

also strive to improve Schiphol's strength as a cargo distribution point.

### **Sustainable Performance**

Schiphol Group conducts its business with respect for people, the community and the environment. The airport creates sustainable value for its customers and stakeholders. Efficient and financially healthy and sound business

operations are a requirement for a future-proof company, always keeping in mind the balance between people, planet and profit. Schiphol assumes its responsibility with respect to five key socio-economic themes: sustainable employment, accessibility and air quality, climate-friendly aviation, commodity shortages and noise and local community.

## Strategic objectives

Our strategic objectives for the period 2013-2017, clustered by strategic theme.

### **Top Connectivity**

1. Facilitating the further development of a high-quality, distinctive and competitive network of, in particular, intercontinental connections.
2. Further enhancement of an extensive, reliable and accessible landside network of multimodal connections.

### **Excellent Visit Value**

1. Further enhancement of passengers' travel convenience.
2. Realisation of a competitive price/quality ratio for airlines.
3. Providing a high-quality and outstanding airport to passengers.

### **Competitive Marketplace**

1. Providing an attractive business climate at the airport.
2. Realising flexible logistics solutions for handling agents and forwarders.
3. Offering an attractive and up-to-date portfolio of products and services.

### **Sustainable Performance**

1. Ensuring a proper balance in the relationship between people, planet and profit.
2. Guaranteeing financially sound and efficient business operations to enable further development of the Mainport and to generate value for all stakeholders.
3. Continuation of the stakeholder dialogue within the Alders Platform and with the parties in the Schiphol Regional Consultative Committee.

## Main risks

### Top Connectivity

#### Fluctuations in demand

The continuing economic crisis may lead to a decrease in the number of passengers, lower spending per passenger, a reduction of capacity and a change in the dynamics of the sector.

#### Major projects

Implementation of major infrastructure projects could involve delays and budget overruns, as a result of which a project is no longer sufficiently in line with actual demand.

### Excellent Visit Value

#### Operational risks Aviation

Safety incidents, unexpected interruptions of business operations or insufficient commitment of parties on which our operations depend could disrupt operations, damage our reputation and negatively affect the financial result.

#### Changing laws and regulations

Political developments, evolving viewpoints and new or adapted European or national laws and regulations that affect the aviation sector as well as the sale of consumer products at the airport can have a major impact on our business.

#### Economic regulation

Economic regulation of Schiphol Airport affects the financial soundness of Schiphol Group and the scope for investment in the Mainport.

### Competitive Marketplace

#### Competition

Insufficient investment in quality and capacity may result in an inability to guarantee the competitiveness of the Mainport.

#### Market developments real estate

Changing market conditions can lead to lower occupancy levels in the property portfolio and lower rent levels, resulting in a decrease in property value.

### Sustainable Performance

#### Exceeding noise and environmental standards

Non-compliance with national and international noise and environmental regulations has negative financial and operational consequences.

#### Financial risks

Schiphol Group faces a variety of financial risks, such as currency, price and interest rate risks, liquidity risk and counterparty risk.

#### International operations

International operations offer benefits and opportunities but also entail specific risks that do not apply in the Netherlands.

# SWOT

## Strengths

- Large network of connections and frequencies
- Home carrier with a strong transfer product
- Modern and well-equipped airport
- Reliable operations with high peak capacity
- International reputation and image
- Well-developed non-aviation activities
- Attractive employer

## Opportunities

- Expansion of destinations network and frequencies
- Traffic and transport from emerging economies
- Positioning as gateway between China, Europe and South America
- Strengthening function as a cargo hub
- New investments in capacity and quality
- Expansion of SkyTeam alliance
- Integration of sustainability aspects in all airport processes
- Improvement of high-speed connections to and from the airport (motorways, high-speed rail, regional bus lines)

## Weaknesses

- Limited international diversification
- Increasing pressure on operations due to planned large-scale alterations
- Small domestic market and limited catchment area
- Considerable dependency on competitive transfer market
- No constant utilisation of runways; large demand for peak capacity
- Complex system for use of runways and airspace

## Threats

- Legislative and regulatory changes and changes in economic and non-economic airport regulations
- Geographic shift of trade and transport flows
- Accessibility of Amsterdam Airport Schiphol
- Large investments in capacity and quality made by competing airports (Heathrow, Frankfurt and Paris Charles de Gaulle)
- Changing attitudes towards flying
- Increasing security requirements
- Adverse economic conditions and low consumer confidence



# Our results in 2012