2021

ANNUAL & SUSTAINABILITY REPORT

JFKIAT



JFK INTERNATIONAL AIR TERMINAL

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2021 AT A GLANCE

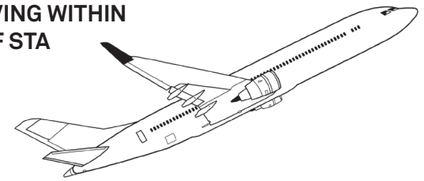
101,669
TOTAL FLIGHTS (+46.8%)

109
CITIES NONSTOP

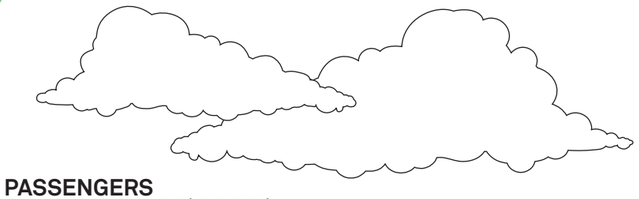
28
AIRLINES

82.9%
FLIGHTS DEPARTING WITHIN 15 MINUTES OF STD

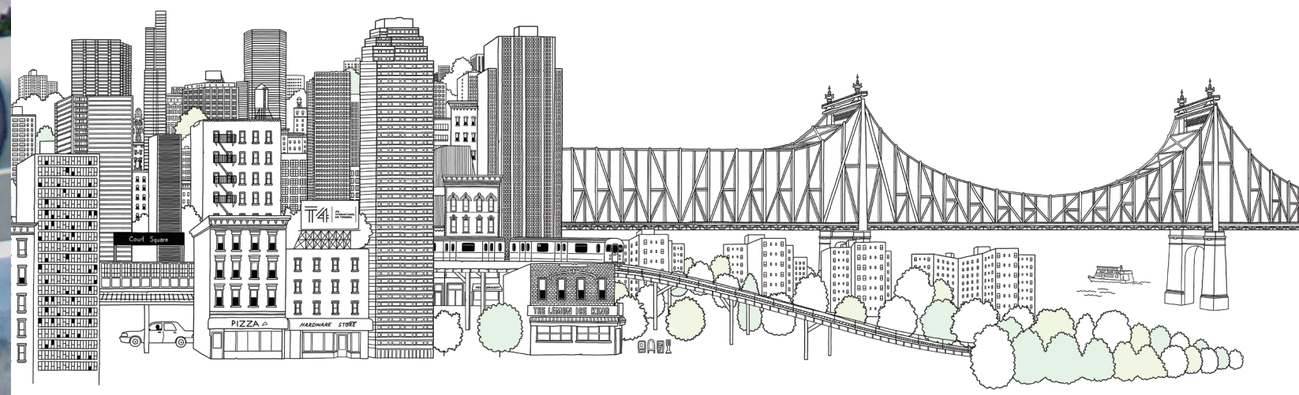
85.0%
FLIGHTS ARRIVING WITHIN 15 MINUTES OF STA



12,034,247
TOTAL PASSENGERS (+86.0%)



49,725
PASSENGERS ON RECORD DAY (-22.9%)



LETTER FROM OUR PRESIDENT & CEO

2021 proved to be another year of unprecedented challenges for JFK International Air Terminal and for our industry. However, despite the difficulties presented by the COVID-19 pandemic, the T4 community went above and beyond to persevere and rise above every obstacle. We continued to uphold our core values to deliver a best-in-class customer experience, elevate our Zero-Accident Culture, and innovate our operations—all key components of restoring public confidence in air travel once again.

With the arrival and distribution of the COVID-19 vaccine in 2021, we began to see glimmers of hope as more customers returned to air travel; and while we are still ways from a full recovery, it was encouraging to see increases in passenger traffic. Domestic travel recovered more strongly than international traffic which was restricted by numerous travel restrictions. Throughout the year, our partners continued to stand by our side. We continued to work closely with the Port Authority of New York and New Jersey (PANYNJ), Delta Air Lines, our business partners, agency partners, and stakeholders at T4 to ensure the safety and well-being of our customers, colleagues, and employees. We will continue to work together in 2022 to ensure a bright future for T4.

THE NEXT TRANSFORMATION OF T4

In 2018, Governor Cuomo announced a large-scale redevelopment of JFK International Airport, which included a plan to expand and redevelop T4. While the plans were put on hold during the pandemic, in April 2021 JFKIAT, PANYNJ, and Delta Air Lines, Inc. reached a renewed agreement for a rescoped expansion and renovation of T4. The project consists of multiple improvements and an expansion of parts of the terminal, together with a 10-gate expansion for Regional Jet to accommodate the consolidation of Delta Air Lines' JFK operation within T4.

In December, we celebrated the ground breaking for this exciting transformation. We marked the occasion with the Governor of New York, the Port Authority, Delta Air Lines, elected officials at the federal, state and city levels, and representatives from Schiphol. The $1.5B initiative will increase T4's capacity, usher in significant renovations, and prepare the terminal for Delta's consolidation.

We are proud that this highly anticipated project is moving forward, giving us an opportunity to work closely with our partners to make this expansion a reality, and further the Port Authority's ambition to make John F. Kennedy International Airport the world-class, 21st-century gateway that New York City deserves.

DRIVING A ZERO-ACCIDENT CULTURE

JFKIAT continued to elevate its Zero-Accident Culture in 2021. At the start of the pandemic, JFKIAT took immediate action to safeguard T4, working closely with our partners and stakeholders to keep our employees and customers safe. Staying in close contact with the CDC and government agencies, we increased and enhanced our cleaning routines throughout the building, implemented safe practices for processing flights and passengers, and took every measure to ensure that our frontline employees had the PPE and protocols to stay safe at work.

Since launching our COVID-19 plan, we have continued to push forward our Zero-Accident Culture, keeping a strong focus on the measures we have put into place while enhancing our safety and security culture both within JFKIAT and with our partners. In 2021, T4 became the first air terminal in the United States to receive ISO 45001 certification. This certification was awarded after a yearlong audit, assessment, and modification process to ensure that the JFKIAT Safety Management System is compliant with the worldwide standard. As we look ahead, we will continue to identify pathways to elevate our safety practices and processes to strengthen our resilience for the future.

DRIVING INNOVATION AT T4

Innovation has always been a cornerstone of JFKIAT's approach to the management of T4, and in 2021 we continued to find new ways to integrate innovation into our operations. One of our biggest operations achievements of the year was the successful implementation of a new Aircraft Turnaround Management System that uses Artificial Intelligence (AI) and machine learning to provide real-time insights into the aircraft turnaround management process.

We continued making progress on our sustainability goals. In 2021, JFKIAT worked with ESG subject matter experts to create a carbon road map for T4. The road map outlined our current and historical GHG emissions, going back through 2018, and recommended several efficiency projects and measures that will allow us to significantly reduce our GHG emissions. We continue to align our carbon reduction goal with the targets set forth by PANYNJ: a 50% reduction by 2030 and net-zero by 2050. Currently, we are carefully evaluating these targets and JFKIAT will continue to work with the same industry subject matter experts to ensure that these targets are both ambitious and achievable. During 2022, JFKIAT is planning further efforts on the short- and long-term carbon reduction targets, in line with the PANYNJ.

While we continue our efforts to reduce our carbon emissions, we are continuing to work with our airlines, business partners, and ground handlers to ensure that efficient and sustainable practices are being utilized. To successfully implement our strategy and achieve our goals, we have developed a comprehensive sustainability program focused on energy efficiency, water conservation, waste management, indoor environmental quality, and innovation. One of our steps to show our commitment is the recertification of our LEED (Leadership in Energy and Environmental Design) Gold Operations and Maintenance Program. Within this report, you can find more information on JFKIAT's sustainability initiatives for T4.

ELEVATING THE CUSTOMER EXPERIENCE

In 2021, JFKIAT continued to invest in innovations to enable a more contactless customer experience. In the summer, we launched T4 Marketplace in partnership with our duty-free operator, DFS, a digital marketplace for shopping. In 2022, we will expand the offering to include other retailers within T4 to provide customers with a wider range of products to purchase. In the fall, JFKIAT partnered with Hudson to launch a fully automated, contactless retail concept for a selection of high-end brands for customers at T4, leveraging artificial intelligence technology together with SSP and Zippin. We are very proud of these achievements and look forward to integrating more systems in the year ahead to enable a safe and seamless experience for our customers.

INVESTING IN THE T4 COMMUNITY

Despite the challenges our community has faced in the past two years, our talented team at JFKIAT and our partners went above and beyond to ensure the best-in-class customer experience for which T4 is known. None of this would have been possible without our employees, and we expressed our gratitude with Employee Appreciation Day and a Health and Wellness & Safety Day.

For the second consecutive year, we were proud that JFKIAT was included in Crain's New York Business' prestigious Top 100 Best Place to Work list for 2021. The ranking, which highlighted our commitment to our employees, represents the strength of our company culture, even in the midst of another difficult and unpredictable year.

SUPPORTING THE QUEENS COMMUNITY

In addition to our community within T4, JFKIAT has always taken seriously our responsibility to give back to those around us—especially in 2020 and 2021, when our local community in Queens continued to need support. In collaboration with several of our business partners, JFKIAT raised $230K through our 4GOOD program to distribute to several local organizations that provide critical resources to residents and local businesses in our borough.

JFKIAT continued to drive forward the 4GOOD program to support the community partners with whom we have cultivated deep relationships, including the Virgil I. Grissom School, the Boys & Girls Club of Metro Queens, and the food bank of Bethany Baptist Church through donations of food and school supplies. Despite the difficulties that 2021 presented, the T4 community—and through coin donation from passengers—remained as generous as ever.

LOOKING TO THE FUTURE

Looking ahead, JFKIAT will remain committed to its core values and priorities, including safeguarding the health and safety of all customers and employees at T4, elevating our customer experience, and investing in the quality of the terminal and in T4 as a great place to work. With the redevelopment on the horizon, I know that we are prepared to take all of these initiatives to the next level as we prepare for the transformation of our terminal.

At T4 and across JFK, air traffic is still far from pre-pandemic levels; but as we make our way forward, I know we are well prepared to welcome our customers back to travel. I am proud to work with our exceptional airline partners, business partners, and stakeholders who make T4 one of the most innovative air terminals in the country and in the world.

Roel Huinink
President & CEO

ABOUT JFKIAT TERMINAL 4



Terminal 4 at John F. Kennedy International Airport is the first privately operated terminal in the United States. Founded in 1996, JFK International Air Terminal LLC (JFKIAT) operates T4 and its managing member is Schiphol USA, Inc. At nearly two million square feet, Terminal 4 is the largest terminal at JFK, home to 28 international and domestic airlines and ,in 2021, serving more than 12 million passengers annually. (In 2019, JFKIAT served 22 million passengers.) T4 accounts for approximately one-third of all air traffic at JFK and is committed to operational excellence and continual improvement to deliver the best experience possible for its passengers.

With a large volume of people passing through each day, JFKIAT strives to ensure efficient and sustainable operations. Through continued development of T4, we aim to increase the value and experience for all of our passengers, visitors, customers, employees, and business partners. JFKIAT is proud to provide customers with a best-in-class travel experience while ensuring safety, reliability, and comfort.

Our Mission

JFKIAT remains committed to its mission to grow stakeholder value through efficient and sustainable operation, management, and development of JFK T4. JFKIAT's stakeholders include passengers, visitors, customers, business partners, employees, shareholders, government agencies, and the community.

Our vision

Our vision is to provide customers with the safest, most seamless and memorable travel experience—the best in New York City and on par with the world's best airports. To realize our vision, and in recognition of the operational and commercial challenges ahead, JFKIAT has identified and remains committed to five key strategic priorities:

OUR PRIORITIES

- **Zero Accidents**
- **Best Terminal at JFK**
- **Retaining Operating Margin**
- **Innovation**
- **Top Ranked in Great Places to Work**

Zero-Accident Culture: By fostering an effective Safety & Security Culture, significantly reduce the number of injuries and accidents to employees, contractors, and passengers, and reduce the potential security threats and areas of vulnerability.

Best Customer Experience Terminal at JFK: Create a world-class travel experience that empowers customers to seamlessly go from curb to gate without hassle.

Superior Financial Performance: Grow the share and stakeholder value by driving the company's financial growth, redeploying and providing sufficient operating and investment capital, and developing new business.

Innovation Leader at JFK: Capture, screen, select, and implement ideas, by engaging with employees and industry and business partners, that will improve & transform the terminal's operations & customer experience.

Best Place to Work: Customers, partners, and employees love JFKIAT's culture, which draws its strength from shared passion, reliability, integrity, and a team approach to striving for excellence.

Our Brand Values

Be Safe – Safety is our top priority, and we are always working with government and law enforcement partners to ensure that our employees and customers are safe and secure.

Be Friendly – Every interaction with our staff should make you feel welcomed and at home with special moments that surprise and delight.

Be Happy – Traveling can be stressful, and we want to create that special feeling of fun and adventure that leaves you with a smile.

Be Informative – We will always go above and beyond to help you achieve your goals, both inside and outside the terminal.

Be Memorable – New York City and Queens are very special places and we want to bring a piece of the city to you, so you know you have arrived in the Big Apple.

Business Objectives and Strategy

Looking forward, 2022 will be a year of continued growth and resilience. JFKIAT will continue to remain committed to our core values and priorities:

- Safeguarding the health & safety of all passengers and employees in T4.
- Elevating our customer experience.
- Investing in the quality of the terminal and in T4 as a great place to work.
- Giving back to our local community.

12 MILLION

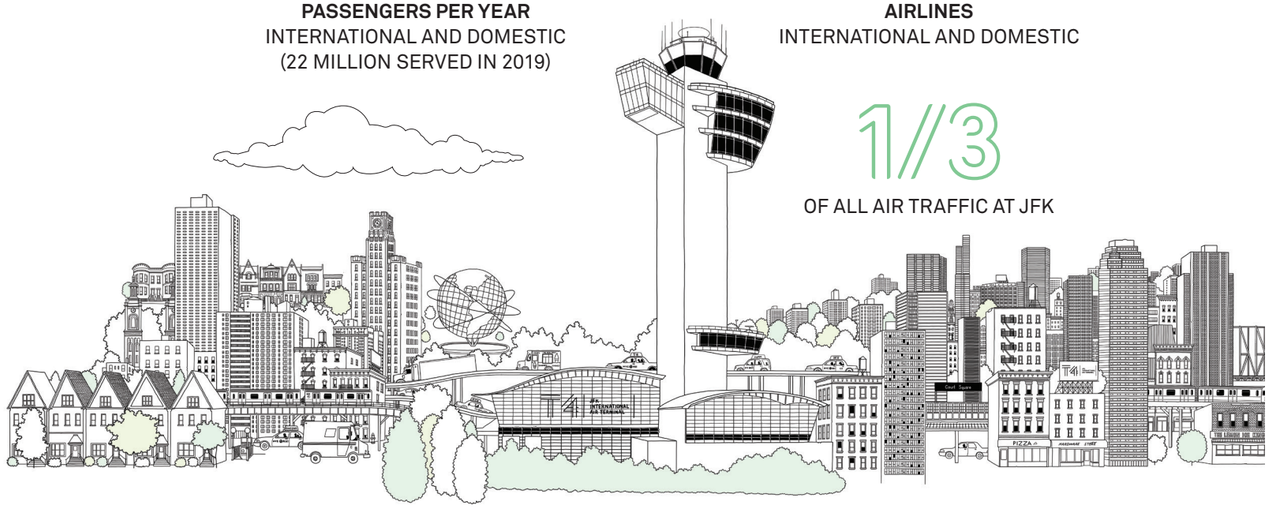
PASSENGERS PER YEAR
INTERNATIONAL AND DOMESTIC
(22 MILLION SERVED IN 2019)

28

AIRLINES
INTERNATIONAL AND DOMESTIC

1/3

OF ALL AIR TRAFFIC AT JFK



T4 2021 HIGHLIGHTS & ACHIEVEMENTS

JFKIAT was awarded the **ACI Airport Health Accreditation** (AHA), a program that enables us to demonstrate that we are prioritizing health and safety in a measurable, established manner.

Global Biorisk Advisory Council (GBAC) was created specifically to deal with pandemics. This is currently the only accreditation within the cleaning industry for facility operators focused on outbreak prevention, response, and recovery. To receive accreditation, terminal operators must demonstrate compliance with 20 program elements. JFKIAT was one of the first airport terminals to receive this accreditation, and recertification is currently under way.

T4 maintained our **LEED Gold certification** by monitoring energy, water, and waste through the online Arc platform and is currently in the process of renewing our certification.

PERFORMANCE ACHIEVEMENTS

31.7%
decrease in overall energy consumption from 2019

47.8%
decrease in overall water consumption from 2019

83%
of waste diverted from landfill

7.4%
decrease in GHG emissions from 2019

$260K
donated to the Queens community to combat the impacts of the pandemic and for scholarships to disadvantaged students.

JFKIAT EARNED
74TH
CRAIN'S NEW YORK BEST PLACES TO WORK

For the second consecutive time, JFKIAT has made **Crain's New York Best Places to Work** list.



MILESTONES

1996

JFKIAT ESTABLISHED.
JFKIAT was selected by the Port Authority of New York and New Jersey to develop, build, and manage the IAB terminal at JFK.

1997

May 13, 1997. JFKIAT begins operating the IAB as the new JFK Terminal 4.

2001

T4 OPENS.
The terminal opened in May after undergoing a $1.4 billion redevelopment that transformed the former IAB into a modern and efficient air terminal.

2006

THAT'S CUTE.
T4 implemented the wireless mobile CUTE (common use terminal emulation) solution.

2007

GROWING.
T4 was now home to 50 airlines and served 10 million passengers.

2008

The first scheduled-service A380 in the U.S., Emirates 202, departed from T4. T4 was the first terminal with a jet bridge to connect a lounge to an A380, allowing first-class passengers to board directly from the Emirates lounge. The first of a four-piece sculpture commission by artist Dimitar Lukanov for JFK Terminal 4 was installed.

2012

TAXI!
T4 became the only terminal at JFK with an indoor taxi queue, allowing for a more efficient taxi stand and better customer service.

2013

T4 completed the Phase I expansion in May, adding a total of 457,600 sq. ft. including nine new gates, an inline baggage system, and an expanded headhouse. Delta Air Lines opened its largest U.S. lounge in T4. A first-ever series of biofuel-powered intercontinental flights was launched at T4 to take the next step into sustainable aviation.

2015

T4 opened the B Concourse Phase II 80,000 sq. ft expansion in January, adding 11 new gates to accommodate Delta's regional jets.

2016

The new JFK T4 brand was launched. **T4 turned 15 years old!**

2017

GOING GREEN.
T4 became the first air terminal in the U.S. to achieve **LEED Gold Certification** for existing buildings.

2018

T4 opened its new state-of-the-art **Security Operations Center** (SOC), which allows for more proactive management of the terminal.

2019

Digital terminal initiatives launched at T4 with implementation of Aira Access, Biometrics exit gates, interactive Google translator, and a new digital terminal wayfinding system.

2020

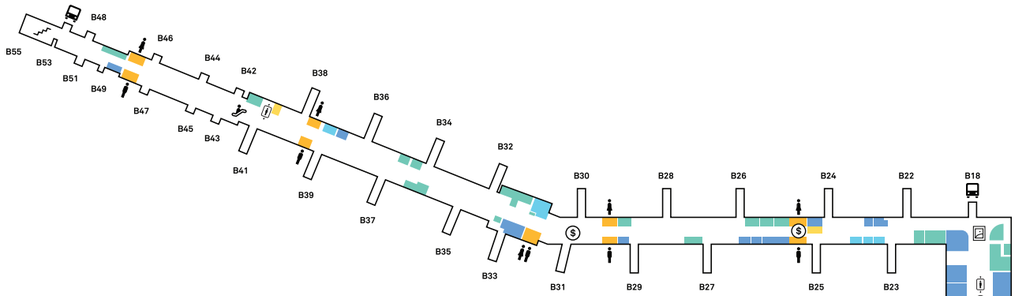
T4 was hit by the impact of the COVID-19 pandemic and responded with an integrated response and recovery program—S.M.I.L.E. at T4, focused on the health and safety of passengers and employees.

2021

T4 began its terminal redevelopment project, which includes concourse expansions, domestic baggage claim expansion, a new Delta SkyClub and ONE Lounge, new arrivals curb, existing terminal upgrades, and new OneJFK branding and signage.

MAP OF T4





Amenities

36
GATES

49
RETAIL SHOPS

24//7
OPERATIONS

9
LOUNGES

33
RESTAURANTS

4
CHAPELS



15 COVID-19 RESPONSE

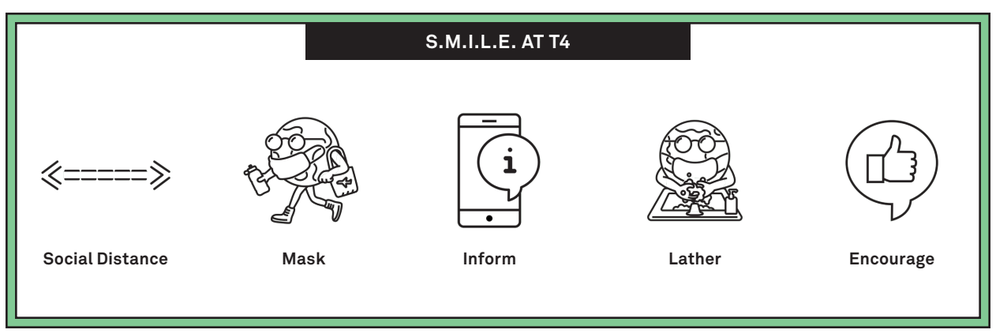
At T4, we are continuing to enhance our recovery programs addressing the health and safety concerns amid the COVID-19 pandemic. When the pandemic hit, JFKIAT prioritized and categorized emerging pain points. In doing so, our Lean Six Sigma methodology resulted in the creation and maintenance of four workstreams: Hygiene and Sanitation, Health and Well-being, Social Distancing and Queuing, and Transactions and Communications. In conjunction with our airline partners, numerous improvements have been made to our check-in process to ensure that our passengers and employees remain safe and healthy while at T4. These include plexiglass shields at all check-in and ticketing counters, signage to reinforce the mask mandate throughout the terminal, and modifications to each airline's check-in process to ensure that proper safety protocols are allowed.

The JFKIAT Risk Assessment team continued taking actions against COVID-19 in 2021. Tasked with tracking COVID-19-related information and efforts at T4, the Risk Assessment team completed several important initiatives including the pandemic timeline, T4 positive COVID case tracking, the T4 Pandemic Risk Assessment, and the Pandemic Recovery and Back to Work Plan, as well as established new Safety & Security protocols.

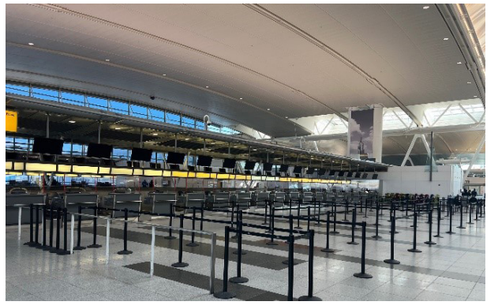
JFKIAT utilized lessons learned and survey responses during 2020 to make changes and updates to the pandemic section within the T4 Crisis Response Plan. The T4 Pandemic Response Plan follows the New York mandate that requires all companies to develop and follow a company pandemic plan.

Last year, JFKIAT implemented several strategies throughout the airport to ensure the continued safety of both our employees and passengers. In 2021, we continued utilizing several of these initiatives.

- Continuing increased cleaning routines and frequencies in highly trafficked and touched areas.
- Maintaining the implementation of anti-microbial bins for the TSA checkpoints.
- Maximizing the use of outside air and install new MERV-13 and MERV-15 filters in the Air Handler Units to help remove airborne pathogens and improve indoor air quality.
- Continuing partnership with XpresSpa and PANYNJ to implement XpresCheck to test employees for COVID-19 on-site: the first testing facility at any U.S. airport.
- Installing additional plexiglass barriers at check-in desks, customer service kiosks, and other areas throughout the terminal.
- Maintaining self-service scanning at concessions and retail shops for a contactless experience and install contactless payment signage.
- Continuing the dedicated COVID-19 website page with FAQs, a weekly T4 community COVID-19 email newsletter, and COVID-19 social media campaigns with health and safety tips including graphic CDC and social distancing suggestions to FIDs and BIDs.
- Continuing terminal-wide messaging regarding the federal mask requirement.







Additionally, JFKIAT implemented the following measures:

- Conducted One JFKIAT second-wave internal risk assessments
- Maintained NYSDOH compliance – Office and Building COVID-19 Regulations
- Brought back to work the majority of our contracted security partners, allowing internal JFKIAT employees to return to their normal duties
- Established COVID-19 working groups

In continuance of the objective to improve passenger perception of travel amid the pandemic with enhanced messaging and experiences (web content, terminal signage, and events), JFKIAT reestablished its social media presence through travel inspiration and consumer interactions.

After a 63.4% decrease in posting in 2020 due to restricting channel interactions to COVID-19-related updates, our content publishing across all platforms increased by 10.9% in 2021, resulting in a 20.8% audience growth. Web traffic from https://www.jfkt4.nyc/ dropped to 127,582 users during 2020 and recovered by 138.94% (304,846 users) in 2021.

COVID-19 Testing

As people began to travel more in 2021, there was a massive demand for COVID testing. In collaboration with our COVID-19 testing partner, XpresCheck, we provided our passengers with access to testing in our Arrivals Hall. XpresCheck has demonstrated extensive flexibility toward meeting the needs of airlines and their passengers. With our support, they have conducted numerous testing programs with our airlines to satisfy the varying needs of governments globally.

CDC's Variant Pool Testing

As new COVID variants continued to emerge in 2021, JFKIAT provided the necessary space and support for COVID-19 Variant Testing. XpresCheck also assisted the CDC in collecting samples from passengers who volunteered to conduct pool testing, contributing to the identification of COVID-19 variants entering the Unites States.





18 CORPORATE GOVERNANCE & STAKEHOLDER ENGAGEMENT

Organizational Profile

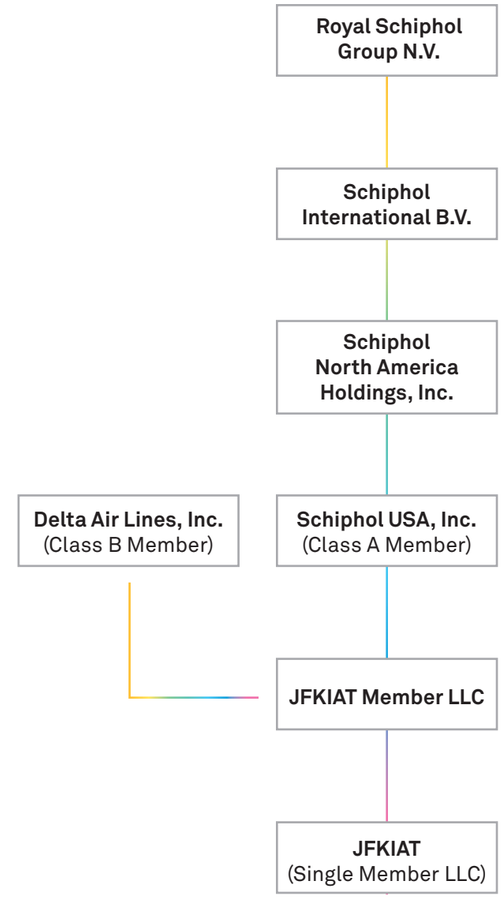
JFKIAT has a system of rules, practices, and processes by which the Company is directed and controlled. To JFKIAT, Corporate Governance involves balancing the interests of all our stakeholders.

JFK International Air Terminal LLC (JFKIAT), founded in 1997, is the operator of Terminal 4 at John F. Kennedy International Airport. JFKIAT's managing member is Schiphol USA Inc., a part of Amsterdam-based Royal Schiphol Group, a leading airport operator.

JFKIAT Member LLC (Member LLC) was created in 2010 to facilitate Delta Air Lines, Inc. in acquiring a non-management interest in the T4 project. At the same time, Delta and JFKIAT entered into an Anchor Tenant Agreement (ATA) whereby Delta was granted certain "preferential rights" in T4 common-use facilities and exclusive rights in other spaces.

Schiphol USA, Inc. is responsible for the management of JFKIAT flowing through Member LLC. Its Board consists of four Directors and meets quarterly.

Schiphol North America Holdings, Inc. was originally created as a holding company that could form additional entities to take advantage of other North American opportunities in addition to the JFK project.





Leadership & Executive Committee

JFKIAT's strategy is led by our dedicated and experienced Executive Team.



ROEL HUININK
PRESIDENT & CEO

Since 2018, Mr. Huinink has served as the President and Chief Executive Officer of JFKIAT. He leads T4's dedicated management team and is responsible for developing, communicating, and executing strategic and tactical plans for T4. Mr. Huinink has over 20 years of airport experience across Northern Europe.



JAMES MAY
VICE PRESIDENT, FINANCE & CFO

In his role as JFKIAT's Chief Financial Officer, Mr. May oversees all financial activities for JFKIAT, including business development, finance, accounting, risk management, procurement, and legal functions. Mr. May has more than 20 years of multinational experience in a variety of financial and non-financial roles across industries that range from manufacturing to private equity.



SUSANA DESA
VICE PRESIDENT, OPERATIONS

As Vice President of Operations, Ms. Desa oversees day-to-day airside, landside, and terminal operations at JFKIAT. Joining the company in 2006, she serves as principal liaison with the terminal's airline partners, government agencies, and other T4 stakeholders.



STACEY LORA
VICE PRESIDENT, SAFETY & SECURITY

As Vice President of Safety & Security, Ms. Lora manages JFKIAT's entire security program and is focused on minimizing security vulnerabilities in the building as they relate to the day-to-day business of the terminal, working to achieve a zero-accident culture, and establishing and reporting all security-related policies and procedures.



SHAWN MAKINEN
VICE PRESIDENT, TERMINAL REDEVELOPMENT

As Vice President of Terminal Redevelopment, Mr. Makinen leads JFKIAT's improvement projects, including construction and capacity expansion. Joining JFKIAT in 1997, he manages all aspects of T4 development in coordination with overseeing each construction work project in its entirety.



EDWARD MIDGLEY
VICE PRESIDENT, CUSTOMER EXPERIENCE & COMMERCIAL

As Vice President of Commercial, Mr. Midgley leads the commercial program focusing on performance management, branding, marketing, and customer experience. Joining JFKIAT in 2011, he is responsible for T4's programming strategy encompassing revenues from several categories and improving the customer experience.



DARYL JAMESON
VICE PRESIDENT, ASSET MANAGEMENT & BAGGAGE

As Vice President of Asset Management & Baggage, Mr. Jameson spearheads policy and strategy for JFKIAT's baggage handling systems, maintenance, cleaning, and property management. Joining JFKIAT in 1997, he manages all third-party services responsible for the development of business, flight information systems, and baggage handling systems.



STEPHEN TUKAVKIN
VICE PRESIDENT, IT & DIGITAL

In his role as Vice President of IT & Digital at JFKIAT, Mr. Tukavkin leads IT systems for T4, delivering information and communication technology services to support all aspects of the terminal's IT operations, security systems, and business solutions. Mr. Tukavkin spearheads strategy around implementing new technology initiatives, including those in the cybersecurity and business intelligence space.

Corporate Structure (Board Members of Schiphol USA)



ANNE HUSTINX
GENERAL COUNSEL & COMPANY SECRETARY ROYAL SCHIPHOL GROUP

Since 2014, Anne has led the legal and compliance teams and the corporate secretariat. Previously, Anne worked as a lawyer for 10 years, at different international law firms. She is a member of the Dutch Advisory Board of the General Counsel Executive Program.



MAUREEN RILEY
Maureen Riley brings a lifelong commitment to the airport industry and a 30+ year career in airport management. Ms. Riley has been an active member of Airports Council International-North America for most of her career and served as a Board member and an officer on its Executive Committee from 2012 to 2016, then as its Chair for 2016. She also served on the Board of Directors for ACI World from 2012 to 2016, and as the Chair of its Audit Committee for 2014 to 2015. She is a graduate of the Wharton School of Finance at the University of Pennsylvania, and a Certified Public Accountant in New Jersey, Florida, and Utah.



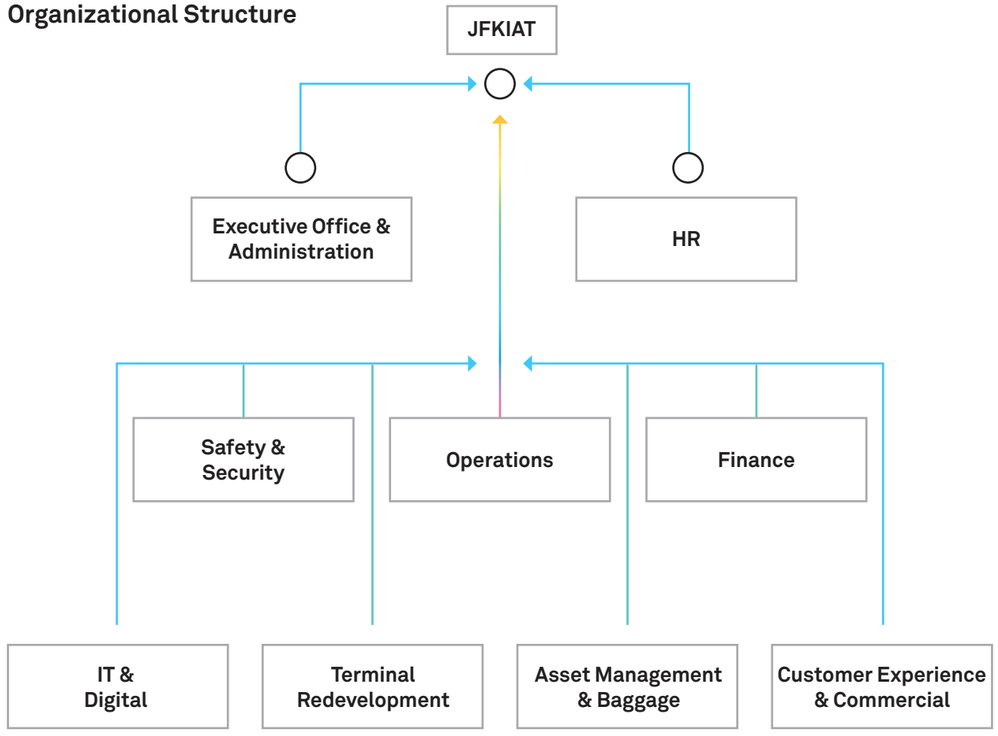
KJELL KLOOSTERZIEL
Kjell Kloosterziel—Director Schiphol International of the Royal Schiphol Group. He is responsible for the international participations and partnerships of the Royal Schiphol Group. He currently also holds positions as Non-Executive Director of Hobart International Airport in Australia, Supervisory Board Member of Groningen Airport Eelde in the Netherlands, and Board Member of the Aviaassist Foundation.



ANGELA GITTENS (CHAIRPERSON)
Angela Gittens served as Director General of Airports Council International (ACI World) from March 2008 to her retirement in June 2020. Ms. Gittens has served on numerous aviation industry boards and committees including the FAA Management Advisory Committee, the FAA Research, Engineering and Development Committee, the National Civil Aviation Review Commission ("the Mineta Commission"), the Executive Committee of the Transportation Research Board, the Airport Cooperative Research Program Oversight Committee, and the Board of Directors of JetBlue Airways. Angela also serves on the National Aeronautic Association, and the advisory council of Lilium, a company developing an electric VTOL aircraft. She was the 2021 recipient of the Downes Award, the highest honor given by ACI-NA, presented to an individual who has demonstrated outstanding leadership in promoting the cause of airports and aviation throughout the local, national, and worldwide communities.



Organizational Structure



Corporate Compliance

Based on the Corporate Governance Code, JFKIAT employs a formal program to continually review the organization's policies, procedures, and actions to help prevent and detect violations of applicable laws, rules, and regulations. The program is based on the U.S. Sentencing Guidelines five elements:

- Leadership (Tone at the Top, Fiduciary Duty, Board of Directors)
- Risk Assessment (Risk Management program)
- Standards and Controls (Corporate Governance Code, Code of Professional Conduct, Policies and Procedures, Compliance checklists)
- Training and Communication
- Oversight (KPIs and Audits): JFKIAT utilizes scorecards for each department as a set of KPIs tracked and audited throughout the year.

Risk Management

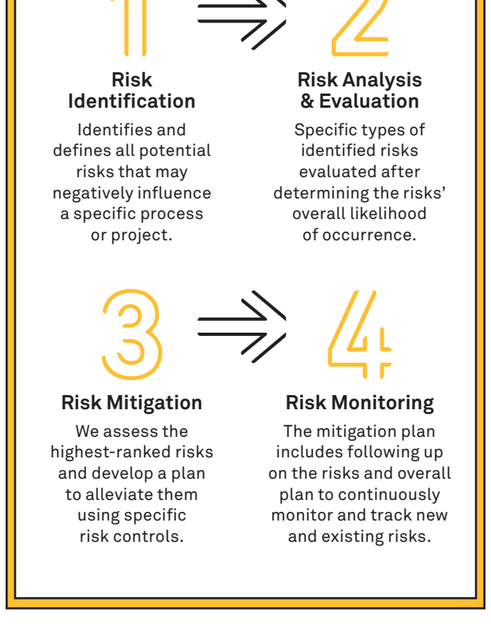
Risk management is a vital component of our business. In preparation for risks and exposures, JFKIAT has implemented and maintained an in-depth risk management process. The goal of our system is to identify, evaluate, and mitigate risks so that we are prepared to respond to any emergency. Our risk management and internal control program is outlined in our Corporate Governance Code and supported by the Risk and Compliance Committee.

The Risk and Compliance Committee is composed of JFKIAT's CFO, General Counsel, Controller/ Credit and Risk Manager, Vice President of Safety and Security, Vice President IT and Digital, Vice President of Asset Management, and Director of People Operations. The Risk Committee advises the Chief Executive Officer in managing (i) the Company's principal operational, business, and compliance risks, including the Company's risk management framework and the policies, procedures, and practices employed to manage risks, and (ii) the Company's ethics and compliance programs.

The Risk Committee meets quarterly, looking to achieve the following objectives:

- Provide a framework for setting objectives and establish an overall sense of direction and principles for action regarding risk management
- Consider business and legal or regulatory requirements, and contractual obligations
- Align risk management with the Company's strategic context in which the establishment and maintenance of the enterprise risk management system will take place
- Establish criteria against which risks will be evaluated
- Specify how risk management performance will be measured and reported
- Ensure that necessary resources are available to assist those accountable and responsible for managing risk
- Ensure that all risk management activities are conducted and implemented in an agreed-upon and controlled manner
- Achieve a risk management capability that meets changing business needs and is appropriate to the size, complexity, and nature of the Company

JFKIAT's risk management plan implement the following:



JFKIAT's approach is tailored to its individual terminal operations and culture. The Company has defined and quantified the consequences and likelihood terminologies to create a common vocabulary to ensure an organized risk management process. The methodology used corresponds to the operating environment at JFKIAT Terminal 4.

Enterprise Risk Management (ERM) system employed at JFKIAT includes:

- Development
- Implementation
- Continual improvement
- Testing
- Reporting

Continuous monitoring, development, and updating for the following areas:

- Ongoing-risk identification
- Definition
- Assessment
- Analysis
- Mitigation
- Reporting of all material enterprise-level risks and events

Drivers for ERM Company Strategy include:

- Risk appetite
- Reputational resilience
- Key risk indicators (External/Internal)

Top Risks to JFKIAT

Annually, each department is asked to review its operation within their respective areas and identify all potential risks, which can occur due to human error, systems failures, and inadequate procedures and controls (inherent risks) during the normal course of business. Each department completes the risk identification template with accuracy and detail. The risks are listed numerically and state the cause, the consequence both qualitative and quantitative, the inherent risk for consequence, likelihood, and rating. Ratings are based on a 5x5 matrix. Once the risks are identified, each department head becomes the risk owner. The risk owner determines which risks require mitigation and contingency plans. The risk owner is responsible for monitoring, controlling, and updating the status of the risk throughout the life cycle.

During the 2021 annual risk identification process a total of 116 risks were identified by all departments. Of those 116 risks, 29 were grouped by the related ERM category based on the highest inherent risk score (greater than 8).

RISK & INHERENT RISK SCORE

Safety & Security	1. FOD/Ramp contamination 2. Terror attack 3. Insider threat 4. Natural disasters 5. Aircraft accident 6. Pandemics
Customer Experience & Commercial	1. Customer illness/death 2. Third-party gross negligence 3. Labor shortage 4. Supply chain disruption 5. Regulatory compliance increase cost 6. Brand failure
Asset Management & Operations	1. Loss of utilities (electric, HVAC, water supply) 2. Plumbing breakdown 3. Weather (CAT 4 hurricane, flooding, snow) 4. Labor shortage 5. Life safety failure 6. Structural failure
IT & Digital	1. Cyber ransomware attack 2. Data breaches/user privacy 3. Remote access 4. Governance – CUTE system 5. Reputation risk
HR & Legal	1. Personal injury 2. Lack of succession planning 3. Performance review 4. Screening of applicants 5. Continued employee training 6. Ethical and legal concerns

5X5 RISK MATRIX

PROBABILITY	Very Low	Low	Medium	High	Very High
Highly Probable	5 Moderate	10 Major	15 Major	20 Severe	25 Severe
Probable	4 Moderate	8 Moderate	12 Major	16 Major	20 Severe
Possible	3 Minor	6 Moderate	9 Moderate	12 Major	15 Major
Unlikely	2 Minor	4 Moderate	6 Moderate	8 Moderate	10 Major
Rare	1 Minor	2 Minor	3 Minor	4 Moderate	5 Moderate

IMPACT

SWOT Analysis

In 2021, we performed an analysis of our strengths, weaknesses, opportunities, and threats with the goal of evaluating our performance and continuing to plan our vision for the future.

Strengths

- Strong financial and operational track record
- Highly experienced and dedicated staff and safety-oriented culture
- Viewed as innovation leader at JFK

Weaknesses

- CAPEX limits investments to fixing the basics vs expansion
- Terminal (pre-COVID) at maximum capacity
- Terminal is aging and in need of a re-life to remain competitive

Opportunities

- Increase non-aeronautical revenue streams for terminal reinvestment
- Invest in tech and BI to drive data-driven automation and productivity
- Invest in customer experience and employee engagement to deliver value and competitive differentiation

Threats

- Increasing labor and O&M expenses eroding operating margin
- JFK expansion will put new and existing terminals above or at parity
- Lack of investment in high-visibility projects could lead to carrier attrition



Stakeholder Engagement Approach

At JFKIAT we deeply care about our stakeholders. We take deliberate steps to make sure our stakeholders' perspective is included and consulted in every step of our business process. Our passengers, customers, employees, community, Port Authority, vendors, and other partners are vital players in our business. Through monitoring and engagement, we continually stay in touch with these parties and keep them up-to-date on any changes or news happening at T4. By getting to know our stakeholders, we can better understand their needs and deliver on actions and goals that will benefit their well-being.

Key Stakeholders

- The Port Authority of New York and New Jersey (PANYNJ)
- Delta Air Lines, Inc.
- Royal Schiphol Group
- The Bank of New York/Mellon (Trustee) and bondholders
- T4 airline partners
- JFKIAT employees
- T4 business partners, suppliers, and service providers

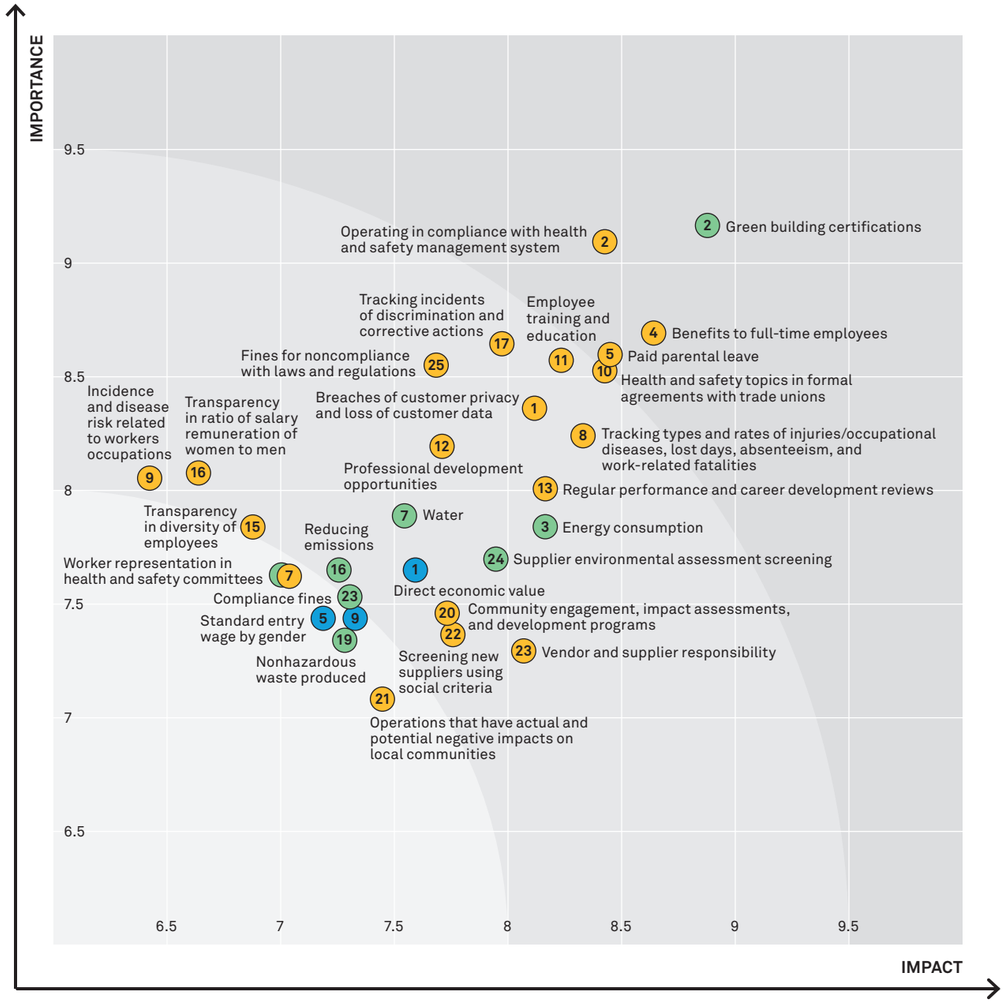
Materiality

To better understand the diverse perspectives from key stakeholders, we conducted a Materiality Assessment in 2020.* The assessment evaluated 65 key economic, environmental, and social topics based on the importance and impact to JFKIAT. We engaged various stakeholders including JFKIAT employees, suppliers, airline partners, and government agencies. Respondents ranked the material aspects according to importance and relevance to JFKIAT's impact.



*Following industry best practice of conducting a materiality assessment every two to three years, we plan to issue a new assessment in 2022 or 2023.

MATERIALITY MATRIX



TOP PRIORITIES

The materiality matrix above represents the top 30 material topics according to JFKIAT stakeholders. As demonstrated in the graphic above, social topics ranked highest among the stakeholders. However, to encompass economic, environmental, and social topic areas, we have identified priorities for each category as outlined below.

ECONOMIC

- **EC1** Direct Economic Value
- **EC9** Communication & Training on Anti-Corruption Practices
- **EC5** Standard Entry Wage by Gender Compared to Local Minimum Wages
- **EC7** Infrastructure Investments & Services

ENVIRONMENT

- **EN2** Green Building Certifications
- **EN3** Energy Consumption
- **EN24** Supplier Environmental Assessment Screening
- **EN7** Water

SOCIAL

- **SO2** Operating in Compliance with Internationally Recognized Health and Safety Management System
- **SO4** Benefits to Full-time Employees
- **SO5** Paid Parental Leave
- **SO10** Employee Training & Education

Internal Committees at T4

Sustainability Committee
At JFKIAT, sustainability has been deeply integrated into the core of our business. With the help of our Sustainability Committee, established in 2017 based on our former CEO's LEED certification goal, we have made sustainability a key part of our business strategy. The Sustainability Committee is composed of leadership throughout the organization, including representatives from the Executive Team, Asset Management, Operations, Safety, and other internal and external partners.

Sustainability Working Group
Our Sustainability Working Group (SWG) was created in 2021 to bring together individuals with both subject matter expertise and job requirements, and has assisted with our efforts to reduce our impact on the environment. The SWG is led by our Head of Sustainability, and is composed of members from our Commercial Department, Terminal Redevelopment, IT, Operations, Building Maintenance and Asset Management, our Baggage Manager, and our Sustainability Coordinator.







4GOOD Committee
4GOOD is a philanthropic program which encourages social change, general well-being, and environmental stewardship through a variety of initiatives in our local communities. The program is managed by an established committee composed of senior staff members of the organization and chaired by JFKIAT's Director of Human Resources. Our corporate resources included financial contributions, charitable giving, employee volunteering, and community outreach. The 4GOOD Committee is responsible for cultivating JFKIAT's relationships with local organizations.

Investment Committee
The Investment Committee (IC) reviews the short- and long-term capital needs of the Company. Meeting every two months, the IC monitors capital projects that are under way, prioritizes the queue of projects that have been approved, and reviews new projects in order to manage the annual capital budget.

It is the IC's responsibility to review capital expenditure items submitted for consideration by various departments and determine whether the proposed item represents a genuine need and the proposed cost is reasonable. In considering requests, the IC will take into account the cost of a capital item, future operating and maintenance costs, and life expectancy and payback cost recovery (ROI), as applicable.

Innovation Committee
As part of JFKIAT's key strategic priorities, innovation enables us to enhance and improve our passenger experience, terminal operations, and financial performance, as well as to help us make progress on our sustainability efforts. Our Innovation Committee, consisting of the Manager on Innovation and Improvement and a cross-functional team of business managers and leaders, meets regularly to review our strategies and progress to integrate innovation into the culture at T4.





30 FINANCIAL PERFORMANCE

SUMMARY OF FINANCIAL DATA

FINANCIAL HIGHLIGHTS 2021							
GRI 102: GENERAL DISCLOSURES 2016 (IN $ MILLIONS, EXCEPT FOR RATIOS, EPAX, AND $ PER EPAX)							
	2021	2020	VARIANCE $	VARIANCE %	Trend	2019	2018
Total Revenues (Aviation & Commercial)	309	288	20	7%	↑	473	468
Total Express	130	135	5	-4%	↓	156	147
Net Operating Income (Gross Margin)	178	153	25	17%	↑	317	322
Total Gross Margin %	58%	53%	x	9%	↑	67%	69%
Net Income	96	88	8	9%	↑	183	187
Debt Service Coverage Ratio	6.56	1.29	x	x	↑	2.44	2.42
EPAX	5.9	3.2	x	81%	↑	10.8	10.8
Aviation Revenue ($ per EPAX)	45.00	73.12	(28.17)	-38%	↓	36.50	36.67
Non-Aviation Revenue ($ per EPAX)	5.76	9.22	(3.46)	-38%	↓	7.09	6.64
Total Cost ($ per EPAX)	22.20	41.79	19.60	-47%	↓	14.41	13.56
Aviation Gross Margin ($ per EPAX	22.80	31.38	(8.57)	-27%	↓	22.09	23.11
Debt ($ per EPAX)	152.00	288.41	136.41	-47%	↓	110.55	117.95
Aviation Revenue per WB Gate Equivalent JFKIAT (9 gates)	12.1	7.7	4.4	57%	↑	24.0	24.5
Aviation Revenue per WB Gate Equivalent Delta (19 gates)	8.2	8.8	(0.6)	-7%	↓	9.5	9.3

Summary of financial performance impacts
In 2021, enplaned passengers (EPAX) increased by approximately 81% as airlines and travelers returned to JFK and T4, following the disruption to the industry due to the COVID-19 pandemic. Passenger traffic grew steadily throughout the year, even as Delta reopened Terminal 2 after consolidating its operations in Terminal 4 from June 2020 through July 2021. The U.S. border reopened in November 2021, removing a significant barrier for international travel. Revenue in 2021 was up 7%, driven by the increases in passenger traffic, partially offset by a reduction in Delta rent as a result of lower debt service following the refinancing of the Series 8 bonds in December 2020.

Costs for 2021 were 4% lower than 2020, which in turn were 13% lower than in 2019. The cost reductions reflect measures implemented by JFKIAT to control costs as a response to the lowered levels of traffic experienced as a result of the COVID-19 pandemic. These measures included a temporary reduction in officers' salaries, a hiring freeze, elimination of nonessential projects and expenditures, voluntary unpaid leave for JFKIAT staff, concourse closure and scaling back of activities, reduction of outsourced labor, elimination of checkpoints, and a voluntary reduction in salaries for the entire executive team for fiscal year 2021. While JFKIAT does not expect to return to the level of expenditure experienced in 2019, the majority of these measures have now been removed as passengers have returned and the terminal operates closer to capacity.

Debt service costs were also substantially lower in 2021 than 2020, primarily due to the refinancing of all debt in December 2020. While the cost savings



resulting from the refinancing of the Series 8 debt primarily reduced Delta rent, the savings from all other debt reflect a substantial savings for JFKIAT. In addition to the reduced rent levels of debt service, cash proceeds of $55 million resulted from the refinancing which was used to enhance JFKIAT's liquidity position.

Aviation

The Aviation Industry continued to feel the impacts of COVID-19 throughout 2021. As the world began learning to live with COVID-19, several countries began easing restrictions, leading to stimulated demand and allowing airlines to either resume or increase service to T4. New variants of the virus coupled with sharp increases in COVID-19 cases resulted in nations temporarily closing their borders again to contain the spread of COVID-19.

Aviation Metrics

JFKIAT currently operates 36 contact gates and 11 hardstands. 2021 began with 27 gates and 1 hardstand being serviced on a preferential basis to Delta Air Lines, with the remaining 9 gates and 10 hardstands being serviced by the other carriers ("Contract Carriers"). By the end of 2021, JFKIAT announced the further redevelopment of Terminal 4. Due to the reduced scope of the project and the continued slow recovery of the Aviation Industry, three additional wide-body gates were added to the number of gates being used on a preferential basis by Delta Air Lines.

In 2021, Air Serbia, Volaris, Volaris Costa Rica, and Asiana Airlines relocated operation to Terminal 1. By the end of 2021, all other airlines that call T4 home resumed service to JFKIAT, apart from T4's mainland China carriers and South African Airways. Not only did airlines add services back throughout the year, but average Load Factors showed a steady climb from the 43.9% recorded in January to the peak of 83.2% in August. T4 ended 2021 by providing nonstop service to 109 cities, inching closer to the pre-pandemic level of 123 cities. Of the 109 nonstop cities, 16% were not served by Delta.

JFKIAT welcomed 12.0 million passengers in 2021, giving it a market share of approximately 39.6% of the JFK traffic.*

T4 handled an average of 279 flights per day, an increase from the 190 flights per day recorded in 2020. The Contract Carrier Gates averaged 3.1 turns per day and the Delta Preferred Gates averaged 4.0 turns per day, up from the 2.0 and 2.8 recorded in 2020, respectively.

*The Port Authority of New York and New Jersey has only released airport statistics through the end of November 2021. The market share percentage was derived using those November 2021 figures.

2022 OUTLOOK

JFKIAT anticipates the following trends as we look forward to 2022 and beyond:

Aviation Market

- Continued recover of passenger traffic, with a return to 2019 levels now expected in 2024.
- With vaccination rollouts well advanced across the globe, and health restrictions being eased at border crossings, international traffic will meaningfully increase in 2022 as comparted to 2021.
- Similarly, business travel will also increase in 2022 as workers return to their offices, attend conferences, and make sales calls, although we do not anticipate business travel to reach levels seen in 2019 for some years to come.
- The Domestic Markets continues to outperform International Markets.
- Industrywide Load Factors will continue to be low with average for the year forecasted at 75.1%.
- Industrywide demand for air travel will be 61% of 2019 levels, however the demand will be skewed toward Domestic Markets.
- The slow recovery in International Markets is attributed to ongoing government travel restrictions as well as continued uncertainty surrounding COVID-19 restrictions.
- The airline industry will narrow annual losses but will still lose an estimated $11.6 billion in 2022. The only region that is expected not to see a loss in 2022 is North America

JFKIAT Specific

- Starting in 2021, Delta has leased three additional "Delta Preferred" gates from JFKIAT for which Delta will pay a market rate, subject to a Minimum Annual Guarantee.
- As a result of this, revenue from Delta will increase, while revenue from other airlines will reduce.
- Throughout 2022 and 2023, JFKIAT will be expanding Terminal 4, primarily to allow Delta to permanently consolidate its operations in Terminal 4.



34 ZERO-ACCIDENT CULTURE



Safety and Security of all T4 employees and passengers is JFKIAT's highest priority. We continue to deliver a safe and secure terminal for all patrons by fostering an effective Safety & Security Culture, striving for zero accidents, and reducing potential security threats and vulnerabilities for a safe and secure environment.

Safety Overview

With more passengers returning to our terminal in 2021, our Zero-Accident Culture priority has never been higher. In 2021, we took new strides to enhance our organization's safety culture and leadership and diminish any security threats.

Our commitment is to:

- Foster and embed a Zero-Accident Culture with ongoing pursuit of an accident-free workplace, protecting people, and preventing damage to equipment, property, and the environment.
- Lead by example: practicing safe behaviors and making safety an integral part of our daily activities.
- Actively encourage open reporting of all safety hazards, injuries, accidents, and near misses without fear of blame or disciplinary action.
- Continually improve our safety program and performance through management reviews, analysis, and investigation of safety events to ensure that effective preventive and corrective safety actions are implemented.
- Comply with and, whenever possible, exceed requirements, rules and regulations, and policies and procedures.
- Provide staff with appropriate safety information and training to identify and control hazards in the workplace.
- Establish and operate hazard identification and risk management processes to mitigate and eliminate the safety risks associated with all our activities to a level as low as reasonably achievable.
- Conduct regular audits of safety policies, procedures, and practices.
- Establish and measure our safety performance against realistic indicators and targets.

Safety Statistics	2019	2020	2021	Trend
Aircraft Damages @ T4	6	5	3	↓
Motor Vehicle Events	34	23	13	↓
Employee Events	23	14	16	↑
Passenger Events	12	2	13	↑
Ground Handler FOD Compliance	93%	99%	99%	↑
Ground Handler Seat Belt Compliance	98%	99%	99%	↑



Safety Goals

We set meaningful safety goals for JFKIAT in 2021, and we are continuing to track the progress of those goals.

2021 Safety Goal	Status of Goal as of 12-31-2021
Increase passenger confidence while reducing trending accidents identified in 2019 and 2020.	YTD stats for the period ending 12/31 continue to show an increase in identified motor vehicle trends relating to reversing.
Maintain safety & security effectiveness	Total incidents in 2021 equaled 45 vs 44 for same period in 2020 and 75 in 2019.

Accomplishments and Awards

Our Health and Wellness team led the achievement of several COVID-19 compliance requirements set forth by the New York State Department of Health (NYSDOH) for passengers in T4. In addition, we maintained compliance with NYSDOH regulation for employees. Compliance with these regulations is a requirement of our Safety Forward program, a written business safety plan that outlines how your workplace will prevent the spread of COVID-19.

2021 Accomplishments

- Trialed Clear Health Pass in July 2021 for JFKIAT employees.
- Created a focus group with all JFKIAT departments to reevaluate the current KPI scoring process and identified the need for continuous evaluations.
- Concluded the Safety & Security 2.5/3.0 program plan. Due to COVID-19, full implementation is suspended until reevaluation. However, we were approved to begin a partial implementation of the program effective 1/1/2022.
- Vetting kiosk installed on the Departure level to facilitate the vetting process of visitors who require escorted access into the Sterile area.
- New Visitor Program became effective October 15, 2021. The Access Control and Vetting Office closed thereafter, saving budget costs.
- Successfully launched mass notifications to JFKIAT employees utilizing the LiveSafe application.

In addition, T4 successfully completed all phases of the Information Security program plan for 2021. As a result, activities in 2021 included:

Critical Asset Discovery

- Identify critical assets
- Assess threats and risks to the identified assets
- Assess current controls that have been designed to protect these assets
- Put in place a remediation plan aimed at remediating any weaknesses in controls

The Data Governance Program

1. Critical Information Assets Program
2. Governance Model

- Information Asset Inventory: Identified data owners and classifications
- Data Workflow diagrams for each department to implement
- Risk Assessment Report
- JFKIAT Cyber Program Development—Metrics Dashboard, including NIST Cybersecurity Framework (CSF) Mapping
- JFKIAT Security Information and Event Management (SIEM) Program

Security

JFKIAT is committed to creating a safe and secure environment for all stakeholders. JFKIAT's Zero-Accident Culture is a pillar of our strategy and is embedded throughout our operations. We have developed a road map that aligns with our five pillars. Our strategy is executed with key components composed of stringent safety and security practices and tools. These practices are led by an experienced team of JFKIAT employees and supported by T4 partners.



To achieve our vision, we work together to provide our customers with a seamless, safe and secure, and memorable travel experience in NYC, and one that is on par with the world's best airports.

Security Operations

As the influx of employees and passengers in T4 increased throughout 2021, JFKIAT fortified our security operations approach in order to maintain a secure area for higher passenger volumes. In doing so, we increased our security partner workforce and security partner contracts. JFKIAT successfully worked to secure the building security and access control contract, and the contract was awarded to Allied Universal Services with a start date of 2/1/2022. Additionally, a new contract was signed for a mass emergency notification system with LiveSafe. We continuously fluctuated our outsourced security manpower to meet the needs of the operation during the COVID-19 pandemic while simultaneously reducing cost to meet budget restrictions. KPIs for our security partners resumed effective July 2021, and all security partners on average scored 95% or higher.

In 2021, TSA Comprehensive finalized with only three findings, relating to the VIP lot, random employee inspection, and SIDA card challenging. TSA offered an action plan for resolution and JFKIAT quickly acted. Some procedures relating to the findings were immediately implemented in 2021 and the remainder are to be changed in 2022.

In an effort to increase building security and monitor access control, we reopened West passenger exit and the exit tunnels, which had been suspended in 2020 due to the pandemic. Post Mike was reinstated at the domestic baggage claim on July 1, 2021. The Access Control and Vetting Office closed due to the installation of the vetting kiosk located on the Departure level as of October 27, 2021.

Employee and Goods Screening

Post North employee screening operations resumed July 12, 2021. The loading dock operates





at a reduced schedule, but the operation increased to 10 hours per day versus 8 hours in 2020.

X-ray machine capabilities were introduced into both loading docks at T4 to facilitate the screening of goods and merchandise.

Traffic Management

In 2021, JFKIAT focused on increasing traffic management efficiency in order to minimize security breaches and increase safety operations. The number of traffic management officers and supervisors increased to eight, effective June 14, 2021.

In collaboration with the Port Authority, an UBER/LYFT pilot was trialed that directed riders to their designated pickup locations. The pilot's objective was to increase customer experience, reduce dwell time for both driver and rider, and reduce opportunity for taxi hustlers. An analysis of the pilot's findings, slated for 2022, will determine the viability of the program.

Safety and Security Engagement

In 2021, the T4 Safety Committee worked together to define best practices, reduce accidents, and change their safety approach to proactive instead of reactive. We commenced targeted engagement with frontline employees by creating subcommittees to focus on issues raised by these employees. As part of the Safety program, Foreign Object Debris (FOD) Walks were conducted on May 13 and 19, June 16, July 14 and 21, August 18, September 16, October 27, and November 17.

We engaged our community stakeholders on safety topics with the distribution of newsletters





that provided continual updates on the potential risk of COVID-19 coming to the United States. These newsletters further informed the community of the safety practices to be taken in maintaining proper health and hygiene. To engage employees, JFKIAT Safety and Security Department utilized monthly *Sentinel* newsletters and virtual platforms to remind T4 employees on the proper use of PPE, healthy practices during the pandemic, cybersecurity awareness, SIDA badge responsibilities, driving the Zero-Accident Culture, and overall best industry safety and security practices.

Safety and Security Training

In 2021, we continued the use of the new internal Learning Management System, and we began the process of converting JFKIAT's Safety & Security training onto the platform. Additionally in 2021, we repeated the annual refresher safety and security training with external partners and covered the following topics: Zero-Accidents Culture and T4 Safety Orientation, Ramp Driving, and Jet Bridge Operations. We were able to reinstate in-person training classes at T4 and trainings for the year included the following:

- Annual Access Control
- Annual Terrorism Awareness
- Annual Active Shooter
- Annual Stop the Bleed
- Advanced Security Practices
- Ad Hoc Training Safety & Security Department
- Alternate Security Plan Training
- Safety & Security supervisors completed OSHA 30 General course

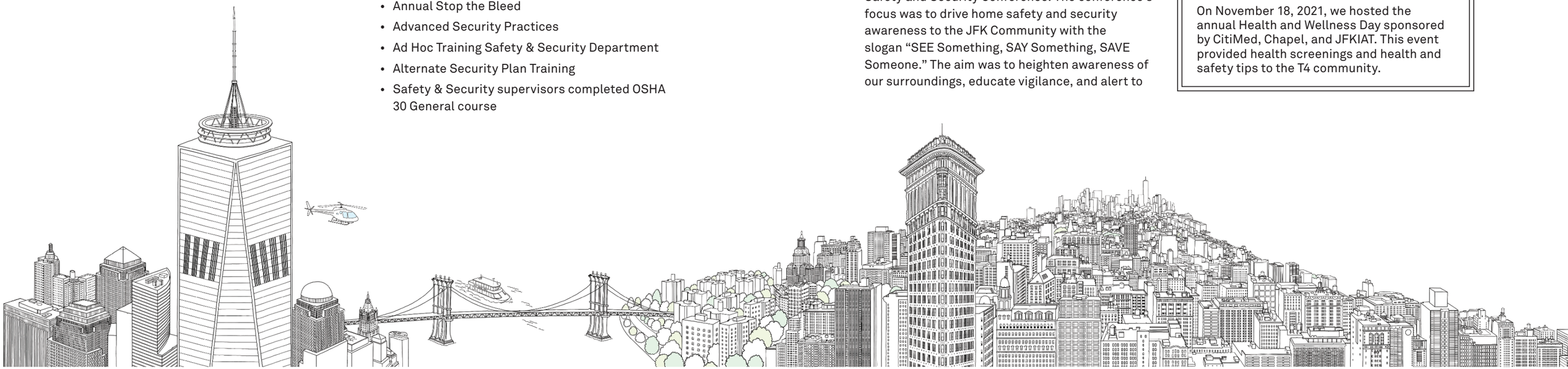


2021 Events

January is Human Trafficking awareness month and on January 10, 2021, T4 campaigned to wear blue in recognition of National Human Trafficking Awareness Day.

On November 4, 2021, we held the 7th Annual T4 Safety and Security Conference. The conference's focus was to drive home safety and security awareness to the JFK Community with the slogan "SEE Something, SAY Something, SAVE Someone." The aim was to heighten awareness of our surroundings, educate vigilance, and alert to suspicious activity. Seeing things with a different mindset and acting on them is our message. The conference lineup consisted of representatives from Delta Airlines, Royal Schiphol Group, USC Aviation Safety and Security Program, and Mr. Duane Jackson.

On November 18, 2021, we hosted the annual Health and Wellness Day sponsored by CitiMed, Chapel, and JFKIAT. This event provided health screenings and health and safety tips to the T4 community.



40 CUSTOMER EXPERIENCE



In 2021, JFKIAT focused on generating non-aero revenue by delivering a seamless, innovative, and memorable customer experience. A primary objective was to ensure clear and concise communications regarding COVID-19 and the implications on staff, passengers, and business operations. Successful communication was accomplished through internal communications channels and targeted campaigns such as SMILE. In order to meet new customer needs, T4 and its operators introduced new payment options, as well as new shopping experiences (digital and automated), reopening existing stores, and unveiling new stores.

New partnerships were formed in 2021 including Clear Channel Advertising, as it assumed the PANYNJ advertising contract from JC Decaux, and an agreement with the Museum of the City of NY (MCNY) was established to provide arts and culture advisory services. Preparation and planning for commercial redevelopment began as Portland Design group, partnering with Unison Consulting, was awarded the contract after a competitive RFP to provide commercial consulting services to JFKIAT.

Customer Health & Safety

As our travel operations slowly improved from the lows of the pandemic, we reinforced our commitment to the health and well-being of our employees and customers. We worked continuously toward restoring confidence in traveling by establishing a customer experience that evokes safety and trust.

On November 17, JFK received the ACI Airport Health Accreditation recertification. The health and well-being of our employees and customers is of utmost importance to JFKIAT. This accreditation reiterates our responsibility and adherence to the safety of the public while recognizing professional excellence in maintaining high hygienic facility standards.



AMENITIES AT T4

- Lactation rooms
- At Your Gate food and beverage delivery service
- Lounges
- Digital touchscreen terminal directories
- Water refilling stations
- Automated external defibrillators (AED)
- Nursing rooms
- Indoor taxi stand/queue
- Short- and long-term baggage storage services
- Hotel and lodging reservations booking services
- Personal baggage porter service
- Manhattan shuttle bus services
- Indoor/outdoor pet relief areas
- Art collection pre- and post-security as well as Customs and Border Protection (CBP) and arrivals
- Accessibility aides

Airport Customer Experience Performance and Standards Manual

In October 2021, the Port Authority of New York and New Jersey launched a service excellence tool called the Airport Customer Experience Performance and Standards Manual. JFKIAT embraced the initiative, which was designed to better understand our customers and their journeys and enhance our passengers' experience. Collaboratively with cross-functional teams, we have implemented Journey Mapping sessions as well as an action plan for 2022, currently focusing on human interaction and cleanliness in parts of the customer journey.

T4 Is MORE Newsletter

Our T4 community is the most valuable support, resource, and talent we carry. As we strive to become a best-in-class terminal and the best terminal at JFK, T4 implemented a new section in our *T4 Is MORE* newsletter named 4Excellence. 4Excellence spotlights outstanding customer service and service excellence. The section is fully dedicated to our T4 community stars—our people who are doing outstanding work and creating unforgettable memories to those passing through.

T4 Is MORE Training Program

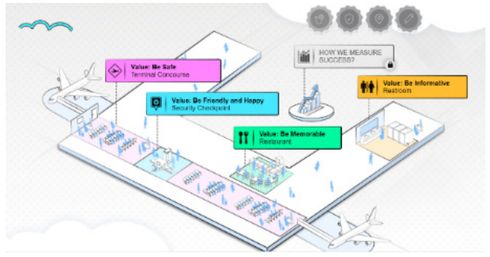
In continuance of our efforts to effectively support our employees in delivering the best customer experience at JFKIAT, we reinstated the T4 Is MORE web-based interactive training program. The training program is focused on our brand values Be Friendly and Happy, Be Informative, Be Safe, and Be Memorable. In addition, we have successfully reintegrated employee onboarding training across our food and beverage concessions with a 72% completion rate.

ASQ Score and Quarterly Departure Surveys

The Port Authority of New York and New Jersey partners with Airport Council International (ACI) to conduct quarterly Airport Service Quality (ASQ) departure surveys, the airport industry's standard for measuring passenger satisfaction. ACI is the industry-leading airport trade group, representing 641 members, operating 1,953 airports in 176 countries. ASQ surveys are currently conducted at 340 airports worldwide, covering more than half of the world's 7.6 billion annual passengers.







PANYNJ sponsors the quarterly departures survey for all NYC airports, with results at the terminal level. JFK assigned goal scores for T4:

- Q1: T4 Overall Satisfaction score 4.15, exceeds JFK airport goal assigned score of 4.08. Additionally, 10 of 13 key attributes scores improved vs Q1 2020.
- Q2: T4 Overall Satisfaction score 4.09, exceeds JFK airport goal assigned score of 4.08. Additionally, 10 of 13 key attributes scores improved vs Q 2 2019.
- Q3: T4 Overall Satisfaction score 4.06, falls below JFK airport goal assigned score of 4.08, however, 13 of 13 key attributes scores improved vs Q3 2019.
- Q4: T4 Overall Satisfaction score 4.07, falls below JFK airport goal assigned score of 4.08. However, all key attributes scores improved vs Q4 2019.

JFKIAT continued to focus and improve on the "key drivers" in an effort to improve our overall score and passenger satisfaction. Partnership and collaboration with all stakeholders will be a key factor for continual improvement.

New York Experiential Project

In 2020, we soft-launched the "This is New York" virtual reality (VR) experience, and passengers participated through June 2021.

The VR experience was dedicated to highlighting the hidden and monumental destinations within the five boroughs of New York City, including the Queens Unisphere, the Staten Island Ferry, Brooklyn Bridge Park, the Prospect Park Boathouse, and the 191st Street Subway Station. Passengers could access https://www.jfkt4.nyc/this-is-new-york/ through a mobile device with the help of VR goggles.

With a six-month duration, the immersive experience garnered a 97% engagement rate, derived from the distributed VR goggles and QR traffic.

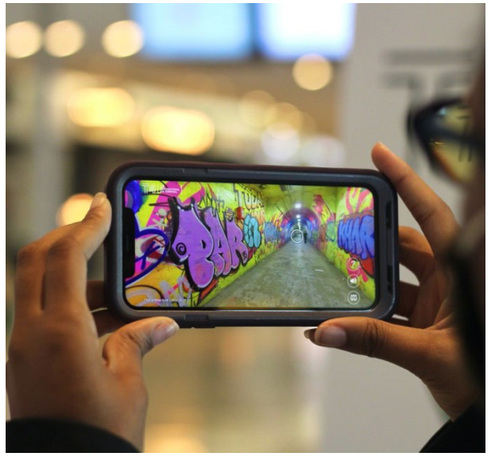
Coloring Book Pop-Up

In June 2021, JFKIAT launched our next experiential campaign: "Where Will You Go Next?" This pop-up experience invited passengers into the page of a life-sized coloring book, calling for participants to tap into their creativity and take part in coloring the 35-foot mural. The experience resulted in a 4.9-million passenger footprint impression during its duration.

As the world recovers from the pandemic, this interactive installation engaged passengers in the globetrotting adventures that await, offering a glimpse of the magic of traveling to wherever they desire. Destinations include the New 7 World Wonders: Machu Picchu, The Great Wall of China, Chichén Itzá, the ancient city of Petra in Jordan, Christ the Redeemer in Rio de Janeiro, the Colosseum, and the Taj Mahal. Monumental locations like New York City's Statue of Liberty, the Eiffel Tower, the Louvre, and the Fushimi Inari Shrine of Kyoto will also be featured. At the end of this artistic journey, passengers will be left







wanderlust, wondering 'where will I go next?' as they continue to their next destination with a coloring book souvenir from T4.

Accessibility

Delivering an effortless and seamless experience to all our customers directly supports our goal of being the Best Customer Experience Terminal at JFK. Since its inception in 2020, T4 has become a staple for the Sunflower Lanyard program, providing support not only for T4 passengers, but the entire community that reaches out to us via our website. In 2021, 25% of the Sunflower Lanyard requests were unrelated to travelers at T4, and we proudly extended our assistance, bridging the gap for a more understanding and inclusive society.

Program Metrics

We track, measure, evaluate, and continually improve our programs by using key performance indicators from several key listening sources:

- Airports Council International Airport Survey Quality (ASQ) customer and employee engagement for customer experience survey scores
- Employee service evaluation “mystery shopping” scores
- Feedback Now devices located in all restrooms and at the TSA security checkpoint
- Customer inquiries and feedback received via our information desks, website, and social media platforms
- Net Promoter surveys performed with our airline customers.

After evaluating numerous historic New York City landmarks, The Tony Awards chose JFKIAT and T4 for the long-term installation of its 15-foot-tall Tony Awards Medallion.



Operations

In 2021, JFKIAT continued to enhance existing operation programs and rolled out new initiatives with a goal of increasing efficiency and providing best-in-class operations at T4.

Custom & Border Protection (CBP)
Simplified Arrivals is an enhanced international arrival process that uses facial biometrics to automate the manual document checks that are already required for admission into the United States. Rolled out officially at T4 in 2020 with full implementation occurring in 2021, this process greatly improved processing procedures by utilizing facial recognition for many passengers. The implementation of this process eliminated the need for the Automated Passport Control Kiosks (APC Kiosks). With the discontinuation of the APC Kiosks in late 2020, a large area within Passport Control was left underutilized. JFKIAT made significant changes to the queue hardware within this area to better suit the new process of Simplified Arrivals. Unused CBP booths were removed to make way for a better Global Entry product for subscribed passengers.

Passenger Flow Management
To better track passenger safety through the departures process, JFKIAT, in partnership with Crowdvision, in 2020 implemented a technology to track, alert, and ultimately resolve issues regarding social distancing within the TSA queue. The core features of the service include processing times and queue capacity, and as a result, the service provides accurate passenger forecasting to improve situational awareness. Continued iterations of the system occurred throughout 2021 and this promoted additional usage by all stakeholders. The new software allows Operations to understand passenger volume and measure performance and passenger experience KPIs.

PowerBI Pilot
To streamline our reporting processes, JFKIAT purchased several PowerBI premium licenses to transform reports from MS Excel to PowerBI, which automated most of the manual reporting tasks done by staff.

Implementation of a New Passenger Forecasting Tool
Copenhagen Optimization was the selected new passenger forecasting tool for JFKIAT. The tool

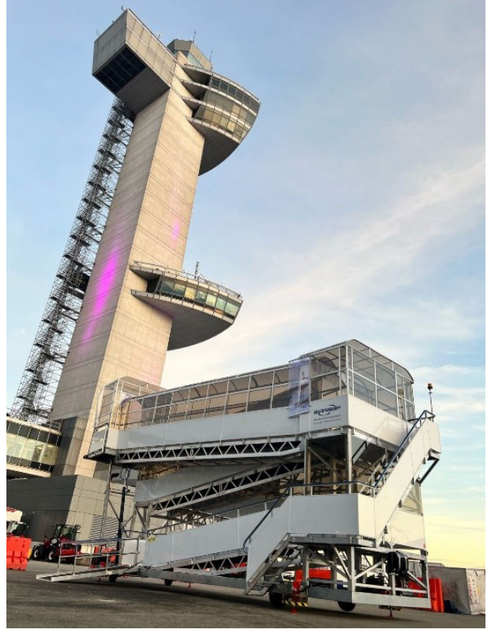




helps forecast passenger volume at key processing points. The Better Security module was also implemented with TSA, which will enhance the process of determining the number of opened lanes and incorporating real-time passenger activities and flight statuses.

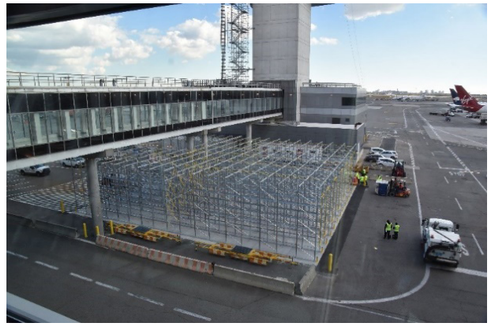
Additional Mobile Jetbridge
To better enhance the passenger journey during Hardstand Operations, JFKIAT procured an additional Aviramp International Mobile Jetbridge Unit. This equipment allowed for significant improvements of boarding/deplaning process with the ability to deplane 300 passengers in less than 20 minutes. While currently diesel-powered, this unit allows for conversion to solar electric or hydrogen fuel cell technology once the supplier finalizes the trial on these new technologies.

Container Storage Rack
In an effort to optimize space and organization on the airside, JFKIAT procured, installed, and trained users on a new Container Storage Rack, which can house 450 to 500 containers at max capacity. This storage rack centralizes container storage and reduces the number of smaller storage areas scattered across the ramp.









OPERATIONAL STATISTICS

JFKIAT SCORE CARD 2021

KPI TARGETS	2021 Results	2021 Targets	2021 vs. 2021 %DIF	2020 Results	2020 Targets	2019 Goal	2020 vs. 2019 %DIF
ASSET / BAGGAGE MANAGEMENT							
Contract Appearance	87%	85%	2%	85%	85%	84%	2%
Ramp Appearance Balance Scorecard	86%	85%	1%	85%	85%	84%	1%
Building Maintenance Balanced Scorecard	90%	84%	6%	94%	84%	83%	-4%
Life Safety Systems	100%	100%	0%	100%	100%	100%	0%
Single Stream Recycling (SSR)	83%	54%	29%	63%	54%	51%	20%
Centerline Lighting	83%	100%	-17%	85%	100%	90%	-2%
Scales	100%	100%	0%	100%	100%	100%	0%
Jet Bridge (PBB 1 Incident rate/1K flts)	0.70	<=.75	-0.05	0.20	<=.75	<=.75	50%
Machine Screening	6	15	-9	N/A	15	<15	N/A
GSE Contract (inc. BHS)	94%	96%	-2%	97%	96%	95%	-3%
Baggage handling Contract	95%	N/A	N/A	N/A	N/A	N/A	N/A
IT & DIGTIAL							
Security	99%	93%	6%	97%	93%	98%	2%
Tech Support	95%	93%	2%	98%	93%	93%	-3%
IT Managed Services (start 06/19)	94%	93%	1%	94%	93%	90%	0%
OPERATIONS							
Passenger Service Guest Services - Services suspended as of April 1, 2020	N/A	96%	N/A	N/A	96%	95%	N/A
Passenger Service - Que Management - Services reinstated in June 2021	97%	96%	1%	N/A	96%	95%	N/A
Hardstand Operations (Customer Service) - Services reinstated in November 2021	97%	96%	1%	N/A	96%	85%	N/A
Hardstand Operations (Equipment) - Services reinstated in November 2021	N/A	86%	N/A	N/A	86%	99%	N/A
SkyCap Services - Reinstated in September 2021	99%	96%	3%	N/A	96%	90%	N/A
Snow Removal 2019/2020 Season	98%	95%	3%	100%	95%	90%	N/A
GH Ramp Safety	99%	90%	9%	98%	90%	85%	1%
GH Equipment (leaking, front/rear lights, curtains, brakes)	99%	80%	19%	98%	80%	98%	1%
Jetbridge Operator compliance	98%	90%	8%	97%	90%	85%	1%
USCBP							
Primary <45 min - APC (2021 no longer tracked)	N/A	95%	N/A	94%	95%	95%	N/A
Primary <60 min - Non-APC (2021 no longer tracked)	N/A	95%	N/A	80%	95%	95%	N/A
Complete Journey<60 min - APC (2021 no longer tracked)	N/A	95%	N/A	97%	95%	95%	N/A
Complete Journey <75 min - Non-APC (2021 no longer tracked)	N/A	95%	N/A	80%	95%	95%	N/A
Primary <45 min - US Citizens	N/A	95%	N/A	N/A	N/A	N/A	N/A
Primary <60 min - Visitors / US Citizens	96%	95%	1%	N/A	N/A	N/A	N/A
Complete Journey <60 min - US Citizens	N/A	95%	1%	N/A	N/A	N/A	N/A
Complete Journey <75 min - Visitors / US Citizens	96%	95%	1%	N/A	N/A	N/A	N/A

For 2021, only Generalized Primary and Complete Journey Stats were tracked. For 2022, these will be split

KPI TARGETS	2021 Results	2021 Targets	2021 vs. 2021 %DIF	2020 Results	2020 Targets	2019 Goal	2020 vs. 2019 %DIF
TSA							
Complete Journey <30 min -Regular (2022 Goal: 28 Minutes)	99%	95%	4%	97%	95%	95%	2%
Complete Journey <15 min - TSA Pre (2022 Goal: 13 Minutes)	99%	95%	4%	96%	95%	95%	3%
Complete Journey <20 min-First / Business - (2022 Goal: 18 Minutes)	99%	95%	4%	NA	95%	95%	N/A
Up to door <20 min - Regular (2022 Goal: 19 Minutes)	97%	95%	2%	95%	95%	95%	2%
Up to door <10 min - TSA Pre (2022 Goal: 9 Minutes)	99%	95%	4%	95%	95%	95%	4%
Up to door <10 min - First/Business - (2022 Goal: 9 Minutes)	98%	95%	3%	N/A	95%	95%	N/A
First/ Business was reinstated in July 2021							
SAFETY							
Aircraft Damages @T4	3	<6	-3	5	N/A		Reduce identified trends
Motor Vehicle Events (Updated Criteria in 2020)	13	<29	-16	23	N/A		
Employee Events (Slip/Trip, Housekeeping, SOP) (Updated Criteria in 2020)	16	<19	-3	14	N/A	Track events and identify trends	
Passenger Events (Slip/Trip, Housekeeping, Baggage) (Updated Criteria in 2020)	13	<7	6	2	N/A		
Ground Handler FOD compliance (Updated Criteria in 2020)	N/A	N/A	N/A	99%	99%		
Ground Handler Seat Belt Compliance (Updated Criteria in 2020)	N/A	N/A	N/A	99%	99%		
CUSTOMER EXPERIENCE AND COMMERCIAL							
Food and Beverage code compliance (2021 reevaluation for 2022 KPI)	N/A	95%	N/A	N/A	95%	N/A	N/A
Retail Food and beverage development plan (New) (2021 reevaluation for 2022 KPI)	N/A	50%	N/A	N/A	50%	N/A	N/A
CX ASQ Departures Overall Satisfaction Score (2021 reevaluation for 2022 KPI)	N/A	4.00	N/A	3.94	4.00	4.10	N/A
CX ASQ Departures Overall Courtesy of Staff Score (2021 reevaluation for 2022 KPI)	N/A	4.10	N/A	4.01	4.10	4.27	N/A
CX Average TSA FeedbackNow - Green / Good Results (2021 reevaluation for 2022 KPI)	N/A	58%	N/A	56%	58%	N/A	N/A
CX Average Lost and Found Return Rate (2021 reevaluation for 2022 KPI)	N/A	40%	N/A	37%	40%	N/A	N/A
SECURITY (EXTERNAL/INTERNAL COMPLIANCE							
Security Badges Regulatory Completion Compliance (External)	100%	100%	0%	100%	100%	100%	0%
Perimeter Fence Line Regulatory Completion Compliance (External)	100%	100%	0%	100%	100%	100%	0%
TSA Netting Regulatory Completion Compliance (External)	92%	100%	-8%	100%	100%	100%	-8%
Airline Emergency Plan Compliance (External) - Received 19 plans	100%	100%	0%	N/A	100%	100%	N/A
(Building) Contract (Internal) - Average July-December 2021	96%	95%	1%	N/A	95%	95%	N/A
Employee Screening Global - Average July-December 2021	96%	95%	1%	N/A	95%	95%	N/A
Traffic AUS - Average July-December 2021	96%	95%	1%	N/A	95%	95%	N/A
Compliance (Internal)	100%	100%	0%	100%	100%	95%	0%
Regulatory Compliance (External)	100%	100%	0%	100%	100%	100%	0%



Innovation and Process Improvement

With all the challenges facing the aviation industry, such as changing customer expectations, it's imperative that businesses actively look to identify areas of opportunity for improvement. JFKIAT is committed to developing a culture of innovation and process improvement.

Collaborating internally with our employees and externally with our suppliers, industry, and government partners has enabled JFKIAT to identify innovative opportunities and to stay on top of the latest trends.

INNOVATION: IT STARTS WITH IDEAS!

Collaboration
Internally, we use Journey Mapping and Process Mapping to understand our business, our customers, and suppliers. We engage cross-functional teams to brainstorm pain points or problem areas, and then we conduct a prioritization session using voting as a tool to optimize the results. This often leads to some quick wins as well as a prioritized list of problems to be worked on by the organization.

Externally, JFKIAT engages suppliers or potential suppliers to learn about the latest technology available in their space. JFKIAT also participates in industry forums, learning and contributing to industry knowledge.

IdeaScale
Ideas are also obtained using IdeaScale, a crowdsourcing tool. IdeaScale is used with a leadership challenge where individuals are asked to respond to a specific question. Employees can then comment, vote, and even help to assess ideas using the system.

Lean Six Sigma (Process Improvement)
Once a pain point or problem is identified, JFKIAT uses Lean Six Sigma or Design Thinking to assess problems and determine their impacts, available measurement, and root causes. Once root causes are understood, solutions can be brainstormed. Solutions are reviewed and scored based on a human-centered design approach, ensuring that solutions are desirable, feasible, and viable. Some projects are managed by the process improvement manager; however, most are completed by project managers within the business units. JFKIAT has relied on this methodology to develop and maintain our COVID-19 Response and Recovery Program.

Digitalization & Technology

JFKIAT continues to deliver secure, reliable, and innovative technology solutions to provide the most seamless, efficient, and memorable airport terminal experience at T4. The vision and mission for our IT systems were revised into three primary objectives: Secure IT Landscape, Digital Platform Agility, and Drive Innovation.

In 2021, JFKIAT revised our Digital Strategy and set the ambition to be New York's leading digital terminal through the application of innovation, data, and technology. We plan to meet this ambition by:

- Ensuring personalized and memorable passenger experience
- Creating a seamless, touchless / self-service journey
- Making a smarter and more efficient facility
- Providing digital services for our business

We continued our engagement to enhance our cybersecurity program by updating our Information Security Governance framework to be aligned with National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF). We also performed a Network Security Review and conducted external and internal vulnerability assessment/penetration tests. In addition, we developed a network inventory of all Critical Assets and created an Incident Response program.

Throughout 2021, we saw continued improvement of contract management performance with primary partners SITA, ConvergeOne, Converged Technology Group, and Thales USA, which oversee the maintenance and support of all JFKIAT's security systems in partnership with Allied Universal Technology Services (AUTS).

Terminal Digital Transformation Projects
In 2021, JFKIAT introduced several new digital solutions to improve the passenger experience, enhance the terminal operations, and increase financial performance and sustainability. The Airport Operational Database (AODB) application was upgraded by ADB Safegate Airport Systems to the latest release to provide real-time flight information with Delta through web services integration, and to offer application compatibility with the latest operating systems.

A new public address system was implemented using Bosch & Aviavox artificial voice technology, replacing a legacy system, and we enhanced the passenger experience with intelligent automated announcements throughout the terminal. The Access Control System was upgraded along with a new real-time badge integration with the Port Authority's access control system to improve the safety and security of T4.

We initiated two pilot projects that were part of our Digital Roadmap. The first was the Aircraft Turnaround Control System using Assaia's Apron AI platform, which was installed on three gates to gain full oversight of airside operations and enhance on-time performance, safety, and turnaround transparency. The second was a Digital Signage pilot that we engaged with Omnivex to optimize the traveler experience through a consolidated digital signage platform that focuses on Check-in, Security, next-gen Flight Information Displays (FIDS), and Wayfinding.

In Q1 2021, we initiated a pilot program to implement self-service bag drop (SSBD) for T4. JFKIAT partnered with ICM Amadeus to retrofit four ticket counters at row 4 by supplying, installing, and integrating self-service bag drop units. The system was installed and commissioned in May with LATAM Airlines as the first JFK T4 carrier to be onboarded into the system. On May 24, 2021, the SSBD pilot program went live with the check-in of LATAM Airlines flight 8181 to São Pãolo. The introduction of SSBD at LATAM's operation improved its customers' experience and operational efficiencies and provided them with an efficient and secured bag drop process.







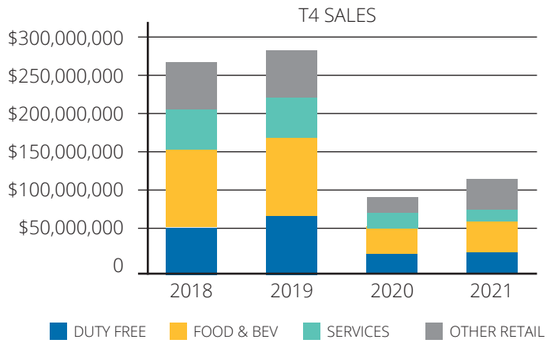


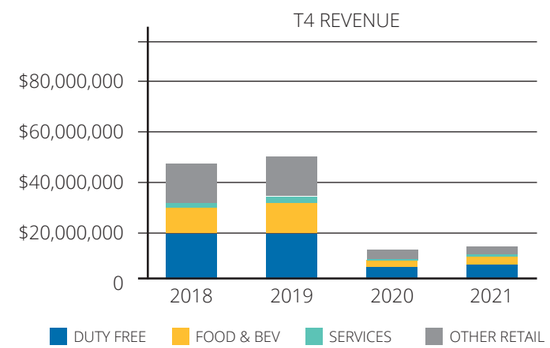
Concessions

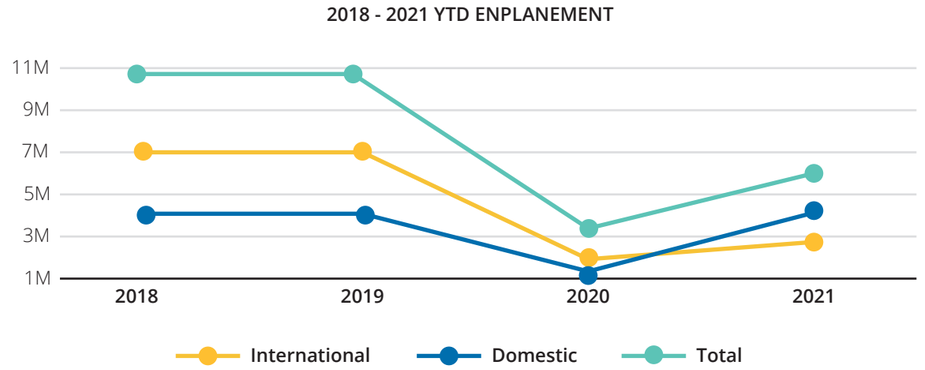
The Terminal 4 concession program met its revenue projection for the year. Amid uncertainty, the commercial team worked closely with concession partners to ensure that appropriate services were available for passengers and that a commercial program was viable and growing. In a challenging environment for partners to open stores and to recruit and retain staff, JFKIAT and its partners developed and implemented an e-commerce platform with DFS, our duty-free operator, and digital partner Inflyter.

Hudson implemented a new automated retail space in the retail hall and developed two Tech On The Go stores from previously closed spaces. Hudson also implemented a new food category in their units, Grab and Go prepared sandwiches and salads, to supplement the terminal food program.

SDI, a 100% ACDBE woman-owned currency exchange business, replaced Travelex as the terminal's foreign exchange operator. In the Arrivals Hall, SIMs on the Go, Baggage Storage Service, and Baggage Porter Service were resumed. New retail operations included a new Lego store, a Johnny Walker store, and a wellness store, Treat, the first location of this new concept in the portfolio of XpresSpa.













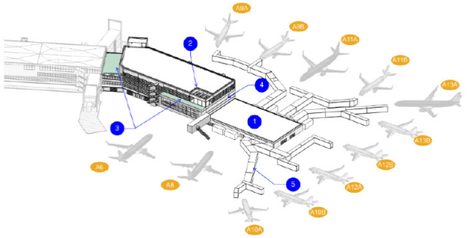
52 T4 REDEVELOPMENT PROGRAM

The redevelopment of T4 moved forward once more in 2021. The Groundbreaking Ceremony with Governor Hochul and JFKIAT stakeholders occurred in December 2021 and marked the resurgence of a $1.5 billion transformative project. In line with the Port Authority's ambition to make JFK a modern, 21st-century global gateway, the redevelopment will bring another expansion of Terminal 4 to increase its capacity, usher in significant renovations, and prepare it for the consolidation of Delta Airlines. In partnership with the Port Authority and our business partners, we look forward to our work together to take our best-in-class customer experience to the next level.

The Terminal 4 redevelopment project will include 10 new gates for Delta Regional Jets and associated facilities, a new Sky Club, a premium Delta One lounge, increased hold room in the B Concourse, an additional Domestic Baggage Claim service, self-service check-in, self-service bag drop, and upgrades to fixtures and furnishings throughout the terminal. The project will also entail expanding the Concessions program with increased square footage for even more retail and food and beverage opportunities.

Throughout 2021, JFKIAT worked to advance the design phases and early work of the redevelopment program. The design and construction work was a collaboration between JFKIAT, Delta, and the design teams.













Phase 2.5 Overview

Phase 2.5 embodies all areas of the organization and is focused on both our passengers and airline customers. There are four main expansion elements:

1. Concourse Expansion: Consolidation of Delta operations at JFK, with the expansion of the terminal to include 10 Regional Jet gates and improvement to the headhouse.
2. Terminal Transformation: Modernization of the terminals through investment in quality and technology.
3. Commercial Redevelopment: Investment in quality and footprint of all retail, food and beverage, and service programs.
4. Sustainability: Create meaningful and enduring solutions to the global challenges that benefit society in a way to sustain the social and environmental systems we rely on.

The T4 Phase 2.5 expansion is composed of the following seven projects.

1. New Interim Concourse A Gates: We are planning to extend the current concourse with a 10 Regional Jet Gate facility, upgrade the existing lighting and ground level hold-room structure, and add a new sky deck, green roof, and apron-level walkouts.
2. Concourse B Gate Conversion: This project consists of converting three current wide-body gates in the B Concourse into four narrow-body gates and adding one wide-body-capable gate.
3. Concourse B Hold-Room Expansion: A remodeling of the Phase 2 part of T4 will occur and is a reconfiguring of the current 11 RJ gates into narrow-body-capable gates. In addition, restrooms will be renovated and concessions renewed.
4. Headhouse Expansion including East Domestic Bag Claim Expansion: The project includes an expansion of the west side of the Arrivals level of the terminal to increase the queuing area serving the level 1 security checkpoint, as well as an expansion of the east side of the terminal to accommodate one new domestic baggage claim service and a new Arrivals Curb.
5. A New Delta SkyClub and a New Delta One Lounge for premium Delta customers
6. Existing Terminal Upgrades and Renovation (Terminal Transformation): We will upgrade certain elements of the headhouse and Concourses A and B, including upgrades to concession spaces, new restrooms, new technology for the check-in process, and various art elements and finishes.
    a. New restrooms: terminal cleanliness & restrooms are key elements for improving the customer experience and addressing #1 ASQ customer comments. We plan to implement refurbished and expanded restrooms with new durable fixtures and finished and increase gender-neutral and family restroom options
    b. Renovation of retail hall and food and beverage outlets will focus on New York heritage themes, including:
        - Additional food and beverage and retail offerings
        - Increased choices and new revenue opportunities
        - Additional seating capacity
        - Development of strong sense of place and enhanced experience
        - Updated design finishes and elements
        - Driver of higher ASQ scores and revenues
    c. The redeveloped Retail Lounge at JFKIAT will offer culture, innovation, food, fashion, and personal expression as only the Big Apple can.
        - Reflecting more than 100 cities across the globe served by T4, the Retail Lounge is bold, engaging, diverse, and vibrant, just like NYC. Ideal for shopping for the perfect gift, authentic NYC food, a personal indulgence, or a perfectly prepared meal, the Retail Lounge will enhance the passenger journey and will provide memorable and delightful experiences.
7. OneJFK Branding and Signage: JFKIAT will update all signage at gates and at the curb to contribute to the Port Authority's OneJFK program, an initiative to have consistent signage throughout all terminals at the JFK Airport.

Project Key Milestones

- September 2021: Schematic design
- November 2021: Full capture of the area for the expansion of Concourse A
- December 2021: Design Development
- December 2021: Groundbreaking Ceremony

Planning of Final Completion

- June 2022: East & West expansions will open
- June 2023: Concourse A expansion will be fully operational
- December 2023: Various headhouse expansions will be finalized
- December 2024: Terminal Transformation program is planned to be executed











56 OUR PEOPLE



OUR MISSION IS TO **RECRUIT, RETAIN, AND DEVELOP** THE MOST TALENTED EMPLOYEES.

Human capital is JFKIAT's greatest asset; therefore, we must be committed to recruiting, retaining, and developing the most talented employees available, both internally and externally. The role of Human Resources is to drive strategy by developing human capital and organizational capabilities that directly support the company's business objectives. Human Resources serves as a business partner and advisor to all employees of the organization.

Throughout the pandemic, JFKIAT team members rose up and assisted with every facet of the operation, from being a greeter in passport control to serving as a security guard assisting with traffic on our roadways. Terminal 4 continued providing world-class service throughout this unprecedented time, thanks to everyone's assistance.

In 2021, the employee turnover rate was 9.8%; a 10% increase from 2020.

EMPLOYEE ENGAGEMENT SCORES

7.8	8.1	7.7
2019 EMPLOYEE ENGAGEMENT SCORE	2020 EMPLOYEE ENGAGEMENT SCORE	2021 EMPLOYEE ENGAGEMENT SCORE

For the second consecutive time, JFKIAT has made Crain's New York Best Places to Work list. In 2021 we earned 74th place.

2021 SNAPSHOT

102	94%
EMPLOYEES	EMPLOYEES HIRED FROM THE NYC METROPOLITAN AREA

Employee Relations

Checking in with our employees is an important practice at JFKIAT, which is why we conduct an annual employee engagement survey. At the conclusion of our 2021 employee engagement survey, the results displayed over 90% participation and an engagement score of 7.7, which is above the true benchmark. We organized company-wide town hall meetings to review the results, and we partnered with department heads to develop an action plan to address improvement areas.

Diversity & Inclusion

As part of JFKIAT's commitment to fostering, cultivating, and preserving a culture of diversity, equity, and inclusion, a Diversity and Inclusion Policy was implemented, and a Diversity and Inclusion Committee was established to help drive diversity and inclusion initiatives across the organization.

Employee Training

JFKIAT provides our employees with numerous trainings and career development opportunities each year. Whether it is a mandatory compliance, cross-training, new hire, annual training, or professional development, employees have various opportunities to increase their knowledge, skills, and abilities. Employees are also supported informally with on-the-job training, coaching, mentoring, and performance support as needed. Furthermore, to support employee professional and individual performance goals, the Company pays for employee education and training that is consistent with JFKIAT's business objectives. In 2021, JFKIAT employees attended virtual workshops regarding Innovation, Team Building, and Unconscious Bias and Inclusion.

JFKIAT launched our very first Learning Management System (LMS) in 2021, which will allow us to track trainings and certifications, take e-Learning courses, and register for classroom trainings. To start, e-Learning courses covering topics like Discrimination-free Workplace, Workplace Harassment, and T4 Is More were introduced. Eventually all of our safety and security training modules will be hosted in the LMS.

Benefits

JFKIAT's Benefits Plan offers comprehensive health care coverage (Medical, Dental, Vision), Disability Insurance (Short and Long Term), Basic Life Insurance, and Accidental Death and Dismemberment to all its employees at no cost. These benefits allow JFKIAT a competitive advantage against other companies at both JFK and LaGuardia Airport.

Employee Awards and Recognition

We Soar
Starting in November 2021, we created "4 Excellence" in our T4 newsletter, a dedicated spotlight on our T4 community and their outstanding customer service in serving our guests. Helen Shaw, Sue Ali, and Parvi Deonaraine were nominated for going above and beyond. One of our regular T4 patrons wrote to us that they have access to many lounges within T4, but that they keep returning to WingTips because of the service of the staff. "Please commend these women and don't ever let them leave!" they wrote.

2021 Airport Voice: Women of Achievement Award
Our very own Sharon Murray received the 2021 Airport Voice Women of Achievement Award. The Women of Achievement Award annually honors women at the NY Airports who have helped shape the aviation community. Sharon is the Senior Manager of Appearance in the asset management department and is responsible for the cleanliness of T4 in addition to leading our sustainability efforts.

Safety Employee of the Month Program
The Safety Employee of the Month and the Annual Safety Awards programs give all employees who work at Terminal 4 the opportunity to be recognized



for their actions, efforts, contributions (going above and beyond), and ensuring that a safe environment is provided to employees, passengers, and patrons. Employees are nominated by JFKIAT staff, partners, other employees, or by themselves by submitting a safety recommendation/ suggestion.

Monthly nominee(s) are placed in the following categories:

- Life Safety
- Preventing Injury and/or Damage (includes aircraft and building)
- Safety Culture (above and beyond best practices)

Nominees for each month are voted on by JFKIAT's management team. At the end of the year, we hold the Annual Safety Awards. All monthly winner(s) and nominee(s) are placed in the same categories as noted above, and awards are handed out to the 1st, 2nd, and 3rd winners per category. Winners are revealed at an annual awards ceremony.

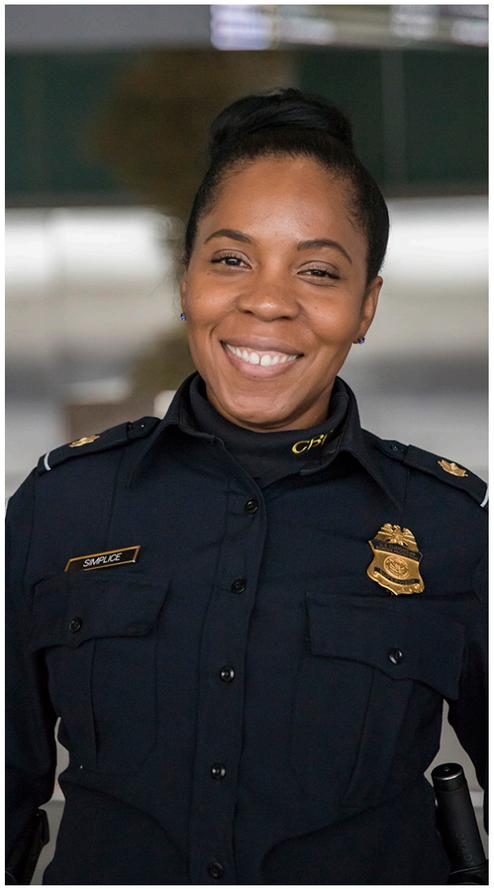
Holiday Kindness Pledge

We always support good initiatives from our partners. When the PANYNJ launched the Holiday Kindness Pledge in December to foster a kinder and more courteous airport environment, we did not think twice about jumping on board. We understand the value behind service excellence and strive to offer nothing less than memorable experiences, uniting forces with the highest goal of serving our internal and external guests.









60 LOCAL COMMUNITY ENGAGEMENT & IMPACTS

4GOOD for the Community

Aimed at promoting educational, social, and professional success, the 4Good program consists of two components: Community (Corporate Philanthropy) and Sustainability (Environmental). Our focus is simple: A strong community yields a strong future. The program is managed by an established committee composed of senior staff members of the organization and chaired by JFKIAT's Director of Human Resources. Our corporate resources included financial contributions, charitable giving, employee volunteering, and community outreach. In addition to our corporate resources, the 4GOOD program allows employees who are involved with a local charity to apply to the 4GOOD program to have their charity supported.

Four pillars make up the 4GOOD program:

Community

JFKIAT invests in our community by creating professional and educational opportunities. Through Project: Volunteer, job opportunities are presented to community members at job fair and related career development events.

Charity

JFKIAT proudly supports several nonprofits in the NYC area in addition to nationwide, including The American Cancer Society, the Boys & Girls Club of Metro Queens, St. Jude Children's Research Hospital, and Safe Haven: A Safe Place for Babies. Annually, we raise approximately $100,000 in funds for charities and organize events in our terminal.

Sustainability

We are committed to providing a healthier and sustainable environment for our 13,000 employees and the more than 21 million passengers who pass through our doors with our LEED Gold-certified airport terminal.

Diversity

JFKIAT partnered with We Speak NYC to offer a seven-to-ten-week English Language Learning program to the T4 community. WSNYC uses civic-focused instruction through videos and web and print materials to address various social issues for the Spanish-speaking community. Currently the organization is focused on providing specific COVID-19 resources to the community.





Charitable Partnerships & Giving

2021 Community Giving Events
Together with our financial partners, JFKIAT raised $230,000 through 4GOOD, distributing the funds to organization that provide critical resources to residents and local businesses in Queens. The recipients of the funds included Virgil I. Grissom Middle School, Boys & Girls Club of Metro Queens, August Martin High School, Bethany Baptist Church, Jamaica Center Business Improvement District, Greater Development Jamaica Corporation, and Greater Allen A.M.E. Cathedral. A portion of the funds helped to facilitate scholarships for minority and economically disadvantaged students attending Farmingdale State College, Vaughn College, and York College.

- Several events were held including the annual Employee Appreciation Day, Employee Outing, and a Health, Wellness, and Safety Day.
- During Thanksgiving over 200 turkeys and 50 chickens were donate to Bethany Baptist Church, which fed dozens of families in the Jamaica, Queens community.

Coin Collection Program
T4 collects the spare change of our passengers throughout the terminal and donates it to various local charities. Together with concession operators at Terminal 4, we have 19 coin collection boxes throughout the terminal to inspire passengers and staff to donate change to these charities.

In 2021, through the generosity of our passengers and employees, we raised over $30,000 to benefit the following causes:

- Virgil I. Grissom Middle School
- Boys & Girls Club of Metro Queens
- Bethany Baptist Church
- St. Jude Children's Research Hospital







Hoverboard Donations

In partnership with the Young Women's Christian Association (YWCA), the 4GOOD Committee donated hoverboards to the after-school program of Schools Out Of NYC (SONYC). In December 2021, seven middle school students from SONYC received hoverboards collected from items not allowed on flights out of JFK Terminal 4. The program and partnership with YWCA continue through 2022 as we look to donate new and slightly used winter coats in Q1 and continue the hoverboard drive throughout the year.









64 ENVIRONMENTAL SUSTAINABILITY

Sustainability Approach

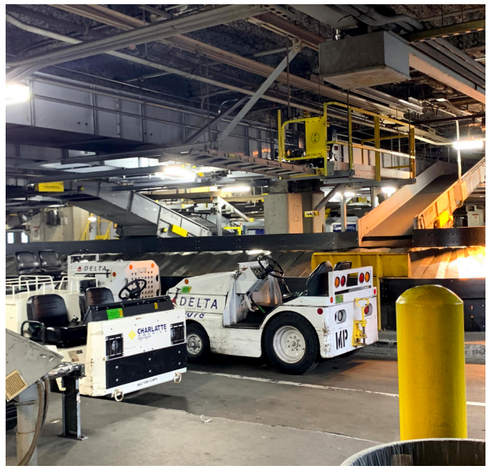
Sustainability Strategy & Priorities

JFKIAT is committed to integrating sustainability throughout our organization and across our operations at Terminal 4. We want to continue leading the industry by operating a sustainable and healthy facility for our employees and the millions of passengers who enter our terminal each year. Our strategy is centered on operational efficiency, environmental stewardship, economic stability, and a commitment to providing an exceptional experience for customers and employees.

In order to successfully implement our strategy and achieve our goals, we have established a comprehensive sustainability program focused on energy efficiency, water conservation, waste management, indoor environmental quality, and innovation. We are committed to reducing our carbon footprint and thus our impact on the environment. To demonstrate this dedication, we have developed goals and strategies that continue to measure, evaluate, and improve our environmental performance and drive operational efficiency. T4's sustainability program demonstrates our continued commitment to sustainable growth and conservation of our natural resources.

We have identified key sustainability priorities central to our approach to sustainable growth and conservation of our natural resources.





OUR KEY SUSTAINABILITY PRIORITIES

- Waste & Recycling
- Water Conservation
- Energy Efficiency & Greenhouse Gas Emissions Reduction
- Indoor Environmental Quality
- Food & Beverage Sustainability
- Sustainable Transportation

ROAD MAP TO SUSTAINABILITY

As we reflect on our work over the past year, we are excited for the future of sustainability at JFKIAT. We have successfully implemented several sustainability initiatives across T4 and have been recognized repeatedly as one of the top performers in sustainability and energy management. We want to continue expanding our sustainability programs as part of our ongoing commitment to operational excellence and minimizing our environmental impact.

2016

- LEED Feasibility Study conducted
- LEED Certification Process initiated
- Outdoor Air Testing conducted
- Sustainability plans and policies developed

2017

- LEED EB Gold Certification achieved
- Initial Building Commissioning Study completed
- Launched #T4GoesGreen campaign

2018

- Public commemoration for LEED EB Gold Certification
- Retro-commissioning (RCx) Study initiated
- LED replacement project initiated
- Green Restaurant Certification at all T4 restaurants
- Compost Program initiated
- Baggage Replacement & Passenger Loading Bridge completed to improve energy efficiency

2019

- Establishment of Sustainability Committee
- Carbon Footprint Calculations & Verification performed
- 2018 Sustainability Summary Report issued
- Development of GHG Emissions Baseline
- LEED tracking in Arc
- Virtual Energy Management (VEM) initiated

2020

- Carbon Footprint Calculations performed
- Greenhouse Gas Emissions Verification aligned with the Airport Carbon Accreditation criteria
- Materiality Assessment performed
- First Annual Sustainability Report, published referencing the Global Reporting Initiative and Airport Operator Sector Supplement
- LEED tracking in Arc
- Indoor Air Quality Testing performed
- Ongoing Retro-commissioning (RCx), and VEM implemented
- Sustainable Procurement Policy

2021

- E-waste Recycling Program improvements
- Baggage System Energy Savings Project
- Energy Audit and Condition Assessment RFP
- Sustainability Working Group
- Electric Ground Support Equipment (EGSE) Pilot
- Level 2 EV Charging Equipment for Fleet
- Carbon Reduction Road Map

GOALS & PROGRESS



To advance our progress on sustainability and energy efficiency, Terminal 4 has established goals that support our key sustainability priorities and overall vision. The goals and strategies enable us to continue to measure, evaluate, and improve our environmental performance. JFKIAT's comprehensive sustainability program demonstrates our continued commitment to sustainable growth and conservation of our natural resources.

ENERGY & GREENHOUSE GAS EMISSIONS

- Establish greenhouse gas emissions targets in 2020 (In progress)
- Develop strategic energy and greenhouse gas emissions plan (Completed in 2021)
- Develop carbon road map and energy timeline (Completed in 2021)

WASTE & RECYCLING

- Reduce the waste sent to landfills by diverting 56% in 2021, through recycling and composting, achieving an 81% diversion rate.*
- Replace all plastic to-go utensils, cups, and plates with a compostable option (Completed in 2021)

WATER CONSERVATION

- Reduce water consumption by replacing existing faucets with water-efficient fixtures (In progress)
- Maintain catch basin cleaning program rampside and landside to ensure that potentially harmful debris is diverted from our waterways (In progress)

INDOOR ENVIRONMENTAL QUALITY

- Perform annual indoor air quality testing for carbon dioxide (CO_2) and total volatile organic compounds (VOCs) (Completed in 2021)
- Continue to coordinate with construction teams to ensure that all best practices are implemented related to Indoor Air Quality, including the protection of air ducts, selection of materials with low VOC content, proper equipment exhausts, and good housekeeping practices (In progress)

* This goal included asphalt. JFKIAT's diversion rate not including asphalt in 2021 was 45%.

ENERGY EFFICIENCY

- Replaced 70% of lighting with LEDs in public spaces (In progress; 64% achieved)
- Replaced 100% of lighting with LEDs in bag rooms (In progress; 88% achieved)
- Develop a business plan that will facilitate our GSE partners' transition to sustainable ground handling equipment to be completed by 2025 (in progress)

SUSTAINABLE TRANSPORTATION

- 100% of JFKIAT fleet vehicles used at the terminal to be fully electric or hybrid-engine by 2023 (In progress; two plug-in hybrids were purchased in 2021, bringing the total number of hybrid vehicles to three out of five.)

FOOD & BEVERAGE SUSTAINABILITY

- All SSP locations to achieve Level 2 Green Restaurant certifications (In progress)

PORT AUTHORITY PARIS CLIMATE AGREEMENT

- The Port Authority of New York and New Jersey became the first transit agency in the United States to agree to uphold the goals of the Paris Climate Accord. The Port Authority has an interim target of reducing greenhouse gas emissions (GHGs) to 50% by 2030, with the long-term goal of net-zero by 2050. John F. Kennedy International Airport and JFKIAT Terminal 4 is committed to supporting our operator, The Port Authority's goal. (In progress)

11 SUSTAINABLE CITIES AND COMMUNITIES

LEED Operations and Maintenance (O+M) Gold Certification

JFKIAT achieved LEED O+M Gold certification in 2017 and looks forward to recertifying T4 in 2022. JFKIAT sees recertification as a true opportunity for continuing to measure the successes of the sustainability initiatives being implemented. We know that LEED certification does not encompass every aspect of what it means to be sustainable; however, we believe it has given us a strong path forward for continued improvement in tandem with our other programs. Even though T4 will not be recertified until 2022, we are continuing to track our energy, water, GHG emissions, and waste in the online Arc platform, in addition to conducting IAQ testing for carbon dioxide and volatile organic compounds (VOCs) and administering an occupant satisfaction and transportation survey. Our goal is to achieve LEED O+M Platinum certification and obtain LEED recertification in 2022.



Sustainable Development Goals (SDGs)
The Sustainable Development Goals (SDGs) were introduced as part of the 2030 Agenda for Sustainable Development in 2015. They provide a blueprint for organizations, institutions, and nations, alike, to work collaboratively toward addressing the systemic challenges our world currently faces. The SDGs are made up of 17 goals which recognize that ending poverty must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth—all while tackling climate change and working to preserve our oceans and forests.

13 CLIMATE ACTION

Paving the Way to Carbon Reductions
Since 2018, the Port Authority of New York and New Jersey, the first transit agency in the United States to embrace the goals established in the Paris Climate Accord, has sustained its efforts toward achieving the science-based targets of reducing their GHG emissions by 50% by 2030 and reaching net-zero by 2050.

To gain an in-depth understanding of and further improve our building's performance with specific attention to our GHG emissions, a Strategic Energy Assessment was conducted in 2021. This assessment analyzed our energy use and GHG emissions and assessed the possibilities for capital and operational improvements. Several recommendations were made, including 10 different Energy Conservation Measures (ECMs) that JFKIAT could potentially implement.

The findings in the assessment were extremely valuable in helping JFKIAT understand both our current and historical GHG emissions. JFKIAT is continuing to collaborate with the same subject matter experts who put together this report to further work on the short- and long-term carbon reduction targets that are in line with PANYNJ's targets.

Sustainable Operations

Managing and operating Terminal 4 at JFK airport has presented us with a unique opportunity to introduce sustainability strategies into the aviation industry. Through implementation of energy efficiency strategies and data management, we optimize the best use of our resource. And as we continue to set ESG goals and meet these goals, we in turn work toward driving our mission of providing customers with the safest, most seamless, and memorable travel experience.

Indoor Environmental Quality
To monitor our indoor environmental quality, we perform annual indoor air quality testing throughout the terminal to test for key indicators including carbon dioxide (CO_2) and total volatile organic compounds (VOCs). The testing aligns with LEED v4.1 Operations & Maintenance standards. We continue to coordinate with construction teams on a regular basis to ensure that all best practices are implemented related to indoor air quality, including the protection of air ducts, selection of materials with low VOC content, proper equipment exhausts, and good housekeeping practices.

Green cleaning program
In 2021, we took additional steps to further promote indoor air quality within Terminal 4. In coordination with our maintenance partners, ABM and ISS, we introduced new green cleaning best practices to target VOC emissions and harmful chemicals in our cleaning products. Our practices include integrating new cleaning products that do not exceed VOCs levels outlined in the California code of regulations for maximum VOC levels. Furthermore, we have introduced certified Green Seal and Ecologo cleaning products into our cleaning programs. Products certified by Green Seal and Ecologo have reduced health risks to product users and building occupants and reduced environmental impact. The products we have integrated into our green cleaning program overall are not only proven to clean effectively but are gentle to the people who pass through our terminal as well as the indoor environment of T4.

Our janitorial partner ABM introduced the Enhanced Cleaning team in 2021. The team consists of certified disinfection specialists trained and equipped for sanitization and disinfection. At the onset of the pandemic, ABM and the Enhanced Cleaning team boosted cleaning processes and added cleaning frequencies to high-touch areas around the terminal to combat COVID-19 outbreaks. The Enhanced Cleaning team has a different uniform to increase visibility to the passengers.

New cleaning technologies were introduced throughout the year. These include mechanical floor scrubbers equipped with H_2O technology that harnesses the energy stored in regular water molecules to reduce the harsh cleaning chemicals. For bag room and apron cleaning, pressure washers and FOD vacuums that are zero-emission, rechargeable, and battery powered were deployed. We invested in electrostatic sprays to improve efficiency in disinfecting and sanitizing large areas.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Sustainable Procurement Practices
JFKIAT has a robust sustainable procurement policy in place to ensure that we are upholding our goal of encouraging the sustainable and ethical sourcing of goods. We set procurement guidelines for all JFKIAT departments and vendors so that sustainable attributes are considered when purchasing new products or partnering with new vendors. All our vendor partners are required to have their own environmental/sustainability policies in place and be compliant with our procurement policy. During product procurement, strict processes are carried out to assess the product purchase. Products are evaluated on their durability and applicability to sustainability objectives during that process.

Consider when purchasing:

- Locally sourced
- Recycled material, recyclable, nontoxic
- Shipping and packaging recyclable or biodegradable

SSP America and Certified Green Restaurants and Food & Beverage Sustainability
Our commitment to sustainability extends beyond our operations, which is demonstrated through our retainment of the Green Restaurant Association (GRA), an international nonprofit that



serves as the leading voice within the industry, aims to promote environmentally sustainable restaurants, and provides a transparent way to measure performance. We also work closely with our partner SSP America to integrate sustainability at all dining locations throughout Terminal 4. We require all restaurants to achieve, at a minimum, a Level 1 Green Restaurant Certification. T4 is the first airport terminal in the world to achieve Level 1 Green Restaurant Certifications at 100% of restaurant, with one restaurant at level 2. We require all locations at Terminal 4 to be certified and green via science-based certification standards. Our strategic commitment to sustainability was further demonstrated through our focused efforts toward increasing our participation in The Green Restaurant Program®. As of 2021, seven out of nine lounges are Green certified: Air India, Virgin, EY, Amex, and Kind David Lounge at level 1, and Wingtips and Delta Sky Club at Level 3. In addition to our lounges gaining Green Certification, 31 out of our 32 SSP locations have been certified at level 1 with the exception of 1 location, Blue Point, at level 2. We are aiming to certify all SSP locations to level 2 and our lounges a level higher by 2022. Our Sustainability Program requests that our vendors remove plastic straws from all locations. Our SSP locations have also transitioned to compostable to-go containers, replaced all plastic bags with paper bags, and implemented recyclable copy paper. We will be meeting with GRA and SSP to focus on the sustainability program in addition to continuing our recycling and compost efforts.

Hudson News Case Study

Hudson News, a vendor at JFKIAT, is collaborating with us in support of our green initiatives. In addition to aligning our waste removal policies with location-specific guidelines, Hudson proactively focuses on sustainability where possible.

Hudson News sustainability practices include:

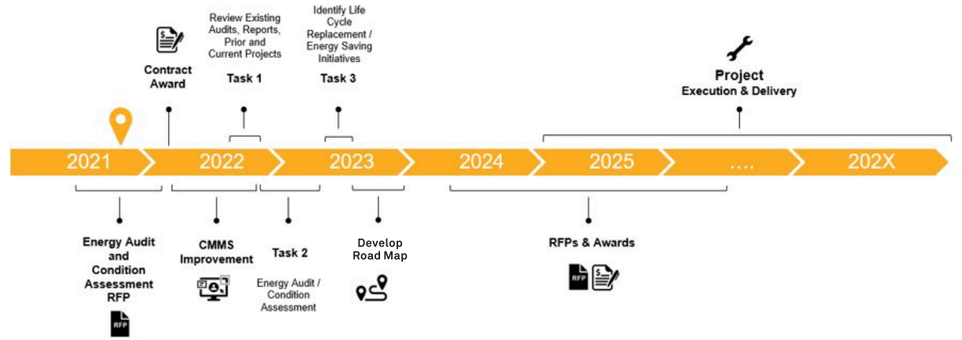
- The use of 100% recycled paper
- Eco-friendly trash separation
  - Recycling and composting when available
- Eco-friendly utensils such as forks, knives, spoons, and straws
- The use of green cleaning supplies
- Providing consumers with paper-certified shopping bags as an alternative to plastic

Reducing Energy Consumption at Hudson News

Hudson News focuses on the integration of high-performing, sustainable elements into every store it develops, from the design phases all throughout construction. To reduce energy consumption, it uses fluorescent lighting vs incandescent, LED, and neon lighting. Energy Star appliances are also installed wherever applicable. The marketplace coolers in Hudson News' travel essentials stores are designed to consume lower energy due to stringent design criteria and incorporate LED lighting, reducing heat transmission.



Energy Road Map Timeline



Hudson Sustainable Sourcing

Hudson News utilizes sustainably sourced building materials when possible. Various locations implement the sustainable sourcing practice of selecting "up-cycled" products or those that incorporate recycled materials. Examples of sustainably sourced materials at Hudson News include drywall, aluminum trim, carpeting, ceiling tiles, aluminum storefronts, recycled glass tiles, bamboo wood flooring, and selected furniture. Local stone is sourced where possible for specialty retail stores.

Energy Conservation

As the pandemic unfolded and travel was at an all-time low, JFKIAT took deliberate steps to save energy by shutting down areas of the terminal that were not in use. The A Concourse bag rooms and West Matrix baggage areas were shut down; we operated out of one concourse for arrivals and departures for 36 weeks. The escalators and lights were turned off in these areas that were closed. These shutdowns resulted in approximately $400,000 in energy savings.

JFKIAT took additional steps to promote energy conservation throughout 2021 by refurbishing air-handling units and updating the filters, balancing the equipment and HVAC system, and retrofitting the lighting in the baggage room with LED lights. Our energy road map, shown above, depicts our pathway to an energy-efficient terminal, also contributing to our goal of reducing our carbon footprint in support of The Port Authority's GHG emissions targets. In 2021, an Energy Audit and Condition Assessment RFP was drafted. In 2022, we aim to implement improvements of our Computerized Maintenance Management System (CMMS) and review our existing energy audits, report, and prior and ongoing projects to achieve our energy efficiency goals.

Waste Management

We are actively working to reduce the impact of waste on landfills. To achieve this goal, we collaborate with several partners—including our janitorial company, ABM, our waste hauler, Royal Waste, and our food and beverage partner, SSP America—as well as airline lounges to implement waste and recycling strategies to achieve our goals. A core component of our program focuses on sustainably managing a diverse set of waste streams across the terminal including but not limited to trash, recycling, compost, electronic waste, cooking oil, motor oil, and bulk waste.

IT Sustainability Case Study:
Our IT Department has continued to drive JFKIAT's sustainability efforts forward by creating its own sustainability dashboard. The IT Sustainability Dashboard tracks the amount of printer paper used and the amount of electronic waste that is recycled. In 2021, T4 reduced the amount of printer paper used by over 60%, saving about 17 trees, and recycled over 4,500 pounds of electronic waste.

Baggage System Energy Savings Project
In 2021, the JFKIAT baggage team implemented a Baggage Handling System (BHS) recontrol in September on the Manual Encode process for Concourse B and the East Matrix. Previously, the 26 individual belts that make up the B Concourse Manual Encode station were running continuously for 24 hours. The East Matrix houses the seven checked-bag screening machines and, depending on the day and volume of bags, one of these machines times out; the line rotates to ensure that each machine is granted equal usage. The BHS recontrol is a baggage time-out modification; when no bags are detected the belt times out, stopping the motors from running and resulting in energy savings from the reduced power. This modification transformed the Encode station from running 24 hours to now turning off after the last bag is scanned, just a few minutes until it shuts down. The checked-bag screening machines in the East Matrix were reprogrammed to automatically shut down or restart based on throughput demand, thus eliminating waste and unnecessary wear and tear. From September 1st through December 31st a total of 5,587 hours of belt run time was saved in the Manual Encode process, equating to approximately 33% in energy reductions. Through the BHS recontrol, this baggage system energy savings project has optimized our system controls to minimize excessive run time and reduced our energy consumption, resulting in a more eco-efficient and sustainable operation.

Water Conservation & Stormwater Management

We benchmark all water consumption in the terminal and report performance twice per year. This enables us to make informed decisions to pursue additional water conservation strategies where necessary and appropriate. To reduce contamination of our local waterways, we maintain the catch basin cleaning program rampside and landside to ensure that potentially harmful debris is diverted from our waterways. In 2021, 10 storm drains were cleaned airside and 21 storm drains were cleaned landside, with an estimated 7,400 gallons of sludge removed from our drains.

Transportation & Vehicle Fleet

Vehicle Program
JFKIAT has established a goal that 100% of our fleet be electric or a hybrid-engine by 2023. In alignment with the Port Authority of New York and New Jersey's sustainability goals, we began transitioning our fleet from gasoline-powered vehicles to hybrid and electric vehicles. In 2021, we replaced one of our vehicles with a plug-in hybrid. The total vehicles at this time is three plug-in Rav 4s, one hybrid Highlander, and one Tacoma gas pick up truck.

In addition to replacing our vehicles with more sustainable options, T4 employees are encouraged to use public transportation for commuting to work. The T4 Green Initiative program provides each employee who opts out of employee-paid parking with $150 a month to help offset their commuting costs via public transportation.

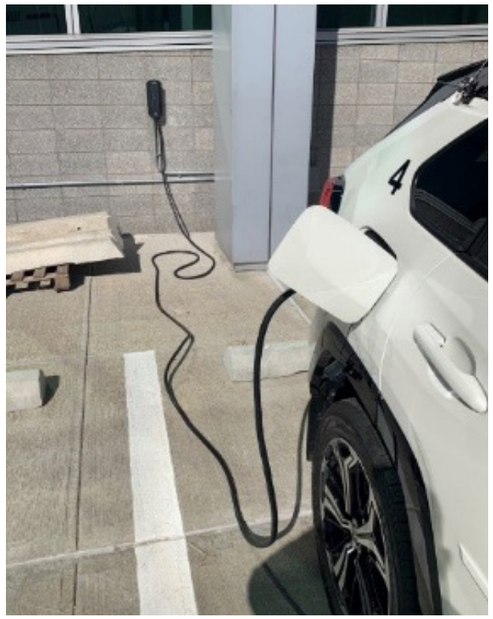
Electric Bus Initiative
To meet our goal of having our entire bus fleet electrified by 2024, two electric buses are being delivered in 2022 with plans to purchase two additional buses annually until 2024 (giving us six electric buses). This transition will significantly reduce the carbon emissions related to our fleet as well as reduce the air pollution caused by combustion engines.

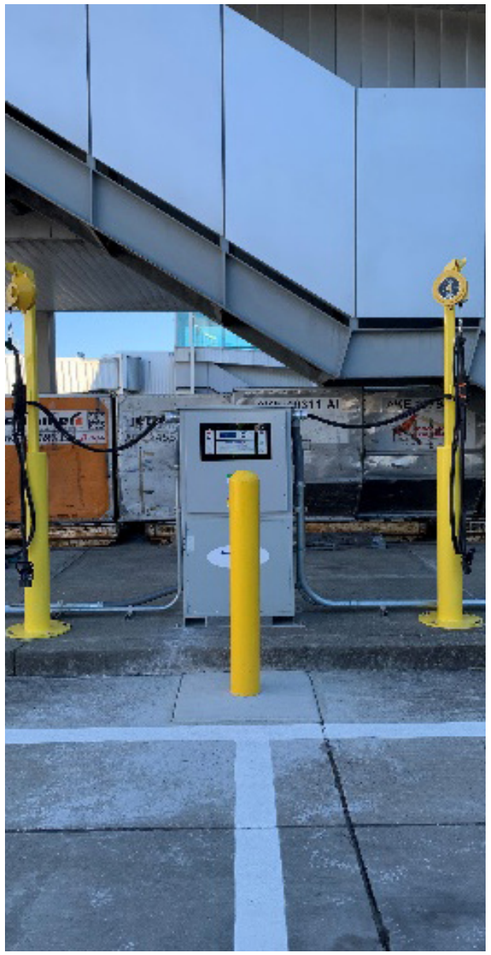
Electric Ground Support Equipment (EGSE)

In 2021, T4 installed the first electric ground support equipment (EGSE) as a pilot program. This equipment offers a zero-emissions solution to traditional ground support equipment that is used to assist with a number of services including tugs, belt loaders, and pushback tractors. In partnership with Delta Airlines, JFKIAT is looking to install six more EGSE programs in 2022.









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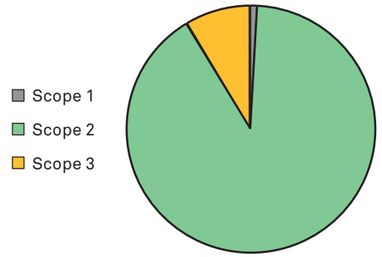
ENVIRONMENTAL PERFORMANCE

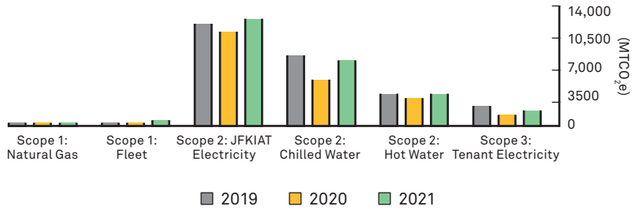
2021 PERFORMANCE HIGHLIGHTS

At JFKIAT, we are committed to measuring and reducing our carbon footprint. We understand that data is the road map that tells us where have been and where we are going, which is why we have made it a priority to continue to increase the accuracy and coverage of our data year over year. The carbon footprint represents the total greenhouse gases (GHGs) emitted as a result of operations and energy consumption. Along with our carbon footprint, the full scope of environmental performance data that we measure includes energy and water consumption, fleet emissions, tenant emissions, and waste and recycling. In 2020, we noted that the significant decrease in energy and water consumption, GHG emissions, and waste was caused by the lower occupancy due to COVID-19. In 2021, we acknowledge that JFKIAT's environmental performance data shows an increase in consumption, which can be tied to the increase in occupancy as people began to resume their travels.

2021 TOTAL GREENHOUSE GAS EMISSIONS



GREENHOUSE GAS EMISSIONS



SCOPE 1 [Natural Gas/Vehicle Fleet] + **SCOPE 2** [Electricity / Chilled Water / Hot Water] + **SCOPE 3** [Tenant Emissions]

Greenhouse Gas Emissions

GHG Inventory & Calculation Methodology

To calculate the GHG inventory, the organizational and operation boundaries were defined in accordance with the GHG Protocol, which is the most widely used international standard for GHG accounting. JFKIAT pursued the Control Approach, which mandates that the inventory include all facilities JFKIAT owns and exercises operations over. Emissions from properties that are owned but not managed by JFKIAT are outside the boundary and excluded from this inventory. Currently, the organizational boundary covers only John F. Kennedy International Airport Terminal 4. Greenhouse gas emissions were third-party verified utilizing the ISO 14064-3 standard.

Scope 1 emissions are those resulting from the natural gas usage at the terminal and JFKIAT's on-site fleet.

Scope 2 emissions include emissions from electricity, chilled water, and hot water. Scope 3 emissions are composed of activities not owned or controlled by JFKIAT, in this case all tenant electricity usage. The fleet emissions were calculated using the U.S. Department of Energy Alternative Fuels Data Center* assumptions for both Hybrid Electric and Plug-in Hybrid Electric Vehicles. Our terminal buses, which transport our passengers from the parking lot to the terminal, only operated for the first three months of 2020 and the last two months of 2021 due to the pandemic.

In 2021, T4 increased scope 1 and 2 emissions (not including fleet emissions) by 10% from 2020. The jump in emissions is likely due to the return of high-volume passenger travel. Because 2020 was an anomaly, we have provided 2019 data as well. Fleet emissions increased significantly in 2021 due to increased activity at T4.

* For more information, please refer to this data source: https://afdc.energy.gov/vehicles/electric_emissions_sources.html

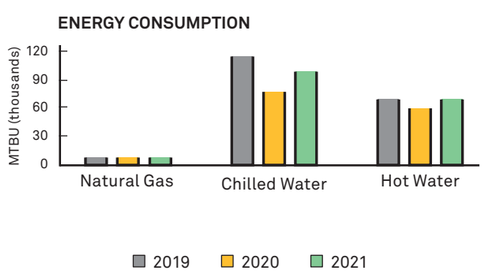
ENVIRONMENTAL PERFORMANCE

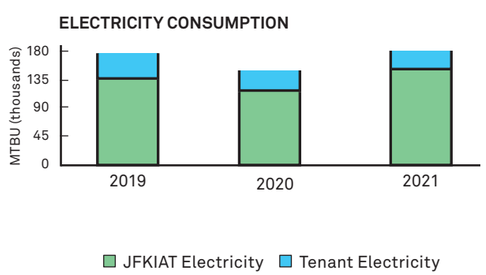
GREENHOUSE GAS EMISSIONS ($MTCO_2e$)	2019	2020	2021	% change from 2020	% change from 2019
Scope 1: Natural Gas	119.41	74.89	170.79	**95.85%**	**43.03%**
Scope 1: Fleet	390.10	39.44	65.05	**64.95%**	**-83.32%**
Scope 2: JFKIAT Electricity	12,018.89	11,443.47	12,260.90	**7.14%**	**2.01%**
Scope 2: Chilled Water	8,537.38	6,074.87	7,614.03	**25.34%**	**-10.82%**
Scope 2: Hot Water	4,170.34	3,807.30	4,047.91	**6.32%**	**-2.94%**
Scope 3: Tenant Electricity	3,301.79	2,113.56	2,255.69	**6.72%**	**-31.68%**
Total	24,506.53	23,553.53	26,414.36	**12.15%**	**-7.44%**

Energy Performance

Terminal 4 experienced an increase in energy usage, which was expected given the increase in both terminal operations and passengers compared to 2020.

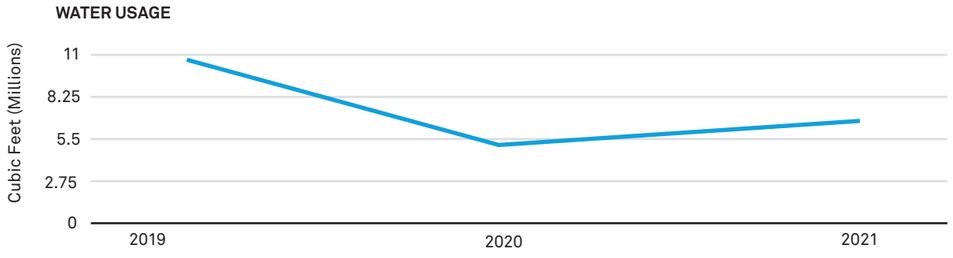
ENERGY CONSUMPTION (MBTU)	2019	2020	2021	% change from 2020	% change from 2019
JFKIAT Electricity	135,561.63	129,071.42	138,291.21	**7.14%**	**2.01%**
Natural Gas	2,248.30	1,410.10	3,215.69	**128.05%**	**43.03%**
Chilled Water	115,541.75	82,215.11	103,045.49	**25.34%**	**-10.82%**
Hot Water	62,806.30	57,338.80	60,962.46	**6.32%**	**-2.94%**
Tenant Electricity	37,241.04	23,838.99	25,441.98	**6.72%**	**-31.68%**
Total Energy (MBTU)	353,399.02	293,874.41	330,956.83	**12.62%**	**-31.68%**





Water Performance

In 2021, water consumption increased by 28%. This significant increase can largely be attributed to the higher occupancy experienced in 2021 after the lows of the pandemic.



Waste Performance

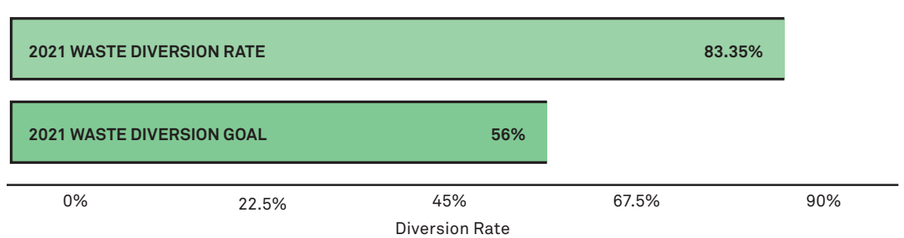
In 2021, we continued to divert waste through the recycling and compost programs across T4. We are proud to have exceeded our 2021 waste diversion goal of 56% with a total diversion rate of 83%. We purposefully set a higher diversion goal for ourselves in 2021 to compensate for the fact that recycling asphalt greatly influences our diversion rate. When asphalt is not included in our diversion rate, we diverted 45% of operational waste at JFKIAT. In addition to asphalt, our waste streams include single-stream recycling, cardboard, bulk waste, used oil, compost, electronic waste, and landfill.

Additionally, JFKIAT resumed our T4 redevelopment project in 2021. This project is estimated to produce over 4,000 tons of asphalt, about 7,000 tons of concrete, and 640 tons of steel. To date, about 3,500 tons of asphalt has been recycled.

WASTE (Including asphalt)	2019	2020	2021	% change from 2020	% change from 2019
Landfill	2,844.38	975.59	1,459.99	**49.65%**	**-48.67%**
Diverted	3,912.94	4,078.02	7,310.02	**79.25%**	**86.82%**
Total Waste	6,757.32	5,053.61	8,770.01	**73.54%**	**29.79%**
Diversion Rate (%)	57.91%	80.70%	83.35%	**2.66%**	**25.45%**

WASTE (Not Including asphalt)	2019	2020	2021	% change from 2020	% change from 2019
Landfill	2,844.38	975.59	1,459.99	**49.65%**	**-48.67%**
Diverted	3,059.24	1,112.86	1,192.92	**7.19%**	**-61.01%**
Total Waste	5,903.62	2,088.45	2,652.91	**27.03%**	**-55.06%**
Diversion Rate (%)	51.82%	53.29%	44.97%	**-15.61%**	**-6.85%**

WASTE PERFORMANCE AGAINST GOAL



GRI CONTENT INDEX

GRI 2 GENERAL DISCLOSURES	
Organizational details	About JFKIAT Terminal 4
Entities included in the organization's sustainability reporting	About JFKIAT Terminal 4
Reporting period, frequency, and contact point	About This Report
External assurance	Data Verification; Financial Statements
Activities, value chain, and other business relationships	About JFKIAT Terminal 4
Employees	Our People
Governance structure and composition	Corporate Governance & Stakeholder Engagement
Delegation of responsibility for managing impacts	Leadership & Executive Committee; Corporate Structure; Corporate Compliance
Conflicts of interest	Risk Management
Communication of critical concerns	Risk Management
Statement on sustainable development strategy	Letter from our President & CEO
Policy commitments	Corporate Structure; Corporate Compliance
Embedding policy commitments	Internal Committees at T4
Processes to remediate negative impacts	Risk Management
Approach to stakeholder engagement	Stakeholder Engagement Approach
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Energy consumption outside of the organization	Environmental Performance
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GRI 303: WATER AND EFFLUENTS 2018	
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GRI 305: EMISSIONS 2016	
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Other indirect (Scope 3) GHG emissions	Environmental Performance
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GRI 306: WASTE 2020	
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GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	
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GRI 401: EMPLOYMENT 2016	
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GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016	
Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and number of work-related fatalities	Zero-Accident Culture
GRI 404: TRAINING AND EDUCATION 2016	
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GRI 413: LOCAL COMMUNITIES 2016	
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G4-9: GENERAL STANDARD DISCLOSURES	
Size of airport, runways, # of operations, # airlines served during reporting period/destinations	2021 At a Glance; Operational Statistics; About JFKIAT Terminal 4
ECONOMIC DISCLOSURES	
# passengers annually, broken down by international/ domestic flights; broken down by origin & destination / transfer passengers	About JFKIAT Terminal 4; 2021 at a Glance
Total amount of cargo tonnage	Operational Statistics
ENVIRONMENTAL DISCLOSURES	
Report energy reduction programs/initiatives & provide summary of results/how info is used	Sustainable Operations
Reduction of energy consumption	Environmental Performance
Report stormwater management/irrigation & initiatives to minimize pollutants/chemicals entering stormwater	Sustainable Operations
Report on reduction of emissions from on-site transportation & policies to encourage the airport community to reduce emissions	Sustainable Operations
Reduction of GHG emissions	Environmental Performance
Report on responsibility for handling sources of waste	Sustainable Operations
Total weight of waste by type & disposal method	Environmental Performance
Identify modes of ground transportation of passengers, staff, visitors, and suppliers within/to the airport & initiatives to improve energy efficiency/reduce emissions	Transportation & Vehicle Fleet
Report policies on long-term plans and initiatives for reducing significant environmental impacts	Sustainable Operations
LABOR PRACTICES & DECENT WORK	
Type of injury and rates; # of work-related fatalities	Safety Statistics
SUBCATEGORY: HUMAN RIGHTS	
Report roles and responsibilities related to airport security	Leadership & Executive Committee

ABOUT
THIS REPORT

JFKIAT Terminal 4's 2021 Annual Report has been prepared in alignment with the Global Reporting Initiative (GRI) Standards reporting guidelines and the GRI Airport Operators Sector Supplement guidelines. A GRI Content Index identifying the location of each of these disclosures can be found on page 78. This report covers JFKIAT's 2021 environmental, social, and governance programs and performance. All reported performance data is for the calendar year ending on December 31, 2021, unless stated otherwise. All financial data is reported in U.S. dollars. For more information about JFKIAT's sustainability programs and business performance, please visit the "Our Social Responsibility" section of our website at https://www.jfkt4.nyc/about/social-responsibility/. To provide feedback or request additional information, please contact us at https://www.jfkt4.nyc/contact, or (718) 751-3800.

Data Verification

CodeGreen Solutions conducted a third-party, limited-assurance review of energy, water, waste, and greenhouse gas emissions calculations. Greenhouse gas verification followed the methodology of ISO 14064-3, and a parallel methodology was used for energy and water data. Under this methodology, CodeGreen Solutions found nothing causing it to believe that the values reported are not presented fairly, and in accordance with the relevant criteria.

