

Airport Sub-Committee Meeting

April 2023

VANTAGE
AIRPORT GROUP



WHO WE ARE AND THE VALUE WE PROVIDE OUR STAKEHOLDERS



YHM at a Glance

Hamilton International + TradePort = History of Delivering Results



John C. Munro Hamilton International Airport is operated by TradePort International Corporation, a wholly owned subsidiary of Vantage Airport Group



Original lease agreement between TradePort and the City of Hamilton signed in 1996, allowing for TradePort to operate, manage and invest in the Airport while providing the City with return through several forms of payment, including rent. Since 1996, TradePort has generated \$422M in infrastructure investments, translating to \$1.5B in economic value to Hamiltonians.



Negotiations are underway to extend to a 49-year term, with the current 42-year lease expiring in March 2038.



John Carr Munro

1945 - 1995	1996 - 2001	2002-2007	2008-2015	2016-2019	2020 – Present
<p>Transitioned from military establishment to a public facility</p> <p>City of Hamilton assumed responsibility for maintenance and operations</p> <p>\$55m federal investment to expand and develop YHM; completed in 1986</p>	<p>TradePort (a consortium led by a local businessman and builder) was awarded a long-term lease to operate and manage YHM on behalf of the City of Hamilton</p>	<p>Vantage acquired a controlling interest in 2002</p> <p>YHM became a wholly owned subsidiary of Vantage in 2007</p>	<p>\$12m jointly funded, multi-modal Cargo Centre facility construction completed in 2015</p> <p>Hamilton International celebrated 75 years</p>	<p>YHM became hub for LCC's w/ New Leaf (2016) and Swoop (2018)</p> <p>Recognized as Fastest Growing Airport by ACI (2017) and OAG (2019)</p> <p>KF Aerospace Expansion and \$18.5m NTCF award</p> <p>Lease extension discussions began in 2016 to extend our partnership</p>	<p>Record cargo growth as the fastest growing and third largest cargo airport in Canada, DHL invests +\$100m</p> <p>\$23.4m NTCF award toward \$46.9m Gateway Expansion and Sustainability Project</p> <p>Recovery from the pandemic continues with YHM well positioned in the LCC market</p>



Vantage is an Industry Leader

For over 20 years, Vantage Airport Group has invested in, developed and managed Hamilton International – making it more efficient, more profitable, more sustainable and more connected, while *Making Our Community Better*.

Vantage saw Hamilton International's potential and has invested heavily to ensure its success, receiving recognition as the fastest growing airport while continuing to increase its market presence.

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Our Network Experience Around the Globe

Making Airports Better for 26 Years



(1) As of Dec, 2018; number of passengers represents the aggregate of full year 2018 traffic for all network airports

Hamilton International's Competitive Advantage

Efficient and reliable operations and infrastructure

10,000 ft & 6,000 ft runways capable of handling narrow and wide-body aircraft



Uncongested airfield w/ sufficient apron space, several de-icing options, 30 mins less block time per turn and Maintenance, Repair and Overhaul (MRO) facilities on-site

24/7 operations

w/ no curfews on runway 12/30, slot constraints or night flight restrictions



24/7 integrated Canada Customs on-site w/ expedited electronic clearance available for both passenger and cargo operations

Common-use Cargo Facility featuring:

- airside access
- sort facility
- truck docking
- bonded handling
- cold storage



Instrument Landing System for CATII low visibility approach



Capital investment toward critical airfield infrastructure w/ access to government funding with 32,000 m2 Apron expansion planned in 2023

Foreign Trade Zone designation gives businesses access to relief programs, exemptions and exclusive services



Strategically located in the centre of North America's trade corridor near key markets w/ easy access to a multi-modal transportation network, including close proximity to U.S. border and serves as main eastern hub for several cargo operators

Our Passenger Facilities

Flexible, robust services to get passengers to/from Hamilton quickly & stress-free



16 expandable check-in counters to support YHM's growing passenger airline and route network

8 primary inspection line (PIL) counters for US/International arrivals



3 baggage carousels to reunite passengers with their luggage as soon as possible

~1900 parking spaces located adjacent to and within walking distance of the terminal building



Multiple ground transportation options including:

- 4 onsite car rental companies
- Rideshare services
- Taxi services
- Public transit/bus
- Shuttle/Limo
- Coach Bus Services



High-quality food, beverage & retail service

offered via Tim Hortons, Detour YHM (includes bar service in lounge), Duty Free and Departures Retail Shop and vending services for snacks, PPE, technology needs

8 boarding gates

to accommodate multiple flights simultaneously



4 security screening lanes

managed by CATSA/GARDA, recently expanded to process up to 480 passengers/hour

Free Wi-Fi

throughout terminal



SUPPORTING THE CITY'S ECONOMIC DEVELOPMENT PLAN



City of Hamilton 2021-2025 Priorities

Hamilton International supports the City's achievements of its objectives



Facilitating A Skilled/Adaptable Workforce

YHM is responsible for **4,700+ direct jobs** in Hamilton, with Mohawk College located onsite, providing students opportunities & employers local talent.



Growing Business and Investments

TradePort and its partners have invested **\$422.2M** to date, with TradePort providing payments to the City of **\$5.3M** over the past five years, **generating \$1.5B** in economic activity.



Revitalizing Priority Areas and Placemaking

The Airport's location is driving significant growth in AEGD lands, and **contributed \$100K real & in-kind resources to community partners in 2023**, with Vantage supporting local BIA's.



Enhancing Digital Infrastructure & Services

Vantage and YHM's stakeholders are **investing in technology** to create efficiencies, from how we service our stakeholders to improving back-office tasks.



Moving Goods and People

Ranked as the **Fastest Growing Passenger Airport** in North America in 2019, & is **Canada's third largest cargo airport**, moving over 12% of the nation's goods.



Building Transformational Projects

DHL's recent **\$110M investment** is already overperforming expectations in terms of goods moved and employment, while driving future growth.

OUR 2022 RESULTS



2022 YEAR IN REVIEW

Key Accomplishments

645,789

passengers flying to and from Hamilton International, home to Canada's first ultra low-cost carrier serving leisure travellers



\$11.1m

Investment in infrastructure made by TradePort and its partners



4,700+ jobs

generated through Airport activity and growth in cargo and passenger segments

Meeting customer expectations with

~90%

of passengers reported a positive Airport experience



877m kg

in total landed cargo aircraft billable weight at Canada's largest overnight express cargo airport



Health & safety measures & carbon management practices recognized with

global accreditations

Airport Volunteers celebrated 15 years of smiles and contributed over 3,300 hours of service



\$1.5b in economic activity generated for the City of Hamilton at Hamilton International



\$100k+ of in-kind support and sponsorships to community partners and events

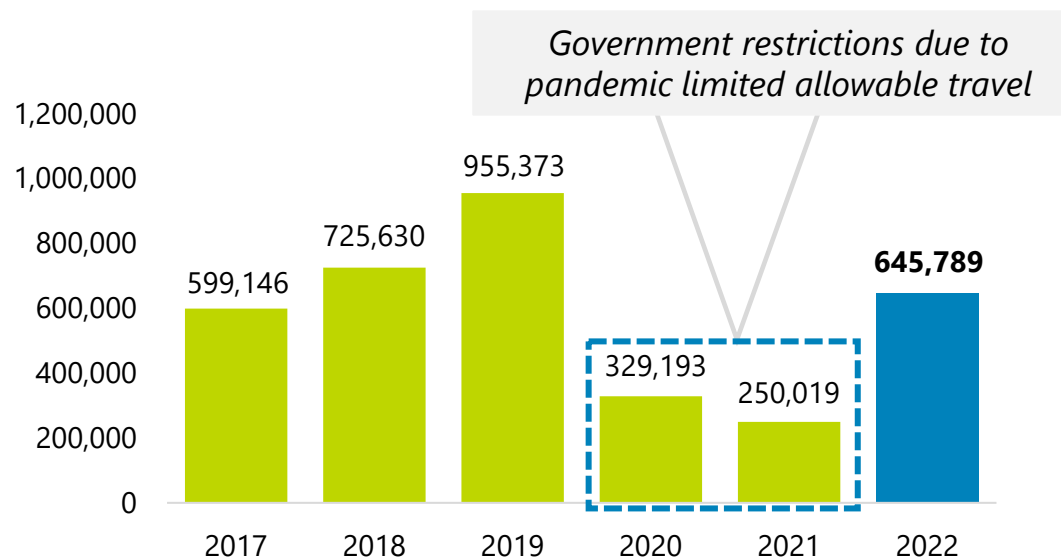
PASSENGER OPERATIONS

Recovery in the second half of 2022 boosted by a triumphant comeback in passenger travel



645,789

passengers flying to/from
Hamilton International in 2022



+158%
compared to 2021

68%
of 2019 volumes

- Low-cost carriers (LCCs) began their entry into the Canadian market in 2016, with Hamilton International an incubator for several brands due to our competitive advantages in the marketplace, strategic location and customer service
- The LCC market is highly competitive, with southern Ontario one of the most sought-after locations for carriers as it has the largest population base with several airports to choose from
- Leisure traffic, including visiting family and friends, is Hamilton International's niche, and, with Canadians' desire to travel combined with our strong team leading YHM recovery efforts, it is clear that carriers and passengers choose YHM

Lynx AIR

PLAY

SWOOP

WESTJET

**Air
transat**

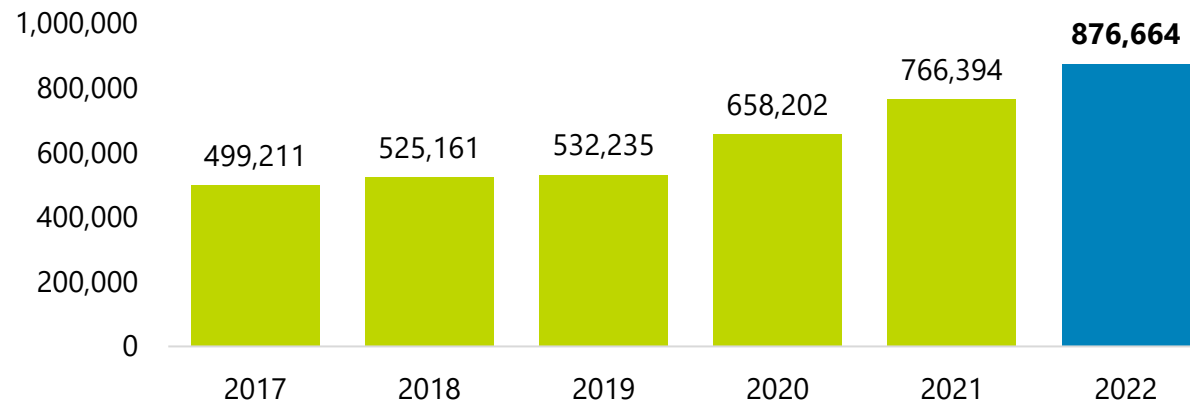
sunwing

CARGO OPERATIONS

YHM is the fastest growing cargo airport in Canada. Cargo operators invest here, creating more skilled jobs in our community



877m kg
in total landed cargo
aircraft billable weight



+14%
compared to 2021

+65%
compared to 2019

- Hamilton International serves as a global gateway for facilitating the movement of goods across the country and around the world. It is the **largest domestic overnight express cargo airport** the **third largest cargo freight airport** in Canada
- Our partners have chosen to invest here, with over **\$192.2M invested by cargo stakeholders since 1996**, creating eastern operating hubs that has led to the airport generating over **2,700 cargo jobs in Hamilton**
- Double-digit cargo growth can be attributed to a surge in e-commerce activity and supporting several commercial activities related to the transportation of high-value, time-sensitive goods, such as pharmaceuticals, automotive parts and perishables



WHERE WE FLY



9500

2023 DESTINATIONS MAP

Hamilton International attracts primarily leisure travellers with vacation plans across Canada, the U.S., Mexico and the Caribbean, plus new connections to Europe



— Year-round route

— Seasonal route

Map is not to scale and show approximate locations only.

CANADA

Abbotsford, BC
Vancouver, BC
Calgary, AB
Edmonton, AB
Winnipeg, MB
Halifax, NS
Moncton, NB
St. John's, NL
Deer Lake, NL
Charlottetown, PEI

UNITED STATES

Orlando (Sanford), FL
St. Pete-Clearwater, FL
Fort Lauderdale, FL
Orlando, FL
Las Vegas, NV

CARIBBEAN & MEXICO

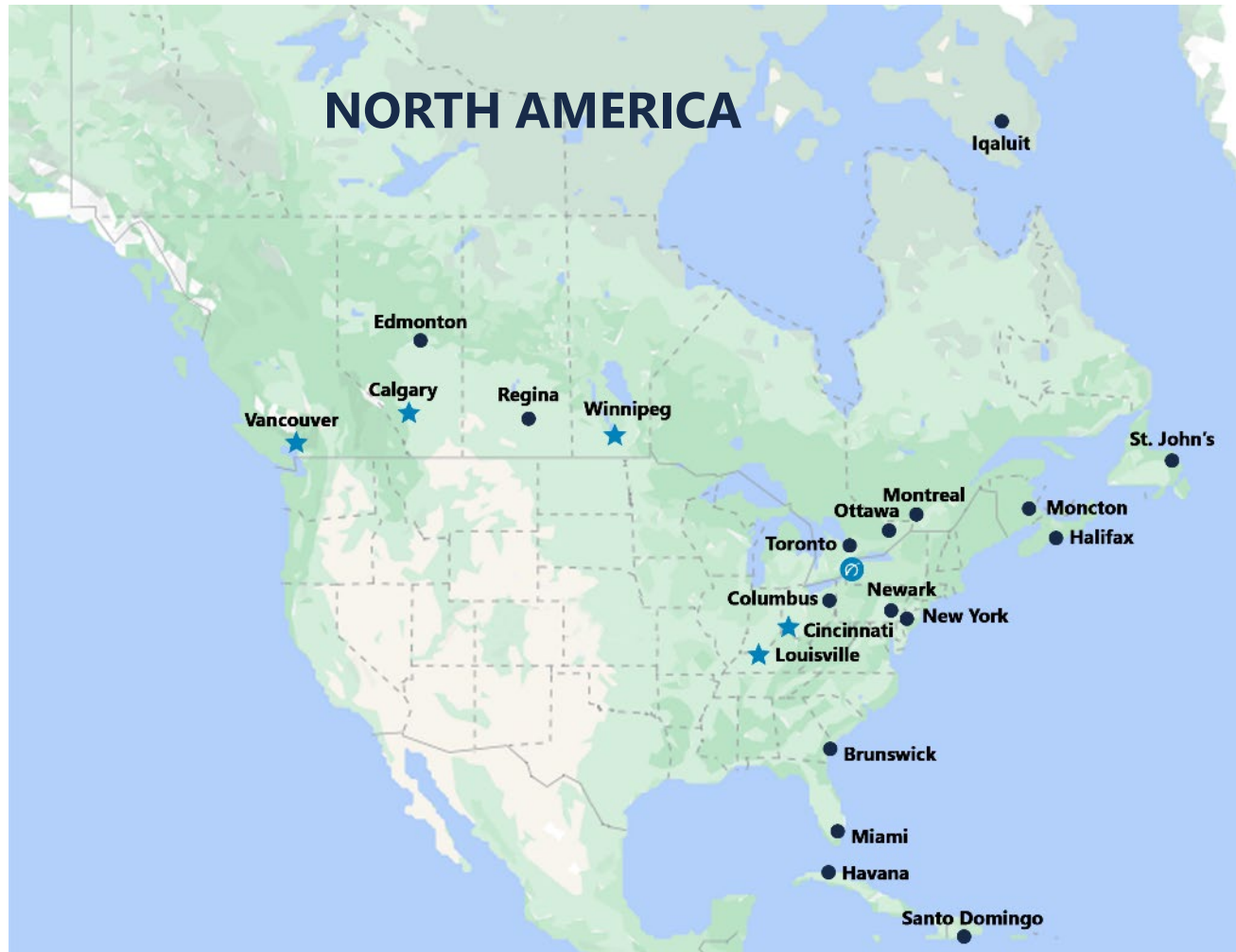
Cancun, Mexico
Puerto Vallarta, Mexico
Punta Cana, Dominican
Puerto Plata, Dominican
Varadero, Cuba
Cayo Coco, Cuba
Holguin, Cuba

EUROPE

Reykjavík, Iceland –
Connecting to 26 European
Destinations

Top Cargo Routes

2022 Top 25 Cargo Routes by Movements



Maps are not to scale and show approximate locations only.



Top 5 Routes	
City	Annual Movements
★ Vancouver, BC	1,876
★ Calgary, AB	1,754
★ Cincinnati, KY	1,054
★ Winnipeg, MB	807
★ Louisville, KY	726

ENHANCING OUR COMMUNITY



Our ESG Commitments

Hamilton International's 5-Year ESG Plan focuses on meaningful deliverables that will positively impact our community and local environment

2022 ESG ACCOMPLISHMENTS



ACCESSIBILITY

- Hidden Disability Sunflower Program
- Canadian Hard of Hearing Association – Hearing Loop
- Rick Hansen Foundation Accessibility Certification (*In Progress*)



ENVIRONMENTAL MANAGEMENT

- Airports Carbon Accreditation Program – Phase 1 Recognition
- Annual Tree Planting Program – Planting 60 trees in Ward 11



COMMUNITY IMPACT

- \$100K+ real & in-kind support provided to community partners, including CityKidz, Liberty for Youth, YWCA Hamilton, RCAF Foundation and others in 2022
- Supported workforce development via co-op placements and scholarship/bursaries for students in aviation education

Building a Vibrant Future Together

A shared vision the will continue to bring growth and economic prosperity to Hamilton

Master Plan Update

Comprehensive update with a **20-year vision** to support Management in making informed, strategic decisions when business needs dictate. Key items completed to date include:

- Aeronautical forecast
- Stakeholder sessions, including a day and a half session with City of Hamilton staff
- Needs assessment

Digital YHM Master Plan Update portal that enables public input, with an **in-person community engagement session** scheduled early May.

Expected completion of June 2023.

Capital Investment

In January 2023, the Federal Government announced Hamilton International's **successful funding for a two-year \$46.9M Gateway Expansion and Sustainability Project.**

This Project will:

- Add apron and de-icing capacity
- Treating trace glycol in stormwater that will be diverted from City processing
- Expand taxiways for B777 traffic
- New equipment road parallel to taxiway Delta
- Rehabilitating several taxiways

This funding enables YHM to advance projects not planned for several years in the future and preserve our low-cost structure.

Lease Term

The existing agreements provide an opportunity to extend the term for an additional **49-years.**

In 2016, we began discussions.

Airports require long-term leases due to significant capital investment requirements and ability to attract financing.

TradePort is looking forward to finalizing lease discussions and continuing to **provide significant economic value** to the City and our Community.

60-year leases with a 20-year renewal are standard for most airports in Canada, **with longer terms creating certainty for investors.**

John C. Munro

HAMILTON

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