

Sustainability program

The sustainability program consolidates the strategically relevant sustainability issues and is structured in the same way as the materiality matrix (see Combined Non-financial Report in the Annual Report 2020). It lays out the objectives of Fraport as well as the measures taken in order to achieve them.

In an effort to make the objectives measurable and to give transparency on the degree to which they have been achieved, each measure is monitored with at least one key performance indicator. The topics of

“Corporate Governance and Compliance,” “Data Protection” and “Airport Safety and Security” are exceptions here, as they are essential for Fraport’s business and always require the highest standards.

The scope is essentially the Fraport Group, i.e., all companies that are included in the scope of consolidation for financial reporting. Otherwise, certain objectives have a limited scope. They are identified in the program accordingly.

The program is reviewed and updated annually. The responsibility for implementing the measures and achieving the targets lies with the relevant departments or Group companies.

In 2020, there were some minor adjustments to the program. For example, a new target level was added to the key performance indicator “Absolute emissions in metric tons of CO₂.” The target level for “Global passenger satisfaction” was changed due to the postponed opening of Pier G. The target level for “Customer Service Index Airline” has been suspended until further notice due to the Covid-19 pandemic.

The term of the key performance indicator “Proportion of fully consolidated, environmentally relevant Group companies with certified environmental management systems” was adjusted. The short-time work schedules introduced at the company due to the Covid-19 pandemic extended the term of “Inventory of air pollutant emissions according to main sources.” The scope of the key performance indicators “Confidence level in accordance with specific aviation security standards” and “Apprenticeships (vocational training or dual study program)” has been specified further.

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
Governance							
Corporate Governance und Compliance 	We seek to lead the company responsibly and with transparency in all matters.	<i>Determination of key performance indicator, target level and term does not apply since the topic “Corporate Governance and Compliance” is a basic requirement for our business and included in our standard processes.</i>			Group	Group companies – Compliance risk analysis carried out (Fraport Brasil, Fraport Greece, Fraport Slovenija, Lima Airport Partners) – Online compliance training for all employees of the company carried out for the first time (Fraport Greece) Fraport AG – Ongoing measures to prevent corruption (training, business partner assessments and documentation of compliance-related processes) – Drafting of a new policy “Dealing with conflicts of interest”	Does not apply
Data Protection	We want to ensure the handling of personal data in compliance with the data protection laws and safeguard the rights of those affected.	<i>Determination of key performance indicator, target level and term does not apply since the data protection regulations in each respective country must be observed at all times.</i>			Group	Group companies – Regular training of employees on data protection (Fraport Brasil) – Audits carried out at six regional airports (Fraport Greece) – E-learning training on data protection provided to all employees (Fraport Slovenija) – Launch of a project to improve the compliance management system with regard to data protection measures (Lima Airport Partners) Fraport AG – Adoption of a data protection directive on the processing of personal data – Continuation of training concepts, including e-learning tools and video tutorials – Implementation of a Consent Management Platform (consent management for cookies) – Reassessment of data transfers in the context of the “Schrems II” ruling and Brexit	Does not apply

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
IT Security and Airport Safety and Security	We want to protect our IT systems and data against failure, manipulation, and unwanted publication.	Confidence level in accordance with specific aviation security standards	Highest confidence level	2020	IT services provided by the Information and Telecommunication section for Group companies and Fraport AG	<p>Group companies</p> <ul style="list-style-type: none"> – Implementation of various measures to adapt the IT security system to national requirements (Fraport Slovenija) <p>Fraport AG</p> <ul style="list-style-type: none"> – Implementation of the potential for improvements listed in the 2019 audit – Continued development of the information security management system – Redesign of the “IT Risk Management” process – Digitization of paper-based processes – Migration of various security tools 	Highest confidence level
	We want to ensure the safety and security of everyone at our airports.	<i>Determination of key performance indicator, target level and term does not apply since safety and security is always our highest priority.</i>			Group ¹⁾	<p>Overall scope</p> <ul style="list-style-type: none"> – Exchange event between Group airports on the topic of safety and security (content in 2020, among other things, European entry/exit system EES and possible use of drones) <p>Group airports</p> <ul style="list-style-type: none"> – Commissioning of new X-ray machines for cargo inspection (Burgas Airport) – Adaptation of control processes over the course of the Covid-19 pandemic to ensure safety and security while minimizing contagion risks (Fraport Greece, Lima Airport Partners, Varna Airport) – Preparations to introduce a system for the detection of radioactive radiation in passengers, luggage, and cargo and a new Hold Baggage System (Fraport Slovenija) – Implementation of a perimeter protection system by Securitas (Lima Airport Partners) <p>FRA site</p> <ul style="list-style-type: none"> – Adaptation of control processes over the course of the Covid-19 pandemic to ensure safety and security while minimizing contagion risks – Conversion of the passageways to the security areas from a mechanical to an electronic locking system – Introduction of e-vignette: Authorization to drive on the apron in the form of vignettes that are affixed to the vehicle and can be read electronically 	Does not apply

¹⁾ Includes fully consolidated foreign Group airports as well as the FRA site

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
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Economic enhancement

Customer Satisfaction and Product Quality 	We want to continuously optimize the focus on customers and services at our airports.	Global passenger satisfaction	≥ 80% ¹⁾	2021	Group ²⁾	Overall scope – Introduction of comprehensive measures and hygiene concepts at all sites to ensure passenger health and thus give passengers a feeling of security despite the Covid-19 pandemic Group airports – Improving the passenger experience by completing the extension and modernization of the terminals in Fortaleza and Porto Alegre, e.g., more convenient transfer processes, additional parking spaces, and new restrooms (Fraport Brasil)	Regular passenger surveys largely suspended due to the Covid-19 pandemic
				2021	Fully consolidated foreign Group airports	– Improving the F&B and retail offers, installing boarding pass scanners for shorter waiting times at the gates (Fraport Greece) – Mystery shopping in various areas, such as check-in, security, etc. (Fraport Slovenija)	See above
				2021	FRA site	FRA site – Introduction of training formats for the Mobile Terminal Service to implement the Covid-19 measures in the terminal – Introduction of measures to protect passenger health in the context of the Covid-19 pandemic: Measures to comply with social distancing regulations, such as floor markings, adaptation of waiting areas, passenger notices and announcements, personnel deployment to maintain social distancing regulations, spacers in seating areas and mandatory wearing of masks for employees and passengers, provision of hand-sanitizer dispensers, installation of barriers such as partition walls, and the extension of contactless terminal information via infogates (eight new devices installed) – Launch of communicative measures to inform passengers at an early stage on current travel regulations, precautionary measures, and behavioral guidelines at Frankfurt Airport given the Covid-19 pandemic – Adding the topic “Satisfaction with health and infection protection” to passenger surveys	91% 
		Customer Service Index Airline	Suspended until further notice due to the Covid-19 pandemic			FRA site	FRA site – Implementation of alignment meetings with airline managers to provide comprehensive support for all issues related to operational adjustments given the Covid-19 pandemic – Workshops carried out with Terminal 2 airlines to meet their needs regarding single terminal operations and facilitate the move – Continuous exchange with network planners and airlines’ country managers for Germany to assess the market development and sentiment in Germany – Introduction of early and comprehensive hygiene measures for the Covid-19 pandemic and offers of extensive Covid-19 testing capabilities in FRA
		Baggage connectivity	> 98.5%	2020	FRA site	FRA site – Installation of sensors for continuous monitoring of the system and predictive detection of malfunctions – Prioritizing conversions to the baggage transfer system and safety technology required by authorities	98.7% 

¹⁾ From the opening year Terminal 3: 85%; target of 82.5% from 2021 suspended due to postponed opening of Pier G

²⁾ Includes fully consolidated foreign Group airports as well as the FRA site

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
Economic Profitability 	We want to generate earnings growth in the long term and maintain financial strength at a high level, despite future capital expenditure.	EBITDA	Clearly negative due to the Covid-19 pandemic	2020	Group	Group companies – Sharp reduction in the purchase of services, reduction of one management level in the operations section, postponement of non-binding capital expenditure (Fraport Brasil) – Strict cost control for improved profitability and attempts to extend the season through joint marketing campaigns and an incentive program for winter (Fraport Greece) – Savings on personnel costs through job cuts and streamlining of operational sections (Fraport Slovenija) – Savings on personnel costs through government aid and hiring freezes, renegotiation of contracts, reduction of cost of materials and deferral of concession payments (Fraport Twin Star) – Savings on personnel costs through salary cuts, unpaid leave, hiring freezes, and suspension of bonuses and bonus programs, renegotiation of contracts with service partners, reduction of capital expenditure (Lima Airport Partners) German Group companies and Fraport AG – Introduction of the strategic program “Future FRA – Relaunch 50” to reduce personnel expenses by cutting 3,000 to 4,000 jobs, implementing short-time work schedules, reducing or suspending company benefits and concluding an emergency collective bargaining agreement – Reduction of cost of materials not essential to operations – Reduction or postponement of planned capital expenditure in existing infrastructure – Adapting the use of infrastructure to reduce operating costs	–€250.6 million
		Group result	Clearly negative due to the Covid-19 pandemic	2020	Group		–€690.4 million
		ROFRA	> WACC (2020: 6.4%)	No time limits	Group		–8.3%
		Net financial debt to EBITDA ratio	Max. 5 ×	No time limits	Group		–22.1
		Shareholders’ equity ratio	> 30%	No time limits	Group		25.7%
		Free cash flow	Clearly negative	2020	Group		–€1,400.0 million
Growth and Development in the Group  	We want to increase passenger numbers organically and optimize the structure of our portfolio.	Group passengers	Clear decline due to the Covid-19 pandemic	2020	Group ¹⁾	Group airports – Completion of terminal expansions in Fortaleza and Porto Alegre and completion of the runway in Fortaleza (Fraport Brasil) – Continuation of the expansion and modernization measures at Greek airports (Fraport Greece) – Continuation of the expansion of terminal infrastructure at Ljubljana Airport (Fraport Slovenija) – Expansion of the concession program portfolio to include Newark Terminal B (Fraport USA) – Continuation of the expansion and development program at Lima Airport (Lima Airport Partners) FRA site – Continuation of the construction of Terminal 3 despite the Covid-19 pandemic to sustainably strengthen the Frankfurt site as a hub, to increase capacity at the site in the long term and to build up an offer for leisure carriers from Pier G – Further strengthening of freight as a strategic pillar: Start of a prospective tenant inquiry to award a freight hall planned for 2024 and capital expenditure in a digital platform for data exchange in order to standardize customs and other freight processes at the site through digitization	Clear decline in passenger numbers at all Group airports
		Frankfurt passengers	Clear decline due to the Covid-19 pandemic	2020	FRA site		–73.4% (18.8 million)
Ideas and Innovation 	We want to promote and take advantage of the know-how and skills of our employees and incorporate the input of our stakeholders.	Benefit of implemented ideas	At least €300,000 per year	2020	Group ²⁾	Overall scope – Implementation of planned measures in ideas management partially halted due to cost-saving measures and short-time work schedules in the context of the Covid-19 pandemic – Founding of the “Digital Factory” to support the envisaged digital transformation: Focus on knowledge transfer and scaling of digital solutions within the Group	€1.03 million

¹⁾ Includes fully consolidated foreign Group airports as well as the FRA site

²⁾ Includes the German Group companies as well as Fraport AG

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
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Employees

Attractive and Responsible Employer 	We want to create good working conditions and increase employee satisfaction.	Employee satisfaction	Better than or equal to 3.0	2020	Group ¹⁾	Overall scope – Introduction of comprehensive protective measures for employees in the context of the Covid-19 pandemic, such as the obligation to wear masks, social distancing markings, use of protection screens, etc. – Adaptation of workflows to ensure company’s day-to-day work is conducted safely – Informing employees about applicable hygiene regulations and code of conduct through information materials and instructions – Promoting working from home Group companies – Introduction of annual talks, continuation of “Best Leader Program,” relaunch of intranet (Fraport Slovenija) Fraport AG – Maintaining the employee stock program – Consensus on the reorganization of company benefits beyond the collective bargaining agreement	Group-wide employee survey suspended due to Covid-19 pandemic
	We want to increase the proportion of women in management positions.	Women in management positions (first and second level below the Executive Board)	30%	2021	Group ²⁾	Overall scope – Continuation of existing measures, such as systematic talent management and potential assessment centers, cross-mentoring program, coaching activities as part of the further development of female executives and offers to take on management positions part-time	25.6% 
	We want to offer good development opportunities to recruit and retain motivated employees.	Apprenticeships (vocational training or dual study program)	≥ 110 per year	2020	Airport Cater Service, FCS Frankfurt Cargo Services, FraCareServices, Medical Airport Service, operational services as well as Fraport AG	Overall scope – Board decision to take on apprentices for at least 6 months despite Covid-19 crisis in 2021 – Decision to maintain vocational training, albeit in a reduced form and with a further reduction in internal differentiation within the training occupations – Continuation of the vocational preparation program “Startklar” (“Ready for Takeoff”) and “BIFF” (Professional Integration of Refugees in Frankfurt Rhine-Main) for young people without an apprenticeship and young refugees, albeit in a reduced form as well (maximum 12 participants) – Continuation of the offer of political education in cooperation with the Anne Frank Educational Centre	89 (recruitment suspended due to Covid-19 pandemic from Q2) 

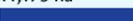
¹⁾ Includes eleven Group companies at the FRA site, Fraport Brasil, Fraport Greece, Fraport Slovenija, Fraport Twin Star as well as Fraport AG

²⁾ Includes the German Group companies as well as Fraport AG

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
Occupational Health and Safety  	We want to constantly reduce the number of workplace accidents.	LTIF	≤ 22.5	2025	Group	<p>Overall scope</p> <ul style="list-style-type: none"> – Consistent implementation of the measures laid down in the Group Directive “F6.0 Occupational Health and Safety” for all companies within the scope of the Group Directive <p>International Group companies</p> <ul style="list-style-type: none"> – A week of events on the topic of accident prevention carried out in Fortaleza and Porto Alegre (Fraport Brasil) – Regular training sessions to raise awareness of hazards for employees (Fraport Brasil, Fraport Greece, Fraport Slovenija, Fraport Twin Star, and Lima Airport Partners) <p>Group companies at the FRA site and Fraport AG</p> <ul style="list-style-type: none"> – Enhancing a culture of prevention through training measures, in particular in the focus on “Behavior-oriented occupational safety,” e.g., through driving safety training in the Ground Services section, regular implementation of workplace-related introductory and continuing training for employees and managers and further development of the comprehensive risk assessment system – Creation of an action guideline for organizing operations during the Covid-19 pandemic with specific recommendations on protective measures, e.g., guidelines on correct ventilation and conduct when using company vehicles – Creation of a “Safety Card” for activities during home office (overview of precautions, important information, and emergency numbers) as part of the increased use of mobile work in the context of the Covid-19 pandemic – Preparation of supplementary risk assessments for operational and administrative activities as well as for loading flights by hand with regard to Covid-19 and deriving measures such as social distancing markings, use of protection screens or partition walls and the introduction of an obligation to wear masks 	13.5
	We want to stabilize the sickness rate in the medium term and reduce it in the long term.	Sickness rate	≤ 7.2%	2025	Group ¹⁾	<p>Overall scope</p> <ul style="list-style-type: none"> – Information on health measures in the areas of prevention, fitness, nutrition, balance, and relaxation either on the intranet, in mailings, or via virtual platforms (e.g., MS Teams) – Increasing the share of digital health services (virtual fitness classes, testing of apps, e.g., “humanoo,” digital nutrition courses, and a range of newsletters) – Maintaining prevention supplementary for operational sections (back training and therapy, mobile fitness truck) – Expansion of supplementary occupational health insurance to include an inpatient component 	6.4%
Community							
Value Generation and Engagement in the Regions  	We want to make a positive contribution to the economic and social development of the regions.	Gross value generation (corporate performance)	At least +2% compared with previous year ²⁾	2020	Group	<p>Overall scope</p> <ul style="list-style-type: none"> – Procurement of goods, services, and construction works from domestic companies: National award rate 95% at Fraport AG (incl. Fraport Ausbau Süd GmbH), 72% for Fraport Brasil, 80% for Fraport Slovenija, 95% for Fraport Twin Star and 82% for Lima Airport Partners <p>Group companies</p> <ul style="list-style-type: none"> – Donations of 500,000 surgical face masks for health services (Fraport Greece) – Support of the Ljubljana Festival (Fraport Slovenija) – Support for social youth centers (Fraport Twin Star) <p>Fraport AG</p> <ul style="list-style-type: none"> – Continuation of existing contracts and previously approved financing for funding, sponsorship, and donation projects 	– 50.7%

¹⁾ Includes the German Group companies as well as Fraport AG

²⁾ Subject to maximum net financial debt of 5 × EBITDA

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
Noise Abatement 	We want to keep the area affected by aircraft noise below the noise ceiling during the day.	LOG noise area: Area affected by a Leq of 55 dB(A) day (6am to 11pm)	≤ 22,193 ha	Up to full capacity	FRA site	FRA site – Increase in noise-related charges (noise charges for flights during the late evening hours and the middle of the night) – Introduction of the RNP1 precision flight method in conjunction with a precisely defined curve radius (RF-Leg) on selected routes for higher flight path precision for departures – Study of different takeoff procedures with the aim of recommending the best procedure in terms of noise abatement for all departure routes at Frankfurt Airport	11,173 ha 

Environment

Climate Protection   	We want to reduce the CO ₂ emissions of the Fraport Group.	Absolute emissions (sum of Scope 1 and 2 GHG Protocol) in metric tons of CO ₂	125,000 metric tons CO ₂ ¹⁾	2030	Group ²⁾	Group companies – First-time participation in the Airport Carbon Accreditation program of the ACI at the Samos and Chania airports as well as receipt of a certificate for Level 1 (Fraport Greece) – First-time participation in the Airport Carbon Accreditation program of the ACI at the Lima Airport as well as receipt of a certificate for Level 1 (Lima Airport Partners) Fraport AG – Completion of the development of a digital twin of Terminal 2 for optimal energy control (not yet in use as planned due to the closure of the terminal) – Test of two electric buses for passenger transport as part of the expansion of the electric vehicle fleet (focus on Ground Services) – Preparation of the commissioning of the first large photovoltaic system on site – Preparations for a “Power Purchase Agreement” (PPA) for electricity from an offshore wind farm	170,694 metric tons of CO ₂ 
			80,000 metric tons of CO ₂	2030	Fraport AG		129,289 metric tons of CO ₂ 
			0 metric tons of CO ₂ ³⁾	2050			
		Specific emissions (sum of Scope 1 and 2 GHG Protocol) in kilograms of CO ₂ per traffic unit	0.9 kg CO ₂ /traffic unit	2030	Fraport AG		3.41 kg CO ₂ /traffic unit 

¹⁾ If necessary, the goal will be adjusted for changes within the Fraport airport portfolio

²⁾ Includes FraGround, Fraport Brasil, Fraport Greece, Fraport Slovenija, Fraport Twin Star, GCS, Lima Airport Partners as well as Fraport AG

³⁾ “Net Zero Carbon” according to the Intergovernmental Panel on Climate Change

Topic	Target	Key Performance Indicator	Target Level	Term	Scope	Measures 2020 (excerpt)	Status and Target Attainment 2020
Environmental and Nature Conservation 	We want to provide our services in the Group while always taking environmental concerns into account and to constantly improve our environmental performance.	Proportion of fully consolidated, environmentally relevant Group companies with certified environmental management systems (EMAS or ISO 14001), weighted according to revenue	100%	No time limits ¹⁾	Group	Group companies – Continuation of a project to introduce collection points for hazardous waste (Fraport Greece) – Successful recertification for ISO 14001 (Fraport Slovenija) – Obtaining a permit for the construction of a groundwater well (Fraport Twin Star) Fraport AG – Continuation of the existing environmental management system (see current Environmental Statement)	85.9% 
Air Quality 	We seek to record the air pollutant emissions of all relevant emission sources from airport operations.	Inventory of air pollutant emissions according to main sources	NOx: 100% PM10AA: 100%	2024 ²⁾	FRA site ³⁾	FRA site – Commissioning of the new LASPORT version 2.3.10 (emission and propagation model for determining emissions for flights and the airport)	NOx: 87% ⁴⁾  PM10AA: 30% ⁴⁾ 

¹⁾ Ongoing objective taking into account changes in the portfolio of Fraport airports
²⁾ Extended by two years due to short-time work schedules
³⁾ Including air traffic up to 300 m
⁴⁾ Values refer to special evaluation in 2016