

Fraport Slovenija

Sustainability Report *2019*



Sustainability Report 2019

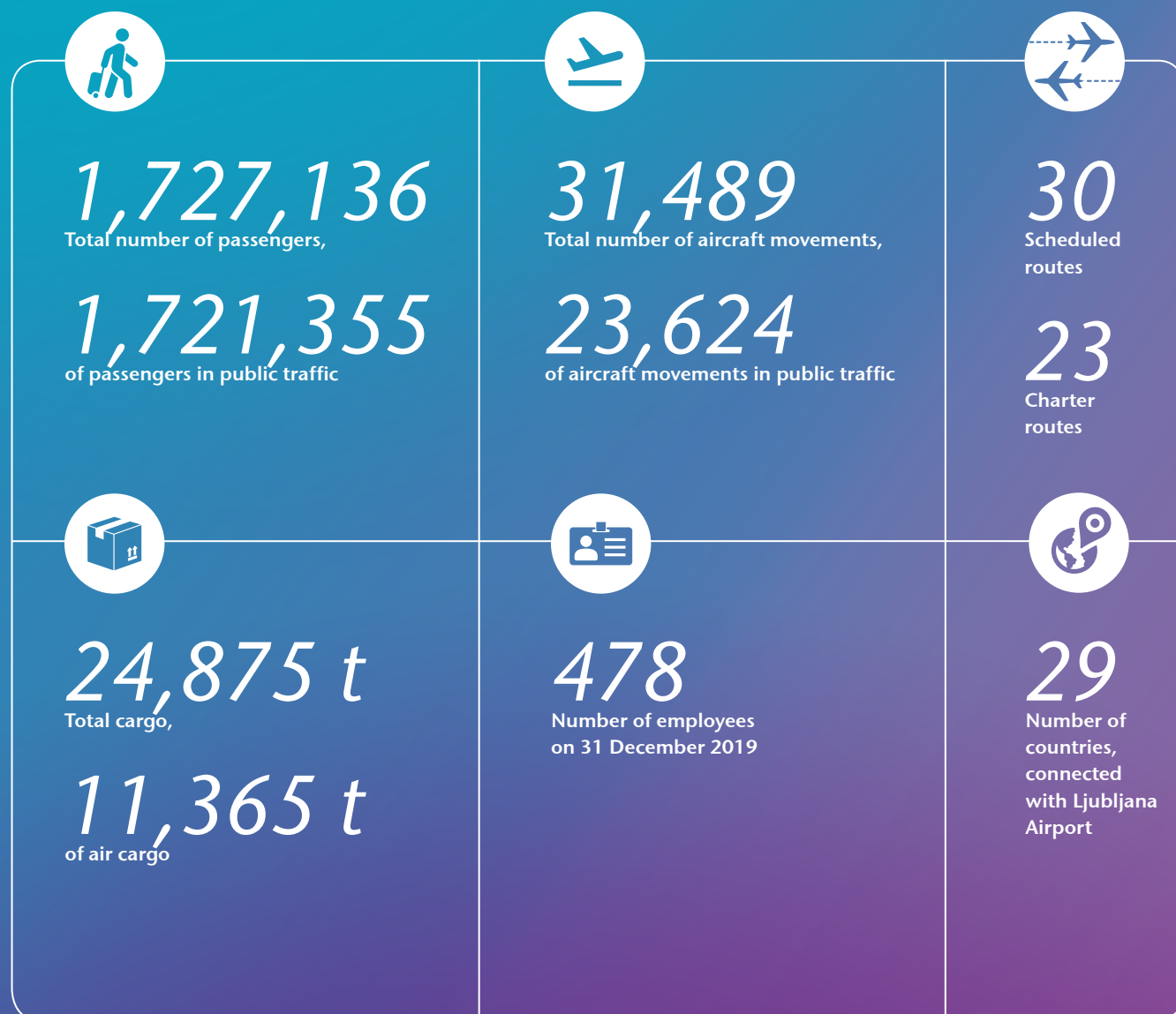


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2019

Fraport Slovenija in Figures



Sustainability reporting

Each year we draw up an independent sustainability report, which is complementary to the annual report. This is our fifth report in a row. Sustainable development is one of our key values, on which basis we implement our mission and perform all corporate activities.

We report about the aspects of our sustainable development which have been recognised as key aspects based on our materiality matrix. The report is drawn up in accordance with GRI standards (Global Reporting Initiative) - basic version. Reporting is comprehensive and transparent. The data are credible, balanced, clear and comparable to previous years, since we build our sustainability path in past, present and future dimensions. Stakeholders were also included in preparation of the report contents. We were striving for content relevance and placed the report contents within the scope of sustainability context.

The company's top management is responsible for sustainable development and its reporting, and thus it delegates all its powers and responsibilities in accordance with the company's organisation chart. Some colleagues from different professional fields participated in drawing up the sustainability report (see the Table on page 77).

Primož Primožič, environmental expert, is responsible for the implementation of the project.





A dramatic

and sudden cessation of air traffic has significantly affected the aviation industry and will still have long-term consequences on air carriers, airport operators and all other stakeholders in the chain of air travel.

Zmago Skobir, Managing Director

Address of the Managing Director

The world has changed. It is crucial to know how to live more responsibly.

The year 2019. The Slovenian aviation seemed to have ended the chapter of its enviably rich history. After several months of agony, the bankruptcy of our domestic air carrier was announced.

The company Adria Airways had been the largest Fraport Slovenija's business partner since the opening of the airport in 1963. Its share of passengers travelling via our airport had been drastically falling in the last recent years. Last year, this share accounted for only a half of all passengers of Ljubljana Airport. The rest of the air traffic was also performed by another 11 scheduled and recognised air carriers until the bankruptcy of Adria Airways. After several years of substantial growth, the air traffic of Ljubljana Airport recorded a drop of 5% in 2019, following the above-mentioned collapse of the domestic air carrier. 1.727.136 passengers and 31.489 aircraft movements were recorded at Ljubljana Airport at the end of 2019.

Quickly and actively we approached to finding replacement for the lost air traffic by using our risk management plan, and in a very short period of time we actually ensured that the capacities of air carriers which had already flown to Ljubljana Airport increased in a relatively quickly. At the same time, we also immediately established flight connections with some new air carriers, in order to prevent Slovenia from being disconnected from the rest of the world. Establishing flight connections to important business centres and airline hubs, such as Frankfurt, Munich, Zurich and Brussels confirmed the economic and strategic attraction and recognition of the Slovenian market abroad, in particular

the existence of market needs and the demand for air travel.

With a firm belief in further sustainable growth in air traffic at our airport, we last year carried on investing in improvement of work conditions for our employees, modernising our airport facilities, increasing capacity and improving the standards and quality of our services. It was the year full of investments. In March 2019, our six million euros worth investment was launched Fraport Aviation Academy opening with a ceremony, a new centre for performing a wide range of trainings in the fields of aviation, crisis management, protection and rescue. Last year we also concluded the investment in three kilometres of new roads located within the airport area, allowing access to the plots of future lessees in the business area of Airport City. At the same time, communal and other infrastructure was built, thus providing all necessary communal facilities for the land which is intended for future long-term rental in the location where Airport City will grow. 1.7 million euros were invested in the construction of the new road and infrastructure. Last year we also concluded the construction of the new hangar for the equipment of aircraft ground handling. It was an investment worth 0.7 million euros. The investment year was concluded with renovation and expansion of our fire and rescue unit, one million euros worth investment, and with launching a new power facility, worth 1.5 million euros. However, the construction of the new passenger terminal was by far the largest investment, worth over 20 million euros.

In the field of human resources last year, a special attention was given to improvement of employee satisfaction and career development. Satisfaction with working conditions and interpersonal relationships actively contributed to the commitment of all employees and their motivation for work.

At the beginning of the year, the basic salary was increased by 0.8% in accordance with the collective agreement of the company. In the second half of the year, the basic salary was increased by another 5%, according to the owner's decision.

At the same time, our company offered its employees additional numerous benefits, both financial and non-financial ones. Employee satisfaction was for the first time measured via a new questionnaire, and also annual interviews were introduced, where we particularly focused on employee motivation and commitment. Employee development was primarily oriented towards strengthening managerial skills, and also towards an upgrade of professional and other knowledge.

In the field of recruitment of new employees, the focus was on adjusting the number of employees to a seasonal air traffic increase and struggles of our major business partner. In the half of the year which was marked by more intensive air traffic, the number of full-time employees increased by 50, using the services of an employment agency. At the end of the year, however, there were five employees fewer in the total number of employees, compared to the year before. At the same time, we still insisted on recruiting the best candidates possible and creating excellent work conditions.

In autumn we were intensively planning and implementing the replacement procedure for the gaps in flight connections. Yet, we did not know that much worse challenges for our company and the Slovenian economy were already on the horizon. At that time, even the global world was not aware of the approaching significant changes in 2020, and that the key question to survive would become how to live more responsibly.

The year 2020. The global aviation industry started to write the prologue of its recent history. SARS-CoV-2 stopped the world, travel and international tourism. The life we once knew was gone. While making the address of this year's sustainability report, aviation - a cyclical industry that had undergone many ups and downs - was still struggling and confronting an extraordinary international and global crisis. There were more questions about its future than available answers. Uncertainty is today significantly greater than it used to be during the past crises, namely the aviation industry had to go through the quickest and the most dramatic downfall in its entire history due to the world's health pandemic. Airport terminals around the globe were empty for several months. Some of them are carefully and slowly becoming more lively with passengers again. Aircraft, instead of roaring in the sky, is still grounded and occupies their available place in aprons. Many airport runways have been converted into parking lots for grounded aircraft in the last months.



This involuntary break to all what we knew before has touched all the aspects of our life. Unimaginable, but so real. In order to curb the spread of coronavirus SARS-CoV-2, the government of the Republic of Slovenia passed a decree on 17 March this year to prohibit the operation of passenger air travel in the Republic of Slovenia. The decree prohibited the operation of international air passenger traffic from all countries into the Republic of Slovenia, even within the EU. Only cargo traffic was allowed, as well as special air transportation without carrying passengers, special governmental and humanitarian flights, and flights enabling stranded Slovenian travellers to repatriate. A dramatic and sudden cessation of air traffic has significantly affected the aviation industry and will have long-term consequences on air carriers, airport operators and all other stakeholders in the chain of air travel. It is impossible to assess the consequences, and there are already irreversible billions of losses.

With regard to aviation industry projections, the air traffic level from the period before the health global pandemic occurred is not expected to resume prior to 2023.

Recovery will be long-lasting and difficult. As an airport operator we have two priorities at the forefront: to provide our passengers with the highest level of sanitation, and by doing so to regain trust in travel safety, and to cooperate constructively with all stakeholders in the aviation industry when creating political will and recognising the need for reconstruction of the aviation and tourism industry, and to acquire economic support for further recovery of aviation.

The global outcome of the ongoing crisis is namely deeply anchored in responses at national levels, in enhancing rescue measures in the form of financial aid packages and guarantees, which are all crucial for the survival of the entire travel and the entertainment ecosystem.

The ongoing health crisis, which has exposed vulnerability of the human system, has on the other hand brought one of the most significant benefits for our planet. The sky had been virtually empty of any aircraft for the last few months, which consequently caused a dramatic fall in carbon emissions. This global crisis, which is full of uncertainties and concerns, has also brought along some opportunities. For our planet.

According to some expectations occurred prior to the global pandemic, the air traffic congestion was expected to double by 2037, which meant the share of emissions would increase tenfold by 2050. It is therefore our common responsibility to make aviation industry much better and more responsible, once it is back on track. Common endeavours of all stakeholders will be therefore directed at sustainable reconstruction of our industry, where we will need to seek for a balance between an economic revival and a reduction in climate risks.

This global crisis, which is full of uncertainties and concerns, has also brought along some opportunities. For our planet.



As an airport operator, we also have a growing responsibility of meeting the objectives of the wider environmental policies.

The company Fraport Slovenija approached to its sustainable orientation years ago. It is our strategic objective to become carbon neutral by 2025.

Implementation of numerous measures was already reflected in the reduction in greenhouse gas levels - absolute quantities of GHGs were reduced by 27%, and we also achieved to reduce the relative indicator which takes into account GHG emissions per passenger by almost 50%.

The global crisis strongly affected the lives of citizens and also the operations of several businesses. The recovery time will be very long for each of them. In my opinion, it will be of extreme importance to build our new reality with sustainability, kindness and cooperative society.

We believe the biggest challenges are still to come, thus we must strengthen our mutual bonds even more and realise that our biggest assets are health and a clean planet.

What version of a global society we will have in the future is primarily up to us.

Mobility will certainly continue to be the centre of our socio-economic life, and having the access to mobility will be necessity. For this reason, I am certain the aviation industry will go on once the pandemic is over, and will continue to play its most significant role in the society - uniting and connecting the world. Of course, it will have a new image. However, aviation is and will continue to be a driving force in the global development of technology and innovations. Therefore, all endeavours of this prosperous industry will be focused on finding methods of how to achieve a further sustainable growth in a responsible and thus sustainable way.

Zmago Skobir,
Managing Director



Aviation industry will continue to play its most significant role in the society - uniting and connecting the world.



Information on significant changes in the reporting period and after the end of 2019

2019

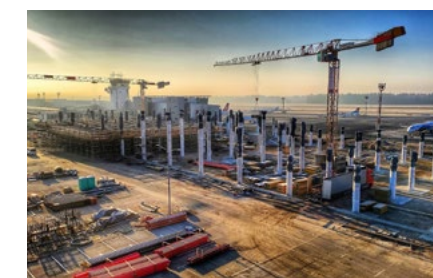
January

On 22 January, the largest employment portal Mojdelo.com granted for the eighth time in a row the awards for the most respectable Slovenian employer, based on an in-depth professional survey. Thousands of jobseekers participated in the survey, who ranked Fraport Slovenija at the top of **the most respectable employers** in Slovenia. It was the sixth time Fraport Slovenija had received the award. This was a reflection of efforts and experiences of many years, based on sustainable relationships with our employees.



June

On 27 June, **a contract was signed for the execution of construction, craft and installation works for the extension of the passenger terminal** between Fraport Slovenija and the company GIC Gradnje. Immediately after signing a 17.3 million euros worth contract, the preparatory work began, among others there were preparation of the terrain and necessary documentation, certain demolition works, and also the arrangement of internal road network and rearrangement of part of the maneuvering areas.



August

On 1 August, the air carrier Air Serbia extended their flight network and added **a new flight connection Ljubljana – Niš**. In the summer timetable, passengers could fly to the third biggest city in Serbia twice a week, on Mondays and Thursdays. This flight connection was also available in the winter timetable.



March

The new training centre for Fraport Aviation Academy was opened on 6 March. Fraport Slovenija invested six million euros in the academy. The training centre provides more than 1,500 m² of indoor space used for classrooms, simulators and other specialised equipment, and there is a testing ground for practical training through simulations of real situations of fire, disabled aircraft and some other types of accidents.



July

In July Fraport Slovenija renewed its **Airport Carbon Accreditation (ACA) Certificate at the second level (Reduction)**. Considering the data about the number of passengers and cargo weight in 2018, the relative quantity of CO₂ emissions was reduced by 14.6% per individual passenger, or 17.3% per 100 kg of cargo respectively, compared to the period 2015–2017. The absolute quantity of CO₂ emissions was increased by 2.1% compared to the average of past three years (2015–2017), due to reporting about new emissions - glycol which is used for aircraft deicing (without glycol emissions the quantity of CO₂ would be 0.8% lower).



September

In mid-September, the company Decontext SI, in cooperation with Fraport Aviation Academy and the company Electrolux Professional, launched its **first centre for integrated cleaning and decontamination of firefighting protective equipment** and handed it over to Ljubljana Airport. It is one of the most modern centres around the world which uses cutting-edge technology for liquid CO₂ decontamination.



2019

On 30 September **Adria Airways announced its bankruptcy**. Due to its bankruptcy proceedings, all Adria Airways flights from Brnik were cancelled: Amsterdam, Brussels, Vienna, Frankfurt, Copenhagen, Manchester, Munich, Paris, Podgorica, Prague, Pristina, Sarajevo, Skopje, Sofia, Tirana in Zurich. The market share of the domestic air carrier accounted for 50% of all passengers prior to its bankruptcy announcement. Immediately after the bankruptcy, the first concern was focused on passengers who were left stranded without flight connections, timetables and safety from the rest of aviation operations, and also on immediate activation of air traffic recovery plan at Ljubljana Airport.



October

On 16 October, **the first flight of the carrier Swiss International Air Lines**, a member of Lufthansa Group and Star Alliance association, from Zurich was welcomed at Ljubljana Airport. Swiss started to fly to Ljubljana Airport five times a week, however in the wintertime it extended its flight schedule to fly every day. This airline flew with Embraer 190 and Airbus A220.



On 15 October, two important power facilities were handed over to Ljubljana Airport. The first is **the central Fraport Slovenija power station** enabling efficient provision of heat and cooling power for the area of the entire airport in one place. The second one is a new substation operated by the power distribution company Elektro Gorenjska, which will in the future be the main power supply of the medium voltage power network for the entire Gorenjska region east from Kranj.

On 27 October the winter timetable of flights came into force, which brought along some new flight connections. In addition to the aforementioned flights of Swiss International Air Lines, also **Lufthansa established flights to Frankfurt twice a day and to Munich once a day**. On 4 November our offer of flights was extended by another **six flights a week to Brussels carried out by Brussels Airlines**.



Most of the existing air carriers significantly increased the number of their flights from Brnik during the winter timetable. The air carrier Air France doubled its flights to Paris; instead of six times per week it started to fly twice a day (except Saturday) to the capital of France. LOT Polish Airlines, the Polish air carrier, started to fly to Warsaw eight times a week, instead of only seven times a week. Air Serbia increased their number of flights to Belgrade from 11 to 17 flights a week. Montenegro Airlines increased its number of flights to Podgorica from four times to six times a week. The air carrier Aeroflot increased its number of passengers flying to Moscow by using larger aircraft.



December

On 4 December, **the renovated and expanded fire and rescue unit was opened with a ceremony**, which meant a significant turning point in the operation of airport fire unit and enabled airport fire fighters to acquire modern working premises and equipment.



2020

March

In order to curb the spread of coronavirus SARS-CoV-2, the government of the Republic of Slovenia banned the operation of air travel in the Republic of Slovenia on 17 March this year. **Performing scheduled passenger flight connections from and to Ljubljana Jože Pučnik Airport was suspended**.

The ban did not include cargo air travel, special flight transportation without carrying passengers and special flights of national aircraft for humanitarian or health purposes.



April

The construction of a new hangar for the equipment of aircraft ground handling (the so-called SOLE 3) was completed. The new facility SOLE 3 extends over 1,900 m² of covered surfaces and additional more than 3,000 m² of external surfaces.



May

On 29 May, after the pandemic was officially over, we finally awaited **the first scheduled passenger flight connection**. Air Serbia established two flights a week on Ljubljana - Belgrade route.



June–September

The summer months were marked by **a careful and gradual return of air carrier** to Ljubljana Airport. The dates of flight renewals and the number of flights were primarily dependent on lifting restrictions on border crossings and some other restrictive measures in individual countries, and also on recovery in the demand for flights. Nine air carriers returned to Ljubljana Airport by 1 August. Air Serbia, Montenegro Airlines, Lufthansa, Wizz Air, Transavia, Air France, Turkish Airlines, easyJet and LOT Polish Airlines were back offering flights to ten destinations.



There was a relatively high demand for charter flights to Greek islands, organised by Slovenian tourist organisations during the summer season along with the air carriers Trade Air and Aegean Airlines, meanwhile the air carrier Croatia Airlines performed three flights to Dubrovnik at the end of June and at the beginning of July.



Basic Information about the Company

About the company

The company Fraport Slovenija, which operates Jože Pučnik Ljubljana Airport (hereinafter as Ljubljana Airport), is the central Slovenian international airport which provides 97% of the total air passenger traffic in Slovenia. Its core business comprises airport management and operation, development of the airport infrastructure, provision of ground handling services and various commercial activities.

The location of the airport is ideal for development of flight connections and aviation-related activities, since it is located at the junction of the traffic flows between the Pannonian Basin and the Po Valley, and the corridor from Middle East to the European Union, running through the Istanbul strait. The gravitation area of Ljubljana airport includes Slovenia, the southern part of Austria, the northeastern part of Italy and a part of Croatia, accounting for over four million inhabitants of the area. In addition to its central national importance, the airport also has the character of a regional airport and a hub for the Balkan Peninsula, both in passenger traffic and transport of express shipments. The airport with its 3,300 m long take-off and landing runway is well-equipped with modern technology which allows landing in conditions of reduced visibility according to ICAO IIIB category.

The company Fraport Slovenija has sufficient land at its disposal, which enables a further airport expansion and development of complementary activities.

Ownership structure

Ljubljana Airport is 100% owned by the German company Fraport AG Frankfurt Airport Services Worldwide (Fraport AG).

Company management and control

Zmago Skobir is the managing director of the company. He graduated from the Faculty of Law, the University of Ljubljana, and passed the bar examination at the Higher Court in Ljubljana, and his specialisation at the Faculty of Law in Belgrade. He has a wealth of experience of many years in the field of aviation and tourism.

The company also has three procurators, who are also chiefs (director) of division. These are: Oliver Weiss, chief operating officer (replaced Robert Gradišar on both positions at the beginning of 2020), dr. Babett Stapel, chief commercial, financial and administrative officer, and Thomas Uihlein, director of Aviation Academy.

The company's business activity and the work of the management board are supervised by a three-member Investor's Committee.

The committee consists of: the chairman Holger Schäfers, Alexander Laukenmann (replaced dr. Pierre Dominique Prümm in July 2019) and Kai Peter Holger Zobel, all from the company Fraport AG.



Optimistically

we are looking into our future, and despite all the consequences of the pandemic we are continuing with the construction of the new terminal, a strategic investment which is the key to our long-term airport development.

The construction of the terminal was symbolically started by (from left to right): **Ivan Cajzek**, Director of GIC Gradnje, **Holger Schaefer**, Chairman of the Investor's Committee and **Zmago Skobir**, Managing Director

Committees and organisations where we actively participate

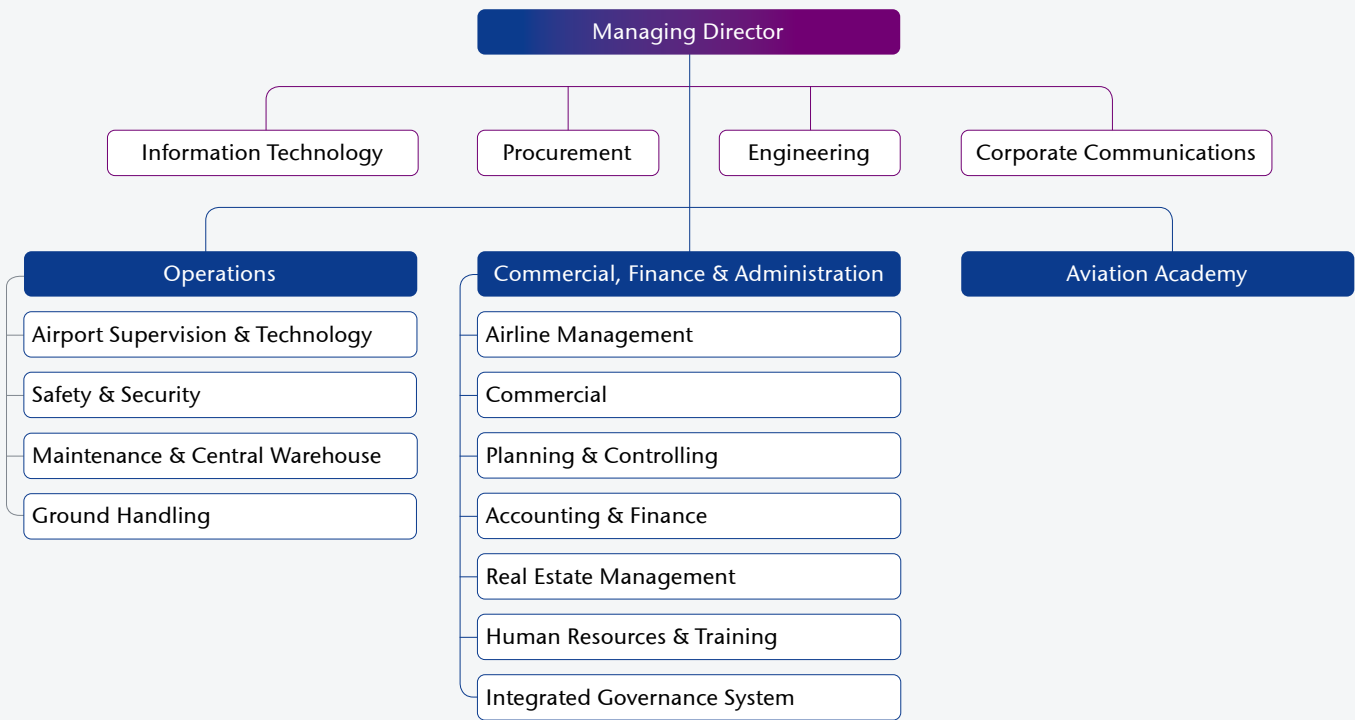
By becoming a member of various professional associations we are also increasing opportunities for networking with colleagues and peers, and we are exchanging good practices. At the national level we are a member of more than ten professional and interest groups or associations of different fields. At the international level we continue to be a member of professional groups, operating within the European airport association ACI Europe.

We were active in the Advisory Group within the Policy Committee, the role of which is the development of strategic guidelines for ACI Europe management, and coordination and connection to other committees and work groups.

We participated also in Aviation Security Committee, which deals with the issue of civil aviation protection at airports and proposes new solutions in this field.

We continued to be a member of Regional Airports’ Forum and of Digital Communications Forum. New experiences we share at meetings organised within Fraport Group. In 2019, we participated in management exchanges, hosted experts in charge of technological development and airport design. We participated in exchange of experts in the field of marketing and sales, and also in exchange of communicators.

Organisation chart (valid from 1 October 2020)



Mission

We provide connectivity of Slovenia by creating inspiring services and customer friendly experience and sustainable airport management.

Vision

Our vision is to be:

- efficient and prime-quality regional gateway;
- exciting retail experience platform;
- major air cargo airport in the region;
- leading skills academy of aviation industry.

Values

Sustainable development

We are aware of the responsibility, as employer and economy factor, which we have for our employees, society and environment and other interested parties. We act sustainably and base our actions on economic, environmental and social criteria.

Value enhancement

We aspire a sustainable enhancement of the company’s value in all fields of service.

Aviation safety

Through continuous risk detection and management we reduce the likelihood of personal injury and material damage..

High performance

Our integrated business model ensures business excellence applying safe, efficient and high quality processes.

Importance of sustainable development

Fraport Group is building its business activity on values of social responsibility and sustainable development. It manages its stakeholder relations and sustainable indicators in all local companies, thus encouraging creation of best sustainable practices of the airports.

Fraport Slovenia takes on its own responsibility in the fields of economy, ecology and social matters. By doing so, it strengthens a wider social welfare. Our development encourages development of the environment where we live.

The development level of the business and infrastructure of the company Fraport Slovenia directly affects the local and wider environment in the economic, social and environmental settings. It encourages creation of new jobs, entrepreneurship and infrastructure. We are committed to act in the manner of not endangering the natural and social environment. So, by carrying out several different activities in the environment where we operate and live, we will strive to give something back and to make the environment richer.

Our business activity also has some negative impacts on the environment. We are striving to timely recognise such negative impacts, and to manage them fully and reduce them perpetually. The company’s top management is responsible for the adoption of the company’s sustainable strategy and its programme. All employees, in accordance with their powers and responsibilities, are included in the implementation of our sustainable programme.

Fields of priority sustainable activities of the company / United Nations 2030 global sustainable goals



Occupational health and safety
Air quality
Noise reduction



Attractive and responsible employer
Value creation and cooperation in the region where we operate
Fraport Aviation Academy



Ensuring a work environment characterised by diversity, equal possibilities and respect
Ensuring a balance between work and private life



Preserving the environment and protecting the nature (also water resources)



Efficient use of energy
Renewable energy sources
Sustainable mobility



Economic efficiency
Growth and development of Fraport Group
Attractive and responsible employer
Value creation and cooperation in the region where we operate



Customer satisfaction and quality of services
Growth and development of Fraport Group



Air quality
Noise reduction
Sponsorships and donations in the local and national environment



Occupational health and safety
Efficient use of energy
Renewable energy sources
Preserving the environment and protecting the nature



Efficient use of energy
Renewable energy sources
Sustainable mobility

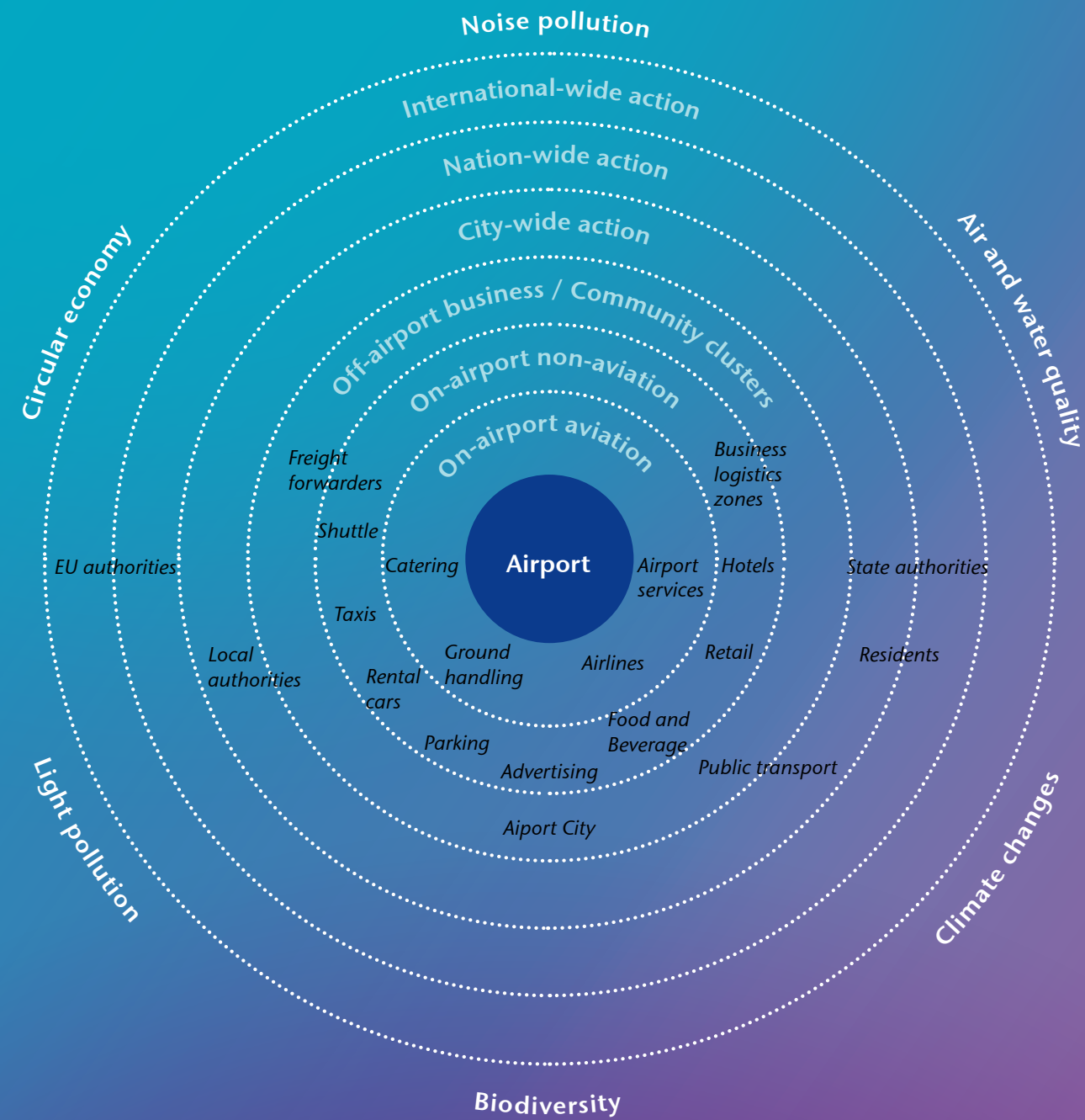


Preserving the environment and protecting the nature (particularly birds)



Fraport Slovenia as a member of the international Fraport Group, is an active supporter and implementer of the internationally adopted standards, guidelines and principles, in particular UN Global Compact principles, the commitment to reducing air emissions from international aviation, guidelines for transition to a circular economy, General Declaration of Human Rights, UN Conventions and ILO fundamental labour standards, as well as OECD guidelines for multinational corporations.

Figure 1: Sustainable effects and stakeholder relations

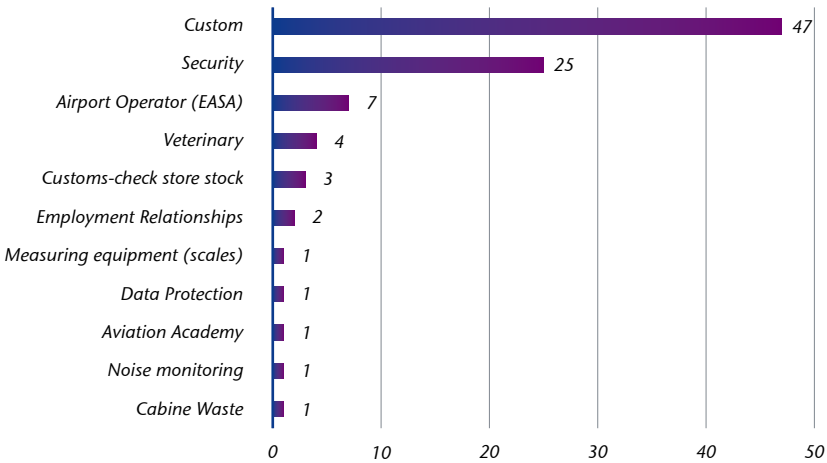


Integrated governance system

We regularly strive to achieve a high quality level in order to ensure appropriate airport development in line with the requirements of air carriers, passengers and other business partners. The company’s top management and all employees are committed to the management systems, so we operate in compliance with ISO 9001, ISO 14001 and ISO 45001 standards. All three systems are interconnected and part of an integrated management system. Our good work is reflected through a positive assessment of all external audits of our partners and inspectors. In 2019, we successfully went through 93 inspections, 24 external audits performed by air carriers, and integrated external audit of environmental management system and the occupational safety and health system, in accordance with ISO standards. Where necessary, we prepared corrective and preventive measures to prove that our operations were carried out in accordance with all statutory requirements and the requirements in the field of aviation.

The company’s operations are regularly checked through internal controls in order to achieve business compliance and to seek for new improvement opportunities.

Graph 1: Inspections in 2019



Graph 2: Internal control summary in 2019

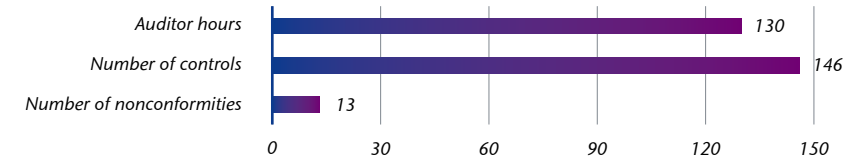


Figure 2: Certificates (ISO 9001, 14001, 45001)



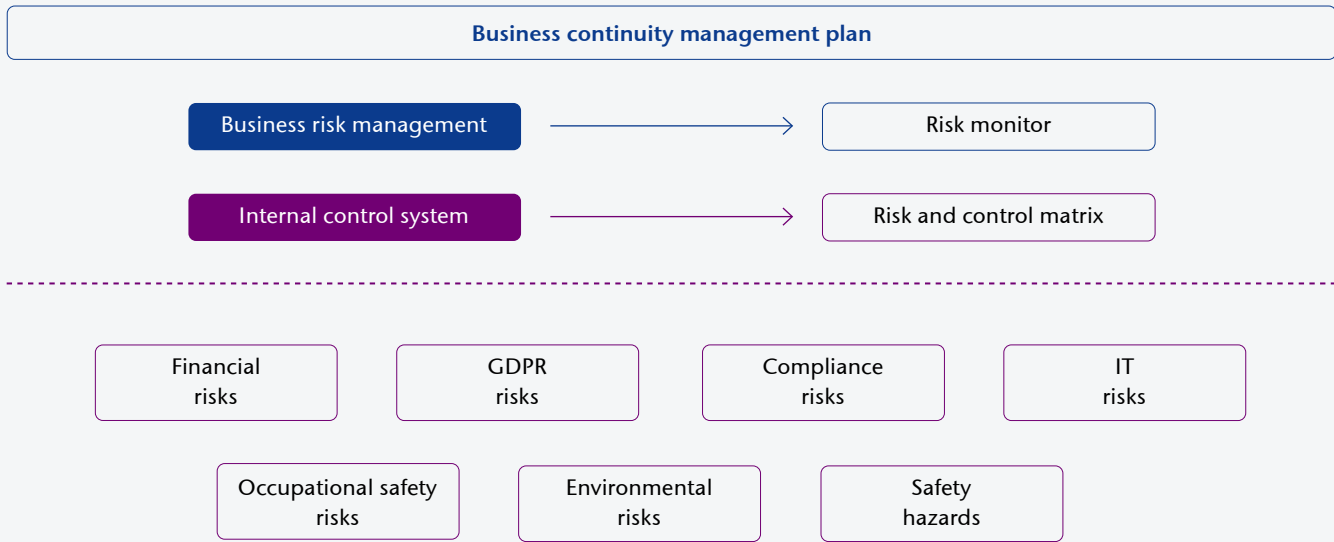
Risk management

The entire risk management of Fraport Slovenija is integrated into a unified risk management system. The company is otherwise involved in Fraport Group risk management system which allows risk identification and analysis at an early stage, and risk management by means of adequate measures. The company’s management is responsible for risk management. However, all employees, in accordance with their authorities and responsibilities, take over risk management for specific professional fields.

We regularly implement measures to reduce any risks associated with the reduction of air traffic hazards caused by birds, security actions and weather conditions. Currently, a plan of continuous operations is in force, which involves response measures in emergency for employees or individual business-related critical functions. The plan also determines alternative procedures of how to get the operations back to normal conditions. Risk management is supported by internal controls.

The objectives of the internal control system are harmonisation with the applicable legislation and regulations, achieving strategic objectives and implementing the company’s strategy. As it is the practice at group level, COSO methodology is taken into account in internal controls for the purpose of identifying, measuring and managing the risks arising in business processes. In accordance with the Critical Infrastructure Act, Fraport Slovenija as operator of critical infrastructure, is also obliged to prepare a risk assessment for the operation of critical infrastructure.

Business continuity management plan and risk management chart



Professional secrecy, data protection and privacy

We are striving for transparent communication in terms of respect of professional secrecy. Employees are aware they have to cherish confidentiality of data related to the business activity and business secrets of the company, and to act in compliance with Personal Data Protection Act. The company is aware of the importance of data protection and therefore adopted and issued the Data Protection Manual based on Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the

processing of personal data and on the free movement of such data (General Data Protection Regulation), and on Personal Data Protection Act. Rules on protection of personal data define the technical and organisational measures and protocols to protect personal data in the company Fraport Slovenija. These measures and protocols are designed to prevent unauthorised access, alteration, deletion or any other damage or loss of personal data, to process personal data fairly and lawfully, and to ensure respect for all other principles of the protection of personal data.

Rules on Personal data Protection define appropriate measures for the protection of personal data in order to ensure the lawful, fair and transparent processing of personal data which is based on the applicable Slovenian and European legislation in the field of personal data protection. There is also an authorised person in the company who is in charge of personal data protection.

Compliance management system and integrity

Compliance Management System Guidelines of Fraport Slovenija are based on Fraport Group compliance management system. The Compliance Management System (CMS) is considered a systematic procedure aimed at ensuring the conduct throughout the company to be consistent with laws and regulations. CMS comprises prevention and detection of eventual non-compliance, as well as reaction to incidents and risks identified. It helps protect the company, its employees and owners against eventual financial damage, liability claims and reputation damage. Early preventive measures are performed in order to reduce any identified risks in business compliance. In particular, this comprises clear and appropriate internal regulations, specific communication measures, exemplary behaviour on the part of the management, and fostering our culture of ethical values.

We implement appropriate instruments to detect misconduct. Examples include basic elements of the Internal Control System, such as separation of functions and the principle of dual control for key processes. An appropriate reaction of the management to cases of misconduct is necessary in order to rectify such misconduct, to protect the company’s interests and safeguard the credibility of the company’s CMS. We improve the company’s long-term CMS with the prevention-detection-reaction cycle. The effectiveness of the company’s CMS is annually checked through management review.

We are committed to compliance with the international and local anti-corruption laws, and we reject all forms of corruption and bribery. In collaboration with our competitors we check pricing and conditions, and also various agreements or contracts which distort competition. In doing so, we are particularly attentive to any agreements or contracts with competition aimed at market sharing or allocating customers. Any form of anti-competitive behaviour is not tolerated. Therefore, we terminate our business relationship with such partners. We also check this when performing Supplier Analysis.

Protection of information

The company Fraport Slovenija is aware of the importance of information and safe information system, so the company adopted a Master Security Policy on information management and information system owned by the company. The aim of protecting information is to prevent or reduce eventual consequences of security incidents to the minimum and to assure the continuity of the company’s operations.

Upon establishing the system of information management and information security we have also established the principle of information confidentiality, availability and integrity. The information security management system is built on the basis of recommendations of ISO/IEC 27001 standard.

All employees of the company, their contract workers, students, other external partners with their employees or partners being or coming in contact with information owned by the company or declared by the company as significant for its operations, are committed to information security.

All employees of the company, their contract workers, students, other external partners with their employees or partners being or coming in contact with information declared by the company as significant for its operations, are committed to information security.



Safety of flight operations

Much attention is put on safety in our company. The implemented safety management system helps us to improve the level of airport safety. The system consists of four key elements: safety policy, safety assurance, safety risk management and safety promotion. Every year we try to upgrade each of these elements and care for constant improvement in this particular field.

- We continually improve the system by:
- providing up-to-date information for our employees and constant upgrade of their knowledge;
 - providing sufficient financial resources in order to implement our safety policy;
 - defining safety responsibility for all the company’s staff;
 - encouraging positive safety culture with transparent information exchanges within the legal framework;
 - establishing, maintaining and promoting positive safety culture through free information exchanges;
 - defining safety objectives at the level of the company for the period of two years;
 - regular monitoring safety indicators, and
 - performing promotion of safety.

Our airport infrastructure and operative procedures comply with various international and national safety requirements, standards and recommendations (ICAO, EU, EASA, ACI, etc.), which is regularly monitored and audited by external and internal audits. Cooperation with other entities operating at the airport is also our concern. Therefore, we have an airport safety action group that has been operating for many years and defines and assures performance of commonly agreed safety measures.

Promotion of safety

Promotion of safety is one of the cornerstones of safety management system. Therefore, we have decided to present the effect of different factors on employees during their work. The presented poster shows a lack of communication, which might lead to an unwanted occurrence. The picture shows a situation that has led to a damage of a nose landing gear of a plane.



Author: Boris Oblak

What can we do to prevent such situations? Competences and responsibilities of work processes must be clearly defined. It is of great importance to talk about the implementation of the procedure. In case of any doubt, we must clearly express that and obtain all information about the proper conduct of the procedure.

Safety was also promoted through regular implementation of employee training. A great emphasis is put on training in relation to eventual hazards and risks to which our employees and other individuals are exposed during their work or while being in the airside of the airport. In the past year, two cases were recorded that could have led to intrusion on the runway, and there was one case of a minor damage to aircraft. We carefully examined and analysed these cases and implemented the corrective measures to prevent recurrence of such incidents. We still detect a great number of attempts of transporting hazardous substances (mostly Li-On batteries in electronic devices) by mail, which we regularly detect and return to senders. The number of bird collisions increased compared to the year 2018. Therefore, we are working hard on finding improvements and new measures.

Organisational safety objectives



Bird strikes – maintaining or improving the index in 2019 and 2020 compared to 2017 and 2018.*



Damage to aircraft above 5,7 t – major (incapable of flying) – 40% reduction of index in 2019 and 2020 compared to 2017 and 2018.*



Actual runway/taxiway incursions – 25% reduction of index in 2019 and 2020 compared to 2017 and 2018.*

* normalised for 10,000 operations



Culture of justice

The English term ‘just culture’ has become an integral part of aviation operations. The essence of this concept is learning from mistakes made by humans. Gaining employee experience, while dealing with mistakes, is a very good source of information, which contributes to acquiring new knowledge. Employees are provided with independent reporting through various methods of electronic safety reporting. We also have a classic paper method of safety reporting (‘safety boxes’ mailboxes). Within safety reporting we ensure confidentiality of the reporting person and the persons being mentioned in safety reports. Safety reporting can also be anonymous.

We strive every day to establish an environment of trust, where employees can freely and without fear of consequences report about safety issues, occurrences and unacceptable practices. In doing so, we want to point out the line between the acceptable and unacceptable safety behaviour.

A high level of safety is key to safe and quality performance of our services. We continuously upgrade the company’s safety standards in order to stimulate the employees to proactively and preventively report on or warn about any potential or actual hazards at work in the airside of the airport. The same applies for reporting on safety incidents, accidents, safety deficiencies or any other spotted suspicious situations regarding safety.

Airport security

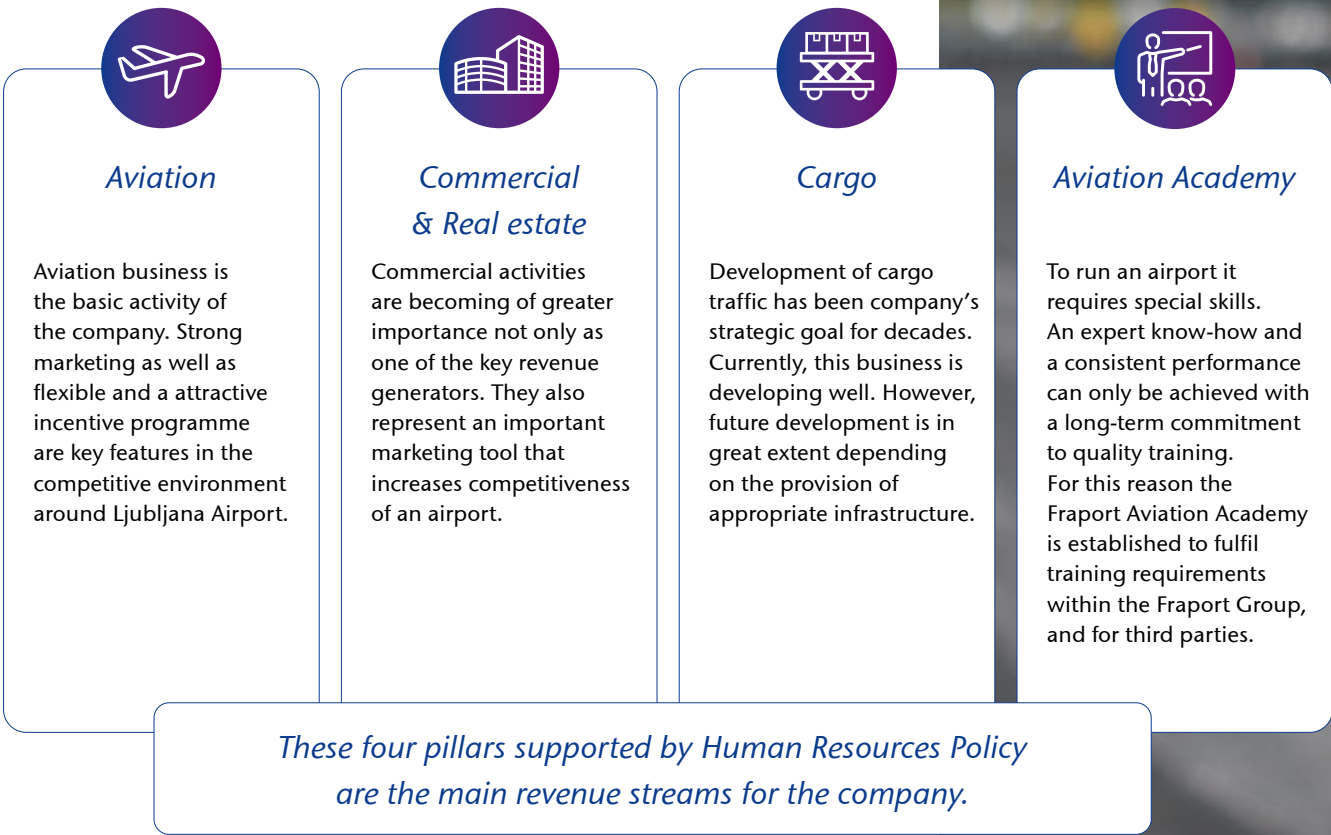
As the airport operator, the company Fraport Slovenija is responsible for ensuring security at the entire area of Ljubljana Airport. Airport security consists of several methods and measures intended to protect civil air traffic against any acts of unlawful interference. Fundamental security measures are taken in accordance with the European and local legislation, and additional measures are taken when necessary, regarding the risk assessment made by the competent state authorities, and the risk assessment made by our company, taking the existing and perceived hazards into account. The contractor responsible for security service at the airport performs operative security measures in compliance with the contractual obligations, considering all the relevant regulations in the field of civil aviation security, meanwhile Fraport Slovenia provides the equipment necessary to secure civil aviation and to perform preventive security measures. This includes all the security equipment used to check luggage, goods and passengers, as well as the equipment for the protection and security of the airport. In October 2019, a five-year contract expired which was signed by G4s security company to provide services in the field of civil aviation security. In a public tender, a new security company Aktiva varovanje was selected for the period of another five years to provide the same services. The company is one of the largest companies offering security services in the Republic of Slovenia.

Security quality is verified in accordance with all the adopted and approved programmes, and also according to the plan made for checking efficiency of service performance in the field of civil aviation security. We cooperate with all the stakeholders at the airport in order to detect any non-compliance or potential improvement. We know that improvements and better security can only be achieved with good cooperation of all parties involved. The company’s management is regularly informed about our internal and external controls (audits), and we also present the state for the previous year to Civil aviation security council of Ljubljana Airport at the end or at the beginning of each business year. The airport is additionally secured with an integrated access control system and a video surveillance system which prevent unauthorised access to the secured areas of the airport and help detect and clarify eventual incidents. In 2019, we continued the expansion and upgrade of the technical security system, including also replacement of the existing analogue cameras with new, more recent IP cameras. We also carried out certain activities in terms of the expansion and operation of the technical security system in the new expansion of the passenger terminal. State-of-the-art equipment improves safety of air traffic and helps prevent eventual incidents. So, we regularly monitor technology development in this particular field, and we endeavour to implement it as much as possible at the airport.

Company's Strategy and Business Performance

There are four key strategic pillars, supported by a human resources policy, to implement the company's mission and vision, which will also be the main revenue streams by 2025. In 2019, we identified 40 strategic and 76 operational key performance indicators.

Strategic pillars by 2025

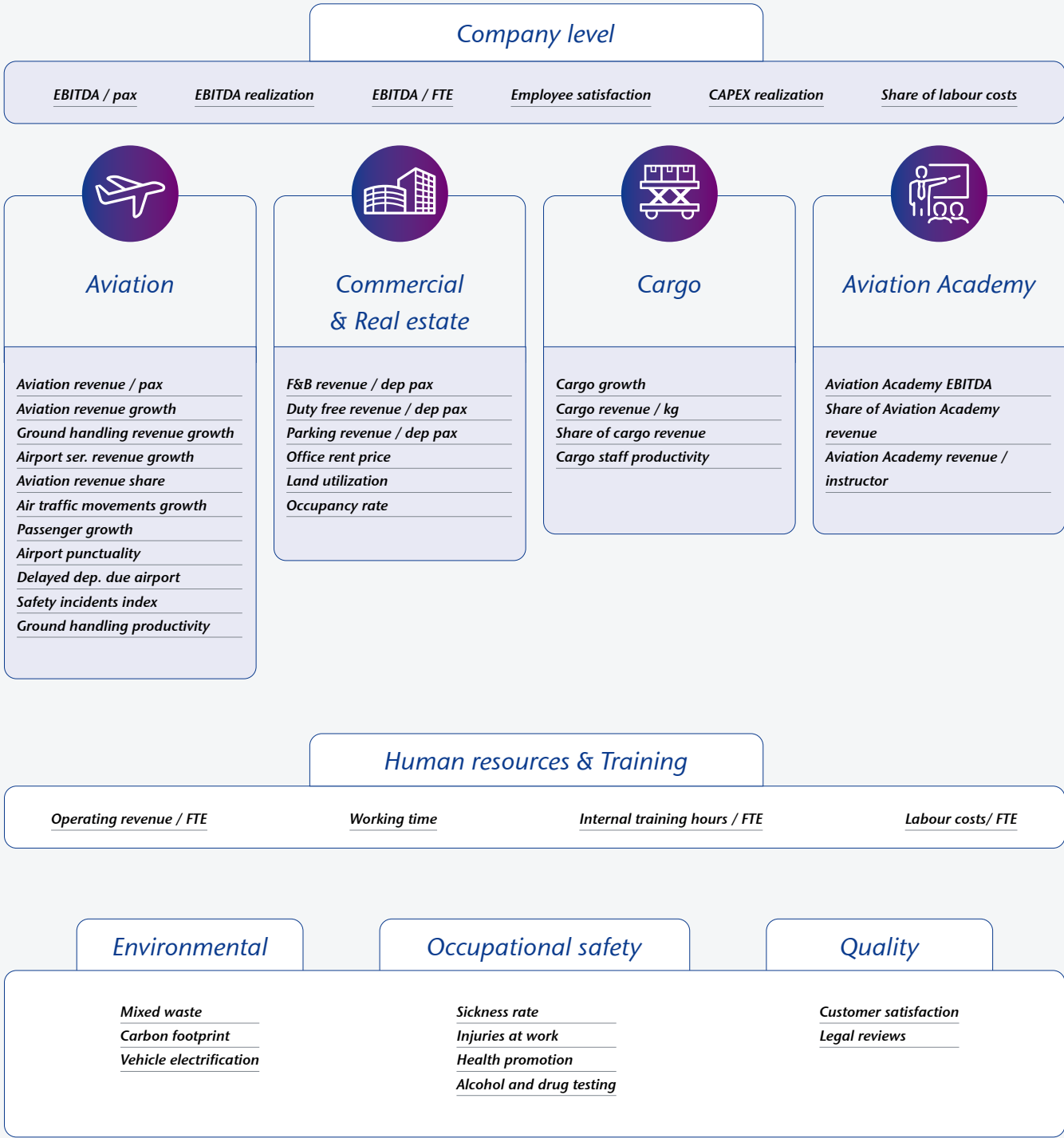


Gradual

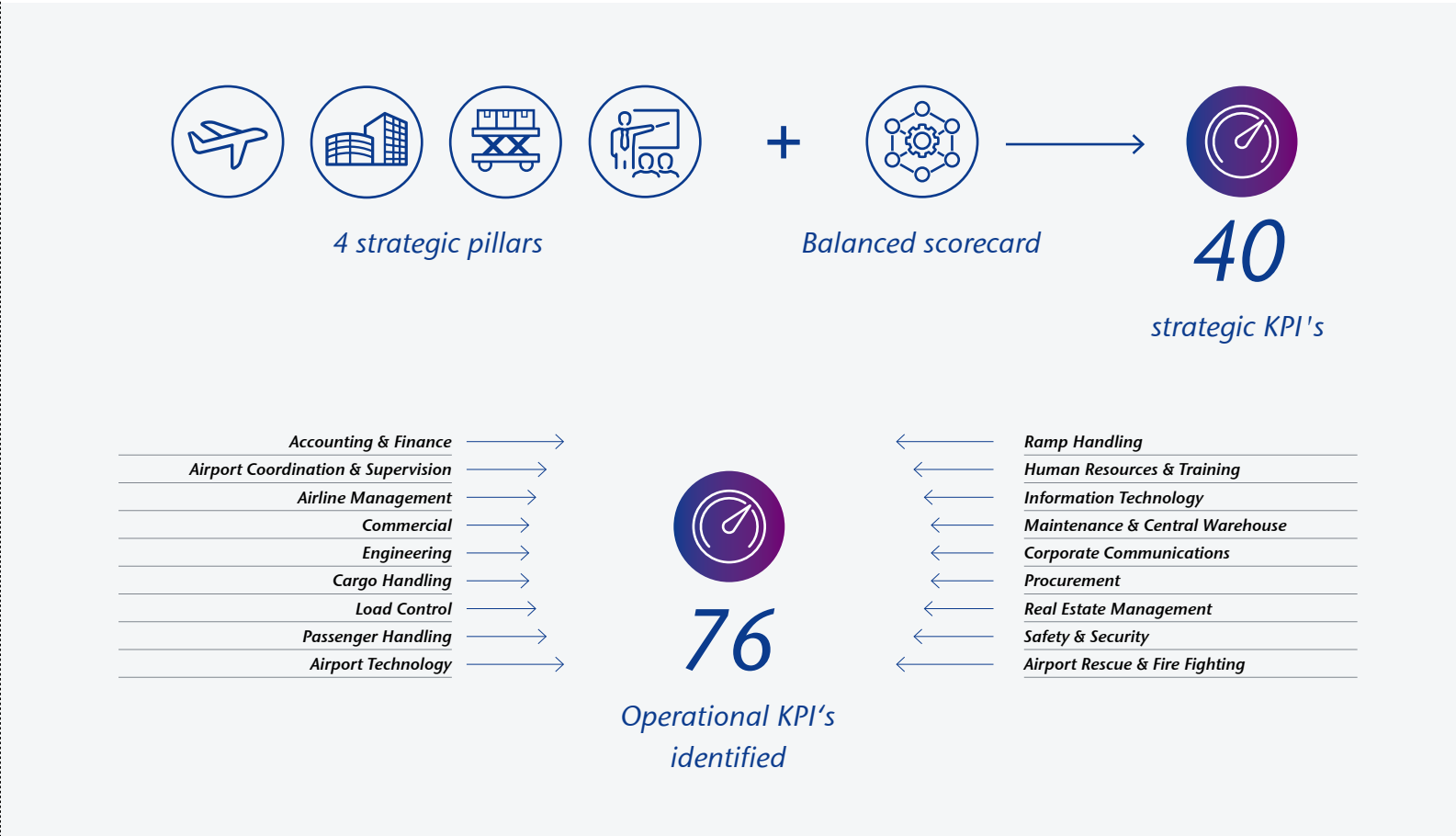
recovery of air traffic to the level from the pre-pandemic period is our priority. Following a significant reduction in air traffic and structural changes in the entire aviation industry, and due to the consequences of the ongoing pandemic our company will set its new vision, mission and values.

Janez Krašnja, Head of Airline Management

System of strategic key performance indicators



EBITDA = Earnings before interest, taxes, depreciation and amortization
CAPEX = Capital expenditure
FTE = Full-time equivalent



Strategic objectives by 2025

To achieve the company’s mission and vision, the company has set the following strategic objectives by 2025:

- increase in passenger, aircraft and cargo traffic;
- increase in revenues, particularly from company’s commercial services;
- provision of key investments in infrastructure and equipment in order to enable a further traffic development;
- provision of development opportunities to logistics companies and reliable ground handling, which will enable us to become a priority hub for air cargo traffic in the Western Balkans;
- developing opportunities for investments in the airport city and attracting different companies;
- development of Fraport Slovenija as a recognised aviation training provider.

The company does not solely rely on the development of one aviation segment, but it develops several types of aviation:

- scheduled passenger traffic (domestic and foreign air carriers);
- charter flights (including long-haul flights);
- low-cost flights;
- air cargo flights;
- general aviation.

A significant part of our strategy are also diminishing our dependence on a small number of business partners and on only one business activity, and modernisation of the airport infrastructure.

Among the most important objectives in 2020 is a complete rethink of the company’s strategy. A new vision, mission and values must be determined, since the company has lost the domestic air carrier and the traffic structure has consequently changed, and the traffic volume has decreased due to the consequences of the epidemic. Among the most important decision made in the near future will also be the decision of how to develop and carry out cargo traffic.

In addition to all this, our primary task is to restore air traffic as soon as possible and to revise the assessment of its development made in the period prior to pandemic. Competition among flight offers is crucial for a sufficient number of passengers and also an increased offer of complementary commercial airport services.

Plan for airport infrastructure development

A Master plan for the development of the airport by 2040 and provides coordination of phase spatial planning of the airport and influential areas beyond its borders. This document ensures that the airport is ready to meet the future needs of an increased traffic growth with space reservation, in light of its financial capability and admissible environmental effects. The Master Plan envisages the key infrastructure projects that will be developed in the next period. These projects are:

- passenger terminal;
- cargo terminal;
- maneuvering areas;
- the internal road system, and utility services and energy infrastructure.

Due to the consequences of the pandemic the company has decided to reschedule all non-essential investments for a yet undefined future period. Priorities and the timeline will be ready as soon as the new expected traffic estimate, the business plan and the strategy based on changed circumstances are made. Regardless of the new circumstances, the construction of the new passenger terminal will stay in progress, and this project is still considered a key strategic project affecting a future airport development and the quality of its services offered.

Passenger terminal

The passenger terminal is priority for the airport development, since the existing facility poses a bottleneck during a normal traffic, particularly in the check-in area, in the baggage sortation area and in the baggage reclaim area. Although during the current reduced air traffic the terminal would most likely be sufficient in terms of its space, we have nevertheless decided to continue with the construction of the new one according to the timetable, despite the consequences of the epidemic. Due to the terminal's wear and tear we can only hardly assure an adequate standard of passenger care. In addition to this, termination of the existing contract for the construction of the new terminal would mean an economic damage and payment of penalties to our construction contractors.

The company also considers this investment a long-term one, since it will enable a much faster recovery from the current situation. The contract for the execution of construction, craft and installation works was signed by the contractor GIC Gradnje from Rogaška Slatina in June 2019, and soon afterwards the agreed construction works commenced.

Several public procurement procedures for all the necessary equipment were carried out during the year. We bought equipment for baggage handling system, equipment for security and interior design. The expanded, new part of the terminal will be functionally attached to the existing facilities. 10,000 m² of the new terminal will be added to the existing one, including a new departure lounge with 14 check-in counters, five lines of security control, two baggage conveyors, a new baggage sortation area, a huge duty-free shop and a new business lounge with extended hospitality offer and promotional surfaces. The capacity of 500 passengers will be enlarged to 1,250 passengers an hour. The terminal is expected to be completed and handed over by summer 2021.

We have decided to continue with the construction of the new passenger terminal despite the consequences of the epidemic.



Plan B



GIC Gradnje

Airport City

With the planned airport city, the company wishes to transform the central Slovenian airport into a traffic platform which will be a logistical, business and economic zone in the true meaning of the word - a meeting point of different, but complementary economic activities.

In Slovenia, there is a shortage of larger consolidated pieces of land designed for logistics activity providing adequate spatial and municipal infrastructure.

Airport City, the business-logistics centre is appealing to investors mainly due to its geostrategic location. It is situated at the junction of the two important transport corridors (TEN-T) and is only 125 km distant from the Slovenian port Luka Koper, which enables up to seven days shorter transit time for cargo on its way to Central Europe.

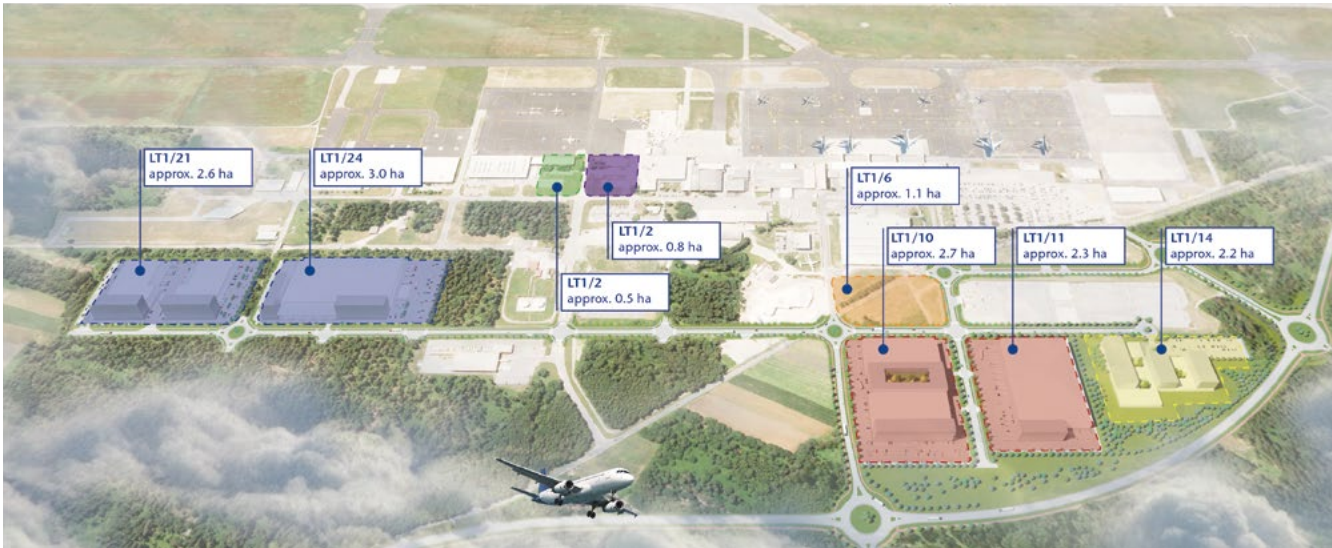
15 hectares of the land equipped with communal infrastructure is appealing to investors in the fields of logistics, hotel industry and office activities. Investors appreciate opportunities of cooperation in the form of a long-term land lease for the period of 25 years or more.

In 2019, our partner UPS started building their new logistics facility north of Fraport Aviation Academy. The construction was completed in summer 2020. DHL Express will expand their capacities as well. Last year we concluded negotiations and brought contractual obligations in line. In 2020, we expect a building permit and the commencement works of the construction. In 2021, the new facility is expected to be opened. Several other logistics companies have shown their interest in similar construction and a long-term lease of the land. We are now in the phase of bringing contracts in line with them and acquiring necessary documentation to commence the construction in the near future. A growing interest in land lease is primarily due to a good development of the logistics industry, and also a rapid growth in neighbouring business parks (Airport Business Park and Ljubljana Airport Park). The logistics centres Kuehne + Nagel and Cargo-partner are also located there, and there are some new manufacturing facilities under construction. Beside logistics, the company also encourages the field of maintenance and aircraft repair.

Negotiations for a new hangar of the company Solinair are also completed. The new hangar measuring 49m x 69m will enable our long-term partner to develop their business and maintain their aircraft in size up to the type Airbus 321. With our long-standing partner Adria Tehnika we are in the process of bringing the contract in lien regarding their new hangar, which will enable maintenance of wide-body aircraft. Several other foreign companies have shown interest in enlarging their space capacity for aircraft maintenance.

With the planned airport city, the company wishes to transform the central Slovenian airport into a traffic platform which will be a meeting point of different, but complementary economic activities.

Figure 3: Expansion plan of the Airport City



Protim Ržišnik Perc

- Area 1: LT1 / 14 approx. 2.2 ha
- Area 2: LT1 / 10 approx. 2.7 ha, LT1 / 11 approx. 2.3 ha, total size approx. 5 ha
- Area 3: LT1 / 21 approx. 2.6 ha, LT1 / 24 approx. 3 ha, total size approx. 5.6 ha

- Area 4: LT1 / 6 approx. 1.1 ha
- Area 5: LT1 / 2 approx. 0.5 ha
- Area 6: LT1 / 2 approx. 0.8 ha

Business activity

The year 2019 was mostly marked by troubles and bankruptcy of the biggest Slovenian air carriers Adria Airways at the beginning of October. Due to the rapid establishment of the most profitable flights and an increase in flight frequency (Frankfurt, Zurich, Munich, Brussels) in less than three weeks following the Adria Airways bankruptcy, the company's 2019 sales figures decreased by only 2% compared to the year before.

Operating revenues in the amount of 47,276,000 euros were 1.7% higher than in 2018, mostly due to higher

other operating revenues obtained from cashed-in insurances against Adria Airways' receivables. Operating expenses amounted to 36,445,000 euros and were 14% up compared to 2018, particularly on account of higher labour costs and impairment of receivables from Adria Airways.

A faster growth in expenses over revenues in 2019 brought about the decrease in the operating earning before interest, taxes and depreciation (EBITDA) compared to the year 2018 in the amount of 2,839,000 euros.

Higher depreciation in the amount of 5,442,000 euros in 2019 was the consequence of the increased investment activity in infrastructure, which will also continue in the year 2020 with the construction of the new terminal.

The company made 10,831,000 euros of operating profit (EBIT) in 2019, which was 25.3% down compared to the year 2018. We ended the year 2019 with a pre-tax profit of 10,481,000 euros, and a net profit of 8,733,000 euros, which was down 26.4% compared to 2018.

Table 1: Economic indicators in the period 2015-2019 (in euros)

Category	2015	2016	2017	2018	2019
Balance sheet total	112,614,155	116,809,665	109,706,000	124,512,598	132,212,108
Investments in fixed assets	89,305,107	86,254,776	85,555,704	92,298,039	98,878,064
Equity	100,110,897	102,385,495	93,545,931	105,480,183	113,703,217
Operating revenues	34,899,065	36,068,568	41,889,645	46,483,009	47,275,823
Net sales revenues	34,816,006	35,990,655	41,673,031	46,258,280	45,320,631
EBITDA	13,100,556	14,053,218	16,042,145	19,295,593	16,273,009
EBIT	9,142,293	9,978,103	11,686,200	14,529,493	10,831,172
Net profit	8,441,597	9,047,712	9,646,547	11,870,073	8,733,394
EBITDA / average fixed assets	0.159	0.174	0.198	0.232	0.185
EBITDA / operating revenues	0.375	0.390	0.383	0.415	0.344
Operating expenses / revenues	73.8%	72.3%	72.1%	68.8%	77.1%

Graph 3: Economic indicators in the period 2015-2019 (in thousand euros)

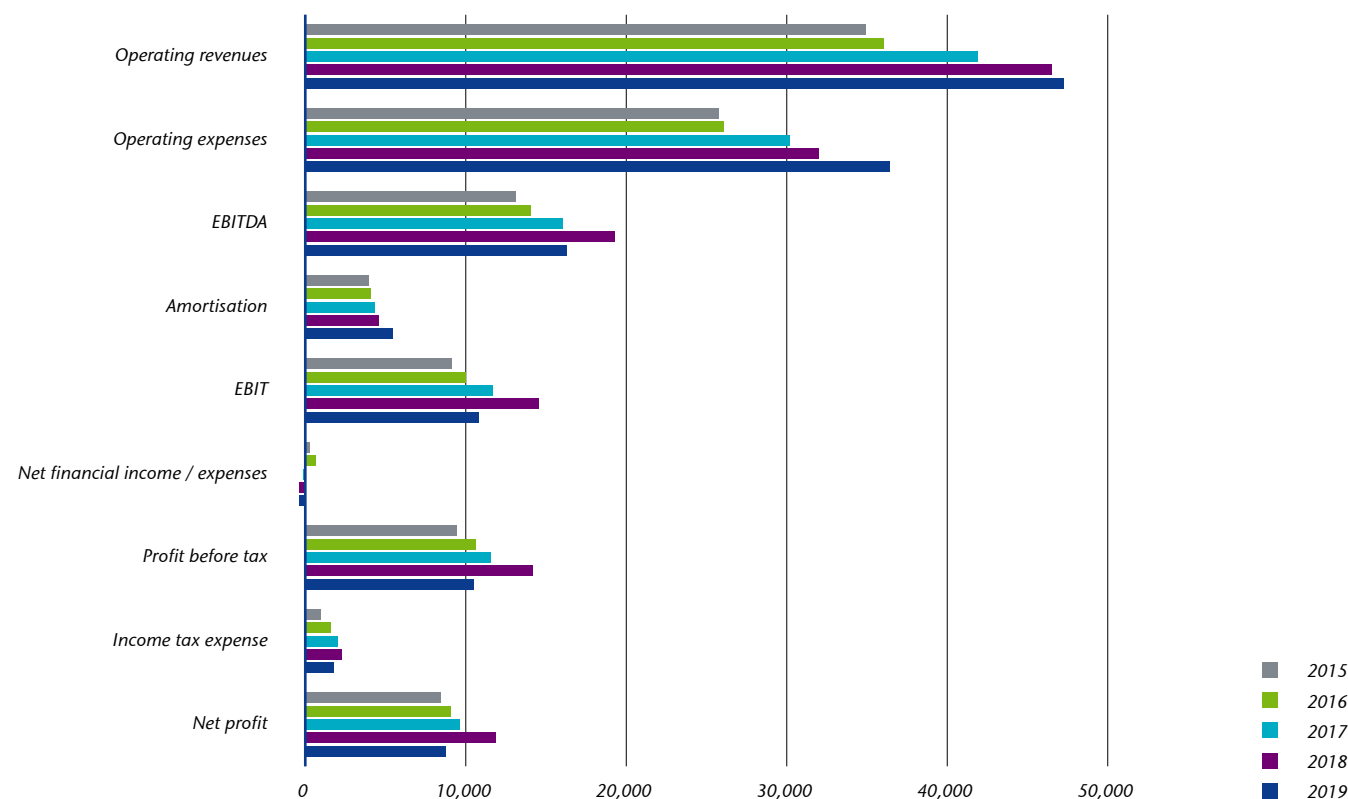


Table 2: Statement of the company's financial position

(in thousand EUR)	31. 12. 2018	31. 12. 2019	Proportion (in %) 2018	Proportion (in %) 2019	Index 19/18
ASSETS	126,321	132,212	100.0	100.0	104.7
Non-current assets	94,675	100,147	74.9	75.7	105.8
Intangible assets	1,617	1,675	1.3	1.3	103.6
Non-current assets	92,489	97,203	73.2	73.5	105.1
Other non-current assets	568	1,269	0.4	1.0	223.5
Current assets	5,287	4,272	4.2	3.2	80.8
Cash and cash equivalents	25,793	27,430	20.4	20.7	106.3
Current operating receivables	5,287	4,272	4.2	3.2	80.8
Other current assets	567	363	0.4	0.3	64.0
EQUITY AND LIABILITIES	126,321	132,212	100.0	100.0	104.7
Equity	105,102	113,703	83.2	86.0	108.2
Non-current liabilities	11,868	12,104	9.4	9.2	102.0
Current liabilities	9,352	6,405	7.4	4.8	68.5

Table 3: Highlights of the company's business result

	2018	2019	Index 19/18
TRAFFIC			
Number of passengers	1,818,229	1,727,136	95.0
Aircraft movements	35,512	31,489	88.7
Cargo (in tonnes)	25,907	24,875	96.0

ANALYSIS OF PERFORMANCE (in thousand euros)

Operating revenues	46,483	47,276	101.7
Net sales revenue	46,258	45,321	98.0
Operating expenses	31,980	36,445	114.1
EBITDA	19,296	16,273	84.3
Amortisation	4,609	5,442	118.1
EBIT	14,529	10,831	74.5
Net finance income/expenses	-353	-350	99.3
Pre-tax profit	14,177	10,481	73.9
Income tax expense	2,273	1,747	76.9
Net profit	11,870	8,733	73.6
Total comprehensive income of the period	11,937	8,576	71.8
Value added (operating revenues – costs of materials and services – other operating expenses excluding revaluation operating expenses and provisions)	34,933	35,905	102.8

BALANCE SHEET (in thousand euros)

Assets as at 31. 12.	126,321	132,212	104.7
Equity as at 31. 12.	105,102	113,703	108.2

EMPLOYEES

Number of employees 31. 12.	483	478	99.0
Average number of employees based on hours worked	460	481,4	104.7

INDICATORS

EBITDA margin	0.42	0.34	82.9
EBIT margin	0.31	0.23	73.3
Net ROE - in % (net profit / average no. of employees based on hours worked)	12.71 %	8.31 %	65.4
Net ROA - in % (net profit/average assets)	10.06 %	6.76 %	67.2

Passenger traffic

After two years of significant growth in air traffic Fraport Slovenija recorded a 5% decline in the number of passengers in 2019. The traffic volume was largely affected by the destiny of our domestic air carrier Adria Airways, which after 58 years of operation announced its bankruptcy on 30 September 2019.

Until its bankruptcy, Adria Airways accounted for a 50% share in the number of Ljubljana airport passengers. Fraport Slovenija was well prepared for the bankruptcy. This is the reason the takeover of the most lucrative Adria Airways flights already started in less than three weeks after the bankruptcy. Swiss International Air Lines connected Ljubljana with Zurich on 16 October 2019. It was followed by Lufthansa with its flight connection Ljubljana-Frankfurt on 27 October 2019. The flight connection Ljubljana-Munich was established on 1 November 2019. Brussels Airlines established its flight connection Ljubljana-Brussels on 4 November 2019.

At this point it is worth mentioning that the existing air carriers at Ljubljana airport increased either the frequency of their flights or the capacity of their aircraft:

- Air France increased the number of flights from six to 13 a week;
- Air Serbia increased the number of flights from 11 to 17 flights a week;
- Montenegro Airlines increased its number of flights from four to six a week;
- LOT Polish increased its number of flights from seven to eight a week;
- Aeroflot replaced their 90-seat aircraft with 140-seat aircraft.

Fraport Slovenija was well prepared for the bankruptcy of Adria Airways. This is the reason the takeover of the most lucrative Adria Airways flights already started in less than three weeks after the bankruptcy.

In December 2019, foreign air carriers already increased the number of passengers by 61.5%, compared to December 2018. The total number of passengers in the same month was 21.3% lower than in December 2018. At the end of 2019, there were still no flight connections to Vienna, Prague, Copenhagen, Manchester, Sofia, Skopje, Tirana and Sarajevo. It was a plan to replace 90% of the 2018 traffic in 2020. It seemed that the above-mentioned air carriers from the winter timetable would be joined by at least five new air carriers in the summer timetable 2020: British Airways announced four flights a week to London Heathrow Airport, Iberia announced four flights a week to Madrid, Finnair announced daily flights to Helsinki, Wildrose two flights a week to Kyiv, and Israir twice flights to Tel Aviv. The expectations for charter flights were comparable to the previous year. The charter air carrier Trade Air announced to base one airplane at Ljubljana airport. Unfortunately, all these expectations about further traffic development were completely changed in March 2020.

Cargo traffic

As elsewhere around the world, air cargo growth started to slow down or it was even on a downward trend at the end of 2018. Air cargo traffic is a good indicator of what is happening in the economy globally, and Slovenia is no exception in this perspective. The Adria Airways bankruptcy also contributed its share to the reduction in air cargo traffic. A pronounced peak traffic on certain days did not alter much. In certain services it exceeded the available capacities even more pronounced, compared to the past.

The peak traffic trend is expected to go on. For this reason, we are now working on finding a few scenarios of a possible solution to this problem within the existing storage infrastructure or with its partial enlargement. There is still one possibility open; to follow the guidelines of the Master Plan of the airport development which in its initial phase envisages 6,000 m² of new storage facilities, a separate apron for cargo aircraft management, and access roads and a manipulation platform on the ground side of the airport.

Table 4: Number of aircraft movements in the period 2015–2019

<i>Aircraft movements</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>
<i>Public traffic</i>	23,212	23,181	26,045	27,231	23,624
<i>Domestic air carriers</i>	15,973	15,069	17,166	17,651	12,125
<i>Foreign air carriers</i>	7,239	8,112	8,879	9,580	11,499
<i>General aviation</i>	8,444	8,300	7,319	7,128	6,999
<i>Other*</i>	1,238	1,220	1,080	1,153	866
Total	32,894	32,701	34,444	35,512	31,489

Table 5: Movement of the number of passengers in the period 2015–2019

Potniki	2015	2016	2017	2018	2019
Public traffic	1,438,304	1,404,831	1,683,071	1,812,411	1,721,355
Scheduled carriers	1,297,124	1,306,280	1,557,412	1,656,661	1,563,537
Low-costers	171,076	204,316	305,632	357,173	359,695
Charter carriers	141,180	98,551	125,659	155,750	157,597
General aviation	3,639	3,811	4,506	4,671	5,560
Other*	22,636	2,834	981	1,147	221
Total	1,464,579	1,411,476	1,688,558	1,818,229	1,727,136

Table 6: Cargo type and quantity in the period 2015–2019 (in tons)

	2015	2016	2017	2018	2019
Aircraft	10,144	10,379	12,327	12,378	11,365
Goods	9,015	9,093	10,961	10,903	10,095
Mail	1,129	1,286	1,367	1,475	1,271
Truck	8,427	9,202	11,362	13,128	12,864
Other**	298	221	625	401	646
Total	18,869	19,802	24,314	25,907	24,875

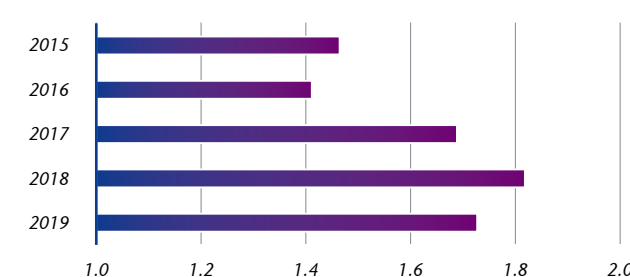
* School, position or technical flight.

** Receipts for customs cargo

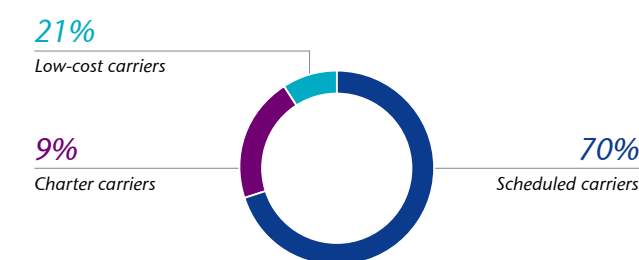
Figure 4: Network flight connections



Graph 4: Number of passengers in the period 2015–2019
(in millions)



Graph 5: Number of passengers (in public traffic) according to types of carrier in 2019 (in %)



Sustainable Communication

A two-way transparent communication is the heart of our values, strategic business orientation and daily operations. With such a network of interpersonal relationships we can timely predict challenges and respond to them in the best way we can. We also recognise our opportunities and with the assistance of our partners react to them quickly. Our strategic and crisis communication has helped us to prevent a huge business damage and to keep business and interpersonal relationships at a respectful level.

Our internal and external communication is well-planned and systematic. When communicating with different public audience we follow the principles of proactive, fair, transparent and non-discriminatory communication and timely response. The most vital place in communication of our company is communication with our customers and other airport users, with the owner (investor), media, buyers, suppliers, the employees and with the local community. In communication we pursue the following objectives:

- strengthening a good company’s image and credibility,
- raising awareness about the identity and advantages of our company,
- building trust in the company and loyalty to our brand,
- creating a direct dialogue-based relationship with users,
- highlighting our advantages,
- positioning our company as an advanced, well-organised and development-oriented organisation that intensively follows aviation trends and takes care of the needs and wishes of the airport users and provides them with comprehensive handling.

Communication is understood as a mutual flow of ideas, positions and evaluations, which is important for strategic business analysis and consensus-building. This way we identify opportunities for improvement, receive feedback, and connect individuals, groups, departments, society and the local communities. Sustainable reporting is an important aspect of our communication. We proactively follow the development of communication trends among different stakeholders as well as communication channels. Thus we synergistically connect them into the communication web.

The new company’s intranet portal was established in 2019, a key communication point for all employees of Fraport Slovenija.



Transparent
and quick, as well as respectful and compassionate communication is our guide, even in the times of major market turmoil. We keep focusing on our employees, passengers, media and the general public. With our internal and external communication, we are building trust and paving the way to new opportunities.

Brigita Zorec, Head of Corporate Communications

The new company’s intranet

The new company’s intranet portal was established in 2019, a key communication point for all employees of Fraport Slovenija. The portal enables a two-way communication between the company’s management and other employees and their involvement. In one place it combines all the relevant information necessary for their work. Since the nature of work is field work for most of Fraport Slovenija employees – working outside the office environment (the airport apron, hangars), the intranet is available also on mobile devices, and - bearing all safety standards in mind - also at home or in a remote place.

The project was carried out in several phases and designed to involve employees from different work areas, who participated in workshops, the planning of the content and user experiences, preparation of the project specification, implementation, testing and the launch of the intranet. As the company's central communication tool, the new intranet is based on communication already known from social network with the emphasis on user experiences, which enable:

- social functions such as sharing comments and likes;
- a possibility to create multimedia contents and videos;
- content co-creation;

- integration with business and technical applications already used by the employees;
- tagging and looking for contents based on attributes;
- registering for various events, making reservations;
- various levels of user rights and personalisation;
- a mobile version enabling the work and the access from everywhere and anywhere.

With the use of the intranet portal the employee-management communication has become much easier. At the same time, employees have now the access to all the information necessary for their daily activities (f.e. detailed data about arrivals/departures equipped with the data about the type and demands of the aircraft in detail).

The response from the public is exceptionally positive, since the intranet is actively used on a daily basis. This is now altering the way how people within the organisation connect and communicate with each other. They also contribute to boosting the organisational culture. According to some employees, the new intranet is fast, responsive and friendly to use, also on mobile devices. Above all, it integrates people and data.



Project team for the new intranet site

Materiality matrix

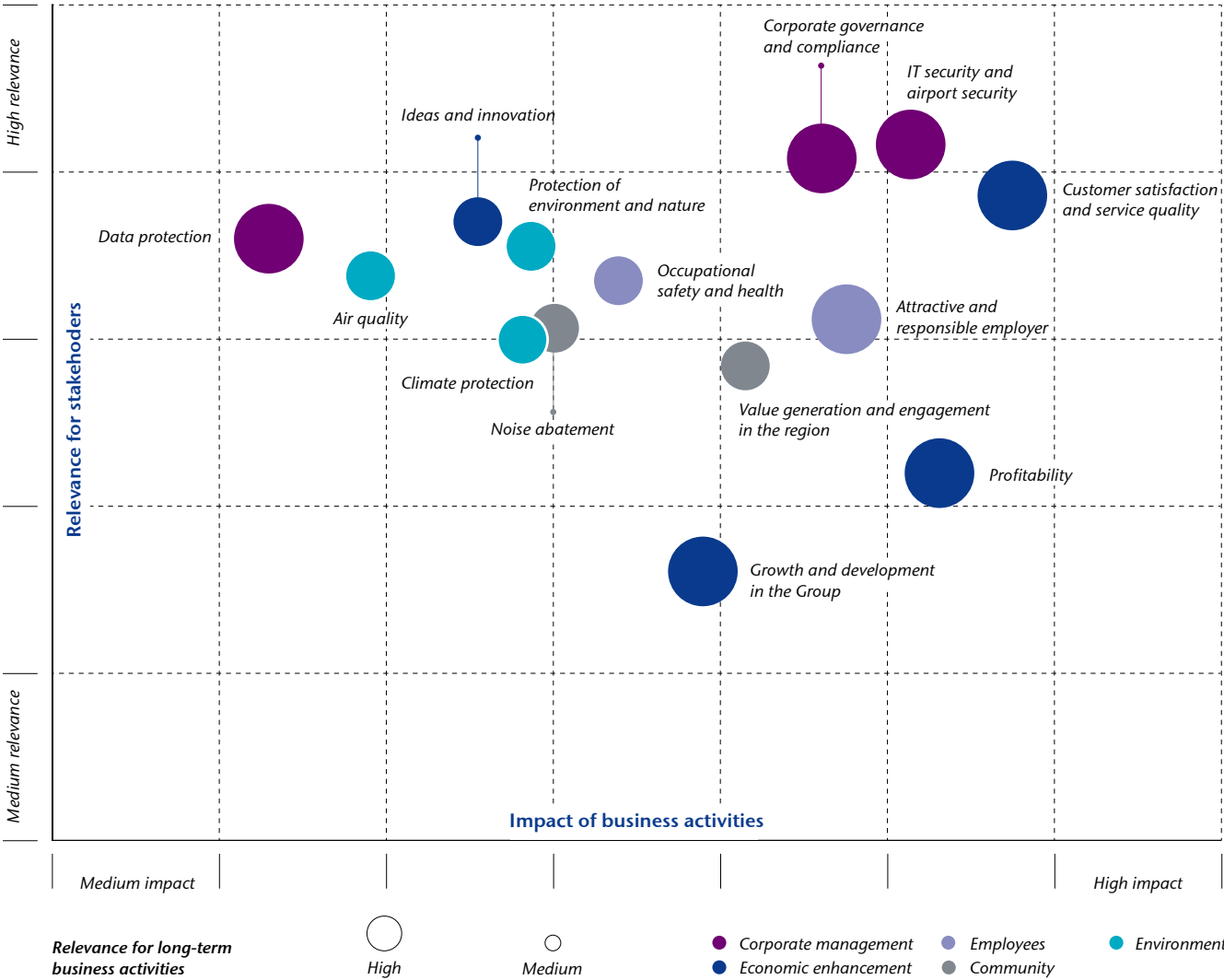
Strategic orientation of the parent company Fraport AG is based on a systematic dialogue with internal and external stakeholders. Since 2010, Fraport AG has been developing its materiality matrix which is used to show the company’s key challenges. In the materiality matrix, Fraport AG identifies those areas that have a great impact on business activity and strategic importance to society. At the same time, it recognizes and evaluates the factors that are important for strategic stakeholders. In 2018, based on an electronic survey, the company carried out evaluation of key topics made by all key stakeholders. The key topics comprise five areas: corporate governance, economic improvements, employees, environment and social community.

From the point of view of Fraport AG's business, customer satisfaction and services quality are rated highest, which is also very important for strategic stakeholders. Management and compliance as well as company's reputation as an attractive and responsible employer are very important areas both to the company and to the stakeholders. Profitability is very important to Fraport AG and is given slightly less importance by strategic stakeholders. The company places the Group's growth and development among its highest priorities, while this is somewhat less important to the stakeholders.

Generally all categories of management are rated as very important, as are the categories of economic enhancement. Occupational safety and health as well as ideas and innovations, which fall under the field of employees, are rated as of medium importance. All categories of environmental areas have the same status (protection of environment and nature, climate protection, air quality) and communities (value generation and integration in the region, noise abatement).

It should be emphasized that, despite certain differences in importance for Fraport AG, all categories are important, otherwise they would not be included in the materiality matrix. All categories are carefully managed and progress is measured. Fraport Slovenija takes over the essential topics defined by the parent company, and it reasonably incorporates them into its environment.

Figure 5: Materiality matrix



Corporate governance and compliance
Responsible corporate governance and compliance with the national and international laws and regulations and internal policies. Commitment to combating corruption and bribery.

Data protection
Protection of personal data against improper use and protection of the right to privacy of individuals.

IT security and airport security
Ensuring security of information systems (IT) which are essential to protecting the data. Maintaining high standards of operative airport safety and compliance with the statutory security obligations.

Customer satisfaction and service quality
Strong focus on customers and services. Increasing the Group's competitiveness.

Profitability
Ensuring profitability of Fraport Group with profitable investments and efficient use of the existing sources.

Growth and development in the Group
Growth, consolidation and expansion of the Fraport Group portfolio.

Ideas and innovations
Development of new products and more efficient processes.

Attractive and responsible employer
Protection of jobs, ensuring a work environment characterised by diversity, equal possibilities and respect. Ensuring a balance between work and private life, and development opportunities for employment, training and keeping employee loyalty.

Occupational safety and health
Keeping and promoting physical and mental health of the employees.

Value generation and engagement in the region
A positive contribution to the economical development of the region where the airport operates. Taking part in charity projects in the vicinity of the airport and keeping dialogue with our stakeholders.

Noise abatement
Improvements of the noise situation in the populated areas around the airport and maintaining the noise level within the legally permitted level.

Climate protection
In accordance with the Paris Agreement to reduce CO₂ emissions on account of increasing energy efficiency, producing and using renewable energy, and by using systems driven by alternative energy sources.

Protection of environment and nature
Careful use of natural sources and continuous improvement of environmental efficiency, such as reducing consumption of drinking water, preventing waste generation and increasing waste processing, soil and water protection, and maintaining biodiversity.

Air quality
Recording air pollutant emissions from aircraft operations.

Strategic stakeholders

Strategic stakeholders	Goals	Communication tools
Employees	<i>Satisfied and motivated employees. Positivity and openness among employees. Successful business performance.</i>	<i>Daily information on everything in connection with the company and employees over the intranet portal. Regular meetings and colleges. Office hours of the management for employees. Bulletin boards. Annual social events for employees and their children. Regular and open dialogue with the trade unions and works council. Answering employees' questions, expressing employees' opinions and suggestions. Employees' meetings. Organisation and co-financing social events. Fun Airport Festival. Social media.</i>
Passengers and visitors	<i>Giving maximum consideration to the wishes and needs of our passengers and visitors. Providing current information on our services and flights, which allows efficient information flow necessary for mobility of population.</i>	<i>Direct attitude of employees towards passengers and visitors. Website. Social media, video and digital presentations. Brochures, leaflets and other printed material. Systematic collection of questions, responding to opinions, suggestions, complaints and words of praise. Airport tours. Open days at the airport. Announcements about fresh news and attractive information for passengers and the general public in different media. Different methods of measuring passengers' satisfaction.</i>
Business partners	<i>Giving maximum consideration to the wishes and needs of our business partners. Achieving common sustainable goals and enhancing good business relations.</i>	<i>Personal communication over the phone, electronic devices and direct communication (in person, individual and group meetings). Printed material. Electronic presentations and other forms of presentation and promotional material. Social media.</i>
Owners	<i>Achieving business outcomes. Fair relations. Long-term company's development.</i>	<i>Personal communication. Phone and electronic communication. Financial and business reporting. Annual and sustainability report, other business documents and presentations.</i>
Local communities	<i>Establishing and retaining good relations, high-quality environment, and developing social environment.</i>	<i>Sponsorships and donations for local events, organisations and individuals. Communication via media. Open days at the airport. Airport tours. Fun Airport Festival. Providing practical training. Responses and activities upon relevant topics and questions posed by local citizens (f.e. noise).</i>
State and the EU bodies	<i>Compliance with the statutory competences of the national authorities and the EU bodies in accordance with the principles of the rule of law.</i>	<i>We are involved in preparation of procedures of sectoral regulations in the phase of public consultation.</i>
Media	<i>Credible information on company's activities. Enhancing the company's reputation and prompt elimination of eventual communication noise.</i>	<i>Reports and press releases. In-depth material and presentations. Digital communication with media. Individual and group meetings with journalists in person. Press conferences and events for journalists (public stuns). Timely and honest answers to all questions. Checking and analysing all publications in media (press coverage).</i>



Due to a long-lasting close cooperation with Fraport Slovenija the bankruptcy of the domestic air carrier was really painful for employees of both sides, professionally and personally.

Communication in difficult times and Adria Airways bankruptcy

Financial difficulties of Adria Airways, which escalated with flight cancellations and delays over the summer, reached the peak when their entire aircraft was grounded and the bankruptcy proceedings started in October 2019. The bankruptcy of the domestic air carrier, a well-established domestic brand which contributed to approximately a half of all the air traffic at the airport, caused a significant decline in the air traffic of Fraport Slovenija, and thus also its financial consequences. Due to a long-lasting close cooperation between both organisations, this incident was really painful for employees of both sides, professionally and personally. However, the bankruptcy was no surprise to us. We were ready for it.

We knew this would be a demanding and complex project in terms of communication. We adhered to the principles of a transparent, clear and rapid, as well as respectful and compassionate communication where we focused on employees, passengers, media and the general public. Before the bankruptcy, our communication was reactive and restrained. We gave comments only on facts, and not on speculations. Immediately after the bankruptcy announcement, we started to communicate proactively, sending messages to media and convening press conferences and workers' assembly. We kept emphasising we believed in a further air traffic growth at our airport.

To support this statement, we soon announced new flight connections and the fact that irrespective of a significant loss of air traffic at the airport we were heavily investing in the modernisation of the airport infrastructure - above all in the new passenger terminal. A lot of attention was paid to our internal communication. A homogeneous and committed team in critical times is more important than ever. The analysis of media reporting in the first month after the bankruptcy announcement showed a frequent and intensive daily exposure of the topic and Fraport Slovenija also correlated with it. 96.8% of the reporting was neutral. A bit over 2% of all publications were extremely positive, only 1% of them were extremely negative towards Fraport Slovenija.

Socially Responsible Projects

We continually monitor expectations of the wider social environment in terms of the company's sustainable operation by analysing our socially responsible attitude. Social responsibility means for us making decisions and commitments, and above all actions that follow promises. Despite the effects our business activity has on the wider environment we try to continuously demonstrate our commitment to sustainable development and operate in compliance with the norms of socially responsible operation by organising numerous socially responsible projects in the fields of art, culture, sports and also in the humanitarian field. Through socially responsible practice we want to contribute to much better health and sustainably oriented economic and natural environment. A proof of our sustainable social responsibility can be seen in putting a lot of effort into the company's comprehensive and balanced business operations.

Social events

We encourage socialising and building informal relations among the employees, therefore we organise various social events. Each year we organise trips, sporting events, the traditional New Year's party for employees, and giving gifts to their children with the presence of GrandPa Frost.

Listening to social distress of employees

We regularly offer solidarity financial help in cases of death of our employees or their family members whom they supported. We listen to social distress of employees. This is reflected through our immediate response by offering financial support in cases of elementary accidents and providing additional days off to employees who have been involved in accidents or have helped in such events.

At the New Year's party, organised for employees, we also collected participation for children of the employees who live in financial distress.

Sonček booth

Prior to the Easter time and December holidays we organise the so-called Sonček booth in the passenger terminal. Passengers, visitors and airport employees can find here Various pieces of arts and crafts (greeting cards, dolls, ornaments, clay products, etc.) are hand made by persons suffering from cerebral paralysis from Center Sonček Kranj. We offer passengers, visitors and our employees the opportunity to buy the ideal gift for the holidays. All the funds earned at the booth are, as a reward for their work, distributed to the disabled and the employees of the daily care and working centres of the organisation Center Sonček Kranj.



Guided tours



By organising guided tours we want to bring the aviation world closer to those who do not travel by plane, or those who want to have a deeper look into the background of it.

Most often we cooperate with kindergartens, elementary schools, secondary schools and faculties. We are happy about visits from various associations and other organised groups. We are often visited by various voluntary fire brigades, who are most interested in our airport facilities and the equipment used by our fire and rescue unit. Each year we are visited by several thousands of visitors in this way.

Health promotion through exceptional sports achievements

Health promotion with sporting activities is a popular activity of employees in Fraport Slovenija. A large number of employees take part mainly in running and cycling events. Enthusiasts of the most demanding sporting challenges have proven the success of our sporting activities. Among the employees we support are mountain runner Alenka Pavc and firefighter Anže Habjan, who compete in extreme running and firefighting sports trials. In 2019, we were delighted at the success of our work colleague Gaber Gunde, who participated as a veteran in World Rowing Masters Regatta in Hungary. He was placed third in the Double Sculls category, which was an astounding success amid strong competition.



We remain loyal to our regular sponsored individuals

In 2019 we remained loyal to the individuals who we had sponsored and donated for many years. In sports we continued sponsoring the Slovenian Nordic ski teams and Marathon Franja. By sponsoring the Olympic Committee of Slovenia we support the Olympic values and positively influence the recognition of Slovenia and Slovenian sports around the world. We also support the development of culture and art in the capital city - Ljubljana Festival, and we are in partnership with Gallery of Prešeren Award Winners in Kranj. We also support some other sporting events, local sports associations and talented athletes and other individuals with funds of a smaller extent. We also donate to humanitarian, cultural and health institutions and associations in neighbouring municipalities, and also to the organisations that are frequently visited by our employees.

Poetry collection Touching the Distance



In cooperation with the Gallery of Prešeren Award Winners from Kranj in 2017 we published the first part of the poetry trilogy titled Dotiki daljav (Eng. Touching the Distance) which incorporates poems in several languages written by Prešeren laureates. In 2019 the second part of the collection was prepared, which extends over the period 1971–1995 and presents 23 Prešeren award winners, who were awarded for their poetic creativity. This edition includes also some of the artworks made by Vladimir Makuc, who is also Prešeren award winner from the mentioned period above. The mission of the poetry collection is to take the Slovenian poetry and art into other parts of the world. There is no more suitable place to do that than in the central national airport, which is on the one side a representative centre of a certain region, and on the other side a Babylon space where time, language and routes are intertwined, forming a global space without geographically defined identity. The poetry booklet was distributed among our passengers, so the Slovenian poetry flew to different parts of the world.

Fraport Slovenija apiary



In spring 2019, we placed a Fraport Slovenija apiary, with ten hives on the meadow behind the covered car park of the airport. The bee family which is settled in the apiary belongs to the indigenous Slovenian species Apis mellifera carnica, the Carniolan honey bee.

Fraport Slovenija art collection



The central airport of a country can also be gallery space suitable for presentations of the national art and culture. This mission is even more important considering the fact that we are passengers' first contact with Slovenia at the airport and also their last before they leave the country. Fraport Slovenija art collection is based on three pillars and represents a significant overview and presentation of the Slovenian modern art of some artists from Gorenjska region which is also closely related to the airport. However, the large part of our collection was created by thirty-three Prešeren Award winners. The art work of the Prešeren Award winners represents the most noble and recognizable part of our collection, which we constantly upgrade in partnership with the Gallery of Prešeren Award Winners from Kranj.

Apis mellifera carnica excels at its diligence, modesty and a great sense of orientation. All these qualities are also reflected in people who care for bees and live with them. A special feature of the apiary are wonderful hive paintings made at our invitation by some pupils of Davorin Jenko Primary School in Cerklje na Gorenjskem. Selected ten hive paintings were permanently placed on the apiary, the rest of them were exhibited at an occasional exhibition in our passenger terminal and later on also on the school premises. The pupils who exhibited their paintings could participate in an organised tour of the airport and its background, as a reward for responding to our invitation.

Sustainable Employees Relations

In extremely dynamic, even shocking times the existence and development of an organisation can only be assured through its employees who keep holding to the organisation’s strategic vision and exhibiting their operational experiences. Fraport Slovenija can boast of such employees. For this reason, the company is trying hard to keep as many jobs as possible, despite experiencing extraordinarily tough times. At the same time, we are trying to provide working conditions to be encouraging for personal and professional growths of our employees. Constant trainings, a sincere and comprehensive communication, adherence to high ethical standards, providing equal possibilities for all and creating a safe, healthy and family-friendly work environment are the virtues we want to cherish and be loyal to them.

Fluctuation and structure of employees

At the end of 2019 there were 478 employees in the company, which was 1% less than the year before. After years of employment growth - in 2018 the company had almost 13% more employees than the year before – it was recorded a small decline, which was minimal due to the company's good strategic readiness for market turmoil. Prevailing employees in our industry are men – just under 74%. With a strategic recruitment process and human resources management we provide such an age structure of our employees that can enable an intergenerational exchange of knowledge and experience. In the age group up to 30 years of age there are just under 18% of employees, almost 29% of

employees fall into the age group 31-40, and 33% of employees fall into the age group 41-50. There are more than 18% of employees in the age group 51-60, and only almost 3% of employees are older than 60. 9% of employees have primary education (completed elementary school), more than 15% of employees are qualified workers, almost 40% of employees have secondary education. 34% of employees have tertiary level of education: 10% of employees have short-cycle higher education level, 11% of employees have completed professional college, 13% of employees have completed a university study, and 11 employees have a master’s degree (more than 2% of employees).

Table 7: Employee fluctuation in the period 2017–2019

Age class	Number of terminations (at will) *		
	since 1. 1. 2017 to 31. 12. 2017	since 1. 1. 2018 to 31. 12. 2018	since 1. 1. 2019 to 31. 12. 2019
Up to 30	1	3	3
31–40	4	7	8
41–50	0	4	2
51–60	0	0	0
Older than 60	0	0	0
Total	5	14	13

* Excluding retirement, death and terminations under Article 108 of the act ZDR-1 (Labour Relations Act), considered are only employees employed for an indefinite period of time.

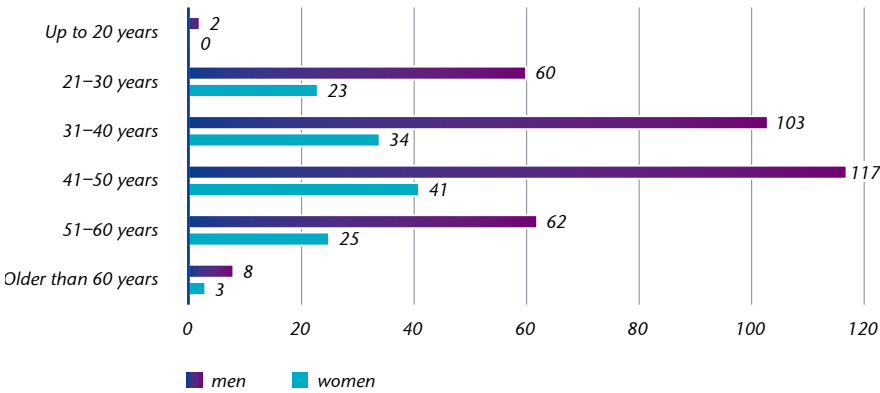


Encouraging

working environment in turbulent and really unpredictable times can be maintained and redefined only by working together - with employees who see the sun above the clouds, maintain their prudence, while at the same time strengthen their flexibility and innovativeness by seeking new opportunities. At the same time, we invest in professional knowledge and skills, as well as in interpersonal relationships.

Špela Uršič, Head of Human Resources and Training

Graph 6: Number of employees according to age and gender on 31 December 2019



After years of employment growth it was recorded a small decline, which was minimal due to the company's good strategic readiness for market turmoil.

Table 8: Number of employees according to the level of education in the period 2017–2019

Ravni izobrazbe po SOK-u	31. 12. 2017	%	31. 12. 2018	%	31. 12. 2019	%
Level II (completed elementary school)	44	10.28	45	9.32	43	9.00
Level III (incomplete secondary school)	0	0.00	0	0.00	0	0.00
Level IV (qualification for a certain job)	72	16.82	83	17.18	74	15.48
Level V (completed secondary school)	168	39.25	193	39.96	190	39.75
Level VI (completed a short-cycle high. edu. study)	35	8.18	44	9.11	46	9.62
Level VII (completed a higher education study)	42	9.81	49	10.14	51	10.67
Level VIII (completed a university degree)	61	14.25	60	12.42	63	13.18
Level IX (completed a master's study)	6	1.40	9	1.86	11	2.30
Level X (completed a doctoral study)	0	0.00	0	0.00	0	0.00
Total	428	100.00	483	100.00	478	100.00

Providing equal career opportunities

As a company operating in an international environment, we promote employee diversity and act to ensure equal possibilities to all and we reject discrimination of any kind. Based on our employment policy and positive attitude to employees we ensure equal possibilities irrespective of their gender, race, skin colour, age, health status or disability, religious, political and any other belief, membership in the trade union or in the works council, national or social origin, family status, financial state, sexual orientation or any other personal circumstances.

Prevention of mobbing

We reject any maltreatment that would violate the dignity and hurt personality of employees. Our Rules on prevention and elimination of consequences of workplace harassment and ill-treatment ensures adequate measures in cases of violation. Professionally qualified and empowered representatives help employees in cases of addressing and preventing the issue of mobbing.

Communication with employees

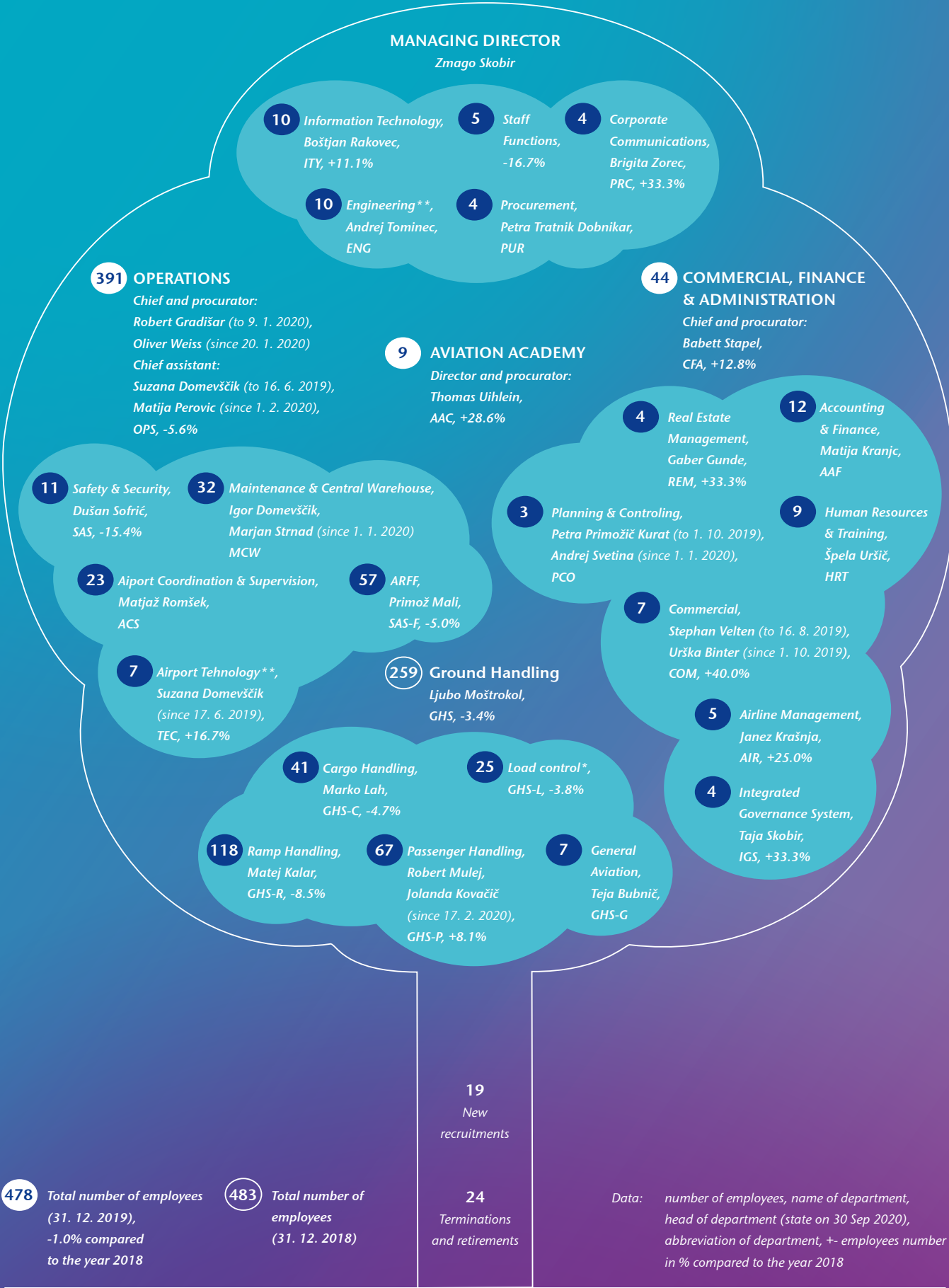
When communicating with the employees we strive to have well-informed employees. We keep our employees informed about the strategy, vision,mission, values of the company, and about some other significant information. We have a dialogue with them. The intranet portal has the central position when we communicate with the employees. Other tools used in communication with the employees are regular meetings and bulletin boards, and for new employees also induction rounds through the company's departments. The emphasis is on personal communication between the company's management and work colleagues, whereby also electronic ways of communication are used (e-mails, phones, digital applications, etc.). We regularly summon general meetings for all the staff, and the company's management also takes part in the works council meetings. We annually arrange meetings for our employees and their children, and we are in favour of socialising with work colleagues in different sporting and cultural events.

Code of conduct and Standards of behaviour

Guidelines for ethical and moral conduct of employees and other individuals working in or for the company are laid down in the company's Code of conduct for employees and Standards of behaviour. The company's Ethics committee has been operating since 2014 and has the authority to deal with eventual complaints about violations of ethical conduct or any other topic related irregularities in the company. In 2019 there was no complaint recorded about violating the Code of conduct. Complaints about serious infringements of law can also be submitted or reported indirectly to the external human rights ombudsman of Fraport AG, whereby anonymity of applicants is assured.

We keep our employees informed about the strategy, vision, mission, values of the company, and about some other significant information.

Figure 6: Employees tree



* Since 1 May 2019, it has been a level 4 independent organisational unit (formerly level 5)
** On 17 June 2019, the Technology & Engineering organizational unit broke up and two independent units were established - Engineering and Airport Technology

Child labour and youth work

The company rejects all forms of forced child labour. The legal age for work shall not be below the age of which children are obliged to attend formal school and in no case this age is below 15. Youth shall not be exposed to any hazardous situation or the situation which could adversely affect their health.

Measuring employee's satisfaction

We used Fraport barometer to measure the organisational climate of the company in November 2019, and 445 employees (93% of the total employees) participated in it. The satisfaction index was 3.32. At this point we must emphasise that the questions of the survey were renewed, and due to comparability of the index results only a small selection of nine permanent statements from research (42 in total) were kept, with the grading scale of 1 meaning the best and 6 meaning the worst assessment.

In comparison with the year before, more employees confided in a responsible conduct of business and in taking their own interests into account in the decision-making process. Abilities and skills of their managers, continuity and safety of employment were positively assessed. The employees also felt proud of working for Fraport Slovenija. The research also showed some improvement opportunities especially in the field of employee career development and reimbursement for the work accomplished. In the latter case, it is however worth mentioning that the employees providing operational services were more satisfied with their current salaries as in the previous year.

445 employees participated in measuring the organisational climate.

Compliance management committee

The Compliance management committee consists of three members:

- head of integrated governance system as an authorized person for compliance;
- head of human resources and training;
- legal counselor.

The basic tasks of the committee are:

- to address breaches of compliance and preparing measures for the immediate elimination of non-compliance;
- to consider the statement about family members, related persons and competing activities of employees and to assess the nature of the conflict of interest and eventual consequences arising from the conflict.

In case a decision on the existence of a conflict of interest is positive, the proposals to handle such conflict are the following:

- organisational measures in respect of the control of work of the employee handled;
- functional separation of the activities of employees in order to prevent simultaneous involvement of a certain employee in various units, activities or services if this could arouse a conflict of interest;
- offer of another job in the company, where a conflict of interest does not or will not exist;
- rejection of a job application (in case another application for a particular position is submitted).

Committee addressed in year 2019 three infringements of compliance of company's operation.

3.32 was the satisfaction index of the employees in the year 2019.

Family-friendly enterprise

The company continued implementing all its family-friendly measures, among which we need to highlight giving gifts to the first-graders of our employees and corporate volunteering. The 2 September 2019 was a really special day for our 25 first-graders. To make the first days in a primary school a great experience for the first-graders, Fraport Slovenija prepared a surprise for them. The company gave each of them a magnetic book in order for these curious toddlers to explore the animal world. At the beginning of October, a corporative voluntary action was carried out in the organisation Center Korak. The action was attended by 15 our employees who worked eight hours in a working atmosphere full of enthusiasm to help renovate the premises and to form wooden cubes for boardroom games. In these newly acquired premises intended for rehabilitation of individuals suffering from a brain damage our employees carefully completed the polishing and painting works of the doors, walls, ceilings, wall panelling, heating bodies and fences in staircases. They also gave a fresh look to the benches in the nearby garden of Center Korak. Our volunteers were really skilful and quick while polishing and painting wooden cubes for boardroom games intended for their sale at the Center Korak bazaar in November and also for business gifts. Fraport Slovenija volunteers were trying really hard to enable the users of Center Korak a better quality of accommodation and rehabilitation there. The staff and the users of Center Korak accompanied us with a great deal of gratitude and satisfaction. Being a family-friendly enterprise is only one of the fields where our company is doing its best to make the employees feel good at work.

There are also numerous other benefits available to employees. We assembled all the benefits in one place and informed the employees about them in form of posters in order to allow them to enjoy those benefits as much as possible.

These benefits were presented in detail according to different areas: health, social life, free time, family and financial benefits. In 2020, we will also adjust to the reduction of non-necessary operating costs by reducing benefits for employees.

Employee benefits

Kako skrbimo za vas?

Fraport Slovenija beleni vsajeno rast poslovanja na letališču. K dobrih rezultatom bistveno prispevate zaposleni v družbi, saj brez strokovno usposobljenih sodelavcev, z izkušnjami in pripravljenosti ter sposobnostmi medsebojnega sodelovanja, družba takih rezultatov ne bi mogla dosegati. Hvalilec smo za doprinos vašega posameznika in si prizadevamo, da bi se naši sodelavci na delovnem mestu in izven njega dobro počutili. Ta prizadevanja uresničujemo s številnimi ugodnostmi za zaposlene. Povežite, ali jih poznate in ali so med njimi taktine, ki so vam na voljo, pa jih do sedaj še niste izkoristili.

- Zdravje**
 - Creptenje: Načinu creptenja prosti krogomenu usposabljanje in usposabljanje.
 - Letalske vasilne: Vsak letalen usposabljanje brezplačno jutranje vasilne.
 - Program WellVital: "Zdravi in vasilni na delovnem mestu": Organiziramo brezplačne diagnostične merila in posredujemo za spoznavanje zaposlene pri diagnosticirani zdravstvenih ciljev.
 - Sporne zdravilne: Načinu iskanje zdravila za iskanje zdravilnih, učinkovitostne lastnosti za iskanje zdravil ter organiziramo iskanje zdravila za iskanje zdravil.
 - Travni vasilni: Vsak letalen usposabljanje vasilni.
- Prosti čas**
 - Delo v skrajšanih delovnih časov: Organiziramo delo v krajših delovnih časov (tudi dnevno delovnega obdobja).
 - Povabilna namestitev: Načinu iskanje zdravila v posredovanju namestitev.
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- Finančne ugodnosti**
 - Zvišanje osnovne plače: Osnovno plačo avtomatično vsako leto zvišujemo za 0,8 %.
 - Variable del plače: Načinu iskanje zdravila v posredovanju namestitev.
 - Letna nagrada za poslovno uspešnost: V letnem delovnem letu vsak zaposleni prejme letno nagrado za poslovno uspešnost.
 - Povabilna namestitev: Načinu iskanje zdravila v posredovanju namestitev.
 - Načinu iskanje zdravila v posredovanju namestitev: Načinu iskanje zdravila v posredovanju namestitev.
- Družabno življenje**
 - Iskanje zdravil: Organiziramo iskanje zdravil.
 - Iskanje zdravil: Organiziramo iskanje zdravil.
 - Iskanje zdravil: Organiziramo iskanje zdravil.
- Družina**
 - Iskanje zdravil: Organiziramo iskanje zdravil.
 - Iskanje zdravil: Organiziramo iskanje zdravil.
 - Iskanje zdravil: Organiziramo iskanje zdravil.

Health

- Vaccination
- Morning physical exercise
- WeltVital Programme "Healthy and vital at the workplace"
- Sporting activities
- Fresh fruit

Free time

- Part-time working time
- Holiday accommodations
- Unpaid absence from work due to social or health issues
- Flexible working hours

Financial benefits

- Raising the base salary
- Variable part of the salary
- Annual reward for the company's business performance
- Reimbursement of transportation and food costs at the workplace
- Compensation for absence from work due to illness or injury
- Solidarity assistance
- Supplementary pension insurance
- Accident insurance
- Free parking
- Discounts for employees

Social life

- Trips
- Parties
- Corporate volunteering

Family

- Flexible working hours
- Giving gifts to children
- Child care
- Family events

Education and training as a supporting pillar

Fraport Slovenija builds its long-term competitive advantage on top knowledge from multidisciplinary fields related to aviation. With this supporting pillar, the company is positioning itself in the global aviation market.

This pillar incorporates a number of internal and external modules of training, a highly competent Fraport Aviation Academy and a state-of-the-art training centre with cutting-edge technology.

Training of employees

Knowledge and staff development are of great importance in our company. Considering current and future needs for fresh knowledge, we annually prepare educational plans within the company and educational institutions in Slovenia and abroad. The company performs a business activity that requires a lot of specific knowledge and skills, most of which require licences that can be obtained from Civil Aviation Agency of Republic Slovenia. Regular training activities are the basis for obtaining and renewing the licences.

All pieces of evidence in terms of training and education programmes of employees are available in their personal files. All procedures of specific knowledge or skills are documented and regularly updated, and also aligned with requirements of regulations and air carriers. The company ensures that all specific knowledge and skills are widespread among employees, so there are always enough employees available in the company who possess specific knowledge in order to perform fundamental company’s processes.

Internal training

In 2019 13,510 hours of training were performed for regular employees, attended by 3,445 employees. On average, each employee participated in 28.1 teaching hours annually, which represents nine hours less than the year before. Most of the training were performed in the fields of professional on-the-job training, transition to new information systems (computer training), and learning foreign language. We paid a lot of attention to the training regarding development of leadership skills.

Training of external providers

In 2019, the employees attended 123 external training activities in total.

The prevailing trainings among them were vocational trainings of employees dedicated to upgrading the knowledge of professional competences required for their job, and training of firefighters.

274 participants attended external trainings. They performed 8,573 teaching hours in total. 31.3 teaching hours were performed per individual participant, and 17.8 teaching hours per employee.

External training

In addition to internal training, the company also performs training of trainees, where in 2019 1,844 participants from different companies were included.

Most of the training was provided in the framework of the renewal of knowledge in the field of security and safety at the airport.

Table 9: Internal training in 2019

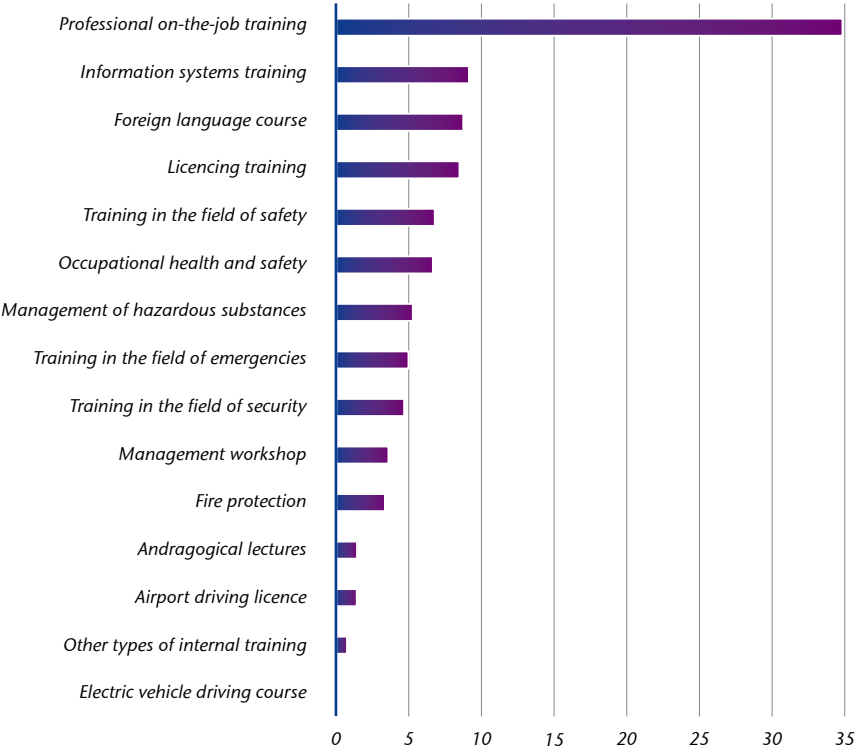
Type of training	Number of participants	Number of teaching hours	%
Professional on-the-job training	748	4,704	34.82
Information systems training	156	1,232	9.12
Foreign language course	590	1,180	8.73
Licencing training	135	1,144	8.47
Training in the field of safety	324	914	6.77
Occupational health and safety	299	897	6.64
Management of hazardous substances	162	711	5.26
Training in the field of emergencies	184	670	4.96
Training in the field of security	228	630	4.66
Management workshop	120	484	3.58
Fire protection	341	451	3.34
Andragogical lectures	6	192	1.42
Airport driving licence	64	189	1.40
Other types of internal training	78	98	0.73
Electric vehicle driving course	10	14	0.10
Skupaj	3,445	13,510	100.00

13,510
hours of internal training

7.2
training per employee

28.1
teaching hours per employee

Graph 7: Types of internal training in 2019 (according to hours in %)



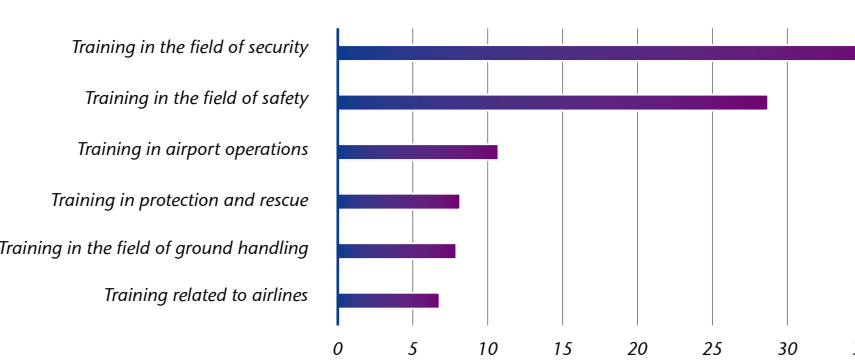
35%
professional
on-the-job training

Table 10: External training in 2019

Training	Number of participants	%
Training in the field of security	710	37.69
Training in the field of safety	541	28.72
Training in protection and rescue	202	10.72
Training in airport operations	154	8.17
Training in the field of ground handling	149	7.91
Training related to airlines	128	6.79
Total	1,884	100.0

1,884
external participants

Graph 8: Types of external training in 2019 (according to the number of participants in %)



66%
training in the field
of security and
safety

Aviation Academy

The Aviation Academy responds to the training needs of individuals within Fraport Group and the wider market. The academy represents an expansion of Fraport Slovenija’s main business activity. Fraport AG and Fraport Slovenija opened a new training centre for the Aviation Academy on March 2019 at the Ljubljana Airport, in the total worth of six million euros. The demand for professional trainings within Fraport Group and in the wider market is expected to grow sharply.

The training centre provides more than 1,500 m² of indoor space used for classrooms, simulators and other specialised equipment. And there is a testing ground for practical training through simulations of real situations of fire, disabled aircraft and some other types of accidents. The academy offers a wide range of aviation trainings, together with its partners. The academy has approached to providing trainings comprehensively.

This means it has brought Fraport Group’s experts together and integrated them with specialised partners in terms of shaping comprehensive curricula. 36 different curricula are currently available by the academy, above all in the fields of firefighting, protection and rescue. Some curricula are also designed for crisis management, airport operations and ground handling. The fields of education and their curricula will be further expanded in the near future.



There is a testing ground for practical training through simulations of real situations of fire, disabled aircraft and some other types of accidents.

Events in 2019

Intersec



The team of the Aviation Academy again attended the world’s leading trade fair for safety, security and fire protection - Intersec 2019. There were over 35,000 visitors last year from 126 countries around the globe.

Aviation Academy grand opening



The training centre of the Aviation Academy was inaugurated on 6 March 2019. In addition to the official opening of the centre, two Open days were organised: for employees at the airport (including our employees) and representatives of local professional and voluntary firefighting associations.

Passenger Terminal Expo



Together with Fraport Group representatives we participated the event Passenger Terminal Expo in London in May, which is considered the world’s leading international airport conference.

Broken wing drill



In June, a traditional 3-day drill of practising crisis response called Broken wing was executed at the Ljubljana Airport, the main purpose of which was to check the response and coherent operation of all the involved in case of a plane crash, including civilians and military staff. The drill was organised by the Civil Aviation Accidents and Incidents of Military Aircraft Investigation Commission of the Ministry of Defence, in cooperation with General Police Directorate, Administration of the RS for Civil Protection and Disaster Relief, Criminal Police Directorate, National Forensic Laboratory, Faculty of Organisational Sciences and Fraport Slovenija. More than 70 members of different organisations took part in the drill. In addition to domestic professional public the drill was watched by some guests from aviation investigation authorities from the USA, the United Kingdom, Austria, Hungary, France and Germany.

Training of aircraft accident investigation



The training centre hosted aircraft accident and incident investigators from numerous European countries in spring 2019. The training was carried out by the company Southern California Safety Institute. Apart from our company also Aircraft Accident and Incident Investigation of Military Aircraft Services of the Ministry of Defence took part in the training.

Opening of the decontamination centre



The company Decontex SI, in cooperation with Fraport Aviation Academy and the company Electrolux Professional, launched its first centre for integrated cleaning and decontamination of firefighting protective equipment at the Ljubljana Airport. It is one of the most modern centres around the world using cutting-edge decontamination technology with liquid CO₂. It was a two-day event attended by around 80 guests from Slovenia and abroad, including high-level representatives of firefighting organisations and development partners.

Meeting CTIF airport group



Over 20 representatives of the airport group (under the international organisation CTIF, International Association of Fire & Rescue Services) met in the training centre in September 2019. There were talks about environmental challenges, such as airport and aircraft electrification, some new statutory requirements and recommendations, innovations in the field of firefighter's outfits and vehicles, and also about recent aircraft accidents.

1,500 m² of indoor space the training centre provides for classrooms, simulators and other specialised equipment.

Occupational safety system

A high level of occupational safety and health of all employees is a strategic commitment of Fraport Slovenija. We ensure safe and healthy working environment for all employees and take all necessary measures to prevent accidents and harmful effects of our main activity on the health of our employees. In order to achieve even higher quality of occupational safety and health, we introduced in 2018 occupational safety system, according to ISO 45001 standard.

Strategic objectives of occupational safety system

- Our strategic objectives until 2025 are:
- maintenance of occupational safety system (ISO 45001);
 - reducing the number and severity of injuries or damages through regular work safety training, additionally raising employee awareness and regular work process controls;
 - improvement of work environment by providing regular measurements and work environment controls; adjustment of work environment to employees according to their needs;
 - update and improvement of work equipment;
 - update and improvement of personal protective equipment;

- improving cooperation with external providers of occupational safety by providing information and concluding written agreements and regular controls;
- promoting occupational health (organising internal and external sporting events, various workshops, trips and other activities).

Occupational injuries

In recent years the number of occupational injuries has on average stood at around ten injuries per year. Although those injuries have been merely minor injuries, such as injuries to legs, arms and fingers, backaches and similar injuries, we are continuously striving to improvements in this field. Occupational diseases have not been recorded yet.

Non-occupational injuries

Similar to injuries at work we also monitor injuries that happen outside of work. There are 20 to 30 such non-work related injuries per year in the company. The most common reasons for this are different types of fall (tumble, stumble, slip) and sports injuries. There were in total 33 non-occupational related injuries in 2019.

Absence from work

There were 7,476,13 days of absence from work in 2019. Almost 68% of all absences were due to sick leave, the second most frequent reasons were maternity leave and paternity leave (almost 17%).

Maternity and paternity leave

There were six female employees and one male employee on maternity leave in 2019. 22 male employees decided to take paid paternity leave, 11 of them immediately upon the childbirth, while two employees took unpaid paternity leave. 13 children (11 boys and two girls) were born to our employees in 2019. The employees were rewarded with 150 € for each newborn baby (1,950 € in total).

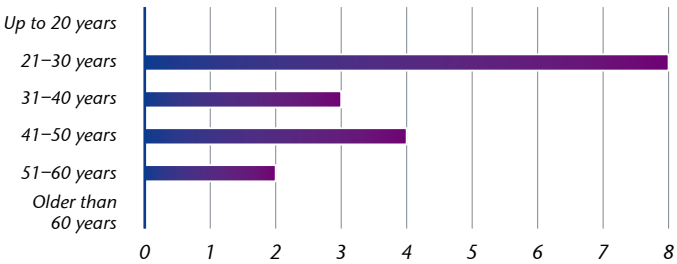
2,000
hours of paid paternity leave
new dads took in 2019.

Table 11: Employee absence from work in the period 2015-2019 (in days)

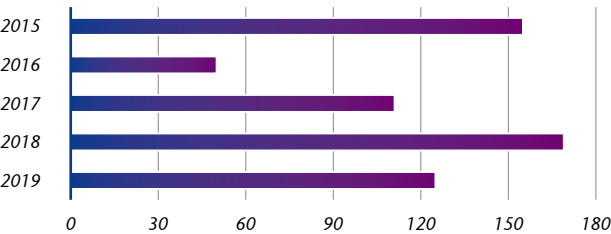
Absence from work less than 30 days	2015	2016	2017	2018	2019
Sick leave	2,419.38	2,433.38	2,812.75	3,381.00	3,285.00
Occupational injury	90.00	36.00	100.25	111.50	125.75
Absence from work more than 30 days					
Sick leave	593.00	235.50	659.75	1,214.25	1,789.00
Occupational injury	65.00	14.00	0.00	57.00	0.00
Non-occupational injury	228.00	197.50	278.25	589.00	468.00
Nursing care, escort, child rehabilitation training	246.63	345.13	323.63	357.13	299.63
Maternity or paternity leave	936.00	1,129.00	1,205.00	1,517.00	1,256.00
Disability leave	140.50	130.50	130.00	140.50	130.50
Blood donations	78.00	82.00	79.00	86.00	89.00
Other reasons	0.00	13.25	0.00	5.50	48.25
Total	4,796.51	4,616.26	5,588.63	7,458.88	7,476.13

We ensure safe and healthy working environment for all employees and take all necessary measures to prevent accidents and harmful effects of our main activity on the health of our employees.

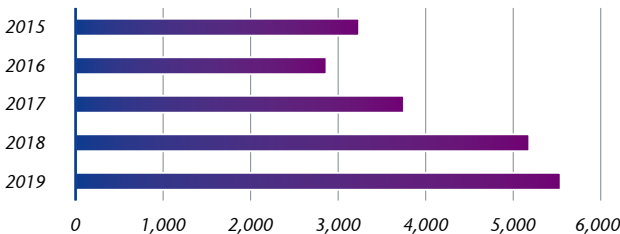
Graph 9: Occupational injuries according to age groups in 2019



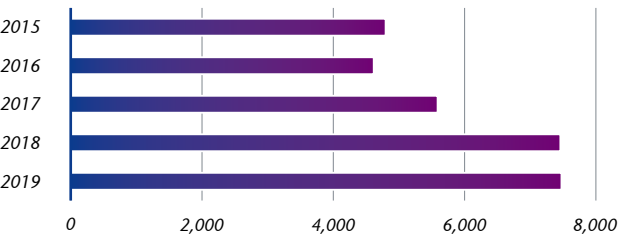
Graph 10: Occupational injuries in the period 2015-2019 (in days)



Graph 11: Sick leave and injuries in the period 2015-2019 (in days)



Graph 12: Employee absence from work in the period 2015-2019 (in days)



Health promotion



We place a strong emphasis on promotion of active leisure activities and motivation for it. Each year we prepare a plan and provide resources for sports activities. In 2019 we took part in five running and one cycling events. All employees together made 1,064 kilometres of running and 1,410 kilometres of cycling in 2019. In May and June 2019, we organised a workshop focused on cycling in cooperation with an external partner. 16 our employees participated in it. The company's management is aware of the importance of good relations in the company, so it organised two sports days and excursion for employees in 2019.

Social events play a significant role in getting to know each other and strengthening bonds among employees from different company units. We also organised vaccination against seasonal influenza attended by 13 employees. To achieve a high level of occupational safety and health of employees we raise employee's awareness by organising topic-related regular training activities and by using a consistent control over the use of personal protective equipment. The company encourages and actively supports employees to take on personal responsibility for maintaining their health.



For employees' better well-being and active start of their working day we organised a morning workout which took place twice a week at a location near the airport, and for tennis enthusiasts we provided the use of the tennis court in Kranj four times a week.

In order to promote a healthy lifestyle we have continued with 'fruit day'. Every Wednesday, different sorts of fruit from local producers were available to employees at the workplace.

Sustainable Relations with Passengers, Visitors and Business Partners

Our relations with passengers, visitors and other business partners are based on social responsibility and a sustainable mission. As the airport infrastructure operator and the sole ground operator at Ljubljana airport we take care of the passengers, their luggage, aircraft and cargo. Within the commercial activities available at the airport we provide several retail shops and catering facilities, as well as transport services to and from the airport, advertising and car parks. We regularly monitor the needs and wishes of the airport users as we strive to surpass their expectations and therefore we aim to adjust the capacities and quality of the airport infrastructure, and we also strive for efficiency of our business processes. We build our relations with suppliers based on the Code of conduct for suppliers, and we expect from all of our suppliers to commit themselves to compliance with the provisions of the Code.

Policy and strategy of relationship with business partners

In the fields of hospitality and trade offer at the airport we continued, together with our existing business partners, to strive for even better quality of our services. We adjusted our offer to our passengers' requirements and to other airport customers by analysing their needs. We put a lot of attention to the planning of new opportunities within the new terminal. In cooperation with our tenants we constantly strive to establish sustainable development relating to the offer of airport services. In doing so, we have successfully expanded our offer of local Slovenian products and suppliers. We also enable refilling of plastic bottles with drinking water at designated places in the terminal, and free plastic bags have been replaced by payable reusable bags. In our catering units there are also food and beverages offered for individual diets. There is also one kid's corner in each section of the terminal intended for free play of kids.

Also adults are provided with relaxation at the airport. There are several massage chairs available at the entire terminal, and also bookcrossing corners, where passengers can bring or read books or just take some on board and make them available to the rest of the world.

Our suppliers and service performers shall comply with all applicable national laws and regulations, and other adequate internationally adopted standards, guidelines and principles, such as anti-corruption laws and regulations, international anti-monopoly legislations and regulations, and competition law.

The working environment of our business partners must be safe, secured and hygienically safe. They should have an established system and take necessary measures to prevent accidents and adverse health effects.

They must allow their employees the right to freedom of association and the right to bargaining collective agreements, and they shall not allow any form of forced, compulsory and involuntary prison work that could violate human rights.

We expect from our business partners to comply with international environmental standards and statutory requirements. All our new tenants and contractors must agree on the new contractual provision with which a tenant or a contractor gets acquainted with Fraport Slovenija environmental protection policy, which is laid down in detail in Airport Use Regulation or in our Environmental Protection General Condition.

We systematically transfer all elements of our sustainable commitment into our supplier relations at all levels.



Carefully

we monitor the needs and wishes of all airport users, and we endeavour to exceed their expectations. Satisfaction of airport users is regularly measured through surveys and systematic check of complaints and compliments. We adjust all our work processes to current conditions as effectively as possible.

Ljubo Moštrokol, Head of Ground Handling

Providing information for passengers

Particular attention is paid to clear and correct marking, since we care for the well-being of our passengers and for keeping them well informed. Passengers with reduced mobility are provided with necessary information in the information points and with signs showing them the way to find the staff who will assist them with all airport formalities and escort them to board their plane. In the covered car park there are several free parking places reserved only for persons with reduce mobility, which are visibly marked and in a close proximity of the lifts and the car park exit. In case of outbreak of any contagious disease, passengers are informed about the typical signs of a particular disease and preventive measures on screens in the passenger terminal. There were no inconsistencies detected in labelling.

Premium services for passengers

Based on a special arrangement our passengers are offered premium services. Our highly qualified staff are available for such passengers from their first to their last contact with the airport.

These passengers are provided with quick and discreet care by avoiding the passing through the terminal and spending their time at the airport more unconcerned and relaxed.

Transport to the airport

Majority of the travellers arrive at the airport one or two hours before their flight. They are brought to the airport either by their relative or a friend. The second most common way to get to the airport is driving to the airport or taking a taxi. There are also some other ways of arriving at the airport, such as using airport shuttle service, rent-a-car, public transport or using electric car sharing or Avant2Go service.

Most of the travellers who use their own car to get to the airport, normally use the airport covered car park or the outside parking area of the airport. They are most satisfied with a short distance they have to make from the parking area to the main airport building, as well with the arrangement of the parking lot and the marking of parking places. On the second place, there is satisfaction with the availability of free parking places, organisation of parking places and security of parked vehicles.

Children at the airport

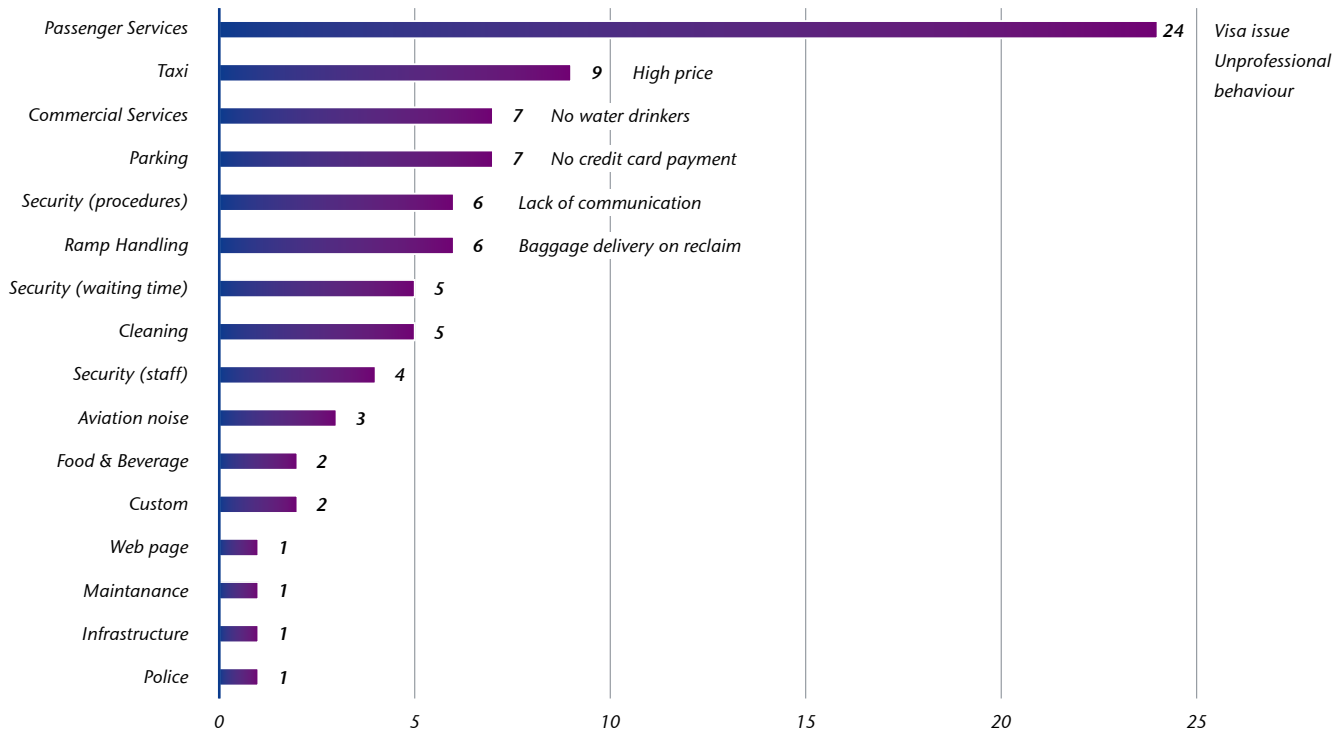
We appreciate opinions of our passengers about the quality of our airport services. That is why we regularly measure their satisfaction by questionnaires and by a systematic check of passengers' complaints and compliments. In 2019 we handled 84 complaints and 12 compliments given by passengers, airport visitors, air carriers' staff and other partners. We accurately analyse all received complaints and compliments, and where possible, we prepare adequate measures.

Analysis of complaints and compliments

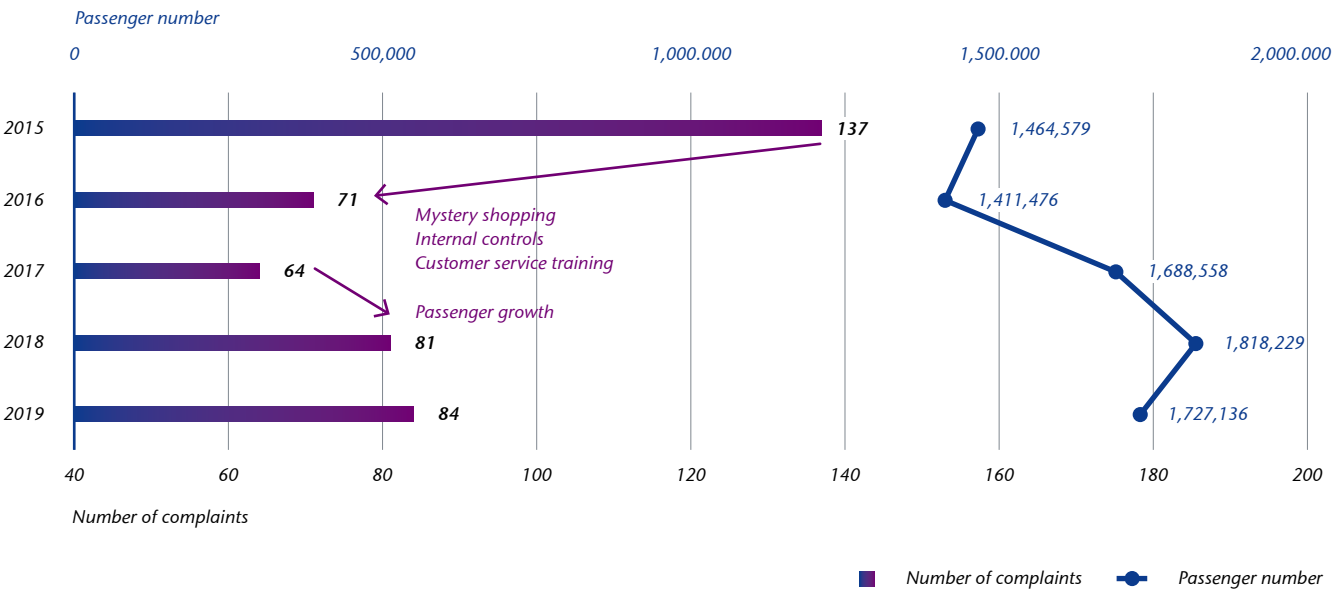
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Graph 13: Complaints in 2019



Graph 14: Passenger complaints in the period 2015–2019



Mystery shopping

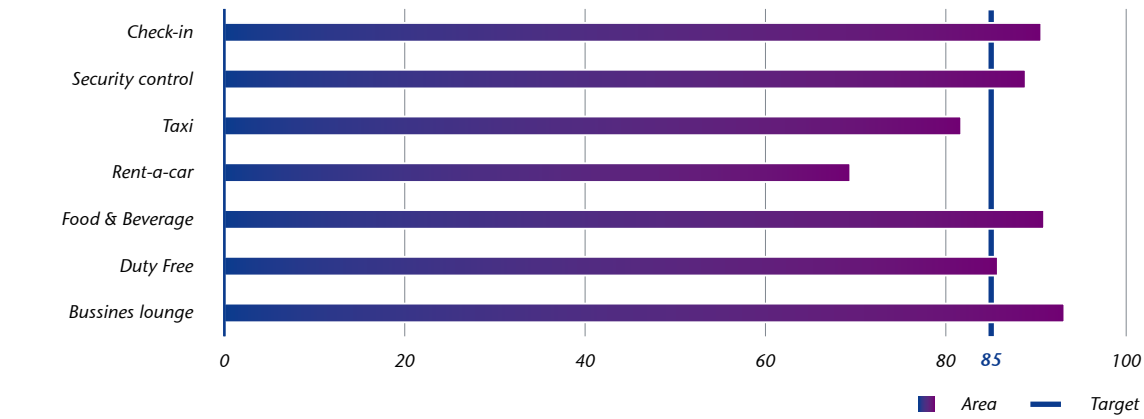


Mystery shopping service provides anonymous customer relationship research, which we use to assess the attitude of the airport staff to their customers, whereby we do not obtain such data from real customers but from the so-called mystery shoppers. In 2019 we prepared a strategic program for measuring offer and service quality for the period 2019 - 2023, which is intended for regular monitoring of the needs and wishes of airport users.

We are performing mystery shopping in the fields of food & beverage services (F&B), security control, Duty Free service and check-in procedures for years. In 2019 we also started to perform mystery shopping for taxi rides, rent-a-car and business lounge services. The research was made in order to check the quality of the operations performed by our F&B providers, security control providers and commercial services, and our check-in staff.

These results were presented to all our contractors, service providers and the check-in staff, and we jointly determined corrective measures to improve the level of customer satisfaction. For our excellent result in the field of attitude to customers within mystery shopping activity, our company received a special reward for encouraging employees called "Mystery Shopping Star 2019", awarded by the first and the biggest specialised mystery shopping agency in Slovenia.

Graph 15: Results of mystery shopping per area in 2019



Results of mystery shopping in 2019



The areas measured by the mystery shopper in F&B services were the following: food and beverages served, the procedure of serving, tidiness of the staff, additional sale, communication between the personnel and customers, first impression.



Some other criteria were defined by the mystery shopper. In 2019, F&B were available at various locations where three providers operated.



The first provider achieved an average score of 92%, the second provider 91% and the third provider almost 90%. All providers engaged in the F&B thus achieved an average score of 91%.



The areas measured by the mystery shopper in the field of security control were the following: orderliness of the security control place, kindness, tidiness and attitude of the security staff and some other criteria of the mystery shopper. In 2019, the average score was 89%.



The areas measured by the mystery shopper in the field of Duty Free Shop were the following: orderliness of the shop, presentation of a product, additional sale, tidiness of the sales staff and some other criteria of the mystery shopper. In 2019, the average score was 86%.



The areas measured by the mystery shopper at the check-in desks were the following: orderliness of a check-in desk, check-in procedures, tidiness of the staff, and communication among the employees. In 2019, the average score was 91%.



The areas measured by the mystery shopper for taxi rides were the following: arrangement of means of transport and personnel, kindness of staff, identification of needs in the wishes of the passenger, speed and quality of performance, billing, English language knowledge and communication. In 2019, the average score was 82%.



The areas measured by the mystery shopper for rent-a-car services were the following: arrangement of sales desk and personnel, kindness of staff, identification of needs in the wishes of the passenger, speed and quality of offer, and additional sale. In 2019, the average score was 69%.



The areas measured by the mystery shopper for business lounge services were the following: determination of the quality of the offer, employee behaviour, the method of communication of employees, cleanliness of sanitary facilities. In 2019, the average score was 93%.

Sustainable Relation to the Environment

Fraport Slovenija is aware of all its impacts on the social and natural environment and accepts full responsibility for them, which is why we are strategically reducing our carbon footprint, while at the same time carefully managing other risk factors related to the environment. The Integrated governance system manual is considered the master document on environmental protection, which includes the environmental management system (ISO 14001), the company’s environmental policy and the main environmental aspects, and their impacts and environmental objectives and programmes.

Environmental policy

The environmental policy, arising from the integrated governance system policy and following the principles of sustainable development, incorporates environmental commitments, strategic objectives and policies, and action plans in individual professional areas which affect the environmental.

Environmental commitments

Our environmental commitments are the following:

- taking measures to reduce aviation noise and noise from other sources,
- reducing CO₂ emissions and other greenhouse gas emissions,
- promoting efficient consumption of energy, water and paper,
- taking measures to prevent pollution,
- introducing best cases of practice in the field of waste management,
- preserving biodiversity and natural values,
- prevent pollution and soil degradation,
- incorporating environmental guidelines into procedures of public procurement,
- providing training for all individuals who might cause significant environmental impacts,
- encouraging a responsible and adequate conduct in relation to educating, informing and raising awareness of all employees about the aspects of their scope of work related to the environment,
- informing about the corporate environmental policy all the company’s business partners and other persons acting for or on behalf of the company, including contractors performing their work in the location of the company,
- compliance with the conditions imposed by the environmental legislation and other requirements,
- acquiring other environmental quality standards,
- providing human and financial resources necessary for the environmental management system and their related measures,
- encouraging transparency in communication and a dialogue with interested parties.



Efficiently

we are reducing our environmental footprint. It is our strategic objective to become carbon neutral by 2025. With new investments in efficient use of energy and renewable energy sources, circular economy and a low-carbon vehicle fleet we are, from year to year, making significant steps to achieve our ambitious objective.

Marjan Strnad, Head of Maintenance and Central Warehouse

Strategic environmental objectives

- In accordance with the environmental commitments and other requirements, we also define our strategic objectives, which are also part of the company’s sustainability strategy. The central strategic objectives in key environmental areas by the end of 2025 are:
- environmental management system: keeping the documented system of environmental management (ISO 14001);
 - noise protection: keeping noise at such a level to enable the local citizens an improved life quality;
 - transition to a low-carbon society: carbon neutrality (the programme scheme ACA);
 - waste management: reducing the share of mixed municipal waste to 25% in the total amount of waste;
 - energy efficiency: reduction and replacement of energy products harmful to the environment (heating oil, gas and diesel fuel, electricity generated by thermal power plants) for ecologically more acceptable energy sources (natural gas, renewable energy sources);
 - renewable energy sources: a growing proportion of renewables used (hydropower, geothermal power, solar and wind power, biomass, biogas).

Planning the environmental management system

- Planning the environmental management system comprises the following elements:
- determining actions to address risks and opportunities;
 - checking and managing legal and other requirements;
 - identifying and assessing environmental aspects with regard to a life cycle model;
 - determining implementation of environmental objectives with programmes.

Environmental risks

Needs and expectations of interested parties are regularly reviewed. Any deviation from the requirements and expectations is recorded and continues to take the necessary improvement measures. Also external and internal issues affecting the environment and which can pose a risk are identified. The individual environmental risks, related to its environmental aspects or compliance obligations or potencial emergency situations, are managed within the scope of the risk management system at the company's level.

Compliance obligations

The activities performed in our company are subject to the binding legal requirements which are directly linked to the identified environmental aspects and therefore must be fulfilled. For this reason we have established the Register of Legal and other Requirements.

Monitoring and reporting imposed by the legislation are collected in the Legal Monitoring and Reporting Register, which determines the tasks and activities, the person responsible for the implementation of a task or an activity, deadlines, documentation, storage, a monitoring method of execution of a particular activity, and the current status of the task or the activity. The register is regularly updated.

We also perform periodical assessment of compliance with the legislation and other requirements in three ways. In the field of environmental aspects, the system is designed in the form of the table called Register of Environmental Aspects, where complying with statutory requirements is one of the criteria to determine significant aspects. Two additional compliance evaluations are performed within the company’s regular internal audits and the annual management review.

Environmental aspects and the lifecycle model

We implement, maintain and document procedures to identify and assess all the aspects causing environment impact.

Therefore, we have established the Register of Environmental Aspects, which defines aspects, the importance of each aspect and the lifecycle model. The register also comprises a detailed description of criteria used for assessing the importance of each aspect.

Policies and action plans

- In addition to the environmental commitments and strategic objectives we have also introduced policies and action plans according to individual specific areas:
- Carbon Management Plan;
 - Energy Strategy;
 - Mobility plan;
 - Sustainable Procurement Policy;
 - Printing Policy;
 - Wildlife Management Plan.

It includes aspects that can be directly managed, the aspects that can be only indirectly influenced, and also aspects which can be direct and indirect at the same time (cumulative aspects).

In order to determine relevance of aspects, the following criteria are taken into consideration: legislative requirements, the economics and public opinion. According to these criteria, each aspect is marked with different colour: red, yellow and green. Important are those aspects which are marked with the red colour according to one or several criteria. Less important aspects are the ones marked with yellow or green colour. All the aspects are categorised in the way to include the lifecycle of services.

- The lifecycle model of a service is defined in four phases according to its nature and specificity of our processes and services:
- service design and development;
 - providing resources for the provision of services;
 - the supplier chain and the distribution network;
 - provision of services.

The environmental aspects arising from cooperation with tenants, contractors, suppliers and business partners are generally managed via contracts or written agreements or arrangements.

Directly managed and cumulative environmental aspects

Noise			Hazardous substances
Noise caused by air traffic			Storage and management of hazardous substances
Air			Consumption of energy products
Emissions caused by boiler rooms operation			Electricity consumption
Emissions caused by vehicle fleet			Gas consumption for thermal energy
Emissions caused by diesel generation units			Motor fuel consumption for vehicle fleet
Cooling systems maintenance			
Greenhouse gas emissions caused by firefighting training			
Waste			Consumption of materials
Non-hazardous waste production			Consumption of spreading material
Hazardous waste production			Aircraft de-icing material consumption
Production of construction waste			Hazardous material consumption
Aircraft cabin waste production			Office material consumption
Water			Other impacts on the environment
Generation of urban waste water			Airport external lighting operation
Generation of industrial waste water			Airport management and its impact on the nature
Production of rainwater			Electromagnetic radiation impact on the surroundings
Causing groundwater and soil pollution			
Quality and consumption of drinking water			

Environmental aspects

Environmental implementation objectives with programmes









The basis to determine implementation objectives can be the environmental policy, importance of an aspect, statutory or other requirements, savings, urgency of improvement, and financial and technological capabilities. Implementation objectives should be determined for important aspects. Implementation objectives can also be determined for the remaining aspects of lesser importance. However, they are not obligatory. Concrete programmes are then determined on the basis of implementation objectives. More demanding or complex programmes are implemented through projects. All implementation objectives and programmes are collected in the Objectives Register with Programmes. Meeting the implementation objectives and execution of programmes are reviewed within the company’s management review.



Methods of evaluation for meeting environmental objectives

- The mechanisms and tools the company uses for monitoring and reporting on the progress in the field of environmental objectives are:
- Official monitoring performed by the authorised institution, all legal environmental aspects (monitoring noise emissions in the environment, regular measurements of flue gases from boiler rooms and other devices, and regular measurements of drinking water quality, reports on waste treatment and ozone-depleting substances);
 - Continuous assessment of important environmental aspects and related environmental targets (consumption of water, energy products, motor fuels, harmful materials, etc.);

- Monitoring of key performance indicators (so-called KPI's);
- Self-assessment - a system of internal audits and corrective actions, and opportunities for improvements;
- Results of external audits;
- Monitoring the implementation of policies and action plans by individual areas;
- Review of environmental objectives within the management reviews;
- Honest, transparent and fair reporting on company's sustainable operation:
 - Sustainability report,
 - communications and press releases on the company’s website and social networks,
 - informing and raising awareness of the employees on the intranet.

Table 12: Implementation targets with programmes for the period 2019–2025

No.	Implementation objective	Programme description	
1.	Formalisation and improvement of relations with stakeholders regarding aviation noise emissions	Establishing an Airport Environmental Partnership group of relevant stakeholders (ATC, CAA, air carriers, etc.) Dealing with noise complaints	
2.	Reduction in relative carbon footprint in 2019 by at least 10% regarding the 2016–2018 average	Measures to reduce fuel and energy consumption Establishing and promoting sustainable forms of mobility	
3.	Reducing the share of mixed municipal waste to 25% in the total amount of waste by the end of 2025	Construction of a new waste collection centre Introduction of activities for more consistent waste separation at collection points (especially in the passenger terminal and in rented premises)	
4.	Complete renovation of the heat supply system (in phases)	Construction of a new energy facility The installation of cogeneration with natural gas + SPTE	
5.	Energy rehabilitation of old buildings (in phases)	Execution of rehabilitation works / additional insulation of facade and changing the fixtures (windows)	
6.	Drawing up a long-term Energy Strategy	Preparation of an action plan about a long-term energy strategy	
7.	Gradual establishment of targeted monitoring of energy consumption	Procurement of targeted energy monitoring software	
8.	Implementation of the measures from the action plan for the management of wild fauna	Management of animal habitats (particularly birds) in the areas around the airport	

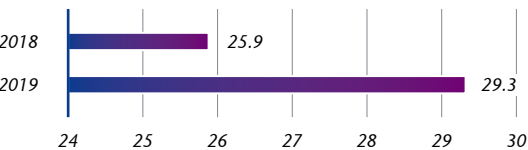
 In progress  Completed

Trend of key performance indicators in the environmental field

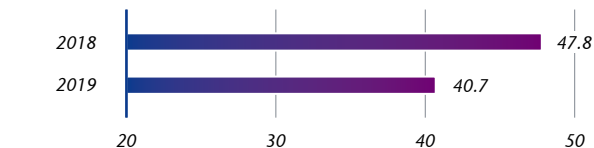
Graph 16: Relative carbon footprint (kg CO₂ / passenger)



Graph 17: Share of electric vehicles (in %)



Graph 18: Share of mixed municipal waste (in %)



– 7,1%
lower share of mixed municipal waste in 2019 compared to 2018

Noise protection

Noise is a constant companion to the airport and its activities, therefore we manage it carefully. According to the Decree regulating environment noise assessment, Ljubljana Airport belongs to smaller airports. For those airports the requirements of noise pollution are a bit stricter than for bigger airports with over 50,000 operations of air traffic annually. The main sources of noise on the territory of the airport are aviation operations (take-offs and landings) on the runway. Passenger and cargo traffic, and also general aviation are considered as the source of noise at the airport. Other sources of noise (the ones coming from road traffic, field work and other extraordinary events or incidents, etc.) are not taken into consideration when assessing our environmental impact.

In identifying aviation noise the most important parameters are the number of flights and the time of the noise burden of each flight. We monitor the number of flights via the aviation information system and the measuring system. The time of each individual noise burden is obtained from the noise measurement system. The flyover time is recorded and later on included in noise burden calculations.

In 2019, continuous noise measurements were performed at two measuring points: Šenčur (location 1) and Vodice - Lokarje (location 2). The measurements were performed between 1 January and 31 March and between 15 July and 15 August 2019, when the density of air traffic is the highest compared to the annual average.

The identification of aviation noise sources was performed on the basis of radar data, airport information system data and events recorded at an individual measuring point. Based on the identification of air operations, the shares of take-offs and landings in each direction were also determined. From the point of view of environmental noise assessment, in addition to the number of air operations, the distribution of flights over individual periods of the day is also important. Based on the measurements and calculation of ambient noise for 2019, it was determined that the day, evening, night, all-day and peak noise levels, as a result of aircraft operations, are within the permitted limits at all measuring points.

Table 13: The share of take-offs by direction in 2019

Take-offs in direction of (operations taking into account*)	Number	in %
Location 1	2,786	52
Location 2	2,622	48
Total	5,408	100

* In time of measurements in 2019 2.8% of operations (take-offs and landings) were not been taken into account.

Table 14: The share of landings by direction in 2019

Landings from the direction of (operations taking into account*)	Number	in %
Location 1	586	11
Location 2	4,932	89
Total	5,518	100

Graph 19: The share of take-offs by direction in 2019



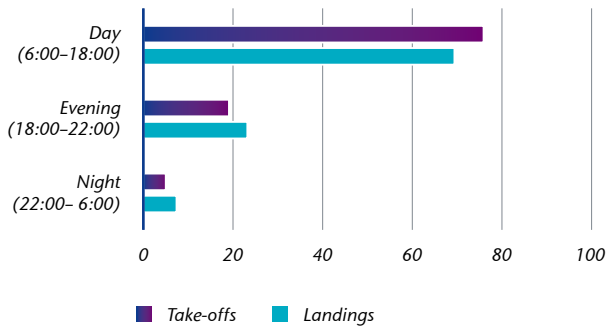
Graph 20: The share of landings by direction in 2019



Table 15: Share of take-offs and landings in 2019 in each period of the day (in %)

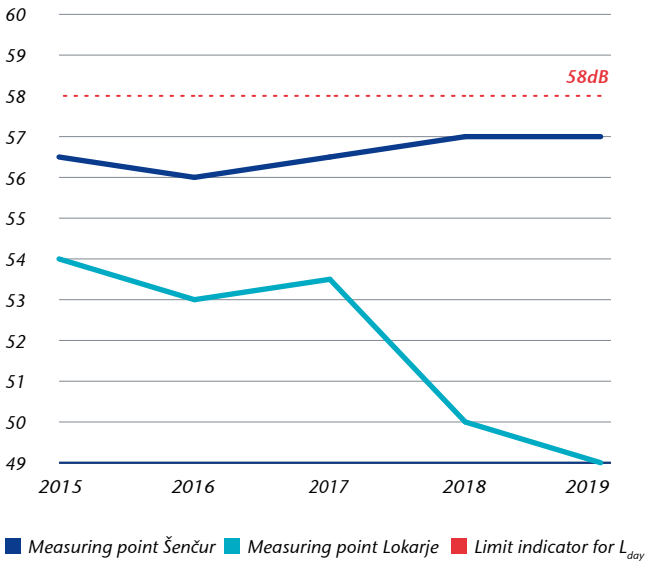
	Take-offs	Landings	Total
Day (6:00–18:00)	75.9%	69.4%	72.6%
Evening (18:00–22:00)	19.1%	23.2%	21.2%
Night (22:00–6:00)	5.0%	7.4%	6.2%
Total	100%	100%	100%

Graph 21: Share of take-offs and landings in 2019 in each period of the day (in %)

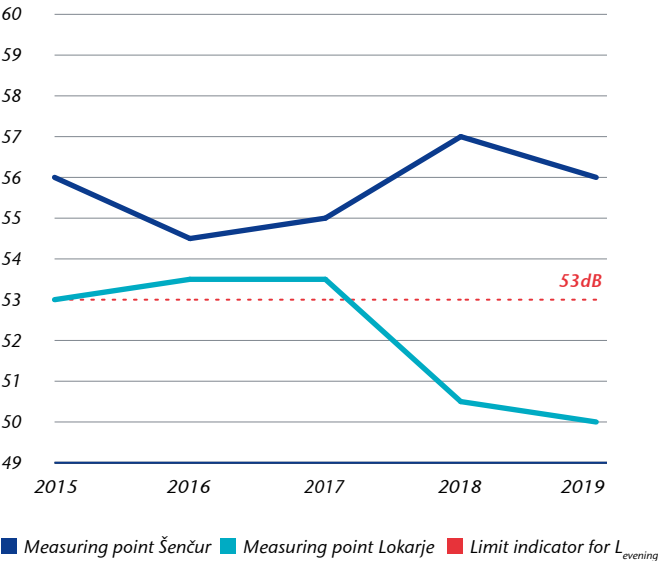


Analysis of noise indicators in the period with the highest air traffic density in years 2015–2019

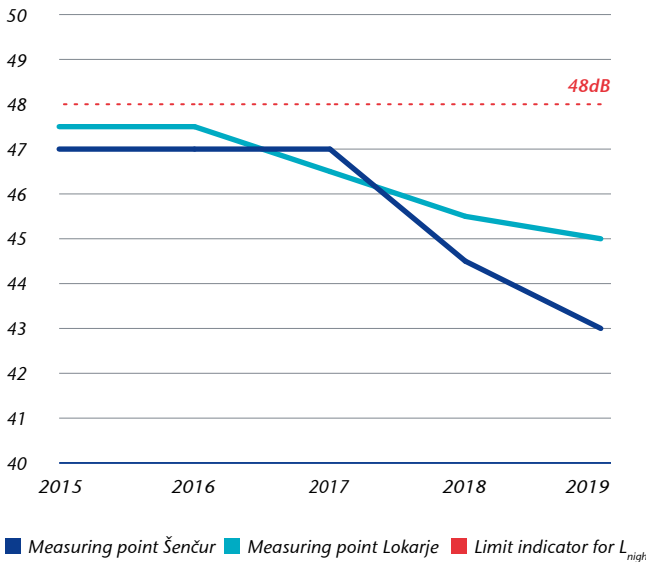
Graph 22: Average day noise values in the period with the highest air traffic density*



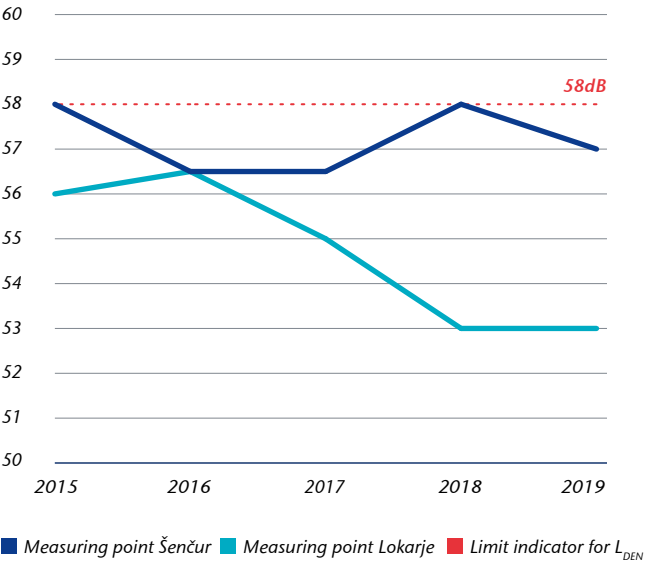
Graph 23: Average evening noise values in the period with the highest air traffic density*



Graph 24: Average night noise values in the period with the highest air traffic density*



Graph 25: Average 24-hour noise values in the period with the highest air traffic density*



* For the period 2015–2018 it is July and August, and for 2019 the period from 15 July to 15 August.

Noise maps

Noise maps are produced for the average noise of the whole year, and show noise burden in bands of 5dB or in individual isophones. In this way, the course of noise level limits is shown in relation to the indicators provided by the legislation. The base to produce a sound propagation model are the data about the annual number of operations at the airport and the data on distribution of individual operations in terms of the direction and the type of operation (takeoff/landing). The data obtained from the graphs for all four measuring locations show noise level limits measured and estimated for an individual months of the year.

Although we perform an overall estimation of noise for a period of one year, it tells us a lot about the noise levels and noise distribution for each months of noise pollution in the year. Aviation noise measurements and the sound propagation model (noise map) for 2019 show similar or even slightly lower noise burden from air traffic compared to the noise levels in 2018. Namely in 2019 we recorded 5% less operations than the year before.

The day, evening, night, all-day and peak noise levels in 2019, as a result of aircraft operations, were within the permitted limits at all measuring points.

Aviation noise at the measuring points around Ljubljana airport for the year 2019

Figure 7: Daily noise level (L_{day})

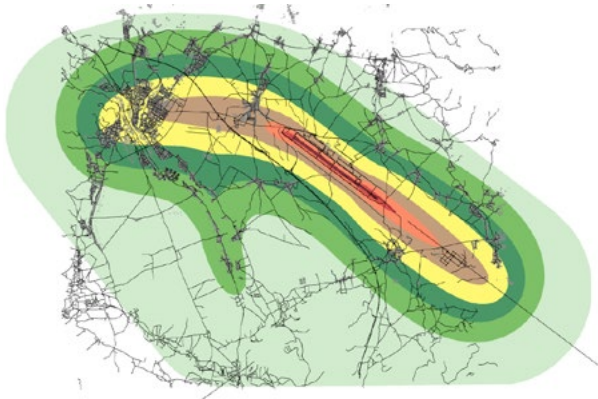


Figure 8: Evening noise level ($L_{evening}$)

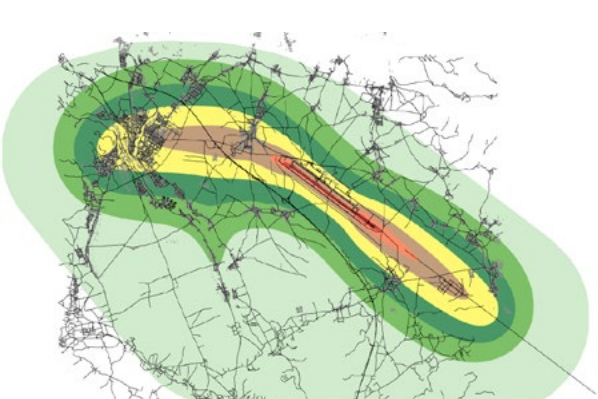


Figure 9: Night noise level (L_{night})

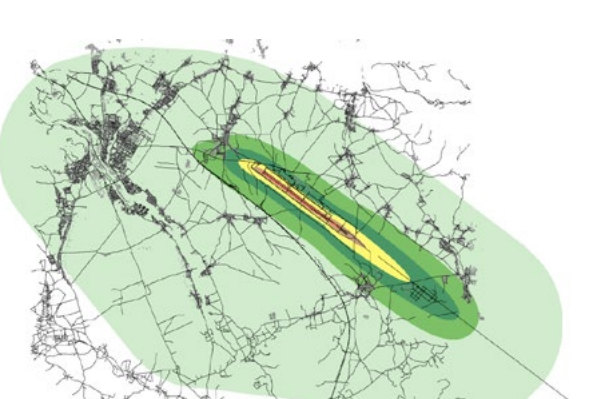
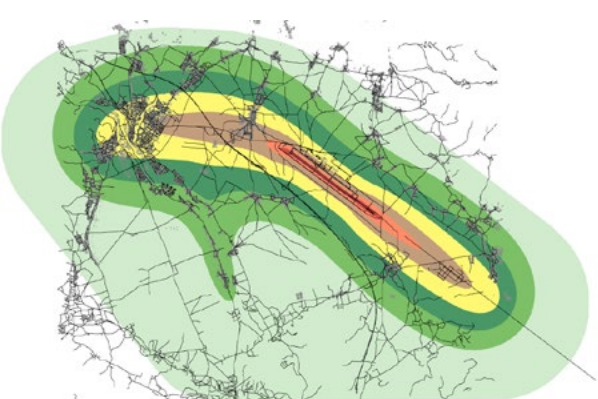


Figure 10: All-day noise level (L_{DEN})



Carbon management

The air quality in the airport area is a consequence of road and air traffic emissions, airport activities, heating of the airport facilities and other facilities from the wider local area. The air quality in this area depends primarily on the inflow of polluted air masses coming from the direction of Ljubljana and Kranj, and also on weather conditions. In the airport area we use cooling and air-conditioning devices, and heat pumps which contain substances harmful to ozone. In the last years we replaced the old cooling devices with new ones containing environment-friendly freons, thus reducing emissions of harmful substances into the air.

Energy consumption

Efficient energy consumption, use of renewable energy sources or environment-friendly energy products, and reduction of CO₂ and other greenhouse gas emissions are considered important environmental commitments of the company Fraport Slovenija. We also defined key energy efficiency indicators. Fuel and energy consumption are checked regularly. In 2019, we consumed 7,479.856 kWh of electricity, which was 100% generated from renewable energy sources (energy generated by hydropower plants), 316,748 m³ of natural gas (NG), 38,128 L of liquefied petroleum gas and propane (LPG), 157,341 L of diesel and gas oil, 17,147 L of gasoline, and 2,809 L of kerosene. We completely abandoned the use of fuel oil - it is only used as a reserve energy source (in case of a supply interruption of NG).

Construction of new power facilities

In accordance with the company’s energy strategy and its commitment to preserving the environment, the construction of the central power facility was completed in 2019, which provides efficient supply of heat and cooling energy for the entire airport territory in one place. The new passenger terminal, which is still under construction, is going to be connected to this power facility. The project involved the construction of the power facility of 300 m² in size, a new heating and cooling pipeline in the length of 600 m, and technology equipment for heat production (installed heat power is 2.7 MW). The central power plant was launched at the end of October 2019. In its design, the plant combines the advanced technological and environmental systems of heating elements. It is modularly designed and allows expansion of energy facilities for further ten years. Natural gas is used as the main fuel for heating boilers. In the coming years, we are going to focus more on the supply of energy and invest more in renewable energy sources.

By doing so, we will additionally contribute to reducing the company’s carbon footprint. In the coming years, the installation of a water-to-water heat pump and its pertaining drills is planned, as well as the installation of a cogeneration system of heat and electricity production.

In 2019, a new substation operated by the power distribution company Elektro Gorenjska was constructed. The substation will be in the future the main source of power of the medium voltage network for the entire Gorenjska region east of Kranj. The new 20-kV substation Brnik represents the basic power source of the power distribution network of Ljubljana Jože Pučnik Airport network and its growing business zone. With this project, Elektro Gorenjska significantly contributes to improvement of quality in reliable power supply in the above mentioned area. It will enable a further development of tourism and economy in the area close to the airport and its surroundings.

The construction of the central power facility was completed in 2019, which provides efficient supply of heat and cooling energy for the entire airport territory in one place.



ACA programme scheme

In July 2019, the second-level ACA Certificate was renewed under ACI Europe certification programme for reduction of greenhouse gas impacts. Compared to the average of the last three years (2016–2018), the absolute level of CO₂ emissions was decreased by 5.9%.

Including the data about the number of passengers and cargo weight in 2019, the emissions per individual passenger were reduced by 10.7%, or 11.7% per 100 kg of cargo respectively, compared to the period 2016–2018.

Graph 26: Share of scope 1 and 2 emissions in the carbon footprint calculation for 2019

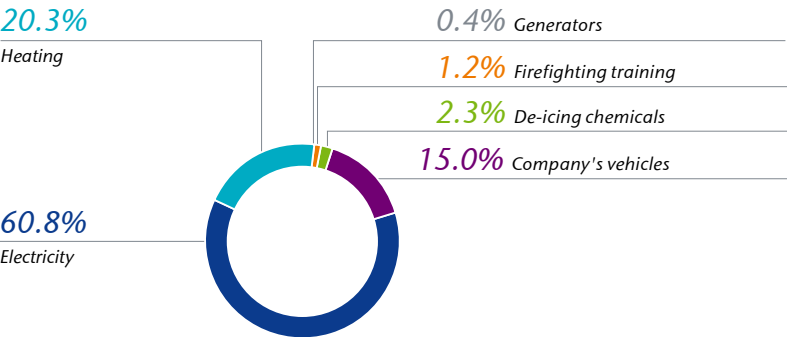


– 10,7%
less CO₂ emissions per passenger in 2019 compared to the period 2016–2018.

Table 16: Calculation of carbon footprint for scope 1 and 2 for 2019

Scope / Emissions source	t CO ₂ e	%
SCOPE 1	1,206.500	39.2
Heating	624.500	20.3
LPG	26.000	0.8
NG	598.500	19.5
Generators (GO)	11.000	0.4
Fire training	37.000	1.2
LPG	36.970	
Direct CO ₂ emissions (fire extinguishers)	0.030	
De-icing chemicals (glycol)	70.600	2.3
Vehicles (business trips included)	463.400	15.0
Diesel	415.800	13.5
Gasoline	40.500	1.3
Kerosene	7.100	0.2
SCOPE 2	1,870.500	60.8
Electricity	1,870.500	60.8
SCOPE 1 + SCOPE 2	3,077.000	100.0

Graph 27: Carbon footprint of individual emission sources (scope 1 and 2) for 2019



Graph 28: Carbon footprint of energy, fuel and chemicals consumption for 2019

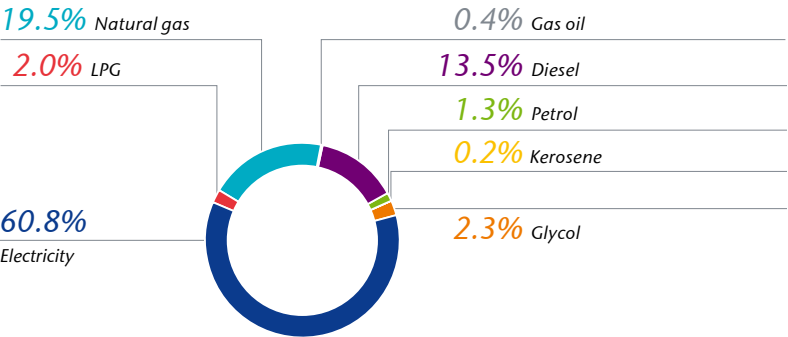


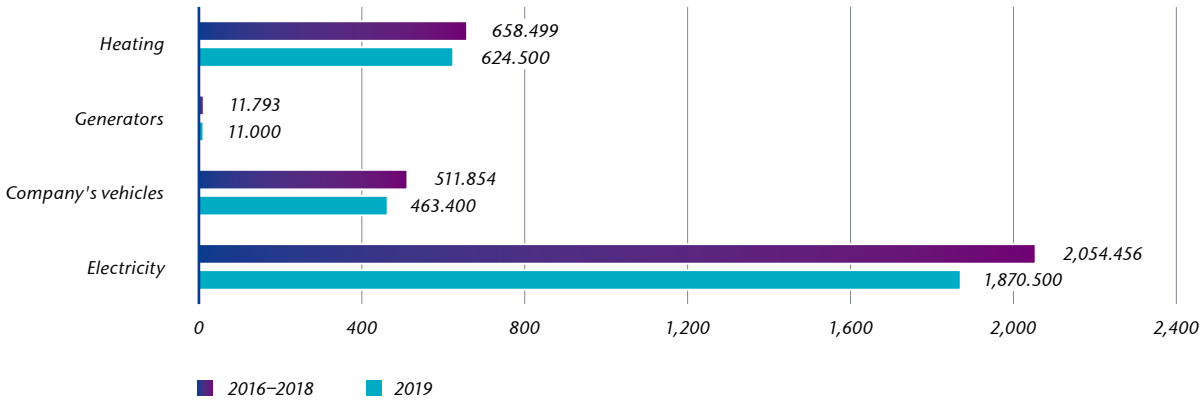
Table 17: Carbon footprint (scope 1 and 2) in the period 2016–2019

Category of data	Year -3 (2016)	Year -2 (2017)	Year -1 (2018)	Base year Average 2016–2018	Year 0 (2019)	Carbon footprint in Year 0 according to base year (%)
Absolute carbon footprint (t CO ₂ / t CO ₂ e*)	3,240.865	3,168.543	3,400.000**	3,269.803	3,077.000	–5.9 %
Number of passengers	1,411,476	1,688,558	1,818,229	1,639,421	1,727,136	-
Weight of cargo serviced (in tons / 100 kg cargo)	198,020	243,140	259,070	233,410	248,750	-
Realtive carbon footprint (kg CO ₂ / t CO ₂ e* / passenger)	2.30	1.88	1.87	1.99	1.78	–10.7 %
Relative carbon footprint (kg CO ₂ / t CO ₂ e* / 100 kg cargo)	1.64	1.30	1.31	1.40	1.24	–11.7 %
Emission factor for electricity (for each year)	0.370	0.377	0.353	0.367***	-	-

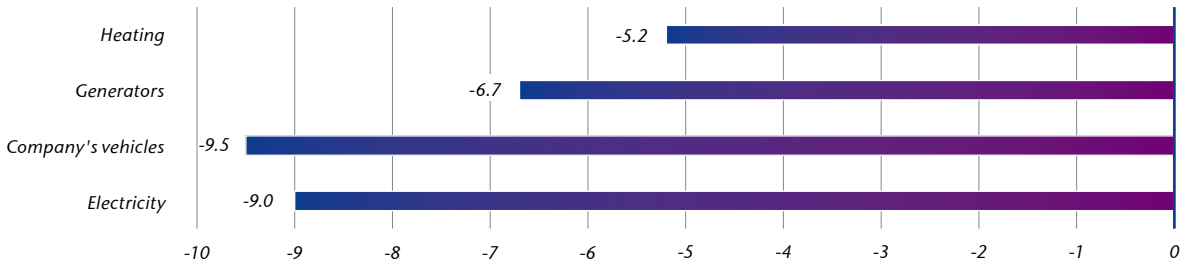
* From 2018 we report about CO₂e.
** Adjusted data.
*** Considered the average value of factors of three-year period prior to the year for which carbon footprint is calculated.

– 5,9%
reduction in absolute level of CO₂ emissions
compared to 2016–2018

Graph 29: Amount of individual CO₂ emissions sources in base year and in 2019 (in t CO₂e)



Graph 30: Display of percentage of reduction of individual amounts of CO₂ emission sources in 2019 according to the base year (2016–2018)



Sustainable mobility

Our mobility plan is aimed at encouraging our employees, business partners, passengers and airport visitors to change their travel habits, use cars reliably and rationally, and to opt for a sustainable means of transport. The company is aware of the difficulties with the mobility and accessibility in terms of sustainable means of transport, thus the mobility plan tries to comply with these limitations in the best way possible. The airport is namely connected with neighbouring settlements through a public transportation network. However, our employees cannot use it due to the shifting nature of their work. Thus, employees mainly use cars to get to work, since the existing traffic infrastructure is quite inconvenient and unfriendly for walking or cycling. The key (measurable) mobility plan objectives by the end of 2020 are the following:

- to reduce carbon footprint of car business travel by 10% (the average of 2017-2019);
- to perform 30% of car business trips by using electric car sharing in 2020;
- to encourage 2-5% of passengers to use car sharing.

All key objectives are operationally performed on the basis of the action plan which defines measures by individual areas:

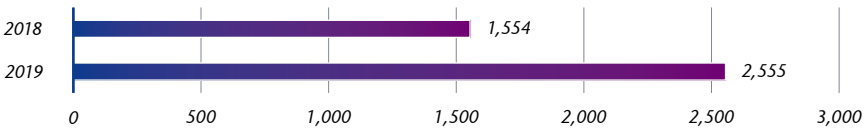
- promotion and provision of information about the mobility plan;
- reducing the need to travel;
- encouraging sustainable forms of transport (f.e. the use of bicycles);
- Investments in infrastructure and means of transport.

In 2019, we achieved the set goal of at least 20% of the performed electric rides and thus covered 2,555 out of a total 14,035 km by electric vehicles, which represents approximately 22% of all rides and almost 65% increase in mileage compared to 2018, when we started using electric vehicles for business trips.



We encourage the use of company bicycles.

Graph 31: Distance travelled with electrical cars in 2018 and 2019



Discharge of waste waters

The company responsibly treats all categories of waste waters. In the airport area the following categories of waste waters are present:

- municipal waste waters, of which share is estimated more than 90% of the total waste water volume occurring in different airport facilities,
- industrial waste waters occurring in different locations, and
- rain water runoffs from solid surfaces.

In2018, the entire airport complex was connected to the central waste water treatment plant Domžale-Kamnik. All municipal and industrial waste waters from the airport complex are currently accumulated in a common sewage tank which is connected to the system in Spodnji Brnik.From there, waste waters run off and accumulate into the public sewerage system, which ends up in the central waste water treatment plant in Domžale. Rainwater from clean surfaces (roofs of facilities) runs off through percolation directly into the immediate soil.

Discharge of rainwater from polluted surfaces (roads, car parks, the airport apron) is carried out through the internal sewerage system with integrated adequate oil and grease separators and through percolation directly into the soil. There are no watercourses in a wider area of the airport. The brook called River flows west from the location of the airport through the settlements Spodnji Brnik and Lahovče and is more than two kilometres distant from the plant. The river Sava flows south from the airport and is more than four kilometres away from the plant. Since there are no watercourses in the vicinity of the plant and the soil texture allows good percolation, rainwater coming from the airport facilities is indirectly discharged into the water bodies through percolation. The percolation area of treated waste water is neither located in any water protection area nor at the drainage basin of the watercourses allowing bathing. A wider area of the airport is also not located in the area of Natura 2000.

Drinking water supply

Drinking water is supplied to the airport complex through the use of two main sources from the direction of Krvavec and Kranj. Inside the airport complex, the primary water supplies are connected to the secondary water supply. Water redundancy is provided through several different water sources. A reservoir with the capacity of 300 m² was built to provide fire extinguishing water or hydrant supply. The watershed of the water supply system takes place in corridors of roads with side branches leading to individual facilities or building plots. In the future, the third water source will be provided from the direction of Adergas.

Waste management

Within our business activity we generate a wide variety of waste. Since we do not wish to expand the company's business operations on account of increasing environmental footprint, we find it logically to put most of our effort in reusing or recycling our waste in order to limit material flows as much as possible. The company is the original producer of waste, which generates more than 150 tons of waste in average in calendar year or more than 200 kg of dangerous waste. In accordance with the legal requirements, which regulates the areas concerning the waste and waste oil handling, the company have waste management plan in place. In phase of preparation of the waste management plan the valid legislative framework concerning waste management and guidelines of National environment protection programme with programmes of measures until 2030, was taken into consideration. In the field of waste management, we pursue the medium-term objective of reducing the share of mixed municipal waste to 25% in the total amount of waste by the end of 2025.

Waste is classified in three groups according to the source of waste in our company:

- administrative waste,
- maintenance-operations waste, and
- aircraft waste.

When individual types of waste are generated, we treat them in line with the concept of circular economy, which means they are considered raw materials. Therefore, all waste is collected and adequately separated in the areas of individual activities. In order to ensure waste separation by basic fractions we have waste central ecological island and some other minor ecological waste collection centres. Adequately separated waste, according to fractions, is collected by local public waste company and waste collectors who hold necessary permits or certificates of their entry in relevant records by Slovenian Environmental Agency ARSO in order to perform that kind of activity. A certain amount of aircraft cabin waste (so-called first category waste) is destined for incineration.



The new central ecological island built in 2019 officially started operating in the spring of 2020, after it was equipped with additional municipal equipment and technology which will enable even better quality of waste management, particularly from the aspect of waste separation during waste production at source, when waste is transferred to the collection centre. Construction waste occurring at Ljubljana airport account for the biggest portion of waste in the waste structure. The volume of construction waste depends on annual construction investments aimed at modernisation of the airport. In 2019, we had a major investment (construction of internal roads), which resulted in large amounts of construction waste.

Graph 32: Methods of waste management in 2019 (in %)*

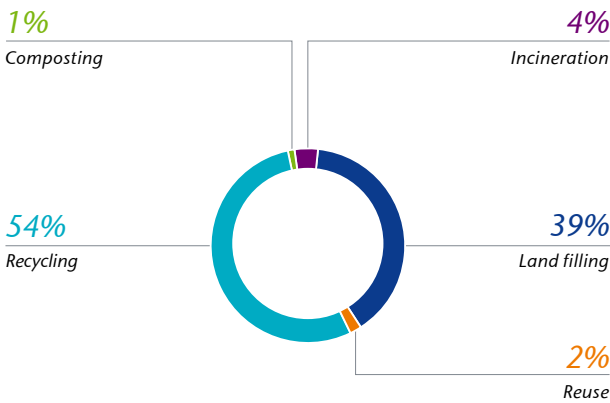
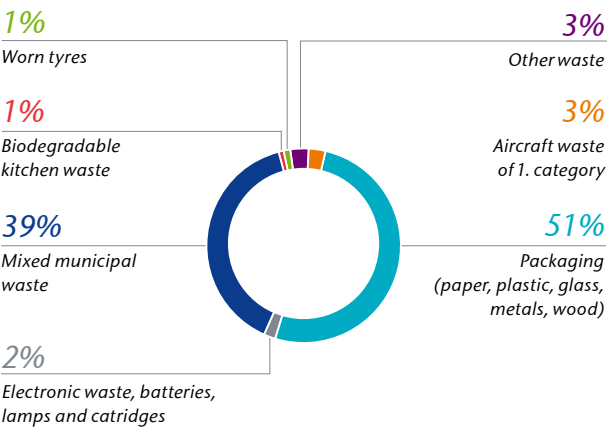


Table 18: Methods of waste management in 2019 (in kg)*

Waste management method	in kg
Composting	7,164
Reuse	7,860
Recycling	265,786
Incineration	21,162
Disposal	190,060
Total	492,032

* Construction waste is not included

Graph 33: Types of generated waste in 2019 (in %)*



In 2019, we had a major investment (construction of internal roads), which resulted in large amounts of construction waste.

Table 19: Collected waste in the period 2015–2019 (in kg)

Type of waste	2015	2016	2017	2018	2019
Aircraft waste of first category (1)	8,414	10,604	8,804	9,532	13,893
Packaging (paper, plastic, glass, metals, wood)	165,770	161,046	155,228	203,780	252,290
Electronic waste, batteries, lamps and catridges	1,454	5,316	7,026	8,481	9,542
Mixed municipal waste	161,720	155,580	178,600	204,740	190,060
Biodegradable kitchen waste	3,420	809	4,021	4,707	7,164
Worn tyres	3,205	2,507	3,620	3,424	3,760
Other waste*	6,656	9,821	407	189,658	15,323
Construction waste	327,939	503,555	0	18,707,381	47,396,929
Hazardous waste – total (2)	8,868	15,053	4,587	7,979	8,661
Non-hazardous waste – total (3)	820,296	900,081	459,315	20,048,192	47,866,407
TOTAL (1 + 2 + 3)	837,578	925,738	472,706	20,065,703	47,888,961

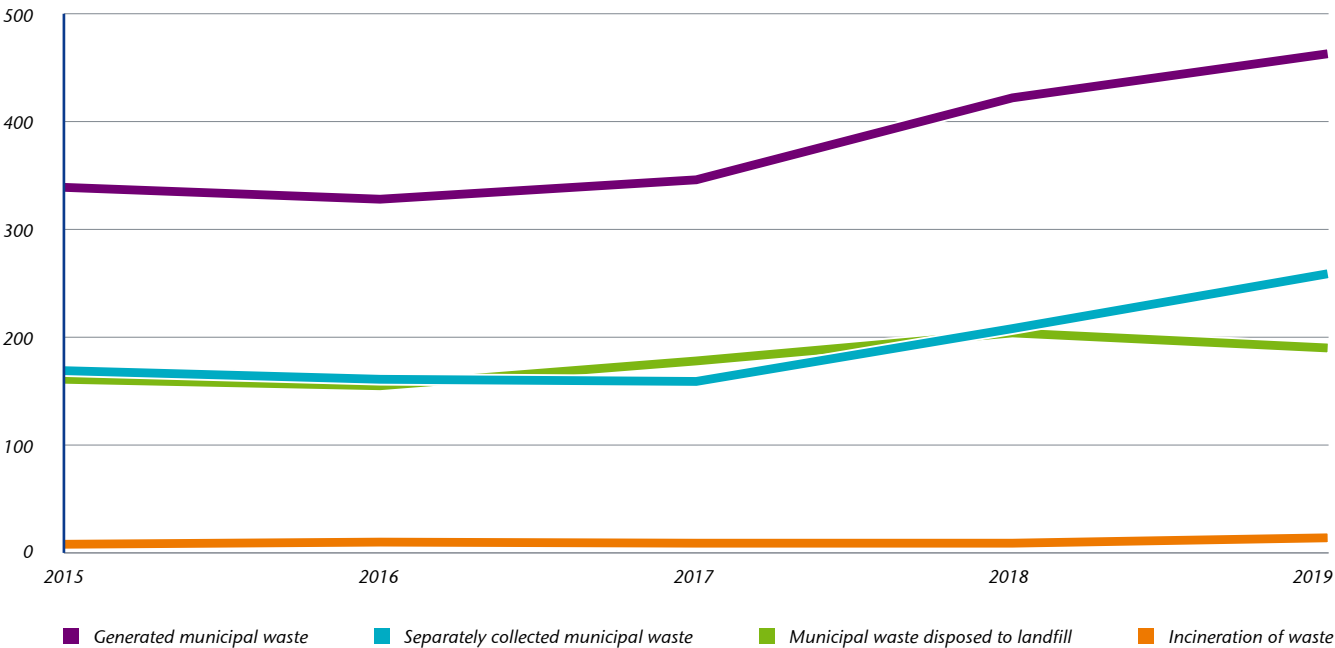
* In this group of waste, an amount of waste from grit chambers (186,120 kg in 2018 and 10,740 kg in 2019) was included, which was found during excavation on one of the construction sites.

Table 20: Generated municipal waste in the period 2015–2019 (in kg)

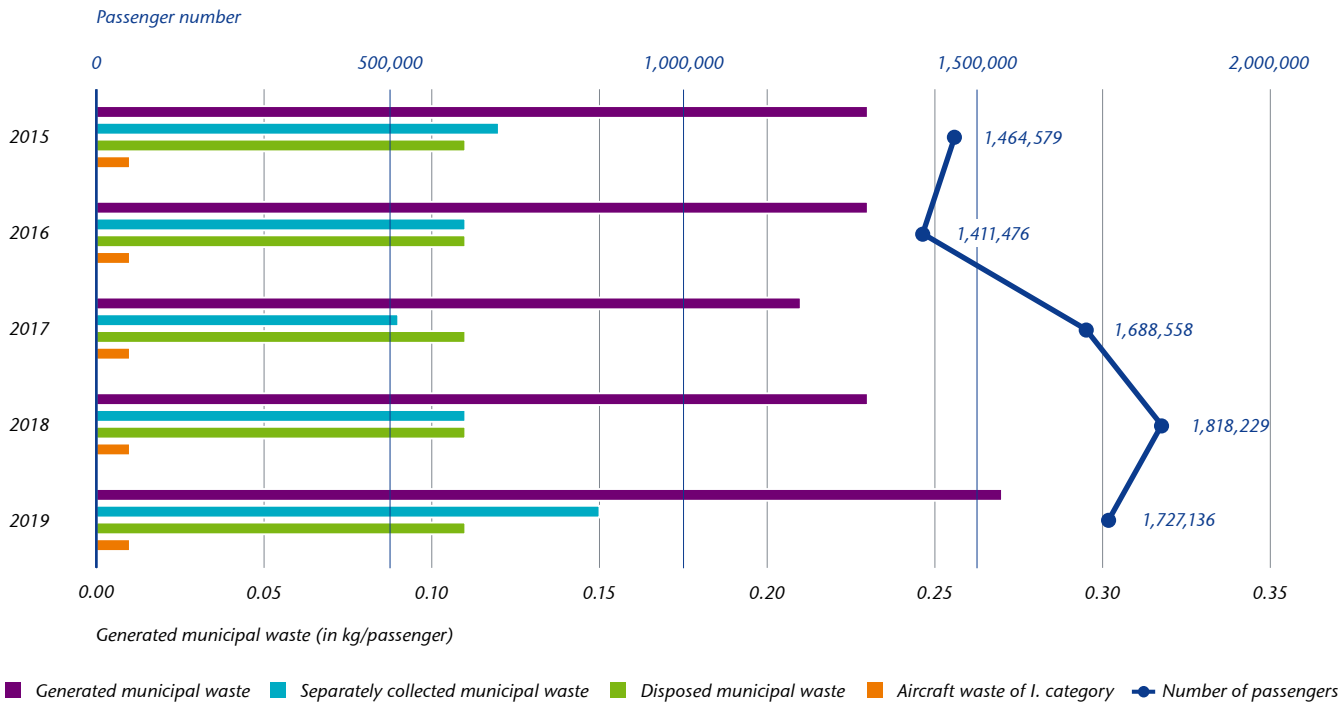
	2015	2016	2017	2018	2019
Generated municipal waste	339,324	328,039	346,653	422,759	463,407
Separately collected municipal waste*	169,190	161,855	159,249	208,487	259,454
Municipal waste disposed to landfill**	161,720	155,580	178,600	204,740	190,060
Incineration of waste***	8,414	10,604	8,804	9,532	13,893

* Packaging (paper, plastic, glass, metals, wood)
** Mixed municipal waste
*** Aircraft waste of 1. category

Graph 34: Generated municipal waste in the period 2015–2019 (in t)



Graph 35: Generated municipal waste in the period 2015–2019 (in kg/passenger)



Management of hazardous liquids, substances and materials

In accordance with the Decree on the storage of hazardous liquids in stationary storage containers, it was required to adopt a Hazardous Liquid Management Plan for the storage facilities with the capacity over ten cubic meters in order to specify measures for prevention of leakage or spills of hazardous liquids into the environment, and to determine methods of handling with hazardous liquids in case of their uncontrolled discharge from stationary tanks, pipelines or the equipment used for filling or emptying tanks. The company has an underground storage tank with the capacity of 50 cubic meters. It is used for storing heating oil, which is in its chemical and safety terms a substance with the same characteristic as diesel fuel, and regarding its distillation temperature it belongs to the category of medium petroleum distillates. Smaller amounts of hazardous substances or waste are stored or collected in the cargo warehouse and in workshop areas.

Several oil separators and trap containers preventing oil from leaking and spill of hazardous liquids (f.e. fuels, waste oil, deicing fluids), are placed in several points of the airport. Oil traps are regularly checked and maintained. In the past we replaced all the existing oil separators with the new ones, or we adjusted them to the SIST EN 858-2 standard by installing coalescence filters. Consumption of hazardous materials in 2019 was around 75 kilograms (paints, pesticides, diluents, etc).

Electromagnetic radiation

The sources of electromagnetic radiation located in the airport area are: base stations for mobile telephony, air surveillance radars and transformation substations for the electricity supply of the airport area. Air surveillance radars, owned by the Slovenian Air Traffic Control, are subject to mandatory monitoring in accordance with the legislation in the field of electromagnetic radiation. The monitoring results prove that the radiation exposure in the vicinity of the radars is below the legal limit values.

Light pollution

There are several lighted areas at the airport, particularly parking and road traffic areas (internal roads), and in the vicinity also the runway which has a light navigation system for the proper airport operation. Advertising areas are also lighted.

The company has not yet established separate system for calculation of energy consumptions for lighting. Calculation of energy consumptions are carried out in every transformer station that is placed in location of individual terminals depending on their energetic needs.

Switching the lighting is carried out via the on-off buttons installed on individual switchboards and facilities. To avoid switching the lighting on during the day is in switchboards installed photocell. All lights and panels are switched on based on the photocell principle. Lamps are switched on and off completely alone.

The annual electricity consumption for outdoor lighting is estimated at about 240 megawatts.

Unexpected environmental events

The company is able to recognise eventual situations which could lead to emergency circumstances and accidents in the environment. We have established standby procedures and responses to emergencies.

The most significant documents describing the ways of taking measures in cases of emergency events are the following:

- Protection and rescue plan in cases of emergency security events at the airport;
- Aircraft emergency plan;

- Fire safety regulations;
- Extracts from fire safety regulations;
- Evacuation plans;
- Hazardous liquid management plan;
- Oil separators manual;
- Notification schemes.

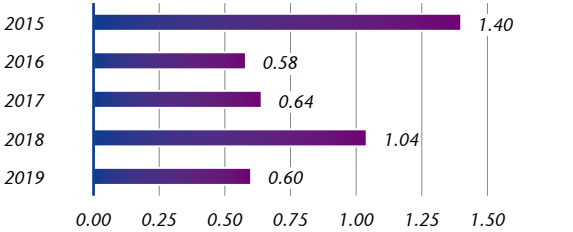
We are aware of any potential environmental hazards and risks. Individual environmental hazards are defined within the risk management system.

19 spills of hazardous substances were recorded in 2019 (37 spills in 2018). Such accidents are divided into minor spills of up to five square meters and major ones exceeding five square meters. Among 19 spills there were 16 minor spills (on average three liters of substance) and three major ones (on average 100 liters of substance). All spills were immediately remedied by absorbents and cleaned with highly efficient cleaning agents and fire-extinguishing medium for decontamination of the environment with mineral oils.

Table 21: Spills of hazardous substances per 1,000 operations in the period 2015–2019

	2015	2016	2017	2018	2019
Number of operations	32,894	32,701	34,444	35,512	31,489
Number of spills	46	19	22	37	19
Spill frequency / 1,000 operations	1.40	0.58	0.64	1.04	0.60

Graph 36: Spills of hazardous substances per 1,000 operations in the period 2015–2019



Sustainable procurement

When selecting a supplier, we pay attention to sustainable indicators, so our supplier relationship, among others, is based on our Sustainable Procurement Policy. We procure office paper that is not bleached with chlorine, and is primarily made of wood that originates from sustainably managed forests (FSC, PEFC, SCI). We also procure paper with a recognised environmental symbol (Ecolabel, Blaue Engel), and office paper from 100% recycled primary raw material.

Employees and external cleaning providers use for cleaning only environment-friendly cleaning agents with recognised ecolables.

Electricity provided to the airport by suppliers, is generated from 100% renewable energy sources.

We estimate that approximately 90% of our suppliers originate from the local environment or their registered office is located in the Republic of Slovenia.



A sustainable business gift

Last year's honey yield from Fraport Slovenija apiary was used for new year's gifts given to our business partners. Honey products are also analysed in order to determine the impacts of our business activities on the environment. Honey products are namely a good indicator of pollution of the immediate environment. The analyses made to determine the presence of and safety from acaricide residues in honey products have shown no discrepancies so far.

Honey products are namely a good indicator of pollution of the immediate environment. With analyses we determine the impacts of our business activities on the environment. The analyses have shown no discrepancies so far.

Coexistence with birds

The take-off and landing runway (RWY) is an open space where coexistence with birds is essential. The airport operator is striving to achieve that by using different measures. However, the operator does not forget about its main responsibilities in the field of management of wildlife animals, including study, prevention, taking measures and continuous improvements. The basic knowledge for its coexistence with birds was obtained from a long-term ecological study. The study enabled an insight into the state of biological populations, the presence of the attractiveness factors, preparation of measures to reduce the presence of bird and their monitoring. We continuously seek and introduce new ways which are based on up-to-date systems for monitoring and reducing the presence of birds.

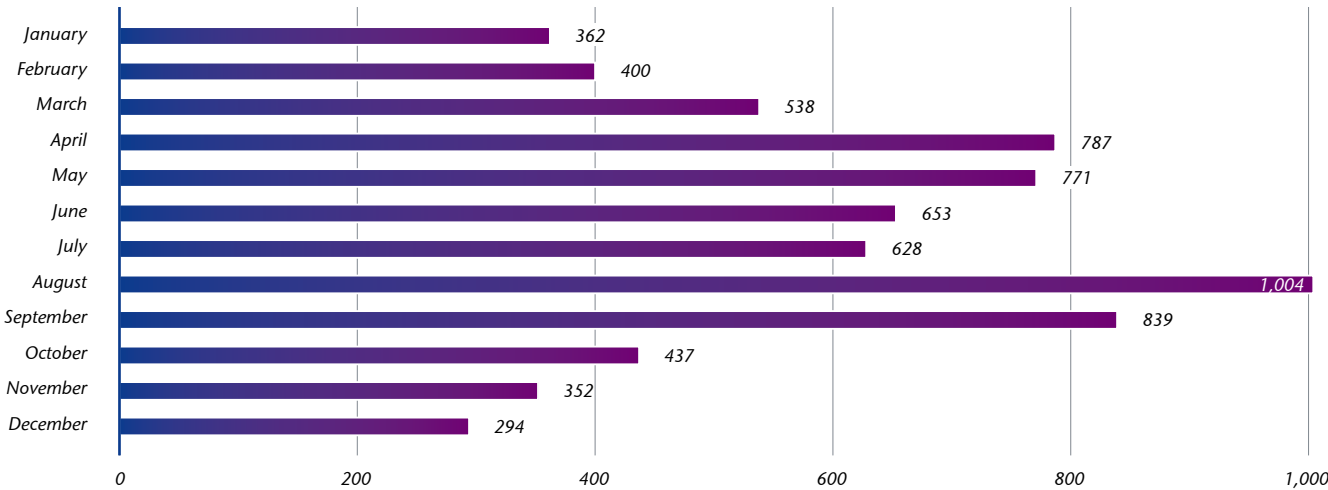
Above all, by intervening in the environment we want to reduce the amount of food available for birds in the nature. In accordance with the study's recommendations we have provided all suitable technical means in order to keep birds away from the airport, and we have adequately trained the staff to do so. In order to additionally highlight our endeavours that help us provide airport safety in a sustainable manner, we regularly attend training and learn about innovations in the field of bird and wildlife management.

We prepared reports on monitoring birds and keeping them away from the airport, and bird strikes with aircraft. The data are collected in WLM Galiot software tool, available for the operational staff in their vehicles.

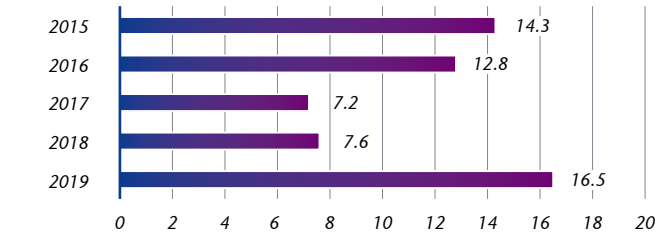
We also made an action plan for the management of wildlife animals, where measures to reduce the risks of bird strikes at the airport are defined. The measures are made on the basis of the risk assessment and are focused on risk reduction in cases of birds which pose the highest level of risk. The highest level of risk is still seen with the bird common buzzard.

In 2019, we strived to keep the trend of reducing bird strikes. A milder winter last year caused an increase in food availability for them, above all the presence of field vole or microtus arvalis. Consequently, there were more bird strikes with aircraft during the summer months. For this reason, an additional deratisation was carried out during the autumn months, which helped reduce food availability for birds.

Graph 37: Number of bird dispersal conducted in 2019 (by months)



Graph 38: Confirmed bird strike rate per 10,000 operations in the period 2015–2019



We continuously seek and introduce new ways which are based on up-to-date systems for monitoring and reducing the presence of birds.



Common buzzard, hooded crow, common kestrel, common starling and barn swallow are the most common species of birds in the airport area.

Graph 39: Average bird presence on RWY for the five species with the highest presence in 2019

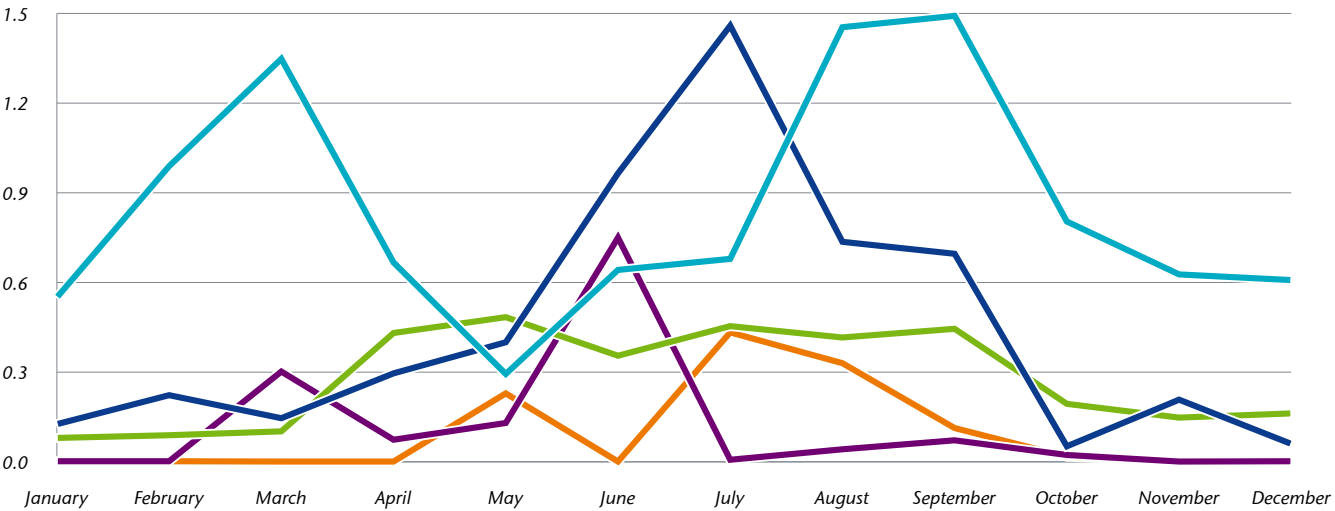


Table 22: Average bird presence on RWY for the five species with the highest presence in 2019

	January	February	March	April	May	June	July	August	September	October	November	December
Common buzzard	0.550	0.989	1.348	0.667	0.294	0.642	0.679	1.454	1.492	0.804	0.627	0.608
Hooded crow	0.126	0.223	0.146	0.296	0.400	0.965	1.459	0.736	0.696	0.052	0.208	0.059
Common kestrel	0.080	0.089	0.102	0.431	0.484	0.355	0.454	0.416	0.445	0.194	0.148	0.162
Common starling	0.002	0.002	0.302	0.074	0.130	0.750	0.007	0.042	0.072	0.023	0.001	0.002
Barn swallow	0.002	0.002	0.001	0.001	0.229	0.001	0.433	0.330	0.113	0.017	0.002	0.002

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