Annual Report 2023

Fraport

The 2023 Fiscal Year at a Glance

1,204.0 mn

EBITDA
EBITDA above 2019 level due to positive traffic development and higher charges.

430.5 mn

Group result
Earnings improvement driven by international business; Frankfurt Airport also makes a significant contribution.

–656.4 mn

Free Cash Flow
Slightly improved but due to continuing expansion measures still negative.

18,057

Number of employees as of December 31
Lower headcount due to change in consolidation of the Group company FraSec Aviation Security GmbH.

158,065 m.t. CO_2

CO_2 emissions
Implementation of the measures from the decarbonization master plan is having an impact as traffic volumes increase.

59,355,389

Passengers at FRA
Passenger volume above previous year and around 16% below 2019 level.

Financial performance indicators

	2023	2022	Change	Change in %
Revenue (€ million)	4,000.5	3,194.4	+806.1	+25.2
Revenue adjusted for IFRIC 12 (€ million)	3,485.1	2,863.3	+621.8	+21.7
EBITDA (€ million)	1,204.0	1,029.8	+174.2	+16.9
Group result (€ million)	430.5	166.6	+263.9	> 100
Earnings per share (basic) (€)	4.26	1.43	+2.8	> 100
Dividend per share (€)[1)]	0.00	0.00	0.0	–
Free cash flow (€ million)	–656.4	–741.0	+84.6	+11.4
Total assets (€ million)	18,890.9	17,607.6	+1,283.3	+7.3
Shareholders' equity ratio (%)	22.9	22.2	+0.7 PP	–
Group liquidity (€ million)	4,041.3	3,866.9	+174.4	+4.5
Net financial debt (€ million)	7,712.6	7,058.7	+653.9	+9.3
Net financial debt to EBITDA	6.4	6.9	–0.5	–
EBITDA margin (%)	30.1	32.2	–2.1 PP	–
ROFRA (%)	6.6	6.0	+0.6 PP	–
Gearing ratio (%)	178.6	180.6	–2.0 PP	–

[1)] No dividend proposed.

Non-financial performance indicators

	2023	2022	Change	Change in %
Number of employees as at 31.12.	18,057	19,211	–1,154	–6.0
Average number of employees	17,840	18,850	–1,010	–5.4
Global satisfaction of passengers (Group) (%)	74	80	–6.0 PP	–
Employee satisfaction (Group)	4.76[1)]	4.76	–	–
Women in management positions (Germany) (%)	24.4	23.1	+1.3 PP	–
Women in management positions (Germany) (%)	33.9	31.6	+2.3 PP	–
Sickness rate (Germany) (%)	8.7	9.9	–1.2 PP	–
CO_2 emissions (Group) (Sum of scope 1 and 2) (t)	158,065	160,489[2)]	–2,424	–1.5

[1)] 2022 values. No data collection in 2023. [2)] Due to subsequent verifications 2022 number changed.

Contents

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The year 2023 ...

... was characterized by a further increase in traffic volume, which was dominated in particular by leisure travelers. Fraport Group EBITDA exceeded the 2019 figure for the first time in the 3rd quarter, despite lower passenger volume at the Frankfurt site. With growth rates above the 2019 level, Fraport Greece remained at the top of the Group sites. The number of passengers in Antalya was also above the pre-crisis sommerreisewelle level.

Online version:
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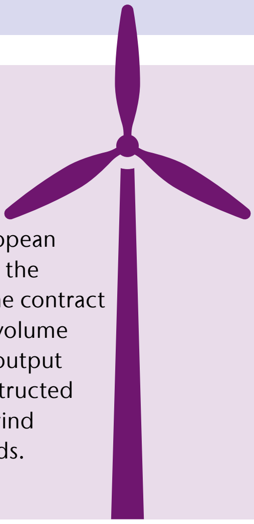
1st QUARTER

- **Positive traffic development**
- **Two strike days in Frankfurt only slightly dampened development**
- **Intensive preparations for the summer travel wave**

2nd QUARTER

Lima Airport: Takeover of apron control with German Air Traffic Control

The operation of apron control at Lima Airport was awarded to the subsidiary of Deutsche Flugsicherung DFS Aviation Services (DFS). Following the commissioning of the new terminal at the end of 2024, apron control will be managed using state-of-the-art camera technology for the first time in South America. This is an important milestone on the way to turning the Peruvian capital´s airport into one of the most modern hubs on the continent.



Further Power Purchase Agreement concluded

A new Power Purchase Agreement (PPA) with the European energy provider Centrica Energy Trading A/S supplies the Frankfurt Airport hub with additional wind energy. The contract provides for the supply of a total annual wind power volume of around 63 gigawatt hours. This corresponds to an output of 22 megawatts. The energy comes from newly constructed onshore turbines near Bremerhaven. From July, four wind turbines will be operating there just for Fraport´s needs. The contract is set initially for five years.

New baggage drop-off machines in Terminal 1

Lufthansa Group passengers in Frankfurt can now use 21 state-of-the-art check-in counters inside the Terminal 1. With the automated bag drop function passengers can check in their baggage themselves. The new check-in counters provide passengers with a comfortable, modern and efficient travel experience. The use of state-of-the-art technology optimizes the processes during baggage check-in.

4th QUARTER

Half-time for airport expansion in Antalya

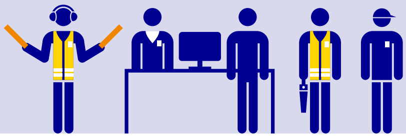
Together with the joint venture partner TAV, Fraport is expanding the terminal areas at Antalya Airport with the long-term goal to double capacity. In addition the apron areas are being expanded and new parking spaces for several thousand vehicles are created. At the beginning of 2025, Fraport will take the first construction phase into operation.

Takeover of aviation security

At the turn of the year, Fraport took over control of the management of the aviation security checks at Frankfurt Airport. In addition to the takeover of the existing infrastructure of the Federal Police new control infrastructure was procured at the same time. This includes new CT scanners, which facilitate and speed up the passenger process.

Rethinking the world of work at Fraport: Start for HRneo

HRneo is the largest development program in Human resources in recent years. Its aim is to modernize the HR department and further increase Fraport´s attractiveness as an employer.



- **Start of the summer travel wave**
- **For the first time since the coronavirus pandemic again more than 200,000 passengers in one day in Frankfurt**
- **Regular operations in the first half of the year**
- **Greek airports still clearly above traffic volume of 2019**

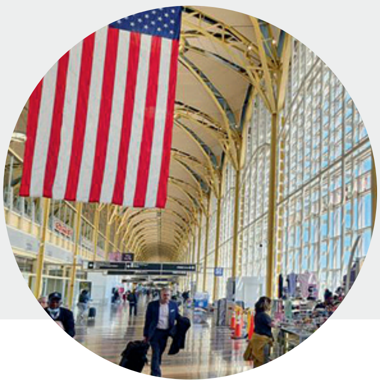
Second runway in Lima opened

With the take-off of the first commercial flight on April 3, the new runway at Lima´s international airport "Jorge Chávez" International Airport in Lima and the new airport control tower were inaugurated. This makes Fraport´s airport the first in Peru to have two runways. The utilization of the new runway and the tower will be successively increased until they are fully operational with the completion of the new Terminal at the end of 2024.

3rd QUARTER

- Sustained high passenger demand
- Frankfurt at 82 percent of pre-crisis level
- Thanks to the use of additional CT scanners improved waiting times for security
- Antalya exceeds the 2019 level

- Traffic volume in Frankfurt at around 14 million and thus only ten percent below pre-crisis level
- International airports partly above pre-crisis level



Fraport USA wins center management concessions for two additional airports

Fraport USA has successfully competed for the center management concessions at Washington Dulles International Airport (IAD) and Ronald Reagan Washington National Airport (DCA). The contract begins in January 2024 and has a term of ten years. On behalf of the local airport authority MWAA, Fraport USA will manage the retail and restaurant space at the two Washington airports and develop them further.

Security checks at FRA enable fast checks

Since 1 January 2023, Fraport has been responsible for the organization, management and implementation of aviation security checks at Frankfurt Airport. This also includes the procurement of the checkpoint infrastructure as well as testing new technology and optimizing processes in cooperation with the German Federal Police.

Also since the beginning of the year, state-of-the-art computer tomography scanners (CT scanners) have been in use at selected aviation security lanes. More of these devices are gradually being put into operation. For passengers, the process of going through the security checkpoint will be considerably simplified. At the new security checkpoints, liquids, smartphones and other electronic devices can remain in hand luggage. In addition, different materials and objects are reliably and quickly differentiated. This efficient technology significantly reduces waiting times at the checkpoints. Successes were already evident during the summer travel wave, with over 200,000 passengers per day.

To Our Shareholders

Letter from the CEO

Dear Shareholders,

I am pleased to present our Annual Report for 2023.

A challenging yet good fiscal year lies behind us. We have taken important steps to put your company in a successful position, both now and in the future. For the first time since the COVID-19 pandemic, our key operating earnings indicator EBITDA is now higher than it was before the crisis, having reached a **new high** of 1,204 million Euros. This improvement in our earnings was driven by international business, and our Frankfurt site played a considerable part in it too.

As in previous years, we have seen very **dynamic traffic development** in the past fiscal year. At the start of the fiscal year we were welcoming as few as 3.5 million passengers to Frankfurt each month – but by the middle of the year this figure had risen to 6 million passengers. We also recorded very positive development overall at our international airports. Special mention should of course be made here of our sites in Greece and Antalya, which are already operating either at or above pre-crisis levels. I am proud of our operational teams both in Frankfurt and internationally who have successfully managed this strong traffic growth over the last few years, with stable operations overall and in many cases high customer satisfaction levels across the board.

Thank you to our teams who have skillfully handled this dynamic traffic development.

A particularly important milestone in improving operational performance in Frankfurt was **taking over** aviation security checks at the beginning of the fiscal year, in conjunction with using new CT scanners for the first time. I would like to take this opportunity to thank the German Federal Ministry of the Interior and Federal Police for their trustful collaboration, which made it possible for us to take over operations in the first place.

Dear Shareholders, in the past year we also saw important progress in the field of sustainability. With **ReFuelEU Aviation**, the European Union has adopted a new legal act that will make the European aviation market "cleaner" in the long term. The core concept of ReFuelEU Aviation is to enforce binding minimum thresholds for the use of sustainable aviation fuels, which will gradually increase from 2025 onwards.

At company level, we have rolled out our **decarbonization master plan** to our significant, fully consolidated company sites and have now created a Group-wide program of measures to achieve carbon freedom by 2045. In Frankfurt, I am delighted to report that you will see another "visible" sign of our sustainability activities by the end of the year: Runway West will have a 2.8-kilometer-long photovoltaic system running along it, which we submitted an application to build last year.

Your company is celebrating another special event this year too: **100 years of air transport in Frankfurt**. Starting out as Südwestdeutsche Luftverkehrs-AG at the "airfield" in Rebstock, the Fraport you know today has grown into one of the world's leading international air traffic groups. You can track this evolution in our new photo book "100 Jahre Flughafen-Geschichte in Frankfurt" (100 Years of Airport History in Frankfurt), which was published at the start of the year. It is precisely this DNA that makes us unique and that we need more than ever today: "develop together," "don't stand still," or simply "shape the future together." With our strategy **Fraport.2030**, we are rising to our challenges and focusing our responses on the strategic priorities of "growth and sustainability," "efficiency and innovation," and "employer of choice" – with the firm conviction that we will only achieve success in these areas if we work together. We believe that the various changes and challenges we are facing – take for example the catchwords **demographic change** and **artificial intelligence** – also offer exciting opportunities that we want to actively seize for the benefit of your company.

We are in a good position to achieve this: With the projects we have initiated such as Terminal 3, the modernization of Terminals 1 and 2 in Frankfurt, a multitude of development projects outside Germany, and **HRneo**, not to mention numerous innovation projects, we believe that we have taken the right steps to position your company successfully in the competitive market. Our new slogan **"Connecting the world with tomorrow"** clearly expresses our corporate mission: Fraport creates connections. We connect passengers and business models, we foster Group-wide and therefore international collaboration within our workforce, and we consistently focus on the future.

Thanks to this strategically attractive setup, the expected traffic growth, the projects being implemented, and the great dedication of our employees, we are confident that we will achieve the financial targets we have set with **Fraport.2030** too: **EBITDA of 2 billion Euros** and **free cash flow** of **1 billion Euros in 2030**.

Fraport creates connections.

We are already taking steps in this direction in the current year: With EBITDA of between approximately 1.26 and 1.36 billion Euros, we expect to achieve a new **record result**. The Group result is also set to rise strongly to around 435 to 530 million Euros. In operational terms, we predict that Frankfurt will see passenger numbers grow to between around 61 and 65 million passengers. With the completion of the first phase of the Lima terminal construction, we are also getting closer to concluding our major expansion activities. The sizeable investment measures that are still ongoing, however, mean that we expect further significant negative free cash flow for 2024 until the investment volume declines from 2025 onwards.

As Fraport is particularly affected by the consequences of the COVID-19 pandemic and at the same time continues to invest heavily in the expansion of its capacities, the Supervisory Board and the Executive Board have **decided against proposing a dividend** for the past fiscal year to the 2024 Annual General Meeting and plan to allocate the profit earmarked for distribution to revenue reserves instead.

Dear shareholders, your company is in an excellent position to cope with changing market conditions. We are pleased to have finally left the coronavirus pandemic behind after three years. For this reason, the Supervisory Board and the Executive Board have decided to hold this year's **Annual General Meeting in person again**. I therefore look forward to welcoming you personally to the Sheraton Hotel at Frankfurt Airport on May 28, 2024. You will receive an official invitation in April.

Thank you for your confidence in us, I am looking forward to the future of your company.

Sincerely yours,

Stefan Schulte

The Fraport Executive Board

“People's desire to travel is unbroken, the airport is and remains a fascination. Our employees are our asset. That is what makes our airport what it is.”

Dr. Stefan Schulte
Chairman of the Executive Board
Born in 1960
Appointed until August 31, 2027

“Our strength lies in the diversity and innovative strength of our employees. Fraport is a world of opportunities – together we not only create jobs, but also space for personal and professional growth.”

Julia Kranenberg
Executive Director Labor Relations
Born in 1971
Appointed until November 30, 2025

“We have to bring our investment projects to a successful conclusion. We will continue to invest in the future, wherever we can generate an appropriate return.”

"We take our customers, i.e.airlines and passengers, equally in the focus."

Anke Giesen
Executive Director Retail and Real Estate
Born in 1963
Appointed until December 31, 2025

Dr. Pierre Dominique Prümm
Executive Director Aviation and Infrastructure
Born in 1973
Appointed until July 31, 2029

"The strategic projects are continuing. We are facing major changes. For our passengers, we are reorganizing operations with the help of AI processes to further increase quality."

Prof. Dr Matthias Zieschang
Executive Director Controling and Finance
Born in 1961
Appointed until January 31, 2026

Report of the Supervisory Board

Dear Shareholders,

the Supervisory Board performed all the tasks incumbent on it under law, the company statutes as well as the rules of procedure and continuously monitored the management of the company in the 2023 fiscal year. The Supervisory Board regularly obtained timely and comprehensive information from the Executive Board, in writing and orally, on the proposed business policies, fundamental questions concerning future management and corporate planning, the situation and development of the company and the Group as well as significant business transactions and consulted with the Executive Board on these matters. Deviations in the business development from the planning were explained in detail to the Supervisory Board. Based on the reports of the Executive Board, the Supervisory Board extensively discussed significant business transactions of the company. The Supervisory Board harmonized the strategic alignment of the company with the Executive Board. In addition, the Chairman of the Executive Board maintained regular contact with the Chairman of the Supervisory Board and informed him about current developments concerning the business situation as well as substantial business transactions. The Supervisory Board was directly involved in all decisions of fundamental importance to the company. Where required by law, the company statutes, or rules of internal procedure, the Supervisory Board voted on the relevant proposals made by the Executive Board after having thoroughly examined and consulted on those matters.

In the reporting period, the Supervisory Board met six times, including a strategy meeting, in-person with individual members given the option of virtual participation.

Focal points of discussions of the Supervisory Board

The business development of the Fraport Group and its Group companies was discussed regularly by the Supervisory Board in fiscal year 2023 with a focus on traffic and revenue development at Frankfurt Airport as well as the impact of the sanctions imposed in connection with the war in Ukraine on the indirect stake at St. Petersburg Airport.

Apart from this regular reporting, the following matters were extensively discussed in the 2023 fiscal year, in particular:

- The expansion of capacity in the southern part of Frankfurt Airport was a focal point of the reporting. Progress in the construction of Terminal 3 (including Pier G) and its traffic connection to the remaining infrastructure have been the subject of in-depth discussions at all meetings. The inauguration of the terminal facilities, scheduled for 2026, is still proceeding according to plan.

- The company's liquidity requirements and the securing of the liquidity required for further expansion in Frankfurt, Lima, and Antalya were dealt with on a recurring basis. The raising of further loan funds was approved in this regard.

- The geopolitical developments and the resulting risks for the Company as well as the further development of the Company's strategy were discussed in a strategy meeting. An additional item of discussion was a Master Plan Cargo for the Frankfurt site, which is intended to secure the airport's position as the leading cargo hub in Europe.
- The Supervisory Board dealt with the HRneo program, the central personnel management transformation program for implementing the new human resources strategy and realignment of the Human Resources division to the changed market conditions and employee needs.
- The rules of procedure of the Supervisory Board of Fraport AG were discussed and amended to reflect a general maximum age limit of 72 years at the time of the election or re-election of Supervisory Board members. Exceptions are permitted in justified individual cases if there is no doubt of the suitability of the person concerned and the respective election appears expedient in the interests of the Company. Furthermore, a change was set out in the requirements profile for Supervisory Board members of Fraport AG to the effect that at least 30% of the shareholder representatives on the Supervisory Board should not be older than 62 years of age at the time of their election or re-election.
- The Supervisory Board discussed the amendments to the statutes proposed to the Annual General Meeting. These included the authorization in the statutes to hold Annual General Meetings by means of virtual meetings for an initial period of three years, the statute amendment to adjust the Supervisory Board remuneration from January 1, 2024, and the possibility of convening Supervisory Board meetings in other electronic forms or by using other commonly used communication tools as well.
- In addition, the Supervisory Board dealt with the financial statements and management reports of the company and the Group as at December 31, 2022, as well as the 2022 Annual Report and reached the necessary decisions on their approval and adoption.

Furthermore, the Supervisory Board made specific decisions on the following subjects, among others:

- On March 13, 2023, the Supervisory Board approved the decision of the Executive Board to hold the 2023 Annual General Meeting without shareholders present. It adopted the agenda for the ordinary Annual General Meeting on May 23, 2023. In addition, the Supervisory Board decided to propose to the Annual General Meeting that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, be appointed as the auditor and group auditor for the 2023 fiscal year. It also decided to propose to the Annual General Meeting to nominate Former Minister Michael Boddenberg, Dr. Bastian Bergerhoff, Ms. Kathrin Dahnke, Dr. Margarete Haase, Mr. Harry Hohmeister, Mr. Frank-Peter Kaufmann, Mr. Lothar Klemm, Ms. Sonja Wärntges, and Prof. Dr.-Ing. Katja Windt for election as shareholder representatives on the Supervisory Board. In a written circular procedure, Mr. Lord Mayor Mike Josef was added to these nominations.
- In the meeting held on March 13, 2023, the Supervisory Board consented to the conclusion of a control and profit transfer agreement between Fraport and Fraport Facility Services GmbH, and to having this agreement, together with a joint report prepared in accordance with Section 293a of the German Stock Corporation Act (AktG) by the Executive Board of Fraport AG and the management of Fraport Facility Services GmbH, presented to the Annual General Meeting for approval.
- At the constitutive meeting of May 23, 2023, the Supervisory Board elected Former Minister Michael Boddenberg as its Chairman and Mr. Mathias Venema as its Deputy Chairman. Furthermore, elections for appointments to the committees were held during this meeting.
- In the meeting held on September 14, the Supervisory Board appointed Dr. Stefan Schulte as a member of the Executive Board and as Chairman of the Executive Board for another three years until August 31, 2027 with effect from September 1, 2024. It appointed Dr. Pierre Dominique Prümm as a member of the Executive Board for five further years with effect from July 1, 2024.
- On June 26 and December 14, 2023, the Supervisory Board discussed the Company's capital requirements and agreed to increase the financing framework and approved further borrowings through loans, bonds, or other debt instruments.
- On December 14, 2023, the Supervisory Board approved the 2024 Business Plan.

Work of the committees

The Supervisory Board continued its successful work with the committees it had formed to increase efficiency and to prepare for the Supervisory Board meetings. In individual appropriate cases and in accordance with law, decision-making powers of the Supervisory Board were granted to the committees. The chairpersons of the committees provided regular reports at the next Supervisory Board meeting to the plenum of the Supervisory Board on the work of the committees. The composition and responsibilities of the individual committees can be found in the "Combined Statement on Corporate Governance" as well as on the Group's website at www.fraport.com/en/investors/corporate-governance.html.

Unless otherwise noted in the following, the meetings of the committees took place in-person with the option of virtual participation for individual members.

The **finance and audit committee** met six times during the reporting period, with two meetings held as virtual meetings, and discussed substantial business transactions, the annual and consolidated financial statements, and the management reports. Representatives of the auditor participated in the meetings on individual agenda items. The finance and audit committee prepared the determination of the focal points of the 2023 fiscal year audit of accounts for the Supervisory Board. The interim report and the interim releases were discussed in detail prior to their publication. Comments were also made on the 2024 Business Plan of Fraport AG (prepared in accordance with the German Commercial Code, HGB) and the 2024 Group Plan (prepared in accordance with IFRS). Furthermore, the committee dealt with the awarding of the audit mandate to the auditor and made proposals to the plenum for the election of the auditor for the 2023 fiscal year. As in previous years, the quality of the audit of accounts was monitored and the remuneration of the same discussed. Furthermore, the issuing of mandates for non-audit-related services to the auditor was discussed. Due to the required regular change of auditor, a proposal was made to the meeting to propose to the Annual General Meeting to appoint Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main as the auditor and group auditor for the 2023 fiscal year. Furthermore, with regard to the review of CSR reporting, the recommendation of the Supervisory Board was in favor of this auditing company.

Further focal points of the discussions were asset and liability management as well as the regular supplementary reports to the consolidated financial statements and/or the consolidated interim reports in accordance with Section 90 AktG. In addition, the committee discussed risk management and the internal control, internal audit, and compliance management systems in detail and ensured that the Supervisory Board was appropriately informed.

The discussions at the five meetings of the **investment and capital expenditure committee** during the 2023 fiscal year focused on the respective status of the stake in the operating company of Pulkovo Airport, St. Petersburg, which was also discussed at a special meeting, the economic development of the investment business, and the expansion measures in Germany and at foreign Group companies.

A particular focus was on the expansion in the southern part of Frankfurt Airport, which was intensively discussed at all committee meetings in the presence of the management of the responsible Group company Fraport Ausbau Süd GmbH, also with a view to the discussions by the Supervisory Board. The committee also dealt with the expansion of the airport in Lima. Further items of discussion were the expansion obligation at Antalya Airport according to the new concession and its financing.

The committee regularly dealt with the economic situation of the Group companies at the Frankfurt site and worldwide. It discussed in detail the capital expenditure made under the 2023 Business Plan as well as the capital expenditure planning for fiscal year 2024.

At its four meetings in the 2023 fiscal year, the **human resources committee** regularly discussed the human resources situation in the Group. At the Frankfurt site, the focus was on the topics of HRneo, recruitment, and the development of personnel expenses and remuneration.

Another focal point of discussion was the development of the percentage of women in top management and management positions.

The **executive committee** met five times during the reporting period. It dealt with Executive Board matters and remuneration issues arising in the 2023 fiscal year.

The **nomination committee** formed to prepare the election of new shareholder representatives did not meet in person but passed its resolution in two written circulation procedures. It suggested to the Supervisory Board to propose the nomination of the above-mentioned persons for election to the Supervisory Board to the 2023 Annual General Meeting.

The **mediation committee**, to be constituted in accordance with Section 27 of the German Co-Determination Act (MitbestG), did not meet during the 2023 fiscal year.

Training and education

The training and education measures required for the tasks of the members of the Supervisory Board are carried out independently. The new members of the Supervisory Board were also adequately supported upon their appointment in 2023, and the company continued its willingness to support the training and education measures for Supervisory Board members.

Meeting attendance

During the 2023 fiscal year, the members of the Supervisory Board attended meetings of the Supervisory Board and of the committees of which they were members as follows:

Attendance at Supervisory Board and committee meetings 2023

Member of the Supervisory Board	Supervisory Board	Finance and audit committee	Investment and capital expenditure committee	Human resources committee	Executive committee	Committee in accordance with Section 27 of the MitbestG (Mediation committee)	Nomination committee
Michael Boddenberg (Chair)	6 / 6 (100 %)				5 / 5 (100 %)		
Devrim Arslan	6 / 6 (100 %)	4 / 4 (100 %)		1 / 1 (100 %)	1 / 1 (100 %)		
Karina Becker-Lienemann (since 23.05.2023)	5 / 5 (100 %)		4 / 4 (100 %)	3 / 3 (100 %)			
Dr. Bastian Bergerhoff	3 / 6 (50 %)	1 / 4 (25 %)	0 / 1 (0 %)	2 / 3 (66,67 %)	1 / 1 (100 %)		
Ines Born (until 23.05.2023 / since 04.08.2023)	4 / 4 (100 %)						
Hakan Bölükmese	6 / 6 (100 %)			4 / 4 (100 %)	5 / 5 (100 %)		
Hakan Cicek (until 23.05.2023)	1 / 1 (100 %)	2 / 2 (100 %)					
Kathrin Dahnke (since 23.05.2023)	4 / 5 (80 %)		3 / 4 (75 %)				
Peter Feldmann (until 23.05.2023)	1 / 1 (100 %)						
Peter Gerber (until 03.02.2023)	No meetings						
Dr. Margarete Haase	6 / 6 (100 %)	6 / 6 (100 %)			5 / 5 (100 %)		
Harry Hohmeister (since 23.05.2023)	4 / 5 (80 %)						
Mike Josef (since 23.05.2023)	5 / 5 (100 %)				3 / 4 (75 %)		
Frank-Peter Kaufmann	6 / 6 (100 %)		5 / 5 (100 %)	4 / 4 (100 %)	5 / 5 (100 %)		
Sidar Kaya (since 23.05.2023)	5 / 5 (100 %)	4 / 4 (100 %)		3 / 3 (100 %)			
Dr. Ulrich Kipper (until 23.05.2023)	0 / 1 (0 %)	1 / 2 (50 %)	1 / 1 (100 %)				
Lothar Klemm	6 / 6 (100 %)	6 / 6 (100 %)	5 / 5 (100 %)				
Karin Knappe	6 / 6 (100 %)		5 / 5 (100 %)	4 / 4 (100 %)			
Felix Kreutel (since 23.05.2023)	5 / 5 (100 %)		4 / 4 (100 %)				
Ramona Lindner (until 23.05.2023)	1 / 1 (100 %)		1 / 1 (100 %)				
Michael Odenwald (until 23.05.2023)	1 / 1 (100 %)	2 / 2 (100 %)		1 / 1 (100 %)			
Matthias Pöschko	6 / 6 (100 %)		5 / 5 (100 %)		5 / 5 (100 %)		
Qadeer Rana (until 04.01.2023)	No meetings						
Mathias Venema (Vice-Chair)	6 / 6 (100 %)	6 / 6 (100 %)			5 / 5 (100 %)		
Sonja Wärntges	6 / 6 (100 %)	6 / 6 (100 %)		4 / 4 (100 %)			
Prof. Dr.-Ing. Katja Windt	6 / 6 (100 %)		4 / 5 (80 %)	2 / 4 (50 %)			
Özgür Yalcinkaya (since 23.05.2023)	5 / 5 (100 %)	4 / 4 (100 %)			4 / 4 (100 %)		

Corporate Governance and statements of compliance

The Executive Board and the Supervisory Board also addressed the implementation of the German Corporate Governance Code (GCGC) in the past year.

In this context, the Supervisory Board has also continued its regular efficiency audit. In the reporting year, this self-assessment was discussed in-depth at the Supervisory Board meeting held on December 14, 2023.

Further details on Corporate Governance and the wording of the current statement of compliance pursuant to Section 161 of the AktG, released by the Executive Board and the Supervisory Board on December 14, 2023, are provided in the "Combined Statement on Corporate Governance". The current and past statements of compliance can also always be found on the Group's website at www.fraport.com/en/investors/corporate-governance.html.

Conflicts of interest and their treatment

There were no conflicts of interest for members of the Supervisory Board and the Executive Board in the 2023 fiscal year.

Audit of annual and consolidated financial statements as well as remuneration report

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, audited the annual financial statements of Fraport AG and the consolidated financial statements as at December 31, 2023, as well as the combined management report, and issued an unqualified auditor's report for each. The audit mandate was issued by the Chairman of the Supervisory Board and by the Chairwoman of the finance and audit committee in accordance with the resolution of the Annual General Meeting of May 23, 2023.

The separate financial statements and the combined management report were prepared in accordance with the regulations of the HGB applicable to large capital companies and the consolidated financial statements were prepared in accordance with IFRS as applicable in the EU. Furthermore, the German legal regulations to be applied in addition to Section 315e(1) of the HGB in the preparation of the consolidated financial statements and the combined management report were applied. The separate financial statements, consolidated financial statements, and the combined management report were audited by the auditor. The consolidated financial statements and the combined management report meet the conditions for exemption from the preparation of consolidated financial statements in accordance with German commercial law. According to the auditor, there is an early risk warning system in place that meets the legal requirements and which makes it possible to identify developments that could jeopardize the company as a going concern at an early stage.

The documents mentioned above and the proposal of the Executive Board for the appropriation of profit earmarked for distribution were sent to the Supervisory Board by the Executive Board without delay. The finance and audit committee of the Supervisory Board examined these documents extensively and the Supervisory Board also reviewed them personally. The audit reports of Deloitte and the financial statements were available to all members of the Supervisory Board and were comprehensively dealt with in the accounting meeting of the Supervisory Board on March 15, 2024 in the presence of the auditor, who reported on the significant results of its audit and was available to respond to additional questions and provide further information. In the meeting, the chairwoman of the finance and audit committee provided a comprehensive report on the treatment of the annual financial statements and the consolidated financial statements in the finance and audit committee. A focal point of this reporting were the key audit matters described in the auditor's report. The Supervisory Board approved the results of the annual audit. After the completion of the audit by the finance and audit committee and its own review, the Supervisory Board did not raise any objections. The Supervisory Board approved the financial statements prepared by the Executive Board; the annual financial statements were thus adopted.

The profit earmarked for distribution of Fraport AG amounted to €164,6 million in the past fiscal year. Considering the ongoing late impacts of the coronavirus pandemic on Fraport and the continued high capital expenditure, the Executive Board of Fraport AG proposed again to waive the distribution of a dividend for the 2023 fiscal year. After an in-depth assessment and, in particular, taking into account the interests of the Company and the shareholders, the Supervisory Board has endorsed this proposal.

The report prepared by the Executive Board on the relationships of Fraport AG with affiliated companies pursuant to Section 312 of the AktG (dependency report) for the period from January 1, 2023 to December 31, 2023 was submitted to the Supervisory Board. The report concludes with the following statement of the Executive Board, which is also included in the combined management report:

"The Executive Board declares that under the circumstances known to us at the time, Fraport AG received fair and adequate compensation for each and every legal transaction conducted. During the reporting year, measures were neither taken nor omitted at the request of or in the interests of the State of Hesse and the City of Frankfurt am Main and their affiliated companies."

The auditor reviewed the report on the relationships with affiliated companies and issued the following auditor's report:

"Based on our mandatory audit and the conclusions reached, we confirm that

1. the effective disclosures made in the report are correct,

2. the consideration paid by the company for the legal transactions referred to in the report was not unreasonably high."

The auditor participated in the discussions with the Supervisory Board on March 15, 2024 on the report regarding the relationships with affiliated companies and was available to the Supervisory Board to provide additional information. After the final result of the audit of the dependency report, no objections were made to the declaration of the Executive Board at the end of the report, which was also included in the combined management report. The outcome of the audit of the dependency report by the auditor was approved.

Deloitte was also commissioned to review the content of the Remuneration Report of Fraport AG as at December 31, 2023 as prepared by the Executive Board and the Supervisory Board. In addition to the formal examination required by law in accordance with Section 162(1) and (2) AktG, the content of the Remuneration Report was also reviewed. Based on the substantive audit, the auditor was able to form an opinion on this with reasonable assurance and confirmed in the context of the audit report that the Remuneration Report complies with the provisions of Section 162 AktG in all material respects. The audit report is attached to the Remuneration Report.

Audit of the non-financial statement

The Supervisory Board is also responsible for auditing the content of the combined non-financial statement. As part of the preparation for this audit, the auditor Deloitte was commissioned to prepare a voluntary audit of the combined non-financial statement with limited assurance. The finance and audit committee of the Supervisory Board examined the combined non-financial statement extensively and it was also reviewed by the Supervisory Board.

At the accounting meeting of the Supervisory Board on March 15, 2024, the auditor, in addition to the results of its audit of the financial reporting, also reported on the significant results of its audit of the combined non-financial statement and, in this regard, was available for additional questions and information.

Ultimately, it was determined that the combined non-financial statement is correct and complies with the requirements under German commercial law.

Personnel particulars

The term of office of the current members of the Supervisory Board ended with the conclusion of the Annual General Meeting on May 23, 2023. The following persons were elected at the Annual General Meeting

a) as representatives of the shareholders:

Former Minister Michael Boddenberg,

Dr. Bastian Bergerhoff,

Ms. Kathrin Dahnke,

Dr. Margarete Haase,

Mr. Harry Hohmeister,

Mr. Lord Mayor Mike Josef,

Mr. Frank-Peter Kaufmann,

Mr. Lothar Klemm,

Ms. Sonja Wärntges,

Prof. Dr.-Ing. Katja Windt,

b) as representatives of the employees:

Mr. Devrim Arslan,

Ms. Karina Becker-Lienemann,

Mr. Hakan Bölükmese,

Mr. Sidar Kaya,

Ms. Karin Knappe,

Mr. Felix Kreutel,

Mr. Matthias Pöschko,

Mr. Mathias Venema,

Mr. Özgür Yalcinkaya.

In order to take appropriate account of the objectives for the composition of the Supervisory Board when electing members to the Supervisory Board, particularly with regard to the age limit and length of membership, and to be able to react flexibly to changing skill requirements, Frank-Peter Kaufmann and Lothar Klemm were elected to the Supervisory Board by the 2023 Annual General Meeting in accordance with the Supervisory Board's election proposals for a term of office until the 2025 Annual General Meeting, i.e. for around two years. The other Supervisory Board members were elected for the regular term of office of around five years until the 2028 Annual General Meeting.

After the election of a representative of the employees was rendered invalid due to a violation of the gender ratio in accordance with Section 18a MitbestG, the District Court of Frankfurt am Main, by means of a resolution passed on August 4, 2023, appointed Ms. Ines Born as a (replacement) representative of the employees in the Supervisory Board until the beginning of the next regular period of office for the elected representatives of the employees.

Frankfurt am Main, March 15, 2024

Former Minister Michael Boddenberg
(Chairman of the Supervisory Board)

Combined Statement on Corporate Governance

The Fraport AG Executive Board reports – in the name of the Supervisory Board – on the contents subject to the reporting requirements pursuant to Section 289f of the German Commercial Code (HGB) for Fraport AG as well as for the Fraport Group (Fraport AG and fully consolidated Group companies, hereinafter referred to as “Fraport”) as part of a combined statement on corporate governance pursuant to Sections 315d and 289f HGB in conjunction with Section 289f HGB, in order to enable a general statement on the Group's corporate governance principles. In this context, the Executive Board and Supervisory Board report in accordance with Principle 23 of the German Corporate Governance Code in its amended version from April 28, 2022 as published on June 27, 2022 (hereinafter: GCGC) on the corporate governance of the company.

The term “corporate governance” at Fraport means responsible corporate management and monitoring. The objectives of corporate governance at Fraport are long-term economic enhancement and creating as well as strengthening confidence among investors, customers, employees, and the public. Good corporate governance therefore has top priority at Fraport. In this context, efficient collaboration between the Executive Board and the Supervisory Board is as important as protecting shareholders' interests and maintaining open and transparent corporate communications. Fraport monitors the national and international developments in this area and regularly reviews its own corporate practices in connection with new legal regulations and revised national and international standards, and modifies it to meet these as required.

In accordance with Section 317(2) sentence 6 of the HGB, the following information pursuant to Sections 289f(2) and (5) and 315d of the HGB has been included by the auditor in the audit of the annual financial statements only to the extent that the auditor verified whether the information was actually given.

Statement of compliance pursuant to Section 161 of the German Stock Corporation Act (AktG)

As a publicly listed corporation headquartered in Germany, corporate governance at Fraport AG primarily orients itself to German stock corporation law, capital market law, and the suggestions and recommendations of the GCGC as amended. The GCGC is a major legal regulation for the management and supervision of German publicly listed companies and contains internationally and nationally recognized standards of good and responsible corporate governance in the form of recommendations and suggestions. There is no obligation to implement the suggestions and recommendations of the GCGC. However, under Section 161 of the AktG, the Executive Board and the Supervisory Board are obliged to issue an annual statement of compliance and to report and justify any deviations from the recommendations of the GCGC.

Statement of compliance of December 14, 2023

The Executive Board and the Supervisory Board last issued the following statement of compliance under Section 161 of the AktG on December 14, 2023:

“Since the last presentation of the statement of compliance on December 15, 2022, Fraport AG has complied with and will continue to comply with all recommendations announced on June 27, 2022 by the Government Commission on the German Corporate Governance Code in the amended version of April 28, 2022 (GCGC 2022).”

The statement of compliance was promptly made permanently available to the shareholders on the company's website at www.fraport.com/en/investors/corporate-governance.html.

GCGC recommendations

Fraport AG also voluntarily complies with the recommendations of the GCGC.

Disclosures on other corporate management practices

Beyond the statutory provisions, Fraport applies the following corporate management practices:

Compliance

Ensuring the integrity of all employees worldwide is of great importance to Fraport. Compliance is a key prerequisite for the future viability of the company. In order to ensure compliance with the rules, guidelines are applied within Fraport that employees must comply with.

The Code of Conduct for Employees that applies worldwide to the Fraport Group reflects the culture of values practiced at Fraport and stipulates the requirement to act responsibly and appropriately when dealing with the economic, legal, and moral challenges of everyday business. The Code of Conduct is reviewed regularly and updated when necessary.

There are several ways for employees and customers around the world to report potential compliance breaches securely and in confidence. The information received is carefully and conscientiously evaluated and examined. Compliance breaches are systematically penalized, and any grievances are remedied.

Fraport employees are regularly informed on the topic of compliance through various internal channels and undergo training courses. The Code of Conduct for Employees and other compliance guidelines in place at the Fraport Group are available to employees on the corresponding information platforms.

In its Supplier Code of Conduct, Fraport describes the requirements and principles for cooperation with contractors, suppliers, and service providers. The contractually agreed Supplier Code of Conduct obliges them to comply with the applicable national laws and the relevant internationally recognized standards, guidelines, and principles, as also stipulated in the Code of Conduct for Employees.

The Compliance Management System (CMS) at Fraport is a systematic tool for ensuring legal and compliant behavior within the Group. The objective of the CMS is to ensure corporate management based on values and with integrity that goes beyond the mere fulfillment of standards.

The CMS of Fraport AG is based on and starts with a rolling compliance risk analysis (CRA), which includes the fight against corruption as one focus area.

The compliance system in place within the Fraport Group must differentiate between central and local levels. Every member of the Executive Board of Fraport AG is also responsible for the organization of compliance within the Fraport Group. It has assigned the Head of the Legal Affairs and Compliance central unit, who also serves as Chief Compliance Officer, to develop, organize, and operate the CMS of Fraport AG. The Group companies are obliged to set up a local CMS in accordance with the minimum standards set out in the relevant Group guidelines. Responsibility for the individual CMS within the Group lies with the local management of the respective Group company. The central CMS organization is responsible for the Group's requirements with regard to the minimum standards for the design of the local CMS and monitoring of compliance with those requirements. The finance and audit committee of the Supervisory Board is informed at least once per year of the status of the CMS within Fraport AG and the Group by the Executive Board.

Responsible corporate governance

Fraport is a community and partnership-oriented group. Fraport aims to remain competitive at all sites and in all operational units and thereby secure jobs with fair and just working conditions. Fraport offers good working conditions based on collective bargaining agreements, professional and personal development pathways, and a highly developed corporate ethic. The long-held objective of Fraport to offer all employees a high level of workplace security is a significant factor for the appeal of Fraport as an employer, especially in the current conditions of the labor market. Comprehensive, integrated occupational health and safety is also an important component of overall corporate responsibility at Fraport. Comprehensive protective measures have been taken at both the Frankfurt site and the Group airports.

The Fraport Group is also committed to maintaining a sustainable, conserving, and preventive approach to natural resources and the environment. The topic of sustainability has been of particular significance for Fraport in recent years. The stated goal for Fraport AG and the Fraport Group is to be carbon-free by 2045 within scopes 1 (direct emissions) and 2 (indirect emissions). Ambitious milestones for CO_2 reductions on the path toward climate neutrality by 2045 were agreed for both Fraport AG and the Fraport Group with a view to achieving this goal. In 2022, a “decarbonization master plan” was adopted to enable Fraport to meet its sustainability goals. Starting with Fraport AG, the “decarbonization master plan” was successfully rolled out to all areas of the Fraport Group in the course of fiscal year 2023. Under the plan, the foreign equity holdings have defined measures for a carbon reduction path similar to the process at the Frankfurt site. A Decarbonization Board was created to ensure continuous monitoring of the implementation of the “decarbonization master plan,” which regularly reports to the Executive Board on the implementation status of the measures. Examples of the numerous concrete measures taken to reduce CO_2 emissions include the establishment of a ground-mounted photovoltaic system next to the runway North-West, the increasing purchase of green electricity, and the expansion of the infrastructure for alternative drive systems of vehicles at the Frankfurt site.

The Executive Board ensures that it takes account of sustainability-related goals in its resolutions concerning key corporate decisions. In addition to financial goals, the corporate strategy also includes ecological and social goals and reflects the basic understanding of Fraport of balanced corporate management. “Growth and Sustainability” is one of the three priorities of our company strategy (in addition to “Efficiency and Innovation” and “Employer of choice”). Using non-financial indicators, such as CO_2 emissions, which are measured as at December 31 and June 30, and employee satisfaction, which is determined every two years, the company measures the degree of target achievement. Corporate planning includes projects and measures aimed at achieving the financial and sustainability-related goals.

Lastly, Fraport AG is involved in community, cultural, and social initiatives by sponsoring associations and supporting volunteer activities.

Further corporate governance practices are publicly available on the Company's website at www.fraport.com.

Structure and functioning of the Executive Board and Supervisory Board

For Fraport, a responsible and transparent corporate governance and monitoring framework is the cornerstone for creating value and trust. In accordance with the statutory provisions, Fraport AG is subject to a “dual governance system,” which is achieved by the strict separation of personnel in the management and monitoring bodies (two-tier board). The Executive Board manages Fraport AG, and the Supervisory Board monitors the Executive Board. The members of the Executive Board and the Supervisory Board work closely together in the interests of the company.

Executive Board

The Executive Board of Fraport AG is comprised of the following five members: Dr. Stefan Schulte (Chair), Anke Giesen, Julia Kranenberg, Dr. Pierre Dominique Prümm, and Prof. Dr. Matthias Zieschang.

As the management body, the Executive Board conducts the business of the company. It is bound by the company’s interests and corporate sociopolitical principles within the framework of stock corporation law. In addition, its work is based on the “Executive Board rules of procedure”, which have been approved by the Supervisory Board. The schedule of responsibilities for the Executive Board, which governs the allocation of responsibilities, is also attached to these rules of procedure as an annex.

On this basis, the Executive Board reports to the Supervisory Board on all relevant matters of business development, corporate strategy, and possible risks in a regular, timely, and comprehensive manner. In addition, the Executive Board must have the prior approval of the Supervisory Board for certain material matters, particularly for capital expenditure and equity investment measures above a value of €10 million, to the extent that this is not provided for in a business plan approved by the Supervisory Board.

The length of the appointment of the Executive Board members is geared toward the long term and has thus far been five years as standard. In deviation from this standard, the Supervisory Board in 2021 extended the appointment of Prof. Dr. Zieschang as a member of the Executive Board for a further three years and ten months until January 31, 2026, and in 2022 extended the appointment of Ms. Giesen for a further three years with effect from January 1, 2023. Ms. Kranenberg was appointed as a member of the Executive Board for a term of three years when she was first appointed in 2022 in accordance with recommendation B.3 of the GCGC. Furthermore, in its meeting on September 15, 2023, the Supervisory Board decided to extend the appointment of Dr. Schulte as a member of the Executive Board with effect from September 1, 2024 for an additional three years until

August 31, 2027. Dr. Schulte's appointment would have ended on August 31, 2024. In the same meeting, the Supervisory Board decided to extend the appointment of Dr. Prümm as Executive Board member with effect from July 1, 2024 for a period of five further years until June 30, 2029. Dr. Prümm's appointment would have ended on June 30, 2024. In compliance with recommendation B.4 of the GCGC, the reappointments of Dr. Schulte and Dr. Prümm did not take place before one year of their current appointments had passed.

The age limit for members of the Executive Board has, in principle, been set at 65 by the Supervisory Board. In the case of Dr. Schulte, the Supervisory Board dealt in-depth with the age limit in its meeting on September 15, 2023 and decided, as an exception, to deviate from the fundamentally set age limit of 65 years in the (re)appointment of Dr. Schulte until August 31, 2027. Reasons for the (re)appointment of Dr. Schulte until August 31, 2027 and the deviation from the fundamentally set age limit of 65 years as an exception were the continuing expansions in Frankfurt, Lima, and Antalya for which the Supervisory Board regarded continuity in the office of the Chair of the Supervisory Board due to Dr. Schulte's many years of experience and his many years of departmental responsibility for these projects until 2027 as important and in the interests of the company.

Remuneration of the Executive Board comprises fixed and performance-related components. The Remuneration Report for the 2023 fiscal year, the auditor's report as per Section 162 AktG, and the applicable remuneration system for the Executive Board are published at https://www.fraport.com/en/investors/publications-events.html.

The Executive Board usually meets every week and constitutes a quorum if at least half of its members participate in the meeting. Resolutions are adopted by a simple majority of all the participating members of the Executive Board. In the case of a tied vote, the chair holds the casting vote.

Further information on the members of the Executive Board as well as their memberships to be disclosed in accordance with Section 285 (10) HGB and information on the respective areas of responsibility can be found in note 55 of the Group Notes as part of the 2023 Annual Report. CVs of the members of the Executive Board are available on the company's website under https://www.fraport.com/en/our-group/about-us/executive-board.html

Supervisory Board

The Supervisory Board of Fraport AG supervises the activities of the Executive Board. It is composed of an equal number of shareholder and employee representatives and comprises 20 members as provided for in the company statutes. The ten shareholder representatives are elected by the Annual General Meeting, and the ten employee representatives are elected by the employees in accordance with the German Co-Determination Act (MitbestG) for five years. The Supervisory Board has created rules of procedure, under which it has a quorum if – on the basis of a proper notice of meeting – at least half of its members participate in the voting in person or through submission of written votes. Resolutions are adopted with a simple majority unless otherwise mandated by law. In the event of a tied vote, the Chair of the Supervisory Board, who must be a shareholder representative, shall be entitled to a second vote. Beyond this, the rules of procedure provide for, in particular, the creation and powers of committees of the Supervisory Board.

As a rule, the Supervisory Board meets four times a year. In 2023, the Supervisory Board held six meetings, one of which was a strategy meeting. The Supervisory Board meetings in 2023 were all held in-person, while individual members had the option of participating virtually.

The Supervisory Board regularly carries out a self-assessment of the effectiveness of its activities and the activities of its committees. The efficiency review is usually carried out alternately in a structured process with the help of external consultants (as in 2022) and by means of a self-assessment. In 2023, a self-assessment of the Supervisory Board was carried out using a questionnaire, which was discussed in detail at the Supervisory Board meeting on December 14, 2023. The focus of the discussion was on issues relating to the company strategy, the collaboration within the Supervisory Board, the committees, and with the Executive Board, the preparation and conduct of Supervisory Board meetings, the reporting and information system, and the topic of digitalization.

The Supervisory Board reviews its activities in the past fiscal year on an annual basis in the Supervisory Board report. The Supervisory Board report for the 2023 fiscal year can be found under ”To Our Shareholders” in the 2023 Fraport Annual Report. The Remuneration Report for the 2023 fiscal year, the auditor’s report as per Section 162 AktG, the applicable remuneration system for the Executive Board, and the most recent remuneration resolution as per Section 113(3) AktG are published at https://www.fraport.com/en/investors/publications-events.html.

In 2023, elections were held for the shareholder representatives and the employee representatives on the Supervisory Board. At the time of publication of this combined statement on corporate governance, the Supervisory Board was composed as follows:

Composition of the Supervisory Board

Representatives of the shareholders	Representatives of the employees
Michael Boddenberg (Chair) (Member of Supervisory Board since 26.05.2020)	Mathias Venema (Vice Chair) (Member of Supervisory Board since 01.07.2020)
Dr. Bastian Bergerhoff (Member of Supervisory Board since 24.05.2022)	Devrim Arslan (Member of Supervisory Board since 31.05.2013)
Kathrin Dahnke (Member of Supervisory Board since 23.05.2023)	Karina Becker-Lienemann (Member of Supervisory Board since 23.05.2023)
Dr. Margarete Haase (Member of Supervisory Board since 01.01.2011)	Ines Born (Member of Supervisory Board since 19.07.2022)
Harry Hohmeister (Member of Supervisory Board since 23.05.2023)	Hakan Bölükmese (Member of Supervisory Board since 29.05.2018)
Mike Josef (Member of Supervisory Board since 23.05.2023)	Sidar Kaya (Member of Supervisory Board since 23.05.2023)
Frank-Peter Kaufmann (Member of Supervisory Board since 30.05.2014)	Karin Knappe (Member of Supervisory Board since 08.06.2022)
Lothar Klemm (Member of Supervisory Board since 10.05.1999)	Felix Kreutel (Member of Supervisory Board since 23.05.2023)
Sonja Wärntges (Member of Supervisory Board since 16.10.2020)	Matthias Pöschko (Member of Supervisory Board since 01.01.2021)
Prof. Dr.-Ing. Katja Windt (Member of Supervisory Board since 11.05.2012)	Özgür Yalcinkaya (Member of Supervisory Board since 23.05.2023)

After the election of a representative of the employees was rendered invalid due to a violation of the gender ratio in accordance with Section 18a MitbestG, the District Court of Frankfurt am Main, by means of a resolution passed on August 4, 2023, appointed Ms. Ines Born as a (replacement) representative of the employees in the Supervisory Board until the beginning of the next regular period of office for the elected representatives of the employees.

Further information on the members of the Supervisory Board as well as their memberships to be disclosed in accordance with Section 285(10) HGB can be found in note 56 of the Group Notes as part of the 2023 Fraport Annual Report. CVs of the members of the Supervisory Board are available on the company’s website under
https://www.fraport.com/en/our-group/about-us/supervisory-board-and-economic-advisory-board-.html.

Committees of the Supervisory Board

The Supervisory Board has formed the following committees based on the statutory provisions and the provisions of its rules of procedure. The following table provides an overview of the tasks, the regulated number of meetings, the actual number of meetings in the past fiscal year, the planned number of members, and the actual number of members as at the date of publication of this statement.

Committees of the Supervisory Board

Committee	Functions	Regular number of meetings	Meetings 2023	Regular number of members	Members
Finance and audit committee	> Preparation of resolutions in the area of finance and audit-related resolutions > Addressing in particular > the audit of accounts > the supervision of the accounting process > the effectiveness of the internal control system, the risk management system, the internal audit system, the audit of accounts, and compliance > Statement of opinion > on the business plan and plan changes that require approv-al, on the annual and consolidated financial statements, on the Executive Board recommendation for the appropriation of profits, on the combined management report, on the com-bined non-financial statement, on the audit report of the auditor of the financial statements and of other auditors, on the Supervisory Board's recommendation for the audit report, and on the discharge of the Executive Board > on the awarding of the audit mandate to the auditor, the fee agreement and the stipulation of the focus of the audit > The finance and audit committee is responsible for the auditor selection process > It monitors the independence of the auditor and the quality of the audit of accounts. In this regard, it provides its advance consent to all of the auditor's legitimate non-audit services.	4	6	8	Dr. Margarete Haase (Chair) Mathias Venema (Vice-Chair) Devrim Arslan Dr. Bastian Bergerhoff Sidar Kaya Lothar Klemm Sonja Wärntges Özgür Yalcinkaya
Investment and capital expenditure committee	> Preparation of resolutions relating to capital expenditure, resolutions or decisions concerning the founding, acquisition, and sale of Group companies and ongoing monitoring of the economic development of existing Group companies > Final decision on the creation, acquisition, or sale of direct or indirect Group companies if the obligation or entitlement of the company arises from a capital expenditure or an in-vest-ment-related action between €10,000,000.01 and €30,000,000 > Final decision on the acquisition or disposal of, or charge on property or land rights between €5,000,000.01 and €10,000,000 > Statement of opinion on the capital expenditure plan and on capital expenditure reporting	4	5	8	Lothar Klemm (Chair) Felix Kreutel (Vice-Chair) Karina Becker-Lienemann Kathrin Dahnke Frank-Peter Kaufmann Karin Knappe Matthias Pöschko Prof. Dr.-Ing. Katja Windt
Human resources committee	> Preparation of resolutions in the area of human resources > Statement of opinion, in particular on changes in headcount, fundamental issues relating to collective bargain-ing law, the payment system, the employee investment plan, matters concerning the company retirement plan	4	4	8	Hakan Bölükmese (Chair) Frank-Peter Kaufmann (Vice-Chair) Karina Becker-Lienemann Dr. Bastian Bergerhoff Sidar Kaya Karin Knappe Sonja Wärntges Prof. Dr.-Ing. Katja Windt
Executive committee	> Preparations for the appointment of members of the Execu-tive Board and the conditions of employment contracts, including remuneration > Final decision concerning outside activities of members of the Executive Board that require the approval of the Super-visory Board	As needed	5	8	Chairman of the Supervisory Board Michael Boddenberg (ex officio) Vice Chairman Mathias Venema (ex officio) Hakan Bölükmese Dr. Margarete Haase Mike Josef Frank-Peter Kaufmann Matthias Pöschko Özgür Yalcinkaya
Committee in accordance with Section 27 of the Mit-bestG (Mediation committee)	> Preparation of a recommendation on the appointment or dismissal of members of the Executive Board if the entire Supervisory Board does not reach such decision	As needed	0	4	Chairman of the Supervisory Board Michael Boddenberg (ex officio) Vice Chairman of the Supervisory Board Mathias Venema (ex officio) Hakan Bölükmese Lothar Klemm
Nomination committee	> Recommendation of suitable candidates to the Supervisory Board for its recommendations to the AGM	As needed	0	3	Michael Boddenberg (ex officio) Dr. Margarete Haase Mike Josef

The Nomination Committee did not meet in person in 2023 but passed its resolutions in two written circulation procedures.

Shareholders and Annual General Meeting

The shareholders of Fraport AG exercise their rights at the Annual General Meeting where they exercise their right to a voice and a vote. The shareholders are informed of business developments in the past year and the company's forecasts included in the combined management report with sufficient time prior to the meeting. During the year, the shareholders are provided with comprehensive and timely information about current business developments through interim reports and other company publications on the company website.

The Annual General Meeting is held within the first eight months of every fiscal year and makes decisions concerning the tasks assigned to it by law, such as the appropriation of profits, election and approval of the actions of the members of the Supervisory Board and approval of the actions of the Executive Board, the selection of the auditor, amendments to the company statutes, Supervisory Board remuneration, approval of the remuneration system for Executive Board members, and other tasks. The shareholders can either exercise their right to vote in person or can authorize third parties to exercise their right to vote. Each share entitles its holder to one vote in the Annual General Meeting.

In accordance with the company statutes, the Executive Board is authorized to provide for

- the Annual General Meeting to be held without the physical presence of shareholders or their proxies at the venue of the Annual General Meeting (virtual Annual General Meeting) – this authorization is limited in time and applies to Annual General Meetings held within three years of the commercial register entry made in June 2023 of this new provision in the company statutes created by the Annual General Meeting 2023 and can be extended or renewed (also several times) by a corresponding resolution of the Annual General Meeting;

- shareholders to cast their votes in writing or by means of electronic communication (postal vote);

- shareholders to participate in an Annual General Meeting that is not a virtual Annual General Meeting within the meaning of the company statutes without being present at the venue and without a proxy and to exercise all or some of their rights in whole or in part by means of electronic communication (online participation).

The Annual General Meeting 2023 was held as a virtual Annual General Meeting in accordance with Section 118a AktG without the physical presence of shareholders or their proxies, thereby making use of the (transitional) provisions of Section 26n (1) of the Introductory Act to the German Stock Corporation Act (Einführungsgesetz zum Aktiengesetz). Duly registered shareholders and their proxies were able to follow the entire 2023 Annual General Meeting by video and audio transmission via the password-protected AGM portal accessible on the Internet and to exercise their voting rights and other shareholder rights via the AGM portal. This meant that duly registered shareholders and their proxies were able to exercise their right to speak and obtain information at the 2023 Annual General Meeting via video communication for the first time. The virtual Annual General Meeting 2023 was thus largely aligned with the format of an in-person Annual General Meeting in terms of content and the protection of shareholder rights. In addition, shareholders who duly registered for the 2023 Annual General Meeting or their authorized representatives had the opportunity to submit statements in advance in text form or as a video message.

Defining targets for the proportion of women on the Supervisory Board, Executive Board, and the two levels below the Executive Board

According to the German Stock Corporation Act, Fraport AG, as a listed company to which the German Co-Determination Act applies and whose Executive Board consists of more than three persons, must have at least one woman and at least one man as a member of the Executive Board (minimum participation requirement). Fraport AG complied with this requirement during the 2023 fiscal year.

The targets for the proportion of women at the two management levels below the Executive Board as well as the deadlines for reaching these targets must be determined based on this law.

It is not necessary to set targets for the proportion of women on the Supervisory Board at Fraport AG because that board is already subject to a fixed gender quota in accordance with Section 96(2) of the AktG.

Targets for the Executive Board

If the above-mentioned minimum participation requirement applies to the Executive Board, the obligation to set a target figure for the participation of women on the Executive Board is waived in accordance with the provisions of the German Stock Corporation Act. The Supervisory Board set a target of 25% of women on the Fraport AG Executive Board at its meeting of September 18, 2015, and this target remained even after the obligation to set targets for the Executive Board had been eliminated. Since Julia Kranenberg's joining the Executive Board of Fraport AG on November 1, 2022, the percentage of women on the Executive Board of Fraport AG is 40%.

Targets for the first and second management levels below the Executive Board

The Executive Board sets the targets for the proportion of women at the two levels below the Executive Board in accordance with Section 76(4) of the German Stock Corporation Act and Principle 3 of the GCGC.

The Executive Board set a target for Fraport AG of 31.8% of women in the first management level below the Executive Board ("direct reports" to the Executive Board) and a target of 30.9% of women in the subordinate management level ("direct reports" to the first management level under the Executive Board) for the period from January 1, 2022 to December 31, 2026. Regarding the Group as a whole, the Executive Board also set a target of 30.8% of women in the first management level below the Executive Board ("direct reports" to the Executive Board) and a target of 30.2% of women in the subordinate management level ("direct reports" to the first management level under the Executive Board) for the same period.

As at the balance sheet date of December 31, 2023, the actual proportion of women in the first management level at Fraport AG was 23.8%, and 31.8% in the second management level. As at the balance sheet date of December 31, 2023, the actual proportion of women in the first management level within the Group was 24.4%, and 33.9% in the second management level.

Gender ratio on the Supervisory Board

In accordance with Section 96 (2) AktG (Principle 11 of the GCGC), where members are newly elected and posted to the Supervisory Board of Fraport AG, the statutory gender ratio must be met, with a minimum of 30% women and 30% men on the Supervisory Board. The Supervisory Board has decided that these ratios are to be met separately by the shareholder representatives and the employee representatives on the Supervisory Board. This requirement was met as part of the new elections of shareholder representatives to the Supervisory Board at the Annual General Meeting on May 23, 2023. The election of shareholder representatives to the Supervisory Board in 2023 was based on corresponding resolutions by the nomination committee.

In the election of employee representatives by the delegates' assembly in May 2023, only two people were elected to the Supervisory Board as female employee representatives, which means that the minimum percentage of 30% women on the employee representative side, which must be met separately, was not met. As provided for in the German Co-Determination Act, in order to meet the gender ratio, the election of the male candidate on the employee representative side who received the lowest maximum number of votes in the respective ballot according to the order of the maximum numbers of candidates was therefore declared invalid. On the application of the Fraport AG Executive Board, the district court Frankfurt am Main subsequently appointed Ms. Ines Born (from the ver.di trade union) to the Supervisory Board of the company as employee representative until the beginning of the next regular period of office for the elected representatives of the employees by means of a resolution passed on August 4, 2023.

Targets for the composition of the Supervisory Board; diversity concept for the Supervisory Board and Executive Board as well as the succession planning for the Executive Board

On March 13, 2023, the Supervisory Board adopted a new requirements profile for the members of the Supervisory Board of Fraport AG, which stipulates, among other things, that the Supervisory Board as a whole should have adequate expertise with regard to sustainability issues of importance to Fraport, as well as sustainability reporting.

The targets for the composition of the Supervisory Board and the competence profile for the overall board (including the diversity concept) are as follows:

“The objective is that the Supervisory Board should be composed in such a way that it ensures the competent control and support of the company’s Executive Board by the Supervisory Board. It should be taken into account that the Supervisory Board as a collective body has the overall knowledge, skills, and professional experience required to properly perform its tasks. It cannot be expected that each individual member of the Supervisory Board possesses the required knowledge and experience to the fullest extent; however, there should be at least one competent member of the Board for each aspect of the Supervisory Board’s activities to ensure that the Board's members together represent a comprehensive range of knowledge and experience. This should include an understanding of the relevant market environment, financial, and commercial experience, and a strong regional connection.

In addition, each member of the Supervisory Board should be expected to have a certain level of essential general knowledge and experience that is appropriate to the nature, extent and complexity of the business activities, and the risk structure of an internationally operating company such as Fraport AG.

In order to comply with the standard age limit set by the Supervisory Board of 72 years at the time of election or re-election, which may be deviated from in justified individual cases provided there are no doubts as to the suitability of the persons proposed and their election appears expedient in the interests of the Company despite exceeding the age limit and the targets set by the Supervisory Board of a proportion of generally at least 30% of shareholder representatives on the Supervisory Board being no more than 62 years old at the time of their election, candidates should be proposed who, by virtue of their integrity, willingness to perform, availability, and personality, are able to perform the duties of a Supervisory Board member in an internationally operating company and to maintain the public image of Fraport AG. The principles of diversity and the proportion of women and men based on the statutory provisions should be taken into account when nominating candidates for the Board. In addition, the Supervisory Board should have at least three independent members.”

The previous strict age limit of 72 years at the time of (re)election was therefore made more flexible by amending the rules of procedure for the Supervisory Board at the Supervisory Board meeting on March 13, 2023. Accordingly, the maximum age limit for Supervisory Board members is generally 72 years at the time of election or reelection. This age limit may be deviated from in justified individual cases, provided there are no doubts about the suitability of the proposed persons. The requirements profile for Supervisory Board members, which was revised in 2023, also stipulates that the Supervisory Board must have at least three independent members. To ensure a balanced mix of experience and new talent on the Supervisory Board, at least 30% of the shareholder representatives should not be older than 62 at the time of election or reelection.

In the election of shareholder representatives by the Annual General Meeting 2023, Mr. Klemm and Mr. Kaufmann were older than 72 years at the time of reelection. The Supervisory Board discussed this fact at its meeting on March 13, 2023 and proposed the election of Mr. Klemm and Mr. Kaufmann for a term of two years with the required majority, while a term of five years was proposed to the Annual General Meeting for the other candidates. The reasons given for the deviation from the standard age limit as an exception in the cases of Mr. Klemm and Mr. Kaufmann were that Mr. Klemm, as the Chair of the investment and capital expenditure committee, should assist with the construction of Terminal 3 and the expansion of the airport in Lima and Antalya as important infrastructure projects in this critical phase for another two years due to his many years of experience, and that Mr. Kaufmann is highly committed to advancing the important issues of climate protection and decarbonization. The 2023 Annual General Meeting agreed to the election proposal and reelected Mr. Klemm and Mr. Kaufmann to the Supervisory Board for a two-year term of office as an exception to the general age limit of 72 years at the time of reelection. As the term of office of two members of the Supervisory Board therefore differs from that of the other Supervisory Board members, this also paves the way for the gradual formation of a Supervisory Board with staggered terms of office for Supervisory Board members ("staggered board") for the future.

As regards the statutory gender ratio of at least 30% women and at least 30% men on the Supervisory Board, most recently in 2022, the Supervisory Board decided that this ratio is to be met separately for the members representing the shareholders and those representing the employees. In line with this objective, the Supervisory Board consists of four female and six male shareholder representatives as well as three female and seven male employee representatives (see above under "Gender ratio on the Supervisory Board").

According to Section 100(5) AktG, at least one member of the Supervisory Board must have accounting expertise and at least one further member must have expertise in the auditing of accounts. According to recommendation D.3 of the GCGC, the expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of account auditing shall consist of special knowledge and experience in the auditing of financial statements. Recommendation D.3 of the GCGC goes on to state that accounting and account auditing also include sustainability reporting and its audit and assurance. The Chair of the audit committee shall have appropriate expertise in at least one of these two areas.

With Supervisory Board members Dr. Margarete Haase, who is Chair of the finance and audit committee, and Ms. Sonja Wärntges, two members of the Supervisory Board and the finance and audit committee possess the expertise in accounting and account auditing required by Section 100(5) of the AktG. In addition, Ms. Dahnke also has expert knowledge in the area of accounting as defined in Section 100 (5) AktG and in the area of auditing as defined in Section 100 (5) AktG.

Dr. Haase has completed a degree in business administration at the Vienna University of Economics and Business, where she also obtained her doctorate. She has also completed the Executive Education Program at Harvard Business School in Boston. During her professional career, Dr. Haase has been responsible for numerous roles, which marks her as an expert in the fields of accounting and account auditing. She has held positions that include Head of Controlling, Division Manager for Group Planning and Control, Commercial Director and Director Corporate Audit, and was also a member of the Executive Board for companies belonging to the Daimler Group. Dr. Haase was a member of the Executive Board for Corporate Finance, Human Resources and Investor Relations at Deutz AG, Cologne until April 2018. Since February 2016, Dr. Haase has been a member of the Government Commission on the German Corporate Governance Code.

Ms. Wärntges completed degrees in economics at the Technical University of Braunschweig and the University of Hanover, from where she obtained a master's degree in business economics. Ms. Wärntges worked for several years at leading auditing and tax consulting companies and has been Chief Financial Officer of BRANICKS GROUP AG (formerly DIC Asset AG) since 2013, additionally assuming the role of Chief Executive Officer in 2017. In this role, Ms. Wärntges' areas of responsibility include Environmental, Social and Governance and sustainability issues, as well as the sustainability report, which BRANICKS GROUP AG (formerly DIC Asset AG) has been issuing since 2011.

Ms. Dahnke holds a degree in business administration of the Georg August University in Göttingen. She headed the finance department at Beiersdorf AG, held the position of Director of Finance and member of the Management Board for Finance and Controlling at DMG Mori Seiki Aktiengesellschaft (formerly GILDEMEISTER AG) and was CFO at both OSRAM Licht AG and Ottobock SE & Co KGaA.

The Supervisory Board of Fraport AG thus meets the requirements of stock corporation law with regard to the requirement of Supervisory Board members with expertise in the areas of accounting and account auditing.

For shareholders, the Supervisory Board should include what they consider to be an appropriate number of independent members; the ownership structure should be taken into account (see Recommendation C.6 of the GCGC). The Supervisory Board decided that the board should include at least three independent shareholder representatives.

The above-mentioned objectives and recommendations were and are met in that, with Dr. Margarete Haase, Ms. Kathrin Dahnke, Prof. Dr. Ing. Katja Windt and Ms. Sonja Wärntges, the Supervisory Board consisted of four shareholder representatives who were independent of the company, its Executive Board, and the controlling shareholders (the State of Hesse and the City of Frankfurt) in the reporting year. In the election of the shareholder representatives, five – and therefore in line with the requirements profile for members of the Supervisory Board, more than 30% of the candidates standing for election on the shareholder side – were not older than 62 years of age.

In addition, Fraport AG also complies with recommendations C.7 and C.9 of the GCGC, according to which more than half of the shareholder representatives must be independent of the company and the Executive Board and at least two of the shareholder representatives must be independent of the controlling shareholder. According to recommendation C.7 of the GCGC, when assessing the independence of Supervisory Board members by the company and the Executive Board, it should be taken into account, among other things, whether the Supervisory Board member has been a member of the Supervisory Board for more than 12 years.

In the view of the Executive Board and the Supervisory Board, despite having been a member of the Supervisory Board of Fraport AG for more than 12 years (member since January 1, 2011), Dr. Haase is regarded as independent of the company and the Executive Board. Due to her personality, her integrity, and her professionalism, combined with many years of various professional activities with management responsibility outside of Fraport, there are no doubts with regard to her independence in respect of Fraport AG and the Executive Board. Through her work as a member of the Supervisory Board and Chair of the finance and audit committee, Dr. Haase demonstrates that she has the necessary critical distance from the company and its Executive Board when carrying out her work on the Supervisory Board at Fraport AG. Due to her stature and independence, she openly holds discussions with the Executive Board and understands how to critically scrutinize proposals. Furthermore, Dr. Haase is also a member of the Supervisory Board of Marquard & Bahls AG and Chair of the Supervisory Board of ams OSRAM AG, which emphasizes her independence of Fraport AG and its Executive Board.

The Supervisory Board has no former members of the Executive Board of Fraport AG.

The Supervisory Board, along with the Executive Board and based on the preparatory work by the executive committee, ensures the long-term succession planning of the Executive Board. In addition to the requirements of the German Stock Corporation Act and the GCGC, long-term succession planning takes into account the target set by the Supervisory Board for the proportion of women on the Executive Board as well as other diversity criteria. Taking into account the specific qualification requirements, the structure of the Executive Board, including the division of portfolios, and the aforementioned personnel criteria, the executive committee develops an ideal profile on the basis of which it draws up a shortlist of eligible candidates. Structured discussions are held with these candidates. A recommendation for a resolution is then submitted to the Supervisory Board. The Supervisory Board also takes diversity into account regarding the composition of the Executive Board (Recommendation B.1 of the GCGC). Given the identified qualifications of its members, the Supervisory Board does not yet pursue a diversity concept for the Executive Board.

The status of the implementation of the requirements profile for members of the Supervisory Board of Fraport AG is outlined in the following qualification matrix. The general requirements for members of the Supervisory Board of Fraport are met by all members of the Supervisory Board. These include a general understanding of the aviation industry, in particular the market environment of an airport operator, the individual business fields, customer requirements, the regions in which Fraport AG operates, and the strategic orientation of the company and the Group as a whole. All of the members of the Supervisory Board are therefore familiar with the sector in which Fraport AG operates.

The following table contains further details on the current members of the Supervisory Board.

Qualification matrix: Shareholder representatives

	Michael Boddenberg	Dr. Bastian Bergerhoff	Kathrin Dahnke	Dr. Margarete Haase
Member since	5/26/2020	5/24/2022	5/23/2023	1/1/2011
selected/ordered until	May 2028	May 2028	May 2028	May 2028
Gender	male	male	female	female
Year of birth	1959	1968	1960	1953
Nationality	German	German	German	Austrian
Educational background	Master in the butcher trade	Doctor of Physics	Graduate businesswomen	Doctorate in business administration
Occupation	Former Hessian Minister of State, Member of the Hessian State Parliament	City treasurer and head of the department of finance, investments and personnel of the city of Frankfurt am Main	Self-employed management consultant	Self-employed management consultant
Independence of the Company and the Executive Board in accordance with the GCGC (s. recommendation C.7 and C.8)	X	X	X	X
Independence from majority shareholders (s. recommendation C.9)			X	X
Leadership experience/Personnel management	X	X		X
International business activities/international experience			X	X
Accounting	X		X	X
Audit			X	X
Internal control systems, risk management		X	X	X
Legal and compliance				
Sustainability/sustainability reporting	X	X	X	
Strategy development and implementation	X	X	X	X
IT and digitalization, cyber and IT security		X		X

Qualification matrix: Employee representatives

	Devrim Arslan	Karina Becker-Lienemann	Ines Born	Hakan Bölükmese
Member since	5/31/2013	5/23/2023	7/19/2022	5/29/2018
selected/ordered until	May 2028	May 2028	May 2028	May 2028
Gender	male	female	female	male
Year of birth	1977	1970	1989	1976
Nationality	German	German	German	German/Turkish
Educational background	Automotive mechanic	Commercial training; qualification in the medical-dermatological field	Public administration specialist and management assistant for office communication	Chemical laboratory assistant, certified aircraft ground services handler and studies at the European Academy of Labor
Occupation	Assistant to the Executive Board of the komba trade union	Chairwoman of the Works Council of Frankfurt Airport Retail GmbH & Co. KG, Chairwoman of the Group Works Council of Gebr. Heinemann SE & Co. KG, Deputy Chairwoman of the Group Works Council of Fraport AG	Trade union secretary (Trade union ver.di)	Chairman of the Works Council of Fraport AG
Independence of the Company and the Executive Board in accordance with the GCGC (s. recommendation C.7 and C.8)	Employee	Employee	X	Employee
Independence from majority shareholders (s. recommendation C.9)	X	X	X	X
Leadership experience/Personnel management	X		X	X
International business activities/international experience				
Accounting			X	
Audit				
Internal control systems, risk management				
Legal and compliance			X	
Sustainability/sustainability reporting			X	
Strategy development and implementation				
IT and digitalization, cyber and IT security				

Harry Hohmeister	Mike Josef	Frank-Peter Kaufmann	Lothar Klemm	Sonja Wärntges	Prof. Dr.-Ing. Katja Windt
5/23/2023	5/23/2023	5/30/2014	5/10/1999	10/16/2020	5/11/2012
May 2028	May 2028	May 2025	May 2025	May 2028	May 2028
male	male	male	male	female	female
1964	1983	1948	1949	1967	1969
German	German	German	German	German	German
Aviation merchant	Graduate political scientist	Degree in physics	Lawyer	Degree in business administration	Doctorate in mechanical engineering
Member of the Executive Board of Deutsche Lufthansa AG	Lord Mayor of Frankfurt a.M.	Pensioner, Self-employed management consultant	Former Minister of State of Hesse, self-employed lawyer	Chairwoman of the Board of Directors of BRANICKS GROUP AG (formerly DIC Asset AG)	Member of the Management Board of SMS group GmbH / Professor of Global Production Logistics
	X	X		X	X
X			X	X	X
X	X	X	X	X	X
X			X	X	X
		X		X	
X				X	
X				X	X
X			X		
X		X			X
X	X		X	X	X
X				X	X

Sidar Kaya	Karin Knappe	Felix Kreutel	Matthias Pöschko	Mathias Venema	Özgür Yalcinkaya
5/23/2023	6/8/2022	5/23/2023	1/1/2021	7/1/2020	5/23/2023
May 2028	May 2028	May 2028	May 2028	May 2028	May 2028
male	female	male	male	male	male
1989	1975	1974	1973	1972	1978
German	German	German	German	German	German
Plant mechanic for sanitary, heating and air conditioning technology	Physics Laboratory Technician, Dipl.-Ing. Environmental Engineering / Environmental Measurement Technology and Master of Arts Human Resources Development	Graduate engineer (civil engineering); Master of Business Administration	Automotive mechatronics technician/paramedic/ chief fire officer	Master's degree in political science, economics, as well as medieval and modern history	Qualification in metal construction
Commercial employee and works council member of Fraport Ground Services GmbH	Independent Works Council Representative, Chairwoman of the Group Works Council of Fraport AG	Head of Real Estate and Energy Fraport AG	Firefighter/Member of the Works Council	Trade union secretary (Trade union ver.di)	Commercial employee and Chairman of the works council of Fraport Ground Services GmbH
Employee	Employee	Employee	Employee	X	Employee
X	X	X	X	X	X
X	X	X		X	X
	X				
	X	X		X	
	X	X		X	
	X	X			

Further information

Remuneration of the Executive Board and the Supervisory Board

The essential features of the remuneration system as well as the disclosures on the remuneration of the Executive Board and the Supervisory Board for the 2023 fiscal year can be found in the Remuneration Report. The Remuneration Report was subject to a formal and substantive audit by the auditor Deloitte GmbH Wirtschaftsprüfungsgesellschaft. The Remuneration Report is published as a separate document at https://www.fraport.com/en/investors/publications-events.html.

Acquisition or disposal of company shares (directors' dealings)

Pursuant to Article 19 of the Market Abuse Regulation (MAR), board members and other managers (directors) and persons closely related thereto are legally obliged to disclose the acquisition or disposal of shares of Fraport AG or any financial instruments related thereto, if the value of the transactions undertaken exceeds the sum of €20,000 within one calendar year. The notifications in this respect are immediately disclosed by Fraport AG.

Shareholdings of the bodies

The total shareholdings of all members of the Executive Board and Supervisory Board amount to less than 1% of the total number of shares issued by Fraport AG.

Risk and opportunity management

For Fraport, corporate governance also means handling corporate risks and opportunities responsibly. For this reason, Fraport has introduced a comprehensive Group-wide risk and opportunity management system. The structure of the risk and opportunity management system and a report on key risks and corporate opportunities are presented in detail by the Executive Board in the combined management report for the fiscal year. Depending on their importance for the company, changes to key risks or significant opportunities opening up during the year are published either in an ad hoc disclosure or as part of the financial reporting during the year.

The Internal Audit System (IAS) and the Risk Management System (RMS) are implemented by means of guidelines within the Fraport Group. The measures required in order to meet the sustainability-related corporate goals are also subjected to an (ongoing) deviation analysis within the Risk Management System.

The processes, risks and audits within the IAS are reviewed and updated annually by way of adequacy checks. The effectiveness of the IAS is checked by means of an annual control self-assessment performed by the control officer and approved by the process owner (dual verification principle). The results of the control self-assessment are presented annually in the finance and audit committee. The IAS and the further development of the RMS are audited by the internal audit team.

The early risk recognition system is also part of the auditor's annual audit. The effectiveness of the internal control and risk management system, the internal auditing system, and the audit of accounts is monitored by the Supervisory Board. At Fraport, the finance and audit committee of the Fraport AG Supervisory Board performs this task in accordance with Section 107(3) of the AktG.

Accounting and audit of accounts

Fraport prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union, and the additional applicable requirements of German commercial law pursuant to Section 315e(1) of the HGB. A combined management report is prepared in accordance with Section 315(5) of the HGB. The annual financial statements of Fraport AG are prepared in accordance with the HGB. Further information on the accounting principles is available in the notes to the respective financial statements. The annual and consolidated financial statements are published within 90 days of the end of the fiscal year.

The annual and consolidated financial statements and the combined management report of Fraport are audited by an auditor in accordance with Section 316 of the HGB. On the basis of the AGM's resolution, in the 2023 fiscal year this was Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main (hereinafter referred to as Deloitte), who audited Fraport for the first time after the change of auditor in the 2023 fiscal year. Prior to the submission of the nomination, the Supervisory Board and its audit committee obtained a declaration of independence from Deloitte. The audit of the consolidated financial statements and the combined management report was carried out in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014, hereinafter referred to as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). It was agreed with the auditor that the latter would immediately inform the Fraport AG Supervisory Board of any possible grounds for disqualification or bias arising during the audit, provided that these were not remedied immediately. The auditor shall also immediately report on all findings and incidents arising during the audit of the consolidated financial statements and the combined management report which are significant for the tasks of the Supervisory Board. In addition, the auditor must inform the Supervisory Board and record in the audit report if it finds facts that reveal an inaccuracy in the statement of compliance submitted by the Executive Board and Supervisory Board in accordance with Section 161 of the AktG while performing the audit of the consolidated financial statements and the combined management report.

During the year, the auditor also participated in meetings with the finance and audit committee regarding the Group interim financial statements, and meetings with the Fraport AG Supervisory Board regarding the annual and consolidated financial statements. In accordance with Recommendation D.10 of the GCGC, the finance and audit committee discussed with the auditor the audit risk assessment, the audit strategy and audit planning, and the audit results. The Chair of the audit committee, Dr. Haase, regularly discussed the progress of the audit with the auditor and reported to the committee on this. The finance and audit committee consults with the external auditors on a regular basis also without the Executive Board.

Disclosure of the joint statement on corporate governance and corporate governance report

The Executive Board published the combined statement on corporate governance on March 15, 2024 at
https://www.fraport.com/en/investors/corporate-governance.html.

Share and Investor Relations

Share performance 2023

The key topics of the 2023 trading year were global inflation development, along with key interest rate decisions and expectations about how interest rates will develop in the future. Continuing geopolitical crises, such as the Russian war of aggression in Ukraine, and new crises such as an escalation in the war between Israel and Islamist Hamas have also affected the stock exchanges. In the first quarter, the collapse of Silicon Valley Bank in the United States, and the necessary rescue of Credit Suisse Bank by UBS Bank led to additional stock market volatility.

In this environment characterized by uncertainty, the German leading share index DAX rose by 20.3%, offsetting the losses of the previous year. At 16,752 points, the index closed close to its record high, which was reached in December 2023 at 16,794 points. The index for medium-sized stocks MDAX also grew last year. With growth of 8.0% to around 27,137 points, the MDAX could not completely make up the losses of the previous year however and remained clearly below its record high from 2021.

After the noticeable losses in the 2022 fiscal year, the Fraport share recovered noticeably in 2023 and achieved clear growth of 43.9% with a year-end closing price of €54.76. The Fraport share already recorded a clear increase in the first quarter of the year. Buoyed by the prospect of possible key interest rate cuts, the share developed rapidly in January and achieved an increase of more than 36% at the end of the month compared to the closing price of the previous year. However, the Fraport shares lost some of their performance in March in connection with the regional banking crisis in the United States, triggered by the collapse of Silicon Valley Bank. Nevertheless, the shares ended the first quarter with a clear gain (+21.7%) at a price of €46.31. With growth of 5.5% to €48.86 and a further increase to €50.24 (+2.8%), the Fraport share also reported share price developments that were overall positive in quarters two and three of the fiscal year. The escalation in the war between Israel and Islamist Hamas led to a considerable price setback at the start of the fourth quarter. On October 20, at €44.64 the Fraport share recorded a reduction of more than 11% compared to the closing price of the third quarter. The hope of possible key interest rate cuts subsequently led to clear price gains. At €56.80, the shares reached their highest price of the year on December 14, before closing the trading year not much lower at a price of €54.76. The fourth quarter thus saw an increase of 13.1%.

The market capitalization of Fraport shares, including strategic shareholders not included in the free float, amounted to around €5.1 billion at the end of the year (previous year: €3.5 billion). After deducting the strategic shareholdings of the State of Hesse, the City of Frankfurt, Deutsche Lufthansa, and the treasury shares, the index-relevant market capitalization amounted to almost €2.0 billion (previous year: €1.4 billion). The share was thus, based on market capitalization, the 31st largest stock among the 50 MDAX shares. With an average of 149,982 shares traded daily, the trading volume in 2023 was much lower than the previous year’s volume of 202,994.

Fraport share

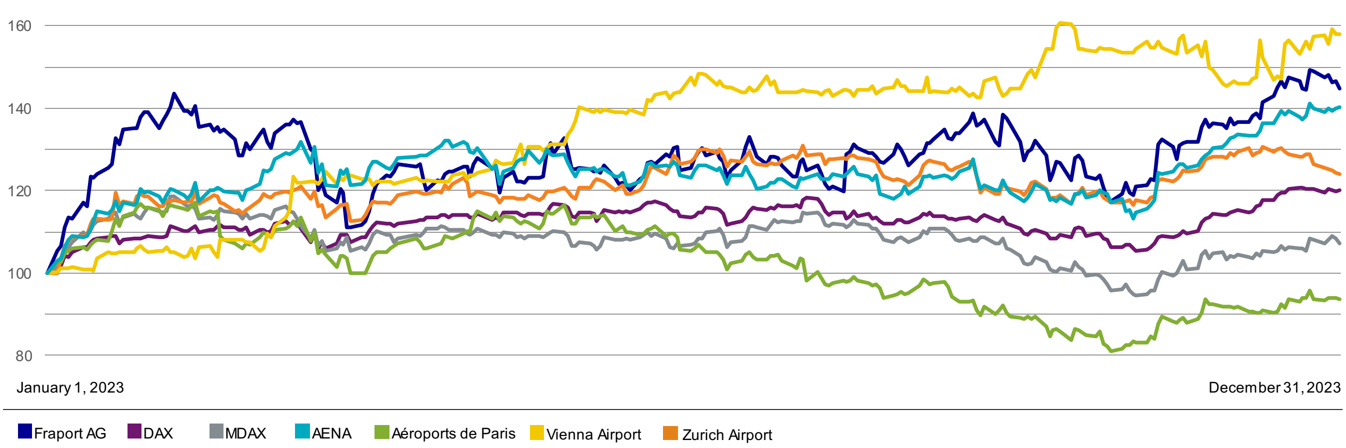
	2023	2022	2021	2020	2019	2018	2017	2016
Opening price in €	38.05	59.18	49.36	75.78	62.46	91.86	56.17	58.94
Closing price in €	54.76	38.05	59.18	49.36	75.78	62.46	91.86	56.17
Change in €	+16.71	–21.13	+9.82	–26.42	+13.32	–29.40	+35.69	–2.77
Change in %	+43.9	–35.7	+19.9	–34.9	+21.3	–32.0	+63.5	–4.7
Highest price in € (daily closing price)	56.80	67.62	68.30	75.50	78.68	96.94	91.86	58.94
Lowest price in € (daily closing price)	38.05	36.20	43.12	30.01	61.44	61.56	55.26	45.25
Average price in € (daily closing prices)	49.10	48.08	55.58	44.52	73.20	79.18	74.12	51.77
Average trading volume per day (number)	149,680	202,994	256,728	398,143	128,953	160,367	173,015	173,666
Market capitalization in € million (year-end closing price)	5,064	3,518	5,472	4,564	7,007	5,776	8,494	5,192

The shares of other listed European airports performed as follows in 2023:

AENA +39.9 %, Aéroports de Paris -6.4 %, Flughafen Wien +57.3 % and Flughafen Zürich +22.7 %.

2023 development of the Fraport share compared to the market and European competitors

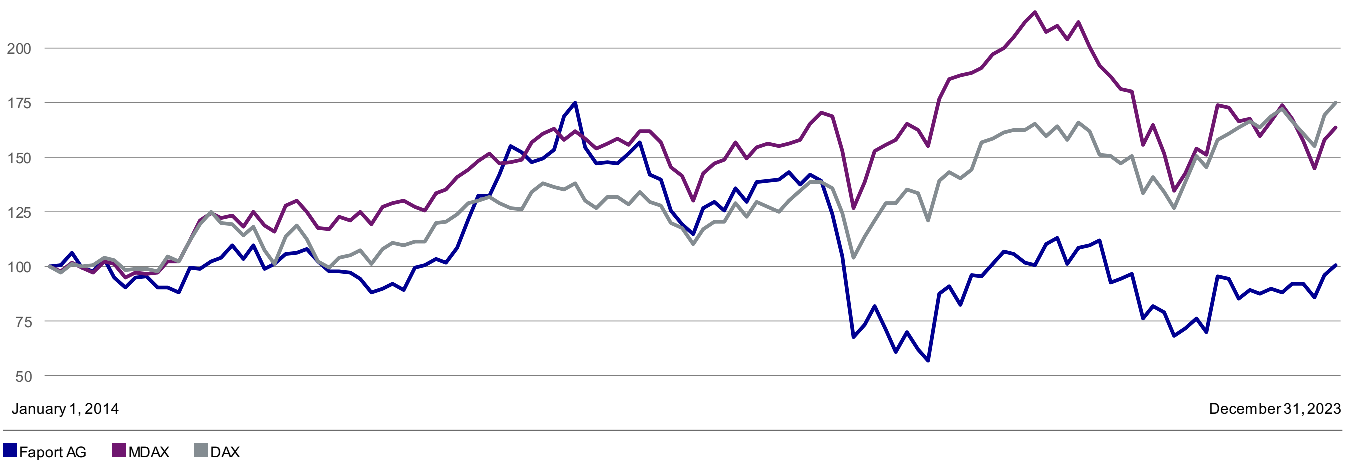
in % (index base 100)



Source: Nasdaq

Last 10 years development of the Fraport share compared to DAX and MDAX

in % (index base 100)



Source: Nasdaq

Development in shareholder structure

Fraport was notified of the following changes in shareholder structure in the past fiscal year:

Notification of voting rights pursuant to Sections 33 and 34 of the German Securities Trading Act (WpHG)

Holders of voting rights [1]	Date of change	Type of change	New share of voting rights
ATLAS Infrastructure Partners (UK) Ltd.	January 31, 2023	Exceeded the 3% threshold	3.08 %
First Maven Pty Ltd.	October 6, 2023	Exceeded the 3% threshold	3.10 %

Shareholder structure as at December 31, 2023[1]

in %

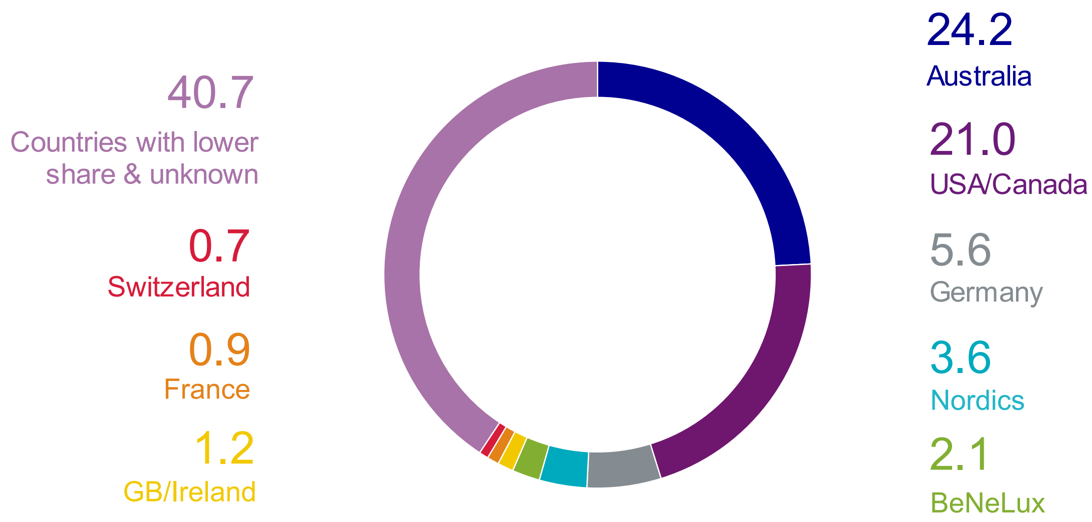
[1] The relative ownership interests were adjusted to the current total number of shares as at December 31, 2023 and therefore may differ from the figures given at the time of reporting or from the respective shareholders' own disclosure. Shares below 3% are classified under "free float."

The majority of the approximately 92.5 million shares were held by German regional and local authorities (52.23%). With a share of 31.31%, the State of Hesse was the largest shareholder in the company, while the City of Frankfurt/Main held 20.92% of the shares. The voting rights owned by the City of Frankfurt are held indirectly via the Stadtwerke Frankfurt am Main Holding GmbH subsidiary. Deutsche Lufthansa AG held a share of 8.44%, or over 7.8 million no-par-value shares, making it the third largest individual shareholder of Fraport AG. Other shareholders that exceeded the statutory threshold of 3% of the outstanding Fraport shares were First Maven Pty (3.10%) and ATLAS Infrastructure Partners (UK) Ltd., whose respective portfolios are managed in Australia.

To the extent known, the Fraport shares in free float were spread across the following countries:

Allocation of free float[1)]

in %



[1)] Free float = total number of shares as at December 31, 2023 excluding shares held by the State of Hesse, Stadtwerke Frankfurt am Main Holding GmbH, Deutsche Lufthansa AG, and treasury shares. Shares held via several subsidiaries were not combined.
Source: Bloomberg

Dividend for the 2023 fiscal year (recommendation for the appropriation of profit)

In the context of the economic impact of the coronavirus pandemic, including in particular the increase in the net financial debt of the Fraport Group, and the continued investment into the expansion of capacities, the Executive Board and the Supervisory Board plan not to propose a dividend payment at the 2024 Annual General Meeting in favor of allocation of the profit earmarked for distribution for the 2023 fiscal year to revenue reserves.

In the medium term, the Executive Board aims to reintroduce a dividend policy. Before the start of the coronavirus pandemic, this was a dividend of approximately 40 % to 60 % of the profit attributable to shareholders of Fraport AG. In addition, a second principle of the Executive Board regarding the dividend per share was to keep the dividend at least stable compared to the previous year.

Investor Relations (IR)

Consistent, timely, and transparent communication with investors and analysts is a top priority for IR work at Fraport AG. The IR team maintains face-to-face and virtual contact with existing and potential investors as part of roadshows, capital market conferences, or regular meetings, including at the company headquarters at Frankfurt Airport. Over the past fiscal year, targeted individual and Group meetings again took place as well as presentations with the company's Chief Executive Officer and Chief Financial Officer.

The central themes of the meetings in 2023 were passenger development and forecasts at the Group airports, the impact of rising interest rates, and the progress in construction of the substantial capital expenditure in Frankfurt and Lima. In this context, the medium-term development of the free cash flow was also a returning point of discussion. Focus was also put on the strategy of the international business as well as possible expansions or reductions in the portfolio.

Throughout the year, the IR team was available by phone (+49 69 690-74840) or by email (investor.relations@fraport.de) for direct dialog. The telephone conferences for analysts on the financial publications, the virtual AGM in May 2023, and the provision of up-to-date information on the IR website at www.meet-ir.com rounded off the range of IR services in the past fiscal year.

Data relevant to the capital market

		2023	2022
Share capital Fraport AG[1]	€ million	924.7	924.7
Total number of shares as at December 31	Number	92,468,704	92,468,704
Number of floating shares as at December 31[2]	Number	92,391,339	92,391,339
Number of floating shares (weighted annual average)	Number	92,391,339	92,391,339
Absolute share of capital stock	per share, in €	10.00	10.00
Annual performance (including dividend)	in %	+43.9	–35.7
Beta relative to the MDAX		1.03	0.99
Earnings per share (basic)	in €	4.26	1.43
Earnings per share (diluted)	in €	4.26	1.43
Price-earnings ratio		12.9	26.6
Dividend per share[3]	in €	0.00	0.00
Profit earmarked for distribution	€ million	0.00	0.00
Dividend yield as at December 31[3]	in %	–	–

ISIN	DE 000 577 330 3
Security identification number (WKN)	577 330
Reuters ticker code	FRAG.DE
Bloomberg ticker code	FRA GR
Selected indexes	MDAX, FTSE4Good Index, Deutschland Ethik 30 Aktienindex

[1] Including treasury shares.
[2] Total number of shares as at the balance sheet date, less treasury shares.
[3] In relation to the proposed dividend (2023).

HR neo

HRneo is the largest development program in HR in recent years. It aims to realign the HR department and further increase Fraport´s attractiveness as an employer. Team spirit within the workforce is also to be strengthened across the Group through HRneo. The five sub-projects "Leadership, Culture, Image, Talent & Development", "Recruitment & Skills", "Remuneration & Benefits", "Processes & Systems" and "Organization, Efficiency & Realignment" deal with the relevanttopics also with the involvement of employees.

Following an initial analysis and concept phase, the medium-term program is currently in the implementation phase.

Combined Management Report for the 2023 Fiscal Year

Situation of the Group

Business Model

Fraport Group (hereinafter also referred to as: Fraport) is one of the world's leading companies in the airport business in terms of the number of passengers carried and metric tonnes of cargo handled. The main site of the Group is Frankfurt Airport, one of the most important passenger and cargo airports in the world, in respect of which the Group's parent company, Fraport AG Frankfurt Airport Services Worldwide (abbreviated: Fraport AG), has an operating permit with no time limit. Beyond the Frankfurt site, the Group operates on four continents, mainly on the basis of concession agreements at international airports. The main sites outside Frankfurt, which are designated as "investments in airport operating projects," include 14 airports in Greece, Lima Airport in Peru, and two airports in Brazil – Porto Alegre and Fortaleza, as well as Antalya Airport in Turkey (see also the "Key sites" chapter).

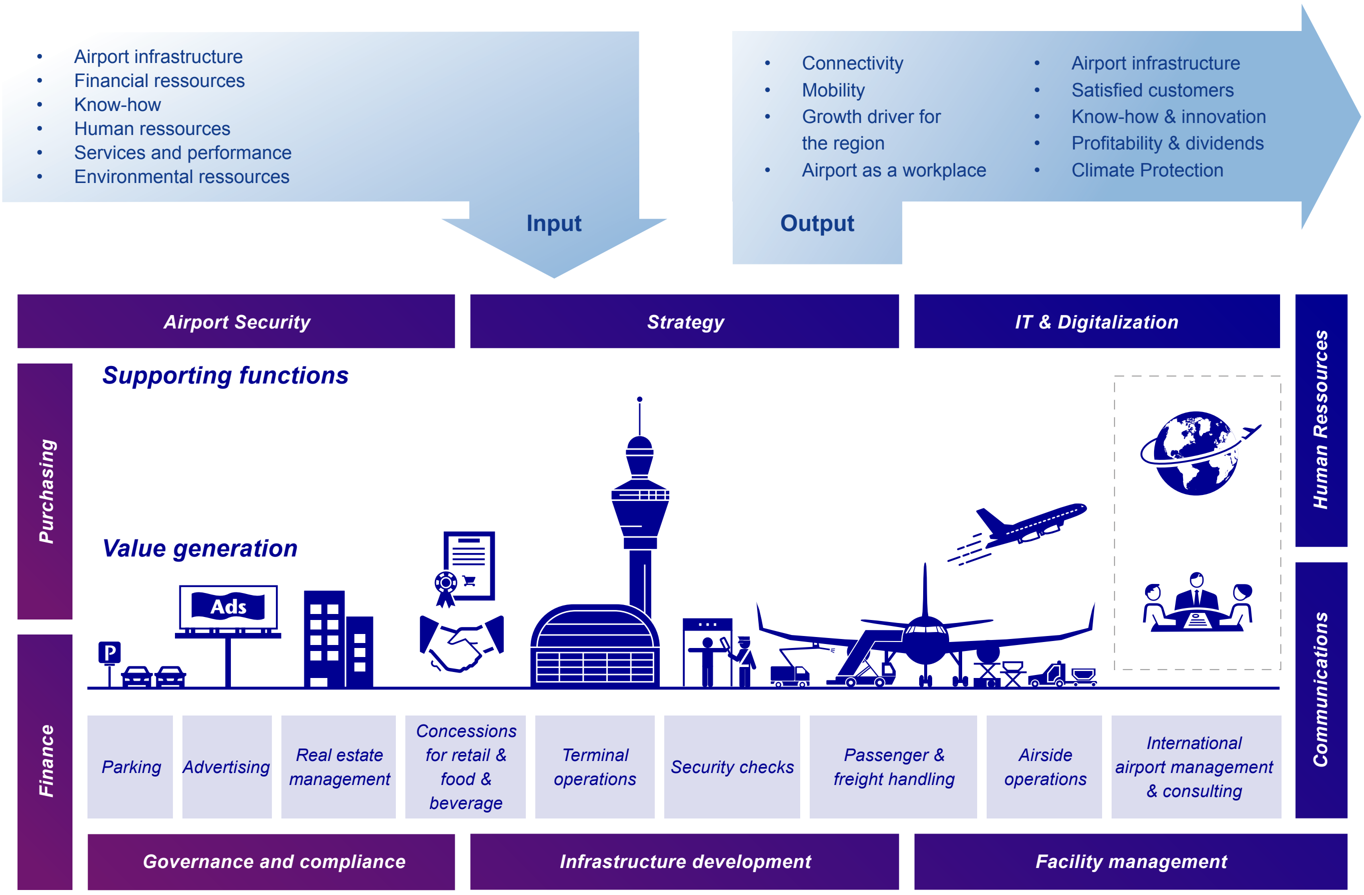
As an airport operator, Fraport provides a wide range of operational and administrative services for airport and terminal operations. Within the framework of the concession agreements, the scope of the services offered varies from contractually binding construction and expansion activities, administration and control of airport processes, to the management of retail areas. In addition to the services provided, the concession models differ in terms of their term and the structure of the concession fees to be paid. The Fraport Group also offers planning and consulting services as well as IT services and facility management. Fraport aims to ensure that customers are the focus of all its company services. This applies both at the home site in Frankfurt and at the international Group sites. Fraport considers itself to be a learning organization that uses its know-how in a targeted and profitable way worldwide.

The Group generates the majority of its revenue and earnings from the passenger and freight business at each of its sites. Apart from passengers, its main customers include airlines, tenants of office and retail space, authorities and freight forwarders. Fraport primarily levies charges for the use of the airport infrastructure, generates income from the development of commercial areas, and offers additional operational services. Fraport reports the main revenue streams resulting from this as "airport charges," "infrastructure charges," "ground services" and "security services," "retail," "real estate" and "parking." In the area of airport concessions, revenue from "construction and expansion services in accordance with IFRIC 12" are also reported. In its reporting, Fraport distinguishes between the following four segments:

- **Aviation** – holistic management of the terminal facilities and passenger processes at Frankfurt Airport.
- **Retail & Real Estate** – development and renting of space at the airport and in the area near the airport in Frankfurt. This primarily includes the retail business, building and space leasing as well as parking management.
- **Ground Handling** – ground services such as loading, baggage and passenger services as well as the operation of the central infrastructure and baggage transfer system at Frankfurt Airport.
- **International Activities & Services** – international marketing of the Group's expertise and airport operations as well as bundling central services in Frankfurt.

Fraport's business model creates value by participating in the international demand for air travel and flows of goods. Fraport is pursuing a clear growth strategy that also takes into consideration environmental and social concerns (see also the "Strategy" chapter). In addition to the broad portfolio of airport investments, which focuses on both business travel demand and local tourism offerings, the employees form the basis of the company's success. Together with its partners, Fraport is consistently developing the Group sites and achieving a broad revenue and earnings base.

Value generation chain



External influences

The main external factors influencing the business model of Fraport include disruptive events, such as extreme weather conditions or pandemics, in addition to economic, (socio-)political, and regulatory factors. The influencing factors can both positively and negatively affect passenger and freight demand as well as the range of aircraft movements and passenger capacity at Group airports. At the same time, they can influence the purchasing behavior of passengers and thus the economic situation of the Fraport Group as a whole (see also the “Risk and Opportunities Report” chapter).

Economic growth and **globalization** generally favor the demand for air travel and freight transport. At the same time, economic prosperity and a globally growing middle class tend to lead to a higher number of air journeys. High **inflation rates** potentially reduce disposable income and can have a negative impact on business development. **Exchange rates** also affect the appeal of tourist destinations, travel and freight flows, and passengers’ booking behavior as well as their buying behavior in the retail area. Exchange rates also play an important role in the financial contribution of individual foreign Group companies, whose functional currencies are converted into the currency of the Group, the euro.

Price fluctuations on commodity markets, especially for crude oil and therefore jet fuel, also have an influence on air traffic and can have both a positive and negative impact on air traffic demand.

Politics affect air traffic at the regional, national, and international levels. Operating restrictions, such as night flight bans and noise control measures, as well as travel restrictions and taxes, can have a negative impact on airline offerings. This may also affect passenger and cargo volume at the affected sites and may contribute to the development of other airports. **Environmental policy** in particular can affect air traffic. A further political influencing factor is the possible **liberalization of air traffic rights**. This may result in the opening of new markets for air traffic or the expansion of already existing markets. By contrast, sanctions or tightly specified air traffic agreements lead to the closure of markets.

Geopolitical crises are leading to increasing global political and economic instability. They can influence air traffic development in many ways.

Fraport monitors various early warning indicators to identify trends in travel or freight flows at an early stage, and to derive appropriate countermeasures if necessary.

Structure

No material changes compared with the previous year

After FraSec Fraport Security Services GmbH, a wholly owned subsidiary of Fraport AG, transferred 26% of the shares in FraSec Aviation Security GmbH, formerly FraSec Luftsicherheit GmbH, to the Dr. Sasse Group in the 2022 fiscal year, FraSec Fraport Security Services GmbH transferred a further 25% of the capital shares as at January 1, 2023. As a result of the transfer, FraSec Fraport Security Services GmbH now holds 49% of the capital shares in FraSec Aviation Security GmbH, which has since been included as a joint venture in the Fraport Group.

As part of a transfer agreement, the German Federal Ministry of the Interior and Community (BMI) has transferred responsibility for the organization, financing, control and implementation of aviation security checks at Frankfurt Airport to Fraport AG effective January 1, 2023. Fraport also assumes responsibility for procuring security equipment at Frankfurt Airport and for calculating and levying aviation security charges from the airlines. In future, the aviation security checks will be carried out at the Frankfurt site by specialist personnel on behalf of Fraport AG, under the supervision of the German Federal Police.

In September 2023, the Supervisory Board of Fraport AG decided to extend the contract with Dr. Stefan Schulte, Chairman of the Executive Board of Fraport AG, for an additional three years until August 31, 2027 with effect as of September 1, 2024. In addition, the Supervisory Board extended the contract with Dr. Pierre Dominique Prümm, Member of the Executive Board and Executive Director Aviation and Infrastructure, for an additional five years until July 31, 2029 with effect as of August 1, 2024.

Beyond that, no fundamental changes were made to the legal and organizational Group structure in the 2023 fiscal year.

Legal structure of the Group

As the parent company of the Fraport Group, Fraport AG directly or indirectly holds the shares in the other Group companies and has its registered office in Frankfurt am Main. As at December 31, 2023 there were 56 consolidated companies excluding companies accounted for using the equity method, and 78 companies including companies accounted for using the equity method (in the previous year: 55 and 76 companies, respectively). For a detailed overview of the shareholdings within the Group, please see Group notes, note 57.

Organizational Group structure

As a management body, the Executive Board bears the strategic and operational responsibility for the Group. At the time of preparing the consolidated financial statements, the Executive Board consisted of the five members Dr. Stefan Schulte (Chair), Anke Giesen (Member of the Executive Board and Executive Director Retail & Real Estate), Julia Kranenberg (Labor Relations Director), Dr. Pierre Dominique Prümm (Member of the Executive Board and Executive Director Aviation and Infrastructure), and Prof. Matthias Zieschang (Member of the Executive Board and Executive Director Controlling and Finance).

For the purpose of managing the Group, the Executive Board has divided the business activities into four segments: “Aviation”, “Retail & Real Estate”, “Ground Handling”, which are largely active at the Frankfurt site, as well as “International Activities & Services”, which primarily includes the Group companies outside of Frankfurt. The segments encompass the strategic business units and service units of Fraport AG and include the Group companies involved in each of these business processes. The central units of Fraport AG in Frankfurt are responsible for Group-wide administrative services, among other things.

The **Aviation segment** mainly operates the land and airside infrastructure at the Frankfurt site. It therefore includes both the area of airport charges, which is legally regulated in Germany, and relevant security services. The regulated airport charges consist of passenger, landing, and takeoff fees, security fees, and parking fees. The Aviation segment is responsible for ensuring safe, efficient, and customer-oriented processes in the flight operating areas and terminals as well as the implementation of airport and air safety tasks in compliance with legal requirements.

The **Retail & Real Estate segment** is responsible in particular for the commercial development of the Frankfurt site, including the retail activities as well as real estate and land. Its activities extend from the management of buildings and facilities through to the management and development of the parking and retail areas and the renting of advertising space. In addition to the stationary business at Frankfurt Airport, the focus is, among other things, on greater use of online retail offers and sales channels.

The **Ground Handling segment** consists of loading, baggage, and passenger services, airmail and luggage transport, and freight handling at Frankfurt Airport. The segment is primarily responsible for the quality of Frankfurt Airport's role as a hub, characterized by transfer processes. The provision of the central infrastructure, in particular the baggage transfer system, is also allocated to this segment.

The **International Activities & Services segment** includes in particular the acquisition, operation, development, and expansion of airports abroad. Consulting services, including in the "Operational Readiness and Airport Transfer" (ORAT) section, are additionally provided. The segment also includes Fraport AG service units that provide central services for the Fraport Group.

As at December 31, 2023, the organizational structure of the Fraport Group was as follows:

Fraport Group structure

	Dr. Stefan Schulte	Anke Giesen	Julia Kranenberg	Dr. Pierre Dominique Prümm	Prof. Dr. Matthias Zieschang
Segments	International Activities & Services	Retail & Real Estate	Ground Handling	Aviation	
Strategic Business Units & Service Units	• Global Investments and Management • Airport Expansion South	• Retail and Properties • Information and Telecommunication	• Ground Services	• Aviation • Corporate Infrastructure Management	• Integrated Facility Management
Central Units	• Corporate Development, Environment and Sustainability • Corporate Communications	• Internal Auditing • Legal Affairs and Compliance	• Human Resources		• Finance and Investor Relations • Investment and Project Controlling • Cost and Profitability Management • Accounting • Central Purchasing, Construction Contracts
Significant Group companies	• Fraport Slovenija • Fortaleza & Porto Alegre • Lima • Fraport Greece • Twin Star • Antalya	• Media Frankfurt • Fraport Immobilienservices	• Fraport Ground Services • FraCareServices	• FraSec Flughafensicherheit • FraSec Services	• Fraport Facility Services

A detailed description of the structure and operation of the management and control body is presented in the "Combined statement on corporate governance." The annually updated "Combined Statement on Corporate Governance" does not form part of the annual audit of the consolidated accounts by the auditor.

Key sites

Significant Fraport Group airports

Site	Airport	Company	Share in %	Term		Concession charge
Germany	Frankfurt	Fraport AG Frankfurt Airport Services Worldwide	100	1924	no time limits	–
Slovenia	Ljubljana	Fraport Slovenija, d.o.o.	100	2014	no time limits	–
Brazil	Fortaleza	Fraport Brasil S.A. Aeroporto de Fortaleza	100	2017	2047[1]	Fixed minimum + revenue component
	Porto Alegre	Fraport Brasil S.A. Aeroporto de Porto Alegre	100	2017	2042[1]	
Peru	Lima	Lima Airport Partners S.R.L.	80.01	2001	2041[1]	Fixed minimum+ revenue component
Greece	14 Airports	Fraport Regional Airports of Greece A S.A.	65	2017	2057	Fixed minimum + EBITDA component
		Fraport Regional Airports of Greece B S.A. (below collectively referred to as Fraport Greece[2])	65	2017	2057	
Bulgaria	Varna	Fraport Twin Star Airport Management AD	60	2006	2046	Fixed minimum + revenue component
	Burgas		60	2006	2046	
Türkiye	Antalya	Fraport TAV Antalya Terminal İşletmeciliği A.Ş. (hereinafter: Group company Antalya)	50/51[3]	1999	2051	Fixed amount

[1] Extension option.
[2] The Group company Fraport Regional Airports of Greece Management Company S.A. is included for financial reporting purposes.
[3] Dividend share: 50%, share of voting rights: 51%; from 2027 Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş., dividend share: 50%, share of voting rights: 49%.

In addition to the aforementioned airports, Fraport operates retail areas at different airports in the USA through its Group company Fraport USA.

Competitive position at the Frankfurt site

Frankfurt Airport competes with other airports both nationally and internationally. Regionally, there is competition for passengers and air freight with airports in the original catchment area. Internationally, Frankfurt Airport competes for domestic and international transfer passengers and transshipment freight on the basis of its function as an international transfer airport. The main customer at the Frankfurt site remains the Lufthansa Group, which maintained its share of more than 60% of passengers in Frankfurt in the 2023 fiscal year. The largest competitors for transfer passengers are primarily the hub airports London Heathrow, Paris Charles de Gaulle, Amsterdam Schiphol, Istanbul, and Munich, which are in particular influenced by the global route networks of their resident main customers British Airways, Air France-KLM, Turkish Airlines, and Lufthansa Group. Due to the dynamic development of many airlines and airports from the Middle East, the Frankfurt site is also in intercontinental competition with these airports.

In particular, the expansion and modernization programs contribute to maintaining and improving the international competitive position. For example, the northward relocation of the security checks in Terminal 1 should lead to a much improved transfer process. Terminal 3 (“Expansion South”) should also ensure the long-term landside capacities required to give the site a successful future-oriented competitive edge. The construction of Terminal 3 with Piers H and J, the road infrastructure, and parking garage are already well advanced. The roof of the main terminal building, for example, is fully installed, and the façade work, including glazing, is largely complete. Numerous technical installations are running inside the terminal. Pier G of Terminal 3 has been completed except for the installations that are only required for the start of operations. The opening of the new terminal is planned for the start of summer flight schedule in 2026.

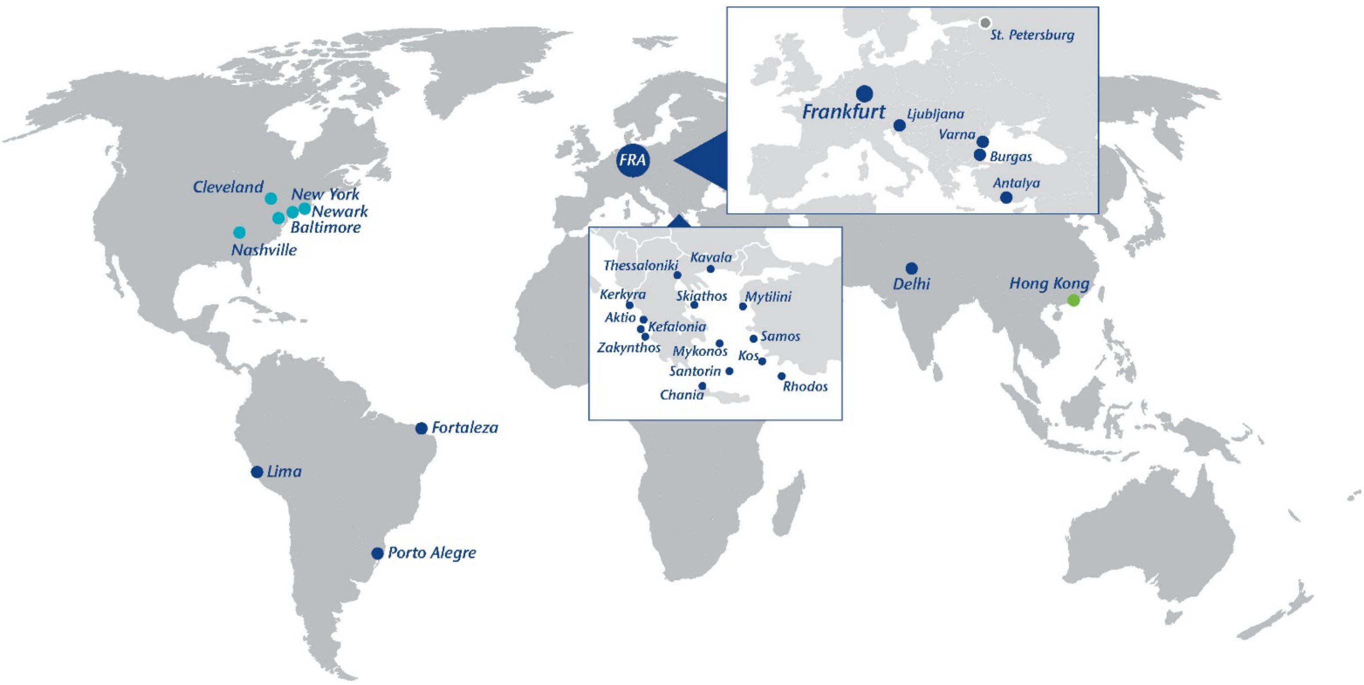
The ranking of the top 10 airports in Europe, which has changed due to the crisis, is slowly returning to the pre-crisis structure (ranking according to ACI Europe; as of: February 2023). With 48.9 million passengers, Frankfurt Airport ranked sixth among the leading airports in terms of passengers in the reporting year. The Group airport Antalya (31.2 million passengers) ranked tenth. In Germany, Frankfurt Airport was the largest passenger airport, ahead of Munich with 31.6 million passengers in the same period. Based on its air freight turnover of approximately 1.9 million metric tons, Frankfurt has remained Europe’s leading airport in the same period, ahead of Paris Charles de Gaulle. In Germany, Leipzig/Halle Airport was the next largest competitor, with 1.5 million metric tons of freight.

Competetive position in Europe

Rank[1]	2023	2022	2019	Airport	Passengers	delta %	Rank[1]	2023	2022	2019	Airport	Air freight	delta %
↑	1.	2.	1.	LHR - London	79,183,190	28.5	→	1.	1.	1.	FRA - Frankfurt	1,828,091	-5.0
↓	2.	1.	5.	IST - Istanbul	75,899,236	18.1	→	2.	2.	2.	CDG - Paris	1,814,952	-1.8
→	3.	3.	2.	CDG - Paris	67,424,082	17.3	↑	3.	5.	5.	IST - Istanbul	1,516,396	6.3
→	4.	4.	3.	AMS - Amsterdam	61,889,586	17.9	↑	4.	6.	3.	LHR - London	1,387,059	2.7
→	5.	5.	6.	MAD - Madrid	60,181,604	18.9	↓	5.	4.	4.	AMS - Amsterdam	1,378,041	-4.2
→	6.	6.	4.	FRA - Frankfurt	59,355,389	21.3	↑	6.	10.	11.	MXP - Milan	665,655	-7.0
→	7.	7.	7.	BCN - Barcelona	49,883,928	19.9	↑	7.	12.	10.	MAD - Madrid	643,534	13.6
→	8.	8.	10.	LGW - London	40,902,076	24.5	↑	8.	11.	12.	BRU - Brussels	579,549	-5.9
↑	9.	12.	11.	FCO - Rome	40,494,654	38.0	↑	9.	16.	15.	MUC - Munich	277,200	7.1
↑	10.	11.	13.	SAW - Istanbul	37,097,582	20.5	↑	10.	15.	16.	ZRH - Zurich	268,164	-0.1

[1] Ranking according to ACI Europe (February 2024).

Competitive Position Outside the Frankfurt Site



The competitive positions of the major airports in the Fraport Group are presented below.

As the airport of the country's capital, the development of **Ljubljana** Airport is closely linked to the economic and tourist situation in Slovenia. As an originating airport, Ljubljana is in particular in competition with airports in its catchment area, such as Zagreb Airport near the border. Compared to the previous year, the airport recorded a clear recovery in traffic. This is mainly due to improved connectivity and the resumption of flight connections that were temporarily suspended due to the bankruptcy of Adria Airways in the fall of 2019 and the impact of the coronavirus pandemic. Alongside a large number of connections to European capitals and business sites, an increasing number of charter flight connections to tourist regions continued to contribute to the appeal of the site and the airport.

Passenger numbers at the two Brazilian airports **Porto Alegre** and **Fortaleza** are strongly influenced by domestic originating traffic. The share of domestic passenger numbers was around 95% in both Fortaleza and Porto Alegre. The three major airlines LATAM Brazil, GOL and Azul continue to dominate the Brazilian market and accordingly offer numerous connections from Porto Alegre and Fortaleza. Porto Alegre benefits from its geographical proximity to the economic center of Brazil. Fortaleza Airport is highly tourist-oriented and is conveniently located for flights to Europe and North America. However, during the year the airport was affected by the weak development of the economy and a decline in tourist numbers. In addition, GOL has moved part of its fleet to other Brazilian sites. Freight volumes at both airports developed positively.

The Jorge Chávez Airport in **Lima** is Peru’s leading airport, and one of the largest airports in South America. The site profits from its geographical position, which makes the airport an attractive transfer point for traffic between South and North America. LATAM Airlines Group has the largest share of aircraft movements and passengers at Lima Airport. The largest low-cost airlines at the site, SKY Airline and Jetsmart, continue to pursue a growth strategy and contribute to positive traffic growth. The expansion project at the Jorge Chávez Airport includes the construction of a new passenger terminal, a new runway, including aprons and taxiways, as well as other peripheral infrastructure. This will ensure that sufficient capacity is available for further growth in the South American aviation market in the future. The second runway and the air traffic control tower started operations in April 2023. The construction of the new passenger terminal continues to progress. It is scheduled to open at the end of 2024.

The traffic and business developments at the strongly tourist-oriented Greek sites, at Varna and Burgas, as well as in Antalya are substantially affected by charter traffic of tourist carriers. There is generally no substantial concentration of individual airlines. In addition to the economic development in each respective country where the traffic originates, the sites depend particularly on the appeal of the respective regions with regard to safety, quality, price level, and entry requirements.

Fraport Greece operates 14 Greek regional airports. These are the airports in Kerkyra (Corfu), Chania (Crete), Kefalonia, Kavala, Aktio/Preveza, Thessaloniki, Zakynthos, Mykonos, Skiathos, Santorini (Thira), Kos, Mytilene (Lesbos), Rhodes, and Samos. The development at the Greek Group airports is mainly characterized by tourist traffic. Greece’s appeal as a tourism destination and the associated potential for a further increase in demand should continue in the coming years. Despite isolated natural events, such as the forest fires on Rhodes and Corfu, traffic figures continued to increase and reached a new peak in 2023.

The Black Sea airports in **Burgas** and **Varna** are the second- and third-largest passenger airports in Bulgaria after Sofia. The flight schedule included 64 destinations in Varna and 75 destinations in Burgas in 2023. In addition to charter services, low-cost transport promises further growth potential. Wizz Air provided the largest share of passengers by far, at around 26%. In 2023, the airline stationed three aircraft in Varna, two since October 2023. The modular expansion of the terminals at both sites offer sufficient capacity to be able to meet the regional growth expected in the medium term.

Antalya was the second-largest passenger airport in Turkey in the past fiscal year, behind Istanbul Airport, and remains one of the most important tourist airports in the Mediterranean region. The demand for holiday travel to the region is essential for the further development of traffic at Antalya Airport. This depends on the political and economic situation in the countries of origin of the main passenger groups as well as Turkey. At the end of 2021, a consortium made up of Fraport and its Turkish partner TAV was awarded the tender for the new operating concession at Antalya Airport. The operational period of the new concession will start at the beginning of 2027 after the current concession expires, and will run until the end of 2051. As part of the new concession, necessary expansion measures at the terminals and other areas at the airport began in the first quarter of 2022. The completion of the main infrastructure measures is expected until January 2025. This will ensure Antalya Airport will remain highly competitive in the segment of tourist airports in the Mediterranean region in the long term.

Additional information about business development in the past fiscal year can be found in the “Economic Report” chapter.

Strategy

Long-term market development remains positive despite short-term volatility

Following the worldwide traffic decline caused by the coronavirus pandemic, the volume of traffic is recovering globally. In the long term, stable growth of the aviation market is expected to continue. Fraport aligns its strategy to the long-term forecasted development of the global aviation market and its trends. In particular, projected global economic growth and stable world trade will have a positive impact on the development. The world's growing population, combined with the expanding middle class, which tends to consume more, are the main factors driving tourism demand. Disproportionate growth is still expected from and in the economic emerging markets.

Long-term market development

Global economic performance

Growing **global gross domestic product** and increasing **global trade** will promote the development of air traffic

Growing world population

Globalization and a pronounced **trend towards private travel** are contributing positively to this development

Forecast for the long-term development of global air traffic underpins growth prospects

Source	Term	Reference	Average annual growth
Airbus	2019 – 2042	Passenger kilometers sold	+3.6%
Boeing	2019 – 2042	Passenger kilometers sold	+3.7%
Embraer	2019 – 2042	Passenger kilometers sold	+3.2%
ACI	2019 – 2041	Number of passengers	+3.5%

Strategic objectives

The vision of the Fraport Group, with its five strategic objectives, serves to implement the mission and remains unchanged despite short-term volatility:

A description as well as target values and time horizons for the most important financial and important non-financial key figures can be found in the "Control system" chapter, and the development during the past fiscal year can be found in the "Economic Report" chapter. The forecast values for the key financial performance indicators for the 2024 fiscal year are included in the "Outlook Report" chapter. Substantial risks and opportunities can be found in the "Risk and Opportunities Report" chapter.

Growth in Frankfurt and internationally

The expected market development indicates that air traffic will remain a growth market. Against this background, Fraport is aligning the company to ensure competitiveness and to participate sustainably in this growth – both at the Frankfurt site and internationally.

Based on this, it is expected that traffic volume at Group airports will follow the general market trend, the aviation value added will increase, and sustainable EBITDA growth will be achieved in the non-aviation segment. The international business is also expected to continue to grow and contribute to the Group EBITDA and result.

At the Frankfurt site, the construction of Terminal 3 will secure the infrastructure required for growth in the long term. Construction is progressing according to plan, and the new terminal will open for the 2026 summer flight schedule. The resulting additional capacity of around 20 million passengers will make it possible to gradually modernize older terminal infrastructure. In particular, Terminal 2 will be temporarily closed and modernized.

The role of Frankfurt Airport as one of the leading cargo hubs in Europe will also be strengthened, and freight will be developed as a business field. Infrastructural expansion areas at Frankfurt Airport, the e-commerce segment, and the forecasted overall economic upswing are expected to contribute to growth in freight in the coming years.

Fraport is continuing the expansion measures required to meet capacity that it has begun at international sites. In Peru, expansion measures are well advanced. The new terminal will be opened at the end of 2024 following the inauguration of the runway and air traffic control tower. Compared to 23.6 million passengers carried in 2019, the airport's capacity will be increasing to around 40 million passengers. The terminal at Varna Airport in Bulgaria is also to be expanded in the next few years.

Fraport particularly uses the passenger numbers at Frankfurt Airport as well as at the Group airports as an indicator for the Group-wide growth in traffic. Fraport measures Group-wide growth in the result and controls this, among other things, by monitoring the development of Group EBITDA and the Group result, the ROFRA (Return on Fraport Assets), net financial debt to EBITDA ratio, and free cash flow. In view of the dynamic economic environment, Fraport is also focusing on securing Group liquidity in the long term.

Service-oriented airport operator

Motivated employees, efficient processes and infrastructure that meets current needs ensure that Group airports reach a leading position in their respective aviation market and underpin the claim of Fraport of having a strong customer and service orientation at all sites.

As of January 1, 2023, Fraport is responsible for the organization, control, and implementation of aviation security checks at Frankfurt Airport. This is a substantial milestone in optimizing control of the travel process. In combination with the gradual rollout of new computer tomography (CT) scanners, queues at security checkpoints will be reduced. Customer experience will improve as a result.

In order to further strengthen the hub function of the Frankfurt site, the security checkpoint in Terminal 1 B will be relocated over the next few years. This will increase capacity for checks and create easier transfer processes as well as a new airside shopping area.

In addition to the passengers, airport business partners including airlines, retailers, and logistics specialists are of key importance to Fraport. Fraport aims to provide its partners Group-wide with a good commercial basis. Processes and interfaces are technologically supported and are intended to be improved continuously. This simplifies and accelerates processes. With the founding of FraAlliance GmbH, Fraport and Lufthansa have strengthened their strategic and operational cooperation at the Frankfurt site. The main focus in the reporting period was on improving the gastronomic and retail offerings.

Customer and service orientation will also be continually improved at the other Group airports. Understanding customer needs and obtaining feedback is essential for this. This is why customer surveys are regularly conducted in Frankfurt and at the Group airports. The global passenger satisfaction reflects the effectiveness and success of the passenger-oriented processes and service offers. Also, baggage connectivity is an essential measure for performance of the Frankfurt hub airport. The punctuality rate is another quality indicator for Frankfurt as a hub airport.

Economically successful through optimal cooperation

Fraport aims to ensure that Group companies, business fields and services perform with quality and cost structures that can compete with specialized aviation service providers. Optimized collaboration enables the operating cost to be reduced further and made more flexible.

In order to support the restart of air traffic and ensure the long-term success of Fraport, the focus is on adapting the organization and its processes. Among other things, a bundling of ground services in Frankfurt within the framework of a joint operation is planned. This should improve the quality and profitability of the business model.

Learning organization & digitalization

Flexible and fast response is part of everyday operations for Fraport. The intention is for risks and opportunities to be recognized at an early stage, and changes in the market anticipated. Learning takes place every day and everywhere, both in terms of leadership and in the area of expertise. This also includes the regular exchange of technical experts within the Group on specific airport management issues. One example of this is the "Sustainability X-Change," in which sustainability experts and managing directors of the international Group companies and Fraport AG regularly exchange ideas and drive forward joint projects. The main focus in 2023 was to extend the decarbonization master plan to the Group level.

The volatile business environment in which Fraport operates requires a high level of adaptability from the organization and its staff. Fraport is increasingly building on digital solutions with collaborative value creation and is thus consistently implementing its digitalization and innovation strategy. The partnership with Microsoft established as part of the AI@FRA initiative is primarily used to improve the handling process in flight operations. The first concrete use cases for artificial intelligence are also being worked on in the administrative area. The basis for this work is, among other things, appropriate data quality. The Data Literacy training program aims to consistently prepare employees for more data-based work. Fraport considers digitalization and innovation to be a lever to improve customer satisfaction and financial performance indicators. All the projects listed above aim to open up earnings potential or reduce costs, and thus increase competitiveness.

Fairness and recognition for partners and neighbors

One focus of the Fraport Group's sustainability activities is to treat partners, neighbors, and natural resources respectfully throughout the Group.

Being a good neighbor means communal, cultural, and social engagement in the respective regions. At the Group sites, the regions close to the airport benefit from the economic performance of the airports. Donations or sponsoring activities are carried out independently by the Group companies.

Active and passive noise abatement serves to reduce the negative effects of aviation traffic on its environment. Emission-related airport charges at the Frankfurt site provide financial incentives for airlines to use aircraft with low pollutant and noise emissions. Noise protection measures in accordance with national and local noise protection regulations have been applied and monitoring systems implemented at Group airports as well.

In addition, Fraport feels responsible for meeting ecological requirements. In the field of climate protection, Fraport is pursuing the goal of reducing Group-wide CO_2 emissions to a maximum of 95,000 metric tons by 2030. Fraport aims to be carbon-free by 2045. No emissions will be compensated. In 2022, the "Decarbonization Master Plan" for Fraport AG was developed as a policy paper for decarbonization. It derives an overall concept for reducing CO_2 emissions from the scientific and legal framework conditions as well as the technical possibilities and provides a comprehensive view and structuring of the measures to reduce CO_2 emissions. In the 2023 fiscal year, the master plan was also rolled out to the relevant Group companies. Key components include packages of measures to increase energy efficiency, the conversion of the vehicle fleet to electric drives and the procurement of energy from renewable sources.

With regard to social sustainability aspects, Fraport also retains qualified and motivated employees as an attractive and responsible employer, among other things with systematic further development offers and talent management programs. For this purpose, the HRneo strategic program was launched in 2023. It comprehensively addresses the requirements of the personnel market and aims to position Fraport as a top employer. In this way, Fraport aims to secure its own long-term competitiveness in an increasingly tight labor market. HRneo takes a holistic view of HR work and will also revise the current understanding of leadership.

Comprehensive, integrated occupational health and safety is also an important component of the Fraport Group's understanding of sustainability.

Fraport respects and promotes personal diversity and attaches great importance to ensuring that this is reflected in the way employees interact with each other. The Group agreement “Conduct of Partnership, Diversity, and Equality in the Workplace” forms the platform for principles such as freedom from discrimination and equal opportunities. Fraport places particular emphasis on development measures aimed at increasing the proportion of women in management positions. This applies to management positions at levels 1 and 2 below the Executive Board, as well as the respective management boards and the management level below them at the German Group companies.

Fraport uses the key indicators of employee satisfaction, the proportion of women in management positions, the sickness rate, and level of CO_2 emissions to monitor its sustainability activities.

Research and Development

Fraport does not conduct research and development in the narrowest sense. Nevertheless, the company is eager to ensure necessary developments are made and to integrate market proven solutions in a timely manner. The focus therefore lies on continuously observing markets and technologies in order to identify and implement promising developments at an early stage.

Legal Disclosures

As a listed corporation headquartered in Germany, Fraport AG is subject to a number of statutory disclosure requirements. Important reporting obligations that apply to this combined management report as a result of these requirements are shown in the following.

Takeover-related disclosures

The capital stock of Fraport AG is €924,687,040. It is divided into 92,468,704 no-par-value bearer shares. The company holds treasury shares (77,365 shares), which are offset from capital stock on the balance sheet. The issued capital stated in the commercial balance sheet as at December 31, 2023 and reduced by treasury shares is €923,913,390 (92,391,339 no-par-value shares). There are no differing classes of shares. Additional information regarding treasury shares in accordance with Section 160 (1) no. 2 of the AktG can be found in the Group notes, note 31, and Fraport AG’s Notes, note 28.

The shares of Fraport AG are not subject to any restrictions on voting rights under the company statutes or the law. None of the shares issued by Fraport AG certify any rights that confer special supervisory powers on the holders. In the event of a change of control following a takeover bid, there are no compensation agreements with members of the Executive Board or employees.

The appointment and dismissal of Executive Board members is carried out in compliance with the relevant provisions of AktG (Sections 84 and 85). Pursuant to Section 179 (1) sentence 2 AktG in conjunction with Section 11 (3) of the company statutes, the Supervisory Board is entitled to amend the company statutes only with respect to the wording. Other amendments to the company statutes require a resolution of the Annual General Meeting, which, according to Section 18 (1) of the company statutes, must be passed in general by a simple majority of the votes cast and, provided that a capital majority is required, by a simple majority of the capital stock represented at the time of the resolution. If, by way of exception, the law requires a higher capital majority (e.g., when changing the purpose of the company as stated in the company statutes, Section 179 (2) sentence 1 AktG; or when creating contingent capital, Section 193 (1) sentence 1 AktG), the resolution of the Annual General Meeting has to be passed by a three-quarter majority of the represented capital stock.

The Executive Board is entitled, with the consent of the Supervisory Board, to increase the capital stock on one or more occasions by up to a total of €458,843,520.00 until May 31, 2026 by issuing up to 45,884,352 new no-par value bearer shares in return for cash (“Authorized Capital II”). In principle, the shareholders are to be granted a subscription right. The new shares may also be acquired by a credit institution to be determined by the Executive Board or a company (financial institution) acting in accordance with the first sentence of Section 53(1) of the German Banking Act (KWG) or the first sentence of Section 53b(1) or Section 53b(7)

KWG or a consortium of such credit or financial institutions with the obligation to offer them to the company's shareholders for subscription (indirect subscription right). The new shares will participate in the net income from the beginning of the fiscal year of their issue. To the extent legally permissible, the Executive Board, with the consent of the Supervisory Board and in deviation from Section 60 (2) AktG, can determine that the new shares will participate in net income from the beginning of a fiscal year that has already expired and for which no resolution has yet been passed by the Annual General Meeting on the appropriation of the profit earmarked for distribution at the time of their issue. The Executive Board is further authorized, also with the consent of the Supervisory Board, to exclude the subscription right of the shareholders one or more occasions, insofar as this is necessary to compensate for residual amounts. The Executive Board is authorized to determine, with the consent of the Supervisory Board, the further details of the capital increase, the further content of the share rights and the terms and conditions of the issue of shares. The Supervisory Board is authorized to adjust the wording of Section 4 of the company statutes in accordance with the respective utilization of Authorized Capital II and after the expiration of the authorization period.

The capital stock is conditionally increased by up to €120,209,310.00 through the issue of up to 12,020,931 new no-par value bearer shares (Contingent Capital). The contingent capital serves exclusively to grant shares to the holders or creditors of convertible bonds and/or bonds with warrants or a combination of all these instruments, which are issued by the company in accordance with the authorization up to May 31, 2026 resolved by the Annual General Meeting on June 1, 2021 under agenda item 7 a) and grant a conversion or option right to new no-par value bearer shares in the company or determine a conversion or option obligation or a right to tender and insofar as the issue takes place in return for cash. The new shares are issued at the conversion or option price to be determined according to the previously mentioned authorization resolution. The contingent capital increase is only to be carried out to the extent that conversion or option rights are exercised, or the conversion/option obligation is satisfied, or shares are tendered, and no other forms of fulfillment are used. The new shares will participate in the profits from the beginning of the fiscal year in which they are created by exercising conversion or option rights or through the fulfillment of corresponding obligations (fiscal year of origin); in deviation from this, the new shares will participate in the profits from the beginning of the fiscal year preceding the fiscal year in which they were created if the Annual General Meeting has not yet passed a resolution on the utilization of the profit earmarked for distribution from the fiscal year preceding the fiscal year in which they were created. The Executive Board is authorized, with the consent of the Supervisory Board, to determine the further details of the implementation of conditional capital increases.

As part of the annual employee stock program, 35,625 shares of Fraport AG were issued in the reporting period, which are subject to a one-year lock-up period. In addition, each member of the Executive Board is obliged to acquire shares of Fraport AG in the amount of at least one annual gross base remuneration within a five-year establishment phase in annual installments, and to hold them permanently during their membership on the Executive Board.

Furthermore, there are loans with contractually agreed credit clauses. These clauses relate, among other things, to changes in the shareholder structure, and control of the company. If these changes have a proven negative effect on the credit rating of Fraport AG, the creditors have, above a certain threshold, the right to call the loans due ahead of time on a case-by-case basis.

On the basis of the consortium agreement concluded between the State of Hesse and Stadtwerke Frankfurt am Main Holding GmbH dated April 18/23, 2001 with a supplement as at December 2, 2014, the total voting rights in Fraport AG held by both shareholders, calculated in accordance with Section 34 (2) of the German Securities Trading Act (WpHG), amounted to 52.23% as at December 31, 2023. Of this, the State of Hesse held 31.31% and Stadtwerke Frankfurt am Main Holding GmbH 20.92%. The voting rights in Fraport AG owned by the City of Frankfurt/Main are held indirectly via the Stadtwerke Frankfurt am Main Holding GmbH subsidiary.

Report on the relationships with affiliated companies

Due to the shares of 31.31% (previous year: 31.31%) held by the State of Hesse and 20.92% (previous year: 20.92%) held by Stadtwerke Frankfurt am Main Holding GmbH, as well as the consortium agreement concluded between these shareholders on April 18/23, 2001 with a supplement as at December 2, 2014, Fraport AG is a publicly controlled enterprise. There are no control or profit transfer agreements.

The Executive Board of Fraport AG therefore compiles a report on the relationships with affiliated companies in accordance with Section 312 of the AktG. At the end of the report, the Executive Board made the following statement: "The Executive Board declares that under the circumstances known to us at the time, Fraport AG received fair and adequate compensation for each and every legal transaction conducted. During the reporting year, measures were neither taken nor omitted at the request of or in the interests of the State of Hesse and the City of Frankfurt am Main and their affiliated companies."

Combined Statement on Corporate Governance

The Fraport AG Executive Board reports – in the name of the Supervisory Board as well – on the contents subject to the reporting requirements pursuant to Section 289f of the German Commercial Code (HGB) for Fraport AG as well as for the Fraport Group as part of a combined statement on corporate governance pursuant to Section 289f HGB and Section 315d HGB read in conjunction with Section 289f HGB, in order to enable a general statement on the Group's corporate governance principles. The combined statement on corporate governance is published in the "To our shareholders" chapter and on the corporate website at www.fraport.com/en/investors/corporate-governance.html.

Information in accordance with the German Energy Economics Act (EnWG)

Fraport AG operates its own energy supply network and in mid-2011 applied for the status of "closed distribution network", which is associated with considerable benefits compared to general supply networks. In accordance with the requirements of Section 6b of the EnWG (German Energy Industry Act), Fraport AG is obliged to prepare separate business statements. The regulations were applied in accordance with the requirements of the Federal Network Agency in the 2023 annual financial statements.

Annual General Meeting (AGM)

At the past virtual AGM on May 23, 2023, Fraport received a clear majority from its shareholders on all agenda items. Of the capital entitled to vote, 73,253,707 no-par-value shares and the same number of voting rights (79.22% of capital) were exercised. The AGM for the 2023 fiscal year will be held on May 28, 2024 as an in person meeting.

Control system

The "Control system" chapter explains the key indicators used by the Executive Board to make the corporate measures taken as part of the Group strategy measurable and to evaluate them

Changes compared with the previous year

The following changes were made to the Group's control system in the 2023 fiscal year. The "Non-financial performance indicators" section is part of the "Combined non-financial statement." As in the previous year, the non-financial performance indicators are still presented in this chapter. The Executive Board dealt with the requirements of the Corporate Sustainability Reporting Directive (CSRD). In preparation for the implementation, the control system was determined and checked to ensure it was up to date. The first step was to analyze and define the non-financial performance indicators. A comprehensive revision of the control system, along with the adoption of the materiality matrix and the further development of the Fraport.2030 Group strategy, is planned for 2024 (see also the "Business outlook" chapter). The relevance of the key financial performance indicators to control activities was confirmed for the 2023 fiscal year.

As planned, the employee satisfaction indicator was not measured during the reporting period. The focus is on the development and implementation of measures derived from the last survey in 2022.

Beginning with the reporting for the 2023 fiscal year, the Executive Board will focus on the following financial and non-financial performance indicators, the developments of which are presented in the "Group results of operations," "Asset and financial position," "Value management," and "Non-financial performance indicators" chapters. Corresponding forecasts for the key financial performance indicators have been stated in the "Business outlook" chapter.

Financial performance indicators

Overview financial key performance indicators

Topic	Target	Key figure	Scope	Term	Target level	Value 2023
Earnings position/ Assets and financial position	We generate long-term earnings growth and maintain financial strength at a high level despite future investments.	EBITDA (€ million)	Group	2024	Between roughly €1,260 million and around €1,360 million	1,204.0
		Group result (€ million)	Group	2024	Between around €435 million and roughly €530 million	430.5
		Free Cash Flow (€ million)	Group	2024	Negative mid three-digit million € amount	–656.4
		Group liqudity (€ million)	Group	Long term	≥ €1 billion, temporarily clearly higher	4,041.3
		Net financial debt to EBITDA	Group	Long term	Max. 5x	6.4
		ROFRA (%)	Group	Long term	>WACC (2023: 7.6 %)	6.6
		Net profit (€ million)	Fraport AG	Long term	Between around €300 million and roughly €350 million	329.1
		Liquidity (€ million)	Fraport AG	Long term	≥ €1 billion, temporarily clearly higher	3,285.6

For Fraport, the growth-oriented development of financial performance indicators is critical for the long-term success of the company. The overriding importance of these indicators is reflected in the Group strategy as a set of criteria for the Group objectives “Growth in Frankfurt and internationally” and “Economically successful through optimal cooperation”. Control, derived from the Group strategy, is carried out primarily at the Group level, and segment-specific key figures are used to support this.

Fraport uses key figures relating to the consolidated results of operations and to the Group asset and financial position, as well as key figures that link the results of operations with the asset and financial position (value management), as key financial performance indicators. In accordance with the long-term oriented Group strategy, the Executive Board manages and evaluates the development of financial performance indicators while also taking account of long-term forecasted market developments. In this context, strategic measures – such as the implementation of larger capital expenditure projects or the expansion of international business – can also lead to a short- to medium-term burden on the financial performance indicators.

The key financial performance indicators and their significance for Fraport are described in the following. The description of their development during the past fiscal year can be found in the “The Group’s results of operations”, “Asset and financial position”, and “Value management” chapters. The associated forecasted figures for the 2024 fiscal year can be found in the “Business outlook” chapter. Definitions for calculating the financial key figures can be found in the “Glossary” chapter.

Results of operations key figures

The results of operations include the presentation and explanation of significant earnings components and key figures. While the results of operations in the context of regular reporting provide information about the past business development and are forecasted in the business outlook, earnings forecasts are also regularly drawn up over long-term periods for internal planning purposes. The information resulting from this is relevant for the Executive Board in relation to the company’s long-term management.

The most important financial performance indicators for Fraport are **EBITDA** and the **Group result**.

EBITDA and, indirectly, the Group result through the earnings per share (EPS) are a component of the Executive Board remuneration and underline the relevance of these financial key figures as a control element.

Asset and financial position key figures

As well as in the results of operations, the result of the strategically adopted measures and operating activities of Fraport is also reflected in the Group's asset and financial position. For Fraport, in particular the development of the net financial debt to EBITDA ratio and the free cash flow are significant. Also, under the influence of the coronavirus pandemic Group liquidity was introduced as a control parameter.

The net financial debt to EBITDA ratio and the free cash flow in particular serve as key financial indicators to the Executive Board to assess financial strength. The **net financial debt to EBITDA** ratio provides information on the financial stability of the company and how many years are required to service the net financial debt via EBITDA. Net financial debt consists of long-term and short-term financial liabilities less Group liquidity. The Executive Board has decided on a ratio of a maximum of 5 for this performance indicator and is resolved to reach this target value again in the medium term after the effects of the coronavirus pandemic are overcome.

Free cash flow is the result of the cash flow from operating activities less the effects resulting from the application of IFRS 16, investments in airport operating projects, capital expenditure for other intangible assets, capital expenditure in property, plant, and equipment, investments for "investment property" and capital expenditure in companies accounted for using the equity method, plus dividends from companies accounted for using the equity method. The free cash flow provides information about the financial funds available to the Group from the operating activities of a period after deducting operating capital expenditure activities. These free funds can be retained in order to increase the company's liquidity and to be available as a financial reserve for future capital expenditure or to reduce the leverage (the gearing ratio) and/or can be distributed among shareholders as dividends. Due to the ongoing capital expenditure for expansion activities in Frankfurt and internationally, as well as the after-effects of the coronavirus pandemic on the operating activities of Fraport, the free cash flow continues to be extraordinarily burdened and temporarily negative. In the medium term, the aim is to achieve a clear increase in free cash flow in positive territory.

Group liquidity includes cash and cash equivalents (as at the statement of financial position) plus short-term realizable items in "other financial assets" and "other receivables and financial assets." This key figure provides information on the financial stability of the Fraport Group, even over a long period of time. The Executive Board also aims for liquidity of at least €1 billion in the long term. Against the backdrop of the current macroeconomic volatilities and the high level of debt related to the pandemic, a temporarily significantly higher level of liquidity is being maintained.

Links between the results of operations and the asset and financial position (value management)

To increase the Group's value in the long term, the Executive Board specifically draws parallels between the development of the results of operations and the asset and financial position. In this context, the Executive Board plans and manages the Group's development according to the principles of value management.

At Fraport, the most important measurement and steering figure of this approach is the **"Return on Fraport assets"**, in short: **ROFRA**, which makes the different-sized segments of the Fraport Group comparable in terms of economic enhancement. Compared to the current WACC, the ROFRA shows whether the business units created value (ROFRA > WACC) or not (ROFRA < WACC).

ROFRA

Adjusted EBIT

EBIT
\+ Pre-tax result of the Group companies accounted for using the equity method

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Fraport-Assets

Goodwill
\+ Other intangible assets at cost/2
\+ Investments in airport operating projects at cost/2
\+ Construction in progress and lands at cost
\+ Other property, plant, and equipment at cost/2
\+ Carrying amounts of the Group companies accounted for using the equity method and other investments
\+ Inventories
\+ Trade accounts receivable
– Current trade accounts payable

The ROFRA is calculated on the basis of the EBIT extended by the results before taxes of the Group companies accounted for using the equity method divided by the Fraport assets. The Fraport assets are defined as the average of the Group's or segments' fixed interest-bearing capital required for operations including the carrying amounts of the Group companies accounted for using the equity method. To avoid economic enhancement coming solely from depreciation and amortization of assets, the Executive Board recognizes regularly depreciable or amortizable assets within Fraport assets at half of their historical acquisition/manufacturing costs (at cost/2), and not at residual carrying amounts. Goodwill and investments in Group companies accounted for using the equity method and other assets not included in depreciation and amortization, in particular assets in construction, are recognized in full at cost because they are not subject to regular depreciation and amortization. Within the scope of the initial implementation of IFRS 16, other property, plant, and equipment also includes the rights to use resulting from leasing contracts. They are included in the calculation as half at costs.

ROFRA is also an element of the Executive Board remuneration and underlines the long-term goal of Group-wide business activities that create value.

Other important key indicators for the results of operations

The **passenger numbers** at the Group sites are of particular importance for the financial development of Fraport. Closely related to this, **revenue** is an important key indicator for measuring the performance of the Group. Details on this can be found in the Group notes, note 5, and Fraport AG's Notes, note 5. In order to limit fluctuations in connection with the recognition of expansion obligations in the balance sheet and thus show organic growth, revenue is adjusted for effects from the application of IFRIC 12 "Service Concession Agreements" and reported separately as the key figure **Revenue adjusted for IFRIC 12**. **EBIT** – the operating result before interest and taxes – is also an important indicator for measuring the operating result in the Group.

At Fraport AG level, **net income** is a key figure of great importance for the development of shareholders' equity and profit earmarked for distribution. The **liquidity** of Fraport AG is also relevant for management. Against the background of the capital-intensive expansion at the Frankfurt site and the international business as well as the temporarily high net financial debt, the Executive Board is aiming for minimum liquidity that is well above the long-term target of €1 billion.

Value added

In addition to the ROFRA, Fraport uses the value added as a measure of economic enhancement. The value added is annually consolidated and recorded at Group and at segment level. It is calculated from the "adjusted" EBIT, which also includes the results before taxes of the Group companies accounted for using the equity method, minus the Fraport assets multiplied by the WACC.

Calculation of the value added

Adjusted EBIT – Fraport-Assets x WACC

The goal is to generate value added of zero for the regulated Aviation segment, and generate clearly positive values added for the other segments.

Fraport calculates the weighted average cost of capital (WACC) using the capital asset pricing model and uses this regulatory specific WACC to calculate its airport charges. Given the continuously changing economic environment, interest rate levels, and/or Fraport's risk and financing structure, Fraport regularly reviews, and, if needed, adjusts its WACC. The WACC is also used for the value management of the Fraport Group. The WACC for the fiscal year increased compared to the previous year to 7.6% (before taxes, 2022: 7.3%). For details on the use and calculation of the cost of capital in the context of impairment tests, please refer to note 4 in the Notes to the Consolidated Financial Statements.

The regulatory WACC is composed as follows:

Calculation of the WACC

Cost of equity	Cost of debt
Equity cost rate before taxes 14.2%	Debt cost rate before taxes 2.1%
Shareholders' equity ratio 48% (based on market value)	Debt ratio 52% (interest-bearing 39% / non interest-bearing 13%)

WACC before taxes 7.6%

Non-financial Performance Indicators[1]

Overview non-financial key performance indicators

Topic	Target	Key figure	Scope	Term	Target level	Value 2023
Customer satisfaction and product quality	We continuously optimize customer and service orientation at the Group airports.	Global satisfaction of passengers (%)	Group	2026	≥80	74
		Global satisfaction of passengers (%)	Fraport AG	2026	≥80	67
		Baggage connectivity (%)	Frankfurt Airport	2026	>98.5	95.8
Attractive and responsible employer	We create good working conditions and increase employee satisfaction.	Employee satisfaction 1)	Group 2)	2026	>4.9 and at least 0.1 better than 2024	4.76 3)
			Fraport AG	2026	>4.8 and at least 0.1 better than 2024	4.64 3)
	We increase the share of women in management positions.	Women in management positions (first level below the Executive Board) (%)	Group (Germany) 4)	2026	30.8	24.4
		Women in management positions (second level below the Executive Board) (%)	Group (Germany) 4)	2026	30.2	33.9
		Women in management positions (first level below the Executive Board) (%)	Fraport AG	2026	31.8	23.8
		Women in management positions (second level below the Executive Board) (%)	Fraport AG	2026	30.9	31.8
Occupational health and safety	We stabilize the sickness rate in the medium term and reduce it in the long term.	Sickness rate (%)	Group (Germany) 4)	2025	≤7.2	8.7
			Fraport AG	2025	≤7.2	7.1
Climate protection	We reduce the CO_2 emissions.	CO_2 emissions (total of scope 1 and 2) (t)	Group 6)	2030	95,000 5)	158,065 7)
			Fraport AG	2030	50,000 5)	117,480 7)

1) Employee satisfaction was not surveyed in 2023 as planned. The next scheduled survey will take place in 2024.
2) Employee satisfaction: Includes Fraport AG and the German Group companies as well as Fraport Slovenija, Twin Star, Fortaleza, Porto Alegre, Lima, Fraport Greece and Fraport USA.
3) Values 2022.
4) Includes Fraport AG and the fully consolidated German Group companies.
5) Target value 2045: 0 t CO2 ("Net Zero Carbon" according to the Intergovernmental Panel on Climate Change).
6) Includes Fraport AG and the Group companies Facility Services, Fraport Ground Services, FraCareS, Expansion South, FraSec Group (three companies in 2022; two companies in 2023), Media, Fraport Greece, Fraport Slovenija, Lima, Fortaleza, Porto Alegre and Twin Star.
7) Subsequent verifications may result in changes to the values.

In addition to the key figures for its financial development, Fraport measures the development of “Non-financial performance indicators,” which are also relevant for the long-term success of the company and result primarily from the Group objectives “Service-oriented airport operator” and “Fairness and recognition for partners and neighbors” in the Group strategy.

The description of the development of the important non-financial performance indicators during the past fiscal year as well as the implemented measures are presented in the “Non-financial performance indicators” and “Combined non-financial statement” chapters.

Customer satisfaction and product quality

For Fraport, the quality of performed services and the associated customer satisfaction are decisive competitive factors and of key significance for the long-term success of the business. The clear objective is to raise the company’s own quality and customer satisfaction to a high level. Fraport uses performance indicators for the purposes of measurement and control. The key indicators include the **global satisfaction** of passengers and **baggage connectivity**.

[1] Part of the combined Non-Financial Statement

Global satisfaction describes passengers' satisfaction with the services and processes offered and the service at Fraport airports. It is collected as part of continuous passenger surveys at all fully consolidated Group airports. The Group global satisfaction indicator is the weighted average of the global satisfaction in Frankfurt and at the fully consolidated international airports.

The target value for global satisfaction of 80% for Frankfurt Airport remained unchanged for fiscal year 2023. This target value is to be maintained at least until the inauguration of Terminal 3. The target value for Group global satisfaction also remained unchanged at 80% after the survey was resumed in the 2023 fiscal year.

Baggage connectivity provides information about the percentage of baggage at Frankfurt Airport that is loaded on time in relation to the total departing baggage. Baggage connectivity measures, among other things, the performance of the airport in its role as a hub with a transfer share of about 50%, and thus a high proportion of transfer baggage. A high and stable connectivity proves a good quality of baggage processes. The objective remains the achievement of a long-term baggage connectivity of more than 98.5%.

Attractive and responsible employer

For Fraport, appeal and responsibility as an employer is, like customer satisfaction and product quality, a key factor to ensure the long-term success of the business. Fraport understands appeal to mean the creation of good working conditions in order to gain and retain committed and qualified employees. To measure and control its appeal and responsibility as an employer, Fraport uses various performance indicators, such as **employee satisfaction** and the ratio of **women in management positions**.

Employee satisfaction is a central instrument for measuring employee mood. Fraport is convinced that satisfied employees achieve higher customer loyalty and improved performance. As of the 2022 reporting year, the key figure is measured every two years on the basis of an extensive survey of the employees of Fraport AG and the Group companies. All labor-intensive Group companies in Frankfurt and in Greece, Slovenia, Bulgaria, Peru, Brazil and the USA participate in the survey. The results obtained from this provide the basis for long-term goal setting. The goal is to continuously improve employee satisfaction. By the end of 2026, employee satisfaction at Fraport AG should therefore increase to at least 4.8. If this figure is already reached in 2024, the aim is to improve the 2026 survey result by at least 0.1. The Group is to achieve at least a value of 4.9. Here, too, the value should be at least 0.1 higher than in 2024.

As a responsible employer, Fraport respects and promotes personal diversity and attaches great importance to ensuring that this is reflected in the way employees interact with each other. Diversity is a key goal for Fraport, which is systematically addressed within the framework of diversity management. Fraport AG places particular focus on promoting **women in management positions** at the two levels directly below the Executive Board as well as at the first level directly below the respective management levels at the German Group companies. This is also in line with the objective of the "Act to Supplement and Amend the Regulations for the Equal Participation of Women in Management Positions in the Private and Public Sector" (FüPoG II). For reporting purposes, executives who report directly to the Executive Board are categorized as level 1. Executives who report to this first level of management are categorized as level 2. Regarding the Group companies in Germany, the levels of management are categorized based on comparable positions at Fraport AG. The goal is to increase the proportion of women in management positions in the Group in Germany, at the first management level below the Executive Board to 30.8% and at the management level below that to 30.2% by the end of 2026. For Fraport AG, the proportion of women in management positions is to be increased accordingly to 31.8% at the first management level and 30.9% at the lower management level. Fraport respects local circumstances and therefore does not impose any quotas based on German law on the foreign Group companies.

Occupational health and safety

As a responsible employer, Fraport contributes to increasing and maintaining employees' performance and preventing work-related health hazards through targeted preventative measures in occupational health and safety. Fraport evaluates the effectiveness of the measures for health management using, among other things, the **sickness rate**. The calculation excluding illness-related absences beyond sick pay (extended sick leave) reflects the development of short- and medium-term illnesses. The effects of demographic change in the Group and the corresponding increase in the average age of employees contribute, among other things, to a linear increase in the number of long-term illnesses. The focus is on limiting or reversing the sickness rate, which is increasing due to seasonal and age-related absences, among other things. Beginning with the reporting for 2019, the Executive Board has limited the Group sickness rate to the German Group companies. Due to different regional legal regulations, but also due to the personnel structures that differ in the German Group companies, the sickness rate in the international Group companies plays a more subordinate role for local management. The objective, for both the Fraport Group in Germany as well as for Fraport AG, is a maximum rate of 7.2% by 2025.

Climate protection

The operation of an airport and air traffic have various effects on the environment. Fraport is committed to the due and proper consideration of the environmental requirements associated with this. Fraport's environmental policy places importance on the sustainable and careful use of natural resources. The Executive Board has determined Scope 1 and 2 **CO_2 emissions** as the most important key figure for measuring environmental impact. In 2022, Fraport adopted the decarbonization master plan. It describes the strategic principles and defines the framework for the implementation of the measures and thus represents a policy document for decarbonization. The continuous implementation of this master plan for Fraport AG started back in 2022, and it was rolled out within the Group in 2023. The aim is to reduce the CO_2 emissions for which Fraport AG, the fully consolidated Group airports managing airport operations worldwide, and the climate-relevant subsidiaries at the Frankfurt site are directly responsible, to 95,000 metric tons by 2030. If necessary, the objective will be adjusted to any changes in Fraport's airport portfolio. Fraport AG seeks to reduce CO_2 emissions at Frankfurt Airport to 50,000 metric tons by 2030. Fraport aims to be completely CO_2-free in Scope 1 and 2 CO_2 emissions by 2045, and does not include offsets in the achievement of the targets. Along the way, Fraport has set interim goals for itself. By 2040, CO_2 emissions are to be reduced to 40,000 metric tons in the Group and to 25,000 metric tons at Fraport AG. Compensation is excluded when targets are achieved ("Net Zero Carbon" according to the Intergovernmental Panel on Climate Change). Information on CO_2 emissions is based in part on estimates, assumptions and projections and in part comes from external energy service providers.

Finance Management

The core objectives of finance management of Fraport AG are **securing liquidity**, **limiting financial risks**, achieving an appropriate level of **profitability**, and ensuring **flexibility**. The highest priority is to secure liquidity. Based on the Group's solid shareholders' equity base, this is generally secured through both internal financing via operating cash flow and external financing in the form of debt. Simple and transparent financing concepts are being pursued in connection with how financing is structured at Fraport AG as well as in the international business activities. Financial risks caused, among other things, by foreign currencies are met first and foremost by financing in the respective currency to the extent possible (natural hedging). The following section shows how finance management is implemented at Fraport AG.

To secure liquidity, Fraport AG aims to achieve balanced financing composed of bilateral loans, private placements/bonds (capital market), loan financing from public loan institutions, and promissory note loans. In addition, Fraport AG has a strategic liquidity reserve to secure its independence from financing sources. The significant financing measures at Fraport AG are related mainly to refinancing existing financial maturities, and from the capital requirement, particularly for capital expenditure in Terminal 3 at the Frankfurt site and for the international Group companies. Appropriate financing instruments are selected based on the situation, depending on the attractiveness of the price as well as the volume of the financing, and complying with a balanced financing mix. In keeping with the long-term nature of capital expenditure, the financing of these projects is mostly long term as well. In line with the company's finance policy, loans can be borrowed both at a fixed and at a floating interest rate. To reduce interest rate risks from borrowing with floating interest rates, interest rate hedging transactions can be concluded as a rule.

The majority of the fully consolidated Group companies in Germany are integrated into the Fraport AG cash pool. The liquidity in these Group companies is guaranteed – via access to their own liquidity at any time as well as, within the scope of the agreements also concluded in some cases, to the financial resources of Fraport AG – so that external financing is not necessary. At the same time, the close connection of these Group companies to Fraport AG should also ensure that attention is paid to further strategic objectives of financial management within the Group.

For the fully consolidated foreign Group companies and the Group companies included using the equity method, liquidity is provided depending on the relevant company shareholding and the market environment, either by concluding project financing, bilateral loans, or by internal provision of funding via a Group loan or shareholders' equity.

Economic Report

Information about Reporting

This report summarizes the management reports of the Fraport Group and Fraport AG (Combined Management Report). The comments on the Fraport Group also apply to Fraport AG. Developments in the asset, financial, and earnings position of Fraport AG can be found in the chapter “Supplementary Management Report on the Separate Financial Statements of Fraport AG”.

The non-financial report complies with the commercial law requirements and was prepared in accordance with Sections 289c to 289e the German Commercial Code (HGB), Sections 315c in conjunction with 289c to 289e HGB and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the European Council of June 18, 2020 on the establishment of a framework for facilitating sustainable investment and amending the Regulation (EU) 2019/2088 and the Delegated Acts issued thereunder. It is integrated in the combined management report and can be found in the chapter “Combined Non-Financial Statement”.

The section “Non-financial performance indicators” is shown as part of the “Combined Non-Financial Statement” in the 2023 fiscal year. As in the previous year, the section is presented in the Economic Report.

Group accounting takes account of the International Financial Reporting Standards (IFRS) in force on the reporting date (December 31, 2023) and the interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted in the European Union (EU). In addition, Fraport reports the information pursuant to Section 315e (1) HGB.

To better represent the operating development compared with the previous year, revenue is also reported in the combined management report for order revenue from construction and expansion services in accordance with IFRIC 12 (referred to below as: Revenue adjusted for IFRIC 12). These relate to the capacitive capital expenditure in connection with service concession agreements at international Group airports (see also Group Notes, note 4 and note 49).

The Executive Board prepared the combined management report as of December 31, 2023, at its meeting on March 12, 2024, presented the prepared consolidated financial statements to the audit committee and the Supervisory Board for review and approval and released them for publication on March 19,2024.

General Statement by the Executive Board

In the past fiscal year, most of the Group airports recorded an increase in passenger numbers compared to the previous year. Accordingly, Group revenue amounted to €4,005.5 million, an increase of €806.1 million over the previous year (+25.2%). Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue increased by €621.8 million to €3,485.1 million (+21.7%).

Due to high one-off effects in the previous year, other operating income decreased to €59.0 million in the reporting period, down €80.3 million on the previous year.

Operating expenses (personnel expenses and cost of materials as well as other operating expenses) increased by €562.2 million to €2,906.0 million. Adjusted for expenses related to the application of IFRIC 12, operating expenses stood at €2,390.6 million (+€377.9 million). Group EBITDA was €174.2 million higher than in the previous year at €1,204.0 million thanks to the positive operating development. The financial result improved to –€148.9 million (previous year: –€330.6 million) and resulted in a Group result of €430.5 million (previous year: €166.6 million).

As a result of the increase in operating result, cash flow from operating activities increased to €863.2 million (previous year: €787.3 million). The free cash flow improved to –€656.4 million (previous year: –€741.0 million). Group liquidity increased by €174.4 million to €4,041.3 million.

The operational challenges at Frankfurt Airport had a negative effect on the development of non-financial performance indicators such as global satisfaction of passengers and baggage connectivity. In contrast, CO_2 emissions came down despite the higher passenger numbers compared to the previous year.

Given the macroeconomic developments, the Executive Board continues to describe the traffic and, in turn, financial development in the reporting period as positive.

Economic environment

Development of the macroeconomic conditions

The **global economy** lost momentum during the course of the 2023. The global industrial economy was in a weak phase due to sluggish demand globally, and world trade was thus also subdued. Even the trend of decreasing inflation did not provide consumption impulses, and the interest rate hikes of many central banks put a damper on the willingness to invest. The geopolitical crises worldwide provided uncertainty.

Consumer demand from private households was weaker in the **Eurozone** given the less favorable trend in real wages. In addition, the energy price shock from the previous year continues to burden the industrial economy, in particular in Central Europe.

The export-oriented **German economy** suffered under the global economic weakness and slipped into a recession. The loss of purchasing power and the continued consumer uncertainty slowed down private consumption. Besides industry, value creation in construction and trade also declined. On the whole, the German economy performed weaker than the European average.

In the **US**, the economy proved to be robust, contrary to expectations. Despite the restrictive monetary policy, consumer sentiment remained positive. Inflationary pressure in **emerging markets** declined noticeably during the course of the year. The development within this group was mixed. In China, the economy was negatively affected in particular by the downturn in the real estate market and the debt overhang, despite government support measures.

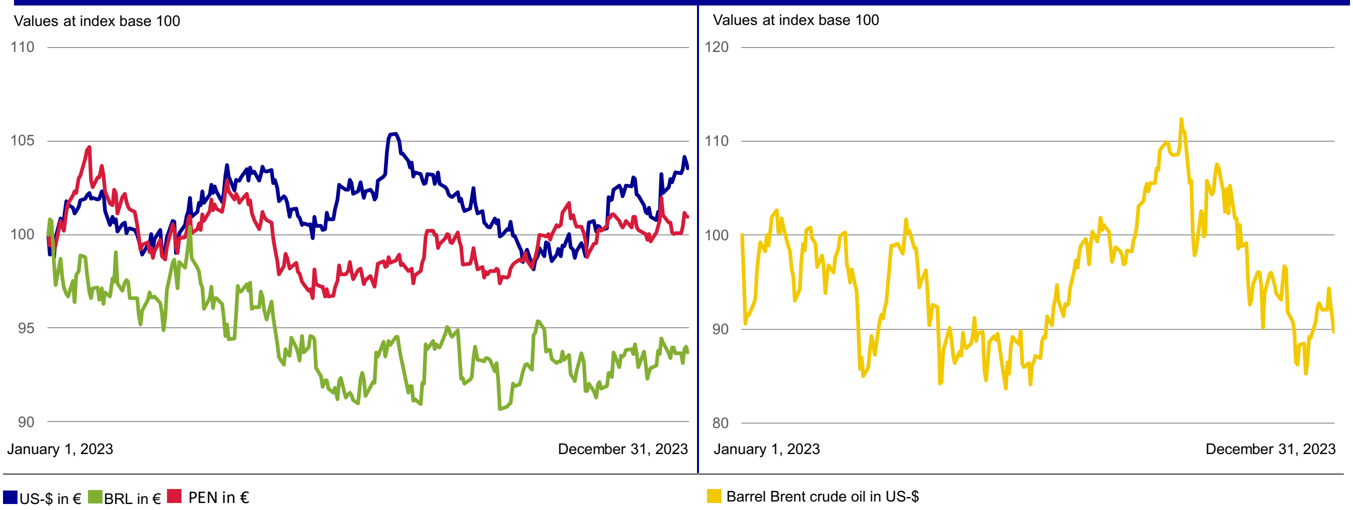
Gross domestic product (GDP)/world trade[1)]

Real changes compared to the previous year in %	2023	2022
World	+3.1	+3.5
Eurozone	+0.5	+3.4
Germany	–0.3	+1.8
USA	+2.5	+1.9
Latin America (incl. Caribbean)	+2.5	+4.2
China	+5.2	+3.0
Japan	+1.9	+1.0
World trade	**+0.4**	**+5.2**

1) 2023 and 2022 figures: Data and estimates based on International Monetary Fund (IMF, January 2024); German GDP: The Federal Statistical Office, Press release (January 15, 2024).

The price of crude oil and the exchange rates for the Fraport Group developed as follows in 2023:

Significant exchange rates for Fraport and crude oil price 2023



Source: Bloomberg

Development of the legal environment

During the past fiscal year, there were no changes to the legal conditions with a significant influence on the business development of the Fraport Group.

Development of the industry-specific conditions

According to the preliminary figures from Airports Council International (ACI), global passenger traffic increased by 28.3% in the period from January to November 2023 compared to the same period the previous year. Air freight volume fell by 3.7%. European airports also recorded an increase in passenger numbers of 18.9%. In terms of air freight, European airports posted a decline of 4.8%. The passenger numbers at German airports recovered by 19.9%. Cargo tonnage decreased by 7.2%.

Passenger and cargo development by region 2023

Changes compared to the previous year in %	Passengers 2023 January until November	Air freight 2023 January until November
Germany	+19.9	–7.2
Europe	+18.9	–4.8
North America	+12.2	–7.4
Latin America	+14.7	+0.7
Near/Middle East	+30.7	+2.8
Asia-Pacific	+76.6	–1.6
Africa	+21.0	+5.3
World	**+28.3**	**–3.7**

Source: ACI Pax Flash and Freight Flash (ACI 11/2023, January 25, 2024), ADV for Germany; cargo instead of air freight (ADV 11/2023, as on January 15, 2024).

Business Development

Development at the Frankfurt site

With traffic of around 59.4 million **passengers**, **Frankfurt Airport** achieved growth of 21.3% in the 2023 fiscal year compared to 2022. Measured against the traffic volume of pre-crisis year 2019, this was equivalent to a recovery of around 84%. In addition to the dominating holiday travel volume, business travel gained momentum during the course of the year. Western European and intercontinental destinations benefited from this in particular. However, **domestic travel** also increasingly recovered primarily due to the feeder traffic function, it remained around 30% below the pre-crisis level however. **European traffic** gained around 16% compared to 2022. **Intercontinental traffic** increased by 28.1% compared to the previous year. This was mainly due to the North America traffic that was almost at the pre-COVID level. Far East traffic grew dynamically by +76.8% compared to the previous year, in particular due to recovery in the China traffic.

Cargo volume declined by 5.0% to around 1.9 million metric tons compared to 2022. Compared to 2019, this meant a reduction in tonnage of 10.6%. Demand in the overall economy remained weak. Increasing interest rates had a negative impact on capital expenditure in the industry and persistently high inflation curbed demand.

With 430,436 **aircraft movements**, growth of just under 13%, or almost, 50,000 flights, compared to the previous year was achieved. This was equivalent to a level of 84% measured against the pre-crisis year 2019. With 394,869 flights, passenger flights in 2023 recovered by a share of around 82% compared to 2019. The occupancy rate for passenger flights achieved new highs almost every month, which resulted in the highest occupancy rates in the history of the airport for 2023 as a whole. The seat load factor of around 81% was approximately three percentage points above the previous year's figure. The quotient **passengers per passenger aircraft movement** increased by around 5% to a high of 150.3. **Maximum take-off weights** increased compared to the previous year by 11.4% to 27.0 million metric tons, thus reaching 85% of the year 2019.

Development outside the Frankfurt site

The passenger volume at **Ljubljana** Airport grew by 30.9% to around 1.3 million passengers compared to the previous year. This positive development is primarily due to the resumption of flight connections, which had been suspended due to the temporary insolvency of Adria Airways in autumn 2019 and the effects of the coronavirus pandemic.

Passenger numbers at the Brazilian airports **Fortaleza** and **Porto Alegre** developed in opposite directions due to differing circumstances during the course of the year. In Fortaleza, the decrease in domestic tourist travel and the pullout of some GOL connections were the main reasons for the reduction in domestic passenger numbers. In contrast, Porto Alegre recorded an increase in domestic passenger numbers due to its geographical proximity to important Brazilian aviation hubs in São Paulo and its relevance as an industrial location in southern Brazil. The development of international traffic was positive at both airports. The frequencies and routes on international lines rose successively in particular in South America. On the whole, both airports recorded passenger numbers of 13.1 million passengers. This corresponds to growth of +5.4% compared to 2022. Fortaleza welcomed 5.3 million domestic passengers (–4.5%) and around 0.3 million international passengers (+26.0%) in the year as a whole. Porto Alegre recorded 7.1 million domestic passengers (+10.9%) and around 0.4 million international passengers (+53.0%).

With around 21.2 million passengers in 2023, **Lima** Airport recorded an increase in traffic compared to the previous year (+14.1%) despite the effects of the political situation in the first half of the year domestic passenger operations recorded around 13.1 million passengers (+11.7%). In the international segment, the airport recorded growth in particular with the connections to North America and Europe. International traffic therefore also made a positive contribution to growth with 8.1 million passengers (+18.2%).

With around 33.9 million passengers, **Fraport Greece** recorded an increase of around 11.8% in the 2023 reporting period compared to the adjusted previous year's figure of around 30.3 million passengers (adjusted value in the 2022 Annual Report: 31.2 million passengers). Passenger numbers were already above the respective previous year's figures at the beginning of the year. This trend continued during the important main tourist season and the entire year. Overall, domestic traffic was 17.0% above the previous year's level, while international traffic grew by 6.5%. The largest number of foreign passengers in terms of total passengers came from Great Britain (around 20%), followed by Germany (around 14%), and Italy (around 6%).

At the Bulgarian airports in **Varna** and **Burgas** operated by Fraport Twin Star, the number of passengers in 2023 increased to approximately 3.7 million, 17.9% above the previous year's figure. The overall recovery in traffic after the pandemic was weaker than at other tourist airports in Europe in 2023. In particular, the charter business in Burgas developed below expectations. From the end of February, the war in Ukraine and Israel resulted in a shortfall of Ukrainian, Belarusian, Russian and Israeli passengers, which was partly offset by higher demand from Central and Eastern European countries. In addition, more traffic in the off-season in the first half of the year was recorded. For the year as a whole, this led to an increase in both domestic (+6%) and international passenger numbers (+19%) compared to the previous year. Most of the passengers came from Germany (around 20%), Poland (around 17%), and Great Britain (around 15%).

Passenger numbers at **Antalya** Airport in the 2023 fiscal year were around 35.7 million passengers (previous year: 31.1 million). This surpassed the previous record passenger numbers from 2019. International passenger traffic showed a growth rate of +17.1%, while domestic traffic grew by +5.9%. Compared to the previous year, almost all relevant international passenger groups achieved double-digit growth rates. The passenger numbers from Poland, Romania and Germany had particularly strong growth. Due to the war, no passengers were recorded for Ukraine. The largest passenger groups were travelers from Germany (approximately 28%), Russia (approximately 22%), and Great Britain (approximately 10%).

Traffic development at the signifikant Group sites

	Share in %	Passengers[1]		Cargo (air freight + air mail in m. t.)		Movements	
		2023	Change in %[2]	2023	Change in %[2]	2023	Change in %[2]
Frankfurt	100	59,355,389	+21.3	1,869,090	– 5.0	430,436	+12.6
Ljubljana	100	1,270,382	+30.9	11,443	– 8.3	22,749	+5.5
Fortaleza	100	5,589,563	– 3.3	45,911	+9.9	53,199	– 2.0
Porto Alegre	100	7,492,866	+12.7	40,422	+4.9	72,634	+9.4
Lima	80.01	21,246,660	+14.1	213,775	– 2.2	170,515	+13.7
Fraport Greece	65	33,870,682	+11.8	5,927	+4.8	264,744	+4.9
Fraport Twin Star	60	3,686,997	+17.9	2,618	– 58.8	27,024	+14.0
Antalya	51/50[3]	35,735,407	+15.0	n.a.	n.a.	222,235	+14.8

[1] Commercial traffic only, in + out + transit.
[2] As a result of late submissions, there may be changes to the figures reported for the previous year.
[3] Share of voting rights: 51 %, dividend share: 50 %.

Comparison with the forecasted passenger development

	2023	Adjustments during the year Interim Report Q2/6M 2023	Forecast 2022	2022[1)]	2019
Frankfurt	59,355,389	Middle of the given forecast	Passenger growth of over 80% to around 90% of the 2019 level	48,918,482	70,556,072
Ljubljana	1,270,382	–	Approximately 75% of the passenger volume in 2019	970,152	1,721,355
Fortaleza	5,589,563	–	Further recovery compared to 2022	5,778,038	7,218,697
Porto Alegre	7,492,866	–	Further recovery compared to 2022	6,654,062	8,298,205
Lima	21,246,660	–	Further recovery compared to 2022	18,619,536	23,578,600
Fraport Greece	33,870,682	Passenger numbers above previous year's level	Approximately at previous yeahr high level	31,193,278	30,152,728
Fraport Twin Star	3,686,997	–	Further recovery compared to 2022	3,127,767	4,970,095
Antalya	35,735,407	–	Further recovery towards pre-crisis level	31,077,452	35,483,190

[1)] As a result of late submissions, there may be changes to the figures reported for the previous year.

Passenger traffic at the Group airports predominantly developed within the forecasts provided in the 2022 Annual Report and adjusted in the second quarter/half-yearly report 2023. Due to the lower number of domestic passengers, the forecast for Fortaleza Airport could not be achieved.

Group's Results of Operations

Revenue

At €4,000.5 million, revenue in the Fraport Group in the 2023 fiscal year was above the previous year’s figure by €806.1 million. Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue increased by €621.8 million to €3,485.1 million.

The increase at the Frankfurt site mainly resulted from higher revenue from airport charges (+€196.0 million) as well as higher revenue from infrastructure charges (+€76.4 million) and ground services (+€51.6 million) based on traffic volumes and prices. The retail and parking revenue also increased by +€33.1 million and +€22.7 million respectively based on traffic volume. Due to the take-over of the management of aviation security checks at the Frankfurt site at the beginning of the fiscal year, revenue from aviation security charges of €220.8 million was achieved for the first time in the reporting period. In contrast, revenue from security services decreased by €155.3 million compared to the previous year as a result of the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023.

Among the international Group airports, contributions to adjusted revenue growth came, in particular, from Fraport Greece (+€74.8 million) and the Group company Lima (+€48.5 million) based on the positive traffic developments.

Other operating income

At €59.0 million, other operating income was below the previous year by €80.3 million.

In the reporting period, the two Brazilian Group companies reached a further agreement regarding compensation for the effects of the coronavirus pandemic. The reimbursement claims realized amounted to a total of €18.6 million. Furthermore, other operating income was positively impacted by a total of €11.1 million due to the pro-rata disposal and the associated deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023, as well as the recognition of the remaining shares (49%) at fair value. Moreover, income of €11.0 million resulted from the settlement of a legal dispute at the Group company Fraport USA in connection with the early termination of the retail concession agreement in Pittsburgh.

In contrast, other operating income in the prior year period was impacted positively impacted by the disposal of shares in the Group companies Xi’an (€53.7 million), which is accounted for using the equity method, and D-Port Logistik GmbH (€18.6 million). In addition, other operating income in the previous year included reimbursement claims for Fraport Greece (€23.6 million) and the Brazilian Group companies (€18.5 million).

Expenses

Personnel expenses in the Group increased in the 2023 fiscal year by €39.3 million to €1,076.0 million. Despite a lower average number of employees, the increase is primarily due to increases in the collective bargaining agreement at the Frankfurt site.
Non-staff costs (cost of materials and other operating expenses) were €1,830.0 million (+€522.9 million). Adjusted for expenses related to the application of IFRIC 12, non-staff expenses were €1,314.6 million (+€338.6 million). The increase is mainly attributable to higher external services costs (+€224.7 million), primarily in connection with taking over the management of security checks at Frankfurt Airport. In addition, based on traffic volume, higher variable concession charges at the International Group companies (+€69.4 million) and higher expenses for maintenance (+€33.0 million) as well as utility services (+€14.5 million) contributed to the increase in the cost of materials.

EBITDA and EBIT

At €1,204.0 million, Group EBITDA was €174.2 million above the level in the same period of the previous year. Greater depreciation and amortization of €501.2 million (+€35.9 million) resulted in Group EBIT of €702.8 million (+€138.3 million).

Financial result

The financial result in the reporting period amounted to –€148.9 million (previous year: –€330.6 million). The change compared to the same period of the previous year is essentially due to the other financial result. This was negatively impacted in the previous year by the full write-off of a loan made to Thalita Trading Ltd. in the amount of €163.3 million in connection with the investment in St. Petersburg Airport.
Interest income increased by €47.9 million in the 2023 fiscal year compared to the previous year, primarily due to higher interest from call and time deposits. The interest expenses of –€317.9 million in the reporting period were €4.4 million below the previous year (previous year: –€315.5 million). This was, in particular, a result from higher financing costs at Fraport AG. This was offset by one-off effects in the previous year amounting to –€19.3 million in connection with the refinancing in Greece.

The result from companies accounted for using the equity method increased by €7.5 million to €84.5 million. This is in particular due to be increase in earnings of the operating company in Antalya (+€22.0 million). The positive one-off effect in the previous year in connection with the write-up of the shares in the Group company Xi'an due to the sale in the amount of €20.0 million was clearly overcompensated by this.

EBT, Group result, and EPS

EBT in the reporting period amounted to €553.9 million (previous year: €233.9 million). With a consolidated tax rate of 22.3%, the income tax expense amounted to €123.4 million (previous year: €67.3 million). The Group result was €430.5 million (previous year: €166.6 million). This resulted in basic earnings per share of €4.26 (previous year: €1.43).

Development of the Group's financial figures

€ million	2023	2022	Change	Change in %
Revenue	4,000.5	3,194.4	+806.1	+25.2
Revenue adjusted for IFRIC 12	3,485.1	2,863.3	+621.8	+21.7
Personnel expenses	1,076.0	1,036.7	+39.3	+3.8
Cost of materials	1,637.3	1,101.6	+535.7	+48.6
EBITDA	1,204.0	1,029.8	+174.2	+16.9
Depreciation and amortization	501.2	465.3	+35.9	+7.7
EBIT	702.8	564.5	+138.3	+24.5
Group result	430.5	166.6	+263.9	> 100
Number of employees as of December 31	18,057	19,211	–1,154	–6.0
Average number of employees	17,840	18,850	–1,010	–5.4

Comparison with the forecasted development

€ million	2023	Adjustments during the year Interim Report Q2/6M 2023	Forecast 2022	2022	Change	Change in %
EBITDA	1,204.0	In the upper range of the fore-casts	Between approximately €1,040 million and approximately €1,200 million	+1,029.8	+174.2	+16.9
Group result	430.5	In the upper range of the fore-casts	Between about €300 million and up to about €420 million	+166.6	+263.9	> 100
Dividend per share in €	0.00	–	No distribution	0.0	0.0	–

The key figures EBITDA and the Group result trended at the upper end or slightly above the forecast provided in the 2022 Annual Report.

Results of Operations for Segments

Revenue in the 2023 fiscal year in the **Aviation** segment increased by €270.7 million to €1,098.8 million (+32.7%). Higher revenue from airport charges (+€196.0 million) based on the higher traffic volume and positive price effects primarily contributed to revenue growth. Due to the take-over of the management of aviation security checks at the Frankfurt site at the beginning of the fiscal year, revenue from aviation security charges of €220.8 million was achieved in the reporting period. In contrast, revenue from security services decreased by €155.3 million as a result of the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023. Other operating income of €11.1 million resulted from the recognition of the remaining shares of FraSec Aviation Security GmbH at fair value and the realization of the equity disposal. Personnel expenses also decreased to €244.0 million (–€81.6 million) due to reduced headcount as part of the deconsolidation with a countervailing price effect. On the other hand, the cost of materials increased by €203.8 million compared to the same period of the previous year to €255.9 million. This was particularly related to increased expenses for external services in the course of taking over the management of aviation security checks. Due to the positive operating performance, the segment's EBITDA amounted to €308.3 million (previous year: €175.4 million). With higher depreciation and amortization (+€21.7 million), EBIT amounted to €151.8 million (previous year: €40.6 million).

Aviation

€ million	2023	2022	Change	Change in %
Revenue	1,098.8	828.1	+270.7	+32.7
Personnel expenses	244.0	325.6	–81.6	–25.1
Cost of materials	255.9	52.1	+203.8	> 100
EBITDA	308.3	175.4	+132.9	+75.8
Depreciation and amortization	156.5	134.8	+21.7	+16.1
EBIT	151.8	40.6	+111.2	> 100
Number of employees as of December 31	3,496	5,624	–2,128	–37.8
Average number of employees	3,447	5,569	–2,122	–38.1

The positive traffic development was also reflected in the **Retail & Real Estate** segment's revenue of €498.8 million (+€52.4 million). The reason for this was higher retail and parking revenue (+€33.1 million and +€22.7 million respectively) Net retail revenue per passenger was €3.30 (previous year: €3.33). Other operating income decreased to €16.5 million (previous year: €30.7 million). The reason for the decline was high one-off income from the sale of shares in the Group company D-Port Logistik GmbH, which is accounted for using the equity method, in 2022. Personnel expenses increased in particular as a result of increases in the collective bargaining agreement (+€5.7 million). The cost of materials increased by €12.1 million. The reason was mainly price increases in utility services. Despite the higher personnel expenses and cost of materials, the EBITDA segment amounted to €369.9 million (+€27.0 million). With higher depreciation and amortization (+€9.3 million), segment EBIT stood at €274.0 million (+€17.7 million).

Retail & Real Estate

€ million	2023	2022	Change	Change in %
Revenue	498.8	446.4	+52.4	+11.7
Personnel expenses	54.6	48.9	+5.7	+11.7
Cost of materials	158.6	146.5	+12.1	+8.3
EBITDA	369.9	342.9	+27.0	+7.9
Depreciation and amortization	95.9	86.6	+9.3	+10.7
EBIT	274.0	256.3	+17.7	+6.9
Number of employees as of December 31	600	573	+27	+4.7
Average number of employees	594	576	+18	+3.1

At €676.8 million, revenue in the **Ground Handling** segment in the 2023 fiscal year was €126.7 million higher than in the same period of the previous year. The strong traffic development at Frankfurt Airport and price increases led to higher revenue from infrastructure charges (+€76.4 million) and ground services (+€51.6 million). Staff number and price effects led to an increase in personnel expenses by €69.5 million. Cost of materials increased by €20.5 million to €108.9 million. This was mainly due to the increased use of employees from personnel service provider agencies due to the traffic volume, in particular at the Group company Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH). Segment EBITDA was –€34.1 million (previous year: –€73.9 million). Segment EBIT improved to –€74.0 million (previous year: –€111.6 million).

Ground Handling

€ million	2023	2022	Change	Change in %
Revenue	676.8	550.1	+126.7	+23.0
Personnel expenses	451.7	382.2	+69.5	+18.2
Cost of materials	108.9	88.4	+20.5	+23.2
EBITDA	–34.1	–73.9	+39.8	+53.9
Depreciation and amortization	39.9	37.7	+2.2	+5.8
EBIT	–74.0	–111.6	+37.6	+33.7
Number of employees as of December 31	8,010	7,404	+606	+8.2
Average number of employees	7,716	7,035	+681	+9.7

In the reporting period, revenue from the **International Activities & Services** segment rose by €356.3 million to €1,726.1 million. Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue grew to €1,210.7 million (+€172.0 million) due to the Group-wide positive traffic development. Other operating income in the segment was €34.8 million. Other operating income in the previous year was mainly impacted positively by the disposal of shares in the Group company Xi'an, which was accounted for using the equity method, in the amount of €53.7 million. Personnel expenses increased by €45.7 million to €325.7 million primarily due to the increased traffic volume. Cost of materials in the segment increased by €299.3 million to 1,113.9 million (+36.7%) compared to the same period of the previous year. Adjusted for the expenses relating to the application of IFRIC 12, the cost of materials increased by €115.0 million to €598.5 million (+23.8%). This was caused, in particular, by higher variable concession charges. Segment EBITDA decreased to €559.8 million (–€25.6 million) due to lower other income. With depreciation and amortization virtually unchanged, segment EBIT stood at €350.9 million (–€28.3 million).

International Activities & Services

€ million	2023	2022	Change	Change in %
Revenue	1,726.1	1,369.8	+356.3	+26.0
Revenue adjusted for IFRIC 12	1,210.7	1,038.7	+172.0	+16.6
Personnel expenses	325.7	280.0	+45.7	+16.3
Cost of materials	1,113.9	814.6	+299.3	+36.7
Cost of materials adjusted for IFRIC 12	598.5	483.5	+115.0	+23.8
EBITDA	559.8	585.4	–25.6	–4.4
Depreciation and amortization	208.9	206.2	+2.7	+1.3
EBIT	350.9	379.2	–28.3	–7.5
Number of employees as of December 31	5,951	5,610	+341	+6.1
Average number of employees	6,083	5,670	+413	+7.3

Development of the key Group companies outside of Frankfurt (IFRS values before consolidation)

€ million	Share in %	Revenue[1]			EBITDA			EBIT			Result		
		2023	2022	Δ %	2023	2022	Δ %	2023	2022	Δ %	2023	2022	Δ %
Fraport USA	100	115.7	103.4	+11.9	61.6	49.6	+24.2	29.0	4.8	> 100	16.4	–1.8	–
Fraport Slovenija	100	43.4	33.9	+28.0	12.8	7.6	+68.4	2.4	–2.7	–	1.8	–2.6	–
Fortaleza + Porto Alegre[2]	100	108.3	90.0	+20.3	66.4	60.1	+10.5	31.0	28.8	+7.6	2.4	–3.5	–
Lima	80.01	792.0	590.1	+34.2	109.2	100.2	+9.0	80.3	83.4	–3.7	32.1	37.2	–13.7
Fraport Greece[3]	65	545.2	443.8	+22.8	271.3	271.7	–0.1	206.3	208.5	–1.1	79.1	69.9	+13.2
Twin Star	60	51.2	43.5	+17.7	20.6	19.3	+6.7	10.9	8.6	+26.7	5.8	4.2	+38.1
Antalya	51/50[4]	467.7	396.6	+17.9	371.6	323.0	+15.0	255.3	208.3	+22.6	163.7	119.6	+36.9

[1] Revenue adjusted for IFRIC 12: Lima 2023: €326,4 million (2022: €277,9 million); Fraport Greece 2023: €508,3 million (2022: €433,5 million); Fortaleza + Porto Alegre: 2023: €95,4 million (2022: €81,3 million); Antalya 2023: €463,2 million (2022: €388,8 million).

[2] Sum of the Group companies Fortaleza and Porto Alegre.

[3] The Group companies Fraport Regional Airports of Greece A and Fraport Regional Airports of Greece B as well as the Fraport Regional Airports of Greece Management Company are collectively referred to as "Fraport Greece".

[4] Share of voting rights: 51%, dividend share: 50 %.

The recovery in passenger numbers in the 2023 fiscal year resulted in an increase in revenue at **Fraport USA** to €115.7 million (previous year: €103.4 million). Other operating income was primarily driven by the settlement of a legal dispute at the Group company Fraport USA in connection with the early termination of the retail concession in Pittsburgh (€11.0 million). Operating expenses increased by €8.2 million to €65.2 million, mainly due to the increased variable concession charges in connection with the positive traffic development. At €61.6 million, EBITDA was higher than in the same period the previous year of €49.6 million. With lower depreciation and amortization costs (–€12.2 million) due to an unscheduled depreciation in the previous year, EBIT amounted to €29.0 million (previous year: €4.8 million). Despite negative currency effects, the result increased slightly by €18.2 million to €16.4 million (previous year: –€1.8 million).

The increased demand for travel in 2023 was reflected in higher revenue of €43.4 million (+€9.4 million) at the Group company **Fraport Slovenia**. Operating expenses increased by €4.6 million to €31.1 million due to the increased traffic volume. Compared to the previous year, EBITDA improved by €5.2 million to €12.8 million (previous year €7.6 million). Constant depreciation and amortization led to an EBIT of €2.4 million (previous year: –€2.7 million). The result improved to €1.8 million (previous year: –€2.6 million).

In the 2023 fiscal year, the overall positive traffic development at the Brazilian Group companies **Fortaleza** and **Porto Alegre** was reflected in higher revenue of €108.3 million (+€18.3 million). Adjusted for the revenue relating to capacitive capital expenditure based on the application of IFRIC 12, revenue increased by €14.1 million (+17.3%). In addition to higher passenger numbers, the growth in revenue also benefited from exchange rate effects. At €20.4 million, other operating income was again positive due to compensation for the effects from the coronavirus pandemic but was still below the previous year's figure (previous year: €24.5 million). The cost of materials increased by €6.3 million to €39.2 million (+18.8%) in particular due to capacitive capital expenditure based on the application of IFRIC 12. Adjusted for the expenses in connection with capacitive capital expenditure, cost of materials increased by €2.0 million to €26.4 million (+8.7%). Correspondingly, EBITDA increased to €66.4 million (previous year: €60.1 million). EBIT amounted to €31.0 million (previous year: €28.8 million), and the result was €2.4 million (previous year: -€3.5 million).

The ongoing recovery in traffic had a positive effect on the financial development of the Group company in **Lima**. Despite slightly negative currency effects, revenue recorded a significant increase to €792.0 million (+€201.9 million). Adjusted for the revenue relating to capacitive capital expenditure based on the application of IFRIC 12, revenue was €326.4 million (+€48.5 million). The cost of materials increased year-on-year by €185.8 million to €651.9 million. Adjusted for expenses resulting from the application of IFRIC 12, cost of materials increased by €32.3 million to €186.2 million. This was a result of higher concession charges based on the traffic volume as well as higher cost of materials due to the progressing expansion measures. Personnel expenses also increased to €19.1 million (+16.6%). At €109.2 million, EBITDA was €9.0 million higher than in the same period of the previous year (€100.2 million). The inauguration of the new runway resulted in higher depreciation and amortization (+€12.2 million) As a result, EBIT increased year-on-year to €80.3 million (–€3.1 million). With a lower financial result, the result amounted to €32.1 million (–€5.1 million).

In 2023, **Fraport Greece** recorded revenue of €545.2 million (+€101.4 million). Adjusted for contract revenue from capital expenditure relating to the application of IFRIC 12, revenue increased by €74.8 million to €508.3 million. This is primarily due to higher airport charges based on prices and traffic volume, and retail revenue. Operating expenses increased by €78.1 million to €274.1 million. Adjusted for expenses resulting from the application of IFRIC 12, operating expenses increased by €51.4 million to €237.1 million due to higher concession charges. At €271.3 million and €206.3 million respectively, EBITDA and EBIT were almost at the previous year's level (previous year: €271.7 million and €208.5 million respectively). Lower concession payments were made in the previous year. In addition, the previous year's figure was increased by other operating income/compensation claims. The financial result improved slightly, leading to a result of €79.1 million (previous year: €69.9 million).

Revenue also increased to €51.2 million (€7.7 million) at the Group company **Twin Star** due to the improved development of traffic. Driven by volume and price effects, operating expenses during the reporting period amounted to €31.5 million (+€7.2 million). Correspondingly, EBITDA increased slightly to €20.6 million (+€1.3 million). EBIT amounted to €10.9 million, and the result was €5.8 million.

The Group company **Antalya**, which is accounted for using the equity method, generated revenue of €467.7 million in the reporting period, an increase of €71.1 million due to traffic volumes. EBITDA increased accordingly by €48.6 million to €371.6 million. EBIT was €255.3 million (previous year: €208.3 million), and the result was €163.7 million (previous year: €119.6 million).

Comparison with the forecasted development

EBITDA in € million	2023	Forecast 2022	2022	Change	Change in %
Aviation	308.3	Above 2019 level of €273.3 million	175.4	+132.9	+75.8
Retail & Real Estate	369.9	Improvement in EBITDA towards pre-crisis level	342.9	+27.0	+7.9
Ground Handling	–34.1	Negative territory	–73.9	+39.8	+53.9
International Activities & Services	559.8	Significant decline - still above 2019 level	585.4	–25.6	–4.4

The key figures developed in line with the forecasts.

Asset and Financial Position

Asset and capital structure

At €18,890.9 million, **total assets** as at December 31, 2023 were €1,283.3 million (+7.3%) above the previous year.

Non-current assets increased by €687.0 million to €15,053.1 million. This is primarily attributable to the increase in property, plant, and equipment (+€579.7 million) in connection with capital expenditure at the Frankfurt site. Investments in airport operating projects increased by €377.7 million as a result of the ongoing expansion at the Group company in Lima. Other financial assets decreased by €220.3 million due to reclassifications based on maturity, which were offset by lower additions to securities as well as investments in promissory note loans.

At €3,837.7 million, **current assets** were €607.6 million above the comparable value as at December 31, 2022. The increase resulted in particular from higher current financial assets (+€579.5 million). The above mentioned reclassifications based on maturity and other additions to securities were offset by lower scheduled disposals. Furthermore, higher trade accounts receivable (+€94.4 million) due to traffic volumes and higher financial (+€57.0 million) and non-financial receivables and assets (+€39.7 million) due to the balance sheet date contributed to the increase in current assets. Cash and cash equivalents, on the other hand, decreased by €174.7 million.

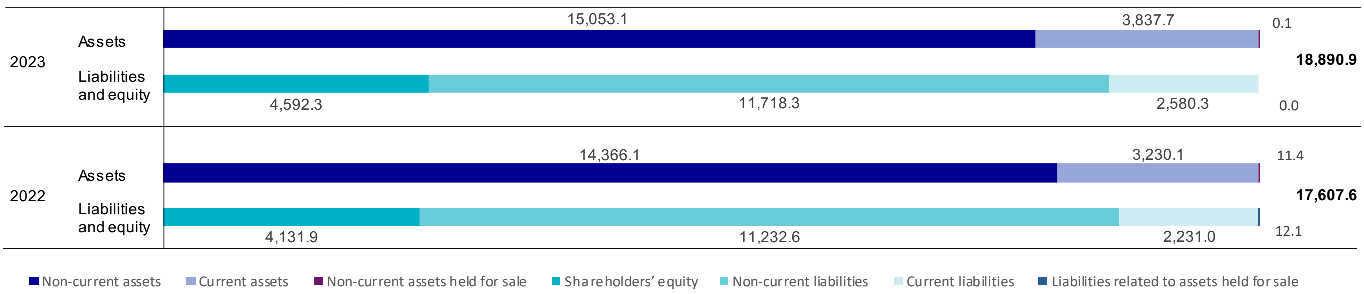
At €4,592.3 million, **shareholders' equity** as at the balance sheet date 2023 was €460.4 million higher than as at December 31, 2022. The increase resulted, in particular, from the positive Group result of €430.5 million. The **shareholders' equity ratio** increased to 22.9% compared to previous year (December 31, 2022: 22.2%).

Non-current liabilities increased by €485.7 million to €11,718.3 million (+4.3%), in particular due to long-term financial liabilities (+€516.5 million). The borrowings in connection with the project financing in Lima, which was completed in December 2022, as well as other long-term financing measures at Fraport AG, were offset by scheduled reclassifications. In addition, **current liabilities** rose in the reporting period by €349.3 million to €2,580.3 million (+15.7%). Reclassifications based on maturity were offset by the repayment of the bridge financing at the Lima Group company and other current financial liabilities of Fraport AG.

Gross financial debt as at December 31, 2023 was €11,753.9 million, up €828.3 million from €10,925.6 million as at December 31, 2022. **Group liquidity** also increased by €174.4 million to €4,041.3 million. Correspondingly, **net financial debt** increased by €653.9 million to €7,712.6 million (December 31, 2022: €7,058.7 million). The **gearing ratio** reached a level of 178.6% (value as at December 31, 2022: 180.6%). The **net financial debt to EBITDA** ratio reached a level of 6.4 (previous year: 6.9).

Structure of the consolidated financial position as at December 31

€ million



Additions to non-current assets

In the 2023 fiscal year, the additions to non-current assets of the Fraport Group totaled €1,501.7 million, €343.0 million more than the previous year (previous year: €1,158.7 million). They related to €955.8 million in property, plant and equipment (previous year: €779.8 million) and €536.9 million (previous year: €374.1 million) in investments in "airport operating projects". The item "Other intangible assets" accounted for €7.7 million (previous year: €4.7 million), and €1.3 million to "investment property" (previous year: €0.1 million). The capitalization of interest expenses relating to construction work amounted to €71.0 million (previous year: €43.9 million).

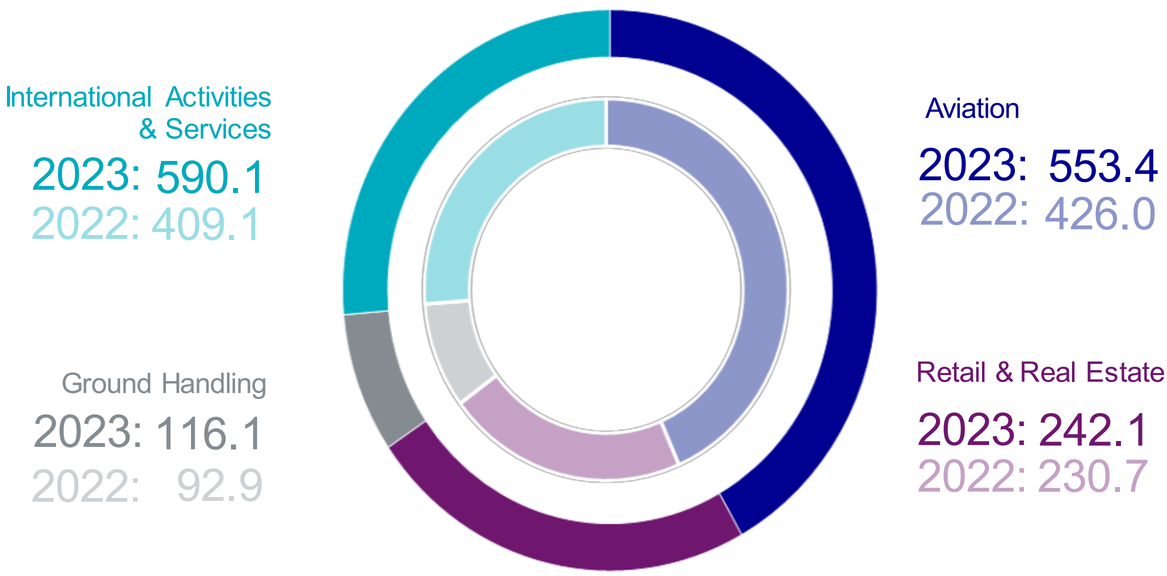
At Fraport AG, the additions to non-current assets amounted to €935.6 million (previous year: €764.6 million). Capital expenditure was mostly attributed to the Expansion South project at the Frankfurt site – mainly relating to Terminal 3 and the passenger transport system – as well as modernization and maintenance measures for existing infrastructure.

In the 2024 fiscal year, additions to assets will also be primarily characterized by multi-year capital expenditure for the capacity expansion in Frankfurt and Lima.

The additions to non-current assets are attributed to the individual segments as follows:

Additions per segment

€ million



Capital expenditure in the **Aviation** segment amounting to €553.4 million (previous year: €426.0 million) primarily concerned the ongoing construction work in connection with the Frankfurt Airport Expansion South project. Most of this amount related to Terminal 3 and the passenger transport system.

In the 2023 fiscal year, the **Retail & Real Estate** segment recorded additions to assets in the amount of €242.1 million (previous year: €230.7 million). The measures also concerned, in particular, the Expansion South project.

The **Ground Handling** segment recorded additions amounting to €116.1 million (previous year: €92.9 million). These mainly included the modernization measures for existing facilities as well as capital expenditure in connection with the Expansion South project.

In the **International Activities & Services** segment, additions to non-current assets amounted to €590.1 million (previous year: €409.1 million). The additions related mainly to the Group company Lima in connection with the infrastructure expansion.

Statement of cash flows

In the 2023 fiscal year, **cash flow from operating activities (operating cash flow)** of €863.2 million (2022: €787.3 million) was generated. The improvement of €75.9 million resulted in particular from an increase in the operating result.

Cash flow used in investing activities without investments in cash deposits and securities amounted to €1,482.6 million in the past fiscal year, an increase of €176.8 million year-on-year. The increase was primarily the result of higher investments in airport operating projects, particularly in Lima, as well as increased cash outflows for expansion measures at the Frankfurt site. In the previous year, the cash outflow was mainly impacted by capital contributions of –€375.3 million to the new joint venture that was established in connection with the operating concession at Antalya Airport and, on the other hand, by the proceeds from the disposal of the shares in the associated company Xi'an of +€152.2 million. Considering investments in and revenue from securities, promissory note loans, and time deposits, the overall **cash flow used in investing activities** was €1,818.9 million (2022: €1,216.0 million).

Compared to the previous year, **cash flow used in financing activities** decreased slightly by €86.9 million to €795.4 million. The raising of funds from the project financing concluded in December 2022 at the Group company Lima and the associated repayment of the short-term bridge loan had an effect of €675.1 million on the payments of non-current financial liabilities and –€302.4 million on the change in current financial liabilities. The capital increases "Non-controlling interests" relate to capital contributions to the minority shareholders of the company Lima. In the previous year, the sale of capital and loan shares to a co-shareholder of the Greek companies was reported under "transactions with non-controlling interests". Taking into account exchange rate fluctuations and other changes, the Fraport Group reported cash and cash equivalents based on the consolidated statement of cash flows of €670.3 million as at December 31, 2023 (2022: €826.2 million).

Free cash flow amounted to –€656.4 million (2022: –€741.0 million).

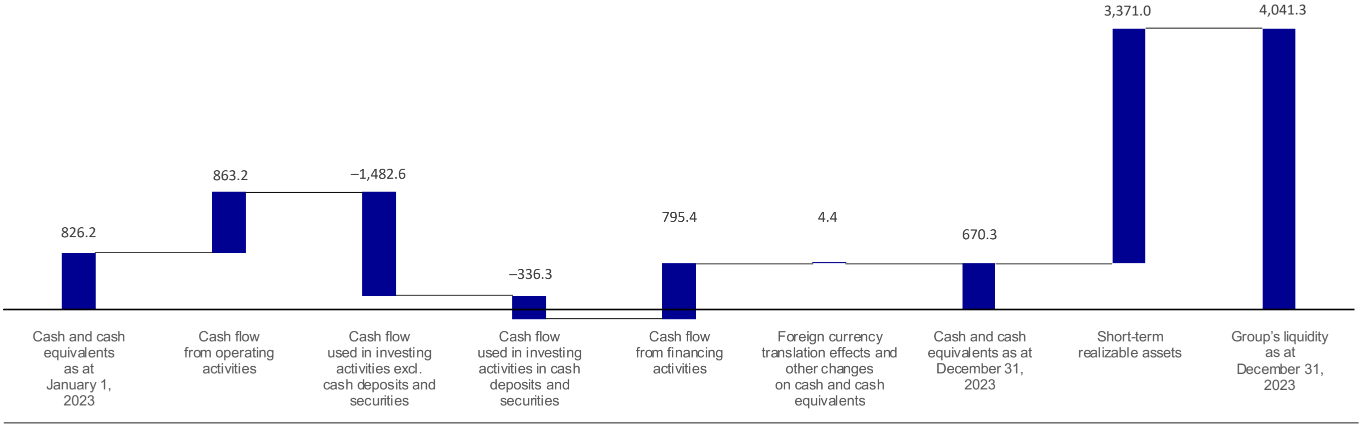
The following table shows a reconciliation to cash and cash equivalents as shown in the consolidated statement of financial position.

Reconciliation to the cash and cash equivalents as at the consolidated statement of financial position

in € million	December 31, 2023	December 31, 2022
Bank and cash balances	180.1	579.6
Time deposits with a remaining term of less than three months	490.2	246.6
Cash and cash equivalents as at the consolidated statement of cash flows	**670.3**	**826.2**
Time deposits with a remaining term of more than three months	1,614.0	1,619.7
Restricted cash	126.2	139.3
Cash and cash equivalents as at the consolidated statement of financial position	**2,410.5**	**2,585.2**

Summary of the statement of cash flows and reconciliation to the Group's liquidity

in € million



Financing analysis

In 2023, the finance management of the Fraport Group continued to pursue balanced funding via a diversified debt financing base with a balanced maturity profile. As at the balance sheet date, there was a balanced mix of financing, consisting of promissory note loans (20.9%), corporate bonds (17.9%), bilateral loans (43.4%), and project financing (17.8%).

To reduce interest rate risks from borrowing with floating interest rates, in the past interest rate hedging transactions were concluded in some cases. In the course of a project financing in Lima, new interest rate hedging derivatives were concluded in 2023 in order to reduce the interest rate risk from project financing. The related nominal volume amounted to €530.7 million as at year-end (previous year: €0.0 million). Overall, the financial liabilities had an average remaining term of 6.2 years with an average interest maturity of approximately 5.1 years after hedging measures. Taking into account interest rate hedging transactions, the floating rate portion of the gross debt of the Fraport Group was approximately 17%, and the fixed portion approximately 83%. The cost of debt after hedging measures was 2.9%.

Fully consolidated Group companies in Germany are mostly integrated into the Fraport AG cash pool, so that acquiring separate external funding was not necessary. Funding for fully consolidated foreign Group companies was primarily obtained through previously concluded project financing agreements in the 2023 fiscal year. No analysis or calculation of the financial debt structure and liquidity at segment level is carried out.

The key features of the Group financing instruments with regard to type, maturity, and interest rate structures are presented in the following table:

Financial debt structure

Financing type	Year of origin	Nominal volume in € million	Maturity	Repayment structure	Interest	Interest rate
Promissory note loans	2012 – 2023	2,455.0	2024 – 2034	End of term	Fixed	0.548 % – 5.774 % p. a.
					Floating	6M-Euribor + Margin
Corporate bond	2009 – 2021	2,100.0	2024 – 2029	End of term	Fixed	1.034 % – 5.875 % p.a.
Bilateral loans	1999 – 2023	5,075.4	2024 – 2032	Mainly end of term	Mainly fixed	0.28 % – 5.76 % p. a.
Project financing (fully consolidated foreign Group companies)	2017 – 2023	2,088.5	2024 – 2045	Ongoing repayments during the term	Mainly fixed	4.49 % – 10.33 % p. a.

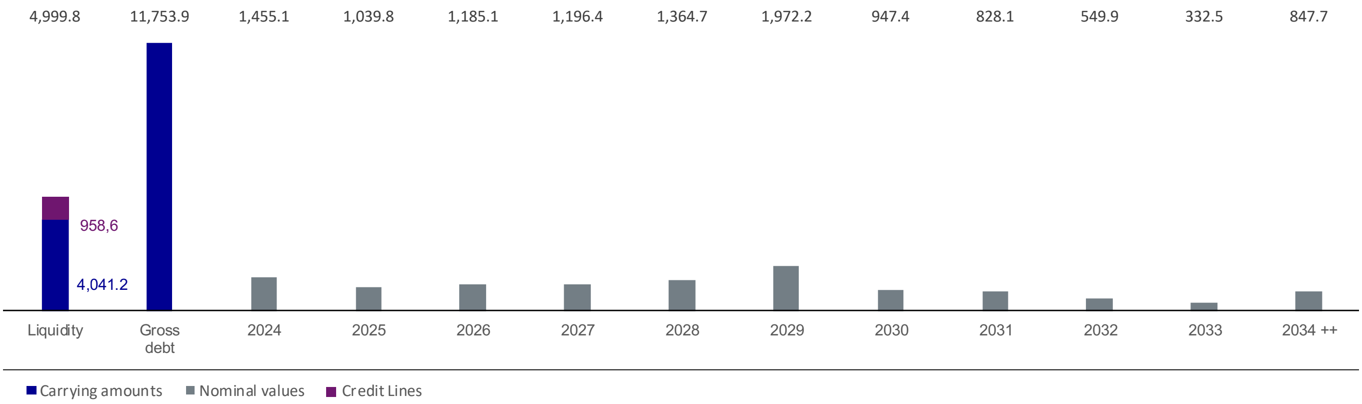
The contractual agreements for the financial liabilities of Fraport AG include two customary non-financial covenants consisting of a negative pledge and a pari passu clause. Only the bilateral loans forming part of the special-purpose loans of Fraport AG entail further obligations typical for this type of financing.

Independent project financing agreements of fully consolidated foreign Group companies, in particular in Lima, Greece and Brazil, contain a series of credit clauses typical for this type of financing. These clauses include regulations under which certain debt service coverage ratios and control indicators for leverage and credit terms must be complied with. Failure to comply with the agreed credit clauses may lead to restrictions on the distribution of dividends and/or to the early redemption of loans or to the additional payment of shareholders' equity.

The maturity profile of the Fraport Group's financial debt showed a largely balanced repayment structure as at the balance sheet date (financial debt in foreign currencies translated as at the balance sheet date rate).

Maturity profile as at 31 December 2023

in € million



Liquidity in the fully consolidated Group companies was €780.7 million (previous year: €945.3 million). As it is partly subject to drawing restrictions arising from the conditions stipulated in the project financing agreements, it is not part of the asset management at Fraport AG.

Liquidity analysis

The strategy of broad diversification of investments in corporate bonds was continued in the 2023 fiscal year. The key characteristics of Fraport AG's investment instruments in terms of type, remaining term, and interest rate structure are presented in the following table:

Asset structure of Fraport AG

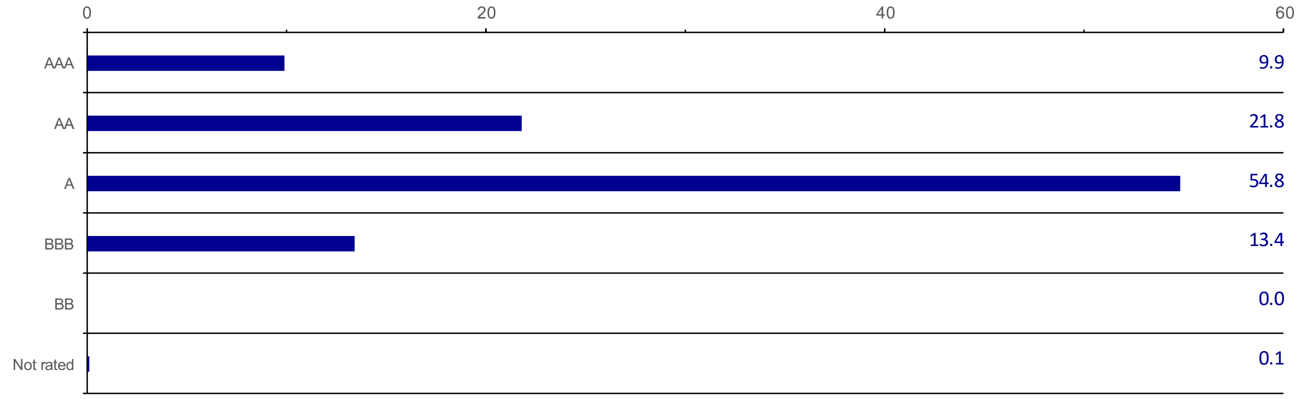
Investment type	Market value [1] in € million	Average remaining term in years	Interest
Promissory note loans	323.0	1.4	Fixed
Time deposits	1,614.0	0.4	Fixed
Bonds	11.0	0.6	Floating
	921.7	1.3	Fixed
thereof financials	6.0	0.3	Floating
	298.3	1.0	Fixed
thereof insurances	5.0	0.8	Floating
	14.2	1.9	Fixed
thereof industrials	609.1	1.5	Fixed
Commercial papers	375.0	0.3	Fixed

[1] As a result of rounding, there may be discrepancies when summing up.

The ratings of all investments used in asset management are presented in the following diagram.

Rating structure of assets

in %



As at the balance sheet date, the portfolio was comprised almost exclusively of rated assets (rated: 99.9%, unrated: 0.1%).

The cost of carry, which is calculated using a (tiered statement) maturity-matching principle, was –0.7% (–€22.4 million) as at December 31, 2023.

As at the 2023 balance sheet date, the Fraport Group had credit lines amounting to €958.6 million (previous year: €736.3 million) available, of which €469.4 million were, however, earmarked for future capital expenditure on infrastructure. As at the balance sheet date, Fraport AG had unused credit lines amounting to €489.2 million (previous year: €580.9 million).

Significance of off-balance-sheet financial instruments for the financial position

Fraport focuses on the products presented in the “Financing analysis” section for financing its activities. Off-balance-sheet financial instruments are of no material significance in the financing mix of Fraport.

Rating

In light of Fraport’s unrestricted access to the capital market at attractive prices, very healthy liquidity supply combined with its comfortable portfolio of free, approved credit lines, there has not been a need for an external rating so far.

Comparison with the forecasted development

	2023	Forecast 2022 [Adjustments during the year 2023]	2022	Change	Change in %
Free cash flow (€ million)	–656.4	Still negative in the mid three-digit million € range	–741.0	+84.6	+11.4
Net financial debt to EBITDA	6.4	Level of 2022 [Q2/6M 2023 slight improvement]	6.9	–0.5	–
Group liquidity (€ million)	4,041.3	Slightly lower than 2022	3,866.9	+174.4	+4.5

At €4,041.3 million, Group liquidity was above the forecast value due to higher cash inflow from long-term financial liabilities. The other figures of the asset and financial position were in line with the 2022 forecast.

Development of the value added

€ million	Fraport Group		Aviation		Retail & Real Estate		Ground Handling		International Activities & Services	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Adjusted EBIT[1)]	822.9	677.4	155.2	40.7	273.3	258.9	–73.8	–102.1	468.2	479.9
Fraport assets	12,477.7	11,383.8	4,664.1	4,152.3	2,893.5	2,672.6	953.2	852.1	3,966.9	3,706.9
Costs of capital before taxes	948.3	831.0	354.5	303.1	219.9	195.1	72.4	62.2	301.5	270.6
Value added before taxes	–125.4	–153.6	–199.2	–262.4	53.4	63.8	–146.2	–164.3	166.7	209.3
ROFRA in %	6.6	6.0	3.3	1.0	9.4	9.7	–7.7	–12.0	11.8	12.9

[1)] Adjusted EBIT = EBIT + earnings before taxes of the Group companies accounted for using the equity method.

In the 2023 fiscal year, the **value added** of Fraport Group improved by €28.2 million. However, at –€125.4 million, it remained in the negative range (previous year: –€153.6 million)

The positive development of traffic in the Group primarily contributed to an improvement of €145.5 million in adjusted EBIT to €822.9 million (previous year: €677.4 million). The higher capital expenditure, particularly in the development projects in Frankfurt and Lima, as well as the increase in WACC from 7.3% to 7.6% which resulted in higher capital costs, had an opposite effect.

Due to the positive operating result, the **ROFRA** of the Fraport Group increased by 0.6 percentage points to 6.6% (previous year: 6.0%).

The value added of the **Aviation** segment improved from –€262.4 million to –€199.2 million due to the positive operational development. This was offset by progressing construction activities in the context of the Airport Expansion South project and the increase in capital costs. Segment ROFRA improved from 1.0% to 3.3%.

In the **Retail & Real Estate** segment, higher Fraport assets in the course of the expansion project in Frankfurt resulted in a decrease in the value added from €63.8 million to €53.4 million (–€10.4 million) and of ROFRA to 9.4% (previous year: 9.7%).

The value added in the **Ground Handling** segment improved to –€146.2 million (previous year: –€164.3 million) due to the higher operational result, despite the increase in capital costs. ROFRA of the segment was thus at –7.7% (previous year: –12.0%).

The value added of the **International Activities & Services** segment decreased from €209.3 million to €166.7 million (–€42.6 million). The reason for this was a lower operating result due to special effects in the previous year. Furthermore, the increase in capital costs for the expansion at Lima Airport had a negative effect. In line with the value added, segment ROFRA decreased from 12.9% to 11.8%.

Comparison with the forecasted development

	2023	Forecast 2022	2022	Change	Change in %
Group ROFRA (%)	6.6	Roughly at the level of 2022	6.0	+0.6 PP	–

Group ROFRA of 6.6% was above the forecast provided in 2022 due to the positive operational results.

Non-financial Performance Indicators[1]

Customer satisfaction and product quality

Global satisfaction of passengers

At 67%, global satisfaction of passengers was below the previous year' value (–7 percentage points). General satisfaction (top box share of global satisfaction) was constant at 67% in the first quarter as well as in the third and fourth quarter. In the second quarter, it was slightly higher at 68%. Satisfaction criteria, such as cleanliness criteria, satisfaction with waiting times, the friendliness of personnel and passport control as well as satisfaction with the gastronomic offerings recorded a decline in the third quarter. In contrast, four out of the 25 criteria surveyed in 2023 were positive, including waiting times at the check-in counter, and the speed and stability of the airport Wi-Fi. The new or resumed criteria “Flight to the Frankfurt Airport” and “Arrival at the airport using public means of transport” achieved above average top box results of 84% and 83%.

At the fully consolidated Group airports, on the other hand, global satisfaction reached a cumulative value of 80% in the 2023 reporting year. To determine global satisfaction within the Group, a total of just under 40,000 passengers were surveyed at the sites in Slovenia, Bulgaria, Brazil, Peru, and Greece. The satisfaction data collected was weighted on the basis of the respective passenger numbers for the calculation of the cumulative value. Including the Frankfurt site, this resulted in a Group-wide global satisfaction of 74% for the reporting year. The reason for the decline was, among other things, distinct peaks in traffic at Frankfurt Airport.

Baggage connectivity

Baggage connectivity at Frankfurt Airport in the past fiscal year remained unchanged at 95.8% and thus 1.2 percentage points below the value forecast in the 2022 Annual Report. While the baggage connectivity value of 95.7% in the first quarter 2023 marked a decrease over the previous year’s level, the value increased to 96.6% in the second quarter 2023 (Q2 2022: 95.9%). In the third quarter of 2023, baggage connectivity remained stable at the previous year’s level of 95.0% and, with 96.0% exceeded the previous year’s figure in the fourth quarter (Q4 2022: 95.1%). In the course of 2023, the gap to the required personnel level was almost closed. Distinct traffic peaks and the overall increased demand however resulted in further capacity bottlenecks. Baggage connectivity in particular suffered, remaining below the target figure for 2023 despite the training initiative in Ground Services.

Attractive and responsible employer

Employee satisfaction

As planned, no Group wide survey of employees was carried out in 2023. The measures derived from Barometer 2022 were supplemented by results from a survey carried out in summer 2023 at the Frankfurt site. Measures planned to improve the aspects Payment, Innovations and Professional Development Opportunities assessed as below average in the Barometer include, for example, a holistic assessment grid for career pathways linked to salary bands and benefit portfolios, an initiative to implement artificial intelligence solutions as well as the introduction of talent management. During the reporting year, the Group companies also worked on deriving measures and implementing them.

Women in management positions

As at December 31, 2023, the proportion of women in management positions at the first management level below Fraport’s Executive Board was 24.4% in Germany (previous year: 23.1%). On the management level below this, the share of women in management positions increased to 33.9% (previous year: 31.6%). The filling of vacant management positions with female managers overcompensated for the negative effect from the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023. At Fraport AG, the ratio of women in management positions on the first level of management amounted to 23.8% and on the second management level to 31.8% in the reporting period and was thus above the respective previous year’s figures (previous year: 19.0% and 30.8%, respectively).

[1] Part of the Combined Non-Financial Statement

Occupational health and safety

Sickness rate

In the 2023 fiscal year, the Group sickness rate in Germany decreased to 8.7% (adjusted value for 2022 due to late reportings: 9.9%; reported value 2022: 8.7%). The development is due to the reduction of staff numbers as a result of the deconsolidation of the Group company FraSec Aviation Security GmbH. The sickness rate of Fraport AG fell by 0.8 percentage points to 7.1% (previous year: 7.9%).

Climate protection

CO2 emissions

In the reporting year, the Group-wide Scope 1 and Scope 2 carbon emissions amounted to around 158,065 metric tons CO_2 and were thus 1.5% lower than in the previous year (adjusted previous year's value due to changed measurement method: 160,489 metric tons CO_2). The CO_2 emissions at Fraport AG also reduced year-on-year by 1.7% to 117,482 metric tons CO_2 (adjusted previous year's value due to changed measurement method: 119,567 metric tons CO_2;). The adjustment of the previous years figures is due to a re-evaluation and standardization of the measurement methods used for emission factors relating to district cooling for 2022 and 2023. The CO_2 emissions reported in the 2022 Annual Report for the Group were 155,449 metric tons CO_2 and 113,199 metric tons CO_2 for Fraport AG.
The purchase of electricity from renewable sources, the company's own generation of electricity from photovoltaic systems as well as the ongoing conversion of the vehicle fleet to electric mobility also contributed to the reduction.

Comparison with the forecasted development

Indicators	2023	Forecast 2022 [adjustment during the year Q2 / 6M Interim Report]	2022	Change
Global satisfaction of passengers (Group) in %	74	At least 80 % [Falling short of the forecast]	80.0	−6.0 PP
Global satisfaction of passengers (Frankfurt) in %	67	At least 80 % [Falling short of the forecast]	74	−7.0 PP
Baggage connectivity (Frankfurt) in %	95.8	Better than 97 % [Falling short of the forecast]	95.8	0.0 PP
Employee satisfaction (Group)	4.76[3]	Next survey in the 2024 financial year	4.76	–
Employee satisfaction (Fraport AG)	4.64[3]	Next survey in the 2024 financial year	4.64	–
Women in management positions (1st level, Germany) in %	24.4[4]	Slight increase	23.1	+1.3 PP
Women in management positions (2nd level, Germany) in %	33.9[4]	Slight increase	31.6	+2.3 PP
Women in management positions (1st level, Fraport AG) in %	23.8	Slight increase	19.0	+4.8 PP
Women in management positions (2nd level, Fraport AG) in %	31.8	Slight increase	30.8	+1.0 PP
Sickness rate (Germany) in %	8.7	Stabilization at least at the previous year's level	9.9	−1.2 PP
Sickness rate (Fraport AG) in %	7.1	Stabilization at least at the previous year's level	7.9	−0.8 PP
CO_2-Emissions (Group) (Scope 1 and 2) in t[5]	158,065[6]	Roughly at previous year's level	160,489[7]	−2,424
CO_2-Emissions (Fraport AG) (Scope 1 and 2) in t[5]	117,480	Roughly at previous year's level	119,567[7]	−2,087

[1] As planned, employee satisfaction was not surveyed in 2023. The next planned survey will take place in 2024.
[2] Employee satisfaction: Includes Fraport AG and the German Group companies as well as Fraport Slovenija, Twin Star, Fortaleza, Porto Alegre, Lima, Fraport Greece, and Fraport USA.
[3] Values in 2022.
[4] This includes Fraport AG as well as Group companies in Germany.
[5] Target for 2045: 0 metric tons CO_2 ("Net Zero Carbon" according to the Intergovernmental Panel on Climate Change).
[6] This includes Fraport AG as well as the Group companies Facility Services, Fraport Ground Services , FraCareS, Fraport Ausbau Süd, FraSec Group (three companies in 2022, two companies in 2023), Media, Fraport Greece, Fraport Slovenia, Lima, Fortaleza, Porto Alegre and Twin Star.
[7] Subsequent verifications may result in changes to the figures.

The "Non-financial performance indicators" chapter above provides explanatory notes on deviations from the 2022 forecast.

Employees

Development of employees

Average number of employees	2023	2022	Change	Change in %
Fraport Group	17,840	18,850	–1,010	–5.4
thereof Fraport AG	7,164	7,309	–145	–2.0
thereof Group companies	10,676	11,541	–865	–7.5
thereof in Germany	14,385	15,691	–1,306	–8.3
thereof abroad	3,455	3,159	+296	+9.4

The average number of employees in the Fraport Group (excluding apprentices and employees on leave) decreased by 1,010 to 17,840 in the 2023 fiscal year (previous year: 18,850). The decline resulted mainly from the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023 (–2,110 employees). An offsetting effect as a result of the positive development in traffic was seen at the Group company Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (+702 employees). At Fraport AG, the headcount decreased (145 employees) primarily due to resignations of staff.
Outside Germany, the headcount increased to 3,455 (+9.4%) due to the Group-wide positive development in traffic, especially at the Group companies in Peru (+143 employees), Bulgaria (+67 employees) and Greece (+38 employees).

Development of employees in the segments

Average number of employees	2023	2022	Change	Change in %
Aviation	3,447	5,569	–2,122	–38.1
Retail & Real Estate	594	576	+18	+3.1
Ground Handling	7,716	7,035	+681	+9.7
International Activities & Services	6,083	5,670	+413	+7.3

The average number of employees in the International Activities & Services, Ground Handling, and Retail & Real Estate segments increased as a result of traffic volumes. In contrast, the headcount in the Aviation segment decreased due to the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023.

Development of employees as at the balance sheet date

Number of employees as at the balance sheet date	December 31, 2023	December 31, 2022	Change	Change in %
Fraport Group	18,057	19,211	–1,154	–6.0
thereof Fraport AG	7,095	7,209	–114	–1.6
thereof Group companies	10,962	12,002	–1,040	–8.7
thereof in Germany	14,811	16,145	–1,334	–8.3
thereof abroad	3,246	3,066	+180	+5.9

Compared with the previous year, the number of employees in the Fraport Group (excluding apprentices and employees on leave) decreased by 6.0% (–1,154 employees) to 18,057 as at December 31, 2023. This is a result of the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023. This was offset by an increase in particular in the Group companies Fraport Ground Services (formerly FraGround Fraport Ground Handling Professionals GmbH) (+691 employees) and the FraSec Group (+72 employees) due to the volume-based higher demand for personnel. Outside of Germany, employee numbers increased in particular in the Group companies in Peru (+99 employees), Slovenia (+32 employees), Greece (+38 employees), and Brazil (+18 employees).

Development in personnel structure

Fraport values the diversity of its employees. This diversity helps the Group to better understand the concerns of its customers, develop innovative solutions, and remain competitive in a globalized economy. Diversity management is therefore a central component of its human resources strategy. It is based on a Group agreement that includes the establishment of principles of anti-discrimination, advancement of women into management positions, and diversity. These principles form part of recruitment decisions and training measures.

With regard to permanent employees excluding seasonal staff as at the balance sheet date, the **Group staff turnover rate** of 12.6% in the reporting year was slightly higher than the value of the previous year (adjusted value for 2022 due to late reportings: 12.1%; reported value 2022: 15.0%). The **Group's percentage of women**, in relation to the total number of employees (including temporary staff, apprentices, and employees on leave) as at December 31, 2023 was 23.8%, clearly below the previous year's level of 26.6%. This was due to the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023. The **average age** of the Group's workforce increased slightly to 45.4 years (previous year: 45.3 years). The **percentage of persons with major disabilities** relative to the total number of employees excluding apprentices and temporary staff was 7.1% on a Group-wide basis (adjusted value for 2022 due to late reportings: 7.6%; reported value 2022: 5.8%).

At **Fraport AG**, the proportion of female employees as at the balance sheet date 2023 was 19.7% (previous year: 19.4%). The proportion of employees with major disabilities remained unchanged year-on-year at 12.4%. The average number of apprentices decreased to 227 (previous year: 246). The staff turnover rate at Fraport AG improved to 2.7% (previous year: 3.5%).

Combined non-financial Statement

About this combined statement

The combined non-financial statement complies with the commercial law requirements and was prepared in accordance with Sections 289c to 289e the German Commercial Code (HGB), Sections 315c in conjunction with 289c to 289e HGB and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the European Council of June 18, 2020 on the establishment of a framework for facilitating sustainable investment and amending the Regulation (EU) 2019/2088 and the Delegated Acts issued thereunder. Deloitte GmbH Wirtschaftsprüfungsgesellschaft has subjected the content of this combined non-financial statement to a limited assurance review in accordance with ISAE 3000 (revised) as part of a separate engagement.

To avoid duplicates within the combined management report, further information in other chapters is referred to at relevant points. The “Control System” and “Non-financial Performance Indicators” chapters describe the important non-financial performance indicators and their development during the reporting period. The respective concepts and measures are presented in this combined non-financial statement. The target values set for the Fraport Group and Fraport AG can also be found in the chapters, which are part of this combined non-financial statement. The forecast figures for fiscal year 2024 can be found in the “Business Outlook” chapter. The Fraport business model, competitive position, and organizational structure can be found in the “Situation of the Group” chapter. Fraport takes risks related to the non-financial aspects into account in the Group-wide risk management system (see the “Risk and Opportunities Report” chapter). References to information beyond the scope of the combined management report and consolidated financial statements are additional information and do not form part of this combined non-financial statement, therefore they are not audited.

Use of frameworks

For a structured presentation of the contents in accordance with Section 289c of the HGB in the combined non-financial statement, Fraport applies the standards of the Global Reporting Initiative 2021 (GRI). The concepts on the aspects are based on “GRI 3-3 Management of material topics”. This concerns the explanations relating to “Anti-corruption and bribery matters”, “Respect for human rights”, “Customer satisfaction and security”, “Employee-related matters”, “Social matters”, and “Environmental matters”. In addition, the ESG Factbook, available at www.fraport.com/publications, provides a detailed overview of the relevant GRI indicators in the Fraport Group.

Correlations with the financial statements

The reportable correlations with the combined management report, the consolidated financial statements, and the Fraport AG annual financial statements are explained at the end of each respective non-financial aspect.

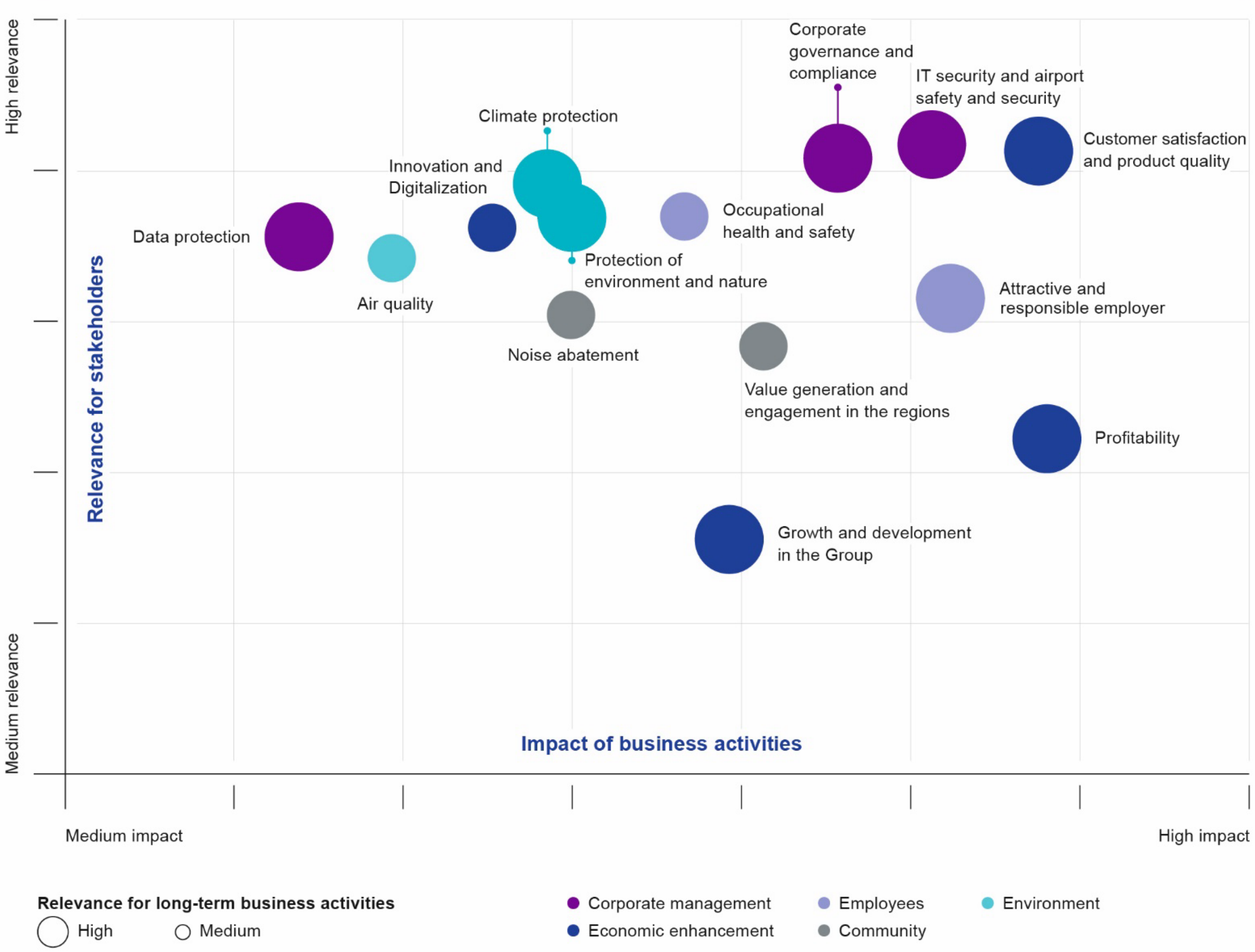
Derivation of materiality

The Fraport mission statement continues to form the basis of the Group’s strategy. It encompasses the Group goals “Growth in Frankfurt and internationally”, “Service-oriented airport provider”, “Economically successful through optimal cooperation”, “Learning organization and digitalization”, and “Fairness and recognition for partners and neighbors”. The vision of establishing Fraport as Europe’s top airport operator and of setting global standards forms the basis for this.

Based on these Group goals, the Executive Board has defined the six most important non-financial performance indicators in accordance with Section 315 (3) of the HGB in conjunction with Section 289 (3) of the HGB. Global passenger satisfaction, baggage connectivity, satisfaction of employees, women in management positions, sickness rate, and CO_2 emissions. As explained in the “Control System” chapter, the employee satisfaction survey is carried out every two years and is therefore not recorded quantitatively in the reporting period.

The basis for the aspects reported in this combined non-financial statement is the materiality matrix. Key aspects are those that, according to Section 289c (3) of the HGB, are relevant to the business development, business result, as well as the effects of the business activities of Fraport on non-financial aspects. The materiality matrix is the result of a systematic exchange with internal and external stakeholders. Fraport management and representatives of the most important stakeholders (analysts, shareholders, employee representatives, banks, employees, airlines, residents living near airports, business partners, media, non-governmental organizations (NGOs), passengers, politicians and authorities, economic associations, and science) confirmed the relevance of the current topics. Both groups also prioritize the topics. The materiality matrix shows the impact of direct and indirect business activities on the corresponding aspect, its relevance for stakeholders, and for the long-term business activities of Fraport. The last comprehensive materiality analysis was performed in 2018. On the basis of this, the topics are regularly checked to ensure they are up to date. The Executive Board has confirmed the relevance of the topics for 2023.

Materiality matrix



The key aspects identified have been attributed to the non-financial aspects in accordance with Section 289c (2) of the HGB. Beyond these reportable non-financial aspects, Fraport has also identified “Customer satisfaction and security” as an additional aspect. The distribution of the aspects among the non-financial aspects can be found in the table below. The crossover aspect “Supply and subcontracting chain” is not an individual aspect but deals with the information in connection with the non-financial aspects in a separate chapter. Fraport does not engage in research and development in the strict sense in the “Innovation and Digitalization” section (see “Research and Development” chapter). The measures derived from the Group strategy aim to increase customer satisfaction and product quality. Reporting on this can be found in the “Customer Satisfaction and Security” chapter.

Allocation of material topics to non-financial aspects

Non-financial aspect	Topics		
Respect for human rights Anti-corruption and bribery matters	Corporate Governance	Compliance	
Customer satisfaction and security	Customer satisfaction and product quality	IT security and data protection	Airport safety and security
Employee-related matters	Attractive and responsible employer	Occupational health and safety	
Social matters	Engangement in the Regions	Noise abatement	
Environmental matters	Climate protection	Protection of environment and nature	Air quality

The Executive Board remuneration system also includes non-financial elements in addition to the financial objectives for the long-term performance-based remuneration. The expansion of the master plan and package of measures on reducing CO_2 in the Group, concept development for alternative drive systems at the Frankfurt site, and the increase in process efficiency in procurement and staffing requirements were determined as non-financial components for the 2023 fiscal year (see also the Remuneration Report at www.fraport.com/publications).

Identification of risks

Fraport defines risks as future developments or events that may negatively affect the non-financial aspects. The risk evaluation is conservative, which means that it reflects the worst-case scenario for Fraport. A distinction is made between a gross risk and net risk. The gross risk is the greatest possible negative impact of the risk prior to countermeasures. The net risk includes the remaining expected impact after countermeasures have been initiated or implemented. The risk assessment in this non-financial statement reflects the net risk.

The risk management system described in the “Risk and Opportunities Report” chapter in the combined management report contains the analysis of the risks that may have potential negative effects on the non-financial aspects.

For fiscal year 2023, there were no additional reportable risks for Fraport which are very likely to have or will have a substantial negative impact on the reportable aspects in accordance with Section 289c (3) sentence 1, Nos. 3 and 4 HGB, beyond the material risks already listed in the “Risk and Opportunities Report” chapter as part of risk management.

Consideration of the supply and subcontracting chain specific to the business model

The crossover topic “Supply chain and subcontracting” is not an individual aspect but deals with the information on the supply chain and subcontracting in connection with the non-financial aspects in this separate chapter. Unlike manufacturing companies, Fraport management does not focus on the supply chain. Instead, the focus is placed on the quality of the services offered and the functionality of the infrastructure required for this purpose. It is crucial, however, that business partners and suppliers are selected carefully.

Fraport compels business partners and suppliers to comply with its **Supplier Code of Conduct**, (which can be viewed at www.fraport.com/en/compliance) as part of its General Terms and Conditions (GTC), depending on the local conditions. It details how to deal with employees and respect human rights as well as environmental and climate protection, integrity during business, and the prohibition of corruption and bribery. A violation of this supplier code of conduct may result in the termination of the business relationship. Business partners and suppliers must also undertake to demand and ensure that these principles are adhered to when dealing with their own suppliers.

All suppliers and service providers of Fraport AG are audited daily regarding the relevant sanction lists of the EU and the United States. Sanction lists are official lists of people, groups, or organizations subject to economic or legal restrictions. If there are irregularities, further checks are planned which may result in the withdrawal of an order.

The fully consolidated Group companies each have their own procurement management and are required to comply with the Group Compliance Management System (CMS). An important part of the Group policy is the **Code of Conduct for Employees** (which can be viewed at www.fraport.com/en/compliance), which is obligatory in the Fraport Group. The policy also includes instructions to make the Supplier Code of Conduct part of the General Terms and Conditions insofar as this is possible for the Group companies pursuant to national applicable law.

The Group company Fraport Ausbau Süd defined a separate procurement process for the Expansion South project, in particular for Terminal 3 at Frankfurt Airport, due to the size and complexity of the project. When submitting an offer in this procurement process, construction companies are obliged to comply with all requirements in the German Posted Workers Act (AEntG) and the German Minimum Wage Act (MiLoG). In addition, they must make contributions to the collective bargaining parties' joint facilities (e.g., wage compensation and vacation pay), and only engage subcontractors or other third parties that meet these requirements.

In the past fiscal year, Fraport AG has implemented the due diligence obligations resulting from the German Supply Chain Act (LkSG), which entered into force on January 1, 2023. After existing structures had been expanded and new processes created, the statutory obligations were transferred into the line organization. In addition to the policy statement on the human rights strategy, core elements of the implementation include expanding the risk analysis, updating the complaints procedure, and establishing suitable preventive and corrective measures.

Anti-corruption and bribery matters and respect for human rights

Anti-corruption and bribery matters

Objective – Conduct in compliance with laws and regulations has the highest priority at Fraport. Fraport does not tolerate any form of corruption or other unfair business practices. In addition, Fraport is committed to internationally recognized standards, guidelines, and principles, in particular the principles of the UN Global Compact, the Universal Declaration of Human Rights, and the Core Labour Standards of the International Labour Organization, as well as the OECD Guidelines for Multinational Enterprises.

Concepts, measures, and results – Within the scope of its management responsibilities, the Executive Board determines the values and codes of conduct of the Fraport Group and draws up the framework conditions for the legally compliant and ethical behavior of its executives and employees. Combating corruption is a key component of the **Fraport Code of Conduct**, which has been rolled out globally. The Executive Board is expressly committed to the fundamental values set out in the Code of Conduct and takes a clear stand with a "zero tolerance principle".

The Group-wide **Compliance Management System (CMS)** contains various measures for combating corruption for which Group-wide minimum standards apply. The minimum requirements need the Group companies to have comprehensive regulations for the handling of gifts and invitations, conflicts of interest, and the compliance audit of business partners. In addition, uniform specifications for the processing of information about compliance violations are prescribed. The responsibility for the CMS of each respective Group company lies with its local management. In the role of Chief Compliance Officer, the head of the "Legal Affairs and Compliance" central unit is responsible for the content, organization, upkeep, and further development of the CMS of Fraport AG. This officer reports directly to the Executive Director of Retail and Real Estate.

The CMS of Fraport AG is based on and starts with a **compliance risk analysis**, which is carried out regularly – most recently in 2022 – and whose main areas of focus include the fight against corruption. With its Compliance Helpdesk, the Compliance department of Fraport AG supports and advises employees of all positions and hierarchy levels.

The Compliance department of Fraport AG informs the Executive Board in a semi-annual **report** on the status of the anti-corruption measures. The Executive Board receives information on material compliance violations immediately after they become known.

The **Compliance Board** of Fraport AG supports and promotes the cooperation between the Compliance Management (CMS), Risk Management (RMS), Internal Control System (ICS), and audit subsystems. It is the central body that brings together topics specific to the departments and interfaces, and further develops the CMS on an ongoing basis.

Guidelines on receiving invitations and gifts have been defined for the employees of Fraport AG in a separate **policy**. This regulates, among other things, the electronic documentation of the approval of received gifts and invitations. An internal policy on how to deal with conflicts of interest also exists. The employees of Fraport AG are obliged to report any situations, in which they find themselves, where personal interests could contradict Fraport's business interests. This allows reportable facts to be disclosed electronically, and the required measures to then be initiated. The electronic processes support employees in complying with existing laws and internal regulations.

Examining adherence to the Fraport Group's compliance regulations falls under the remit of Internal Auditing. This department provides independent and objective audit as well as consulting services in all major business units of Fraport AG, its subsidiaries and joint ventures, and Group companies. The department also carries out **compliance audits**. A standardized and risk-oriented planning process is the foundation for the focus points of the audit.

Measures to battle corruption, along with information and instructions on how individual employees can contribute to this, are regularly communicated to the employees of the Fraport Group. Employees must complete training on anti-corruption matters. In addition to a clear presentation of why compliance is important in everyday working life, the e-learning program for Fraport AG employees contains the Fraport Code of Conduct, dealing with gifts and invitations, and conflicts of interest. In addition, the central reporting channels for compliance violations are detailed. In 2023, a new e-learning course, Compliance Basic Knowledge for Executives at Fraport AG, has been additionally rolled out.

A key instrument for preventing and discovering compliance violations is the **whistleblower system** (see www.fraport.com/en/compliance) as an internal reporting authority. Information about irregularities in all Group companies can be submitted anonymously via this online system. It is available 24 hours a day worldwide. The factual content of each report is thoroughly reviewed, and sanctions are initiated, if necessary. The requirements of the Whistleblower Protection Act (Hinweisgeberschutzgesetz) are complied with. Furthermore, Fraport AG has an **ombudswoman**, an external, independent lawyer, at its disposal. Employees at the Frankfurt site can also contact an **internal confidant**.

A risk-based **compliance due diligence** conducted by the "Acquisitions and Investments" strategic business unit is in place to examine the integrity of Fraport AG business partners' activities in foreign-related investment projects – material compliance risks of a potential business partner are considered accordingly as part of a standard process.

The **Group companies** implement their own targeted measures to combat corruption and bribery based on the Group-wide CMS requirements. The implementation of the requirements of the German Supply Chain Act and the German Whistleblower Protection Act was the focus at the Group companies in fiscal year 2023.

Performance indicator – No performance indicator, target value, or term has been defined within the scope of the Sustainability Program.

Respect for human rights

Objective – Fraport aims to comply with the international codes of conduct that it endorses. These are especially the principles of the UN Global Compact, the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the Core Labour Standards of the International Labour Organization (ILO).

Concepts, measures, and results – The "Corporate Development and Sustainability" central unit of Fraport AG deals with, among other things, coordinating Group-wide respect of human rights. Violations can be reported anonymously via the **whistleblower system** that is freely accessible worldwide via www.fraport.com/en/compliance. In the context of implementing the due diligence obligations from the LKSG, the electronic whistleblower system was expanded by the categories "Human Rights Violations" and "Environmental Crimes" as of January 1, 2023. In addition, employees in Germany can contact the Compliance department of Fraport AG if required.

Respect for human rights is anchored in the Group-wide binding Fraport **Code of Conduct for Employees**: Fraport undertakes to respect the fundamental right to freedom of association and the right to collective bargaining that governs the general working conditions within the Group.

As an international oriented company, Fraport encourages **diversity in its workforce** and pursues the objective of rejecting any form of discrimination. Fraport undertakes not to distinguish, exclude, or favor people based on their ethnic, national and social origin, skin color, gender, age, religion, or belief system. Fraport also prohibits any discrimination based on political activity, membership in a union organization, disability, or sexual orientation. The principle of mutual appreciation and respect is an essential part of the Fraport value culture: Fraport stands for fair, respectful, and cooperative relationships.

Fraport has the same expectations regarding respect for human rights toward its business partners – these requirements are set out in the **Supplier Code of Conduct**. In this code, Fraport business partners are obliged to work toward ensuring that all other companies, such as subcontractors, involved in the provision of services, consistently comply with these standards.

The **Group companies** implement their own specific measures to ensure respect for human rights.

Performance indicators – No performance indicator, target value, or term has been defined within the scope of the Sustainability Program.

Customer satisfaction and security

Customer satisfaction and product quality

Objective – The customer comes first at Fraport, both in Frankfurt as well as at all international Group airports. The objective is therefore to continuously improve the focus on customers and service at Group airports. **Global passenger satisfaction** and **baggage connectivity** are considered the most important criteria for service quality (see the “Control system” and “Non-financial Performance Indicators” chapters). Protecting the health of employees and customers is also a top priority.

Concepts, measures, and results – To increase the service quality and sense of cleanliness in the sanitary facilities, additional contactless Smiley Boxes were installed at the Frankfurt Airport to collect feedback. As part of the modernization of the security inspection process, 20 check lanes with new computer tomography technology were introduced in Terminal A at Frankfurt Airport in the reporting year. The benefits for passengers is a faster, more efficient process because liquids and electronic devices can remain in hand baggage. The PaxZ system was expanded in order to enable optimum measurement of waiting times at security checks and check-in areas and thus guarantee better forecasts of process times for passengers.

Fraport AG is expanding the digital and contactless travel experience for passengers at Frankfurt Airport together with its system partners. Biometric methods play a central role here. Automatic face recognition replaces passengers presenting documents, provides a fast and convenient service, and increases customer satisfaction. Further biometric touchpoints were put into operation in Pier A/Z, B, and Terminal 2 in 2023.

In order to guarantee service quality and to meet passengers’ and airlines’ requirements, Fraport conducted extensive modernization measures at the Group airports. Several measures to improve passenger and business processes such as self bag tag print and replacing the terminal equipment were implemented in Greece. A new software to manage lost baggage was introduced at the Airport in Lima.

In the context of the permanent passenger survey Fraport-MONITOR, which was conducted at Frankfurt Airport in order to collect information about global satisfaction, self-assessment interviews were carried out on the passenger’s own mobile device (smartphone, tablet, laptop) or on a tablet provided on-site by the interviewers. The basic questionnaire from 2022 was broadly adopted for the 2023 reporting year.

At the fully consolidated international Group airports, regular surveys to measure passenger satisfaction, which were resumed in 2022, were continued in 2023, albeit with some reduced case numbers compared to pre-crisis levels. As in the previous year, the sample sizes are sufficient to provide a valid figure for global satisfaction in both the international portfolio and the Group for the 2023 reporting year.

The reliable loading of luggage for departing flights and the fast delivery of luggage to the baggage claim for arriving flights have a major impact on customer satisfaction. Fraport AG measures this performance for departure baggage based on the non-financial performance indicator **Baggage Connectivity** (see also the "Control System" and "Non-financial Performance Indicators" chapters). The recruitment campaign for Ground Handling started in 2022 at the Frankfurt site was continued in the 2023 reporting year. However, the success was limited by strong traffic growth and the associated further increase in demand for personnel. Infrastructure measures were also introduced to improve baggage connectivity. This means that the forwarding of non-transported baggage items is now fully automated for many airlines so that passenger waiting time is shortened. In technical terms, the required X-ray checks of connecting baggage was optimized in order to save valuable time in the transfer process by reducing the malfunctions of the systems.

The Executive Board is informed about the development of baggage connectivity on a monthly basis. Management receives information on a daily basis so that measures can be taken at any time. Fraport regularly discusses the values with the airlines and ensures improvements are made. For example, Deutsche Lufthansa frequently receives a detailed monitoring report, and optimization measures are managed jointly with Fraport within the scope of regular meetings.

Performance indicators – Global passenger satisfaction and baggage connectivity are considered the most important criteria for measuring service quality (see the "Control System" and "Non-financial Performance Indicators" chapters).

Information and airport security

Security is the key requirement for air traffic. This principle applies equally to passenger traffic and air freight. Accordingly, security management has always been a top priority at Fraport.

All countries in which Fraport is active belong to the International Civil Aviation Organization (ICAO) and have contractually committed to comply with the organization's safety standards and recommended practices for airports. In contrast to most ICAO member states, German law allocates passenger and baggage checks to government authorities, whereas in other countries this is usually the responsibility of the airports.

Information security

Objective – All important business and operating processes at Fraport are supported by IT systems. Due to the ongoing development of new technologies and the increasing global threat of cyberattacks generally, there is an underlying risk potential for IT systems. The objective is therefore to protect all IT systems and data against failure, manipulation, and unwanted publication.

Concepts, measures, and results – Fraport protects its IT systems and data against failure, manipulation, and unwanted publication with active and preventive **IT security management**. These systems are configured redundantly and are housed at separate sites. The risks in the area of IT security are included in the risk management system (see also the "Risk and Opportunities Report" chapter). The requirements for IT security are specified in the IT security policy and security guidelines that must be followed throughout the Group. Compliance with these requirements is checked regularly by Internal Auditing, IT Security Management, or external advisors. In 2023, Fraport AG once again implemented a variety of projects to adequately respond to the growing risks arising from information technology. In addition, further personnel were hired in this section. The level of IT security is also part of the annual management report for the quality management certification according to ISO 9001 and is therefore regularly audited by external auditors. In addition, potential for improvement identified within the scope of internal audits as well as in the latest KRITIS audit conducted in 2023 according to the German IT Security Act for critical infrastructures (KRITIS) will be processed and the Information Security Management System (ISMS) will be developed further.

Within the scope of a **working group** in the German Aviation Association, Fraport AG along with other airport operators, Deutsche Lufthansa, and German Air Traffic Control has developed the security standards of the industry. These are based on the new KRITIS requirements. The aim is to comply with regulatory requirements and establish a high security standard within the aviation industry.

The Group companies outside of Frankfurt use their own IT infrastructure, which they protect according to the Group's IT security guidelines. As a rule, the IT systems of the Group companies at the Frankfurt site as well as the SAP systems of Fraport Greece and Fraport Slovenija are integrated into the technology of Fraport AG and managed from Frankfurt. Using other IT systems is only possible with the consent of the Executive Board. At Fraport AG, a separate section within the "Information and Telecommunication" service unit is responsible for IT security. Its tasks are, among other things, the ongoing identification and implementation of measures to meet high security standards.

Performance indicator – The security management system at Fraport receives a variety of performance indicators that measur e the effectiveness of the measures implemented. These indicators cannot be published for security reasons.

Data protection

Objective –The objective is to ensure the handling of personal data in compliance with the data protection laws and to safeguard the rights of data subjects. It is irrelevant whether this involves data from passengers, customers, employees, or external companies.

Concepts, measures, and results – Fraport AG has a reporting system for processes that require the company to process personal data. These processes are recorded in a central processing directory. To consolidate the processes and rules at Fraport AG, existing processes were implemented in a **data protection management system** and a data protection policy was established. In the **data protection policy**, the Executive Board has laid out the principles, procedures, and obligations to be observed by all employees when they collect, disclose, transmit, modify, store, or delete personal data such as names, addresses, personnel numbers, or IP addresses in the course of their business activities. Specific data protection topics, such as data subject information or data subject rights, the deletion of data, or the reporting of data protection violations, have been set out in action guidelines with practical information, instructions, process descriptions and reference samples. The guidelines are to be implemented as an annex to the data protection directive for all employees. Extensive **training concepts** such as an e-learning tool and video training have been established, which can be accessed on the Intranet. At Fraport AG, the separation between the audit and control function and the specification function is ensured by filling the roles of data protection officer and data protection manager.

The **data protection officer** monitors whether all data protection regulations are complied with at the company. This officer reports directly to the Executive Board and is independent in their tasks. Violations of the EU's General Data Protection Regulation (GDPR) are reported directly to this officer – anonymously if so desired. The **data protection manager** is responsible for the processing directory of Fraport AG and organizes the processes required for this. This manager has authority to issue guidelines and reports to the Executive Board at regular intervals. The fundamental task of the data protection manager is to initiate, plan, implement, and control the data protection management system.

The majority of the personal data processed by Fraport is due to the issue of airport ID cards and is thus compulsory for security reasons. Fraport AG has implemented both technical and organizational measures to protect data against misuse. Access to this system is allowed to only a limited group of people for a specifically defined task. Fraport AG collects personal data of passengers primarily for the use of parking garages, baggage handling, and specific processes at the terminal. Special regulations were therefore established while implementing biometric passenger processes (biometric eGates at the integrated pre-checks). Travel data is processed exclusively by the airlines. There are clear guidelines for the use of video technology at the Frankfurt site in order to ensure the personal rights of passengers, visitors, and employees. It also regulates the extent to which authorities are allowed to use Fraport video technology.

Given the advancing digitalization, the data protection team implemented specific processes in order to meet future requirements within a reasonable period of time. The procedures introduced ensure that data protection law is taken into account from the outset, both for business processes in general and for specific data protection topics, such as the processing of data subject inquiries. Checklists and automated evaluations are essential components here.

The level of data protection is part of the annual management report for the quality management certification according to ISO 9001. In addition, the data protection officer prepares an activity report. Since 2022, quality management audits will regularly include questions on data protection. Specific core questions are asked about the implementation of data protection. Depending on the answers, the data protection team develops an action plan for the following cycle. In addition, Internal Auditing reviews selected data protection topics annually.

The Executive Board of Fraport AG works toward ensuring that Group companies in Europe comply with the European General Data Protection Regulation and the timely implementation of the relevant legal requirements. In addition to offering **training** for employees, the Group companies have also created **technical requirements** to always take data protection into account. The Group companies outside the EU comply with the relevant national laws on data protection.

Performance indicator – No performance indicator, target value, or term has been defined within the scope of the Sustainability Program.

Airport safety

This area encompasses both security and safety: safety refers to the operational safety of the overall airport as well as the safety within the airport site. Security is understood in terms of defending against terrorist threats and protecting civil aviation.

Objective – For all operational processes, this focuses on safeguarding the safety and security of everyone at Fraport's airports.

Concepts, measures, and results – The measures include **passenger, baggage, and cargo inspections, as well as the access control points** for airport employees and suppliers. Regular weekly or monthly meetings are held with airlines, security service providers, and authorities to exchange current information.

At the international Group airports, the security requirements of each respective country as well as international standards for **safety and security management** are in effect. It is the responsibility of the local Group companies to implement and comply with these requirements. They include, among other things, a safety management system and access controls when entering the security area.

Fraport AG supports the Group companies in planning and implementing security measures. It also provides needs-based training for employees online, for example within the context of **safety and security trainings**. Within the scope of specialist **exchange events**, there is also a regular exchange between the Group companies.

Safety

Based on European statutory regulations, Fraport AG is obliged to operate a **Safety Management System (SMS)** at Frankfurt Airport. The EASA Safety Manager follows the guidelines of the European Aviation Safety Agency (EASA) and has a direct reporting right to the Executive Board.

The SMS focuses on the safety of airport operations. The SMS takes into account all the risks – technical, organizational, or human – that may affect them. The SMS coordinates security measures in daily operations. It records safety-related events and is able to detect vulnerabilities. The objective is for all parties involved in air travel to implement the requirements contained in the Safety Policy of Fraport AG. Airport employees can submit safety-related reports to the SMS. In addition, anyone with access to the airside areas (apron and runway) must regularly complete safety training.

As a central reporting and alarm point for security matters, Fraport AG operates a security control center at Frankfurt Airport, which activates the emergency and crisis management, if required. The airport fire department, medical services, ambulance service, and the security services then coordinate operations on site. A crisis unit commences operation in the "Emergency Response and Information Center" (**ERIC**). It coordinates and executes all measures that require a concerted approach at the site beyond any routine damage and risk prevention. If necessary, the Fraport Emergency Team, consisting of volunteer employees of Fraport AG and the Group companies at the Frankfurt site, is deployed, which takes care of passengers, greeters, and relatives on site.

The contingency plan for Frankfurt Airport "**FRA Not**" documents which preparations have been made for various emergency scenarios and defines procedures to minimize the impact. ICAO and EASA prescribe regular exercises to be carried out by the respective airport operating company at the Group airports to train for the handling of emergencies and other security-related scenarios. Such exercises have no impact on flight operations. The results are used for further education and training.

Security

Both international and European regulations contain guidelines on the structural design of airport infrastructure to prevent attacks such as sabotage or terrorist activities.

In Germany, the German Aviation Security Act (LuftSiG) regulates the **passenger and baggage controls as well as personnel and goods checks** for access to the security areas. In addition, the LuftSiG defines **the access and approach controls** to airside areas as being within the direct responsibility of the airport operator. On January 1, 2023, Fraport took over the organization, management, and operation of aviation security services at Frankfurt Airport from the German Federal Police. Personnel and goods checks are carried out by the Group company, FraSec Flughafensicherheit GmbH.

Fraport AG develops measures to maintain high security standards independently and in agreement with the competent authorities. In the reporting year, responsibility for performing security services and passenger controls at Frankfurt Airport was transferred. Since then, it has been possible for the airport operator to make greater progress with control and quality management and thus to make processes more flexible and more efficient.

Performance indicator – No performance indicator, target value, or term has been defined within the scope of the Sustainability Program.

Employee-related Matters

Group-wide, Fraport aims to remain competitive so as to provide workplaces with fair and just working conditions and guarantee appropriate salaries and wages.

Pursuant to responsible corporate governance, Fraport has made a commitment to comply with internationally recognized standards of conduct, such as those defined in the principles of the UN Global Compact, the OECD guidelines, and the ILO Core Labour Standards. They are published in the Code of Conduct, which obliges employees to comply with these fundamental principles.

Important non-financial performance indicators in the context of personnel matters are the key figures **employee satisfaction, women in management positions,** and **sickness rate** in Germany. Another indicator used to monitor accident development is **LTIF (Lost Time Injury Frequency)**.

Attractive and responsible employer

Objective – Fraport seeks to create good working conditions and increase employee satisfaction (see also the "Control System" and "Non-financial Performance Indicators" chapters).

Concepts, measures, and results – The Group Barometer, which is used to measure **employee satisfaction**, was redesigned in 2022 in terms of content and procedure. One of the goals is to make well-founded statements on employee satisfaction at Group level. This should make it easier to derive target-oriented improvement measures on the basis of the results throughout the Group. The survey is conducted every two years since the 2022 reporting year. Optimizing the derivation and implementation of measures is a key factor in the decision to switch from an annual to a biennial cycle. This will allow the potential of the measures to be better displayed and the impact of implementation to be reflected in the results of the follow-up survey.

The Group-wide structure of the survey is the same in terms of content. The questions are assigned to four topics – "My employer," "My workplace," "My team," and "My manager" – and rated on a scale of 1 to 7. An average score is calculated for each topic. The average value of the topic scores is the indicator for the survey of a Group company. The average of the indicators for all companies, weighted by the number of participating employees per company, gives the satisfaction level of the Group's employees. Based on the results, improvement measures are then derived Group-wide.

In the survey performed in 2022, the aspects of remuneration, innovations, and professional development opportunities were rated as below average. Because of this they were the focus of the measures that were developed Group-wide in the reporting year. For the Frankfurt site, the potential for improvement was supplemented by the results from the HRneo strategic program that was started in summer 2023. HRneo has the aim of realigning the HR section and increasing the employer attractiveness of Fraport, positioning it for the future, and strengthening cohesion within the workforce across the Group.

The **Group works agreement** "Conduct of Partnership, Diversity, and Equality in the Workplace" forms the basis for principles such as freedom from discrimination and equal opportunities. The company agreement includes explicit definitions of values as well as specific internal regulations and structures. As far back as 2007, Fraport committed itself to the "Charta der Vielfalt" (Diversity Charter) – an initiative to promote diversity in companies and institutions. From an organizational perspective, responsibility for diversity is assigned to the Labor Relations Director with corresponding resources.

As a responsible employer, Fraport respects and promotes personal diversity and attaches great importance to ensuring that this is reflected in the way employees interact with each other. Diversity is a key goal for Fraport, which the Group systematically tackles as part of its **diversity management**. Different cultural backgrounds, experience abroad, gender and inclusion aspects, social origin, sexual orientation, or mix of ages enrich cooperation and promote innovation and creativity. This enables Fraport to flexibly respond to the changing requirements in the international markets and benefit from them. In 2023, Fraport continued its activities to strengthen and utilize diversity in the Group. One focus was on the topic of discrimination. Seminars were offered to employees to raise awareness about prejudices, racism, and discrimination in everyday life. In the past fiscal year, information events and counseling offerings were also held on the topics of career and family as well as career and care.

Fraport employs many international workers. These often have different language qualifications. The Fraport Group therefore uses language trainers and explains the safety regulations of the work areas with forms in straightforward language and with many illustrations, thus ensuring continuing language education.

The measures for strategic **succession planning** and the supervision of top management positions are carried out organizationally by the "HR Top Executives" central unit. Executives are supervised at the third and fourth level, and **talent management**, which is primarily concerned with developing potential executives, is assigned within the "Human Resources" central unit of Fraport AG. Both organizational units report to the Labor Relations Director.

Fraport AG has been pursuing its goal of increasing the **proportion of women in management positions** for many years (see also the "Control System" and "Non-financial Performance Indicators" chapters). In addition to systematic talent management and the Potential Assessment Center, the long-term measures include the Cross Mentoring Program, coaching measures within the context of the continuous development of female executives, and promoting a network of female employees. In addition, there is the option of working part-time.

Performance indicator – Employee satisfaction at Fraport AG and in the Group as well as the ratio of women in management positions at Fraport AG and the Fraport Group in Germany (see also the "Control system" and "Non-financial performance indicators" chapters).

Occupational health and safety

Objective – Preventive measures in occupational health and safety in the Fraport Group focus on preserving and strengthening the health, performance, motivation, and thus productivity of employees in the long term. Fraport has therefore set the goal of continuously reducing the number of accidents at work and stabilizing the sickness rate in Germany in the medium term and reducing it in the long term.

Concepts, measures, and results – The key principles for Fraport AG and the Group companies can be found in the **Group “Occupational Health and Safety” policy**. Drawing on the requirements of ISO 45001, the Group policy ensures accountability. The defined guidelines are to be implemented independently by the Managing Directors and supplemented by company-specific rules in internal regulations. This requirement is valid effective immediately for Fraport AG and German Group companies. Taking into account the national laws, the regulation is also an option for desired action for the international Group companies.

In accordance with the Occupational Health and Safety Act (Arbeitssicherheitsgesetz), Fraport AG has implemented an occupational safety unit, an occupational health services unit, and prevention and health management under the Director of Labor Relations, which advise and support corporate departments in the further development of occupational health and safety. Measures to promote occupational health are controlled by the occupational health management. The **Occupational Safety Board** represents the Executive Board’s efforts for the effective and efficient organization of preventive health and safety for the Fraport Group. Collaboration and the exchange of experience for all Group companies for which the Group guideline is binding are organized in the **Occupational Health and Safety Management System Board**. The Board meets once per year. Overarching tasks are promoted together in order to work efficiently and conserve resources. In addition, there is a steering committee for prevention and health management, where Group and sector-related health measures are discussed, and decisions are made.

Preventing accidents at work remains an issue of great importance in the Fraport Group. For the LTIF indicator, which is calculated based on the number of accidents at work (from the first day of absence) in relation to the hours worked (in millions), the objective is to reach a value of 22.5 by 2025. The Group LTIF decreased to 20.6 in the 2023 reporting year (previous year: 22.6). A significant focus on accident prevention and avoiding work-related health risks could be seen mainly in the Ground Handling segment. Due to the fast recovery in traffic after the coronavirus pandemic, accident figures have also come back into focus. As part of recruitment measures, above all in the Ground Handling section, the integration of occupational safety measures into training was an essential component. Furthermore, it is also especially important that occupational safety standards are guaranteed when dealing with hazardous substances, in maintenance, in internal transport and traffic, and during infrastructure construction activities. In addition to basic and recurring training programs focusing on various workplaces for all employees and executives, special driver safety training is offered to employees whose work involves driving. Targeted and temporary measures and projects are intended above all to raise employee awareness of safe conduct especially in operational sections.

The increased requirements that result from the now established hybrid working form were taken into account with numerous **digital health offers**. The Prevention and Health Management department has structured the health measures and focused on the requirements. Provision of licenses for a health app that have been available to interested employees of Fraport AG since 2022 was continued. A quarterly newsletter follows seasonal health topics in a digital format. In addition, in October 2023 there was a dedicated Mental Health Week. Many offers such as screenings, travel vaccination advice, and a health market with campaign stands, presentations, and checkups were also held on-site in Frankfurt.

Different programs to promote health in the workplace, and training courses on the issue of occupational safety have been implemented at the international Group companies. Vaccination has also been offered at the airports in Slovenia and Greece. Unannounced inspections were carried out regularly at Lima Airport in addition to the extensive occupational safety training courses to ensure compliance with requirements.

Performance indicator – LTIF in the Group, sickness rate in the Group in Germany, and in Fraport AG (see also the “Control system” and “Non-financial performance indicators” chapters).

Social Matters

Frankfurt Airport is one of the largest local workplaces in Germany. Additional employment effects are also created in enterprises that are contracted by Fraport for the construction and modernization of airport infrastructures.

Engagement in the regions

Objective – The objective is to make a positive contribution to the economic and social development of the region.

Concepts, measures, and results – For Fraport, social responsibility has been a corporate principle for many years. Fraport AG's funding concept for its community, cultural, and social engagement is "**Active for the region**". It primarily serves to boost clubs and support volunteer work in the region around Frankfurt Airport. All activities are combined into a department within the "Corporate Communications" central unit and assigned to the Chairman of the Executive Board. The so-called "neighborhood framework" describes the geographical boundary for these support activities. The area is based on district and state borders considering the most important approach and takeoff routes. If this area changes, the neighborhood framework is also adapted. Donation priorities include the promotion of social and charitable institutions, particularly those that encompass measures relating to education, social equality, health, and the integration of marginalized groups in society. Employees can also apply for donations as patrons of their clubs. Sports sponsorship in the Rhine-Main region includes both recreational and professional sports. Well-known names include the FRAPORT SKYLINERS, which Fraport AG has been supporting for many years. In this regard, Fraport sponsors not only the German national division team but also gives donations to support the "Basketball macht Schule" (Basketball Goes to School) project.

In the areas of **culture and education**, Fraport is involved in longstanding partnerships with the Rheingau Music Festival and the Frankfurt cultural institutions Städel Museum, Schirn Kunsthalle, and Liebieghaus Sculpture Collection.

Fraport has financially supported youths' and young adults' integration into working life for many years with the **ProRegion** foundation. In addition to projects for the vocational and social integration of young people who have been forced to flee or migrate, other projects on professional orientation and competence assessment in general education schools continuously receive funding. Since the Foundation merely acts as a funding institution, it relies on close cooperation with proven institutions of youth vocational training. These include the Frankfurt-based Gesellschaft für Jugendbeschäftigung e.V., the Evangelischer Verein für Jugendsozialarbeit, the KUBI Gesellschaft für Kultur und Bildung GmbH, the Berufsbildungswerk Südhessen in Karben, and the "Pilot" unit of the Evangelische Kirchenkreis Hanau.

Even at many sites belonging to the international **Group companies**, regions close to the airport also benefit from the economic performance, the donations made, and sponsorship activities undertaken by the Group companies independently. In this regard, the focus is on local projects, such as in the areas of child support, environmental protection, and sports. Earthquake victims in Turkey and Syria have also been supported financially.

Performance indicator – As a large portion of the measures had to be suspended due to the coronavirus pandemic, the "Engagement in the regions" subject area is currently being re-established.

Noise abatement

Objective – With noise reduction and noise abatement measures, Fraport seeks to create a balance between mobility services at the airport and economic success on the one hand and the quality of life around the airport on the other. Keeping aircraft noise pollution as low as possible despite the increase in air traffic is a permanent task. In Frankfurt, the aim is to keep the aircraft noise pollution in the region significantly below the figure of a LOG noise area determined in the 2007 planning decision below a forecasted figure of 22,193 ha.

National and local regulations about noise protection apply at the Group sites. Violations against these regulations in the reporting year are not known. The Group airports have implemented appropriate noise protection measures and monitoring systems.

Concepts, measures, and results – In order to minimize noise pollution, Fraport is constantly working toward pollution reduction measures that go beyond the legal requirements.

The aircraft noise pollution in the area around the airport is continuously monitored. **Aircraft noise monitoring** is also implemented at the Group airports. In Greece, complaints about aircraft noise can also be submitted via the company website. At the Group airport in Lima, a committee has also been set up to combat aircraft noise, involving airlines as well as national and local government agencies.

Fraport AG collaborates with the region affected by aircraft noise, representatives of the state government, and other members of the aviation industry in two committees. The **Aircraft Noise Commission** (FLK) is a legally appointed body that advises the Hessian Ministry of Economics, Energy, Transport and Housing (HMWEVW), the German Air Traffic Control (Deutsche Flugsicherung, DFS), and the Federal Supervisory Office for Air Traffic Control (BAF) on noise abatement measures due to flights and air pollution resulting from aircraft exhaust gases. Fraport AG regularly reports the evaluations of the aircraft noise measurements and results of simulation calculations on aircraft noise pollution to the supervisory authority and the FLK and publishes its findings on the website (www.fraport.com).

The **Airport and Region Forum** (FFR) is a body of the Hessian State Chancellery. The key task of the FFR is to foster dialog between the region and the aviation industry and to discuss the effects of air traffic, with a particular focus on the Rhine-Main region. The FFR includes the “Active Noise Abatement” expert group, which advises on measures to reduce aircraft noise.

The **Fraport Noise Monitoring “FRA.NoM”** shows currently measured noise levels at the stationary aircraft noise measurement points of Fraport AG and identifies recognized flight noise from the last three months. It also reports the approaches and takeoffs at Frankfurt Airport as well as their effect on the noise levels in real time. The information system for aircraft noise issues, **FRA.Map**, available online allows interested parties to find information for their location or place of residence on an interactive map. In addition, the system shows the protection zones in the noise protection area, and the area in which rooftop security measures can be claimed to prevent damage caused by wake turbulence.

A basic distinction is made between active and passive noise abatement.

Active noise abatement Reduces noise directly at the source		**Passive noise abatement** Reduces the noise level at the place of immission
emission-based airport charges	Noise ceiling	Constructional measures on buildings
Noise-reducing operating concepts	Noise-reducing take-off and landing procedures	

Active noise abatement

Active noise abatement directly reduces noise at the source or by implementing **noise-reducing operating concepts and takeoff or landing procedures**. These measures include establishing a “Ground Based Augmentation System” (GBAS) navigation system, which enables a steeper angle of approach of 3.2 degrees for all runways in Frankfurt. With the so-called noise abatement model in Frankfurt, in both off-peak periods at night, individual takeoff and landing runways are alternately not used, enabling the local nighttime six-hour quiet period to be increased by one hour.

Fraport AG charges noise-related charges for takeoffs and landings. According to the new schedule of charges, which has applied from January 1, 2023, the noise-related airport charges have been further increased. The use of modern, quieter aircraft is rewarded by the Noise Rating Index (NRI). Fraport is thus providing further economic incentives for airlines to take off or land in Frankfurt using quieter aircraft.

The voluntary alliance for a noise emission ceiling created in 2017 helps to ensure that the noise exposure at Frankfurt Airport during the day does not increase as much as would be permitted under the zoning decision, despite growth in aircraft movements. The traffic volume and traffic structure of the zoning approval for the expansion result in noise contours with continuous sound levels of 55 dB(A) and 60 dB(A). These contours have been reduced by 1.8 dB(A) across the board. The total areas within the reduced contours define the noise emission ceiling. A flight movement quota applies at night: no more than 133 aircraft movements may be scheduled for each average night of the calendar year between 10 p.m. and 6 a.m. If the limit values are exceeded, Fraport AG and airlines must examine how they can reduce the noise level, for example by using quieter aircraft. The calculations in the 2023 monitoring report for 2022 show that the levels did not exceed the noise emission ceiling in 2022. The values of the previous year are always checked.

Passive noise abatement

Passive noise abatement includes measures that reduce noise from the point of origin (emission site, e.g., aircraft) to the place of impact (place of immission, e.g., apartment). Passive noise abatement measures are intended to reduce the noise level inside buildings by way of structural improvements, such as installing sound-insulating windows. Around Frankfurt Airport, Fraport AG had legal obligations to finance noise abatement measures for around 86,000 households. A noise protection area defined which households were entitled to reimbursement by Fraport for noise abatement measures. The deadline for submitting invoices expired on October 12, 2022, the invoices received on time have largely been approved by Darmstadt Regional Council with a few exceptions and the funds paid out by Fraport.

In the area of passive noise abatement, the Fraport Group held provisions in the amount of €0.7 million as at the balance sheet date of December 31, 2023 (see Group Notes, note 40, and Fraport AG's Notes, note 30).

Performance indicator – Compliance with the specified noise ceiling (the area under a Leq 55 dB(A) day (6 a.m.–10 p.m.) should constantly remain below 22,193 ha).

Environmental Matters

Airport operations and air traffic have a major effect on the environment. Fraport is committed to fulfilling the environmental requirements associated with this effect.

It is particularly important to deal intensively with environmental concerns, especially when planning to expand facilities. The Group's growth targets must be pursued in line with environmental protection. The expansion of both Lima Airport and Frankfurt Airport are subject to environmental requirements. For the financing of Terminal 3 at the Frankfurt site, the European Investment Bank (EIB) requires a project progress report every year that also includes all significant environmental aspects.

Fraport is committed to issuing a report each year on its environmental activities and performance (see www.fraport.com/responsibility). To this end, the Group companies complete a comprehensive catalog of standardized environmental indicators once a year. The indicators are combined for reporting (see the "ESG Fact Book" at www.fraport.com/publications and the environmental statement at www.fraport.com/environmental-management).

Climate protection

Objective – In order to measure the environmental impact, the Executive Board has identified the scope 1 and 2 CO_2 emissions as the most important indicator. The goal is to reduce this indicator on a Group-wide level to 95,000 metric tons per year by 2030; Fraport seeks to be carbon neutral by 2045 (see also the "Control system" and "Non-financial performance indicators" chapters).

Concepts, measures, and results – CO_2 emissions of Fraport AG and the Fraport Group are measured and monitored by the department of Environmental Management within the "Corporate Development and Sustainability" central unit. The Executive Board is informed twice a year of the development of Fraport AG and the Group issues as part of the Interim Report Q2/6M. In addition, the scope 1 and 2 CO_2 emissions trend is reported to the Executive Board yearly for each building at Fraport AG.

Fraport has used its own monitoring instrument, the **CO_2 and energy consumption monitoring system**, to present, analyze, and manage energy consumption at the Frankfurt site. It creates transparency about consumption and consumers, helps to improve energy efficiency and reduce energy costs. It also allows qualified statements to be made in a timely manner with regard to current CO_2 emissions at Fraport AG and allows any undesirable trends with respect to the strategic CO_2 targets to be detected at an early stage. The monthly energy consumption of buildings, plants, and equipment serves as the basis for the data. All energy sources, such as electricity, district cooling, district heating, gas, fuel for vehicles, and other fuels, are taken into account.

The “Energiezirkel”, which was previously responsible for the monitoring of the ongoing long-term energy saving measures and continuously examining further possible measures, was replaced in 2023 by the **Decarbonization Board**. This Board monitors the implementation of the decarbonization master plan, continuously examines the ongoing and planned measures to cut CO_2 emissions, and reports the results to the Executive Board twice a year. Fraport is gradually switching to **emission-free alternatives** for its vehicles on the apron. In addition, 94 electric vehicles and auxiliary devices were acquired in 2023. To complement this, Fraport is starting to establish a fast-charging infrastructure on the apron, which will be available for use by all those active in this area. In doing so, Fraport benefits from support from the State of Hesse. There is also a continuous expansion of charging points in the parking garages and on landside parking areas, based on the needs of customers and legal requirements. A number of electric vehicles were also procured for the Group companies in 2023, which are used in particular in the operational area, for example as follow-me vehicles. Fraport intends to continue to invest in wind and solar energy. The aim is to use renewable energies to meet our own electricity needs at the Frankfurt site as far as possible. Therefore, the construction of another fence system was authorized in the reporting year. These are systems, which are arranged vertically rather than at an angle, thereby ensuring high electricity yields in spite of their small footprint. At the same time, the vegetation underneath is not substantially affected by the structure as the system neither prevents rainfall reaching it nor provides permanent shading. Depending on the approval, the photovoltaic system in the final expansion stage can extend to a length of 2,800 meters parallel to the runway and generate a photovoltaic output of up to 18 megawatts.

The variety of individual measures that have already been decided upon and implemented in the last few years represent important steps toward achieving the climate protection objectives of Fraport. A **master plan for decarbonization** up to 2045 was developed to ensure the comprehensive consideration and structuring of further measures for decarbonization. It describes the strategic principles and defines the framework for successful implementation of the measures and thus represents a policy document for decarbonization. In 2023, the master plan for decarbonization was also adopted by the fully consolidated international Group airports and backed up with appropriate measures to reduce CO_2 emissions.

The participation of Fraport in the **Airport Carbon Accreditation** program of the ACI (Airports Council International) serves as proof of its CO_2 management. It has evolved into the global standard for CO_2 reporting and management at airports. Participation at level 2 (“reduction”) or higher requires proof of both a CO_2 reduction target and CO_2 management program in accordance with international requirements, and annual emission reductions verified by external auditors. Frankfurt Airport reached level 3 (“optimization”) back in 2012. Ljubljana Airport reached level 2 in 2015 and is aiming for level 3+ (“neutrality”) in the medium term. The Varna and Burgas Group airports in Bulgaria are also at level 2. The Greek airports in Kefalonia, Mitilini, Rhodes, Thessaloniki, Chania, and Samos are at level 1 (“mapping”), as is Lima Airport. The airport in Antalya is at level 3+ (“neutrality”). The other Group airports have yet to participate; however, they are obligated to have their CO_2 footprint assessed by way of an external audit.

Performance indicator – CO_2 emissions (Scope 1 and 2) in the Group and Fraport AG (see also the “Control system” and “Non-financial Performance Indicators” chapters).

Protection of environment and nature

Objective – Fraport’s environmental policy obliges all Group companies to make use of natural resources and the environment in a sustainable, conserving, and preventive manner. This goal is systematically implemented through environmental management. Based on their business activities, Fraport AG and the fully consolidated Group companies have defined the objective of introducing and implementing such an environmental management system that is classified as “fundamentally climate-relevant” – which means fully consolidated subsidiaries with substantial energy consumption – according to the relevant ISO Standard 14001 and the European EMAS Regulation. The “Eco Management and Audit Scheme” (EMAS) is an environmental management and audit scheme developed by the European Union, which companies can implement voluntarily. This audit is carried out by state-authorized environmental experts. EMAS is considered to be the world’s most demanding environmental management system. Fraport AG has been validated by EMAS for over 20 years.

Concepts, measures, and results – **Environmental management systems** serve to systematically organize, manage, and monitor corporate environmental protection within the company. The environmental management systems cover all environmental factors relevant to the company such as energy consumption, CO_2 emissions, air pollutant emissions, effects of business activities on nature and biodiversity, water consumption, and waste. The Coordinator for the Environmental Management System at Fraport AG reports to the Chairman of the Executive Board in management reviews. The long-standing experience of Fraport AG employees in the area of environmental management benefits all Group companies, for example in the form of technical support, including on site. Companies that join the Fraport Group and do not yet have an environmental management system are obliged to introduce such a system in the course of the acquisition. At the end of the past fiscal year, 78.4% of fully consolidated, environmentally relevant Group companies, weighted according to revenue, had such a system certified according to ISO 14001 or EMAS.

Wherever possible, Fraport AG extends the **green areas** at the Frankfurt site. Fraport AG will upgrade some 2300 hectares of land in the immediate and wider vicinity of the airport from a nature conservation perspective to fulfill a legal requirement under the zoning decision for the airport expansion: deciduous forests, orchards, marshes, and nutrient-poor grassland. Measures to counterbalance the Expansion South project, in particular Terminal 3, are already included in this extensive package of measures.

The implementation and evaluation of the measures are subject to continuous monitoring. For **ecological compensation measures**, Fraport Group held provisions in the amount of €12.4 million as at the balance sheet date of December 31, 2023 (see Group Notes, note 40, and Fraport AG's Notes, note 30).

Promoting biological aviation safety is the responsibility of **Wildlife Hazard Management**. Wildlife Hazard Management at the international Group airports is implemented according to international regulations as well as, where appropriate, based on national and local targets. Corresponding monitoring systems are implemented. Wildlife Hazard Management at Group airports is concerned, among other things, with the monitoring of birds in order to ensure safe operations. In addition to biotope design and standardized animal observations at and around the airport, this also includes aversive conditioning through acoustic and visual stimuli. Maintaining the green spaces is a prerequisite for reducing the number of potential animals on the airport grounds which are relevant to air traffic safety. This is also ensured by Wildlife Hazard Management.

Performance indicator – Proportion of fully consolidated, climate-relevant Group companies with certified environmental management systems (EMAS or ISO 14001), weighted according to revenue.

Air quality

Objective – There is no legal obligation for airports to monitor air quality. However, Fraport has set the objective of gaining a deeper understanding of the emission of air pollutants (emissions) by the airport and their effect on people and the environment (immissions). Air quality has been monitored at several sites at Frankfurt Airport since 2002. And it is also regularly monitored at some international airports.

Concepts, measures, and results – From an organizational standpoint, the "Noise and Air Quality" department of the Aviation strategic business unit is responsible for air quality issues at the Frankfurt site. An annual report informs the Executive Board about the measured annual average and annual indicators of air pollutants on the airport grounds. Fraport AG regularly publishes the results of the measurements on its website in the **"Air quality annual report"**. The measurements show that the air quality on the airport site have remained unchanged at an urban level since the first time air pollutant limits were measured.

At the local level, there is an overlap of limit-controlled air pollutants related to the airport and those not attributed to the airport. The airport's impact on the air quality in the surrounding areas is largely limited to zones within a proximity and to the nitrogen dioxide (NO_2) emissions component. Measurements and modeling suggest, however, that external influences, such as road traffic, also play a role in the air quality on airport grounds. In addition, the level of pollutant concentrations depends heavily on the weather.

To gain information on the proportion of the overall exposure in a region, computational models have been developed that include all the relevant sources of pollution and their emissions for a given zone. The **LASPORT program** takes into account various airport-related emission sources in the lower atmosphere, prepares spread computations, and illustrates the exposures. The Airport Association ADV (Association of German Airports) commissioned the program in 2002. The provider has since expanded the program in close collaboration with Fraport AG and other users.

Fraport AG cooperates with the German Aviation Association (BDL) and the Airports Council International (ACI). In addition, there are collaborations with the Hessian Agency for Nature Conservation, Environment and Geology (HLNUG) and Gemeinnützige Umwelthaus GmbH (Umwelt- und Nachbarschaftshaus, UNH) in Kelsterbach to study so-called ultra-fine particulates (UFP). UFP are solid or liquid air-borne particles with a diameter smaller than 100 nm. Unlike conventional, limit-controlled air pollutants, airports have proven to be a major source of UFP. Due to their small size, UFP are classified as potentially harmful to health, however, no reliable database exists to determine a dose-response relationship.

The HLNUG measurements have shown in the last few years that Frankfurt Airport clearly contributes to the UFP burden. At all UFP measuring sites, the UFP concentration increases when the wind blows from the direction of the airport area during flight operations. Although the UFP concentration decreases exponentially the further away the measuring sites are from the airport, the airport's influence still visibly stands out from the baseline concentration. In January 2023, scientists at the Goethe University Frankfurt in collaboration with the HLNUG published new findings. An analysis of the chemical composition of the measured UFP in Frankfurt-Schwanheim was carried out in this study. The investigations showed that the UFP partly consist of synthetic turbine lubrication oils and therefore the formation of ultra-fine particulates on engines is not limited to the combustion of jet fuel.

Furthermore, in August 2023 the HLNUG published a short report on the measurements completed after two and a half years in the Municipality of Flörsheim located directly to the west of the airport. As already known from the previous UFP reports, the measured particle number concentration at the Flörsheim site is also clearly dependent on the wind direction. If the wind blows from the direction of the airport during flight operations, the particle number concentration clearly increases. Furthermore, the latest evaluations by the HLNUG show that even at night outside of the airport operating times (between 12:00 a.m. and 5:00 a.m.) an increased particle number concentration resulted in the event of wind from an easterly direction, which points toward further sources of UFP in this direction outside of flight operations. The analyses also showed that short-term peaks in the particle number concentration occurred both at times with overflights over Flörsheim and also at times outside of flight operations and when the Runway Northwest was closed (from December 16, 2020 to May 31, 2021). Therefore, no clear causal connection can be derived between the individual direct overflights over Flörsheim in landing approaches to the Runway Northwest and the concentration peaks.

In order to gain further knowledge, the Forum Flughafen und Region (Forum Airport and Region, FFR) has taken up the subject area in its work program at the request of the Hessian state government and will carry out a comprehensive study on ultra-fine particulates. A **"UFP" working group** has been set up at UNH, in which Fraport AG is also involved. Due to the complexity of the topic and building on the measurement results of the HLNUG and the findings of a previous hearing of experts in August 2019, the FFR has decided to commission the study to assess the exposure of the Rhine-Main region to UFP and its health effects in two main parts: a pollution study and an impact study. The contracting entity of the studies is UNH, which acts as an office of the FFR. The "SOURCE FFR (Study On Ultrafine particles Frankfurt airport Region) – measurement & modelling" UFP pollution study commissioned by UNH began in April 2023. The pollution study is being conducted by a consortium under the leadership of the Leibniz Institute for Tropospheric Research (TROPOS). Fraport AG is supporting the study project by conducting the measurements on the airport site and providing a variety of operating and activity data for emissions modeling of sources related to the airport.

The pollution study is expected to be completed in 2026. The results should form the basis for the impact study on the possible health effects of UFP, to be carried out at a later date. A design to develop an impact study is being developed in parallel to the pollution study. Information regarding the way in which questions concerning the survey and the effect of UFP in the region around the airport will be handled and how the issue will be addressed by the FFR is published on the UNH web pages and can be viewed at https://www.ultrafeinstaub-studie.de/en.

Fraport is continuously working to record the air pollutant emissions of all relevant emitters through airport operations at the Frankfurt site on an annual basis in order to achieve a systematic inventory of air pollutant emissions. The selection of the pollutants to be observed depends on their relevance. They are especially important if they are regulated by a threshold value and are recognized in a noticeable amount at Frankfurt Airport. Drawing on an extensive database, potentials for reduction measures can be identified and control procedures can be developed. The data collected also serve as a basis for calculating the airport's proportion of immissions in the surrounding area.

As an airport operator, Fraport can only indirectly influence emissions from aircraft. In order to motivate airlines to use low-emission aircraft, Fraport collects airport charges on nitrogen oxides and hydrocarbon at the Frankfurt site. Airlines pay the **emissions-based fee** per kilogram of nitrogen oxide equivalent emitted by an aircraft during takeoff and landing ("landing and take-off cycle", LTO). Charges are levied per landing and per takeoff. The necessary information on aircraft and engine types is determined by way of a recognized fleet database.

Aircraft turbines mainly emit carbon dioxide (about 7%) and water vapor (approximately 3%) in addition to mixed air (about 90%). The additional resulting pollutants of carbon monoxide, nitrogen oxides, sulfur dioxide, hydrocarbons, and soot account for less than one percent overall. The emission spectrum of aircraft turbines corresponds to that of road traffic. Fraport publishes the quantities of these pollutants emitted by the aircraft at the Frankfurt site in its annual environmental statement.

In addition to flight operations, air pollutants at airports also arise from the apron and vehicle traffic as well as the operation of heaters run on oil or gas. As a way of reducing pollutants, Fraport has gradually upgraded its fleet of vehicles at Frankfurt Airport to include low-emission and electric motors. Currently, around 570 vehicles (previous year: 540) of the Fraport vehicles in Ground Services at Frankfurt Airport already have electric engines. This corresponds to approximately 27% of the vehicles (previous year: around 27%). By 2026, a further 600 passenger cars, small vans, buses, and specific ground handling vehicles with electric transmission will be put into operation.

The international Group airports follow the respective requirements in their national laws. Air quality is also monitored at the Greek regional airports Thessaloniki, Corfu, and Rhodes.

Performance indicator – Fraport strives to extensively measure the air pollutant emissions by material sources. A key performance indicator in the strict sense is not defined in the air quality category.

Information on the EU Taxonomy Regulation

Background Information

As part of the European Green Deal to achieve climate neutrality in the European Union by 2050, the EU Taxonomy Regulation was adopted as an instrument for classifying environmentally sustainable economic activities. The EU Taxonomy Regulation is a key element of the European Commission's action plan to redirect capital toward a more sustainable economy. Through the Regulation, pre-defined economic activities are uniformly assessed with regard to their contribution to the European Commission's six environmental objectives – climate change mitigation (CCM), climate change adaptation (CCA), water (WTR), circular economy (CE), pollution prevention and control (PPC), and biodiversity (BIO) – with the aim of achieving better comparability of companies.

This section presents the share of Group revenue, capital expenditure (Capex), and operating expenditure (Opex) for the 2023 reporting period related to the six environmental objectives of the European Commission that are taxonomy-eligible or taxonomy-aligned in accordance with Article 8 of the Taxonomy Regulation and Article 10 (2) of the delegated act. At Fraport the taxonomy-eligible or taxonomy-aligned economic activities contribute to the environmental objectives **climate change mitigation** and **the transition to a circular economy**.

Definitions

A **taxonomy-eligible** economic activity means an economic activity that is described in the current delegated acts on the six environmental objectives, irrespective of whether that economic activity meets any or all of the technical screening criteria laid out in those delegated acts. Conversely, all economic activities not described in the delegated acts are considered as taxonomy non-eligible.

A **taxonomy-aligned** economic activity means a taxonomy-eligible economic activity that meets the following requirements:

- The economic activity contributes clearly to one or more of the environmental objectives.
- It does not significantly harm any of the other environmental objectives (DNSH).
- It is performed in keeping with the minimum safeguards.

Revenue KPI

The share of **taxonomy-eligible Group revenue** was calculated as the portion of the net revenue from products and services related to taxonomy-eligible economic activities (numerator), divided by net revenue (denominator; the denominator corresponds to the Group revenue; see also Group Notes, note 5).

Fraport generates revenue from products and services associated with taxonomy-eligible economic activities in the area of renting. This concerns the activity “7.7 Acquisition and ownership of buildings”. Revenue from the renting of buildings is mainly reflected in the revenue in the Retail & Real Estate and International Activities & Services segments. Furthermore, Fraport obtains taxonomy-eligible revenue by providing the passenger transport system. This comes under the economic activity 6.3 “Urban and suburban transport, road passenger transport”. The related costs are passed on to airlines within the airport charges of the Aviation segment. To determine the taxonomy-eligible portion, a distribution formula was applied based on the cost basis to ensure appropriate allocation to the charges. The economic activity 6.20 “Air transport ground handling operations” was newly introduced into the Regulation by the European Commission in 2023. Fraport obtains taxonomy-eligible revenue here, both at the Frankfurt site and at foreign airports.

Revenue in connection with the renting of buildings are taxonomy-aligned at the Greek Group airports at Fraport Greece in eight terminals. With their environmental certificates for the relevant buildings, these meet the technical screening criteria. The buildings rented there belong to the best 15% of national Greek buildings in terms of energy efficiency and can therefore be classified as taxonomy-aligned.

The taxonomy-aligned revenue of the passenger transport system increased to €37.09 million, mainly contingent on the higher passenger volume (previous year: €25.10 million). In addition, taxonomy-aligned revenue from rental income at Fraport Greece of €58.15 million is recognized for the first time (previous year: €0.0 million).

The taxonomy-eligible revenue described in the following does not contain any taxonomy-aligned portions. With regard to the renting of buildings, an increase in the taxonomy-eligible revenue to €650.08 million is recorded (previous year: €605.40 million). In the reporting year, new taxonomy-eligible revenue from the economic activity 6.20 “Air transport ground handling operations” of €752.54 million were added. Frankfurt had the substantial portion with €656.62 million, followed by Lima with €59.39 million.

Capital expenditure (Capex) KPI

The Capex KPI, which indicates the proportion of **taxonomy-eligible capital expenditure**, is defined as the ratio of capital expenditure eligible under the EU Taxonomy Regulation (numerator) divided by the total capital expenditure (denominator).

Total capital expenditure includes additions to property, plant, and equipment and intangible assets during the fiscal year. This includes the additions to property, plant, and equipment (IAS 16), intangible assets (IAS 38), rights of use (IFRS 16), and investment property (IAS 40; see also section “Additions to non-current assets” and Group Notes, note 20).

At Fraport the numerator consists of the following categories for taxonomy-eligible capital expenditure:

- Capital expenditure relating to assets or processes associated with taxonomy-eligible economic activities (letter a) of Annex I to the delegated act pursuant to Article 8) plus

- Capital expenditure relating to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions (letter c) of Annex I to the delegated act pursuant to Article 8)

Capital expenditure related to assets or processes associated with taxonomy-eligible economic activities (letter a) are to be allocated in particular to the economic activity 6.3 “Local and urban passenger transport, passenger road transport”. Given that the economic activity and the operation of the passenger transport system cannot be carried out without the corresponding rail infrastructure or stations, Fraport considers the related capital expenditure to be connected with the economic activity 6.3. The economic activity 3.4 “Maintenance of roads and motorways” was newly included in the Regulation by the EU Commission in 2023.

In total, the following **taxonomy-eligible** economic activities were identified in the Fraport Group in the **climate change mitigation** environmental objective:

- 4.1 Electricity generation using solar photovoltaic technology
- 6.3 Urban and suburban transport, road passenger transport
- 6.17 Low carbon airport infrastructure
- 7.1 Construction of new buildings
- 7.2 Renovation of existing buildings
- 7.3 Installation, maintenance, and repair of energy efficiency equipment
- 7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- 7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling energy performance of buildings
- 6.20 Air transport ground handling operations

For the environmental objective **transition to a circular economy,** the following **taxonomy-eligible** economic activities were identified:

- 3.4 Maintenance of roads and motorways

In order to avoid double counting when calculating the Capex ratio, economic activities were allocated either the letter a) or c).

After examining the technical screening criteria, DNSH criteria, and minimum protection requirements, **taxonomy-aligned capital expenditure** remains under the following economic activities:

- 4.1 Electricity generation using solar photovoltaic technology
- 6.3 Urban and suburban transport, road passenger transport
- 6.17 Low carbon airport infrastructure
- 7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- 7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling energy performance of buildings

All taxonomy-eligible and taxonomy-aligned additions are to be attributed to investments in infrastructure and terminal buildings. The taxonomy-aligned additions for the passenger transport system fell slightly compared to the previous year to €97.71 million (previous year: €103.10 million). Another taxonomy-aligned addition concerns economic activity 7.5 “Installation, maintenance, and repair of instruments and devices” with €27.51 million (previous year: €39.22 million). This includes, for example, the installation of facades with a solar control function and the technical centers in Terminal 3.
The additions described in the following do not contain any taxonomy-aligned portions. A substantial taxonomy-eligible addition to economic activity 7.1 “Construction of new buildings” of €396.31 million also comes from Lima with the construction of the new passenger terminal. A total of €928.59 million arose here (previous year: €623.14 million). The construction of Terminal 3 in Frankfurt contributed to this with a volume of €491.70 million. The new economic activity 6.20 “Air transport ground handling operations” shows taxonomy-eligible additions of €38.06 million, a large portion of which relates to the baggage transfer system in Terminal 3. The economic activity 7.2 contributes €35.33 million to the taxonomy-eligible Capex.

Operating expenditure (Opex) KPI

To determine the ratio of operating expenditure (Opex KPI), the **taxonomy-eligible operating expenditure** (numerator) according to the EU Taxonomy Regulation is set in relation to the operating expenditure (denominator).

The operating expenditure in accordance with the EU Taxonomy Regulation includes direct non-capitalized costs that relate to research and development, building renovation measures, short-term leasing, and maintenance and repair. Any other direct expenditure relating to the day-to-day servicing of assets of property, plant, and equipment by the undertaking or third parties is also included here.

Thus, the definition of operating expenditure in accordance with the EU Taxonomy Regulation clearly differs from the definition of operating expenses used in the rest of the combined management report (see chapter "Glossary"). For example, no expenses for utility services, such as energy expenditure, are included in the definition according to the EU Taxonomy Regulation. The ratio for operating expenditure (denominator) is calculated in accordance with the EU Taxonomy Regulation based on the income statement and mainly includes maintenance expenses and other operating expenditure for rents and leasing. The taxonomy-eligible share in fiscal year 2023 results from maintenance expenses for the passenger transport system as well as maintenance expenses for rented buildings. The maintenance expenses for rented buildings are determined using a formula, which should guarantee an appropriate distribution involving the segment results. As with revenue, in 2023 the economic activity 6.20 "Air transport ground handling operations" is added, and the expenses related to this concern, in particular, maintaining the baggage transfer system. A formula was applied here, which guarantees an appropriate distribution of maintenance expenses based on the segment distribution. The economic activity 3.4 "Maintenance of roads and motorways" is also new; a component of this is the maintenance of the runways.

In the same way as the revenue, the maintenance expenses for the passenger transport system are **taxonomy-aligned operating expenditure**. The maintenance expenses at the Greece site for the buildings that belong to the top 15% of national buildings with regard to energy efficiency are also aligned.

The taxonomy-aligned Opex consists of the economic activity 6.3 "Urban and suburban transport, road passenger transport" with the maintenance of the passenger transport system of €9.15 million (previous year: €7.10 million), and the economic activity 7.7 "Acquisition and ownership of buildings" with the aligned portion at Fraport Greece of €5.95 million.
The taxonomy-eligible amounts described in the following section do not contain any taxonomy-aligned portions. A taxonomy-eligible amount of €11.03 million resulted from the new economic activity 3.4 "Maintenance of roads and motorways"; this includes, for example, the renovation of Runway Northwest at the Frankfurt site. In addition, the economic activity 6.20 "Air transport ground handling operations" contributes a total of €9.67 million. The expenses are determined using a formula as described above. The economic activity 7.7 "Acquisition and ownership of buildings" contributes €33.20 million (previous year: €28.40 million), a significant part comes from Fraport AG with a total amount of €19.85 million.

Assessment of Taxonomy Alignment

Substantial contribution to the climate protection environmental objective

The following explains the extent to which the economic activities mentioned meet the criteria for the substantial contribution.

- The **photovoltaic installation** belongs to the economic activity 4.1 "Electricity generation using solar photovoltaic technology", as the installation is freestanding at Runway West at the Frankfurt site, and in contrast to 7.6 "Installation, maintenance, and repair of energy efficiency equipment" is not connected to an existing building.
- The **passenger transport system** comes under the economic activity 6.3 "Urban and suburban transport, road passenger transport". The substantial contribution is met by criterion (a), as the passenger transport system does not cause any direct CO_2 emissions. The same applies to investments in the passenger transport system in connection with the expansion of Terminal 3.

- Under economic activity 6.17 “Low carbon airport infrastructure”, supplying aircraft with ground power falls under (b) **400 Hz installations**. Because ground power supply and preconditioned air supply are usually provided by two different facilities, Fraport assigns the facilities that serve ground power supply, such as 400 Hz installations, to economic activity 6.17.
- The **charging stations** for the expansion of electromobility come under economic activity 7.4 “Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)”. As the substantial contribution is defined by the “Installation, maintenance, or repair of charging stations for electric vehicles”, it is seen to have been met here.
- The exchange and **modernization of technical centers** (mainly in the existing Terminals 1 and 2 in Frankfurt) comes under the economic activity 7.5 “Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling energy performance of buildings”. The substantial contribution is met by individual measure (b) “Installation, maintenance, and repair of building automation and control systems, building energy management systems (BEMS), lighting control systems and energy management systems (EMS)”. The installation of smart meters also falls under economic activity 7.5 under (c) and the installation of facade and roofing elements with a solar shading or solar control function under (d).
- The **operation of the eight terminal buildings** of Fraport Greece comes under the economic activity 7.7 “Acquisition and ownership of buildings”. The substantial contribution is met as the terminal buildings under consideration count toward the top 15% of the national buildings in Greece in their energy efficiency classes.

The substantial contribution could not be proven for the taxonomy-eligible economic activities 7.1 “Construction of new buildings” and 7.2 “Renovation of existing buildings”. For the economic activities 6.20 “Air transport ground handling operations” and 3.4 “Maintenance of roads and motorways”, which were newly added to the Regulation, only the taxonomy eligibility must be checked in this year due to a relief provision.

No significant harm to the other environmental objectives – DNSH criteria

Avoiding significant harm to the environmental objective 2) **Climate change adaptation** is taken into consideration for all relevant economic activities through a climate risk and vulnerability assessment in accordance with Appendix A of Annex I on climate protection, in which the criteria for and scope of this type of analysis are defined. Various chronic and acute climate risks, which must be assessed for the sites where taxonomy-eligible activities are performed, are also specified.

In order to assess the climate risks, these were first checked with regard to the possibility of their occurrence. For the remaining risks, Fraport relies on the Munich Re “Location Risk Intelligence Platform”. The platform analyzes a site or portfolio with regard to various climate risks. In this year, the potentially taxonomy-aligned economic activities are limited to Fraport AG and Fraport Greece, therefore the assessment is concentrated on these two sites. In order to illustrate the possible effects of climate change, the various climate projection scenarios (RCP scenarios) 2.6, 4.5, and 8.5 were assessed for the projection years 2030, 2050, and 2100. These are necessary for economic activities with a lifetime of over ten years. As the best and worst case scenario is covered by scenarios 2.6 and 8.5, and the remaining RCP scenarios lie within their bandwidth, they were not explicitly reanalyzed. For every risk identified, a risk assessment was made in the form of a score on the basis of the underlying scenarios. The overall risk score is divided into four levels from low to extreme. The report shows that the overall climate risk for the Frankfurt site is at level 2 in the “medium range”. This means that no climate risk was identified for the Frankfurt site that would clearly affect taxonomy-compliant economic activities. For Fraport Greece the overall climate risk for the sites is at level 3 to 4, in the high to extreme range.

In the current version of the EU Taxonomy Regulation, it has not been defined how often the analysis needs to be updated. No annual update is carried out as time periods up to 2100 are covered in the projection scenarios. If extraordinary circumstances or substantial innovations should occur, an ad-hoc update will be executed. Irrespective of the updating of the assessment, the contents of the analyses are revised in every set of annual financial statements, for example to add new aligned economic activities and adaptation measures.

The criteria for determining whether the environmental objectives 3) **Sustainable use and protection of water and marine resources** and 6) **Protection and restoration of biodiversity and ecosystems,** are impacted are particularly relevant for the photovoltaic and 400 Hz installations. The criteria primarily reference environmental impact assessments or comparable assessments that have already been examined as a prerequisite for obtaining permits for the construction and operation of the facilities. No further measures were therefore required for compliance.

The criteria for environmental objective 4) **Transition to a circular economy** are also relevant in the context of the passenger transport system in addition to the photovoltaic and 400 Hz installations. Fraport AG is already obliged to comply with the criteria under the regulations of European and German waste legislation, in particular Section 6 of the German Waste Management Act and the associated waste hierarchy. Furthermore, environmental objective 5) **Pollution prevention and control** is also relevant for the passenger transport system and the 400 Hz installations. The criteria are insubstantial for the passenger transport system as this exclusively relates to class M road vehicles. The passenger transport system does not fall under class M. Fraport is already obliged to comply with the criteria for the 400 Hz installations by German legislation, such as the Noise and Vibration Occupational Health and Safety Regulation and other general occupational health and safety ordinances.

For the economic activities under 7.4 "Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)", 7.5 "Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling energy performance of buildings" and 7.7 "Acquisition and ownership of buildings", no DNSH criteria are defined for the other environmental objectives 3) to 6).

Fulfillment of minimum protection measures

As part of the minimum protection, various requirements are made regarding the implementation of procedures, which are based, among other things, on the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights as well as other regulatory initiatives. The fulfillment of the required minimum protection is a prerequisite for classifying an economic activity as ecologically sustainable and thus taxonomy-aligned. To implement and ensure minimum protection, Fraport has aligned itself with the Final Report on Minimum Safeguards from the Platform on Sustainable Finance of October 11, 2022. The main focus of this report was on human rights, corruption and bribery, taxation, and fair competition.

In assessing compliance with the minimum protection, we evaluated whether adequate processes were implemented for each of the above topics to avoid negative impacts. Furthermore, the results of the respective measures taken are examined on an ongoing basis to determine whether the measures taken are effective in preventing negative impacts.

For the measures that Fraport has implemented in the thematic fields of human rights, and corruption and bribery, reference is made to explanations within this non-financial statement under "Business model-specific consideration of the supply chain and procurement", "Respect for human rights", and "Tackling corruption and bribery".

In the thematic field of "Taxation", Fraport is subject to the country-specific tax laws and regulations, the implementation of and compliance with which is monitored and ensured by the Tax department and external and internal audits. Regular compliance risk analyses and employee training are carried out in the areas of antitrust and competition law.

Templates turnover

Economic activities	Code(s)	Turnover	Proportion of turnover 2023	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		€ mil.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Urban and suburban transport, road passenger transport	CCM 6.3	37.09	0.93	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	58.15	1.45	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**95.24**	**2.38**	**2.38%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which enabling		0.00	0.00	0%	0%	0%	0%	0%	0%
Of which transitional		37.09	0.93	0.93%					
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Air transport ground handling operations	CCM 6.20	752.54	18.81	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	650,08	16,25	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**1,402.62**	**35.06**	**35.06%**	**0%**	**0%**	**0%**	**0%**	**0%**
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**1,497.86**	**37.44**	**37.44%**	**0%**	**0%**	**0%**	**0%**	**0%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities		2,502.63	62.56						
Total (A + B)		**4,000.49**	**100.00**						

	DNSH criteria (Does Not Significantly Harm)									
	Climate change mitigation	**Climate change adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover 2022**	**Category enabling activity**	**Category transitional activity**
	(11)	**(12)**	**(13)**	**(14)**	**(15)**	**(16)**	**(17)**	**(18)**	**(19)**	**(20)**
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
	Y	Y	Y	Y	Y	Y	Y	0.79		T
	Y	Y	Y	Y	Y	Y	Y	0		
								0.79		
									E	
										T
								0		
								18.95		
								18.95		
								19.74		
								80.26		
								100.00		

Template capital expenditures (Capex)

Economic activities	Code(s)	Absolute Capex	Proportion of Capex 2023	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		€ mil.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	**CCM 4.1** CCA 4.1	0.87	0.06	Y	N	N/EL	N/EL	N/EL	N/EL
Urban and suburban transport, road passenger transport	**CCM 6.3** CCA 6.3	97.71	6.51	Y	N	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	1.67	0.11	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	**CCM 7.4** CCA 7.4	0.37	0.02	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	**CCM 7.5** CCA 7.5	27.51	1.83	Y	N	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**128.13**	**8.53**	**8.53%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**
Of which enabling		29.55	1.96	1.96%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which transitional		97.71	6.51	6.51%					
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Maintenance of roads and motorways	CE 3.4	14.97	1.00	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Air transport ground handling operations	CCM 6.20	38.06	2.53	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	928.59	61.84	EL	EL	N/EL	N/EL	EL	N/EL
Renovation of existing buildings	CCM 7.2	35.33	2.35	EL	EL	N/EL	N/EL	EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.45	0.03	EL	EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	1.26	0.08	EL	EL	N/EL	N/EL	N/EL	N/EL
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**1,018.66**	**67.83**	**66.83%**	**0.00%**	**0.00%**	**0.00%**	**1.00%**	**0.00%**
A. Capex of Taxonomy-eligible activities (A.1+A.2)		**1,146.79**	**76.36**	**75.36%**	**0.00%**	**0.00%**	**0.00%**	**1.00%**	**0.00%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Capex of Taxonomy-non-eligible activities		354.91	23.64						
Total (A + B)		**1,501.70**	**100.00**						

DNSH criteria (Does Not Significantly Harm)									
Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Taxonomy aligned (A,1.) or eligible (A.2.) proportion of Capex 2022	Category enabling activity	Category transitional activity
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	0.01		
Y	Y	Y	Y	Y	Y	Y	8.90		T
Y	Y	Y	Y	Y	Y	Y	0.02	E	
Y	Y	Y	Y	Y	Y	Y	0.03	E	
Y	Y	Y	Y	Y	Y	Y	3.38	E	
							12.34		
								E	
									T
							0.00		
							53.78		
							3.55		
							0.01		
							0.03		
							57.37		
							69.71		
							30.29		
							100.00		

Template operating expenses (Opex)

Economic activities	Code(s)	Absolute Opex	Proportion of Opex 2023	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		€ mil.	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Urban and suburban transport, road passenger transport	**CCM 6.3** CCA 6.3	9.15	5.13	Y	N	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	0.33	0.19	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	**CCM 7.7** CCA 7.7	5.95	3.34	Y	N	N/EL	N/EL	N/EL	N/EL
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**15.43**	**8.66**	**8.66%**	**0%**	**0%**	**0%**	**0%**	**0%**
Of which enabling		0.33	0.19	0.19%	0%	0%	0%	0%	0%
Of which transitional		9.15	5.13	5.13%					
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Maintenance of roads and motorways	CE 3.4	11.03	6.19	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Air transport ground handling operations	CCM 6.20	9.67	5.43	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	8.22	4.61	EL	EL	N/EL	N/EL	EL	N/EL
Air transport ground handling operations	CCM 7.3	0.03	0.02	EL	EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.59	0.33	EL	EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	33.20	18.63	EL	EL	N/EL	N/EL	N/EL	N/EL
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**62.74**	**35.21**	**29.02%**	**0%**	**0%**	**0%**	**6.19%**	**0%**
A. Opex of Taxonomy-eligible activities (A.1+A.2)		**78.17**	**43.87**	**37.68%**	**0%**	**0%**	**0%**	**6.19%**	**0%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Opex of Taxonomy-non-eligible activities		100.02	56.13						
Total (A + B)		178.19	100.00						

	DNSH criteria (Does Not Significantly Harm)									
	Climate change mitigation	**Climate change adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**	**Minimum Safeguards**	**Taxonomy aligned (A.1.) or eligible (A.2.) proportion of Opex 2022[1)]**	**Category enabling activity**	**Category transitional activity**
	(11)	**(12)**	**(13)**	**(14)**	**(15)**	**(16)**	**(17)**	**(18)**	**(19)**	**(20)**
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
	Y	Y	Y	Y	Y	Y	Y	5.10		T
	Y	Y	Y	Y	Y	Y	Y		E	
	Y	Y	Y	Y	Y	Y	Y			
								5.10		
									E	
										T
								20.46		
								20.46		
								25.56		
								74.44		
								100.00		

1) The denominator of the previous year was adjusted as an additional account was added to the calculation method. The previous year's shares have therefore decreased.

Proportion of turnover / Total turnover

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	2.38%	37.44%
Climate Change Adaptation (CCA)	0.00%	0.00%
Water (WTR)	0.00%	0.00%
Circular Economy (CE)	0.00%	0.00%
Pollution (PPC)	0.00%	0.00%
Biodiversity (BIO)	0.00%	0.00%

Proportion of capital expenditures / Total capital expenditures

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	8.53%	75.36%
Climate Change Adaptation (CCA)	0.00%	72.72%
Water (WTR)	0.00%	0.00%
Circular Economy (CE)	0.00%	65.19%
Pollution (PPC)	0.00%	0.00%
Biodiversity (BIO)	0.00%	0.00%

Proportion of operating expenses / Total operating expenses

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	8.66%	37.68%
Climate Change Adaptation (CCA)	0.00%	32.06%
Water (WTR)	0.00%	0.00%
Circular Economy (CE)	0.00%	10.80%
Pollution (PPC)	0.00%	0.00%
Biodiversity (BIO)	0.00%	0.00%

Supplementary Management Report on the Separate Financial Statements of Fraport AG

The management report of Fraport AG and the Group management report are combined. The most important financial performance indicators used for managing Fraport AG and other important financial and non-financial key figures are described in the "Control System" section. The development of the non-financial key figures is reported in the "Control System", "Employees", "Non-financial performance indicators", and "Combined Non-Financial Statement" sections.

The explanatory notes below are based on the annual financial statements of Fraport AG, drawn up in accordance with the German Commercial Code ("HGB") and the German Stock Corporation Act ("AktG"). This results in differences in accounting policies compared to the consolidated financial statements in accordance with IFRS, mainly related to non-current assets and provisions.

Economic development of Fraport AG

Results of operations

For the explanatory notes on changes in the results of operations, please refer to the presentation of the Aviation, Retail & Real Estate and Ground Handling segments, which essentially covers the business activities of Fraport AG (see "Results of operations by segment").

Compared to the previous year, **revenue** of Fraport AG increased by €536.9 million to €2,313.1 million. The increase mainly results from higher revenue from airport charges (+€196.0 million) as well as higher revenue from infrastructure charges (+€76.4 million) and ground services (+€57.6 million) based on traffic volumes and prices. Retail and parking revenue also increased by €51.8 million based on traffic volume. Due to the take-over of the management of aviation security checks at the Frankfurt site at the beginning of the fiscal year, revenue from aviation security charges of €220.8 million was achieved for the first time in the reporting period. With the take-over of the management of the aviation security checks, its operational execution it is no longer carried out by Fraport AG but by security firms engaged by Fraport AG. Based on this, revenue from security services achieved until that time is no longer generated (previous year: €69.4 million).

As in previous years, Fraport AG earned a major portion of its revenue (more than one third) in the past fiscal year with one customer at the Frankfurt site.

Other operating income of €57.2 million is almost unchanged compared to the previous year (€58.7 million) In the current fiscal year, this includes in particular income from foreign currency translations (€35.8 million). In the previous year, this related in particular to income from the release of provisions (€33.5 million).

Total revenue rose by €543.9 million to €2,407.6 million (+29.2%).

Personnel expenses increased in the 2023 fiscal year by €16.2 million to €589.5 million. The increase resulted mainly from the collective bargaining agreements concluded in the current fiscal year. The lower number of employees compared to the previous year had an opposing effect.

Non-staff costs (cost of materials and other operating expenses) increased by €268.7 million to €1,168.7 million. The increase is due in particular to increased expenses for external services, primarily in connection with taking over the management of aviation security checks (+€188.3 million). In addition, the purchase of external services increased by €83.9 million in the fiscal year mainly due to traffic and prices.

At €649.4 million in the fiscal year, the **EBITDA** of Fraport AG was €259.0 million above the level in the same period of the previous year. After depreciation and amortization of €333.4 million, **EBIT** amounted to €316.0 million (previous year: €82.0 million).

The **financial result** amounted to €92.4 million (previous year: –€165.6 million). The change to the previous year of +€258.0 million was mainly due to the previous year's write-off of shares in Fraport Malta Ltd. amounting to €139.1 million and in Thalita Trading Ltd. amounting to €10.0 million in connection with the investment in St. Petersburg Airport. Furthermore, €110.4 million higher income from investments was achieved in the current fiscal year.

EBT was €408.4 million (previous year: –€83.6 million). Taxes on income amounted to €79.3 million (previous year: €4.8 million). This resulted in a net income of €329.1 million (previous year: net loss of €88.4 million).

After transferring €164.5 million to other revenue reserves, profit earmarked for distribution amounts to €164.6 million. The Executive Board and Supervisory Board will propose to the 2024 Annual General Meeting to transfer the profit earmarked for distribution to other revenue reserves.

Asset and financial position

Asset and capital structure

Assets

€ million	December 31, 2023	December 31, 2022
Non-current assets	11,280.6	10,754.1
Current assets	2,400.7	2,090.9
Prepaid expenses and accrued income	44.3	38.9
Deferred tax assets	303.1	341.9
Assets arising from the overfunding of pension obligations	4.6	0.0
Total	**14,033.3**	**13,225.8**

Liabilities and equity

€ million	December 31, 2023	December 31, 2022
Shareholders' equity	3,205.1	2,876.0
Special items for investment grants in non-current assets	7.4	7.8
Provisions	486.6	507.7
Liabilities	10,280.9	9,786.2
Accrued income and accrued expenses	31.9	33.8
Deferred tax liabilities	21.4	14.3
Total	**14,033.3**	**13,225.8**

Asset and capital structure

At the end of the 2023 fiscal year, the **total assets** of Fraport AG amounted to €14,033.3 million, up €807.5 million year-on-year (+6.1%).

Non-current assets rose by €526.6 million to €11,280.6 million. This is mainly due to the increase in property, plant, and equipment of €586.4 million – particularly in connection with construction measures as part of the Expansion South project at the Frankfurt site.

At €2,400.7 million, **current assets** were €309.8 million higher than in the previous year, mainly due to the increase in short-term securities (+€243.9 million).

Shareholders' equity as at December 31, 2023 amounted to €3,205.1 million, and rose by €329.1 million as a result of the net income in the current fiscal year.

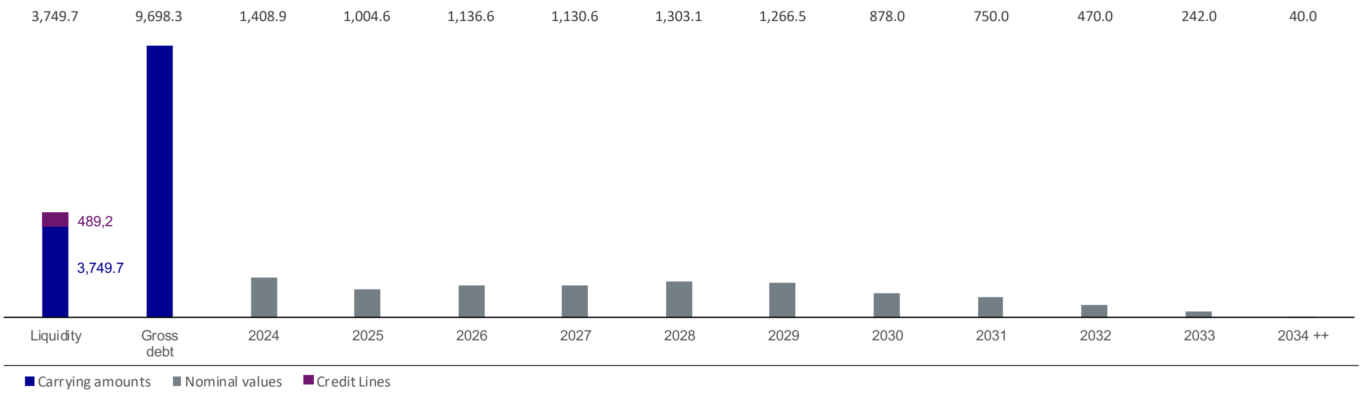
Liabilities increased compared to the previous year by €494.7 million to €10,280.9 million, mainly due to the financing measures undertaken during the fiscal year to secure liquidity.

Liquidity as at December 31, 2023, was €3,285.6 million, up from €2,980.9 million in the previous year. **Gross debt** increased in the reporting year to €9,711.3 million (previous year: €9,114.7 million). This led to a considerable increase of €291.9 million in **net financial debt** to €6,425.7 million (previous year: €6,133.8 million).

As at the 2023 balance sheet date, the financial debt maturity profile of Fraport AG exhibited the following repayment structure:

Maturity profile as at December 31, 2023

in € million



As at the 2023 balance sheet date, there was a mix of financing consisting of bilateral loans (52.7%), promissory note loans (25.5%), and bonds (21.8%). The floating rate portion of the gross debt of Fraport AG increased to nearly 7%, with the fixed portion coming to around 93%.

Statement of cash flows

Statement of cash flows

€ million	2023	2022	Change	Change in %
Cash and cash equivalents as at January 1	328,6	1,050.6	–722,0	–68,7
Operating cash flow	502,8	471.2	31,6	+6,7
Cash flow used in investing activities excluding investments in cash deposits and securities	–886,0	–756.2	–129,8	–17,2
Cash flow used in investing activities	–1.092,8	–1,634.6	541,8	+33,1
Cash flow from/used in financing activities	382,0	441.4	–59,4	–13,5
Cash and cash equivalents as at December 31	120,6	328.6	–208,0	–63,3

In the fiscal year, a **cash flow from operating activities (operating cash flow)** of €502.8 million (2022: €471.2 million) was generated. The increase resulted in particular from the traffic-related improvement in the operating result.

At €886.0 million, **cash flow used in investing activities excluding investments in cash deposits and securities** was above the previous year's level (€756.2 million), due to higher cash flow used in expansion measures.

Considering investments in and revenue from securities and promissory note loans as well as capital expenditure in relation to time deposits, the overall **cash flow used in investing activities** was €1,092.8 million (2022: €1,634.6 million).

Compared to the previous year, **cash flow from financing activities** decreased by €59.4 million to €382.0 million.

This brought **cash and cash equivalents** to €120.6 million as at the 2023 fiscal year-end.

Events after the Balance Sheet Date

At the end of January 2024, Fraport Greece reached an agreement with the Greek government on compensation for the negative economic effects of the coronavirus pandemic in the second half of the 2021 fiscal year. The agreement will have a positive effect on Group EBITDA 2024 of around €28 million.

No further substantial events occurred after the balance sheet date for the Fraport Group.

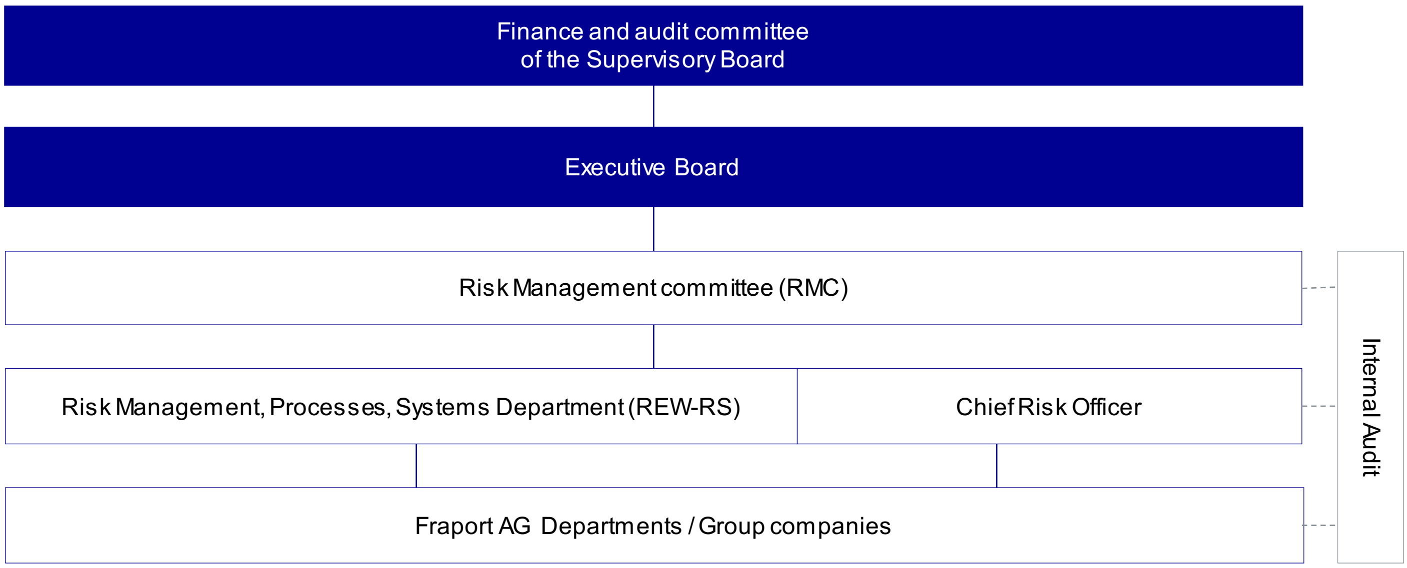
Risk and Opportunities Report

Risk strategy and objectives

Fraport aims to use a uniform and comprehensive processes to ensure that risks and opportunities are identified at an early stage, assessed uniformly, managed and monitored, and communicated transparently using a systematic reporting procedure. For this, all Fraport Group employees are required to participate actively in risk and opportunity management within the scope of their duties. Finding a proper balance between risks and opportunities begins in the strategic planning process and in the drafting of the long-term business plan. In general, Fraport strives to balance opportunities and risks in order to increase added value for its stakeholders by analyzing and leveraging new market opportunities and potential.

Organization of the risk management

Structure and responsibilities of the risk management system



The Fraport Executive Board bears overall responsibility for an effective risk management system that ensures uniform and comprehensive risk management. In this context, by preparing the development plan, it has also approved the risk strategy and risk objectives for the Group. The Executive Board appoints the Chief Risk Officer and the members of the Risk Management Committee (RMC), approves the rules of procedure for the RMC and the risk management guidelines, and receives the quarterly reports and ad hoc reports in the risk management system.

The RMC is the highest committee in the risk management system and, following its meetings, releases quarterly risk reports to the Executive Board. The Chief Risk Officer is the spokesperson for the RMC and reports directly to the Executive Board. The Risk Management, Processes, Systems (REW-RS) department is responsible for the organization, maintenance, and further development of the Group-wide risk management and internal control system (ICS), and for regularly updating and implementing the guidelines for risk management system and ICS in the Fraport Group. The Risk Management, Processes, Systems department is also responsible for performing the risk analysis in accordance with the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG).

Risk and opportunity management is a key function of the respective business, service, and central units of Fraport AG and Group companies that are responsible for their business processes; this involves management of material risks and the use of appropriate measures to mitigate and reduce them to an acceptable level, as well as actively grasping opportunities.

Process-integrated and process-independent monitoring measures form the elements of the internal monitoring systems. The central Group Internal Audit unit is integrated into the internal monitoring system of the Fraport Group with process-independent audit activities.

Deloitte GmbH Wirtschaftsprüfungsgesellschaft (Deloitte) has examined the risk early warning system of Fraport AG during the audit of the annual financial statements for stock corporation law requirements. According to Section 91 (2) AktG, it fulfills all the legal requirements that apply to such a system.

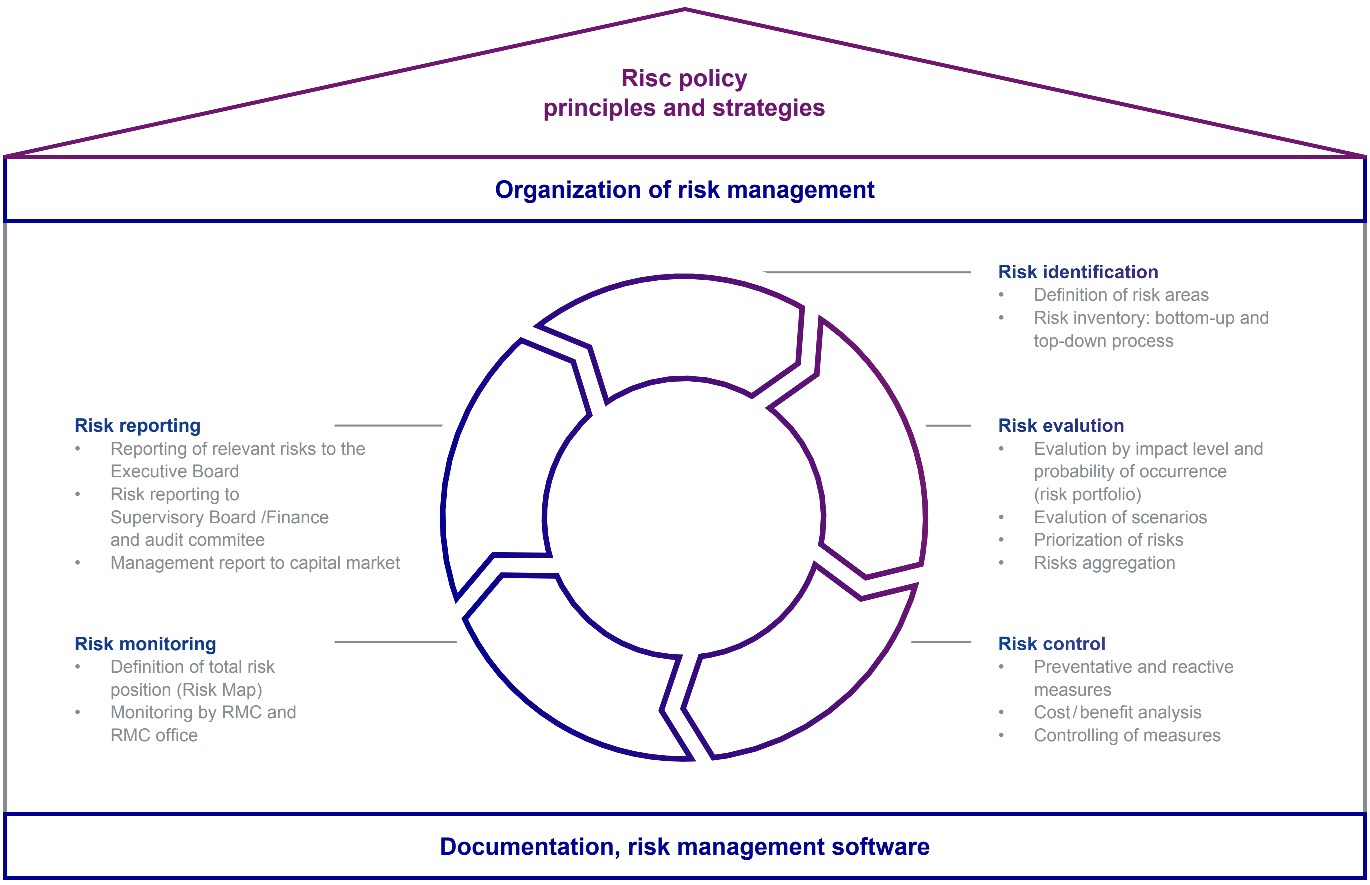
The Supervisory Board of Fraport AG is tasked with monitoring the effectiveness of the internal control and risk management system as per Section 107 (3) AktG. The finance and audit committee (FAC) of the Supervisory Board handles this responsibility.

Risk transfer through the purchase of insurance policies is controlled by the Group company Airport Assekuranz Vermittlungs-GmbH.

The risk management system is documented in a guidelines for Fraport AG and for the respective Group companies and is closely linked to the central ICS as well as represented in an integrated risk management software. It follows the “COSO II” (Committee of the Sponsoring Organizations of the Treadway Commission) framework and covers risks in the areas of strategy, operations, finance, and compliance. The risk management system only covers risks.

Risk management process

Risk management process



Risk Identification

Fraport defines risks as future developments or events that could have a negative impact on the achievement of operational planning, as well as strategic and sustainability-related targets. Non-financial risks may have a negative impact on the achievement of the environmental, sustainable, and social targets of Fraport. In addition, in accordance with the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG), human rights-related and environmental risks are defined as events that could potentially violate the due diligence obligations laid down in the Fraport policy statement in the company's own business and at direct suppliers. Opportunities are regarded as future developments or events that can lead to a positive planning or strategic target deviation.

Risks are identified using various instruments by the operational business, service, and central units of Fraport AG and the group companies and top-down by the REW-RS department, RMC, and Executive Board. The risk identification methods used are for example market and competition analysis, evaluation of customer surveys, information about suppliers and institutions or monitoring risk indicators from the regulatory, economic, and political environment. The heads of the Fraport AG units and the executives of the Group companies are responsible for the accuracy of the information from their units/companies that is processed in the risk management system. They are obligated to constantly monitor and manage risk areas, and report on all risks in their divisions and their company to the REW-RS department on a quarterly basis. Central risk management can use the risk reports to identify risk trends in the Fraport Group. Outside of regular quarterly reporting, newly identified substantial risks must be reported immediately.

In order to fulfill the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains, a risk analysis is performed annually to identify human rights-related and environmental risks in the company's own business and at direct suppliers, as well as on an ad-hoc basis if substantial changes or increases in the risk situation of the supply chain are to be expected.

Risk Evaluation

The systematic evaluation of risks determines the impact and probability of occurrence of the identified risks, and makes it possible to estimate the extent to which the individual risks could jeopardize the objectives and strategy of the Fraport Group, or which risks will very likely, due to their nature, jeopardize the company as a going concern. Risk evaluation is always based on a rolling 24-month period. However, this does not mean that risk owners only analyze and evaluate the risks from a short-term perspective; possible infrastructural risks are in particular monitored in accordance with their long-term impact. The evaluation system divides the potential impact (= impact level) into four categories: "low", "medium", "high", and "very high". It then assesses the impact level based on how the risks affect the relevant detection variable (EBIT, financial result, or liquidity). Furthermore, qualitative factors (media reporting/attention, effect on stakeholders), which could be important for Fraport's reputation and which additionally determine the risks, are also included in the analysis. The probability of occurrence for individual risks is also divided into four categories: "unlikely", "possible", "likely", and "very likely". The risk level ("low," "moderate," "considerable" and "substantial") arises from the combination of impact level and probability of occurrence.

The risk evaluation is conservative, i.e., it reflects the worst-case scenario for Fraport. A distinction is made between gross and net risk. Gross risk is the worst-case (financial) impact before countermeasures. The net risk represents the expected residual (financial) impact after initiation or implementation of countermeasures. The risk assessment in this report only reflects the net risk.

In order to assess possible combination effects between individual risks, the REW-RS department annually prepares a risk aggregation as part of the planning process. The impacts of the risks are aggregated by Monte Carlo simulation and applied to the balance sheet and income statement of Fraport AG in the planning horizon, taking account of planning uncertainties. The resulting impacts on the financial performance indicators of Fraport AG are analyzed and reported to the Executive Board as part of the adoption of the plans resulting from the risk-bearing capacity analysis. The requirements of Article 1 of the German Act on the Stabilization and Restructuring Framework for Businesses (StaRUG) are taken into account accordingly.

Management of Risks

Risk owners are tasked with developing and implementing suitable countermeasures to minimize and manage risks. In addition, general strategies must be developed to deal with the identified risks. These strategies include risk avoidance, risk reduction with a view to minimizing the (financial) impact or the probability of occurrence, transfer of risk to a third party (for example in purchasing insurance policies), or risk acceptance. The decision regarding the implementation of the relevant strategy and/or measures also considers the costs in relation to the effectiveness of potential countermeasures. Here, the REW-RS department works closely with the risk owners in order to monitor the progress of countermeasures and to evaluate their effectiveness from a Group perspective.

Risk monitoring and reporting

Integrated risk management aims to ensure a transparent presentation of the Fraport Group's risk situation. Risks are reported to the Executive Board when they are classified as "considerable" or "substantial" based on their net risk according to systematic evaluation standards used Group-wide.

In the event of very significant changes to previously reported risks or newly identified "substantial" risks, ad hoc reports are also issued outside of the regular quarterly reporting schedule.

Twice a year, the Executive Board reports the considerable (amber) and substantial (red) risks, including any changes in the same, to the Supervisory Board's Finance and Audit Committee. The figure below shows the recipients of the risk reporting, according to the net risk.

Reporting matrix

Probability of occurance / Impact level	low ≤6m €	medium >6m-20m €	high >20m-40m €	very high >40m €
very likely >80%	low	considerable	substantial	substantial
likely >50-80%	low	moderate	substantial	substantial
possible >20-50%	low	moderate	considerable	substantial
unlikely ≤ 20%	low	low	moderate	considerable

Legend:

- RM office (green)
- RM office, RMC (yellow)
- RM office, RMC, Executive Board, Finance and audit committee (amber)
- RM office, RMC, Executive Board, Finance and audit committee, Risk and Opportunities Report (red)

This process ensures the early detection of trends that could jeopardize the Fraport Group as a going concern.

An integral component of Fraport's risk management system is also the assessment of financial risks, whereby the presentation in the accounts of financial instruments overall and hedging transactions in particular is monitored and controlled. This process is described in the financial risks section ("Risk report" in accordance with section 289 (2) no. 1 HGB and section 315 (2) no. 1 HGB). At Fraport, this process represents a subsection of the accounting-related internal control system.

Organization of opportunity management

The opportunity management system of the Fraport Group is intended to identify and evaluate opportunities at the earliest possible stage and to initiate appropriate measures to capitalize on them and ensure their commercial success. This includes the assessment of opportunities from existing business, as well as from new business fields.

The business, service and central units responsible for their business processes and the Group companies identify opportunities throughout the year as part of the operational management of the company and as part of the annually revolving planning process. Opportunities are reviewed regularly as part of the risk reporting process by the REW-RS department.

While short-term earnings monitoring focuses on opportunities that mainly affect the current fiscal year, the planning process focuses on opportunities that are of strategic importance for the Group. Within the context of the planning process, Fraport assesses market and competitive analyses, as well as environmental scenarios and deals with the orientation of the product and service portfolio, the cost drivers, and the critical success factors of the industry. Furthermore, Fraport monitors the identifiable trends among competitors and customers – such as airlines, passengers, and tenants – as well as in businesses outside of the industry which have an impact on air traffic in general and airport operations in particular. Fraport aims to further develop and expand the value-creating business fields that are already part of its operations. Moreover, Fraport is investing in business fields and business ideas in which the company can build sufficient competencies in order to create value over the long term.

In addition to opportunity management by the business, service and central units of Fraport AG and the Group companies, Fraport also draws on the expertise of the entire workforce. Using a variety of tools, such as Group idea management, the Digital Factory, or the Plug and Play LLC network, Fraport aims to identify opportunities that are developed by the employees.

Business risks and opportunities

The following section explains the risks and opportunities that could have a substantial impact on the business operations or the asset, financial, and earnings position and/or reputation of Fraport, as well as effects on its stakeholders, as at the valuation date of December 31, 2023. The evaluation is generally based on the rolling 24-month period from the valuation date. Potential infrastructural risks are also considered and assessed in accordance with their longer-term impact. Unless specified otherwise, the risks and opportunities described relate to all segments to varying extents (Aviation, Retail & Real Estate, Ground Handling and International Activities & Services). Selected, non-substantial risks are indicated on a voluntary basis in order to provide a comprehensive view of the risk situation.

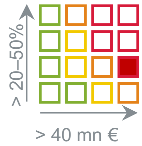
Fraport AG is the parent company of the Fraport Group and comprises all of the described segments above. Therefore, it is also directly or indirectly subject to the risks and opportunities described. The risk evaluation is performed solely to assess risks without taking into account any potential opportunities. There is no offsetting of opportunities and risks.

The following table describes the substantial and other selected individual risks and opportunities:

Business risks and opportunities

Strategic risks and opportunities

Macroeconomic risks and opportunities

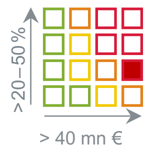
Risks	Measures	Trend ↑
• Overall, global economic development may cool down more than expected and have a negative influence on passenger and air freight demand. • Continuing high inflation rates may reduce the disposable income of private households. The reduced purchasing power, together with uncertainties about the future development of inflation rates, may have a negative impact on flight bookings. • Sustained high interest rates intended to curb inflation may have a greater impact than expected on state and corporate refinancing and on global economic development. This would have a negative impact on planned traffic development. • As a result of sustained high energy prices, the competitiveness of German industry may suffer and Germany's position as an attractive hub for air traffic could be weakened. • In world trade, the trend toward greater national protectionism may adversely impact the export-oriented German economy. • Growth may be dampened by the weakening of the EU as a result of diverging interests among the Member States and the actions they take. • Current and simmering geopolitical hotspots may put a strain on economic development. In particular, there is a risk of an escalating conflict between China and Taiwan.	• Strong geographic diversification and focus on various passenger groups at the Group airports to reduce individual macroeconomic risks. • Geopolitical risks, restrictive political interventions, and saturation tendencies in air traffic demand in Western countries can be balanced out from regionally different growth potential among the Group airports.	**Risk assessment:** substantial  Increase in the risk evaluation compared to the previous year due to the escalation in geopolitical conflicts with potential consequences for the business activities of the Fraport Group depending on how these conflicts develop.

Opportunities

- A clear decline in inflation and the recovery of the economy lead to growth of disposable income and a robust recovery in demand. Business travel and air freight may benefit from the upswing in the economy and, in particular, exports.
- A quicker end to the wars in Ukraine and the Middle East, with a sustained relaxation of geopolitical tensions, may stimulate the global economy and support air freight development.
- The rapid finalization of trade agreements with countries with high air freight potential may boost air freight development in Frankfurt.
- The further expansion of the e-commerce business may strengthen Frankfurt's position as an air freight hub.

Market, competitive and regulatory risks and opportunities

In addition to demand in and level of attractiveness of its domestic market, the competitive situation and attractive infrastructure, the success of an international airport depends on its airline customer structure and the associated global and dense route net-work, as well as the connectivity between demand markets.

Risks	Measures	Trend ⟶
• Wars and geopolitical crises could result in rising energy costs and a sustained reduction in supply and demand, among other things. • Rising crude oil and thus also kerosene prices could result in higher airfares and an associated dip in air travel demand. If competition is intense, rising crude oil prices could pose financial difficulties for less solvent airlines, with a resulting drop in supply. • Further increases in air traffic control and aviation security charges and higher civil aviation tax increase the location risk and result in competitive disadvantages and financial losses. Supply is reduced or not created in Germany in the first place, and may be relocated to other hubs abroad. • The measures planned/implemented in other European countries to reduce short-haul flights may mean a switch to alternative means of transport (rail and car) if implemented in Germany, reducing the demand for air travel. Passengers who cannot or do not want to use alternative transportation could switch to using foreign airports and Frankfurt Airport would subsequently lose such customers. • Broad debates about climate protection could produce a long-term shift in travel behavior and lead to a reduction in air travel. • Stricter travel guidelines and the consolidation of business travel may also result in a decline in air travel demand. • Political and regulatory decisions at the regional, national and European levels will continue to affect the aviation sector. Climate protection and noise reduction requirements and associated taxes and charges could drive up the cost of air travel, and typically involve unilateral action on the market and on competition in international air traffic. Stronger targets under the European Union's Green Deal (Fit for 55) and the associated review of the Emission Trading Directive, as well as the definition of binding SAF quotas, will place an increased burden on European sites compared to other sites. If the measures are not designed to be neutral in a competition context, there is a risk of structural competitive disadvantages for German and European air traffic.	• Continuous market monitoring and analysis of early warning indicators to identify and address potential changes and trends in travel and cargo flows in a timely manner • Targeted sales activities to increase air freight supply and demand • Balanced, demand-oriented expansion planning at Group airports in order to remain competitive in the long term • Attractive remuneration structures • Strengthening cooperation with key customers at Group airports • Strengthening cooperation with Deutsche Bahn and Lufthansa to ensure an attractive intermodality offer at Frankfurt Airport • Dialog with politicians on the consequences for the air traffic hub • Implementation of climate protection measures and sustainability program	**Risk assessment:** substantial 

• Decisions on fleet locations, modified routes and fleet developments, as well as changing customer preferences for source and destination markets when choosing airlines and airports could have a detrimental effect on Fraport. • Supply bottlenecks and quality defects reduce the global fleet capacity and may result in a drop in supply. • The creation of new or further development of existing hub systems in the Middle East and at the new Istanbul Airport will increase supply and potentially result in a shift in global transfer passenger flows. • The increased use of digital communication media in the wake of the coronavirus pandemic may lead to a stronger than expected decline in demand for business travel. • Demographic changes as well as the reorientation of the workforce during the pandemic caused a considerable labor shortage in the aviation sector. The situation may also worsen in the long term, given the decline in migration of EU citizens to Germany. Staff shortages in the air transport industry can have a negative impact on operational service delivery and consequently on the expected business development. • Terror attacks and hotspots of unrest could adversely affect demand for specific travel destinations.	• Active participation in industry-related associations	

Opportunities

- Now that the coronavirus pandemic is over, there is continued high demand among consumers for tourist air travel. Recovery in the business travel segment could also be stronger than expected.
- Previous development cycles in air traffic show that market turbulence only temporarily burdens the upward development of global air traffic. Long-term forecasts continue to assume growing demand in global air traffic.
- Market exits of airlines lead to a concentration of established airlines at the larger German airports, from which transfer traffic at Frankfurt Airport may benefit.
- The larger ranges of smaller aircraft provide an opportunity for new decentralized intercontinental routes from Frankfurt.
- High-quality connections to the Deutsche Bahn rail network at the Frankfurt site ensure demand from transfer traffic within Germany even if air traffic is shifted to rail, and this is a major competitive advantage. Improvements to the intermodal product such as end-to-end ticketing and end-to-end baggage transport can strengthen rail feeder traffic and have a positive impact on Frankfurt Airport's catchment area.
- Capacity increases at the Group airports are being implemented or have been completed, which will result in improved quality for airlines and greater passenger satisfaction. This may enable Fraport to benefit more than expected from long-term growth in the air traffic market.
- A liberalization of air traffic rights may open up new markets for air traffic and expand existing markets.
- International harmonization of regulatory measures that distorted competition in the past may make global competition fairer and reduce the risk of business moving elsewhere. There is a chance that airlines will further expand their intercontinental fleet in Frankfurt due to the excellent existing feeder service, intermodality, and cargo demand, thereby strengthening passenger and cargo traffic.
- Digitalization and innovations offer new opportunities to improve processes, raise efficiency, and increase customer satisfaction.

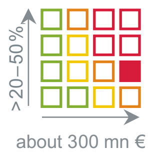
Operational risks and opportunities

Risks and opportunities from capital expenditure projects at the Frankfurt Airport

Capital expenditure on construction at Frankfurt Airport is divided into two separate programs: “FRA-Nord” for projects in existing infrastructure and “Ausbau Süd” for projects to expand or create capacity. The “Ausbau Süd” project, in particular the construction of the new Terminal 3, continues to progress stably within the schedule despite a challenging market situation for construction services (see also chapter “Key Sites”). Strained supply chains, limited material availability, and high cost increases can partly be countered with a forward-looking procurement strategy. Nevertheless, the following risks exist:

Risks	**Measures**	**Trend →**
Risks could arise from the following developments in particular: • Increase in construction costs • Supplier bankruptcies • A decline in new construction activity due to the change in interest rate levels coupled with sustained high material and labor costs increases the risk of the parties involved in construction projects on site becoming insolvent • Scheduling delays • External influences from the public, the environment, politics, technological changes, engineering practices, alternative engineering methods within the scope of building permits, or other requirements • A lack of skilled workers and limited resources result in weaker negotiating positions • Changes in requirements related to new market conditions after the end of the coronavirus pandemic	• Monitoring measures to enable timely countermeasures • Active market development and consistent change management to counter increases in costs	**Risk assessment:** substantial 
Opportunities The following developments could have a favorable impact on capital expenditure projects: • Greater competition in the procurement market due to weakening demand could dampen price increases • Capacity expansion to ensure the ability to cope with the expected long-term growth of the air traffic market		

Drainage for the parallel runway system

Risk	**Measures**	**Trend →**
• In the event of evidence of de-icing substances in the groundwater, the upper water authority could impose a requirement for a qualified drainage system for the parallel runway system at Frankfurt Airport and issue a corresponding water law order.	• Continuous groundwater monitoring and regular measurements to verify compliance with limit values • Regular review of the composition of the de-icing agents used as well as the operational processes	**Risk assessment:** substantial 

Risks and opportunities from investments and projects (Segment International Activities and Services)

Risks

The following factors could cause a downward trend in foreign airport operator projects:

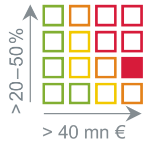
- Unforeseen official intervention in local tariff, tax, and levy structure
- Environmental requirements and social conditions
- Country, market, political, and foreign exchange risks which can lead to a significant impairment of the future earnings outlook or increase expenses up to a total loss of the investment
- Economic sanctions in response to political conflicts with financial implications for investments
- Political instability in the respective concession countries
- Exceeding construction budgets for airport expansion programs and/or failure to meet completion dates under the corresponding concession agreements

Measures

- Collaboration with experienced local partners
- Non- or limited-recourse project financing
- Investment protection insurance
- Monitoring measures to enable timely countermeasures

Trend →

Risk assessment: substantial



Opportunities

- Fraport achieves growth in international business through the profitable development of existing sites and the acquisition of new investments and concessions. In this process, Fraport aims to contribute its expertise in the long term wherever growth and/or optimization potential with good business opportunities is detected. The broad diversification of the investments creates opportunities compared to focusing on one site.
- Implementation of infrastructure programs at multiple Group sites to boost capacity and quality of service

In the expansion project at Jorge Chávez Airport in Lim (Peru) operated by Lima Airport Partners (LAP), the construction measures for the airside expansion of the airport have now been completed. For the construction of the new passenger terminal, LAP commissioned a construction consortium which, as the general contractor, takes on the EPC services (Engineering, Procurement, Construction) customary in the industry, which include all planning, procurement and construction measures. Project financing for the ongoing infrastructure and expansion measures was concluded in December 2022. Potential risks remain due to the size, complexity, and duration of the expansion project. However, as in the previous year, these are assessed as “moderate” as at the balance sheet date.

At Antalya Airport, interim financing has been secured until March 2024 for the expansion project being carried out by Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş. (FTA 2). FTA 2 has initiated discussions on the conclusion of follow-up financing and on increasing the financing volume, and these are now at an advanced stage. The probability of occurrence of a failure to secure follow-up financing at the planned level is assessed to be low.

Personnel risks and opportunities

Risks

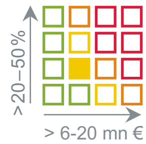
- Increased employee turnover due to a more attractive labor market and higher internal workload
- More difficult recruitment due to current labor market conditions
- Training periods for the recruitment of less qualified workers and thus later availability
- Staff shortages in the air transport industry can have a negative impact on operational service delivery and consequently on the expected business development.

Measures

- Reorganizing Human Resources as part of the HRneo strategic program
- Improving IT support for HR processes
- Realigning recruitment processes and training measures
- Temporary granting of labor market allowances for staff recruitment, incentives through above-tariff remuneration schemes
- Improving appeal as an employer through modern work formats

Trend →

Risk assessment: moderate



Opportunities

- Increased appeal through remuneration schemes and working time models (e.g. mobile working)”

Funding risk ZVK

For the purpose of granting a company pension under the mandatory insurance scheme based on collective bargaining agreement, Fraport AG is a member of the “Zusatzversorgungskasse Wiesbaden (ZVK)”. The current allocations and restructuring funds are used for the current pension payments (solidarity model). If the requirement for work performance declines, in addition to the demographic development, the number of employees for whom levies and restructuring charges are paid will decrease. Thus, the funding shortfall will grow continuously in the company pension plan.

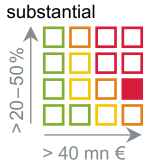
This increases the risk that the ZVK will demand compensation payments from Fraport to make up for the gaps in coverage.

Measures

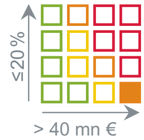
- Discussions with the ZVK about different solution approaches
- An agreement has been reached with the ZVK for Ground Services employees at Fraport AG as part of the negotiations on the sectorial collective agreement. Reaching a sectorial collective agreement would conclusively resolve the funding risk for respective staff.

Trend →

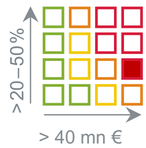
Risk assessment: substantial



Risks of exceptional incidents

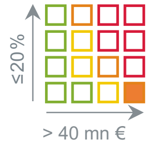
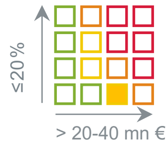
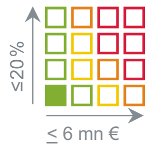
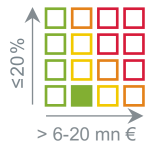
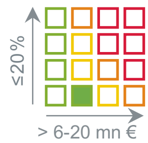
Risks	Measures	Trend →
• Business interruptions due to exceptional local events such as terrorist attacks, accidents, fires, drone flights, technical malfunctions, actions by climate activists and other criminal acts, or strikes • Impact on national and international air traffic caused by natural disasters, (climate-related) extreme weather conditions, armed conflicts, and pandemics • The emergence of epidemics and pandemics may lead to travel restrictions, local restrictions on public life, production limitations, and supply chain bottlenecks, which would also have a direct impact on traffic at Group airports. Risks from the further development of the coronavirus pandemic no longer have any substantial influence on operations in the Fraport Group, and are therefore no longer reported as a separate risk.	• Implementation of a local central crisis team • Local plans to maintain critical business and operating processes (business continuity and emergency teams) • Safety management system • Implementation and operational support of drone detection technology and drone defense systems • Property and business interruption insurance • Monitoring of news and estimates of global infection rates. • Where necessary, close coordination with health authorities, airports, and aviation associations	**Risk assessment:** considerable 
	• Close cooperation with airlines and authorities to secure and strengthen air traffic including safeguarding provisions	

Cyber risks

Risk	Measures	Trend →
• Serious business disruption due to a severe IT system failure or substantial loss of data as a result of cyberattacks, computer viruses, or hacker attacks • Rise in threat level according to increased number of warnings from the German Federal Office for Information Security	• Redundant implementation of relevant IT infrastructure • Preventative IT security management to protect business-critical IT systems • IT security policy and IT security guidelines • Established emergency process with defined roles and competencies • Interregional collaboration to develop uniform security standards for IT environments • Compliance with IT security requirements is checked regularly by Internal Auditing, IT security management or external advisors	**Risk assessment:** substantial 

Financial risks and opportunities

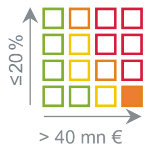
"Risk report" in accordance with section 289 (2) no. 1 HGB and section 315 (2) no. 1 HGB

Interest rate risks • In particular occurring from the capital requirements for capital expenditure and from existing floating interest rate financial liabilities and assets • Future interest rate increases may have a greater impact than expected on the planned refinancing measures • Increased interest expenses from the valuation of long-term provisions • Risk of a negative market value of the interest rate hedging instruments due to a decline in market interest rate, if interest rate derivatives are concluded to hedge interest rates where, in exceptional cases, the underlying transaction failed to materialize or has ceased to exist	**Measures** • Fixed interest rate agreements for most financial debt • Monitoring: quarterly performance of simulations of interest rate risk	**Trend** → **Risk assessment:** considerable 
Foreign currency risks • Planned revenue not covered by expenses in matching currencies • Change compared to previous year due to increased foreign currency volume in the planning period mainly as a result of airport expansion programs at foreign Group companies	**Measures** • Ongoing sale of currencies not covered by matching currencies or conclusion of forward (exchange) transactions	**Trend** → **Risk assessment:** moderate 
Credit risks • Primary and derivative financial instruments with a positive fair value and the risk that the counterparty will be unable to meet the obligations that are advantageous for Fraport • In addition to rated investments, investments in unrated bonds are possible in individual cases within strictly defined limits	**Measures** • Acquisition of financial assets and conclusion of derivatives only with issuers and counterparties rated at least "BBB–" • Issuer ratings are regularly reviewed to enable any necessary decisions on further dealings with the financial asset or derivative. • Investments in unrated bonds are continuously indicated in the reporting. • Limit caps are adjusted, if necessary, to reflect changes in creditworthiness	**Trend** → **Risk assessment:** low 
Other price risks • The market valuation of financial assets is subject to market fluctuations that do not affect cash flow • The market valuation of derivative financial instruments at fair value is subject to fluctuations	**Measures** • Financial assets with a fixed term are assumed to be subject only to temporary market fluctuations that reverse automatically by the end of the product terms because the full nominal amount is repaid	**Trend** → **Risk assessment:** low 
Other financial risks • Risks for the asset, financial, and earnings position of Fraport may arise from the current financial market situation and its effects on the overall economy, particularly on liquidity and other bank lending practices	**Measures** • "Reserve financing" strategy to guarantee financing, such as for upcoming capital expenditure and repayments. • The amount of funds from the strategic liquidity reserve is continuously monitored and, if necessary, replenished in the event of reduction.	**Trend** → **Risk assessment:** low 

Opportunities

- Favorable exchange rate and interest rate developments could improve the Group's financial result. Accordingly, exchange rate effects from the conversion of results that are not denominated in euros into the functional currency of the Group (the Euro) could have a positive impact on the financial result
- Overall, Fraport expects to be able to take advantage of favorable developments in the financial markets

Legal and compliance risks

Risk	Measures	Trend →
Changes in national and international laws and regulations, violations of laws and regulations with a negative financial impact: • Changes in aviation law, the German Federal Police Act, planning and environmental law, security-related regulations, general regulations under capital market law, antitrust law, data protection law, and labor law as well as any legal restrictions under sanctions • Corruption, fraud, or financial manipulation • Antitrust violations, changes to tax regulations, case law, and different interpretations of existing tax regulations with an adverse impact on the tax positions on the statement of financial position and the income statement.	• Continuous analysis of legal changes for timely identification of and response to potential negative changes • Implementation and expansion of a Group-wide compliance organization • Group Guideline on the Compliance Management System • Further development of the centralized ICS • Code of Conduct • Whistleblower system • Continuous monitoring of tax changes • Regular dialog with tax authorities	**Risk assessment:** considerable 

Opportunities
- Legal or tax-related changes or court decisions with positive effects on Fraport Group's operations and financial indicators

Overall assessment of risks and opportunities by the company management

Fraport consolidates and aggregates all risks and opportunities reported by the various company units and Group companies that are reported within the context of the quarterly risk analysis process. Furthermore, the Group's risks and opportunities are regularly discussed and assessed at the Executive Board level and within the context of the regular planning processes. The opportunities situation remains largely unchanged compared to the previous year. The overall risk situation in the 2023 fiscal year has improved mainly due to the lifting of travel restrictions imposed during the coronavirus pandemic and on account of the progress made in airport expansion programs in the Group, although offsetting effects resulting from the macroeconomic development and rising interest rates may have an impact on future business development (see trend developments described above). According to the opinion of the Executive Board, the development of an existential threat due to the individual risks described above or a combination of these seems to be highly unlikely, in view of projections for future developments in the Fraport Group. The Executive Board firmly believes that the strong liquidity and earning situation of the Group provide a solid foundation for future business development and the resources necessary to effectively pursue and capitalize on opportunities arising for the Group.

Information on the accounting-related internal control system in accordance with section 289 (4) HGB and section 315 (4) HGB

The accounting-related internal control system of the Fraport Group monitors compliance with the generally accepted accounting principles and legal requirements. It is based on the framework of the Committee of the Sponsoring Organizations of the Treadway Commission (COSO).

In terms of the accounting process of Fraport AG, the company regards the internal control and risk management system as a process that is embedded in the company-wide internal control and risk management system. Fraport AG prepares its own separate financial statements in accordance with German commercial and stock market regulations.

The process of preparing the financial statements of Fraport AG is laid down in a schedule detailing each individual step, including deadlines and responsibilities. Group Accounting monitors the progress and is schedule assisted by a system. In order to ensure standardized procedures, important operational processes of the sub-ledgers (accounts payable, accounts receivable, asset accounting, treasury, accounting of the decentralized departments) and general ledger have been documented in policies, process descriptions, manuals, and guidelines.

Fraport AG uses the SAP ECC 6.0 system for its accounting. Accounting-related internal controls are carried out, where possible, in the SAP ECC 6.0 system. Manual application and monitoring controls are carried out during the operational accounting processes in the sub-ledgers. A dual control method is implemented when preparing the financial statements of the general ledger, and subsequent mainly manual monitoring controls are carried out additionally for the purpose of ensuring the completeness and accuracy of items recognized in the sub-ledgers. The tax department calculates and posts taxes on income, and performs manual application and monitoring controls.

Segregation of duties are implemented in the departments involved in the accounting process on a system, personnel, and organizational level. An SAP authorization concept for Fraport AG is used for issuing and administering access authorization for accounting-related systems.

Group accounting at Fraport is basically organized on a decentralized basis. Reconciliation of the local individual financial statements (commercial balance sheet I) of the parent company and subsidiaries, joint ventures, and associated companies to the individual financial statements (commercial balance sheet II) prepared in accordance with uniform Group accounting policies is carried out decentrally by the companies. To ensure uniform Group accounting and measurement Fraport has developed an IFRS Group accounting guideline on the basis of which the companies included in the consolidated financial statements reconcile commercial balance sheet I to commercial balance sheet II. The effectiveness and accuracy of the Group accounting process is confirmed by the companies included in the consolidated financial statements in the context of an internal Group declaration of completeness.

Wherever possible, accounting-related internal controls are carried out in SAP BPC. Access authorizations at the level of the consolidated companies are assigned and managed centrally at Fraport AG on the basis of a user authorization concept. Manual application and monitoring controls, particularly with regard to the completeness and quality of the reporting data, are carried out as part of the operational accounting processes in Group accounting. The effectiveness of the internal control system is reviewed annually by performing a control self-assessment.

The consolidated financial statements are prepared by the Group Accounting department of Fraport AG. The Group financial statement process is described in detail in a flow chart which contains the individual process steps with dates and responsibilities. The progress of the process as well as reporting deadlines and the completeness of the Group reporting system are monitored by the Group Accounting department.

The notes to the consolidated financial statements are prepared as part of the consolidated financial statement process by the Group Accounting department. Where necessary, the information in the notes to the consolidated financial statements is subsequently checked by central or decentralized specialist departments after the notes to the consolidated financial statements have been prepared.

The Corporate Finance and Investor Relations department is generally responsible for preparing the combined management report. This department consolidates the information provided by the specialist departments. Subsequent control of the consolidated information is performed by the specialist departments.

Key sub-processes of the accounting process for the Group and Fraport AG, as well as the performed internal controls, are subject to scheduled audit by the Internal Audit department.

Information on the central internal control system[1]

In addition to the accounting-related internal control system and the risk management system, the Fraport Group identifies, evaluates, and manages strategic, operational, and compliance process risks as part of the central internal control system. To assess the design and effectiveness of the system, a control self-assessment (CSA) is carried out annually, analogous to the accounting-related internal control system. The primary objective of the CSA is to review the design and effectiveness of business process controls and to identify and report any control weaknesses in business processes. The knowledge gained is used, among others, for the continuous improvement and further development of the central internal control system.

Quarterly reports on the current group-wide risk and opportunity situation are given at Executive Board meetings, and the result of the CSA of the central internal control system is presented annually. On the basis of these findings and any process-independent audits, the Executive Board annually assesses the design and effectiveness of Fraport AG's risk management and the central internal control system described above.

The central Group Internal Audit performs process-independent audit activities on the risk management and central internal control system. Audit reviews regularly provide information and findings on the central internal control system, which are to be remedied by measures taken by the REW-RS department together with the departments. Measures for findings from completed audit reviews are currently being processed.

Based on the overall information, the Executive Board has no indication that the risk management system or the central internal control system were not adequate or effective as at December 31, 2023.

Since inherent risks are subject to a probability of detection, a risk management or central internal control system that is judged to be adequate and effective cannot fully ensure complete coverage of all potential risks or exclusion of process violations of any kind.

The Finance and Audit Committee of the Supervisory Board is systematically involved in monitoring the design and effectiveness of the risk management and central internal control system. It receives a semi-annual report on the current risk and opportunity situation and is presented with an annual report on the results of the CSA of the central internal control system.

[1] The statements in this section are “non-management report disclosures” that are not subject to the external auditor's review of the content of the management report. The reason for this is that these disclosures go beyond the legal obligations.

Outlook Report

Note on forecasts

The business outlook assumes that the domestic and international economy and air traffic will not be impaired by external shocks such as terror attacks, wars, further pandemics, natural disasters, or substantial turbulence on the financial markets. They are based on the IFRS accounting standards to be applied in the EU at the beginning of the 2024 fiscal year (see also Group notes, note 4). Climate-related aspects are taken into account in the forecasted traffic developments to the extent that these can be predicted.

The "Risk and opportunities report" covers risks and opportunities that are not factored into the business outlook and that may result in significant negative or positive changes to the forecasted development.

General statement by the Executive Board

Despite geopolitical uncertainties, the Executive Board expects an overall positive business development in 2024. The new Group strategy "Fraport.2030" lays the foundation for the Group to tackle the strategic challenges both today and in the future.

For Frankfurt Airport, following passenger numbers of around 59.4 million in the 2023 fiscal year, the Executive Board expects this to increase to between approximately 61 million and 65 million passengers in the 2024 fiscal year. Traffic development in Frankfurt is being driven in part by an increase in traffic to and from China, as well as further recovery in the business travel segment. The Executive Board also forecasts positive traffic development for the international Group airports in 2024.

The Executive Board assumes that the positive business development will have an increasing effect on the Group's revenue and earnings development in 2024, and expects **Group EBITDA** to increase to between approximately €1,260 million and €1,360 million. The **Group result** is expected to be between approximately €435 million and €530 million, with increasing depreciation and amortization and a deterioration in the financial result. The **ROFRA** is forecasted to be around or slightly above the 2023 level. Due to ongoing expansion measures, the **free cash flow** will again be negative in the mid three-digit million euro range in 2024 and will have an increasing effect on the net financial debt in 2024. Depending on the improvement in the operating result, the ratio of **net financial debt to EBITDA** is expected to be roughly at the level of 2023. Due to the range of the forecasted EBITDA and the free cash flow development, the figure may be slightly above or below that level. Despite extensive financing measures and the further utilization of project financing in Lima, the **Group liquidity** is forecasted to be below the level of 2023, mainly due to the negative free cash flow. However, the long-term target value of €1 billion will continue to be substantially exceeded.

The Executive Board continues to project a stable financial situation for the Fraport Group over the forecast period.

At the level of Fraport AG, the Executive Board expects **net income** of between approximately €300 million and €350 million in the 2024 fiscal year. Taking into account the expected negative free cash flow, the Executive Board forecasts a clear decline in the **liquidity** of Fraport AG. However, thanks to the extensive financing measures in place, liquidity will remain substantially above the target value of €1 billion.

According to the opinion of the Executive Board, the development of an existential threat by the individual risks described in the "Risk and Opportunity Report" chapter or a combination of these seems to be highly unlikely, in view of projections for future developments in the Fraport Group. The forecasted figures do not envisage any acquisitions or disposals of companies, or increases or reductions in shareholdings.

Business outlook

Forecasted situation of the Group for 2024

Development of structure

With effect from January 1, 2024, Fraport has converted the “Human Resources” central unit and the “HR Top Executives” unit into a new organization, which now comprises the two central units “HR Operations” and “People & Culture.” The reorganization does not have any impact on the asset, financial, and earnings position of the Fraport Group.

When preparing the Outlook Report, the Executive Board did not expect any changes to the Group structure that will have a substantial impact on the asset, financial, and earnings position.

Development of competitive position and future markets

Fraport is continuously developing its business activities and Group sites as part of the strategic objective “Growth in Frankfurt and internationally”, (see also the “Strategy” chapter). Among other things, the inauguration of the new terminal in Lima is planned for 2024, which will strengthen the competitive position of the site in the long term. Fraport continues its aim to market its airport expertise around the world and participate in the appeal of new markets. In this respect, Fraport selectively assesses whether to participate in international tenders.

Development of the strategy and control system

At the end of January 2024, the Executive Board introduced the new Group strategy “Fraport.2030,” which replaces the previous Group strategy. This new strategy defines the three main priorities of the Group: “growth and sustainability,” “efficiency and innovation,” and “employer of choice.” Through optimal cooperation within the Group (“working together”), the Executive Board aims to achieve the overriding goal of “inspiring customers” and the financial targets of “EBITDA of €2 billion” and “free cash flow of €1 billion” by the 2030 fiscal year. The strategic priorities will be rolled out in the individual company units in the 2024 fiscal year, with twelve projects already defined and ready for implementation.

In this context and on the basis of the new materiality analysis, in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD), the control system will be revised in the 2024 fiscal year.

The strategic focus of finance management is not considered in this context.

Forecasted economic environment 2024

Development of the macroeconomic conditions

The global economic outlook for 2024 is subdued overall and subject to uncertainty. Inflation is expected to ease in many economies, which will in turn see interest rates fall, and is likely to boost investor confidence. The International Monetary Fund expects global growth of approximately 3.1% for the current year. World trade is expected to reach 3.3%.

For the US economy, the International Monetary Fund expects an increase of 2.1% for 2024. Growth rates in emerging markets are predicted to be higher than the values in industrialized countries, though projected trends within this group vary. Growth of 4.6% is forecasted for the Chinese economy. Overall expectations for the euro area stand at 0.9%. For the German economy, weak growth of 0.5% is expected for the current year in the best-case scenario.

The following GDP trends are expected in 2024 for countries with Group sites: USA 2.1%, Slovenia 2.2%, Brazil 1.7%, Peru 2.7%, Greece 2.0%, Bulgaria 3.2%, Turkey 3.1%.

Source: IMF (October 2023, January 2024), OECD (December 2023), Deutsche Bank Research (December 2023), Deka Bank (December 2023), Ifo Institute for Economic Research (December 2023).

Development of the legal environment

At the time the consolidated annual financial statements were prepared, the Executive Board saw no changes in the legal environment in the 2024 fiscal year that could have substantial effects on the Fraport Group.

Development of the industry-specific conditions

Based on the expected development in general economic conditions and considering the financial situation of the airlines, the International Air Transport Association IATA anticipates global passenger growth of 9.8% in 2024 compared to the previous year, based on revenue passenger kilometers (RPKs). This would represent a recovery of around 85% compared to the base year 2019. At the regional level, IATA assumes the following year-on-year growth rates based on RPKs:

Forecasted Increase Revenue Passenger Kilometers 2024 versus 2019 by Region

Changes compared to the previous year in %	
Worldwide	+9.0
Europe	+8.0
North America	+6.0
Asia-Pacific	+10.0
Latin America	+13.0
Middle East	+12.0
Africa	+9.0

The Airports Council International (ACI) expects a full recovery of passenger traffic in Europe in 2024 with growth of 1% compared to pre-crisis levels. For Germany, the German Aviation Association (Bundesverband der Deutschen Luftverkehrswirtschaft) expects a seat capacity of 89% of the 2019 passenger level. This comparatively low recovery rate is due in part to higher site costs.

Source: IATA Global Outlook for Air Transport (December 2023), ACI Industry Outlook for 2023–2024, BDL press release (February 2024).

Forecasted business development for 2024

Taking into account the industry-specific conditions, the Executive Board expects traffic development at the Group airports to be positive overall in 2024, but with substantial variation among the sites. **Frankfurt** Airport will benefit from further recovery in traffic. Following passenger numbers of around 59.4 million in fiscal year 2023, the Executive Board expects this to increase to between approximately 61 million and 65 million passengers in the 2024 fiscal year. Traffic development is being driven in part by an increase in traffic to and from China, as well as further recovery in the business travel segment.

Positive traffic development is also expected at the **international Group airports**, as follows:

A further passenger recovery compared to the previous year is expected at **Ljubljana** Airport and at the Brazilian Group airports in **Fortaleza** and **Porto Alegre**. However, the sites are expected to remain substantially below the pre-crisis level of the 2019 fiscal year. At **Lima** Airport, the traffic volume is approaching and may slightly exceed the 2019 level. At the 14 **Greek regional airports**, the passenger numbers are expected to be around or slightly above the high level of the previous year 2023. In **Varna** and **Burgas**, as well as in **Antalya**, some substantial traffic increases are forecasted compared to the previous year.

Changes to the outlook could occur depending on geopolitical developments.

Forecasted results of operations for 2024

The expected passenger development will lead to a rise in the Group revenue in fiscal year 2024. The traffic-related growth in revenue will be bolstered by increases in charges at the Frankfurt site and at the Group companies Fraport Brasil, Fraport Greece, and Fraport Twin Star. On the expense side, the Executive Board expects an increase in wage costs at the Frankfurt site in particular. In addition, the increase in traffic volume will lead to higher expenses at the Frankfurt site and a rise in concession charges at the Group companies Fraport Greece and Lima. The largely earnings-neutral management of aviation security controls at the Frankfurt site will also have the effect of increasing revenue and expenses. Exchange rate effects from the conversion of the functional currencies of Group companies in Lima, Fortaleza, and Porto Alegre as well as Fraport USA into the Group currency, the euro, may also have a positive or negative impact on the earnings contribution from Group companies.

Given the forecasted traffic ranges and the resulting uncertainty regarding income and expense developments, the Executive Board expects a **Group EBITDA** of between approximately €1,260 million and about €1,360 million. The **Group result** is expected to be between approximately €435 million and around €530 million, with increasing depreciation and amortization and a deterioration in the financial result, mainly due to higher interest expenses. The improvement in the result combined with an increase in assets will result in a **ROFRA** of around or slightly above the 2023 level of 6.6%.

Despite the forecasted development of the result, the Executive Board does not intend to propose the distribution of any **dividends** in the 2024 fiscal year on account of the capital expenditure-related negative free cash flow.

At the level of **Fraport AG**, the Executive Board expects **net income** of between approximately €300 million and approximately €350 million in the 2024 fiscal year.

Forecasted segment development for 2024

The planned traffic developments will have a positive impact on the revenue of the four Fraport segments. The Executive Board expects that the EBITDA in the **Aviation** segment will continue to rise, but remain below €400 million. The Executive Board also expects the EBITDA in the **Retail & Real Estate** segment to improve, and forecasts a figure of around or slightly above €400 million. In the **Ground Handling** segment, the Executive Board expects the EBITDA to be approximately balanced in 2024. Despite higher variable concession charges, particularly at Fraport Greece, and the loss of the positive one-off effects of fiscal year 2023, such as the settlement of a legal dispute at Group company Fraport USA, the Executive Board expects a consistent or slightly positive EBITDA for the **International Activities & Services** segment compared to the previous year. In addition to the positive expected traffic development at Group airports, further positive one-off effects are expected to bolster profit development in 2024.

Forecasted asset and financial position for 2024

Despite the traffic-related improvement in the operating result, the Executive Board expects **free cash flow** to remain negative in 2024 due to ongoing expansion activities at the Frankfurt and Lima sites and to be in the mid negative three-digit million euro range. The negative free cash flow will increase net financial debt in 2024. Cash inflows and outflows in connection with the international Group companies, exchange rate effects, and changes to net current assets will also affect the development of net financial debt. Depending on the improvement in the operating result, the ratio of **net financial debt to EBITDA** is expected to be roughly at the level of 2023. Due to the range of the forecasted EBITDA and the free cash flow development, the figure may be slightly above or below that level. Despite extensive financing measures and the further utilization of project financing in Lima, the **Group liquidity** is forecasted to be below the level of 2023, due in particular to the negative free cash flow. However, the long-term target value of €1 billion will continue to be substantially exceeded.

At the level of **Fraport AG**, the Executive Board likewise forecasts a clear decline in **liquidity** as a result of the expected negative free cash flow. However, thanks to the extensive financing measures in place, liquidity will remain substantially above the target value of €1 billion.

Medium-term outlook

Over the medium term, a positive development in the global economy and global passenger numbers is expected. A return to 2019 passenger levels in Frankfurt is expected until approximately 2026. Group airports will also benefit from forecasted medium- to long-term global market growth and show positive traffic development (see also the “Strategy” chapter).

Rising passenger numbers will have a positive impact on the asset, financial, and earnings position of the Fraport Group and will contribute to the further growth of Group EBITDA. The inauguration of the terminals in Frankfurt and Lima, on the other hand, will result in higher depreciation and amortization and a loss of the opportunity to capitalize interest expenses. Due to these effects and the expiration of the current Antalya concession at the end of 2026, the Executive Board expects a temporary reduction of earnings during the forecast period.

As a result of the inauguration of the terminals in Frankfurt and Lima and the associated gradual reduction of the capital expenditure program, the Executive Board expects there to be a substantial recovery in the free cash flow from 2025, with noticeably positive effects on the net financial debt from the 2026 fiscal year. In this context, the net financial debt will also start to decrease from the 2026 fiscal year at the latest. On account of the decline in net financial debt and the expected improvement in the Group EBITDA, the ratio of net financial debt to EBITDA is expected to improve further in the medium term.

Future capital expenditure obligations may be financed with debt instruments described above and cash flows from operations (see also the “Finance Management” and “Asset and Financial Position” chapters).

For the dividend payment, the Executive Board aims to resume a dividend policy in the forecast period. Before the start of the coronavirus pandemic, this was a pay-out ratio of between 40% and 60% of the profit share of the shareholders of Fraport AG as well as with a dividend that was at least stable compared to the previous year. The Executive Board plans to submit a dividend distribution proposal to the AGM again once the net financial debt to EBITDA ratio approaches the target value of 5.

Frankfurt/Main, March 12, 2024

Fraport AG
Frankfurt Airport Services Worldwide

The Executive Board

Dr. Stefan Schulte   Anke Giesen   Julia Kranenberg   Dr. Pierre Dominique Prümm   Prof Dr. Matthias Zieschang

Where the statements made in this document relate to the future rather than the past, they are based on a number of assumptions about future events and are subject to a number of uncertainties and other factors, many of which are beyond the control of Fraport AG Frankfurt Airport Services Worldwide and which could have the effect that the actual results will differ materially from these statements. These factors include, but are not limited to, the competitive environment in deregulated markets, regulatory changes, the success of business operations, and a substantial deterioration in the underlying economic conditions in the markets in which Fraport AG Frankfurt Airport Services Worldwide and its Group companies operate. Readers are cautioned not to rely to an inappropriately large extent on statements made about the future.

Getting Greener: PV expansion and new Sky Line railroad are making progress

After the tests of the demonstration system at Runway West were successful, further expansion is now starting.

The planned expansion path for own PV systems along the Runway West and Runway Northwest as well as additional PV roof systems with a total capacity of up to 42 MWp will make it possible to generate up to 40 GWh of electricity p. a. over the next five years in the final expansion phase, depending on the duration of sunshine.

As part of the construction of Terminal 3, Fraport is building a new Sky Line train which will supplement the existing system and connect the new passenger building to the northern airport operations.

In future, passengers will be able to travel 365 days a year from the long-distance and regional train station to Terminal 3 within eight minutes over a distance of 5.6 kilometers. Six of the twelve vehicles of the new Sky Line train have already been delivered. In addition to ample space for luggage, specially designed handrails provide more freedom of movement. Successful test runs have already been carried out.

New standards are also being set in terms of “green financing”: Part of the financing for the Sky Line train is being provided in connection with the classification of the EU taxonomy. This makes it the first “green financing” of Fraport AG.

Consolidated Financials Statements for the 2023 Fiscal Year

Consolidated Income Statement

€ million	Notes	2023	2022
Revenue	(5)	**4,000.5**	**3,194.4**
Other internal work capitalized	(6)	50.5	39.9
Other operating income	(7)	59.0	139.3
Total revenue		**4,110.0**	**3,373.6**
Cost of materials	(8)	–1,637.3	–1,101.6
Personnel expenses	(9)	–1,076.0	–1,036.7
Depreciation and amortization	(10)	–501.2	–465.3
Other operating expenses	(11)	–192.7	–205.5
Operating result		**702.8**	**564.5**
Interest income	(12)	100.9	53.0
Interest expenses	(12)	–317.9	–313.5
Result from companies accounted for using the equity method	(13)	84.5	77.0
Other financial result	(14)	–16.4	–147.1
Financial result		**–148.9**	**–330.6**
Result from ordinary operations		**553.9**	**233.9**
Taxes on income	(15)	–123.4	–67.3
Group result		**430.5**	**166.6**
thereof profit attributable to non-controlling interests		37.3	34.2
thereof profit attributable to shareholders of Fraport AG		393.2	132.4
Earnings per €10 share in €	(16)		
basic		4.26	1.43
diluted		4.26	1.43
EBITDA (= EBIT + depreciation and amortization)		**1,204.0**	**1,029.8**
EBIT (= operating result)		**702.8**	**564.5**

Consolidated Statement of Comprehensive Income

€ million	**2023**	**2022**
Group result	**430.5**	**166.6**
Remeasurements of defined benefit pension plans	–2.9	11.0
(Deferred taxes related to those items	0.9	–3.4)
Equity instruments measured at fair value	–12.5	21.2
Other comprehensive income of companies accounted for using the equity method	0.4	0.0
(Deferred taxes related to those items	–0.1	0.0)
Items that will not be reclassified subsequently to profit or loss	**–14.2**	**28.8**
Fair value changes of derivatives		
Changes directly recognized in equity	18.0	11.5
realized gains (+)/losses (–)	7.9	8.3
	10.1	**3.2**
(Deferred taxes related to those items	–2.2	–1.0)
Debt instruments measured at fair value		
Changes recognized directly in equity	30.0	–61.9
realized gains (+)/losses (–)	0.0	0.0
	30.0	**–61.9**
(Deferred taxes related to those items	–9.1	19.2)
Currency translation of foreign subsidiaries		
Changes recognized directly in equity	–10.2	51.6
realized gains (+)/losses (–)	0.0	0.0
	–10.2	**51.6**
Income and expenses from companies accounted for using the equity method directly recognized in equity		
Changes recognized directly in equity	0.2	0.0
realized gains (+)/losses (–)	–8.7	33.4
	8.9	**–33.4**
(Deferred taxes related to those items	0.0	0.0)
Items that will be reclassified subsequently to profit or loss	**27.5**	**–22.3**
Other result	**13.3**	**6.5**
Comprehensive income	**443.8**	**173.1**
thereof attributable to non-controlling interests	34.5	39.4
thereof attributable to shareholders of Fraport AG	409.3	133.7

Consolidated Statement of Financial Position

Assets

€ million	Notes	December 31, 2023	December 31, 2022
Non-current assets			
Goodwill	(17)	19.3	19.3
Investments in airport operating projects	(18)	4,146.8	3,769.1
Other intangible assets	(19)	97.0	95.9
Property, plant, and equipment	(20)	8,951.5	8,371.8
Investment property	(21)	69.5	69.1
Investments in companies accounted for using the equity method	(22)	518.0	491.4
Other financial assets	(23)	953.1	1,173.4
Other financial receivables and assets	(24)	100.2	87.2
Other non-financial receivables and assets	(25)	95.4	129.4
Deferred tax assets	(27)	102.3	159.5
		15,053.1	**14,366.1**
Current assets			
Inventories	(28)	28.0	25.5
Trade accounts receivable	(29)	271.5	177.1
Other current financial assets	(23)	849.2	269.7
Other current financial receivables and assets	(24)	112.2	55.2
Other current non-financial receivables and assets	(25)	123.8	84.1
Income tax receivables	(26)	42.5	33.3
Cash and cash equivalents	(30)	2,410.5	2,585.2
		3,837.7	**3,230.1**
Non-current assets held for sale	**(2)**	**0.1**	**11.4**
Total		**18,890.9**	**17,607.6**

Liabilities and equity

€ million	Notes	December 31, 2023	December 31, 2022
Shareholders´ equity			
Issued capital	(31)	923.9	923.9
Capital reserve	(31)	598.5	598.5
Revenue reserves	(31)	2,796.3	2,387.0
Equity attributable to shareholders of Fraport AG	(31)	4,318.7	3,909.4
Non-controlling interests	(32)	273.6	222.5
		4,592.3	**4,131.9**
Non-current liabilities			
Financial liabilities	(33)	10,232.5	9,716.0
Trade accounts payable	(34)	78.6	62.3
Other financial liabilities	(35)	1,090.2	1,098.1
Other non-financial liabilities	(36)	62.9	69.9
Deferred tax liabilities	(37)	52.1	41.3
Provisions for pensions and similar obligations	(38)	35.8	31.7
Provisions for income taxes	(39)	47.3	77.0
Other provisions	(40)	118.9	136.3
		11,718.3	**11,232.6**
Current liabilities			
Financial liabilities	(33)	1,521.4	1,209.6
Trade accounts payable	(34)	430.8	444.4
Other current financial liabilities	(35)	150.9	190.3
Other current non-financial liabilities	(36)	220.8	162.8
Provisions for income taxes	(39)	73.3	24.7
Other provisions	(40)	183.1	199.2
		2,580.3	**2,231.0**
Liabilities related to assets held for sale	**(2)**	**0.0**	**12.1**
Total		**18,890.9**	**17,607.6**

Consolidated Statement of Cash Flows

€ million	Notes	2023	2022
Result attributable to shareholders of Fraport AG		**393.2**	**132.4**
Result attributable to non-controlling interests		37.3	34.2
Adjustments for			
Taxes on income	(15)	123.4	67.3
Depreciation and amortization	(10)	501.2	465.3
Interest result	(12)	217.0	260.5
Gains/losses from disposals of non-current assets		2.1	1.3
Others		–14.9	67.8
Changes in the measurement of companies accounted for using the equity method	(13)	–84.5	–77.0
Changes in inventories	(28)	–2.6	–5.0
Changes in receivables and financial assets	(24 – 25), (29)	–115.9	–74.1
Changes in liabilities	(34 – 36)	63.3	96.4
Changes in provisions	(37 – 40)	–46.0	–7.8
Operating activities		**1,073.6**	**961.3**
Financial activities			
Interest paid		–205.2	–156.6
Interest received		50.6	19.6
Paid taxes on income		–55.8	–37.0
Cash flow from operating activities	**(43)**	**863.2**	**787.3**
Investments in airport operating projects	(18)	–579.6	–407.1
Investments for other intangible assets	(19)	–7.7	–4.7
Capital expenditure for property, plant, and equipment	(20)	–942.9	–741.6
Investments for "Investment property"	(21)	–1.3	–0.1
Investments in companies accounted for using the equity method	(22)	0.0	–377.3
Sale of consolidated subsidiaries	(2)	–10.6	0.0
Sale of shares in companies accounted for using the equity method	(2)	0.8	173.5
Dividends from companies accounted for using the equity method	(22)	57.1	50.7
Proceeds from disposal of non-current assets		1.6	0.8
Cash flow used in investing activities excluding investments in cash deposits and securities		**–1,482.6**	**–1,305.8**
Financial investments in securities and promissory note loans	(23)	–838.1	–812.3
Proceeds from disposal of securities and promissory note loans		496.1	364.9
Changes in time deposits with a term of more than three months	(30)	5.7	537.2
Cash flow used in investing activities	**(43)**	**–1,818.9**	**–1,216.0**
Dividends paid to non-controlling interests		–13.9	0.0
Capital increase non-controlling interests		33.7	0.0
Transactions with non-controlling interests	(2)	0.0	82.3
Cash inflow from long-term financial liabilities	(33)	2,055.3	2,011.6
Repayment of non-current financial liabilities		–923.9	–1,307.2
Changes in current financial liabilities		–355.8	95.6
Cash flow used in financing activities	**(43)**	**795.4**	**882.3**
Change in restricted cash		13.1	–64.6
Change in cash and cash equivalents		**–147.2**	**389.0**
Cash and cash equivalents as at January 1		826.2	431.2
Foreign currency translation effects on cash and cash equivalents		–8.7	6.0
Cash and cash equivalents as at December 31	**(30), (43)**	**670.3**	**826.2**

Consolidated Statement of Changes in Equity

€ million	Notes	Issued capital	Capital reserve
As at January 1, 2023		**923.9**	**598.5**
Foreign currency translation effects		–	–
Income and expenses from companies accounted for using the equity method directly recognized in equity		–	–
Remeasurement of defined benefit plans		–	–
Equity instruments measured at fair value		–	–
Debt instruments measured at fair value		–	–
Fair value changes of derivatives		–	–
Other result		**0.0**	**0.0**
Distributions		–	–
Group result		–	–
Transactions with non-controlling interests		–	–
Capital increase non-controlling interests		–	–
As at December 31, 2023	**(31),(32)**	**923.9**	**598.5**
As at January 1, 2022		**923.9**	**598.5**
Foreign currency translation effects		–	–
Income and expenses from companies accounted for using the equity method directly recognized in equity		–	–
Remeasurement of defined benefit plans		–	–
Equity instruments measured at fair value		–	–
Debt instruments measured at fair value		–	–
Fair value changes of derivatives		–	–
Other result		**0.0**	**0.0**
Distributions		–	–
Group result		–	–
Transactions with non-controlling interests		–	–
As at December 31, 2022	**(31),(32)**	**923.9**	**598.5**

Revenue reserves	Foreign currency reserve	Financial instruments	Revenue reserves (total)	Equity attributable to shareholders of Fraport AG	Non-controlling interests	Shareholders' equity (total)
2,439.3	**–92.7**	**40.4**	**2,387.0**	**3,909.4**	**222.5**	**4,131.9**
–	–5.8	–	–5.8	–5.8	–4.4	–10.2
0.3	0.9	8.0	9.2	9.2	–	9.2
–2.0	–	–	–2.0	–2.0	–	–2.0
–	–	–12.5	–12.5	–12.5	–	–12.5
–	–	20.9	20.9	20.9	–	20.9
–	–	6.3	6.3	6.3	1.6	7.9
–1.7	**–4.9**	**22.7**	**16.1**	**16.1**	**–2.8**	**13.3**
–	–	–	–	–	–13.9	–13.9
393.2	–	–	393.2	393.2	37.3	430.5
–	–	–	–	–	–3.2	–3.2
–	–	–	–	–	33.7	33.7
2,830.8	**–97.6**	**63.1**	**2,796.3**	**4,318.7**	**273.6**	**4,592.3**
2,276.7	**–106.4**	**60.4**	**2,230.7**	**3,753.1**	**155.9**	**3,909.0**
–	47.1	–	47.1	47.1	4.5	51.6
–	–33.4	–	–33.4	–33.4	–	–33.4
7.6	–	–	7.6	7.6	–	7.6
–	–	21.2	21.2	21.2	–	21.2
–	–	–42.7	–42.7	–42.7	–	–42.7
–	–	1.5	1.5	1.5	0.7	2.2
7.6	**13.7**	**–20.0**	**1.3**	**1.3**	**5.2**	**6.5**
–	–	–	–	–	–	–
132.4	–	–	132.4	132.4	34.2	166.6
22.6	–	–	22.6	22.6	27.2	49.8
2,439.3	**–92.7**	**40.4**	**2,387.0**	**3,909.4**	**222.5**	**4,131.9**

Lima expansion project

In order to do justice to the importance of Lima Airport as an international hub airport in the future as well, extensive infrastructure and expansion measures are taking place. Numerous airside construction projects, such as a new tower, have already been completed. In April 2023 the second runway was also inaugurated with the first commercial flight on it.

The first construction phase with a capacity of 30 million passengers is scheduled to be put into operation at the end of 2024. The new terminal is scheduled to serve up to 40 million passengers a year when it becomes fully operational in 2025.

The new terminal will make an important contribution to the strategic development of Lima Airport.

Group Notes for the 2023 Fiscal Year

Consolidated Statement of Changes in Non-current Assets

(Note 17 to 21)

€ million	Goodwill	Investments in airport operating projects	Other intangible assets
Acquisition/production costs			
As at January 1, 2023	**132.3**	**4,539.1**	**272.4**
Foreign currency translation effects	0.0	–17.7	–0.4
Additions	0.0	536.9	7.7
Disposals	0.0	–20.7	–29.5
Reclassifications	0.0	–0.8	7.4
As at December 31, 2023	**132.3**	**5,036.8**	**257.6**
Accumulated depreciation and amortization			
As at January 1, 2023	**113.0**	**770.0**	**176.5**
Foreign currency translation effects	0.0	–6.5	–0.4
Additions	0.0	130.6	14.0
Disposals	0.0	–0.5	–29.5
Reclassifications	0.0	–3.6	0.0
As at December 31, 2023	**113.0**	**890.0**	**160.6**
Residual carrying amounts			
As at December 31, 2023	**19.3**	**4,146.8**	**97.0**
Acquisition/production costs			
As at January 1, 2022	**132.3**	**4,053.4**	**265.1**
Foreign currency translation effects	0.0	122.3	2.3
Additions	0.0	374.1	4.7
Disposals	0.0	–9.1	–4.8
Reclassifications	0.0	–1.6	5.2
IFRS 5 reclassifications	0.0	0.0	-0.1
As at December 31, 2022	**132.3**	**4,539.1**	**272.4**
Accumulated depreciation and amortization			
As at January 1, 2022	**113.0**	**637.0**	**159.3**
Foreign currency translation effects	0.0	19.5	1.2
Additions	0.0	113.5	17.4
Impairment losses	0.0	0.0	3.4
Disposals	0.0	0.0	–4.8
Reclassifications	0.0	0.0	0.0
As at December 31, 2022	**113.0**	**770.0**	**176.5**
Residual carrying amounts			
As at December 31, 2022	**19.3**	**3,769.1**	**95.9**

Land, land rights, and buildings, including buildings on leased lands	Technical equipment and machinery	Other equipment, operating, and office equipment	Right of use assets leases	Construction in progress	Property, plant, and equipment (total)	Investment property
6,503.1	**3,426.3**	**565.0**	**349.0**	**3,295.2**	**14,138.6**	**79.6**
0.0	0.0	–2.6	–10.4	–0.6	**–13.6**	0.0
39.9	74.4	28.6	8.6	804.3	**955.8**	1.3
–15.0	–27.3	–53.8	–15.9	–1.8	**–113.8**	0.0
91.5	15.6	32.6	0.0	–146.3	**–6.6**	0.0
6,619.5	**3,489.0**	**569.8**	**331.3**	**3,950.8**	**14,960.4**	**80.9**
3,330.8	**1,891.8**	**385.7**	**157.4**	**1.1**	**5,766.8**	**10.5**
0.0	0.0	–1.7	–5.7	0.0	**–7.4**	0.0
174.7	106.1	37.7	37.2	0.0	**355.7**	0.9
–13.2	–26.9	–53.8	–15.9	0.0	**–109.8**	0.0
–4.7	–0.1	8.4	0.0	0.0	**3.6**	0.0
3,487.6	**1,970.9**	**376.3**	**173.0**	**1.1**	**6,008.9**	**11.4**
3,131.9	**1,518.1**	**193.5**	**158.3**	**3,949.7**	**8,951.5**	**69.5**
6,432.2	**3,410.7**	**559.6**	**333.4**	**2,653.8**	**13,389.7**	**98.2**
0.0	0.0	4.1	16.3	0.5	**20.9**	0.0
16.4	28.4	22.5	0.2	712.3	**779.8**	0.1
–9.3	–29.6	–22.7	–1.1	–3.7	**–66.4**	0.0
63.8	16.8	2.0	0.2	–67.7	**15.1**	–18.7
0.0	0.0	-0.5	0.0	0.0	-0.5	0.0
6,503.1	**3,426.3**	**565.0**	**349.0**	**3,295.2**	**14,138.6**	**79.6**
3,188.2	**1,825.2**	**364.7**	**112.1**	**1.1**	**5,491.3**	**9.6**
0.0	0.0	2.2	5.1	0.0	**7.3**	0.0
150.2	97.3	37.9	41.3	0.0	**326.7**	0.9
0.0	0.0	3.4	0.0	0.0	**3.4**	0.0
–9.2	–29.1	–22.5	–1.1	0.0	**–61.9**	0.0
1.6	–1.6	0.0	0.0	0.0	**0.0**	0.0
3,330.8	**1,891.8**	**385.7**	**157.4**	**1.1**	**5,766.8**	**10.5**
3,172.3	**1,534.5**	**179.3**	**191.6**	**3,294.1**	**8,371.8**	**69.1**

Segment Reporting

(Note 42)

€ million		Aviation	Retail & Real Estate	Ground Handling	International Activities & Services	Reconcilia-tion	Group
Revenue	2023	1,098.8	498.8	676.8	1,726.1	–	**4,000.5**
	2022	828.1	446.4	550.1	1,369.8	–	**3,194.4**
Other income	2023	40.8	16.5	8.5	43.7	–	**109.5**
	2022	27.9	30.7	8.0	112.6	–	**179.2**
Income with third parties	**2023**	**1,139.6**	**515.3**	**685.3**	**1,769.8**	**–**	**4,110.0**
	2022	**856.0**	**477.1**	**558.1**	**1,482.4**	**–**	**3,373.6**
Inter-segment income	2023	96.8	237.1	38.7	383.7	–756.3	**–**
	2022	87.8	213.8	34.4	338.4	–674.4	**–**
Total income	**2023**	**1,236.4**	**752.4**	**724.0**	**2,153.5**	**–756.3**	**4,110.0**
	2022	**943.8**	**690.9**	**592.5**	**1,820.8**	**–674.4**	**3,373.6**
Segment result EBIT	**2023**	**151.8**	**274.0**	**–74.0**	**350.9**	**–**	**702.7**
	2022	**40.6**	**256.3**	**–111.6**	**379.2**	**–**	**564.5**
Depreciation and amortization of segment assets	2023	156.5	95.9	39.9	208.9	–	**501.2**
	2022	134.8	86.6	37.7	206.2	–	**465.3**
EBITDA	**2023**	**308.3**	**369.9**	**–34.1**	**559.8**	**–**	**1,203.9**
	2022	**175.4**	**342.9**	**–73.9**	**585.4**	**–**	**1,029.8**
Share of result from companies accounted for using the equity method	2023	2.4	–7.8	–0.7	90.6	–	**84.5**
	2022	0.1	–3.5	9.2	71.2	–	**77.0**
Income from investments	2023	0.0	0.0	0.3	0.0	–	**0.3**
	2022	0.0	0.0	0.1	0.0	–	**0.1**
Carrying amounts of segment assets	December 31, 2023	7,060.6	3,999.1	1,160.6	6,525.8	144.8	**18,890.9**
	December 31, 2022	6,406.9	3,727.4	1,035.3	6,245.2	192.8	**17,607.6**
Segment liabilities	December 31, 2023	6,003.6	3,342.3	954.0	3,812.3	186.4	**14,298.6**
	December 31, 2022	5,603.7	3,191.8	890.8	3,630.0	159.4	**13,475.7**
Acquisition cost of additions to property, plant, and equipment, investments in airport operating projects, goodwill, intangible assets, and investment property	2023	553.4	242.1	116.1	590.1	–	**1,501.7**
	2022	426.0	230.7	92.9	409.1	–	**1,158.7**
Other considerable non-cash effective expenses	2023	41.2	23.7	15.0	11.9	0.2	**92.0**
	2022	88.0	46.0	18.1	17.5	6.1	**175.7**
Investments in companies accounted for using the equity method	December 31, 2023	19.3	31.1	10.8	456.8	–	**518.0**
	December 31, 2022	0.6	29.0	12.5	449.3	–	**491.4**

Geographical information

€ million		Germany	Rest of Europe	Asia	America	Reconcilia-tion	Group
	2023	2,328.8	639.8	15.8	1,016.1	–	**4,000.5**
Revenue	2022	1,886.1	513.1	10.8	784.4	–	**3,194.4**
	2023	73.1	1.8	0.9	33.7	–	**109.5**
Other income	2022	73.1	24.4	54.6	27.1	–	**179.2**
	2023	**2,401.9**	**641.6**	**16.7**	**1,049.8**	**–**	**4,110.0**
Income with third parties	**2022**	**1,959.2**	**537.5**	**65.4**	**811.5**	**–**	**3,373.6**
	December 31, 2023	12,472.7	3,000.0	576.5	2,696.9	144.8	**18,890.9**
Carrying amounts of segment assets	December 31, 2022	11,398.0	3,113.3	691.4	2,212.1	192.8	**17,607.6**
Acquisition cost of additions to property, plant, and equipment, investments in airport operating projects, intangible assets, and investment property	2023	942.2	36.9	0.0	522.6	–	**1,501.7**
	2022	770.3	20.7	0.0	367.7	–	**1,158.7**

Notes to the Consolidation and Accounting Policies

1 Basis for the Preparation of the Consolidated Financial Statements

Fraport AG Frankfurt Airport Services Worldwide, Frankfurt/Main (hereinafter: Fraport AG), is a global airport operator and its main business focus is the operation of Frankfurt Main airport, one of Europe's most important air transport hubs. Fraport AG is headquartered at Frankfurt Airport, Germany. Fraport AG is registered in the Frankfurt am Main District Court, Department B, under number 7042.

Fraport AG has prepared its consolidated financial statements as at December 31, 2023 in accordance with the standards issued by the International Accounting Standards Board (IASB).

We have applied the International Financial Reporting Standards (IFRS) for the consolidated financial statements and the interpretations about them issued by the International Financial Reporting Committee (IFRS, IC) as adopted in the European Union (EU), in force on the balance sheet date, completely and without any restriction in accounting, measurement, and disclosure in the 2023 consolidated financial statements. Pursuant to Section 315e (1) of the German Commercial Code (HGB), these notes to the financial statements contain the supplementary disclosures according to Sections 313, 314 HGB.

As a capital market-oriented parent company of the Fraport Group, Fraport AG must prepare its consolidated financial statements in accordance with IFRS, pursuant to Regulation (EC) No 1606/2002 of the European Parliament and the Council dated July 19, 2002 (new version dated April 9, 2008) on the application of international accounting standards.

The consolidated income statement is prepared according to the nature of expenditure method.

The consolidated financial statements are prepared in euros (€). All figures are in € million unless stated otherwise.

The business activities and the organization of the Fraport Group are presented in the combined management report.

The Executive Board of Fraport AG prepared the consolidated financial statements as of December 31, 2023, submitted the prepared consolidated financial statements to the audit committee and the Supervisory Board for review and approval and released them for publication at its meeting on March 12, 2024.

2 Companies included in the Consolidation and Balance Sheet Date

Companies included in the consolidation and balance sheet date

Fraport AG and all subsidiaries are included in the consolidated financial statements in full. Joint ventures and associated companies are accounted for in the consolidated financial statements using the equity method.

Companies controlled by Fraport AG are considered to be subsidiaries. A company is controlled by Fraport AG if Fraport AG holds decision-making power on the basis of voting or other rights allowing it to determine the significant activities of the affiliated company, participates in positive or negative variable returns from the affiliated company, and is able to affect these returns through its decision-making power.

Inclusion in the consolidated financial statements commences on the date when control is obtained.

A joint arrangement applies if the Fraport Group makes joint decisions on operations on the basis of a contractual agreement with third parties. Joint management is exercised if decisions on significant activities require the unanimous agreement of all parties. A joint arrangement is either a joint operation or a joint venture.

For all joint arrangements in the Fraport Group, the partners have a share in the net assets of a jointly managed, legally independent company; these are therefore joint ventures.

Associated companies are Fraport investments in which Fraport AG is able to exercise major influence on financial and business policies.

The annual financial statements of the companies included in the consolidated financial statements are prepared on the basis of shared accounting and valuation principles.

The fiscal year of Fraport AG and all consolidated companies is the calendar year.

The consolidated financial statements of Fraport AG are dominated by the parent company. The companies included in the consolidated financial statements changed as follows during the 2023 fiscal year:

Companies included in consolidation

	Germany	Other countries	Total
Fraport AG	**1**	**0**	**1**
Fully consolidated subsidiaries			
December 31, 2022	25	30	55
Additions	0	2	2
Interim consolidation	–1	0	–1
Disposals	0	0	0
December 31, 2023	**24**	**32**	**56**
Companies accounted for using the equity method			
Joint ventures			
December 31, 2022	12	4	16
Additions	0	0	0
Interim consolidation	1	0	1
Disposals	0	0	0
December 31, 2023	**13**	**4**	**17**
Associated companies			
December 31, 2022	3	1	4
Additions	1	0	1
Disposals	–1	0	–1
December 31, 2023	**3**	**1**	**4**
Companies consolidated including companies accounted for using the equity method on December 31, 2022	41	35	76
Companies consolidated including companies accounted for using the equity method on December 31, 2023	**41**	**37**	**78**

In a second stage, effective January 1, 2023, FraSec Fraport Security Services GmbH sold 25% of the shares in FraSec Aviation Security GmbH, formerly FraSec Luftsicherheit GmbH to the Dr. Sasse Group. As a result of this sale, the Dr. Sasse Group holds a majority stake of 51% in FraSec Aviation Security GmbH. The company has been included in the consolidated financial statements as of January 1, 2023 as a joint venture. The deconsolidation of the Group company and the recognition of the remaining interest (49%) at fair value resulted in other operating income of €11.1 million. The company's assets and liabilities as of December 31, 2022 accounted for in accordance with IFRS 5 were disposed of in this connection.

On June 6, 2023, the associated company FraScout GmbH was founded. FraSec Services GmbH holds 49% of the shares in the company. The remaining 51% of the shares are held by Connect Holding GmbH. The objective of the company is the provision of personnel services, in particular at and in airports.

In the context of the tender for the center management at Washington Dulles International Airport (IAD) and Ronald Reagan Washington National Airport (DCA), Fraport USA founded the companies Fraport Washington LLC and Fraport Washington Partnership LLC in July 2023. After the successful conclusion of the tender process, the concession agreement with a term until March 31, 2034 was signed in October 2023. Operations were taken over on January 1, 2024.

In addition, all shares in the associated company Airmail Center Frankfurt GmbH were sold with effect from June 30, 2023. The transaction had a negative impact of €1.4 million on the Group result. The shares in Airmail Center Frankfurt GmbH were recognized separately in the balance sheet as “Non-current assets held for sale” until the date of their disposal.

The incorporations and partial sales in the reporting year had no substantial effects on the Fraport consolidated financial statements.

As at December 31, 2023, a total of 78 companies including associates were consolidated in the Fraport Group.

Fraport AG holds a 52% capital share of the company N*ICE Aircraft Services & Support GmbH, Frankfurt am Main. The company is included in the consolidated financial statements as a joint venture according to the equity method due to contractually agreed joint management.

Operational services GmbH & Co. KG, Frankfurt/Main, in which Fraport holds 50% of the shares, is recognized according to the equity method as an associated company based on the contractual arrangements. Due to the planned disposal as at December 31, 2023, the shares were reported under non-current assets held for sale in accordance with IFRS 5.

The full list of the shareholding pursuant to Section 313 (2) HGB is shown under note 57 of the Notes to the consolidated financial statements.

Disclosure of interests in subsidiaries

The following table shows the summarized financial information for the Group companies Lima Airport Partners S.R.L, Fraport Twin Star Airport Management AD, and the two Greek companies, Fraport Regional Airports of Greece A S.A. (hereinafter Fraport Greece A) and Fraport Regional Airports of Greece B S.A. (hereinafter Fraport Greece B). The Fraport Group holds substantial non-controlling interests in these companies. Lima Airport Partners S.R.L., Lima, operates Lima International Airport in Peru. Fraport Twin Star Airport Management AD, Varna, operates Varna and Burgas airports in Bulgaria. The two Group companies in Greece, Fraport Regional Airports of Greece A S.A., Athens, and Fraport Regional Airports of Greece B S.A., Athens, each operate seven airports in Greece. Further information on the companies is contained in note 49.

Disclosure of interests in subsidiaries

€ million	Fraport Regional Airports of Greece A S.A.		Fraport Regional Airports of Greece B S.A.		Lima Airport Partners S.R.L.		Fraport Twin Star Airport Management AD	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Participation quota of non-controlling interests in %	**35.00**	**35.00**	**35.00**	**35.00**	**19.99**	**19.99**	**40.00**	**40.00**
Non-current assets	941.7	970.0	940.1	984.5	1,564.8	1,176.2	158.2	154.2
Current assets	197.0	249.0	186.7	244.7	144.3	87.6	25.8	25.5
Non-current liabilities	872.4	1,024.1	932.3	1,081.0	856.6	256.7	62.5	63.9
Current liabilities	124.1	70.2	90.8	70.1	214.0	555.2	20.9	15.9
Shareholders' equity/net assets	**142.2**	**124.7**	**103.7**	**78.1**	**638.5**	**451.9**	**100.6**	**99.9**
Carrying amount, non-controlling interests	49.8	43.6	36.3	27.3	127.7	90.4	40.2	40.0

	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	305.0	236.2	240.2	207.5	792.0	590.1	51.2	43.5
EBITDA	153.6	149.3	114.1	119.2	109.2	100.2	20.6	19.3
Result after taxes	51.5	46.7	25.7	21.2	32.1	37.2	5.8	4.2
Other result	0.0	1.3	0.0	0.9	7.9	0.0	0.0	–0.2
Currency translation differences	0.0	0.0	0.0	0.0	–22.0	23.1	0.0	0.0
Comprehensive income	**51.5**	**48.0**	**25.7**	**22.1**	**18.0**	**60.3**	**5.8**	**4.0**
Proportion of non-controlling interests in comprehensive income	18.0	16.8	9.0	7.7	3.6	12.1	2.3	1.6
Cash flow from operating activities	114.8	116.1	77.2	97.4	52.8	119.4	25.3	19.2
Cash flow used in investing activities	–6.8	–3.8	–6.3	–4.8	–528.7	–360.1	–20.0	–10.8
thereof investments in airport operating projects	0.0	0.0	0.0	0.0	–38.0	–18.9	–4.4	–7.1
thereof in infrastructure	–6.8	–3.8	–6.3	–4.8	–490.7	–341.2	–15.6	–3.7
Cash flow used in financing activities	–183.3	2.6	–150.6	54.6	495.5	249.1	–5.0	0.0
Change in cash and cash equivalents	**–75.3**	**114.9**	**–79.7**	**147.2**	**19.6**	**8.4**	**0.3**	**8.4**
Cash and cash equivalents as at January 1	169.2	76.9	166.1	54.6	53.3	42.4	21.4	13.0
Changes in restricted cash	–4.0	–22.6	8.0	–35.7	0.0	0.0	0.0	0.0
Foreign currency translation effects on cash and cash equivalents	0.0	0.0	0.0	0.0	–1.9	2.5	0.0	0.0
Cash and cash equivalents as at December 31	89.9	169.2	94.4	166.1	71.0	53.3	21.7	21.4
Dividends to non-controlling interests	–11.9	0.0	0.0	0.0	0.0	0.0	–2.0	0.0

All subsidiaries are fully consolidated in the Fraport consolidated financial statements. The capital shares in the subsidiaries directly held by Fraport AG as a parent company do not differ from the proportion of voting rights held. There are no preferred shares in the subsidiaries.

3 Consolidation Principles

Capital consolidation of all business combinations follows the purchase method.

All identifiable acquired assets and the acquired liabilities, including contingent liabilities, are recorded at fair value on the acquisition date. The acquisition costs for company acquisitions correspond to the fair value of the transferred assets and liabilities. Incidental acquisition costs are recorded as expenses as they are incurred. Conditional purchase price payments are recorded at fair value on the acquisition date. Subsequent changes in the fair value of a conditional consideration, which is deemed to be an asset or a liability, will be recognized either through profit or loss or as a change in other income. Non-controlling interests are valued at fair value or the corresponding proportion of the identifiable net assets of the acquired company. In the case of step-by-step company acquisitions, the shares already held in the acquired company are revalued through profit or loss at fair value on the date that control is obtained.

Goodwill is recorded insofar as the sum of the consideration that is transferred, the amount of all non-controlling interests in the acquired company and any equity that was previously held and revalued on the acquisition date is higher than the balance of the acquired and revalued identifiable assets and the revalued acquired liabilities. If the comparison results in a lower amount, a net income on acquisition at a price below the fair value is recorded after the assigned values are reviewed.

Joint ventures and associated companies are accounted for in the consolidated financial statements using the equity method. Initial measurements of companies accounted for using the equity method are carried out at fair value at the time of acquisition, similarly to capital consolidation for subsidiaries. Subsequent changes in the shareholders' equity and the updating of the difference from initial valuation change the amount accounted for at equity.

Loans, accounts receivable, and liabilities, contingencies and other contingent liabilities between companies included in the consolidated financial statements, internal expenses, and income, as well as income from Group investments are eliminated.

Currency translation

Annual financial statements of companies outside Germany denominated in foreign currencies are translated on the basis of the functional currency concept in accordance with IAS 21. The assets and liabilities of the consolidated companies are translated at the exchange rate on the balance sheet date and shareholders' equity at the historical exchange rate, whereas, for the purpose of simplification, the expenses and income are translated at average exchange rates, since the companies are financially, economically, and organizationally independent. Foreign currency translation differences are included directly in equity without affecting profit or loss.

The following material exchange rates were used for the currency translation:

Exchange rates

Unit/Currency in €	Exchange rate December 31, 2023	Average exchange rate 2023	Exchange rate December 31, 2022	Average exchange rate 2022
1 US Dollar (US-$)	0.9028	0.9248	0.9367	0.9496
1 Turkish New Lira (TRY)	0.0305	0.3882	0.0500	0.0574
1 Renminbi Yuan (CNY)	0.1268	0.1305	0.1355	0.1413
1 Hong Kong Dollar (HKD)	0.1156	0.1181	0.1202	0.1213
1 Peruvian Nuevo Sol (PEN)	0.2445	0.2472	0.2473	0.2476
100 Russian Rubles (RUB)	1.0003	1.0808	1.3063	1.3469
1 Brazilian Real (BRL)	0.1861	0.1852	0.1771	0.1838

Business transactions in foreign currencies are accounted at the exchange rate on the date of the business transaction. Measurement of the resulting assets and liabilities that are nominally bound in the foreign currency as at the balance sheet date takes place at the exchange rate as at the balance sheet date. Translation differences are generally recorded through profit or loss.

4 Accounting Principles

Uniform accounting measurement policies

The financial statements of the Fraport Group are based on accounting and measurement policies that are applied consistently throughout the Group.

The consolidated financial statements are drafted on the basis of historic acquisition and production costs. Particular exceptions include financial assets available for sale and derivative financial instruments.

The following overview contains a summary of the valuation methods for items in the statement of financial position.

Measurement policies by financial position item

Financial position item	Measurement policy
Assets	
Goodwill	Accumulated impairment (IAS 36)
Investments in airport operating projects	Amortized costs
Other intangible assets with determinable useful lives	Amortized costs
Property, plant, and equipment	Amortized costs
Investment property	Amortized costs
Other financial assets	According to IFRS 9
Trade accounts receivable	According to IFRS 9
Other financial receivables and assets	According to IFRS 9
Other non-financial receivables and assets	Amortized costs
Inventories	Lower of acquisition or production cost and net realizable value
Cash and cash equivalents	Amortized costs
Derivative financial instruments	According to IFRS 9
Liabilities	
Financial liabilities	According to IFRS 9
Trade accounts payable	According to IFRS 9
Other financial liabilities	According to IFRS 9 and IFRS 16
Other non-financial liabilities	Amortized costs
Provisions for pensions and similar obligations	Projected unit credit method
Other provisions	Present value or amount required to settle the obligation
Derivative financial instruments	According to IFRS 9

Recognition of income and expenses

According to IFRS 15, revenue from contracts with customers must be recognized in the amount for which the company has fulfilled its performance obligation and the customer has received the authority to dispose of the agreed goods and services. The timing and amount of the revenue to be recognized is determined according to the following five-step process:

- Identification of the contract/s with a customer,
- Identification of the independent performance obligations,
- Determination of the transaction price,
- Distribution of the transaction price to the individual performance obligations,
- Revenue recognition upon fulfillment of the performance obligations.

Income and expenses from the same transactions and/or events are recognized in the same period.

In the Fraport Group, revenue is divided into the following types:

The Aviation segment includes, in particular, revenue from airport charges, which are based on a regulation approved by HMWEVW (Hessian Ministry of Economics, Energy, Transport and Housing) (see note 49), as well as from security services at the Frankfurt site. With the take-over of the management of aviation security checks at the Frankfurt site at the beginning of the 2023 fiscal year, revenue from aviation security charges were also recognized for the first time under security services. The airport charges are for the takeoffs, landings (including noise and emission), and parking of aircraft as well as for the use of passenger facilities. Security services refer to services for passenger, baggage, and cargo inspections on behalf of the German Federal Ministry of the Interior (BMI). The performance obligations in the Aviation segment are usually fulfilled within one day and recognized accordingly.

In the Retail & Real Estate segment, revenue is divided into the areas of real estate, retail, and parking.
Real estate revenue relates to leasing of buildings at Frankfurt Airport. In addition, Fraport AG offers various services in the area of real estate management for third parties. These range from the development and marketing of real estate management to energy management.

Revenue in the retail sector is divided into the categories of shopping, advertising, and services and primarily results from revenue from the rental of retail and service areas as well as the marketing of advertising space.
The area of parking includes, in particular, revenue from the leasing of parking spaces at various parking facilities. As a general rule, revenue from leasing and all other services is recognized using the straight-line method over the term of the lease or for a fixed term. In contrast, for disposals of real estate inventories, revenue is recognized at the time of transfer of control to the buyer.

In the Ground Handling segment, revenue is divided into the areas of ground services and charges for infrastructure. The apron services are responsible for carrying out loading and transport services. This includes, among other things, the transportation of passengers, baggage, and cargo as well as the loading and unloading of aircraft. In addition, the handling of freight includes, among other things, the landside processing of air freight and mail as well as freight documentation. The infrastructure charges include, in particular, charges for providing the central infrastructure, such as the central baggage transfer system, at the Frankfurt site.
The performance obligations in the Ground Handling segment are usually fulfilled within one day and recognized accordingly.

The International Activities & Services segment includes the operation, maintenance, development, and expansion of airports and infrastructure facilities in Germany and abroad. These services also encompass consulting services and customized solutions to the challenges of airport management (so-called ORAT services – operational readiness and airport transfer). The services of the foreign investments essentially correspond to those described for the Aviation, Retail & Real Estate, and Ground Handling segments. In addition, revenue in the segment includes contract revenue from construction and expansion services related to airport operating projects abroad which are being carried out in line with the respective progress in each construction project. The accounting treatment follows IFRIC 12.

In general, the payment terms are set depending on the type of revenue. The payment terms are typically between 0 and 40 days.

Interest income is recorded using the effective interest rate method.

Goodwill

After the initial recognition of goodwill acquired in the course of a business merger, it is measured at acquisition costs less any cumulative impairment losses.

For the purpose of impairment testing, goodwill acquired in the course of a business merger is assigned to the cash-generating units of the Group since the acquisition date. Goodwill impairment testing is performed by comparing the recoverable amount of a cash-generating unit to its carrying amount, including goodwill. The recoverable amount corresponds to the higher amount of the fair value less costs to sell and the value in use. Essentially, in the Fraport Group the value in use based on a company valuation model (discounted cash flow method) is used to calculate the recoverable amount. All goodwill items are tested for impairment at least once a year in December in accordance with IAS 36.88 – 99. In the event of an impairment, an impairment loss is recognized. Goodwill is not written up when the reasons for impairment are eliminated. Goodwill is not subject to regular depreciation and amortization.

Investments in airport operating projects

To allow for better transparency, investments in airport operating projects are presented separately. These consist of concessions for the operation of airports in Greece, Varna and Burgas (Bulgaria), Lima (Peru), and Fortaleza and Porto Alegre (Brazil) acquired within the scope of service concession agreements (see also note 49). The concession agreements for the operation of the airports fall under the application of IFRIC 12.17 and are recognized according to the intangible asset model, since Fraport receives the right in each case to impose a charge on airport users in exchange for the obligation to pay concession fees and provide construction and expansion services. The contractual obligations to pay concession fees that are not variable, but contractually fixed in amount, are recorded as financial liabilities. These liabilities are initially recognized at fair value using a risk-adjusted discount rate. Airport operation rights received as consideration are recorded as intangible assets at the same amount and reported under investments in airport operating projects. The rights received as consideration for construction and expansion services are recognized at the cost of production for the period in which the production costs are incurred. Revenue and expenses from construction and expansion services are generally recorded pursuant to IFRIC 12.14 and in accordance with IFRS 15. Borrowing costs are capitalized as part of the costs of acquisition if the requirements (see “Borrowing costs”) are fulfilled. Costs for ongoing, scheduled maintenance measures in connection with maintaining the operational readiness of the operated infrastructure are recognized as current expenses for the period. Provisions for corresponding maintenance measures are recognized if the concession agreements contain maintenance obligations that are specified in terms of amount.

The recognized financial liabilities are subsequently measured at amortized cost using the effective interest method. Subsequent measurement of the capitalized rights is at the cost of acquisition or production less cumulative regular depreciation and amortization over the term of the concessions.

Impairment losses are recognized in accordance with IAS 36, where necessary.

Other intangible assets

Acquired intangible assets (IAS 38) are recognized at acquisition cost. Their useful life is limited. They are amortized over their useful lives using straight-line depreciation and amortization. Where necessary, impairment losses are recognized in accordance with IAS 36. If the recoverable amount of the asset later exceeds the carrying amount after an impairment loss has been recognized, the asset is written up to a maximum of the recoverable amount. The write-up through profit or loss is limited to the amortized carrying amount that would have resulted if no impairment losses had been recognized in the past.

Development costs for internally generated intangible assets are capitalized at manufacturing cost when it is probable that the manufacture of these assets will generate future economic benefits for the company and the costs can be measured reliably. The manufacturing costs cover all costs directly attributable to the manufacturing process. If the conditions for capitalization are not met, the expenses are recognized in the income statement in the year in which they are incurred. Internally generated intangible assets are amortized over their useful lives using the straight-line method.

Borrowing costs of other intangible assets that constitute qualifying assets are recognized (see “Borrowing costs”).

Property, plant, and equipment

Property, plant, and equipment (IAS 16) are recognized at the cost of acquisition or production less straight-line depreciation and amortization and any impairment losses pursuant to IAS 36, where applicable. If the recoverable amount of the asset later exceeds the carrying amount after an impairment loss has been recognized pursuant to IAS 36, the asset is written up to a maximum of the recoverable amount. The write-up through profit or loss is limited to the amortized carrying amount that would have resulted if no impairment loss had been recognized in the past. Subsequent acquisition costs are capitalized. Production costs essentially include all direct costs including appropriate overheads. Borrowing costs of property, plant, and equipment that constitute qualifying assets are recognized (see “Borrowing costs”).

Each part of an item of property, plant, and equipment with an acquisition cost that is significant in relation to the total value of the item is measured and depreciated separately with regard to its useful life and the appropriate depreciation method.

Government grants and third-party grants related to assets are included in liabilities and are released straight-line over the useful life of the asset for which the grant has been given. Grants related to income are included as other operating income through profit or loss (IAS 20).

Investment property

Investment property (IAS 40) includes property held to earn long-term lease revenue or capital appreciation, which is not owner-occupied; it also consists of land held for a currently undetermined future use.

If land as yet held for an undetermined use is now defined as being held for sale and development has begun, it is transferred to inventories; if it is intended for own use, it is transferred to property, plant, and equipment.

Investment property is measured initially at the cost of acquisition or production. Subsequent measurement is at the cost of acquisition or production less regular straight-line depreciation and amortization and impairment losses according to IAS 36 where applicable. Borrowing costs of investment properties that constitute qualifying assets are capitalized (see “Borrowing costs”).

Borrowing costs

Borrowing costs (IAS 23) that relate to the acquisition, construction, or production of a qualifying asset are required to be capitalized as part of the acquisition/production cost of such assets. At Fraport AG, the planned investment measures form the basis for determining the qualifying assets. If the volume of the planned measures at Fraport AG exceeds €25 million and if the construction period is more than one year, all assets produced as part of the measure are recognized as qualifying assets. Each Group company defines its own individual criteria for what constitutes the presence of qualifying assets. Borrowing costs include interest, ancillary costs associated with debt capital and currency differences.

Regular depreciation and amortization

Regular depreciation and amortization is carried out on the basis of estimated useful technical and economic life. It takes place fundamentally on a Group-wide basis according to the straight-line method. The data on expected useful life also includes the useful lifespans of individual components.

The following useful lifespans are taken as a basis:

Regular depreciation and amortization

In years	
Investments in airport operating projects	25 – 50
Other concession and operator rights	34 – 39
Software and other intangible assets	1 – 30
Buildings (structural sections)	5 – 80
Technical buildings	20 – 40
Building equipment	12 – 38
Ground equipment	5 – 99
Flight operating areas	
Takeoff/landing runways	7 – 99
Aprons	20 – 99
Taxiway bridges	80
Taxiways	20 – 99
Other technical equipment and machinery	3 – 33
Vehicles (including special vehicles)	1 – 20
Other equipment, operating, and office equipment	1 – 25

The expected useful life of investment property corresponds to the expected useful life of the property, which is part of property, plant, and equipment.

Impairment losses pursuant to IAS 36

Impairment losses on assets are recognized pursuant to IAS 36. Assets are tested for impairment if there are indications of an impairment loss. An impairment test is carried out annually for existing goodwill. Impairment losses are recorded if the recoverable amount of the asset has fallen below its carrying amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The value in use is the present value of the estimated future cash inflows and outflows from the use and subsequent disposal of the asset.

Since it is not generally possible in the Fraport Group to allocate cash flows to individual assets, cash-generating units are formed and the existing goodwill is allocated to them. A cash-generating unit is defined as the smallest identifiable group of assets that generates separate cash inflows and outflows.

Regardless of indicators for possible impairment losses, assets are subject to an annual impairment test pursuant to IAS 36.

Generally, the value in use is calculated as the recoverable amount. The value in use is determined by the entity through application of the discounted cash flow method.

Determination of the future cash flows of the cash-generating units is based on the planning figures. The value in use is generally determined based on the future cash flows estimated on the basis of the current planning figures for the years between 2024 to 2028 as approved by the Executive Board and in effect at the time the impairment tests are made (in December of the year under review), and on the basis of the current long-term plans up to 2035 or over the respective contractual periods in the case of investments in airport operating projects and other concession and operator rights. These forecasts are based on past experience and the expected market performance, which is based on external studies and internal forecasts. A growth rate of 1.2% (previous year: 1.2%) based on the planning assumptions is taken into account in the perpetual annuity. The adequacy of the growth rate is checked using external forecasts on future traffic developments. The discount factor was a country-specific, weighted average cost of capital (WACC) before taxes of between 9.0% and 15.2% (previous year: 8.3% to 20.4%).

The forecasts presented in the "Business Outlook" chapter of the management report are in line with the base scenario of the planning and included in the impairment test calculations. The underlying planning also takes into account the costs of reducing carbon emissions as outlined in the "decarbonization master plan" in the "Climate protection" chapter and the costs of implementing the further climate protection measures presented. The passenger forecasts used in the planning take into account potential effects of the climate policy. Therefore, due to the consequently increased expected CO2 price, higher ticket prices of 10% until 2035 and a resulting reduction in demand of 5% is assumed.

The overall economic development continues to be characterized by the geopolitical crises the economic consequences of which, in particular the current inflation trend, are resulting in greater planning uncertainty. In order to account for these planning uncertainties, sensitivity analyses were carried out for all cash-generating units. As a general rule, the impairment of all units was assessed at a WACC higher by 0.5 percentage points and with a reduction in the revenue by 0.5 percentage points over the entire planning period. For the Slovenia cash-generating units, the increase in WACC results in an impairment requirement in the low millions range. The impairment of the cash-generating units within the framework of the revenue scenarios can be further confirmed.

Additional sensitivity analyses were also carried out for the cash-generating unit airport operations of Fraport AG. Scenarios for the underlying cash flows were developed by adjusting the planned increases in charges and the forecast traffic figures. One of the sensitivity analyses highlights the effects of a more drastic climate policy, which could lead to an increase of up to 16% in ticket prices. This scenario takes into account a reduction in passenger demand of up to 8% compared to the base scenario due to the higher prices.

The individual cash flow scenarios were then discounted with different capital cost rates after taxes ranging from 5.6% to 6.6%. The results of the sensitivity analysis allow the conclusion that there is no structural overestimation of the infrastructure. The scenarios show a range of the company value, ranging from overfunding in the low single-digit billions to underfunding in the low single-digit billions in the worst-case scenario. The worst-case scenario describes the scenario of a more drastic climate policy with a decline in passengers of up to 8% compared to the current forecast at unchanged planned fee increases. An adjustment in the fee increase in accordance with the German Air Traffic Law (LuftVG), in turn results in there no longer being an impairment requirement.

Another significant influence on the company's value is the value added of the perpetual pension. Therefore, the impairment in the base scenario was verified to ensure it applies even with a reduced growth rate of the perpetual annuity of 0.5%. The adjustment in the growth rate does not result in an impairment requirement.

Leases

The Fraport Group has recognized right-of-use assets and liabilities for leases in which the Fraport Group is the lessee in the amount of the present value of the payment obligations entered into. Right-of-use assets are recognized if the leasing contract entitles the user to control the use of an identified asset against payment of a fee for a certain period of time. The right-of-use assets are shown under property, plant and equipment. The lease liabilities are shown under other liabilities. Lease liabilities include fixed lease payments less lease incentives to be provided by the lessor, variable payments that are linked to an index or interest rate, expected residual value payments from residual value guarantees, the exercise price of a purchase option if the exercise was deemed to be reasonably certain, and contractual penalties for those termination of the lease if it is considered in the term that a termination option will be used. Lease payments are discounted at the interest rate that the lease is implicitly based on, if the lessor provided that interest rate. Otherwise, discounting is carried out using the lessee's incremental borrowing rate. This is derived from country-specific, risk-free debt financing interest rates with matching currencies and maturities. The right-of-use assets are measured at acquisition costs, which consist of the present value of the lease liability and initial direct costs as well as dismantling obligations and leasing payments received before or upon provision, less leasing incentives received. The subsequent measurement is carried out at amortized cost. Right-of-use assets are amortized on a straight-line basis over the lease term. If leasing agreements contain extension or termination options, all facts and circumstances are taken into account for the determination of the contract term that offer an economic incentive to exercise extension options or not to exercise such options. The term will only be adjusted if the exercise or non-exercise of such options is reasonably certain.

Taking into account the principle of materiality (IAS 1 in conjunction with IFRS 16.BC86), right-of-use assets and lease liabilities are accounted for exclusively for substantial real estate leasing contracts. Payments from leasing contracts, operating and office equipment, technical systems and machines, and properties with a contractual volume of less than €0.1 million are recorded as expenses in the same way as previous operating lease contracts. Furthermore, the regulations of IFRS 16 are not applied to intangible assets. The future minimum lease payments arising from the existing lease contracts for operating and office equipment and technical systems and machines are specified in note 46.

If an entity of the Fraport Group acts as a lessor and the contract will be classified as an operating lease, the leased property is shown in property, plant and equipment at amortized cost. Rental income is generally recorded on a straight-line basis over the term of the contract.

If an entity of the Fraport Group acts as a lessor and the contract will be classified as finance lease, Fraport recognizes the receivable in the amount of the net investment of the lease.

Investments in companies accounted for using the equity method

Investments in joint ventures and associated companies are recognized at the pro rata share of equity, including goodwill. Impairment losses are recorded if the recoverable amount is lower than the carrying amount. The investments are tested for impairment annually.

Other financial assets

Other financial assets include securities, loans and other investments. Other financial assets are recognized at fair value on the settlement date, i.e. at the time the asset is created or transferred, plus transaction costs. Other financial assets with a remaining term of up to one year are reported as current. The recognition and subsequent valuation is based on the cash flow characteristics and of the business models according to which they are managed.

A classification at amortized acquisition costs occurs when both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms and conditions lead to cash flows that only represent solely payments of principal and interest.

The loans are valued at amortized acquisition costs using the effective interest method.

The valuation as fair value other comprehensive income with recycling (FVOCI with recycling) is applied if the following conditions are met:

- The financial asset is held within a business model whose objective is to achieved by both holding financial assets in order to collect contractual cash flows and selling financial assets, and
- The contractual terms and conditions lead to cash flows that only represent solely payments of principal and interest.

FVOCI with Recycling applied to securities. Changes in value are recognized in other comprehensive income; interest income, remeasurements of currency translation gains and losses and impairment losses or reversals of impairment losses are recognized in profit or loss; if there is a premature sale, gains or losses are recycled from equity to profit or loss.

For other investments, the FVOCI option is exercised for strategic reasons. The fair value changes are recorded under other result. The profit and loss recorded in other result are not recycled with an effect on the income statement and no impairment losses are recognized in the income statement (FVOCI without recycling).

When deciding whether a contractual amendment leads to a disposal of a financial asset, quantitative and qualitative criteria are taken into account.

Trade accounts receivable, other financial and non-financial receivables and assets

Trade accounts receivable and other financial and non-financial receivables and assets are recognized on the settlement date, i.e., at the time the asset is created or economic ownership is transferred, at fair value plus transaction costs.

Trade accounts receivable, other financial and non-financial receivables and assets, and receivables from banks with a remaining term of less than one year are reported as current.

Trade accounts receivable, accounts receivable from banks, and all other financial receivables with fixed or ascertainable payments are held to “collect cash flows” and have “cash flows that are solely payments of principal and interest”. Subsequent measurement is carried out at amortized cost of acquisition, based on the effective interest method. Receivables in foreign currencies are translated at the exchange rate on the balance sheet date.

Assistance received from government

In principle, public contributions (IAS 20) are only recognized if there is reasonable assurance that the conditions attached to them are met and that the contributions are granted.

Contributions related to income are deducted from these expenses in the period in which the corresponding expenses are incurred. Entitlements to contributions for which sufficient security is in place are reported under other non-financial assets.

The contributions received in connection with short-time work schedules were recognized in personnel expenses as a reduction in expenses, and the existing entitlements were reported under other non-financial assets.

Impairment losses of financial assets

In general, impairment losses are recognized through profit or loss by directly reducing the carrying amount of the financial asset.

The impairment provisions are applied to the following assets:

- financial assets in the form of debt instruments that are measured at amortized costs, such as trade accounts receivables, loans to associated companies and bank balances and deposits

- financial assets in the form of debt instruments that are measured at fair value without affecting profit or loss

On each balance sheet date, the carrying amounts of the aforementioned financial assets that are measured at amortized costs or at the fair value without affecting profit or loss are assessed to see whether there is any objective evidence (such as considerable financial difficulties of the debtor, high probability of insolvency proceedings against the debtor, or a permanent decline of the fair value below amortized cost) that the asset may be impaired. The assessment takes place by considering forward-looking, macro-economic information on whether the credit risk has significantly increased (or decreased). The assessment of whether there is a significant increase or decrease in credit risk is relevant for whether loan defaults must be calculated over the next 12 months or over the entire term. The assessment is carried out on the basis of the change in credit risk during the expected term of the financial instrument.

For trade accounts receivable, a risk provision is recorded on a collective basis in the amount of the expected payment defaults over the entire term of the receivables. The determination of the expected payment defaults are based on historical information on payment defaults and qualitative insights into possible future defaults.

The available probability of default of the respective counterparty, taking into account insolvency rates, taken from external sources, are used to calculate the expected credit loss for financial assets in the general approach and for securities.

A risk provision is calculated taking into account the general materiality guidelines according to IAS 1. Changes are recognized in the amount of the required risk provisions as a write-up or impairment.

If an already impaired receivable is individually designated as non-recoverable, the asset is derecognized.

Inventories

Inventories include work-in-process, raw materials, consumables, supplies, and property held for sale within the ordinary course of business.

Work-in-process, raw materials, consumables, and supplies are measured at the lower of acquisition or production cost or net realizable value. Acquisition or production costs are generally calculated using the average cost method. Production costs include direct costs and adequate overheads.

Property held for sale within the ordinary course of business is also measured at the lower of acquisition or production cost or net realizable value.

The subsequent production cost required for land development is estimated for the entire marketable land area on the basis of specific cost unit rates for individual development measures. Depending on the land sales recognized in the respective year under review, the development costs are allocated on a pro rata basis to the remaining land area to be sold. Net realizable value is the estimated selling price less the costs incurred until the time of sale, and discounted over the planned selling period.

External reports on the fair value of the land being sold, as well as information about previous land sales, form the basis for the calculation of the estimated selling price.

Where the inventories constitute qualifying assets, the borrowing costs are capitalized.

If a write-down made in previous periods is no longer necessary, a write-up is recognized.

Cash and cash equivalents

Cash and cash equivalents basically include cash, cash accounts, and short-term cash deposits (including restricted cash) with banks maturing in three months or less. Cash deposits with banks with a maturity of more than three months from the time of acquisition are recorded in this item if their values do not fluctuate significantly and they can be liquidated at short notice without deduction for risk. Cash and cash equivalents are recognized at amortized costs. Cash in foreign currencies is translated at the exchange rate on the balance sheet date.

Non-current assets held for sale

Non-current assets held for sale are recognized at either the carrying amount or at fair value less costs to sell, whichever is the lower amount.

Accounting of taxes on income

Taxes on income are recognized using the liability method pursuant to IAS 12. All tax expenses and refunds directly related to income are recorded as taxes on income. These also include withholding taxes and penalties. Interest accrued based on subsequently assessed taxes are recorded as an interest expense.

Current taxes are recognized on the date when the liability for taxes on income is incurred.

Deferred taxes are recognized pursuant to IAS 12 using the liability method based on temporary differences on a case by case basis. Deferred taxes are recognized for temporary differences between the IFRS and tax financial positions of the single entities, and differences arising from unused, utilizable loss and interest carry-forwards and consolidation transactions. The recognition of goodwill that is not deductible for tax purposes does not lead to deferred taxes.

If the carrying amount of an asset in the IFRS financial position exceeds its tax base (e.g. non-current assets depreciated on a straight-line basis), and if the difference is temporary, a deferred tax liability is recognized. Pursuant to the IFRS, deferred tax assets are recognized from financial position differences and for carry-forwards of unused tax losses, to the extent that it is probable that taxable profit will be available, against which the unused tax losses and unused tax credits can be utilized.

Deferred taxes are calculated at future tax rates insofar as these have already been legally established and/or the legislative process is largely completed. Changes in deferred taxes on the financial position generally lead to deferred tax income or expense. When transactions resulting in a change to deferred taxes are recorded directly in shareholders' equity without affecting profit or loss, the change to deferred taxes is also included directly in shareholders' equity without affecting profit or loss.

Deferred tax assets and liabilities are netted insofar as these income tax claims and liabilities relate to the same tax authority and to the same taxable entity or a group of different taxable entities that, however, are assessed jointly for income tax purposes.

No deferred tax liabilities are recognized for temporary differences in connection with shares in subsidiaries if Fraport can control the timing of the reversal and it is not expected that these differences will reverse in the foreseeable future.

Provisions for pensions and similar obligations

The provisions for pensions relate to defined benefit plans and have been calculated in accordance with IAS 19 under the application of actuarial methods and an interest rate of 3.16% (previous year: 3.69%). For the calculation of the interest expense from the defined benefit plans and the income from plan assets, the same interest rate is used as a basis.

Re-measurements resulting from the change in the interest rate or from the difference between actual and computed income from plan assets, for example, are recognized in other comprehensive income (OCI) as non-reclassifiable.

The present value of the defined benefit obligation (DBO) is calculated annually by an independent actuary using the projected unit credit method. The calculation takes place by discounting the future estimated cash outflows with the interest rate from industry bonds of the highest creditworthiness. The industry bonds are denominated in the currency of the distribution amounts and show the relevant maturities of the pension obligations. If benefit claims from the defined benefit plans are covered by plan assets in the form of reinsurance, the fair value of the plan assets is netted with the DBO. Benefit claims that are not covered by plan assets are recognized as pension provisions.

As in the previous year, the calculations did not include salary increases for the active members of the Executive Board. For former members of the Executive Board retirement pensions are valued in accordance with the Act on Adjustments to Compensation and Retirement in Hesse as amended. The calculation of provisions for pensions was based on the 2018G mortality tables by Professor Heubeck.

The service cost and net interest are recognized in personnel expenses.

With regard to the description of the various plans, see note 38.

Provisions for taxes

Provisions for current taxes are recognized for tax expected to be payable in the year under review and/or previous years taking into account anticipated risks.

Other provisions

Provisions represent liabilities that are uncertain with regard to amount and/or maturity. Other provisions are recognized in the amount required to settle the obligations. The amount recognized represents the most probable value.

Provisions are recognized to the extent that there is a current commitment to third parties. In addition, they must be the result of a past event, lead to a future cash outflow, and more likely than not be needed to settle the obligation (IAS 37).

Refund claims toward third parties are capitalized separately from the provisions as “other receivables”, provided that their realization is virtually certain.

Non-current provisions with remaining terms of more than one year are discounted at a capital market interest rate with a matching maturity, taking future cost increases into account, provided that the interest effect is material. This applies, among other things, to the provisions for wake turbulence, which are discounted over a period until 2031 and according to the expected cash outflow date of matching interest rates up to 3.15% (previous year: 2.99%).

The provision for partial retirement is recognized pursuant to IAS 19. The recognition of the liability from step-ups starts at the time when Fraport can legally and factually no longer withdraw from the liability. The step-up amounts are added to the liability in installments until the end of the active phase on a pro rata basis. The utilization begins with the passive phase.

Contingent liabilities

Contingent liabilities are possible liabilities that are based on past events, and the existence of which is only confirmed by the occurrence of one or more indeterminate future events that are nonetheless beyond Fraport's control. Furthermore, current obligations may constitute contingent liabilities if the probability of the outflow of resources is not sufficient for a liability to be recognized, or if the extent of the liability cannot be reliably estimated. Contingent liabilities are not recorded in the financial position, but rather shown in the notes.

Liabilities

Financial liabilities, trade accounts payable, and other financial and non-financial liabilities are recorded at their fair value less possible transaction costs upon initial recognition. For current liabilities, this corresponds generally to the nominal value. Non-current low-interest or non-interest-bearing liabilities are carried at their present value at the time of addition less possible transaction costs. Liabilities in foreign currencies are translated at the exchange rate on the balance sheet date.

Subsequent measurement of financial liabilities is based on the effective interest method at amortized acquisition cost. Each difference between the refund amount and the repayment amount is recorded in the income statement over the term of the contract in question using the effective interest method.

Derivative financial instruments, hedging transactions

The Fraport Group basically uses derivative financial instruments to hedge existing and future interest and exchange rate risks. Derivative financial instruments are measured at fair value in accordance with IFRS 9. Positive market values are recognized as other financial assets; negative market values as other financial liabilities. Effective changes of value on cash flow hedges are recorded in shareholders' equity in the reserve for financial instruments without affecting profit or loss. Corresponding to this, deferred taxes on the fair values of cash flow hedges are also recorded in shareholders' equity without affecting profit or loss. The effectiveness of the cash flow hedges is assessed on a regular basis. Ineffective cash flow hedges are recorded in the income statement through profit or loss under other financial result.

If the criteria for a cash flow hedge are not no longer met, the hedge accounting is released. In this case, the changes in the fair value and the related deferred taxes are recognized in the income statement (FVTPL). The fair value changes are recorded under "financial result on other items".

Derivative financial instruments are recognized at the trading date.

Treasury shares

Repurchased treasury shares are deducted from the issued capital and the capital reserve.

Virtual stock options

Virtual stock options ("Long-Term Incentive Program") have been issued since January 1, 2010 as part of the remuneration for the Executive Board and Senior Managers. As of January 1, 2020, virtual performance shares ("Performance Share Plan") have been allocated to the Executive Board and senior employees. They are paid out in cash immediately at the end of the performance period of four years. The measurement of virtual shares respectively performance shares is at fair value pursuant to IFRS 2. Up to the end of the performance period, the fair value is re-determined on each reporting date and on the date of performance and is recorded in personnel expenses on a pro rata basis.

Judgment and uncertainty of estimates

The presentation of the asset, financial, and earnings position in the consolidated financial statements depends on accounting and valuation methods as well as assumptions and estimates. The assumptions and estimates made by the management in drawing up the consolidated financial statements are based on the circumstances and assessments on the balance sheet date. Although the management assumes that the assumptions and estimates applied are reasonable, there may be unforeseen changes in these assumptions that could affect the Group's asset, financial, and earnings position.

Revenue, result and cash flow development and forecasts

The air traffic and passenger numbers at the Group airports are substantial drivers of the revenue, result, and cash flow development in the Fraport Group. The assumptions about the short, medium and long-term development of this driver, and the global development of flight traffic and passenger numbers are incorporated via corporate and Group planning, in particular into the judgment of the impairment of assets according to IAS 36, especially in the context of cash flow forecasts, determining the useful life of property, plant, and equipment by influencing the economic and technical usability of airport infrastructure, and implicitly in the assessment of default risks for receivables from contracts with customers.

The assumptions made regarding the development of the air traffic and passenger numbers are based on forecasts from various external experts and sources, which are updated regularly, and among other things, form the basis for the medium and long-term Group planning. These forecasts depict risks for the development of the flight traffic and passenger numbers such as climate and environmental risks, political risks, and economic developmental risks in the traffic and passenger volume forecast, which are thus taken into account in the measurement of assets. Airport charges represent a significant portion of revenue and are directly dependent on air traffic. Due to the impact of air traffic on the environment, the development of future air traffic and passenger volumes is strongly dependent on decisions regarding climate policy. These risks are presented and assessed in the Risk and Opportunities Report. The forecast effects of climate policy are reflected in corporate and Group planning. Further details in this regard can be found in note 4 in the section “Impairment losses pursuant to IAS 36”.

Balance sheet items for which assumptions and estimates have a significant effect on the reported carrying amount are shown below.

Property, plant, and equipment

Experience, planning, and estimates play a crucial role in determining the useful life of property, plant, and equipment. Carrying amounts and useful lifespans are checked on each reporting date and adjusted as required.

Other financial assets

The valuation of loans included in the other financial assets is based in part on cash flow forecasts.

Trade accounts receivable

The determination of the expected payment defaults over the overall term of the receivables depends, among other things, on the assessment of qualitative insights into possible future defaults.

Taxes on income

Fraport is subject to taxation in various countries. In assessing global income tax receivables and liabilities, estimates sometimes need to be made. The possibility cannot be ruled out that the tax authorities will come to a different tax assessment. The associated uncertainty is accounted for by recognizing uncertain tax receivables and liabilities when they are considered by Fraport to have a probability of occurrence of more than 50%. A change to the assessment, for example, as a result of final tax assessments, will have an effect on current and deferred tax items. For uncertain income tax items that have been recognized, the expected tax payment is used as a basis for the best estimate.

Deferred tax assets

Deferred tax assets are recognized if it is probable that future tax benefits can be realized. The actual tax earnings situation in future fiscal years, and therefore the actual usability of deferred tax assets, could differ from the forecasts at the time the deferred tax assets are recognized.

Provisions for pensions and similar obligations

Material valuation parameters for the valuation of provisions for pensions and similar obligations are the discount factor as well as trend factors (see also note 38).

Other provisions

The valuation of the other provisions is subject to uncertainty with regard to estimations of amount and the time of occurrence of future cash outflows. As a result, changes in the assumptions on which the valuation is based could have a material impact on the asset, financial, and earnings position of the Fraport Group. In connection with legal disputes, Fraport draws on information and estimates provided by the Legal Affairs department and any mandated external lawyers when assessing a possible obligation to recognize provisions and when valuing potential outflows of resources. The existing provisions for passive noise abatement as at December 31, 2023 and wake turbulences are substantially dependent with regard to their amounts on the utilization of the underlying programs by the eligible beneficiaries. The existing provisions for compensation in accordance with nature protection laws as at December 31, 2023 are dependent with regard to their amount on the extent and time of implementation of the environmental compensation measures. For further information on significant provisions, please refer to Note 40.

Contingent liabilities

The contingent liabilities are subject to uncertainty with respect to estimations of their amounts and, in particular, the timing of cash outflows. The time of the expected cash outflow is specified if it can be determined sufficiently reliably.

Company acquisitions

When an acquired company is consolidated for the first time, all identifiable assets, liabilities, and contingent liabilities must be recognized at their fair value at the time of acquisition. One of the main estimates relates to the determination of the fair value of these assets and liabilities at the time of acquisition. The measurement is usually based on independent expert reports. Marketable assets are recognized at market or stock exchange prices. If intangible assets are identified, the fair value is usually measured by an independent external expert using appropriate measurement methods which are primarily based on future expected cash flows. These measurements are considerably influenced by assumptions about the developments of future cash flows as well as the applied discount rates. The actual cash flows may differ significantly from the cash flows used as a basis for determining the fair values.

Impairment losses

The impairment test for goodwill and other assets within the scope of IAS 36 is based on assumptions about future developments. Fraport AG carries out these tests annually as well as when there are reasons to believe that goodwill has been impaired. In the case of cash-generating units, the recoverable amount is determined. This corresponds to the higher of fair value less costs to sell and value in use. The measurement of the value in use includes estimates regarding the forecasting and discounting of future cash flows. The underlying assumptions could change on account of unforeseeable events and may therefore impact the asset, financial, and earnings position.

Specific estimates or assumptions for individual accounting and valuation methods are explained in the relevant section. These are based on the circumstances and estimates on the balance sheet date, and in this respect also affect the amount of the reported income and expense amounts of the fiscal years shown.

New standards, interpretations, and changes

Of the new standards, interpretations and changes, Fraport generally applies those for which application was mandatory; i.e. those applicable to fiscal years beginning on or before January 1, 2023.

On May 18, 2017, the IASB adopted the new standard IFRS 17 “Insurance Contracts”, including the amendments of June 25, 2020. Further amendments (“First-time Adoption of IFRS 17 and IFRS 9 - Comparative Information”) were adopted by the IASB on December 9, 2021. IFRS 17 replaces IFRS 4 “Insurance Contracts” and sets out new approaches for the presentation, recognition and measurement of insurance contracts. IFRS 17 and its amendments were adopted under EU law on November 19, 2021 and September 8, 2022 respectively and must be applied to fiscal years starting on or after January 1, 2023. An earlier application of the amendments is permitted. No such insurance contracts are held by the Fraport Group. There have consequently been no effects on the representation of the asset, financial, and earnings position of the Fraport Group.

On February 12, 2021, the IASB issued amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Accounting Errors”. The objective of the amendments to IAS 1 is to improve the quality of financial reporting by only requiring disclosures on material and non-significant accounting policies. Accounting policies are material if they are necessary to understand other material information in the financial statements. This is likely to apply to accounting policies that relate to significant transactions and other material events in the entity. The amendments to IAS 8 relate to the definition of accounting estimates. They include clarifications to better distinguish between accounting policies and accounting estimates. Both amendments were adopted under EU law on March 3, 2022 and must be applied to fiscal years starting on or after January 1, 2023. Earlier application of the amendments was permitted. The amendments to IAS 1 and IAS 8 did not have a material impact on the reporting of the asset, financial, and earnings position of the Fraport Group.

On May 7, 2021, the IASB published amendments to IAS 12 "Income Taxes". The current prohibition on recognizing deferred taxes upon initial recognition of an asset or liability is no longer to apply to transactions in which both deductible and taxable temporary differences arise in the same amount. The exception applies to narrowly defined cases, for example leases and disposal or restoration obligations. Where deductible and taxable temporary differences arise in equal amounts, both deferred tax assets and deferred tax liabilities must be recognized. The amendments were adopted under EU law on August 12, 2022 and must be applied to reporting periods from January 1, 2023. Earlier application was permitted. The application of the amendments to IAS 12 did not have a material impact on the reporting of the asset, financial, and earnings position of the Fraport Group.

On May 23, 2023, the IASB published amendments to “IAS 12: International Tax Reform: Pillar Two Model Rules”. The amendments include a temporary, mandatory exemption from the recognition of deferred taxes resulting from the introduction of a global minimum tax as well as specific disclosures in the notes for entities that are affected. In periods in which legislation to implement the global minimum tax has been passed but has not yet come into force, disclosures must be made regarding the effects of the Pillar Two regulations or an estimate of the resultant income taxes for the company. The amendments were endorsed in EU law on November 8, 2023 and are mandatorily effective for fiscal years beginning on or after January 1, 2023. With regard to the amendments to IAS 12 and the future effects of the introduction of a global minimum tax on the presentation of the asset, financial and earnings position of the Fraport Group, see the section "Global minimum taxation" below.

Standards which have not been applied prematurely

For the following new or amended standards and interpretations, which the Fraport Group is not obliged to adopt until future fiscal years, the Fraport Group is currently working on implementing the requirements for initial application. Early application is not planned. At this point in time, Fraport expects the effects on the consolidated financial statements described below.

Standards, interpretations, and amendments published and adopted into European law by the European Commission

On September 22, 2022, the IASB approved amendments to IFRS 16 “Leases”. The amendments relate to the accounting of leasing liabilities from sale and leaseback transactions. The amendment to IFRS 16 requires leasing liabilities to be measured in such a way that subsequent measurement does not result in a profit or loss in relation to the retained right-of-use asset. The amendments were adopted under EU law on November 21, 2023 and must be applied from January 1, 2024. Earlier application is permitted. The amendments to IFRS 16 are not expected to have a material impact on the future reporting of the asset, financial, and earnings position of the Fraport Group.

On January 23, 2020, the IASB published changes to IAS 1 “Presentation of Financial Statements” regarding the classification of liabilities as current or non-current. Liabilities must be reported as non-current if, at the end of the reporting period, the company has a substantial right to defer the settlement of the debt by at least twelve months after the balance sheet date. On July 15, 2020, the IASB postponed the initial application of the amendments to IAS 1 to January 1, 2022. The amendments are not expected to have a material impact on the reporting of the asset, financial, and earnings position of the Fraport Group in future.

On October 31, 2022, the IASB published changes to IAS 1 “Presentation of Financial Statements”. The amendments relate to the classification of liabilities (as current or non-current) for which certain credit conditions (covenants) have been agreed. The amendments state that only those covenants that a company must comply with on or before the reporting date affect the classification of a liability as current or non-current. Furthermore, the amendments provide for additional disclosure requirements for non-current liabilities with ancillary conditions. Among other things, the following disclosures must be made: Carrying amount of the liability, type of covenant, and period for which the ancillary conditions apply. The amendments to IAS 1 are to be applied for the first time to fiscal years starting on or after January 1, 2024. The amendments are not expected to have a material impact on the reporting of the asset, financial, and earnings position of the Fraport Group in future.

The amendments to IAS 1 of January 23 and July 15, 2020 as well as October 31, 2022 were adopted into EU law on December 19, 2023 and must now be applied uniformly from no later than January 1, 2024.

Standards, interpretations, and amendments that have been published, but not yet adopted into European law by the European Commission

On May 25, 2023, the IASB published amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures” with respect to additional disclosures on financing agreements with suppliers (reverse factoring transactions). The new requirements make it mandatory to disclose the following information in the future: terms, conditions and subject matter of the supplier financing agreements, the carrying amounts and balance sheet items of the resulting liabilities at the beginning and end of the period, the range of payment terms and further information on the liquidity risk of the supplier financing agreements. The amendments are mandatorily applicable for fiscal years from January 1, 2024. An earlier application is permitted, but this requires EU endorsement. The amendments are not expected to have a material impact on the reporting of the asset, financial, and earnings position of the Fraport Group in future.

On August 15, 2023, the IASB published changes to IAS 21 “Impacts of exchange rate differences”. The amendment concerns the determination of the exchange rate when a currency cannot be exchanged in the long term. The amended standard supplements IAS 21 with the requirements for assessing whether a currency can be exchanged for another currency, the procedure for determining an exchange rate and additional explanations on non-convertible currencies. The amendments to IAS 21 are to be applied for the first time to fiscal years starting on or after January 1, 2025. An earlier application is permitted, but this requires EU endorsement. The amendments are not expected to have a material impact on the reporting of the asset, financial, and earnings position of the Fraport Group in future.

Global minimum taxation

The Fraport group falls into the area of application of the OECD Model Rules (global minimum taxation). The legislation on global minimum taxation was promulgated in Germany, the country in which the ultimate parent company of the Fraport Group is domiciled and will enter into effect for fiscal years starting after December 30, 2023. According to the legislation, the Fraport Group is obligated to pay a supplementary tax for each country in which it maintains business units as defined in the legislation. The supplementary tax is calculated by determining the effective tax rate and, if the determined effective tax rate is lower than the minimum tax rate of 15%, the Fraport Group must pay the difference between the effective tax rate and the minimum tax rate.

Since the legislation had not entered into force in any jurisdiction in which Fraport maintains business units as defined in the legislation at the time of reporting, there is no tax burden in this regard for the reporting period.

The Group has applied the temporary exemption from the accounting requirements for deferred taxes in IAS 12 published by the IASB in May 2023. Accordingly, no deferred taxes are recognized in relation to the rules on global minimum taxation and no related information is disclosed.

The Fraport Group is currently working on forecasting an estimate with regard to the impact of the global minimum tax on fiscal year 2024 (first year of application of the legislation).

With regard to its activities in Bulgaria, a country in which the statutory tax rate is 10%, the Group does not expect significant additional taxes to be incurred, partly due to the preliminary evaluations of the substance-based exemption regulations. Also with regard to its other activities, the Group anticipates that the first-time application of the regulations on global minimum taxation will not have a significant impact on the effective tax rate of the Group.

Due to the complexity involved in the application of the legislation and the resulting comprehensive additional data requirements, it cannot be ruled out that the actual, effects could deviate significantly from the current estimates.

Notes to the Consolidated Income Statement

5 Revenue

Revenue

€ million	2023	2022
Aviation		
Airport charges	814.4	618.4
Security services	239.2	173.7
Other revenue	45.2	36.0
	1,098.8	**828.1**
Retail & Real Estate		
Real Estate	189.2	185.9
Retail	186.7	153.6
Parking	101.6	78.9
Other revenue	21.3	28.0
	498.8	**446.4**
Ground Handling		
Ground services	342.8	291.2
Infrastructure charges	313.9	237.5
Other revenue	20.1	21.4
	676.8	**550.1**
International Activities & Services		
Aviation	686.4	594.6
Non-Aviation	524.3	444.1
Contract revenue from construction and expansion services (IFRIC 12)	515.4	331.1
	1,726.1	**1,369.8**
Total	**4,000.5**	**3,194.4**

Due to the take-over of the management of aviation security checks at the Frankfurt site at the beginning of the 2023 fiscal year, revenue from aviation security charges of €220.8 million was achieved for the first time. In contrast, revenue from security services decreased by €155.3 million compared to the previous year as a result of the deconsolidation of the Group company FraSec Aviation Security GmbH as at January 1, 2023. Both effects impacted revenue from security services. For a detailed explanation of the revenue, see the combined management report, chapter “Group Results of Operations”.

The Retail & Real Estate segment includes income from operating leases from renting terminal areas, offices, buildings, and properties. No purchase options have been agreed upon. When renting retail space, either minimum rents or variable, revenue-related rents apply, depending on the occurrence of contractually defined conditions. Predominantly variable rents are agreed for these areas. Overall, during the fiscal year, revenue-related rent of €154.5 million (previous year: €127.8 million) was realized. The underlying lease contracts in the Retail section for fiscal year 2023 contain contractually agreed minimum lease payments of €40.1 million (previous year: €16.6 million).

Properties were predominantly rented in the form of assigned hereditary building rights. On the reporting date, the remaining term of hereditary building rights contracts is 37 years on average (previous year: 42 years).

The acquisition and production costs of the leased buildings and land amount to €535.4 million (previous year: €523.9 million). Cumulative depreciation and amortization came to €396.8 million (previous year: €380.2 million), of which depreciation and amortization amounted to €6.0 million for the fiscal year (previous year: €4.3 million).

Revenue in the International Activities & Services segment is allocated to the Aviation and Non-Aviation sections as well as contract revenue from construction and expansion services related to airport operating projects. The Aviation revenue includes revenue, in particular, from airport charges as well as security services (€686.4 million; previous year: €594.6 million). Revenue in the Non-Aviation section was €348.3 million (previous year: €288.1 million), resulting from retail and real estate activities as well as parking. In addition, €95.9 million (previous year: €84.5 million) was attributable to infrastructure charges and ground handling services. Contract revenue from construction and expansion services related to airport operating projects in the amount of €515.4 million (previous year: €331.1 million) was attributed to Lima (€465.7 million; previous year: €312.1 million), Greece (€36.9 million; previous year: €10.3 million) as well as Fortaleza and Porto Alegre (€12.8 million; previous year: €8.7 million).

Revenue in the amount of €4,000.5 million (previous year: €3,194.4 million) resulted from €2,771.1 million (previous year: €2,236.2 million) from contracts with customers in accordance with IFRS 15. Other revenue relates to particular contract revenue from construction and expansion projects in accordance with IFRIC 12 as well as proceeds from rentals and other leases.

The total amount of future income from minimum lease payments arising from non-cancelable leases is as follows:

Minimum lease payments

€ million						Remaining term	Total
	Due in the 1st subsequent year	Due in the 2nd subsequent year	Due in the 3rd subsequent year	Due in the 4th subsequent year	Due in the 5th subsequent year	Due from the 6th subsequent year	2023
Minimum lease payments	155.4	108.3	96.4	92.8	88.6	1,511.3	2,052.8

€ million						Remaining term	Total
	Due in the 1st subsequent year	Due in the 2nd subsequent year	Due in the 3rd subsequent year	Due in the 4th subsequent year	Due in the 5th subsequent year	Due from the 6th subsequent year	2022
Minimum lease payments	162.0	93.2	86.7	81.7	79.7	1,505.2	2,008.5

The future income from minimum lease payments includes the contractual unconditional minimum rental for the retail areas as well.

6 Other Internal Work Capitalized

Other internal work capitalized

€ million	2023	2022
Other internal work capitalized	50.5	39.9

The other internal work capitalized primarily relates to engineering, planning, and construction services and services of commercial project managers, as well as other performance work. The internal work capitalized primarily arose as part of the expansion program and for the expansion, renovation, and modernization of the existing airport infrastructure at Frankfurt Airport.

7 Other Operating Income

Other operating income

€ million	2023	2022
Compensation claims in connection with Covid 19	18.6	49.2
Effects from the transitional consolidation of FraSec Aviation Security GmbH	11.1	0.0
Settlement Agreement Fraport USA	11.0	0.0
Income from compensation payments	2.0	1.1
Gains from disposal of non-current assets	1.4	0.4
Releases of allowances	1.0	2.0
Releases of special items for investment grants	0.5	0.5
Net income from the sale of investments in companies accounted for using the equity method	0.0	72.3
Change in work-in-process	0.0	0.1
Others	13.4	13.7
Total	**59.0**	**139.3**

In fiscal year 2023, both Brazilian Group companies again realized compensation claims in connection with the coronavirus pandemic amounting to €18.6 million. In addition, other operating income included effects from the transitional consolidation of the Group company FraSec Aviation Security GmbH and the recognition of the remaining shares (49%) at a fair value totaling €11.1 million. Furthermore, income of €11.0 million was realized with the settlement of a legal dispute at the Group company Fraport USA.

The previous year was predominantly impacted by the sale of all shares in the associated company Xi'an and in the joint venture D-Port Logistik GmbH. A net income of €53.7 million (Xi'an) and €18.6 million (D-Port Logistik GmbH) resulted from the transactions. In addition, in fiscal year 2022, the compensation claims in connection with the coronavirus pandemic were included in other operating income at Fraport Greece (€23.6 million) and the Brazilian Group companies (€18.5 million).

8 Cost of Materials

Cost of materials

€ million	2023	2022
Cost of purchased services	–1,038.4	–691.8
Cost of construction and expansion services (IFRIC 12)	–515.4	–331.1
Cost of raw materials, consumables, supplies, and real estate inventories	–83.5	–78.7
Total	**–1,637.3**	**–1,101.6**

In the context of the airport operating projects outside of Germany (see also note 49) the cost of purchased services includes accrued variable concession charges of €245.7 million (previous year: €183.1 million). The costs for construction and expansion services amounted to €515.4 million (previous year: € 331.1 million).

9 Personnel Expenses and Number of Employees

Personnel expenses and average number of employees

€ million	2023	2022
Remuneration for staff	–881.1	–842.8
Social security and welfare expenses	–162.5	–164.1
Pension expenses	–32.4	–29.8
Total	**–1,076.0**	**–1,036.7**

Average number of employees	2023	2022
Permanent employees	16,789	18,052
Temporary staff (interns, students, and partially employed staff)	1,051	798
Total	**17,840**	**18,850**

Additions to pension provisions and additions to obligations arising from time-account models are included in personnel expenses.

In the previous year, the contributions for short-time work schedules resulted in a reduction in personnel expenses of €1.9 million. Of this amount, €0.5 million was attributable to social security contributions to be reimbursed.

10 Depreciation and Amortization

Depreciation and amortization

€ million	2023	2022
Composition of depreciation and amortization		
Goodwill		
non-regular	0.0	0.0
Investments in airport operating projects		
regular	–130.6	–113.5
Other intangible assets		
regular	–14.0	–17.4
non-regular	0.0	–3.4
Property, plant, and equipment		
regular	–355.7	–326.7
non-regular	0.0	–3.4
Investment property		
regular	–0.9	–0.9
Total	**–501.2**	**–465.3**

Regular depreciation and amortization

The useful lives of property, plant, and equipment were re-measured in the year under review, resulting in reduced depreciation and amortization of €11.7 million year on year (previous year: €7.4 million) and increased depreciation and amortization of €25.7 million (previous year: €2.1 million).

Non-regular depreciation and amortization

Non-regular depreciation and amortization in the previous year relate to the Group company Fraport USA.

11 Other Operating Expenses

Other operating expenses

€ million	2023	2022
Insurances	–35.7	–32.9
Consulting, legal, and auditing expenses	–27.3	–26.0
Costs for advertising	–17.7	–14.4
Rental and lease expenses	–14.5	–12.4
Other taxes	–12.0	–9.4
Indemnities	–6.0	–34.4
Write-downs of trade accounts receivable	–5.3	–6.3
Losses from disposal of non-current assets	–3.3	–1.8
Others	–70.9	–67.9
Total	**–192.7**	**–205.5**

The rental and lease expenses result from existing rental and lease contracts for operating and office equipment, technical equipment and machinery as well as real estate with a contractual volume of under €0.1 million. On the grounds of materiality, no rights of use in accordance with IFRS 16 have been set aside for these contracts. As with operating leases, the contracts are recorded in expenses. The future minimum lease payments resulting from the contracts are presented in note 46. For additional comments, see note 4.

Among other things, other operating expenses relate to other administrative expenses (for example for travel and training costs as well as representation costs,) as well as contributions and fees.

The consulting, legal, and audit expenses include Group auditor fees (disclosed in accordance with Section 314 (1) no. 9 HGB) amounting to €1.6 million (previous year: €2.1 million). They are comprised as follows:

Group auditor fees

€ million		2023		2022
	Fraport AG	Consolidated companies	Fraport AG	Consolidated companies
Audit services	1.2	0.3	1.4	0.3
Other certification services	0.1	0.0	0.4	0.0
Tax audit services	0.0	0.0	0.0	0.0
Other benefits	0.0	0.0	0.0	0.0
Total	**1.3**	**0.3**	**1.8**	**0.3**

12 Interest Income and Interest Expenses

Interest income and interest expenses

€ million	2023	2022
Interest income	100.9	53.0
Interest expenses	–317.9	–313.5

Interest income and interest expenses primarily include interest from non-current loans, promissory notes, bonds, and time deposits as well as interest expenses and interest income from interest cost added back on non-current liabilities, provisions, and non-current assets. The net interest payments of derivative financial instruments as well as interest income from securities are recorded as interest result.

Interest income and interest expenses for financial instruments that are not recognized in income at fair value

€ million	2023	2022
Interest income from financial instruments	94.7	33.8
Interest expenses from financial instruments	–307.4	–304.9

Interest income from financial instruments include €22.3 million (previous year: €2.8 million) in income from financial instruments recognized at fair value. Interest expenses do not include any expenses from financial instruments measured at fair value through other comprehensive income.

13 Result from Companies accounted for Using the Equity Method

Result from companies accounted for using the equity method

€ million	2023	2022
Joint Ventures	85.9	58.9
Associated companies	–1.4	18.1
Total	**84.5**	**77.0**

The result using the equity method from joint ventures (see note 22) includes, among other things, the result after taxes from the operating Group company in Antalya in the amount of +€81.8 million (previous year: +€59.8 million), as well as the expenses from a contractually agreed tax settlement payment from Fraport AG to FAR of -€12.6 million (previous year: -€8.9 million). In the 2022 financial year, the result from associated companies includes the write-up of the impairment loss of shares in Xi'an recognized in previous years of €20.0 million (see note 2).

14 Other Financial Result

The other financial result breaks down as follows:

Other financial result

€ million	2023	2022
Income		
Foreign currency translation rate gains, unrealized	1.4	4.1
Foreign currency translation rate gains, realized	12.5	3.1
Valuation of derivatives	1.1	11.8
Others	0.6	5.7
Total	**15.6**	**24.7**
Expenses		
Foreign currency translation rate losses, unrealized	–1.4	–0.9
Foreign currency translation rate losses, realized	–12.1	–3.1
Valuation of derivatives	–16.5	–0.2
Write-off of loan receivable from Thalita	0.0	–163.3
Others	–2.0	–4.3
Total	**–32.0**	**–171.8**
Total other financial result	**–16.4**	**–147.1**

Other income of the previous year included in the financial result is primarily the fair value measurement of the minority shareholder's option to purchase further shares in the companies Fraport Regional Airports of Greece of €4.7 million, which was measured until the option was exercised in 2022. Expenses from the valuation of derivatives result in the amount of €8.2 million from the margin of the interest rate swap concluded in the fiscal year by the company Lima Airport Partners.

15 Taxes on Income

Income tax expense breaks down as follows:

Taxes on income

€ million	2023	2022
Current taxes on income	–65.9	–22.7
Deferred taxes on income	–57.5	–44.6
Total	**–123.4**	**–67.3**

Current income tax expense consists of current taxes on income for the year under review (€57.9 million, previous year: €21.9 million) and taxes on income for previous years (€8.1 million, previous year: €0.8 million).

The tax expenses include corporation and trade income taxes, the solidarity surcharge of the companies in Germany, and comparable taxes on income of the foreign companies. The effective taxes result from the taxable results of the fiscal year and any revisions to previous assessment periods, to which the local tax rates of the respective Group company are applied.

Deferred taxes are generally measured using the applicable tax rate of the respective country. For domestic companies, a combined income tax rate of around 32%, which includes trade tax, is applied.

Deferred taxes are recognized for all temporary differences between the tax and IFRS financial statements, for utilizable carry-forwards of unused tax losses, as well as for carry-forwards of tax-deductible interest.

The assessment of the recoverability of deferred tax assets is based on the probability that the tax loss carryforwards and interest carryforwards will be utilized. This depends on the generation of future taxable profits during the periods in which the tax loss carryforwards/interest carryforwards can be utilized.

As at December 31, 2023, based on current information, the Fraport Group in Germany had non-utilizable trade tax losses carried forward of €5.4 million and corporation tax losses carried forward of €0.3 million attributable to taxes (previous year: €5.4 million related to trade taxes and €0.3 million to corporation taxes). The loss carryforwards that are not expected to be utilized result from Fraport Immobilienservice und -entwicklungs GmbH & Co. KG and FraSec Fraport Security Services GmbH and can be carried forward indefinitely.

The Fraport Group has utilizable loss carryforwards in Germany of €443.6 million (corporation taxes; previous year: €618.4 million) and €565.9 million (trade taxes; previous year: €715.3 million) as well as utilizable losses carried forward aboard of €139.7 million (previous year: €97.1 million).

For temporary differences in connection with shares in subsidiaries amounting to €760.0 million (previous year: €726.6 million), no deferred tax liabilities were recognized, as Fraport can control the timing of the reversal and it is not expected that these differences will reverse in the foreseeable future. These potential tax liabilities are, however, limited to 1.59% of the difference as well as local withholding taxes in the case of future dividend payments from certain foreign subsidiaries.

In addition, deferred taxes result from consolidation measures. Pursuant to IAS 12, no deferred tax is recognized in the context of initial consolidation with respect to goodwill capitalized or any impairment losses of goodwill.

Deferred tax assets and liabilities are netted insofar as these income tax claims and liabilities relate to the same tax authority and to the same taxable entity or a group of different taxable entities that, however, are assessed jointly for income tax purposes.

Deferred taxes resulting from temporary differences between tax financial valuation and assets/liabilities accounted according to IFRS are assigned to the following financial position items:

Allocation of deferred taxes

€ million	2023		2022	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Investments in airport operating projects	21.9	–121.0	16.5	–118.6
Other intangible assets	1.5	–13.1	2.0	–13.1
Property, plant, and equipment	2.8	–284.4	3.0	–275.4
Financial assets	7.5	0.0	2.3	0.0
Accounts receivable and other assets	2.2	–30.4	4.6	–20.0
Provisions for pensions	5.3	0.0	4.6	0.0
Other provisions	30.9	–2.8	34.5	–3.0
Liabilities	228.7	–0.1	237.9	–0.2
Securities and financial derivatives	9.9	–2.1	18.9	0.0
Losses and interest carried forward	206.6	0.0	236.1	0.0
Total separate financial statements	**517.3**	**–453.9**	**560.4**	**–430.3**
Offsetting	–418.5	418.5	–406.4	406.4
Consolidation measures	3.5	–16.8	5.5	–17.5
Consolidated Statement of Financial Position	**102.3**	**–52.1**	**159.5**	**–41.3**

The vast majority of the deferred tax assets and liabilities result from non-current assets (investments in airport operating projects, other intangible assets, property, plant, and equipment) and non-current liabilities (primarily concession liabilities), as well as utilizable losses and interest carried forward.

Over the fiscal year, equity-decreasing deferred taxes of €11.3 million (previous year: equity-increasing deferred taxes of €18.2 million) from the change in the fair values of financial derivatives and securities were recognized directly in shareholders' equity without affecting profit or loss. The equity-increasing deferred taxes resulted primarily from the revaluation of defined benefit plans to the value of €0.8 million (previous year: equity-decreasing deferred taxes to the value of €3.4 million).

The following reconciliation shows the relationship between expected tax expense and tax expense in the consolidated income statement:

Tax reconciliation

€ million	2023	2022
Earnings before taxes on income	553.9	233.9
Expected tax income/expense[1)]	–175.8	–72.5
Tax effects from differences in foreign tax rates	16.6	5.6
Tax credit from tax-free income	12.4	8.8
Taxes on non-deductible operating expenses	–7.4	–6.4
Non-creditable non-German withholding tax	–3.9	–0.8
Permanent differences including non-deductible tax provisions	–4.5	–0.9
Result of companies accounted for using the equity method	31.0	49.5
Recognition of previously unrecognised deferred tax assets on loss carryforwards	26.7	0.0
Non-utilizable tax losses carried forward	0.0	–48.1
Trade effects and other effects from local taxes	–5.5	–3.9
Prior-period taxes	–12.0	–0.3
Others	–1.0	1.7
Taxes on income according to the income statement	**–123.4**	**–67.3**

[1)] Expected tax rate around 32%, for corporation tax 15.0% plus solidarity surcharge 5.5 % and trade tax of around 15.9 %.

The consolidated tax rate for the 2023 fiscal year is 22.3% (previous year: 28.8%).

16 Earnings per Share

Earnings per share

	2023		2022	
	basic	diluted	basic	diluted
Group result attributable to shareholders of Fraport AG in € million	393.2	393.2	132.4	132.4
Weighted number of shares	92,391,339	92,391,339	92,391,339	92,529,395
Earnings per €10 share in €	4.26	4.26	1.43	1.43

The basic earnings per share were calculated using the weighted average number of floating shares (the same number of shares as in the previous year), each corresponding to a €10 share of the capital stock. With a weighted average number of 92,391,339 shares in the 2023 fiscal year, the basic or diluted earnings per €10 share amounted to €4.26.

In the previous year, the rights to purchase shares acquired by employees under the employee share program (MAP) (authorized capital) resulted in a diluted number of shares of 92,529,395 (weighted average) and thus diluted earnings per €10 share of €1.43. The authorized capital as part of the employee investment plan expired on May 22, 2022 and was therefore taken into account pro rata in the calculation of the diluted earnings of the 2022 financial year.

Notes to the Consolidated Financial Position

The composition and development of goodwill, investments in airport operating projects, other intangible assets, property, plant, and equipment, and investment property are shown in the Consolidated Statement of Changes in Non-Current Assets.

17 Goodwill

Goodwill arising from consolidation relates to:

Goodwill Tax reconciliation

€ million	Carrying amount December 31, 2023	Carrying amount December 31, 2022
Fraport Slovenija	18.0	18.0
Fraport USA	1.0	1.0
Media	0.3	0.3
Total	**19.3**	**19.3**

The following table provides an overview of the assumptions incorporated in the main goodwill impairment tests as at December 31, 2023:

Goodwill impairment test

Designation CGU	Discount rate before taxes	Growth rate of perpetual annuity	Average revenue growth in detailed planning period[1)]	Detailed planning period
Fraport Slovenija	10.3 %	–	3.7 %	2024 to 2053

*The forecast period up to and including 2027 is characterized by above-average revenue growth due to the recovery of air traffic following the Covid-19 pandemic. The reported average revenue growth is adjusted for the recovery effect and reflects the average growth for the years 2028 to 2053. Over the entire forecast period, the average revenue growth is 4.5%.

The parameters used within the scope of the impairment tests are based on the current plan approved by the Executive Board. This takes account of internal empirical values and external economic framework data.

The revenue forecasts used to determine growth assumptions are based, in particular, on expected air traffic trends derived from external market forecasts.

A variation in the discount rate of +0.5 percent points results in a need for impairment of goodwill in the amount of €4.7 million, while an adjustment of the growth forecasts by -0.5 percentage points does not result in a need for impairment.

The planning period on which the impairment test for Fraport Slovenija is based corresponds to the term of the right derived from a long-term land use contract to operate the airport in Ljubljana.

18 Investments in Airport Operating Projects

Investments in Airport Operating Projects

€ million	December 31, 2023	December 31, 2022
Investments in airport operating projects	4,146.8	3,769.1

Investments in airport operating projects relate to concession rights, which comprise the following items due to the application of IFRIC 12 (see also note 4 and note 49): the initial payment and capitalized minimum concession payments of €1,790.8 million (previous year: €1,845.0 million) as well as capital expenditure of €2,304.7 million (previous year: €1,870.9 million) and prepayments of €51.3 million (previous year: €53.2 million). They relate to terminal operation at the concession airports in Greece at €1,864.9 million (previous year: €1,933.0 million), Lima at €1,522.2 million (previous year: €1,094.9 million), Fortaleza and Porto Alegre at €611.2 million (previous year: €595.9 million), as well as Varna and Burgas at €148.5 million (previous year: €145.3 million).

Loans that were specifically taken out to finance the expansion of the airports in Brazil were accounted for as borrowing costs in the amount of €31.5 million (previous year: €35.8 million), of which €0.8 million (previous year: €7.6 million) were capitalized. Interest rates on loans range from 6.1% and 11.7%. Amounts for loan disbursements that are not yet required for capital expenditure in the expansion of the airports were reinvested. The accrued interest income for these investments amounted to €0.4 million (previous year: €1.2 million).

As part of the expansion at Lima Airport, loans amounting to €659.0 million were raised as part of specific financing and in this context borrowing costs of €28.6 million (previous year: €10.5 million) were capitalized. The loan will accumulate interest at an interest rate of 7.65%.

19 Other Intangible Assets

Other intangible assets

€ million	December 31, 2023	December 31, 2022
Other concession and operator rights	49.3	50.9
Software and other intangible assets	47.7	45.0
Total	**97.0**	**95.9**

The other concession and operator rights include in particular the right derived from an existing, long-term land use contract to operate the airport in Ljubljana (€49.2 million, previous year: €50.9 million) with a remaining term of 30 years (previous year: 31 years).

The other intangible assets as at the reporting date contain internally generated intangible assets with residual carrying amounts of €7.2 million (previous year: €7.7 million). At closing date further €2.9 million (previous year: €2.3 million) were attributable to the development phase. The depreciation and amortization is carried out on a straight-line basis taking into account the scheduled useful lives between 5 and 25 years. Depreciation and amortization in the fiscal year amounted to €1.6 million (previous year: €1.6 million).

20 Property, Plant, and Equipment

Property, Plant, and Equipment

€ million	December 31, 2023	December 31, 2022
Land, land rights, and buildings, including buildings on leased lands	3,131.9	3,172.3
Technical equipment and machinery	1,518.1	1,534.5
Other equipment, operating, and office equipment	193.5	179.3
Construction in progress	3,949.7	3,294.1
Right of use assets leases	158.3	191.6
Total	**8,951.5**	**8,371.8**

Additions in the 2023 fiscal year amounted to €955.8 million (previous year: €779.8 million). Of this, €706.9 million (previous year: €593.7 million) is attributable to the construction of Terminal 3 (“Expansion South”), as well as further projects in connection with expansion measures to meet capacity at Frankfurt Airport.

Borrowing costs were capitalized in the amount of €34.7 million (previous year: €21.5 million) for general project financing at Fraport AG. These relate to financing where it is not possible to directly attribute the borrowing costs to the acquisition, construction or production of a qualifying asset. The borrowing cost rate applied averaged around 1.9% (previous year: around 1.5%). In addition, specific project financing has been concluded for measures related to the construction of Terminal 3. In total, borrowing costs of €6.8 million (previous year: €4.3 million) were capitalized in the financial year. The average financing cost rate was around 1.2% (previous year: around 0.6%).

As at the balance sheet date, property, plant, and equipment with a carrying amount totaling €0.2 million (previous year: €0.1 million) carry mortgages.

Property, plant, and equipment of the Fraport Group comprises land, land rights, and buildings, including those on land leased by Fraport AG and is valued at €3,022.5 million (previous year: €3,060.1 million). As at the balance sheet date of 2023, land with an area of 26.1 million square meters (equivalent to approximately 10.1 sq mi) were owned by Fraport AG. Depending on the location and type of use, the market value of the land included in property, plant, and equipment varies between €1 and €720 per square meter (equivalent to approximately 10.75 sq ft) (land values published by the committees of experts for real estate values of the State of Hesse).

Property, plant, and equipment includes rights of use from leases for land and buildings. The development of the rights of use can be found in the Consolidated Statement of Changes in Non-current Assets.

Right-of-use assets from leases

€ million	2023	2022
Carrying amount of right-of-use assets as of December 31	158.3	191.6
Carrying amount of lease liabilities as of December 31	174.2	208.9
Additions right-of-use assets/ lease liabilities in fiscal year	8.6	0.2
Total cash outflow for leases	71.7	69.3
Expenses related to variable lease payments not included in the measurement of lease liabilities	26.5	21.1
Interest expense on lease liabilities	7.2	8.5
Income from subleasing right-of-use assets	96.8	85.3
Leases not yet commenced to which the lessee is committed	0.0	0.6

Right-of-use assets as at the balance sheet date amounted to €121.5 million (previous year: €152.0 million) primarily relating to the companies of Fraport USA (International Activities & Services segment), which operates and develops commercial terminal space at various US airports as part of rental and concession contracts. Only the fixed minimum lease payments guaranteed to the lessor were included in the measurement of the lease liabilities of the companies of Fraport USA. Sales-related (variable) rental payments to be paid in addition are recognized as expenses in the respective period and are reported in the cost of materials for the companies of Fraport USA. The rental and concession agreements currently in force at Fraport USA generally have a term of ten years and some extension options of five years each, but these cannot be exercised unilaterally and therefore cannot be assessed with sufficient certainty. Therefore, only fixed terms without optional periods are taken into account as lease terms.

In fiscal year 2023, Fraport USA was successful in the tender process for the center management at Washington Dulles International Airport (IAD) and Ronald Reagan Washington National Airport (DCA). Operations were taken over on January 1, 2024. Due to the variable lease payments, the new contract does not result in the recognition of a right-of-use asset or a lease liability. The variable rental payments due are recognized on an accrual basis as cost of materials. With a term until March 31, 2034, this is the longest running contract at Fraport USA.

The variable leasing payments incurred in the fiscal year are entirely attributable to Fraport USA. Future cash outflows from variable lease payments occur if the lease payments for the fiscal year exceed the contractually defined minimum lease payments (base rents) that were included in the measurement of the lease liabilities. The exceeding part is treated as variable lease payment. The total amount of lease payments to be paid depends on the revenue received from subletting the concession areas.

As at the balance sheet date, future nominal payment obligations arising from existing leases amounting to €224.8 million. A maturity analysis of the lease liabilities is shown in note 47.

In the Fraport Group, income of €3.2 million from the application of the relief provisions to IFRS 16.46 adopted on May 28, 2020 was realized in the previous year (rental concessions in connection with the Covid-19 pandemic).

21 Investment Property

Investment property includes land and buildings situated in direct vicinity to Frankfurt Airport, which are classified as follows:

Investment property

€ million	Carrying amount December 31, 2023	Carrying amount December 31, 2022	Fair value December 31, 2023	Fair value December 31, 2022
Undeveloped land – Level 2	3.1	3.1	2.6	2.6
Undeveloped land – Level 3	8.7	7.4	16.1	14.8
Developed land – Level 3	57.7	58.6	86.9	82.6
Total	**69.5**	**69.1**	**105.6**	**100.0**

The undeveloped land – Level 2 is undeveloped land in the Kelsterbach district directly next to the Runway Northwest.

The fair value of the undeveloped land – Level 2 is calculated internally using the comparative value procedure pursuant to the Real Estate Valuation Regulation of December 3, 2019 (ImmoWertV) applicable in Germany based on the standard ground values published by a committee of experts. The fair value of undeveloped land – Level 3 is also determined internally using the comparative value method. However, the prices per square meter used for current land transactions in the same development area are not observable on the market.

The developed land – Level 3 comprises real estate leased for residential purposes from the voluntary purchase program for real estate in Flörsheim in the flight zone of Runway Northwest, the long-distance train station plot, and the parking garages in Gateway Gardens, as well as commercially leased properties.

The fair values of the developed land - Level 3 category are determined in part using the income capitalization approach in accordance with the German Real Estate Valuation Ordinance (ImmoWertV) and in part using the discounted cash flow approach by external appraisers. The main input parameters for the income capitalization approach are the multiplier, which depends on the useful life and the property interest rate, and the underlying annual rent. In the discounted cash flow method, a perpetual annuity is assumed. The main input parameters are the discount rate, the sustainable market rent, the assumed remaining useful life, forecast maintenance costs and the expected development of rents.

For major parts of the investment property, foreseeable restrictions on saleability arise from the fact that these areas are located in the immediate vicinity of Runway Northwest.

Net lease revenue from investment property during the 2023 fiscal year amounted to €7.4 million (previous year: €6.1 million). The total costs incurred for the maintenance of investment property amounted to €2.3 million (previous year: €1.0 million), classified as expenses that are not allocatable (excluding depreciation and amortization), and of which €0.1 million was incurred for property for which no lease revenue was earned during the fiscal year.

As at the balance sheet date, no obligations exist for the acquisition of investment property (previous year: €0.1 million).

22 Investments in Companies accounted for Using the Equity Method

Companies that are Group airports outside of Frankfurt are considered to be substantial joint ventures and associated companies in the Fraport Group. This relates to both companies in connection with the operating concession at Antalya Airport.

Shares in joint ventures

Fraport TAV Antalya Terminal Isletmeciligi Anonim Sirketi, Antalya/Turkey ("Fraport TAV Antalya I") is a joint venture of Fraport AG and TAV Havalimanlari Holding A.Ş. IC Yatirim Holding A.S. that operates the terminals at Antalya Airport as part of the concession agreement of May 22, 2007 with the Turkish airport authority (DHMI grantor). The concession for the operation of the terminals and thus the right to use all assets listed in the concession agreement runs for a total of 17 years to the end of 2024. In a letter dated February 12, 2021, the Turkish government approved the extension of the concession period for terminal operations at Antalya Airport for an additional two years, to December 31, 2026.

With regard to the authorized use of infrastructure, the company is obligated to perform maintenance and capacity expansions (as required). Distributed over the term of the concession agreement, concession fees of €2.01 billion net must be paid to DHMI. In exchange, the operator receives the right to use the existing and future terminal infrastructure to operate the airport and the right to generate revenue from passenger charges paid by the airlines and from other services related to terminal operations. Passenger charges are regulated by the grantor.

Fraport holds a 51% interest in the company's share capital, though neither party may make a decision unilaterally due to the voting system laid down in the partnership agreement. The division of the variable returns from the company is governed separately in the partnership agreement, according to which both partners are entitled to equal amounts in returns. The company accounts for 50% according to the equity method on the basis of the division of the dividend rights and the joint management and control. Since the company is not listed on a stock exchange, there is no available active market value for the shares.

In conjunction with the tender won in December 2021 for the new operating concession at Antalya Airport, Fraport AG, together with TAV Airports Holding, founded the company Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş., Antalya, Turkey, ("Fraport TAV Antalya II"). The operational period of the company will begin in early 2027, after the existing concession expires. Fraport AG holds 49% of the capital shares. The remaining 51% of the shares in the company are held by TAV Airports Holding. Pursuant to the contractually agreed participation rights, the company is jointly controlled by the shareholders. The concession agreement was also concluded in December 2021 between Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş and the Turkish government. The agreement runs until 2051. The concession covers the operation of the terminals and other landside infrastructure, including retail space, parking management, and passenger controls. For the new operating concession, Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş is required to pay fixed concession charges totaling €7.25 billion net over the term to the Turkish State (DHMI), of which 25% was paid after the conclusion of the concession agreement at the end of March 2022. Financing of around € 1.9 billion has been raised to date for the advance payment and the expansion investments of around € 765.3 million. The interim financing has a term until March 2024. The discussions on the conclusion of follow-up financing and on increasing the financing volume are already at an advance stage.

Summarized financial position

€ million	Antalya I		Antalya II	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Non-current assets	**401.7**	**504.2**	**5,057.9**	**4,364.7**
Non-current liabilities	**221.5**	**467.4**	**2,459.3**	**3,576.5**
thereof financial liabilities	214.7	449.9	2,459.3	3,570.3
thereof other liabilities (including trade accounts payable)	6.8	17.5	0.0	6.2
Current assets	**153.9**	**290.2**	**72.8**	**43.6**
thereof cash and cash equivalents	122.2	184.6	51.7	41.3
thereof other assets	31.7	105.6	21.1	2.3
Current liabilities	**219.8**	**214.2**	**1,933.3**	**103.8**
thereof financial liabilities	156.0	152.3	1,881.5	88.6
thereof other current liabilities (including trade accounts payable)	63.8	61.9	51.8	15.2
Net assets	**114.3**	**112.8**	**738.1**	**728.0**
Pro rata share of net assets	57.1	56.4	369.1	364.0
Goodwill	16.9	16.9	0.0	0.0
Investment carrying amount	**74.0**	**73.3**	**369.1**	**364.0**

Results data

€ million	2023	2022	2023	2022
Revenue	467.7	396.6	465.4	101.5
EBITDA	371.6	323.0	–8.5	–7.5
Regular depreciation and amortization	–116.3	–114.7	0.0	0.0
Interest income	2.5	2.7	2.4	0.3
Interest expenses	–36.0	–34.6	–8.8	–4.8
Currency translation differences	–9.0	–11.6	–0.3	0.0
Taxes on income	–49.1	–45.2	25.4	–10.6
Result after taxes	**163.7**	**119.6**	**10.2**	**–22.6**
Other result	0.3	–0.1	0.0	0.0
Comprehensive income	**164.0**	**119.5**	**10.2**	**–22.6**

The reconciliation for the carrying amount in joint ventures recognized in the Group is shown in the following overview:

Reconciliation for carrying amount in joint ventures

€ million	Antalya I		Antalya II		Other joint ventures		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Investment carrying amount as at January 1 (Fraport share)	**73.3**	**27.4**	**364.0**	**0.0**	**51.8**	**41.5**	**489.1**	**68.9**
Share of annual net profit/losses	81.8	59.8	5.1	–11.3	–1.0	10.4	85.9	58.9
Share of other result	0.3	–0.1	0.0	0.0	0.2	0.0	0.5	–0.1
Comprehensive income	**82.1**	**59.7**	**5.1**	**–11.3**	**–0.8**	**10.4**	**86.4**	**58.8**
Dividends	–81.4	–13.8	0.0	0.0	–8.6	–4.0	–90.0	–17.8
Other adjustments	0.0	0.0	0.0	0.0	12.6	1.9	12.6	1.9
Additions/Capital increases	0.0	0.0	0.0	375.3	19.9	2.0	19.9	377.3
Investment carrying amount as at December 31 (Fraport share)	**74.0**	**73.3**	**369.1**	**364.0**	**74.9**	**51.8**	**518.0**	**489.1**

There are no further significant restrictions pursuant to IFRS 12.

Investments in associated companies

The associated companies are Thalita Trading Ltd., ASG Airport Service Gesellschaft mbH, the newly founded FraScout GmbH (see note 2) and operational services GmbH & Co.KG.

The cumulated total amount of the non-recognized pro rata losses of the associated companies amounted to €6.4 million as of December 31, 2023 (previous year: €4.7 million) and the corresponding losses of the reporting period amounted to €1.7 million (previous year: €1.6 million).

Thalita Trading Ltd. and its wholly owned subsidiary Northern Capital Gateway LLC (NCG) were founded as companies by Fraport AG, the Russian bank VTB, and the Greek Copelouzos Group. NCG develops and operates Pulkovo Airport (St. Petersburg, Russia) as part of a 30-year concession agreement with the city of St. Petersburg. The company is responsible for the entire airport infrastructure. Since a change in the shareholder structure in 2017, Fraport AG holds 25.0% of the shares in Thalita Trading Ltd.

Based on a decree by the President of the Russian Federation of November 30, 2023 as well as a regulation by the Russian government of December 1, 2023, the Russian company “Holding VVSS Limited Liability Company” (in English: NCG Holding Limited Liability Company), St. Petersburg was found with its entry in the Russian commercial register on December 18, 2023. The company’s share capital amounts to €1,691 million. In accordance with the decree and the regulation, all the shares in the operating company of the Pulkovo Airport, Northern Capital Gateway LLC (“NCG”), are deemed as held by VVSS. From a Russian perspective, Thalita is therefore no longer shareholder of NCG. Until that time, Thalita held 100% of the shares in NCG. The management and group of shareholders remain unaffected by the decree. The shareholders of VVSS are the former shareholders of Thalita by entry in the Russian commercial register. Accordingly, Fraport holds 25% of the shares in VVSS. The voting rights associated with the capital shares have been temporarily transferred to two trustees. However, no end date has been stipulated. In accordance with the regulation, the respective share in VVSS is deemed as acquired by the shareholders from the date of entry of VVSS in the Russian commercial register and the shareholders’ initial contribution is deemed as paid to VVSS in the nominal amount of their respective share.

The shares in VVSS were not recognized as an asset in the Fraport consolidated statement of financial position as Fraport has no control over the shareholder rights associated with the capital shares. Since Fraport became a shareholder of the company under Russian law, the shares held by Fraport AG (note 57) are recognized under other investments.

Significant resolutions and decisions on Thalita Ltd. can only continue to be made on the basis of the company statutes, which continue to be valid, and shareholder rights. As a result, the company continues to be recognized as an associated company in the consolidated financial statements. Due to cumulative losses in the past, the carrying amount of the investment is “zero”.

In connection with the financing of the Pulkovo operating project, there is a loan receivable recognized as a loan (see note 23) and an interest receivable (see note 24) of the Fraport Group from Thalita Trading Ltd. As at June 30, 2022, the receivables were fully written off in the amount of €163.3 million as cash flows (interest payments and loan repayments) are no longer expected due to the sanctions situation. This assessment remains valid due to the unchanged sanctions situation and the development described above at the end of 2023.

There are no significant restrictions pursuant to IFRS 12.

23 Other Financial Assets

Other financial assets

€ million	Remaining term		Total	Remaining term		Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
Financial instruments						
Securities	748.0	559.7	1,307.7	265.2	791.5	1,056.7
Other investments	0.0	117.9	117.9	0.0	130.4	130.4
Loans						
Loans to joint ventures	6.2	40.5	46.7	4.5	23.2	27.7
Loans to associated companies	0.0	0.1	0.1	0.0	0.0	0.0
Other loans	95.0	230.3	325.3	0.0	228.4	228.4
Insolvency-secured funds	0.0	4.6	4.6	0.0	0.0	0.0
Total	**849.2**	**953.1**	**1,802.3**	**269.7**	**1,173.4**	**1,443.1**

In the year under review, investments in securities amounted to €717.5 million (previous year: €619.9 million), which partly were already disposed during the year. Other changes resulted from reclassifications to current other financial assets due to securities of €364.1 million maturing in 2024 (previous year: €155.8 million) and changes arising from valuation of +€31.8 million (previous year: –€64.7 million).

The fund units protected against insolvency are exclusively meant to hedge credits from the time-account models and partial retirement claims in particular of Fraport AG employees. In the 2023 fiscal year, the fund units have increased by €5.7 million (previous year: €6.1 million). As at the reporting date, acquisition costs amounted to €74.3 million (previous year: €68.6 million). These securities are measured at fair value and credited against the corresponding obligations of €69.0 million (previous year: €66.3 million) (see also note 40). At year-end, there was an overfunding from fund units of €4.6 million (previous year: underfunding of €1.4 million).

The change in other investments relates to shares in Delhi International Airport Private Ltd, New Delhi, India, for which a fair value was determined in the reporting year.

The loans to joint ventures primarily relate to a loan granted to Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş in the 2022 fiscal year. The loan to associated companies that was still outstanding in the previous year related to a loan granted to Thalita Ltd., Cyprus, which was fully written off in the previous year (total amount: €163.3 million) (see note 22).

24 Non-current and Current Other Financial Receivables and Assets

Non-current and current other financial receivables and assets

€ million	Remaining term		Total	Remaining Term		Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
Accounts receivable from joint ventures	13.6	2.3	15.9	9.8	0.7	10.5
Accounts receivable from associated companies	0.0	0.0	**0.0**	0.5	0.0	**0.5**
Accounts receivable from other investments	0.0	0.0	**0.0**	0.5	0.0	**0.5**
Other financial assets	98.6	97.9	**196.5**	44.4	86.5	**130.9**
Total	**112.2**	**100.2**	**212.4**	**55.2**	**87.2**	**142.4**

Other financial assets include, in particular, compensation claims recognized in connection with the coronavirus pandemic as well as accrued interest from overnight and term deposits.

25 Non-current and Current non-financial Other Receivables and Assets

Non-current and current other non-financial receivables and assets

€ million	Remaining term		Total	Remaining Term		Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
Accruals	18.5	22.0	40.5	10.6	23.4	34.0
Refunds from “Passive noise abatement/wake turbulences”	5.3	33.1	38.4	8.8	38.0	46.8
Other non-financial assets	100.0	40.3	140.3	64.7	68.0	132.7
Total	**123.8**	**95.4**	**219.2**	**84.1**	**129.4**	**213.5**

The item “Refunds from passive noise abatement / wake turbulences” includes the expected full reimbursement amount from noise abatement charges from airlines for passive noise abatement and wake turbulences, which was recognized as other assets in compliance with IAS 37.53 in connection with the provisions created for the obligation of Fraport AG to reimburse costs for noise abatement construction measures, expenses from refund claims for reduced utilization of outdoor facilities, and roof reinforcement measures (wake turbulences). The value was determined at the present value of the estimated expenses for reimbursing the costs of noise abatement construction measures and estimated expenses for refund claims for reduced utilization of outdoor facilities.

The item developed as follows in the fiscal year:

Refunds from “Passive noise abatement/wake turbulences”

€ million	January 1, 2023	Receipts	Disposals	Reclassification	Interest effect	December 31, 2023
Refunds from “Passive noise abatement/ wake turbulences”	46.8	10.7	–0.6	0.0	1.7	38.4

More information about the corresponding other provisions can be found in note 40. The carrying amount of the refund claim depends on the noise abatement charges actually received, and those expected in the future. The carrying amount of the corresponding provision depends on the actual, and future expected cash outflows for passive noise abatement measures and wake turbulences.

Deferred income mainly relates to construction cost subsidies paid by Fraport AG. These are paid in particular to utility companies that set up facilities for special requirements of Fraport AG. The utility companies are the owners of the utility facilities.

Other non-financial assets include, in particular, receivables from other taxes.

26 Income Tax Receivables

Income tax receivables

€ million	Remaining term		Total	Remaining term		Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
Income tax receivables	42.5	0.0	42.5	33.3	0.0	33.3

Income tax receivables as at December 31, 2023 primarily comprised refund claims from the current year or previous years.

27 Deferred Tax Assets

Deferred tax assets

€ million	December 31, 2023	December 31, 2022
Deferred tax assets	102.3	159.5

Deferred tax assets are recognized in accordance with IAS 12. Further explanations are provided in note 15.

28 Inventories

Inventories

€ million	December 31, 2023	December 31, 2022
Raw materials, consumables, and supplies	24.3	21.5
Land and buildings for sale	0.5	0.5
Work-in-process/other	3.2	3.5
Total	**28.0**	**25.5**

Raw materials, consumables, and supplies mainly relate to consumables for the airport operation.

29 Trade Accounts Receivable

Trade accounts receivable

€ million	December 31, 2023	December 31, 2022
From third parties	271.5	177.1

For 2023, as at the reporting date, the maximum default risk without taking securities into account equaled the carrying amount of €271.5 million (previous year: €177.1 million). The following table provides information on the extent of the default risk with regard to the trade accounts receivable.

Default risk analysis

€ million	Carrying amount	Not overdue	Overdue		
			< 30 days	30 – 180 days	> 180 days
December 31, 2023	**271.5**	**185.7**	**56.0**	**15.4**	**14.4**
December 31, 2022	177.1	107.3	37.7	10.9	21.2

As at December 31, 2023, 25% (previous year: 18%) of outstanding accounts receivable were due from one customers.

The guarantees received until the reporting date were neither sold nor passed on as security, and will be returned to the respective debtor after termination of the business relationship. The guarantees received will be used only in the event of the debtor’s default. The collateral received consists mainly of bank guarantees. In addition, commercial credit insurance is taken out for airlines wherever possible. Collateral is taken into account for allowance to be made.

Allowances for trade accounts receivable developed as follows:

Reconciliation of allowances

€ million	2023	2022
Balance as at January 1	**22.5**	**20.2**
Allowances included in other operating expenses	5.3	6.3
Revenue-decreasing allowances	1.3	0.0
Releases included in the other income	–0.4	0.0
Release of revenue-decreasing allowances	0.0	–3.1
Availments	–1.1	–0.1
Exchange rate differences	–0.2	–0.8
Balance as at December 31	**27.4**	**22.5**

30 Cash and Cash Equivalents

Cash and cash equivalents

€ million	December 31, 2023	December 31, 2022
Cash in hand, bank balances, and checks	2,410.5	2,585.2

The bank balances mainly include short-term time deposits as well as overnight deposits. The time deposits are not subject to any significant fluctuations in value and can be realized at short notice.

In connection with financing in Greece and Brazil as well as the capital expenditure commitments of Fraport USA, €126.2 million of bank balances were subject to a drawing restriction (previous year: €139.3 million).

The reconciliation of cash and cash equivalents in the balance sheet to cash and cash equivalents in the cash flow statement can be found in note 43.

31 Equity Attributable to Shareholders of Fraport AG

Equity attributable to shareholders of Fraport AG

€ million	December 31, 2023	December 31, 2022
Issued capital	923.9	923.9
Capital reserve	598.5	598.5
Revenue reserves	2,796.3	2,387.0
Total	**4,318.7**	**3,909.4**

Issued capital

Issued capital (less treasury shares) is fully paid up as at the balance sheet date.

Number of floating shares and treasury shares

As in the previous year, the issued capital consisted of 92,391,339 bearer share with no-par value, each of which accounts for €10.00 of the capital stock. Each share grants one vote and is entitled to dividends.

Development of floating and treasury shares pursuant to Section 160 of the AktG

	Issued shares Number	Floating shares Number	Treasury shares Number	Treasury shares Amount of capital stock in €	Treasury shares Share in capital stock in %
As at January 1, 2023	**92,468,704**	**92,391,339**	**77,365**	**773,650**	**0.0837**
Employee investment plan					
Capital increase	0	0			
As at December 31, 2023	**92,468,704**	**92,391,339**	**77,365**	**773,650**	**0.0837**

	Issued shares Number	Floating shares Number	Treasury shares Number	Treasury shares Amount of capital stock In €	Treasury shares Share in capital stock In %
As at January 1, 2022	**92,468,704**	**92,391,339**	**77,365**	**773,650**	**0.0837**
Employee investment plan					
Capital increase	0	0			
As at December 31, 2022	**92,468,704**	**92,391,339**	**77,365**	**773,650**	**0.0837**

The shares issued to employees in June 2023 under the employee investment plan had been purchased on the market. The shares were issued at a price of €44.39.

Authorized capital

At the AGM on May 23, 2017 the existing authorized capital was canceled and new authorized capital of €3.5 million was approved, which can be used for issuing shares to employees of Fraport AG and companies controlled by Fraport AG. The Executive Board was entitled, with the approval of the Supervisory Board, to increase the capital stock on one or more occasions by up to a total of €3.5 million until May 22, 2022 by issuing new shares in return for cash. The Executive Board did not make use of this authorization, meaning there was no longer any authorized capital after the authorization expired on December 31, 2022.

At the Annual General Meeting on June 1, 2021, new authorized capital (“Authorized Capital II”) of €458.8 million was approved. The Executive Board is entitled, with the approval of the Supervisory Board, to increase the capital stock on one or more occasions by up to a total of €458.8 million until May 31, 2026 by issuing up to 45,884,352 new no-par value bearer shares in return for cash. In principle, the shareholders are to be granted a subscription right. The new shares may also be underwritten by financial institutions with the obligation to offer them to company shareholders for subscription. The new shares will participate in the net income from the beginning of the fiscal year of their issue. To the extent legally permissible, the Executive Board, with the consent of the Supervisory Board and in deviation from Section 60 (2) AktG, can determine that the new shares will participate in net income from the beginning of a fiscal year that has already expired and for which no resolution has yet been passed by the Annual General Meeting on the appropriation of the profit earmarked for distribution at the time of their issue. The Executive Board is further authorized, also with the consent of the Supervisory Board, to exclude the subscription right of the shareholders one or more occasions, insofar as this is necessary to compensate for residual amounts.

Contingent capital

On June 1, 2021, the Annual General Meeting also resolved to conditionally increase the share capital by up to €120.2 million by issuing up to 12,020,931 new no-par value bearer shares (“contingent capital”). The contingent capital serves exclusively to grant shares to the holders or creditors of convertible bonds and/or bonds with warrants or a combination of all these instruments, which, are issued by the company in accordance with the authorization up to May 31, 2026 resolved by the Annual General Meeting on June 1, 2021 and grant a conversion or option right to new no-par value bearer shares in the company or determine a conversion or option obligation or a right to tender and insofar as the issue takes place in return for cash. The new shares are issued at the conversion or option price to be determined according to the previously mentioned authorization resolution. The contingent capital increase is only to be carried out to the extent that conversion or option rights are exercised, or the conversion/option obligation is satisfied, or shares are tendered, and no other forms of fulfillment are used. The new shares will participate in the profits from the beginning of the fiscal year in which they are created by exercising conversion or option rights or through the fulfillment of corresponding obligations (fiscal year of origin); in deviation from this, the new shares will participate in the profits from the beginning of the fiscal year preceding the fiscal year in which they were created if the Annual General Meeting has not yet passed a resolution on the utilization of the profit earmarked for distribution from the fiscal year preceding the fiscal year in which they were created. The Executive Board is authorized, with the consent of the Supervisory Board, to determine the further details of the implementation of conditional capital increases.

The Executive Board has not made use of the authorization for a contingent capital increase. As in the previous year, the contingent capital amounted to € 120.2 million as at December 31, 2023.

Capital reserve

The capital reserve contains the premium from the issue of Fraport AG shares.

Revenue reserves

The revenue reserves consist not only of the reserves of Fraport AG (including the statutory reserve of €36.5 million), but also the revenue reserves and retained earnings of the Group companies included in the consolidated financial statements, as well as effects of consolidation adjustments. Furthermore, the revenue reserves include reserves for currency translation differences and financial instruments.

The derivative valuation reserve is €6.3 million as at the balance sheet date (previous year: –€8.0 million). The reserve for the equity and debt instruments measured at fair value totals €56.8 million (previous year: €48.4 million).

Pursuant to Section 253 (6) sentence 1 of the HGB and in accordance with Section 268 (8) of the HGB, a total of €299.3 million of the shareholders' equity attributable to Fraport AG's shareholders (previous year: €344.9 million) is subject to a distribution block. However, the distribution block did not take effect insofar as sufficient free reserves were available.

For the past financial year, it is proposed that the net profits be transferred to other revenue reserves.

32 Non-controlling Interests

Non-controlling interests

€ million	December 31, 2023	December 31, 2022
Non-controlling interests (excluding the attributable Group result)	236.3	188.3
Group result attributable to non-controlling interests	37.3	34.2
Total	**273.6**	**222.5**

Non-controlling interests related to allocated shareholders' equity and earnings of Fraport Twin Star Airport Management AD, FraCareServices GmbH, Media Frankfurt GmbH, Lima Airport Partners S.R.L., and the Fraport Group companies Fraport Greece A, Fraport Greece B and Fraport Regional Airports of Greece Management Company.

33 Non-current and Current Financial Liabilities

Non-current and current financial liabilities

€ million	Remaining term		Total	Remaining term		Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
Financial liabilities	1,521.4	10,232.5	11,753.9	1,209.6	9,716.0	10,925.6

In the course of the year, promissory note loans in the amount of €1,167.7 million (previous year: €539.4 million) were issued. For more information, please refer to the presentation of finance management and the asset and financial position in the combined management report for additional explanations of financial liabilities.

34 Trade Accounts Payable

Trade accounts payable

€ million		Remaining term	Total		Remaining term	Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
To third parties	430.8	78.6	509.4	444.4	62.3	506.7

Trade accounts payable include liabilities in connection with compensation measures in connection with nature protection law in the amount of €11.9 million (previous year: €13.7 million). The liabilities relate to the contractual obligations to carry out environmental compensation measures based on the finished work to clear the forest south of the airport and near the Runway Northwest, as was necessary for the airport expansion.

35 Non-current and Current Other Financial Liabilities

Non-current and current other financial liabilities

€ million		Remaining term	Total		Remaining term	Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
To joint ventures	11.2	0.0	**11.2**	37.4	0.0	**37.4**
To associated companies	2.5	0.0	**2.5**	2.5	0.0	**2.5**
To investments	0.4	–	**0.4**	–	–	**–**
Liabilities in connection with concession obligations	49.2	939.7	**988.9**	52.4	911.5	**963.9**
Lease liabilities	41.3	132.9	**174.2**	44.4	164.5	**208.9**
Negative fair values of derivative financial instruments	–	0.5	**0.5**	–	0.7	**0.7**
Other liabilities	46.3	17.1	**63.4**	53.6	21.4	**75.0**
Total	**150.9**	**1,090.2**	**1,241.1**	**190.3**	**1,098.1**	**1,288.4**

The liabilities in connection with concession obligations relate to obligations to pay fixed and variable airport operation concession fees for the airport operating projects in Greece, Lima, Fortaleza, Porto Alegre, Varna, and Burgas.

36 Non-current and Current Other Non-financial Liabilities

Non-current and current other non-financial liabilities

€ million		Remaining term	Total		Remaining term	Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
Prepayment for orders	3.0	–	3.0	3.0	–	3.0
Investment grants for non-current assets	0.5	7.1	7.6	0.5	7.5	8.0
Other accruals	30.8	42.9	73.7	22.5	51.6	74.1
Other non-financial liabilities	186.5	12.9	199.4	136.8	10.8	147.6
Total	**220.8**	**62.9**	**283.7**	**162.8**	**69.9**	**232.7**

The remaining non-financial other liabilities consist in particular of accrued expenses, liabilities from wage and church taxes as well as other taxes and personnel-related liabilities.

37 Deferred Tax Liabilities

Deferred tax liabilities

€ million	December 31, 2023	December 31, 2022
Deferred tax liabilities	52.1	41.3

Deferred tax liabilities were recognized in compliance with IAS 12 using the temporary concept. Further explanations of deferred tax liabilities can be found under note 15.

38 Provisions for Pensions and Similar Obligations

Defined benefit plans

Within the Fraport Group, there are pension obligations for the members of the Executive Board of Fraport AG and their surviving dependents as well as obligations for Senior Managers and employees not covered by collective bargaining agreements.

Pension obligations primarily include 19 (previous year: 18) vested pension benefits promised in individual pension commitments to members of the Fraport AG Executive Board and their surviving dependents. A reinsurance was already obtained in 2005 to reduce actuarial risks and protect pension obligations for the former and current (in some cases still active) members of the Executive Board against insolvency. This is a group insurance policy with an annual, constant minimum insurance amount for the entire group. The pension benefits from the reinsurance correspond to the total achievable retirement, occupational disability, and widow’s/widower's benefits in accordance with the pension commitments. Reinsurance benefits are recognized at the active value reported by the insurance company to the value of €23.5 million (previous year: €24.0 million), of which €1.1 million (previous year: €1.0 million) is attributable to reserved trust assets. The reinsurance is not traded on an active market. Plan assets are invested in shares, real estate, fixed-interest securities, and other assets. In addition, €0.0 million (previous year: €0.04 million) were paid in the reinsurance in fiscal year 2023 through deferred compensation. The average weighted term of the members of the Executive Board’s defined benefit plans is 10.5 years (previous year: 12.2 years) for pensions with reinsurance and 9.2 years (previous year: 6.9 years) for pensions without reinsurance.

The Executive Board members are entitled to pension benefits and provision for surviving dependents. An Executive Board member is generally entitled to a retirement pension if he or she becomes permanently unable to work or retires from office during the term of, or upon expiry of, his or her employment agreement. If an Executive Board member dies, benefits are paid to his or her surviving dependents. These amount to 60% of the retirement pension for the widower or widow; children entitled to receive benefits receive 12% each. If no widow’s pension is paid, the children each receive 20% of the retirement pension.

Upon retirement, income from active employment as well as retirement pension payments from previous or, where applicable, later employment relationships shall be credited against accrued retirement pay up until reaching 60 years of age, insofar as without such credit the total of these emoluments and the retirement pension would exceed 75% of the fixed salary (100% of the fixed salary if Fraport AG wishes the employment to be terminated or not be extended). Effective January 1 of each year, the retirement pensions are adjusted at discretion, taking into account the interests of the former Executive Board member and the company’s economic situation. The adjustment obligation is considered to be satisfied if the adjustment does not fall below the increase in the consumer price index for the cost of living for private households in Germany.

The retirement pension of an Executive Board member is defined by the percentage of a contractually agreed basis of assessment, with the percentage rising annually by 2% up to a limit of 75%, dependent on the duration of time an Executive Board member is appointed.

As at December 31, 2023, Dr. Schulte is entitled to a retirement pension of 75% and thus the maximum and Prof. Dr. Zieschang a claim of 62% of the respective contractually agreed basis of assessment.

In the event of occupational disability, the pension rate for Dr Schulte and Prof Dr Zieschang amounts to at least 55% of their respective fixed annual gross salaries or of the contractually agreed basis of assessment.

For Executive Board members appointed from 2012 onwards, the pension benefits, provision for surviving dependents, and provision for long-term occupational disability are governed by a separate benefit agreement. This calls for the payment of a one-time pension capital or lifelong retirement pension after the insured event. The pension capital is generated when Fraport AG annually credits 40% of the fixed annual gross salary paid to a pension account. The pension capital accumulated at the end of the previous year pays interest annually at the interest rate used for the valuation of the pension obligations in the German balance sheet of Fraport AG at the end of the previous year pursuant to Section 253 (2) of the HGB, which is at least 3% and at most 6%. This is increased by 1% on January 1 of each year for lifelong retirement payments. No further adjustment is made. If the pension capital reached is less than €600 thousand when retirement benefits fall due as a result of long-term occupational disability, Fraport AG will increase it to this amount. In the event of long-term occupational disability within the first five years of their activities performed as members of the Executive Board, it is foreseen that Executive Board members can postpone the receipt of a monthly retirement pension payment by a maximum of five years from the start of the employment contract. Until the postponed start of the pension benefit payments, they will receive a monthly benefit of €2.5 thousand. The risk of pension payments in the increase phase and of payments for the increase has been reinsured by an occupational disability insurance policy. The full amount of all income pursuant to the Income Tax Act from employment or self-employment is credited against the retirement pension paid until the end of the month in which the Executive Board member reaches the age of 62.

Benefits for surviving dependents of Executive Board members appointed from 2012 onwards are regulated as follows: If there is no prior event giving rise to retirement benefits, the widow or widower receives the pension capital generated so far. If there is no widow or widower entitled to benefits, each half-orphan receives 10% and each full orphan receives 25% of the pension capital generated so far as a one-time payment. If the pension capital reached is less than €600 thousand upon death, Fraport will increase it to this amount. The payment risk of this increase has been reinsured by a term life insurance policy. If an Executive Board member dies while collecting retirement pensions, the widow or widower is entitled to 60% of the last retirement pensions paid. Half-orphans receive 10% and full orphans receive 25% of the last retirement pensions paid. If there are no surviving dependents as set forth above, the heirs receive a one-time death grant in the amount of €8.0 thousand.

Moreover, each member of the Executive Board has entered into a two-year post-contractual restrictive covenant. For this period, appropriate ex gratia compensation in the amount of 50% of the contractual benefits last received by the member of the Executive Board is granted (within the meaning of Section 74 (2) of the HGB); when calculating compensation, the performance-based remuneration components shall be taken into account according to the average of the last three completed fiscal years. If the current remuneration system has not existed for three fiscal years at the end of the contract, the average performance-based remuneration is determined based on the duration of the contract in accordance with the current remuneration system (within the meaning of Section 74b (2) of the HGB). Payment shall be made in monthly installments. The compensation shall be generally credited against any retirement pension owed by Fraport AG. In the case of Executive Board members appointed before 2012, this applies if the compensation together with the retirement pension and other income generated exceeds 100% of the last fixed annual salary. In the case of Executive Board members appointed since 2012, the full amount of the compensation counts toward the retirement pension up to the end of the month in which the member reaches the age of 62 or 65. Payments on the occasion of premature termination of the membership on the Executive Board are credited to the compensation for the period of.

No other benefits have been promised to Executive Board members should their employment be terminated.

The retirement pension payments entitlement of former Executive Board members is determined by a percentage of a contractually agreed fixed basis of assessment.

For Senior Managers and employees not covered by collective bargaining agreements who joined the company as Senior Managers or employees not covered by collective bargaining agreements after December 31, 1997 or who will join in future, the pension benefits and benefits for surviving dependents on the monthly compensation liable to top-up pension payments, for which contributions are payable, are restricted to the upper limit defined in Section 38 of the ATV-K in the amount of 1.133 times of the payment group 15 level 6 of the collective bargaining agreement for civil servants (TVöD). In addition to said limited pension benefits and benefits for surviving dependents, there exists a supplementary company retirement benefit for these persons. Accordingly, Fraport AG makes an annual contribution in the amount of 13% of the eligible income as capital components into an individually managed pension account. The period of contribution began on January 1, 1998 for employees who entered into an employment not covered by a collective bargaining agreement before January 1, 2000. Furthermore, this applies to employees who changed from an employment covered by a collective bargaining agreement to one not covered by a collective bargaining agreement after December 31, 1997 or who entered into an employment not covered by a collective bargaining agreement after

December 31, 1997, effective as at the time of the change in status. There were 718 benefits (of which 691 vested) as at the end of the year. The present value of the non-vested benefits amounted to €0.0 million (previous year: €0.0 million); the present value of the vested benefits amounted to €13.2 million in the 2023 annual financial statements (previous year: €12.5 million). Future obligations amount to €8.4 million for active employees and €4.8 million for former and retired employees. No significant provision amounts were paid this fiscal year due to the young age structure. The obligations for Senior Managers and employees not covered by collective bargaining agreements had an average weighted term of 7.2 years (previous year: 8.0 years).

Furthermore, the opportunity to participate in an employee-financed company pension scheme ("deferred compensation") exists. The employee contribution is generated through converting a portion that can be chosen freely each year. This portion is converted into an insured sum and is accumulated by Fraport AG and accrues interest. At the end of the fiscal year, there were 24 vested pension commitments totaling €8.2 million (previous year: €7.4 million). Obligations amount to €5.0 million for active employees (previous year: €6.0 million); obligations amount to €3.2 million for former and retired employees (previous year: €1.5 million). The average weighted term of the employee-financed company pension scheme was 6.3 years (previous year: 7.0 years).

Guidelines nos. 2 and 3 as well as company agreement BV 47 were replaced with a new version of company agreement BV 47 and an amalgamated guideline 2 effective January 1, 2017. The new version differs from the previously valid version in that the interest on contributions from January 1, 2017 is no longer accrued at a fixed interest rate of 6% nor is direct interest attributed based on age factors but rather at an annual rate based on the market rate, which is no less than 2% p.a. and no more than 6% p.a. Contributions that have been paid in by December 31, 2016 still accrue interest according to the previous version.

The valuation of pension obligations is based on the provisions of IAS 19. The pension obligations as at December 31, 2023 were calculated on the basis of actuarial opinions. Changes to the obligations outlined above were as follows:

Pension obligations (2023)

€ million	Present value of the obligation	Plan assets	Total
As at January 1, 2023	**55.7**	**–24.0**	**31.7**
Service cost			
Current service cost	1.7	0.0	**1.7**
Supplementary service cost	0.0	0.0	**0.0**
Gains and losses on compensation	0.0	0.0	**0.0**
Total service cost	**1.7**	**0.0**	**1.7**
Net interest income/expense			
Interest income and interest expenses	**1.8**	**–0.8**	**1.0**
Remeasurements			
Income on plan assets, excluding interest	0.0	–0.1	**–0.1**
Actuarial gains and losses from changes in demographic assumptions	0.0	0.0	**0.0**
Actuarial gains and losses from the adjustment of the obligation based on experience	–0.2	0.0	**–0.2**
Actuarial gains and losses from changes in financial assumptions	2.5	0.0	**2.5**
Total remeasurements	**2.3**	**–0.1**	**2.2**
Impacts of exchange rate differences	0.0	0.0	**0.0**
Contributions of the employer to the plan	0.8	0.0	**0.8**
Contributions of the employee to the plan	0.0	0.0	**0.0**
Payments from the plan	–2.9	1.3	**–1.6**
Overfunding	0.0	0.0	**0.0**
As at December 31, 2023	**59.4**	**–23.6**	**35.8**

Pension obligations (2022)

€ million	Present value of the obligation	Plan assets	Total
As at January 1, 2022	**66.3**	**–24.6**	**41.7**
Service cost			
Current service cost	2.0	0.0	**2.0**
Supplementary service cost	0.0	0.0	**0.0**
Gains and losses on compensation	0.0	0.0	**0.0**
Total service cost	**2.0**	**0.0**	**2.0**
Net interest income/expense			
Interest income and interest expenses	**0.6**	**–0.2**	**0.4**
Remeasurements			
Income on plan assets, excluding interest	0.0	0.0	**0.0**
Actuarial gains and losses from changes in demographic assumptions	0.0	0.0	**0.0**
Actuarial gains and losses from the adjustment of the obligation based on experience	3.5	0.0	**3.5**
Actuarial gains and losses from changes in financial assumptions	–14.5	0.0	**–14.5**
Total remeasurements	**–11.0**	**0.0**	**–11.0**
Impacts of exchange rate differences	0.0	0.0	**0.0**
Contributions of the employer to the plan	0.3	0.0	**0.3**
Contributions of the employee to the plan	0.0	0.0	**0.0**
Payments from the plan	–2.5	0.8	**–1.7**
Overfunding	0.0	0.0	**0.0**
As at December 31, 2022	**55.7**	**–24.0**	**31.7**

Offsetting

Pension obligations are offset against the plan assets reserved for insolvency insurance below:

Offsetting

€ million	2023	2022
Offsetting		
Reconciliation to assets and liabilities recognized in the financial position		
Present value of an obligation funded through a reinsurance/trust assets	23.9	25.2
Fair value of plan assets	–23.6	–24.0
Overfunding (not included in the net liability)/underfunding	0.3	1.2
Present value of an obligation not funded through a reinsurance/trust assets	35.5	30.5
(Net) liabilities recognized in the financial position	**35.8**	**31.7**

Significant actuarial assumptions

	2023	2022
Salary trend	2.25%	2.25%
Interest rate	3.16%	3.69%
Pension growth	2.25 %/2.25 % one time 2.0%	2.25 %/2.25 % one time 10.0%
Mortality	Mortality tables 2018 G of Prof. Dr. Heubeck	Mortality tables 2018 G of Prof. Dr. Heubeck
Retirement age	Termination of contract period, earliest pensionable age in pension commitments	Termination of contract period, earliest pensionable age in pension commitments

The significant actuarial assumptions relate to the pension obligations of the Fraport Group. All pension obligations largely have the same assumptions where the adjustment to pensions is only calculated on pension obligations of the Executive Board members.

Sensitivity analysis

The sensitivity analysis is based on changes in the assumptions while other factors remained constant. In practice, it is unlikely that only one actuarial assumption would change. Changes in actuarial assumptions may correlate with other actuarial assumptions. The method for determining the sensitivity analysis did not change. The pension provision would vary by the following amounts in the event of a change in assumptions:

Sensitivity analysis (December 31, 2023)

€ million	2023	
	Decrease in interest rate by 0.5%	Increase in interest rate by 0.5%
Interest rate	2.5	-2.3
	Decrease in pension growth by 0.25%	Increase in pension growth by 0.25%
Pension growth	-0.7	0.7
	Reduction by one year	
Mortality	0.0	
	Increase by one year	
Retirement age [1]	1.3	

[1] The obligation would increase by €1.3 million for all beneficiaries as a result of a one-year increase in the retirement age.

Sensitivity analysis (December 31, 2022)

€ million	2022	
	Decrease in interest rate by 0.5%	Increase in interest rate by 0.5%
Interest rate	3.6	–1,7
	Decrease in pension growth by 0.25%	Increase in pension growth by 0.25%
Pension growth	0.0	1.7
	Reduction by one year	
Mortality	0.8	
	Increase by one year	
Retirement age [1]	2.3	

[1] The obligation would increase by €2.3 million for all beneficiaries as a result of a one-year increase in the retirement age.

The retirement age has no influence on the pensions received by members of the Executive Board and was only calculated for other pensions. Due to the structure of the respective pension plans, the salary adjustment has no effect on pension obligations.

In connection with the defined benefit plans, the Group is exposed to the actuarial risks mentioned above as well as the interest rate risk. Due to the liquidity available in the Group, there is no risk with regard to fulfillment of non- reinsured obligations.

Multi-employer plans

Fraport AG has insured its employees for purposes of granting a company pension under the statutory insurance scheme based on a collective bargaining agreement (Altersvorsorge-TV-Kommunal [ATV-K]) with the Zusatzversorgungskasse for local authority and municipal employers in Wiesbaden (ZVK). The contributions are collected based on a pay-as-you-go model. As in the previous year, the contribution rate of the ZVK is 7.0% on compensation liable to top-up pension payments; thereof, the employer pays 5.3%, with the contribution paid by the employee amounting to 1.7%. In addition, a tax-free restructuring fee of 1.4% of the remuneration liable to top-up pension payments is levied by the employer in accordance with Section 63 of the ZVK Statutes (ZVKS). An additional contribution of 9.0% is paid for some employees included in the statutory social security insurance scheme (generally employees exempted from collective bargaining agreements and Senior Managers) for the consideration subject to ZVK that, according to Section 38 ATV-K, exceeds the upper limit defined in the collective bargaining agreement. The amounts subject to contributions amounted to €393.9 million.

This plan is a multi-employer plan (IAS 19.8), since the companies involved share the risk of the investment and also the biometric risk. Reference is also made to the collective bargaining agreement risks arising from the ZVK insurance in the Risk and Opportunities Report in the management report.

The ZVK insurance is generally to be classified as a defined benefit plan (IAS 19.30). Because there is not sufficient information on the plan and the company also covers the risks of other insuring companies with its contributions (IAS 19.34), only the current contributions are accounted for as if it were a defined contribution plan. Due to its structure, the ZVK does not provide any information to participating companies that would allow the allocation of obligations, plan assets, service costs, and, if applicable, over- or underfunding or the extent of Fraport’s participation in the plan. In the consolidated financial statements of Fraport, the consideration of contributions corresponds to defined-contribution pension commitments. Along with the remaining member companies, Fraport AG is obliged to finance accrued obligations not covered by assets as well as future obligations. The precise share of the remaining extent of the obligation cannot be determined. In the event of Fraport AG withdrawing from the multi-employer plan (for example, through terminating the agreement), compensation in the amount of the present value of the obligation at the point of the membership being terminated is to be paid to the ZVK. This amount cannot be determined due to only insufficient information being available. Should the multi-employer plan be dissolved by a resolution of the administrative committee, no share in any possible remaining overfunding will be due to Fraport.

In the fiscal year, €24.3 million (previous year: €22.0 million) was recorded as contributions to defined contribution plans for ZVK. Contributions in the amount of €32.4 million are expected for the following financial year.

In addition, contributions are paid to state pension insurance institutions in Germany on the basis of statutory provisions. The current contributions are shown as expense for the respective year. Employer contributions made by the Fraport Group to statutory insurance schemes totaled €69.8 million (previous year: €71.6 million).

39 Non-current and Current Income Tax Provisions

Non-current and current income tax provisions

€ million	Remaining term		Total	Remaining term		Total
	up to 1 year	over 1 year	December 31, 2023	up to 1 year	over 1 year	December 31, 2022
Provisions for taxes on income	73.3	47.3	**120.6**	24.7	77.0	**101.7**

Tax provisions amounting to €120.6 million (previous year: €101.7 million) were accrued for unassessed corporation tax and trade taxes, as well as for tax audit risks.

40 Non-current and Current Other Provisions

The development in the non-current and current provisions is shown in the following tables.

Non-current and current personnel-related provisions

€ million	January 1, 2023	Use	Release	Additions	December 31, 2023
Personnel	**116.7**	**–58.3**	**–5.7**	**66.0**	**118.7**
thereof non-current	**45.4**				**34.7**
thereof current	**71.3**				**84.0**

In addition to the provisions in connection with the "Zukunft FRA – Relaunch 50" program, the personnel provisions related in particular to partial retirement arrangements, as well as provisions for variable wage and salary components, such as profit distribution for the employees of Fraport AG. The partial retirement provisions are recognized pursuant to IAS 19. The credit for partial retirement is offset against the fund units (see also note 23).

Other provisions

€ million	January 1, 2023	Use	Release	Additions	Interest effect	December 31, 2023
Environment	36.1	–1.7	0.0	1.9	2.7	**39.0**
Passive noise abatement	1.8	–1.4	0.0	0.2	0.1	**0.7**
Nature protection law compensation	11.1	–0.2	0.0	0.7	0.8	**12.4**
Wake turbulences	20.1	–1.7	0.0	0.3	0.5	**19.2**
Others	149.7	–57.5	–4.8	24.7	0.0	**112.1**
Total	**218.8**	**–62.5**	**–4.8**	**27.8**	**4.1**	**183.4**
thereof non-current	90.9					84.2
thereof current	127.9					99.2

Environmental provisions have been formed largely for probable restructuring costs for the elimination of groundwater contamination on the Frankfurt Airport site in Frankfurt/Main, as well as for environmental pollution in the southern section of the Airport. As at December 31, 2023, estimated cash outflows (present value) amounted to €1.9 million within one year (previous year: €1.9 million), €8.5 million after one to five years (previous year: €9.1 million), and €27.7 million after five years (previous year: €24.2 million).

The “passive noise abatement” provision includes obligations to refund the passive noise abatement expenses of owners of private and commercial land and obligations to pay outdoor living and commercial area compensation. The obligations result from the planning approval notice made by the Hessian Ministry of Economics, Energy, Transport and Living (HMWEVW) on December 18, 2007 in conjunction with the Act for Protection against Aircraft Noise (Aircraft Noise Act), and the planning approval notice of April 30, 2013. The application deadline for measures from the program was October 13, 2021. Invoices for measures requested by the deadline could still be submitted until October 12, 2022. The provision remaining as at December 31, 2023 in the amount of €0.7 million relates to invoices submitted by the deadline and still being processed. For all obligations reported under "passive noise abatement" there is a corresponding reimbursement right at the reporting date, which is reported under other receivables (see also Note 25). The carrying amount of the refund claim depends on the actually collected, and future expected noise abatement charges. The carrying amount of the corresponding provision depends on the actual, and future expected cash outflows for passive noise abatement measures and wake turbulences.

A provision for environmental protection compensating measures was created in previous years due to the long-term obligation to implement ecological compensating measures resulting from the work performed to clear the land in the southern part of the airport and in the area of Runway Northwest required for the airport expansion. As at December 31, 2023, estimated cash outflows (present value) amounted to €0.3 million within one year (previous year: €0.1 million), €3.4 million after one to five years (previous year: €3.4 million), and €8.7 million after five years (previous year: €7.6 million). In the fiscal year, there was a reassessment of the expected cash outflows that led to an adjustment of €0.7 million with no affect to profit or loss.

The wake turbulence protection program concerns the protection of roofs in the defined entitlement areas to protect against damage to roof cladding due to gusts of wind caused by wake turbulences. The obligations result from the corresponding supplementation decision dated May 10, 2013 and May 26, 2014. As at December 31, 2023, estimated cash outflows (present value) amounted to €4.1 million within one year (previous year: €3.7 million), €10.2 million after one to five years (previous year: €10.0 million), and €4.9 million after five years (previous year: €6.4 million). The additions in the fiscal year were made in full against the corresponding asset without affecting profit or loss (see note 25).

The remaining provisions include provisions for rebates and refunds of €28.4 million (previous year: €62.0 million), which in the 2023 fiscal year include revenue-decreasing additions of €16.7 million, provisions for possible claims settlements in connection with the strong recovery in traffic and passenger numbers in the fiscal year of €36.3 million (previous year: €36.9 million), provisions for interest related to expected back tax payments of €7.0 million (previous year: €7.3 million), provisions for development measures still to be implemented in connection with the sale of real estate inventories (also see note 28) of €5.1 million (previous year: €5.2 million). Cash flow used in the other provisions are primarily expected within one year.

41 Financial Instruments

Disclosures on Carrying Amounts and Fair Values

The following table presents the carrying amounts, fair values and measurement categories of the hierarchy pursuant to IFRS 13 of the financial instruments as at December 31, 2023:

Financial instruments as at December 31, 2023

€ million	Carrying Amount				Fair Value	Measurement categories pursuant to IFRS 13		
	Measured at amortized costs	FVOCI (without recycling)	FVOCI (with recycling)	FVTPL		Level 1 Quoted prices	Level 2 Derived prices	Level 3 Prices that cannot be derived
Financial assets								
Cash and cash equivalents	2,410.5				2,410.5			
Trade accounts receivable	271.5				271.5			
Other financial receivables and assets	209.5				209.5			
Derivative financial assets								
Hedging derivatives			2.9		2.9		2.9	
Other financial assets								
Non current securities			1,312.4		1,312.4	937.4	375.0	
Other investments		117.9			117.9			117.9
Loans to joint ventures	46.7				49.9		9.8	40.1
Loans to associated companies	0.1				0.1			0.1
Other loans	325.3				325.3		325.3	
Total	**3,263.6**	**117.9**	**1,315.3**	**0.0**	**4,700.0**	**937.4**	**713.0**	**158.1**
Financial liabilities								
Trade accounts payable	509.4				509.4			
Other financial liabilities	1,066.0				1,098.7		1,098.7	
Financial liabilities	11,753.9				10,727.0	2,040.5	8,686.5	
Derivative financial liabilities								
Other derivatives				0.7	0.7		0.7	
Total	**13,329.3**	**0.0**	**0.0**	**0.7**	**12,335.8**	**2,040.5**	**9,785.9**	**0.0**

The following table presents the carrying amounts, fair values and measurement categories of the hierarchy pursuant to IFRS 13 of the financial instruments as at December 31, 2022:

Financial instruments as at December 31, 2022

€ million	Carrying Amount				Fair Value	Measurement categories pursuant to IFRS 13		
	Measured at amortized costs	FVOCI (without recycling)	FVOCI (with recycling)	FVTPL		Level 1 Quoted prices	Level 2 Derived prices	Level 3 Prices that cannot be derived
Financial assets								
Cash and cash equivalents	2,585.2				2,585.2			
Trade accounts receivable	177.1				177.1			
Other financial receivables and asset	142.4				142.4			
Other financial assets								
Non current securities			1,056.7		1,056.7	977.0	79.7	
Other investments		130.4			130.4			130.4
Loans to joint ventures	27.6				27.6		7.6	20.0
Loans to associated companies								
Other loans	228.4				228.4		228.4	
Total	**3,160.7**	**130.4**	**1,056.7**	**0.0**	**4,347.8**	**977.0**	**315.7**	**150.4**
Financial liabilities								
Trade accounts payable	506.7				506.7			
Other financial liabilities	1,078.6				1,018.9		1,018.9	
Financial liabilities	10,925.6				9,993.9	1,934.8	8,059.1	
Derivative financial liabilities								
Other derivatives				0.7	0.7		0.7	
Total	**12,510.9**	**0.0**	**0.0**	**0.7**	**11,520.2**	**1,934.8**	**9,078.7**	**0.0**

For cash and cash equivalents, trade receivables, trade accounts payable and other financial receivables and assets, it was assumed that the carrying amount represents a reasonable approximation of the fair value. This assumption is largely due to the short term.

The fair values of listed securities are identical to the stock market prices on the reporting date. The valuation of unlisted securities was based on market data applicable on the valuation date using reliable and specialized sources and data providers. The values were determined using established valuation models.

The fair values of loans to joint ventures and associated companies, as well as non-current other receivables and financial assets, are determined as the present value of future cash flows. Future cash flows are estimated on the basis of financial planning or derived on the basis of existing contractual terms. If financial planning is used as a basis, the company is classified as level 3, otherwise it is classified as level 2. Discounting was applied using the current maturity-linked interest rate as at the balance sheet date.

The carrying amounts of other loans correspond to the respective fair values. The other loans are subject to a market interest rate, and their carrying amounts therefore represent a reliable valuation for their fair values. Part of the other loans are promissory note loans with a remaining term of more than one year. Due to the lack of an active market, no information is available on the risk premiums of their respective issuers. As the promissory note loans are mainly floating interest rate loans, their carrying amounts were used as the most reliable value for their fair values.

Other non-current financial liabilities are recognized at their present value. To determine fair value, the respective cash outflows are discounted at interest rates with similar terms and with the Fraport credit risk as at the reporting date. The carrying amounts of current liabilities are equal to the fair value.

In order to determine the fair value of not listed financial liabilities, the future expected cash flows are determined and discounted based on the yield curve on the reporting date. The market-driven and maturity-linked risk premium of the respective borrower as at the reporting date is added to the cash flows.

The derivative financial instruments relate to interest rate hedging transactions. In the 2023 fiscal year, six interest rate swaps were concluded in connection with the first disbursement of the financing contractually agreed in 2022 for the commitment in Lima.

The other investments categorized as Level 3 relate to the shares in Delhi International Airport Private Ltd. The fair value is determined based on the discounted cash flow valuation.

The substantial non-observable input factors for the shares in Delhi International Airport Private Ltd., for determining the fair value, are the forecast cash flows, which are based on the company's future earnings and planned capital expenditure, as well as the discount factor that is applied. The discount factor used was the WACC (country-specific, weighted average capital cost after taxes).

Fair value hierarchy level 3 reconciliation 2023 (values determined using valuation techniques)

€ million	January, 1 2023	Additions	Gains/losses in income statement	Transfers into level 3	Gains/losses in OCI	December, 31 2023
Other investments	130.2	0.0	0.0	0.0	–12.7	117.5

Fair value hierarchy level 3 reconciliation 2022 (values determined using valuation techniques)

€ million	January, 1 2022	Additions	Gains/losses in income statement	Transfers into level 3	Gains/losses in OCI	December, 31 2022
Other investments	108.8	0.0	0.0	0.0	21.4	130.2

The following amounts generated from the fair value in the event of changes in assumptions are:

Sensitivities 2023

€ million	Sensitivities with regard to unobservable input parameters					Currency rate sensitivity (INR)	
		Discount rate		Growth forecasts			
		+0.5%	–0.5%	+0.5%	–0.5%	+0.5%	–0.5%
Other investments	9.5 %	87.6	151.2	123.0	111.9	116.9	118.1

Sensitivities 2022

€ million	Sensitivities with regard to unobservable input parameters					Currency rate sensitivity (INR)	
		Discount rate		Growth forecasts			
		+0.5%	–0.5%	+0.5%	–0.5%	+0.5%	–0.5%
Other investments	9.8 %	98.9	165.6	135.7	124.6	124.0	137.1

The following table shows the net result for 2023 and 2022 according to IFRS 9:

Net results of the measurement categories

€ million	2023	2022
Financial assets		
At amortized cost	–7.7	–168.1
FVOCI with Recycling	31.3	–57.7
FVOCI without Recycling	–12.5	21.2
Financial liabilities		
At amortized cost	2.2	4.5
FVTPL	1.2	12.0

The net result consists of changes in fair values recognized through profit or loss, impairment losses, and write-ups recognized through profit or loss, exchange rate changes, and gains and losses of disposals.

Interest and dividend income from financial instruments held at FVOCI are also included in the calculation of the net result.

The gains on financial liabilities FVTPL include the fair values of an interest rate swap for which there were no hedged items in the course of the 2023 fiscal year.

Derivative financial instruments and hedge accounting

With regard to the items in its statement of financial position and planned transactions, Fraport is, in particular, subject to interest rate and currency exchange risks. Fraport covers interest rate risks by establishing naturally hedged positions, in which the values or cash flows of primary financial instruments offset each other in their timing and amount, and/or by using derivative financial instruments to hedge the business transactions. Derivatives are not used for trading or speculative purposes.

Interest rate risks arise in particular from the capital requirements associated with capital expenditure and from existing floating interest rate financial liabilities and assets. As part of the interest rate risk management policy, interest swaps and interest swaps with embedded floors were concluded in order to limit the interest rate risk arising from financial instruments with floating interest rates and assure planning security.

The Group holds seven interest rate swaps as at the reporting date (previous year: one).

Derivative financial instruments

€ million	Nominal volume		Fair value		Credit risk	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Interest rate swaps	560.7	30.0	–0.7	0.0	0.0	0.0
thereof hedge accounting	530.7	0.0	0.0	0.0	0.0	0.0
thereof trading	30.0	30.0	–0.7	0.0	0.0	0.0

The fair values of the derivative financial instruments are recorded as follows in the statement of financial position:

Fair values of derivative financial instruments

€ million	Other assets		Other liabilities	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Interest rate swaps - cash flow hedges	2.9	0.0	0.0	0.0
Interest rate swaps - trading	0.0	0.0	0.7	0.7

One interest rate swap (previous year: one) is classified as FVTPL. All changes in value resulting from this classification are recorded through profit or loss.

Six interest rate swaps (previous year: zero) are already assigned to existing floating interest-bearing liabilities and accounted for as cash flow hedges in accordance with IFRS 9. Changes in the fair values of these instruments are recorded in other comprehensive income without affecting profit or loss. This economic relationship results from the compensation amount and thus the effectiveness of these cash flow hedges. Effectiveness is reviewed and documented at regular intervals. In general, the recorded hedging relationships can become ineffective if a gap arises in the material measurement parameters between the hedged item and hedging instrument. Due to a very low level of ineffectiveness, the change in value of hedging instruments corresponds to change in value of the underlying hedged item. These changes in value arise from the unrealized net income that was recorded in shareholders' equity during the fiscal year.

Interest rate swaps (2023 hedge accounting)

€ million				December 31, 2023
Beginning of term	End of term	Nominal value	Fair value	Average interest rate
2023	2029	530.7	2.9	3.4 %
Total		**530.7**	**2.9**	

The difference between the transaction price and the fair value of the derivatives at the time of the transaction in the amount of €8.2 million was recognized as an expense in profit and loss. During the 2023 fiscal year, unrealized gains of €10.2 million from the change in the market values of derivatives were recognized in other comprehensive income. This resulted in changes to deferred taxes of €2.2 million. The interest result includes €6.6 million in income from the derivative.

Notes to the Segment Reporting

42 Notes to the Segment Reporting

Segment reporting in the Fraport Group according to IFRS 8 is based on internal reporting to the Executive Board as principle decision-maker and is attached as an appendix to the notes.

The same accounting principles as those used in the consolidated financial statements underlie segment reporting.

The strategic business units of Fraport AG at the Frankfurt site are clearly assigned to the Aviation, Retail & Real Estate, Ground Handling and International Activities & Services segments. In addition, these segments include Group companies integrated in the business processes at the Frankfurt site.

The Aviation segment incorporates the strategic business unit “Aviation” as well as the Group companies involved in the processes at the Frankfurt site. With the takeover of control of aviation security checks at the Frankfurt site at the beginning of the 2023 financial year, the Aviation segment generated revenue from aviation security fees for the first time.

The Retail & Real Estate segment consists of the strategic business unit “Retail and Properties”, comprising the retailing activities, parking facility management, and the rental and marketing of real estate at the Frankfurt site. In addition, the Group companies integrated into these activities on the Frankfurt site are allocated to this segment.

The Ground Handling segment combines the “Ground Services” strategic business unit and the Group companies involved in these operations at the Frankfurt site.

The International Activities & Services segment encompasses in aggregate, due to the similarity of the economic criteria, the Group companies that are not integrated in the processes at the Frankfurt site, and Group companies that carry out their business operations outside the Frankfurt site (International Activities). The business operations of these companies consist of the operation of airports outside the Frankfurt site or the provision of airport-related services, and are primarily aimed at the users of airport infrastructure. In subareas, they are subject to country-specific regulatory requirements for the operation of airport infrastructure. In addition, the internal service units Integrated Facility Management, Corporate Infrastructure Management, Airport Expansion South, Information and Telecommunication and their Group companies and the strategic business unit Global Investments and Management are assigned to the segment because they primarily provide internal services for the Fraport Group.

Revenue of €70.3million, EBITDA of €13.7million and EBIT of -€13.5 million result from the internal service units and their investments as well as the acquisitions and investments section.

Corporate data at Fraport AG is divided into market-oriented business and service units on the one hand and into central units on the other hand. All the business and service units are allocated clearly to one segment each. The central units are categorized appropriately.

The data about the Group companies that are not integrated in the processes at the Frankfurt site and Group companies that carry out their business operations outside the Frankfurt site are allocated to the International Activities & Services segment during reporting. The Group companies that are integrated in the processes at the Frankfurt site are allocated to the relevant segment according to their business operations.

Inter-segment revenue is primarily generated by the allocation of rent for land, buildings and space, as well as maintenance services and energy supply within Fraport AG. The corresponding assets are allocated to the Retail & Real Estate segment. The relevant units are charged on the basis of the costs incurred, including imputed interest.

Inter-segment income also reflects income that has been generated between the companies included from different segments.

Goodwill from business mergers and the appropriate impairment losses, where applicable, have been allocated clearly to a segment according to this segment structure.

The reconciliation of segment assets/segment liabilities column includes the income tax assets/liabilities (including the deferred tax assets/liabilities) of the Group.

In the additional disclosures “Geographical Information”, allocation takes place according to the current main areas of operation: Germany, Rest of Europe, Asia, and America. The figures shown under “Asia” relate mainly to Turkey. The figures shown under “America” relate mainly to the United States, Peru, and Brazil. Of the non-current assets (consisting of property, plant, and equipment, investments in airport operating projects, other intangible assets and investment property) of €13,264.8 (previous year: €12,305.9 million) €8,739.7 million (previous year: €8,120.4 million) relate to Germany. Non-current assets in all other countries of €4,525.1 million (previous year: €4,185.5 million) primarily relate to investments in airport operating projects. The two Brazilian companies achieved revenue in the amount of €108.3 million in 2023 (previous year: €90.0million). The investments in airport operating projects according to IFRIC 12 increased from €595.9 million in the previous year to €611.2 million as at December 31, 2023. The revenue of Lima Airport Partners S.R.L., Lima, Peru, amounted to €792.0 million in 2023 (previous year: €590.1 million). The company holds non-current intangible assets in connection with the accounting pursuant to IFRIC 12 of around €1,522.2 million as at the balance sheet date (previous year: 1,094.9 million). In the “Rest of Europe” region, the two Greek companies contributed a total of €545.2 million (previous year: €443.8 million) to revenue (see also note 2). The investments in airport operating projects according to IFRIC 12 amounted to €1,864.9 million as at December 31, 2023 (previous year: €1,933.0 million).

Additions in the subsidiaries relate to Fraport Washington LLC and Fraport Washington Partnership LLC (International Activities & Services segment). In addition, as a result of the sale of a further 25% of the shares, FraSec Aviation Security GmbH is no longer included in the consolidated financial statements as a subsidiary but as a joint venture since January 1, 2023 (Aviation segment). The additions in the associated companies relate to the founding of FraScout GmbH (Aviation segment), the disposal in the associated companies to the sale of all shares in Airmail Center Frankfurt GmbH (Ground Handling segment). The effects of the additions and disposals are explained in more detail in note 2. The aforementioned changes had no substantial impact on the segment reporting.

Segment assets of the Retail & Real Estate segment include real estate inventories of €0.5 million (previous year: €0.5 million).

During the 2023 fiscal year, revenue of €969.1 million was generated in all four segments with one customer (previous year: €740.8 million) and thus more than 10% of Group revenue. Further explanations about segment reporting can be found in the management report.

Notes to the Consolidated Statement of Cash Flows

43 Notes to the Consolidated Statement of Cash Flows

Cash flow from operating activities

In the 2023 fiscal year, cash flow from operating activities (operating cash flow) of €863.2 million (2022: €787.3 million) was generated. The improvement of €75.9 million resulted in particular from an increase in the operating result.

Cash flow used in investing activities

Cash flow used in investing activities without investments in cash deposits and securities amounted to €1,482.6 million in the past fiscal year, an increase of €176.8 million year-on-year. The increase was primarily the result of higher investments in airport operating projects, particularly in Lima, as well as increased cash outflows for expansion measures at the Frankfurt site. In the previous year, the cash outflow was mainly due to capital contributions of –€375.3 million to the new joint venture that was established in connection with the operating concession at Antalya Airport and, on the other hand, due to the proceeds from the disposal of the shares in the associated company Xi'an of +€152.2 million. Considering capital expenditure in and revenue from securities and promissory note loans as well as capital expenditure in relation to time deposits, the overall cash flow used in investing activities was €1,818.9 million (2022: €1,216.0 million).

Cash flow from financing activities

Compared to the previous year, cash flow used in financing activities decreased only slightly by €86.9 million to €795.4 million. The raising of funds from the project financing concluded in December 2022 at the Group company Lima and the associated repayment of the short-term bridge loan had an effect of €675.1 million on the payments of non-current financial liabilities and –€302.4 million on the change in current financial liabilities.

The capital increases "Non-controlling interests" relate to capital contributions to the company Lima. In the previous year, the sale of capital and loan shares to a co-shareholder of the Greek companies was reported under transactions with non-controlling interests. Taking into account exchange rate fluctuations and other changes, the Fraport Group reported cash and cash equivalents based on the consolidated statement of cash flows of €670.3 million as at December 31, 2023 (2022: €826.2 million).

The following overviews show the composition of cash and cash equivalents and non-cash changes to the liabilities from financing activities. With regard to the development of the leasing liabilities, see note 20.

Reconciliation to the cash and cash equivalents as shown in the consolidated statement of financial position

€ million	December 31, 2023	December 31, 2022
Bank and cash balances	180.1	579.6
Time deposits with a remaining term of less than three months	490.2	246.6
Cash and cash equivalents as at the consolidated statement of cash flows	**670.3**	**826.2**
Time deposits with a remaining term of more than three months	1,614.0	1,619.7
Restricted cash	126.2	139.3
Cash and cash equivalents as at the consolidated statement of financial position	**2,410.5**	**2,585.2**

Changes in liabilities from financing activities

€ million	January 1, 2023	Cash inflow from non-current financial liabilities	Repayment of non-current financial liabilities	Cash-effective changes in financial liabilities	Non cash-effective changes				December 31, 2023
					Accrued interest	Foreign currency translation effects	Changes in fair value	Reclassifications and other changes	
Non-current financial liabilities	9,716.0	2,055.3	–104.3	0.0	0.0	16.4	9.4	–1,460.3	10,232.5
Current financial liabilities	1,209.6	0.0	–819.6	–343.5	25.3	–10.7	0.0	1,460.3	1,521.4
Other financing activities	26.8	0.0	0.0	–4.7	0.0	0.0	0.0	0.0	22.1

Changes in liabilities from financing acitivities

€ million	January 1, 2022	Cash inflow from non-current financial liabilities	Repayment of non-current financial liabilities	Cash-effective changes in current financial liabilities	Non cash-effective changes				December 31, 2022
					Accrued interest	Foreign currency translation effects	Changes in fair value	Reclassifications and other changes	
Non-current financial liabilities	9,306.4	2,011.6	–913.8	52.3	31.6	33.7	6.8	–812.6	9,716.0
Current financial liabilities	627.6	0.0	–393.4	139.0	19.1	4.7	0.0	812.6	1,209.6
Other financing activities	30.8	0.0	–4.0	0.0	0.0	0.0	0.0	0.0	26.8

Other Disclosures

44 Long-Term Incentive Program

Long-Term Incentive Program

The Long-Term Incentive Program (LTIP) for the Executive Board and Senior Managers was introduced effective January 1, 2010.

A certain number of virtual shares (so-called performance shares) is allocated annually depending on certain performance objectives. Target achievement is measured over four years (performance period); payment in cash takes place immediately at the end of the four-year performance period.

The number of virtual shares actually allocated depends on the extent to which two performance targets are met:

- Earnings per Share (EPS) (target weighting 70%)
  This internal performance target is determined by comparing the actual average EPS in the performance period with the weighted average plan EPS at the time of awarding.

- Rank Total Shareholder Return MDAX (TSR) (target weighting 30%)
  The TSR measures the development of shares over a certain period of time subject to dividends and share price developments. Therefore, it constitutes a market-dependent performance target.

Performance Share Plan

Effective January 1, 2020, the Long-Term Incentive Program (LTIP) used to determine the long-term performance remuneration for the Executive Board, and from January 1, 2021 for the other plan participants, was replaced by the Performance Share Plan (PSP), which maintains a performance period of four years.

At the start of the plan, each member of the Executive Board, or each plan participant, is promised a target amount in euros according to their function as an allocation value.

As at January 1, 2023, 215,694 virtual shares were issued for the PSP tranche. Their term is four years ending on December 31, 2026.

The allocation value is divided by the initial fair value (i.e., the actuarially determined fair value according to the accounting standard IFRS 2, Share-based Payment) per performance share at the beginning of the performance period, resulting in the provisional number of virtual performance shares allocated.

The achievement of the performance share plan is determined by two performance criteria, Earnings Per Share (EPS) and the Total Shareholder Return (TSR) compared to the MDAX index.

- The Earnings Per Share (EPS) criterion is used as an internal financial performance target and is taken into account with a weighting of 70%. The EPS performance criterion provides incentives to operate profitably. This forms the basis for the sustainable and long-term growth of Fraport AG and ensures the financing capacity of necessary capital expenditure and thus the achievement of important strategic goals. Long-term growth helps Fraport AG to achieve its objective of establishing itself as Europe’s best airport operator and also to set global standards among the competition. In determining the achievement of the EPS target, a target value derived from strategic planning is compared with the actual EPS value achieved. This compares the average of the annual actual EPS values determined during the performance period with the average target EPS. If the average actual EPS value is equal to the average target EPS (target value), the target achievement rate is 100%. If the average actual EPS value is 25% below the target value, the target achievement rate is 50%. If the average actual EPS value is more than 25% below the target value, the target achievement rate is 0%. If the average actual EPS value is 25% or more above the target value, the target achievement rate is 150%. Between these values, the degree of achievement follows a straight-line development.

- As a further performance criterion, the relative Total Shareholder Return (TSR) uses an external performance criterion geared to the capital market, which is weighted at 30%. The relative TSR takes into account the development of the Fraport share price plus fictitious reinvested gross dividends compared to a predefined comparison group. The relative TSR links the interests of the Executive Board and shareholders and integrates a relative measurement of success into the remuneration system for the Executive Board. This creates an incentive to outperform the relevant comparison group in the long term. Fraport AG pursues the goal of being an attractive investment for shareholders and therefore provides an incentive for above-average success on the capital market. Achieving the target for the relative TSR is based on a comparison with the MDAX. The Supervisory Board considers the MDAX to be an appropriate benchmark group, as Fraport AG is listed in this index and the MDAX consists of companies of a comparable size. To calculate the TSR in the performance period of the Fraport AG share and the MDAX, the arithmetic average of the closing prices over the last 30 trading days before the beginning of a year of the performance period and over the last 30 trading days before the end of a year of the performance period is determined and then averaged relative to the four years of a performance period. In determining the arithmetic average of closing prices at the end of the performance period, a fictitious amount of reinvested gross dividends is also taken into account. The target achievement is 100% if the TSR performance of the Fraport AG share corresponds to the TSR performance of the comparison group. If the TSR performance of the Fraport AG share is 25% below the TSR performance of the MDAX, the target is 50%. If the TSR performance of the Fraport AG share is more than 25% below the TSR performance of the MDAX, the target is 0%. If the TSR performance of the Fraport AG share is 25% or more below the TSR performance of the MDAX, the target is 150%. Achieving the targets between the defined target achievement points follows a straight-line development.

The aforementionded performance criteria allow a target to be achieved in the range of 0% to 150%. At the end of the four-year performance period, the achievement of the performance criteria is determined and the final number of virtual performance shares is determined. The distributed amount is calculated by multiplying the final number of performance shares determined by the average price at that time of the Fraport AG share in the last 3 months prior to the end of the performance period plus dividends paid per share during the performance period. The value of the performance shares to be distributed therefore depends on the achievement of the performance criteria and the share price relevant for the distribution. The maximum payout amount is limited to 150% for each tranche to the Executive Board and 125% for all other participants to the allocation value applicable at the start of the plan.

The payment of the PSP takes place no later than one month after approval of the consolidated financial statements for the fourth year of the performance period.

The target achievements for the respective performance criteria of the Executive Board tranches are published in the relevant Remuneration Report.

Development of the fair values of the virtual shares for the Executive Board and Senior Managers

Tranche All figures in €	Fair value December 31, 2023 Executive Board	Fair value December 31, 2023 Senior Managers	Fair value December 31, 2022 Executive Board	Fair value December 31, 2022 Senior Managers
Fiscal year 2020[1]	14.90	16.00	9.45	10.61
Fiscal year 2021[2]	51.45	37.41	39.39	32.14
Fiscal year 2022	38.79	31.58	25.75	22.20
Fiscal year 2023	28.15	17.39	22.61	15.26

[1] Fair value for the Executive Board has been calculated under the PSP as of fiscal year 2020
[2] Fair value for the Senior Managers calculated for the first time under the PSP in fiscal year 2021

The valuation of the virtual shares takes place on the basis of the fair value per share for a tranche. A Monte Carlo simulation is used to determine the fair value. A simulation of the log-normal distributed processes is carried out for the Fraport share price to determine the relevant payment according to the respective performance targets.

The fair value of virtual shares to be measured in fiscal years 2020 to 2023 was calculated based on the following assumptions:

- The basis of the computations on the respective valuation date was a continuous zero interest rate. The interest rates were computed from the interest rate structures of government bonds maturing between one and ten years.
- The computation basis for future dividend payments is public estimates made by ten banks. The arithmetic mean of these estimates is taken to determine the dividends.
- Historic volatility is used for the calculations. The calculations are based on the daily XETRA closing price for the Fraport AG share and beginning in fiscal year 2020 also for the MDAX.
- The remaining term of the LTIP or the PSP is used as the time horizon to determine volatility.

As at December 31, 2023, the provision for the still ongoing LTIP tranche 2020 (for senior managers) amounted to €0.3 million and €7.4 million for the ongoing PSP tranches.

Due to the market dependence of the fair value measurement, there was a negative effect on profit and loss of €4.9 million in the past fiscal year 2023 (previous year: €1.1 million), which was recognized in personnel expenses. Of this amount, €3.4 million (previous year: €0.7 million) is attributable to Executive Board members and €1.5 million (previous year: €0.4 million) to the other plan participants.

No provision was created for the Executive Board tranche 2020. The reason for this is the support granted by the Federal Republic of Germany and the State of Hesse to compensate for unfunded maintenance costs incurred by Frankfurt Airport during the first lockdown in 2020. The prerequisite for the approval of these support payments was that the Executive Board would not receive any bonuses, special payments in the form of share packages or other separate remuneration (gratuities) in addition to the fixed salary for the 2020 fiscal year. This also related to the allocation of variable remuneration components for the 2020 fiscal year.

45 Contingent Liabilities

Contingent liabilities*

€ million	December 31, 2023	December 31, 2022
Guarantees	1.1	2.1
Warranties	1,482.8	1,342.0
thereof contract performance guarantees	1,426.4	1,265.3
Other contingent liabilities	100.4	89.9
Total	**1,584.3**	**1,434.0**

* Previous year's values adjusted for the guarantees and the contract performance guarantees. This relates to capital contribution obligations from the expansion financing for the operating company in Lima, Peru. The matter is presented in note 47 under "Liquidity risk".

The warranties concluded mainly result from the respective contract terms in connection with national and international investment projects.

At € 1,426.4 million, the guarantees mainly include contract performance guarantees. The key guarantees are explained below.

In December 2021, Fraport AG and its partner company TAV Airports Holding were awarded the tender for the new concession to operate the Turkish Antalya Airport (see note 22). This new concession runs from 2027 to 2051. In the course of this acquisition, the concession company Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş had to submit a contract performance guarantee to the Turkish aviation authority as the grantor upon signing the concession agreement on December 28, 2021. This guarantee is currently provided by the Turkish Ziraat Bank and reinsured by the shareholders in accordance with their shares in the consortium (Fraport share: €38.3 million).

In the first quarter of 2022, an advance payment on the concession fee of €1,812.5 million was made to the Turkish grantor in connection with this new concession in Antalya. To do so, the concession company took out financing in the amount of €1,225.0 million via a banking consortium. Additional funds from banks were used to finance the contractually obligatory expansion activities at the Antalya site so that the operating company reported liabilities to banks totaling around €1,883.0 million (previous year: €1,361.0 million) as at the reporting date. Fraport AG, as a shareholder, issued a financing guarantee in favor of the bank consortium totaling €941.5 million (previous year: €687.3 million) in accordance with its share.

In connection with the current concession at Antalya Airport, Turkey, in which Fraport AG holds a 50% stake, the shareholder guarantees were contractually reduced in 2023 from €125.0 million (€62.5 million Fraport share) to €85.0 million (€42.5 million Fraport share) for an existing loan (financing by the Turkish Akbank or, as the issuing bank, the Spanish Banco Santander). Furthermore, there is a guarantee of €1.9 million in connection with the commitment (previous year: €3.8 million).

Fraport and the Brazilian Government signed concession agreements on July 28, 2017 for the operation and further development of the Brazilian airports of Fortaleza and Porto Alegre. This commitment resulted in guarantees of €323.1 million (previous year: €401.7 million).

A performance guarantee, excluding recourse against Fraport AG, was signed between GMR Holdings Private Ltd., Fraport AG, and ICICI Bank Ltd. to the amount of INR3.000 million or €32.5 million (previous year: €34.0 million) to modernize, expand, and operate Delhi Airport (India). If, however, the party to the contract, GMR Holdings Private Ltd., fails to meet its contractual obligations, Fraport AG’s liability may not be excluded given the fact that Fraport AG is party to the contract.

As at the balance sheet date of December 31, 2023, there were contract performance guarantees in connection with the two service concession agreements concluded in 2015 for the 14 Greek Regional Airports of €29.2 million (previous year: €31.2 million).

The performance guarantee relating to the concession agreement for the operation of the airport in Lima, Peru, amounted to €24.1 million as at the balance sheet date (previous year: €24.6 million). The amount of the guarantee is regularly adjusted and depends on the investment obligations already fulfilled by the subsidiary in Lima.

Fraport Twin Star Airport Management AD is guaranteed unchanged to the amount of €7.5 million (previous year: €7.5 million) in the context of operating the airports in Varna and Burgas, Bulgaria.

The Group companies of Fraport USA have obligations amounting to €7.1 million (previous year: €7.0 million) in connection with the operation and development of commercial terminal areas at various US airports.

The other contingent liabilities include among others that Fraport AG is held liable to the amount of €5.8 million for rentals payable by Lufthansa Cargo Aktiengesellschaft to ACC Animal Cargo Center Frankfurt GmbH if Lufthansa Cargo Aktiengesellschaft exercises an extraordinary right to terminate the contract (previous year: €6.5 million) as well as contingent liabilities of the subsidiary Lima from tax risks to the amount of €9.9 million (previous year: €6.9 million). Other contingent liabilities in 2023 also include possible claims by the local authorities against the Brazilian Fraport company in Porto Alegre for the relocation/construction of alternative residential buildings for the residents of the “Vila Nazaré” settlement adjacent to the airport site. The relocation has been completed. Despite a possible capitalization of these expenses, they are to be presented under contingent liabilities. In total, this figure amounts to the equivalent of €75.4 million (previous year: €68.5 million).

The above mentioned contingent liabilities contain commitments in connection with investments in joint ventures in the amount of €85.9 million (previous year: €107.1 million) and €32.5 million (previous year: €34.0 million) obligations in connection with associated companies.

46 Other Financial Obligations

As at the balance sheet date, there were other obligations amounting to €161.6 million (previous year: €144.4 million). These relate largely to obligations arising from a long-term heat and cold supply contract (€100.4 million, previous year: €59.1 million) with Mainova AG. The other obligations include €60.9 million (previous year: €80.1 million) of obligations to joint ventures.

Revenue-related concession fees and additional obligations for capital expenditure of unspecified amounts on airport infrastructure have been agreed based on the existing concession agreements relating to the operation of the airports in Varna and Burgas, Bulgaria; Lima, Peru; Fortaleza and Porto Alegre, Brazil; and the 14 Greek Regional Airports (see also note 49).

In addition to order commitments, other financial obligations also include future expenses from existing rental and leasing contracts for operating and office equipment as well as technical systems and machines. No right-of-use assets in accordance with IFRS 16 were recognized for these contracts for reasons of materiality. Contracts are recorded as expenses like operate leases.

Order commitments for capital expenditure

€ million	December 31, 2023	December 31, 2022
Orders for capital expenditure in property, plant, and equipment and intangible assets	1,333.7	1,387.3

Order commitments for intangible assets comprise an insignificant portion of the total amount.

Operating leases

€ million	December 31, 2023	December 31, 2022
Rental and lease contracts		
up to 1 year	6.8	6.7
more than 1 up to 5 years	7.6	7.2
more than 5 years	0.0	0.1
Total	**14.4**	**14.0**

47 Risk management

Fraport is exposed to market price risks mainly due to changes in exchange rates and interest rates. The Group is additionally exposed to credit risks. There are also liquidity risks arising in connection with credit and market price risks or resulting from a worsening of the operating business or disturbances on the financial markets. It is the objective of financial risk management to monitor and limit these risks by means of current operating and finance-related activities. Depending on a risk assessment, selected hedging instruments are used for these purposes. In general, Fraport hedges only those risks that affect the Group's cash flows. Recently concluded derivative financial instruments are used exclusively as hedging instruments; i.e. they are not used for trading purposes.

Reporting to the Executive Board of risk positions is made once per quarter as part of the early risk recognition system. In addition, the Chief Financial Officer receives a current financial report each month with all important financial risk positions. These are also part of the monthly Treasury Committee Meetings (TCM) in which the Chief Financial Officer and representatives of the financial department participate. The processes of risk control and the use of financial instruments, among others, are regulated as part of the Group's financial guidelines. These regulations also include requirements for the unambiguous segregation of functions in respect of operating financial activities, their settlement and accounting, and the controlling of the financial instruments. The guidelines, which are the basis of the risk management processes, aim to limit and control the risks appropriately and monitor them. Both the guidelines and the systems are regularly reviewed and adjusted to current market and product developments.

For further details, please refer to the opportunity and risk reporting in the combined management report.

Credit risk

Fraport is subject to default risks from its operating business and certain financial positions. The default risks arising from financial positions are controlled by a broad diversification of counterparties and issuers, as well as regular verification of their credit ratings and the limits derived from this. It is the company's risk policy that financial assets and derivative transactions are in principle only carried out with issuers and counterparties with a credit rating of at least "BBB–". If the credit rating is downgraded to a grade worse than "BBB–" during the asset's holding period or the term of the derivative, a decision will be made on a case-by-case basis on how to deal with the asset or derivative in future, taking into account the remaining term. A low credit risk is expected, unless the debtor of a financial asset shows an external rating with "investment grade" upon initial recognition or on the balance sheet date.

The maximum credit risk on the balance sheet date is mainly reflected in the carrying amounts of the assets reported in the financial position. The amount of the debt instruments corresponds to the credit risks of the securities and promissory note loans. On the balance sheet date, the material securities and promissory note loans were broken down as follows:

Classification of debt instruments

€ million	December 31, 2023	December 31, 2022
Debt instruments	1,630.8	1,281.7

The carrying amount of securities and promissory note loans have the following long-term issuer ratings:

Issuer ratings of securities and promissory note loans

€ million	December 31, 2023	December 31, 2022
AAA	322.2	6.2
AA+	5.2	5.1
AA	23.2	38.9
AA–	294.8	187.3
A+	295.7	252.6
A	115.6	161.5
A–	236.9	93.9
BBB+	113.0	252.6
BBB	144.1	192.6
BBB–	76.4	87.4
BB	0.0	0.0
Not rated	3.7	3.6
Total	**1,630.8**	**1,281.7**

The credit risk on liquid funds (carrying amount) applies solely with regard to banks. Here, current cash deposits are maintained with banks. The banks where liquid funds are deposited have the following long-term issuer ratings:

Issuer ratings of liquid funds

€ million	December 31, 2023	December 31, 2022
AAA	25.6	0.0
AA+	0.0	0.0
AA	0.0	0.0
AA–	384.0	389.0
A+	687.5	631.7
A	296.7	300.8
A–	525.6	629.4
BBB+	142.8	159.7
BBB	17.3	3.6
BBB–	0.2	0.8
BB+	0.0	0.0
BB	0.0	0.0
BB–	24.9	16.2
B+	0.0	0.0
B	158.7	0.0
B–	145.1	451.8
CCC+	0.0	0.0
Not rated	2.1	2.2
Total	**2,410.5**	**2,585.2**

Liquidity risk

Fraport generates financial funds mainly through its operating business and external financing. The funds are primarily used to finance capital expenditure for items of property, plant, and equipment and intangible assets.

The operating cash flow, the available liquid funds (including cash and cash equivalents and current realizable securities and other financial instruments), as well as current and non-current credit lines and loan commitments, give sufficient flexibility to ensure the liquidity of the Fraport Group.

Given the diversity both of the financing sources, and the liquid funds, and financial assets, there is no risk of concentration in the liquidity.

The operating liquidity management comprises a cash concentration process, which, on a daily basis, combines the liquid funds of most of the Group companies headquartered in Germany. This allows optimum control of liquidity surpluses and requirements in line with the needs of individual Group companies. Short and medium-term liquidity management includes the maturities of financial assets and financial liabilities and estimates of the operating cash flow.

The following list of maturities shows how the liability cash flows as at December 31, 2023 influence the Group's future liquidity.

Liquidity profile as at December 31, 2023

€ million	Total	2024		2025		2026-2030		2031-2035		2036 et seqq.	
		Interest	Payment	Interest	Payment	Interest	Payment	Interest	Payment	Interest	Payment
Primary financial instruments											
Financial liabilities	**14,112.7**	340.0	1,455.1	328.8	1,039.8	1,288.8	6,665.8	323.5	1,954.0	112.7	604.2
Lease liabilities	**224.8**	–	46.0	–	40.3	0	101.3	0	6.8	0	30.4
Concessions payable	**2,269.8**	–	50.0	–	57.2	–	315.9	–	343.3	–	1,503.4
Trade accounts payable	**509.4**	–	430.8	–	62.0	–	8.1	–	8.5	–	–
Other financial liabilities	**77.6**	–	60.4	–	15.2	–	2.0	–	–	–	–
Derivative financial instruments	–	–	–	–	–	–	–	–	–	–	–
Interest rate swaps	**–215.1**	–29.7	–	–23.1	–	–162.3	–	–	–	–	–
Thereof trading	**0.3**	0.2	–	0.1	–	–	–	–	–	–	–
Thereof hedge accounting	**–215.4**	–29.9	–	–23.2	–	–162.3	–	–	–	–	–

The liquidity profile as at December 31, 2022 was as follows:

Liquidity profile as at December 31, 2022

€ million	Total	2023		2024		2025-2029		2030-2034		2035 et seqq.	
		Interest	Payment	Interest	Payment	Interest	Payment	Interest	Payment	Interest	Payment
Primary financial instruments											
Financial liabilities	**12,622.1**	236.0	1,199.9	221.3	1,433.6	824.7	6,101.1	317.2	1,438.9	143.6	705.8
Finance leases	**264.2**	**0**	47.6	–	41.1	0	136.0	0	8.3	0	31.2
Concessions payable	**2,037.4**	**0**	48.1	**0**	25.8	0	263.8	0	305.9	0	1,393.8
Trade accounts payable	**506.7**	**0**	444.4	**0**	52.7	0	9.4	0	0.2	0	–
Other financial liabilities	**100.6**	**0**	88.6	**0**	4.7	0	0.1	0	–	0	7.2
Derivative financial instruments	–	**0**	0	0	0	0	0	0	0	0	0
Interest rate swaps	**0.7**	0.3	**0**	0.2	0	0.2	0	–	0	–	0
Thereof trading	**0.7**	0.3	**0**	0.2	0	0.2	0	–	0	–	0
Thereof hedge accounting	–	–	**0**	–	0	–	0	–	0	–	0

All financial instruments that are subject to agreements as at the reporting date were included to determine the undiscounted payments. If a contractual partner can release a payment at different points of time, the earliest deadline was taken into account. The respective forward interest rates derived from the interest curve as at the balance sheet date were used to determine the interest payments on primary financial liabilities bearing interest at floating rates and the net payments on derivative financial instruments. The respective forward interest rates were used to determine the interest payments on primary financial liabilities in foreign currency.

For project-financing arrangements of foreign Group companies, credit clauses typical for this type of financing have been agreed. These clauses include regulations under which certain debt service coverage ratios and control indicators for leverage and credit terms must be complied with. Failure to comply with the agreed credit clauses may lead to restrictions on the distribution of dividends and/or to the early redemption of loans or to the additional payment of shareholders' equity. Furthermore, pledges of, for example, shares in the company or the assets associated with the service concessions were agreed to secure the project financing. In connection with the project financing concluded for the expansion of the airport in Lima, Fraport AG undertook to secure this financing, while maintaining certain shareholders' equity/borrowings ratios, by increasing the company's pro rata shareholders' equity by up to €347.6 million. Of this amount, €134.8 million was already paid in during fiscal year 2023.

Furthermore, there are loans with contractually agreed credit clauses. These clauses relate, among other things, to changes in the shareholder structure, and control of the company. If these changes have a proven negative effect on the credit rating of Fraport AG, the creditors have on a case-by-case basis, above a certain threshold, the right to call the loans due ahead of time.

As at the reporting date, all companies were in compliance with the provisions of the financing agreements.

Currency risk

The international focus of the Fraport Group makes its operating business, the financial results reported, and the cash flows subject to foreign currency fluctuation risks. Within the Group, foreign currency risks mainly arise from revenue in foreign currencies, which are not covered by expenses in matching currencies. This results in a cash flow risk between foreign currency revenue and functional currency revenue. Only the transaction risks affecting cash flows are actively controlled. These mainly apply between the US Dollar (US$) and the Peruvian Nuevo Sol (PEN). To reduce the foreign currency effects in the operating business, the transaction risk is assessed on an ongoing basis and hedged where necessary by using derivative financial instruments. Entering into financial instrument transactions is the responsibility of the Group companies in close coordination with the Treasury department of Fraport AG. The transaction risks are assessed by means of sensitivity analyses. The calculation rates on which the analyses are based are the result of the mean value for the respective exchange rate in the period under review, less or in addition to a standard deviation. Taking these assumptions as a basis with a deviation of 10%, the result for the period would have been affected in the year under review as follows:

Currency rate sensitivity

Risk in € million	December 31, 2023		December 31, 2022	
	Net income before tax	Loss before tax	Net income before tax	Loss before tax
US$/PEN	0.60	0.60	0.40	0.40

In addition, there are effects in the Group from the translation of foreign currency assets or liabilities into euros and/or from the consolidation of Group companies not accounted for in euros. These translational risks are met as far as possible by applying natural hedging.

Interest rate risk

The Fraport Group is exposed to interest rate risks on a variety of primary and derivative financial assets and liabilities, as well as future planned capital requirements.

In regard to assets and liabilities that are currently held, the objective of refinancing at matching maturities is generally pursued. The interest rate risk arising in the next twelve months is relevant for control. Therefore, it is assessed every quarter and reported to the financial risk committee. Sensitivity analyses are prepared to determine the risk. These show the effects of changes in market interest rates on interest payments, interest income and expenses, other profit or loss portions, and shareholders' equity. Interest rate changes are defined to be the maximum fluctuation of the key interest rate in the past for the respective currency and the respective period of time and/or the maximum fluctuation of the ten-year euro swap rate in the past. Here, the deviation in absolute terms is taken into consideration.

To limit the interest rate risks, derivative financial instruments, such as interest rate swaps, floors, and swaptions, are used.

The sensitivity analyses are based on the following assumptions:

Changes in market interest rates of primary financial instruments with fixed interest rates affect profit or loss, or shareholders' equity, only if the instruments are measured at fair value. The sensitivity analysis for these financial instruments assumes a parallel shift of the interest rate curve by 169 basis points over a period of twelve months.

The financial instruments measured at amortized acquisition cost with fixed interest rates do not affect the result for the period or the shareholders' equity of the Fraport Group.

Market interest rate changes of primary floating-rate financial instruments that are not designated hedged items in a cash flow hedge of interest rate exposures affect the interest result and are therefore included in the calculation of profit or loss related sensitivities. The respective net financial position for each currency is taken into account in the process. The interest rate sensitivity analysis is based on the following assumptions: in €: 4.0 percentage points; US Dollar (US$): 4.5 percentage points; Turkish Lira (TRY): 33.5 percentage points; Peruvian Nuevo Sol (PEN): 6.0 percentage points; Saudi Riyal (SAR): 4.25 percentage points; Bulgarian Lew (BGN): 5.22 percentage points; Hong Kong Dollar (HKD): 5.25 percentage points; Brazilian Real (BRL): 10.52 percentage points. The individual sensitivities are then aggregated to become one profit or loss related sensitivity in €.

Changes in market interest rates of interest rate derivatives which are not part of a hedging relationship pursuant to IFRS 9 affect the other financial result and are therefore included in the profit or loss related sensitivities. The maximum variability is taken to be a parallel shift of the interest rate curve by 169 basis points over a period of twelve months.

Based on the portfolios and the structure of the consolidated statement of financial position as at December 31, 2023 and the assumptions made, the profit or loss-related sensitivity is €13.3 million in the event of an increase (decrease) in the market interest rate (previous year: €8.6 million). This means that the financial result could hypothetically have increased (decreased) by €13.3 million. This hypothetical effect on the result would have resulted from the potential effects of interest rate derivatives of €0.9 million (previous year: €1.0 million) and an increase (decrease) in the interest result from primary floating-rate net financial positions of €14.2 million (previous year: €7.6 million).

Interest sensitivity on the financial result (169 basis points)

	Interest sensitivity in € million	Thereof from derivative financial instruments	Thereof from primary financial instruments
December 31, 2023	**–13.3**	**0.9**	**–14.2**
December 31, 2022	8.6	1.0	7.6

The equity-related sensitivity is €32.4 million (previous year: €39.7 million). By applying the assumptions made, an increase (decrease) in interest rates would have resulted in an increase (decrease) in shareholders' equity of €32.4 million.

Assuming a parallel shift in the interest rate curve of 150 basis points (previous year: 107 basis points) over a twelve-month period in the current interest rate environment gives the following results-oriented interest sensitivity:

Interest sensitivity on the financial result in the current interest rate environment

	Interest sensitivity in € million	Thereof from derivative financial instruments	Thereof from primary financial instruments
December 31, 2023	**–13.4**	**0.8**	**–14.2**
December 31, 2022	8.2	0.6	7.6

The equity-related sensitivity for 150 basis points (previous year: 107 basis points) is –€3.6 million (previous year: –€25.1 million). By applying the assumptions made, an increase (decrease) in interest rates would have resulted in an increase (decrease) in shareholders' equity of –€3.6 million.

Capital management

The Group's objectives with a view to capital management are ensuring the company's continued existence and a sustained increase in the company's value. As a capital market-oriented company with continuing capital expenditure requirements, Fraport monitors the development of its financial debt using ratios that relate EBITDA to net financial debt and/or interest expense and also very closely monitors developments in the various financing markets.

The components of the control indicators are defined as follows:

Components of the control indicators

Net financial debt	Current financial liabilities + Non-current financial liabilities
	– Liquid funds
	– Current realizable assets in "other financial assets" and "other receivables and financial assets"
EBITDA	Operating result + depreciation and amortization
Interest expense	Interest expense

The financial ratios developed as follows in the period under review:

Financial debt ratios

Key figures	Corridor	December 31, 2023	December 31, 2022
Net Debt/EBITDA	Max. 5 x	6.4	6.9
EBITDA/interest expense	Min. 3 – 4 x	3.8	3.3

Due to the unforeseeable extent of the coronavirus pandemic, it was temporarily not possible to comply with the ranges and thresholds shown in relation to the financial debt ratios during this period. With the onset of economic recovery in the 2023 fiscal year, an improvement was achieved in both financial debt ratios compared to the previous year and at least the EBITDA/interest expense financial debt ratio remains within the target range. It is expected that the net debt/EBITDA ratio will also approach the target value of a maximum of five again in the future due to the expected improvement in Group EBITDA.

On the basis of a financial institution license, Fraport Malta Business Ltd. finances both companies controlled by Fraport AG and joint ventures and associated companies in the Group. There are minimum capital requirements due to regulatory requirements in connection with the existing financial institution license. In particular, with regard to lending to companies in which Fraport AG directly or indirectly only holds a minority interest, special minimum capital requirements in relation to the amount lent complied with by the company as at the balance sheet date are to be observed per loan. The minimum capital requirements were consistently met during fiscal year 2023. Capital management is performed by the company taking account of the regulatory conditions set by the EU and the Maltese financial supervisory authority.

48 Related Party Disclosures

Relationships with related parties and the State of Hesse

Alongside the Group companies included in the consolidated financial statements, in the context of the course of ordinary business operations, the Group is also related to parties that are not included as well as associated companies and joint ventures, which are parties related to the Group according to IAS 24. Thus, Fraport AG has numerous business relationships with the State of Hesse and the City of Frankfurt and their majority-owned investments. Fraport AG is a dependent public-sector company due to the 31.31% (2022: 31.31%) stake held by the State of Hesse and the 20.92% (2022: 20.92%) stake held by Stadtwerke Frankfurt am Main Holding GmbH, Frankfurt am Main, as well as the consortium agreement concluded between these shareholders on April 18/23, 2001, amended on December 2, 2014. The voting rights of the City of Frankfurt are held indirectly via its subsidiary Stadtwerke Frankfurt am Main Holding GmbH. Related companies and authorities with which major business relationships are maintained include Mainova AG and its subsidiaries.

All transactions with related parties have been concluded under conditions customary in the market as with unrelated third parties. The services rendered to authorities are generally based on cost prices. The following table shows the scope of the respective business relationships:

Relationships with related parties and the State of Hesse

€ million		Majority shareholders		Joint Ventures	Associated companies	Companies controlled and significantly influenced by majority shareholders
		State of Hesse	Stadtwerke Frankfurt am Main Holding GmbH			
Revenue	**2023**	**2.8**	**0.2**	**122.4**	**2.8**	**18.3**
	2022	0.9	0.2	98.7	4.9	19.6
Purchased goods and services	**2023**	**1.7**	**8.4**	**81.1**	**17.1**	**118.4**
	2022	1.7	7.5	6.5	14.5	80.8
Interest	**2023**	**0.0**	**0.0**	**2.1**	**0.1**	**0.0**
	2022	0.0	0.0	0.8	0.1	0.0
Accounts receivable	**2023**	**0.0**	**0.0**	**15.9**	**0.0**	**0.0**
	2022	0.0	0.0	10.5	0.5	0.0
Loans	**2023**	**0.0**	**0.0**	**46.7**	**0.1**	**0.0**
	2022	0.0	0.0	27.7	0.0	0.0
Liabilities	**2023**	**0.0**	**0.0**	**11.2**	**2.5**	**8.9**
	2022	0.1	0.0	37.4	2.5	4.7

Regarding contingent liabilities and other financial obligations to joint ventures, please refer to note 45 and note 46. Some of the loan receivables from Group companies are collateralized.

Relationships with related persons

The Executive Board, Supervisory Board, and their family members are defined as related persons pursuant to IAS 24.

Remuneration for management in key positions in accordance with IAS 24 comprises the remuneration of the active Executive Board and Supervisory Board.

These were compensated as follows:

Remuneration of management

€ million	2023	2022
Salaries and other short-term employee benefits	7.2	7.5
Termination benefits	0.0	0.0
Post-employment benefits	0.8	1.1
Other long-term benefits	0.0	0.0
Share-based remuneration	2.9	2.9
Total	**10.9**	**11.5**

Information regarding salaries and other short-term employee benefits for employee representatives on the Supervisory Board exclusively includes remuneration for their Supervisory Board activities. In addition, they receive remuneration customary for the market in the context of their work as employees.

Post-employment benefits include service costs from pension provisions for the active members of the Executive Board.

The statement of share-based remuneration includes the granted amount for the Performance Share Plan (PSP) awarded in the fiscal year 2023 (see also note 54).

At the end of the fiscal year, there were outstanding balances for the Executive Board members' bonuses amounting to €2.9 million (previous year: €3.4 million).

There is a contract with a former member of the Executive Board to provide consulting services with a contract volume of less than €0.2 million in the reporting year. The contract is concluded at market conditions.

49 Operating Permit and Service Concession Agreements

The following Group companies in the Fraport Group have been granted service concessions or similar permits, which give the public access to important economic and social facilities:

Fraport AG

In agreement with the German Federal Minister of Transport, the Minister of Labor, Economics, and Transport for the State of Hesse approved operations at Frankfurt Main Airport in accordance with Section 7 as amended on August 21, 1936, of the German Air Traffic Act on December 20, 1957. This permit does not expire at any specific time and was last amended by the decision of October 29, 2012 based on the outcome of the planning approval notice for the expansion of the airport, in particular regarding Runway Northwest, taking into account the relevant ruling of the German Federal Administrative High Court.

The right to operate the airport is linked to various obligations that are specified in the permit. According to this, Fraport AG is required, among other things, to keep the airport in good operating condition at all times, to provide and maintain the equipment and signs needed to monitor and control air traffic at the airport, and to guarantee the availability of fire prevention and protection systems that take account of the special operating conditions. The restrictions on night flight traffic that were initially imposed in 1971 and subsequently updated have been tightened by the aforementioned amendment and extension to the permit. Also day-time operational restrictions on aircraft for civil aviation purposes at Frankfurt Main Airport that do not comply with the International Civil Aviation Organization (ICAO) noise protection regulations have been further tightened. Furthermore, there are statutory requirements for passive noise abatement and outdoor living area compensation as a result of the construction work for the airport expansion around Runway Northwest.

The company charges airlines that fly to Frankfurt Airport what are known as "traffic charges" for provision of the transport infrastructure. These traffic charges are broken down into airport charges that require approval and other charges that do not require approval.

- The airport charges that require approval according to Section 19b of the German Air Traffic Law (LuftVG) are divided into takeoff and landing charges, including noise components and emission charges, parking charges, and passenger and security charges, as well as charges for the financing of passive noise abatement measures (noise surcharges) as of July 1, 2012. The responsible approving authority for Frankfurt Airport is the Hessian Ministry of Economics, Energy, Transport and Housing (HMWEVW). The amount of the charges is specified in a related charge table and is published in the Air Transport Bulletin (NfL).

- From January 1, 2023, there was an average increase in airport charges of 4.9% and a further spread in noise-related charges. In addition, the charge table included an incentive program "Recovery Program FRA 2023" for airlines, with the aim of promoting a rapid recovery of passenger volumes at Frankfurt Airport following the pandemic-related slumps.

- On January 1, 2024, a new charge table entered into effect, which provides for an average increase in airport charges of 9.5%. In addition, the noise assessment bases were redefined in the 2024 schedule of charges, louder noise categories were significantly burdened and further incentives for quieter flying were created.

- Airport charges accounted for 35.21% (previous year: 34.76%) of Fraport AG's revenue in the year under review.

- The remaining charges not subject to approval are classified as charges for central ground service infrastructure facilities and ground service charges. In accordance with EU regulations, ground services on the apron were opened up to competition on November 1, 1999 (opened up in practice on April 15, 2000), by issuing a permit to another third-party ground handling company along with Fraport AG. The services in the area of central ground service infrastructure facilities continue to be excluded from competition (monopoly sector) and are completely segregated from the ground services when they are offset with the airlines. Of Fraport AG's revenue in 2023, 14.83% was generated by ground services (previous year: 16.22%) and 13.57% by infrastructure charges (previous year: 13.35%).

Above and beyond the traffic charges, Fraport AG generates revenue essentially from revenue-based payments, renting and parking, and security services. The proceeds from these operations which do not require approval accounted for 36.39% (previous year: 35.67%) of Fraport AG's entire revenue in the year under review.

Fraport Twin Star Airport Management AD

Fraport Twin Star Airport Management AD (operator) and the Republic of Bulgaria (grantor), represented by its Minister of Transport, signed a concession agreement on September 10, 2006, for the operation and management of the Bulgarian airports in Varna and Burgas on the Black Sea. On October 18, 2022, it was decided to extend the concession by five years until November 2046. The extension is accompanied by an additional investment obligation of €10 million.

According to the concession agreement, the operator is obligated to render various airport services and to improve services in line with international standards, national laws, and the provisions stipulated in the concession agreement. Moreover, the operator has capital expenditure obligations of unspecified amounts for the expansion and a capacity increase of the airports in Varna and Burgas and to maintain the assets ceded for use. In addition, the operator pays an annual concession fee of 19.2% of total revenue, at least 19.2% of BGN57 million (€29.1 million), adjusted for the development of the national inflation rate, to the grantor.

The operator paid an additional non-recurring concession fee in the amount of €3.0 million to the grantor after the agreement was signed. In return, the operator receives the right to use the existing and future infrastructure for airport operations and the right to generate revenues, in particular through airport charges (passenger, landing, and parking fees), and for ground handling services. Airport charges are regulated by the grantor.

The term of the concession agreement began on November 10, 2006 and will be 40 years after the extension decided in 2022. There are no further options for extension.

Contract performance guarantees must be granted to the grantor depending on the phase of the project (also see note 45).

At the end of the concession term, the infrastructure pursuant to the contract that is essential for airport operations must be returned to the grantor in proper operating condition without receiving any consideration in return.

Lima Airport Partners S.R.L. (LAP)

On February 14, 2001, LAP (operator) and the Peruvian government (grantor) signed the concession agreement for Jorge Chavez International Airport on the operation, expansion, maintenance, and use of the Jorge Chavez International Airport in Lima (Peru).

The term of the concession agreement was extended in 2017 from 30 to 40 years, until 2041. There is also an option to extend it by an additional ten-year period, to end in 2051. By concluding the amendments, the land required for the airport expansion was handed over to the company, and in return it is obliged to invest in the airport infrastructure. As part of the expansion project, the construction measures for the for airside expansion of the airport have now been completed. The second runway and the air traffic control tower started operations in April 2023. The construction of the new passenger terminal continues to progress. It is scheduled to open at the end of 2024. For the construction of the passenger terminal, LAP commissioned a construction consortium which, as the general contractor, takes on the EPC services (Engineering, Procurement, Construction) customary in the industry, which include all planning, procurement and construction measures. Due to the size and complexity of the project, various risks are associated with the expansion program. For further details, please refer to the opportunity and risk reporting in the combined management report.

In addition to the capital expenditure, the company has additional obligations in connection with the operation and maintenance of airport infrastructure.

The operator is obligated to pay concession fees. The concession fee is the higher of two amounts: either the contractually fixed minimum payment (basic payment of US$15 million per year, adjusted by US CPI) or 46.511% of total revenue after deduction and transfer to Corpac (Aviation Regulatory Authority) of 50% of landing charges and 20% of the international passenger charges (TUUA). In addition, a regulatory charge of 1% of the same assessment basis is payable. In return, the operator receives the right to use the existing and future infrastructure for airport operations and the right to generate revenue, in particular through airport charges (passenger, landing, and parking fees), and for ground handling and other services. Airport charges are regulated by the grantor.

Contract performance guarantees must be granted to the grantor depending on the phase of the project (also see note 45).

At the end of the contract term, the infrastructure pursuant to the contract that is essential for airport operations must be returned to the grantor by the operator in the contractually defined operational condition. The operator has the right to have the residual carrying amount of said infrastructure reimbursed by the grantor for a limited period of time. This does not apply if the concession agreement is terminated early.

Fraport Regional Airports of Greece

The two concession agreements, each for the operation of seven Greek regional airports, were signed between Fraport AG and its Greek consortium partner with the Hellenic Republic Asset Development Fund (HRADF) on December 14, 2015. After fulfilling all conditions precedent, the take-over of the operating business of the 14 Greek regional airports took place on April 11, 2017. The initial term of each concession agreement is 40 years. At the end of the 40-year concession term, the term can be extended once for a further 10 years by mutual agreement.

In return for the right to operate the Greek airports, an initial one-time fee of €1,234 million was paid. Initial annual minimum concession payments of €11.3 million per annum for Fraport Greece A and €11.6 million per annum for Fraport Greece B were agreed over the term of the concessions. The minimum concession payments will be adjusted for inflation. In addition, from the beginning of the concession an additional levy of approximately €1 per departing passenger is payable to the grantor for the entire term. According to the concession agreement, from 2021 a variable concession fee of 28.2% of the EBITDA of Fraport Greece A and 28.9% of the EBITDA of Fraport Greece B will also be charged.

Furthermore, the consortium partners are obliged to invest in measures to upgrade and expand the airport infrastructure. The construction work was completed in April 2021, as agreed in the concession agreement. In addition, additional capital expenditure for the maintenance of the airports and transport-related capacity expansions will be made in subsequent years.

In return, the operator is entitled to charge fees for its services, in particular state-regulated airport charges (passenger, landing, and parking fees) as well as other non-regulated levies related to air traffic and other services.

Following the completion of the construction work under the 40-year concession, the charges at the remaining three airports Kos, Santorini, and Thessaloniki were also raised in April 2021 to an average of €18.50 per departing passenger plus local inflation developments, as agreed in the concession agreement.

Contract performance guarantees must be granted to the grantor depending on the phase of the project (also see note 45).

At the end of the concession term, the operator must return the airports to the grantor, including any capital expenditures made, in a defined and proper operating condition. There will be no consideration given in return.

Fraport Brasil Aeroporto de Fortaleza and Fraport Brasil Aeroporto de Porto Alegre

The Fraport Group and the Brazilian Government signed concession agreements on July 28, 2017 for the operation and further development of the Brazilian airports of Fortaleza and Porto Alegre. After paying the initial one-off fees, adjusted for inflation, of BRL291.8 million (€73.5 million) for Porto Alegre and BRL426.9 million (€107.5 million) for Fortaleza as well as fulfilling other conditions precedent, the term of the concession agreements of 30 years for Fortaleza Airport and of 25 years for Porto Alegre Airport started at the end of August 2017. In addition, a one-off extension for a further five years is possible under certain conditions. The Fraport Group took over operations of both airports on January 2, 2018.

In addition to the paid initial concession fees, additional acquisition costs of approximately €54.2 million were incurred by the Fraport Group within the scope of acquiring the concession.

In addition to the aforementioned payments, additional fixed minimum concession payments plus inflation-related adjustments in the initial amount of BRL9.4 million for Fortaleza Airport must be made from 2023. For Porto Alegre Airport, an agreement was reached with the authorities in the 2022 fiscal year for the early payment of the entire fixed minimum concession payments in the amount of BRL37.6 million (around €6.7 million). The payment was already made in December 2022. Also, a variable concession payment of 5% of revenue is payable annually. An agreement was again reached with the competent authorities to compensate for the effects associated with the coronavirus pandemic for fiscal year 2023. The resulting reimbursement claim amounted to €18.6 million (previous year: €18.5 million). The existing reimbursement claims will be offset against variable and fixed concession payments due in subsequent years, as well as a temporary increase in airport charges.

In addition, the concession agreements stipulate investment obligations for the modernization and expansion of the current airport infrastructure as well as construction of new airport infrastructure. The major infrastructure measures planned at both airports were completed with the inauguration of the extended runway in Porto Alegre in the second quarter of 2022.

The companies also laid out other contractually defined standards and obligations relating to the operation, availability, use, and maintenance of the airports.

Contract performance guarantees must be granted to the grantor depending on the phase of the project (also see note 45).

In return for the right to operate the two airports, the operator is entitled to charge fees for its services, in particular state-regulated airport charges (passenger, landing and parking fees) as well as other non-regulated levies related to air traffic and other services.

At the end of the concession term, the operator must return the airport infrastructure to the grantor in a condition that guarantees the proper continued operation of the airports. There will be no consideration given in return.

50 Events after the balance sheet date

At the end of January 2024, Fraport Greece entered into an agreement with the Greek government regarding compensation for the negative economic effects of the coronavirus pandemic in the second half of fiscal year 2021. The agreement will have a positive effect on Group EBITDA 2024 of around €28 million.

51 Exemption pursuant to Section 264 (3) of the HGB

The following German subsidiaries fully claim the exemptions under Section 264 (3) of the HGB for the 2023 fiscal year:

- AirIT Services GmbH
- Airport Assekuranz Vermittlungs-GmbH
- Airport Cater Service GmbH
- Fraport Ausbau Süd GmbH
- Fraport Brasil Holding GmbH
- Fraport Casa GmbH
- Fraport Passenger Services GmbH
- FraSec Fraport Security Services GmbH
- FraSec Services GmbH
- FRA - Vorfeldkontrolle GmbH

The following German subsidiaries and sub-subsidiaries claim the exemptions under Section 264 (3) of the HGB for the 2023 fiscal year regarding the provisions of the First Subsection (annual financial statements of the corporation and management report) and the Fourth Subsection (disclosure):

- Fraport Facility Services GmbH
- Fraport Ground Services GmbH (formerly: FraGround Fraport Ground Handling Professionals GmbH)
- FraSec Flughafensicherheit GmbH

52 Information on Investments pursuant to the German Securities Trading Act (WpHG)

In fiscal year 2023, Fraport AG received the following notifications pursuant to Section 33 and Section 34 WpHG:

ATLAS Infrastructure Partners Ltd., London, United Kingdom of Great Britain informed us on February 3, 2023, in accordance with Sections 33 and 34 of the WpHG, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt/Main, Germany, exceeded the threshold of 3% of voting rights on January 31, 2023 and on that day amounted to 3.08% (2,843,684 voting rights).

First Maven Pty Ltd., Melbourne, Australia informed us on October 16, 2023, in accordance with Sections 33 and 34 of the WpHG, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt/Main, Germany, exceeded the threshold of 3% of voting rights on October 6, 2023 and on that day amounted to 3.10% (2,863,143 voting rights).

As at December 31, 2023, the shareholder structure of Fraport AG was as follows:

The combined voting rights of the State of Hesse and Stadtwerke Frankfurt am Main Holding GmbH in Fraport AG pursuant to Section 34 (2) of the German Securities Trading Act (WpHG) amounted to 52.23 % as at December 31, 2023. Of this, the State of Hesse held 31.31% and Stadtwerke Frankfurt am Main Holding GmbH 20.92%.

The voting rights in Fraport AG owned by the City of Frankfurt/Main are held indirectly via the Stadtwerke Frankfurt am Main Holding GmbH subsidiary.

According to the last official report in accordance with the WpHG or disclosures by individual shareholders, the other voting rights in Fraport AG were attributable as follows (as at December 31, 2023 in each case): Deutsche Lufthansa AG 8.44 %, First Maven Pty Ltd. 3.10%, ATLAS Infrastructure Partners Ltd. 3.08%. The relative ownership interests were adjusted to the current total number of shares as at the balance sheet date and may therefore differ from the figures given at the time of reporting or from the respective shareholders' own disclosures.

There are no reports for the remaining 33.15% (free float).

53 Statement Issued by the Executive Board and the Supervisory Board of Fraport AG pursuant to Section 161 of the AktG

On December 14, 2023, the Executive Board and the Supervisory Board of Fraport AG issued the Statement of Compliance with the German Corporate Governance Code pursuant to Section 161 of the AktG and made it available to the public on a permanent basis on the company website ↗ https://www.fraport.com/en/investors/corporate-governance.html.

54 Information Concerning the Executive Board, Supervisory Board, and Economic Advisory Board

Remuneration of the Executive Board and Supervisory Board in fiscal year 2023

The essential features of the remuneration system, and the information on the individualized remuneration of the Executive Board and the Supervisory Board, are shown in the remuneration report.

In addition to the service costs for pensions of €775.3 thousand (previous year: €1,081.6 thousand) the total remuneration of the Executive Board composed as follows:

Total remuneration of the Executive Board

EUR thousands				2023	2022
	Not Performance-related components	Performance-related components	Components with long-term incentive effect	Total remuneration	Total remuneration
Dr. Stefan Schulte	751.2	1,765.5	849.0	2,516.7	2,507.8
Anke Giesen	535.5	1,311.5	647.0	1,847.0	1,843.6
Julia Kranenberg (Member of the Executive Board from November 1, 2022)	541.2	679.0	379.0	1,220.2	442.1
Michael Müller (Member of the Executive Board until September 30, 2022)	0.0	0.0	0.0	0.0	1,032.5
Dr. Pierre Dominique Prümm	541.8	679.0	379.0	1,220.8	1,217.4
Prof. Dr. Matthias Zieschang	596.6	1,409.0	647.0	2,005.6	1,995.4
Total	**2,966.3**	**5,844.0**	**2,901.0**	**8,810.3**	**9,038.8**

The non-performance-related components include the fixed remuneration and ancillary benefits of the respective members of the Executive Board. The performance-related components included the bonus granted (addition to the bonus provision in 2023) and the 2023 PSP tranche allocated at the time of the award. The column “components with long-term incentive effect” includes the 2023 PSP tranche.

Expenses recorded for LTIP and PSP

EUR thousands	2023	2022
	PSP	LTIP resp. PSP
Dr. Stefan Schulte	985.3	180.3
Anke Giesen	750.9	112.7
Julia Kranenberg (Member of the Executive Board from November 1, 2022)	360.8	66.9
Michael Müller (Member of the Executive Board until September 30, 2022)	126.7	135.9
Dr. Pierre Dominique Prümm	439.9	102.0
Prof. Dr. Matthias Zieschang	750.9	137.4
Total	**3,414.5**	**735.2**

Recognized expenses from LTIP (from the 2020 tranche: PSP) includes the accrued additions to the provisions for all LTIP tranches not yet disbursed (from the 2020 tranche: PSP).

All active members of the Supervisory Board received total remuneration of €1,321.4 thousand in the 2023 fiscal year (previous year: €1,336.4 thousand).

No loans or advances were granted to members of the Executive Board or the Supervisory Board in the fiscal year.

Former Executive Board members and their surviving dependents received €1,856 thousand (previous year: €1,644 thousand). The pension obligations towards active members of the Executive Board as at the balance sheet date were €10,605 thousand (previous year: €13,173 thousand) and towards former Executive Board members and their surviving dependents €23,764 thousand (previous year: €21,655 thousand).

The information concerning the members of the Executive Board and Supervisory Board is presented in note 55 and note 56.

Remuneration of the Economic Advisory Board in fiscal year 2023

In the 2023 fiscal year, aggregate remuneration of the Economic Advisory Board amounted to €99.9 thousand (previous year: €103.4 thousand).

Notifications pursuant to Article 19 of the Market Abuse Regulation (MAR)

Pursuant to Article 19 of the MAR, members of the Executive Board and Supervisory Board of Fraport AG are required to disclose transactions with shares of Fraport AG or any related financial instruments to the company and the German Federal Financial Supervisory Authority (BaFin) within three business days. This also applies to persons who are closely related to members of the Executive Board and Supervisory Board as defined in Article 19 of the MAR. These transactions have been published by Fraport AG in accordance with the deadlines under Article 19 of the MAR.

55 Executive Board

Mandates of the Executive Board

Members of the Executive Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Chairman of the Executive Board **Dr. Stefan Schulte**	**Chairman of the Supervisory Board:** – Fraport Ausbau Süd GmbH **Member of the Supervisory Board:** – Deutsche Post AG **Chairman of the Board of Group companies:** – President of the Board of Directors Fraport Regional Airports of Greece (A S.A., B S.A., Management Company S.A.) – Chairman of the Supervisory Board Fraport Brasil S.A. Aeroporto de Porto Alegre – Chairman of the Supervisory Board Fraport Brasil S.A. Aeroporto de Fortaleza
Executive Director Retail & Real Estate **Anke Giesen**	**Member of the Supervisory Board:** – AXA Konzern AG – Fraport Ausbau Süd GmbH **Member of the Presidium:** – Vereinigung der hessischen Unternehmerverbände e.V. (VhU)
Executive Director Labor Relations **Julia Kranenberg**	**Member of the Supervisory Board:** – Fraport Ausbau Süd GmbH – LPKF Laser & Electronics AG (until May 17, 2023) – Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since September 1, 2023; until September 27, 2023) **Chairwoman of the Supervisory Board:** – Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since September 28, 2023) **Member of the Shareholders' Meeting:** – Airport Cater Service GmbH – Medical Airport Service GmbH – Terminal for Kids gGmbH – Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since September 1, 2023) **Member of the Administrative Board:** – Zusatzversorgungskasse für die Gemeinden und Gemeindeverbände in Wiesbaden **Member of the Presidium:** – Vereinigung der kommunalen Arbeitgeberverbände
Executive Director Aviation & Infrastructure **Dr. Pierre Dominique Prümm**	**Board Director:** – Société International de Télécommunication Aéronautiques (SITA) SRL **Member of the Supervisory Board:** – Fraport Ausbau Süd GmbH – FraSec Fraport Security Services GmbH (since November 27, 2023) **Member of the Executive Board:** – Flughafen Forum und Region – Vice-Chairman Air Cargo Community Frankfurt e.V. (ACCF)
Executive Director Controlling & Finance **Prof. Dr. Matthias Zieschang**	**Member of the Supervisory Board:** – Fraport Ausbau Süd GmbH **Member of the Board of Group companies:** – Member of the Board of Directors Fraport Regional Airports of Greece (A S.A., B S.A., Management Company S.A.) **Member of the Administrative Board:** – Frankfurter Sparkasse **Chairman of the Stock Exchange Council:** – FWB Frankfurter Wertpapierbörse

56 Supervisory Board

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Chairman of the Supervisory Board **Michael Boddenberg** Former Finance Minister of the State of Hesse (Remuneration 2023: €131,000; 2022: €130,000)	**Member of the Executive Board:** – Fleischer Innung Frankfurt/Darmstadt/Offenbach (until September 30, 2023) **Chairman of the Supervisory Board:** – Hessische Staatsweingüter GmbH Kloster Eberbach – Zentralgenossenschaft des europäischen Fleischergewerbes (Zentrag eG) **Member of the Supervisory Board:** – Messe Frankfurt GmbH **Membership in comparable control bodies:** – Landesbank Hessen-Thüringen Girozentrale, Frankfurt a.M. / Erfurt (2. Vice-Chairman of the Administrative Board) – "hessenstiftung – familie hat zukunft" – Hessische Kulturstiftung – Leibniz-Institut für Finanzmarktforschung SAFE (LIF-SAFE) e.V. – Stiftung "Europäische Akademie der Arbeit in der Universität Frankfurt am Main" – Stiftung Kloster Eberbach – Stifterversammlung der Polytechnischen Gesellschaft e.V. – Rheingau Musik Festival – Institute for Law and Finance
Vice-Chairman **Mathias Venema** ver.di Hessen (Remuneration 2023: €84,500; 2022: €80,082.19)	
Devrim Arslan Assistant to the Executive Board of the komba trade union (Remuneration 2023: €57,438.35; 2022: €60,821.92)	**Vice-Chairman of the Supervisory Board:** – Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since June 1, 2023)
Karina Becker-Lienemann Chairwoman of the Works Council of Frankfurt Airport Retail GmbH & Co. KG, Chairwoman of the Group Works Council of Gebr. Heinemann SE & Co. KG, Vice-Chairwoman of the Group Works Council of Fraport AG (since May 23, 2023) (Remuneration 2023: €42,410.96)	
Dr. Bastian Bergerhoff City Treasurer and and department head for finance, investments, and personnel of the City of Frankfurt (Remuneration 2023: €57,000; 2022: €38,013.70)	**Membership in mandatory control bodies:** – Mainova AG – Messe Frankfurt GmbH – Stadtwerke Frankfurt am Main Holding GmbH (Chairman) – Stadtwerke Verkehrsgesellschaft Frankfurt am Main mbH – Süwag (since January 30, 2023) – Kliniken Frankfurt-Main-Taunus GmbH (since July 19, 2023) **Membership in comparable control bodies:** – Dom Römer GmbH (stellv. Vorsitzender) – FIZ Frankfurter Innovationszentrum Biotechnologie GmbH – Gateway Gardens Projektentwicklungs-GmbH – Sportpark Stadion Frankfurt am Main Gesellschaft für Projektentwicklungen mbH – Stiftung Hospital zum Heiligen Geist (since August 7, 2023) **Membership of the operations commission**: – Hafen und Marktbetriebe der Stadt Frankfurt am Main – Kita Frankfurt Die städtischen Kinderzentren – Kommunale Kinder-, Jugend- und Familienhilfe Frankfurt am Main – Stadtentwässerung Frankfurt am Main – Städtische Kliniken Frankfurt am Main - Höchst – Volkshochschule Frankfurt am Main **Member of the Advisory Board:** – FinTech Community Frankfurt GmbH (stellv. Mitglied)

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Hakan Bölükmese Chairman of the Works Council at Frapot AG (Remuneration 2023: €82,500; 2022: €71,835.62)	**Membership in comparable control bodies:** – Member of the Board of Trustees of the Hans Böckler Stiftung
Ines Born Trade Union Secretary, Department coordinator at ver.di headquarters, dept. 3 (until May 23, 2023; since August 4, 2023) (Remuneration 2023: €32,095.89; 2022: €16,917.81)	**Member of the Supervisory Board:** – Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
Hakan Cicek Member of the Works Council (until May 23, 2023) (Remuneration 2023: €19,650.69; 2022: €54,671.23)	
Kathrin Dahnke Independent corporate consultant (since May 23, 2023) (Remuneration 2023: €32,849.31)	**Member of the Supervisory Board:** – B. Braun SE, Melsungen – Knorr-Bremse AG, Munich – Jungheinrich AG, Hamburg – Aurubis AG, Hamburg
Peter Feldmann Former Lord Mayor of the City of Frankfurt am Main (until May 23, 2023) (Remuneration 2023: €14,712.33; 2022: €39,000)	**Chairman of the Supervisory Board:** – Mainova AG – Thüga Holding GmbH & Co. KGaA (Chairman)
Peter Gerber Chairman of the Executive Board of Brussels Airlines (until January 31, 2023) (Remuneration 2023: €2,972.60; 2022: €40,000)	**Chairman of the Supervisory Board:** – Albatros Versicherungsdienste GmbH **Presidium membership:** – Bundesverband der Deutschen Luftverkehrswirtschaft e.V. **Vice President:** – Arbeitgeberverband Luftverkehr e.V. (AGVL)
Dr. Margarete Haase Independent corporate consultant (Remuneration 2023: €102,000; 2022: €102,000)	**Chairwoman of the Supervisory Board:** – ams OSRAM AG **Member of the Supervisory Board:** – ING Groep N.V. and ING Bank N.V. Amsterdam – Marquard & Bahls AG (until September 30, 2023)
Harry Hohmeister Member of the Executive Board of Deutsche Lufthansa AG (responsible for "Global Markets and Network") (since May 23, 2023) (Remuneration 2023: €25,287.67)	**Chairman of the Supervisory Board:** – Eurowings GmbH – EW Discover (Discover Airlines) **Member of the Supervisory Board:** – Günes Ekspres Havacilik A.S. (SunExpress), Turkey
Mike Josef Lord Mayor of the City of Frankfurt am Main (since May 23, 2023) (Remuneration 2023: €38,410.96)	**Chairman of the Supervisory Board:** – ABG Frankfurt Holding – Bäderbau Frankfurt GmbH & Co. KG – Bäderbetriebe Frankfurt GmbH – Dom Römer GmbH – FrankfurtRheinMain GmbH (since June 16, 2023) – Gateway Gardens Projektentwicklungs-GmbH (until June 22, 2023) – Mainova AG (since August 30, 2023) – Rebstock Projektgesellschaft (until June 22, 2023) – Sportpark Stadion Frankfurt am Main Holding GmbH – Tourismus- und Congress GmbH Frankfurt (since July 4, 2023) **Member of the Supervisory Board:** – Genossenschaftlich Immobilien Agentur Frankfurt – KEG GmbH (until June 22, 2023) – Messe Frankfurt GmbH – Nassauische Heimstätte Wohnungs GmbH (until June 22, 2023) – RMV GmbH (since July 6, 2023) – Stadtwerke Frankfurt am Main Holding GmbH (since May 11, 2023)

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Frank-Peter Kaufmann Pensioner, independent corporate consultant (Remuneration 2023: €70,000; 2022: €70,000)	
Sidar Kaya Commercial assistant and Works Council member at Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since May 23, 2023) (Remuneration 2023: €42,410.96)	**Member of the Supervisory Board:** – Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since June 1, 2023)
Dr. Ulrich Kipper Head of Central Infrastructure Management (until May 23, 2023) (Remuneration 2023: €21,589.04; 2022: €57,582.19)	**Chairman of the Supervisory Board:** – FraSec Fraport Security Services GmbH **Member of the Supervisory Board:** – operational services GmbH & Co. KG
Lothar Klemm Former Hessian State Minister, independent attorney (Remuneration 2023: €84,500; 2022: €88,500)	**Chairman of the Supervisory Board:** – Dietz AG **Non-executive Director:** – European Electrical Bus Company GmbH (Frankfurt) **Chairman of the Supervisory Board:** – Arbeitsmarkt- und Beschäftigungsförderung des Main-Kinzig-Kreises
Karin Knappe Member of the Works Council, Fraport AG, and Chairwoman of the Fraport Group Works Council (Remuneration 2023: €65,000; 2022: €37,575.35)	**Member of the Executive Board:** – Representatives Meeting Unfallkasse Hessen – Representatives Meeting Deutsche Gesetzliche Unfallversicherung e.V. (since November 23, 2023) **Member of the Board of Directors:** – Medizinischer Dienst Hessen **Representatives Meeting:** – Member of the Representatives Meeting Berufsgenossenschaft Verkehrswirtschaft Post-Logistik Telekommunikation (since October 11, 2023)
Felix Kreutel Senior Vice President Real Estate and Energy at Fraport AG (since May 23, 2023) (Remuneration 2023: €34,849.31)	**Vice-Chairman of the Supervisory Board:** – Fraport Facility Services GmbH **Member of the Supervisory Board:** – Gateway Gardens Projektentwicklungs-GmbH
Ramona Lindner Aviation Security Assistant FraSec Aviation Security GmbH (until May 23, 2023) (Remuneration 2023: €18,650.69; 2022: €49,897.26)	
Michael Odenwald Former State Secretary (until May 23, 2023) (Remuneration 2023: €23,589.04; 2022: €66,000)	
Matthias Pöschko Member of the Works Council (Remuneration 2023: €66,000; 2022: €64,821.92)	
Qadeer Rana Chairman of the Multi-Company Works Council of FraSec Fraport Security Services GmbH (until January 4, 2023) (Remuneration 2023: €547.94; 2022: €64,821.92)	**Vice-Chairman of the Supervisory Board:** – FraSec Fraport Security Services GmbH

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Sonja Wärntges Chief Executive Officer of Branicks Group AG (formerly DIC Asset AG) (Remuneration 2023: €66,000; 2022: €65,000)	**Chairwoman of the Supervisory Board:** – DIC Real Estate Investments GmbH & Co. KGaA **Member of the Supervisory Board:** – VIB Vermögen AG – BBI Bürgerliches Brauhaus Immobilien AG
Prof Dr. Katja Windt Member of the Management Board SMS Group GmbH (Remuneration 2023: €62,000; 2022: €63,000)	**Member of the Executive Board:** – Bundesvereinigung Logistik (BVL) e.V. (until May 9, 2023) **Member of the Supervisory Board:** – Deutsche Post AG (until May 4, 2023) – Ford Otomotiv Sanayi A.S., Istanbul, Turkey
Özgür Yalcinkaya Commercial assistant and Chariman of the Works Council at Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since May 23, 2023) (Remuneration 2023: €43,410.96)	**Member of the Supervisory Board:** – Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH) (since June 1, 2023)

57 Disclosures of Shareholding According to Section 313 (2) of the HGB

Subsidiaries

Name and registered office		Shareholding in %	Shareholders' equity (pursuant to IFRS) in € thousand	Result (pursuant to IFRS) in € thousand
Afriport S.A., Luxembourg/Luxembourg	**2023**	**100**	**0**	**0**[1,10]
	2021	100	–72	–20[1]
AirIT Services GmbH, Lautzenhausen	**2023**	**100**	**2,254**	**943**[2]
	2022	100	2,260	641[2]
AIRMALL Boston Inc., Boston/USA	**2023**	**100**	**0**	**0**[1]
	2022	100	0	0[1]
AIRMALL Inc., Pittsburgh/USA	**2023**	**100**	**–596**	**0**
	2022	100	–618	0
AIRMALL USA Inc., Pittsburgh/USA	**2023**	**100**	**–16,093**	**–5,845**
	2022	100	–10,778	–6,143
Airport Assekuranz Vermittlungs-GmbH, Neu Isenburg	**2023**	**100**	**162,655**	**9,548**[2]
	2022	100	162,616	3,864[2]
Airport Cater Service GmbH, Frankfurt/Main	**2023**	**100**	**26**	**90**[2]
	2022	100	26	90[2]
Daport S.A., Dakar/Senegal	**2023**	**100**	**0**	**0**[1,10]
	2021	100	421	–4[1]
FraCareServices GmbH, Frankfurt/Main	**2023**	**51**	**1,084**	**156**
	2022	51	929	79
Fraport Ground Services GmbH (formerly FraGround Fraport Ground Handling Professionals GmbH), Frankfurt/Main	**2023**	**100**	**1,296**	**–331**[2]
	2022	100	1,186	773[2]
Fraport Antalya Havalimanı İşletme ve Yatırım A.Ş, Istanbul/Turkey	**2023**	**100**	**403**	**–334**
	2022	100	461	110
Fraport Asia Ltd., Hong Kong/China	**2023**	**100**	**2,115**	**–1,804**
	2022	100	153,799	42,366
Fraport Ausbau Süd GmbH, Frankfurt/Main	**2023**	**100**	**10**	**–206**[2]
	2022	100	**16**	**150**[2]
Fraport Beteiligungsgesellschaft mbH, Neu-Isenburg	**2023**	**100**	**62**	**–1**
	2022	100	63	–1
Fraport Brasil Holding GmbH, Frankfurt/Main	**2023**	**100**	**24**	**0**[2]
	2022	100	24	–1[2]
Fraport Brasil S.A. Aeroporto de Fortaleza, Fortaleza/Brazil	**2023**	**100**	**112,020**	**2,351**
	2022	100	104,427	–5,243
Fraport Brasil S.A. Aeroporto de Porto Alegre, Porto Alegre/Brazil	**2023**	**100**	**166,071**	**1,470**
	2022	100	156,744	3,157
Fraport Bulgaria EAD, Sofia/Bulgaria	**2023**	**100**	**7**	**0**[1]
	2022	100	**7**	**0**[1]
Fraport Casa GmbH, Neu-Isenburg	**2023**	**100**	**42,000**	**1,256**[2]
	2022	100	42,016	1,351[2]
Fraport Casa Commercial GmbH, Neu-Isenburg	**2023**	**100**	**7,151**	**302**
	2022	100	6,849	212
Fraport Cleveland Inc., Cleveland/USA	**2023**	**100**	**6,936**	**284**
	2022	100	6,909	1,797
Fraport Facility Services GmbH, Frankfurt/Main	**2023**	**100**	**4,758**	**–787**[2]
	2022	100	6,015	3,010
Fraport Immobilienservice- und Entwicklungs GmbH & Co. KG, Frankfurt/Main	**2023**	**100**	**11,563**	**4,059**[2,3]
	2022	100	14,375	23,383[2,3]
Fraport Malta Business Services Ltd., St. Julians/Malta	**2023**	**100**	**328,134**	**37,625**
	2022	100	266,509	–161,927
Fraport Malta Investment Ltd., St. Julians/Malta	**2023**	**100**	**25,659**	**611**
	2022	100	25,620	34
Fraport Malta Ltd., St. Julians/Malta	**2023**	**100**	**316,324**	**24,801**
	2022	100	291,523	–161,843

Subsidiaries

Name and registered office		Shareholding in %	Shareholders' equity (pursuant to IFRS) in € thousand	Result (pursuant to IFRS) in € thousand
	2023	**100**	**33,757**	**5,458**
Fraport Maryland Inc., Maryland/USA	2022	100	29,497	3,624
	2023	**100**	**6,881**	**3,856**
Fraport New York Inc., New York/USA	2022	100	3,235	4,488
	2023	**100**	**2,822**	**681**
Fraport Newark LLC., Newark/USA	2022	100	2,238	748
	2023	**100**	**33**	**2**
Fraport Objekt Mönchhof GmbH, Frankfurt/Main	2022	100	31	1
	2023	**100**	**34**	**2**
Fraport Objekte 162 163 GmbH, Frankfurt/Main	2022	100	32	1
	2023	**99.99**	**0**	**0** [1]
Fraport (Philippines) Services, Inc., Manila/Philippines	2022	99.99	0	0 [1]
	2023	**100**	**2,269**	**1,367**
Fraport Peru S.A.C., Lima/Peru	2022	100	1,100	149
	2023	**100**	**350**	**1,314** [2]
Fraport Passenger Services GmbH, Frankfurt/Main	2022	100	350	580 [2]
	2023	**100**	**16,608**	**9,890**
Fraport Pittsburgh Inc., Pittsburgh/USA	2022	100	7,215	–8,318
	2023	**100**	**4,962**	**–71** [2] [3]
Fraport Real Estate Mönchhof GmbH & Co. KG, Frankfurt/Main	2022	100	7,851	19,385 [2] [3]
	2023	**100**	**49**	**2**
Fraport Real Estate Verwaltungs GmbH, Frankfurt/Main	2022	100	47	2
	2023	**100**	**7,611**	**4,384** [2] [3]
Fraport Real Estate 162 163 GmbH & Co. KG, Frankfurt/Main	2022	100	7,420	4,641 [2] [3]
	2023	**65**	**142,217**	**51,493**
Fraport Regional Airports of Greece A S.A., Athens/Greece	2022	65	124,733	46,731
	2023	**65**	**103,719**	**25,671**
Fraport Regional Airports of Greece B S.A., Athens/Greece	2022	65	78,054	21,246
	2023	**65**	**9,792**	**1,942**
Fraport Regional Airports of Greece Management Company S.A., Athens/Greece	2022	65	7,862	1,942
Fraport Saudi Arabia for Airport Management and Development Services Company Ltd.,	**2023**	**100**	**1,452**	**–268**
Riyadh/Saudi Arabia	2022	100	1,778	–366
	2023	**100**	**196,187**	**1,797**
Fraport Slovenija, d.o.o. Zgornji Brnik/Slovenia	2022	100	194,739	–2,575
	2023	**100**	**–445**	**4,964**
Fraport Tennessee Inc., Nashville/USA	2022	100	–5,489	2,670
	2023	**100**	**51,130**	**24,084**
Fraport Turkey Havalimani Yatirimlari Anonim Sirketi, Antalya/Turkey	2022	100	44,104	3,720
	2023	**60**	**100,617**	**5,781**
Fraport Twin Star Airport Management AD, Varna/Bulgaria	2022	60	99,870	4,205
	2023	**100**	**–96**	**–2,818**
Fraport USA Inc., Pittsburgh/USA	2022	100	2,754	–756
Fraport Washington LLC, Washington/USA	**2023**	**100**	**0**	**0** [4]
Fraport Washington Partnership LLC, Washington/USA	**2023**	**85**	**–110**	**–112** [4]
	2023	**100**	**7,516**	**–1,414** [2]
FraSec Flughafensicherheit GmbH, Frankfurt/Main	2022	100	7,540	–5,489 [2]
	2023	**100**	**4,619**	**9,615** [2]
FraSec Fraport Security Services GmbH, Frankfurt/Main	2022	100	–1,052	11,117 [2]
	2023	**100**	**1,059**	**1,220** [2]
FraSec Services GmbH, Frankfurt/Main	2022	100	1,044	224 [2]
	2023	**100**	**25**	**0** [1]
FraSec VG GmbH, Frankfurt/Main	2022	100	25	0 [1]
	2023	**100**	**164**	**124** [2]
FRA – Vorfeldkontrolle GmbH, Kelsterbach	2022	100	163	231 [2]
	2023	**80.01**	**630,405**	**32,362**
Lima Airport Partners S.R.L., Lima/Peru	2022	80.01	443,553	37,506
	2023	**51**	**9,919**	**1,658**
Media Frankfurt GmbH, Frankfurt/Main	2022	51	8,261	967

Joint ventures

Name and registered office		Shareholding in %	Shareholders' equity (pursuant to IFRS) in € thousand	Result (pursuant to IFRS) in € thousand
	2023	**50**	**6,797**	**1,922**
AirITSystems GmbH, Hanover	2022	50	5,695	1,551
	2023	**49**	**11,740**	**–480**
FCS Frankfurt Cargo Services GmbH, Frankfurt/Main	2022	49	12,202	6,820
	2023	**50**	**1,581**	**363**
FraAlliance GmbH, Frankfurt/Main	2022	50	1,218	193
	2023	**50**	**49,489**	**12,635**
Frankfurt Airport Retail GmbH & Co. KG, Hamburg	2022	50	42,113	21,733
	2023	**50**	**24**	**1**
Frankfurt Airport Retail Verwaltungs GmbH, Frankfurt/Main	2022	50	22	1
	2023	**51/50**	**95,751**	**169,475** [5)]
Fraport TAV Antalya Terminal Isletmeciligi A.S., Antalya/Turkey	2022	51/50	92,924	125,362 [5)]
	2023	**49/50**	**738,137**	**10,164** [6)]
Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş., Antalya/Turkey	2022	49/50	727,973	–22,577 [6)]
	2023	**49**	**14,917**	**4,146**
FraSec Aviation Security GmbH, Frankfurt/Main	2022	74	15,744	5,173
	2023	**33.33**	**2,835**	**–1,320**
Grundstücksgesellschaft Gateway Gardens GmbH, Frankfurt/Main	2022	33.33	4,155	–1,750
	2023	**50**	**20,686**	**3,709**
Medical Airport Service GmbH, Mörfelden-Walldorf	2022	50	18,075	2,175
	2023	**50**	**12**	**–13**
M-Port GmbH & Co. KG, Neu-Isenburg	2022	50	25	2,306
	2023	**50**	**24**	**0**
M-Port Verwaltungs GmbH, Neu-Isenburg	2022	50	24	0
	2023	**52**	**10,358**	**1,782**
N*ICE Aircraft Services & Support GmbH, Frankfurt/Main	2022	52	9,119	1,512
	2023	**50**	**6,304**	**1,712**
Pantares Tradeport Asia Ltd., Hong Kong/China	2022	50	6,924	1,767
	2023	**50**	**2,945**	**–4**
PEG Europa Real Estate GmbH, Neu-Isenburg	2022	50	2,949	–1
	2023	**50**	**94**	**–77**
Shanghai Frankfurt Airport Consulting Services Co., Ltd., Shanghai/China	2022	50	180	–36
	2023	**50**	**4,265**	**299**
Terminal for Kids gGmbH, Frankfurt/Main	2022	50	3,966	47

Associated companies

Name and registered office		Shareholding in %	Shareholders' equity (pursuant to IFRS) in € thousand	Result (pursuant to IFRS) in € thousand
	2023	**49**	**–12,938**	**–3,261**
ASG Airport Service Gesellschaft mbH, Frankfurt/Main	2022	49	–9,677	–3,376
FraScout GmbH, Offenbach/Main	**2023**	**50**	**–126**	**–151** [4)]
	2023	**50**	**37,383**	**19,262**
operational services GmbH & Co. KG, Frankfurt/Main	2022	50	33,407	15,922
	2023	**25**	**0**	**0** [10)]
Thalita Trading Ltd., Lakatamia/Cyprus	2022	25	–425,812	–67,604

Other investments

Name and registered office		Shareholding in %	Shareholders' equity (according to local regulation) in € thousand	Result (according to local regulation) in € thousand
	2023	**10**	**98,028**	**–45,053** [7]
Delhi International Airport Private Ltd., New Delhi/India	2022	10	187,244	–44,527 [7]
	2023	**20**	**1,369**	**525**
Flughafen Parken GmbH, Munich	2022	20	840	545
	2023	**13.51**	**0**	**0** [1]
Gateways for India Airports Private Ltd., Bangalore/India	2022	13.51	0	0 [1]
	2023	**20**	**0**	**0** [1] [8][9][10]
Ineuropa Handling Alicante, U.T.E., Madrid/Spain	2007	20	–575	–786 [1] [8][9]
	2023	**20**	**0**	**0** [1] [8][9][10]
Ineuropa Handling Madrid, U.T.E., Madrid/Spain	2007	20	–1,282	–2,604 [1] [8][9]
	2023	**20**	**0**	**0** [1] [8][9][10]
Ineuropa Handling Mallorca, U.T.E., Madrid/Spain	2007	20	871	270 [1] [8][9]
	2023	**20**	**0**	**0** [1] [8][9][10]
Ineuropa Handling Teneriffa, U.T.E., Madrid/Spain	2007	20	1,642	–762 [1] [8][9]
PCF Perishable-Center GmbH & Co. KG,	**2023**	**10**	**0**	**0** [10]
Frankfurt/Main	2022	10	1,527	2,253
Perishable-Center Verwaltungs-GmbH,	**2023**	**10**	**0**	**0** [10]
Frankfurt/Main	2022	10	4,014	1,190
	2023	**5.1**	**0**	**0** [10]
The Squaire GmbH & Co. KG, Bonn	2022	5.1	–660,935	–15,584
VVSS Limited Liability Company (in English: NCG Holding Limited Liability Company), St. Petersburg/Russia	**2023**	**25**	**1,690,531**	**0** [4] [8][10][11]

[1] Company inactive or in liquidation.
[2] IFRS result before profit/loss transfer.
[3] In the shareholders' equity of commercial partnerships, capital shares as well as shares in profit and loss of the limited partners are recognized (according to IAS 32, these represent debt).
[4] Additions to the consolidated companies in 2023
[5] 51% capital shares, 50% dividend rights.
[6] 49% capital shares, 50% dividend rights.
[7] Fiscal year of the company ends on March 31.
[8] There is no influence on financial and business policies.
[9] Shareholders' equity has been largely or wholly repaid.
[10] Current financial statements not yet available.
[11] Shareholding according to russian law; equity corresponds to the registered capital according to the commercial register

Frankfurt/Main, March 12, 2024

Fraport AG
Frankfurt Airport Services Worldwide

The Executive Board

Dr. Stefan Schulte   Anke Giesen   Julia Kranenberg   Dr. Pierre Dominique Prümm   Prof Dr. Matthias Zieschang

Progress Terminal 3

To serve the expected long-term growth in traffic, Fraport is expanding its capacity at Frankfurt Airport with a third passenger terminal.

Work on the new Terminal 3 continues to be on schedule. In the meantime, 700 glass elements have already been installed as part of the facade work. Inside the construction site, numerous technical installations are being carried out. The central “marketplace” also continues to take shape every day. Thanks to a specially developed ceiling construction made of bent aluminum tubes, this marketplace is becoming a special highlight. The opening of the new terminal is planned for the start of the summer flight schedule of 2026.

Further Information

Further Information

Responsibility Statement

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the asset, financial, and earnings position and profit or loss of the Group. Furthermore, the combined management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Frankfurt/Main, March 12, 2024

Fraport AG
Frankfurt Airport Services Worldwide

The Executive Board

Dr. Stefan Schulte   Anke Giesen   Julia Kranenberg   Dr. Pierre Dominique Prümm   Prof Dr. Matthias Zieschang

Independent Auditor´s Report

To Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Audit Opinions

We have audited the consolidated financial statements of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main/Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at 31 December 2023, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 January to 31 December 2023, and the notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report for the parent and the group of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main/Germany, for the financial year from 1 January to 31 December 2023. In accordance with German legal requirements, we have neither audited the content of the non-financial statement pursuant to Sections 289b and 315b German Commercial Code (HGB) included in the combined management report, nor of the corporate governance statement pursuant to Sections 289f and 315d HGB, which is made reference to in the section “Combined corporate governance statement” of the combined management report. Furthermore, we have neither audited the disclosures extraneous to management reports marked as unaudited included in the sub-section “Disclosures on the central internal control system” in the section “Risks and opportunities” nor have we audited any information provided on Company websites not referenced as legally provided by means of making cross-references in the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e Abs. (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2023, and of its financial performance for the financial year from 1 January to 31 December 2023, and
- the accompanying combined management report as a whole provides an appropriate view of the Group’s position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does neither cover the content of the statements mentioned above, nor the afore-mentioned disclosures extraneous to management reports marked as unaudited and any information made reference to by means of cross-references not provided for by law.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the recoverability of investments in airport operating projects and property, plant and equipment, which we have determined to be a key audit matter.

Our presentation of this key audit matter has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)

b) auditor’s response

Recoverability of investments in airport operating projects and property, plant and equipment

a) The consolidated financial statements of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main/Germany, disclose the item “investments in airport operating projects” under long-term financial assets totalling mEUR 4,146.8 (prior year: mEUR 3,769.1) as well as “property, plant and equipment” of mEUR 8,951.5 (prior year: mEUR 8,371.8). Together, these items account for 69.3% of total assets (prior year: 69.0%). Investments in airport operating projects include airport concessions allowing the respective airport operator to charge fees to users of the airport infrastructure over a term contractually agreed upon. In return, the Company, as the concessionaire, commits to provide expansion services as well as to operating the airport. Of property, plant and equipment, 95.9% are allotted to the airport infrastructure of Fraport AG (prior year: 95.2%). The assessments of recoverability of concessions and of property, plant and equipment are done by implication via the assessment of recoverability of the cash-generating unit the assets have been assigned to. In doing so, the carrying amount of the cash-generating unit is compared to the corresponding recoverable amount. The present values of the cash-generating units are being determined by means of the discounted cash flow method derived from the expected cash flows based on the medium-term planning for the years from 2024 to 2029. The executive directors’ planning for the cash-generating units of this site on an aggregated level from 2029 to 2035 and subsequently were continued with assumptions on long-term growth rates due to the long-term investment intention at the site in Frankfurt am Main/Germany. In case of cash-generating units with fixed-term airport concessions, the planning period corresponds to the residual term of the concession agreement. The planning is influenced by expectations on future market development and assumptions on the development of macro-economic parameters. Discounting to the present value is affected by means of the weighted average cost of capital derived from the discount rate of the respective cash-generating unit.

As soon as for the identification of indications for impairment, the recoverability of the cash-generating unit is assessed by means of an annually updated cash flow model, which takes into account additional blanket risk factors in the discounting rate. Should this initial assessment result in a need for impairment, the indicative impairment test is customised to the circumstances of the cash-generating unit in order to be able to determine a more exact need for impairment.

In the financial year 2023, no impairments resulting from impairment tests regarding the investments in airport operating projects or property, plant and equipment were recognised. The result of this measurement is subject to the executive directors’ assessment regarding the existence of indications for probable impairment, regarding future cash flows of the cash-generating units, regarding the discount rate used, regarding the growth rate as well as regarding further judgement-based assumptions and thus are prone to uncertainties. Therefore and due to the underlying complexity of the calculations, these matters were of particular significant in the scope of our audit.

The executive directors’ disclosures regarding the measurement of investments in airport operating projects and of property, plant and equipment are included in sections 4, 10, 18 and 20 of the notes to the consolidated financial statements.

b) Within the scope of our audit, we gained an understanding of the methodical approach for impairment tests carried out for investments in airport operating projects as well as for property, plant and equipment. In this respect, we have examined the underlying processes and audited identified audit-relevant controls as regards the appropriateness of their design and implementation.

Based on this, we selected and critically assessed the discounted cash flow model used by means of materiality considerations as well as taking into account risk aspects in order to evaluate whether impairments arose. We compared the future cash flows used for the calculation with the resolved planning for the Group and the Company and critically assessed them as regards their appropriateness by reconciling them with general and industry-specific market expectations. In doing so, we critically assessed the assumptions made and the data used, and evaluated to what extent the processes and the data used in this respect could be affected by subjectivity, complexity or other inherent risk factors. In case adjustments were made to the planning for the purpose of impairment tests with not immaterial effects, we discussed the adjustments made with the responsible parties and critically assessed the calculations as well as their contents. During the scope of our audit, we – involving specialists – gained a detailed understanding of the measurement parameters affecting the discount rate, particularly by means of reconciling them with market data due to the high sensitivity of the measurement regarding the discount rate used. Furthermore, we have assessed the sensitivity analyses prepared by the Company and in case of cash-generating units with little headroom additionally conducted our own sensitivity analyses. We have examined the completeness of necessary disclosures in the notes to the consolidated financial statements for cash-generating units for which a change of an assumption considered possible would lead to a recoverable amount below the carrying amount.

Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprise

- the report of the supervisory board,
- the remuneration report in accordance with Section 162 AktG referenced in the notes to the consolidated financial statements and in the combined management report,
- the combined non-financial statement pursuant to Sections 289b and 315b HGB included in the combined management report,
- the corporate governance statement pursuant to Section 289f and Section 315d HGB, to which reference is made in the group management report,
- disclosures extraneous to management reports included in the combined management report, which were marked as unaudited,
- any information on Company websites to which reference is made in cross-references not legally provided for in the combined management report,
- the executive directors’ confirmation regarding the consolidated financial statements and the combined management report pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB, and
- all other parts of the annual report, which is expected to be presented to us after the date of this independent auditor’s report,
- but not the consolidated financial statements, not the audited content of the combined management report and not our auditor’s report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement according to Section 161 German Stock Corporation Act (AktG) concerning the German Corporate Governance Code, which is part of the corporate governance statement and for the remuneration report to which reference is made in the combined management report. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group’s position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor’s report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor’s report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the Assurance on the Electronic Reproductions of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Pursuant to Section 317 (3A) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value d6b98d1ff29bf97fbd5622a86f7dcf3e1de059d70b109b4ae205975af468c63b, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated and the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilites in this context are further described in the “Group Auditors Responsibilities for the Audit of ESEF Documents” section. Our audit firm has applied the requirement of the IDW Quality Management Standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the parent are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor’s Responsibilities for the Audit on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.

- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.

- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on 23 May 2023 and subsequently we were engaged orally and in writing on 19 December 2023 / 11 January 2024. We have been the group auditor of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main/Germany, since the financial year 2023.

We declare that the audit opinions expressed in this auditor’s report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the Auditor’s Report

Our auditor’s report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Thomas Lüdke.

Frankfurt am Main, 12 March 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:	Signed:
Kirsten Gräbner-Vogel	Thomas Lüdke
Wirtschaftsprüferin	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

TRANSLATION
– German version prevails –

Limited Assurance Report of the independent Practitioner regarding the non-financial Reporting for the Financial Year from 1 January to 31 December 2023

To Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main/Germany

Our Engagement

We have performed a limited assurance engagement on the consolidated non-financial statement of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main/Germany, (hereafter referred to as “the Company”), which has been combined with the non-financial statement of the Company, for the financial year from 1 January to 31 December 2023 (hereafter referred to as “non-financial reporting”) included in the group management report, which has been combined with the management report.

Our assurance engagement did neither cover the remuneration report referenced in the non-financial reporting, nor did it not cover the external sources of documentation and websites including their content referenced in the non-financial reporting.

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the non-financial reporting in accordance with the requirements of Sections 289c to 289e German Commercial Code (HGB), Section 315c in conjunction with Sections 289c to 289e HGB and Article 8 of Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (hereafter referred to as “EU Taxonomy Regulation”) and the delegated acts adopted thereon, as well as with the executive directors’ interpretation of the wording and terminology contained in the EU Taxonomy Regulation and the delegated acts adopted thereon, as set out in the section “Information on the EU Taxonomy Regulation” of the non-financial reporting.

These responsibilities of the executive directors of the Company include the selection and application of appropriate methods regarding the non-financial reporting and the use of assumptions and estimates for individual non-financial disclosures which are reasonable under the given circumstances. In addition, the executive directors are responsible for such internal control as they have deemed necessary to enable the preparation of a non-financial reporting that is free from material misstatement, whether due to fraud (i.e., fraudulent non-financial reporting) or error.

The EU Taxonomy Regulation and the delegated acts adopted thereon contain wording and terminology that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and of the delegated acts adopted thereon in the section “Information on the EU Taxonomy Regulation” of the non-financial reporting. They are responsible for the justifiability of this interpretation. The legal conformity of the interpretation is subject to uncertainties due to the immanent risk that undefined legal terms may be interpreted differently.

The preciseness and completeness of the environmental data in the non-financial reporting is subject to inherent restrictions resulting from the manner in which the data was collected and calculated as well as from assumptions made.

Independence and Quality Assurance of the German Public Audit Firm

We have observed German professional regulations regarding independence as well as further professional rules of conduct.

Our audit firm applies the national statutory rules and professional announcements particularly of the “Professional Charter for German Public Auditors and German Sworn Auditors” (BS WP/vBP) and of the quality management standards promulgated by the Institut der Wirtschaftsprüfer (IDW) and therefore maintains a comprehensive quality management system comprising documented regulations and measures in respect of compliance with professional rules of conduct, professional standards, as well as relevant statutory and other legal requirements.

Responsibilities of the Independent Practitioner

Our responsibility is to express a conclusion on the non-financial reporting based on our work performed within our limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements Other than Audits or Reviews of Historical Financial Information”, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement so that we can conclude with limited assurance whether matters have come to our attention to cause us to believe that the non-financial reporting – with the exception of the remuneration report referenced and of external sources of documentation and any websites mentioned therein, including their contents – has not been prepared, in all material respects, in accordance with Sections 289c to 289e HGB, Section 315c in conjunction with Sections 289c to 289e HGB and the EU Taxonomy Regulation and the delegated acts adopted thereon, as well as with the interpretation by the executive directors presented in section “Information on the EU Taxonomy Regulation” of the non-financial reporting.

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The choice of assurance work is subject to the practitioner’s professional judgement.

Within the scope of our limited assurance engagement, which was mainly performed from October 2023 to March 2024, we conducted, amongst others, the following procedures and other activities:

- Gaining an understanding of the structure of the Group’s sustainability organisation and stakeholder engagement,
- Interviews with relevant employees involved in the preparation process on the preparation process including precautions and measures taken to prepare the non-financial reporting as well as regarding the disclosures included in the non-financial reporting,
- Identification of probable risks of material misstatements in the non-financial reporting,
- Analytical evaluation of selected disclosures in the non-financial reporting,
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and combined management report,
- Evaluation of the presentation of the non-financial reporting,
- Evaluation of the process used to identify taxonomy-eligible and taxonomy-aligned economic activities and of the corresponding disclosures in the non-financial reporting.

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. The legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties due to the immanent risk that undefined legal terms may be interpreted differently.

Practitioner's conclusion

Based on the work performed and the evidence obtained, nothing has come to our attention that causes us to believe that the non-financial reporting for the financial year from 1 January to 31 December 2023 does not comply, in all material respects, with Sections 289c to 289e HGB, Section 315c in conjunction with Sections 289c to 289e HGB and the EU Taxonomy Regulation and the delegated acts adopted thereon, as well as with the executive directors' interpretation presented in the section "Information on the EU Taxonomy Regulation" of the non-financial reporting.

Our assurance engagement did neither cover the remuneration report referenced in the non-financial reporting, nor did it not cover the external sources of documentation and websites including their content referenced in the non-financial reporting.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the "General Engagement Terms for Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2017 of the Institute of Public Auditors in Germany). We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, this report is not intended to be used by third parties as a basis for any (asset) decision.

We are solely responsible to the Company. However, we do not accept or assume liability to third parties. Our conclusion is not modified in this respect.

Frankfurt/ Germany 12 March 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:
Kirsten Gräbner-Vogel
Wirtschaftsprüferin
[German public auditor]

Signed:
Daniel Oehlmann
Wirtschaftsprüfer
[German public auditor]

Ten-Year Overview

Consolidated income statement[1)]

€ million	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues	**4,000.5**	**3,194.4**	**2,143.3**	**1,677.0**	**3,705.8**	**3,478.3**	**2,934.8**	**2,586.2**	**2,598.9**	**2,394.6**
Change in work-in-process	0.0	0.0	0.0	0.0	0.4	0.3	0.4	0.4	0.5	0.6
Other internal work capitalized	50.5	39.9	38.0	37.9	37.9	35.9	36.3	34.9	29.9	28.3
Other operating income	59.0	139.3	354.6	81.8	40.9	88.2	38.9	332.9	49.8	42.5
Total revenue	**4,110.0**	**3,373.6**	**2,535.9**	**1,796.7**	**3,785.0**	**3,602.7**	**3,010.4**	**2,954.4**	**2,679.1**	**2,466.0**
Cost of materials	–1,637.3	–1,101.6	–750.7	–688.6	–1,197.4	–1,089.1	–720.4	–621.9	–610.4	–533.3
Personnel expenses	–1,076.0	–1,036.7	–884.3	–1,212.1	–1,222.8	–1,182.3	–1,092.9	–1,066.7	–1,026.7	–970.4
Other operating expenses	–192.7	–205.5	–143.9	–146.6	–184.5	–202.3	–193.9	–211.7	–193.2	–172.2
EBITDA	**1,204.0**	**1,029.8**	**757.0**	**-250.6**	**1,180.3**	**1,129.0**	**1,003.2**	**1,054.1**	**848.8**	**790.1**
Depreciation and amortization	–501.2	–465.3	–443.3	–457.5	–475.3	–398.5	–360.2	–360.4	–328.3	–307.3
Operating result/EBIT	**702.8**	**564.5**	**313.7**	**–708.1**	**705.0**	**730.5**	**643.0**	**693.7**	**520.5**	**482.8**
Interest result	–217.0	–260.5	–224.9	–165.8	–165.0	–168.4	–157.5	–106.9	–125.6	–141.1
Result from companies accounted for using the equity method	84.5	77.0	18.8	–55.0	46.1	98.8	30.9	–4.6	37.6	43.5
Other financial result	–16.4	–147.1	8.8	–4.3	3.9	9.5	–10.3	–0.8	1.3	–10.5
Financial result	**–148.9**	**–330.6**	**–197.3**	**–225.1**	**–115.0**	**–60.1**	**–136.9**	**–112.3**	**–86.7**	**–108.1**
Result from ordinary operations/EBT	**553.9**	**233.9**	**116.4**	**–933.2**	**590.0**	**670.4**	**506.1**	**581.4**	**433.8**	**374.7**
Taxes on income	–123.4	–67.3	–24.6	242.8	–135.7	–164.7	–146.4	–181.1	–136.8	–122.9
Group result	**430.5**	**166.6**	**91.8**	**–690.4**	**454.3**	**505.7**	**359.7**	**400.3**	**297.0**	**251.8**
thereof profit attributable to non-controlling interests	37.3	34.2	9.0	–32.8	33.6	31.8	29.5	24.9	20.5	17.1
thereof profit attributable to shareholders of Fraport AG	**393.2**	**132.4**	**82.8**	**–657.6**	**420.7**	**473.9**	**330.2**	**375.4**	**276.5**	**234.7**
Earnings per €10 share in € (basic)	**4.26**	**1.43**	**0.90**	**–7.12**	**4.55**	**5.13**	**3.57**	**4.07**	**3.00**	**2.54**
Earnings per €10 share in € (diluted)	**4.26**	**1.43**	**0.89**	**–7.09**	**4.54**	**5.11**	**3.56**	**4.06**	**2.99**	**2.54**

Key figures	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating cash flow in € million	863.2	787.3	392.6	–236.2	952.3	802.3	818.7	583.2	652.2	506.2
Free cash flow in € million	–656.4	–741.0	–772.3	–1,400.0	–373.5	6.8	393.1	301.7	393.6	246.8
EBITDA margin in %	30.1	32.2	35.3	–14.9	31.9	32.5	34.2	40.8	32.7	33.0
EBIT margin in %	17.6	17.7	14.6	–42.2	19.0	21.0	21.9	26.8	20.0	20.2
Return on revenue in %	13.8	7.3	5.4	–55.6	15.9	19.3	17.2	22.5	16.7	15.6
Fraport assets in € million	12,477.7	11,383.8	10,208.6	9,249.3	8,952.4	7,688.8	6,965.8	6,069.2	6,071.0	5,830.5
ROFRA in %	6.6	6.0	3.4	–8.3	8.8	11.1	10.0	11.4	9.4	9.2
Year-end closing price of the Fraport share in €	54.76	38.05	59.18	49.36	75.78	62.46	91.86	56.17	58.94	48.04
Dividend per share in €	0.00	0.00	0.00	0.00	0.00	2.00	1.50	1.50	1.35	1.35
Passenger numbers Frankfurt	59,355,389	48,918,482	24,812,849	18,768,601	70,556,072	69,510,269	64,500,386	60,786,937	61,032,022	59,566,132
Average number of employees	17,840	18,850	18,419	21,164	22,514	21,961	20,673	20,322	20,720	20,395

Financial position key figures	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Profit earmarked for distribution in € million	0.0	0.0	0.0	0.0	184.9	184.9	138.7	138.7	124.7	124.7
Net financial debt in € million	7,712.6	7,058.7	6,369.7	5,533.5	4,147.0	3,545.4	3,512.4	2,355.9	2,774.3	3,012.8
Capital employed in € million	12,031.3	10,968.1	10,122.8	9,152.3	8,590.1	7,540.8	7,241.8	5,957.5	6,086.9	6,109.2
Net debt/EBITDA	6.4	6.9	8.4	–22.1	3.5	3.1	3.5	2.2	3.3	3.8
Gearing ratio in %	178.6	180.6	169.7	152.9	93.3	88.7	94.2	65.4	83.8	97.3
Debt-to-equity ratio in %	40.8	40.1	39.2	39.3	32.8	31.0	32.4	26.6	31.4	33.4
Dynamic debt ratio in %	893.5	896.6	1,622.4	-2342.7	435.5	441.9	444.2	404.0	425.4	595.2
Working capital in € million	3,035.2	2,432.6	2,608.3	1,675.6	558.4	717.9	575.1	840.9	606.0	626.6
Group Liquidity in € million	4,041.3	3,866.9	3,564.3	2,213.7	1,156.3	1,163.2	1,018.6	1,247.5	1,043.1	1,179.6

[1)] Due to new accounting policies, and shifts in Group definitions, figures reported in previous years may differ. No retroactive adjustment of the previous year's figures was carried out.

Consolidated statement of financial position[1)]

€ million	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Goodwill	19.3	19.3	19.3	19.3	19.3	19.3	19.3	19.3	41.7	41.7
Investments in airport operating projects	4,146.8	3,769.1	3,416.4	3,221.2	3,284.1	2,844.3	2,621.1	516.1	500.9	479.2
Other intangible assets	97.0	95.9	105.8	119.1	131.1	134.5	132.4	146.7	161.2	157.1
Property, plant, and equipment	8,951.5	8,371.8	7,898.4	7,330.3	6,837.9	6,081.7	5,921.5	5,954.2	6,045.4	6,127.7
Investment property	69.5	69.1	88.6	123.3	93.3	88.8	96.4	79.6	74.5	63.0
Investments in companies accounted for using the equity method	518.0	491.4	71.3	165.5	242.2	260.0	268.1	209.7	237.6	216.9
Other financial assets	953.1	1173.4	932.3	350.3	503.0	426.1	488.6	561.7	659.2	773.3
Other financial receivables and assets	100.2	87.2	276.6	233.2	193.7	195.0	190.9	173.3	167.0	181.1
Other non-financial receivables and assets	95.4	0.0	0.0	0.0	0.0	0.0	0.0	0.2	5.4	10.2
Deferred tax assets	102.3	159.5	182.6	175.8	78.6	56.7	41.0	36.9	33.4	31.1
Non-current assets	**15,053.1**	**14,236.7**	**12,991.3**	**11,971.2**	**11,576.9**	**10,106.4**	**9,779.3**	**7,697.7**	**7,926.3**	**8,081.3**
Inventories	28.0	25.5	20.3	22.3	23.6	28.9	29.3	37.9	42.8	43.7
Trade accounts receivable	271.5	177.1	152.3	125.4	203.1	177.9	143.5	129.6	154.0	174.7
Other receivables and financial assets	1,085.2	409.0	272.7	321.0	203.3	304.3	245.5	259.7	310.8	297.6
Income tax receivables	42.5	33.3	20.9	10.1	25.2	13.1	5.4	11.9	7.4	7.7
Cash and cash equivalents	2,410.5	2,585.2	2,662.8	1864.4	788.9	801.3	629.4	736.0	406.0	401.1
Current assets	**3,837.7**	**3,230.1**	**3,129.0**	**2,664.2**	**1,447.4**	**1,325.5**	**1,053.1**	**1,175.1**	**921.0**	**924.8**
Non-current assets held for sale	**0.1**	**11.4**	**119.7**	**0.0**	**0.0**	**17.2**	**0.0**	**0.0**	**0.0**	**7.1**
Issued capital	923.9	923.9	923.9	923.9	923.9	923.9	923.9	923.6	923.1	922.7
Capital reserve	598.5	598.5	598.5	598.5	598.5	598.5	598.5	596.3	594.3	592.3
Revenue reserves	2,796.3	2,387.0	2,230.7	2,096.4	2,920.7	2,657.9	2,345.7	2,220.4	1,919.9	1,706.1
Equity attributable to shareholders of Fraport AG	4,318.7	3,909.4	3,753.1	3,675.8	4,443.1	4,180.3	3,868.1	3,740.3	3,437.3	3,221.1
Non-controlling interests	273.6	222.5	155.9	139.9	180.1	187.7	160.6	101.1	74.4	64.9
Shareholders' equity	**4,592.3**	**4,131.9**	**3,909.0**	**3,758.7**	**4,623.2**	**4,368.0**	**4,028.7**	**3,841.4**	**3,511.7**	**3,286.0**
Financial liabilities	10,232.5	9,716.0	9,306.4	6,936.5	4,746.8	4,100.3	3,955.6	3,236.9	3,273.8	3,874.3
Trade accounts payable	78.6	62.3	71.8	42.6	41.4	45.5	42.4	41.8	42.5	47.1
Other liabilities	1,153.1	1,168.0	1,193.4	1,147.7	1,279.4	1,016.7	1,090.1	408.0	447.7	497.5
Deferred tax liabilities	52.1	41.3	37.7	39.7	212.7	228.3	203.8	173.6	172.2	158.7
Provisions for pensions and similar obligations	35.8	31.7	41.7	46.7	40.2	31.7	34.2	33.2	30.7	33.7
Provisions for income taxes	47.3	77.0	83.7	51.0	69.7	74.2	70.3	71.8	62.1	68.8
Other provisions	118.9	136.3	160.7	196.5	158.7	160.2	147.2	147.2	201.6	228.0
Non-current liabilities	**11,718.3**	**11,232.6**	**10,895.4**	**9,631.7**	**7,828.3**	**5,656.9**	**5,543.6**	**4,112.5**	**4,230.6**	**4,908.1**
Financial liabilities	1,521.4	1209.6	627.6	810.7	556.5	608.3	575.4	366.5	543.6	318.1
Trade accounts payable	430.8	444.4	298.8	294.6	297.3	286.5	185.9	146.7	143.1	134.5
Other liabilities	371.7	353.1	282.2	330.4	347.0	275.6	249.7	145.7	129.4	123.7
Provisions for income taxes	73.3	24.7	29.4	43.1	59.7	43.9	33.1	42.9	56.0	14.7
Other provisions	183.1	199.2	189.5	383.0	194.7	201.1	216.0	217.1	232.9	223.8
Current liabilities	**2,580.3**	**2,231.0**	**1,427.5**	**2,192.2**	**1,802.2**	**1,415.4**	**1,260.1**	**918.9**	**1,105.0**	**814.8**
Liabilities in the context of non-current assets held for sale	**0.0**	**12.1**	**8.1**	**0.0**	**0.0**	**8.8**	**0.0**	**0.0**	**0.0**	**4.3**
Total assets	**18,890.9**	**17,607.6**	**16,240.0**	**15,582.6**	**14,253.7**	**11,440.3**	**10,832.4**	**8,872.8**	**8,847.3**	**9,008.9**

Change over the previous year in %	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Non-current assets	+5.7	+9.6	+8.5	+3.4	+14.6	+3.3	+27.0	–2.9	–1.9	0.0
Shareholders' equity (less non-controlling interests and profit earmarked for distribution)	+10.5	+4.2	+3.7	–18.6	+11.2	+7.1	+3.5	+8.7	+7.0	0.0
Share of total assets in %										
Non-current assets	79.7	80.9	80.0	76.8	81.2	88.3	90.3	86.8	89.6	89.7
Shareholders' equity ratio	22.9	22.2	23.1	25.7	35.2	34.9	34.4	40.6	37.4	34.4

Glossary

Adjusted EBIT
EBIT + Earnings before taxes of the Group companies accounted for using the equity method

Annual performance of the Fraport share
(Year-end closing price of the Fraport share - previous year-end closing price + dividend per share) / previous year-end closing price

Capital Employed
Net financial debt + shareholders' equity [1)]

Debt-to-equity ratio
Net financial debt/total assets

Dividend yield
Dividend per share/year-end closing price of the share

Dynamic debt ratio
Net financial debt/cash flow from operating activities (operating cash flow)

Earnings per Share (EPS)
Profit attributable to shareholders of Fraport AG/ weighted number of shares

EBIT
Abbreviation for: earnings before interest and taxes

EBIT margin
EBIT/revenue

EBITDA
Abbreviation for: earnings before interest, taxes, depreciation and amortization

EBITDA margin
EBITDA/revenue

EBT
Abbreviation for: earnings before taxes

Euribor
Abbreviation for: European Interbank Offered Rate = Interest rate used by European banks when trading fixed-term deposits with each other. It is one of the most important reference interest rates, among European bonds, bearing floating interest payments.

[1)] Equity less non-controlling interests and the amount earmarked for distribution.

Fraport Assets
Goodwill + other intangible assets at cost/2 + investments in airport operating projects at cost/2 + construction in progress and lands at cost + other property, plant and equipment at cost/2 + carrying amounts of the group companies accounted for using the equity method and other investments + inventories + trade accounts receivable – current trade accounts payable

Free cash flow
Cash flow from operating activities – effects resulting from the application of IFRS 16 – investments in airport operating projects (excluding payments to acquire Group companies and concessions) – capital expenditure for other intangible assets – capital expenditure in property, plant, and equipment – investments for “investment property” – capital expenditure in companies accounted for using the equity method + dividends from companies accounted for using the equity method

Gearing ratio
Net financial debt/shareholders’ equity [1)]

Group-Liquidity
Cash and cash equivalents (as at the statement of financial position) + short-term realizable items in “other financial assets” and “other receivables and financial assets”

Liquidity at Fraport AG
Cash and cash equivalents (as at the statement of financial position) + short-term realizable items in “financial assets” + short term realizable items in “other receivables and other assets” and “securities”

Lost Time Injury Rate (LTIF)
Number of accidents at work/hours worked (in millions)

Market capitalization
Year-end closing price of the Fraport share × number of shares

Net financial debt
Non-current financial liabilities + current financial liabilities – liquidity

Net financial debt to EBITDA
Net financial debt/EBITDA

Operating expenses
Material expenses + personnel expenses + other operating expenses

Price-earnings ratio
Year-end closing price of the Fraport share/earnings per share (basic)

Return on revenue
EBT/revenue

[1)] Equity less non-controlling interests and the amount earmarked for distribution.

Return on shareholders' equity
Profit attributable to shareholders of Fraport AG/shareholders' equity

Revenue adjusted for IFRIC 12
Revenue according to the consolidated income statement – Contract revenue from construction and expansion services according to IFRIC 12

ROFRA
Abbreviation for: return on Fraport assets = adjusted EBIT/Fraport assets

Shareholders' equity ratio
Shareholders' equity/total assets

Sickness rate
Sick days/planned days × 100 excluding absences beyond sick pay (so called extended sick leave)

Total employees
Employees of Fraport AG and fully-consolidated Group companies as at the balance sheet date (including temporary staff, apprentices, and employees on leave)

Working capital
Current assets – trade accounts payable – other current liabilities

Financial Calendar 2024

Tuesday, May 14, 2024
Interim Release Q1 2024, online publication, conference call with analysts and investors

Tuesday, May 28, 2024
Annual General Meeting 2024

Tuesday, August 6, 2024
Interim Report Q2/6M 2024, online publication, conference call with analysts and investors

Tuesday, November 5, 2024
Interim Release Q3/9M 2024, online publication, press conference call, conference call with analysts and investors

Traffic Calendar 2024/2025

(Online publication)

Friday, April 12, 2024
March 2024/3M 2024

Wednesday, May 15, 2024
April 2024

Thursday, June 13, 2024
May 2024

Thursday, July 11, 2024
June 2024/6M 2024

Tuesday, August 13, 2024
July 2024

Thursday, September 12, 2024
August 2024

Montag, October 14, 2024
September 2024/9M 2024

Wednesday, November 13, 2024
October 2024

Thursday, December 12, 2024
November 2024

Thursday, January 16, 2025
December 2024/FY 2024

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Disclaimer
In case of any uncertainties which arise due to errors in translation, the German version of the Annual Report is the binding one.

Rounding
The use of rounded amounts and percentages means slight discrepancies may occur due to commercial rounding.

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