

# 2016

## Sustainability Report

Photo: Jan Kowalski



**KRAKÓW  
AIRPORT**  
im. Jana Pawła II



## Sustainability Report

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## STATEMENT BY THE PRESIDENT OF THE MANAGEMENT BOARD

We would like to present the first social responsibility report in the history of Kraków Airport. This is also the first non-financial report of this type about a regional airport in Poland.

In 2016, when I took on the position of the President of the Board, I decided to put emphasis on the fact that an airport is a very complex and complicated organism – many people use the airport every day, but hardly any are aware just how many elements must co-operate with each other to ensure a constant, safe and proper functioning of the airport. The true value of our airport lies in the work of its employees, and its relations with our partners and the surrounding area.

This report presents the operation of the company from a broader perspective, covering not only the business issues but also environmental and social issues. We focus on a responsible and complex approach to management. Never before did we publish that much information about our company all in one place. In order to make this report as clear and understandable as possible, and allow the readers to compare the results of our company with the results of other entities, its contents were created in accordance with the Global Reporting Initiative G4 Standard, the additional advantage of which is the special supplement for the airline industry.

The airport of Kraków is a link connecting our region with the rest of the

world, truly a strategical point on the map of Małopolska. It is the largest regional airport in Poland, both in terms of the number of passengers and the generated profit. However, further projects and investments are planned, which will be financed using both the company's own funds and profits from the issuance of bonds.

Looking back at 2016, one can get the impression that it was a truly special and busy period of time. Modernisation and expansion of the passenger terminal, various projects in the operation zone of the airport, the World Youth Day, or Routes Europe 2016 – the largest European forum of the airline industry, held in Kraków and hosting over 1260 participants. The previous year was also special for the company managing the airport, which celebrated its 20th anniversary.

The 2016 can also be defined by several decisions regarding new challenges for the airport of Kraków. The owners of the Company have adopted an investment plan, the most important part of which is the construction of the new runway, which is expected to be fully implemented until 2023. A complex approach to the management of entities operating as part of the Company's capital group was initiated, and the decision regarding the Strategy of Kraków Airport's Capital Group was made. Analysis of the air services market shows that the number of customers – passengers travelling by plane is increasing. In 2016 we started working on the Master Plan for the Kraków-Balice airport, which is an expansion of the already adopted investment plan and which determines the directions for the development of the airport for the upcoming 20 years.

Since 2016, the social responsibility

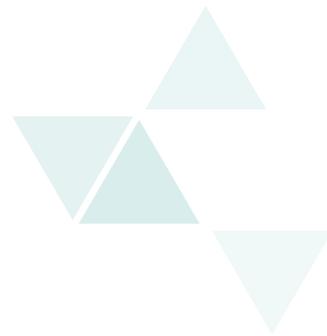
strategy document of Kraków Airport has been in effect. The basis of this strategy is to treat the economical, environmental, and social impact management as equally important. This document provides a structured overview of current CSR-related activities and sets priorities in the implementation of goals of sustainable development.

Our endeavours were noticed and acknowledged. Kraków Airport was awarded with the ASQ Award 2016, which is a proof of our passengers' satisfaction with the high standard of services provided by Kraków Airport. For the first time in history, our airport made its way on to the List of Responsible Companies published by Gazeta Prawna, and our activity in the area of social responsibility was acknowledged for the third time in the "Responsible Business in Poland. Good Practices" report published by Forum for Responsible Business.

I hope you will enjoy reading this Report.

**Radosław Włoszek**  
President of the Board  
of Kraków Airport

I am truly thankful to the team tasked with the creation of this Report. I realize just how much work and commitment was necessary to accomplish this task. Thanks are also due to everyone who prepared the data for the Report, as well as to those who are guided by their responsibility in their daily work and contribute to the implementation of principles of sustainable development at the airport in Kraków.



# ABOUT THE COMPANY



Photo: Sławomir Radwan, EPKC Spotters

## GENERAL INFORMATION



Photo: Jacek Krawczyk

Kraków Airport is the largest regional airport in Poland. It is located in the south of the country, 11 km west of Kraków, at 241 m above sea level.

The **Kraków-Balice Airport (EPKK)** is a military airport shared with civil aviation. Its civil user is the company Międzynarodowy Port Lotniczy im. Jana Pawła II Kraków-Balice sp. z o.o., whereas the 8th Base of Military Transport Aviation is the military user.

The total surface area of the airport is 310 ha, including 27.5 ha managed by the Board of Kraków Airport.

The oldest documents pertaining to the Airport in Balice date from 1938. The beginning of the non-military activity of the airport in Kraków can be traced back to 1964 when the military have granted the future civil airport operating entity access to an area of 10 ha, as well as the necessary permissions to use the relevant military facilities. On February 29th 1964, the first landing of a cruise plane (PLL LOT) took place. ▼



GPS COORDINATES:

N: 50° 4'21"

E: 19° 48'21"

G4-3, G4-5



## OUR VISION AND OUR MISSION

The vision of Kraków Airport is to achieve the highest standards of services comparable to the standards implemented by major European airports.

The mission of Kraków Airport – the southern gateway of Poland – is to take the leader spot among the European regional airports by doing its best to provide high-quality services, giving our clients the feeling of satisfaction, and moving towards the goal of a great economic success.

## COMPANY'S LINE OF BUSINESS

Expansion, modernisation and operation of Kraków Airport, as well as any activities related to the air traffic of passengers and goods, including the

operation of the international border crossing at the airport, promoting the city of Kraków and the region, facilitation of the tourist traffic, and in a much broader sense – the performance of public tasks, in accordance with the Act of 8 March 1990 on Local

Government (uniform text: Journal of Laws of 9.10.2017, Item No. 1875). The rendering of airport-related services and non-airport services, which include land leasing, rental of rooms and advertising spaces, etc. ▼

## PRIZES AND AWARDS IN 2016

1/ ASQ Awards 2016 – awarded by Airport Council International for the first place in the category: Europe – Best Improvement by Region.

2/ The Responsible Business in Poland. Good Practices 2016 report describes 7 practices of Kraków Airport in three categories:

▶ **social commitment and development of local community:** We Support Volunteers – a grant competition; Need Help – an internship programme;

▶ **work-related practices:** Christmas help campaign for employees, We Support Volunteers – a grant competition;

▶ **customer-related issues:** Kraków Airport mobile application, facilities for passengers travelling with children, a paddock for pets.

3/ In 2016, Kraków Airport made its debut on the list of **socially responsible companies**, coming in 7th in the ranking of Gazeta Prawna. The activity of Kraków Airport in 2016 has made its way into the Ranking of Responsible Companies (achieving the elite Crystal Level) run by Gazeta Prawna.

4/ In 2016 Kraków Airport was awarded with the title of **Patron of Culture 2015** in the category: Donor.

5/ The VIP Service was awarded with the **European Medal for Services** by the Business Centre Club, with the support of the Polish Ministry of Foreign Affairs, and with the Honorary Patronage of the European Economic and Social Committee.

6/ Kraków Airport Mobile Application was awarded in the 9th edition of the Magellan Awards in the category of **The Best Tourist Publications in 2016**.

## RESPONSIBILITY MAP – A BREAKDOWN OF TASKS AND RESPONSIBILITIES AT THE AIRPORT



### STATE SERVICES:

Polish Air Navigation Services Agency (air traffic control); Police; Border Guard; Customs Service; Voivodeship Veterinary Inspectorate in Kraków; IMGW (Aerodrome Meteorological Station Kraków-Balice).

### KRAKÓW AIRPORT:

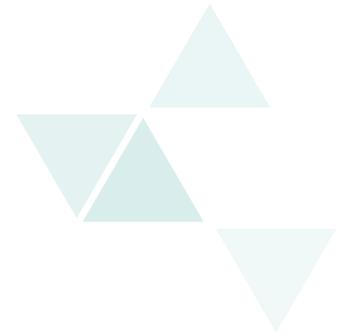
Coordination of activities of all services working at the airport; ensuring the safety of air operations and airport users; development, modernisation and operation of the infrastructure of Kraków Airport; security (Airport Security Service); Airport Rescue and Fire Service; Airport Information Services; the Lost-and-Found office; chapel; VIP & Business Services; airport tours; monitoring the condition of runway and taxiway; maintenance of the runway surface; placing aircraft on the apron; airport maintenance services; non-airport services including: land leasing, rental of rooms and advertising spaces, maintenance of networks and IT systems.

### DAUGHTER COMPANIES:

Parking services; observation deck-related services; catering and commercial services; hotel services; collection of fees at the airport; transport of persons and luggage (Kraków Airport Taxi).

### THIRD-PARTY ENTITIES:

Airlines; check-in; catering services; shopping outlets; commercial services (mail, bank, currency exchange); cleaning services; facilities and support for disabled persons and persons with reduced mobility (PRM); car rentals; private transport; public city transport; tourist information points; lost luggage office(s); cargo services; technical servicing for aircraft; ground services for aircraft; de-icing, aviation fuel supply; falconers.



## FORM OF OWNERSHIP AND ORGANIZATIONAL STRUCTURE



Radosław Włoszek  
President of the Board



Mariusz Saługa  
Member of the Board

### MANAGEMENT STRUCTURE

The authorities of the Company operating under the business name of Międzynarodowy Port Lotniczy im. Jana Pawła II Kraków-Balice sp. z o.o., (MPL), are: the Management Board, the Supervisory Board and the Meeting of Shareholders. The competences of each of these bodies are specified in the Partnership Agreement.

### MANAGEMENT BOARD

In 2016, the Management Board, executing its corporate rights, adopted a total of **90 resolutions** at **56 meetings** of the Management Board, and **89 resolutions** in accordance with Article 19(1) of "Regulations of the Management Board of Międzynarodowy Port Lotniczy im. Jana Pawła II Kraków-Balice sp. z o.o." (i.e. outside of the meetings of the Management Board). These resolutions concerned the business activity of MPL.

During the time period covered by the Report, i.e. from January 1, 2016 to December 31, 2016, the President of the Management Board issued **62 ordinances** and **3 official business orders**.

### ORGANIZATIONAL STRUCTURE OF THE COMPANY – AS OF 31.12.2016

The rules of operation of the Company are set out in the Organizational Regulations. The Regulations are available to all employees on the MPL Intranet site. The document describes the scope of activity of the organizational units of MPL reporting directly to the Management Board of the Company. The Organizational Regulations serve as the basis for determining the scope of duties for the individual positions in the organization. The Organizational Regulations and the organizational structure of MPL are adopted by the Management Board, approved by the Supervisory Board and finally effected by an Order of the President of the Management Board. ▼



## OWNERSHIP SUPERVISION

Shareholder	Number of shares owned	Value of shares owned (PLN)	Shares owned (in %)
PP "Porty Lotnicze"	154,264	77,132,000	76.19%
Małopolskie Voivodeship	46,012	23,006,000	22.73%
Municipality of the City of Kraków	2,104	1,052,000	1.04%
Commune of Zabierzów	84	42,000	0.04%
<b>TOTAL</b>	<b>202,464</b>	<b>101,232,000</b>	<b>100.00%</b>

## KRAKÓW AIRPORT IS THE SOLE SHAREHOLDER OF THE COMPANIES LISTED BELOW

► **MPL Services sp. z o.o.** – a company providing catering and commercial services, cleaning services in the terminal areas, services related to the operation of the car parks and the observation deck at Kraków Airport. Additionally, since 2012, the company is also responsible for the airport fee collection office, and the transport of passengers and luggage (Krakow Airport Taxi).

**MPL Services sp. z o.o.**  
 Seat: ul. kpt. M. Medweckiego 1,  
 32-083 Balice  
[www.mplservices.pl](http://www.mplservices.pl)

► **Kraków Airport Hotel sp. z o.o.**  
 – a special-purpose company the initial task of which was to carry out the construction of the hotel at Kraków Airport. Currently, the company is responsible for running the now-fin-

ished hotel known under the name of Hilton Garden Inn Kraków Airport.

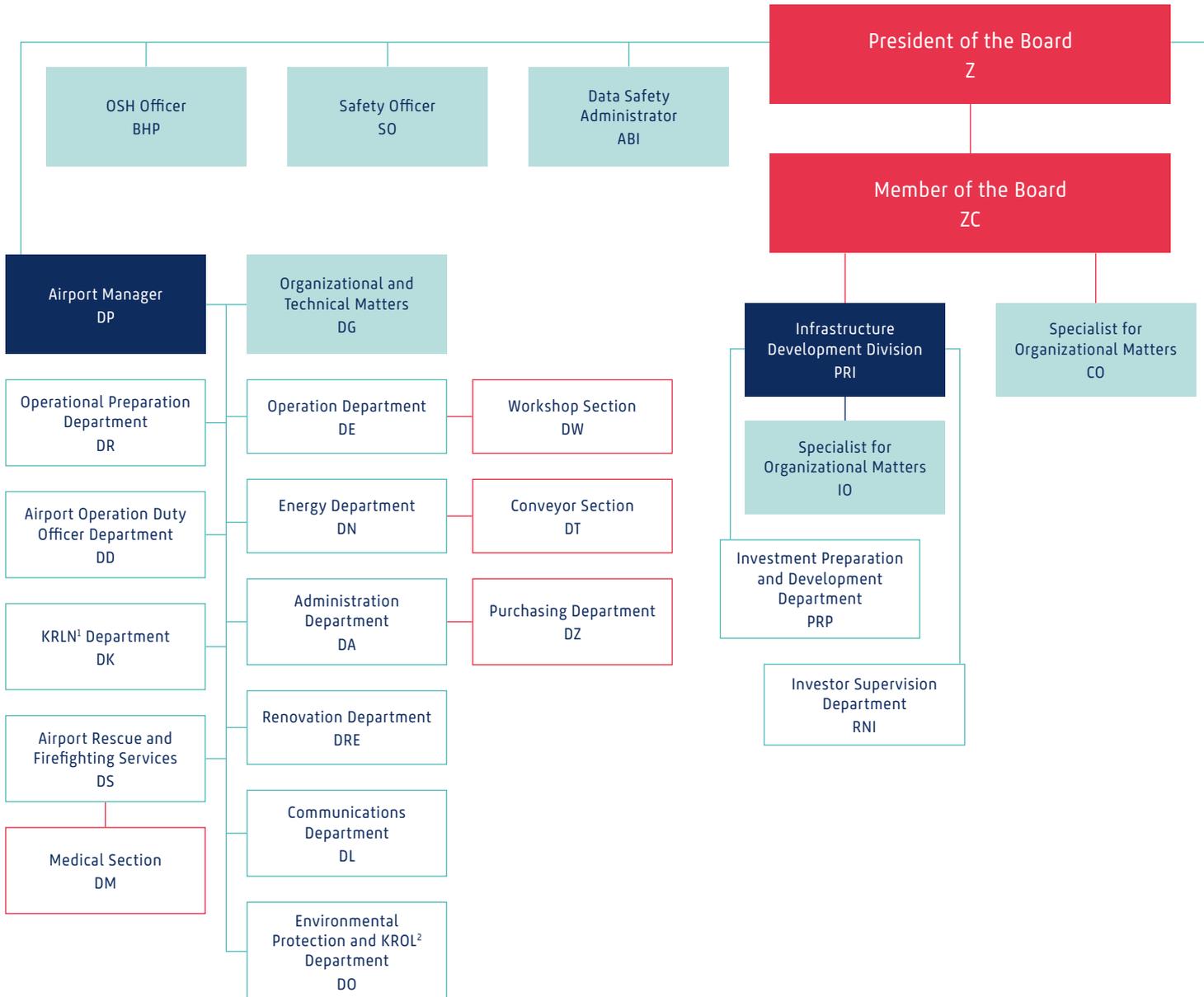
**Kraków Airport Hotel sp. z o.o.**  
 Seat: ul. kpt. M. Medweckiego 3,  
 32-083 Balice

## LIST OF ORGANISATIONS WHICH KRAKÓW AIRPORT IS A MEMBER OF

- |   |   |   |
|---|---|---|
| 1/ European Association for Security          | 5/ Chamber of Commerce of Exporters and Importers | 9/ Polish Association of Tourism Organisers             |
| 2/ Business Centre Club                       | 6/ Tourist Organization of Małopolska             | 10/ Polish Chamber of Civil Engineers                   |
| 3/ Chamber of Commerce and Industry in Kraków | 7/ Airport Council International                  | 11/ Lewiatan – the Employers' Association of Małopolska |
| 4/ Polish Regional Airport Association        | 8/ British Polish Chamber of Commerce             |   |



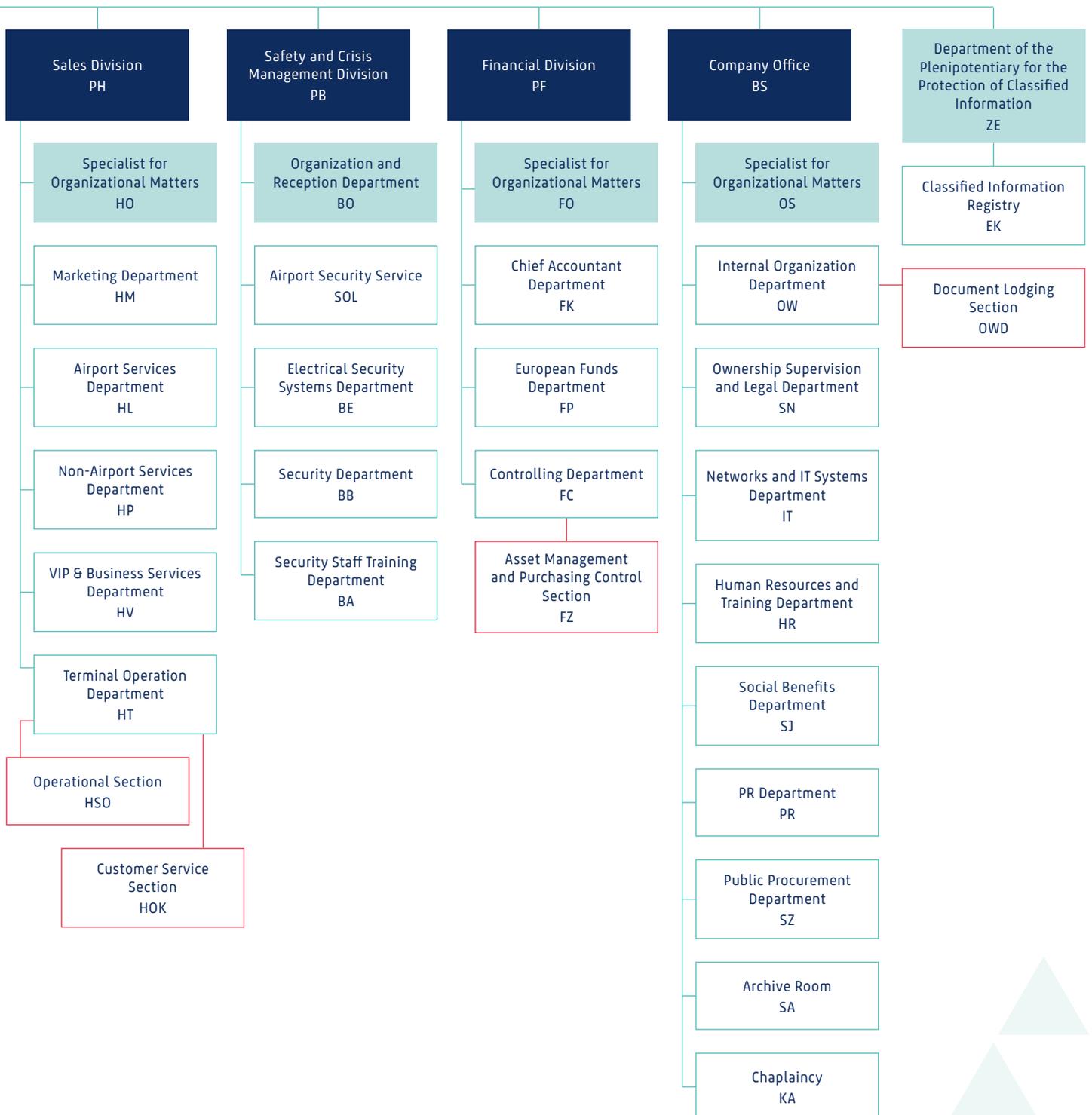
## ORGANIZATIONAL STRUCTURE OF KRAKÓW AIRPORT



<sup>1</sup>Coordination of Aircraft Ground Movement Department

<sup>2</sup>Environmental Protection Department and Airport Impact Zone Control Department







## ECONOMIC SITUATION

The company managed to close the year 2016 with a net profit of PLN 47,132,635.99. The financial condition of the Company is stable, nothing appears to threaten its activity in the next year, which can be confirmed by the economic indexes below<sup>3</sup>.



Photo: Adrian Sitkiewicz

### NET REVENUES FROM THE SALE OF PRODUCTS, GOODS AND MATERIALS, SORTED BY THE SOURCE OF REVENUE

	2016	2015	Increase/Decrease 2016/2015 (%)
Air services	127,149,513.14	109,821,446.65	+15.78%
Non-airport services	68,122,097.99	53,584,375.65	+27.13%
Handling services	121,710.82	101,454.01	+19.97%
Goods and materials	52,463.12	10,719.99	+389.40%
<b>Total</b>	<b>195,445,785.07</b>	<b>163,517,996.30</b>	<b>+19.53%</b>

### NET REVENUES FROM THE SALE OF PRODUCTS, GOODS AND MATERIALS, SORTED BY THE TARGET MARKET

	2016	2015	Increase/Decrease 2016/2015 (%)
<b>Revenues from the sale of products</b>	<b>195,393,321.95</b>	<b>163,507,276.31</b>	<b>+19.50%</b>
Country	89,853,561.76	70,519,533.75	+27.42%
Export	105,539,760.19	92,987,742.56	+13.50%
<b>Income from product and material sales</b>	<b>52,463.12</b>	<b>10,719.99</b>	<b>+389.40%</b>
Country	52,463.12	10,719.99	+389.40%
Export	0	0	-
<b>Total</b>	<b>195,445,785.07</b>	<b>163,517,996.30</b>	<b>+19.53%</b>

## PROFITABILITY RATIO AND EFFECTIVENESS RATIO

Compared to the generally accepted standards, the financial liquidity ratios are very good. The ratios for current liquidity and quick liquidity are 2.01 and 1.99, respectively. This level guarantees that the Company will not have any problems with current liquidity. High levels of these ratios are the result of the accumulation of funds for a large-scale investment process.

Particularly noteworthy are the receivables and liabilities turnover rates in days, that represent the average time of inflow of receivables and the average time of liabilities settlement by the Company, respectively. In 2016, these ratios were at the level of 36 and 17 days, respectively.

## FINANCES – LONG-TERM PLANS

In 2016, several important decisions of long-term significance were made. On May 23, 2016, the MPL Investment Plan for the years 2015-2023, specifying the investments planned for the upcoming years, was approved.

Due to the fact that the investments are necessary to ensure further development of the airport, this document currently serves as the main source of information on the planned activity of the airport in this regard, and the data contained therein is used for long-term financial forecasts. The key investment necessary for the proper functioning of the airport in Kraków is the construction of a new runway.

Currently, the only study presenting the long-term financial perspective of MPL is the financial projection for 2016-2035, updated at the turn of June, prepared for Bank Pekao S.A. and accepted by this bank due to the MPL's request for amendments to the bond issue agreement.

In 2016, another decision was made to draw up a new Master Plan and, for the first time, to define the Strategy for the MPL Capital Group. Both these documents of strategic importance were still under development at the end of 2016. ▼

<sup>3</sup>The financial ratios were calculated on the basis of data from the MPL financial statements for the financial year 2016. The financial statements were audited by a certified auditor, an authorised entity Deloitte Polska sp. z o.o. s.k.



24%

net sales profitability  
(net financial result / total revenue)



7%

net profitability of the equity capital  
(net financial record / equity capital)



0.17

total asset turnover  
(net sale revenue / total assets)



36

receivables turnover ratio in days  
(average value of trade receivables \* 365 / sale revenues)



17

liabilities turnover ratio in days  
(average annual balance of trade liabilities \* 365 / operating costs)



44%

debt ratio (liabilities and provisions for liabilities / total liabilities)



## SOCIAL RESPONSIBILITY STRATEGY



A drawing made by the students of a school and kindergarten complex in Balice

Kraków Airport has been operating in the spirit of corporate social responsibility for many years. The large number of undertaken initiatives in the area of environmental protection, customer relations and social commitment serves as a proof for strong commitment of the airport.

**The daily activity of the airport revolves around the system of sustainable development in the air transport sector.**

The strategy of social responsibility of the airport for 2016-2018, adopted by the Management Board of Kraków Airport in December 2015, determines the structure of the current activities and introduces new CSR initiatives in a 3-year perspective.

### VISION OF CSR FOR KRAKÓW AIRPORT (2016-2018)

Social responsibility is one of the basic principles which Kraków Airport follows in its day-to-day business operations. The undertaken initiatives in the area of CSR create a lasting added value for the surroundings of the airport, its stakeholders and for the enterprise itself. The airport pays a lot of attention to the natural environment and the local community, keeping the levels of satisfaction of its passengers as high as possible, the fairness of market and operational practices, as well as the personal development and satisfaction of its employees.

The vision of CSR at Kraków Airport remains unchanged and places social responsibility as one of the main foundations of the activity and future development of the airport. The strategy itself is subject to constant monitoring and evaluation at each step, not only in terms of priority areas of commitment of the airport, directions and objectives of the undertaken activities, but also in terms of result indicators.

This strategy defines five priority areas within which the so-called flagship projects are carried out. ▼



## PRIORITY AREAS OF COMMITMENT FOR KRAKÓW AIRPORT

Photo: Jacek Krawczyk



Kraków Airport is focused on building stable and long-term relationships with its stakeholders based on communication, protection of natural environment and balance between the economy and social needs. The day-to-day operation of the airport entails taking care of the surrounding area, implementation of initiatives for the improvement of passenger service, transparent rules of co-operation with business partners, and constant development of the professional skills of employees.

The strategy of social responsibility of Kraków Airport for years 2016-2018 is implemented in accordance with the international PN-ISO 26000 standard. In addition, the Company's long experience in the area of CSR-related activities, and the successful dialogue with the stakeholders of the airport serve as the foundation stone for the adopted strategy.

The implementation of the Social Responsibility Strategy of Kraków Airport for years 2016-2018 was

acknowledged in the "Responsible Business in Poland. Good Practices" report published by Forum for Responsible Business. ▼

This document is available at: [krakowairport.pl/CSR](http://krakowairport.pl/CSR)





# PASSENGER TRAFFIC AND AIR OPERATIONS AT KRAKÓW AIRPORT



Photo: Marcin Keleta / MPLB Sportlers

## AIRPORT CATCHMENT AREA

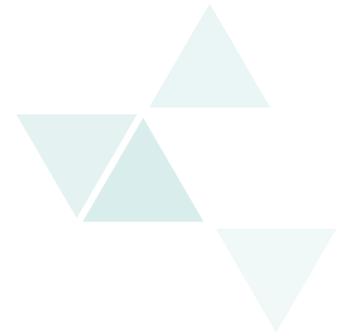


Kraków Airport is located 11 km west from the city centre of Kraków. The airport borders the Kraków-Katowice section of the A4 motorway to the north, and is located near important national and European communication routes. Kraków Airport's catchment area covers approx. 10.4 million inhabitants, which corresponds

to the time of travel of approx. 90 minutes. However, if we take into account a travel time of 120 minutes, then the catchment area will also cover parts of the Czech Republic and Slovakia, thus expanding its reach to a total of 14.5 million persons – 12.56 million citizens of Poland, 1.37 million citizens of the Czech Republic, and

0.57 citizens of Slovakia. This can be recognized as a global standard in terms of assessing the potential passenger market for airlines using a particular airport. ▼





## STATISTICS



Photo: Lukasz Stawiarz/EPKC-Spotlers

Kraków Airport is the second airport in Poland in terms of the number of passengers, and the largest regional airport in the country. Kraków Airport has a diverse network of connections, thanks to which the passengers have a wide range of airlines to choose from – both legacy and low-cost airlines. Thanks to direct connections to the largest airports in Europe, passengers can fly even to the most remote places in the world by means of connecting flights.

In 2016, **4,983,645** passengers have travelled to or from Kraków Airport, i.e. **18% more (over 760,000 people)** than in the previous year, and **41,902** air operations were recorded (take-offs and landings) – **15% more**

(**5,557 flight operations**) than in 2015. The number of air operations cancelled or redirected due to bad weather conditions, strikes, etc. amounted to **448** in the entire year 2016 – a drop by 73 operations compared to the previous year.

Records of numbers of travellers were set anew every month, with the peak in August – almost 500,000 people. **The final record** was set on August 1 – **22,500 passengers** within one day. In comparison to the previous year, **the average number of passengers checked in / day** increased from 11.6 thousand to **13.6 thousand**.

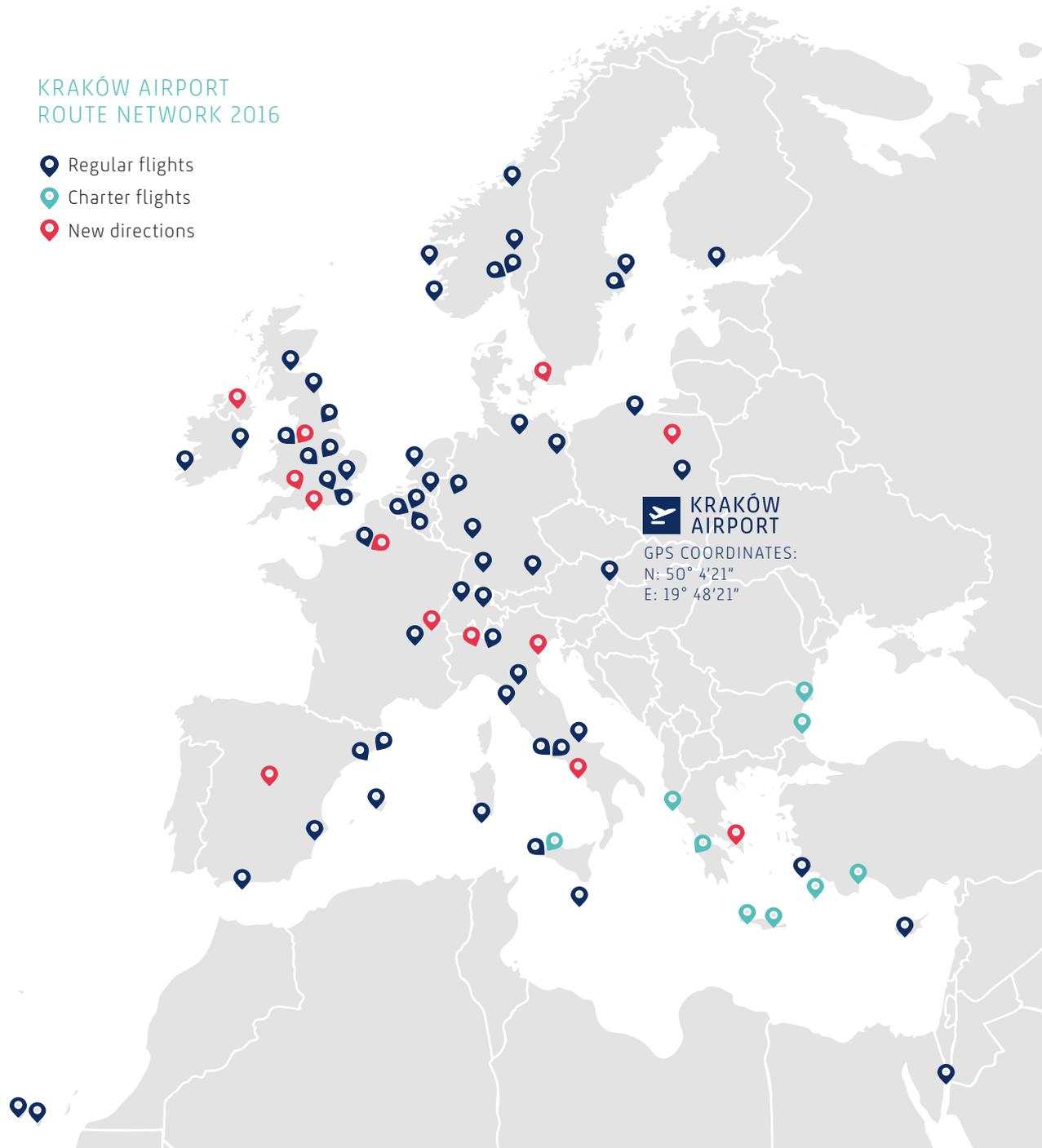
In 2016, a decrease was recorded in the area of cargo services (**-16%**). The volume of cargo transported during that year decreased by **465 tons**.

In 2016, a total of **86 connections: 77 scheduled flights and 9 charter flights** were available at the airport in Kraków. Among the regular connections, there were **14 new ones** – a total of almost 182 thousand additional passengers travelled using those connections. **21 airlines** were using the airport throughout the year, four of which launched their connections in 2016 (Aegean Airlines, Air France, Iberia Express and SAS). In 2016, it was possible to fly to **58 destinations (67 airports)** in **19 countries** from Kraków Airport.



## KRAKÓW AIRPORT ROUTE NETWORK 2016

- 📍 Regular flights
- 📍 Charter flights
- 📍 New directions



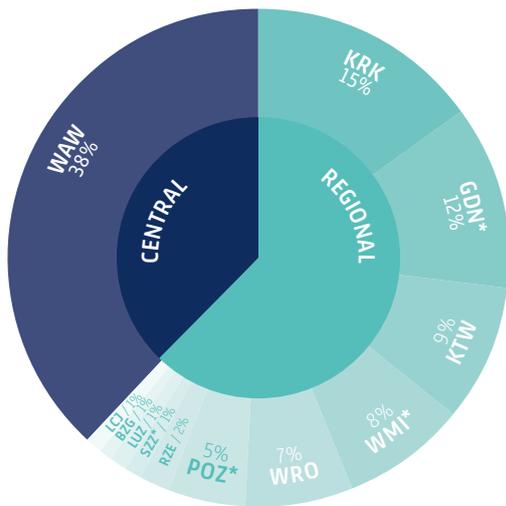
The following airlines were offering their services at Kraków Airport in 2016: Ryanair, PLL LOT, Lufthansa, easyJet, Norwegian, AirBerlin, Austrian Airlines, KLM, British Airways, Finnair, Swiss, Air France, Brussels Airlines, Eurowings, Jet2.com, Alitalia,

SAS, Sprintair, Vueling, Aegean Airlines, Iberia Express.

Kraków Airport continues to be the leader among the Polish regional airports.

In 2016, Kraków Airport covered 15% of all passengers travelling by plane in Poland (an increase of 1 percent compared to the previous year).<sup>4</sup> ▼

<sup>4</sup>The data and statistics presented in this publication are based on internal statistical data of Kraków Airport, questionnaire surveys conducted for Kraków Airport, and data from the reports of the Civil Aviation Office (ULC).



### AIRPORTS IN POLAND

MARKET SHARE REPRESENTED BY THE NUMBER OF PASSENGERS IN 2016

The monthly dynamics ranged from +13% to +26% regarding the number of passengers served, and +4% to +25% when it comes to the number of recorded air operations.

\*Estimated traffic.

### PASSENGER TRAFFIC

AT KRAKÓW AIRPORT IN 2016 BY THE TYPE OF FLIGHT<sup>5</sup>

Type of connection	Number of passengers
<b>Scheduled flights</b>	<b>4,877,276</b>
Domestic flights	414,203
International flights	4,463,073
<b>Charter flights</b>	<b>106,369</b>
Domestic flights	3,332
International flights	103,037
<b>Total</b>	<b>4,983,645</b>

Average Statistics per 1 air operation 2016	2016
Number of passengers	126
Number of seats available	148
Passenger load factor	84%

\*Scheduled flights and Charter flights.

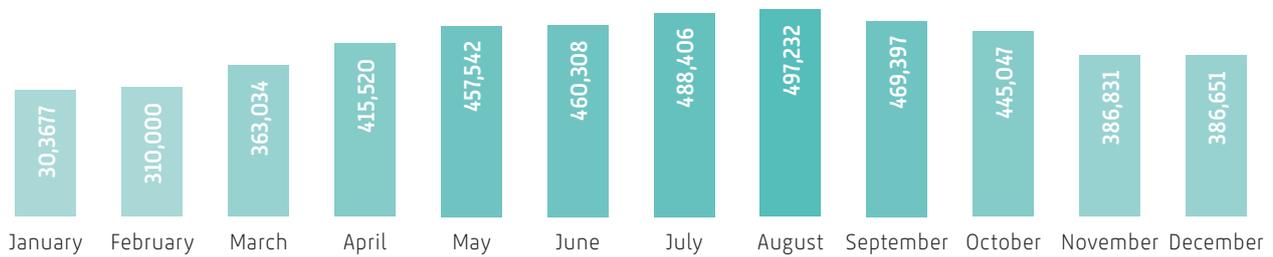
### MOST POPULAR TRAVEL DESTINATIONS IN 2016

- ▶ Favourite countries – passengers were travelling most frequently to/from: United Kingdom (1.2 million passengers), Germany (0.7 million passengers), and Italy (0.4 million passengers).
- ▶ The most frequently visited cities: London (569,000 passengers), Warsaw (320,000 passengers), and Frankfurt (290,000 passengers).
- ▶ The most popular vacation destinations: Alicante, Gran Canaria, Tenerife, and Barcelona (a total of 170,000 passengers were travelling to these destinations).

<sup>5</sup>The data includes General Aviation, i.e. general aviation operations (according to the definition of ICAO – the International Civil Aviation Organization – GA are operations with the use of an aircraft, other than those performed as part of commercial air transport and air services).

## NUMBER OF PASSENGERS

AT KRAKÓW AIRPORT IN 2016



## NUMBER OF AIR OPERATIONS

AT KRAKÓW AIRPORT IN 2016

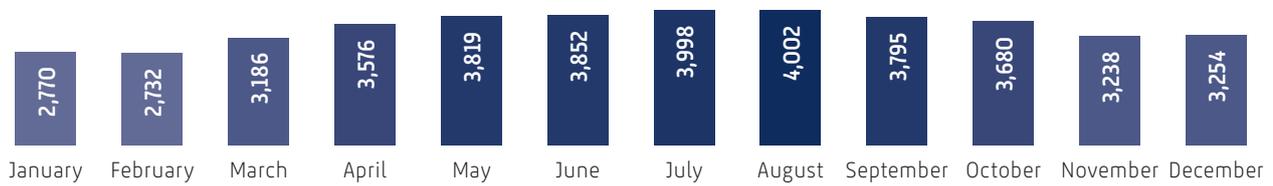
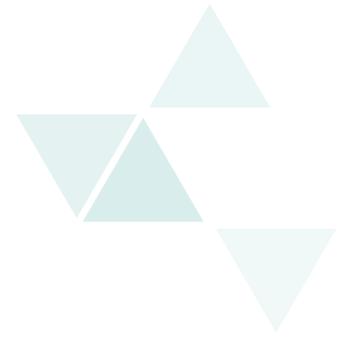


Photo: Adrian Sitkiewicz



## PASSENGER PROFILE



Photo: Kraków Airport

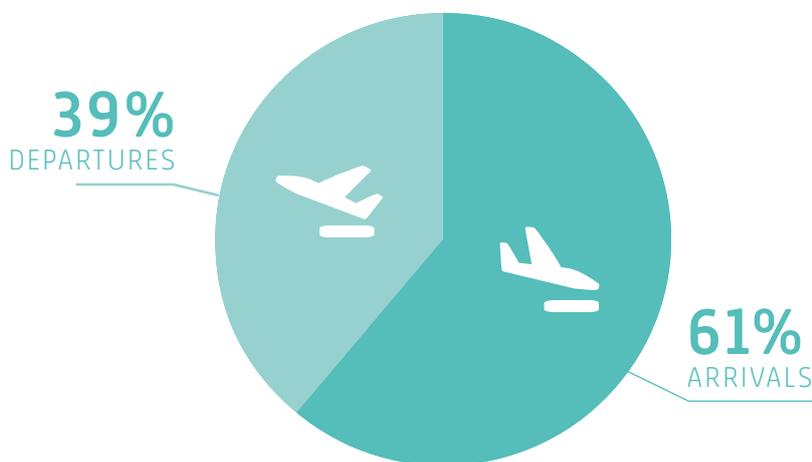
Passengers visiting Kraków Airport are usually young people, over half of them is still under 35. The most often declared purpose of travelling to Kraków is tourism (59%). The profile of passengers visiting Kraków Airport

is based on Airport Service Quality questionnaire surveys conducted by Airports Council International<sup>6</sup>. Independently of the ASQ surveys, Kraków Airport also conducted an internal survey – “Pax Profile”, the

purpose of which, among others, was to determine the preferences and expectations of the clients of the airport. A total of 5,000 questionnaires were conducted in 2016. ▼

### ARRIVALS/DEPARTURES

Source: Questionnaire Survey by Kraków Airport

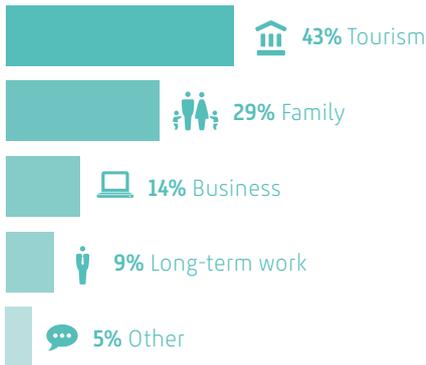


<sup>6</sup>The surveys of ASQ were conducted by ACI in 2016 in 284 airports around the world, including Kraków Airport.

<sup>7</sup>In surveys by Kraków Airport and the rail operator – Koleje Małopolskie, this number amounts to as much as 26%.

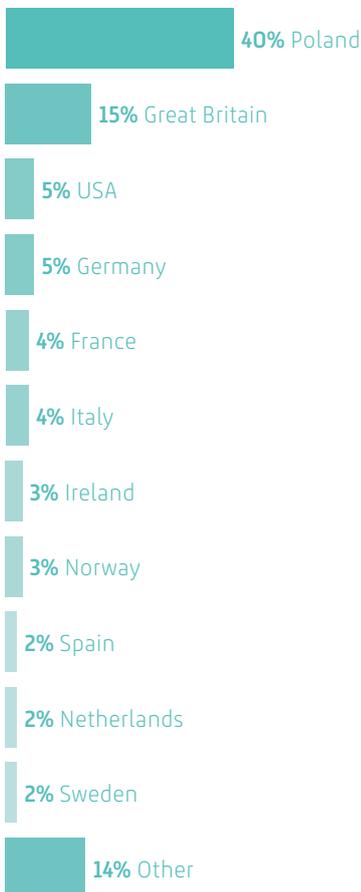
### DESTINATION

Source: Questionnaire Survey by Kraków Airport



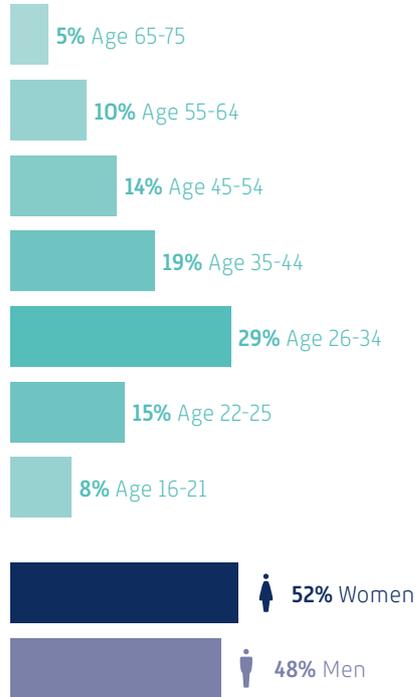
### COUNTRY OF RESIDENCE

Source: Questionnaire Survey by Kraków Airport



### AGE / SEX

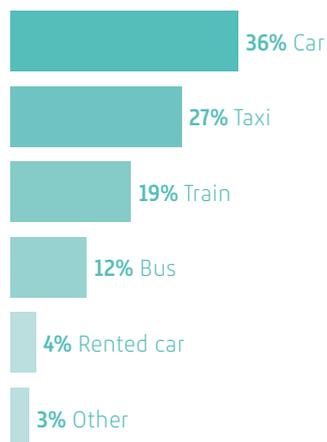
Source: Based on questionnaire surveys of conducted by Airports Council International in 2016



### BY WHAT MEANS OF TRANSPORT DO PASSENGERS TRAVEL TO/FROM KRAKÓW AIRPORT?

In 2016, the number of passengers travelling to the airport using a car, a taxi, or a bus decreased in favour of railway transport. According to the ASQ survey, 19% of our passengers<sup>7</sup> declared they travel to the airport by train - this number is almost twice as high as the European average.

Source: Based on ASQ questionnaire surveys conducted by Airports Council International in 2016





## ANIMALS TRAVELLING BY AIR



Photo: Shutterstock

Passengers, more frequently than in the past, take their pets with them on a journey – usually cats and dogs. Last year, a total of **1,047 animals** started or ended their journey at Kraków Airport – a **15% increase** in the numbers of animals travelling under the AVIH, PETC or CARGO<sup>8</sup> procedures, compared to 2015.

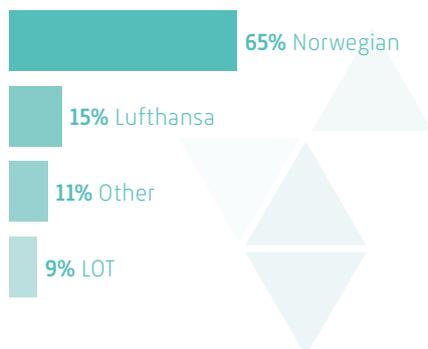
Last year was also record-breaking in terms of the number of animals

transported per day (**22 animals on December 20, 2016**), and per month (**150 animals in December 2016**).

The most unusual travelling animal that was sighted at Krakow airport in 2016 was a monkey that arrived in Kraków on 15 March 2016 on a Lufthansa flight from Frankfurt. According to the information contained in the message from its owner, the air temperature in the luggage

compartment, in which the monkey was transported, could not fall below 2 °C nor exceed 20 ° C.

In 2016, the largest number of animals travelling to / from Kraków Airport were transported by: Norwegian (65%), Lufthansa (15%), and LOT (9%), however animals were also transported by twelve other airlines. ▼

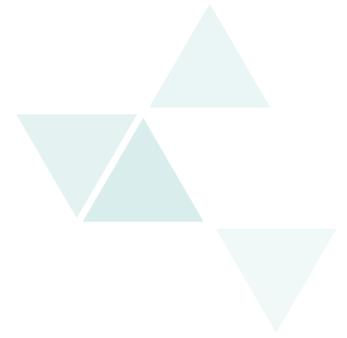


<sup>8</sup> Depending on the type of the animal and its size, it can be transported either in the baggage hold (AVIH), in the cabin (PETC) or via the CARGO flights. Airlines offer two options to transport animals on a plane: either in the passenger cabin (PETC), or in the baggage hold (AVIH). Every airline defines its own provisions regarding the transport of animals.

# INFRASTRUCTURE OF KRAKÓW AIRPORT



Photo: Jacek Krawczyk



## AIRSIDE AREA



In 2016, the modernisation and expansion of the passenger terminal was completed. The modernisation of the terminal was part of a wider investment process which, in addition to **the reconstruction of the terminal, also included the construction of a railway stop, construction of an outdoor car park along with auxiliary infrastructure, expansion of the apron, and modernisation of the taxiways.**

Both the expansion of the terminal, as well as the construction of the airport and the auxiliary infrastructure, were implemented using EU Funds<sup>9</sup>.

### AIRSIDE AREA

Kraków Airport has a single runway, with a length of **2,550 m** and a width of **60 m**, with a concrete surface, and the landing directions 25 and 07.

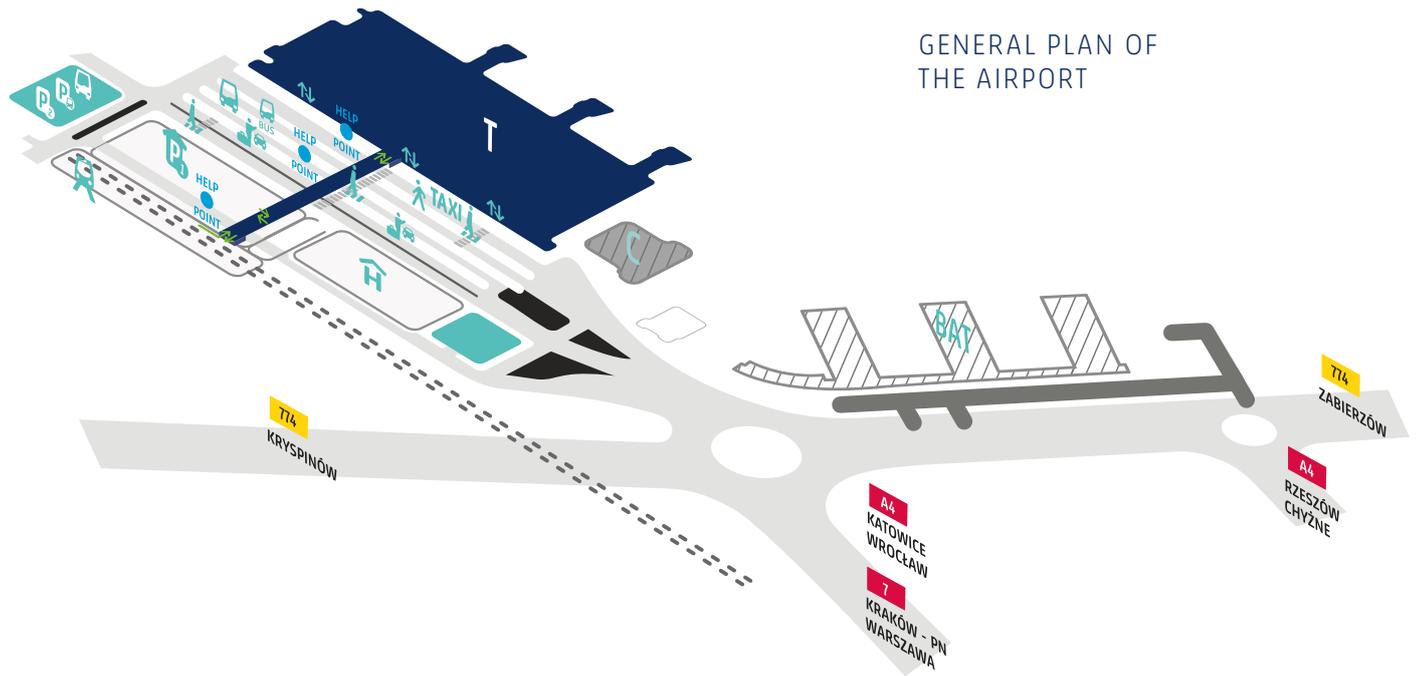
Thanks to the expansion of the apron finished in 2016, the number of available plane parking stands at the airport increased by 5, which allowed for the simultaneous stationing of **22 aircraft with the reference code C** (e.g Boeing 737-800). The total surface area of the apron is 166,000 m<sup>2</sup> (16.6 ha). The investment task carried out on the eastern part of the apron was directly connected with construction of the taxiway leading from the plane parking area in the

north-eastern part of the airport (a connecting path) along with the relevant infrastructure. The layout of the apron has also changed, and all parking slots became more spacious, which will improve the servicing and refuelling of the parked aircrafts. The total area included in the projects is 200,000 m<sup>2</sup>.

All work was carried out in stages, without interrupting the continuous aircraft traffic, and without affecting the air operations. ▼

<sup>9</sup>Details regarding the projects supported by the European Union can be found on the report page:  
<http://www.krakowairport.pl/pl/lotnisko,c94/inwestycje,c177/fundusze-ue,c257/>





GENERAL PLAN OF THE AIRPORT

- T** passenger terminal
- P<sub>1</sub>** multi-storey car park
- P<sub>2</sub>** outdoor car park
- P<sub>3</sub>** coach car park
- P<sub>4</sub>** passenger stop
- TAXI** Kraków Airport Taxi stop
- BUS** bus (airport/city centre)
- BUS** bus - private transport
- TRAIN** train to the city centre
- HELP POINT** help point
- PEDESTRIAN PATHWAY** pedestrian pathway
- H** hotel
- PEDESTRIAN CROSSING** pedestrian crossing
- ENTRANCE / EXIT** entrance / exit
- ENTRANCE TO THE FOOTBRIDGE (LEVEL +1)** entrance to the footbridge (level +1)
- C** cargo terminal
- BAT** administrative building



**2,550 m**  
runway length

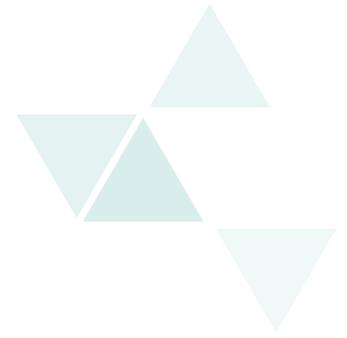


**60 m**  
runway width



**22**  
parking spots  
for aircrafts





## TERMINAL



Photo: Kraków Airport

**Passenger terminal.** The completion of this project has improved the safety, comfort and the standard of provided services. Upon reconstruction, the terminal has an area of over **55,000 m<sup>2</sup>** including **4,200 m<sup>2</sup>** of commercial space.

Among the shops, commercial services, and eating places located at the airport, there are several special places that emphasize the individual and local character of the city and the region. This includes both restaurants and shops, the interiors of which resemble the most famous

and historically important places in Kraków, such as Sukiennice or Wieliczka Salt Mine. Passengers can taste the Polish cuisine full of local specialties, as well as get their hands on regional souvenirs, handicraft and foods.

The terminal has the most modern baggage control system in Poland based on the CT (computed tomography) technology. The special scanning devices allow for a three-dimensional imaging of the monitored piece of baggage, and are capable of detecting any hazardous materials.

**VIP Terminal.** The VIP terminal is a part of the passenger terminal building and has an area of 1,054 m<sup>2</sup>. It consists of a room for General Aviation crews, three conference rooms, and two apartments for rent. It has a separate check-in desk, as well as a security control zone, passport control zone and a customs screening zone. The guests of the VIP terminal can also access the shopping area to purchase various products in the duty-free zone before departure. ▼

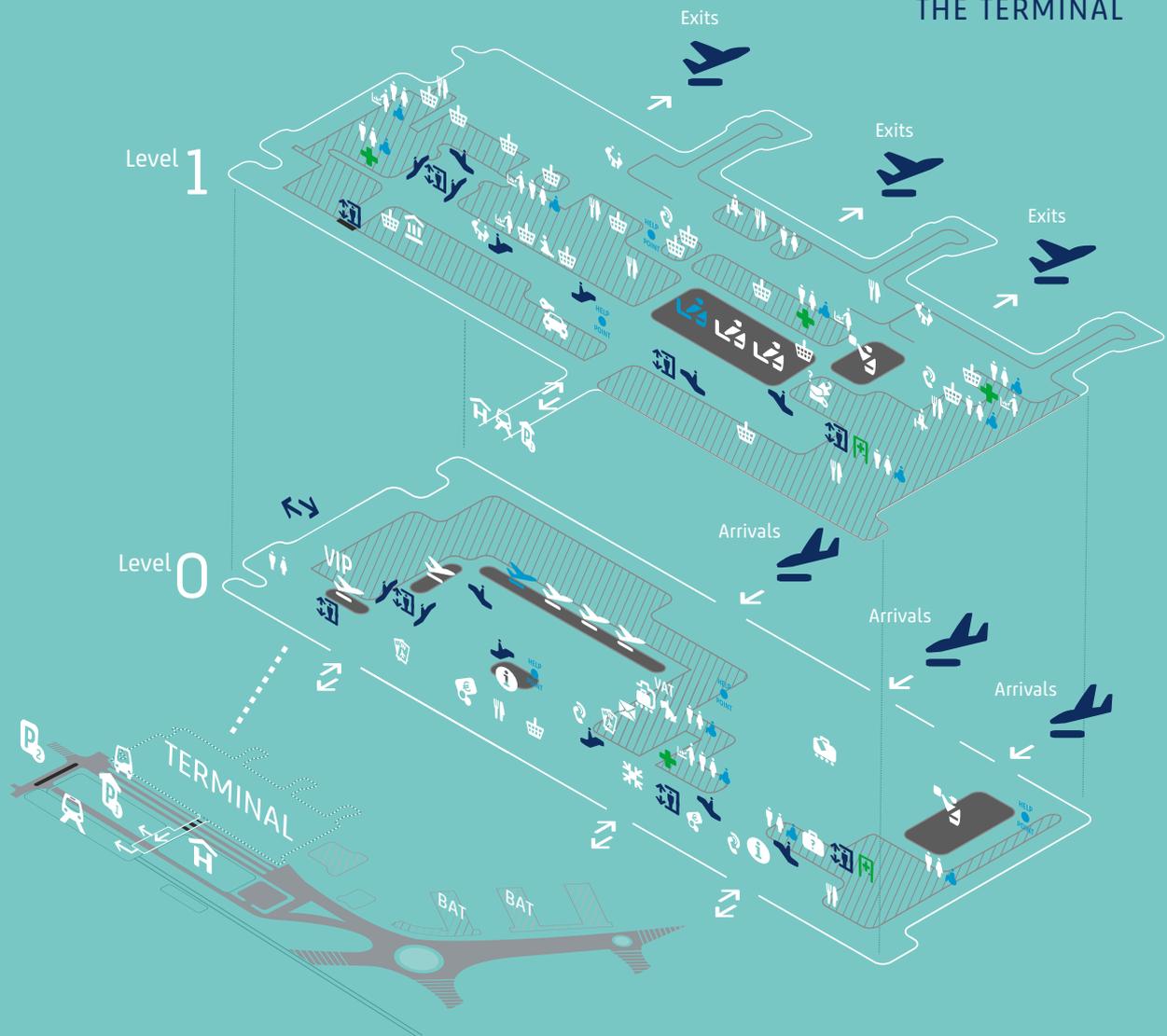


Photo: Lagerdere Duty Free Polska

G4-9, G4-13, G4-EC7



## PLAN OF THE TERMINAL



### Departures

- check-in
- oversized baggage
- security control
- document verification
- airport info point
- toilets
- animal check-in point
- family room
- meeting zone

### Arrivals

- document verification
- baggage pick-up
- lost baggage
- visitor's centre
- toilets
- family room
- meeting zone

### Transport

- bus to the city centre
- train to the city centre
- TAXI taxi
- passenger stop
- multi-storey car park
- outdoor car park

### PRM path

- PRM check-in
- PRM security control
- help point
- PRM toilets

### Special

- first aid
- medical point

### Services

- hotel
- restaurant
- shop
- business lounge
- VIP terminal
- playground
- VAT VAT refund
- lost-and-found office
- bank
- ticket office
- currency exchange
- car rental
- chapel
- phone
- post office

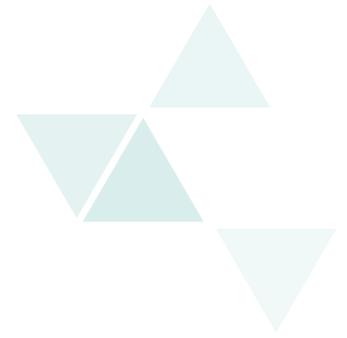


Photo: MPL Services

## THE MODERNISED AND EXPANDED PASSENGER TERMINAL IN NUMBERS

**55,000 m<sup>2</sup>** – the surface area of the terminal;

**4,200 m<sup>2</sup>** – the total surface area of all commercial and service points;

**3** jet bridge towers **3** passenger jet bridges. Additional 2 jet bridges can also be installed;

**9** passport control points in the departure zone, including 1 for disabled passengers, crews and priority passengers, and 1 so-called “reversal point” for transfer passengers, i.e. passengers who travel from the non-Schengen zone to the Schengen zone;

**12** passport control points in the arrivals zone;

**45** check-in desks, including one additional dedicated for VIP passengers, and one check-in desk for passengers with oversized baggage;

**18** departure waiting rooms (gates): 14 waiting rooms in the Schengen zone, 4 waiting rooms in the non-Schengen zone. Some of the waiting rooms in the Schengen zone can also be used by non-Schengen passengers, as needed;

**3** modern baggage control lines, equipped with security scanners with the highest standard of security in Poland;

**4** modern baggage carousels; another two carousels can be installed optionally (the old terminal only had two baggage carousels);

**2** airport information points, including one shared with the Visitor's Centre;

**4** playgrounds and **5** rooms for parents with children;

**2** Business Lounges: one with a surface area of **276 m<sup>2</sup>** (160 m<sup>2</sup> before) in the Schengen departure zone, and one with a surface area of **180 m<sup>2</sup>** (90 m<sup>2</sup> before) in the non-Schengen departure zone, each with a bathroom (with a shower), a rest zone, and a work room with computers, unlimited free Wi-Fi access, and a self-service mini bar;

**1** renovated Roman Catholic chapel, also available for priests travelling with pilgrims who would like to celebrate a mass;

**2** rooms for the followers of other religions.

## AVAILABLE SERVICES

**4,200 m<sup>2</sup>** of commercial space with 50 commercial and service points:

-  16 shops
-  7 ATMs
-  1 bank
-  2 currency exchange points
-  1 post office
-  12 car rentals
-  11 food courts

## AUXILIARY INFRASTRUCTURE



Photo: Jacek Krawczyk

**Internal transportation system.** Restructuring of the airport's internal transportation system enabled the integration of three means of public transport: air, rail and bus transport.

The restructured and expanded internal transportation system allowed to improve the smoothness of vehicle traffic at the airport. **The new location of the train platform** has shortened the distance to the terminal from 650 m to 100 m, and passengers can now walk directly from the platform to the terminal via a footbridge. Passengers will also be able to get to the multi-storey car park using the same footbridge. The direct rail connection from the city centre of Kraków allows to reach the airport in 18 minutes, and a train sets off every half hour.

**Parking infrastructure.** In 2016, the parking infrastructure was expanded with an **outdoor car park**, which can accommodate: **853** passenger cars, **10** buses, **20** bicycles or scooters. The outdoor car park is located west of the multi-storey garage. The project also included a waste collection area, a fence between the MPL and the Military Unit, a shelter for scooters and bicycles equipped with a set of tools to perform minor repairs.

**Hotel.** The airport also has a hotel next to the passenger terminal – the Hilton Garden Inn\*\*\*\*. It offers 154 rooms, a business centre available 24/7, and conference rooms. With the start of the third year of business activity, the hotel has consolidated its position and shaped the target segmentation of guests

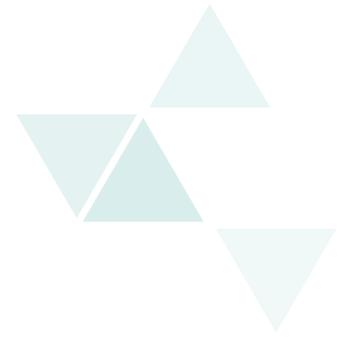
(the majority of guests are individual business clients, followed by MICE<sup>10</sup>, corporate and tourist clients).

**At the end of the second year of activity, the Hotel was able to boast a high overall guest satisfaction rate, e.g. a 9.3 rating on Booking.com, which placed the hotel in the "Excellent" category.** ▼



Photo: Jacek Krawczyk

<sup>10</sup> Business Tourism (MICE: Meetings, Incentives, Conferences and Exhibitions Industry) covers all activities related to the travel and accommodation of participants of various group meetings, held outside of premises of the entities organizing such meetings.



## PASSENGER FACILITIES



Photo: Kraków Airport

### MOBILE INFORMATION SERVICE "NEED HELP"

Sometimes passengers who are at the airport for the first time might feel lost, not know where to go, or be unfamiliar with terminology used at the airport. This is why, in 2007 a mobile information service called "Need Help" was established in Kraków Airport.

Its task is to provide passengers with information and guide them around the terminal. "Need Help" service consists of students taking part in

an internship programme created by Kraków Airport.<sup>11</sup>

The staff of "Need Help" wear distinctive bright yellow shirts with the words: "Need Help?", and can be spotted all across throughout the airport. The work of this mobile service leaves a positive impression among the passengers, and improves the overall satisfaction of airport customers.

### DEDICATED INFRASTRUCTURE FOR DISABLED PERSONS AND PERSONS WITH REDUCED MOBILITY

The airport has established a so-called "Blue Path", a system of dedicated signs, and assistance panels, the purpose of which is to help persons with disabilities and persons with reduced mobility (PRM)<sup>12</sup> to move around the airport, and to access the terminal facilities.

At the request of a disabled passenger, a trained assistance staff

member will accompany him/her and provide with the necessary help. The assistance staff provide assistance to the disabled person from the moment of arrival at the airport, during the wait for check-in, during check-in, and finally on boarding the plane.

The airport car park has special parking places for vehicles of persons with disabilities. Those places are marked with special symbols and located near the terminal entrances. The path leading to the terminal is marked with pictograms with the blue symbol of a disabled person. Additionally, there are several "Help Points" located in the terminal and in its vicinity, which can be used to call the assistance personnel. These points, as well as all other services and facilities for people with disabilities, are also marked with the same blue pictograms.

<sup>11</sup>You can find more information about the internship programme in chapter "Kraków Airport Employees".

<sup>12</sup>PRM: Persons with Reduced Mobility.



Photo: Kraków Airport

In 2016, Kraków Airport served 15,250 passengers with disabilities (+23% compared to 2015). Passengers with the PRM status accounted for 0.31% of all passengers of Kraków Airport last year.

All element of infrastructure of the terminal, i.e. information points, check-in desks, security control zones, departure halls, toilets, and elevators, have been adapted to the needs of persons with disabilities.

Regulations regarding the nature and scope of the special assistance for persons with disabilities at Kraków Airport are included in the **Code of Good Practice regarding the handling of persons with disabilities and persons with reduced mobility travelling by plane**. The Code is available to all users of Kraków Airport in Polish and English, and its contents have been consulted with the AOC (Airline Operators' Committee). The contents of the Code are available on the website of the airport. As a result of the audit by the Civil Aviation Office, which was conducted in August 2016, Kraków Airport received the highest grade in terms of the implementation of provisions of the Regulation (EC) No. 1107/2006 of 5 July 2006 on the rights of persons with disabilities and persons with reduced mobility travelling by plane.

In order to better understand the needs of people with disabilities, Kraków Airport cooperates with the Foundation for Active Rehabilitation in the area of free training for airport personnel. The training sessions are held regularly every year. So far, a total of 559 airport employees (not only the employees of MPL, but also of its partners, i.e. MPL Services sp. z o.o. – including the taxi drivers of the Kraków Airport Taxi), officers of the Border Guard and the Customs Office, and the contractors providing services at the airport, have received such training. The training programme is tailored to the needs of the participants. Persons who have to deal directly with passengers undergo a more extensive training, unlike other employees who undergo only the basic training. Each training session consists of two parts – the theoretical and the practical part. During the latter, employees play the role of a disabled person and attempt to overcome various obstacles, e.g. curbs, driveways, etc. while moving in a wheelchair. The purpose of this part is to better understand the needs of persons with disabilities. Every new airport employee is required to undergo such training. The employees have the possibility to re-take the training every year to refresh their knowledge.

## TRAVELLING WITH KIDS

Along with the expansion and modernisation of the passenger terminal completed in December 2016, new facilities were introduced. Every zone of the passenger terminal will have

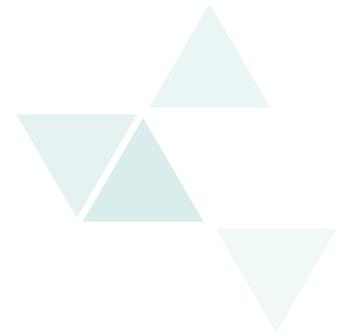


Photo: Kraków Airport

a special intimate and **child-friendly family room** with comfortable seats, perfect for the purpose of feeding children. The rooms are equipped with changing tables for babies and containers for diapers. Additionally, the rooms will also be equipped with microwaves to heat-up the food for children. There are also **baby product vending machines** in the passenger terminal. Additional **baby changing tables** are also available in ladies' and men's toilets.

Those parents who did not take a stroller with them, or have it transported in the baggage hold, can use an airport **baby stroller for free**. Airport baby strollers can be used after passing through the security check.

Kraków Airport participates in the nationwide Large Family Card programme, under which it offers discounts on airport family trips, among other things.



Women in advanced pregnancy, and families travelling with children under 3 can make use of the additional security control checkpoint called the **"Special Service Line"**. This allows to shorten the waiting time for the security check, and thus improve the comfort of passengers requiring special care and attention. In order to make the waiting for the plane more bearable for the little passengers, several **playgrounds have been created** at the terminal.

#### FREE PHONE CALLS AND WI-FI

In September 2016, **four public telephones** were installed in the passenger terminal. Passengers of Kraków Airport can use those phones to make national calls (both landline and mobile numbers) free of charge. The programme was implemented in cooperation with T-Mobile.

**The total time of all phone calls made using the terminal phones, within 3 months from their installation, was 60 hours. Out of all the phones installed at**

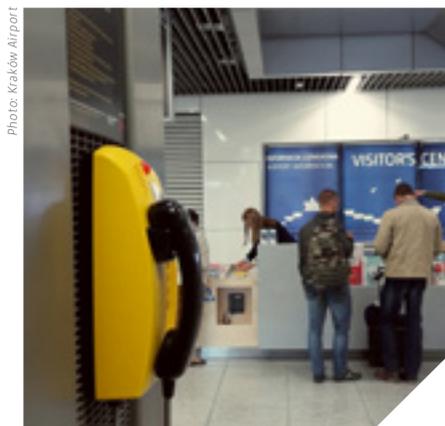


Photo: Kraków Airport



Free Internet access is available throughout the terminal.

Network name:  
**KRK Free WiFi**

**the airport, the ones present in the landside area were the most popular – they were used for 86.6% of all phone calls.**

The yellow-coloured phones were installed in the following places:

- ▶ landside area:
  - 1/ next to the Visitor's Centre (arrivals hall),
  - 2/ near the ticket office of PLL LOT (ticket and baggage check-in zone).
- ▶ beyond the security check:
  - 1/ in the Schengen departure zone – near the Premium Food Gate shop,
  - 2/ in the non-Schengen departure zone – near the Keraniss shop.

#### DOG PARK

Kraków Airport is the first airport in Poland where a special facility for dogs was introduced – a dog park designed with the well-being of pets in mind. This fenced park with a **surface area of 166 m<sup>2</sup>** is located near the outdoor car park, next to the passenger terminal. The dog park is equipped with a self-refilling water cup, a dog waste basket with disposable bags, and various play equipment such as: hurdles, a ramp, a circular jump-over, and a hydrant-shaped jump-over with a crossbeam. ▼



Photo: Kraków Airport

# ASSESSMENT OF AIRPORT SERVICES – AIRPORT SERVICE QUALITY 2016



Photo: Kraków Airport

Thanks to the new infrastructure, the rating of Kraków Airport in the international passenger satisfaction survey has improved significantly (**Airport Service Quality**). In 2016, according to the methodology employed in the survey, our passengers filled out a total of 1,400 questionnaires (350 questionnaires per quarter).

Kraków Airport received the **ASQ Awards 2016 award**, awarded by Airport Council International, for the first place in the category: **Europe – Best Improvement by Region**.

Kraków Airport had the highest growth rate, in comparison to the previous year, in the following areas: **Overall satisfaction**, a growth of **11.45%**, and in the **Atmosphere** at the airport, a growth of **16.05%**. For the former category, the new road layout, along with a well-functioning railway connection was the decisive factor (a growth of 13.77%), followed by the outdoor car park with a passenger-dedicated Kiss & Fly bay (a growth of 14.69%). Passengers also appreciated the newly opened outlets and stores, which resulted in a rating improvement of 14.03%.

320 airports from around the world participate in the survey of ASQ. Its strict procedures and rules, quality control, and impartiality have earned it recognition in the aviation industry. The ASQ survey sets global standards for the assessment of passenger satisfaction with the quality of services provided by airports. The airport in Kraków joined the programme in 2007, one year after its launch, and currently is the only airport in Poland that participates in it. ▼



G4-DMA, G4-15, G4-EC7, G4-PR5



+11.45% ↗ overall satisfaction

+13.77% ↗ surface transport from/to the airport



+14.69% ↗ parking infrastructure

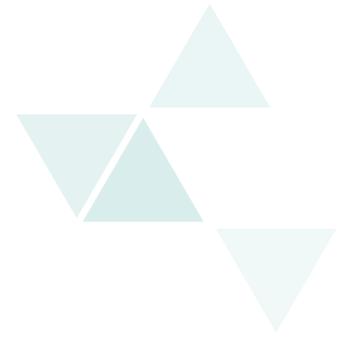


+14.03% ↗ commercial space



+16.70% ↗ comfort of the departure waiting rooms

+16.05% ↗ atmosphere at the airport



## NEW KRK RUNWAY



Photo: Jacek Krawczyk

The most important investment task Kraków Airport is facing is the construction of a new runway. It is a key element of the investment plan, to be completed by 2023, adopted in 2016 by the General Meeting of Shareholders. The airport started preparing for the implementation of this investment by initiating negotiations with the local community. Environmental inventory started in

the summer of 2016, and is still in progress even after the publication of this Report.

The decision regarding the need for a new runway is related to the earlier confirmation that it would be impossible to repair the currently used runway, or construct a new one in the same place, without completely stopping the operation of

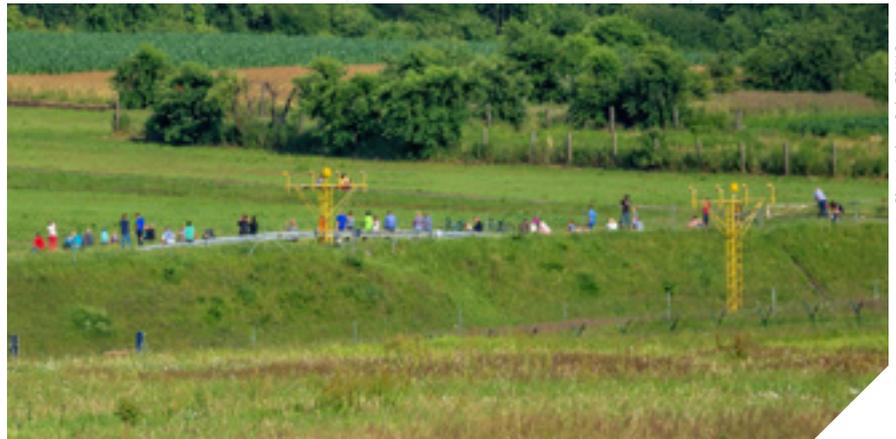
the airport. Kraków Airport plans to construct a new runway, 2800 m long and 45 m wide, with two 7.5 m wide side lanes. The length of the planned new runway is sufficient to handle almost all types of aircraft currently used by airlines. It is also adapted to the current and predicted future needs of the airport. ▼

<p><b>New KRK Runway</b></p> 	<p><b>A</b></p> <p><b>1</b> number of runways after the commissioning of the new runway</p>	<p><b>↕</b></p> <p><b>2,800 m</b> length of the new runway</p>	<p><b>↔</b></p> <p><b>60 m</b> width of the new runway</p>
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# RELATIONS WITH STAKEHOLDERS



Photo: Łukasz Stawiańz, EPKK Spotters



Identification of stakeholder groups and regular communication with stakeholders is fundamental to the Airport's business. The stakeholders have a decisive influence on the functioning of the company, which is why establishing and maintaining trust-based long-term cooperation is crucial for Kraków Airport. The priority areas of the company's business are subject to regular consultations, and are supported with a system of

regular communication. The frequency and form of contact depends on the relations with the particular group of stakeholders.

The stakeholders of Kraków Airport have been identified and grouped based on the level of relationship, their influence on the activity of the airport, as well as the influence of the airport on each group. A map of stakeholders was created during the

work on the **Social Responsibility Strategy of Kraków Airport for years 2016-2018**, and is constantly monitored. Regardless of this, the airport's operational documents contain matrices of stakeholder relations which serve as the basis for its proper functioning. ▼



MAP OF STAKEHOLDERS

**PARTNERS AND CONTRACTORS**

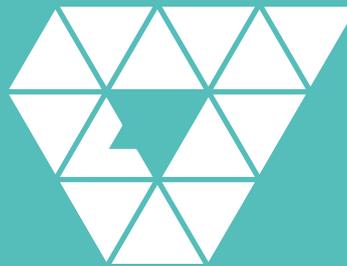
- **Companies rendering services for airlines:** handling agents, fuel suppliers, catering, aircraft technical and maintenance services
- **Companies rendering services for passengers:** shops, restaurants, service points, car rentals
- **Public and private transport to/from the airport**
- **Polish Air Navigation Services Agency** (air traffic control)
- **Police**
- **Border Guards**
- **Customs Service**
- **Voivodeship Veterinary Inspectorate in Kraków**
- **Aerodrome Meteorological Station Kraków-Balice**
- **Army**
- **Falconer**
- **Suppliers**
- **Financial partners**

**CLIENTS**

- **Passengers and consumers:** passengers (including VIP clients), persons dropping off/picking up the passengers, airport tour participants
- **Airlines**
- **General Aviation**

**EMPLOYEES**

- **Staff**
- **Interns and trainees**
- **Retirees**
- **Staff Council**
- **Trade Unions**



**KRAKÓW  
AIRPORT**  
im. Jana Pawła II

**LOCAL COMMUNITY**

- **Residents of the neighbouring communes**
- **Non-governmental organisations**
- **Schools and universities**
- **Business**
- **Spotters**
- **Media and general public**

**AUTHORITIES, PUBLIC INSTITUTIONS AND STATE OFFICES**

**INTERNATIONAL INSTITUTIONS AND INDUSTRY ORGANIZATIONS**

**NATIONAL AND INTERNATIONAL COMPETITORS**

**SHAREHOLDERS**

- **"Polish Airports" State Enterprise**
- **Małopolskie Voivodeship**
- **Municipality of Kraków**
- **Commune of Zabierzów**

**DAUGHTER COMPANIES**

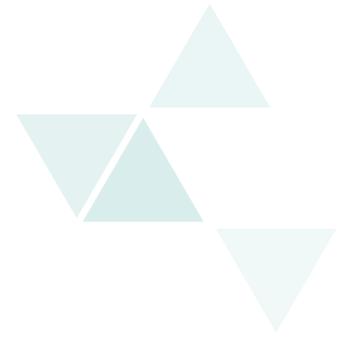
- **MPL Services**
- **Kraków Airport Hotel**



## MAP OF STAKEHOLDER ENGAGEMENT

Groups of stakeholders	Types of engagement	Frequency	Key issues
Everyone	> Website	> every day	<ul style="list-style-type: none"> <li>• Facilities and available services</li> <li>• Statistics</li> <li>• Route network</li> <li>• Travel-related issues</li> </ul>
	> Social media	> every day	
	> Helpline	> permanent access	
	> Application	> permanent access	
	> E-mail	> permanent access	
	> Corporate social responsibility report	> once a year	
Passengers	> Passenger and consumer satisfaction survey	> every 3 months	<ul style="list-style-type: none"> <li>• Travel - and check-in-related issues</li> <li>• Airport infrastructure</li> <li>• Service quality</li> <li>• Facilities and available services</li> <li>• Cleanliness</li> <li>• Rules of security check</li> <li>• Transport and parking</li> <li>• Route network</li> </ul>
	> Airport Information Desks	> permanent access	
	> "Need Help" service	> permanent access	
	> Airgate magazine	> every 2 months	
	> Complaints and suggestions form	> as necessary	
	> TV Airport	> every day	
	> Information campaigns	> as necessary	
	> Information leaflets	> permanent access	
	> Kraków Airport Loyalty	> permanent access	
Airlines	> Individual meetings	> as necessary	<ul style="list-style-type: none"> <li>• Operational issues</li> <li>• Airport fees</li> <li>• Safety of flight operations and passengers</li> <li>• Air traffic analysis</li> <li>• Satisfaction level of passengers and clients</li> <li>• Strategical plans of the airport</li> <li>• Available services</li> <li>• Attractiveness and potential of the region</li> </ul>
	> Login Zone - Internet platform with enabled access to reports and analyses	> permanent access	
	> Direct business contact	> as necessary	
	> Fairs and industry-related events	> occasionally	
	> Industry-related websites	> as necessary	
	> AOC (Airline Operators Committee)	> every 3 months or as needed	
	> Section B2B on the Kraków Airport website	> permanent access	
	> Summary of the year meeting	> once a year	
Local community	> Consulting and information meetings	> as necessary	<ul style="list-style-type: none"> <li>• Impact of the airport</li> <li>• Noise</li> <li>• Investments</li> <li>• Social initiatives</li> <li>• Investment project funding</li> </ul>
	> Newsletter	> every 3 months	
	> On-line questionnaire	> once a year	
	> Events	> occasionally	
	> Grant competition	> once a year	
	> Dedicated E-mail box	> permanent access	
Media and general public	> Press information	> as necessary	<ul style="list-style-type: none"> <li>• Air traffic statistics</li> <li>• Investments</li> <li>• Passenger safety</li> </ul>
	> Statistics	> monthly	
	> Press conferences	> as necessary	
	> Meeting to summarize the activity	> once a year	
	> Interviews	> as necessary	
	> Declarations and notifications	> as necessary	

Groups of stakeholders	Types of engagement	Frequency	Key issues
Handling agents	> Ongoing communication	> as necessary	<ul style="list-style-type: none"> <li>• Operational issues</li> <li>• Airport infrastructure</li> <li>• Safety of air operations and passengers</li> <li>• Air traffic analysis</li> <li>• Satisfaction of passengers and clients</li> </ul>
	> APN Safety operational meetings	> as necessary	
	> Meetings of the airport security team	> monthly	
	> Complaints and suggestions form	> as necessary	
	> Lost baggage office	> permanent access	
	> Summary of the year meeting	> once a year	
Tenants	> Tenant Handbook	> once	<ul style="list-style-type: none"> <li>• Rules and costs of using the commercial area(s) at the airport</li> <li>• Safety of airport users</li> <li>• Satisfaction of passengers and clients</li> <li>• Air traffic analyses</li> <li>• Cooperation - marketing</li> </ul>
	> Direct business contact	> as necessary	
	> Meetings	> as necessary	
	> Summary of the year meeting	> once a year	
	> Kraków Airport Loyalty	> as necessary	
State services	> Ongoing communication	> as necessary	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Safety of air operations and passengers</li> </ul>
	> Operational meetings	> as necessary	
	> Meeting of the airport security team	> monthly	
	> Special purpose committees	> as necessary	
	> APN Safety operational meetings	> as necessary	
	> Summary of the year meeting	> once a year	
Employees	> Intranet	> permanent access	<ul style="list-style-type: none"> <li>• Ongoing events</li> <li>• Corporate governance</li> <li>• Organisational issues</li> <li>• Procedures</li> <li>• Occupational health and safety</li> <li>• Employee benefits</li> </ul>
	> Mailing	> as necessary	
	> Training	> regularly	
	> Magazine for Employees "Wysokie Loty"	> every 3 months	
	> Information meetings	> as necessary	
	> Directors' meeting	> every week	
	> Notice boards	> as necessary	
	> Team-building meetings	> twice a year	
International institutions and industry-related organisations	> Reports	> once a year	<ul style="list-style-type: none"> <li>• Satisfaction level of passengers and clients</li> <li>• Air traffic analyses</li> <li>• Route network</li> <li>• Safety of air operations and passengers</li> <li>• Regulatory compliance</li> </ul>
	> Audits	> every 3 months	
	> Fairs and industry-related events	> occasionally	
Owners	> Meeting of the Supervisory Board	> every 3 months	<ul style="list-style-type: none"> <li>• Current and forecast financial situation</li> <li>• Route network</li> <li>• Risk management</li> <li>• Execution of the plan, and development</li> <li>• Satisfaction of passengers and clients</li> <li>• HR policy</li> <li>• Regulatory compliance</li> </ul>
	> Meeting of Shareholders	> once a year or as necessary	
	> Company operations report	> once a year	



## USERS OF KRAKOWAIRPORT.PL JAN-DEC 2016

-  1,834,669 users
-  10,121,986 views
-  49,369 fans on Facebook
-  10,390 followers on Twitter  
(2. most followed Polish airport)
-  4,656 followers on Instagram

## KRAKOWAIRPORT.PL WEBSITE

The primary source of information about Kraków Airport is its website, available in three languages: Polish, English and Slovak. The information on the airport website is intended for all groups of stakeholders of Kraków Airport. The website consists of three main segments: Passenger, B2B and Airport. The website is updated and modernised on a regular basis.

## SOCIAL MEDIA

Social media are currently the most popular and fastest way to communicate with the airport. They can also serve as a key communication tool during a crisis situation. The profiles of Kraków Airport on social networking websites contain the latest information regarding current events, flight difficulties, summaries, statistics and photos showing the everyday operation and activity of the airport.

## COOPERATION WITH SPOTTERS

The development of social media opens up new possibilities, especially in terms of cooperating with spotters, photographers, and fans of aviation, who combine the love for photography with the fascination with aviation and travels. Kraków Airport cooperates with two associations: the EPKK Spotters association, which celebrated its 10th anniversary in 2016, and Air Action – the Association of Polish Air Photographers. In addition, Kraków Airport cooperates with members of the unofficial group MPLB, and in 2016, the airport started the cooperation with the representatives of the Fan Group of Krakow Airport KRK / EPKK, established on one of the social networking sites.

Fans of aviation can attend special meetings and photo sessions organised on a regular basis at the airport and in spotting places. The airport invites spotters to important aviation events, e.g. the visit of the CS100 Bombardier Commercial Aircraft on March 2016, which was held during the last testing stage of the new aircraft model, the so-called route-proving, organised by SWISS

International Air Lines. Representatives of spotter associations are also invited to participate in consulting and information meetings on the topic of the current operation of the airport.

## AIRGATE MAGAZINE

Since 2007, Kraków Airport has been publishing a free magazine – Airgate Magazine. The paper version of the magazine is available at the airport, in Kraków, and also on-line since 2012. Currently, the print edition is published every two months with a circulation of 10,000 copies. Airgate is popular not only among passengers, but also among the fans of aviation. The Airgate magazine has been acknowledged many times by the publishing industry, the proof of which are awards and honourable mentions in the “Szpalty Roku” in 2009, 2010, 2013, and 2014.

The Airgate magazine has undergone several changeovers since its debut. The magazine features travel articles, various airport-related topics, and texts about Kraków and Małopolska which present the region in a cultural and business context.

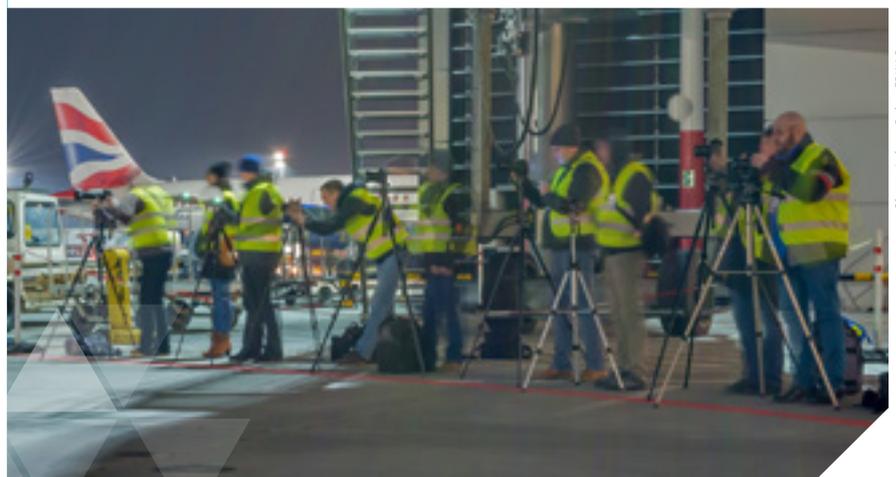
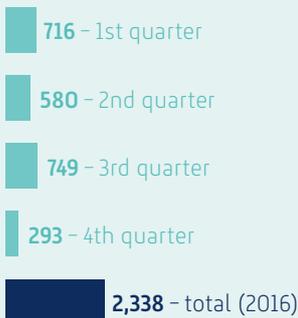


Photo: Łukasz Polus EPKK Spotters

## KRAKÓW AIRPORT LOYALTY

Establishing long-term relationships with passengers also takes the form of a loyalty programme, the Kraków Airport Loyalty (KAL) programme, available to all Kraków Airport passengers who are at least 18 years old. Membership in the programme is free, and its participants gain access to the Benefit Catalogue, the contents of which depend on the individual level of membership.

### NUMBER OF NEW PARTICIPANTS IN THE PROGRAMME



### ACTIVITY OF PASSENGERS

- **6,235** swipes of a KAL card through a reader (+68% compared to 2015),
- **185** prizes won (+101% compared to 2015), including 24 tablets, 9 briefcases, 98 KAL Prestige cards, 53 cinema vouchers,
- throughout the year, out of 12,242 registered members, only **30** had any objections regarding the functioning of our loyalty programme – which amounts to a mere **0.3%** of all members.

The Benefit Catalogue includes: access to FAST TRACK, discounts in shops, restaurants, Business Lounges and institutions, a special parking offer, and points in the loyalty programme for every flight. In 2016, **22 partners** were offering discounts under this programme.

The programme has a total of 12,242 registered users (+24% compared to 2015), with 2,338 new users registered in 2016 alone (+8% compared to 2015). 98 passengers have achieved the Prestige level (with a total of 215 Prestige-level members), a 263% increase compared to 2015. The significant increase in the number of Prestige-level passengers and in the number of loyalty cards and boarding cards registered in the dedicated KAL readers, proves that the number of passengers, who also participate in the programme and travel regularly (min. 12 times a year) from Kraków Airport, keeps on increasing.

### AIRPORT INFORMATION POINTS

The airport has two information points: **one located in the check-in zone, and one in the arrival hall, the so-called "Visitor's Centre"**, cooperating with the Tourist Information, which is run by the Kraków Festival Office. Thanks to this combination of airport information points with tourist information service, travellers can get detailed information about flights, transportation, accommodation, tourist attractions and cultural events taking place in Kraków and in the region of Małopolska. Additionally, ticket machines for public and rail transport, vending machines and an ATM can be found near the Visitor's Centre.

**AIRPORT INFORMATION SERVICE STATISTICS – 353,785 PASSENGERS WERE PROVIDED INFORMATION (7% OF THE TOTAL PASSENGER NUMBER IN 2016), INCLUDING:**

- **180,467** at the Visitor's Centre
- **122,704** at the Tourist Information
- **49,765** via the Call Centre
- **849** by e-mail

Kraków Airport also has a 24/7 Call Centre.

### DIALOGUE IS IMPORTANT – COMMUNICATION WITH THE LOCAL COMMUNITY

The specifics of operation of the airport, and the planned construction of a new runway, arouse a lot of interest, but also are a reason for concern for the neighbours of Kraków Airport.

Therefore, on May 25, 2016, just two days after the announcement of the decision on the construction of a new runway, representatives of the airport met with the residents and with the representatives of local authorities during the session of the Zabierzów Commune Council. A similar meeting in the Liszki Commune took place on June 9, 2016.

In the last quarter of 2016, the first of a series of regular information and



info\_24

info@krakowairport.pl

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+48 12 295 58 00



## CONSULTING AND INFORMATION MEETINGS

25/05/2016

Meeting with the residents and representatives of local authorities during the session of the Zabierzów Commune Council

09/06/2016

Meeting with the residents and representatives of local authorities during the session of the Liszki Commune Council

21/10/2016

Meeting with the parsons of the parishes of communes of Liszki and Zabierzów, which neighbour the airport

25/10/2016

Meeting with the councillors of the Committee of Infrastructure and Public Service Utilities of the District Council in Kraków

07/11/2016

Meeting with the councillors of the Liszki Commune

14/11/2016

Meeting with the members of the Regional Committee for Development, Promotion and International Cooperation of the Sejmik of Małopolskie Voivodeship

28/11/2016

Meeting with the village leaders of Liszki and Zabierzów

05/12/2016

Meeting with local non-governmental organisations on the International Volunteer Day

2017...

Our neighbours can contact us regarding the issues related to the construction of the new runway via a dedicated e-mail address:

nowadrogakrk@krakowairport.pl

consulting meetings with the stakeholders of the airport, in particular with representatives of the local community, was held. By the end of 2016, a total of 8 of such meetings with stakeholders took place. Further consulting meetings are planned for 2017.

The purpose of those meetings is to show the details regarding the current activity of the airport, present the airport's investment plans for the coming years, including the plans for the construction of the new runway, but also to learn the opinions and expectations of the local community, neighbours, representatives of local governments, institutions and non-governmental organizations on the impact of the airport on the daily lives of the local communities.

At the same time, the airport has begun publishing a periodical newsletter, which is delivered to the neighbouring areas. Different available means of communication allow the airport to reach a wider group of interested people. The newsletter contains the most important information about the activity of the airport, proposals for cooperation, airport development plans, and information regarding the issues which may affect the immediate surroundings of the airport. At the same time, the recipients of the newsletter are encouraged to provide feedback.

## QUESTIONNAIRES

Kraków Airport is constantly looking for new levels on which it could expand its cooperation with the stakeholders. Therefore, in 2016, Kraków Airport conducted a questionnaire among the residents of villages surrounding the airport.

**When?** From 24 November 2016 to 21 December 2016.

**Purpose?** To adjust the formula of the "Supporting our Neighbour" competition to the constantly changing needs of the local communities, and to learn their opinions.

**Who is it addressed to?** Beneficiaries of the last editions of the competition, and non-government organisations.

### Where to look for more information?

In the "News" tab on the airport's website, on the registration website for the meeting concerning the International Volunteer Day (questionnaire forms will be distributed during this meeting), in the e-mail notifications addressed to the competition beneficiaries.

The survey was completed by 58 respondents, 7% of the respondents participated in the competition for the first time, and almost 30% were not beneficiaries of the competition. **88% of the respondents declared that the "Supporting our Neighbours" competition is an effective tool for supporting the areas located in the vicinity of Kraków Airport.**

Analysis of results - the most important conclusions:

**1/** The jury of the grant competition should include a representative(s) of the commune of Zabierzów and Liszki (65.5% of respondents).

**2/** Projects submitted by the communes located closest to the airport (Rzęska, Szczyglice, Balice, Aleksandrowice, Chrosna, Morawica, Choleryn, Mników) should be prioritized.

**3/** According to the respondents, the airport should be more involved

with issues which have not yet been addressed by the “Supporting our Neighbours” programme (broadly defined investing activities, transport solutions, environmental protection-related actions, promotion of a healthy lifestyle, etc.).

Krakow Airport has quickly reacted to the suggestions of the neighbours, and updated the evaluation questionnaires accordingly. During the next edition of the competition, some of the suggested ideas were implemented, and a pilot programme for the villages located closest to the airport was introduced. The effects of these changes will be discussed in the next report.

### PASSENGER COMMENTS AND SUGGESTIONS COLLECTION SYSTEM

Since 2009, a special Comments and Suggestions Form has been available at Kraków Airport (in Polish and English). The paper form is available at the information desks, however, passengers can also fill out the on-line form available on the Krakow Airport website, or submit their comments by e-mail or using social media.

According to the information policy of Kraków Airport, every submitted form will be answered, even if its contents would not directly concern the operation of the airport. This also applies to comments posted in social media (on Facebook and Twitter). Every feedback regarding the operation of the airport posted on our profiles in social media will receive the full attention of our personnel.

Thanks to the comments and suggestions of our passengers, the Company can constantly improve the functioning of the airport.

The systematic and transparent comment and suggestion collection procedure, and the quickness of responding to all messages, in accordance with **Kraków Airport Social Responsibility Strategy for 2016-2018**, is a flagship project in customer relations – which is treated as a top-priority area.

Out of the 91 complaints filed against MPL, less than **33%** were considered to be **justified** – 4.3% more than the year before. Among those justified complaints, the following three groups did stand out the most: baggage damaged during security checks, inconveniences related to the carried out construction and restructuring projects, problems with points awarded in the Kraków Airport Loyalty programme.

Comments and suggestions that were qualified for the “Requests” group (except for reports regarding items lost in the terminal) were usually concerned with the airport infrastructure and the airport’s website. Passengers praised the Airport mostly for the high quality of services provided by our employees.

### TENANT HANDBOOK

This is an example of a tool designed and created with a specific group of stakeholders of Kraków Airport in mind. The information contained therein facilitates the daily functioning at the airport, and makes the mutual communication easier. The purpose of the handbook is to present the general rules and procedures, which apply to tenants and their commercial activity at Kraków Airport, in a clear and transparent manner. The contents of the Handbook are the same for everyone, which is a part of the policy of equal

treatment of partners at Kraków Airport. The handbook is actually an annex to tenancy agreements, which means that every tenant can familiarize him-/herself with its contents. This ensures transparency and clear rules of cooperation for everyone. Furthermore, the handbook is not just a set of definitions of rules and procedures for tenants, but it also serves as a summary of values and policy of Kraków Airport.

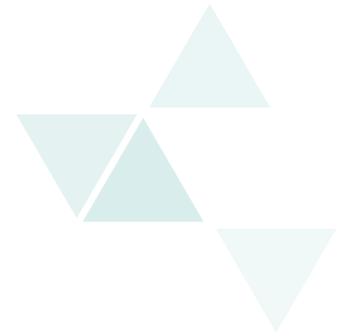
### 2016

Last year, despite the construction work being in an advanced stage, and despite many changes in the airport infrastructure, we received notifications (complaints, suggestions or praises) from **0.007%** of all passengers.

**The average response time to a notification** (from the moment it was submitted, to the moment a reply was sent) was **7.02 calendar days** in 2016.

Notifications related to the activity of the Company account for **37%** of all notifications, a drop by 3 pp compared to 2015.

Types of notifications	2016	Difference compared to 2015
complaints	91	-15.74%
suggestions	36	+89.47%
praises	18	+157.14%
<b>Total</b>	<b>145</b>	<b>+8.21%</b>



## INTERNATIONAL VOLUNTEER DAY

On December 5, we celebrated the International Volunteer Day – a day dedicated to all people with a heart of gold who devote their time and use their knowledge and experience to help those in need. This is why we invited the volunteers working at Kraków Airport, and non-government organizations, thanks to the work of which the airport has been involved in helping the local community for many years.

During the meeting, we had the opportunity to directly thank the stakeholders for their cooperation and talk about the possible future joint undertakings in the coming year. All participants were invited to take part in a special training “Employee Volunteer Programs – Why is it worth it?” which was organised in cooperation with the Regional Volunteer Centre in Kraków. ▼



Photo: Kraków Airport

# Thank you for your commitment

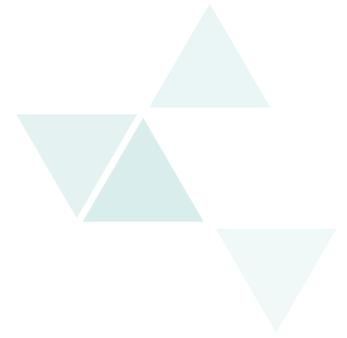


Photo: Marcin Kaleta MPLiB Spotters

# SAFETY



Photo: Jacek Krawczyk



## REGULATORY COMPLIANCE



Photo: Jacek Krawczyk

The priority in the operation of the airport is to ensure the safety of air operations and all users of airport infrastructure. The airport employs several services, the work of which has a direct or indirect influence on the security at the airport, which is why it is extremely important to follow all applicable standards and procedures. The correct operation of all services operating at the airport is supervised by Airport Duty Officer 24 hours a day, 7 days a week.

In 2016, the sense of security among passengers at the airport received an overall rating score of 4.21 out of 5.00 (a 3.7% increase compared to 2015)<sup>13</sup>.

### REGULATORY COMPLIANCE

In 2016, airport certificate was converted in accordance with the Regulation of the European Commission (EU) No. 139/2014 of 12 February 2014, laying down the requirements and administrative procedures for airports, and in accordance with the Regulation of the European Parliament and of the European Council (EC) No. 216/2008.

### EUROPEAN CERTIFICATE FOR EPKK

The current Airport Certificate number is: PL/EPKK/001. The company also has the permit of the President of the CAO which grants the authorisation to manage the Kraków-Balice civil airport, including all services related to take-off, landing and handling of aircrafts, both in domestic and international traffic, rendered for airlines and other users of aircrafts (Permit of the President of the Civil Aviation Office to run a business in

the area of management of Kraków-Balice public airport, Permit No. LER1 – KD-4020-26 / 07/5 of June 21, 2007).

The process of converting the certificate to make it comply with EU requirements was initiated at the Kraków Airport in December 2015. The conversion was a result of several months of hard work on the development of new management procedures.

As a result, a new Safety Management System (SMS) was developed, which encompassed: the security policy, hazard identification processes, risk assessment, risk mitigation programmes, management of changes, and monitoring. The accurate determination of responsibility for the specific areas and qualifications of the personnel was also a vital part of this process – the functioning of the airport depends on the work of over 100 smaller entities cooperating in the field of security.



In 2016, 17 meetings of the Airport Security Team were held.

The applicable regulations implement the latest standards and the best practices of the International Civil Aviation Organization (ICAO), and at the same time allow the adaptation of infrastructure resources, procedures and investments to the actual needs of the airport, defined by the processed volume of air traffic and its characteristics.

The certificates owned by the airport help to further improve its credibility in the eyes of airlines.

## EMERGENCY ACTION

In 2016, the Emergency Action Plan (PDSZ), developed in accordance with the relevant EU regulations, was approved. It describes actions to be taken during an emergency situation, in order to minimize the effects of such situations, especially actions related to saving lives and health of people, and the protection of property and natural environment. The document also describes in detail all available measures to be taken

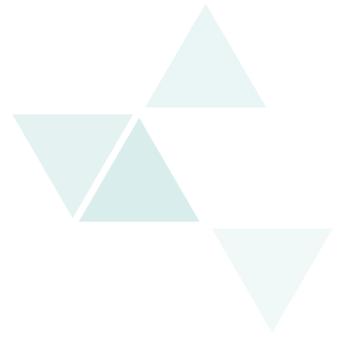
in order to eliminate the emergency situations occurring at the airport or in the operation zone, as well as sets out the rules for notifying, directing and coordinating the work of services dealing with the emergency situation. Implementation of procedures described in this document allows to quickly resume all flight operations that were suspended as a result of an emergency. The document also contains guidelines regarding the conditions and frequency of its verification and updating. ▼



Photo: Kraków Airport

<sup>13</sup> Data acquired via surveys of the International Airports Council conducted in 2016 at 284 airports.





## KRAKÓW AIRPORT PERSONNEL TRAINING & EXERCISES



Photo: Krakow Airport

**Regular training and exercises translate to increased safety.** The training process implemented by the Company Security Division in accordance with the requirements of Civil Aviation Security, including the provisions of the National Training Programme, includes a series of training courses intended not only for the employees of the Company but also for other entities operating at the airport.

### TRAINING OF AIRPORT SECURITY SERVICE

In 2016, the Airport Security Service (SOL) underwent two trainings in the field of intervention techniques, shooting techniques and methods of security control, and their implementation with respect of religious

denominations, cultural diversity, and special needs of passengers with disabilities. 100% of SOL personnel took part in the training. In addition, on January 2016, a seminar for the security personnel titled "Terrorism Selected Issues" was held, which also covered the topics of cultural and religious differences, and the right of every human to feel secure.

Representatives of the Security Division also took part in international workshops and conferences devoted to the issues of airport security perceived as an element of critical infrastructure, with particular emphasis placed on the topics of cyber threats and the use of new technologies as tools of illegal interference.

### "PASSENGER 2016"

On July 2016, a special crisis training session - "Passenger 2016" was held. The training was dedicated to dealing with passengers and their families in case of an air accident. The training was scheduled at night, so as to not cause any traffic difficulties. During the training, an air accident during approach to landing was simulated. The simulated emergency situation served as a test of preparedness of airport services in crisis situations, as well as a test of their cooperation with public services, including the police, firefighters, emergency medical services, and the prosecutor's office. The place of "accident" was secured, and an accident investigation was carried out. Afterwards, actions and procedures for the restoration of normal air traffic were initiated.

### “CARE TEAM KLM”

In 2016, a special training session – “Care Team KLM”, intended for all those employees of the Company who are in direct contact with passengers during their work, was held. The focus of this two-day session was the assistance provided to persons injured in aviation accidents, their

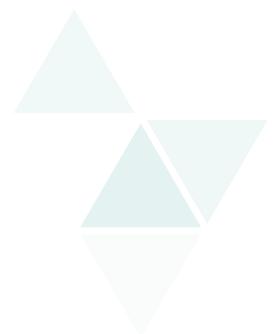
families, and relatives. The training consisted of a theoretical and practical part. During the practical part, the participants took part in simulated “help the injured person” situations involving injured persons of a different cultural background.

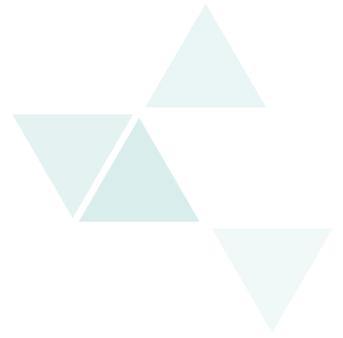
In addition, Kraków Airport also organised, in cooperation with the

United States Transportation Security Administration (TSA) and the United States Customs and Border Protection Office (CBP), and with the help of United States Consulate in Kraków, a training on exposing people using counterfeit travel documents. ▼



Photo: Kraków Airport





## SAFETY DURING SPECIAL EVENTS



Photo: Daniel Szura

### WORLD YOUTH DAY

Without a doubt, the biggest challenge for the airport in terms of coordination and security during special events in 2016 was the World Youth Day (especially the arrivals and departures of planes with WYD participants, including Pope Francis himself, travelling to and from Kraków). The event required our cooperation

in the area of security with various public services (including: the police, the Internal Security Agency, the Border Guard, the Military Police, the Government Protection Bureau and the judicial authorities).

Company employees and employees of other companies located at the airport had undergone special training to prepare them for emergency

situations presenting a potential threat to the security of the airport. Additionally, special leaflets with instructions on how to behave during an emergency were prepared and distributed among the airport staff. ▼



Photo: Daniel Szura



approximately  
**40,000**

pilgrims travelled via Kraków Airport to celebrate the World Youth Day

 **16.07.16**

arrival of the first registered pilgrim

 **9.08.16**

departure of the last airplane  
chartered for pilgrims  
returning from WYD



**10,453**

record number of  
arriving passengers  
(25.07)



**13,200**

record number of  
departing passengers  
(1.08)



**22,552**

record number of  
arriving and departing  
passengers (1.08)



**9 / 30**

the largest number of extra  
airplanes (arrivals) - 25.07  
/  
the largest number of extra  
airplanes (departures) - 1.08



**152**

extra trains  
during the WYD



**70**

volunteers of the WYD  
Committee (from Poland,  
Slovakia, Lithuania, Ukraine,  
Canada, Germany, Italy,  
Romania, Malaysia, Croatia  
and Vietnam)



**2,097**

record number of persons,  
who have reported to the  
Information Centre (1.08);  
over 100 questions per  
hour on average



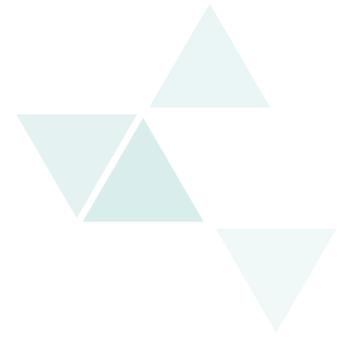
**493**

record number of  
persons who have  
asked for help from the  
Call Centre (26.07)



**19,021**

record number of  
persons asking for help  
at the Information  
Centre or calling the  
Call Centre



## AIR ACCIDENTS CAUSED BY BIRDS

The analysis of numbers and effects of air accidents caused by birds in 2016 has shown a major increase of risk in this regard. The number of collisions has exceeded the accepted safety value (not more than 10). For this reason, according to the Operating Instructions of the Airport, all flight incidents occurring in the analysed area should be recorded, analysed and rated. Implementation of additional means of risk mitigation might also be necessary.

Safety factor in 2016:  
17.7 out of 10,000 flight operations

The following key aspects were determined during the analysis of the causes of the increased risk caused by animals, in particular birds:

- ▶ Out of the 70 species identified in the ornithological overview, only a few appear to be posing a threat, namely the predatory birds – common buzzards and common

kestrels, as well as small and fast birds – mainly swallows. It is estimated that they are the cause of about 70% of collisions. This proves the high and lasting effectiveness of the falconry methods used to keep the numbers of birds of other species in check. Unfortunately, this method is far less effective in case of the 3 species mentioned above.

- ▶ Along with the preparations for the construction of a new runway, an environmental impact report, which will provide new and updated information regarding the airport's natural environment and the possible methods for limiting the mutual interaction, is created.
- ▶ During the last 3 years, several construction projects were carried out at the airport. This has permanently disturbed the conditions of the natural environment (presence of excavations, earth heaps, temporary water stagnations, structures, uncontrolled vegetation, etc.) in the area, increasing its attractiveness for birds as a result.



Photo: Lukasz Polus EPKC-Spotlers

- ▶ In 2016, a significant number of birds of a species that did not cause any air incidents in the previous years, the white wagtail, was reported. A total of 9 collisions were confirmed to be caused by this species.
- ▶ We predict that the demolition of the inactive sanitary aviation hangar, which was a major nesting area for swallows, will significantly contribute to decrease the number of collisions in the following years.

Because small birds such as swallows, wagtails, etc. do not pose a major threat to planes, we should focus on eliminating the threat caused by larger birds, mainly kestrels and buzzards. This can be achieved by limiting their basic food sources (limiting the population of rodents on grassy surfaces in the vicinity of the airport). ▼

NUMBER OF COLLISIONS/YEAR



## AIRPORT RESCUE AND FIREFIGHTING SERVICES

Kraków Airport has its own Airport Rescue and Firefighting Service ARaFS. The firefighters always keep watch over the safety of passengers present at the airport, and are always ready to act in case of an emergency outside of the airport.

In 2016, ARaFS firefighters were called to emergencies outside the airport 30 times, mainly on the A4 motorway, but also in the villages: Balice and Aleksandrowice.

Since the beginning of 2016, the ARaFS unit, as the only airport fire-fighting and rescue service in Poland, is a member of the National Rescue and Firefighting System, which brings together different emergency services that join their forces during mass events. Becoming a part of the National Rescue and Firefighting System, allowed the Kraków Airport firefighters to provide assistance during actions taking place outside the airport (but still in its vicinity). Three vehicles were assigned for such outside emergency actions. Depending on the type of action, the ARaFS emergency centre decides which one of the vehicles should be deployed. ▼



Photo: Jacek Krawczyk

## FIRST AID

### AUTOMATIC FIRST-AID CALL SYSTEM

Special devices which can be used to call for help in case of emergency at any time of the day are located in several places at the airport. By pressing the "First Aid" button, you can call the paramedic team on duty. The devices are marked in red.

### BRAND NEW DEFIBRILLATORS IN THE TERMINAL

In 2016, three new defibrillators were installed at the passenger terminal. Kraków Airport already owns six Automatic External Defibrillators (AED).

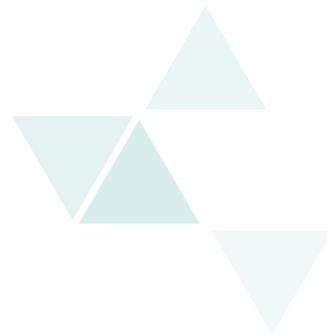
These devices, capable of saving a person's life in case of a sudden cardiac arrest, can be found in the landside area (near both Airport Information points and at the security control point), in the airside zone (next to the Aelia store, and near the border guard posts in the non-Schengen zone), as well as in the VIP terminal.

The **Airport Medical Security Service** is responsible for the medical safety of passengers, as well as for organising various training sessions for the Kraków Airport employees. ▼



Photo: Kraków Airport





# ENVIRONMENTAL PROTECTION



Photo: Waldemar Pieta



While performing its business activities, Kraków Airport respects the principles of sustainable development to help preserve the natural surroundings of the airport. The actions undertaken by the airport in this regard include: expansion of the programme of selective waste collection in the airport area, implementation of the programme of continuous recovery of recyclable materials from waste generated by the airport, implementation of energy-saving solutions in new projects and modernisations of the existing facilities, and all activities aimed at raising the pro-ecological awareness among employees.

Kraków Airport carries out different activities related to:

- **noise protection** (e.g. continuous monitoring of noise levels, implementation of anti-noise procedures - in cooperation with external entities),

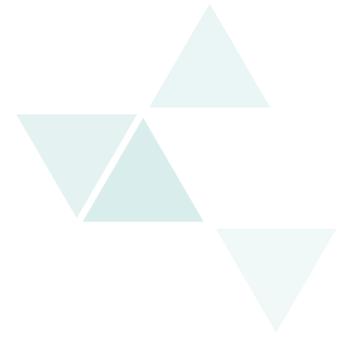
- **air quality protection** (e.g. monitoring of the amount of gas or combustion dust entering the air, and all measures aimed at maintaining the proper functioning of machines and devices in terms of effective reduction of emissions),
- **rational management of hazardous and non-hazardous waste** (including the quantitative and qualitative monitoring of generated waste, reduction of waste generation at the most common sources, establishing a new waste collection site, equipping the places with the highest waste-generation potential with appropriate environmental protection devices, etc.),
- **rational water and sewage management** (for example, by means of qualitative and quantitative monitoring of water consumption and sewage dumping into groundwater and / or soil, implementation of anti-pollution protective measures

in the rainwater drainage system, etc.),

- **sustainable management of green areas** (e.g. qualitative and quantitative monitoring of wooded and green areas, cleaning and maintenance work, etc.).

In order to increase the awareness of airport employees of the ecology-related issues, special information and educational campaigns in the field of environmental protection are held. The airport's Intranet is the primary source of information in this regard.





## ECONOMIC USE OF NATURAL ENVIRONMENT

The waste management carried out at Kraków Airport is centred around keeping records, including reporting for both internal and official purposes, which is enforced by the statutory duty. Kraków Airport creates reports on the economical use of the environment, i.e. on the amount of waste generated, as well as mandatory reports informing about the emissions of gases or dust into the air as a result of combustion

processes in internal combustion engines, emissions of gases or dust into the air as a result of operation of gas-fuel-powered boilers, water consumption, or the amounts of wastewater entering the groundwater. On the basis of the submitted reports, Kraków Airport pays all the fees, as required by law, to the account of the Marshal's Office of the Małopolskie Voivodeship in Kraków. ▼



Photo: Jacek Krawczyk

## HAZARDOUS AND NON-HAZARDOUS WASTE MANAGEMENT

Kraków Airport is highly concerned with the efficiency of the process of waste sorting and with minimizing the amount of generated waste. The company also puts emphasis on the recovery of waste, mainly by means of recycling of paper and

cardboard packaging, thus reducing the amount of generated municipal waste. Recycled paper and cardboard packaging are valuable recyclable materials. Communal, post-consumption waste continues to be the most commonly generated type of waste at the Airport.

an economically viable concept, which allowed to generate additional financial resources by selling the generated waste to external entities, but more importantly, it also improved the ecological awareness of our employees.

Regular preventive inspections of storage places for hazardous and non-hazardous waste at Kraków Airport allowed us to identify the areas requiring improvements, or additional personnel training.

Recording of other types of segregated waste, i.e. plastic, glass and metal packaging, was introduced and implemented in 2017. ▼

In 2016, the profit from the sale of waste (paper and cardboard packaging) amounted to over PLN 15,000. The company sold over 42 tonnes of recyclable waste. Reducing the amount of generated municipal waste by 42 tonnes allowed the Company to generate savings in the amount of PLN 12,000.

In order to systematize the waste management-related activities, Kraków Airport has created detailed internal instructions which set out the procedures for dealing with hazardous and non-hazardous waste. The activities focusing on proper waste segregation, which have been implemented and carried out for several years, proved to be not only

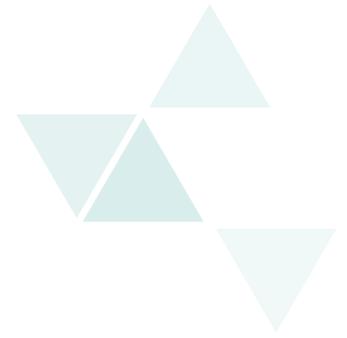
Municipal waste in  
2016 r.: 8,161 m<sup>3</sup>

## HAZARDOUS AND NON-HAZARDOUS WASTE GENERATED IN 2016<sup>14</sup>

No.	Waste code	Waste type	Mass of generated waste [Mg]
1.	13 01 10*	Mineral hydraulic oils without halogenated organic compounds	0.390
2.	13 02 05*	Mineral engine oils, gear oils and lubrication oils without halogenated organic compounds	0.800
3.	15 01 10*	Packaging containing residues of / contaminated with dangerous substances	0.489
4.	15 02 02*	Sorbents, filtration materials (including oils not listed in other groups), fabrics intended for wiping (cloths, rags), and protective clothes contaminated with hazardous substances	0.695
5.	15 02 03	Sorbents, filtration materials (including oils not listed in other groups), fabrics intended for wiping (cloths, rags), and protective clothes not listed in 15 02 02	0.026
6.	16 01 07*	Oil filters and fuel filters	0.096
7.	15 01 01	Paper and cardboard packaging	42.179
8.	16 01 19	Plastic materials	0.115
9.	16 02 13*	Worn out devices containing dangerous elements, other than mentioned in 16 02 06 to 16 02 12	0.070
10.	16 02 14	Worn out devices, other than mentioned in 16 02 09 to 16 02 13	0.705
11.	16 06 02*	Batteries and rechargeable Ni-Cd batteries	0.013
12.	16 06 01*	Batteries and lead-acid batteries	4.000
13.	08 01 11*	Waste from paints and varnishes containing organic solvents or other dangerous substances	0.200
14.	15 01 02	Plastic packaging	0.005
15.	16 01 03	Worn tires	1.797
16.	16 01 17	Ferrous metals	1.076
17.	16 02 16	Elements removed from worn machines, other than specified in 16 02 15	0.111
18.	16 06 04	Alkaline batteries	0.033
19.	17 02 03	Plastic materials	0.540
20.	17 04 02	Aluminium	0.082
21.	17 04 05	Iron and steel	0.930

<sup>14</sup>The table was created in compliance with the Waste Catalogue and the List of Hazardous Waste (Journal of Laws No. 112, item 1206, Regulation of the Minister of Environment of September 27, 2001 regarding the Waste Catalogue, pursuant to Art. 4 para. 1 point 1 of the Act of April 27, 2001 on waste, Journal of Laws No. 62, item 628).

The asterisk "\*" next to the waste type code stands for: Hazardous waste.



## AIR



Photo: Jacek Krawczyk

There are many potential sources of air pollution at the airport:

- ▶ heating boilers on natural gas,
- ▶ mechanical ventilation installations,
- ▶ passenger cars, specialized vehicles, power generators, motor vehicles, other means of road transport, other devices.

In addition, the emissions of gases and dust at the airport can be attributed to the airlines (aircrafts, state administration services, handling agents, cleaning companies, transport and parking-related services, air fuel supply and delivery). The above-mentioned entities comply with national law and implement its provisions on their own.

Pursuant to the Act of May 15, 2015 on substances that deplete the ozone layer and on various fluorinated greenhouse gases, the Company was obliged to register the devices containing these substances in the Central Register of Operators of the Institute of Industrial Chemistry in Warsaw. Currently, 64 devices, which are subject to the guidelines of the above-mentioned Act, were registered at CRO.

Kraków Airport has implemented a procedure of systematic registration of gas and dust emissions generated as a result of fuel combustion processes in combustion engines of vehicles. The procedure consists in official reporting in connection with the statutory obligation and the obligation to pay the related fees to the account of the Marshal's Office of the Małopolskie Voivodeship in Kraków.

**The total environment fee in 2016 amounted to: PLN 58,889.92**

Kraków Airport applies special modifications to the employed devices, equipment and vehicles for the purpose of reducing the negative impact on the environment. ▼

### AMOUNT OF FUEL CONSUMED IN 2016

Diesel fuel – ca. 95,000 litres  
Euro 95 Pb – 50,500 litres

Combustion of fuels in gas boilers with a power output of up to 5 MW.

High-methane natural gas – gas consumption: 797,703 m<sup>3</sup>.

# NOISE MANAGEMENT



Photo: Joanna Patej/EPKK Spotters

Air operations, i.e. flights, takeoffs, landings and aircraft ground operations are the primary noise sources. The biggest increase in the number of air operations is registered in the summer.

Because the permissible levels of sound intensity in the environment have been exceeded, by virtue of the resolution of the regional council of the Małopolskie Voivodship No. XXXII/470/09 of May 25, 2009, a limited-use area was established around the Kraków-Balice airport. This area is divided into three zones with the following designations: A, B and C.

Areas located within those special zones are subject to certain restrictions regarding their use and development.

## MITIGATION OF AIRCRAFT NOISE

In order to limit the propagation of aircraft noise at the Kraków-Balice airport, several noise reduction procedures have been implemented:

- Aircraft operators performing air operations at the Kraków-Balice airport should apply noise reduction procedures appropriate for the type of aircraft in use. In the absence of applicable noise

reduction procedures adapted to a particular type of aircraft, it is recommended that the departures are performed following the generic noise reduction procedures for ascending aircrafts, in accordance with the annex to ICAO Doc 8168 Chapter 3 Procedures for Air Navigation Services – Aircraft Operations, Volume I – Flight procedures, part I, section 7.

- After take-off, aircraft should climb along the axis of the runway, as far as practicable, (RWY) until reaching the altitude of 600 m, then make a turn after getting the permission from the control services. ▼

Surface area of the RUA / Zones	m <sup>2</sup>
Restricted Use Area	7,635,855
Zone A	844,807
Zone B	4,490,625
Zone C	2,260,423

Range of the RUAs and Zones	km
Restricted Use Area	5.6 (east) and 4.3 (west)
Zone A	1.6 (east) and 0.8 (west)
Zone B	4.25 (east) and 3.7 (west)
Zone C	5.6 (east) and 4.3 (west)



- ▶ Continuous Descent Approach (CDA) – on approach to landing, the aircraft descends from the optimum position with a minimum thrust and avoids a steady flight at the same altitude without compromising the safe operation of the aircraft(s). The purpose of the CDA technique is to provide the aircraft crew suitable conditions to optimize the aircraft's landing approach profile, and in turn to reduce the impact of aircraft noise on the ground, and reduce fuel consumption and atmospheric emissions as much as possible.
- ▶ Restrictions between 9:00 PM and 5:00 AM: from sunset to sunrise approaches with visibility on RWY 07 are not permitted. Between 9:00 PM and 5:00 AM TWR does not permit approaches with visibility on RWY 25. ▼

Zone	Zone parameters	Restrictions and rules of use for the Zone
<b>A</b>	The area between the borders of the area managed by MPL and the line at the level of which the noise level is: $L_N = 50$ dB or $L_{DWN} = 60$ dB	<ul style="list-style-type: none"> <li>› It is forbidden to use the designated area for the construction of single – and multi-family housing, or homestead housing</li> <li>› It is forbidden to establish recreation-related buildings outside of the urban area</li> <li>› Regardless of the current function of this area, the construction of single – and multi-family housing, or homestead housing is forbidden</li> <li>› The use of the already existing single – and multi-family housing, or homestead housing is only permissible under compliance with construction conditions compliant with noise standards for the building interiors</li> <li>› It is forbidden to build hospitals, rest-homes, or other facilities intended for permanent or long-term stay of children and adolescents, in the area.</li> <li>› It is forbidden to change the status of non-residential buildings to residential buildings</li> </ul>
<b>B</b>	The area between the outer border of Zone A and the line at the level of which the periodic noise level is: $L_{DWN} = 55$ dB	<ul style="list-style-type: none"> <li>› It is forbidden to build hospitals, rest-homes, or other facilities intended for permanent or long-term stay of children and adolescents, in the area.</li> <li>› It is permissible to use the existing facilities related to a long-term stay of children and adolescents who will not be present in the premises during night time (schools without dormitories, youth hostels, summer camps, etc.), while ensuring the required acoustic comfort inside the premises, and the access for children and adolescents to sports grounds during the regular daily class-time</li> </ul>
<b>C</b>	The area between the border of Zone B and the line at the level of which the noise level is: $L_N = 45$ dB	<ul style="list-style-type: none"> <li>› It is permissible to use the currently existing facilities intended for long-term stay of children and adolescents who will not be present at the premises during night time (schools without dormitories, youth hostels, summer camps, etc.)</li> </ul>

## AIRCRAFT NOISE MONITORING SYSTEM

Throughout the entire year 2016, the aircraft noise levels in the area surrounding the Kraków-Balice airport were continuously monitored by a PCA-accredited test lab at the request of the Airport Manager. The noise monitoring system consists of three measurement points in the following locations:

Measurement point	Location	Distance from the centre of runway ARP [m]
Kk-P-01	Morawica	2,380
Kk-P-02	Balice, ul. Spacerowa	2,240
KK-P-03	Kraków, ul. Na Nowinach	5,160

Monthly reports on the results of aeronautical noise surveys conducted around the Kraków-Balice airport are sent by the MPL Company to the Inspector for Environmental Protection of the Małopolskie Voivodeship, and to the Marshal of the Małopolskie Voivodeship.

# WATER AND WASTEWATER MANAGEMENT

Kraków Airport draws drinking water from the pipeline of the Municipal Services Company in Zabierzów. The airport also has a reserve water source in the form of two deep water wells. Unfortunately, due to poor water parameters of this water, in particular the excessive concentrations of **iron and manganese**, it is necessary to perform water treatment until achieving parameters acceptable for consumption. Therefore, a water treatment station and a pressure booster station operate at Kraków Airport. **The water treatment plant (SUW)** ensures the proper parameters of drinking water.

Both water from the municipal supply system and the treated water is directed from the hydrophore building to the buffer tank, from which it is moved back, with its pressure increased and stabilised by means of the so-called **hydrophore set**, and pressed back into the buildings via the Kraków Airport internal water supply system. An adequate dose of a water disinfectant is dispensed by a **chlorine dioxide generator**. All processes are **controlled automatically**.

## WATER CONSUMPTION IN 2016

Water supply system	32,415 m <sup>3</sup>
Deep water wells	36,900 m <sup>3</sup>
<b>Total water consumption</b>	<b>69,315 m<sup>3</sup></b>

**The discharging of rain and storm water from the areas of the Kraków-Balice airport (EPKK)** is an essential factor which enables its everyday uninterrupted use, modernisation and development.

The only natural place to discharge rainwater from the airport available so far has been Potok Olszanicki (Olszanicki Stream), which partially runs through the area of the airport and serves as an intercepting sewer. Rainwater and stormwater are discharged from the airport area by means of a sealed rainwater sewage system and equipped with environmental protection devices (pre-treatment tanks, retention reservoirs, etc.), in compliance with the applicable water law permits.

The water discharged via the sewage system is subject to continuous quantitative monitoring, with the option of remote control over the discharge direction, and periodic qualitative monitoring. This is to protect surface waters and soil, as well as to counteract excessive discharge of water from the airport in case of excessive atmospheric precipitation. During the airport expansion programme, the system was equipped with additional retention reservoirs and pre-treatment tanks.

**Total volume of wastewater in 2016: 101,409 m<sup>3</sup>**

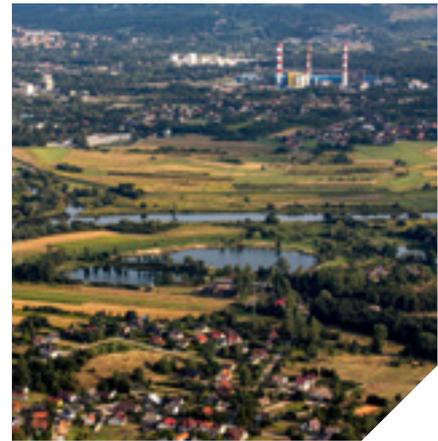
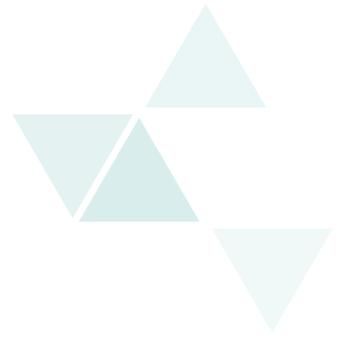


Photo: Kraków Airport

Pursuant to the valid administrative decision, Kraków Airport is allowed to take further organizational and technical measures to protect the aquatic and terrestrial environment.

The Company is not responsible for the de-icing of aircrafts. Two handling companies operating at Kraków Airport can perform de-icing work at the request of airlines operating at Kraków Airport.

**Total de-icing fluid consumption in 2016: ca. 295,000 litre. ▼**



## GREENERY MANAGEMENT



Photo: Artur Brandyś

The specific character of the area of the Kraków-Balice airport (EPKK) and of its neighbourhood requires a balanced approach to issues related to wooded and green areas.

Kraków Airport continuously performs tasks consisting in the shaping of dendroflora, while taking into account the applicable provisions

of the Act on Nature Conservation, good practices of use of greenery, but also the provisions of aviation law regarding the maintenance of operational safety directly in the area of the airport and its vicinity.

The primary tasks in this regard include arboricultural care of trees and shrubs in the context of ensuring

the safety of human life and health, property, phytosanitary security, and the removal of obstacles endangering the proper and safe air traffic.

Those activities also include compensational periodical plantings of trees and shrubs in the area of the Airport or in its vicinity. ▼



Photo: Joanna Patej/EPKK Spotters

Last year we managed to plant hundreds of new trees of species best suited to the present habitat conditions.

# KRAKÓW AIRPORT EMPLOYEES

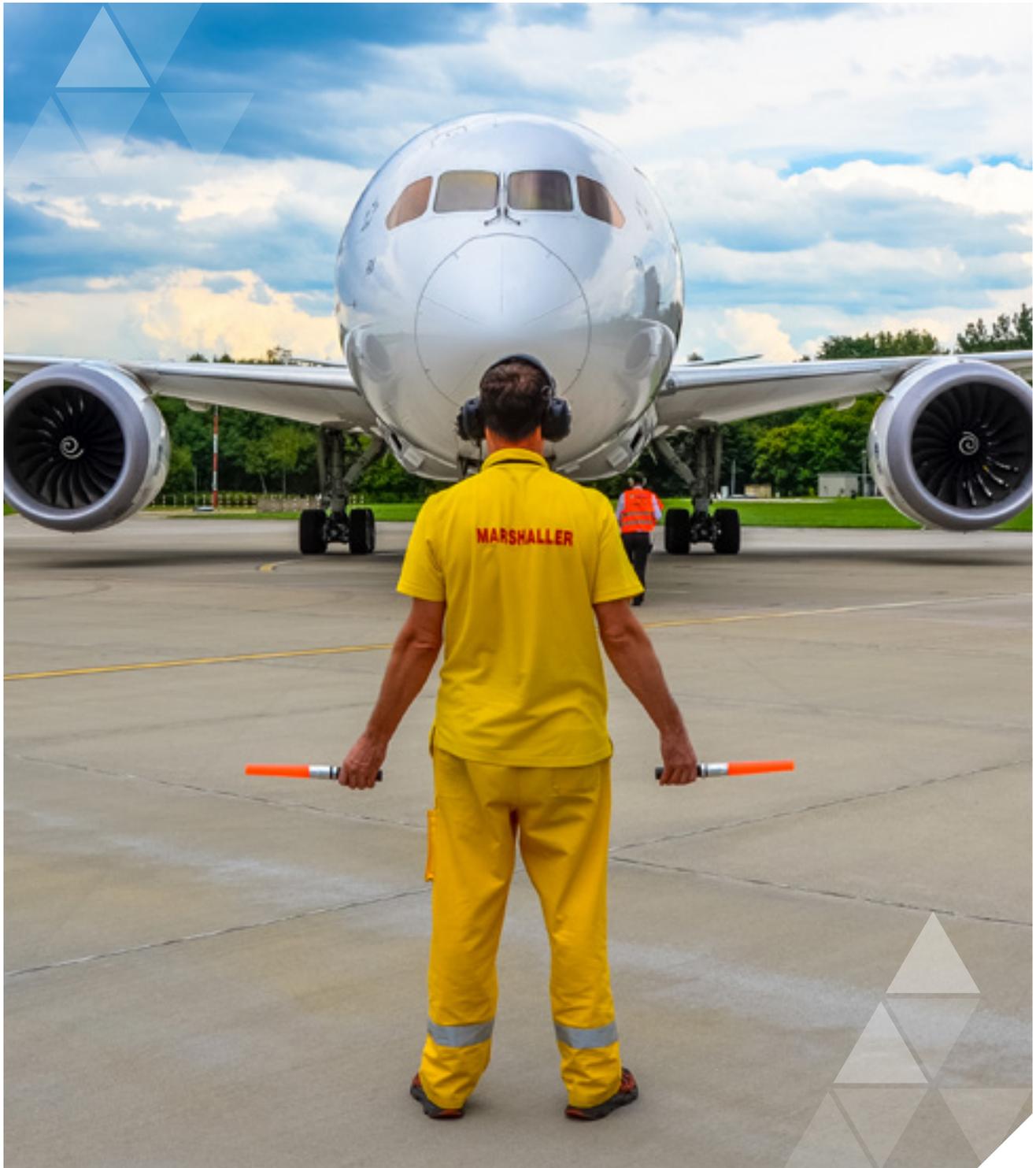


Photo: Kraków Airport



# EMPLOYMENT DATA



Photo: Jacek Krawczyk

About 5 thousand people are employed at Kraków Airport, out of which 615 were employed by the MPL Company in 2016. The level of employment at the airport and directly at the Company managing the civil part of the airport proves just how complex of an organism an airport is.

The main objective of the Company in the area of human capital management in 2016 was to provide its employees with good working conditions, which would help them with their professional development, and a set of additional benefits, including social benefit programmes. A crucial part of the personnel strategy was the improvement of professional skills of employees and the maintaining of high working standards.

- ▶ training improving the professional and language skills, co-financing of learners at post-graduate studies;
- ▶ co-financing of sport and leisure activities, sport cards for employees and their families;
- ▶ tickets for cultural events: opera, theatre, concerts, exhibitions;
- ▶ various team-building parties and events;
- ▶ Christmas presents for children, a special Christmas theatre performance;
- ▶ uniforms and work clothing.

The Company's Social Benefits Fund is a form of social assistance for those employees who are in need of support (in the form of an allowance), i.e. have a difficult financial or health situation. The fund is available for all employees, and covers: **house loans, co-financing of vacation** for employees and their children.

94.7% of senior managerial positions<sup>15</sup> are held by residents of Małopolska (out of which 78.9% live in close proximity to the airport, i.e. in the municipalities of: Zabierzów, Liszki, Wielka Wieś, Michałowice, and in the urban municipality of Kraków).

In addition to salary, the following types of benefits were available in 2016:

- ▶ medical care in private medical facilities, co-funding of vaccinations against seasonal flu;

## EMPLOYMENT DATA

Level of employment in MPL as of 31.12.2016 **615 employees / 611.53** full-time jobs.

Average level of employment in MPL in 2016: **610.83 employees.**

### AVERAGE EMPLOYMENT AT MPL BROKEN DOWN INTO PHYSICAL OPERATIVES AND OFFICE STAFF

Physical operatives	360.90 emp.
Office staff	249.90 emp.

### TOTAL NUMBER AND THE RATE OF EMPLOYMENT OF NEW EMPLOYEES INCLUDING THE TYPE OF EMPLOYMENT, AGE GROUP, SEX AND REGION

Number of employees	Total	Women	Men
Group: 30 years or less	33	15	18
Group: 30 to 50 years	22	14	8
Group: 50 years and more	4	0	4
Residents of Małopolska	56	29	27

Rotation of employees	Total	Women	Men
Group: 30 years or less	15	8	7
Group: 30 to 50 years	26	6	20
Group: 50 years and more	11	0	11
Residents of Małopolska	51	14	37

### PERCENTAGE OF EMPLOYEES EMPLOYED UNDER COLLECTIVE AGREEMENTS

Number of employees	Number of persons	Percent
Employed under an employment contract	606	94.69%
Employees partially included in the CCLA	9	1.40%
Civil law contracts	25	3.91%
<b>Total</b>	<b>640</b>	

In August 2016 the **Collective Labour Agreement and Work Regulations of Kraków Airport** were updated. The trade union organization and the Company's Employees' Council both agreed on this update. The most important changes introduced to the above documents concerned, among others, the **introduction of a flexible working time for employees working under the system of irregular working hours**, as well as

the **implementation of additional services for employees**, e.g.: vaccines, parking spaces, medical care, sports cards, etc. with the respective fees below the regular market prices.

The **Employee Council** and the **Inter-company Commission No. 1725 of NSZZ "Solidarność"** are both active in the Company. One of the examples of effects of cooperation and communication between the

### TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND SEX

Working hours	Total	Women	Men
Full-time	607	182	425
Part-time	8	4	4
<b>Total</b>	<b>615</b>	<b>186</b>	<b>429</b>

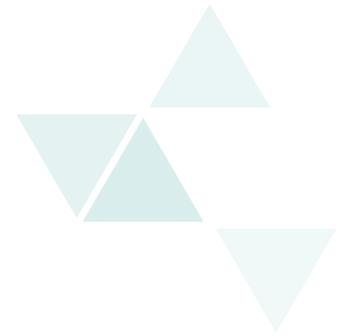
Type of employment contract	Total	Women	Men
Trial period	9	6	3
Definite period	102	46	56
Indefinite period	504	134	370

Type of employment	Total	Women	Men
Civil law contracts	25	12	13
Self-employment	0	0	0
Supervised employees	615	186	429

Region / Voivodeship	Total	Women	Men
Lubelskie	1	1	0
Mazowieckie	2	1	1
Warmińsko-Mazurskie	2	2	0
Podkarpackie	9	3	6
Świętokrzyskie	11	4	7
Śląskie	16	7	9
Małopolskie	574	168	406

Company's Management Board and the trade unions is the agreement signed in January 2016 regarding the wage growth rate, thanks to which the airport workers were guaranteed an average salary increase of 5%.

The **Employees' Council** is a body representing employees, and its task is to negotiate with the employer in order to determine the rules and procedures for the sharing of



information, performing consultations, and resolving disputes. In July 2016, an election for the new term of the Council was held. The number of voters entitled to vote (included in the census) was **607. 332 voters** participated in the vote, i.e. over 50% of the employees. From among 9 candidates, a 7-member Council was elected.

The Company also employs a **Social Labour Inspector**, elected for 2015-2019 during the election in 2015.

The Company maintains a continuous **information policy** for employees regarding the Company's activities in terms of investments, current working conditions and employees' rights, executed by means of Intranet and mailing available to all employees, as well as in the form of meetings of the Board with the management staff.

## REGISTER OF WORK ACCIDENTS

Every year, the Company is obliged to submit a report to the Social Insurance Institution, containing the information on the number of accidents at work which occurred in the previous year.

In 2016, at December 31, 612 employees were employed in our Company, including 180 women and 432 men. In 2016, a total of 3 accidents at work took place, during which only 3 male employees (working in shift system) were affected. The accidents were classified as: individual, light, causing temporary inability to work (types of injuries: head and ear trauma; hip contusion; damage to the meniscus of the knee joint). No fatal accidents were reported. In 2016, no cases of occupational diseases were reported.

Accidents at work are reported by the injured employee's superior or by the injured person, providing that their health condition allows it. After preparing the notification, in accordance with the applicable provisions of accident documentation and approval of the post-accident report by the Management Board of the Company, the accident (along with all relevant information) is then registered in the **"Register of Work Accidents"**. Since the Company has not yet had any cases of occupational diseases, nor are there any suspicions regarding the presence of any cases of such diseases – no relevant register is kept. The company has a health and safety committee consisting of 7 persons, including 3 representatives of employees, which at the end of 2016 amounted to **0.5% of the entire staff**. ▼

- ▶ **0.077%**<sup>16</sup> – percentage of working days lost, i.e. the percentage of days of absence at work as a result of accidents at work and occupational diseases, resulting in the employees taking a sick leave.
- ▶ **16%** – percentage of absence which refers to the number of actual absences at work of an employee expressed in the form

of a percentage of all days during which the employee should be at work, in accordance with the schedule during a specific time period.

- ▶ For every accident at work, there are **342,533 hours** worked by the Company's employees in 2016 – accident rate<sup>17</sup>.

<sup>15</sup> Board, directors, managers, main accountant, Head of the ARaFS, Head of the Airport Security Service.

<sup>16</sup> Because of different working time systems for various departments and employees of the Company, the Working Days Lost rate, as defined in G4-LA6, was calculated by converting the working days to working hours, in relation to the total number of expected working hours for all employees of the Company in 2016.

<sup>17</sup> The accident rate is the frequency of occurrence of accidents in relation to the total number of worked hours of the entire team of employees of the Company during the period.

## STUDENT INTERNSHIP PROGRAMME “NEED HELP”



Photo: Michał Nowak

The “Need Help” internship programme was started in 2007 and was organised every year since then. During the 1 month-long internship, the students work at the “Need Help” service, the purpose of which is to provide assistance to passengers at the airport.

This is probably the best way for the participants to quickly learn about the complexity of the airport. During a period of four weeks, the trainees will learn about the topography of the airport, its security rules, tasks of

each service, and the daily functioning of the airport.

After gaining the necessary knowledge, the participants of the programme participate in practical tasks. The “Need Help” programme is very popular among students, which is reflected in the statistics – **so far 436 trainees have participated.**

After completing the programme, the best students will receive a job offer. About 120 people out of all participants of the internship have started their professional career in the aviation industry. Aside from Kraków Airport, its partners, including airlines, also benefit from the experience and skills acquired by the interns.

The entities that hired the interns include: handling companies, daughter companies, airlines: easyJet, Emirates Airlines and Qatar Airways, as well as the Polish Air Navigation Services Agency.

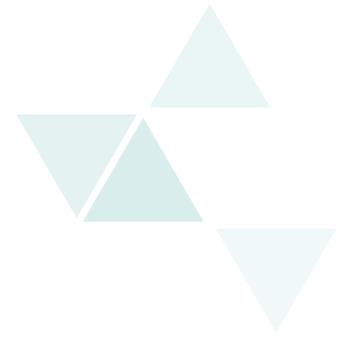
The programme was acknowledged in the report of the Responsible Business Forum “Responsible Business in Poland – Good Practices” in the subcategory “Creation of Jobs and Development of Competences”.

In addition to the “Need Help” programme, **over 30 people** have participated in student internships or practical vocational training at our airport (at VIP & Business Services Department, Airport Security Service, Department of Operations). ▼

During last year’s summer, the 10th edition of the “Need Help” internship programme was held. 49 participants took part in the programme.



Photo: Michał Nowak



## ENGAGING OUR EMPLOYEES

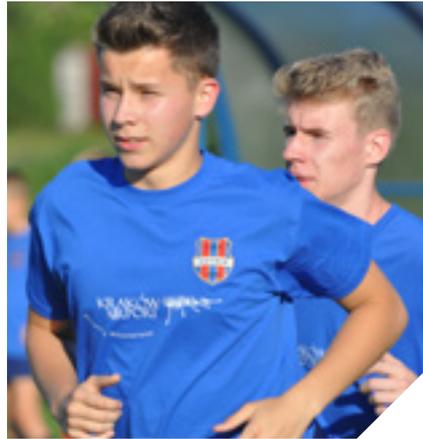


Photo: Kraków Airport

### “WE SUPPORT VOLUNTEERS” – A GRANT COMPETITION

During the first edition of the competition, 6 projects were completed, with a total of 51 participating volunteers.

In 2016, the 1st edition of the “We Support Volunteers” grant competition, intended for Kraków Airport employees, was held. The competition is a part of Kraków Airport’s employee volunteering program, which was prepared following the Social Responsibility Strategy of Kraków Airport for 2016-2018. The competition is designed to support the pro-social activities of employees who devote their free time and energy, and use their skills to help others.

The goal of the competition is to award a grant to the best projects of the employees of Kraków Airport – projects that are intended for the

proteges of public institutions or non-governmental organizations. The maximum grant amount is PLN 5,000. The evaluation is based on the criteria set out in the competition regulations, and is performed by the Competition Commission.

### CHRISTMAS HELP FOR COLLEAGUES

Because of the difficult situation of the families of some of the employees of Kraków Airport, our employees have been holding a Christmas charity action for those in need for the past two years. The eligible families are indicated by the Company Social Benefits Commission. Those families

remain anonymous, and the only information revealed is the age and sex of children and a list of needs of their families. In 2016, a special rule was introduced - each one of the chosen families would receive help from a different division. During a period of one week, volunteers collect donations and gifts. The list of needs is available on the Intranet and on posters. Thanks to this action, 5 families received help in 2016.

Over 60 neatly decorated Christmas packages went to families. The action was coordinated by 10 volunteers who were collecting donations and gifts, doing the necessary shopping, packing the gifts, and finally



5 families



10 children



60 presents

delivering them to the families. The collected amount of money was enough to purchase a wheelchair, the necessary furniture, household appliances, bedding, cleaning products, hygiene products, clothes and small gifts for children. Furthermore, two families received a computer.

Our campaign was acknowledged for the second time in the report of the Responsible Business Forum "Responsible Business in Poland. Good Practices".

#### HONORARY PCK BLOOD DONOR CLUB "RH WINGS" AT KRAKÓW AIRPORT

In October 2011, the Honorary PCK Blood Donor Club "Rh Wings" was established at Kraków Airport. In the regular blood donations, a total of 22 of which took place until December 2016, the employees of Kraków Air-

port have donated almost **268 litres of blood (32.85 l in 2016)**.

Kraków Airport was awarded with the Cup of the President of the Polish Red Cross for its continuous support for the honorary movement of blood donation in 2016.

#### KRAKÓW AIRPORT REPRESENTATION – MAT RUNNING TEAM

Its name is derived from the first letters of the names of the founders of the group: **Monika, Artur, Tomasz. MAT** began to run in 2016, wearing T-shirts with the logo of Kraków Airport, not only in Kraków and Małopolska but also, thanks to the Company's support, in international competitions. In 2016, Renata officially joined the team. Occasionally, non-associated runners also participate in sport events together with MAT. Members of the team cover different distances during sport competitions, from short several-kilometre-long runs to full marathons and mountain runs.

Each one of the MAT members participates in several races every year, including team competitions. In 2016, the Kraków Airport team took part in the first edition of **WRO RUNWAY RUN**, coming in 2nd in a 10-km-long run in the airport category, a splendid result, second only to the Wrocław Airport team.

Our runners gladly take part in charity races, during which they put a lot of effort to help the sick and those in need, e.g. Kraków Business Run,



Photo: MAT



over **7,000 km** in 10 years

Krwiobieg, Bieg Wielkich Serc, Bieg Fundacji Tesco. Frequent participation in competitions, articles in sport press and on social networks, have made the MAT team of Kraków Airport very recognizable.

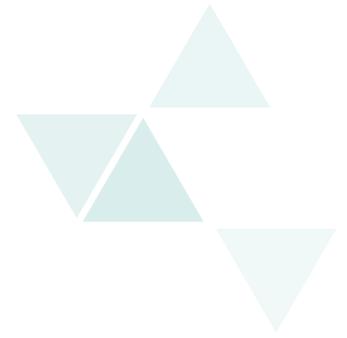
In April 2016, during the largest event of the aviation industry – **Routes Europe**, hosted by Kraków Airport, a charity run along the embankments of Vistula, **initiated by MAT**, and **a football match was held**. During those events **charity money (EUR 1,200)** was raised for the purpose of funding the medical treatment of the son of one of the airport employees.

Photo: Kraków Airport



**32.85 l** of blood donated in 2016





## KRAKÓW AIRPORT SHOOTING TEAM

In 2008, the Airport Security Service (SOL) earned an invitation to participate in a nationwide shooting competition for the security industry. After short internal qualifiers, a team was created which came in 8th without any prior preparations, thus gaining the recognition and acknowledgement of the other participants. During the next edition of the same shooting competition, the Kraków Airport team came in 5th. Encouraged by this success, the employees wanting to develop their passion and promote Kraków Airport, formed the official SOL shooting team in 2010. In 2011, the team came in 1st, thus winning the 10th Polish Shooting Championship of the security industry.

**The SOL shooting team has been the national champion of the airport security industry for 7 years in a row.**

The composition of the team has changed over the years, however, 3 of its members: Zbigniew, Paweł and Dariusz continue to be the backbone of the team ever since its foundation. Additionally, Zbigniew and Dariusz are shooting instructors who share their theoretical and practical knowledge with other employees of the Airport Security Service during shooting training sessions. ▼

## KRAKÓW AIRPORT FOOTBALL TEAM

The team was established in 1997, and since then the football players of Kraków Airport have been very successful both in Poland and abroad. The core of the team is formed by the firemen from the ARaFS, supported by their colleagues from other departments.

### TOURNAMENTS IN 2016:

- ▶ **Second place in the 20th Championships in Futsal Olsztyn-Mazury (21-22.10.2016), and the title of the Best Shooter and Best Player of the tournament for our colleague – Jakub.**
- ▶ **European Airport Football Championships 2016 in Vienna** – players of Kraków Airport reached the semi-finals. Players from teams of various other airports also participated in the tournament: Domodedovo, Dublin, Frankfurt, Kraków, Londyn City, Malta, Munich, Nice, Salzburg, Sheremetyevo and Vienna.

## ACHIEVEMENTS OF THE KRAKÓW AIRPORT SHOOTING TEAM IN 2016

### FEBRUARY:

- ▶ 8th place (out of 37 participants) during the International Shooting Competition in Romków,
- ▶ 1st place of our employee – Paweł in the series of shooting competitions "Winter in Emjot Chorzów"

### MARCH:

- ▶ 1st place (out of 30 participants) during the "Zbyszków Cup" competition

### APRIL:

- ▶ 5th place during the "7th Memorial of Wojciech Ruszkowski"

### SEPTEMBER:

- ▶ 3rd place (out of 47 participants) "12th Cup of the Commander of the Central Training Centre of Prison Services"
- ▶ 1st place in the "7th Shooting Competition of Airport Security Services"



Photo: Kraków Airport

# KRAKÓW AIRPORT – A RESPONSIBLE NEIGHBOUR



Photo: Damian Szymula

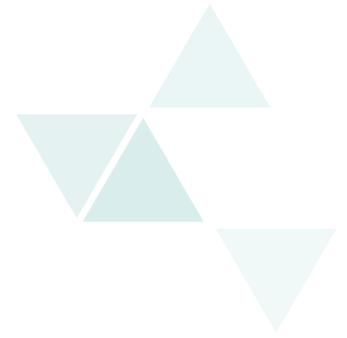


Photo: Jacek Krawczyk

The airport and its environment (residents, local companies, local government units, non-governmental organizations) is a system of mutual dependence. The mutual impact is permanent and unavoidable. The airport cannot exist if there is no demand for flight services. The airport's activity is a chance for people living in the neighbourhood to find employment. Its activity also translates to social activity of the company, and even economic development – after all, new investors choose this region precisely because of the proximity of the airport.

About 5,500 people are employed at the Kraków airport (employment in the civil sector: approx. 4,500, and

over 1,000 in the military sector). This is a big responsibility and the reason why Kraków Airport acts in accordance with principles of sustainable development. According to the indications of ACI and the airport's own analyses, the operation of Kraków Airport in 2016 resulted in:

- ▶ 3,300 jobs created in the companies of suppliers directly related to the operation of the airport (e.g. catering for handling companies);
- ▶ 3,400 jobs created in the region as a result of money spent by people employed at the airport or in companies cooperating with the airport (daily expenses for living, including food, clothes, kindergarten and school fees, etc.)
- ▶ over 51,000 jobs created as a result of the indirect impact related to investments, tourism, etc. (if the airport didn't exist, the number of investments and new jobs related to those investments, tourists and tourist-related services would be significantly lower).

Being aware of the huge responsibility for its surrounding environment, Kraków Airport is a responsible and reliable employer who undertakes various activities in the field of environmental protection, supports cultural events in Kraków and Małopolska, and shows active involvement in the life of the local community.

Our involvement takes various forms, e.g. the agreement concluded in 2008 between Kraków Airport, the Commune of Zabierzów and the Municipality of Kraków, under which Kraków Airport decided to co-finance the agglomeration bus route No. 208, connecting the airport and the Main Railway Station in Kraków. This connection is used by the residents of nearby villages and passengers of Kraków Airport. For residents of some of the villages located in the vicinity of the airport, this is the only connection to the centre of Kraków.



According to the survey of the Airports Council International, for every 1 million passengers using the airport, there are 750 jobs in the region.

## “SUPPORTING OUR NEIGHBOURS” – THE GRANT COMPETITION



Photo: Krzysztof Kościelniak Photography

Every year, the airport supports numerous social campaigns and initiatives, focusing particularly on the communes neighbouring directly with the airport – Liszki and Zabierzów. The grant competition started in 2010 – “Supporting our Neighbours” was devised with the well-being of residents of the two communes in mind. The provided support influences different areas of local life.

The purpose of the competition is to support non-governmental organisations, local institutions, or informal groups of residents, in their

joint efforts of improving the living conditions of the local community. Only organisations and institutions that are based in the communes of Zabierzów or Liszki can participate in the competition, and the proposed projects must affect those two communes.

Thanks to the ingenuity of the residents and the support of Kraków Airport, projects that contribute to the integration of the local community, or influence the development of culture, education and sport are implemented. Every year, projects from the following areas are accepted into the competition: education, culture and historical heritage, ecology, promotion of a healthy lifestyle, safety, improvement of tourist attractiveness, and other initiatives related to recreation, physical fitness and sport.

The criteria for determining the best projects, e.g. the needs of local communities, purposefulness and in-

novation of the project, the number of affected residents, establishing project-centric partnerships, or the sustainability of results, are defined in the regulations of the competition. The regulations and the competition questionnaire are modified every year, so as to take into account the ongoing social changes, the growing number of entities interested in the competition, and, most importantly, the comments and suggestions of the participants.

In 2016, the 8th edition of the “Supporting our Neighbours” competition

### “SUPPORTING OUR NEIGHBOURS” 2010-2016

- ▶ 8 editions so far
- ▶ 121 implemented projects
- ▶ 76 projects in the Zabierzów commune
- ▶ 45 projects in the Liszki commune
- ▶ over 700 volunteers

Our flag project was noticed and mentioned in the report of the Forum for Responsible Business “Responsible Business in Poland. Good Practices.” in 2013. Since then, it is regularly mentioned in the lists of long-term projects in the categories of: social commitment and development of local community.



was held. Out of 64 submitted projects, we financed 14 winning local initiatives.

The "Supporting our Neighbours" grant competition has received approval of the local institutions and non-governmental organizations. The results of the evaluation questionnaire, conducted in 2016 among the previous beneficiaries of the competition and among local non-governmental organizations (7% of the respondents were entities that

have never applied to the competition yet, and almost 30% were not its beneficiaries), seem to confirm this.

**As many as 88% of the respondents said that "Supporting our Neighbours" is an effective means of supporting the areas located in the vicinity of Kraków Airport.**

The same number of survey participants expressed their willingness to register their own initiatives during the next edition of the competition.<sup>18</sup>



Photo: Kraków Airport

<sup>18</sup>The detailed results of the evaluation questionnaire on the "Supporting our Neighbours" grant competition are described in chapter "Relations with Stakeholders".

## "SUPPORTING OUR NEIGHBOURS" THE 8TH EDITION - THE BEST LOCAL INITIATIVES

- |  |   |  |
|--|---|--|
| <p>1/ Stowarzyszenie Przyjaciół Oświaty w Rzęsce "na 6+" – "The Senior's Corner"</p> <p>2/ Ośrodek Sportowo Rekreacyjny w Zabierzowie – Purchase of a JOB wheelchair.</p> <p>3/ Stowarzyszenie Nasz Cholerzyn – Expansion of "Integracja" – a playground and recreation zone in Cholerzyn.</p> <p>4/ Primary School No. 2 of Św. Jadwiga the Queen in Kaszów – OdLOTowy Park Rekreacji (a recreation zone)</p> <p>5/ Foundation of Brother Albert – a local self-help house – The room of calmness</p> | <p>6/ Stowarzyszenie Lepszy Baczyn – Monitoring for Baczyn</p> <p>7/ Sołectwo Balice – "Public Safety – Monitoring for Balice"</p> <p>8/ Stowarzyszenie Liszki.TV – "Express Liszki.TV"</p> <p>9/ Sołectwo Bolechowice – Folk Art, an overview of Józef Kruk (during the 16th Ecological Picnic in Bolechowice)</p> <p>10/ Stowarzyszenie Aktywny Budzyń – Construction of a recreation zone for children, adolescents and adults</p> | <p>11/ Samorządowe Centrum Kultury i Promocji Gminy Zabierzów – a stationary and mobile computer room</p> <p>12/ Highschool at the "Radosna Nowina 2000" Education Centre – The intercommunal Smile Festival 2016</p> <p>13/ Volunteer Fire Department in Rzęska – Purchase of an AED (Automated External Defibrillator)</p> <p>14/ Sołectwo Aleksandrowice – a place for recreation and leisure-time activities</p> |
|--|---|--|

## WE SUPPORT CULTURE

The sponsoring activities are an important element of the process of positioning of the Kraków Airport brand. Their purpose is to shape the image of the airport as a modern company and a leader among European regional airports, and to build good relations with residents of the neighbouring communes. In 2016, we continued our activities started in previous years, and we developed projects pertaining to the local communities, in accordance with the provisions of our sponsorship policy. For its continuous support for culture-related activities, Kraków Airport was awarded the title of the “**Patron of Culture of Kraków 2015**” in 2016.

Our cooperation with the **Kraków Festival Office** has been part of the process of constant improvement of the standards of passenger service at Kraków Airport. The InfoKraków Balice Tourist Information Point has become an indispensable element of the Visitor's Centre in the passenger terminal. This Information Point provides only complete and verified information about the airport, as well as about Kraków and the region of Małopolska, in a comprehensive and professional manner, 7 days a week. Immediately after landing and entering the terminal, tourists can book a hotel, sign up for an interesting trip, or arrange a meeting with a licensed local guide who speaks their language. The Tourist Information Point also distributes free information materials among passengers, including maps, guides

and leaflets. In 2016, the terms of cooperation between the Company and the Kraków Festival Office were established and signed in the form of a contract. The document serves as the basis for maintaining the mutual cooperation.

For the sake of supporting various cultural projects in Małopolska, Kraków Airport has allowed several select entities to use space on the footbridge connecting the passenger terminal with the car park, and with the train stop, free of charge.

**Kraków Airport is the patron of:**

- Kraków Opera
- Museum of the Polish Aviation in Kraków

Additionally, since 2011, Kraków Airport has supported the projects of the **Villa Decius Association**. The cooperation includes: the Visegrad Summer School and the Polish award of Sergio Vieira de Mello, the UN High Commissioner for Human Rights, as well as the Polish-British Round Table.

The most important cultural events organised in Kraków and Małopolska, in cooperation with Kraków Airport, also include:

- events at the International Cultural Centre,
- The International Theatre Festival “Divine Comedy” organised by the Łącznia Nowa Theatre,



Photo: Shutterstock

- Economic Forum in Krynica, Life Festival Oświęcim,
- and the series of events “Nowa Huta, why not?!”. ▼

Kraków Airport is a strategic partner of the Kraków Festival Office when it comes to the organisation and promotion of some of the most recognizable cultural events in Kraków, such as: Sacrum Profanum Festival, Misteria Paschalia, Movie Music Festival, Opera Rara, Conrad Festival.



## WE SUPPORT EDUCATION



Photo: Kraków Airport

Kraków Airport and its employees have been involved in educational projects for years. The fruits of their commitment include: a special curriculum for the “Technician of Airport and Terminal Operation” academic course, or the “Need Help” student internship program, which was implemented 11 years ago. Also, airport employees are eager to share their knowledge and experience, whereas students gladly use this possibility – over the years, our internship programme has inspired

countless aviation-related bachelor and master theses.

Kraków Airport has been a patron of schools in Balice and Morawica for years, but we also cooperate with universities and academies in Kraków, sharing our expert knowledge with students. The airport is also a patron of the Polish Aviation Museum in Kraków, which cooperates with us on various educational projects. Education is another important goal included in the social responsibility strategy of Kraków Airport, namely in the area of social commitment of the airport.

**Patronage of the Primary School of Capt. Pilot Mieczysław Medwecki in Morawica consists in Promoting the activities aimed at improving the quality of teaching and ensuring the availability of educational services relevant for the development of students’ key competences, passions and hobbies.**

In 2016, the airport co-funded: swimming pool classes with an instructor, school trips and theatre performances.

**The patronage of the School and Pre-School Complex in Balice includes the co-financing of art contests, multimedia equipment, day-care room equipment.**

However, school patronage does not only mean buying new equipment and prizes for school competitions, or co-financing trips and sport activities. We also allow the children to participate in various important events, e.g. a “Farewell meeting” during which they could bid farewell to the Polish football team, which was travelling from Kraków to France to participate in the EURO 2016 championship. Children with the best learning results in the school year 2015/2016 have received invitations for a special airport tour as a reward. Two such tours took place in 2016. The awarded students were accompanied by their parents and siblings.

### TOURS 2016:

- ▶ 229 tours
- ▶ 5,710 persons
- ▶ 56% of users have chosen the interactive version of the tour
- ▶ 46% have chosen “Airport Operation” as the tour profile.
- ▶ The largest number of tours (44) took place in November

Kraków Airport also supports the project of the University of the Third Age in Skawina implemented by the Porozumienie Podkrakowskie Association. The project is intended for senior citizens of Małopolska.

#### “AIRPORT TOURS” PROGRAMME

The airport has an educational programme of airport tours, which was established 7 years ago. Over 31,000 persons have participated so far. Those tours are intended for children

and adolescents, however, the oldest participant so far was over 80 years old. In addition to the regular groups from Poland, we also had participants from Russia, Ukraine, the Czech Republic and Great Britain. We are also prepared for the participation of persons with disabilities. In addition to sharing some miscellaneous facts, the tour guide can also show you how to properly navigate at the airport without violating any regulations. The members of the “Need Help” service are also involved in the organisation of this project, which guarantees a fresh insight on

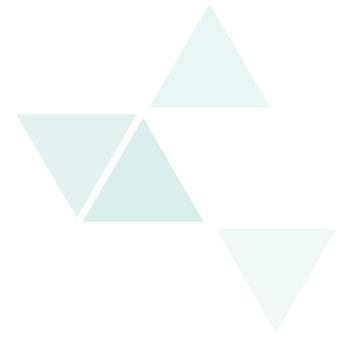
various interesting topics. In 2016, we also implemented a new series of interactive tours.

In 2017, we plan to launch the Aviation Education Centre – a project for children and adolescents. Different types activities will be prepared for different age groups: tours, workshops and plays for children. The Aviation Education Centre will be located in the building of the former domestic terminal, which will be adapted for this purpose. ▼



Photo: Kraków Airport





## WE SUPPORT NEW TECHNOLOGIES



Photo: Shutterstock

### SCALEUP

In 2016, Kraków Airport became a strategic partner of ScaleUp – a start-up accelerator, i.e. a support programme for young technological companies created by the Kraków Technology Park. The activity of the accelerator will be implemented in 2017.

Companies accepted to participate in the accelerator will have a possibility to take part in a 3-month-long support program, during which they will be able to work together with experienced experts. The purpose of the accelerator is to accelerate the development of young, technological companies and to open a new dynamic path towards success. An essential part of this programme is the non-returnable subsidy of up to PLN 200,000, which will be awarded to selected companies, allowing them to buy new equipment and aid them with the development of new products or services.

### MOBILE APPLICATION

In 2016, Kraków Airport published a free mobile airport application fully integrated with the airport information system. The main features of the application include: current flight schedules, approximate queue waiting time at security checkpoints, a "My flights" list with the option of browsing, current notifications of flight status changes, information on accessibility to the airport, an extensive guide to services and facilities at the airport, interactive airport plan with the function that allows to locate one's car parked at the airport, a "Quick call" function which allows to quickly contact the Call Centre/ PRM assistance/medical center, and a Kraków Airport Loyalty card scanner.

The application was made available in public distribution centres at the end of June 2016, to make the application easily accessible for passengers travelling to Kraków for the World Youth Day, the profile of whom (age, frequency of travelling,

use of smartphones) matched that of the intended target user.

**At the end of 2016, the application had a total of 3,332 users with 1,088 new users in August alone.**

### GBAS (GROUND BASED AUGMENTATION SYSTEM)

In 2016, the representatives of the Polish Air Navigation Services Agency and Kraków Airport signed an agreement on the implementation of instrumental flight procedures based on the GBAS (Ground Based Augmentation System), using satellite technology to support the air traffic control navigation system at Kraków Airport. In the future, both systems – GBAS and ILS – will operate simultaneously at Kraków Airport. ▼

## ABOUT THIS REPORT

The Corporate Social Responsibility report of Kraków Airport covers the data from the period of: 01/01/2016 to 31/12/2016, unless stated otherwise in the document. The report concerns the operations of Międzynarodowy Port Lotniczy im. Jana Pawła II Kraków-Balice sp. z o.o. (MPL), which is only responsible for managing the civil part of Kraków Airport. The company has no external branches. The report does not cover the activity of companies, in which MPL is a shareholder, or entities which are the shareholders of MPL.

This Corporate Social Responsibility Report was created in accordance with the Global Reporting Initiative (GRI) reporting methodology, in accordance with the G4 version of the GRI standard (compliant with the option of the CORE application), including the indexes recommended by the sectoral supplement for airports "G4 Sector disclosure – Airport Operators". GRI G4 indexes referred to in the Report are listed at the bottom of each page. The complete table of all indexes along with their descriptions can be found at the end of the Report.

This document is the first report of this kind created by MPL. Before defining the content of the Report, a training in non-financial reporting was conducted, in accordance with the GRI G4 standard, by CSRIinfo, an independent company providing educational and consulting services for management staff and employees involved in the preparation of the Report. This allowed us to initially

define the key aspects and indexes of GRI G4.

The employees of all divisions of MPL and Kraków Airport stakeholders were involved in the process of creating the Report. The subject matter of the Report was supervised by an eight-person team for the CSR of Kraków Airport, which included representatives of departments responsible for various activities in CSR-related fields, specified in accordance with ISO 26000. The content of the Report has been subject to internal review performed by the managers of the substantive units of the Company. The final form of the Report was presented and discussed during the meeting of the Management Board of the Company.

### We would like to thank every person involved in the creation of this Report.

During the definition of the contents of the Report we were guided by four principles of reporting, in accordance with the GRI G4 standard: inclusion of stakeholders, context of sustainable development, relevance and completeness. The process of defining the contents of the Report consisted of three stages:

1/ Analysis of aspects affecting the airport in the context of sustainable development, based on strategic documents, procedures and industry-related issues, guidelines indicated in the GRI G4 standard, issues raised by stakeholders during a series of meetings, questionnaire surveys, as well as



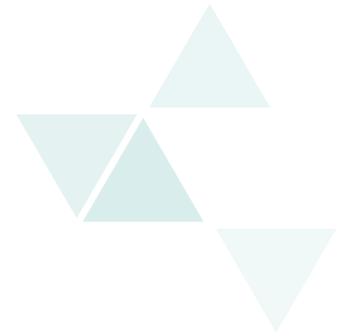
Photo: Kraków Airport

the aggregated complaints and suggestions, and issues raised by employees.

- 2/ Choosing the most important issues of sustainable development by the management team, which has discussed the key aspects, considered to be most important to Kraków Airport, identified by the stakeholders, and has set the priorities in this regard.
- 3/ Choice of indexes capable of providing a complete description of the key aspects of reporting of Kraków Airport.

The Company did not specify the verification policy for this Report. A decision was made that non-financial reports will be created once a year. ▼

The PDF version of the document can be found at: [krakowairport.pl](http://krakowairport.pl) under the "Social responsibility" tab.



## KEY ASPECTS OF REPORTING – KRAKÓW AIRPORT



Photo: Kraków Airport

The multi-level process of defining the contents of the Report, conducted in accordance with the guidelines of the GRI G4 standard, made it possible to identify the most important aspects of reporting for Kraków Airport. The issues raised by the stakeholders were analysed and assigned relevant priorities, in accordance with the GRI G4 standard, and thus a list of key aspects, which were finally included in this Report, was created.

Key aspects of reporting at Kraków Airport	Impact of the aspect outside of Kraków Airport	Impact of the aspect inside Kraków Airport
Safety of air operations and safety of airport users	✓	✓
Development of airport infrastructure, including the construction of a runway	✓	✓
Regulatory compliance	✓	✓
Communication with stakeholders	✓	✓
Ensuring the high quality of passenger service		✓
Improvement of the offer of air connections and commercial services		✓
Facilities for airport users, including persons with special needs		✓
Fair operation practices	✓	✓
Cooperation with the local community		✓
Noise control	✓	✓
Environmental protection solutions	✓	✓
New technologies	✓	✓
Responsible employer	✓	✓
Development of the region		✓



## CONTACT



Photo: Kraków Airport

We want to provide all of our stakeholders with access to a reliable source of information on the activities of Kraków Airport and our actions regarding the sustainable development. We find the communication and the understanding of the needs of the airport stakeholders very important, which is why we treat this Report as the next step in our cooperation.

If you have any comments or suggestions regarding our first Corporate Social Responsibility Report, feel free to contact us. Your opinions will help us determine the form of the subsequent editions of the Report and the issues contained therein.

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# CALENDAR OF EVENTS 2016

## JANUARY

- ▶ Announcement of the Social Responsibility Strategy for 2016-2018 adopted by **Kraków Airport Management Board in December 2015**.
- ▶ Inauguration of regular flights of the SprintAir airline to the Olsztyn-Mazury airport.

## FEBRUARY

- ▶ Commissioning of the first jet bridge in the history of Kraków Airport - it is used by the following airlines: PLL LOT, SWISS, Lufthansa, SAS International Airlines.
- ▶ Łukasz Strutyński resigned from the position of the Member of the Management Board of the Company.

## MARCH

- ▶ Radosław Włoszek gets appointed as a Member of the Management Board of the Company.
- ▶ Launch of the TV Airport project - broadcast on monitors in the terminal of online transmissions from webcams located in 80 locations throughout Poland, messages for passengers, promotional materials about the airport and Małopolska, information regarding the events in Małopolska.
- ▶ SAS launched a new connection from Copenhagen to Kraków.
- ▶ Activities of Kraków Airport were acknowledged in the "Responsible Business in Poland 2015. Good Practices." report.

## APRIL

- ▶ Jan Pamuła resigned from the position of President of the Management Board of the Company, and the position of the President of the one-man Management Board was offered to the Member of the Management Board, Radosław Włoszek.
- ▶ On 23-26 April, the Routes Europe 2016 forum was held in Kraków. Kraków Airport was the host of the event, whereas the Małopolskie Voivodeship and the Municipality of Kraków were the partners of the event.
- ▶ Over 1,200 persons attended the Forum (representatives of the leading airports and airlines from around the world, tourist organizations, tour operators and other major aviation market entities from around the world).
- ▶ A charity run competition along the embankments of Vistula and a football match were held during the Routes Europe event. The money raised this way was used for the purpose of funding the medical treatment of the son of one of the airport employees.
- ▶ Completion of the 8th edition of the "Supporting our Neighbours" - grant competition for the residents of communes Liszki and Zabierzów.

## MAY

- ▶ Kraków Airport was granted the European Certification for Public-Use Airports
- ▶ Mariusz Saługa is appointed as a Member of the Management Board of the Company, and becomes responsible for the field of investments.
- ▶ On May 23: the Extraordinary General Meeting of Shareholders approved the Investment Plan until 2023, the primary project of which is the construction of a new runway along with the auxiliary infrastructure.
- ▶ Launch of the website: [www.krakowairport.pl/NowaDrogaKRK](http://www.krakowairport.pl/NowaDrogaKRK) containing the current information regarding the planned investments.
- ▶ Commencement of a series of information meetings with the representatives of the local community regarding the construction of a new runway.
- ▶ Decision of the Commander-in-Chief of the State Fire Service on including the unit of the Airport Rescue and Fire Service of Kraków Airport in the National Rescue and Firefighting System.



## JUNE

- ▶ Commencement of the distribution of a series of information newsletters on the activity and plans of development of the airport among the residents of the communes of Zabierzów and Liszki.
- ▶ Completion of the 8th edition of the "Supporting our Neighbours" competition – out of 64 entries, 14 local initiatives were awarded.
- ▶ Care Team KLM training.
- ▶ On June 7, the Polish national football team flew from Krakow Airport to France to participate in Euro 2016 – students from schools under the patronage of Kraków Airport bade them farewell.
- ▶ Iberia Express airlines launched a direct connection from Kraków to Madrid.
- ▶ A new air carrier – Aegean Airlines, which introduced a new connection from Kraków to Athens, was welcomed on the airport with the a traditional water salute.

## JULY

- ▶ Completion of the second stage of modernization of the terminal - this stage included the construction of the fragment of the building connecting the old and new facility, and the conversion of the former baggage claim hall, where new check-in points were created.
- ▶ A new air carrier – Air France, offering a connection to the airport of Charles de Gaulle in Paris, was welcomed with a traditional water salute.
- ▶ "Passenger 2016" training.
- ▶ Kraków Airport and the WYD Organisational Committee signed an agreement on cooperation during the World Youth Day (WYD) Kraków 2016.
- ▶ World Youth Day in Kraków.

## AUGUST

- ▶ Implementation of the Kraków Airport mobile application, which serves an additional source of ongoing operational and commercial information for passengers.
- ▶ Radostaw Włoszek gets appointed as a Member of the Management Board of the Company.
- ▶ Commissioning of the new outdoor car park located next to the terminal.

## SEPTEMBER

- ▶ 20th Anniversary of the Company.
- ▶ Installation of 4 free-of-charge telephone sets at the terminal.

## OCTOBER

- ▶ Inauguration of the Kraków-Bournemouth and Kraków-Belfast connections of Ryanair airlines.

## NOVEMBER

- ▶ Inauguration of connections of easyJet airlines to: Geneva, Manchester, Naples and Venice.
- ▶ Kraków Airport was awarded the title of Patron of Culture of 2015 in the "Donor" category.
- ▶ Kraków Airport becomes the strategic partner of the ScaleUp startup accelerator.

## DECEMBER

- ▶ A letter of intent was signed regarding the cooperation of PANSA and Kraków Airport for the purpose of launching of GBAS (Ground Based Augmentation System) at Kraków airport.
- ▶ A meeting for the International Volunteer Day, addressed to Kraków Airport volunteers and non-governmental organizations, thanks to which the airport has been involved in various actions for local community for years.
- ▶ Organisation of the AOC Christmas Function – a special Christmas meeting for members of the Airline Operators' Committee, during which the activity of 2016 was summarised and the directions of cooperation for the coming months were defined. A Christmas tree, decorated by the participants of the networking event, was delivered to one of the child care homes in Kraków. The Management Board of the Company also gave two other child care homes a gift in the form a laptop, one for each, as well as sports equipment, educational toys and other useful items.
- ▶ Completion of the reconstruction and modernisation work on the passenger terminal – the last stage of the investment included the modernisation of the check-in hall in the old terminal building.
- ▶ Announcement of the competition for a new logo of Kraków Airport.



# GRI-CONTENTS INDEX

INDEX	GRI GUIDELINES	SCOPE OF REPORTING	PAGE
<b>PROFILE INDEXES</b>			
<b>Strategy and analysis</b>			
G4-1	Declaration by the President of the Board, or another person of similar status, regarding the importance of sustainable development for the organisation and its strategy	Full	3
G4-2	Description of key factors, risks and chances	Full	3, 6, 12-13, 14-15, 36, 82
<b>Organization profile</b>			
G4-3	Name of the organisation	Full	5, 8, 83
G4-4	Main brands, products and/or services	Full	6-7, 27, 29-30, 31
G4-5	Location of headquarters of the organisation	Full	5, 83
G4-6	Number of countries in which the company is active	Full	18-19
G4-7	Form of Ownership and the Organizational Structure	Full	8-9
G4-8	Markets relevant to the organisation (incl. geographical distribution, market sectors, types of clients and beneficiaries)	Full	17, 18-24
G4-9	Scale of activity of the organisation	Full	7, 12, 17, 18-21, 26-27, 28-30, 66, 74
G4-10	Total number of employees with information on the form of employment, type of contract, region and sex	Full	66-67
G4-11	The percentage of employees employed under collective agreements	Full	67
G4-12	Supply chain/Value chain	Full	7
G4-13	Substantial changes during the reported period regarding the size, structure, form of ownership, or supply chain	Full	3, 6, 26, 28, 30, 84-85
G4-14	Precautionary principle	Full	36, 48-49, 50-51, 54, 57
G4-15	External economical, environmental and social declarations, or other initiatives, accepted/supported by the organisation	Full	9, 33, 35
G4-16	Membership in associations (e.g. industry-related associations) and/or in national or international organisations	Full	9
<b>Identified vital aspects and their respective limits</b>			
G4-17	Operation structure of the organisation, including the main departments, subsidiaries, related entities, and joint-venture companies, along with information as to which of those were covered by the report	Full	8-9, 10-11
G4-18	Process of defining the contents of the report, and the process of implementation of rules of reporting for the purpose of defining the contents of the report	Full	81, 82
G4-19	Key aspects of reporting	Full	81, 82
G4-20	Influence of the aspect in the organisation	Full	40-41, 82
G4-21	Influence of the aspect outside of the organisation	Full	40-41, 82
G4-22	Explanations regarding the effects of any corrections of information of the past reports, including the reasons and influence of such corrections	N/A	
G4-23	Significant changes regarding the scope, range, or methods of measurements employed in the report, compared to the last report	N/A	

INDEX	GRI GUIDELINES	SCOPE OF REPORTING	PAGE
<b>Commitment of the stakeholders</b>			
G4-24	Number of groups of stakeholders involved by the organisation	Full	38-39, 40-41
G4-25	Basics of identification and selection of the involved groups of stakeholders	Full	38
G4-26	Approach to the involvement of stakeholders, including the frequency of involvement for different types and groups of stakeholders	Full	38, 40-41, 42-46, 81
G4-27	Key issues and problems addresses by the stakeholders, and the answer on the part of the organisation, including by means of reporting	Full	38, 40-41, 81, 82
<b>Profile of the report</b>			
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G4-32	GRI-contents Index	Full	86-89
G4-33	Policy and internal policy for the external verification of the report	Full	81
<b>Organizational order</b>			
G4-34	Supervisory structure of the organisation, incl. the committees responsible for the specific tasks and subordinate to the highest supervisory body	Full	8-9
<b>Ethics</b>			
G4-56	Internally formulated mission or set of values of the organisation, code of conduct and code of ethics	Full	6, 14-15, 33, 66-68

## RESULTS INDEXES

<b>ECONOMIC AREA</b>			
G4-DMA	Approach to management reg. the economic aspects	Full	6, 12-13, 17, 74
<b>Aspect: Economic results</b>			
G4-EC1	Direct economic value generated and divided, with consideration of revenues, operation costs, and other investments for the benefit of the community	Partial	12
<b>Aspect: Market presence</b>			
G4-EC6	Percentage of persons from the local community employed at managerial positions in the organisation's primary business locations	Full	66
A01*	Total number of passengers in the following categories: domestic and international flights, beginning and end of the journey, in transit, in transfer	Partial	18-21, 22-23, 24
A02*	Total number of flight operations in the following categories: day/night operations, passenger/cargo/national/general aviation flights	Partial	18-21
A03*	Cargo tonnage total	Full	18
Individual index	Statistics: PETC and AVIH	Full	24





INDEX	GRI GUIDELINES	SCOPE OF REPORTING	PAGE
<b>Aspect: Indirect economic impact</b>			
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G4-EC8	Significant indirect economic influence and its scale	Full	17, 74
<b>ENVIRONMENT AREA</b>			
G4-DMA	Approach to management regarding the environmental aspects	Full	14-15, 57, 58, 64, 74
<b>Aspect: Water</b>			
G4-EN8	Total water consumption and sources of water	Full	63
A04*	Quality of rain water and storm water, in accordance with the accepted standards	Full	63
<b>Aspect: Emissions</b>			
G4-EN15	Direct greenhouse gas emissions	Partial	60
G4-EN19	Reduction of greenhouse gas emissions	Partial	60
<b>Aspect: Waste and Wastewater</b>			
G4-EN22	Total volume of wastewater, its quality and destination	Full	63
G4-EN23	Total mass of different types of waste and the methods of waste handling	Full	58-59
A06*	Amounts of used plane/surface de-icing fluids in cubic meters and/or tonnes, and disposal of the leftover de-icing fluid	Full	63
<b>Aspect: Noise*</b>			
G4-DMA	Approach to noise management	Full	61-62
A07*	Number of people (with changes in %) living in areas affected by noise generated due to the operation of the airport	Partial	61-62
<b>SOCIAL AREA</b>			
<b>Aspect: Employment</b>			
G4-LA1	Total employment, employment rates of new employees, and the rotation of employees - classification by age, sex and region	Full	66-67
G4-LA2	Benefits for full-time employees to which temporary and part-time employees are not entitled, in the main locations of business activity	Full	66-67
Individual index	Number of participants in the "Need Help" internship programme	Full	69
<b>Aspect: Occupational health and safety</b>			
G4-LA6	Types of injuries, and Injury rate, occupational disease rate, percentage(s) of working days lost and absences at work, and work-related fatal accidents, listed by region and sex	Full	68
<b>Aspect: Freedom of association, and freedom to conclude collective agreements</b>			
G4-DMA	Approach to management regarding the freedom of association and freedom to conclude collective agreements	Full	67-68

INDEX	GRI GUIDELINES	SCOPE OF REPORTING	PAGE
<b>Aspect: Safety practices</b>			
G4-HR7	Percentage of security personnel trained in the area of human rights-related policies or procedures implemented by the organisation	Full	50
Individual index	Regular safety-related training and practice for the airport personnel	Full	50-51
<b>Aspect: Local communities</b>			
G4-DMA	Approach to management regarding the aspect of engagement of local communities	Full	14-15, 74
G4-SO1	Percentage of places which implemented the local community engagement programs, influence assessments and development programs	Full	75-76, 77, 78-79
G4-SO2	Actions which have a substantial actual impact/potentially negative impact on the local communities	Full	36, 43-45, 52
Individual index	Number of applications for / awarded grants in the "Supporting our Neighbours" competition	Full	75-76
Individual index	Number of applications for / awarded grants in / employees engaged in the "We Support Volunteers"	Full	70
Individual index	Engagement of employees in social activities	Full	70-72
Individual index	Number of interventions of the Airport Rescue and Fire Service outside of the airport	Full	55
<b>Aspect: Health and safety of clients</b>			
A09*	Number of accidents involving animals per 10.000 flight operations	Full	54
<b>Aspect: Marking of products and services</b>			
G4-PR5	Customer satisfaction survey results	Full	35
<b>Aspect: Continuity of operation and preparedness for crisis situations*</b>			
G4-DMA	Approach to management of the aspect of continuity of operation and preparedness for crisis situations	Full	48-49
<b>Aspect: Quality of services*</b>			
G4-DMA	Approach to service quality management	Full	32-34, 35
<b>Aspect: Infrastructure and services for persons with special needs*</b>			
G4-DMA	Approach to management of infrastructure and services for persons with special needs	Full	32-33

\* Aspects and indexes marked with an asterisk are taken from the sectoral supplement for the aviation industry "G4 Sector Disclosure - Airport Operations".





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