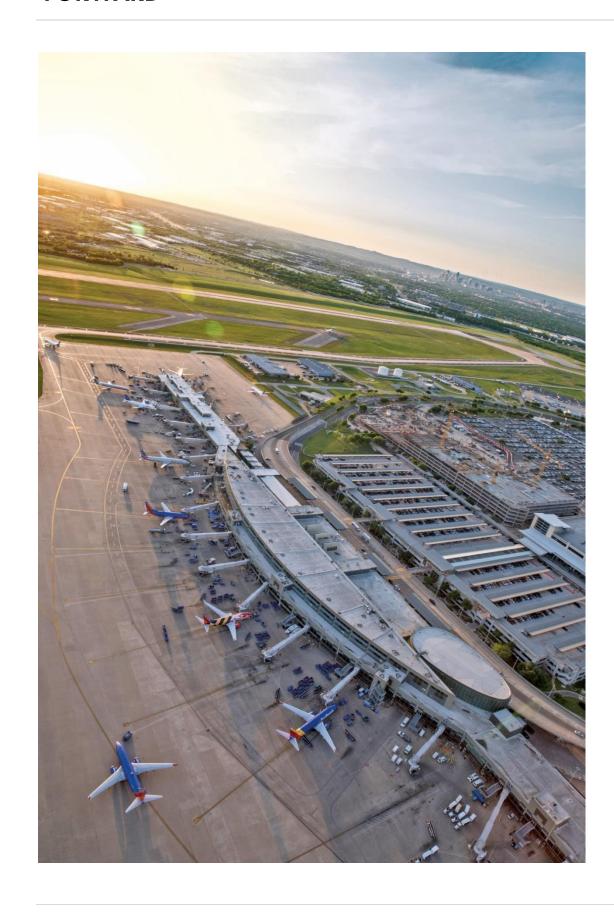


FORWARD



TO OUR CUSTOMERS, STAKEHOLDERS, AND AUSTIN COMMUNITY:

Austin-Bergstrom International Airport supports integrating sustainability into everything we do and seeks out ways to make positive impacts. This Environmental, Social, and Governance (ESG) report is an overview of how we operate our airport, support our community and employees, and provide excellent service as we connect Austin and Central Texas to the world.

As one of the fastest growing airports in the U.S., we have proven to be the airport of choice for Central Texas. As such, and as a reflection of the City of Austin including its mission and goals, we are obligated to continue the airport's development and capital improvement projects with employment opportunities, excellent customer service, and sustainability in mind.

Through the COVID-19 pandemic, AUS focused its priorities on meeting the growing travel demand of the region, making decisions based on emerging risks and opportunities, and strategizing our future based on changes in travel behaviors and the growth of the City of Austin (as of 2022, it was the 2nd fastest-growing city in the U.S.).

The report findings are important to establishing a shared understanding of where our airport currently stands in the market and region and where we hope to be in the coming years.

Sincerely,

Jim Smith

Interim Executive Director

Austin-Bergstrom International Airport



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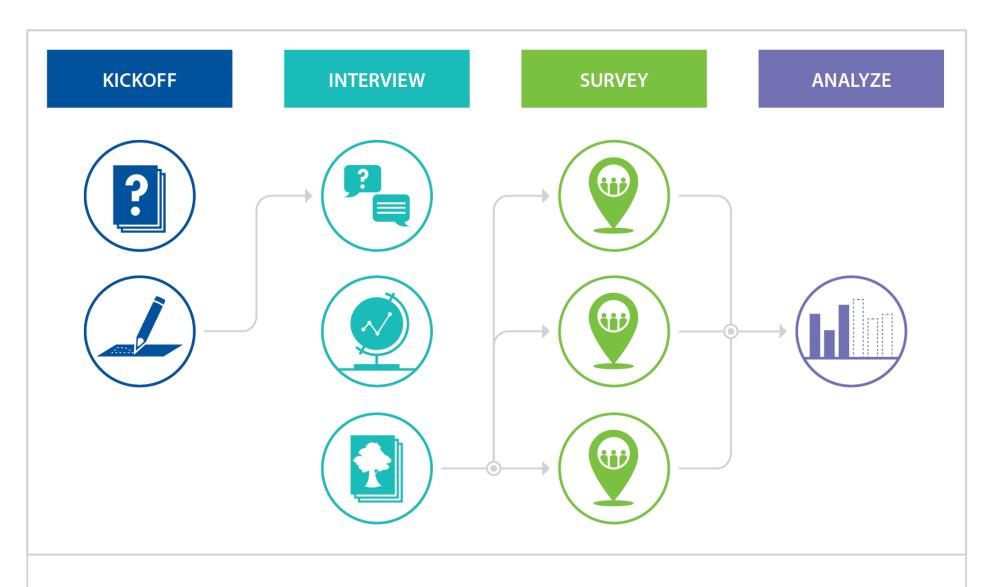
INTRODUCTION

THE AIRPORT

The Austin-Bergstrom International Airport (AUS or "the Airport") is excited to present its first Environmental, Social, Governance (ESG) report. For the purposes of this report, AUS refers to the activities under control of the City of Austin – Department of Aviation which owns and manages the airport. AUS has always upheld sustainability as a core value, and our mission and vision has been focused on serving our community by both connecting Austin to the world, but also providing economic prosperity to the greater Central Texas Area. We are a proud member of our community and a major economic driver. AUS has seen incredible challenges during the COVID-19 pandemic that were then followed by record-breaking increases in enplanements and the challenges that come with speedy growth. As AUS grows, it strives to manage change in a resilient way. This ESG report embraces the transparency of our organization and our commitment to continue to support our community, provide high quality of service and safety, drive the economy, and be a steward of the environment.

ESG APPROACH AND PROCESS

This ESG report addresses the areas of focus for AUS as it grows and focuses on performance, risks, and opportunities within the broader environmental, social and governance categories. It is important to recognize that many priority areas can span several of these ESG areas. The categories that are included in this report were identified using a materiality approach. Materiality is a concept which under the Global Reporting Initiative (GRI), represents two dimensions: those issues that have potential impact on AUS as an organization, as well as those areas that AUS can impact based on their decision-making. The general process completed by the team to help identify risk and opportunity categories is shown in the graphic [right]. These categories are the basis for this report.



STAKEHOLDER KICKOFF

Initiate the preliminary screening for ESG areas of focus.

INDIVIDUAL INTERVIEWS

Identify the areas of risk and opportunity with key stakeholders.

STAKEHOLDER SURVEYS

Survey the larger stakeholder group to help rank the relative importance of ESG categories.

BENCHMARKING / GAP ANALYSIS

Check ESG areas against other airports and against emerging trends in the industry and world.







CATEGORIES

Based on this materiality approach, the following categories are addressed.

Governance:

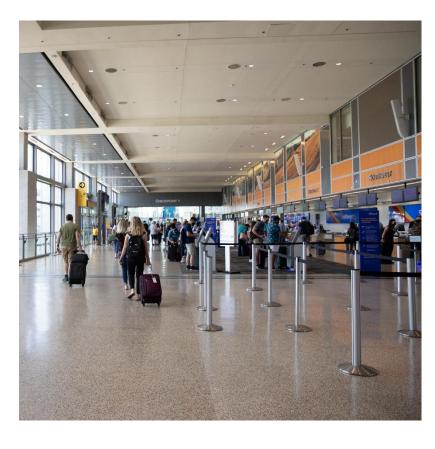
- 1. Governance Structure & Oversight
- 2. Values/Vision/Mission
- 3. ESG Commitment
- 4. Service and Central Texas Market
- 5. Financial Performance
- 6. Accountability & Transparency
- 7. Infrastructure & Facilities
- 8. Risk & Crisis Management
- 9. Cyber Risks & Data Management
- 10. Innovation

Environmental:

- 11. Climate Resilience and Adaptation
- 12. Energy
- 13. Greenhouse Gas Emissions
- 14. Water Resources
- 15. Waste & Recycling
- 16. Procurement and Resource Management
- 17. Wildlife & Biodiversity

Social:

- 18. Diversity Equity & Inclusion
- 19. Hiring and Retention
- 20. Health, Wellness & Safety
- 21. Stakeholder and Community Outreach
- 22. User Experience





GOVERNANCE

STRUCTURE & OVERSIGHT

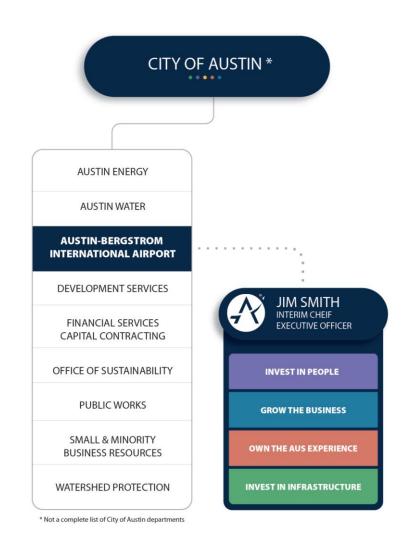
Airports are complicated entities with multiple layers of oversight from the federal down to the local level. For AUS, this includes the Federal Aviation Administration (FAA), Department of Defense (DOD), Environmental Protection Agency (EPA), State of Texas, and the City of Austin, among others. Many of these regulations can overlap and may involve one or more agencies. The Austin-Bergstrom International Airport is owned and operated by the City of Austin – the airport operates as a Department of the City of Austin, which reports to the City Manager and ultimately the Mayor and the City Council.

The Department of Aviation works closely with the many other City of Austin departments including, but not limited to Watershed Protection, Development Services, Public Works, Austin Energy, Austin Water, and the offices of Sustainability and Resilience that support the entire City of Austin. The City of Austin has a long history of integrating sustainability in at the highest level and throughout the organization. AUS has long coordinated with the City of Austin, Office of Sustainability on the mission, goals, and initiatives. Additionally, the city of Austin announced the hiring of a Chief Resiliency Officer (CRO) on the executive team. The role of the CRO is to plan and implement projects to help the City of Austin be more resilient, but also to develop a culture and leverage City of Austin's strengths to inspire transformational change. The City also has an Interim Chief Equity Officer and plans to complete the hiring of the position in the next year. These positions, as well as the Airport's forthcoming Green Team, indicate high level involvement and support of ESG principles at the Airport and City level.

ACCOUNTABILITY & TRANSPARENCY

AUS commits to transparency for our sustainability performance, to allow that stakeholders are informed about the issues pertaining to them. AUS has provided sustainability related disclosures for a long time as our sustainability program has evolved over the years, including annual sustainability reports, coordination with Office of Sustainability, and through external industry organizations such as the Airport Carbon Accreditation program to track, report, and ultimately reduce our greenhouse gas footprint.

This year, we are reframing our former sustainability reporting within the context of this ESG report, to further encompass aspects of risk and resilience around climate change, diversity, equity and inclusion, and other areas to supplement the previous categories of reporting (Customer, Community, Operational Excellence, Economic Sustainability and Environmental Stewardship). While the format may be new, our commitment to transparency and a cycle of continued improvement is a consistent commitment for AUS.





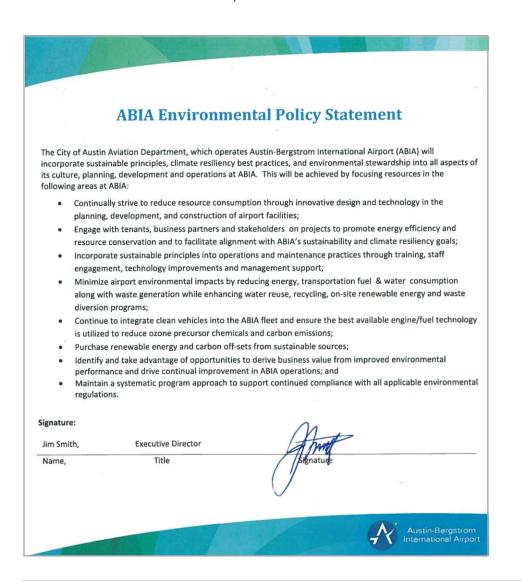


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AUS ESG COMMITMENT

In addition to the support on ESG from the City level, the City of Austin Department of Aviation, which operates AUS, incorporates sustainable principles, climate resiliency best practices, environmental stewardship, and diversity, equity and inclusion, into all aspects of its culture, planning, development and operations at AUS. Starting from the top-down within the Department of Aviation, AUS embraces the principles of Environmental, Social, Governance (ESG).

Building upon this, the AUS strategic plan (2021-2023) has four main areas of focus broken into parts. This commitment can also bee seen in the AIBA Environmental Policy.













Invest in People

Fill Vacancies
Talent Development
AUS Effectiveness

AUS Experience

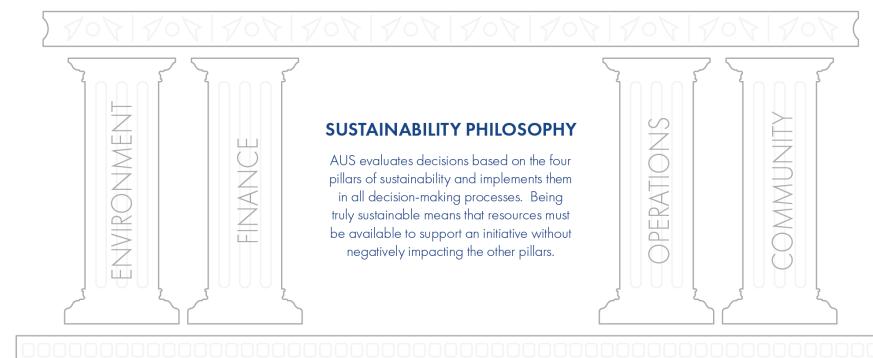
Adaptive Travel Experience Resiliency in Airport Operations

Grow the Business

Financial Outlook Airline & Cargo Strategy AUS on World Stage

Invest in Infrastructure

Airport Expansion and Development Program Asset Lifecycle





SERVICE AND MARKET PERFORMANCE

AUS is the Airport of choice for Central Texas. It is one of the fastest growing airports in the US and in 2021was designated as a medium hub airport in the FAA's National Plan of Integrated Airport Systems. In 2021, AUS served over 13 million passengers in the Barbara Jordan Terminal (BJT). Prior to COVID-19 (2019), this number exceeded 16 million passengers.

As of 2022, the airport is serviced by 17 commercial airlines to over 90 nonstop destinations within the US and internationally. AUS welcomed a new nonstop international carrier, Virgin Atlantic to launch service directly to London Heathrow, increasing their international connectivity.

AUS repeatedly wins awards for its reflection of the local Austin culture, as well as customer service. In 2020, AUS ranked as the 10th best airport in the U.S. by Conde Nast Traveler. In 2018, AUS won an award from Airport Revenue News for Airport with Best Program Designer and Best Customer Service. We continue to strive for high customer service, efficiency, safety, and connectivity for the Austin community. A primary goal at AUS has always been to create a sense of place within the airport and to reflect the values and diversity of Austin as a whole.







TOC | INTRODUCTION GOVERNANCE SOCIAL ENVIRONMENT CLOSING 6

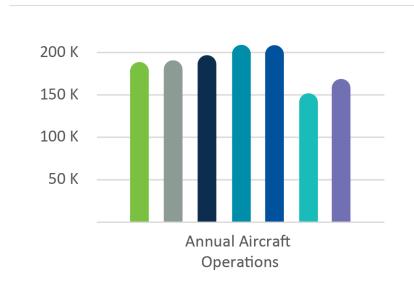
FINANCIAL PERFORMANCE

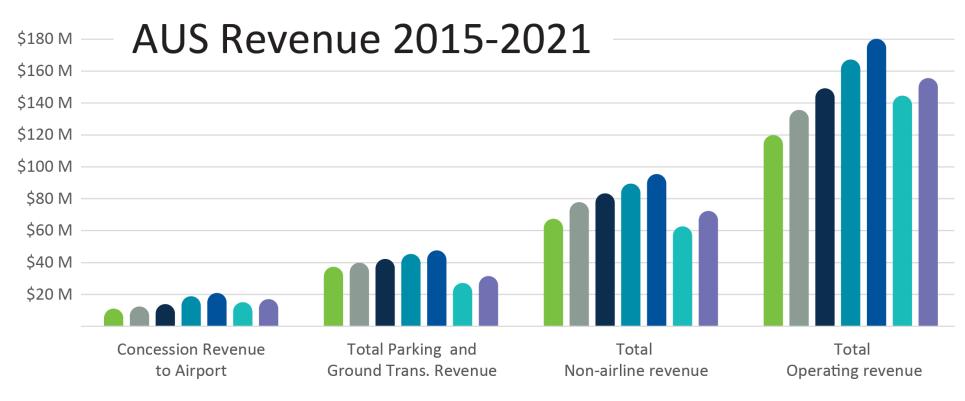
AUS is an economic engine for Central Texas, providing over 74,000 direct and indirect jobs in the Central Texas Region. Before the COVID-19 pandemic hit, AUS set monthly passenger growth records from the previous year, with average monthly growth rates of over 15%. While the growth dropped substantially during COVID, the passenger numbers began to rebound as of 2021, and AUS is once again experiencing substantial passenger growth.

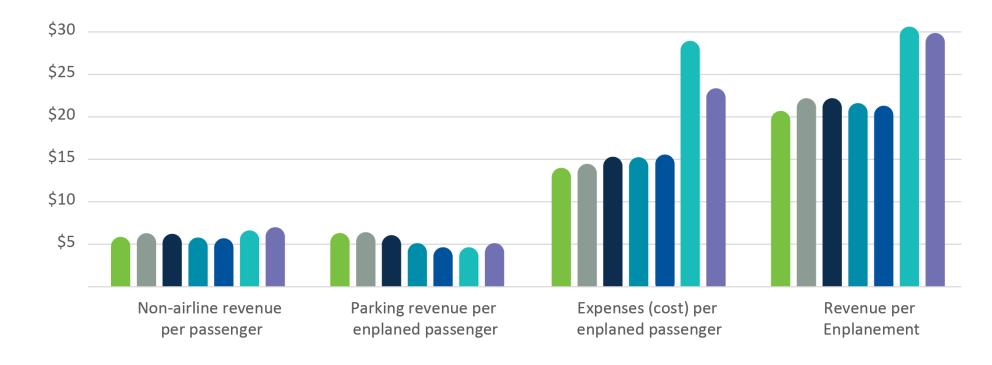
















INFRASTRUCTURE AND FACILITIES

The Airport is rapidly evolving to meet the growth in passengers at AUS. The Airport is currently working on a number of new projects to optimize the Barbara Jordan Terminal, including a new outbound baggage handling system, a west 3-gate expansion, improved ticketing processing, expanded security checkpoints, as well as new restrooms, lounges and passenger amenities. Some recent projects, such as the expanded fuel facility, are critical to the operation of the airport. These projects include community outreach, traditional and social media messaging, and website notifications, among others. These near-term projects support existing needs today.

Additionally, the Airport recently underwent a Master Plan process to address their capital needs for the next 20 years and to build the overall framework for future sustainable growth. The Master Plan recommended four phases of development with the first phase focusing on a new terminal building, remote concourse gates, and access roadway improvements. The Airport Expansion and Development Program (AEDP) Environmental Assessment was completed, including clearance of the following projects from an environmental perspective:

- New Midfield Concourse (Concourse B)
- Passenger/Utility Tunnel to Concourse B
- Airfield Infrastructure
- Central Utility Plant (CUP)
- Arrival/Departure Hall
- North Campus Curbside and Utility Relocation
- South Campus Utility and Stormwater Infrastructure
- Optimize Existing Terminal
- International Arrivals
- Parking Program

These projects support the nearer term requirements of the airport to operate functionally, efficiently and with a high level of service and embed sustainability in its capital improvements.



RISK AND EMERGENCY MANAGEMENT

AUS has a risk management group that addresses areas of safety and other threats to AUS as an organization. Risks associated with climate change are called out in the environmental section, but the general vision of the organization is to "future-proof" the airport and all capital projects. AUS has a risk management group that addresses areas of risk. As part of the Master Plan, there was also a formal Safety Risk Management System Panel formed to evaluate the airport 2040 capital program.

In terms of emergency management, the Airport Operations Center (AOC) is the center of all communication between passengers and airport operations. All calls from the public and from the airport 2242 hotline are answered here, and the AOC is responsible for calling emergency medical services, fire, and police in case of emergency. The AOC also monitors work orders calls for service and monitors fire alarms.

Recent challenges around extreme events, potable water and energy outages have illustrated the importance of risk management and emergency management. The Airport team has continued to plan for risks and respond to emergencies with responsive and innovative processes in collaboration with City of Austin and local partners. These events are spotlighted in sections later in the report to detail the processes in place to help reduce risk and support the AUS customers, stakeholders and broad community in the face of extreme events or other emergencies.

CYBER RISKS AND DATA MANAGEMENT

Cyber Security and data management are critical to the success of AUS. Information technology assists in tracking and managing assets, identification of risks and challenges, strategic planning, financial analysis, and reporting on progress relative to all financial, environmental, and social metrics. AUS is placing focused effort on integrating IT from planning and design forward to allow for a cohesive and functional system as new facilities are constructed. AUS has a data analytics team, that is increasingly evolving to address data needs, security and cyber risks, real time monitoring, dashboards, and governance.

Cyber-attacks are increasing nationwide and cyber insurance rates increase accordingly. To help mitigate cyber risks, the IT team has extensive training programs in place to prevent phishing in addition to leading edge cyber security measures. This team focuses on continuous improvement as technology needs and risks are constantly evolving.

AUS cybersecurity risk mitigation includes:

- Maintaining 100% employee awareness of cybersecurity
- Implementing multi-factor authentication (MFA) for 100% of employees accessing data on the cloud.
- Storing and backing up system configurations and data weekly and storing it both onsite and offsite. All critical systems are set up with redundancy to prevent data loss.
- Exercising a system recovery plan once a year.



INNOVATION

AUS believes that innovation is vital to continued success, and there is a focus on filling roles relative to innovation at AUS. These roles provide leadership for the discovery, development, and scoping of new solutions to solve internal business problems, create competitive advantage, and transform the travel experience. The group looks to engage airport stakeholders to discover, create, test, and deploy viable solutions to advance the vision of convenient travel, serves as an innovation champion to build innovation capabilities, drive creative thinking, and promote employee engagement. The goal is to create partnerships internally and externally for innovation to be most successful.

AUS developed an innovation evaluation process. Part of this process is to identify and mitigate risk and determine what is feasible and what is viable long term. A process was developed to address and vet innovative ideas quickly and with a focus on innovation. This process currently includes an interest form, as well as a scout team to research the preliminary idea and determine if there is potential to the idea. The innovation group researches between 5-6 concepts at a time and then working on innovative partnerships. Ideas currently being evaluated around diversity, equity and inclusion, including limited mobility, urban air mobility and airport wide electrification.





SOCIAL

OUR PEOPLE

As AUS determines its commitment to sustainability, the Airport is evaluating ways in which its internal structure can be improved. People are essential for the operations of AUS, and AUS embraces social sustainability both internally as an organization, and externally in the community it serves. The COVID-19 pandemic illustrated many social issues and inequities, and that compounded by industry wide personnel shortages and an increased desire to work from home. From employee retention to diversity among its staff, this section identifies opportunities for growth and improvement as well as highlights current programs aimed at inclusiveness. The City of Austin leads many of these efforts and works collaboratively with AUS to drive diversity, equity, and inclusion. AUS also strives to be the employer of choice and create an inclusive and high-quality user experience for the traveling public.

DIVERSITY, EQUITY & INCLUSION

The City of Austin through their Equity Office supports diversity, equity, and inclusion at enterprise scale. It currently has an Interim Chief Equity Officer, with plans to complete the hiring of a permanent position in the next year. These efforts are relatively new to the Airport, and AUS is actively working to improve diversity and inclusiveness among staff and partners through the implementation of several DEI focused programs and trainings.

In 2021, AUS partnered with the City of Austin Equity Office to complete the Aviation Department's inaugural equity assessment. Understanding where these inequities come from requires us to critically examine our programs, policies, and services for disproportionate impact or unintended consequences. To facilitate this process, AUS created a diverse Equity Assessment Action Team of over 30 individuals who used the equity assessment tool provided by the COA Equity Office to complete the assessment. This process involved bi-weekly meetings, as well as multiple workshops and trainings over a six-month period.



MBE/WBE Partner Program

The Airport's Minority-owned or Woman-owned Business (MBE/WBE) Program promotes working relationships with women and minority owned businesses. The large number of women and minority owned businesses in the Austin area provides a great opportunity for the Airport to enhance this program and strengthen relationships with local stakeholders. DBE participation is required in most of the Airport's bid contracts.

In 2021, MBE/WBE purchases under \$5,000 totaled approximately \$123,808 (up from \$87,931 in 2020). This amount has varied over time, with decreases during the pandemic, in part due to supply chain and procurement challenges. AUS is focused looking for ways to increase DBE participation at the Airport going forward.

Employee Diversity and Equity

Diversity in the staff is important to create a culture of equity across the city and developing a sustainable and inclusive workforce. The Airport currently is addressing staffing challenges, as further described in the hiring and retention section below. The ratio of men to women working at AUS has remained fairly consistent over time. Similarly, the demographics of AUS staff have only changed slightly since 2017. Recruitment and retention practices focused on diversity are included in the hiring and retention section below.





HIRING AND RETENTION

The increasing cost of living in the Austin area, "The Great Resignation", increased desire to work remotely (which is impossible for many airport operations positions), the inability to replace those who retired during the COVID-19 pandemic, as well as growth at the Airport has left AUS with a real staffing challenge. Lack of affordable housing in the area is also contributing to the problem with the majority of staff living in the surrounding counties or communities with longer commutes.

When gas prices increased the Airport, again, lost several staff members to positions in other companies that allowed remote work or found employment closer to home. Despite offering generous benefits, AUS has had a difficult time competing with salaries offered by other local employers such as Tesla and Samsung. For these same reasons AUS has not been able to attract industry talent from other airports. Staffing shortages have contributed to a more challenging work life balance for AUS employees as well.

Not only has recruiting and retention been a challenge, but the talent acquisition office struggled to fill vacancies within their own office, further compounding the problem. All of the problems listed above have contributed to a perfect storm for AUS and the Airport is currently actively working on initiatives to increase both recruitment and retention. Since 2018, the employee retention rate at the Airport has dropped almost 6%. Historically AUS has very low turnover, however, in 2020 and 2021 the turnover was 9.2% and 9% respectively.

Initiatives

The Airport acknowledges and has been actively working to address the evolving challenges and to improve when it comes to hiring and retention. As a response to these challenges, the Airport has implemented the 2021 initiatives in the graphic [right]. For many AUS employees, this is their first time working in the aviation industry. Many new hires are trained by existing staff, experienced in the aviation industry. In addition, the Airport offers a variety of instructor led trainings and additional independent training opportunities. These courses range from Maintaining Respect and Civility in the Workplace to Human Trafficking Awareness Training and average 16 hours a year per full time employee.

2021 INITIATIVES:

- Developing career ladder More room for advancement!
- Actively working on salary increases, titles, and HRD compensation to meet the rapidly rising cost-of-living rate.
- Relationship building with high school programs.
- Airport attendance at job fairs promoting open positions.
- Created Performance Management Department
 - Professional, Leadership Development, & Emerging Leaders programs
 - Partnered with IS to provide computer access & training.
 - Employee Engagement Survey
 - Remote Working / FMLA
 - Multiple courses:
 - Skill development
 - Resilience
 - Emotional Intelligence
 - Mentoring on the fly (suspended during COVID)





10

HEALTH/WELLNESS AND SAFETY

The Airport believes that its people are fundamental to the long-term success and resilience of AUS. Health, wellness, and safety are important for both employee retention and risk management. These initiatives target both the proactive programs by AUS and the City of Austin to keep their employees healthy and engaged, as well as measures such as education and safety-oriented initiatives to keep employees safe and increase overall safety and security at the Airport. Whether for general airport operations, employee occupational health, or the traveling public, the Airport encourages a proactive safety culture to correct safety problems before they become a risk.



The Airport's safety initiatives include the Confined Space Basic Awareness program, which defines and identifies confined spaces, and the Hazardous Communication Refresher, which is an annual training intended to review basic information regarding AUS hazardous communications, the Globally Harmonized System, and how to locate and find a safety data sheet (SDS). AUS's Driver Safety Program is another annual training which reviews the Driver Safety Program and provides information on how and when to report collisions, tickets, and changes in driver's information.

The Airport's Asbestos, Lead, and Mold training provides a brief history of asbestos in building materials in addition to reviewing what to look out for in the workplace and the proper procedures to ensure an area is clear of asbestos. Other safety initiatives include the 'How to Use an AED' training, 'Heat Illness Prevention and Bites, Stings, and Venomous Things' training, and an 'Ergonomics and Proper Lifting, Pushing, and Pulling' training.

STAKEHOLDER AND COMMUNITY OUTREACH

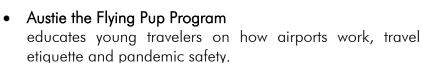
AUS understands the importance building strong relationships, trust, understanding, and respect with the community. As the Airport embarks on their expansion and development program, a dedicated community engagement team is in the process of being formed as of 2022. Operating a safe and environmentally sound airport for travelers, employees and neighbors has been a longheld goal of AUS and the Airport looks forward to increasing community outreach to the general public and airport neighbors. In 2021, a variety of outreach and community service activities occurred for Department of Aviation staff to connect with stakeholders, inform neighbors and travelers of expansion projects and to support our neighboring communities:

- Airport Expansion and Development Program
 Environmental Assessment Process virtual meetings and outreach.
- Airline Fuel Facility
 virtual and in-person community meetings hosted by the
 District 2 Council Office for neighbors to learn more about
 the airline fuel storage facility project
- Del Valle Elementary School Outreach back-pack and Adopt-A-Family holiday drives.



AUS Honor Flight Program

 in coordination with Southwest Airlines and Honor
 Flight provides free trips to veterans to the war memorials and monuments in Washington D.C.



• Blue Garage Solar Array partnership with Austin Energy to install a 6,000+ solar panel array on top of the blue parking garage that supports the AE Community Solar Program.

AUS Food Rescue Program
 ongoing partnership with Concessions, Bradford
 Logistics and Keep Austin Fed to rescue and
 distribute high quality unsold prepackaged food
 items to needy local organizations.

Spotlight on Del Valle Elementary School Outreach

AUS staff frequently volunteer with Del Valle High School. The Airport participates in the high school's voluntary mentorship program and donates to their Backpack Donation Drive and Adopt-A-Family program. This past year, the Airport was able to donate over 150 backpacks to the school and over \$2,000 of holiday gifts.





HEALTHYCONNECTIONS

The City of Austin's Wellness Program has been serving employees for over 25 years. The program helps employees, retirees, and their families lead better lives by increasing health awareness and providing opportunities to practice healthy behavior through a variety of programs and services.

The City is concerned for the health, welfare, and safety of its employees and is committed to providing cost-effective, sustainable benefits that assist employees in being physically and mentally healthy. The City of Austin is committed to providing affordable benefits that assist employees in being healthy and takes pride in being an organization that values its employees. Together, the City and AUS can foster a healthy workplace where employees are supported and appreciated. The City continues to work to contain costs and minimize increases in premiums.

HEALTHY HERE, HEALTHY THERE

Hawaiian Airlines (HA) launched the first non-stop flights between Central Texas and Hawaii in April of 2021. To simplify the travel experience, help passengers meet the state of Hawai'i's pre-travel testing requirements, and be exempt from quarantine upon arrival, HA and AUS, along with Worksite Labs, set up drive-thru COVID-19 testing at the AUS airport.





Know Your Numbers

Online Health Assessment City Health Screenings

Get Active

PE Program
Virtual Fitness Challenges
Race Events
City Olympics

Eat Well

Health Coaching
Wondr Weight Management Program

Live Healthy

Stress Management
Flu Shot Clinics
Diabetes Control Program
Tobacco Cessation 101
Mammo Mixers
Maternity Support Program

<u>Upcoming Wellness Events</u>

Check out what's happening in wellness!

Wellness News

Stay in the know with Wellness opportunities.

Healthy Rewards Program

Earn up to \$150 (taxable) from activities
Eligible Preventative Screenings
Webinars/Seminars

Health & Wellness Clinics

Mobile Health Clinic Clinic Hours of Operation How to Make an Appointment Clinic Pricing

<u>HealthyConnections Video</u>

Watch the new HealthyConnections video to learn about our programs.











USER EXPERIENCE

Because of the staffing limitations mentioned in the hiring and retention section above, overall customer satisfaction is another challenge for AUS. AUS measures customer satisfaction though surveys. These surveys are designed to garner input on the overall passenger experience in the terminal, from the friendliness of staff to the cleanliness of the facilities. To further enhance the user experience, the Airport has several programs aimed at promoting passenger experience though the airport campus, using the lens of diversity and inclusion, as well as outreach targeted at the broader AUS community.

Spotlight on AUS Language Access Plan

AUS is committed to providing quality customer service to all passengers, including those who have limited English proficiency (LEP). Interaction with employees, passengers, and other users of AUS can range from directions within the terminal or the city to life-and-death emergency response. This plan identifies internal, COA, and partner resources to support passenger needs. Some of those resources include identifying multi-lingual AUS and partner staff to provide interpretation assistance, bilingual signage and public address announcements, and assistive-listening devices.

Spotlight on the Airport Ambassador Program

The Airport Ambassador Program is a volunteer program which welcomes and assists visitors to the Airport and provides information about the Airport, Austin, and the region in general.

In 2021, the Airport Ambassador Program included 12 active volunteers working between 4 and 8 hours per week. Due to the pandemic, the program was suspended in 2020 and relaunched in 2021, but only for those who felt comfortable returning to a public environment as the majority of volunteers are seniors.

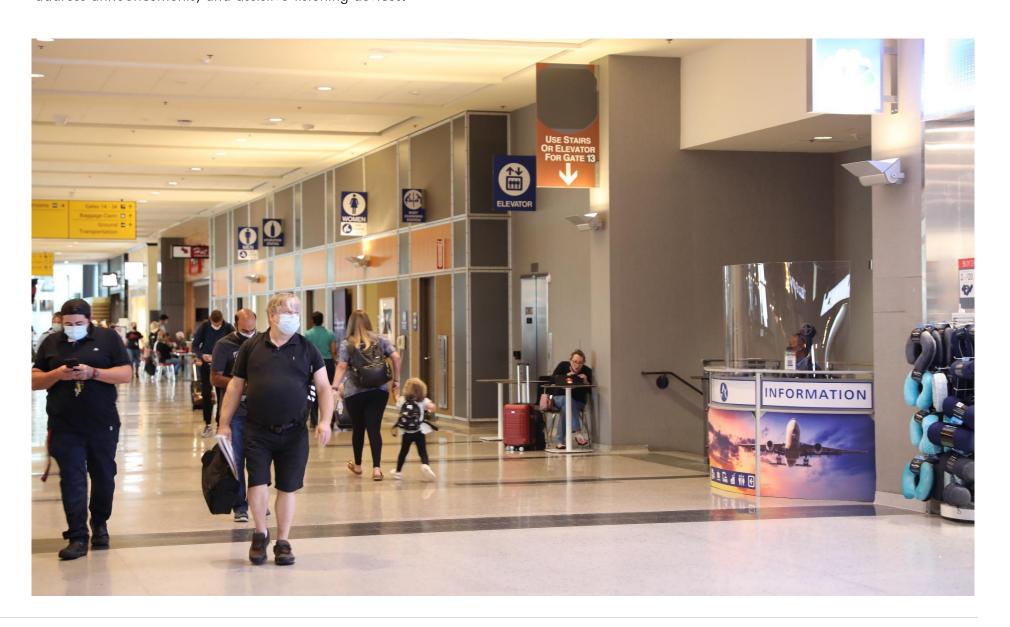
OVERALL SATISFACTION



These include:

- AUS language access plan
- Ambassador Program
- Airport hotline
- Local focused concessions
- Live music performances
- Local and student art installations
- Color coded ride share program for ease of use

In addition to the programs described above, AUS is working on their capital program for the next 20 years that will include renovations and a new mid-field concourse, which will provide opportunities to improve user experience.





















Art and Music Program

AUS is home to two different art programs – a rotating exhibit that features work from local, national and international artists inside the terminal and permanent installations as part of the City of Austin's Art in Public Places Program (AIPP). In 2021 alone, 13,127,815 passengers flew through Austin - a year marked by the continued air service recovery from the impacts of the COVID-19 pandemic – making AUS a destination that sees even more than twice as many visitors in a year than the Louvre.

In 2021, the program featured 61 different artists, including two new permanent AIPP installations – "Meanderwing" by Marc Fornes and "Interimaginary Departures" by Janet Zweig – that joined AUS's other permanent exhibits, such as the "Eight Big Guitars" by various artists, to be enjoyed by travelers for years to come.

As the Live Music Capitol of the World, live music is a core tenant of AUS's DNA. 2021 brought 248 live musical performances into the terminal, including local Austin musicians, national acts, and special performances for airline launches.

Concessions Program

AUS is home to over 40 shopping and dining options, including national brands and local Austin and Central Texas brands. The AUS concession program promotes local brands through partnerships between airport concession operators and Austin restaurants to introduce local brands to travelers.

You can find 30 different local concepts for dining options, featuring Austin staples like breakfast tacos, Asian-Southern fusion, barbeque and more. Local brands are featured at AUS retail shops to introduce travelers to Austin small businesses who sell local art, jewelry, condiments, snacks and more.

2021 also saw significant recovery and growth for AUS concessions, with many concessions reopening and a new concession, Zocalo Café, opening to passengers for the first time. AUS travelers looking to bring a taste of Texas with them snatched up 8,352 sauces and salsas from Salt Lick BBQ and 4,367 sauces and rubs from Franklin's BBQ. They also dined on 75,390 pounds – 37.7 tons – of brisket from the airport's very own Salt Lick BBQ.

Austin travelers' love for tacos continued throughout 2021, with 1,458,000 tacos enjoyed by passengers at Taco Deli, Jo's Coffee, Earl Campbell's Taco Truck. Passengers purchased 13,399 t-shirts from Tyler's, 5,617 Keep Austin Weird shirts, 3,569 El Arroyo souvenirs, and celebrated Austin FC's inaugural season by buying 977 team shirts and 627 hats.





INTRODUCTION

The Austin-Bergstrom International Airport (AUS) strives to foster sustainable growth with a focus on environmental stewardship, conservation, and resilience. We are committed to reducing our impact on the environment and both mitigating and adapting to changing conditions in the face of an already changing climate.

The Airport's approach to the environmental section of this ESG report is in line with FAA and Airports Council International climate action goals and the City of Austin's waste diversion goals.



Climate resilience and adaptation are issues that are not contained within any boundaries. They foster worldwide discussion, and the Airport, City of Austin and Austin Energy are partnering to address them. As stated in the Governance section of this report, the support from within the broader City of Austin system is an important mechanism to allow AUS to work collaboratively on resilience and adaptation. While organizations can make progress alone, we believe that we can do more with broad-scale partnerships to evaluate risk and adapt to changing conditions.



The Airport is actively mitigating climate change risk in its planning for the future. Risks and vulnerabilities are detailed below, followed by measures taken to adapt to these existing risks, and plan for and mitigate potential future risks.





PARTNERSHIPS AND SUSTAINABILITY PROJECTS



AUSTIN ENERGY
SIGNATURE FLIGHT
MAJOR AIRLINES
KEEP AUSTIN FED
CLEAN ENERGY



ENERGY EFFICIENCY RETROFITS
ELECTRIC GROUND VEHICLES
RENEWABLE NATURAL GAS
ALTERNATIVE FUELS
SUSTAINABLE AVIATION FUEL
COMPOSTING AND RECYCLING
CLEAN ENERGY/CARBON OFFSETS

1.8 MEGAWATTS OF SOLAR
160 LOCAL HOMES POWERED

COMMUNITY SOLAR PROGRAM GOOD TRAVELER PROGRAM FOOD RESCUE PROGRAM CREDIT-SHARING PROGRAM RNG-SHARING PROGRAM





LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED)

SILVER

EAST INFILL PROJECT
CONSOLIDATED RENTAL
CAR FACILITY

GOLD

GROUND TRANSPORTATION
STAGING AREA (GTSA)
9 GATE TERMINAL EXPANSION
ADMINISTRATION BUILDING

AUSTIN ENERGY GREEN BUILDING

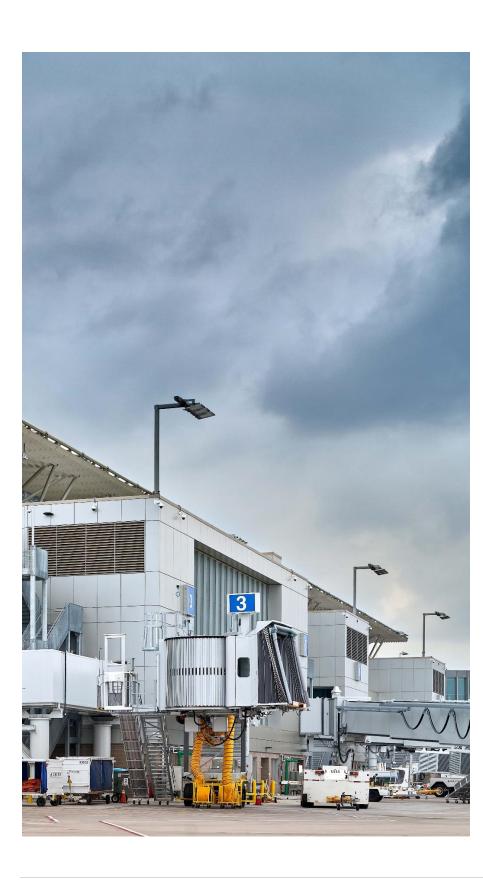


AIRPORT CAREER AND DEVELOPMENT CENTER



100% RENEWABLE ENERGY: BARBARA JORDAN TERMINAL AND AVIATION BUILDINGS





Potential Risks and Vulnerabilities

In 2018, the City of Austin released its Climate Resilience Action Plan, where it evaluated risks to city assets and operations. The Airport was listed for potential risk associated with creek and localized flooding, as well as highly elastic soils which can affect long term durability of pavement in conjunction with extreme weather events.

Other risks also include emergency response for extreme events, staff safety in these events, and planning and design of existing and future facilities to account for a changing climate. As a result of the risk evaluation, a four-step action plan was created to address these threats. These steps include:

- Strengthen emergency response
- Expand staff safety plans
- Evaluate and upgrade existing facilities and infrastructure
- Future-proof new facilities and infrastructure.

Additionally, AUS, in coordination with the City of Austin, has developed a crisis communication plan to provide support in the event of public safety emergencies or extreme weather events.

Climate Risk and Future Adaptation

Because of the challenges associated with climate change, AUS is actively identifying ways to mitigate risk and increase resilience by piloting its own Resilience Team.

This focus on resilience will be a part of the upcoming Airport Expansion and Development Program (AEDP). The Airport is committed to incorporating sustainability into all areas of the project and will be setting specific sustainability goals for the design and construction teams.

Further descriptions of projects to both reduce environmental impacts, mitigate challenges, and become a more resilient organization are described below in the sections on energy, greenhouse gas emissions, water, waste, and wildlife.

Recent challenges

The unexpected weather-related events which have been occurring in Texas over the past few years have further highlighted the opportunity for improvement in the Airport's infrastructure and adaptation.

Recent climate-related changes affecting the airport include:

October 2015

- Flooding of Onion Creek resulted in impacts to the Airport Traffic Control Tower
- Resulted in a substantial drainage improvement project to prevent future flooding

October 2018

- Severe flooding in the City of Austin
- Caused multiple water treatment plant upsets
- Citywide boil water notice for 7 days

February 2021

- Unprecedented winter weather event
- Austin residents without power for days
- Challenges in aircraft operations
- In partnership with the City of Austin, the Airport was able to clear its runway and continue operations
- Boil water notice for portions of the City for another 7 days
- Created a task force to develop a resilient strategy for potable water

Further descriptions of these projects are described below in the sections on energy, greenhouse gas emissions, water, waste, and wildlife.



Airport Expansion and Development Program

Elements in the AEDP that are planned to help AUS mitigate climaterelated risks include:

- New Substation, Central Utility Plant, alternative water uses and additional electrical feed. As the reliance on electricity for heating, cooling, and passenger and fleet use of EVs increases, there is both an increase electric need, as well as a risk of a single point of failure relative to energy use.
 - As such, AUS is working in partnership with Austin Energy to develop an energy resilience plan. A new substation is planned for development as part of the AEDP to support a sustainable energy transition as AUS grows. This is discussed further in the energy section of this report.
- Evaluation, planning and integration of electrification transition, including fleet and vehicle considerations, gate electrification, electric Ground Support Equipment (eGSE), and other support infrastructure.
- New stormwater infrastructure to accommodate increases in stormwater and include evaluations with updated Atlas 14 NOAA precipitation data and the Stormwater Management Model. (October 2015 flood, pictured at right)
- Increasing use of reclaimed water in the AEDP to conserve the communities' potable water supply.
- Reducing the embodied carbon components of future airport projects.









energy consumption within the organization has increased over 44% since 2015, from over 29.9 million kwh annually to over 43.2 million kwh annually. Since 2019, AUS has added 300,000 square feet to the terminal, a six story Administrative Building, a multi-building Consolidated Maintenance Facility, a remodeled and expanded IT building, as well as a six-story parking garage. Due to these increases in facilities and the proposed additional projects associated with the AEDP, AUS intends to start tracking Energy Use Intensity (EUI) starting in subsequent years to better track use and reduction normalized for growth.

GREENHOUSE GAS EMISSIONS

AUS is committed to tracking and reducing emissions caused by and related to airport operations. The Airport calculates its GHG emissions annually in accordance with the Airport Council International Airport Carbon Accreditation protocols. AUS was the first medium hub sized airport in North America to be certified at Level 3+ Neutrality through the ACA program. In order to reach Level 3+, AUS must annually document its emissions (Scope 1, 2, and 3), make significant emission reductions and continue to offset residual emissions by investing in and implementing projects to reduce carbon emissions.

Stakeholder engagement is also a key requirement at Level 3+; AUS works with stakeholders to reduce their scope 3 emissions. Over time, the carbon footprint per passenger has decreased, aligning with long



term reductions and commitments of the Airport. All residual emissions and Aviation Department business travel are offset to bring AUS to carbon neutrality in accordance with ACA and to support the City of Austin's goals.





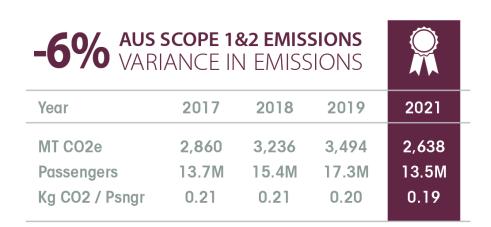
SPOTLIGHT ON ALTERNATIVE FUELS

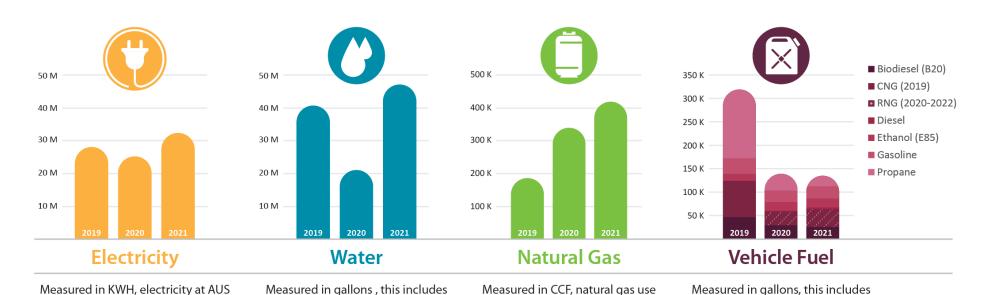
AUS has utilized alternative fuels since opening in 1999. The shuttle bus fleet for the ground lots have used propane and compressed natural gas (CNG) avoiding higher emitting diesel vehicles.

Recently in 2020 AUS partnered with our onsite CNG provider - Clean Energy to switch over to renewable natural gas (RNG). This is actually methane that is captured from landfills and farms and converted to natural gas and inserted into the pipeline. AUS receives RNG credits each month offsetting our scope 2 emissions from CNG by 100% or 638 metric tons over 2020 and 2021.

AUS also created an industry first AUS RNG Sharing Program to help reduce scope 3 emissions from our partners who use CNG for their fleets. This program reduced partner CO2 emissions by 60% or 911 metric tons over 2020 and 2021.







has become more popular in recent

years.

water and waste water

consumption in the terminal.

both regular and alternative fuels,

which reduce the carbon footprint.

is sourced from 100% renewable

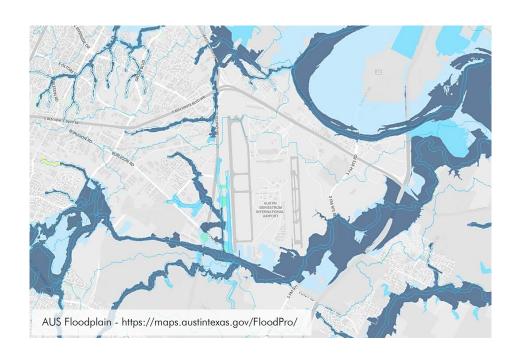
wind energy from west Texas.

AUS is committed to reducing the consumption of water at the airport, as well as supporting water quality measures. The Airport's southern and western sides are surrounded by the 100-year flood plain. Because of this, the Airport campus actively plans for flooding. Recently, the City experienced a storm which reported eight inches of rain within an hour, resulting in the flooding of major access roadways - the Airport was not significantly impacted beyond the FAA tower.



Because of the Airport's proximity to the Colorado River and Onion Creek, additional measures are being taken to address potential flooding impacts, as well as negative impacts to water quality. Currently, AUS is in the process of updating its Storm Water Master Plan.

The Airport has over 20 water quality ponds that treat the first-flush of storm water – this removes pollutants from over 15 million gallons of storm water during each rain event. To prevent future downstream erosion and degradation, AUS also restored both of its main stormwater outfalls and made upstream channel improvements. As stated above, additional stormwater infrastructure is included in the AEDP to assist with long term resilience relative to inundation events.



Emerging Contaminants

Per and Poly-Fluoroalkyl Substances (PFAS) are an emerging concern for airports. PFAS are a family of thousands of compounds used in a variety of materials and industrial processes around the globe since the 1940s.

PFAS are considered emerging contaminants that are stable and break down slowly in the environment. Because they do not break down easily, PFAS can accumulate over time in the environment and become concentrated in the food chain, entering humans through the ingestion of food and water containing PFAS.

There is evidence that exposure to certain PFAS chemicals can lead to adverse human health effects. PFAS have water-repellant, stainresistant, non-stick and surfactant properties and can be found in a variety of everyday products ranging from microwavable popcorn bags to paper tableware products and food packaging.

For decades, Aqueous Film Forming Foam (AFFF) containing PFAS has been required for use at airports worldwide for extinguishing fires, fire and emergency response training, and fire equipment calibration purposes. The use of AFFF containing PFAS has been required by FAA extinguishing agent regulations to meet Part 139 certification requirements.

AUS and the Department of Defense are conducting investigations to understand where these chemicals could be located at the Airport. Additionally, the FAA is working to approve a fluorine free replacement for AFFF to allow Airports to eliminate the use of these chemicals. AUS will be developing a PFAS transition plan so it can change over to fluorine free foam as soon as it is approved for use.





Potable Water

As stated above in the Potential Risk and Vulnerabilities section, extreme weather events and other vulnerabilities have caused the Airport to experience extended periods where potable water was unavailable for several days, impacting the functioning of the airport.

Terminal concessionaires and airlines require potable water for hand washing, cooking, and cleaning to operate their facilities in compliance with health and safety codes. Additionally, Airport staff and tenants (5,000 plus employees) must have potable water to support daily activities required to operate AUS.

In the face of these events, the Airport was able to quickly adapt to the situation by creating a plan and developing an innovative partnership with local breweries. Bradford Logistics and concessionaires created a process to obtain kegs, have them sanitized, and filled with clean potable water. These were then disseminated to restaurants along with hand taps for use throughout the emergencies.

AUS is currently exploring more permanent solutions to secure an onsite auxiliary potable water supply for emergency situations.





WASTE AND RECYCLING

Terminal waste diverted from landfills has increased by 27% between 2015 and 2021, while recycling has increased by 217% during that same timeframe. The Airport has made efforts to reduce waste generation and increase waste diversion throughout

the campus. These efforts support the City of Austin's Zero Waste commitment, which aims to reduce waste sent to landfills by 90% by 2040. As part of the AUS Waste Management Program, batteries, lamps, ballasts, oil, C&D, brush, scrap metal, electronics, appliances, and single stream recyclables and organics are all recycled throughout the Airport. Additionally, since 2015, the Airport was able to divert 600,000 tons of construction and demolition materials.

Progress made regarding waste management includes:

- Developed the AUS Concessionaire Waste Management Plan.
- Continued "pour it out" implementation to reduce liquid contamination in waste at TSA checkpoints.
- Expanded composting program to collect organic material in airport restaurants.
- Continued art program with local high school to divert waste and create innovative sculptures to promote public art, sustainability, and local partnerships.
- Working with concessionaires to transition to compostable foodware post COVID.



PROCUREMENT AND RESOURCE MANAGEMENT

AUS strives to integrate sustainability procurement and resource management, focusing on advancing sustainable purchasing in the terminal in cooperation with the concessionaires by requiring recyclable or compostable cups and containers.

The Airport also aims to purchase sustainable materials and support local businesses when choosing vendors and food for airport related events. For large construction projects on the airport, construction and demolition waste is tracked per the City of Austin requirements. Currently, 50% of all C&D waste is required to be recycled and reused.

The AUS Green Purchasing Program aims to purchase ongoing consumables in a manner that will protect the environment and public health, conserve natural resources, and minimize waste and reduce toxicity. The term "ongoing consumables" refers to low-cost-per-unit materials that are regularly used and replaced throughout daily business operations. These products may include printing and copying paper, envelopes, toner cartridges, and batteries.

The Airport's goal is that at least 60% of the cost of goods purchased will comply with at least one of the following criteria:

- Contains at least 10% post-consumer and/or 20% post-industrial material.
- Contains at least 50% rapidly renewable material (e.g., bamboo, cotton, cork, wool).
- Contains at least 50% materials harvested and extracted and processed within 500 miles of the facility.
- Consists of at least 50% Forest Stewardship Council (FSC)certified paper products.
- Rechargeable batteries.
- Biodegradable Products Institute (BPI) certified compostable products.

This Aviation department policy for office facilities was initially developed as a part of the LEED rating process and has been in effect since July 1, 2021.

Additional procurement challenges have arisen since the onset of the COVID-19 pandemic. There have been increasing supply chain issues across the nation and even worldwide. While this challenge is varied based on timing and specific products needed, procurement for materials specific to airports has required AUS to build in additional lead time for orders of parts needed for operations.

AUS has worked closely with the City of Austin procurement office to address these challenges through advanced purchasing, on-site storage changes for difficult to find parts, as well as reviewing contract changes from distributers. This is a rapidly evolving area, and AUS will continue to track and update practices in partnership with the City of Austin to address procurement challenges.

5,861 TONS OF TERMINAL WASTE RECYCLED

















WILDLIFE PROTECTION AND BIODIVERSITY

AUS supports and understands the importance of wildlife protection and biodiversity, as well as the balance of safety considerations associated with wildlife hazards relative to aircraft operations.

The Airport has a Wildlife Hazard Management Plan in place that is reviewed every 12 months to address changing conditions and reduce the potential for wildlife hazards at the Airport. It also details the habitat management techniques on the airfield. Since 2018, the average number of bird strikes at AUS have decreased relative to the number of operations.

Most recently AUS developed a program to reduce the number of birds from flying into windows at the new IT building by providing a proactive window glazing to prevent birds from injuring themselves.

The AUS Wildlife Coordinator manages the implementation of the Wildlife Hazard Management Plan and other measures including management of:

- Wildlife Zones 14, 22, 38 and 39, which are largely undeveloped wildlife habitat
- Weekly wildlife inspections at Travis County Landfill
- Annual Airport Wildlife Hazard Management training for maintenance and airside operations personnel
- Sending samples to Smithsonian Feather ID Lab following a bird strike event
- Development of Vegetation Field Guide completed in 2019
- Bee relocation and feral cat trapping-spay/neuter-and release programs in effect
- Participation in stakeholder meetings and river monitoring trips at Hornsby Bend Center for Environmental Outreach
- Wildlife Hazard Working Group (described in WHMP)





-29% IN STRIKE RISK

Year	2018	2019	2020	2021	
Bird Strikes	174	175	89	124	
Flight Operations	194K	197K	121K	194K	
Strikes / 10,000 Ops	8.98	8.90	7.37	6.39	





CLOSING

ESG – A LOOK FORWARD

During an ESG process, it is important to document not just the progress to date, but additional opportunities with an eye to the future.

Because ESG strategy is not static, AUS commits to refining and revising its strategy to make continuous improvement in the areas of Environmental, Social and Governance going forward.



ENVIRONMENT			SOCIAL		GOVERNANCE	
IDENTIFY	Further identify and vet climate change risks including future metrics to track risk and impacts	PRIORITIZE	Make hiring and retention a top priority for this year, including working to address the core challenges to create a long-term sustainable	SHOW	Show leadership commitment to sustainability and diversity/ inclusion	
EVALUATE	Evaluate and integrate climate change projections and resilience measures in the AEDP planning, design, and construction process	DEVELOP	workforce Develop and implement a cohesive and collaborative community engagement and public	PROVIDE	Provide intentional integration of ESG themes within structure, decision making, and communication	
COLLABORATE	Work collaboratively with Austin Energy to develop and implement an energy resiliency plan		outreach plan	COLLABORATE	Work collaboratively with the City of Austin to address shared challenges	
DEVELOP	Work to develop a resiliency plan for potable water	PLAN	Develop a diversity and inclusion plan to support sustainable workforce development			
PURSUE	Continue to pursue higher levels of certification through the Airport Carbon Accreditation Program and consider completing a net zero roadmap to support long-term decarbonization goals	INTEGRATE	Continue to make IT/cyber-security a priority with integration of IT services considerations in preliminary design to support future growth			
	coppenieng ionn accarbenization geals	CONSIDER	Identify additional social and public engagement			
ASSESS	Further evaluate emerging contaminants and their impacts on airport operations and the environment		metrics			



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