

Sustainability Performance Data 2021





Dear reader,

2021 was the first year SOF Connect took over the management of Sofia Airport. A time when COVID-19 continued to negatively impact the economy, people's daily lives and, of course, the aviation industry. Sofia Airport's traffic increased, but we remained far from 2019 levels. 2021 was also a year of recovery and planning - we created a motivated team to manage the transition from a state-owned airport to an entirely new entrepreneurial business model. We began work on our strategy for the next 5 years and preparations for the full airport transformation that passengers, airlines, and all stakeholders expect. We embraced the idea of turning Sofia Airport into a 5-star regional airport. We have retained the most competitive airport charges in the region to support the aviation industry through difficult times.

What we did: In 2021, we kept our team size unchanged, despite the challenging economic environment and ongoing pandemic. We preserved jobs, in the face of hardship and financial pressures. We also laid the foundation for our human resources policy with care and attention to employees as the company's most valuable asset. During the year, we established a strong partnership with the government, the business community, NPOs and especially the tourism industry with which we are directly associated. We have created a network of relationships united by the common goal of developing the airline industry, its related businesses, and the society as a whole.

What we committed to: In 2021, we set transition to a sustainable business model as the core principle of our future development. We promised our team and partners that our business ventures going forward will be mindful of the environmental, social, and

economic context and will involve stakeholders in the management of our operations, openly sharing our intentions and considering the interests of everyone in the airport ecosystem. We have done this in line with the UN Sustainable Development Goals, European Union requirements, international industry guidelines, as well as other airports best practices, using the expertise of our concession partner Munich Airport.

Our role: We are aware of the importance of ethical and responsible management, efficiency in finance, and our role as a catalyst for economic and social development not only for the airport ecosystem, but for Sofia and Bulgaria as a whole. We also make a concerted effort to engage each of our employees and the community in our sustainability goals. The focus of our plans is environmental impact reduction, energy efficiency and partnership with stakeholders for whom we have planned numerous engagement activities. Our plan contains measurable goals and over 10 outcome focused success indicators.

Our goals: In the coming years, we will tackle the challenges of restoring passenger traffic, reforming processes and carrying out a complete digital transformation of Sofia Airport. We will be transparent by reporting publicly and regularly on our activities and progress. Our ambitious 5-year strategy will guide our actions in a responsible and sustainable way, enabling us to achieve best-in-class passenger experience, stability and predictability for airlines and partners, efficiency and a clear vision of the economic and social contribution we expect to make to Bulgaria.

Jesús Caballero Pinto
Chief Executive Officer

Targets

Achieve a score in the top half of the Airport Customer Experience (ASQ) Survey compared to similar size airports in Europe

Accomplish key financial metrics by 2026:

- EBITA margin of 65%
- Aero revenue of 11 EUR/PAX
- Non-aero revenue of 6 EUR/PAX
- OPEX of 6 EUR/PAX

Achieve 28% reduction of CO2 emissions by 2026 and reach climate neutrality by 2036

Receive ACA Level 4 Carbon accreditation by 2026

Reach at least 8.2 mio passengers in 2026

Increase GDP per capita by 0.8% in the long run

Strategic objectives

Become a 5-star regional airport

Achieve a margin like best-in-class airports

Put positive impact on the environment at the center of our activity

Support local social and economic development

Focus areas

- Technology and Innovation
- Airport Access
- Cybersecurity and Privacy

- Operational efficiency
- Talent management
- Non-discrimination, Diversity & Inclusion

- Decarbonisation & Climate Change
- Sustainable Supply Chain
- Noise Pollution

- Traffic Growth & Expansion
- Business Ethics & Anti-corruption
- Corporate governance

Strategic pillars

Customer experience

Efficiency

Environment

Economic and Social Contribution

Core UN SDGs Endorsement



Values

Integrity

We behave honorably in all aspects of our daily performance

Respect

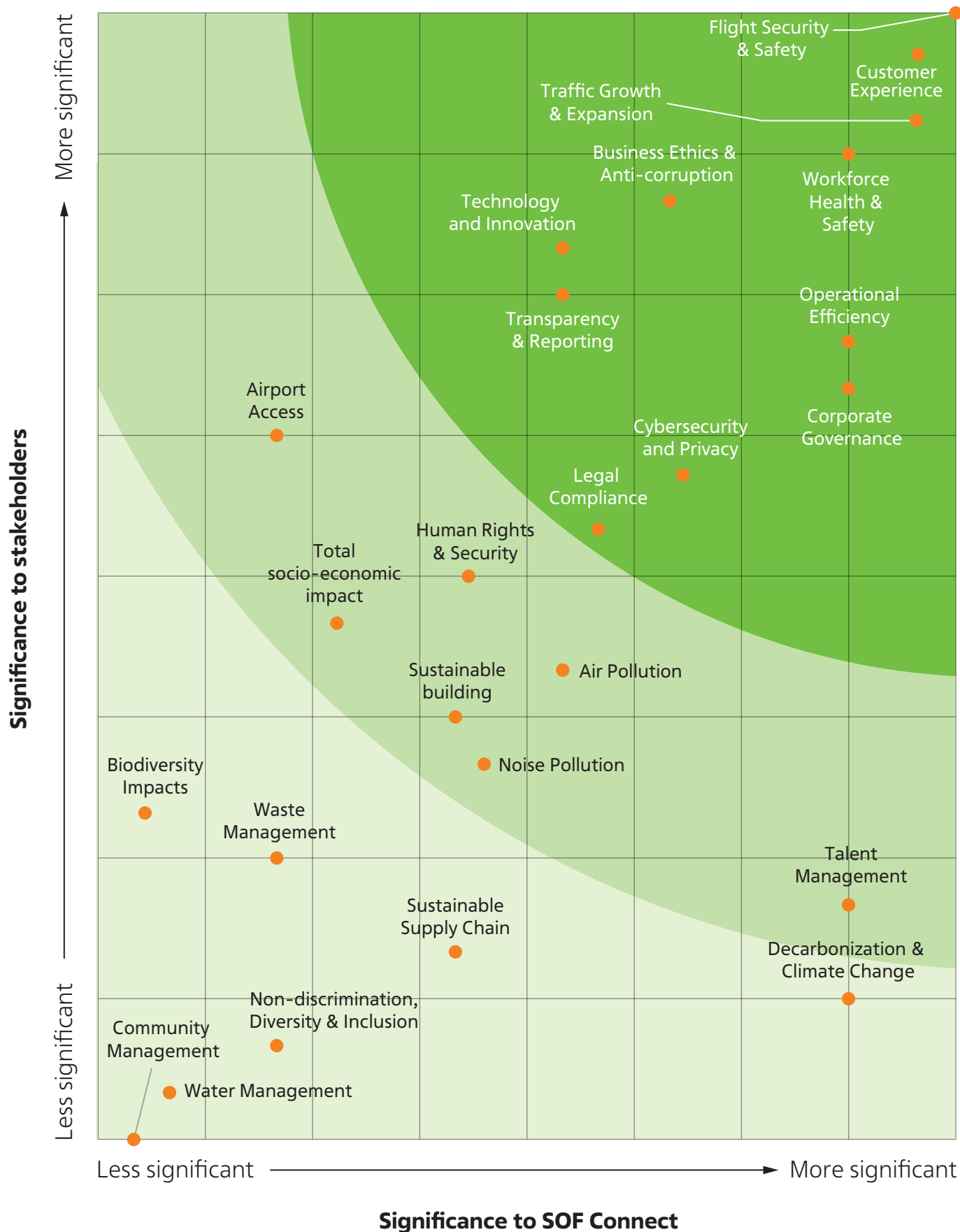
We respect each other's values and contributions

Agility

We constantly develop ourselves and think ahead

Sustainability

We perform our activities in a responsible and sustainable way





**airport
carbon
accredited**
OPTIMISATION

SOF Connect is certified under the ACI EUROPE Airport Carbon Accreditation Programme at Level 3 – Optimisation. The successful accreditation ranked Sofia Airport among the leaders who recognize and manage their emissions as well as those of their partners. The accreditation is the only institutionally approved global carbon management certification program for airport emissions. It gives prestige to Sofia Airport and a clear signal to the partners of our efforts toward climate neutrality. Now we are on the same runway with airports such as Munich, Vienna, Istanbul, Barcelona, and others.



SOF Connect joined a network of more than 400 certified airports under the ACI Airport Health Accreditation (AHA) Programme. Our processes and passenger areas comply with the high standards of ACI Guidelines for a Healthy Passenger Experience at Airports and COVID-19 Business Recovery Guidelines, as well as the ICAO Council Aviation Recovery Task Force (CART) recommendations.



ISO 14001:2015 specifies the requirements for an environmental management system that we use to reach our targets by measuring and improving our impact on the environment.



ISO 9001:2015 sets out the criteria for a quality management system. It helps us integrate continuous improvement and a strong customer focus into our business to provide consistent high-quality service.



ISO 45001:2018 specifies the requirements for an occupational health and safety (OH&S) management system. It enables us to provide a safe and healthy workplace by eliminating hazards and preventing work-related injury.



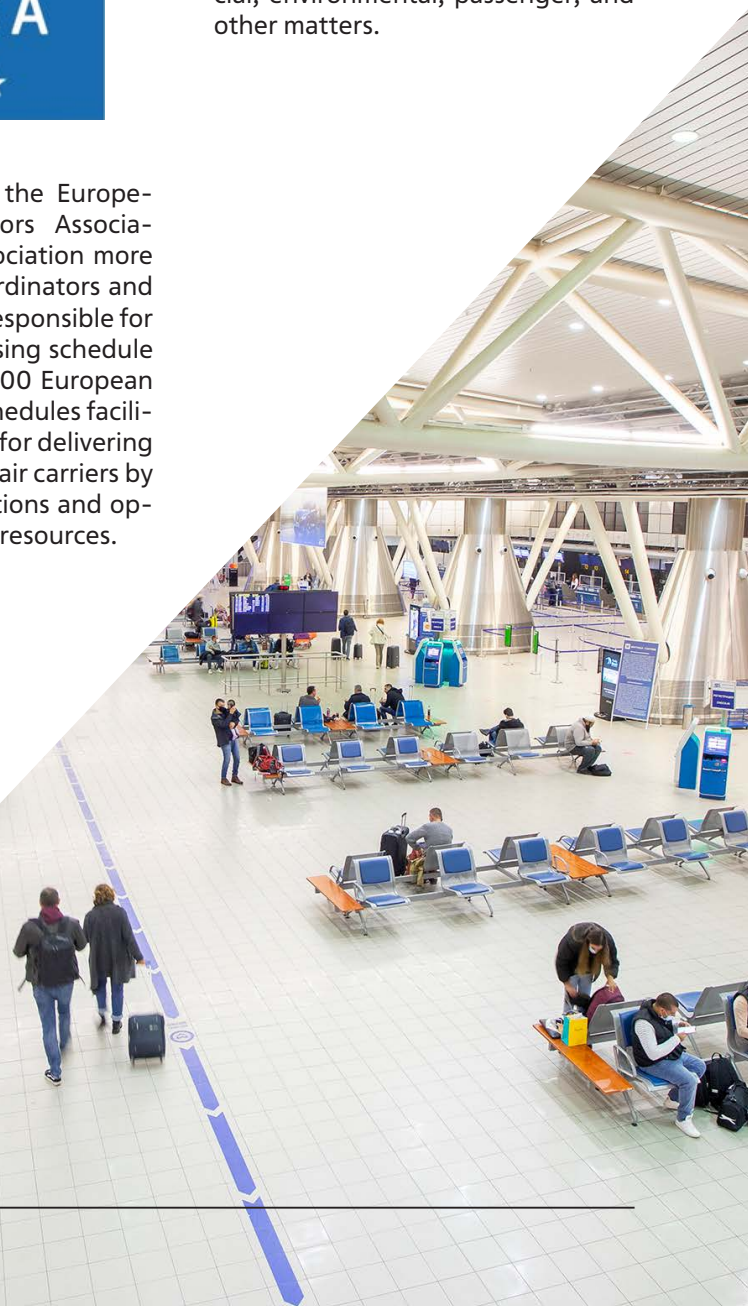
Our membership in the Airports Council International is focused on active collaboration with other airport operators, national airport associations, World Business Partners, and educational establishments. We aim at establishing an effective communication and advocacy regarding the legislative, technical, commercial, environmental, passenger, and other matters.



We are a member of the European Airport Coordinators Association (EUACA) – an association more than 20 European coordinators and schedules facilitators responsible for allocating slots or advising schedule timings at more than 100 European airports. As a level 2 schedules facilitated airport, we strive for delivering high-quality service to air carriers by applying efficient solutions and optimizing the use of our resources.



We are part of the World Wide Airport Coordinators Group – a trade association of officially appointed airport coordinators that plan the traffic at airports and ensure runways and terminal facilities are managed efficiently. By applying the Worldwide Slot Guidelines (WSG) we guarantee airline schedules meet the capacity of Sofia Airport and avoid congestion during busy periods.



Air traffic metrics (GRI 102-7)

	2021 ¹
Number of passengers	3 364 151
Number of aircraft movements	40 771
Cargo volume incl. mail (tonnes)	21 142
Commercial flights	32 449
Non-commercial flights	6 324
Cargo flights	1 998
International passengers	3 046 332
Domestic passengers	197 917
Non-commercial passengers	9 561
Transit passengers	110 341
Transfer passengers	61 415

1. SOF Connect has taken over the management of Sofia Airport as of 19 April 2021



Environment

	2021 ¹
Direct energy use (Gigajoules)² (GRI 302-1)	
Diesel	12 364
Gasoline	710
Natural gas	3 336
Indirect energy use (Gigajoules)² (GRI 302-1)	
Electricity consumed	65 356
Total energy use (Gigajoules) (GRI 302-1)	81 767
GHG emissions (GRI 305-1,2,3) (tonnes of CO₂e)	
Direct GHG emissions - Scope 1	2 343
Indirect GHG emissions - Scope 2 (location-based)	7 899
Other indirect GHG emissions - Scope 3	63 715
GHG emissions intensity (GRI 305-4)	
Scope 1 & 2 (kgCO ₂ e/PAX)	3,04
Materials use (GRI 301-1)	
Aircraft de-icers (litres)	214 650
Refrigerants (kg)	32
Water use³ (GRI 303-3) (megaliters)	
Groundwater	14
Municipal water	58
Total water withdrawn	72
Waste generated (306-3) (tonnes)	
General waste (incl. plastic, paper and metal cans)	772
Industrial waste (incl. construction and organic)	7
Waste disposal (306-5) (tonnes)	
Non-hazardous waste handover for landfilling	700
Non-hazardous waste handover for recycling	71
Non-hazardous waste handover for incineration	1
Non-hazardous waste handover for other disposal operations	2
Hazardous waste handover for incineration	1
Hazardous waste handover for other disposal operations	4
Noise	
Number of people living in noise affected areas above 65 dB(A) ⁴	0
Number of people living in noise affected areas above 55 dB(A) ⁴	400
Noise complaints and breaches received	17
Noise complaints and breaches answered	17
Biodiversity	
Number of animals involved in wildlife strikes per 10 000 air transport movements	7

2. Sources of the conversion factors used: IEA: Unit converter and glossary for common energy units; U.S. Energy Information Administration (EIA): Energy conversion calculators

3. All of the water we use is freshwater containing ≤1,000 mg/l total dissolved solids and is withdrawn from an area with extremely high (>80%) water stress according to WRI Aqueduct Water Risk Atlas

4. Total area exposed to noise above 65 dB(A): 871 880 m² and above 55 dB(A): 5 291 029 m²

Health, safety and security

	2021
Occupational health and safety (GRI 403-9)	
Fatalities resulting from work-related injuries	0
High consequence work related injuries	2
Rate of high consequence work related injuries	0,09
Recordable work-related injuries	2
Rate of recordable work-related injuries	0,09
Flight security & safety	
Numbers of runway accidents caused by operational errors made by employees of SOF Connect	0
Percentage of security operations that continuously comply with government regulations and international standards	100%

People⁵ (GRI 102-7, GRI 102-41, GRI 405-1, GRI 401-1)

	2021
Total employees	2 071
Male employees (FTE)	1 178
Female employees (FTE)	750
Number of employees on managerial positions	72
Share of women on managerial positions	39%
Number of new employees	16
Employee hiring rate	0,7%
Number of employees who left the organisation	167
Employee turnover	8,1%
Percentage of employees in collective bargaining agreements	75%

5. Our people figures include data as of 20 April 2021

Customer

As of 2022 we are measuring the overall satisfaction and experience of our customers through the globally recognized Airport Service Quality (ASQ) programme. Results of the surveys will be published in our Sustainability Report in the first half of year 2023.

Community (GRI 201-1)

	2021
Donations supporting social activities (BGN)	5 000

Economic (GRI 201-1) (BGN thousands)

	2021 ¹
Direct economic value generated and retained⁶	
Revenues	96 654
Operating costs (excl. employee costs and amortization)	45 671
Employee wages and benefits	48 967
Payments to government	550 000
Total capitalization (GRI 102-7)	
Bank loans	325 167
Lease liabilities	2 347
Shareholder loans	106 594
Total equity	185 835

6. We were loss making in 2021, so we did not retain any economic value







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