



.....✈️ **Decarbonisation Plan
of Prague Airport**

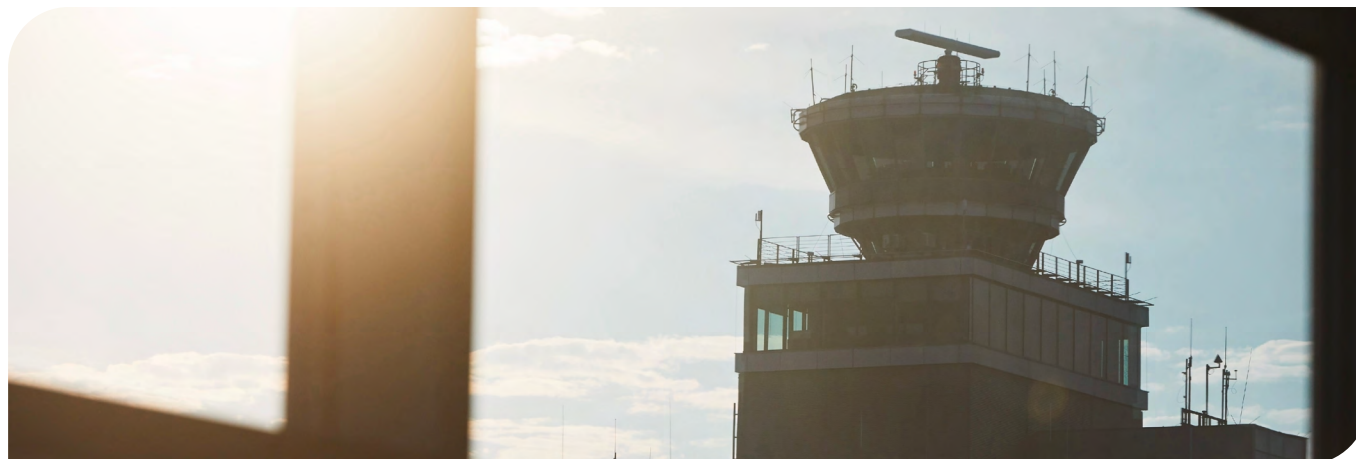
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PRAGUE AIRPORT INTRODUCTION

Prague Airport Introduction

The main mission of Letiště Praha, a. s. (hereinafter also referred to as “Prague Airport” or “the Company”) is to operate the international civil airport, Václav Havel Airport Prague, efficiently and safely, promote its further growth, contribute to the constant development of civil air transport in the Czech Republic, maintain its accessibility to the general public, and facilitate modern, fast, and comfortable travel for customers.

Prague Airport, a.s., whose sole shareholder is the Ministry of Finance, as the central state administration body representing the Czech Republic in the exercise of ownership rights, was incorporated by way of registration in the Commercial Register on 6 February 2008. Prague Airport organises and manages operations at Václav Havel Airport Prague, international civil aviation airport, efficiently planning and allocating airport infrastructure and resources within the scope of available capacity to individual air carriers, providing services connected with airport operations, such as handling of passengers and their baggage, and leasing airport space for commercial use. The Company also provides additional services connected with airport operations, such as parking and catering, continuously expanding, developing, and upgrading its offer.

Prague Airport cooperates closely with the Ministry of Transport of the Czech Republic, the Civil Aviation Authority, the Air Navigation Services of the Czech Republic, air carriers, public authorities within and outside the aviation sector, and other users of the airport. It also cooperates with the City of Prague and municipalities in the vicinity of the airport. Václav Havel Airport Prague is home base to four carriers, namely Czech Airlines, Smartwings, Ryanair, and Eurowings.

Prague Airport manages security at Václav Havel Airport Prague in cooperation with other security forces, such as the Police of the Czech Republic. The Company also has its own specialised fire-fighting unit. Medical service is provided 24/7 by a contracted partner.



RESPONSIBLE AND SUSTAINABLE BUSINESS CONDUCT STRATEGY

Prague Airport is aware of its social responsibility resulting from the impact of its operations on the surrounding areas, and therefore carries out its business activities with consideration to the environment and the lives of the residents in the immediate vicinity of the airport.

ESG Management

The ESG and sustainability agenda falls under the responsibilities of the entire Board. The Vice-chairman is in charge of the areas comprising environment, sustainability, and ESG strategy, including the Environment, Sustainability, and ESG organisational unit led by its Director and the ESG program guarantor. The board member oversees the non-financial reporting agenda. Both of these inseparable topics are addressed simultaneously, through a dedicated working group, which is composed of guarantors responsible for the Environment, Social, and Governance sections. The long-term sustainability strategy goals are also reflected in the motivational system of top management and relevant responsible employees of the Company.

Significant Sustainability Topics

At the end of 2022, Prague Airport outlined nine main areas of focus in its ESG strategy with long-term and ambitious goals in all categories. These nine areas form the core of our sustainable business conduct; however, we observe the principles of sustainability in all our activities. We will verify the appropriateness of the set-up strategy in 2024 using the results of the double materiality assessment. If necessary, the strategy will be updated to reflect all significant areas and topics of its impact. Nevertheless, we already know that topics related to climate change are an area on which we will continue to focus.



Environmental Responsibility

- Carbon Neutral Airport
- Species-rich Airport
- Noise Abatement Measures
- Environmental Pollution Reduction
- Green Airport Partnership



Social Responsibility

- Equal Treatment of Employees
- Sustainable Support of Surrounding Communities and Non-profit Sector



Governance

- Promoting Ethical Business Conduct and Principles Internally
- Promoting Ethics and Sustainability among Business Partners





Reporting Framework

Prague Airport has been voluntarily reporting non-financial data related to ESG topics, including data for the area of decarbonisation, using the GRI reporting methodology in its annual Social Responsibility Reports.

In November 2022, the European Parliament approved the Directive of the European Parliament and the Council regarding the reporting of companies on sustainability, i.e., the Corporate Sustainability Reporting Directive (CSRD), which became effective on 5 January 2023. This revision, compared to its previous version, greatly expanded the range of obliged entities. As a result, the Prague Airport Group will also become subject to the non-financial reporting obligation effective 2025.

The consolidated financial statements of 2026 will thus include a separate appendix on sustainability, with the scope and detail of the information reported by the companies depending on the outcome of the double materiality assessment.



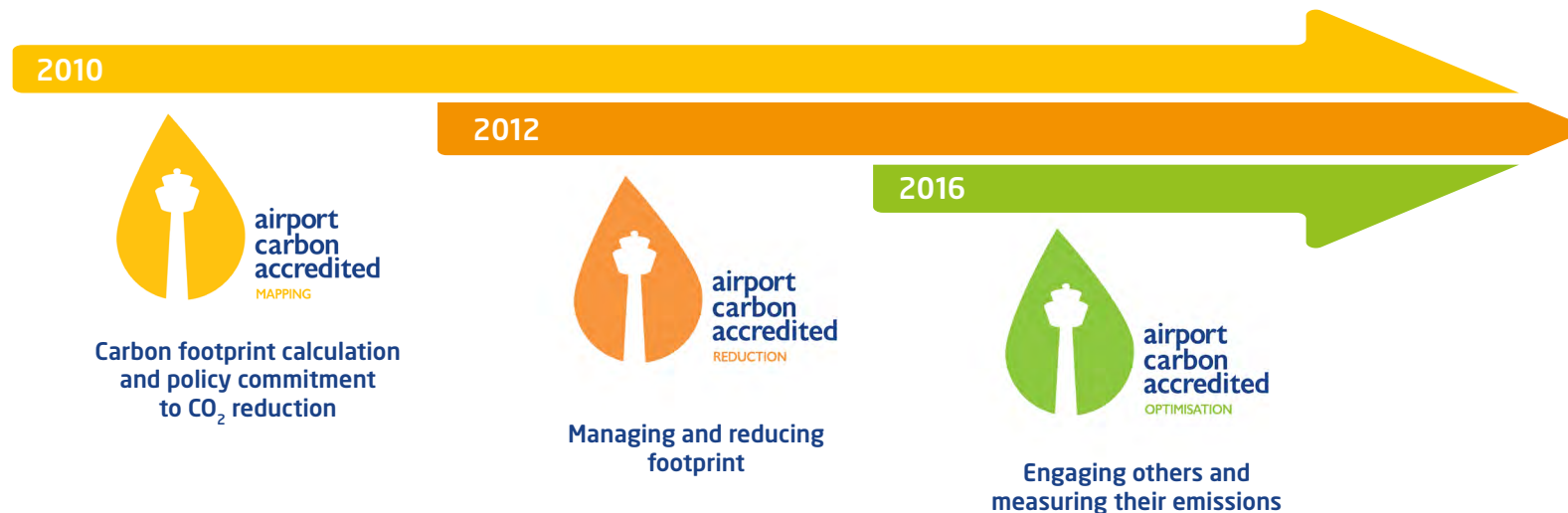
Carbon Neutral Airport

The area of decarbonisation, which we call Carbon Neutral Airport, is the main aim in our environmental chapter. Decarbonisation is also a part of a number of internal projects with two of them currently being the most significant, namely projects focused on the implementation of the non-financial reporting directives - the implementation of ESG (ESRS) standards and the implementation of the EU Taxonomy.

Prague Airport has been focusing on decarbonisation since 2010, when the Company began to reduce emissions in a targeted manner and joined the **Airport Carbon Accreditation** program (hereinafter referred to as **the ACA**). The main goal of the program is to support airport operators in their efforts to reduce greenhouse gas emissions arising from various airport activities. The carbon footprint of the airport is annually reviewed by an independent certification company in accordance with the requirements of the GHG protocol and the conditions of the ACA program.

The last milestone so far was the year 2016, when we reached the **ACA program Level 3, involving third parties in the reduction of Scope 3 CO₂ emissions**.

Airport Carbon Accreditation Milestones of Prague Airport



In 2021, Prague Airport also joined the **Net Zero** initiative of the international airport association of Airports Council International (ACI), bringing together over 200 airports, which have committed to achieve Net Carbon Neutrality by 2050 at the latest. Further commitments to achieve carbon neutrality also stem from the Company's involvement in the **Destination 2050** initiative and its signing of the **Toulouse Declaration** in 2022.



Decarbonisation Plan

The Prague Airport Decarbonisation Plan is a strategic document reflecting the Company's comprehensive approach to decarbonisation. The document describes the development, current state, target milestones, implemented and planned measures, and long-term predictions on the way to fulfilling the obligations to which the Company has committed itself.

With regard to the Company's state of readiness for mandatory legislative requirements, as well as the development of the situation on the market with energy-saving products to support the reduction of emissions and the impact of companies on the climate, this document will be revised and approved at annual intervals by the Company's Board of Directors along with the Concept of Environmental Protection, Sustainability, and ESG.

Emission Structure

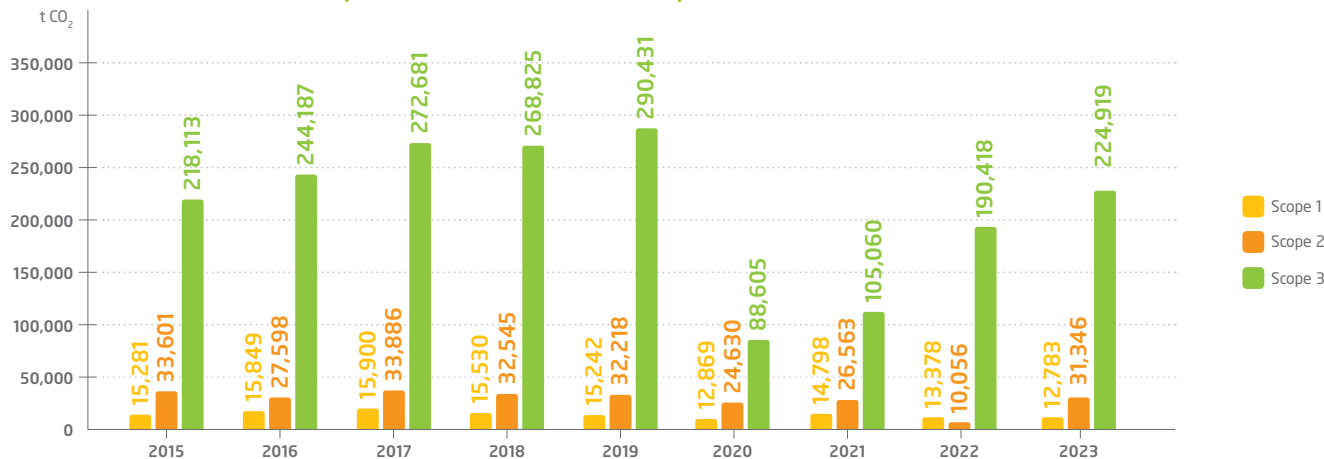
The carbon footprint represents the amount of released greenhouse gases converted to carbon dioxide (CO₂) and is monitored by three SCOPES of Emissions as follows:

Scope 1 covers direct emissions related to airport operations. These include, e.g., fuel and natural gas consumption, emissions generated during wastewater treatment, AC use related leaks, etc.

Scope 2 covers indirect emissions from the generation of purchased electricity not emitted directly at the airport but resulting from airport activities.

Scope 3 includes all other indirect emissions that occur as a result of airport operations but are neither owned nor controlled by the airport. This category includes emissions generated during the individual flight phases – approach, landing, taxiing, and take-off (the LTO cycle), emissions generated during passenger transport to / from the airport, employee business trips, the use of airport ground equipment, APU operations, and others.

Scope 1, 2, and 3 Emission Development Trends since 2015



Scope 3 Emissions Main Sources within Airport Infrastructure



53.44%

Aircraft Emissions -
LTO Cycle



26.77%

Individual Passenger
Transport - Cars



8.49%

Electricity -
Tenants



3.26%

Emissionns from
APU
(< 200,000 MTOW)



2.77%

Taxi



1.67%

Public Transport -
PRG - City Centre



1.55%

Diesel Consumption -
Third Parties



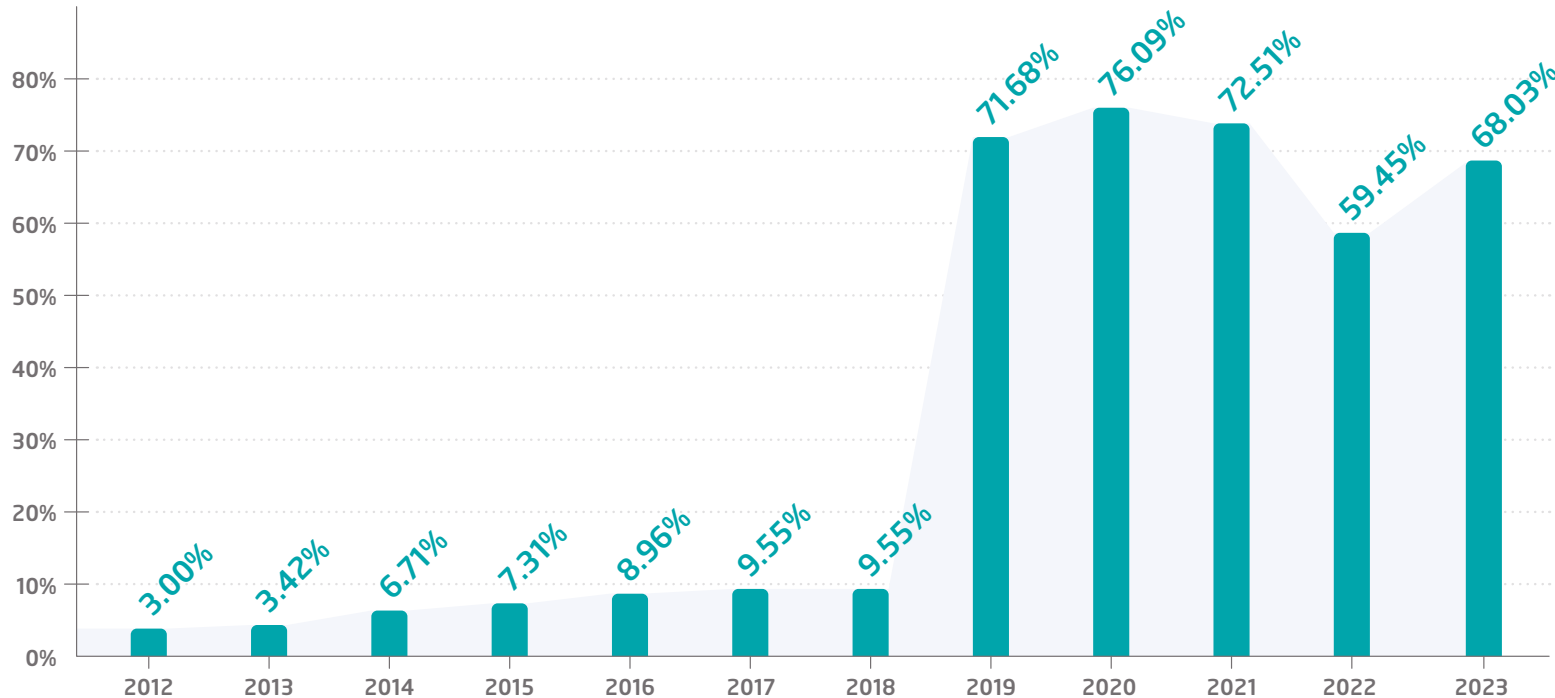
0.59%

Public Transport -
PRG - Surrounding
Cities

Emissions Reduction Development Trends

Since 2010, the airport has succeeded in reducing emissions by an average of three to five thousand tons of CO₂ per year. In 2023, the savings amounted to 68% compared to the 2009 reference year. This was due to extensive mitigation measures. Prague Airport plans to continue with energy-saving projects and achieve a further reduction in emissions by 2025.

CO₂ Emissions Reduction Compared to 2009



Examples of Implemented Measures

A number of mitigation measures have been implemented, some of which are already finalised, while others are just at the beginning stages. These include, for example, the following activities:

- Gradual installation of PV on airport infrastructure objects where possible. We plan to continue PV installations according to the recommendations of the Deloitte study.
- A study on the use of the combined production of electricity and heat at the site of the heating plant NORTH was elaborated.
- Gradual replacement of boilers in the area SOUTH – reduction of gas consumption (implementation 2024–2026). Before the boiler replacement, a recalculation of the energy demand is always performed with the aim of replacing the original sources with new sources with optimised performance for the current needs in the given location.
- Purchase of electric vehicles and creation of infrastructure for their operation. Gradual increase in the number of electric cars in the airport fleet every year.
- A study into the potential use of hydrogen (in combination with and without PV) has been commissioned.
- Optimising the temperature in all offices and public areas of Prague Airport.
- Acceleration of the replacement of regular bulbs with LED lighting in the Prague Airport area.



Purchase of electric vehicles and creation of infrastructure for their operation



Gradual installation of PV on airport infrastructure objects



Optimising the temperature in all offices and public areas



Replacement of regular bulbs with LED lighting



Commissioned studies into the potential use of hydrogen



Gradual replacement of boilers in the area SOUTH



Long-term Decarbonisation Goals and Predicted Development Trends

2030

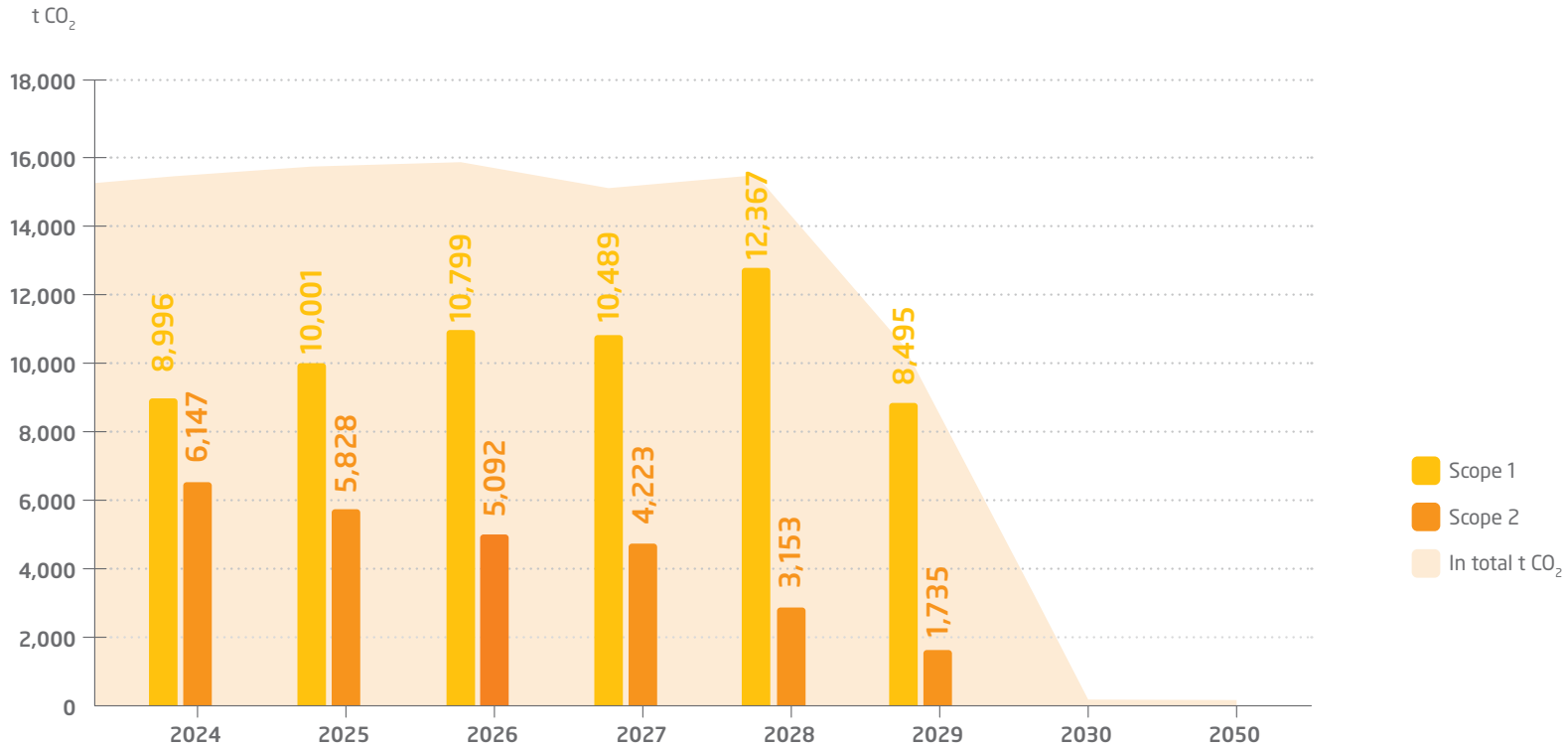
By 2030 we want to achieve carbon neutrality and achieve Level 3+ of the Airport Carbon Accreditation program (Scopes 1 + 2)

2050

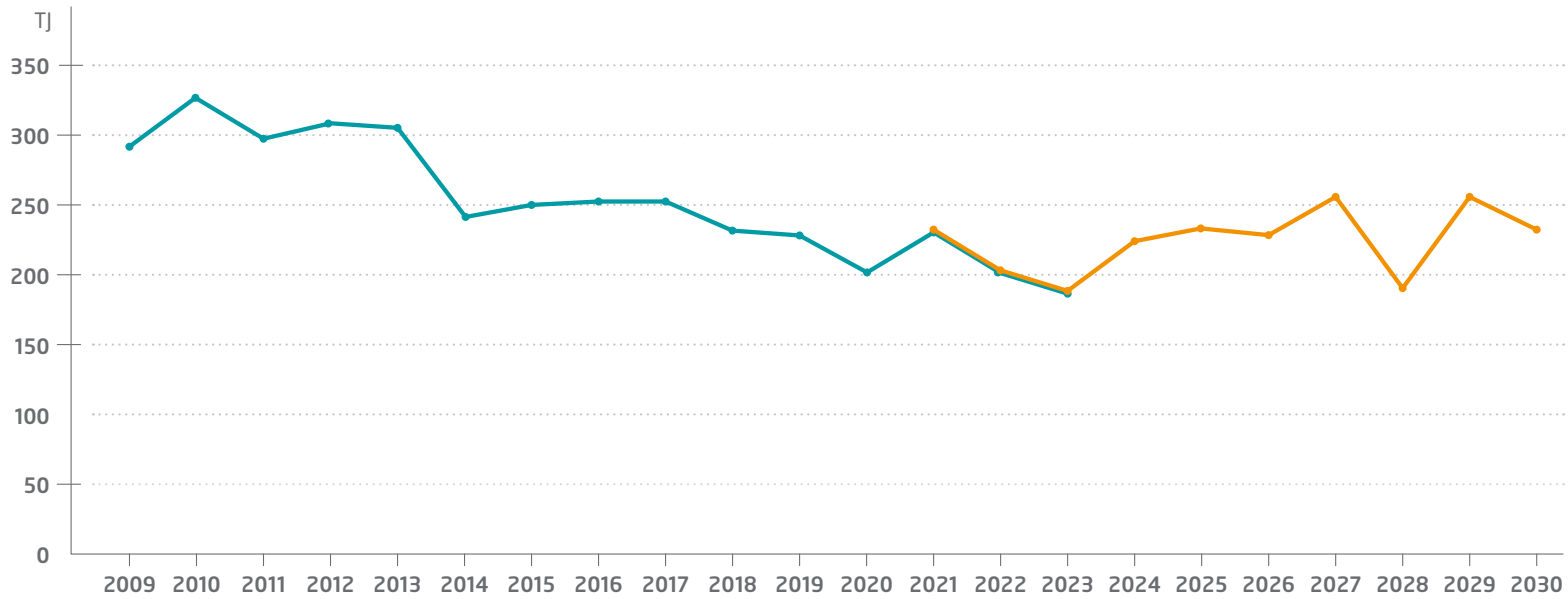
By **2050**, we want to achieve net carbon neutrality (Scopes 1 + 2)



Prague Airport Carbon Footprint Predicted Development Trends (Scopes 1 + 2)



Development And Prediction Of Heat Consumption From 2009 To 2030 (Tj)

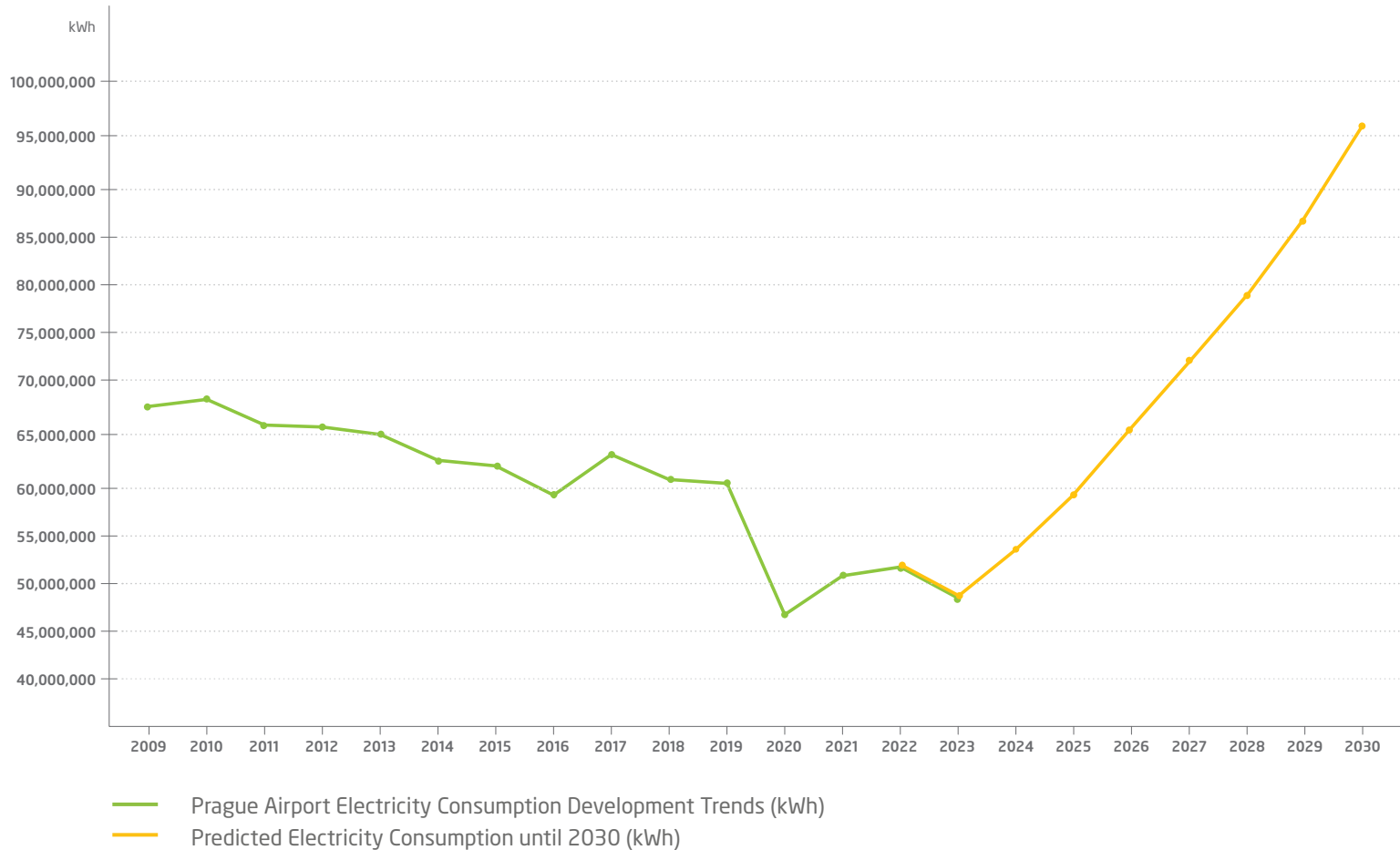


- Heat Consumption Development Trends (Tj)
- Predicted Heat Consumption until 2030 (Tj)

* Heat consumption development trends are significantly affected by external weather conditions.



Prague Airport Electricity Consumption Development Trends and Predicted Electricity Consumption until 2030 (kWh)



*The increasing electricity consumption is suggested primarily due to the expected increase in the number of PAX handled and the expansion of terminal capacity. Increasing electricity consumption will be covered by purchases of green energy up to 100% by 2030 as well as self-generated energy from increasing number of PV installations.



Planned Measures

Energy Efficiency

Energy consumption mitigation measures are proposed both within operational and investment areas and discussed at the Energy Board meetings. The measures include, for example:

- Replacements of regular bulbs with LEDs
- Replacements of boilers with more modern and efficient models
- Optimising the temperature in all offices and public areas of Prague Airport
- Benefits of combined production of heat and electricity (cogeneration)
- Optimization of measuring and regulation
- Reconstruction of buildings (heat insulation, window replacements)



Energetics

We have been using green electricity since 2019. In 2022, we set a long-term commitment to purchase green electricity in the proportion of 60% with a gradual increase until 2030. In addition to the use of purchased green electricity, we also plan to produce our own green electricity from photovoltaic panels. The first photovoltaic airport power plant on the roof of Terminal 3 was put into operation in 2022. The energy produced is consumed within the operation of the terminal and will cover approximately half of the terminal consumption. At the same time, in 2023, studies were commissioned from Deloitte to map the potential of photovoltaic power plants on the roofs of airport buildings and in other areas. These studies are followed by specific feasibility studies. The second photovoltaic power plant will be built on the roof of the PC COMFORT parking building, and others will follow.

Minimal Share of Electricity from Renewable Sources Commitment until 2030



Heat pumps are another option for using renewable resources, being classified as a renewable energy source for heat. We have incorporated them into our decarbonisation strategy, and there is a great potential for their use, primarily in the airport area South. In combination with purchases of green electricity with guarantees of origin, this is an ideal source and an alternative for heating in terms of CO₂ emissions.

We are also considering the use of hydrogen as an energy source. Therefore, in 2024, a study will be commissioned on its potential use at the airport, which will determine the areas where this resource can be used.

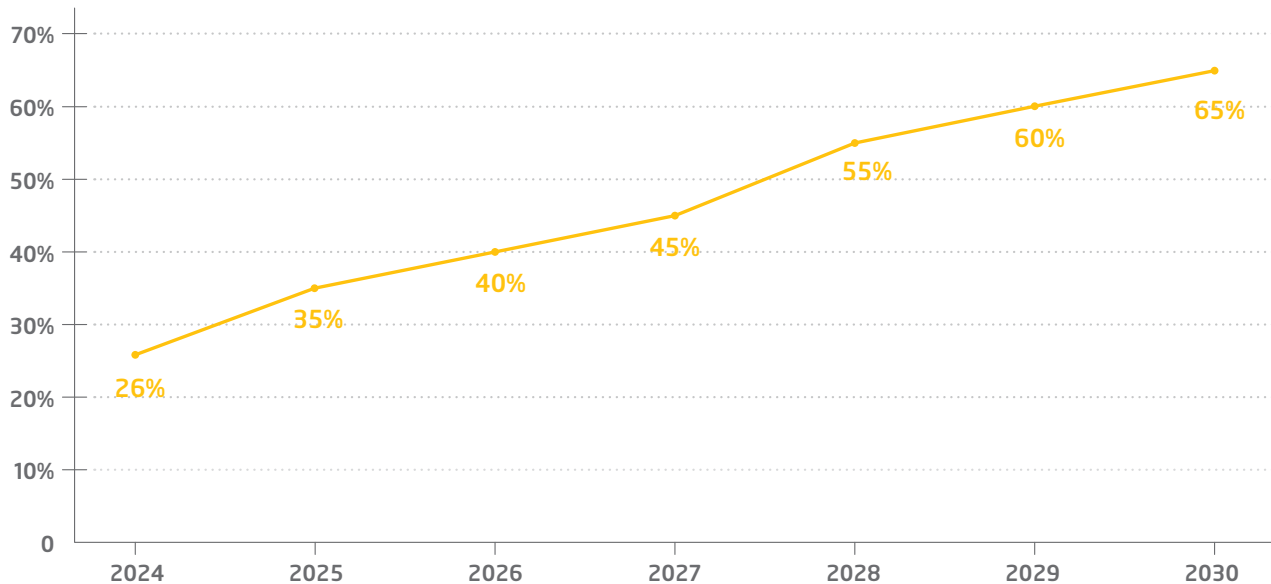


Electromobility

The promotion of electromobility includes both the purchase of electric cars, from benefit cars and employee cars all the way to special airport equipment, and the construction of the necessary infrastructure for charging these cars. At the same time, Prague Airport motivates, for example, taxi operators to use electric cars.

Currently, the Prague Airport Group companies use approximately 356 vehicles (buses, Cobuses, lorries, commercial vehicles, and passenger vehicles) which are already, or will be in the near future, possible to replace with emission-free and low-emission vehicles. In 2024, we plan to purchase 47 zero-emission and low-emission vehicles, and in 2025, 31 zero-emission and low-emission vehicles. Our plan is to ensure that by the end of 2025, the Prague Airport Group has 126 zero-emission and low-emission vehicles in use, which is about 35% of the current total number of vehicles (about 356) to be powered using an alternative source. The assumption is that by 2030 there will be around 60-70% emission-free and low-emission vehicles used by Prague Airport. If emission-free and low-emission vehicles which meet the conditions for use at airports become available on the market as an alternative to lorries and work machines (there are already several suppliers), the number will increase and by 2050 there will be approx. 90% emission-free and low-emission vehicles. All buses used at the airport will be replaced with electric by 2030; all Cobuses by 2033.

Emission-free and Low-emission Vehicle Share Development Trends



2025

35% emission-free and low-emission vehicles

2028

55% emission-free and low-emission vehicles

2030

65% emission-free and low-emission vehicles



Predicted Scope 3 Development Trends Offsetting SAF

Scope 3 comprises third-party emissions which cannot be directly controlled by the airport.

The largest share of CO₂ emissions under Scope 3 is generated by aircraft during the LTO cycle (Landing and Take-off Cycle) as defined by ICAO and applied within the aircraft engine certification process in the context of emission load. This model describes in a simplified way the operation of the engine during landing, stay at the airport, and subsequent take-off.

One of the main trends within the industry is the development of aircraft with lower CO₂ emissions and higher energy efficiency. This includes the use of lighter materials, optimised aerodynamics, and enhanced engines. Modern air traffic management technologies also offer the possibility of a more efficient use of flight routes, which could help further reduce emissions.

The development of sustainable aviation fuel (SAF) is another area of interest. Synthetic aviation fuel is produced by chemical processes from various sources such as biomass, waste, or electricity from renewable sources.

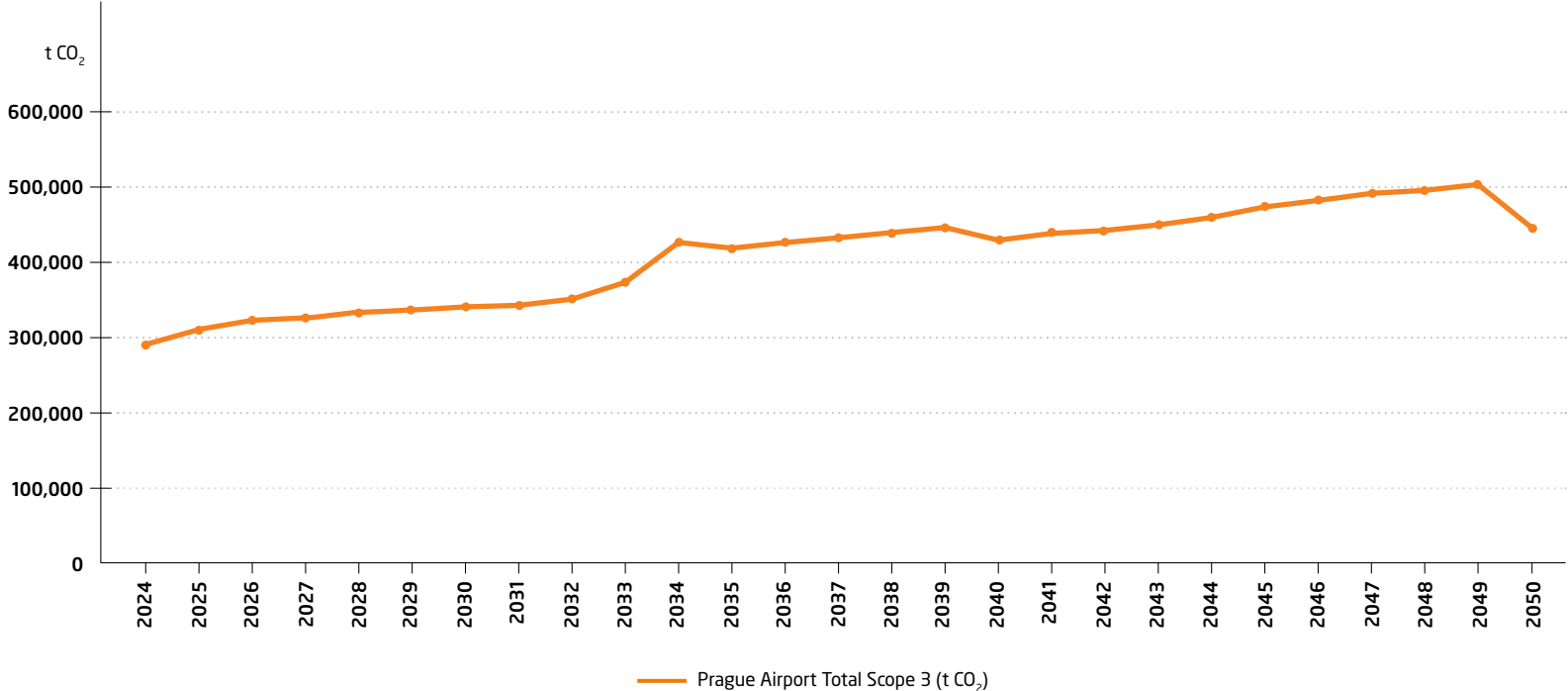
Sustainable Aviation Fuel (SAF) is fuel produced from sustainable sources with a low carbon footprint. This term covers a wider range of fuels than just synthetic fuels such as biofuels (for example, bioethanol, biodiesel, biokerosene), which are produced from biomass, waste, or other renewable resources.

Both SAF and synthetic fuels reduce emissions of greenhouse gases and other pollutants compared to traditional fossil fuels. This is a key focus of efforts to reduce the impact of air transport on the environment and ensure more sustainable aircraft operations.

Prague Airport is the owner of the infrastructure for aviation fuel supply, but not the owner / distributor of the fuel supplied. It has been the aim of Prague Airport to motivate air carriers to gradually introduce SAF in flights from Prague.



Prague Airport Total Scope 3 Development Trends Factoring in SAF mixture



* Scope 3 development trends are outlined, factoring in the expected increase in PAX numbers and the policy of using SAF implementation. The minimum mandatory share of SAF is taken into account in the calculation. However, it can be assumed that some carriers will use larger volumes of SAF and thus the reduction may be even greater.



Partnerships with Stakeholders

The involvement of interested parties has been conceptually addressed within the Company for a long time under the framework of ACA and the certified environmental management system pursuant to ISO 14001. The effectiveness of our dialogue with stakeholders is measured through various indicators. To evaluate effectiveness, the airport uses targeted employee surveys, or dedicated group discussions (focus groups) to gather feedback on specific topics (meals, benefits, availability of services, remuneration, etc.).

Key Stakeholders in Terms of Decarbonisation



Air Carriers



Handling Companies



Prague Airport
Subsidiaries



Tenants



Major Suppliers



ROPID (Regional
Organiser of Prague
Integrated Transport)



Local Communities

From the decarbonisation point of view, it is important for us to cooperate with responsible partners, whom we motivate to implement mitigation measures. Together, we synergise our know-how in specialized areas. As part of the Airport Carbon Accreditation program, we involve partners in activities designed to reduce CO₂ emissions.



Examples of Measures Contributing to Emission Reductions

- **A-CDM** - Airport Collaborative Decision Making is an airport operation concept, based on a quality exchange of information and fostering collaboration between the stakeholders.
- **APU (Auxiliary Power Unit)** - Restrictions imposed on the use of this aircraft propulsion unit and its connection to the airport power supply.
- **Green Electricity** - We facilitate the purchase of green electricity with guarantees of origin for some companies active at the airport.
- **WheelTug** - Prague Airport has become one of the partners that support the development of new technology enabling aircraft to use on-board electric motors for taxiing between terminals and runways. The airport provided the facilities and space for its testing.
- **Top Sustainable Airline** - Long term, Prague Airport has been motivating air carriers to operate modern aircraft and comply with the set regulations to ensure their operations are environmentally friendly. Therefore, the upgraded *Top Sustainable Airline* contest was launched in 2022 evaluating air carriers on three criteria, namely noise and emissions produced by aircraft used to service Václav Havel Airport Prague, and the approach, commitments, and activities pursued by air carriers in the area of sustainability. The Top Sustainable Airline contest was preceded by the Quietest Airline contest.
- **Responsible Public Procurement** - We prioritise partners with an offer of more energetically and environmentally friendly solutions and innovative approaches.
- **Electrification of the 119-line Servicing the Airport** - We provided due cooperation to facilitate the 119-line electrification. To enable the operation of trolleybuses, a total of 11.5 km of overhead wires was built for the section between Veleslavín Railway Station and Terminal 3. To power the vehicles between Terminal 3 and the airport stops, the trolleybuses use energy from batteries, which are re-charged at charging stations at the turning points at Václav Havel Airport Prague and Veleslavín Railway Station.
- **Taxi Service Operator** - In the selection process of a new taxi service provider, a friendly approach to the environment was also observed. The new operator has committed to an increasing share of electric cars in the airport taxi fleet to the point where in the last year of the contract effect, at least one in ten rides will be done using an electric car.
- **Ride-sharing**



Future Risks Associated with Decarbonisation

Physical risks were identified based on data from the *klimatekazmena.cz* website. The following were evaluated as potential risks for Prague Airport:

- **Risk of temperature stress and possible consequences**
 - Increased demands on using air conditioning and consequently increased consumption of electricity
 - Increased fuel consumption within the LTO cycle at higher temperatures (and lower air density)
- **Risk of significant changes in rainfall distribution and possible consequences**
 - Increased outflow of wastewater from the paved areas of the airport with a subsequent increase in greenhouse gases produced during wastewater treatment in wastewater treatment plants
- **Risk of changes in weather conditions / extreme weather effects and possible consequences**
 - Changes in take-off and landing procedures and consequent increases in fuel consumption
- **Risk of severe drought - indirect impacts**



Additional Planned Steps

- Coordination with the E1 Climate Change Standard - the above-mentioned risks will be further elaborated according to the methodology for assessing impacts, risks, and opportunities within the framework of the double materiality assessment (according to the requirements of the CSRD Directive and the ESRS standards for non-financial reporting).
- Coordination with documents for the Implementation of EU Taxonomy requirements, specifically the climate risk assessment under the Climate Change Mitigation objective (Appendix A - General criteria of the "Do No Significant Harm" principle for adaptation to climate change).
- Development of a plan for adaptation and risk reduction, within which there is also the potential to identify possible opportunities (for example, reduced consumption of de-icing agents during mild winters).
- Regulations and changes in the energy sector have been identified as a transition risk, which can lead to both costly emission reduction measures (e.g., CO₂ emission regulation) and increased fossil fuel prices. Prague Airport continuously analyses the impact these factors may have on the airport's financial and operational aspects.

Offsetting

Once self-generated CO₂ emissions under Scopes 1 and 2 have been minimised, the use of offsets will become an essential tool to achieve carbon neutrality after 2030. Offsets represent a proactive approach to counterbalance remaining CO₂ emissions by investing in projects which eliminate or prevent emissions in other areas.

According to the ACA program rules, it is mandatory that the selected offset project meets certain rules and regulations, primarily the certification of individual programs pursuant to the determined standards and quality criteria. Airports can choose one of the following standards:

- Clean Development Mechanism
- Verified Carbon Standards
- Gold Standard
- Climate Action Reserve
- American Carbon Registry
- UK Woodland Carbon Code
- Label Bas Carbone

Prague Airport continues to monitor the development and introductions of new offset instruments and, in order to achieve carbon neutrality, the Company will prioritise investments in projects aimed at the long-term reduction and elimination of greenhouse gases from the atmosphere.





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You can find more information about Prague Airport's overall approach to ESG on the Company's website www.prg.aero/esg