



Remuneration report 2020

**for the members of the Management
Board and of the Supervisory Board of
Flughafen Wien Aktiengesellschaft**

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The Management Board and the Supervisory Board are required by Section 78c of the Austrian Stock Corporation Act to prepare a remuneration report that provides a detailed overview of the remuneration paid or owed to the current and former members of the Management Board over the last financial year in accordance with the remuneration policy, including all benefits in any form.

This remuneration report is based on the remuneration policy resolved at the 32nd Annual General Meeting on 4 September 2020 with the approval of 92.65% of the share capital present. The remuneration policy is available to all interested parties on the company's website at https://www.viennaairport.com/en/company/investor_relations/annual_general_meeting.

This remuneration report was approved by the Supervisory Board on 11 June 2021.

A. Remuneration report for the members of the Management Board

1. Introduction

The coronavirus pandemic hit aviation particularly hard and resulted in global, extensive restrictions on flights and travel and in the government-ordered closure of businesses and restaurants. The numerous travel restrictions led to a drastic decline in the number of passengers of 75.3% at Vienna Airport to only 7.8 million passengers in 2020 compared with 31.7 million passengers in 2019. This came with a revenue decline of 61.1%, which resulted in a consolidated loss after non-controlling interests of € 72.8 million. The Management Board started introducing countermeasures as soon as the crisis began, launching an extensive cost savings and restructuring programme. This included a significant cut in capital expenditure, a sustainable reduction of costs, an adjustment of the headcount via employee attrition and an increase in productivity with the aim of securing the company's liquidity. In addition, use was made of government support such as the short-time work scheme and especially the fixed cost subsidy.

The Steering and Personnel Committee likewise responded to these challenges for the company and appropriately adjusted the annual targets for 2020 and the long-term targets for 2019-2021 in order to take the altered circumstances into account. In the wake of the reduced working hours agreed for the employees, the Management Board also took a voluntary cut in their ongoing remuneration to the same extent. The new bonus assessment basis was also defined using this reduced annual gross remuneration.

Due to the utilisation of government subsidies, the payment of variable salary components in 2020 is limited to 50% of the amount paid in 2019.

2. Basic principles of the remuneration policy

Günther Ofner and Julian Jäger were the only members of the Management Board in the past financial year. The target agreement and especially the criteria for granting performance-based remuneration are defined in advance by the Steering and Personnel Committee of the Supervisory Board and justified and weighted by way of resolution.

If, after the variable remuneration is paid, it turns out to have been paid on the basis of obviously incorrect data, the Management Board member is obliged to repay the resulting additional amount in full.

In addition to the fixed basic salary, the Management Board members receive a bonus in line with their performance or achievements ("performance-based remuneration"). The performance-based remuneration is capped at a maximum of 100% of the annual gross basic salary and comprises

- » annual performance-based remuneration (= annual target) amounting to up to 50% of the annual gross basic salary in the respective financial year and
- » long-term performance-based remuneration (=long-term target) based on multi-year targets amounting to up to 50% of the annual gross basic salary within the performance period.

3. Total remuneration of the Management Board¹

The members of the Management Board of Flughafen Wien AG received the following remuneration for their work in 2020 and 2019 (payments):

Amounts in T€	JULIAN JÄGER		GÜNTHER OFNER	
	2019	2020	2019	2020
Fixed remuneration	348	332	348	332
Short-term remuneration	225	129	225	129
Long-term remuneration	118	43	118	43
Subtotal	692	504	692	504
Non-cash remuneration	9	9	9	9
Total remuneration	700	513	700	512

→ Remuneration owed and granted:

Amounts in T€	JULIAN JÄGER		GÜNTHER OFNER	
	2019	2020	2019	2020
Basic salary	348	332	348	332
Non-cash remuneration	9	9	9	9
Contributions to pension funds	104	78	104	78
Subtotal	461	419	461	419
Annual bonus	174	141	174	141
50% of long-term bonus for FY	57	79	57	79
50% of long-term bonus after period end*)	57	79	57	79
Subtotal	289	299	289	299
Total	750	718	750	717
PY bonus payment	343	172	343	172
Fixed portion	61%	58%	61%	58%
Variable portion	39%	42%	39%	42%

* Assuming later target attainment

1) **Note:** Arithmetic differences can occur when adding rounded amounts and percentages due to the use of computer-aided tools.

Basic salary and salary waiver during short-time work

The basic salary (=fixed remuneration) is agreed on market terms according to the qualification, area of responsibility and performance of the Management Board member and paid out in 14 equal instalments. Since the introduction of short-time work in the company, the Management Board has also voluntarily waived parts of its remuneration. The waiver amounted to 10% of the gross salary from the beginning of short-time work on 16 March 2020 until 30 September 2020, 15% from 1 October 2020 until 31 January 2021 and 20% from 1 February 2021. The bonus payments were paid out 100%. The basic salary, reduced as a result of the coronavirus pandemic, amounted to € 331,988.27 gross (adjusted to the consumer price index) for each Management Board member in the 2020 financial year and is also the basis for the calculation of performance-based remuneration.

The basic salary covers all overtime as well as the performance of board functions at Group companies.

Non-cash remuneration

The non-cash remuneration shown relates to the Management Board members' company cars. The company provides every Management Board member with an upper mid-size category company car plus driver. The company car may also be used for private purposes. In addition to the statutory liability insurance, the company has also taken out full comprehensive insurance and passenger insurance with appropriate cover. Amounts for group health insurance for Julian Jäger of € 261.60 are also included in 2020.

Contributions to pension funds

15% of the total remuneration is paid into a pension fund for the benefit of the Management Board members.

2020 annual target

The implementation of a savings programme was agreed as an annual target for 2020, whereby a € 5 million shortfall in the savings programme would result in a 10 percentage point bonus reduction and a shortfall of more than € 25 million would mean the cancellation of the entire bonus portion (50% of the annual bonus).

The target attainment for this part of the annual target is 70%.

A reduction of capital expenditure in the 2020 financial year was also agreed, whereby a € 10 million surplus would result in a 10 percentage point bonus reduction and a surplus of more than € 50 million would mean the cancellation of the entire bonus portion (50% of the annual bonus).

The target attainment here is 100%.

The annual targets were therefore achieved with total target attainment of 85%. The annual target is weighted at 50% of the total bonus payment, so the bonus for the annual target amounts to 42.5% of the (reduced) basic salary of 2020, which is € 141,095.01.

2020-2021 long-term targets

The coronavirus crisis has had a severe and profound impact on FWAG's business performance. In order to counteract the negative consequences for the company, it was essential to make material changes to the company's policy in comparison with previous planning. In particular, securing the continuing existence of the company has priority over other targets and requires measures that are at odds with a short-term improvement in earnings.

Taking these factors into account, the Steering and Personnel Committee resolved upon the following long-term targets for 2020 and 2021:

→ **1. Securing liquidity (33 1/3% of the long-term bonus)**

To secure the company's liquidity, liquidity freely available or available via committed lines of credit was defined as of the end of the 2020 and 2021 financial years. If the target is not met, the bonus will be reduced or cancelled entirely.

Target attainment amounted to 100%.

→ **2. Completing the Terminal 2 refurbishment on time and on budget (33 1/3% of the long-term bonus)**

The completion of the Terminal 2 refurbishment on time and on budget results in target attainment of 100%. A minor alteration was made to the budget and timetable in response to the coronavirus crisis. If the allotted time is exceeded by more than one month, the bonus portion is reduced by 10 percentage points per month, and the entire time bonus portion is cancelled if the allotted time is exceeded by more than six months. If the budget is exceeded by more than 5%, the bonus portion is reduced by 10 percentage points per further 5% overrun, and the entire budget bonus portion is cancelled if the budget is exceeded by more than 25%.

Target attainment amounted to 85%.

→ **3. Restructuring target (33 1/3% of the long-term bonus)**

It was agreed to devise and adopt a savings and efficiency programme including organisational streamlining by the end of October 2020 with subsequent submission to the Supervisory Board and a detailed implementation plan. The 2020 target is achieved when submission of the full plan is noted by the Supervisory Board. The 2021 target is achieved when the measures are actually implemented.

Target attainment amounted to 100%.

The long-term targets were thus achieved with a total target attainment of 95% and are likewise weighted at 50% of the total bonus payment, with half of the long-term bonus being paid in the next financial year and the other half after the end of the long-term period (2022). For 2020, this would result in an entitlement to payment in the subsequent year of 23.75% of the basic salary from 2020, i.e. € 78,847.21.

In total, the entitlement to payment of performance-based remuneration (annual target and long-term target) for the achievement of targets in 2020 would amount to € 219,942.23 in the following year. Another 50% of the performance-based remuneration is paid out on achievement of the targets only after the end of the long-term period.

Payment freeze due to use of emergency aid

As the company is claiming emergency aid from the federal government, the payment of performance-based remuneration is actually limited to 50% of the sum paid out in 2019. In 2020, each Management Board member was therefore paid only € 171,708.99 of the entitlement to performance-based remuneration from 2019. The remaining entitlement to performance-based remuneration from 2019 totalling € 117,450.29 will, assuming corresponding target attainment, be paid out in the amount of € 59,966.82 either once a dividend payment is resumed or, if earlier, on termination of the employment contract, but in any case not before the end of the payment freeze in accordance with the federal emergency fund.

The remaining € 57,483.47 will be paid out at the end of the long-term period (2022).

4. Other benefits

No stock options were issued, and no shares were offered or granted to the Management Board members. No remuneration was paid by subsidiaries either.

There is D&O, legal costs and accident insurance, the costs of which are borne by the company.

No loans were granted to Management Board members.

5. Other information and explanations

In the event of premature dismissal of a Management Board member without cause, continued payment of remuneration for a maximum of 24 months is agreed in accordance with rule 27a of the Austrian Code of Corporate Governance. On termination of the Management Board contract, for any reason whatsoever, there are no claims to severance from the company benefit fund.

In the past financial year, there were no deviations from the remuneration policy or from the implementation procedure described therein. No variable remuneration components were reclaimed.

The annual change in the total remuneration of the Management Board, the economic success of the company and the remuneration of the company's other employees on the basis of full-time equivalents is as follows:

	Change 2019 to 2020
Net profit after non-controlling interests	-145.81%
Total remuneration of the Management Board ¹	-26.84%
Average remuneration of other employees ²	-16.04%

1) The total remuneration for 2019 includes the full payment of the long-term performance-based remuneration

2) Employees of Flughafen Wien AG not including short-time work assistance

The value of the pension benefits of former Management Board members and their surviving dependants is adjusted annually. The value adjustment is based on the public sector salary table, general administration, service class 9, level 6. In the cases of former Management Board members Gerhard Kastelic and Franz Kotrba, the increase in the statutory Austrian pension is deducted. Karin Engelberger receives 60% of the entitlement of our former Management Board member Otto Engelberger.

→ The following table shows the annual pension payments for the years 2020 and 2019:

Remuneration of former Management Board members						
	Gerhard Kastelic		Franz Kotrba		Karin Engelberger Widow of Otto Engelberger	
Amounts in T€	2019	2020	2019	2020	2019	2020
Retirement pay	195	200	191	195	78	80
Back payments for previous years	24		23			
Total remuneration	219	200	214	195	79	80

B. Remuneration report for the members of the Supervisory Board

Remuneration of members of the Supervisory Board 2020

The remuneration of the Supervisory Board members comprises annual fixed remuneration for the Chair of € 16,200, for the Deputy Chairs of € 13,500 and for ordinary members of € 10,800 and a standard attendance fee of € 500 for each meeting attended by the respective Supervisory Board member. From April 2020, the delegates from the Works Council receive neither annual fixed remuneration nor attendance fees. The Supervisory Board members are included in the existing D&O insurance. The fixed remuneration is not paid out to the members of the Supervisory Board until after the end of the financial year, so the fixed remuneration for 2019 is paid out in the 2020 financial year. The attendance fees are paid in the same financial year. If members of the Supervisory Board or a committee were not members for the entire financial year, the fixed remuneration is paid proportionally.

The following table shows the fixed remuneration granted and the attendance fees paid in the 2020 financial year:

Supervisory Board remuneration in T€						
Supervisory Board member	2020			2019		
	Fixed remuneration	Attendance fees	Total remuneration	Fixed remuneration	Attendance fees	Total remuneration
Susanne Höllinger	7.2	3.5	10.7		2.0	2.0
Bettina Glatz-Kremsner	16.2	3.5	19.7	15.3	6.0	21.3
Ewald Kirschner	13.5	4.5	18.0	14.4	7.5	21.9
Wolfgang Ruttendorfer	13.5	4.5	18.0	13.5	6.0	19.5
Karin Rest	10.8	4.5	15.3	10.8	4.5	15.3
Gerhard Starsich	10.8	3.5	14.3	10.8	2.0	12.8
Robert Lasshofer	10.8	3.5	14.3	10.8	2.0	12.8
Herbert Paierl	10.8	3.5	14.3	10.8	2.5	13.3
Werner Kerschl	10.8	2.5	13.3	10.8	3.0	13.8
Lars Bespolka	10.8	3.5	14.3	10.8	3.5	14.3
Manfred Pernsteiner		1.0	1.0			
Richard Grasl				9.6		9.6
Thomas Faulhuber		2.0	2.0		6.0	6.0
David John		1.0	1.0		3.0	3.0
Thomas Schäffer		2.0	2.0		5.0	5.0
Heinz Strauby		1.5	1.5		3.5	3.5
Herbert Frank		1.0	1.0		3.5	3.5
Total	115.2	45.5	160.7	117.6	60.0	177.6