



Together we create the future.



# THE BTC COMPANY **SUSTAINABILITY REPORT 2018**



## TABLE OF CONTENTS

4	<b>A NOTE FROM THE CHIEF EXECUTIVE OFFICER OF BTC</b> We are but guests on this Earth
7	<b>ABOUT MISSION: GREEN</b> Sustainability is the ultimate measure of success
12	<b>ECO INDEX</b> Consume less, share better
16	<b>MISSION: ENERGY EFFICIENCY</b> Renewable resources: a solution for the present that doesn't endanger the future
20	<b>MISSION: SAVE WATER</b> Water is the driving force of all nature
22	<b>MISSION: WASTE TO RESOURCES</b> Recycle the present, preserve the future
26	<b>MISSION: GREEN TRAFFIC</b> Compulsory direction: sustainable mobility
30	<b>MISSION: SAFETY FOR ALL</b> Playing with safety is playing with life
33	<b>MISSION: SOCIAL RESPONSIBILITY</b> The more we share, the more we have
43	<b>MISSION: INNOVATION FOR PROGRESS</b> Vision is the art of seeing what is invisible to others

#### A NOTE FROM THE CHIEF EXECUTIVE OFFICER OF BTC

## We are but guests on this Earth

Sitting down to write this introduction, I was reminded of the quote that says: "The earth does not belong to man, man belongs to the earth." We people are but guests on this planet, and as manners would dictate, we have to treat our host with respect. But that doesn't mean just behaving decently. It also means conserving and giving back to the environment in which we live. I am proud that BTC is among those who strive for the green future of planet Earth, not least with respectful actions.



Mag Damjan Kralj,  
Chief Executive Officer at BTC

»At BTC, we are proud to be among those who strive for the green future of planet Earth.«

Throughout its history, which spans almost 65 years, BTC has been undergoing constant transformation, just like our planet. With the environment in mind, we founded the business unit Mission: Green in 2014 to help us pursue the environmental goals set in our company's development strategy by 2020. In this 2018 Sustainability Report, we would like to share the activities we carried out for a better, more energy efficient, nicer and safer world in 2018.

The average global temperatures are already one degree higher than in the pre-industrial era. Scientists estimate that the maximum still tolerable limit of global warming lies at 1.5 degrees Celsius above pre-industrial levels. It is a limit for which the 2018 UN climate conference, held in Poland, adopted the so-called climate change rulebook, which provides a set of guidelines for implementing the Paris Climate Change Agreement. Countries around the world are growing ever more conscious of the fact that measures to save the world are a matter of urgency and need to

be implemented right now.

BTC has already been an actor in sustainable development for the past 18 years. During this time, we invested no less than 53.9 million Euros in sustainable projects. This is our contribution to a green future, chiefly encompassing the following areas: improving energy efficiency, saving water, managing waste responsibly, developing sustainable mobility solutions, ensuring safety, supporting socially responsible projects, and encouraging innovation. Our environmental efforts are also measured, and we are proud that our Eco Index score keeps rising every single year. In 2018, it amounted to a record 497 points.

A huge part of BTC's environmental success are activities promoting efficient energy use. With three solar plants and the cogeneration of thermal energy, we produced 1,677,655 kWh of green energy in 2018. In addition, we saved 11,147,376 kWh of energy compared to the 2010 baseline by implementing efficient energy use projects. We

do regular lighting upgrades by switching over to more efficient LED-lighting, we regularly upgrade central monitoring and control systems, and we replace older heating and cooling devices with modern ones. We also dedicate a lot of attention to the protection of drinking water, and in the past six years we have reduced the annual water loss to an average of only 6.7%.

We strive for a clean environment for our visitors and society in general. In 2018, BTC collected 5,587 tonnes of diverse waste, carefully separated into 31 fractions at our ecological stations. As much as 68% of total waste was sorted at source into secondary raw materials, contributing to the circular economy.

We have also been successful with regard to security, with regular upgrades of the centrally controlled video system and our anti-theft and fire protection systems. We refurbished our security lighting and modernised the fire protection systems at many of our venues.

## KEY NUMBERS OF BTC'S ENVIRONMENTAL AND SOCIALLY RESPONSIBLE ACTIONS IN 2018:

- 1,677,655 kWh of green energy generated from renewable sources,
- 11,147,376 kWh of energy savings from efficient energy projects compared to the 2010 baseline,
- relieving the carbon dioxide burden on the environment by 5,781,922 kg compared to the 2010 baseline,
- reaching an annual water loss average of only 6.7% in the past six years,
- 68% of collected and sorted secondary raw materials at source,
- three new two-way streets for slowing down traffic and improving the safety of visitors,
- 13 new trees, 400 shrubs and 1,900 honey plants,
- more than 170 different events in the business centre ABC Hub.

In 2018, we implemented a number of projects and organised several prominent events related to transportation and the promotion of sustainable mobility. One of them was the Future Day, at which visitors could test ride the autonomous electric vehicle Navya for the first time on Slovenian soil. We also arranged three new two-way streets in BTC City Ljubljana and set up six electric vehicle charging stations in BTC City Ljubljana, BTC City Novo mesto and BTC City Murska Sobota. We further greenified our streets by planting new trees and shrubs.

In 2018, BTC received the AAA Gold Creditworthiness Certificate, awarded by Bisnode, for the third year in a row. This certificate attests to our reliability with respect to our business partners.

We also give back to the very environment which gives us the power and inspiration to grow and develop. In the past eight years, we have invested no less than 8.8 million Euros in socially responsible projects. Every year, including 2018, we supported more than 300 organisations, individuals, events, and other activities and projects from different domains. We really do believe that the more we share, the more we have.

Thinking of our youth, we organised the BTC Campus, a programme aimed at supplementary business education. Out of 270 participants, as much as 75% found employment within six months of finishing the programme, which testifies to its success.

We are also happy to note that upon its 10-year anniversary, SiTi Teater BTC can take pride in 17 own theatre productions and co-productions, including several blockbusters, while our 2017/2018 music programme comprised no fewer than 24 concerts. In addition to culture, we feel close to sport, which brings people together, improves fair play, and reinforces beliefs about same rights for all. That is why, in 2018, we kept supporting numerous athletes and sporting organisations,

“Countries around the world are growing ever more conscious of the fact that measures to save the world are a matter of urgency and need to be implemented right now.”

cheering for our incredible women's cycling team BTC City Ljubljana, and pedalling along the routes of the 37th Marathon Franja BTC City.

However, we don't help only athletes but also businesses and entrepreneurs. Between 2015 and the end of 2018, the ABC Accelerator enabled the breakthrough of over 130 startups. Just as in previous years, we encouraged innovation among our employees. We are happy to note that they submitted 57 visionary ideas and 11 visionary projects. All of them seek to promote and improve cooperation among BTC's personnel. We are also happy to see the high level of user interconnectedness and the growth of a true entrepreneurial community in the ABC Hub co-working offices. In 2018, the ABC Hub hosted more than 170 events, trainings, seminars, workshops and hackathons.

These are only some of the ways in which we follow the guidelines of environmental and social responsibility. You can read more about them on the following pages. At the forefront of our activities is always the thought of a better world and the conservation of our planet. But we also want our green stories to inspire you. Because we believe that every single green action counts, and together we can change the world for the better.

# 02

## ABOUT MISSION: GREEN

# Sustainability is the ultimate measure of success

As society has grown to realise that long-term business success requires us to develop sustainably, caring for the social and natural environments has become a cornerstone of the operations of many an organisation. In addition to the principle by which we have to be the green transformation we want to see in the world, BTC has put this awareness in the forefront of its business processes many years ago. Every year we undertake numerous green projects, which contribute to a better everyday life and a brighter future for the environment, ourselves and our descendants by caring for nature.





BTC City Ljubljana

BTC has persistently supported projects that don't create added value only for our business, but also for the broader social community and future generations. This strand of thought became the focus of our operations with the 2014 foundation of the business pillar Mission: Green, our environmental platform for the implementation of socially responsible and environmentally conscious projects.

In the past 18 years, we invested 53.9 million Euros into different projects in line with our sustainable orientation. Throughout the years,

the success of these projects has been recognised by numerous award committees, both local and international. Environmental protection and sustainable development continue to be high on the list of our future business strategy priorities. In order for our environment to be the best possible place to live, we also deploy new technologies that help realise our vision of a "green city". With this in mind, we keep introducing innovative technologies and planning projects that contribute to environmental and social progress through

strategic partnerships. Doing so, we not only create new business opportunities but also raise general public awareness about green values and actions, as well as the importance of looking for and using sustainable and environment-friendly solutions. We are aware that large environmental strides require joint action, in which every single green step is significant. With Mission: Green, BTC presents its best business practices and achievements. Through it, we also affect our environment – our employees, visitors and the broader community, of which we are an integral part.



2018 Digital Transformation of the Year Award

## SEVEN MISSIONS FOR COUNTLESS GREEN GOALS

2018 was a year marked by innovative approaches to the environmental and societal challenges of modern times, with all of BTC's employees striving to reach common sustainable goals to the best of our abilities.

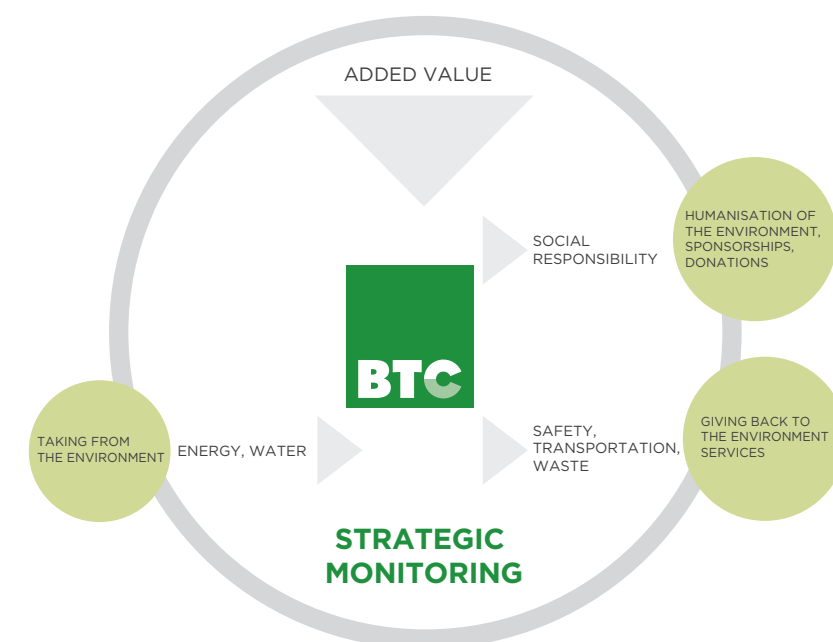
In collaboration with our business partners, we implemented a number of sustainable projects and activities contributing to environmental and social advancements. Our sustainable projects have brought about improvements in the fields of responsible water management, energy efficiency, safety and transportation, promoting innovation, and social responsibility.

We like to share our projects and best practices with the general public on the Mission: Green website, and we also publish an annual sustainability report, in which we describe our inspiring green actions.

In the scope of business unit Mission: Green, we plan, implement, and keep track of sustainable activities and projects within seven missions:

1. MISSION: **ENERGY EFFICIENCY**
2. MISSION: **SAVE WATER**
3. MISSION: **WASTE TO RESOURCES**
4. MISSION: **GREEN TRAFFIC**
5. MISSION: **SAFETY FOR ALL**
6. MISSION: **SOCIAL RESPONSIBILITY**
7. MISSION: **INNOVATION FOR PROGRESS**

We also annually monitor and evaluate our sustainable activities to find out how successful we have been in our efforts. To this end, now already more than a decade ago, we developed a new business model and called it Eco Index. Eco Index helps us assess individual sustainable activities and projects, including their effect on the environment and the broader social community.



Eco Index business model



AWARDS AND RECOGNITIONS REFLECT THE SUCCESS OF BTC'S SUSTAINABLE EFFORTS

The numerous awards and recognitions that BTC received in the last couple of years attest to the success of our sustainable efforts and groundbreaking development practices. Within eight years, we received the following:



2010

- Environment-friendly Company award;

2011

- Horus award for the most socially responsible company; JAPTI award for most innovative business model – Eco Index; nomination for the European Business Award for the Eco Index business model;

2013

- 2013 InLoCom innovative local community project award for the project BTC City and Women's Ski Jumping; special achievement award for efficient energy use, energy generation from renewable sources and energy management in the scope of the 15th Energy Days; European CSR Award Slovenia in the category of large enterprises for the project BTC City and Women's Ski Jumping; Green Logistics 2013 award for reaching environmental goals in logistics; Tourist Prism award for new quality in tourism; Platinum donor recognition award, awarded by the Slovenian Science Foundation;

2014

- the Slovenian Chamber of Commerce award for outstanding economic and entrepreneurial achievements in 2013; SPORTO award; Gold award for the project From Bike Lanes to the Marathon (23. SOF);

2015

- Outstanding achievement award in the external advertising category (BTC in cooperation with advertising agency Saatchi&Saatchi); Platinum donor recognition award, awarded by the Slovenian Science Foundation;

2016

- Prism award for comprehensive communication programmes for the project BTC's Cycling Story: Encouraging Cycling in Slovenia, awarded at the 19th Slovenian Public Relations Conference (BTC in cooperation with advertising agency Pristop); Energy-Efficient Project award for the system of heating Atlantis Water Park with surplus industrial heat from AquafilSLO, awarded at the 18th Energy Days (BTC in cooperation with the Aquafil group); PRIYATELJ award for the BTC Campus programme, synonymous with being an ambassador of young people and generation Y (awarded by Zavod Ypsilon); Best Manager 2016 award for Southeast and Central Europe – the most prestigious, lifetime award given to Jože Mermal, Chair of the BTC Board of Directors, and the prestigious Best Company 2016 award given to BTC for its excellent results under Mr Mermal's leadership (awarded by the independent agency for the selection and promotion of managers at the 34th award ceremony in recognition of best European managers); Gold Creditworthiness Certificate, awarded by Bisnode;

2017

- the title Honorary Citizen of Ljubljana 2017 bestowed upon the Chair of the BTC Board of Directors, Mr Jože Mermal; Gold Quill award for excellence in business communication in the category corporate social responsibility for the project BTC's Cycling Story: Encouraging Cycling in Slovenia (BTC Company in cooperation with advertising agency Pristop); Gold Creditworthiness Certificate, awarded by Bisnode; Platinum donor recognition award, awarded by the Slovenian Science Foundation; Best Slovenian cycling team of the year award, awarded to professionalwomen's cycling team BTC City Ljubljana; award for best ABC Accelerator partner, awarded to BTC as the co-founder and supporter of the Accelerator from the very beginning;

2018

- Digital Transformation of the Year award for the successful implementation of a number of digital solutions; award for best ABC Accelerator partner, awarded to BTC as the co-founder and supporter of the Accelerator from the very beginning.

BTC ACQUIRES THE AAA GOLD CREDITWORTHINESS CERTIFICATE FOR THE THIRD YEAR IN A ROW

In 2018, BTC received the AAA Gold Creditworthiness Certificate for the third year in a row.

The certificate is awarded by Bisnode, which conducts credit rating evaluations in 19 European countries. With this certificate, we have become one of the 5.69% of Slovenian companies to obtain such a rating, which is altogether achieved by only 9,773 companies out of approximately 171,786 registered ones. What is more, in the category of cargo handling, which includes BTC, the Gold Creditworthiness Rating AAA was acquired by no more than 6 companies out of 193 registered ones.

This certificate of excellence positions BTC right at the top of the Slovenian economy and reaffirms our trustworthiness and reliability with respect to our business partners.



ACQUIRED CERTIFICATES ATTEST TO BTC'S QUALITY SUSTAINABLE BUSINESS PROCESSES

For its business operations, BTC acquired four internationally acknowledged ISO certificates:

- CERTIFICATE ISO 9001:2015 for Quality Management Systems, which guarantees a documented approach to business that enables better control over the implementation of individual processes;
- CERTIFICATE ISO 14001:2015 for Environmental Management Systems, which assures business partners that they are cooperating with a company that treats the environment responsibly;
- CERTIFICATE ISO 50001:2011 for Energy Management Systems, which attests to actions aimed at improving energy efficiency and saving energy;
- CERTIFICATE ISO 55001:2014 for Asset Management Systems, which attests to the quality real estate and asset management of business partners

In the past 18 years, we invested 53.9 million Euros in sustainable projects.

We make sure that authorised experts from the Slovenian Institute of Quality and Metrology (SIQ) perform a certified assessment of our management systems every year. They evaluate the compliance of our business processes and activities with the requirements of the standards.

The evaluation conducted in 2018 shows that all the standards were successfully integrated in BTC's business operations. This provided for successful business process management, better work efficiency, and increased satisfaction of business partners. Additionally, better and more systematic care for the environment and the society, as well as the improved efficiency of BTC's energy and asset management, were also ensured.



## MISSION: ECO INDEX



## Consume less, share better

Although technological and scientific development have enabled humanity to shoot among the stars on spaceships, we always return back down to Earth, the only planet we have. A spare one has not been found (yet). This is one of the reasons why BTC ceaselessly pursues sustainability, contributing to the quality of life on our planet in the long term. The title quotation by French writer Hervé Kempf, which guides us in our endeavours, is simple – we should consume less and exchange, share more. That said, it is necessary to monitor and evaluate the efficacy of our efforts, which is why we have developed our own environmental assessment tool and called it Eco Index.

Companies may evaluate their sustainability projects in different ways, but they all tend to employ both qualitative and quantitative indicators. Bearing that in mind and striving for efficient measurement, we developed the business model Eco Index, which celebrated its tenth birthday in 2018. It is our own comprehensive tool used to measure the success of our environmental and socially responsible practices. With it, we can keep track of the efficacy of our activities and measures over a longer period of time. In 2011, Eco Index was recognised as the most innovative business model for being able to provide a comprehensive assessment of a company's impact on the environment and the society.

We are proud that BTC's Eco Index is increasing by the year and pointing to an increasingly successful implementation of our sustainable projects. In 2018, our Eco Index scored six points more than the year before, amounting to a total of 497 points.

### How does Eco Index work?

**In the Eco Index system, every activity that reduces the negative impacts on society and the environment or affects them positively contributes to the final result.** The Eco Index includes

projects and activities from different content sets, which are then logically attributed to individual missions, such as:

- responsible energy management,
- responsible water management,
- responsible waste management,
- traffic management,
- ensuring safety,
- socially-responsible actions raising awareness and supporting social incentives, including sponsorships and donations to activities in sports, culture, education and science, as well as efforts aimed at the humanisation of the environment, and
- the support and development of innovative ideas and solutions.

Eco Index includes all BTC projects that affect the environment and the society in a single year. Every project from this set is evaluated according to three criteria:

- K1 – impact on society in general,
- K2 – impact on BTC,
- K3 – complexity of the activity.

“K” stands for the Eco Index criterion, which can reach a maximum of 3 points. Points for individual activities are calculated according to the formula  $\Sigma (K1 + K2 + K3)$ , which is followed by a summation of the points total accumulated by activities within an individual mission. Larger and more complex projects, which require greater financial investments and more time but also result in greater benefits to environmental and social sustainability, besides having a positive impact on BTC, score higher. The Eco Index team, comprised of the representatives of individual fields or missions, annually reviews and evaluates all our sustainability projects.





The positive Eco Index trend encourages us to tackle new sustainable projects.

Category	Number of projects	Points
Mission: Corporate Social Responsibility	60	226
Mission: Innovation for Progress	14	93
Mission: Energy Efficiency	21	88
Mission: Safety for All	10	42
Mission: Green Traffic	5	25
Mission: Save Water	5	17
Mission: Waste to Resources	2	6
Total	117	497

TABLE: 2018 Eco Index points by mission

In 2018, the positive trend continued as our Eco Index kept rising. We carried out 117 projects and activities, which scored 497 points on the Eco Index scale. This is six points more than the previous year, or as many as 200 points more than ten years ago.



Envisioning an open company to achieve sustainability

The Eco Index proves that BTC is a responsible company, friendly to both people and the environment, yet also daring in its business decisions and the implementation of modern technologies. In this way, BTC maintains the conditions necessary for its long-term, successful sustainable growth, paving the way for the realisation of its vision of an open company by 2020. In 2018, we kept turning this vision into concrete solutions in collaboration with our partners.

We are determined to act in a way that won't endanger our natural and social environments. With everyday activities undertaken in the very environment in which we are growing and developing, we try to give back some of what we have received from it. To these efforts we dedicate our knowledge, time and financial resources. It is precisely why we have introduced several infrastructural and urban modifications in the area, set up a smart parking system, upgraded the waste management system, etc., while also proudly supporting more than 300 individuals, organisations and projects every year.

In our public relations, we abide by the principles of a proactive, honest, timely and transparent communication of accurate information, which we prove every year by preparing a sustainability report and publishing it at [www.misijazeleno.si](http://www.misijazeleno.si).



In 2018, BTC's Eco Index reached a record 497 points.

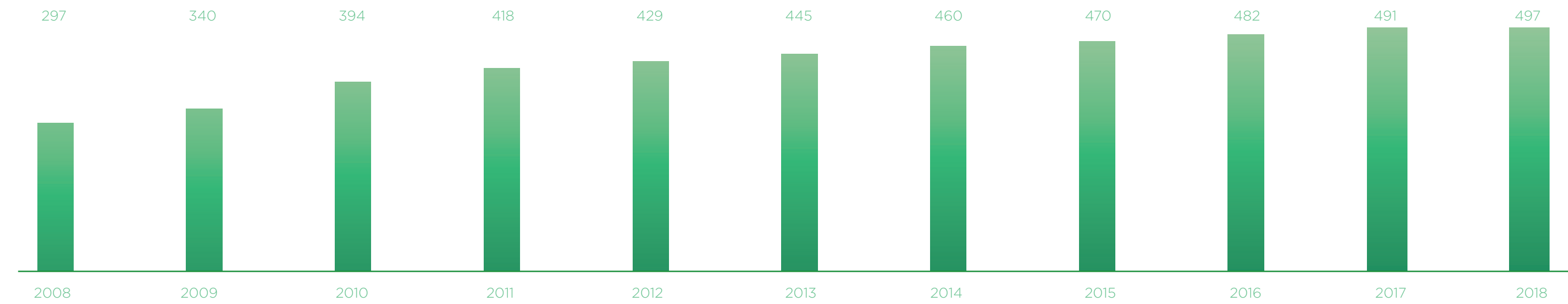


CHART: Eco Index growth by year

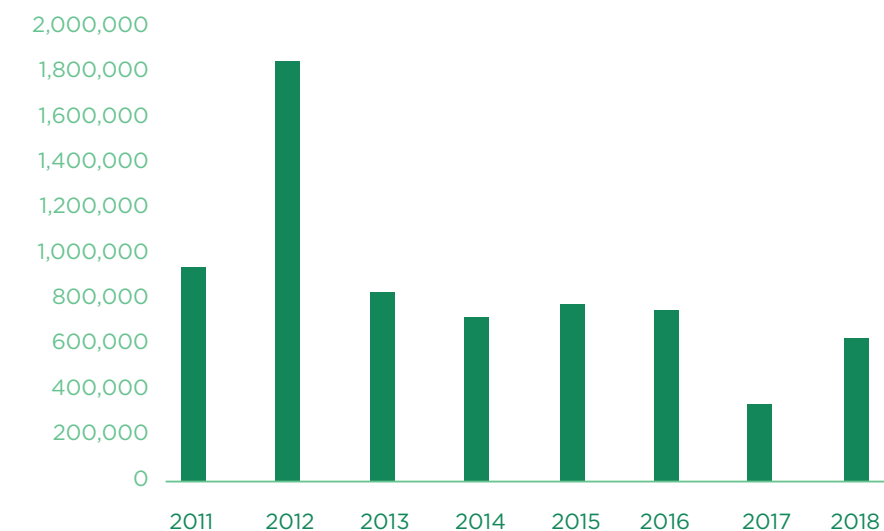


#### MISSION: ENERGY EFFICIENCY

## Renewable resources: a solution for the present that doesn't endanger the future

Social progress is accompanied by an increasing demand for energy, with sustainable development promoting not only efficiency but also the use of renewables. With its renewable energy action plan, Slovenia has committed to bring the share of renewables in gross end-use energy to at least 25% by 2020. We expect this share to increase especially in heating and cooling, electricity and transportation. Since the share of renewables in total gross end-use energy already reached 22.1% in 2018, we are on the right track. In order to meet the set goal, however, we need help of everyone. That is why BTC is particularly mindful of green energy – it not only signals our commitment to environmental protection by creating savings, but also constitutes our competitive advantage.

At BTC, opportunities for creating energy savings and relieving the environmental burden are put front and centre. We operate in accordance with the ISO 50001 energy standard certificate, which we acquired in 2012. We work and form partnerships with different stakeholders who help us keep up with the latest technological trends and innovations in the field of renewables, seeking solutions for efficient and responsible energy use. We also connect with different partners in the scope of national and international calls for tender. Through our own communication channels we raise awareness among our business partners, visitors and employees by sharing everyday advice promoting more efficient energy use. In the past eight years, we invested no less than EUR 6,848,843 in energy efficiency projects.



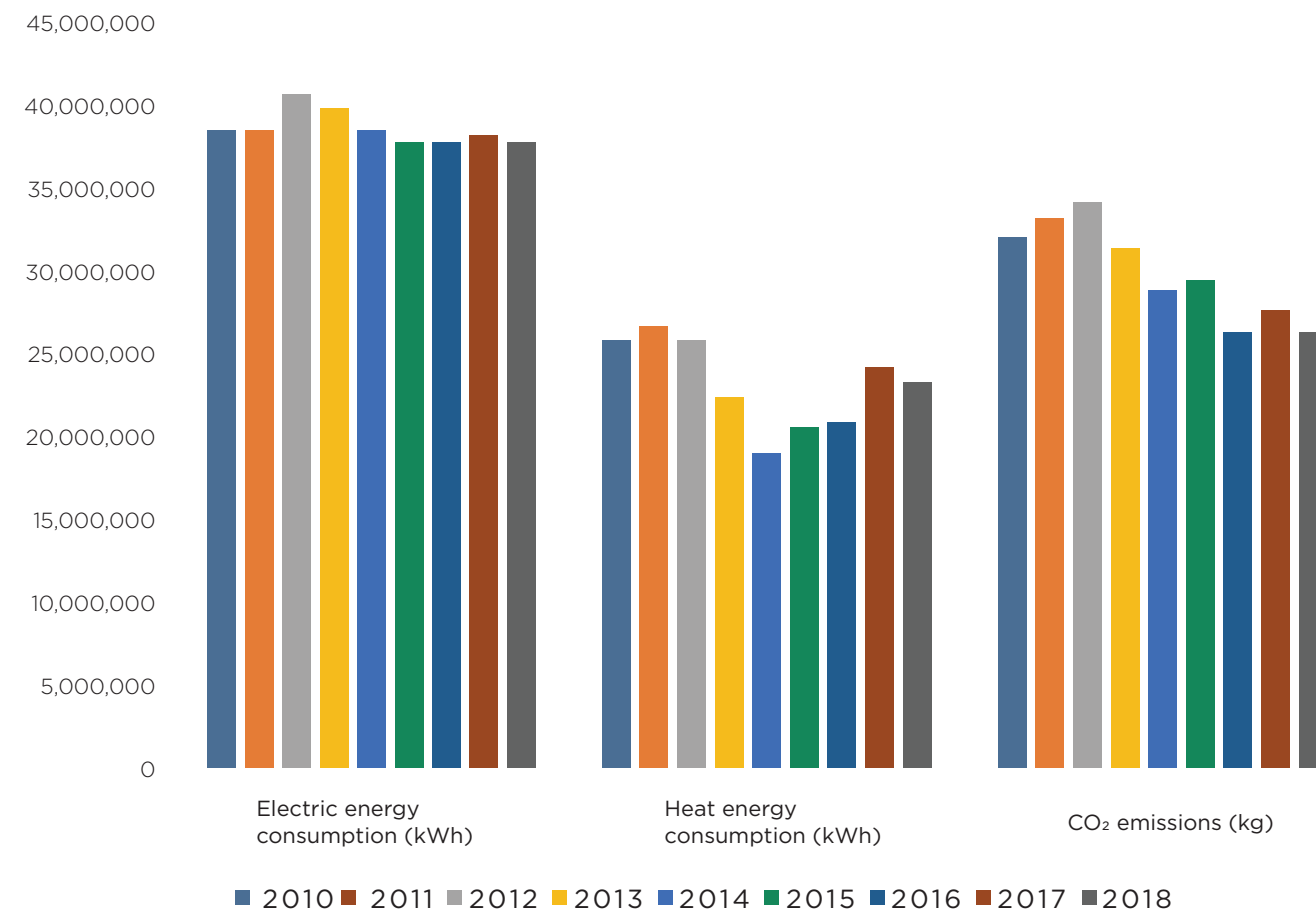
**CHART:** BTC investments into energy efficiency between 2011 and 2018 (in EUR)

Our key strategic focal points concerning responsible energy management are:

- to actively manage all energy sources, thereby effectively reducing energy consumption at

BTC and increasing savings in own real estate as well as the real estate of our business partners;

- to implement activities aimed at a more responsible energy use and looking for new energy resources.



**CHART:** Electric and thermal energy consumption at BTC in kWh and CO<sub>2</sub> emissions (in kg) by year



Electric energy consumption has somewhat dropped throughout the years, which means that our measures targeting efficient energy use have been successful despite investments in new business premises (e.g., the Crystal Palace, cold storages in the BTC Logistics Centre). We do regular lighting upgrades at all venues by switching over to more efficient LED-lighting, we upgrade central monitoring and control systems, and we also replace older heating and cooling devices with modern ones. We make continuous investments to raise the efficiency of our cooling systems, the thermal insulation of external walls, the thermal and hydro-insulation of roofs, and the technological systems. In 2018, we implemented a number of energy efficiency projects. Key activities as well as infrastructure and equipment upgrades that contributed considerably to the energy efficiency of BTC are listed below:

- continuation of project NEDO (smart grids),
- energy review of the BTC City Ljubljana area,
- new automatic controls at the Shopping Arena A heat exchange station,
- new lighting in the Sports Centre Millenium locker rooms,
- new AC in the northern part of the BTC City Market,
- new cooling aggregates in BTC City Ljubljana and BTC City Murska Sobota,
- participation in the call for tenders H2020 – integrated local energy systems – for project GLUES,
- new automatic controls for the HVAC and cooling aggregate in Sports Centre Millenium,
- new lighting on Shopping Arena 1 roof canopies.

**Investing in upgrades to save energy**

In 2018, we finalised the energy review of BTC City Ljubljana. The results form the basis for decision-making as regards investments in energy efficiency and renewable resources in the upcoming years. We upgraded the automatic controls of the Shopping Arena A heat exchange station, which has provided us with online remote monitoring

and facilitated the adaptation of schedules to actual heating and cooling requirements. Automatic controls have also been replaced at HVACs and the cooling aggregate in Sports Centre Millenium, which again means more efficient operating schedules. We continued with the implementation of NEDO, a 4-year smart grid project, whose principal partners are the urban community of Idrija, BTC City Ljubljana, the Japanese developmental agency NEDO and its authorised contractor Hitachi, and ELES as project manager and coordinator for Slovenia. Project activities will be carried out on the infrastructure of all the owners of the power distribution network in Slovenia. The key benefits of the project for BTC are the increased reliability of electric energy supply, the reduction of electric energy consumption, and income derived from the collaboration, i.e. providing a part of ELES' ancillary services and marketing the implemented solutions.

**We also run on solar power**

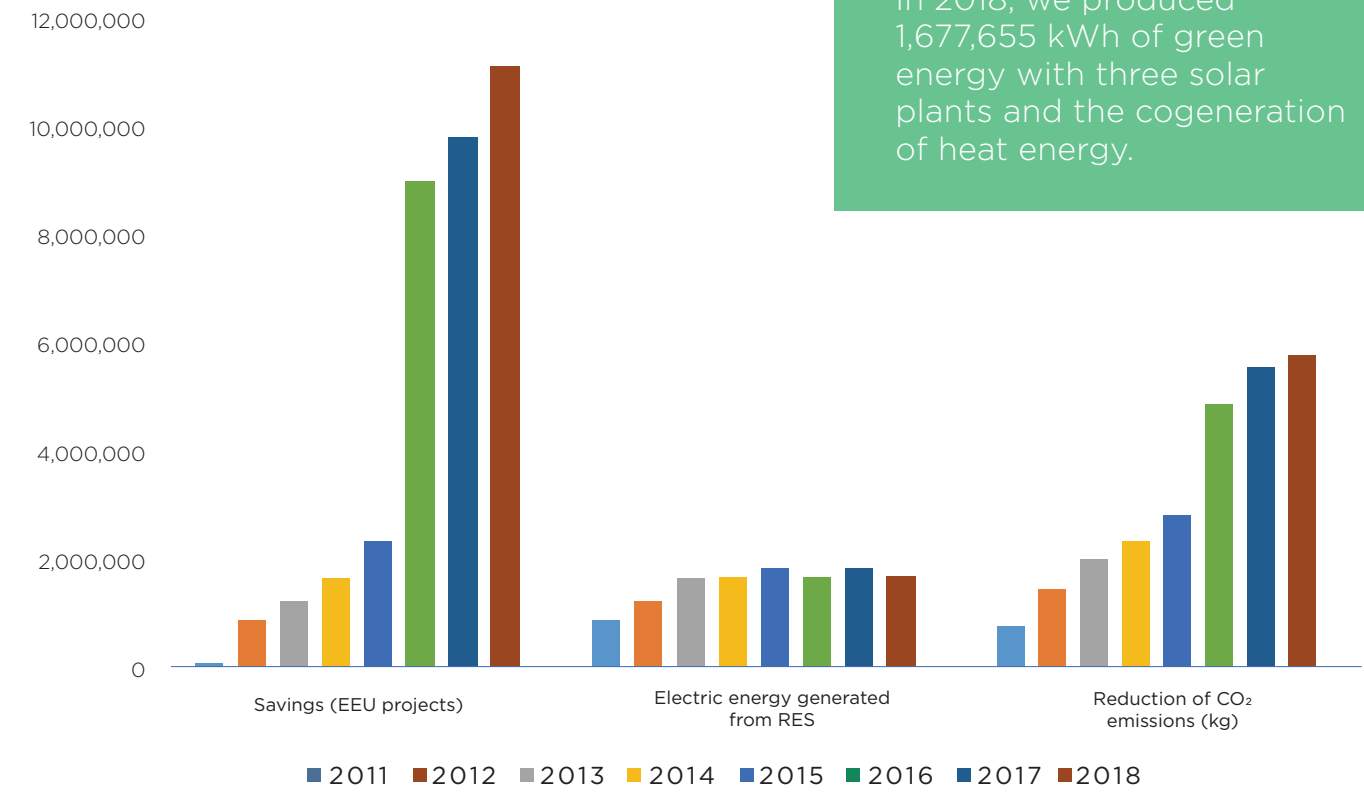
We are successfully producing electricity from renewable resources with three solar plants set up in the BTC Logistics Centre, on the southern wall of the Crystal Palace, and in BTC City Murska Sobota. In Prekmurje, we set up not only a solar plant, but also a cogeneration unit that sustainably produces heat and electricity. A 1 MW diesel generator, intended as a Crystal Palace power reserve, is plugged into Petrol's virtual power plant, which provides a part of the ELES tertiary reserve. In 2018, with three solar plants and the cogeneration of thermal energy, BTC produced 1,677,655 kWh of green energy. With efficient energy projects we also saved 11,147,376 kWh of energy compared to the 2010 baseline. As much as three quarters of energy savings (75%) since 2016 are due to the new heating system using excess heat from AquafilSLO. The system was introduced at the end of 2015 in Atlantis Water Park, and since late 2016 it can also be found heating Sports Centre Millenium. The system promises energy savings and further reductions in carbon dioxide emissions in the future.



kWh/leto	2011	2012	2013	2014	2015	2016	2017	2018
Savings (EEU projects)	67,080	830,400	1,198,310	1,635,660	2,296,876	9,044,876	9,844,876	11,147,376
RES ENERGY GENERATION	1,017,356	1,226,460	1,535,263	1,618,862	1,785,812	1,760,760	1,851,177	1,677,655
Reduction of CO <sub>2</sub> emissions (kg)	759,105	1,439,802	1,913,501	2,278,165	2,857,882	4,868,345	5,449,637	5,781,922

**TABLE:** Savings from efficient energy use projects (in kWh), production of green energy from renewable energy sources (in kWh) and the reduction of CO<sub>2</sub> emissions (in kg)

• EEU – efficient energy use • RES – renewable energy sources



In 2018, we produced 1,677,655 kWh of green energy with three solar plants and the cogeneration of heat energy.

**CHART:** Savings from EEU projects (in kWh), production of green energy from RES projects (in kWh) and the reduction of CO<sub>2</sub> emissions (in kg)



**MISSION: SAVE WATER**

# Water is the driving force of all nature

With these words, it was already Leonardo da Vinci who articulated the importance of water for the existence and evolution of humankind and nature. These days, with much of the world in danger of water deprivation due to excessive exploitation, the importance of water as a resource is even greater. In the past 100 years, potable water consumption has increased six-fold, and projections show that about two thirds of world economies are bound to suffer water shortages in the future. In addition to lower water reserves, the quality of water is falling as well. As such, the “driving force” of our lives deserves respectful and prudent use, which is one of our goals at BTC.



Besides excessive water use, water conditions are adversely impacted by climate change, natural disasters and human intervention in nature amounting to the degradation of vegetation, soil, rivers, lakes and seas. This leads to water pollution and exacerbates the effects of floods and droughts. While scores of international organisations and celebrities are drawing attention to the immense importance of clean drinking water for humanity, warnings alone aren't enough. In Slovenia, we took a step in the right direction in 2016, when we added potable water to our constitution as a fundamental right for all. Now we must do everything in our power for it not to remain a dead letter. Although Slovenia is considered a water-rich country, it is up to us to ensure that it will remain such by enforcing a sustainability-oriented attitude towards the environment.

**Responsible water management**

At BTC, we have introduced responsible water use into the everyday operations of all our business units. By raising awareness

among our employees, business partners and visitors to our BTC Cities, we constantly strive to inform everyone in due time about the importance of water so they may use it respectfully and responsibly every single day.

We try to reduce water consumption with a variety of measures. With our IT system, we regularly monitor water use and promptly detect any potential water loss. We are introducing new technologies and investing in the renovation of infrastructure, including the fire hydrant and sewage networks. In the past 15 years, we have changed 1,750 metres of water pipes. By upgrading the water supply network and responding swiftly, we gradually reduced water losses from 2000 onward – in the past six years, we have noted no more than 6.7% of water loss on average.

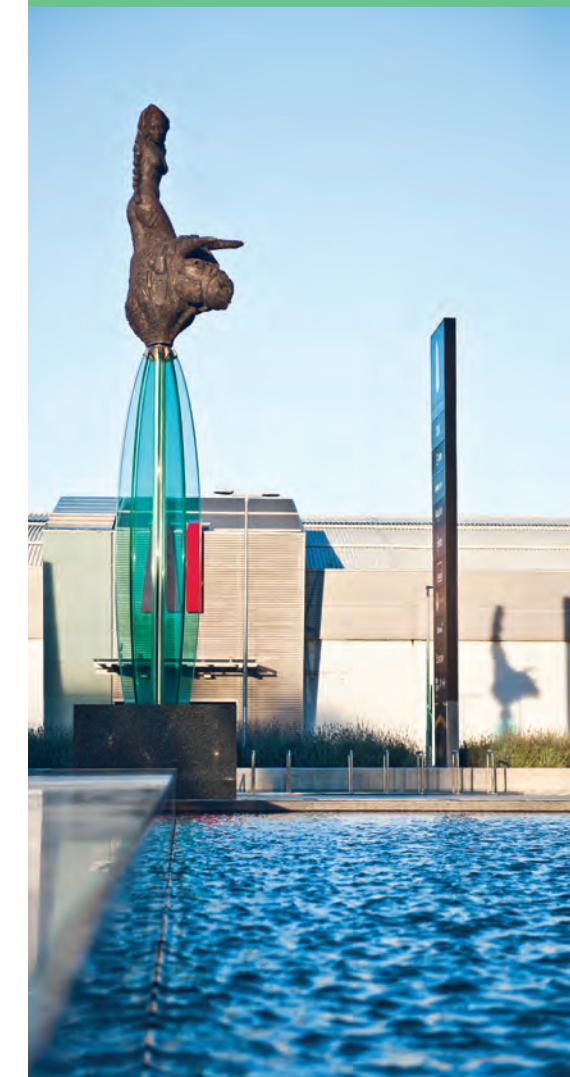
The results of sustainability projects focusing on responsible water use prove that we have a well-maintained water supply system. We are happy to note that the results also confirm that awareness

about the vital importance of water – of us and our stakeholders – is steadily rising.

In 2018, we carried out the following responsible water management projects:

- renovation of storm drains in the BTC City Ljubljana Shopping Arena D parking lot,
- upgrade of the wastewater lifting plant in BTC City Ljubljana Shopping Arena 3,
- upgrade of the wastewater regeneration control system in Atlantis Water Park,
- new hydrophore station in Atlantis Water Park,
- renovation of the fountain control system in the Crystal Palace.

In the past six years, we have noted no more than 6.7% of water loss on average.





## MISSION: WASTE TO RESOURCES



# Recycle the present, preserve the future

Social progress without awareness of the importance of sustainable action results in an increasing amount of waste. Population growth, new non-biodegradable products that cannot be recycled and fast food, a consequence of changing lifestyle habits, are just some of the examples which factor into waste production. In 2017, we produced 6.2 million tonnes of waste in Slovenia alone, which is more than in the previous years. That said, it is encouraging to note that the share of sorted municipal waste has also increased from 68% to 70% compared to last year. Besides lowering consumption and reducing waste production, it is precisely waste sorting and its transformation to raw materials that signals a better future.

Recycling helps reduce the need for natural materials, which are an increasingly scarce resource. At the same time, it is much less energy-intensive than producing materials from natural sources, enabling us to preserve natural resources also from this perspective. Recycling additionally reduces greenhouse gas emissions and the share of waste that ends up in landfills. Importantly, recycling makes it possible to re-use quality raw materials and make new products.

### Green is cyclical

An efficient waste management solution has emerged in the form of the cyclical economy. In addition to the rational use of resources, the cyclical economy promotes the reduction of waste to zero. It isn't just a new frame for sustainable development, but a concept aimed at conducting business in a radically different manner. "Cyclical thinking" is necessary even when the product has not yet been produced. It teaches us that energy use and the consumption of raw materials can be reduced by designing products that are more sustainable, by maintaining and mending them, and by decreasing material and energy losses occurring in production, transportation and sale. The final goal of the cyclical economy is

for the waste of one industry to become raw materials for another. BTC is entering the cyclical economy in its pursuit of sustainable growth. We operate in accordance with the guidelines and standards of the ISO 14001 Environmental Management certificate. We strive for sustainable development by carrying out a number of environmental programmes, recycling waste and re-using it. Doing so, we create savings in energy and raw materials.

percentage point compared to the previous year, when this share was 68%.

### Efforts to promote waste sorting

At BTC, we encourage our employees, as well as our business partners and visitors to sort their waste. We have established an effective system of deliberate and prompt waste collection and sorting at source. Employees are provided with three-compartment sorting bins in the offices, tenants can

**In 2018, as much as 68% of total waste  
was sorted at source into secondary  
raw materials.**

At the same time, we consistently reach our two primary objectives: to increase the share of sorted secondary raw materials in the total waste headed for recycling and to decrease the share of mixed municipal waste. Our goal is to maintain the yearly average of 65% of waste sorted at source as achieved in the past six years, and to raise the share of sorted waste in 2019 by one

resort to our special waste-sorting spots, and visitors are welcome to use our eco-zones equipped with sorting bins. We have our own eco-stations in four of our business units – in BTC Cities in Ljubljana, Novo mesto and Murska Sobota, and in the BTC Logistics Centre. At these stations, waste is sorted and separated into fractions before being handed over to our specialised partners



Waste-sorting stations



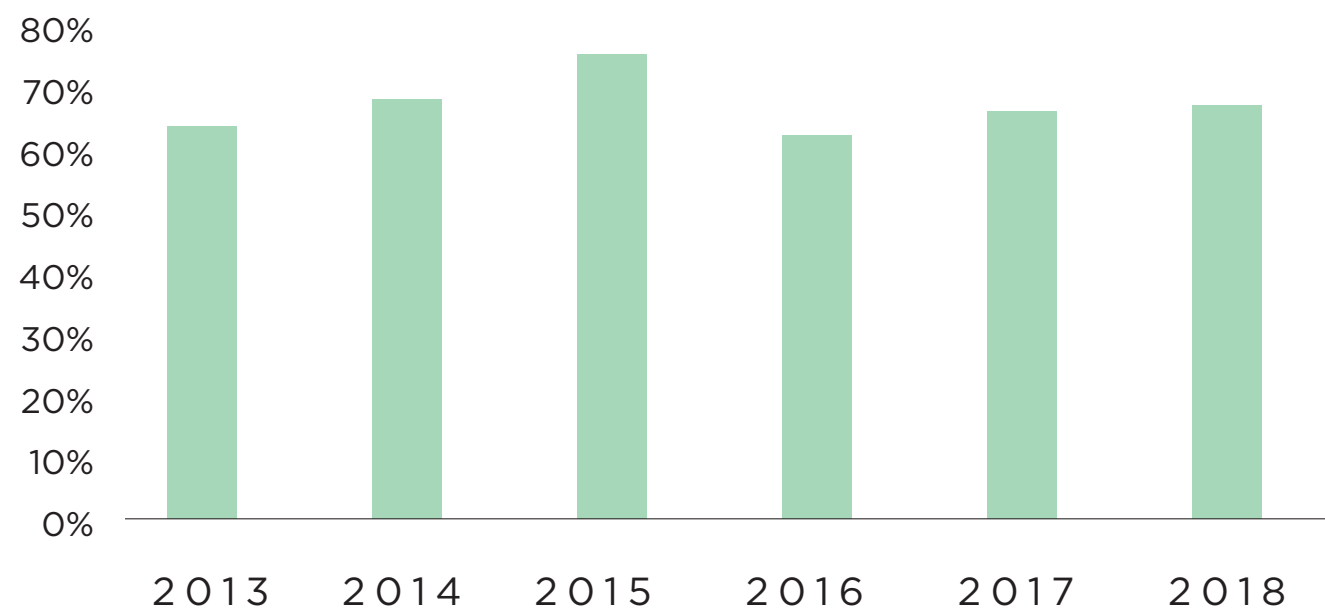
Three-compartment waste-sorting bins

and the public utility company. The eco-stations are also equipped with waste compactors to optimise the number of transportation runs required. Waste collection and transportation to the eco-station are handled by one of our business partners using an electric garbage truck.

In 2018, BTC collected 5,587 tonnes of diverse waste, carefully separated into 31 fractions at our eco-stations. Out of these, secondary raw materials amounted to 20 fractions. They fall into the following categories: paper and cardboard packaging, biodegradable waste, construction waste, mixed packaging, plastic packaging,

wooden packaging, glass packaging, metals and metallic packaging, etc. Overall in 2018, we sorted as much as 68% of secondary raw materials at source. The rest, meaning 32% of mixed municipal waste, gets taken care of by the public utility company, which gains another 40% of raw materials at the central eco-station sorting facility.

**CHART:** Share of sorted waste by year (in %)



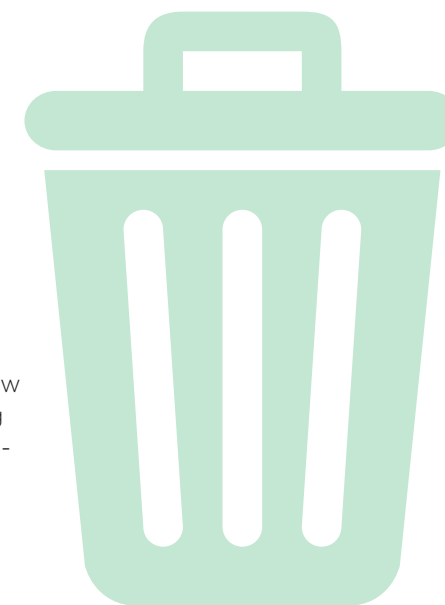
**In 2018, the following projects were carried out with respect to waste collection, separation and disposal:**

- purchasing a new mobile piston waste compactor for use by the BTC Logistics Centre,
- additional outdoor sorting bins for visitors,
- stickers promoting waste sorting.

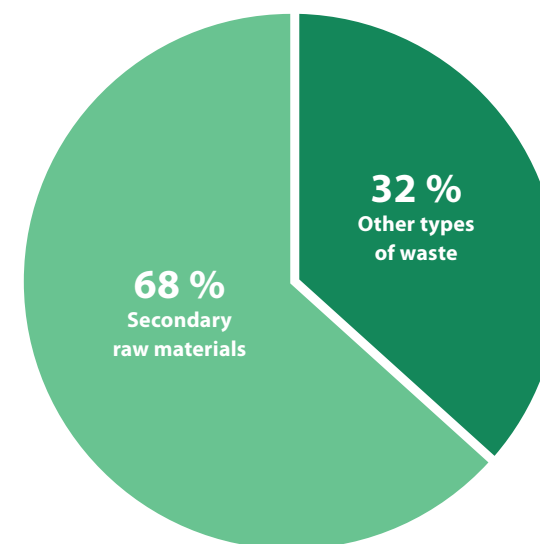
**Implementing measures to achieve measurable results**

In 2019, we aim to relocate the BTC City Ljubljana eco-station, erect dog poo bins as part of the project BTC – An Animal-Friendly City, and stop using plastic bags at

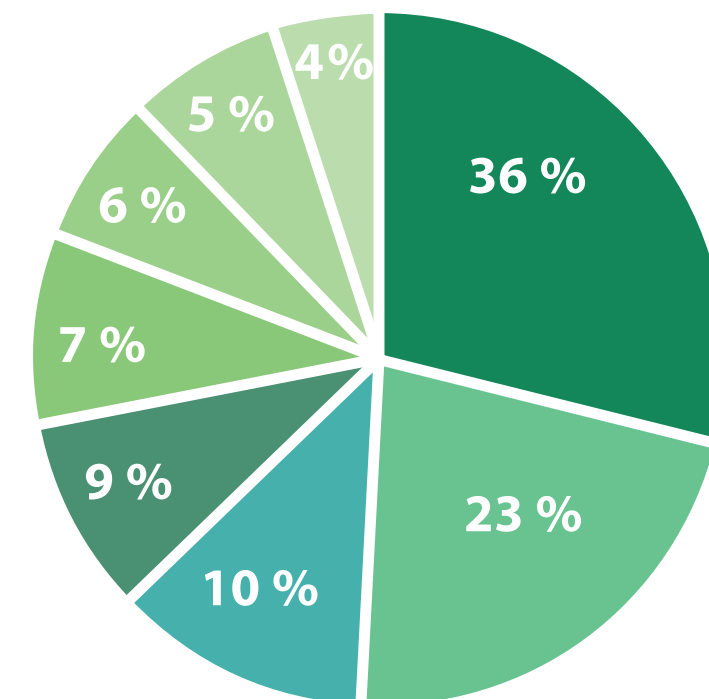
the BTC City Market. Rearranging the area, we also want to set up waste disposal sites beside the new footpaths and replace the existing footpath bins with neat new three-compartment waste-sorting bins.



Considering the outcomes of the modernisation of our waste management system and our endeavour to raise public awareness on responsible waste management, our efforts in this regard have brought significant and measurable results. From the year 2000, when we first introduced systematic waste management, and until the end of 2018, we managed to raise the share of waste sorted at source from 20% to 68%.



**CHART:** Share of sorted waste (in %) in 2018



36 % construction waste; 23 % paper and cardboard packaging; 10 % biodegradable waste; 9 % wooden packaging; 7 % mixed packaging; 6 % plastic packaging; 5 % glass packaging; 4 % metals and metallic packaging; other secondary raw materials

**CHART:** Main types of secondary raw materials (in %) in 2018





#### MISSION: GREEN TRAFFIC

## Compulsory direction: sustainable mobility

The development of traffic encouraged the advancement of economy, enabled better freedom of movement and the connection between people and places. However, the growth of the traffic sector within the regular frames is causing ever growing environmental issues. The future dictates a compulsory direction that leads towards the intensive introduction of innovative mobility solutions. At BTC, we are reducing the impact of traffic on the environment, increasing its flow and are therewith ensuring the safety of all its participants.

On the global scale, as well as in Slovenia, traffic represents one of the most significant sources of harmful emissions and subsequently a polluting factor for the environment. Nevertheless, the number of vehicles has not reduced. In 2018 alone, there were 1,569,000 road vehicles registered in Slovenia – 3% more than in 2017.

The impact of traffic on the quality of air is significant, since traffic emissions negatively contribute to air pollution and greenhouse gas emissions affect climate changes. The traffic sector contributes to several other negative effects, e.g., the increase in noise, the loss of biodiversity, the pollution of water, soil, etc. These are the reasons for ever stronger demands for sustainable mobility that would enable a smooth future development and would at the same time remain environment-friendly.

#### Accelerated use of electric vehicles

One of the future solutions can be seen in the use of hybrid and electric vehicles. The latter also enjoy the support of the Slovenian government, which in 2017 confirmed the alternative fuel

strategy in the traffic sector. Among other things, the strategy proposal envisages that after 2030, the first registration of cars with internal combustion engines running on gasoline or diesel fuels will no longer be permitted in Slovenia. The data from the Statistical Office confirms that this is the right approach. In 2018, Slovenia saw a 52% increase in the number of hybrid passenger cars compared to 2017 which amounted to over 4,600, while the number of electric passenger cars was higher than 1,300, with an increase of 68%. According to the latest studies, electric cars are gradually becoming a competitive alternative to gasoline or diesel fuels. As can be seen in the Bloomberg New Energy Finance study, until 2025, the lower cost of batteries will encourage a lower purchase price of electric cars in the USA and in Europe compared to cars with internal combustion engines.

#### In touch with innovative solution development

The significance of sustainable mobility forms for the future is also recognised in BTC where we implement numerous activities for the support of a more rapid

development of this field. In the scope of Mission: Green Traffic, we provide parking spaces for both cars and cyclists, we set up electric vehicle charging stations in collaboration with our partners and we renovate and upgrade our traffic infrastructure. Our attention focuses on the introduction of innovative mobility forms.

In 2018, we implemented a number of traffic-related projects. The most important factors that contributed to greater safety of our visitors and to better traffic flow are:

- the Future Day event and the test drive of autonomous electric vehicle Navya,
- arranging the parking area and the stairway in front of Shopping Arena 3 in BTC City Ljubljana,
- arranging three two-way streets in BTC City Ljubljana,
- setting up six electric vehicle charging stations in BTC Cities Ljubljana, Novo mesto and Murska Sobota,
- setting up a switch cabinet for connecting electric charging stations for the needs of the lessees in the BTC Business Tower,
- arranging a bicycle garage in the northern part of the BTC Business Tower.





### Pedestrians, cyclists and drivers – welcome

BTC City Ljubljana from the perspective of traffic numbers: 21 million annual visitors, 15 roundabouts, a parking garage, 490 bicycle parking spaces, 8,500 free-of-charge car parking spaces, including special parking spaces for the disabled and visitors with children, as well as four charging stations for visitors with electric vehicles.

These numbers demand appropriate infrastructure solutions we implement in the scope of our traffic management projects. With numerous investments into infrastructure, the arrangement of footpaths, additional pavements and bike paths, we keep our city accessible to all guests and employees, regardless of whether they visit us on foot, by bike – their own one or one via the rent-a-bike system BicikeLJ – or by car – also their own one or one from the electric vehicle co-sharing system Avant2Go. Visitors can use public bus transportation to visit us or brave shorter distances within the BTC City Ljubljana area by using two of Ljubljana's city bus lines and the free City Bus.

### Ensuring traffic flow and accessibility

The fact that parking a vehicle can present a challenge, we inform our visitors of the vacant parking spaces

## At the Future Day event, the autonomous electric vehicle Nava drove in BTC City Ljubljana for the first time in Slovenia.

via digital signboards. In the P4 parking area in BTC City Ljubljana, south of the Crystal Palace, we set up a smart parking system. The system employs ground sensors, which provide an overview of the available parking spots in real time, allowing for faster and more efficient parking. We also provide orderly traffic management and guidance



Quick-charging station

during daily rush hours and special events. These steps make for a better shopping experience of BTC City Ljubljana visitors, allow for better traffic flow, and also reduce exhaust gas emissions into the atmosphere. The system also improves the safety of all road users.

We are constantly thinking about the solutions for our employees; 400 parking spaces in the BTC City parking garage next to Atlantis Water Park have been arranged for a more comfortable daily access of our employees and business

electric vehicle charging stations in 6 different locations in BTC Cities. The charging stations are located at four different spots in BTC City Ljubljana, one spot in BTC City Novo mesto, and another one in BTC City Murska Sobota. At all six locations in BTC Cities, these public alternating-current (AC) charging stations allow the charging of two vehicles simultaneously, with a maximum charging power of 22 kW per charging spot. We have also painted these parking spaces with a specific colour, setting them apart from the regular parking spaces. This way, visitors can find them more quickly. An additional charging spot has been put to use at the electric car sharing station in the Avant2Go system in BTC City Murska Sobota. In cooperation with the City Municipality of Novo mesto, we have set up an automated public rent-a-bike station in BTC City Novo mesto.

### Management of unique infrastructure

As part of the real-life test environment concept (BTC Living Lab) and in cooperation with our partners, we established a unique ecosystem that enables the development of solutions for autonomous vehicles (the AV Living Lab) and the cultivation

of technologies that will adjust to the needs of the people. Diverse infrastructure and expert knowledge from different industries represent a basis for the establishment of a learning environment for the development of autonomous vehicles, which is set up in BTC City Ljubljana. In the near future, connected and autonomous vehicles will become a part of our daily lives. That's why learning in a real-life environment, such as BTC City Ljubljana, where real people are a part of numerous genuine interactions, is the best possible way to acquire valuable knowledge and cultivate solutions for autonomous vehicles. BTC actively strives towards introducing alternative mobility forms, which we are developing and introducing with our business partners. Among the mentioned mobility forms, we can find also very popular car sharing and ride sharing services.

### Towards autonomous future

To test the ideas of the future in the field of advanced mobility, the BTC Company has founded a subsidiary, the AV Living Lab, which develops concepts for testing autonomous or self-driving vehicles. In doing so, we are partnering with renowned global car manufacturers who see their future in autonomous vehicles. The AV Living Lab manages a globally unique real-life test environment full of daily interactions within the BTC City Ljubljana area, with its diversity also providing an excellent basis for developing artificial intelligence-based technologies. The company aims to create a development-research environment for the most advanced connected and autonomous driving experience. In the near future, connected and autonomous vehicles will become a part of our daily lives. That's why learning in a real-life environment that connects 12 million cars per year, pedestrians, cyclists and public transportation buses which generate numerous genuine interactions is the best possible way to acquire valuable knowledge and cultivate solutions for autonomous vehicles. Dealing with many

situations and interactions will be crucial in the process of designing and progressively safely deploying autonomous vehicles.

### Insight into the future of mobility

In the spirit of the future, the Future Day event took place in BTC City Ljubljana in April 2018, where visitors were able to test an autonomous Nava electric vehicle for the first

time in Slovenia, learn about different innovations of the manufacturers from the field of future mobility and see the benefits of BTC City Ljubljana as a real-life test environment. The event was organised by the BTC Company and AV Living Lab as part of the Ten-T Days conference hosted by the European Commissioner for Mobility and Transport in Ljubljana, mag Violeta Bulc.

Autonomous electric vehicle Nava





**MISSION: SAFETY FOR ALL**

# Playing with safety is playing with life

We are living in a world that is changing rapidly. Our priority remains ensuring safety, which is gradually transforming from the physical into the digital form. The BTC Company faces the challenge of ensuring safety, especially in our largest centre, BTC City Ljubljana, which is visited by as many as 21 million visitors every year. Special attention is paid to ensuring physical safety and fire prevention, as well as to protection of property and assets. With preventive measures, we systematically reduce the possibilities for the endangerment of the safety of our employees, business partners and visitors, and are ready for a swift and efficient action.



## In 2018, the following projects were carried out to strengthen safety and security:

- continuation of the project Mission: Safe City in cooperation with MiDS, d. o. o., (iHelp) – workshops in the ABC Hub and the certificate "Heart-friendly company",
- participation in the project Safe Cycling, organised by the company Butan plin,
- construction of three two-way streets and implementation of a new traffic regime for increased safety in traffic in BTC City Ljubljana,
- upgrading of sprinkler installations in Shopping Arena 1 in BTC City Ljubljana,
- setting up fire-protection walls in Shopping Arena 1 in BTC City Ljubljana,
- renovation of security lighting in Shopping Arena 12 in BTC City Ljubljana,
- supplementing the fire safety system in Shopping Arena 12 in BTC City Ljubljana,
- replacing of security lighting in the parking garage BTC City Ljubljana,
- upgrading of sprinkler installations in the Crystal Palace.

In BTC Cities, we focus especially on general security, fire prevention and traffic safety. We carry out different activities aimed at fire prevention measures and the upgrade of our asset protection systems. We also continually upgrade our centrally controlled video system, the anti-burglary security systems and the fire safety systems.

### **Safety represents the path we take, not the destination we pursue**

In BTC City Ljubljana, which is an open area with a high daily visitor count and therefore a special challenge in terms of ensuring safety, a special role is played by our own safety and security unit. Its employees regularly attend professional educational and training courses in addition to their ongoing cooperation with the police, rescue and fire services. Trained personnel and investments in the modernisation and improvement of security systems help us create an environment in which our visitors, employees and business partners feel safe.

### **Managing a pleasant and safe city for all**

In the scope of managing our surfaces, traffic safety represents

an important field. We are implementing it with numerous projects that are in accordance with the principles of shared traffic space, whose goal it is to slow down traffic and create a more visitor-friendly environment. Besides providing better security, we also improved the general atmosphere of the area and the quality of air by further greenifying the areas along the roads and public areas. For example, reducing the risk of road accidents by introducing one-way streets is one of our steps – fewer two-way streets where cars can collide mean fewer accidents.

Contributing to the same goal are more roundabouts and better and more visible road markings. In 2016, we started introducing one-way streets in the area of BTC City Ljubljana, four of which were introduced in the same year and additional four a year later. In 2018, we continued to reorganise street surfaces with the reconstruction of three two-way streets: the Grška ulica street, the Hrvaška ulica street and the Francoska ulica street, where we also set up cycling lanes and footpaths. Besides that, we also planted 13 trees and 400 shrubs. By renovating the streets and greenifying



the areas, we are creating a safer and a more enjoyable atmosphere of the BTC City Ljubljana and are reinforcing the appearance of a tidy, urban and visitor-friendly city.

#### Renovating today for a better tomorrow

In order to arrange the squares in the BTC City Ljubljana area as best as possible, as they represent the heart of social life, we seized the opportunity during the Summer of 2018 to renovate the external, covered part of the BTC City Market. We renovated its north and south entrances and the vegetable



The reconstructed Grška ulica street

By renovating the streets and greenifying the areas, we are creating a safer and a more enjoyable BTC City Ljubljana.

stands, and installed new stands for selling textiles. Therewith, the market has become more open and more accessible to visitors.

#### BTC is a heart-friendly company

We also strengthen safety in the field of emergency medical care. In cooperation with MiDS Company, we are implementing the project BTC City: Safe City, trying to present the basic resuscitation techniques using a defibrillator through workshops. BTC is also the recipient of the certificate "Heart-friendly company", awarded by MiDS.

#### Partnering-up for better safety of cyclists

In the BTC Company, we are also raising awareness about the safety on the streets. In 2018, we once again took part in the all-Slovenian project Safe Cycling, organised by the company Butan plin and its partners and supporters for the sixth year in a row. The project encouraging safe and independent inclusion of young cyclists in traffic brought together more than 100 schools and 3,700 students.



The all-Slovenian project "Safe Cycling"

09

#### MISSION: SOCIAL RESPONSIBILITY



The more we share, the more we have

Creating a successful business model and building a better world are not two conflicting goals – they are both essential, achievable and even more – they are the true foundations of long-term success. American actor and writer Leonard Nimoy's quote in the title shows that the more successful a company is, the more it can share and create and at the same time receive a growing number of good things in return. At BTC, we experience such relationship through socially responsible projects. With the help we provide to society and the environment in which we operate, we grow, give back a part of the energy and passion from which we draw inspiration for our development, and create stories that spread a lot of good and inspire those who hear them.



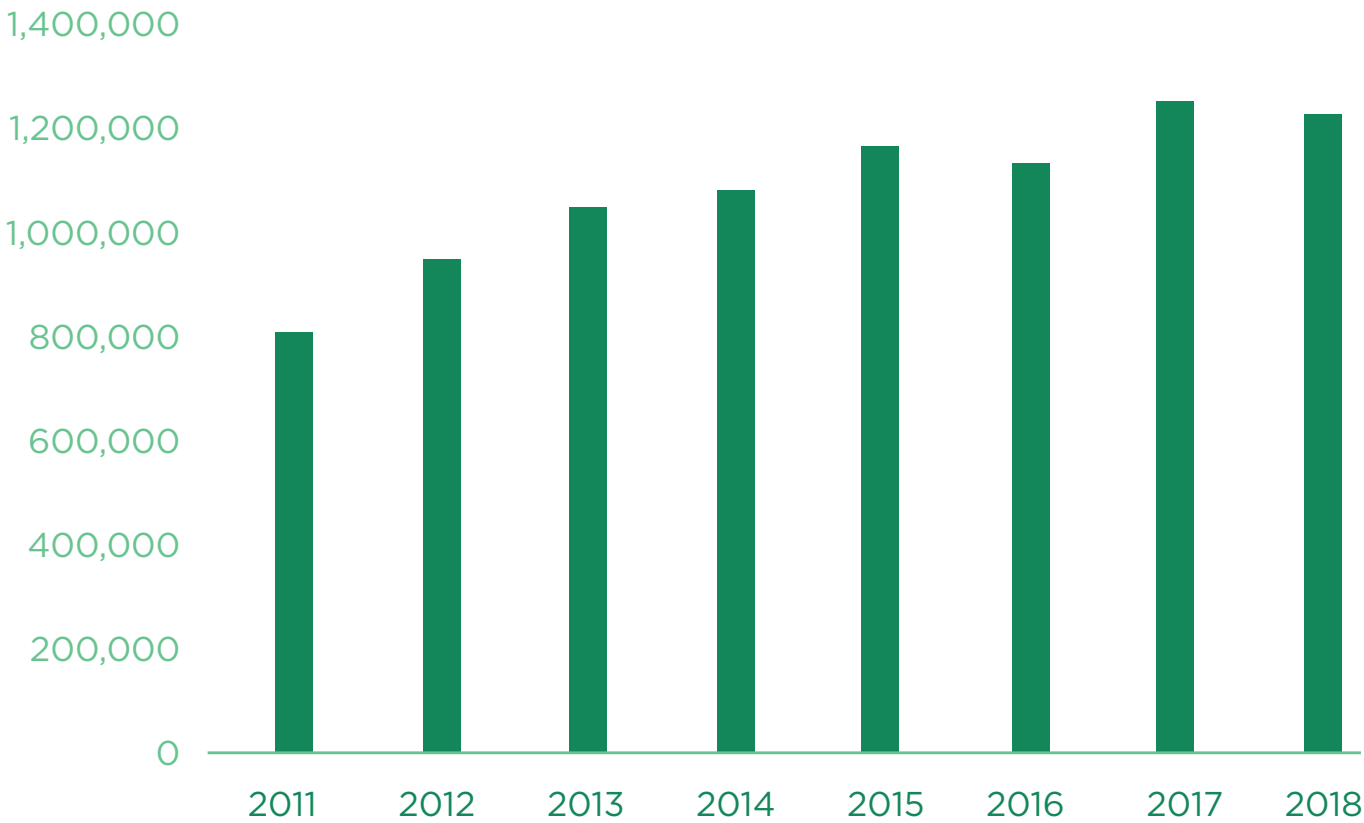
We believe that a company's business path cannot be successful, unless we also share the success with the people and the environment in which we operate. That is why we provide our help and support in many areas. We are loyal supporters of athletes and we stand by their side for years and see them achieve great results. We support cultural projects, as well as music, theatre and other arts. We believe that art is a universal language of humankind and that it easily transcends geographical borders. We put strong emphasis on young people and their education. This is how we build a better world where we will all feel better and will be able to create at an even higher level.

**Support is an important foundation of success**

We consider social responsibility not as a one-way transaction, but as a notion that supersedes sponsorships and donations. It is a reciprocal relationship that builds strong and lasting other relationships. Thereby, we want to actively co-create the achievements



BTC is a long-time supporter of Slovene gymnastics

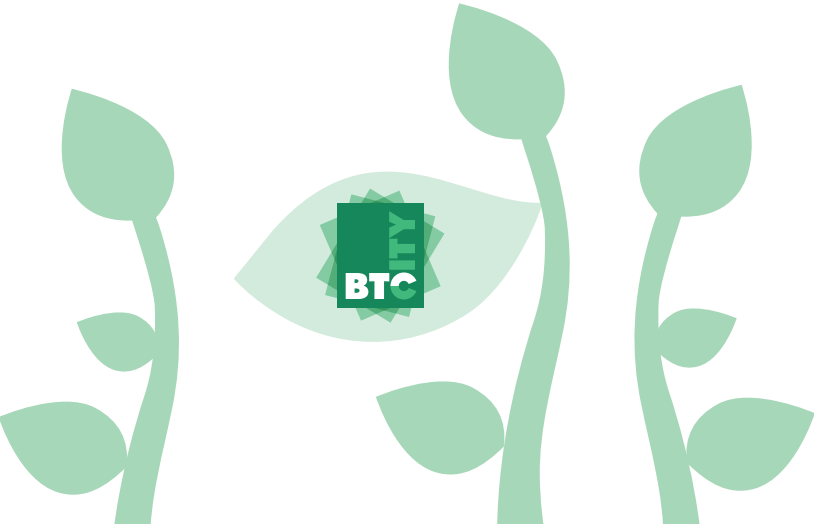


**CHART:** Annual comparison of value of funds intended for socially responsible projects of the BTC Company (in EUR)

of individuals and organisations, since we believe that the secret to success lies in the power of support. And BTC wants to share that power also in the future. We are connected with our partners through various noble values: ethical actions, respect for the environment, innovation, the promotion of development, and the creation of added value. We seek synergies with many partners, we connect with joy and grow together. This is why in the last eight years we have invested 8.7 million Euros in socially responsible projects. Also

in 2018, we helped write successful stories, since we supported more than 300 organisations, individuals, events, and other activities and projects from different domains, including sports, education, science, culture, innovation, transport and ecology. Here, we share with you some of the most beautiful moments of activities that make our everyday life beautiful.

**PROJECTS FOR YOUNG PEOPLE**  
**Friendship is the most beautiful gift**  
The BTC Company has again supported the implementation of



Final event of tender  
Encourage Friendship





the tender Encourage Friendship, which we co-create with the Society for Sustainable Development Sobivanje. The tender encourages creativity and solidarity and promotes positive values among children. In 2019, 11,142 friendships were established and strengthened through the project, with 189 schools and kindergartens from all over Slovenia participating in it. The project Encourage Friendship took place for the sixth year; in this period, more than 30,000 children from all over Slovenia participated in the project. Children are given the opportunity to reflect on their friends, things and values that are important to them, as well as what they dislike. They then express their thoughts creatively and pour them onto paper. In the spring, their creative work was exhibited in all three BTC Cities in Slovenia, while the best kindergartens and primary schools also received awards.

#### **Festival of Sustainable Co-Existence**

In May 2018, the fourth Festival of Co-Existence was held at Adrenaline Park Atlantis. This represented the conclusion of sustainable projects that the Society Sobivanje and its partners carry out throughout each school year. At the festival, children participated in sustainable workshops

regarding a healthy lifestyle, traffic safety, environmental care and energy efficiency. They also enjoyed sports games and an animation programme at the awards ceremony. The project was particularly successful in the 2017/2018 season, as more than 55,000 children from over 650 kindergartens and schools participated in it.

#### **Green steps for green traffic**

Project Mission: Green Steps, which in 2018 was organised for the second time, encouraged creativity among young people regarding sustainable development with the emphasis on green mobility. With the partner support of the BTC Company, the organiser of the project – the sustainable development programme Eco-Schools – engaged children in activities within fine arts tender, technical and graphic art creation and research work. During their creative work, young people were actively involved in talking about and discussing friendlier, more sustainable forms of transportation and their role in preserving a clean environment.

The project saw the participation of 2,050 young people from 120 institutions from all over Slovenia. At the closing event in theatre SiTi Teater, the best kindergartens,



BTC Campus, a unique entrepreneurship educational programme for young people

primary and secondary schools and the best faculty were announced and awarded. The creative works of young artists were also exhibited in Shopping Arena A for all visitors of BTC City Ljubljana to admire.

The closing event of the project Mission: Green Steps



#### **BTC Campus unveils the exciting world of entrepreneurship to young people**

The BTC Campus, in 2018 attended by already the sixth group of young people in Ljubljana and the third one in Murska Sobota, is a good example of connecting the academic sphere, the economy and the state. In cooperation with the Employment Service of Slovenia and the Centre of Business Excellence of the Faculty of Economics, University of Ljubljana, the BTC Company who is the initiator and the manager of the programme, enabled 30 young people in Ljubljana and 30 in Murska Sobota to strengthen their entrepreneurial competences and expand their network of connections. Young people supplemented their knowledge by addressing concrete business challenges and good practices, and gained insight into modern technologies and entrepreneurial approaches. The programme, which took place from March to May 2018, encompassing 36 lessons, was held at the business

centre ABC Hub in BTC City Ljubljana and in BTC City Murska Sobota. In 2018, a new three-day hackathon was introduced in the programme in Ljubljana where groups of participants developed solutions for modern shopping. They based their solutions on the findings they got from field interviews. The results of the hackathon were remarkable, and in the three days the participants not only developed applied solutions, but also gained a lot of new knowledge. The data from the Employment Service of Slovenia shows that the programme successfully fulfils the mission of improving career opportunities for young people. 75% of 210 participants in total were employed within six months after the programme came to a close. Encouraging is also the feedback from satisfied young people who are grateful for the opportunity to participate, as the BTC Campus programme helped them build their confidence and encouraged them to pursue their career goals.

#### **We are as busy as bees in encouraging urban beekeeping**

No bees – no life. It is exactly this awareness that is at the heart of the project Help the Bee – Flower up the City, through which the BTC Company and the City Municipality of Ljubljana along with their partners raise awareness among the people of Ljubljana about the significance of bees and encourage them to flower up their window sills and balconies with melliferous plants. A part of the project was the exhibition Urban Beekeeping, with which in early April 2018 already the fifth project Help the Bee – Flower up the City began. At the exhibition in Shopping Arena A in BTC City Ljubljana, visitors were able to observe bee-life in the apiary near Atlantis Water Park and in other selected urban apiaries through the Bee Control Centre. End of spring, the Bee Control Centre moved to the Slovene Ethnographic Museum, where it was presented as part of the temporary exhibition Where Bees are at Home.





Planting melliferous honey plants in BTC City Ljubljana



In April 2018, we distributed several thousand bags of seeds of melliferous honey plants in the centre of Ljubljana, while offering expert advice on how to help bees get enough pasture, in cooperation with project partners – companies A1, Medex, Merkur, Hofer, Semenarna Ljubljana with garden centres Kalia and Minicity Ljubljana. We celebrated World Earth Day by organising a flower fair at BTC City Market, and we certainly did not forget to celebrate the first ever World Bee Day on 20 May. On this day, in BTC City Ljubljana under the patronage of the Eco-School programme with students from Martin Krpan Primary School, Zadobrova Primary School and students from the secondary school Gimnazija Jožeta Plečnika Ljubljana and under the watchful eye of Andrej Mramor, a horticultural expert from the company Galanthus, we grabbed our gardening tools

and planted over 1,900 melliferous honey plants, including over 600 sunflowers, along the Ameriška ulica street in BTC City Ljubljana. One of the urban apiaries is also located in BTC City Ljubljana, where in the summer the bees once again rewarded us abundantly, as we harvested almost 90 kilograms of honey. In 2018, we concluded with the second expert discussion entitled the Challenges of Urban Beekeeping, which we once again hosted in BTC City Ljubljana. In 2018, the project Help the Bee – Flower up the City was one of the ten projects from Slovenia listed in the Urban Nature Atlas. This is a collection of natural solutions in European cities, created as part of the Naturvation partnership under the aegis of the Durham University of Great Britain under the auspices of the European Union. The Atlas describes solutions that use the ecosystem's natural resources and can limit the

impact of climate change, promote biodiversity, improve the quality of the environment, while contributing to the economic activity and the quality of life.

#### **Pets allowed entrance from now on**

Following the practice of foreign shopping malls which we could visit with four-legged family members already a decade or more ago, we also opened our doors to pets in the BTC City Ljubljana shopping centre. Along with their pet dogs, visitors can now enter the shopping areas of Shopping Arena A, the lower floor of the Emporium Hall and the Crystal Palace Shopping Gallery. The premises where dogs are allowed to enter, accompanied by their owner or caretaker, are indicated by green markings in front of the entrances to the mentioned halls. Also at the entrances, there are instructions that the owners or caretakers must follow during the visit.

In 2018, the construction and renovation of the Old Ljubljana Airport site began; the completion of works is planned for spring 2019. At the same time, we also plan the construction of a wide footpath leading to Atlantis Water Park.

The story of the first Slovene civil airport in Moste District in Ljubljana came to life with a major aircraft rally on 20 August 1933. The use of the airport began to decline after 1979, when airplanes had to make room for the industrial zone. In 2016, the BTC Company was the only company to apply for a public tender and enter into a public-private partnership with the City Municipality of Ljubljana (MOL) with the project Renovation of the Old Ljubljana Airport. The aim of the project is the renovation of the airport tower and the airport building, the arrangement of the landscape, the revival of the programme and the presentation of the site as cultural heritage of exceptional importance. The renovation, which foresees the completion of the works in spring 2019, is in accordance with the guidelines of MOL and other organisations involved in the project: the Institute for the Protection of Cultural Heritage of Slovenia and the Museum and Galleries of Ljubljana.

It is the first Slovene civil airport whose area in 2011 became a cultural monument of local importance. The preserved buildings of the airport have exceptional historic and architectural value and reflect historical, technical, urban, architectural, artistic and landscape values.

#### **RENOVATING A CULTURAL MONUMENT - THE OLD LJUBLJANA AIRPORT**



# culture

#### **THEATRE BTC SITI TEATER - 10 YEARS OF SUCCESSFUL ACTIVITIES**

Ten years ago, in 2008, theatre BTC SiTi Teater grew on the foundations of the former theatre Teater Komedia, which under the artistic leadership of actress Polona Vetrih found its place on the outskirts of BTC City Ljubljana. Under the new leadership of Uroš Fürst and Ana Kajzer, the theatre soon became very popular, especially among fans of quality comedy theatre, and later among fans of concerts, children's shows, stand-up evenings and impro performances. On the theatre's 10th anniversary in 2018, we were proud of our own 17 theatre productions and co-productions, including hit shows, such as Fotr, Star fotr, TAK SI, Moja dežela, Mame, Divjak, Še vedno mame, Brade and the latest Čakalnica, as well as numerous guest hits, such as Jamski človek, Čefurji raus!, Od tišine do glasbe, Pijem, ker sem pač žejna, Boksarsko srce, Cucki, etc. With more than 1,700 performed events on the home stage and 1,100 guest appearances all over Slovenia and abroad, BTC SiTi Teater has become a trusted brand with a leading position in its field.



#### **AN EAR FOR CULTURE AND ARTS**

At BTC, we value the creators of art and cultural content who take care of our souls. That is why we also support young artists and art culture, which is spread by the AAMI Institute under the auspices of Miha Murn, and the largest Slovenian cultural event, Festival Ljubljana, which in the summer makes Ljubljana a true cultural centre.



## UNCONDITIONAL SUPPORT OF CYCLING

At BTC, we are proud of our longstanding support of Slovene cycling. It is made up of many success stories that connect BTC and other fans of cycling. Cycling is especially close to us because of the values it represents. It nurtures respect for nature and recognises its beauty, emphasises the importance of hard work, perseverance and boldness for growth beyond virtual frameworks and spreads the voice of Slovenia's excellence. Our cycling stories in 2018 have also brought us many resounding victories and the fulfilment of outstanding goals.

Among these stories, Marathon Franja BTC City should not be overlooked, since it represents an international recreational competitive event with the longest tradition in Slovenia. Its 37th edition took place in June 2018. This is a sports event that connects cyclists and cycling enthusiasts of all ages. In 2018, Barjanka was added to the trials. Barjanka is a new sports and tourist event that offers cyclists the experience of the Ljubljana Marshes and the opportunity to enjoy its cultural and natural heritage.

Bringing joy to our hearts with the results is also the women's cycling team BTC City Ljubljana, whose founders are BTC, Cycling Association KD Rog and the City Municipality of Ljubljana. From one season to another, women cyclists are improving their achievements and are reaching for top individual and team results in the most elite races. In 2018, they finished the season 11th in the Women's WorldTour rankings and 12th in the Union Cycliste Internationale

# sport



Marathon Franja BTC City

Women's cycling team  
BTC City Ljubljana

(UCI) rankings. With excellent results, the women's cycling team BTC City Ljubljana is proving its rightful place on the world cycling map, thus increasing Slovenia's recognisability as an attractive, green, active and sustainable cycling destination.

Our cooperation with Cycling Association KD Rog is of particular importance; in 2014, it resulted in the BTC City Ljubljana Cycling School for Girls. It was founded to raise young local female talents of the BTC City Ljubljana women's team. The goal of Cycling Association KD Rog, under the auspices of which the school carries out its activities, is to involve young girls in road cycling. In 2018, that has worked out very well for us. The girls from the BTC City Ljubljana Cycling School have participated in more than 30 cycling competitions.



## WE ARE INSPIRED BY "THE DEVILISH SLOVENIANS" AND WOMEN'S SKI JUMPING

BTC also supports the perseverance and hard work of female athletes, who certainly do not lack courage. Women's ski jumping and athletes are gaining recognition at home and abroad. In the 2017/2018 season, there were only 18 World Cup competitions, while in 2018/2019, the total number of competitions jumped to 27, indicating a tremendous increase in the interest for this sports discipline. Proving that Slovenia belongs among leading ski jumping countries is the selection of venues for only two team events scheduled for the 2018/2019 season as part of the World Cup: the first one in Zao, Japan, and the second one in Ljubno.

The competitions in the 2018/2019 season were also special for two other reasons. The first one being a newly resurfaced home ski jump, receiving a new plastic surface in 2018. This way, the need for larger amounts of snow presents no immediate issue for the organisation of winter competitions. The second reason that puts special significance to ski jumping is the publication of a book celebrating three important milestones that characterised Ljubno in 2018: the 65th anniversary of ski jumping in Ljubno, the 45th anniversary of the club and the 25th anniversary of cooperation with BTC. The book Ljubenska ljubezen (The Love of Ljubno) was written by Rajko Pintar. As he explained: "It is not about finding data, the essence of this book are real-life stories, stories of great courage, stories of bravery and grand plans that have been realised by generations."



Signing of sponsorship contracts with gymnasts

## MOVEMENT AS POETRY - WE SUPPORT GYMNASTICS

Professional gymnasts perform complex gymnastics elements with such ease as if poets quoted their poetry. However, just as poets and their works hide a lot of knowledge, hard work and originality, a lot of talent and effort is also put into gym poetry. At BTC, we are happy to encourage and support such persistence. This way, we enable smooth training and participation of promising athletes in competitions, raise awareness about the importance of an active lifestyle, contribute to the promotion of sports culture and continue our more than 20-year-long tradition of supporting Slovenian gymnastics.

Due to the complexity of this sport, the BTC Company deeply respects male and female gymnasts. As supporters of the Slovene Gymnastics Federation, we are also the general sponsor of the Gymnastics World Cup, the largest gymnastics competition in Slovenia, which in 2018 saw its 14th edition that took place from 31 May to 3 June in Koper. End of 2017, the appointment of mag Damjan Kralj, Member of the Management Board and Director of Sales and Marketing at the BTC Company, to the position of the President of the Slovene Gymnastics Federation strengthened the connection between BTC and the Slovene gymnastics even more.

In 2018, BTC supported as many as 13 Slovene gymnasts. Among the 13 we support, there are 6 male gymnasts and 7 female gymnasts. In addition to signing individual sponsorship contracts, we also supported the rhythmic gymnastics club KRG Tim, which has been developing rapidly under the leadership of Mitja Petkovšek and Mojca Rode since its founding in 2014, with as much as 490 children already attending trainings. Every year, we also support the traditional international rhythmic gymnastics tournament MTM, organised for the 31st time by the rhythmic gymnastics club KRG Narodni dom Ljubljana this year.

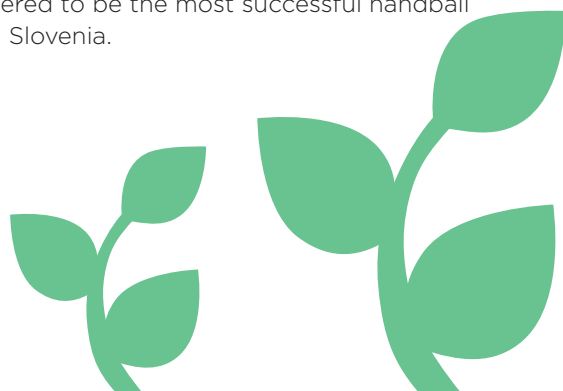


FIS World Cup Ski Jumping Ladies Ljubno ob Savinji



## WE ARE GIVING IMPETUS TO SPORTS CLUBS AND ORGANISATIONS

We show our support for the sports not only by supporting individual athletes, but also sports clubs and organisations that provide individuals with the conditions for developing their talents. Among larger organisations and federations, the Olympic Committee of Slovenia, the Tennis Federation of Slovenia, the Slovene Gymnastics Federation, the Slovenian Table Tennis Association and the Ice Hockey Federation of Slovenia are worth mentioning. Providing support for the School Basketball League ŠKL, we also encourage young people to engage in sports activities. Among the sports clubs, our long-standing support is enjoyed by the basketball club KK Petrol Olimpija, which boasts many international top results. We are also a supporter of the handball club RK Celje Pivovarna Laško, which is considered to be the most successful handball club in Slovenia.



24-hour charity cycling event with Marko Baloh

In 2018, we helped write more than 300 successful stories by supporting different projects.

## CHARITY CYCLING FOR ACTIVE HOLIDAYS OF CHILDREN

The BTC Company supported yet another charity project in a special charity initiative at the sports centre ŠC Millenium. In January 2018, the ultra-marathon cyclist Marko Baloh jumped on his bike for the 13th time and pedalled for 24 hours, while being joined by over 80 sports enthusiasts. The traditional marathon cycling trial was held with the support of the Rotary Klub Ljubljana Nike; the event was held in support of the project Gibaj in zmagaj (Move and Win). The donations in the total of 1,063 Euros were donated to the summer camp for young people, where they are involved in activities regarding healthy food, an active lifestyle and a positive self-image.

# 10

## MISSION: INNOVATION FOR PROGRESS



# Vision is the art of seeing what is invisible to others

On the global scale of the most innovative countries in the world, published by the World Intellectual Property Organisation and the INSEAD business school, Slovenia ranked 30th in 2018, slipping two places compared to the year before. For a higher ranking of Slovenia in the coming years, recognition and support of individuals and organisations with developmental potential is key, something BTC dedicates a lot of attention to.



The introductory quote by author Jonathan Swift describes vision as the ability to anticipate. With a view to a technologically advanced future, BTC embarks on brave paths in the present. We see innovation as a sort of energy that pervades our company and surrounds us. On the one hand, we encourage innovation among our employees, while on the other, we are susceptible to groundbreaking ideas, technologies and the approaches of other stakeholders in our environment.

In recent years, our innovative approaches have led to the development of a smart, digital and innovative BTC City Ljubljana, which now represents a unique referential area, recognised by the local and the international public. Besides the transformation and digitalisation of existing business processes, where we optimise our business operations with diverse improvements and introduce new digital solutions, our company is also active in numerous other, technologically advanced areas. Our success is reflected in awards and recognitions that attest to our

originality, groundbreaking ideas and entrepreneurship.

**Employees as initiators of innovative projects**

Creative personnel is crucial for the development of businesses into modern and innovative enterprises. This is why we strive toward involving our employees, as well as our business partners, in our projects and innovative processes. We welcome groundbreaking concepts, original ideas and new visions from all sides, and we see cooperation as a means of their implementation. Since 2008, we have fostered a model effectively encouraging participation in the further development of the company and the inclusion of employee creativity in the company's business called Ideas and Projects with a Vision. Employees are rewarded for their contribution of innovative ideas and projects. By establishing the company's new business pillar for innovation and digitalisation, breakthrough ideas and employee innovation have been amplified and have found their way to the



Hackathon in the ABC Hub

Fifth Demo Day in BTC City Ljubljana



forefront. With this in mind, in 2016, we established our own innovation office, dealing with a faster implementation of initiatives in practice. In search of ideas, our employees interconnect, strengthen interpersonal relations, and cooperate more efficiently also in other tasks and projects.

In 2018, 57 visionary ideas (with 79 employees working on them) and 11 visionary projects (with 27 employees working on them) were registered. Every year, the best visionary ideas and projects of our colleagues are presented and rewarded at the Strategic Conference and the BTC Innovation Day. In the 2008–2018 period, our employees submitted 451 visionary business ideas and 75 visionary projects.

**A place of inspiration and a vault of new knowledge**

At the start of 2018, the ABC Accelerator marked its third

anniversary. In its three years of existence, it ensured the participation of 130 startups, organised seven acceleration programmes, five acceleration programmes for corporations and sixteen hackathons. These are exceptional projects which show that the decision made in 2015 to found the ABC Accelerator was right. Today, the company has developed into a global generator of innovation and transformation, and it has been helping with the development of startups and established enterprises in Slovenia and globally. The ABC Accelerator has become a place of inspiration and a vault of new knowledge for us and our business partners. Through the past seven acceleration periods, the ABC Accelerator gained a lot of experience and know-how, which will be used in our new programme in the upcoming year. In 2018, the ABC Accelerator

received its second CESA Award for the best acceleration programme in the region, which gives additional impetus for future improvement.

**Encouraging the entrepreneurial community**

In 2018, our second innovation centre – the ABC Hub – also started to flourish as it established itself as a universal area of business and social happening. We are pleased by the high level of the interconnectedness of users and the establishment of a real entrepreneurial community in its co-working offices. In 2018, it hosted more than 170 different events, trainings, seminars, workshops and hackathons. In co-working areas, startups and individuals are developing their innovative business ideas and networking. The ABC Hub and the ABC Accelerator constitute a unique and open ecosystem within the innovative city BTC City Ljubljana.

**A unique testing environment – the BTC Living Lab**

Since 2015, BTC has been writing the story of BTC City Ljubljana as a unique and innovative city. By implementing the concept of a real-life testing environment – the BTC Living Lab – we took another step forward. Now, we provide companies and our business partners with the possibility of testing advanced business ideas in the real-life environment of BTC City Ljubljana. Due to its harmonised content-rich ecosystem comprised of diverse infrastructure and technical solutions, a rich sales programme, and a mixture of local and foreign business partners, the ABC Accelerator, integrated in the global environment and with over 21 million visitors annually, is an ideal innovative environment for testing various technological solutions. This environment is complemented by a rich community





Future Day in BTC City Ljubljana

of startups and an incubator for the implementation of projects based on blockchain technology. In this way, BTC City Ljubljana continues to form new strategic partnerships with all stakeholders who wish to be included in our innovative ecosystem.

#### Future Day in BTC City Ljubljana

On 27 April 2018, BTC City Ljubljana hosted the Future Day, BTC's milestone event of the year. It was organised as part of the Ten-T Days conference, the largest event in Europe in the field of smart, sustainable and safe mobility. The event in Ljubljana was hosted by Mag Violeta Bulc, European Commissioner for Transport, and was attended by numerous high-ranking Slovene and foreign political representatives and economists.

The official opening of the event also launched the BTC Living Lab, a real-life testing environment for the development of modern technologies. In the scope of the event, BTC, AV Living Lab and Navya signed a letter of intent about the implementation of autonomous transportation in the BTC City Ljubljana area and the cooperation on projects promoting the digital transformation of driving. BTC, AV Living Lab,

SURAAA (Smart Urban Region Austria Alps Adriatic, Austria) and the Regional Government of Carinthia (Austria) signed a letter of intent regarding cooperation in different fields and on developmental projects, including the development of autonomous driving, startups and business models, machine learning, artificial intelligence, and data processing. Navya and SURAAA have become

official partners of the AV Living Lab ecosystem.

For the first time in Slovenia, visitors at the event had the opportunity to test the completely autonomous electric minibus Navya. They were introduced to several new features based on the most modern smart technologies of BTC's business partners from the field of smart, sustainable and safe mobility.



#### A real-life testing environment for the development of autonomous mobility

The automotive industry is facing the challenges of electrification, autonomous driving and digital transformation, as well as the introduction of new business models. These challenges create the need for integrated and complex ecosystems. The future of the automotive industry does not lie only in the hands of automobile manufacturers since it is also strongly affected by providers from other branches, for example the power industry, IT and the finance industry.

The AV Living Lab manages the unique real-life testing environment of BTC City Ljubljana, which is pervaded by everyday interactions. At the same time, the diversity of this environment, characterised by 12 million vehicles annually, pedestrians and cyclists, offers an excellent basis for the development of technologies rooted in artificial intelligence. Since the company develops concepts for testing autonomous vehicles, it cooperates with renowned global automobile manufacturers who see their future in autonomous driving. The aim of the company is to create a research and development site for advanced connected and autonomous vehicle

solutions, which will become part of our everyday lives. That's why learning in a real-life environment is the best possible way to acquire valuable know-how and cultivate solutions for autonomous vehicles. Managing diverse situations and interactions will be of key importance in the design and

purchase and pay with select cryptocurrencies in over 80 shops. As a Bitcoin city, BTC City Ljubljana also offers its visitors and business partners the most modern ATMs, which enable the bi-directional exchange of cryptocurrencies and Euros.

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In 2018, BTC employees submitted 57 visionary ideas and 11 visionary projects.

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gradual safe introduction of autonomous vehicles.

#### First Bitcoin city in the world

The introduction of advanced technological solutions that allowed BTC to transform BTC City Ljubljana from an innovative into a smart city and the introduction of blockchain technology have led to a historic event. On 18 April 2018, BTC City Ljubljana witnessed the first test transaction and cryptocurrency purchase in a real-life situation. In BTC City Ljubljana, we introduced the new modern payment system EliPay, which enables visitors to

In 2018, Bitcoin city was recognised and written about by over 300 international media outlets. Cointelegraph, the international online giant, which registers over 7 million website visits per month, has put Ljubljana, with its Bitcoin city and EliPay platform, on the list of the most friendly "cryptocurrency destinations" in the world. The payment system EliPay was in 2018 integrated in more than 80 shops in BTC City Ljubljana, making it the first Bitcoin city of its kind in the world and offering visitors and business partners the opportunity to pay in BTC City Ljubljana





Opening of the European Blockchain Hub

and across Slovenia with select cryptocurrencies.

In 2018, Bitcoin city was visited not only by representatives of online media but also by numerous international delegations and renowned Slovene and foreign guests. Among them we should mention Dr Miro Cerar, former Prime Minister of the Republic of Slovenia, and Tadej Slapnik, former State Secretary, who were the first to use cryptocurrencies via the payment system EliPay. This was designed by Eligma, which is co-owned by BTC. The Bitcoin city was also visited by Borut Pahor, President of the Republic of Slovenia, Andrej Kiska, President of the Slovak Republic, Mariya Gabriel, European Commissioner for Digital Economy and Society, Nikolay Nikiforov, Minister of Communication and Mass Media of the Russian Federation, as well as many other renowned guests.

At the 2018 CIO event, which took place in Brdo pri Kranju, BTC received the award for the Digital Transformation of the Year for the successful introduction of a number of digital solutions in its operations.

The award aims to encourage and strengthen awareness about the significance of digital transformation in Slovene companies.

#### **Strengthening the technological community**

In October 2018, BTC City Ljubljana hosted the official opening of the European Blockchain Hub. This is an innovative platform for the development and implementation of blockchain technology in the Adriatic region, Europe and globally. One of its initiators and founders is also BTC. The vision of the European Blockchain Hub is to connect governments, young startups, universities and corporations, and to contribute to

the spreading of the recognition of blockchain technology and the creation of new business models.

We see blockchain technology as a big opportunity since a growing number of Slovene startups have dipped their toes in it and significantly affected the respective sectors in which they operate. At the start of 2018, a blockchain company opened its offices in BTC City Ljubljana's Crystal Palace. This company is OriginTrail, which is developing a blockchain-based solution for the greater transparency of supply chains in the field of logistics, also by cooperating on projects with the BTC Logistics Centre.

