

INNOVATION IS IN THE AIR



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**INNOVATION
IS EVERYWHERE.
IT GUIDES US.**



Edmonton International Airport (EIA) helps drive the Edmonton Metropolitan Region economy through its core businesses of commercial passenger flights and cargo services. As EIA expands its core businesses and the Airport City Sustainability Campus, environment, social and governance (ESG) considerations guide every decision we make. We do this because we know our community demands it, and it is our fundamental duty to be responsible stewards of EIA and Villeneuve Airport. We also know as the world recovers from the pandemic, citizens, political leaders, businesses and non-government organizations are calling for renewed global efforts to recover in more sustainable, ethical and equitable ways.

For the first time, we have dedicated a full section in this report to our ESG commitments, starting on page 31.



NOBLE CAUSE
Uniting people for a world of new possibilities

VISION
More flights to more places

MISSION
Driving our region’s economic prosperity through aviation and commercial development

GOALS
10 million annual enplaned and deplaned passengers by 2025

\$3.8 billion in economic output by 2025



OUR CORE VALUES

Safety and security first
We ensure that the safety and security of our customers, employees, facilities and environment is a primary concern in all aspects of doing business.

Own the outcome
We are motivated by customer expectations in providing quality facilities and services in a customer-sensitive and service driven manner.

Doing the right things right
We are accountable for all our actions including financial management, and act honestly and respectfully in our business relations, usage of our resources, treatment of our customers and each other, and in the general conduct of our business.

Invested in our talent
People are our most important resource; we work together to foster an open and cooperative environment that encourages teamwork, communication and mutual respect.

Dedicated to sustainability
We are committed to responsibly managing all of our assets to advance our region’s environmental stewardship, social well-being and economic prosperity.



STRATEGIC OBJECTIVES

- Improve Financial Sustainability
- Enhance Passenger Experience
- Improve Social, Environmental and Economic Impacts
- Enhance Airline Productivity
- Improve Employee Engagement, Performance and Well Being

BOARD CHAIR'S MESSAGE

Innovation in thinking, in technology and how EIA does business every day, has steered the organization through the COVID-19 pandemic, setting the foundations for recovery. EIA is primed to help the Edmonton Metropolitan Region grow as the pandemic wanes and optimism surges.

We thank Tom and the entire team at EIA for their unwavering focus on EIA's mission: *Driving our region's economic prosperity through aviation and commercial development.*

We also appreciate the collaborative efforts of our regional partners to identify key routes of interest, as well as our work with our airline partners to attract non-stop flights back to EIA.

Throughout this report, EIA's innovative mindset is evident in every part of our business – from incorporating new technologies to keeping our passengers and employees safe during the pandemic – to new developments at EIA's Airport City that help our region build sustainable jobs in technology, tourism, agriculture and many other sectors.

As a major driver of our region's economy, we recognize our stakeholders' expectation to deliver on our mission in ways that boost jobs, protect the environment and foster positive

social development in our community. That is why we are committed to leadership in ESG (environment, social and governance).

In 2021, we took major steps towards reducing carbon emissions and supporting sustainability initiatives. EIA became the world's first airport to sign the Climate Pledge, an initiative led by Amazon with more than 300 global businesses and organizations pledging to be carbon neutral by 2040.

As well, EIA and Air Canada signed Canada's first sustainability agreement between an airline and airport. The EIA-Air Canada Sustainability Partnership will focus on initiatives that promote a cleaner environment, including electrification of aviation equipment, hydrogen fuel cell technologies, development of sustainable aviation fuels, biofuels and hydrogen, replacement of single-use plastics with plant-fibre materials, and other initiatives to reduce and offset carbon emissions. Additionally, as part of this agreement, EIA and Air Canada are supporting international efforts by the non-profit group United for Wildlife to stop the illegal trafficking of wildlife and wildlife products.

Supporting this and other sustainability endeavours is green power generation provided by Airport City Solar – the world's largest airport-based solar farm, which is slated

to begin construction at EIA in 2022. When completed, the solar farm will have 647 acres of panels and will create enough power to run 28,000 homes.

Beyond new partnerships and commitments, EIA is already reducing carbon emissions in a big way with the commissioning of our new natural gas cogeneration facility in 2021. The new power plant will reduce annual carbon emissions by approximately 20 per cent or 7,000-8,000 tonnes of CO² equivalent per year.

A major initiative in terms of social sustainability is our work to strengthen our partnerships as we collaborate with Indigenous communities and organizations in projects that will create new jobs and opportunities for Indigenous Peoples. Construction is underway on an Indigenous Interpretive Centre in EIA's terminal building and it is expected to open in 2022. The Interpretive Centre will showcase Indigenous history, culture, teachings and interactive programming experiences for passengers. We are excited to open and share this Centre with our community.

While the past two years challenged all of us, I continue to be grateful to work with such an innovative organization dedicated to advancing economic prosperity for our community, in the right way. We see a bright future for EIA and Villeneuve Airport.

I am also thankful to my fellow Board members who bring so many diverse experiences and wide-ranging expertise in their duty to guide the strategic direction and governance of our region's aviation assets.

With EIA's innovative approach and that of our many community, business and government partners, we are poised to create and capitalize on new opportunities to drive our region's recovery.

Joan Hertz QC, ICD.D
Board Chair



PRESIDENT AND CEO'S MESSAGE

The past year was another challenging one for the commercial aviation industry both here in Canada and around the world. However, there were also positive indications of recovery from the global pandemic, and there is a renewed sense of optimism in our region, across Alberta and around the world.

At EIA, our focus was on preparing our airports and region for a brighter future. We did not let the pandemic impede our mission to drive regional economic development. Innovation was at the heart of our forward focus, and our team seized the opportunity to innovate and sustainably grow Airport City.

Our employees are the true drivers of innovation and their collaboration and teamwork have underpinned EIA's ability to nimbly respond to the pandemic and ever-changing public health measures. Their efforts help safeguard the health, safety and security of everyone who works at or uses our airport.

EIA's growing cargo business took on even greater prominence during the pandemic, delivering much-needed medical supplies, vaccines and increased e-commerce volumes. As well, our cargo services allow regional businesses to ship their products more quickly to global markets and bring in critical equipment and supplies they need to grow.

Our cargo business set a new record in 2021 in terms of cargo volume handled at EIA, with a five per cent increase over 2020. This record is a credit to EIA's entire cargo community, which offers top-tier service to customers from around the world.

To ensure EIA has the cargo capacity that our energy, agriculture, tech and many other sectors need, we announced a \$36-million expansion to our cargo apron. We thank the federal government for its \$18-million investment in the project.

The continued build-out of EIA's Airport City exemplifies innovation expansion. Airport City is a magnet for investment, attracting more than \$1.5 billion in private investment over the past nine years. It has grown into one of the Edmonton Metropolitan Region's key economic development and innovation hubs.

In June, we launched the Ag-celerator – a new food manufacturing facility designed to help emerging Canadian food innovators access new national and global markets. The facility, with the support of PrairiesCan, and EIA's project partner Uproot Food Collective, fills a gap in local food manufacturing, keeping those jobs here in the region.

We also welcomed new tenants to Airport City: Alternate Route, coffee roasters; EMMYDEVAUX, an online fashion retailer; and Indigenous Box, a subscription box filled with Indigenous-made products. In the terminal, we welcomed the first airport Canadian Brewhouse.

In another milestone, EIA became Canada's first airport to begin regularly scheduled drone delivery operations from within restricted airspace.

As we continue to expand Airport City, we know air service is our core business. We are excited by the number of returning and new destinations in 2021 and the returning and new destinations that have been announced for 2022.

We saw a modest uptick in passenger numbers last year, increasing to 2.79 million compared 2.6 million in 2020, and we are confident that 2022 is the year that EIA and the global aviation industry will see a strong recovery in passenger growth. We know it's going to be several years before we return to pre-pandemic levels, but we are committed to rebuilding our air service network to meet our region's needs over the coming years.

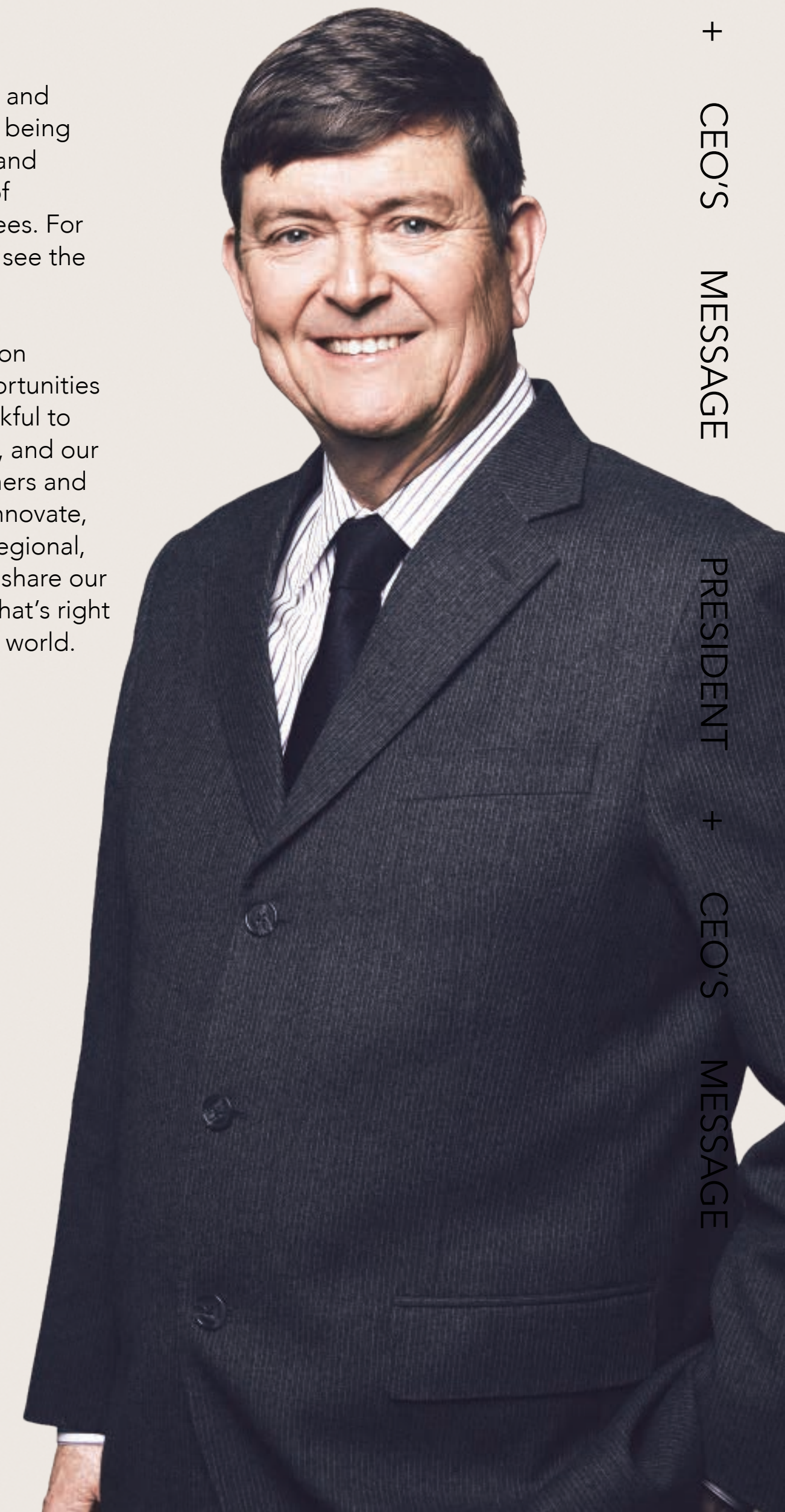

Speaking of growth, Villeneuve Airport is a strategic asset for our region, and we thank Sturgeon County and all our partners in the Villeneuve Landing Network who recognize the potential for Villeneuve Airport to drive job creation, economic development and innovation. In 2021 EIA entered into a Memorandum of Understanding with Sturgeon County, setting out collaborative efforts to attract new businesses and jobs to the airport and surrounding area.

The Villeneuve Landing Network has also been instrumental in securing investments for a new waterline tying Villeneuve Airport into the regional water system, as well as bringing in high-speed internet and promoting the airport. And, we were proud to see the return of the Alberta International Airshow to Villeneuve, drawing more than 30,000 aviation enthusiasts. Future economic opportunities for the area include flight training, transportation and logistics, aeronautical maintenance, manufacturing, innovation, clean energy, and defence and security.

Everything we do at Villeneuve Airport and EIA is anchored by our commitment to being a leader in ESG (environmental, social and governance) matters, from our Board of Directors through to front-line employees. For more details about our ESG initiatives, see the ESG section in this report.

As we continue to expand our innovation mindset to fully grasp the growth opportunities as the pandemic subsides, we are thankful to our employees, our airport community, and our airline, business and government partners and our region. It takes more than one to innovate, and we are proud to collaborate with regional, national and international leaders who share our passion for innovation and for doing what's right to build an even better post-pandemic world.

Tom Ruth
President and CEO



**INNOVATION
CONNECTS
US.**

AIR SERVICE

AIR SERVICE

AIR SERVICE

AIR SERVICE

7



Airlines quadrupled destinations served at EIA in a remarkable scale-up in Q3 and Q4 2021

EIA is ready to ramp up air service as the world re-opens and recovers from the COVID-19 pandemic. We know it will take some time for EIA to achieve pre-pandemic levels of air service, but we also know our region counts on EIA to connect people with their families, their work, their business opportunities and their leisure activities all over the world. And, crucially, EIA connects the world to our region.

We are excited by the incredible work of our airline partners and their commitment to bringing back and growing their services to and from EIA. EIA finished 2021 with 45 non-stop destinations, up from 11 in the early spring of 2021 when EIA's international status was suspended before being restored in August.

NON-STOP DESTINATIONS



MILLION

**TOTAL PASSENGERS
IN 2021. AN INCREASE
OF ALMOST 200,000
COMPARED TO 2.6
MILLION IN 2020.**

2021

In 2021, EIA recorded 2.79 million total passengers, an increase of almost 200,000 compared to 2.6 million in 2020. While the increase was welcome, 2021 performance was still 5.36 million passengers short of the 8.15 million passengers served in 2019. The busiest month of 2021 at EIA was August, with 413,982 passengers.

While total passenger numbers remained lower, signs of optimism are emerging. Airports worldwide have experienced similar trends, and we are confident that 2022 will bring an increase in passengers, though a precise forecast is difficult due to the evolving pandemic situation. According to the International Air Transport Association (IATA), passenger levels worldwide are forecast to grow to 3.4 billion in 2022, similar to 2014 levels and significantly below the 4.5 billion global travellers of 2019.

Securing new air service is the core business of EIA, and several new flights to new destinations will launch in 2022. Our priorities for recovery include more low-cost carrier routes, more U.S. routes on both the east and west coast, international routes as well as dedicated cargo routes. More price and non-stop destination options are vital for passenger growth. Additionally, half of all air cargo is shipped in the belly of passenger planes, making passenger air service critical for regional economic growth.



THANK YOU.



Increasing air service also supports important tourism goals for the region and beyond, such as Jasper National Park, northern Alberta and Canada's Far North. EIA is a partner in many key events, including supporting Edmonton's FIFA 2026 World Cup bid and the recent World Junior Hockey Championships and World Triathlon Championships held in 2021.

An essential step in reclaiming air service was the lifting of travel border restrictions at five Canadian airports, including EIA.

On September 9, a non-stop flight to Las Vegas departed EIA at 8 a.m., via WestJet. It was the first direct flight to the United States from EIA since January 31. It marked the gradual return of international service in 2021, as airlines began rebuilding their networks and capacity following the impacts of the global pandemic.

KLM Royal Dutch Airlines resumed service to Amsterdam on August 19. By the end of 2021, 20 international destinations were added to EIA's network, for a total of 45 destinations. This compares to 52 destinations serviced before the start of the pandemic.

EIA appreciates Edmonton Global's leadership to secure funding from our regional municipalities to help attract new air service. We're also thankful to the Government of Canada for the support we've received both in emergency funding and grants to support critical infrastructure improvements.

At EIA, we are grateful to all our airline partners for their continued efforts to increase the number of destinations and service frequency from EIA. As air traffic increased nationally and internationally, we started to see the return and growth of both mainline and ultra-low-cost carriers, such as Flair and Swoop.

For all current destinations served by EIA, visit: flyeia.com/flights/fly-non-stop.

The team is working to ensure regional awareness campaigns are strong and promote returning and new destinations. In addition, global promotional and sales initiatives are helping highlight how visitors can travel to the Edmonton Metropolitan Region and Jasper.

Our stakeholders at Destination Canada, Travel Alberta, Explore Edmonton, Edmonton Destination Marketing Hotels and Tourism Jasper are engaged and committed to supporting our efforts to attract visitors to the region.

To help educate returning travellers on public health measures and travel requirements, EIA ran a Travel School 101 informational campaign on its social media channels. This included information on mask requirements, documentation requirements and other topics. Follow EIA on social media for further details. For a complete listing of health and safety procedures, COVID testing and requirements for travel please visit flyeia.com/ready.

**INNOVATION
MOVES
CARGO.**





The Edmonton Metropolitan Region’s economy and capacity to innovate are bolstered by EIA’s role as a cargo and logistics hub. Consumer goods, medical supplies, and equipment and supplies for many industries – including Alberta’s energy and agri-food sectors – move through EIA every day.

EIA’s cargo capabilities became even more critical during the pandemic with the increased movement of COVID-19 rapid test kits, vaccines and other medical supplies to protect our community. Shipments of agri-food and e-commerce products also increased. EIA’s total cargo volumes jumped by five per cent compared to 2020. By the end of 2021, overall cargo tonnage increased by 12.8 per cent over the pre-pandemic baseline, as EIA’s role in supporting cargo across North America elevated. This is even more remarkable because passenger flights and associated belly-cargo capacity was still reduced from pre-pandemic levels.

With increased air cargo access, more Albertan and Canadian exporters are accessing international markets. An example is Edmonton-based fashion brand EMMYDEVEAUX, which opened a showroom in 2021 that includes a distribution and fulfillment facility at EIA.



5%

TOTAL
CARGO
VOLUME
INCREASE



12.8%

OVERALL CARGO
TONNAGE INCREASE
OVER PRE-PANDEMIC
BASELINE

CARGO

CARGO

CARGO

CARGO

To support rapid cargo growth, the federal government announced an \$18-million investment in EIA's cargo infrastructure, as part of a \$36-million expansion. EIA will contribute the other \$18 million for the project. This investment will expand the cargo apron, boosting vital cargo capacity for exports and imports to drive the region's economic recovery and growth.

Specifically, the cargo expansion project will include:

- Expansion of the primary cargo apron area by 47,000 square metres, enough for six more widebody cargo planes. That's equal to five-and-a-half CFL football fields in expansion. A new connection from the runway to the apron will also be constructed.
- A new hydrant system that will tie into the two, two-million litre Shell Aviation Fuel tanks. This means faster and more efficient refuelling and fewer trucks on the apron to increase safety.
- Expansion of the cold-storage cargo capacity by 1,400 square metres. This will increase EIA's cold storage area to nearly 2,000 square metres.

The expansion will generate approximately 360 jobs plus the new jobs required to support ongoing operations supported by the project once completed.

Along with creating jobs and cargo capacity, the new cargo apron project incorporates several sustainability measures. They include using low-carbon green concrete and recycled asphalt pavements in the construction of the new apron as well as reusing old asphalt millings from the project to fix existing airside roads.

Construction began in late 2021 and the expansion project is expected to take two years to complete.

The expansion will complement EIA's competitive advantages, including quick access to an extensive rail and trucking distribution network. This connectivity is enhanced with EIA being one of the closest North American airports to Asia via circumpolar routes.

All of EIA's scheduled cargo freighters underpin the airport's continued cargo expansion, as do the increasing number of cargo charters, contracted for dedicated cargo deliveries.

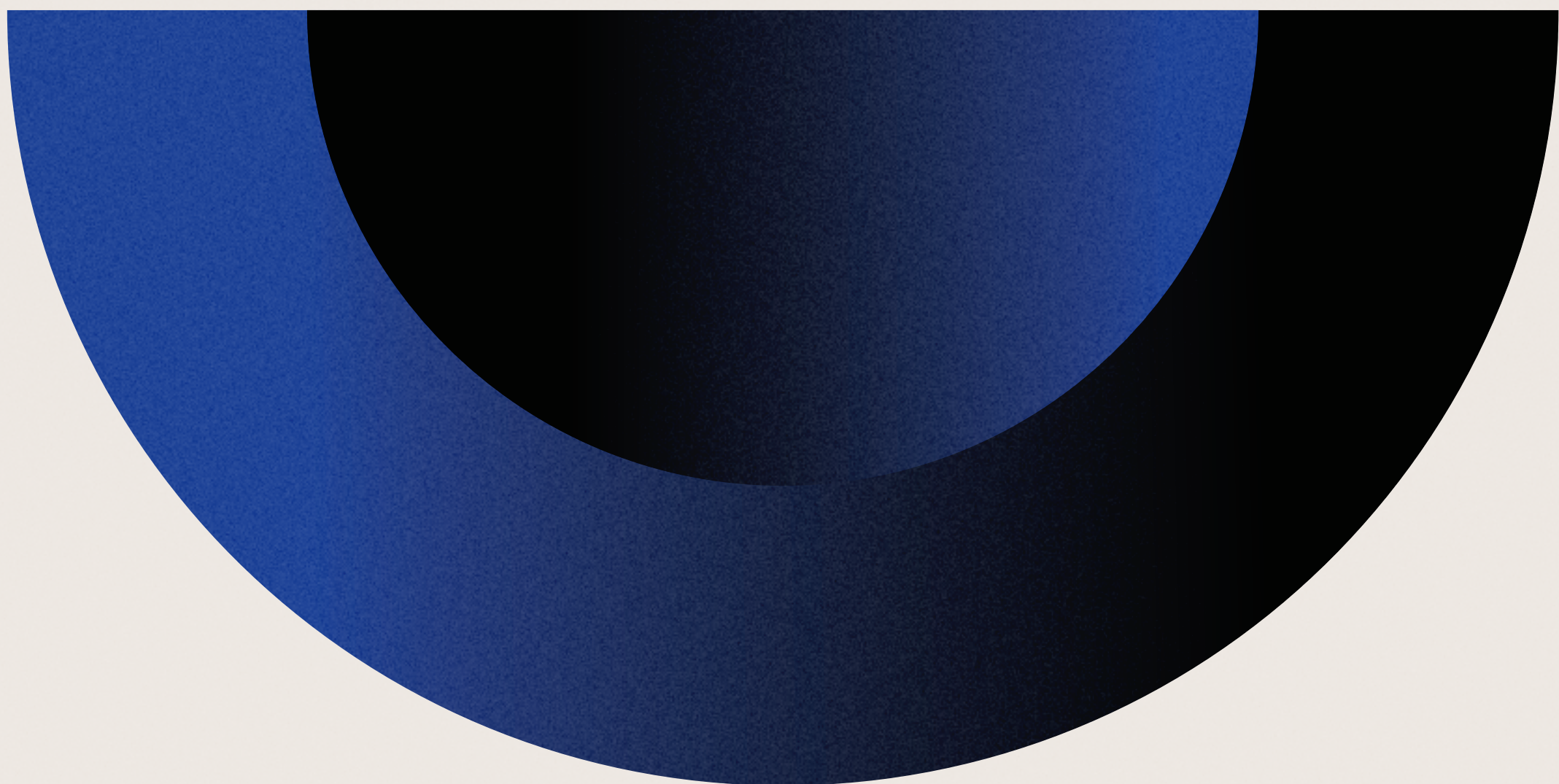
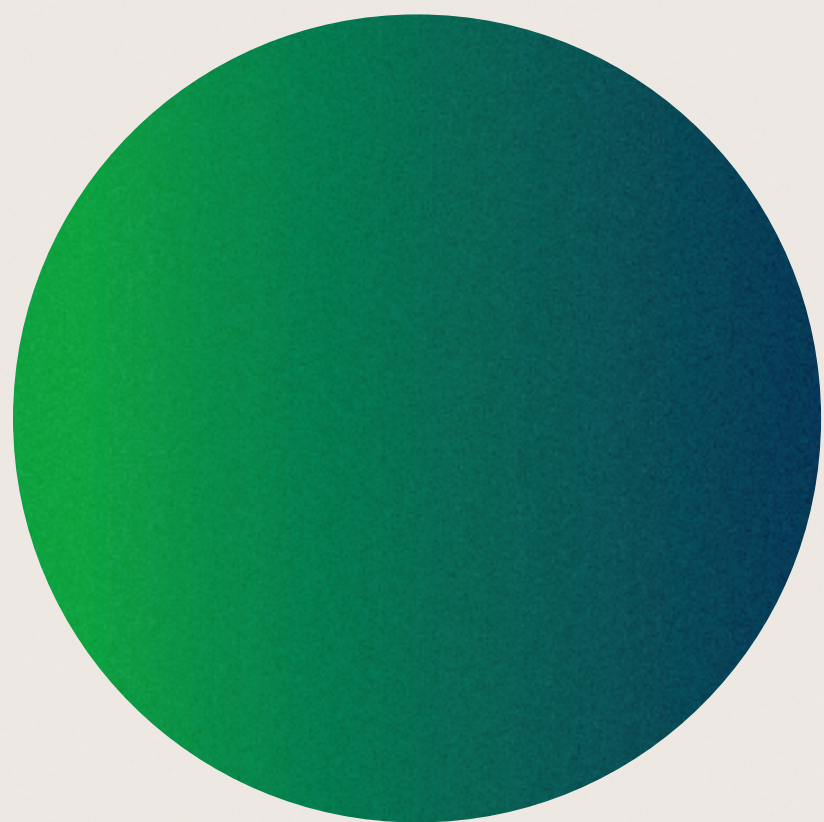
EIA's cargo community is forged on strong partnerships and top-tier cargo service providers. In addition to the positive performance by many of EIA's key cargo carriers in 2021, there were numerous highlights:

- EIA welcomed Amazon Air, operated by long-standing partner Cargojet
- Cargo handlers EFC Cargo and Swissport Cargo joined EIA's cargo community, adding more capacity to EIA's ability to serve the region's cargo needs as it recovers from the pandemic
- KLM's non-stop service to Amsterdam restored a critical cargo lane to Europe
- EIA hosted a Cargo Community Appreciation Day to celebrate the cargo and logistics community's essential frontline efforts
- Canada's first drone delivery from within an airport signals EIA's leadership in incorporating drone logistics in its cargo program





**ONE
INNOVATION
AFTER
ANOTHER.**



AIRPORT CITY SUSTAINABILITY CAMPUS

EIA is more than an airport – it's a burgeoning small city with shopping, dining, entertainment and an entire innovation ecosystem. The [Airport City Sustainability Campus](#) focuses on innovation in aviation, logistics, biopharma, agriculture, light manufacturing, technology, tourism, entertainment and hospitality. We are invested in our partnerships.

Ultimately, Airport City Sustainability Campus – built around EIA's core businesses of commercial aviation and cargo – is about jobs and regional economic development.

Over the past nine years, EIA has attracted more than \$1.5 billion in private investment to the Airport City Sustainability Campus. In 2021, the momentum continued with several major new projects. The continued growth of the campus helps generate new, non-aeronautical revenue, which helps EIA's overall financial sustainability.

AG-CELERATOR

In June, EIA announced a partnership with Edmonton-based Uproot Food Collective to build a new Canadian Food Inspection Agency (CFIA)-certified food production, contract packaging and market development facility. This facility will help emerging Canadian food innovators access new national and global markets by filling a regional gap in food manufacturing. PrairiesCan, the federal economic development organization dedicated to the Prairie provinces, invested \$550,000 in the project.

Uproot Food Collective is the first long-term tenant of the new Ag-celerator and is co-leading the construction of the facility, converting a former flight kitchen space into the new facility. The design is centred on advanced food production offering scalable services for small business food manufacturers.

The facility will keep food manufacturing jobs in the Edmonton Metropolitan Region and increase capacity for value-added production as a growing component of EIA's Airport City Sustainability Campus.

The location gives members of the facility close access to EIA's Fresh Cargo Centre and quick air access to global markets.

SOLAR POWER PRODUCTS MANUFACTURING

Asia-based solar LED manufacturer WeFaces Technology Inc. will build its new North American headquarters at Airport City Sustainability Campus.

EIA has entered a strategic partnership to help WeFaces begin research and development as well as the mass production of advanced solar panel lighting systems. Once established, the company will begin manufacturing Canadian-made solar lighting products for international export from the Edmonton Metropolitan Region. This private partnership will generate long-term jobs, drive advanced solar panel manufacturing opportunities and diversify and grow Alberta's economy.

FASHION BRAND EMMYDEVEAUX AT AIRPORT CITY

EMMYDEVEAUX, an Edmonton-based fashion design company, opened a new location in December in the Airport City Sustainability Campus. The new location will enhance its distribution network.

The warehouse facility is located between shipping partners and Canada customs, helping the growing brand access international markets. Founded in 2018 by Emily Salsbury, EMMYDEVEAUX is a fit-focused, fabric-first brand that sells directly to consumers. Through online sales, EMMYDEVEAUX is focused on expansion into U.S., overseas and Canadian markets.

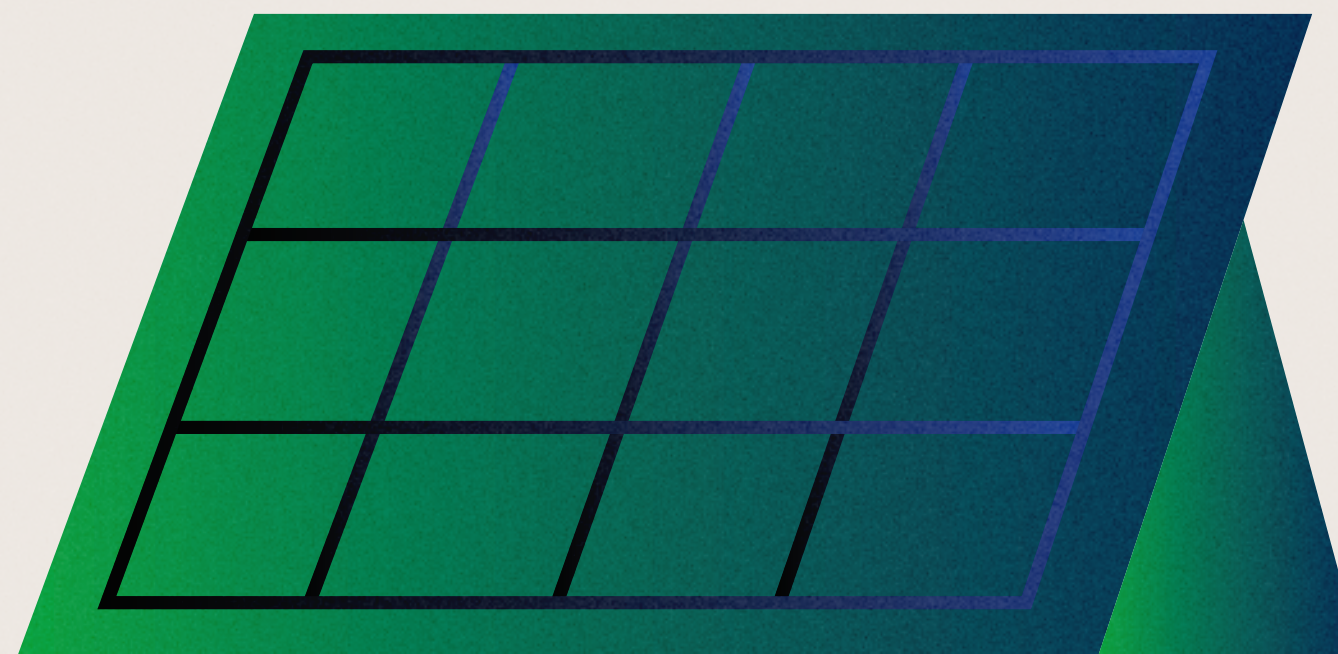
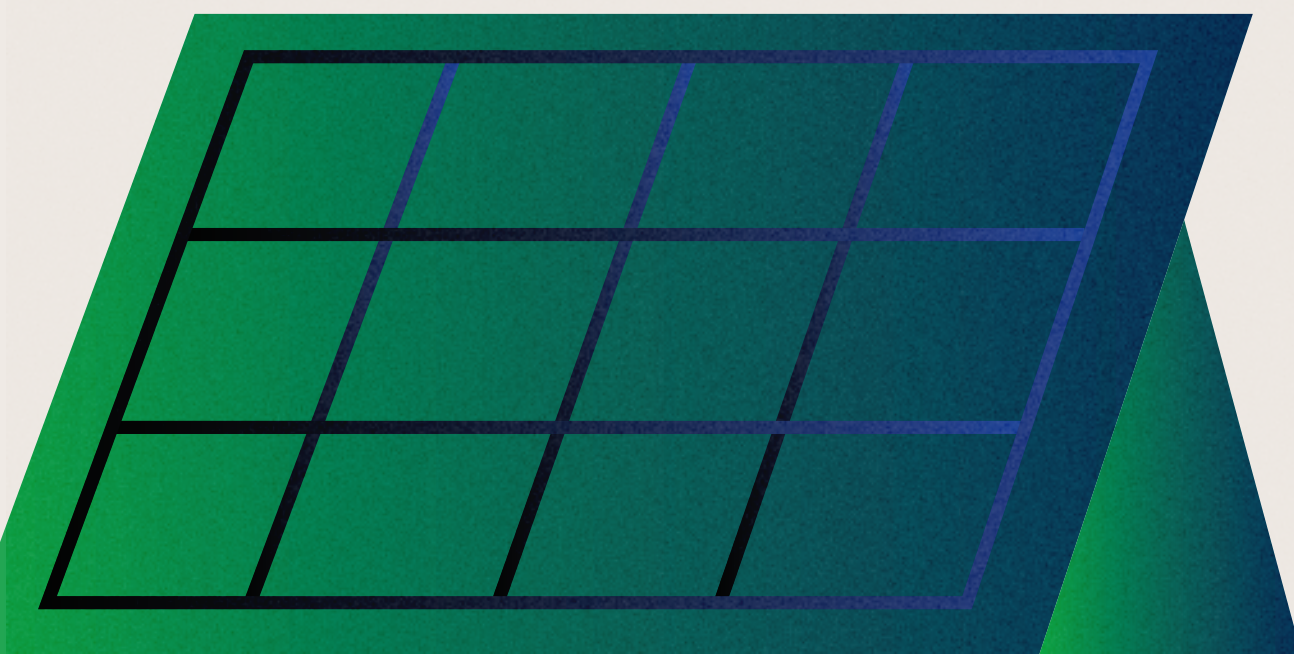
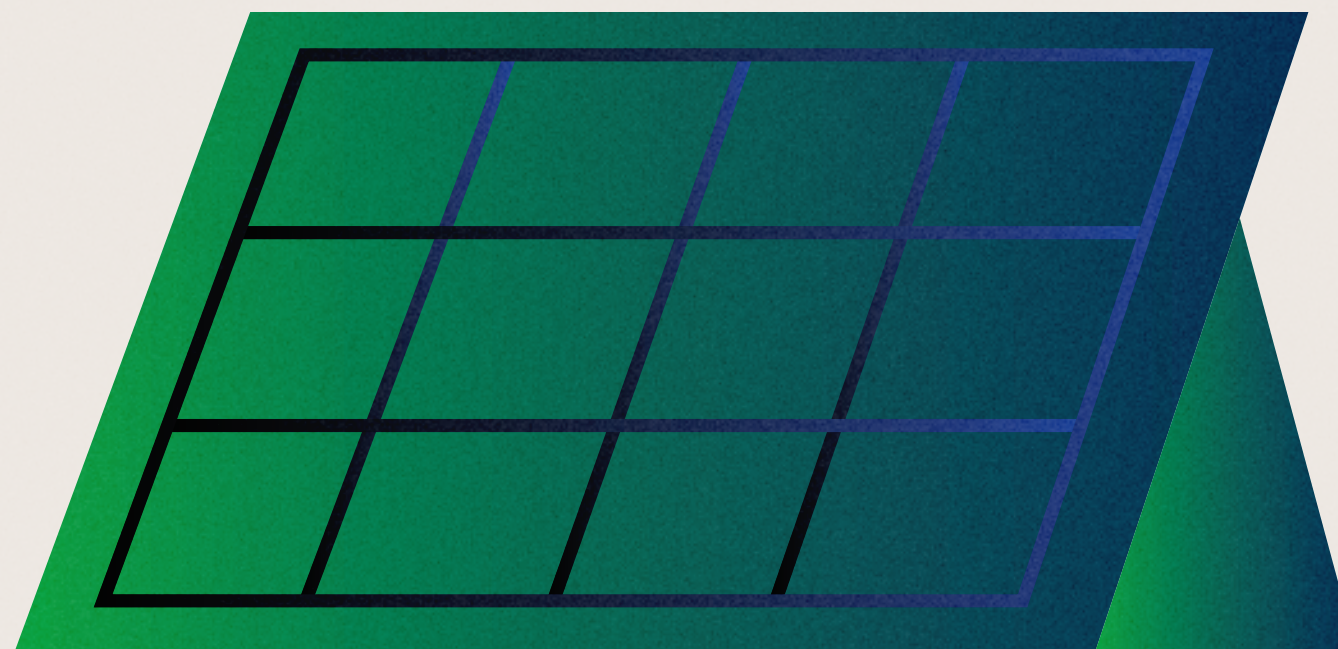
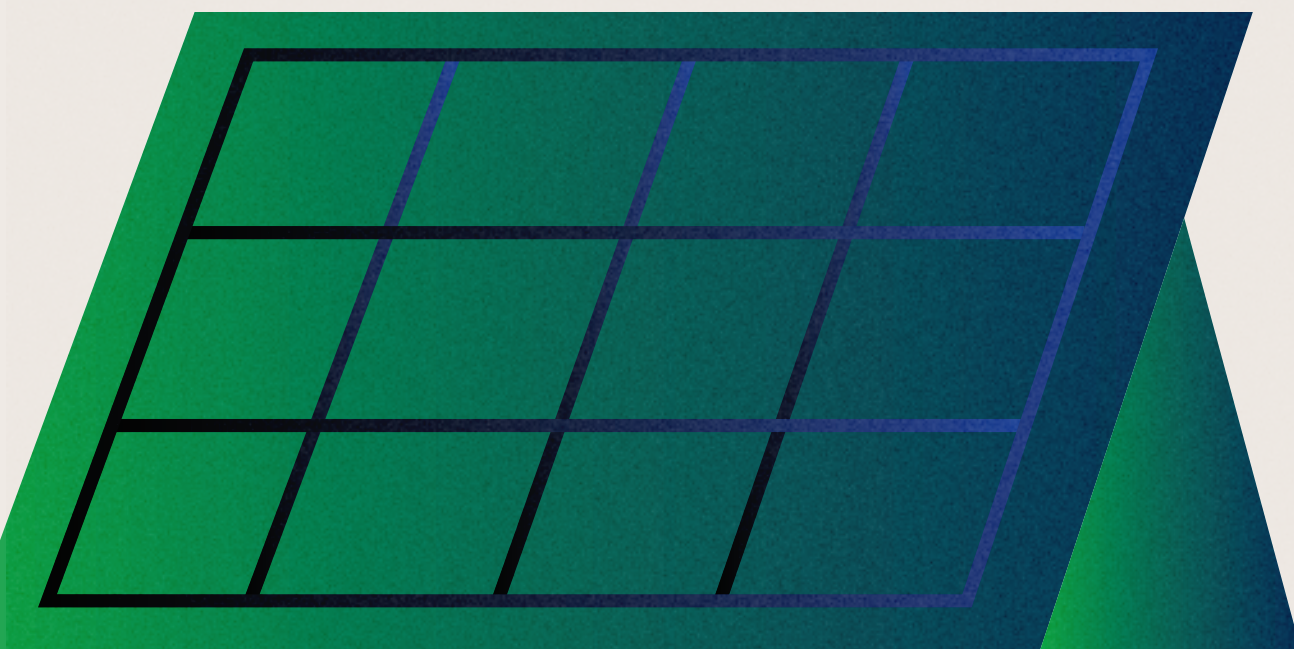


DRONE LOGISTICS

EIA became Canada's first airport to begin regularly scheduled drone delivery operations from within restricted airspace in December. This work will continue to be refined and expanded in 2022 with Drone Delivery Canada and the partners in this project – Apple Express, Ziing Final Mile and Leduc County. EIA is a global leader in the integration and use of drones in airport operations and cargo delivery.

As the technology and safety requirements continue to evolve, possible future uses include:

- Delivery of high-value and timely medical products
- Secure transport of sensitive cargo
- Delivery to remote locations, or locations where vehicle access has been disrupted
- Use of zero-emission drones to conduct final-mile delivery services, helping reduce vehicle traffic and emissions



AIRPORT CITY SOLAR

Pending regulatory approvals, Alpin Sun and EIA expect to break ground in 2022 on Airport City Solar, the world's largest airport-based solar farm. The 624-acre solar farm on the airport's southwestern lands, represents \$169 million in foreign direct investment (FDI) in the region and is 100 per cent privately funded.

This solar facility will provide enough electricity for approximately 28,000 homes and offset approximately 106,000 tonnes of CO₂ emissions annually. This development reflects EIA's ongoing commitment and dedication to decarbonization and sustainability.

TECHNOLOGY CAMPUS

As an innovation hub, EIA supports businesses in their growth and development, providing a testing ground for companies to pilot their technologies within an active airport ecosystem.

Within the Airport City Sustainability Campus, EIA has created a Technology Campus, which is a hub of leading and emerging technologies from all sectors, including cleantech, proteins, pharma and autonomous systems.

EIA has dedicated over 170,000 square feet of office space for the home of five technology incubators, including the Alberta Aerospace and Technology Centre (AATC), Innovation Technology Startups (ITS) and Advanced Systems for Transportation Consortium. Over 30 companies call EIA's Technology Campus home. The Campus supports more than 300 jobs, stimulates millions in economic development and is forging the next generation of innovation and technology jobs in the region.

ALTERNATE ROUTE COFFEE ROASTERS

In June, EIA welcomed Alternate Route coffee roasters to the Airport City Sustainability Campus. By locating its roastery and distribution centre at EIA, Alternate Route will have opportunities to collaborate with partner companies within the Airport City Sustainability Campus and EIA's regional commercial partners. This will support access to growth opportunities for Alternate Route to expand into larger markets.

NEW PROPERTY MANAGEMENT PARTNER

EIA has partnered with ONE Properties for the property management oversight of the landside portfolio of the Airport City Sustainability Campus. This agreement includes property management and tenant relations for all tenants outside the terminal building, allowing EIA to refocus its commitment towards economic growth, real estate development and investment attraction.





INNOVATION FOR ALL.



Every day at EIA, health and safety are the top priorities. Since the start of the pandemic, EIA has quickly adopted all recommended public health recommendations by Alberta Health Services and the Public Health Agency of Canada. Using innovative new technology and tools was a big part of EIA's pandemic response.

EIA partnered with Alberta-based Numi Health to provide COVID-19 testing services for passengers and employees. As well, Numi Health provided testing services as requested by airlines and other companies. Both PCR

and rapid antigen tests are available inside the terminal. About 11,800 passenger tests and 1,800 employee tests were administered during 2021.

EIA also invested in technology to enable touchless interactions throughout the airport. This includes hands-free technology at check-in machines, UVC-light sanitizers on escalator handrails and working with the Public Health Agency of Canada to enable the testing of returning passengers. EIA also supports airlines and tenants within the terminal on their own safety initiatives.

11,800
PASSENGER
TESTS



To demonstrate our collective commitment to health and safety, EIA partnered with local organizations, including Explore Edmonton, Edmonton Destination Marketing Hotels, TRAXX Coachlines and Oilers Entertainment Group, to achieve GBAC Star Destination Accreditation. This is part of the Global Biorisk Advisory Council (GBAC) program and demonstrates Edmonton is a “clean city” for travellers visiting for leisure or business. Furthermore, EIA is accredited by Airports Council International’s rigorous Airport Health Accreditation Programme.

EIA will continue working with all levels of government to support the health and safety of passengers and employees as our top priority in 2022.



From March 2020 to December 31, 2021, Edmonton International Airport has provided or used approximately:

180 litres/month of hand sanitizer in 125 dispensers compared to 12 litres/month before

Approximately 4,262 sanitizing wipes a month compared to none before

30,000 cleaning gloves per month compared to 10,000/month before

All touch points are wiped down at least three-times per cleaning shift

10 'fogging' machines are used to disinfect surfaces such as seating areas

UVC light-based sanitizing devices have been install on escalator handrails

Self-cleaning, UVC-based, check-in machines have been installed in U.S. Customs



Beyond the pandemic, EIA's commitment to health, safety and security means the airport must be prepared for a wide range of situations. On November 4, EIA partnered with Trans-Northern Pipelines Inc., an important stakeholder in safety, to conduct an emergency exercise. EIA and company crews responded to a simulated rupture of its pipeline running through a part of EIA's Airport City Sustainability Campus.

As a major airport, EIA conducts emergency exercises every year to test our readiness for a variety of possible situations. This is a Transport Canada requirement for every major Canadian airport, and we are pleased to conduct these exercises with our safety partners at the airport and in the region.

This year also marked the 20th anniversary of the terrorist attacks on New York City, the Pentagon and other locations in the U.S. on September 11, 2001. The attacks changed the world and aviation history. We remember and honour those who lost their lives and suffered from this tragedy. EIA played its role in responding to the closing of U.S. and then Canadian airspace quickly thereafter.

EIA had to quickly prepare for the arrival of six U.S.-bound flights with several hundred passengers, some of them with limited English skills and none of them expecting to end up in Canada, suddenly needing help.

EIA team members and the community came together to help the passengers with the basics such as food, water, toiletries and finding accommodations until North American airspace was re-opened and they could carry on to their destinations.

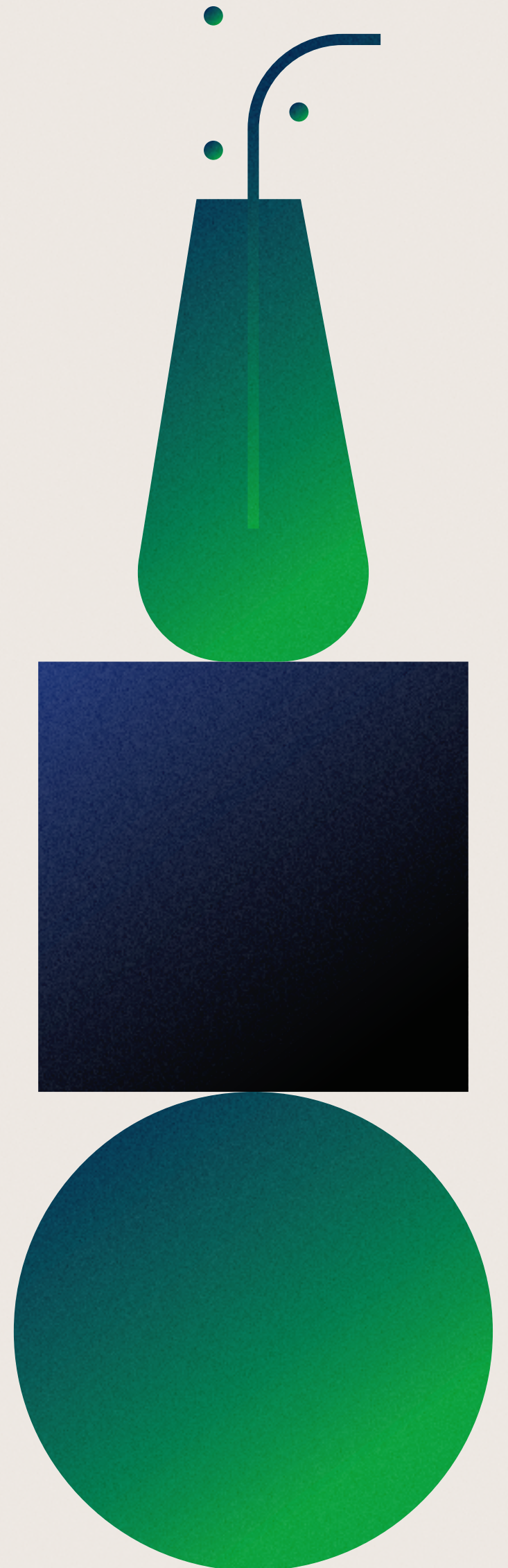
Today, the changes that resulted from 9/11 are still evident. Safety and security remain EIA's top priority in all situations. Enhanced security screening remains in place, including technologies to screen electronics, liquids and other items. The Canadian Air Transport Security Authority (CATSA) was created following the terrorism attacks and continues to provide security screening today.

EIA is always on guard for suspicious activity and as an international airport we know we have an important duty to help prevent human trafficking. EIA continued its partnership with #NotInMyCity and then also partnered with RCMP Human Trafficking division and Action Coalition on Human Trafficking Alberta to develop human trafficking awareness training.

Human trafficking is an international problem and is happening all around us. Awareness by all airport agencies and employees is key to showing traffickers they are not welcome at our airport. Our goal is to provide this awareness training to as many people as possible to ensure they feel comfortable dealing with and reporting potential human trafficking concerns to Airport Police.

To date, over one thousand people from various agencies, companies and airports have received this training. It was also featured in this year's Canadian Airport Safety Week. Digital and fixed signage are placed in key areas of the terminal to ensure people in trouble have a number to call and know EIA is there to support them. To access the training video and other resources, please visit: <https://flyeia.com/human-trafficking-training-resources>.

INNOVATION SURPRISES.





During the pandemic, our shops, restaurants and other services embraced innovation and adapted new ways to conduct business to remain open for passengers, or to re-open as restrictions eased and passengers increased. We thank our concession business partners for their dedicated focus on customer care and their willingness to ensure the best traveller experience at our airport.

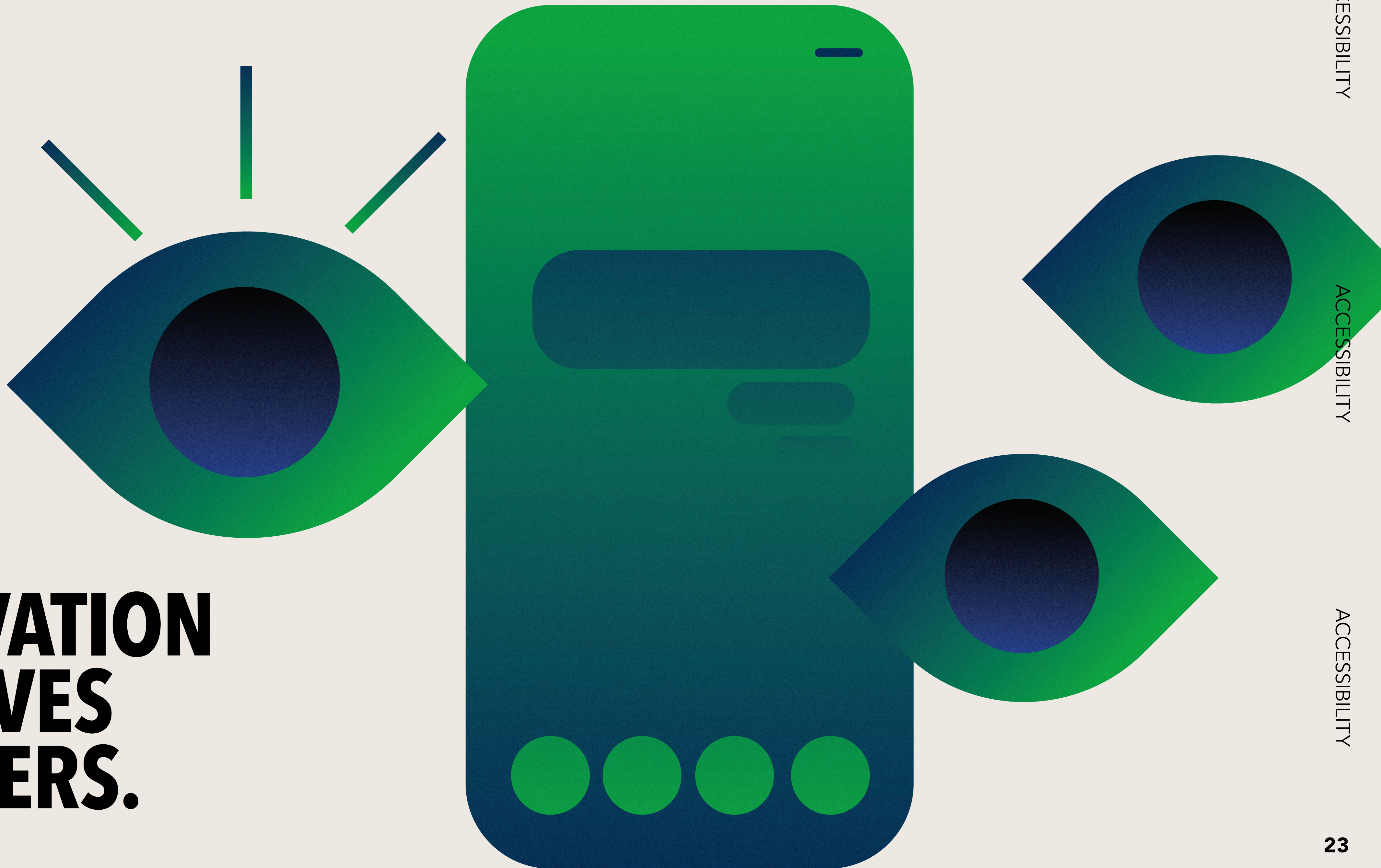
As travellers return to EIA, they will find some exciting new options recently opened and new brands in development.

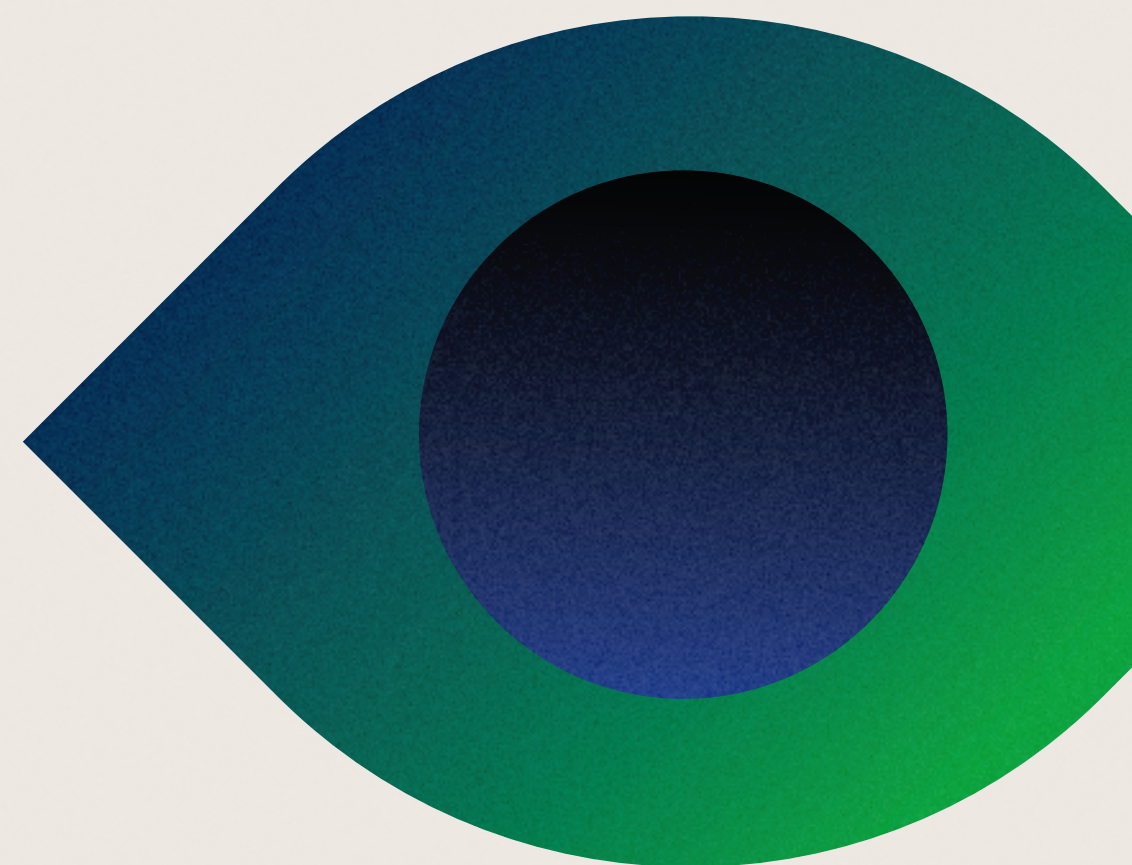
On July 17, The Canadian Brewhouse opened two locations with one located just before Central Security, and the other beside gate 49. This Edmonton-founded brand debuted in EIA as its first airport location, partnering with local operator ECG Ventures.

This development is unique as one kitchen serves both pre-security and post-security sides of the terminal using technology with cameras and analytics in a secured pass-thru vault. This is the second time this pass-thru technology has been used at EIA, with the other being at Delux Burger Bar. EIA was the first Canadian airport to use this innovation, supporting sustainable building practices for optimal back-of-house efficiencies.

EIA increased "To-Go" food selections, implemented contactless payment options and digital menus, providing passengers a comfortable and safe experience while dining at our restaurants or shopping at one of our stores.

**INNOVATION
REMOVES
BARRIERS.**



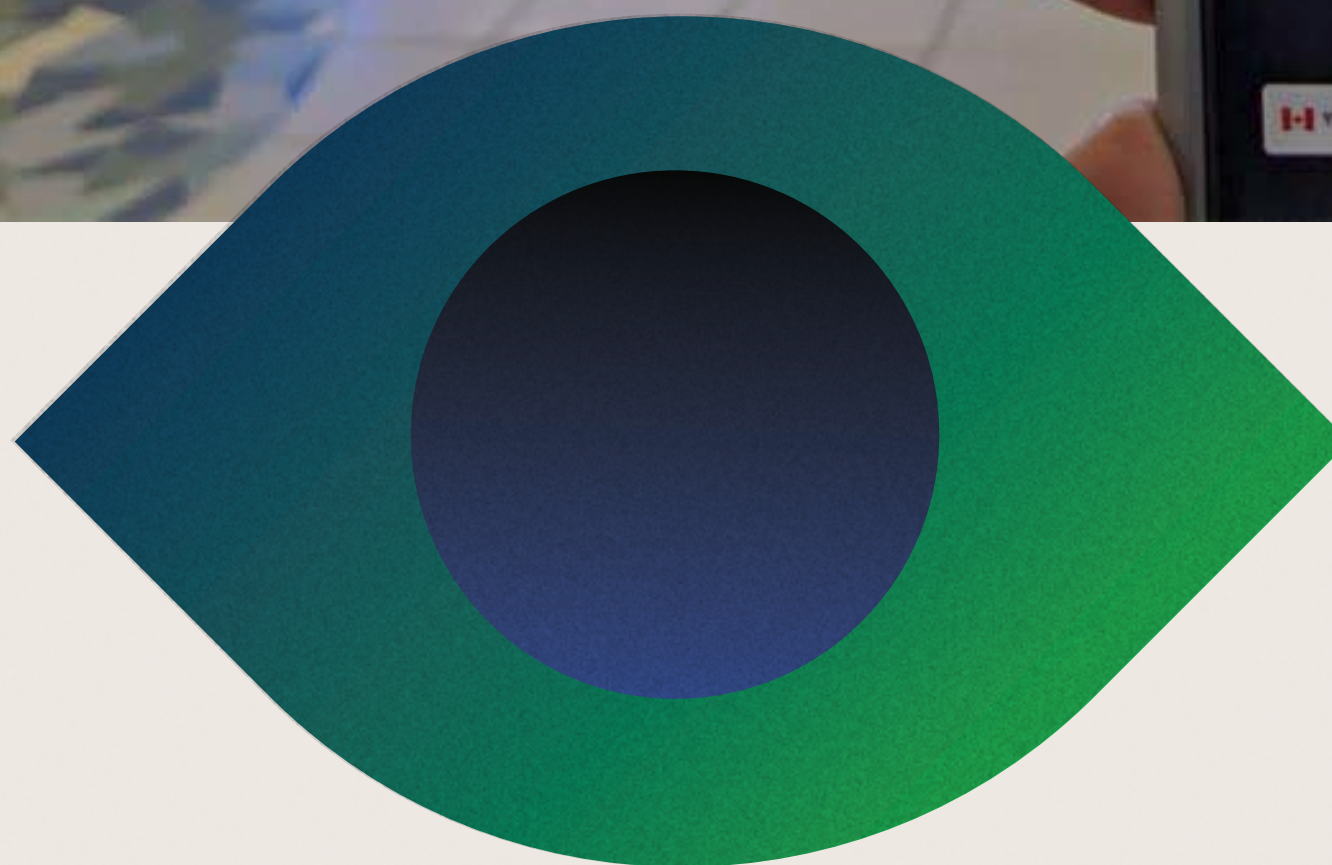


Innovation helps us fulfill our social sustainability commitments to make EIA an airport for everyone. EIA is partnering with [Aira](#), an online service that provides live, real-time assistance to people with visual impairments.

EIA will become part of the Aira Airport Network and a designated facility within the Aira online app for users in early 2022. When a passenger who is visually impaired arrives at the airport, they can use the app to call a live agent who will guide them through the airport by using the camera in a smartphone. The agent can assist in reading information for passengers and navigation through the airport and even support safety by encouraging physical distancing from other people where possible.

The agent and Aira now have detailed information and maps of EIA, including the ability to determine where a user is inside the airport to help guide them.

EIA is also working towards a visual paging system for passengers with hearing difficulties, and services are available with airlines for passengers who need mobility assistance. Phase 1 of this initiative launched in 2021 with general announcements visually presented on the screens. We look forward to the inclusions of airline announcements in Phase 2 of the initiative in 2022.



**INNOVATION
FROM GROUND
TO SKY.**



Innovation is more than the latest technological gadget, it's a way of thinking that seeks the best solutions to problems. It's also a never-ending process at EIA, searching for financial, environmental and workflow efficiencies.

EIA is always pleased to work with fellow innovators in the aviation sector. To give passengers a smoother, familiar experience when checking in, EIA is working with airports across Canada to harmonize the check-in system. This program will be introduced to participating Canadian airports in the second half of 2022 and into 2023. The program will also improve efficiencies, which will save costs.

During the pandemic, EIA's spirit of innovation was central to the response. The new technologies used to support health, safety and security are detailed in other sections of this report. Additionally, we made efficient use of terminal space and facilities to save costs and still deliver a welcoming, comfortable passenger experience.

An example is how we used the swing gates in the domestic departure lounge for U.S. flights while the U.S. departures area was closed. We transformed the side doors into an entry area and added some beautiful artwork around it to make it look like central doors, creating an inviting ambiance for passengers.

In the airfield, EIA continues to be a leader in integrating unmanned aerial system ("UAS") services into its daily airport operations. Clear Flight Solutions' [Robird™](#), which has garnered international attention since its first use at EIA in 2017, is an integral part of the airport's Wildlife Management Plan. Robird™ is instrumental to keeping birds away from air traffic and discouraging nesting near airside operations and glide paths.

Our high-tech world brings many benefits, but it also increases risks.

EIA is diligently improving its ability to deal with cybersecurity threats. We are updating our cyber-incident response plans to enhance our response to cyber attacks and give our technical teams the training and tools to respond quickly and decisively. Throughout 2021, we conducted scenario-based tabletop exercises with our technical teams and with stakeholders from across the airport.

Further, we are assessing the risk levels for our key system and digital assets and building new security controls to protect them. In 2022, we will continue to modernize our systems and our approach to protecting all our digital assets.



INNOVATION FORWARD.



In response to COVID-19, EIA has taken precautions to offer contactless solutions to make parking at EIA safe and convenient.

For easy and contactless parking, passengers can park a vehicle at Easy Parkade to securely arrange for a family member or friend to pick up the vehicle. Park & Pick Up is complimentary with any online reservation or drive-up parking at Easy Parkade. This new service makes for an easy option on arrival or departure.

There are no longer cashiers available at the exit from EIA parking lots or the parkade. Cash or debit payments for parking are available through the Ground Transportation office located on arrivals level between Doors 5-7.

Credit card payments are available at parking exit stations. All exit and payment columns have intercom help buttons where an attendant is available to assist as well.

As part of EIA's pandemic response, Valet services at Priority Valet and jetSet Parking have been suspended until further notice. Coat check services have been suspended until further notice.

During the height of the pandemic, the large [jetSet](#) lot, selfPark, was closed to improve efficiencies and save costs. With more passengers returning to EIA, the lot re-opened going into the holiday season.



**ON-DEMAND
TRANSPORT SERVICES**

In the future, people shopping and dining at EIA's Airport City entertainment and hospitality attractions will be able to travel with on-demand bus services.

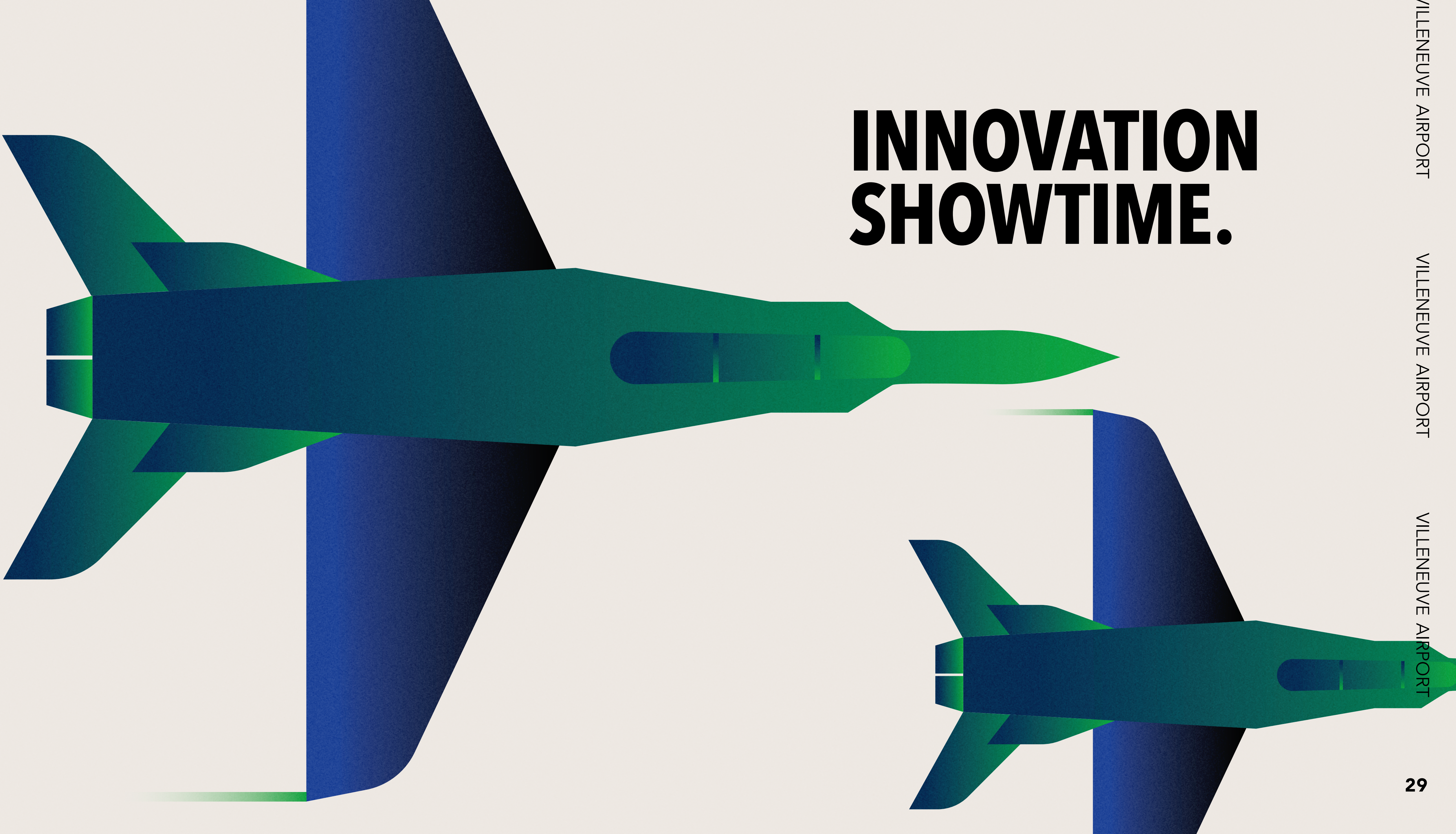
NTT Data, Edmonton International Airport (EIA) and the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (JOIN), with support from the Invest Alberta Corporation (IAC), announced that they have signed a Memorandum of Understanding (MOU) to jointly develop smart transportation projects.

The MOU includes plans to deploy a Smart Solutions pilot to deliver a digital on-demand bus service in and around EIA's Airport City. This pilot will leverage a data-driven approach to improve the commuter experience and generate behavior insights for future solutions.

By leveraging NTT Smart Solutions, the initial phase of the pilot will focus on on-demand ride-hailing, flexible bus routing, scheduling and occupancy. Passengers will benefit from improved booking options with online booking via a mobile app and web portal. The service will allow for an on-airport near door-to-door service with bus routes and schedules adjusting in real-time to best suit commuter convenience.

Pantonium, a Canadian company, also participated in this project. Pantonium is a start-up that develops AI software that optimizes routes for public transportation.

INNOVATION SHOWTIME.

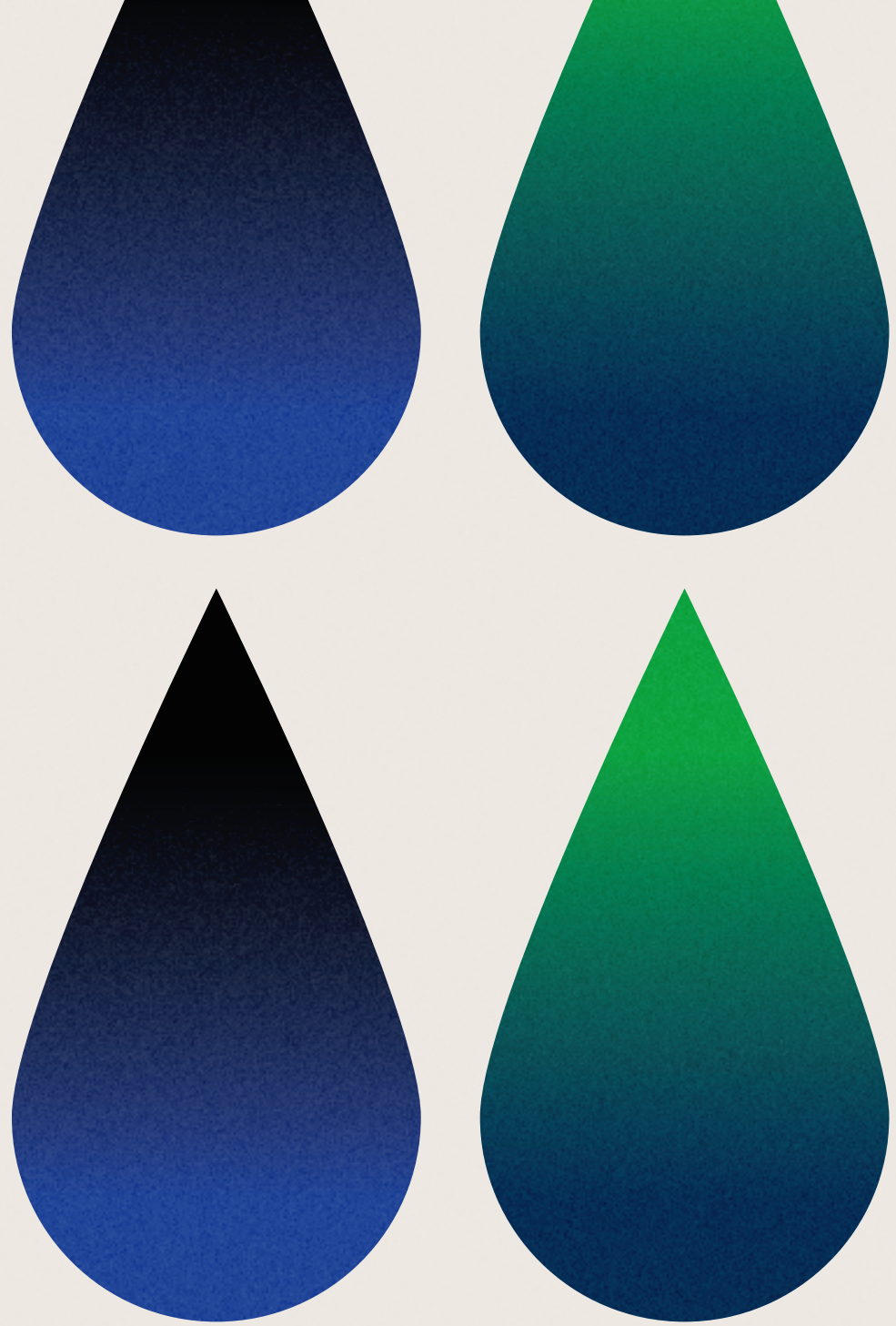




Villeneuve Airport, the region’s premier general aviation airport and flight training facility in the Edmonton Metropolitan Region, propelled forward in 2021.

Located in Sturgeon County, Villeneuve Airport hosted the successful return of the Alberta International Airshow (formerly Edmonton Airshow) in August. More than 30,000 aviation enthusiasts attended the exciting aviation showcase. The airshow is scheduled to return this summer.

We are excited to work with the event’s organizers as they build the long-term vision for the airshow and highlight the region’s aviation industry and related sectors. The airshow aims to broaden the spotlight on new aviation jobs and investment opportunities in Edmonton and Alberta.



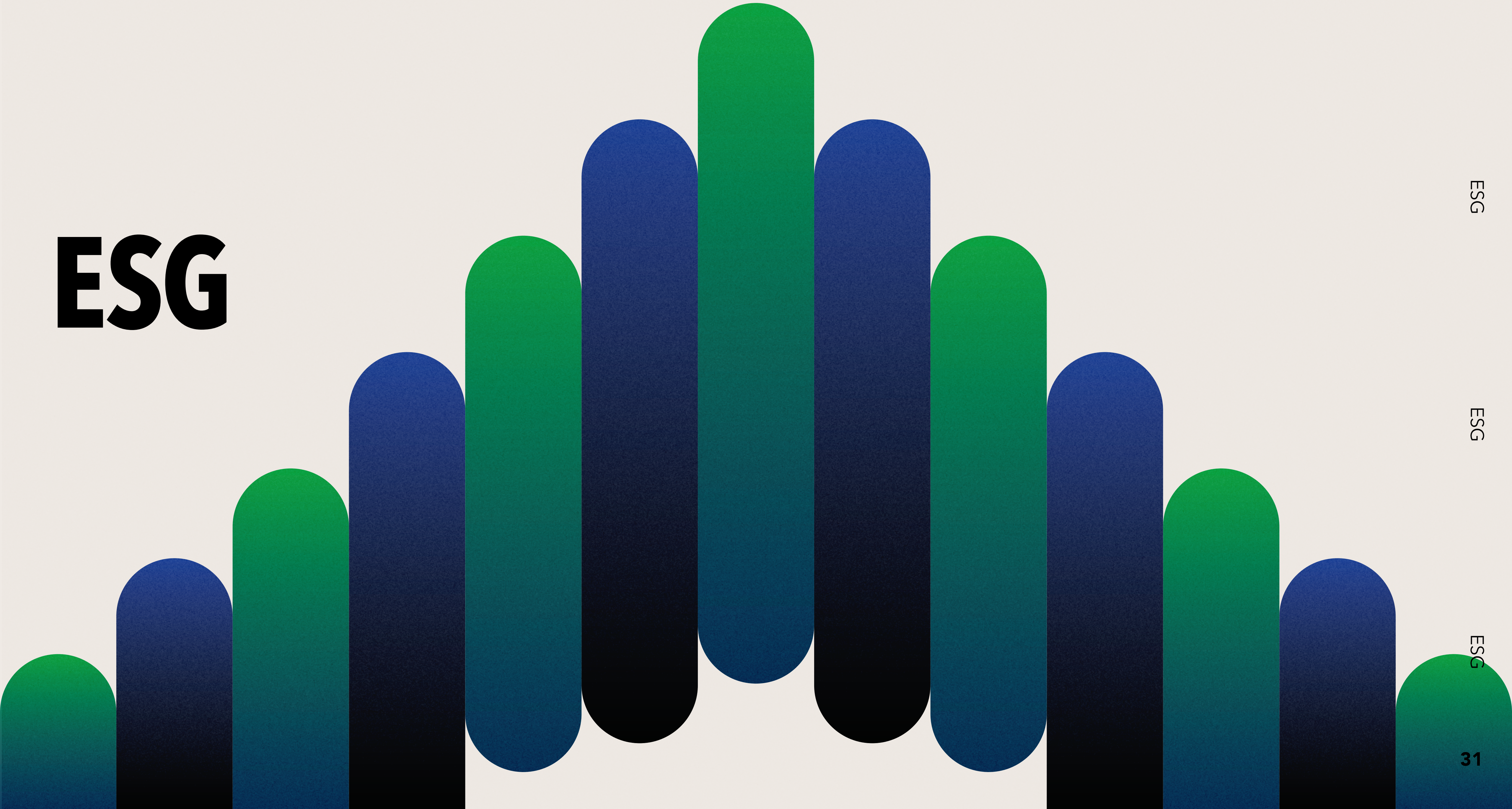
As part of the airshow festivities in 2021, Sturgeon County Mayor Alanna Hnatiw and Tom Ruth, EIA’s President and CEO, signed a Memorandum of Understanding (MOU), establishing the framework for collaborative economic development for the Villeneuve Airport and the surrounding area.

The MOU highlights the potential of the Villeneuve Airport region as an economic driver that will bring more jobs and boost the local, regional and provincial economy. It will also help facilitate shared investment attraction programs within the area as well as the support for long-term land use and infrastructure requirements.

The agreement is also a major step forward for the Villeneuve Landing Network, a collection of municipal and economic development organizations focused on economic growth and diversification at the Villeneuve Airport and the surrounding lands. The airport currently generates over \$60 million in economic output.

Also in the summer, the Province of Alberta, Sturgeon County and EIA announced the start of a new construction project that will bring water from the Hamlet of Villeneuve to the Villeneuve Airport. The \$2.2-million project, funded from the Government of Alberta’s Municipal Stimulus Program, is a lynchpin in the plans to grow business opportunities at the airport.

ESG




ENVIRONMENTAL, SOCIAL + GOVERNANCE
GLOBAL LEADERSHIP IN SUSTAINABILITY

Environmental, social and governance (ESG) considerations are more important than ever. We know our communities, our industry and our partners all care about ESG issues and so do we. It can be easy to get lost in concepts and big strategies but working in the ESG areas is about doing our part to make the world a better place. Our ESG principles are immersed in everything we do. They guide our work by helping us remember, as community leaders, we have an obligation and the opportunity to show our leadership to our region and the globe.

In 2021, our Board and Executive team set our new ESG Principle – all our actions will drive our mission to responsibly generate economic prosperity for our region through authentic environmental, social, and governance leadership.

We recognize we cannot do this in isolation and true change is done in partnership with others. The Airport City Sustainability Campus is a unique asset for the Edmonton Metropolitan Region and in the aviation world. We continued to strengthen our long-standing commitment to sustainability in 2021, including support for innovative sustainability initiatives with global and local business partners.

Sustainability and excellence are at the forefront of our operations and part of our commitment to ESG leadership. This aligns with commitments made through our corporate Guiding Principles (see page 39).



**CONNECTING
& PROTECTING
OUR WORLD.**

A PLEDGE
AS POWERFUL
AS THE SUN.

LANDMARK AGREEMENTS

In the spring, EIA became the first airport in the world to sign The Climate Pledge, an initiative led by Amazon that now includes more than 300 global businesses and organizations pledging to be carbon neutral by 2040.

Enabling this pledge, EIA and Air Canada signed the world's first sustainability agreement between an airline and airport.

The EIA-Air Canada Sustainability Partnership will focus on initiatives that will promote a cleaner environment and include, but not limited to, the following:

- Electrification of aviation ground-handling equipment
- Hydrogen fuel cell technologies
- Green power generation using Airport City Solar, the world's largest airport-based solar farm
- Development and usage of sustainable aviation fuels, biofuels and hydrogen

- Replacement of single-use plastics with plant-fibre materials
- Drones for e-commerce and cargo delivery
- Other initiatives in industries such as agriculture and forestry to offset carbon emissions

Additionally, as part of this agreement, EIA and Air Canada are supporting international efforts by the non-profit group United for Wildlife to stop the illegal trafficking of wildlife and wildlife products. Passengers have already seen increased activities and public materials calling attention to the harm of illegal wildlife trafficking.

Another aspect of EIA's sustainability commitment is the Airport Vicinity Protection Area (AVPA). The AVPA applies to municipalities around EIA, ensuring only compatible land uses are developed around the airport. As part of the AVPA, EIA enacts a noise abatement procedure and works with the community to manage noise levels while keeping EIA operational 24 hours per day.

AIRPORT CITY
SUSTAINABILITY CAMPUS
INNOVATION

EIA aims to do its part to reduce transportation emissions in the air and on the ground. EIA, with local partners Innovative Fuel Systems and KAG Canada, operating Westcan Bulk Transport, have come together to reduce carbon emissions and promote a sustainable transportation sector through new fuelling technology.

Innovative Fuel Systems (IFS) is an Edmonton-based company that provides patent-pending technology to reduce greenhouse gas (GHG) emissions in the transportation industry. IFS has partnered with KAG Canada, a subsidiary of the largest bulk commodity hauler in North America, to utilize this technology in its tractor-trailers. Westcan Bulk Transport has retrofitted six vehicles to have the engines operate on both diesel fuel as well as cleaner-burning compressed natural gas.

IFS technology will allow up to a 45 per cent reduction in certain GHG emissions, and about 10 per cent CO2e reduction on a lifecycle model (well to wheel).

ENERGY MANAGEMENT PROGRAM REDUCING EMISSIONS

The Cogeneration facility was an employee-led initiative that started operation in March 2021. It provided a total of \$771,606 in utility savings in 2021, and that was from operating for only part of the year. This was a \$12-million project that will save us approximately 23 per cent in annual emissions and reduce our carbon footprint for decades to come! The facility was able to reduce our carbon footprint by approximately 4,900 tonnes of CO₂e (Carbon Dioxide Equivalent) in its nine months of operation. Our total Scope 1 and 2 emissions for 2021 were 37,360 tonnes of CO₂e, a decrease from our 2014 annual baseline of ~49,000.

ON-SITE PARTNERS

Wild+Pine is a climate-action-focused company working on our Sustainability Campus. The company supports the acceleration towards net-zero emissions through the restoration of Canadian forests. On EIA property, Wild+Pine uses an advanced vertical growing environment for native tree and shrub seedlings, which can produce three times the number of crops in optimized growing conditions.

Together with on-site partners, EIA is a leader in the Alberta Hemp Alliance. We use our property to test hemp growth and carbon sequestration potential. Our collaborative efforts are also directed towards understanding the high-value uses of hemp in construction materials and clothing.

GLYCOL RECYCLING

We are also proud of the glycol recycling on our property. As a winter airport, all aircraft must be covered in de-icing fluid between September and May of every year. Between September 2020 and May 2021, EIA used over three million litres of Type I and Type IV glycol. With the dedication of our on-site partners, we were also able to collect the spent de-icing fluid for recycling and reuse. The de-icing fluid that is not captured, runs to our stormwater treatment facilities.

STORMWATER TREATMENT

Stormwater on our property flows to our stormwater facilities for treatment and safe release into Whitemud Creek. This is vital for the function of our airport and the health of the creek. We continue to commit to upgrading and maintaining this core piece of infrastructure to ensure it is optimized.

In 2021, our teams investigated our facility and work was performed to return ponds to near design capacity.

In the past several years, groundwater, methane and hydrogen sulfide gas have accumulated underneath EIA's stormwater retention pond liners causing sections of the liner to lift and bubbles to develop within the ponds. These bubbles decrease storage capacity by approximately 60,000 cubic metres. Though a series of tough working conditions were encountered, the repairs were completed in a safe manner and all capacity was recovered.

Additionally, during this project, as the ponds were pumped down so far, EIA was able to inspect the pond liner's condition. One crescent shaped cut of unknown origin was found in the liner of one pond and required repair. EIA was also able to identify areas that required additional maintenance and improvement, which would not have been discovered without emptying the ponds to this extent. We will continue to work with industry experts, contractors and consultants to implement strategies and solutions to mitigate or prevent recurrence.

The 2021 stormwater treatment season began on June 7, 2021 and ended on August 18, 2021. Thanks in part to low amounts of precipitation during the 2020-2021 winter season, high spent de-icing fluid recovery, a lower volume of de-icing fluid used, a drier than normal spring and summer in 2021 as well as the supplementary maintenance activities identified above, the system operated more efficiently than previous years. It took 66 days of operation to process 211,357 cubic meters of glycol contaminated stormwater through EIA's Subsurface Aerated Biofilter Treatment Facility and return it to Whitemud Creek. In comparison, it took 87 days of operation the previous year. As well, approximately 157,850 cubic metres of stormwater was collected in the detention pond and discharged directly into Whitemud Creek. In both instances, water quality met Alberta Environment and Parks' regulatory discharge limits for EIA.

This year, EIA has the most storage available in recent years, heading into the 2021-2022 winter and spring season with a total available capacity of approximately 92 per cent or 507,000 cubic metres. We will continue working with our de-icing provider to increase the recovery of spent fluids and continue to optimize our management and treatment process to ensure continued operational excellence.

SOCIAL
DIVERSITY, EQUITY + INCLUSION

At EIA, innovation is fuelled with people power. Our employees spark new ideas that help EIA succeed.

New ideas stem from collaboration and diverse thinking. Employee diversity fosters new ideas and ways of seeking solutions to complex problems.

**DIVERSE AS
THE WORLD
WE CONNECT.**

CREATING A COHESIVE AND INCLUSIVE WORKPLACE

In 2021, we strengthened our efforts in support of our commitment to diversity, equity and inclusion (DEI), as part of the social component of ESG. It's part of being 'an airport for everyone.' We know this commitment starts within our own organization.

To build a culture that embraces DEI principles, we increased communication about our DEI program and what it means to our employees at leadership forums, employee information sessions and department meetings. Through each of these discussion sessions, we ask employees to share feedback on developments or ideas for new activities.

One of the activities requested by employees was to understand the diversity of the people they work with. We created a diversity map, showing the heritage, birth city or cultural background of our employees. We celebrated United Nations Cultural Heritage Day in May 2021 during our Employee Information Sessions. Over the past year, we also began internally recognizing more holidays our employees celebrate and say are important to them.

These activities are part of an ongoing strategy to support DEI internally and externally. We are tracking employee sentiment about inclusion through a quarterly survey. We saw gains in the feeling of inclusion among employees throughout the 2021 surveys.

EIA will continue to strive to build a more cohesive and inclusive workplace for all. Other priorities include improving the overall experience and productivity of all employees and increasing achievements organization-wide.

We recognize the pandemic has raised anxiety and mental health concerns for almost everybody. To assist our employees, we promote awareness about mental health issues and the resources available to them. We will continue this focus after the pandemic to help make mental health a normal, everyday part of workplace wellness conversations.

Throughout the pandemic, we have emphasized all public-health measures and EIA protocols to keep our visitors and staff safe and communicated them at every opportunity.

SUPPORTING OUR COMMUNITY

DEI principles are embraced in our relationships with our community. In 2021, we actively sought community groups we can learn from and build meaningful and long-lasting relationships with. We recognize that when we embrace equity, diversity and inclusion, we are stronger together. Creating an inclusive airport terminal is both a privilege and a responsibility.

Our facility must be accessible. We want to celebrate diversity so that people feel welcomed and represented at Edmonton International Airport. We aspire to be ‘an airport for everyone.’ This is part of our long-term commitment to listening and learning from a variety of perspectives together with our community, employees, passengers and our partners.

Everything we do is for the benefit and economic prosperity for the Edmonton region. This is why we are proud of our 2018 study that showed EIA contributed \$3.2 billion in economic output in the EIA community and supported 26,000 jobs.

In typical years, EIA supports approximately 100 charities through our Community Investment Program. Our Community Investment Program supports organizations that build community spirit, provide long-term benefits and enhance the region’s quality of life. Our commitment to ESG hinges on social sustainability.

Although, the pandemic again disrupted many charitable events and initiatives in 2021, EIA still supported many important causes. We gave tens of thousands of dollars in donations and hundreds of thousands of dollars in investments in small business and in-kind contribution to events.

COMMUNITY EVENTS

EIA supported three major Edmonton events in 2021 – the IIHF World Junior Championships, the World Triathlon Championships and the Match Centre HSBC World Rugby Sevens Series 2021. We support these events through co-ordinating operations and logistics, vibrant airport welcomes, social media posts and other in-kind services. These events are important community-building events, promoting the region nationally and internationally. We are also a long-time supporter of the Edmonton Heritage Festival.

SUPPORTING WOMEN IN AVIATION

We collaborated with Elevate Aviation, which promotes education and careers in aviation for women and Indigenous groups. EIA offered office space and resources to support their great vision and create a pipeline of excellent employees to grow and innovate at our facility.

MEANINGFUL INDIGENOUS PARTNERSHIPS

As 2021 showed us, reconciliation hinges on acknowledging the truth of Indigenous Peoples’ experiences in Canada and taking meaningful actions to fully include them in the opportunities many people take for granted.

Our dedication to Reconciliation and diversity, equity and inclusion is seen through our ongoing commitment to embed Indigenous partnerships and considerations into all aspects of our business. This results in new connections, business development opportunities, community support and access to government programs.

We recognize we must actively engage with Indigenous Nations and groups in our region to build trust and truly create an airport that reflects our community and province. We moved beyond transactional relationships with our partners. One of the new businesses on our property is Indigenous Box. Indigenous Box joined our Sustainability campus in 2021, and we are excited to collaborate with them to grow their business for ecofriendly and socially conscious products.

EIA must be an active participant in Indigenous spaces and conversations and show that we are indeed committed to reconciliation. Although we haven’t been able to meet in person with many of our valued partners, we continue to reach out to our existing partners and seek opportunities to create new relationships.

Further, EIA understands the importance of helping Indigenous Peoples gain the education and training needed to build fulfilling careers. EIA supports NAIT’s Aboriginal Community Partnerships program, which in part helps Indigenous students participate in apprenticeship programs.

We also journey on the path of reconciliation in other ways. We enthusiastically acknowledge and amplify Indigenous History Month, Indigenous Peoples Day and the National Day for Truth and Reconciliation within our organization and externally on social media. We look forward to once again hosting Indigenous Peoples Day celebrations at EIA when it is safe to do so.

INDIGENOUS INTERPRETIVE CENTRE COMING TO EIA

As part of these efforts, EIA is working to showcase Indigenous history, culture and interactive programming through an Indigenous Interpretive Centre, which will leave room for future retail opportunities. The centre is partly funded through PrairiesCan.

Through this same program, EIA began construction in 2021 of an Indigenous Interpretive Centre in the terminal, which will showcase Indigenous culture, programming and retail for passengers.

The Interpretive Centre is one way we will physically demonstrate our support of the Indigenous community and provide our passengers with a unique experience unlike any other offered at other Canadian airports.

Millions of people departing from EIA will have the opportunity to learn about the history of Indigenous Peoples through memorable storytelling, videos and workshops. In addition, this will allow EIA to continue to grow its relationships by supporting Indigenous artisans, storytellers and cultural leaders while also promoting Indigenous history and culture in our region.

To ensure the centre authentically and appropriately reflects Indigenous Peoples in Canada and in our region, we established an Elders and Knowledge Keepers Circle to guide the Interpretive Centre project. Much of the foundation work for the centre was done in 2021 and it is scheduled to open in 2022.

VILLENEUVE AIRPORT

Villeneuve Airport is an important component of our sustainability story. In particular, Villeneuve Airport is focused on partnerships. We collaborate with our municipal partners to improve water infrastructure on the facility and align with provincial government priorities. In 2021, we supported securing \$ 2.2 million in provincial funding for a waterline to Villeneuve Airport. We support helicopter and fixed-wing training facilities to support the development of pilots to meet Canada’s future needs. We also align with local communities to drive investment and bring jobs to the facility.

GOVERNANCE

CORPORATE RESPONSIBILITY + POLICY

Governance is connected to controls and procedures. It also speaks to Board and executive leadership and commitment, corporate responsibility and policy. Our Airport City Sustainability Campus represents a platform for our community to connect with local and internal partners.

**LEADERS
INNOVATE.**

Leadership creates processes and the collaborative business environment for a cross-functional ecosystem that promotes innovation and creates connections. As sustainability leaders in our region, we are poised to play an important role in advancing both federal and provincial environmental commitments. All levels of government recognize EIA as a key partner, demonstrating and promoting a green and sustainable aviation sector. We continue to work with our government partners to help our country reach net-zero emissions by 2050.

EIA embeds ESG in all our decision-making and business development at our Airport City Sustainability Campus. Executive reviews the value of our different sustainability procedures, reporting and measurement definitions.

We have developed a new Vendor Code of Conduct, adopting a minimum standard and expectation for all our suppliers to follow. Reflecting our own efforts, we recognize that EIA can also encourage environmentally and socially conscious behaviour within our partnerships.

We have been updating the Sustainability wording through our Request for Proposal (RFP) process, and strive to increase the balance between Environmental, Social and Governance information sharing. Additionally, we are assessing the weights of the different components of the RFP application.

Following the commitment of our Ground Lease with Transport Canada, we also support our local community businesses. We will use our purchasing power to support small, local and/or equity-supporting businesses by fulfilling our business needs. Equity-supporting businesses are those who either have equity-seeking groups in leadership, in hiring or through a corporate policy. We are developing a procedural document to support purchasing goods and services from small, local businesses. Our relationships with small businesses will go beyond transactional; it will involve the creation of long-term mutually beneficial partnerships.

RISK MANAGEMENT

The organization’s approach to risk is through an objective-centric Enterprise Risk Management approach which allows the organization to focus on those risks it deems most important in achieving its strategic and business plan goals. Through this approach, and in line with current world thinking, greater focus has been made towards risks related to cyber security and ensuring the organization invests in innovative information technology systems.

Risk reviews are done quarterly with input received through multiple layers of the organization (i.e. Board, Executive Management, Senior Management). This allows the application of resources (staffing and monetary) in a fashion that has the biggest impact to the organization’s risk exposure and streamlines reporting through management to the board.

Through an interconnected series of policies at the Board level, the organization is ensuring that its focus on diversity and workplace safety takes centre stage in its activities, as safety and security is job number one. The Board is committed to ensuring it maintains the needed skills set and director qualifications while pursuing a diversity and inclusion policy with goals that are reported to the public.

COMMITMENTS FOR 2022

As we work through COVID-19 recovery and towards our Innovation Expansion vision, we know that remaining committed to our values and our strong regional and international partnerships will allow us to be resilient long into the future. We will continue to protect aviation, an important asset in the modern economy. ESG is engrained in all that we do, and in 2022 we are committed to:

ENVIRONMENT

- **Nature-based solutions**
We will develop and implement a new tree-purchasing program with innovative on-site partners Wild+Pine. This will both support wildlife in Alberta and contribute to carbon offsetting plans. It aligns with the federal government mission to plant two billion trees.
- **Hydrogen**
Governments all around the world have started accelerating their commitment to developing a global Hydrogen economy. There will be several hydrogen conferences in Edmonton in 2022. EIA is well positioned as a major hub to drive the consumer adoption of hydrogen across Canada.
- **Sustainable Aviation Fuel (SAF)**
SAF is growing in importance for future of aviation. In 2022, EIA will contribute to supporting the collaboration between Canadian airports and airlines to develop a SAF network.

- **Solar Farm**
In 2022, we will break ground on the new Solar Farm, which will be over 600 acres and produce over 120 MW of energy. It will be the largest on-airport solar facility in the world.

SOCIAL

- **Meaningful Indigenous Partnerships**
EIA will continue to elevate Indigenous relationships in 2022.
- **Community investment**
EIA will expand our community investment program to support and develop organizations that our community cares about. In 2022, we are excited to celebrate in person.
- **Diversity, Equity, and Inclusion**
We will continue to develop our terminal and our employee experience to become one of Canada’s most equitable companies.

GOVERNANCE

- **Commitment to leadership**
Our Board of Directors and executive team will continue to increase their commitment to ESG. It is engrained in the business, as we continue to develop and maintain local and global leadership. In fact, this is our vision for Phase 6 of our ESG Journey.

- **Master Plan**
Our 2020-2045 Master Plan sets our vision for our facility. We will restart our planning on this project in 2022. Developing infrastructure to both reduce climate change and contribute to mitigating climate extremes will be made core in the planning document.

- **Villeneuve Airport**
We will continue to integrate Villeneuve Airport in our Sustainability Campus vision. We will collaborate with sustainability partners to invest in Villeneuve.

We are committed to ESG principles in everything we do. We embrace our new mandate set by our Board and our executive team. All our actions will drive our mission to responsibly generate economic prosperity for our region through authentic environmental, social and governance leadership. As a community leader, we recognize we have a special opportunity to ensure strong progress in all aspects of ESG – now and in the future for the betterment of our region and the world. We want our communities, our passengers and our children to be proud of their airport and what we can all do together in partnership to make the world a better place.

BOARD GOVERNANCE

BOARD COMPOSITION

The Board of Directors of Edmonton Airports consists of a maximum of fifteen (15) directors, of which thirteen (13) positions were filled as of December 31, 2021. Six (6) Directors are appointed by the City of Edmonton, two (2) Directors are appointed by the Government of Canada (1 position vacant), and one (1) Director each is appointed by Leduc County, the City of Leduc, Parkland County (vacant), Strathcona County and Sturgeon County. The Board has two (2) at-large appointments that are used to either retain or fill any gaps in skills, experience or background, in order to retain required skill sets on the Board, both of which are filled. Currently, the desired skills, experience and background are represented on the Board.

BOARD GOVERNANCE

The Board is responsible for the stewardship, strategic direction and oversight of the business and affairs of Edmonton Airports. In carrying out these responsibilities, the Board endeavours to maintain and seek continuous improvement in high standards of Board governance.

Some of the key governance functions of the Board include adopting and monitoring compliance with an ethics code, reviewing and approving Edmonton Airports’ strategic plan, annual business plan, establishing organizational principles around and monitoring activities related to the organization’s environmental, social and governance (ESG) initiatives, Chief Executive Officer (“CEO”) succession planning, and satisfying itself that management has identified the principal risks of the business and implemented appropriate systems to manage those risks.

Following the retirement of Mary Cameron (Federal Government) from the Board effective December 31, 2020, the Federal board position remained vacant in 2021 pending the selection and confirmation of a replacement Board member through the Government of Canada’s process for all Federal board appointment and re-appointment opportunities. Effective September 9, 2021, Doug Horner (Parkland) resigned from the Board and the Parkland Board position remained vacant through the end of 2021. A search for a replacement appointee is underway by Parkland County.



JOAN HERTZ



ANGELINA BAKSHI



CHRISTOPHER BURROWS



HOWARD ENG



MONA HALE



MURRAY HALES



TIM HOFSTRA



DOUG HORNER



DARRELL JONES



SANDRA MAROCCO



STEVEN MCCLELLAND



CARMAN MCNARY



DAVE MOWAT



JAY RAMOTAR

BOARD CHANGES IN 2021

- Tim Hofstra (Leduc County) was re-appointed to the Board effective January 1, 2021
- Angelina Bakshi (City of Edmonton) was appointed to the Board effective January 1, 2021
- Sandra Marocco (Sturgeon County) was appointed to the Board effective January 1, 2021
- Doug Horner (Parkland County) resigned from the Board effective September 9, 2021
- Christopher Burrows (City of Edmonton) was re-appointed to the Board effective January 1, 2022
- Steve McClelland (At Large) was re-appointed to the Board effective January 1, 2022

BOARD MANDATE

1.1 Governance Principles and Guidelines

The Board will perform its overall stewardship responsibilities as a governance board rather than a management board and will have regard to:

- (a) All Edmonton Airports' applicable statutory obligations including:
 - i. to manage and operate the airports for which it is responsible in a safe, secure and efficient manner; and
 - ii. to advance economic and community development by means of promoting and encouraging improved airline and transportation service and an expanded aviation industry;

for the general benefit of the public in the general region in which the airports are located.

- (b) Edmonton Airports' guiding principles of noble cause, vision, mission and core values;
- (c) accountability to stakeholders and the community through appropriate transparent processes, disclosure practices and effective communication, including feedback mechanisms;
- (d) national and international airport best practices; and
- (e) Corporate Governance Guidelines as recommended by the Canadian Securities Administrators, Canadian Coalition for Good Governance and Institute of Corporate Directors.

1.2 Board Stewardship

The Board is responsible for the stewardship, strategic direction and oversight of the business and affairs of Edmonton Airports, including:

- (a) satisfying itself that executive management of Edmonton Airports practice and create a culture throughout the organization that includes the core values approved by the Board and articulated in the strategic plan;
- (b) adopting an ethics code and monitoring compliance with the Board approved Ethics Code, and satisfying itself that executive management of Edmonton Airports practice and create an ethical corporate culture;
- (c) following a strategic planning process which takes into account among other things, the opportunities and risks, financial overview and sustainability of the business, through the adoption and monitoring of the strategic plan and annual business plan;
- (d) satisfying itself that executive management has identified the principal risks of the business and implemented appropriate systems to manage these risks;
- (e) satisfying itself that executive management has contingency/emergency replacement plans in place for executive management and essential operational positions and succession plans in place for management;
- (f) satisfying itself that executive management has adopted a communication policy for the stakeholders and community, which policy shall ensure effective measures for receiving feedback from the stakeholders and the community; and
- (g) satisfying itself that executive management is monitoring internal controls and management information systems.

1.3 Board Responsibilities

Only the Board will:

- (a) appoint or remove at-large directors;
- (b) appoint or remove officers;
- (c) appoint or remove the auditor;
- (d) approve the responsibilities and compensation of the Board, Board Chair and Board Committees;
- (e) review environmental, safety and security programs established by management, including standards, insurance coverage, and regulatory compliance;
- (f) authorize the issuing of securities;
- (g) authorize the raising of money by Edmonton Airports;
- (h) approve the giving of financial assistance, directly or indirectly, by means of a loan, guarantee or otherwise;
- (i) approve annual audited financial statements;
- (j) approve corporate goals and objectives and assess corporate performance;
- (k) select, evaluate and establish compensation for the President and CEO;
- (l) plan President and CEO succession;
- (m) approve Special Resolution matters, including;
 - (i) amendment of Articles,
 - (ii) sale, lease or exchange of all or substantially all of the assets of Edmonton Airports,
 - (iii) the appointment of a Director as a director or officer of an Affiliate,
 - (iv) the appointment of a Subsidiary director as a director of officer of an Affiliate,
 - (v) requests of the Board to the reviewer appointed under section 29 of the *Regional Airports Authorities Act*,
 - (vi) amendment, replacement or repeal of Bylaws,
 - (vii) entering into an agreement to manage and operate an airport not previously managed and operated by Edmonton Airports,
 - (viii) participation with Affiliates, and
 - (ix) any material change to any Airport Master Plan.

1.4 Board Authorizations

The Board authorizes:

- (a) the Audit Committee to approve quarterly unaudited financial statements and the annual internal and external audit plans;
- (b) the President and CEO to manage all aspects of Edmonton Airports, consistent with all Board approved plans which authority includes the right of the President and CEO to delegate authority to other employees;
- (c) the Board Chair to appoint ad hoc Committees to act on matters between Board meetings; and
- (d) the Governance and Human Resources Committee to make determinations respecting disclosures made pursuant to the Conflict of Interest Rules that the disclosed interest would not materially or detrimentally conflict with the interests of Edmonton Airports or give rise to an appearance of a conflict of interest, or give direction respecting actions or processes to manage the disclosed interest.

1.5 Board Effectiveness

The Board, with support from Board Committees as required, will:

- (a) meet at least four times per year;
- (b) review appropriate and timely management reports;
- (c) appoint an Audit Committee and Governance and Human Resources Committee with Board approved mandates;
- (d) appoint a Special Committee with a Board approved mandate for a capital project or series of capital projects that could materially affect the credit or reputation of Edmonton Airports, as determined by the Board;
- (e) conduct regular assessments of the Board, Board Committees, Board Chair, Board Committee Chairs and individual directors;
- (f) annually review the Board Mandate and Workplan, Board Committee Mandates and Workplans, Terms of Reference for a Director, Director’s Confirmation, Acknowledgement and Declaration, and position descriptions for the Board Chair, Board Committee Chairs, President and CEO, Corporate Secretary and Board Secretary to ensure clear delineation of responsibilities and expectations;
- (g) establish a comprehensive director development program for directors consisting of director selection, orientation and continuing education;
- (h) review size and makeup of the Board and participate in filling Board vacancies;
- (i) directly engage advisors as required;
- (j) meet “*in camera*” with the President and CEO at each meeting and as the Board at the beginning and end of each meeting to ensure independence from management; and
- (k) require directors to annually sign a Directors’ Confirmation, Acknowledgement and Declaration.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

The following is Edmonton Airports’ disclosure of its Corporate Governance Practices.

Composition of the Board

Independence of Directors	All Edmonton Airports Directors are independent.
Independence of Board Chair	The Board Chair is an independent director. The Board Chair's role and responsibilities are described in the Board Chair's Position Description.

Attendance – Board & Committee Meetings 2021

Attendance Record of each Director for 2021

	Board	Audit Committee	Governance & Human Resources Committee
Angelina Bakshi	7/7	2/2*	1/1*
Christopher Burrows	7/7	4/4	
Howard Eng	7/7	4/4	1/1*
Mona Hale	7/7	4/4	
Murray Hales	7/7	4/4	
Joan Hertz	7/7	4/4**	3/3
Tim Hofstra	6/7		3/3
Doug Horner	3/4***		2/2***
Darrell Jones	6/7	4/4	
Sandra Marocco	7/7	2/2*	1/1*
Steven McClelland	7/7	1/1*	3/3
Carman McNary	7/7	1/1*	3/3
Dave Mowat	6/7	4/4	
Jay Ramotar	7/7	1/1*	3/3

* Non-member – attended at request of Committee

** Non-member – attended as Board Chair

*** Resigned from the Board effective September 9, 2021

Director Independence

In Camera Meetings	In camera sessions are held at the beginning and end of every Board and Board Committee meeting in accordance with the Board and Board Committee Mandates.
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Board Mandate

Board Mandate	The Board has a written mandate that sets out its role and responsibilities. The text of the Board Mandate is set out herein.
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Position Descriptions

Position Descriptions	The Board has written position descriptions for the Board Chair, the Governance & Human Resources Committee Chair ("Governance Committee"), the Audit Committee Chair, the President and CEO, the Corporate Secretary (Governance Officer) and the Board Secretary.
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Orientation and Continuing Education

New Director Orientation	The Director Development Program sets out an orientation program for new directors, which is designed to provide a comprehensive introduction to Edmonton Airports and the Board's governance policies and practices. The program includes, inter alia, orientation sessions with the Board Chair and the Governance Committee Chair (as requested), Corporate Secretary (Governance Officer), President and CEO and Executive Management, as well as attendance at one meeting of each Board Committee in the new director's first year, and tours of the facilities operated by Edmonton Airports.
Director Continuing Education	The Policy for Director Development provides for funding for director development. The Director Development Program sets out a program for Continuing Education to expand a director's knowledge of the aviation industry, government policy, business risk, competition and governance.

Code of Business Conduct and Ethics

Written Code of Business Conduct and Ethics	The Board has adopted a written Ethics Code applicable to Edmonton Airports’ Directors, Officers, Executive Management and Employees. The Board monitors compliance of Directors by requiring Directors to annually sign the Director's Confirmation, Acknowledgement and Declaration Form.
Conflict of Interest Rules	The Conflict of Interest Rules that form part of the Ethics Code requires completion (annually) of a Personal Information Form and disclosure of all interests, activities, investments, memberships and appointments that Directors, Officers, Executive Management and Employees have become involved with that may materially or detrimentally conflict with the interests of Edmonton Airports or any interests that may reasonably be perceived as giving rise to an appearance of a conflict of interest. The Board implements appropriate processes to manage disclosed interests, such as requiring Directors who have a material interest in a transaction to recuse themselves from discussions and/or voting on issues concerning those transactions.

Diversity and Inclusion Policy	<p>The Diversity and Inclusion policy forms the foundation of the Board’s recognition that good to great governance includes the benefits that diversity and inclusion can bring through effective representation of women, Aboriginal peoples, person with disabilities and members of visible minority groups. The Board is committed to:</p> <ol style="list-style-type: none">1. promoting Board Diversity and Inclusion in the pursuit of recruiting qualified Board candidates;2. establishing measurable objectives for achieving Board Diversity and Inclusion; and3. keeping its stakeholders informed of its progress towards implementing and achieving Board Diversity and Inclusion. <p>In particular, the Board has determined that, working with the Appointers, by the end of 2025, the Board will strive to achieve:</p> <ul style="list-style-type: none">• 50% gender parity in membership; and• significant representation (“30%”) in membership of other under-represented groups, including racialized minorities and groups, people living with disabilities (including invisible and episodic disabilities), and members of First Nations, Inuit and Métis peoples.
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Nomination of Directors

Nomination and Appointment of Directors	<p>The Director Selection Process, which is a component of the Director Development Program, provides for a strategic, disciplined and transparent process to bring the skill sets, competencies and diversity required on the Board.</p> <p>The process consists of:</p> <ol style="list-style-type: none">1. Skills/competencies and diversity gap analysis conducted by the Governance Committee to identify anticipated gaps in the diversity, skill sets and competencies of the Board, including an assessment of whether a Director At Large position is needed to ensure no gap occurs;2. Communication of selection criteria to the Appointer for the Appointer’s consideration and in the case of Government of Canada appointment opportunities the appropriate criteria for insertion on the position posting advertisement. Where appropriate, the Board encourages the Appointer to utilize a search firm to assist in identifying candidates;3. Meeting of the Governance Committee Chair and Board Chair, and where possible other Governance Committee members and with the candidate to communicate the skill set and competencies required, expectations of time commitment, and application of Conflicts of Interest rules. Meetings with the Board Chair and other Directors are arranged to get to know the candidate;4. For Government of Canada appointee opportunities beginning in 2017, in addition to point 3 above, meeting of the Board Chair and representatives from Transport Canada and the Minister of Transportation as part of a screening committee to review the applications; and5. Communication with the Appointer as to the suitability of candidates interviewed.
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Nominating Committee	The Governance Committee’s Mandate includes responsibility for reviewing the size and makeup of the Board and filling Board vacancies.
Nominating Committee Responsibilities, Powers and Operation	The Governance Committee’s annual Workplan includes reviewing director skill sets and identifying gaps, reviewing size and makeup of the Board, diversity and inclusion of Board members and any potential gaps, and making recommendations to Appointers for Board vacancies.

Compensation

Compensation Responsibilities, Powers and Operation	The Governance Committee’s Mandate includes responsibility for reviewing and recommending for Board approval the CEO evaluation process and compensation, Edmonton Airports’ Compensation Philosophy, the Directors’ Compensation Philosophy and Director compensation Policy.
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Other Board Committees

Other Standing Committees	The Board’s standing committees are the Audit Committee and Governance Committee. The Board has the ability to appoint special committees with Board approved mandates as required.
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Board Assessments

Assessments of the Board, Board Committees and Individual Directors	Assessments of the Board, Board Committees, the Board Chair, Board Committee Chairs and individual Directors (both self and peer) are conducted regularly. Assessment information may be collected and compiled through questionnaires or interviews or a combination of the two techniques and may be conducted with the assistance of external consultants. All assessment results are reviewed by the Governance Committee and the Board Chair. The Governance Committee is responsible for recommending and monitoring improvement based on assessment results.
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STRATEGIC REPORTING

Our 2021 Strategic Performance

To support the achievement of our five-year strategic objectives, we set annual corporate and strategic business unit (SBU) targets. These targets align our teams to focus on outcomes that are best for the business and ultimately best for the community. We track, analyze and present performance on a monthly, quarterly or annual basis. In our 2021 Business Plan we set thirteen corporate targets in five areas; Financial Sustainability, Passenger Experience, Community and Social Responsibility, Airport Operations, Employee Sentiment and Safety. Our thirteen targets were selected to support the achievements of our long-term vision; Innovation Expansion. As we worked through the challenges of COVID-19 we invested in protecting our core infrastructure and preparing our facility for growth and the pent-up demand of our passengers. More details on our 2021 financial performance and audit can be found on (pg 51). The Strategic Reporting section on this page focuses on the 2021 performance results for our non-financial targets.

The 2021 Annual Report reflects the major impact that COVID-19 continued to have on the aviation sector and on our airport. In the midst of the persistent volatility of the travel and oil markets, we also identified many new opportunities. Our teams were collaborative, innovative and driven to work towards the 2021 targets. One particular area of increased importance was our commitment to leadership in environment, social and governance actions.

Enhance Passenger Experience

The total number of passengers travelling through the airport in 2021 was 2.79 million. Through our upgraded passenger security processes, we were able to track enplaned passenger numbers on an hourly basis, which was important as we navigated the volatility of 2021. The ongoing changes to local and global travel restrictions and the arrival of Omicron towards the end of the year led to lower passenger numbers than originally anticipated. That said, most of our passenger recovery occurred in the second half of 2021. The summer of 2021 saw a rapid increase in domestic passenger numbers as vaccination rates accelerated in Canada, and the return of international service in August 2021 was critical to EIA's recovery efforts and global presence. Similar to many other countries, overall, the domestic market returned stronger and faster than the international and business traveller market.

As part of our budget reduction response to the decrease in passenger volumes, the Airport Service Quality (ASQ) program was suspended for 2020 in Q2. It was restarted in early 2021, and the survey included five new pandemic-specific questions that include comfort and stress levels of passengers. We responded to changing passenger preferences with new EIA customer initiatives including a comprehensive EIA Ready program, Airport Council International (ACI) Health Accreditation, and our participation in the city-wide Global Bio-risk Advisory Council (GBAC) cleaning program. Our 2021 Q4 score was 4.38/5.00. This was due to the success of these customer-focused activities, as well as relatively fast queues during check in and security screening. We have also reopened a large section of our terminal and introduced new concessionaires which has given passengers more space and comfort.

Improve Social, Environmental and Economic Impact

At the end of December 2021, the EIA owned and controlled (Scope 1 and 2) Carbon emissions were 37,380 tonnes of CO2e. (CO2e stands for Carbon Dioxide equivalent). It is the standard unit in carbon accounting and is used to represent all greenhouse gases in a comparable unit. Our new Cogeneration facility became operational in March 2021 and continued to be optimized through 2021. This facility runs on natural gas, and produces both heat and electricity for our terminal, allowing a reduction in the power we pull from the provincial grid. This significant shift has reduced our annual emissions and also supports overall cost savings. Through COVID-19, our emissions commitment continues to be more important than ever, and we were the first airport in the world to join the Amazon Climate Pledge to reach net zero by 2040.

Our regional economic impact for 2021 was assessed in a study during the fourth quarter of 2021, to greater understand our impact to the community during our recovery from COVID-19. Our passenger recovery was volatile, however the Airport City Sustainability Campus saw substantial business and investment growth that supported our economic impact. We saw growth in our on-site partners as Canadians received their vaccines, lockdowns and travel restrictions reduced and Canada saw an overall reduction in unemployment rates. Examples of new investments include the Ag-celerator development and National Trade Corridor Fund investment in our cargo apron expansion.

Our cargo total for 2021 was 48,197 tonnes, a record-breaking year. There were some concerns in global supply chains due to bottlenecks at ports, lower production and labor shortages in warehousing. Despite this, demand remained higher than previous forecasts. E-commerce continues to be an important component of consumer purchasing, and our partners suggest we can continue to see growth in service to respond to this demand.

Enhance Airline Productivity

We changed one of our measures from turnaround time to on-time departure rates. Our average on-time departure rates were 86.88% for 2021. We have increased the available terminal space and stay in close contact with airline and terminal services to ensure we respond to needs in a timely fashion. On-time departure rates are important for airlines to manage the high cost of crew and aircraft fuel.

We track the performance of the baggage wait times because it is important for our airline partners and for our passengers. The time from aircraft arrival to first bag was about 14:30 minutes and the time from aircraft arrival to last bag was about 24:24 minutes. Overall low passenger numbers have allowed for more preventative maintenance of baggage equipment. We continue to work with our partners to support our baggage wait times as our passenger numbers increase and our airlines manage through labor constraints.

Improve Employee Engagement, Performance and Well-being

Throughout the difficulties of COVID-19 our employees continued to work together to support the vision of our business. Our quarterly employee engagement score was above our target for favorable responses. The survey continued to ask questions around feeling connected and the safety of being on-site and overall inclusivity. We have continued to review and respond to employee requests expressed through the survey. The leadership team meets monthly and includes discussions on employee wellbeing and change management. We continue to support managers as they develop their team cohesion, and create comfortable and productive environments where employees feel respected. We follow Provincial and Federal recommendations for COVID-19, and many of our office staff continued to work from home in 2021.

'Safety and Security First' is a key value for Edmonton Airports through the COVID-19 challenges. We were proud to collaborate with employees and partners towards our corporate safety targets. We had a Total Recordable Incident Frequency (TRIF) score of 2.66 recordable incidents per 200,000 hours of work. This tracking has been adjusted to reflect the change in the workforce as well as the changes in on-site activities. We also tracked our Certificate of Recognition (COR) score. The COR score is aimed at understanding the quality of our preventative measures. We completed the COR documentation audit in November 2021. Increased communication on safety as well as the update of new policies led to a score of 83 per cent. All our employees understand that they are part of the safety team. We will continue to improve our safety culture through every department in our business.

LONG-TERM STRATEGIC OBJECTIVES

Using a holistic approach, we employ a corporate scorecard with financial, passenger, sustainability, process and employee categories to organize and set performance targets to achieve the five key strategic objectives listed below. We have adjusted our 2020-2024 Strategic Targets to reflect the impacts of COVID-19 and remain committed to our vision of Innovation Expansion. Part of Innovation Expansion is positioning our business in a leadership position both locally and internationally by focusing our resources on innovative technologies rather than solely on new construction of traditional brick and mortar infrastructure. Our long-term vision aims to diversify and grow revenue through air service, commercial development, and Airport City Sustainability Campus business ventures. Also, embedded in the five-year vision was an acceleration of investment in digital capabilities and the transformation and optimization of existing airport infrastructure to drive efficiencies and service future airline operational needs. All these changes will be made possible by investing in existing employees and attracting new future-focused talent. We expect that our industry will continue recovering through 2022 and will return to close to 2019 levels by 2025.

Improve Financial Sustainability

Our financial strategy is focused on long-term business growth with financial accountability measures, such as return on Earnings Before Interest Taxes Depreciation and Amortization (EBITDA) and Revenue from non-Airport Improvement Fee (AIF) sources. Financial management creates the stability needed for successful long-term planning. To improve our financial sustainability we focus our attention on revenue sources beyond our passenger numbers. Our investment in new infrastructure and attracting new businesses to the Airport City Sustainability City community will continue for the benefit of the region. We also aim to continue to build an ecosystem of interconnected businesses that align with our ESG leadership vision.

Enhance Passenger Experience

Creating an excellent passenger experience is an important component in becoming a preferred airport for our customers. We place passengers at the heart of our business model and develop products and services that meet their needs and exceed their expectations, while linking them to the business and leisure destinations of their choice. Through COVID-19 we have seen that our passenger preferences and expectations have changed. As we begin to reopen our terminal and our businesses we will align to passenger trends. We will need to develop and sustain touchless

technologies, improved cleaning services and social distancing as our passenger numbers grow. We expect our passengers to become more price conscious, so we will continue to collaborate with our Ultra Low-Cost Carrier partners and work with all airline partners to understand new destinations of interest.

Improve Social, Environmental and Economic Sustainability

Our sustainability targets reflect our commitment to operating effectively and responsibly in the context of our business, passenger, employees and the community. We will continue to maintain and grow our sustainability leadership position. Our Airport City Sustainability Campus gives us a unique competitive advantage to advance our alignment with government and business partners, and also support the recovery of aviation. The federal government has identified that the Canadian recovery needs to be green and equitable among other commitments. Our targets around driving economic growth, cargo growth and reducing carbon emissions represent key areas of focus. We will build skills in sustainability best practices, increase transparency in reporting and monitoring, engage stakeholders to ensure operations reflect their needs and develop initiatives that resonate with airlines and regional interests. Our commitment to net zero emissions by 2040 will continue to guide our investment in low emissions innovations.

Enhance Airline Productivity

This objective strategically aligns us with the interests of airlines, which are key partners and stakeholders. Targets in this area are aimed at making the airport operations more efficient and effective. We strive to use our airport assets to support airline operations as efficiently as possible. We aim to use our assets and analytics to facilitate preventative maintenance programs, coordinate our resources and protect our facility for the long-term. The airport has created performance improvement targets geared at improving aircraft on time departure rates and enhancing the speed of passenger baggage delivery. As we recover from COVID-19 impacts, we aim to update our baggage systems to support the continual improvement of baggage handling speeds and data tracking. Additionally, our award-winning winter operations performance and our collaboration with airline partners will allow us to improve our on-time departure rates as passenger numbers increase.

Employee Engagement, Performance and Well-being

We are committed to increasing employee sentiment while managing through the long-term flexible workplace requirements. A component of our long-term vision is to create a holistic approach to employee wellbeing, because employees are core to achieving all of the different strategic targets of the business. Our leaders design roles, clarify accountabilities, develop talent and support the creation of a comfortable modern workplace. With our increased investment in new technologies, we aim to increase employee training in our new software for a seamless and integrated work experience. We also seek to ensure that we operate the airport in the safest possible manner and have safety targets focused on reducing recordable safety incidents and increasing proactive safety. With the new challenge of employees on-site and off-site, different shift schedules and collaboration approaches, we will always believe in ‘Safety and Security First’.

PUBLIC COMPETITIVE TENDERING DISCLOSURE

2021 REPORTABLE SOLE SOURCES

Reportable amount for 2021: \$142,309 (\$75,000 in 1992 dollars)

Supplier	Project	Value (in thousands of dollars)	Code
Garda Canada Security Corporation	Security Services	\$4,500	In compliance with strategic alliance / partnership requirements
Leduc County	Water Distribution / Wastewater Systems Operations at Edmonton International Airport	\$1,450	In compliance with sole source purchase criteria
Sturgeon County	Water Distribution / Wastewater Systems Operations at Villeneuve Airport	\$400	In compliance with sole source purchase criteria

FINANCIALS



Independent auditor's report

To the Board of Directors of Edmonton Regional Airports Authority

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Edmonton Regional Airports Authority and its subsidiaries (together, the Edmonton Airports) as at December 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Edmonton Airports' consolidated financial statements comprise:

- the consolidated statement of financial position as at December 31, 2021;
- the consolidated statement of operations for the year then ended;
- the consolidated statement of changes in net assets for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Edmonton Airports in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Edmonton Airports' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Edmonton Airports or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Edmonton Airports' financial reporting process.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Edmonton Airports' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Edmonton Airports' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Edmonton Airports to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Edmonton Airports to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Edmonton, Alberta
March 17, 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2021 and 2020

(in thousands of dollars)	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 152,722	\$ 40,798
Accounts receivable	21,256	14,530
Short term deposit notes (note 3)	30,000	36,000
Prepaid expenses and other	5,026	4,190
	209,004	95,518
Restricted deposits (note 4)	41,155	38,157
Long term deposit notes (note 3)	59,000	89,000
Lease receivable and other	5,561	5,134
Investment in associates (note 5)	4,867	1,000
Post-employment benefits (note 6)	13,411	4,251
Property, plant and equipment (note 7)	823,440	875,715
Intangible assets (note 8)	2,592	3,845
	\$ 1,159,030	\$ 1,112,620
Liabilities and net liabilities		
Current liabilities		
Bank indebtedness	\$ -	\$ 50,000
Accounts payable and accrued liabilities (note 9)	27,910	27,263
Current portion of deferred revenue and contributions (note 10)	3,243	3,738
Current portion of long-term debt (note 4)	46,120	40,030
	77,273	121,031
Tenants' security deposits and other long-term payables	2,579	2,730
Deferred revenue and contributions (note 10)	49,938	44,298
Post-employment benefits (note 6)	4,096	4,003
Long-term debt (note 4)	1,127,045	975,441
	1,260,931	1,147,503
Commitments and contingencies (note 12)		
Net liabilities	(101,901)	(34,883)
	\$ 1,159,030	\$ 1,112,620

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors:

Chair

Chair - Audit Committee

CONSOLIDATED STATEMENT OF OPERATIONS

For the years ended December 31, 2021 and 2020

(in thousands of dollars)	2021	2020
Revenues		
Airport improvement fee (note 11)	\$ 33,165	\$ 29,727
Airside and general terminal	25,831	25,200
Concessions and parking	19,230	20,026
Contributions (note 10(b))	15,885	12,552
Real estate leases	14,002	15,449
Other revenue	1,111	570
	109,224	103,524
Expenses		
Service, maintenance, supplies and administration	34,606	34,441
Salaries and employee benefits (note 14)	28,408	36,051
Utilities, insurance and property taxes	11,932	11,864
Airport improvement fee collection costs (note 11)	2,321	1,862
Ground Lease (note 12(a))	-	995
	77,267	85,213
Earnings before other income and expenses	31,957	18,311
Other expenses		
Depreciation and amortization	64,922	66,454
Interest and other	45,669	40,887
Gain on insurance and settlements (note 7(b))	(1,850)	-
(Gain) loss on disposal of property, plant and equipment	(59)	309
	108,682	107,650
Net loss	\$ (76,725)	\$ (89,339)

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

For the years ended December 31, 2021 and 2020

(in thousands of dollars)	2021	2020
Net assets (liabilities) – beginning of year	\$ (34,883)	\$ 53,839
Post-employment benefits remeasurement and other items (note 6)	9,707	617
Net loss	(76,725)	(89,339)
Net liabilities – end of year	\$ (101,901)	\$ (34,883)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended December 31, 2021 and 2020

(in thousands of dollars)	2021	2020
Cash flows from operating activities		
Net loss	\$ (76,725)	\$ (89,339)
Adjustments for:		
Depreciation and amortization	64,922	66,454
Amortization of borrowing costs	485	402
(Gain) loss on disposal of property, plant and equipment	(59)	309
Changes in non-cash working capital (note 16)	(2,479)	(2,009)
Post-employment benefits	640	988
Net cash flows used in operating activities	(13,216)	(23,195)
Cash flows from investing activities		
Increase in restricted deposits	(2,998)	(2,323)
Proceeds from deposit notes	36,000	55,000
Increase in investment in associates	(3,867)	(1,000)
Purchase of property, plant and equipment	(11,344)	(22,600)
Purchase of intangible assets	(125)	(534)
Proceeds on disposal of property, plant and equipment	134	47
Net cash flows from investing activities	17,800	28,590
Cash flows from financing activities		
Repayments of long-term debt	(41,872)	(37,855)
Proceeds from long-term debt	199,212	–
Proceeds from (repayments of) bank operating line	(50,000)	50,000
Net cash flows from financing activities	107,340	12,145
Net increase (decrease) in cash	111,924	17,540
Cash and cash equivalents – beginning of year	40,798	23,258
Cash and cash equivalents – end of year	\$ 152,722	\$ 40,798

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

1. NATURE OF OPERATIONS

Edmonton Regional Airports Authority (“Edmonton Airports”) was incorporated on July 26, 1990 under the provisions of the Regional Airports Authorities Act (Alberta) (the “Act”) as a non-share capital corporation. The mandate of Edmonton Airports, as defined in the Act, is to manage and operate the airports for which it is responsible in a safe, secure and efficient manner and to advance economic and community development by promoting improved airline and transportation service and an expanded aviation industry. In accordance with the provisions of the Act, all of Edmonton Airports’ surpluses are applied towards promoting its purposes and no dividends are paid out of the surpluses. Surpluses in these consolidated financial statements are described as net assets. Deficits are referred to as net liabilities.

Edmonton Airports’ earnings are generated from airport-related operations and are exempt from federal and provincial income tax.

Edmonton Airports has the following wholly owned for-profit subsidiaries:

- (i) Edmonton Airports Inc. is a holding company which holds a non-significant influence investment in a Canadian graphene technology company. Edmonton Airports Inc. also holds a 100% interest in EIA Distribution Inc and EIA Properties Inc.
- (ii) EIA Development Inc. is a holding company which holds a 49% significant influence investment in a corporation that owns and operates multi-tenant buildings on airport lands.
- (iii) EIA Parking Inc., is a holding company which holds a non-significant influence investment in a parking technology company.
- (iv) EIA Properties Inc. which is 100% owned by Edmonton Airports Inc., holds Edmonton Airports Inc.’s 50% shareholder interest in ColdChase GP Inc., the general partner of ColdChase Limited Partnership which is a jointly controlled enterprise established to help with the future development and commercialization of technology innovations. EIA Properties Inc. also holds an interest in the ColdChase Limited Partnership as a limited partner.

EDMONTON INTERNATIONAL AIRPORT

On April 2, 1992, Edmonton Airports signed an agreement with the Government of Canada (the “Landlord”) to transfer control of the Edmonton International Airport (the “Airport”) to Edmonton Airports. Effective July 31, 1992, Edmonton Airports signed the Ground Lease Agreement (“Ground Lease”) with the Landlord to lease the Airport facilities for an initial period of 60 years ending in 2052. On August 1, 1992 Edmonton Airports assumed control of the Airport. Under the option granted to Edmonton Airports in the Ground Lease, Edmonton Airports provided notice to the Landlord to exercise the option to extend the term for an additional 20 years, expiring July 31, 2072.

The Airport operates on approximately 2,800 hectares of land in the County of Leduc adjacent to the City of Leduc in the province of Alberta. The assets of the Airport include the air terminal, airside assets including two runways, multiple taxiways and aprons, loading bridges, groundside assets including parking lots, maintenance facilities and other ancillary structures necessary to execute its mandate.

Edmonton Airports is committed to the continuing development of the Airport. This includes continued redevelopment of the terminals, increasing airside capacity, and increasing cargo and aircraft facilities.

VILLENEUVE AIRPORT

On March 30, 2000, Edmonton Airports acquired from the Government of Canada all lands, assets, chattels and equipment comprising the Villeneuve Airport for a nominal amount. Villeneuve Airport operates on approximately 579 hectares of land in Sturgeon County and is a certified general aviation airport. Villeneuve Airport’s role is to serve the needs of small commercial, recreational flying and general aviation and is also a flight training facility with a flight control system owned and operated by NAV CANADA.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

A) BASIS OF PREPARATION

Edmonton Airports’ consolidated financial statements have been prepared by management in accordance with the CPA Canada Handbook – Accounting Part III – Accounting Standards for Not-for-Profit Organizations (“ASNPO”) and include the results of Edmonton Airports’ wholly owned subsidiaries. All intercompany transactions and balances have been eliminated on consolidation.

The consolidated financial statements have been prepared in Canadian dollars under the historical cost convention.

B) USE OF ESTIMATES

The preparation of the consolidated financial statements in accordance with ASNPO requires management to make judgements and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates, and differences could be material. Significant estimates include the estimated useful lives of capital and intangible assets, the collectability of accounts receivable, measurement of accrued liabilities, and measurement of post-employment benefits. Estimates reflect judgements and assumptions related to the impact of the COVID-19 pandemic which continues to evolve.

C) CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash and other investments with an original term of 90 days or less.

D) GROUND LEASE EXPENSE

The Ground Lease expense is based on a progressive scale of percentages of Edmonton Airports’ revenue as defined in the Ground Lease and is charged to operations.

E) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses. Property, plant and equipment do not include the cost of the facilities that are leased from the Landlord. These assets will revert to Transport Canada upon the expiration or termination of the Ground Lease. No amounts are amortized longer than the lease term.

Assets under construction are not depreciated and are transferred to property, plant and equipment when the asset is available for use, as intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is provided at cost less estimated residual value on a straight-line basis over the estimated useful lives as follows:

Buildings	2–60 years
Roadway Systems, parking facilities and lots	3–60 years
Runway facilities and lots	3–20 years
Vehicles and maintenance equipment	5–35 years
Computer equipment	2–5 years
Land and Land Development	60 years

Edmonton Airports has previously purchased land for operational purposes and future development. The Ground Lease requires that at commencement of development the applicable land be transferred to the Government of Canada at which time Edmonton Airports will reclassify the land to leased land.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

F) INTANGIBLE ASSETS

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets do not include the cost of the facilities that are leased from the Landlord.

Intangible assets include purchased computer software and software licenses with finite useful lives. These assets are capitalized and amortized on a straight-line basis in the statement of operations at the following annual rates:

Purchased software and software licenses	2 – 5 years
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G) BORROWING COSTS

Borrowing costs attributable to the acquisition or construction of an asset that is constructed over time are added to the cost of the asset, until the asset is available for use. All other borrowing costs are recognized as interest expense in the year in which they are incurred.

H) IMPAIRMENT

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s fair value or replacement cost is estimated. For the purpose of measuring fair value or replacement cost, an asset can be integrated with other assets such that it may be necessary to consider the value of the asset’s future economic benefits or service potential for the group of integrated assets as a whole. A write-down is recognized for the amount by which the asset’s carrying amount exceeds its fair value or replacement cost.

I) REVENUE RECOGNITION

Edmonton Airports recognizes revenues when received or receivable if the amount to be received can be reasonably estimated and if collection is reasonably assured as follows:

- Airport improvement fee ("AIF") revenue, which is collected from passengers by air carriers, is recognized based on monthly passenger numbers submitted by individual carriers.
- Concession revenue is recognized based upon the greater of agreed percentages of reported concession sales and specified minimum rentals over the terms of the respective leases. In some instances, concession revenue is recognized exclusively based on agreed percentages of reported concessions sales.
- Airside and general terminal and parking revenues are recognized as the airport facilities are utilized.
- Real estate revenue net of incentives and rent forgiveness is recognized on a straight-line basis over the terms of the respective leases. For land, this amount is recognized once the developed land has been granted to the tenant.
- Interest income is recognized in the period in which it is earned.
- Contributions are accounted for using the deferral method as follows:
 - Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
 - Contributions received to offset specific operating costs are deferred and recorded as revenue when the related costs are incurred.
 - Contributions received or receivable and designated by third parties for specific capital purposes are deferred and recorded as revenue on a basis consistent with the amortization of the related capital assets.

J) POST-EMPLOYMENT BENEFITS

Edmonton Airports operates a contributory defined benefit ("DB") pension plan, a non-contributory defined benefit pension plan, a defined contribution ("DC") pension plan and two unfunded supplemental plans.

DEFINED BENEFIT PENSION PLAN

The liability recognized in the balance sheet in respect of the defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using an actuarial valuation prepared for accounting purposes. The present value of the post-employment benefit obligation is determined using the projected benefit method and by discounting the estimated future cash outflow using interest rates of high-quality corporate bonds that have duration to maturity approximating the duration of the related pension liability.

Remeasurements and other items comprise the difference between the actual return on plan assets and the return calculated using the discount rate used to determine the defined benefit obligation, actuarial gains and losses, the effect of any valuation allowance, past service costs and gains and losses arising from settlements and curtailments. Remeasurements and other items are recognized directly in net assets in the statement of financial position and are presented as a separate line item on the statement of changes in net assets.

DEFINED CONTRIBUTION PENSION PLAN

Edmonton Airports records contributions to the defined contribution pension plan as an expense, which is included in salaries and employee benefits expense, as services are rendered.

K) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are initially recognized at fair value when Edmonton Airports becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

With respect to financial assets measured at cost or amortized cost, Edmonton Airports recognizes in net income an impairment loss, if any, where there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net income in the period the reversal occurs.

L) DEFERRED REVENUE

Deferred revenue consists primarily of land leasing, space rental and aeronautical fee revenue received in advance of land or facilities being utilized. Deferred revenue is recognized over the terms of the related agreements.

M) INVESTMENT IN ASSOCIATES

Edmonton Airports records investments over which it has significant influence using the equity method of accounting. The original investment is initially recorded at cost and is subsequently increased or decreased to account for the Airport’s share of income or loss from the investment.

Edmonton Airports records investments in equity instruments over which it does not have significant influence using the cost method. These investments are held at cost less any reduction for impairment. Interest, dividends, losses and gains relating to these financial instruments are reported in net income as expense or income.

N) JOINT ARRANGEMENTS

Edmonton Airports assesses joint arrangements at the inception of the agreement based on the structure and legal terms of the contract. Where the arrangement meets the definition of a jointly controlled enterprise, the equity method of accounting is used. Where the arrangement meets the definition of a jointly controlled operation, or jointly controlled assets, the Airport recognizes its share of the assets, liabilities, revenue and expenses of the joint arrangement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

3. DEPOSIT NOTES

Edmonton Airports holds deposit notes in the amount of \$89 million (2020 - \$125 million). \$30 million will mature in 2022 and is classified as short-term deposit notes; \$59 million is classified as long-term deposit notes. The deposit notes are subject to yearly drawdown on specific dates through to 2026. Deposit notes are measured at amortized cost. Interest income is recognized in the period in which it is earned. Total interest income earned from these deposit notes in 2021 was \$3,415 (2020 – \$5,758).

4. LONG-TERM DEBT

Pursuant to a Master Trust Indenture ("MTI") dated October 31, 2000, Edmonton Airports established a Capital Markets Platform ("CMP") which enables Edmonton Airports to create, issue and secure bonds, without restriction as to the amount or series. All bonds issued pursuant to the MTI are secured by a mortgage or charge against Edmonton Airports' leasehold interest in the Edmonton International Airport lands and a security interest in all of Edmonton Airports' present and after-acquired personal property. The aforementioned security ranks pari passu with all other indebtedness issued.

Pursuant to the terms of the MTI, Edmonton Airports is required to maintain a debt service reserve fund equal to one-half of its annual debt service costs and an operating and maintenance contingency fund equal to one quarter of its annual operating and maintenance expenses. At December 31, 2021, restricted deposits of \$41,155 (December 31, 2020 – \$38,157) exist as a requirement of the debt service reserve fund. These deposits earned annual interest of 0.55% (December 31, 2020 – 0.95%). The operating and maintenance contingency fund can be satisfied by cash, letter of credit or undrawn availability of a revolving credit facility.

Throughout the term of the MTI when any bonds are outstanding, Edmonton Airports is required to maintain a debt service coverage ratio on a rolling 12 months basis of 1.00:1 and a gross debt service coverage ratio of not less than 1.25:1.

Edmonton Airports undertook a consent solicitation process in 2020, to waive certain requirements under the MTI. Bondholders waived Edmonton Airports' obligation to meet the gross debt service coverage ratio and the debt service coverage ratio for the years 2020, 2021, and 2022. In addition, the Bondholders also waived Edmonton Airports of its obligation to fund an operating and maintenance contingency fund for the years 2021, 2022, and 2023.

Edmonton Airports has issued the following series of bonds through the CMP:

SERIES A BONDS

Pursuant to the first supplemental indenture dated October 31, 2000, Edmonton Airports created and issued series A bonds in the aggregate principal amount of \$250 million (the "Series A Bonds"). The Series A Bonds are issued as direct evidence of indebtedness of Edmonton Airports to the holder thereof. The Series A Bonds bear interest at a fixed rate of 7.214% per annum and are due on November 30, 2030. Principal and interest payments are made semi-annually on May 1 and November 1 of each year.

SERIES B BONDS

Pursuant to the second supplemental indenture dated October 31, 2000 and the fourth supplemental indenture dated December 31, 2017, Edmonton Airports created and has issued series B bonds in the aggregate principal amount of \$220 million (the "Series B Bonds"). The Series B Bonds are security for the operating credit facility and are payable on demand in accordance with the terms thereof. The Series B Bonds are pledge bonds, which constitute an obligation of Edmonton Airports to the holder thereof only to the extent of the lesser of i) the principal amount of the Series B Bonds plus interest accrued thereon; and ii) the amounts owing pursuant to the credit facility (including accrued interest). Pursuant to the second supplemental indenture, the Series B Bonds are exempt from the debt service reserve fund and operating and maintenance contingency fund requirements set forth in the MTI.

Edmonton Airports maintains an operating credit facility with a major Canadian bank. The agreement establishes, for a three-year term ending December 30, 2023, a \$100 million revolving credit facility for general corporate purposes and to assist in interim financing of construction projects. The credit facility can be extended up to \$200 million. As at December 31, 2021, \$ nil (December 31, 2020 – \$50,000) was drawn on the facility. Edmonton Airports has the option to draw on the credit facility at a variable interest rate based on the bank prime rate plus a premium or at a fixed interest rate based on the CDOR loan rate plus a premium. The bank prime rate at December 31, 2021 was 2.45% (2020 – 2.45%).

Pursuant to the credit agreement Edmonton Airports is not required to maintain any financial covenants while in receipt of a covenant waiver from Her Majesty the Queen in Right of Alberta ("HMQRA" formerly Alberta Capital Finance Authority or "ACFA").

SERIES C BONDS

Pursuant to the third supplemental indenture dated December 6, 2006, Edmonton Airports created and has issued series C bonds in the aggregate principal amount of \$1.365 billion (the "Series C Bonds"). The Series C Bonds are security for HMQRA Amended and Restated Credit Agreement dated January 24, 2012 and are payable on demand in accordance with the terms thereof. The Series C Bonds are pledge bonds, which constitute an obligation of Edmonton Airports to the holder thereof only to the extent of the lesser of i) the principal amount of the Series C Bonds plus interest accrued thereon; and ii) the amounts owing pursuant to the HMQRA Amended and Restated Credit Agreement (including accrued interest).

The HMQRA Amended and Restated Credit Agreement establishes three credit facilities (collectively, the "HMQRA Credit Facilities", and each a "HMQRA Credit Facility").

HMQRA Credit Facility 1 has a maximum principal amount of \$1 billion, available by way of fixed rate loans, to be used solely for the purposes of airport infrastructure expenditures at the Edmonton International Airport.

HMQRA Credit Facility 2 has a maximum principal amount of \$300 million, available by way of fixed rate loans, to be used firstly for the purposes of redeeming or purchasing for cancellation the Series A Bonds and the Series B Bonds. The HMQRA Amended and Restated Credit Agreement prohibits any drawdown of the final \$50 million of HMQRA Credit Facility 2 until all of the Series B Bonds have been redeemed. Once the Series A Bonds and the Series B Bonds are fully redeemed, any residual balance in HMQRA Credit Facility 2 can be used for the HMQRA Credit Facility 1 purposes.

HMQRA Credit Facility 3 has a maximum principal amount of \$100 million, available by way of fixed rate loans, to be used solely for the purposes of funding capital expenditure projects, the general purpose of which are to construct or improve infrastructure in respect to buildings, airfield, land, roads, navigational aids and other assets required for the operation of the Edmonton International Airport. The use of HMQRA Credit Facility 3 reduces, dollar for dollar, the amount available to Edmonton Airports under HMQRA Credit Facility 1.

Pursuant to the HMQRA Amended and Restated Credit Agreement, throughout the period when any amounts are outstanding thereunder, Edmonton Airports is required to maintain an interest coverage ratio of not less than 1.25:1 and net cash flows greater than zero as of the end of any fiscal quarter on a rolling four fiscal quarter basis. Edmonton Airports obtained a waiver agreement from the HMQRA waiving all financial covenants set out in the Amended and Restated Credit Agreement for the period of April 1, 2020 to December 31, 2022.

SERIES D BONDS

Pursuant to the sixth supplemental indenture dated May 20, 2021, Edmonton Airports created and issued series D bonds in the aggregate principal amount of \$200 million (the "Series D Bonds"). The Series D Bonds are issued as direct evidence of indebtedness of Edmonton Airports to the holder thereof. The Series D Bonds bear interest at a fixed rate of 3.715% per annum and are due on May 20, 2051. Principal and interest payments are made semi-annually on May 20 and November 20 of each year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

Total long-term debt outstanding

(in thousands of dollars)	2021		2020	
Series A Bonds	\$	159,519	\$	170,521
Series D Bonds		198,158		–
HMQRA Loans		818,280		847,308
		1,175,957		1,017,829
Less: Unamortized transaction costs		2,792		2,358
		1,173,165		1,015,471
Less: Current portion		46,120		40,030
Long Term Debt	\$	1,127,045	\$	975,441

HMQRA loans, payable in semi-annual instalments of principal and interest:

Interest Rate	Semi-annual Installment	Maturity Date	2021		2020	
4.37%	\$ 755	December 15, 2026	\$ 6,715	\$ 7,893		
4.50%	1,145	March 15, 2027	11,052	12,787		
5.00%	398	June 15, 2027	3,790	4,375		
4.89%	395	September 17, 2027	4,063	4,633		
4.68%	1,552	June 16, 2028	17,219	19,437		
4.55%	3,068	September 17, 2028	36,427	40,756		
4.67%	1,245	December 15, 2039	30,107	31,157		
4.54%	920	March 15, 2040	22,872	23,648		
4.56%	1,845	June 15, 2040	45,779	47,328		
4.00%	1,439	October 1, 2040	38,035	39,351		
4.40%	2,112	December 15, 2040	54,017	55,806		
4.41%	1,511	March 15, 2041	39,248	40,497		
4.16%	1,657	June 15, 2041	43,966	45,406		
3.70%	1,582	September 15, 2041	44,405	45,882		
3.35%	2,135	December 15, 2041	61,846	63,987		
3.41%	921	March 15, 2042	26,989	27,886		
3.25%	905	June 15, 2042	26,932	27,844		
3.26%	1,207	September 17, 2042	36,525	37,721		
3.24%	603	December 17, 2042	18,259	18,858		
3.42%	615	March 15, 2043	18,593	19,170		
3.73%	557	March 17, 2044	16,854	17,325		
3.36%	266	September 15, 2044	8,470	8,711		
3.18%	260	December 15, 2044	8,433	8,678		
2.72%	490	September 15, 2046	17,684	18,172		
			\$ 638,280	\$ 667,308		

HMQRA loans payable in semi-annual instalments of interest only:

Interest rate	Semi-annual instalment	Maturity date	2021	2020
3.51%	439	December 17, 2048	150,000	150,000
3.51%	263	December 17, 2048	30,000	30,000
			180,000	180,000
			\$ 818,280	\$ 847,308

The future annual principal and interest payments required to retire the long-term debt are as follows:

	Principal	Interest	Total
	\$	\$	\$
2022	46,120	49,854	95,974
2023	48,701	47,554	96,255
2024	51,430	45,109	96,539
2025	54,318	42,509	96,827
2026	57,373	39,745	97,118
Thereafter	918,015	396,145	1,314,160
	\$ 1,175,957	\$ 620,916	\$ 1,796,873

Interest and other expense:

(in thousands of dollars)	2021	2020
Series A Bond interest	\$ 12,441	\$ 13,016
HMQRA loan interest	32,239	33,609
Series D Bond interest	4,566	–
Interest portion of current service cost for post-employment benefits	19	35
Other interest and financing costs	719	838
Interest income and other	(4,296)	(6,563)
	45,688	40,935
Capitalized interest	(19)	(48)
	\$ 45,669	\$ 40,887

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

5. INVESTMENT IN ASSOCIATES

(in thousands of dollars)	2021	2020
Investment in joint arrangements	\$ 1,000	\$ -
Significant influence investments	1,555	-
Non-significant influence investments	2,312	1,000
Total investment in associates	\$ 4,867	\$ 1,000

JOINT ARRANGEMENTS:
Summarized financial information in respect of Edmonton Airports' 50% ownership in a joint arrangement for the two months ended December 31, 2021 is set out below:

(in thousands of dollars)	2021
Assets	\$ 856
Liabilities	24
Net Assets	\$ 832

	2021
Revenue	\$ 2
Expenses	170
Net Loss	\$ 168

	2021
Cash flows provided by (used in)	
Operating Activities	(495)
Investing Activities	(422)
Financing Activities	1,008

6. POST – EMPLOYMENT BENEFITS

The table below outlines where Edmonton Airports' post-employment amounts and activity are included in the consolidated financial statements:

(in thousands of dollars)	2021	2020
Asset included in statement of financial position:		
Fair value of plan assets	\$ 79,185	\$ 81,325
Present value of funded obligations	65,774	77,074
Asset in the statement of financial position	13,411	4,251
Expenses included in net income for the year:		
Defined benefit pension plan	2,651	3,138
Supplementary executive retirement plan	82	95
Long-term benefit plan	-	2
	\$ 2,733	\$ 3,235

FUNDED PENSION PLANS
A) DEFINED BENEFIT PENSION PLAN

Effective October 1, 2013, Edmonton Airports closed the existing DB pension plan to all but one group of employees subject to collective bargaining. New employees become members of the DC pension plan. The number of employees in the DB pension plan will diminish as time passes.

The most recent funding valuation for the DB portion of the pension plan was completed as at December 31, 2020. The consolidated financial statements were prepared based on an actuarial valuation completed as at December 31, 2020 with an extrapolation to December 31, 2021.

Total cash payments made by Edmonton Airports' to the defined benefit pension plan for the year ended December 31, 2021 were \$2,259 (2020 – \$2,447).

UNFUNDED PENSION PLANS
B) SUPPLEMENTARY EXECUTIVE RETIREMENT PLAN

Edmonton Airports has a DB Supplementary Executive Retirement Plan ("SERP") with one member. The benefits provided under the SERP constitute a non-funded liability of Edmonton Airports. The consolidated financial statements were prepared using an independent actuarial valuation completed at December 31, 2021. In addition to the SERP, there is a non-funded liability for deferred executive compensation.

C) LONG-TERM BENEFIT PLAN

Edmonton Airports had a DB long-term benefit plan for eligible employees under the general bargaining unit collective agreement, excluding employees, management, and firefighters under a separate collective bargaining agreement. The plan was wound up in 2020, with the final benefit payment of \$51 made in 2021 (2020 – \$nil).

D) DEFINED CONTRIBUTION PENSION PLAN

Edmonton Airports maintains a pension plan with defined contribution provisions providing pension benefits to employees who joined the plan after November 1, 2010, and whose employment conditions are not subject to collective bargaining. Employees whose employment conditions are subject to collective bargaining began joining the plan after October 1, 2013. Edmonton Airports' contribution to the defined contribution portion of the plan is a maximum of 5.5% of the employee's regular salary and wages.

7. PROPERTY, PLANT AND EQUIPMENT

a)

(in thousands of dollars)			2021	2020
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Buildings	\$ 981,342	\$ 521,486	\$ 459,856	\$ 481,852
Roadway systems	120,105	52,138	67,967	72,110
Parking facilities and lots	89,503	46,963	42,540	44,215
Runway facilities and lots	291,083	164,576	126,507	137,593
Land development	114,777	25,096	89,681	92,990
Vehicles and maintenance equipment	36,786	22,806	13,980	15,453
Furniture and equipment	13,536	11,228	2,308	2,277
Computer hardware	32,758	27,707	5,051	7,049
Land	4,080	499	3,581	3,652
Construction in progress	11,969	-	11,969	18,524
	\$ 1,695,939	\$ 872,499	\$ 823,440	\$ 875,715

b) The gain on insurance and settlements is related to the resolution of litigation related to the derecognition of moving walkways assets in 2014. The gain is comprised of the reimbursement of costs from third parties. The reconstructed moving walkway assets are categorized as buildings and are recorded at cost and are reflected at net book value. They were put into service as they became operational.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

8. INTANGIBLE ASSETS

(in thousands of dollars)			2021		2020	
	Cost	Accumulated Amortization	Net Book Value		Net Book Value	
Computer software	\$ 10,389	\$ 7,824	\$ 2,565	\$	3,494	
Software under development	27	-	27		351	
	\$ 10,416	\$ 7,824	\$ 2,592	\$	3,845	

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable, which include amounts payable of \$326 (December 31, 2020 – \$737). This balance is comprised of amounts payable for sales and payroll related taxes.

10. DEFERRED REVENUE AND CONTRIBUTIONS

A) DEFERRED REVENUE			2021		2020	
(in thousands of dollars)						
Deferred revenue			\$ 28,365	\$	29,149	
Add: Tenant Advances			416		328	
Less: Amortized in the current year			(1,176)		(1,112)	
			27,605		28,365	
Less: Current portion			(835)		(835)	
			\$ 26,770	\$	27,530	

B) DEFERRED OPERATING AND CAPITAL CONTRIBUTIONS			2021		2020	
Balance – beginning of year			\$ 19,671	\$	20,924	
Operating contributions received during the year			15,355		10,375	
Capital contributions received during the year			6,435		924	
			41,461		32,223	
Less: Amortization of operating contributions			(14,222)		(10,651)	
Amortization of capital contributions			(1,663)		(1,901)	
Balance – end of year			25,576		19,671	
Less: current portion			(2,408)		(2,903)	
			\$ 23,168	\$	16,768	

Edmonton Airports has received payments during the year from the Canada Revenue Agency under the Canada Emergency Wage Subsidy (“CEWS”) program, in the amount of \$5,987 (December 31, 2020 – \$8,149). As at December 31, 2021, the CEWS balance included in accounts receivable on the consolidated statement of financial position was \$nil (December 31, 2020 – \$1,303).

11. AIRPORT IMPROVEMENT FEE (AIF)

Edmonton Airports derives revenue from an AIF, which is collected by air carriers pursuant to a Memorandum of Agreement (“MOA”) among various airports in Canada, the Air Transport Association of Canada (“ATAC”) and air carriers serving airports that are signatories to the agreement. Pursuant to the agreement, signatory airlines receive a 7% collection fee. AIF revenue is used to fund the costs of new airport infrastructure, major improvements to existing facilities at the Airport, as well as related financing costs, debt repayment and the collection fee retained by the signatory airlines.

Cumulative from program inception			2021		2020	
(in thousands of dollars)						
AIF revenue			\$ 1,206,069	\$	1,172,904	
AIF collection costs, retained by airlines			(69,493)		(67,163)	
			1,136,576		1,105,741	
Less: cumulative expenditures			2,012,356		(1,959,386)	
			\$ (875,780)	\$	(853,645)	

12. COMMITMENTS AND CONTINGENCIES

A) GROUND LEASE
The ground lease expense is calculated as a percentage of Airport Revenue, as defined by the Ground Lease and related documents, using escalating percentages with the following ranges: 0% for Airport Revenue below \$5.0 million, 1% for Airport Revenue between \$5.0 million and \$10.0 million, 5% for Airport Revenue between \$10.0 million and \$25.0 million, 8% for Airport Revenue between \$25.0 million and \$100.0 million, 10% for Airport Revenue between \$100.0 million and \$250.0 million, and 12% for Airport Revenue in excess of \$250.0 million. At a minimum, the required monthly payments are based on the immediately preceding year’s actual ground lease expense while the expense is calculated as a percentage of the current year’s revenue.

The Government of Canada waived the ground lease obligations in 2021 for airports that experienced a specific reduction in passenger volumes due to the impacts of COVID-19. Based on the reduction of passengers, Edmonton Airports was not required to pay ground lease in 2021. Projected lease payments under the Ground Lease for the next five years are estimated as follows: 2022 – \$13,779; 2023 – \$16,454; 2024 – \$19,868; 2025 – \$24,253; and 2026 – \$25,224.

B) COMMITMENTS

i) Capital commitments

At December 31, 2021, Edmonton Airports has outstanding capital commitments in connection with the construction of certain capital projects in the amount of \$24,534 (December 31, 2020 – \$8,479).

ii) Operating commitments

Edmonton Airports has operating contracts for the provision of parking and information technology management, building maintenance and security, air service, marketing and janitorial services. These contracts have annual commitments as follows: 2022 – \$13,355; 2023 – \$6,766; 2024 - \$2,944; 2025 – \$14; and 2026 – \$ nil. Certain operating contracts where the amounts cannot be reasonably estimated have been excluded from the above annual commitments.

C) LEGAL CLAIMS

In the normal course of operations, Edmonton Airports becomes involved in various claims and legal proceedings. While the final outcome with respect to these claims and legal proceedings cannot be predicted with certainty, management believes that the resolution of the proceedings with not have a material adverse effect on Edmonton Airports financial position or the results of its operations.

As at December 31, 2021, there were no material claims pending against Edmonton Airports.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

13. FINANCIAL INSTRUMENTS

Edmonton Airports is exposed to credit, liquidity and interest rate risk on its financial instruments.

A) CREDIT RISK

The exposure to credit risk is the carrying value of trade receivables of \$7,545 (December 31, 2020 – \$7,918) on the balance sheet. At the end of the year Edmonton Airports had approximately 57% (December 31, 2020 – 46%) of its trade accounts receivable balance from two airlines. Additionally, Edmonton Airports is exposed to credit risk from the carrying value of other receivables of \$13,711 (December 31, 2020 – \$7,853).

Edmonton Airports mitigates credit risk by endeavoring to obtain security deposits, letters of credit, customer credit evaluations and other credit enhancement methods.

Accounts receivable are non-interest bearing and are generally due in 30 to 90 days. At December 31, 2021, provision for impairment of accounts receivable was \$504 (December 31, 2020 – \$1,241). The provision includes allowances as a result of the current economic environment, including the impact of COVID-19. At December 31, 2021, the aging analysis of trade receivables that are past due, but not impaired, is as follows:

(in thousands of dollars)	2021	2020
30 to 90 days	\$ 2,080	\$ 3,737
Greater than 90 days	454	2,373
	\$ 2,534	\$ 6,110

No other impairments have been identified within trade or other receivables.

B) LIQUIDITY RISK

The COVID-19 pandemic has caused a disruption to the global economy and placed continued pressure on the financial performance of Edmonton Airports with a resultant increase in liquidity risk. Edmonton Airports’ liquidity risk management includes management of short, medium and long-term funding and liquidity requirements. In addition to obtained waiver agreements (note 4), liquidity risk is managed by maintaining adequate cash reserves including funds from short term and long term deposit notes (note 3) and undrawn funding from banking facilities and reserve borrowing facilities (note 4). In addition, cash flow projections are continually updated and reviewed by management to ensure a sufficient continuity of funding.

C) INTEREST RATE RISK

Edmonton Airports is exposed to interest rate risk on its cash, restricted deposits, investments and long- term debt. Edmonton Airports enters into fixed rate loans under the HMQRA Amended and Restated Credit Agreement and other debt securities with the intention of holding to maturity. The operating credit facility has a variable interest rate on any amounts drawn.

14. DIRECTORS’ AND OFFICERS’ REMUNERATION AND EXPENSES

DIRECTORS COMPENSATION

(All figures in this note are expressed in whole dollars)

Board Chair	\$ 70,000 Per annum
Audit Committee Chair	18,500 Per annum
Governance & Human Resource Committee Chair	18,500 Per annum
Directors (total fees excluding Board chair and Committee chairs)	140,105 Per annum
Board and Board Committee meeting fees	1,200 Per meeting

Total compensation paid and reimbursed to each Director in 2021:

	Total Compensation
	\$
Bakshi, Angelina	18,975
Bashir, Naseem*	22,300
Burrows, Christopher	22,300
Cameron, Mary*	8,225
Eng, Howard	23,300
Hale, Mona	23,300
Hales, Murray	23,300
Hertz, Joan (Chair)	77,525
Hofstra, Tim	22,100
Horner, Doug**	20,380
Jones, Darrell	23,300
Klein, Dale*	5,525
Marocco, Sandra	18,975
McClelland, Steve	23,300
McNary, Carman (Chair, Governance & Human Resource Committee)	27,800
Mowat, Dave (Chair, Audit Committee)	27,800
Ramotar, Jay	23,300

* Term was completed in December 2020. Remuneration paid in 2021 is for meetings attended in the last quarter of 2020.

** Resigned from term in 2021.

SENIOR OFFICERS’ COMPENSATION

The base compensation range for the senior officers at Edmonton Airport is \$251,732 to \$436,000 (2020 – \$231,000 to \$427,500).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2021 and 2020 (in thousands of dollars)

15. COVID-19 IMPACT

The COVID-19 pandemic and resulting economic contraction has had, and is expected to continue to have, a material negative impact on demand for air travel globally. Edmonton Airports has experienced material declines in passenger and flight activity since March 2020. Management continues to analyze the extent of the financial impact of COVID-19, which is and continues to be material. Edmonton Airports will continue to assess whether any assets are impaired in light of the current economic environment and the impact of COVID-19.

16. SUPPLEMENTARY CASH FLOW INFORMATION

(in thousands of dollars)	2021	2020
Accounts receivable	\$ (6,726)	\$ 3,348
Prepaid expenses and other	(967)	2,909
Lease receivable and other	(427)	(476)
Accounts payable and accrued liabilities	647	(5,713)
Deferred revenue	(760)	(784)
Operating and capital contributions	5,905	(1,253)
Tenants' security deposit	(151)	(40)
Changes in non-cash working capital	\$ (2,479)	\$ (2,009)

Executive Management Team

- Tom Ruth**
President and CEO
- Myron Keehn**
Vice President, Air Service & Business Development
- Leslie Kwasny**
CFO & Vice President, Culture and Risk
- Steve Maybee**
Vice President, Operations, Infrastructure & Corporate Communications
- Tara Mulrooney**
Vice President, Technology & Innovation
- Bill Wright**
Risk, General Counsel and Governance Officer
- Karen Croll**
Manager, Executive Office and Board Secretary

Appointer Representatives

- City of Edmonton**
Amarjeet Sohi, Mayor
Andre Corbould, City Manager
- City of Leduc**
Bob Young, Mayor
Derek Prohar, City Manager
- Leduc County**
Tanni Doblanko, Mayor
Duane Coleman, County Manager
- Parkland County**
Allan Gamble, Mayor
Laura Swain, Chief Administrative Officer
- Strathcona County**
Rod Frank, Mayor
Darrell Reid, Chief Commissioner
- Sturgeon County**
Alanna Hnatiw, Mayor
Reegan McCullough, Chief Administrative Officer
- Transport Canada**
Ross Ezzeddin, Director General, Air and Marine Programs

Jason Tom, Director, Authorities Stewardship, Air and Marine Programs

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