purchases. This program, the first of its kind in Canada, benefited from the insights of the Hidden Disabilities Sunflower organization in the U.K., as well Autism Ontario and other groups serving Canadians with invisible disabilities.

WE'VE ADDED NEW TRANSLATION SUPPORT, INCLUDING VISUAL SERVICES. Toronto Pearson's

LanguageLine service now provides visual translation in American Sign Language, as well as audio translation for over 200 spoken languages. We've also deployed hearing loops – audio devices that help to eliminate background noise by connecting directly to hearing aids – at key information counters and gates. These initiatives were informed by Canadian Hearing Services and, like the Sunflower Lanyard Program, are part of a broader effort to make Toronto Pearson more accessible and welcoming to everyone.



Digital tools have become even more vital to Pearson's operations during the pandemic. In addition to our usual social media interactions and email updates, in the past year we added a chat feature to our website to field questions from passengers and the public.

HEALTHY COMMUNITIES

PARTNERSHIPS

WE'RE WORKING WITH BUSINESSES AND NGOs FOR A SMART RECOVERY. For example, GTAA President and CEO Deborah Flint joined the steering cabinet of *Reimagining Recovery*, a support framework established by the Toronto Region Board of Trade to inform government policy and support regional recovery from the economic impacts of COVID-19. The framework's focus areas include sector-by-sector recovery; retrofitting cities for a post-pandemic reality; and the return to trade.

WE'VE JOINED THE BLACKNORTH INITIATIVE

AGAINST ANTI-BLACK RACISM. In July 2020, Deborah Flint joined more than 300 leaders of Canadian organizations in signing the CEO Pledge of the recently formed BlackNorth Initiative. Signatories commit to a set of specific goals, including identifying and removing barriers to advancement for Black talent; working together with the BlackNorth network to share successful (and less effective) equity practices; and increasing the representation of Black leaders on boards and executive teams.

AS WE'VE STEPPED UP FOR OUR PARTNERS, WE'VE

RECEIVED THEIR SUPPORT IN RETURN. During the past year, community employment agencies that have benefited from Propeller Project funding came forward to offer customized support to airport workers laid off as a result of COVID-19. Recognizing the challenges facing the aviation sector, – and the strength of the partnerships we've built over many years – these not-for-profits offered their assistance to airport employees. In addition to helping many individual workers land new jobs, these generous partners gave us a powerful reminder that strong relationships are the key to resilience and an essential ingredient in recovery.

NEXT

ENVIRONMENTAL PARTNERSHIPS REMAIN CENTRAL

TO OUR COMMUNITY ENGAGEMENT. In addition to meeting increasingly ambitious sustainability standards in our own operations, Pearson partners with others to support conservation and biodiversity initiatives. One notable collaboration in the past year was the GTAA's participation, along with the Toronto & Region Conservation Authority, five neighbouring municipalities and the Mississaugas of the Credit First Nation, in a steering panel to develop a new plan for the Etobicoke and Mimico Creek Watersheds.

OUR COLLABORATIONS WITH MUNICIPALITIES

ARE AS ACTIVE AS EVER. As a major transportation hub and large-scale employer, Pearson fosters multifaceted relationships with local and regional governments as we collaborate on workforce development, transit integration and other drivers of prosperity.

WE'LL EMERGE FROM THE PANDEMIC EVEN MORE

CONNECTED AND RESILIENT. In responding to the unique imperatives of 2020, we've worked to sustain our relationships and engagement practices across the GTAA's stakeholder community. We were proud to fulfill our community investment commitments even amid major disruptions to our business. We've also stepped up in new ways, supporting collaborations on racial justice and regional economic recovery. Just as the relationships we've built in years past helped us respond more effectively to the crises of 2020, the relationships we're forging during this exceptionally challenging period – relationships founded on trust, respect and a shared vision of the future – will help us all realize a more sustainable, inclusive and connected future.



We were committed to maintaining an active community engagement program despite the constraints of COVID-19, quickly moving our Noise Management Forums and activities such as Pearson Partners Week online.