Annual Report 2022

The airport brand you trust

Fraport

The 2022 Fiscal Year at a Glance

€ 1,029.8 mn

EBITDA
Increase by €272.8 million due to the positive traffic development at all sites.

€ 166.6 mn

Group result
Clearly positive, despite write-off of loan receivables in connection with the activities at St. Petersburg Airport.

– € 741.0 mn

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

19,211

Number of employees as of December 31
Headcount increase primarily in the operational areas in Frankfurt (+1,430).

155,449 m. t. CO_2

CO_2 emissions
Slight decrease (– 6.5 %) mainly due to the use of renewable electricity and the conversion of the vehicle fleet to electromobility.

48,918,482

Passengers at FRA
Passenger volumes only around 30% below pre-crisis levels.

Financial performance indicators

in € mn	2022	2021	Change in %
Revenue	3,194.4	2,143.3	+49.0
Revenue adjusted for IFRIC 12	2,863.3	1,901.6	+50.6
EBITDA	1,029.8	757.0	+36.0
Group result	166.6	91.8	+81.5
Earnings per share (basic) (€)	1.43	0.90	+58.9
Dividend per share	0.00 [1]	0.00	–
Free cash flow	–741.0	–772.3	+4.1
Total assets	17,607.6	16,240.0	+8.4
Shareholders' equity ratio (%)	22.2	23.1	–
Group liquidity	3,866.9	3,564.3	+8.5
Net financial debt	7,058.7	6,369.7	+10.8
Net financial debt to EBITDA	6.9	8.4	–17.9
EBITDA margin (%)	32.2	35.3	–
ROFRA (%)	6.0	3.4	–
Gearing ratio (%)	180.6	169.7	–

[1] No dividend proposed.

Non-financial performance indicators

	2022	2021	Change in %
Number of employees as of December 31	19,211	17,781	+1,430
Average number of employees	18,850	18,419	+431
Global satisfaction of passengers (Group) in %	80	– [1]	–
Employee satisfaction (Group)	4.76	– [1]	–
Women in management positions (1st level, Germany) in %	23.1	– [2]	–
Women in management positions (2nd level, Germany) in %	31.6	– [2]	–
Sickness rate (Germany) in %	8.7	6.7	+2.0 PP
CO_2 emissions (Group) (Scope 1 und 2) in m. t.	155,449	166,208 [3]	–10,759

[1] Due to the impact of the coronavirus pandemic, this statistic was not collected in 2021.
[2] Until 2021, the figure was reported combined for the first and second level below the Executive Board.
[3] Due to subsequent verifications 2021 number changed.

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Further Information

Discover also the illustrative online version of the Fraport Annual Report:

www.annual-report.fraport.com

Further explanations

You will find further information on the Internet.

You will find further information in this report.

The year of 2022 –

In a way, the past year was a restart for the aviation industry. The coronavirus has largely lost its fright, travel restrictions have been eased, life has increasingly returned to normal, and air traffic has also picked up strongly. At the same time, the dynamic growth became an enormous challenge for the entire industry – and so for Fraport as well.

1st Quarter

- **Beginning upward trend in passenger traffic**
- **Geopolitical uncertainties as a result of the Russian invasion into Ukraine**

Fraport sells stake in Xi'an Airport

Fraport sold its entire 24.5 percent stake for a price of RMB 1.11 billion to Chang'an Huitong Co., Ltd. This marked the end of 14 years of involvement in the airport, during which the airport was successfully transformed from a medium-sized regional airport with about ten million passengers to one of the largest airports in China with more than 40 million passengers.

Fraport and TAV pay upfront fee for the new operating concession at Antalya Airport

The joint venture between Fraport AG and TAV Airports Holding paid Türkiye's state airports authority (DHMI) the required upfront fee of €1,81 billion for the new 25-year concession to operate Antalya Airport.

Fraport halts its business in St. Petersburg

After the Russian invasion into Ukraine Fraport is suspending its business activities at the minority shareholding that operates Pulkovo Airport. In the course of the year the loan of €163.3 million made to Thalita Trading Ltd. was completely written off.

2nd Quarter

- **Passenger numbers rise further**
- **June traffic at Frankfurt marked new record since the outbreak of the of the Coronavirus pandemic**

Milestone in the takeover and management of aviation security controls at Frankfurt Airport: Future security service provider selected

FraSec Luftsicherheit GmbH, I-SEC Deutsche Aviation Security SE & Co. KG and Securitas Aviation Service GmbH & Co. KG won the tender to carry out passenger security controls at Frankfurt Airport on behalf of Fraport AG from January 1, 2023.

Summer peak in Frankfurt

In order to manage the summer peak, Fraport implemented numerous measures together with partners. The focus was on recruiting and training personnel for operations. In addition, Fraport and the airlines tried to shift the high volume of traffic to times of day with less traffic.

3rd Quarter

- High demand for vacation destinations in the summer months
- Stable and organized operation in Frankfurt over summer months achieved together with process partners

Photovoltaic share continues to grow

In order to increase the proportion of green electricity Fraport installed a photovoltaic system at the Runway West at Frankfurt Airport with 20 PV panels and an output of 8.4 kilowatts. Perspectively, Fraport would like to expand this three-row along the entire Runway West. In the final stage of expansion, the system is to extend over a length of 2,600 meters parallel to the runway and then generate a peak output of up to 13 megawatts.

Terminal 3: New Sky Line presented

Once the new Terminal 3 starts operating in 2026, the new Sky Line train will complement the existing transportation system at Frankfurt Airport and connect the new Terminal 3 with the existing terminals. The first train of the new Sky Line railroad was unveiled in November 2022. When the new railroad goes into operation, up to 4,000 people per hour and direction will travel to and from Terminal 3.

Fraport and Lufthansa establish joint venture "FraAlliance"

With "FraAlliance" in view of Frankfurt Airport, both groups want to cooperate even more intensively on strategic issues and in operational areas in the future. In particular, they want to further develop their long-standing cooperation with regard to improving services in Terminal 1 at Frankfurt Airport. The aim is to increase product and service quality at Frankfurt Airport.

4th Quarter

- Traffic volume at FRA reaches for the full year just under 49 million and thus only about 30% behind the pre-crisis level
- International airports partly above pre-crisis level

Change in the Executive Board

Julia Kranenberg joins the Executive Board team of Fraport AG as the new Executive Director Labor Relations. Ms. Kranenberg succeeds Michael Müller, whose contract expired for reasons of age on September 30, 2022.

"I am very much looking forward to contributing my strength, experience and energy to lead Fraport into a positive and successful future."

LAP Signs USD 1,25 Million Financing Agreement for Lima Airport Expansion

The financing is intended for the infrastructure and expansion measures at the Jorge Chávez International Airport in Lima, Peru's capital city. The construction measures for the airside expansion, such as a second runway and a new tower have already been completed. The new passenger terminal is scheduled to go into operation at the beginning of 2025.

Online Report:

↗ www.annual-report.fraport.com

The Airport Brand You Trust – Fraport Assumes Responsibility for Aviation Security Checks at Frankfurt Airport

On January 1, 2023, Fraport took over the organization, control and implementation of aviation security checks at Frankfurt Airport. This includes the procurement of the checkpoint infrastructure and the testing of new technology and optimization of processes in cooperation with the German Federal Police.

The Federal Police will continue to be responsible for legal and technical supervision as well as for ensuring aviation security and protecting the checkpoints. In addition, the Federal Police continues to be responsible for the certification and approval of new control infrastructures as well as the certification of aviation security personnel.

To Our Shareholders

Letter from the CEO

Dear Shareholders,

we look back on 2022 as a turbulent and difficult year. The coronavirus pandemic became less threatening throughout the course of the year and passenger numbers in Frankfurt and internationally have fortunately recovered strongly. However, the Russian war of aggression in Ukraine, which has been ongoing since February 2022, has distressed us all, including me very personally. The outcome of this conflict in the heart of Europe and potential long-term consequences, including to the economy, remain uncertain. The current focus is particularly on issues regarding further development of consumer prices, above all energy prices and key interest rates.

Let us briefly review 2022. Air traffic in the first quarter of 2022 was still clearly influenced by the Omicron coronavirus variant, which was dominant at the time. Nevertheless, at Easter we were already feeling the return of a strong desire to travel, which continued in the summer. The considerable demand for tourist air travel is clearly reflected in the high passenger numbers at our airports in Greece. We even welcomed more passengers there last year than in 2019, before the outbreak of the pandemic. Our airport in Antalya also carried almost as many passengers as in pre-crisis times in the peak season in the third quarter. In Frankfurt, we had to take measures together with our partners to keep handling at the airport as stable as possible due to the rapidly increasing demand in the summer and existing capacity bottlenecks in complex hub structures. Unfortunately, we have nevertheless seen numerous flight cancellations and high levels of delays at times. Looking toward further growth, we are working continuously and very closely with all system partners to again clearly improve handling, including punctuality, and waiting times. At this point, I would like to thank all those, especially our employees, who have kept our airport running thanks to their tireless dedication. It is thanks to these people that we were able to register around 49 million passengers at Frankfurt Airport last year, despite all the challenges. This puts us above our forecast at the beginning of the year and the upper end of our updated 2022 outlook. A great result and a remarkable joint accomplishment.

We already welcomed more passengers in Greece last year than in 2019.

The high traffic volume had a positive effect on the financial figures and led to a 49.0 percent increase in revenue to €3.2 billion compared to the same period in the previous year. At the same time, operating expenses were clearly higher compared to the previous year, which was also attributable to the strong traffic development and high volumes concentrated in individual daily peaks. That said, we generated a Group EBITDA of €1,029.8 million. Of this, more than 50 percent was generated by our foreign investments, led by Greece. The Group result was 81.5 percent above the previous year's level at €166.6 million. This is a very pleasing result, also because one-off effects due to the write-off of a shareholder loan in connection with our shareholding in St. Petersburg Airport in 2022 had a very negative impact.

Let us now look at 2023. The industry is expecting significant growth despite the difficult overall economic situation. It is therefore our task to prepare your company for this ramp-up and to deliver the performance and quality that our customers in Frankfurt have been used to in the past. For this reason, all measures for qualification and further training, especially in ground handling, are continuing to run at full pace. We are also continuing to recruit in operational divisions. With this in mind, we are preparing together for a strong year 2023, and we aim to increase customer satisfaction once again. All that being said, 2023 will remain challenging in Frankfurt considering the highly networked hub structures and the labor market situation.

Since the start of the year, it has largely been down to us to ensure that our passengers are satisfied with the security checks. Fraport has been responsible for conducting, planning, and managing the aviation security checks in Frankfurt since January 1, 2023. For me, this is a very important milestone that we achieved together with the responsible Federal Ministry and the German Federal Police. Together with our service providers on site and by implementing the latest technology, we are now working on faster and smoother operations for our passengers.

The construction of Terminal 3 is continuing according to plan. Pier G has been completed except for the final installations required for operation. The construction, including the roof and facades of the main terminal building, is also almost complete. Other areas of construction, such as the new road connection and the parking garage with 8,500 parking spaces, will be finished in a timely manner. Like this, there is currently nothing standing in the way of the planned opening for the 2026 summer flight schedule.

However, it is not just in Frankfurt where we are making progress. Our international Group airports are continuing to work on their long-term competitiveness and are demonstrating great successes year by year. The past year saw the completion of the new runway in Lima, which we will be putting into operation soon. The construction of the terminal there is running at full pace, and it will be put into operation at the start of 2025 already. To be positioned for further growth, we are also building a new terminal with our partner TAV in Antalya, Türkiye, where the new concession will start in 2027. From Greece, we are expecting dividend payments for the first time this year – a very pleasing development.

You see, dear shareholders, that your company is active for you around the world far beyond Frankfurt, because international business has made a substantial contribution to the Group result for many years.

We are also making progress with the important issue of climate protection. At the end of last year, the Executive Board resolved the decarbonization master plan. The plan includes comprehensive measures for achieving our objective of being CO_2-free by 2045 at the latest and we are already implementing various milestones on the way toward it. With the construction of photovoltaic systems, the gradual transition of our vehicle fleet to electric drives, and the wind farm in the North Sea, which will supply us with the majority of our power from 2026, we are already well positioned.

Decarbonization master plan resolved.

Let me now give you an outlook for 2023: At Frankfurt airport we started the year with passenger levels at around 80 percent of the 2019 volume. We are expecting higher demand already with the start of Easter travel, which could temporarily rise to up to 90 percent of pre-crisis levels over Whitsun and in the summer season. Overall, we assume that this year in Frankfurt we will welcome between above 80 and around 90 percent of the passenger volume from 2019. However, ultimately this depends on how strongly the overall economic development will affect the demand for air travel, among other things. At the international Group airports, we assume that total passenger numbers will recover to around pre-crisis levels. In here, we are once again expecting slightly more passengers at our Greek airports than before the coronavirus-pandemic. For Latin America we also expect a faster recovery than for Frankfurt.

The aforementioned traffic forecasts will also have a positive influence on our substantial key financial performance indicators. Accordingly, we are expecting a Group EBITDA of around €1.04 to approximately €1.20 billion. We forecast the Group result to lie in a range between around €300 million and about €420 million.

Despite this positive outlook, we will not be submitting a proposal for the appropriation of profits to the Annual General Meeting, considering the continuing major effects of the coronavirus pandemic on our Group debt.

I would like to thank you, dear shareholders, for your trust over the past year. I am convinced that we, the Executive Board, together with all the employees and system partners will set the right course so that 2023 will be a successful year.

Sincerely yours,

Stefan Schulte

The Fraport Executive Board

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

Dr. Pierre Dominique Prümm
Executive Director
Aviation and Infrastructure
Born in 1973
Appointed until June 30, 2024

Dr. Stefan Schulte
Chairman of the Executive Board
Born in 1960
Appointed until
August 31, 2024

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

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

Report of the Supervisory Board

Dear Shareholders,

The 2022 reporting year was characterized by the dynamic growth of aviation, even though it was still being heavily impacted by the spread of the Omicron variant at the beginning of the year and, from late February, economic development in Europe was marked by Russia's war of aggression against Ukraine and the sanctions imposed as a result, as well as rising global inflation.

2022 was another particularly challenging year for the aviation sector as a whole. Lockdowns at the beginning of the year were followed by a sharp rise in demand. The massive growth in volume compared with the previous year placed heavy demand on all process partners. During peak times in particular, company employees showed a great deal of commitment in managing the traffic. For this, we would like to express our special thanks to all our employees for their efforts.

The 2022 reporting year confirmed our expectation that, as the coronavirus pandemic abates, people's need to travel will increase again. The easing of infection control measures and the relaxing of travel restrictions boosted demand from private travelers in particular; however, business travel also grew steadily toward the end of the year.

Fraport AG continued to recover during the 2022 fiscal year. After a cautious start to the year, passenger numbers at our international Group companies and the Frankfurt site grew sharply compared with the previous year, although the total volume of passengers is still falling around 30% short of the peak in 2019. The development of the tourist-oriented international Group airports was very encouraging. Greece's airports even exceeded pre-crisis levels for the first time since the outbreak of the coronavirus pandemic. However, the write-off in connection with the indirect minority stake that Fraport AG holds in the operating company of St. Petersburg Airport had a strong negative impact on the financial result, which led to a net loss of €88.4 million for the Fraport AG in fiscal year 2022. Nevertheless, a positive Group result was generated compared to the previous year.

The Supervisory Board performed all the tasks incumbent on it under law, the company statutes, and rules of internal procedure, and continuously monitored the management of the company in fiscal year 2022. 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.

During the reporting period, the Supervisory Board convened six meetings, including one strategy meeting. The strategy meeting held on September 29, 2022 and the Supervisory Board meeting held on September 30, 2022 took place in person. The remaining Supervisory Board meetings held in 2022 were hybrid events that took place in person with the possibility of participating via video link. In addition, during 2022, the Supervisory Board passed four resolutions by means of written circulars.

Focal points of discussions of the Supervisory Board

During the 2022 fiscal year, the business development of the Fraport Group and its Group companies was discussed regularly by the Supervisory Board. The focus was on traffic and revenue development at Frankfurt Airport as well as the impact of the war in Ukraine and the resulting sanctions, particularly on indirect minority stake in the operating company of Pulkovo Airport in St. Petersburg.

In addition, the Supervisory Board continued to monitor the progress of the expansion in the southern part of Frankfurt Airport (Terminal 3, including Pier G, and the expansion of the passenger transport system). The management of the Group company Fraport Ausbau Süd GmbH regularly took part in the advisory meetings of the investment and capital expenditure committee of the Supervisory Board.

Apart from this regular reporting, the following matters were extensively discussed in 2022, in particular:

- The management of the impact of the coronavirus pandemic, both in relation to air traffic at the Frankfurt site and at the international Group airports, was discussed repeatedly. The Supervisory Board was informed extensively and in a timely manner about the developments and measures. These included continued strict control of capital expenditure and operating expenses, as well as of the recruitment of personnel for the Ground Services.

- During an (extraordinary) meeting held on May 9, 2022, and on an ongoing basis thereafter, the Supervisory Board discussed the state of play regarding the minority stake in the operating company of Pulkovo Airport in St. Petersburg.

- The report also focused on the expansion of capacity in the southern part of Frankfurt Airport. The progress made in the construction of Terminal 3 (including Pier G) and its transport links was discussed 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 were dealt with on a recurring basis. The raising of further debt capital was approved in this regard.

- The Supervisory Board again discussed the economic situation and the development of Ground Services at Frankfurt Airport.

- The Supervisory Board gathered information about the respective state of play of the take-over of management responsibility in the area of security controls at Frankfurt Airport.

- The Supervisory Board discussed the decarbonization master plan adopted by the Executive Board and approved the Group’s CO_2 emission reduction targets.

- In addition, the Supervisory Board dealt with the financial statements and management reports of the company and the Group as at December 31, 2021, as well as the 2021 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 14, 2022, the Supervisory Board approved the decision of the Executive Board to hold the 2022 Annual General Meeting without shareholders present. It adopted the agenda for the ordinary Annual General Meeting on May 24, 2022. Furthermore, the Supervisory Board again decided to propose to the Annual General Meeting that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), Frankfurt am Main, be appointed as the auditor for fiscal year 2022.

- During its meeting held on March 14, 2022, the Supervisory Board also appointed Ms. Julia Kranenberg as a member of the Executive Board with effect from April 1, 2023 or earlier – put in concrete terms during the meeting held on September 30, 2022, which saw the appointment of Ms. Kranenberg with effect from November 1, 2022 – and extended the appointment of Ms. Anke Giesen for a further three years with effect from January 1, 2023.

- During its strategy meeting held on September 29, 2022, the Supervisory Board discussed the company's market and competitive position and its economic situation. The challenges and strategic initiatives of the strategic business units and the topic of sustainability and environmental protection were also addressed.

- In the meeting held on September 30, 2022, the status of the expansion project at Lima Airport in Peru and the financing of this measure, including the associated increase in shareholder equity of the Group company, were discussed and approved.

- Against the backdrop of the ongoing coronavirus pandemic, on September 30, 2022, the Supervisory Board agreed, on the basis of the (transitional) provisions of Section 26n(1) of the Introductory Act to the German Stock Corporation Act (Einführungsgesetz zum Aktiengesetz), which entered into force in 2022, that the ordinary Annual General Meeting on May 23, 2023 was to be held as a virtual Annual General Meeting, in accordance with Section 118a of the German Stock Corporation Act (AktG), without the physical presence of shareholders or their authorized representatives and agreed to propose an amendment to the Fraport AG company statutes at the 2023 Annual General Meeting with the intention of also enabling virtual Annual General Meetings to be held in the future on the basis of a corresponding authorization from the Executive Board in light of the change in the legal situation.

- On June 27 and December 15, 2022, 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 15, 2022, the Supervisory Board approved the 2023 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 "Joint Statement on Corporate Governance" as well as on the Group's website at www.fraport.com/en/investors/corporate-governance.html.

During the reporting period, the **finance and audit committee** convened seven meetings, including one in the form of a teleconference with all other meetings taking place in a hybrid format involving face-to-face meetings with the possibility of participating via video link. During these meetings, the finance and audit committee discussed significant business transactions, the annual and consolidated financial statements, and the combined management report. 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 2022 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 2023 Business Plan of Fraport AG (prepared in accordance with the

German Commercial Code, HGB) and the 2023 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 2022 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. After the cyclical change of the auditor for the 2013 fiscal year, it was once again proposed to the plenum to recommend PwC to the Annual General Meeting as auditor for the 2022 fiscal year. Furthermore, with regard to the review of non-financial reporting, the recommendation of the committee was in favor of this auditing company. A selection process took place, since a change of auditor was required by law for the 2023 fiscal year, and the plenum recommended the selected audit firm, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, to the Annual General Meeting to be selected as auditor for the 2023 fiscal year.

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 of the 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 eight meetings of the **investment and capital expenditure committee** during the 2022 fiscal year focused on the respective status of the indirect minority stake in the operating company of Pulkovo Airport, St. Petersburg, the economic development of the investment business, and the expansion measures in Germany and at foreign Group companies. Two of the investment and capital expenditure committee meetings in 2022 were held as video conferences. All other meetings of the investment and capital expenditure committee held in 2022 were face-to-face meetings with the possibility of participating via video link.

A particular focus was on the expansion of Lima Airport and once again 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 plenary Supervisory Board.

An extraordinary meeting of the investment and capital expenditure committee addressed the discussions concerning the submission of a firm offer for the tender for the management of the retail areas at Baltimore Airport (USA), which was approved by the committee.

The committee regularly dealt with the economic situation of the Group companies at the Frankfurt site and worldwide. The committee worked intensively on the planning of capital expenditure in the context of the 2022 Business Plan.

At its three meetings during the 2022 fiscal year, the **human resources committee** regularly discussed the personnel situation in the Group, which continued to be impacted by the effects of the coronavirus pandemic. At the Frankfurt site, the focus was on the subjects of short-time work, changes to the headcount and personnel expenses and salaries, as well as the development of the management team. All meetings of the human resources committee held in 2022 were face-to-face meetings with the possibility of participating via video link.

Further focal points of discussions included the increase in the percentage of women in executive and management positions, as well as the empowerment initiative for managers.

The **executive committee** met three times during the reporting period. Two meetings of the executive committee were held in person in 2022 and one meeting was held as a face-to-face meeting with the possibility of participating via video link. In addition, during 2022, the executive committee passed one resolution by means of a written circular. It dealt with Executive Board matters and remuneration issues arising in the 2022 fiscal year. It approved the take-over of functions in associations and committees by Ms. Kranenberg as the successor to Executive Director Labor Relations, Mr. Michael Müller, who left at the end of September 2022.

The **nomination committee**, which was established in preparation for the election of new shareholder representatives, met once (in person) and submitted a proposal to the Supervisory Board that Dr. Bastian Bergerhoff be recommended for election at the 2022 Annual General Meeting.

It was not necessary to convene the **mediation committee**, to be constituted in accordance with Section 27 of the German Co-Determination Act (MitbestG), during the 2022 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 2022, and the company continued its willingness to support the training and education measures for Supervisory Board members.

Meeting attendance

During the 2022 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 2022

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%)				3 / 3 (100%)	- / -	1 / 1 (100%)
Claudia Amier (until 30.04.2022)	1 / 1 (100%)	2 / 2 (100%)			1 / 1 (100%)	- / -	
Devrim Arslan	6 / 6 (100%)			3 / 3 (100%)	3 / 3 (100%)		
Uwe Becker (until 24.05.2022)	2 / 2 (100%)		0 / 1 (0%)		0 / 1 (0%)		1 / 1 (100%)
Dr. Bastian Bergerhoff (since 24.05.2022)	4 / 4 (100%)		4 / 5 (80%) (since 27.06.2022)		1 / 2 (50%) (since 27.06.2022)		- / - (since 27.06.2022)
Ines Born (since 19.07.2022)	1 / 3 (33.33%)						
Hakan Bölükmese	6 / 6 (100%)		3 / 3 (100%) (until 27.06.2022)	3 / 3 (100%)	2 / 2 (100%) (since 27.06.2022)	- / - (since 27.06.2022)	
Hakan Cicek	6 / 6 (100%)	7 / 7 (100%)					
Yvonne Dunkelmann (until 10.02.2022)	- / -						
Peter Feldmann	4 / 6 (66.67%)						
Peter Gerber	5 / 6 (83.33%)						
Dr. Margarete Haase	6 / 6 (100%)	7 / 7 (100%)			3 / 3 (100%)		1 / 1 (100%)
Frank-Peter Kaufmann	6 / 6 (100%)		8 / 8 (100%)	3 / 3 (100%)	3 / 3 (100%)		
Dr. Ulrich Kipper	6 / 6 (100%)	7 / 7 (100%)	1 / 1 (100%) (since 30.09.2022)				
Lothar Klemm	6 / 6 (100%)	7 / 7 (100%)	8 / 8 (100%)			- / -	
Karin Knappe (since 08.06.2022)	4 / 4 (100%)		5 / 5 (100%) (since 27.06.2022)	1 / 1 (100%) (since 27.06.2022)			
Ramona Lindner (since 16.02.2022)	6 / 6 (100%)		7 / 8 (87.50%)				
Mira Neumaier (until 30.06.2022)	3 / 3 (100%)		0 / 3 (0%)				
Michael Odenwald	6 / 6 (100%)	7 / 7 (100%)		3 / 3 (100%)			
Matthias Pöschko	5 / 6 (83.33%)		8 / 8 (100%)		3 / 3 (100%)		
Qadeer Rana	6 / 6 (100%)	7 / 7 (100%)		3 / 3 (100%)			
Mathias Venema (Vice-Chair)	6 / 6 (100%)	3 / 3 (100%) (since 27.06.2022)		2 / 2 (100%) (until 27.06.2022)	3 / 3 (100%)	- / -	
Sonja Wärntges	5 / 6 (83.33%)	7 / 7 (100%)		3 / 3 (100%)			
Prof. Dr.-Ing. Katja Windt	5 / 6 (83.33%)		6 / 8 (75%)	2 / 3 (66.67%)			

Corporate Governance and statements of compliance

Last year, the Executive Board and Supervisory Board also handled the implementation of the German Corporate Governance Code (GCGC), including the amendments to the Code that entered into force in 2022.

In this context, the Supervisory Board has also continued its regular efficiency audit. This self-assessment was carried out during the reporting year with external support from a consulting company and discussed in depth at the Supervisory Board meeting held on December 15, 2022. The discussions focused on the composition and competence of the Supervisory Board, meeting management and content, and its role and self-perception.

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 15, 2022, are provided in the “Joint 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 between the supervisory boards and the executive boards in the 2022 fiscal year.

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

PwC audited the annual financial statements of Fraport AG and the consolidated financial statements as at December 31, 2022, as well as the combined management report, and issued an unqualified auditor's report for each. The audit mandate was issued by the chairpersons of the Supervisory Board in accordance with the resolution of the Annual General Meeting of May 24, 2022.

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 aforementioned documents and the proposal by the Executive Board for the utilization of the profit earmarked for distribution were immediately sent to the Supervisory Board by the Executive Board. 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 PwC 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 13, 2023, 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.

As the profit of Fraport AG for the fiscal year 2022 after withdrawal from other revenue reserves to cover the net loss for the year amounts to €0.0, the agenda for the 2023 Annual General Meeting does not provide for a resolution by the Annual General Meeting on the appropriation of this profit.

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, 2022 to December 31, 2022 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 13, 2023 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.

PwC was also commissioned to review the content of the Remuneration Report of Fraport AG as at December 31, 2022 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 of the 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, PwC, 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 13, 2023, 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

During the 2022 reporting year, as has previously been reported in the Annual Report for the 2021 fiscal year, at the request of the Supervisory Board, the District Court (Amtsgericht) Frankfurt/Main performed the judicial (replacement) appointment of the employee representatives on the Supervisory Board after the election of those representatives was declared legally invalid.

On February 16, 2022, the District Court Frankfurt/Main appointed

- Ms. Claudia Amier,
- Mr. Devrim Arslan,
- Mr. Hakan Bölükmese,
- Mr. Hakan Cicek,
- Dr. Ulrich Kipper,
- Ms. Ramona Lindner,
- Mr. Matthias Pöschko,
- Mr. Qadeer Rana and
- Mr. Mathias Venema

as employee representatives to the Supervisory Board in accordance with the appeal, for a limited term until the beginning of the next regular term of office of the new employee representatives to be elected in 2023.

The following changes were subsequently made to the Supervisory Board:

- Ms. Claudia Amier left the Supervisory Board due to the termination of her employment relationship with the company.
- On June 8, 2022, Ms. Karin Knappe was appointed by the court as a member of the Supervisory Board for a limited term until the beginning of the next regular term of office of the new employee representatives to be elected in 2023.
- Due to his appointment as State Secretary for European Affairs of the State of Hesse and his previous resignation from Frankfurt/Main City Council, Mr. Uwe Becker resigned from his position on the Supervisory Board with effect from the close of the Annual General Meeting held on May 24, 2022.
- Dr. Bastian Bergerhoff, City Treasurer and Head of Finance, Investments, and Human Resources for the City of Frankfurt/Main, was elected to the Supervisory Board as a shareholder representative with effect from the close of the Annual General Meeting held on May 24, 2022 until the close of the Annual General Meeting at which the actions of the members of the Supervisory Board are formally approved for the 2022 fiscal year.
- Ms. Mira Neumaier resigned from her position as a member of the Supervisory Board with effect from June 30, 2022.
- On July 19, 2022, Ms. Ines Born was appointed by the court as a member of the Supervisory Board for a limited term until the beginning of the next regular term of office of the new employee representatives to be elected in 2023.
- Mr. Qadeer Rana vacated his position from the Supervisory Board of Fraport AG on the occasion of the transfer of the majority shareholding in FraSec Aviation Security GmbH to the Dr. Sasse Group at the beginning of January 2023.
- Mr. Peter Gerber resigned from the Supervisory Board with effect from January 31, 2023.

Frankfurt am Main, March 13, 2023

Minister Michael Boddenberg
(Chairman of the Supervisory Board)

Joint Statement on Corporate Governance

The Fraport AG Executive Board reports – also in the name of the Supervisory Board – on the contents subject to the reporting requirements pursuant to Section 289f of the 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 joint statement on corporate governance pursuant to Section 289f, and Section 315d in conjunction with Section 289f of the 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 15, 2022

The Executive Board and the Supervisory Board last issued the following statement of compliance under Section 161 of the AktG on December 15, 2022:

"The last annual statement of compliance was issued on December 16, 2021. Since then, Fraport AG has complied with the recommendations made by the Government Commission on the German Corporate Governance Code in the amended version of December 16, 2019 (GCGC 2019).

Fraport AG has also complied with and will continue to comply with all recommendations made 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 ↗ Corporate Governance (fraport.com).

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 the Fraport Group 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 was completely overhauled in 2021 and the revised version was implemented within the Fraport Group in 2022.

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 was last carried out in 2022 and the main areas of focus of which include the fight against corruption.

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. Although the coronavirus pandemic once again forced the need for some short-time work schedules in 2022 in order to continue to keep the company profitable and competitive under changing market conditions, Fraport still aims to provide high job security for all employees. Holistic, integrated health and safety at the workplace is also an essential part of the overall corporate responsibility of Fraport, especially when facing the coronavirus pandemic. 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 Executive Board and Supervisory Board have dealt with the topic of sustainability to a particular extent over the past two years. The stated goal for Fraport AG and the Fraport Group is to be climate neutral by 2045 within scopes 1 (direct emissions) and 2 (indirect emissions). Ambitious milestones for CO_2 reductions on the path towards 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.

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. 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, provided the decision has been made to implement these.

Lastly, Fraport AG is socially and culturally involved 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. With effect from November 1, 2022, Julia Kranenberg joined the Fraport AG Executive Board as Executive Director Labor Relations, taking over from the long-standing Executive Board member, Michael Müller, who left the Executive Board at the end of September 2022.

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 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 the 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. Deviation from this standard, during its meeting held on June 21, 2021, the Supervisory Board extended the appointment of Prof. Dr. Zieschang as a member of the Executive Board for a further three years and ten months with effect from April 1, 2022 until January 31, 2026, and during its meeting held on March 14, 2022 it extended the appointment of Ms. Anke Giesen for a further three years with effect from January 1, 2023. The age limit for members of the Executive Board has, in principle, been set at 65. Remuneration of the Executive Board comprises fixed and performance-related components. The Remuneration Report for the 2022 fiscal year, the auditor's report as per Section 162 of the AktG, and the applicable remuneration system for the Executive Board are published at www.fraport.com/publications.

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) of the HGB and information on the respective areas of responsibility can be found in note 55 of the Group Notes as part of the 2022 Annual Report. CVs of the members of the Executive Board are available on the company's website under Executive Board (fraport.com).

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 in principle 20 members. 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.

The Supervisory Board generally meets four times per year (2022: six meetings, including one strategy meeting) and regularly reviews the efficiency of its activities and those of its committees. In 2022, the self-assessment was completed with external support from a consulting company and discussed in depth at the Supervisory Board meeting held on December 15, 2022. The discussions focused on the internal audit System and the risk management system, including the compliance management system, sustainability, and questions surrounding the composition and competence of the Supervisory Board, its meetings and management thereof, and its role and self-perception.

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 2022 fiscal year can be found under "To Our Shareholders" in the 2022 Fraport Annual Report. The Remuneration Report for the 2022 fiscal year, the auditor's report as per Section 162 of the AktG, the applicable remuneration system for the Executive Board, and the most recent remuneration resolution as per Section 113(3) of the AktG are published at www.fraport.com/publications.

At the time of publication of this joint 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 until 10.02.2022 and since 16.02.2022)
Dr. Bastian Bergerhoff (Member of Supervisory Board since 24.05.2022)	Devrim Arslan (Member of Supervisory Board since 31.05.2013 until 10.02.2022 and since 16.02.2022)
Peter Feldmann (Member of Supervisory Board since 03.09.2012)	Hakan Bölükmese (Member of Supervisory Board since 29.05.2018 until 10.02.2022 and since 16.02.2022)
Dr. Margarete Haase (Member of Supervisory Board since 01.01.2011)	Ines Born (Member of Supervisory Board since 19.07.2022)
Frank-Peter Kaufmann (Member of Supervisory Board since 30.05.2014)	Hakan Cicek (Member of Supervisory Board since 31.05.2013 until 10.02.2022 and since 16.02.2022)
Lothar Klemm (Member of Supervisory Board since 10.05.1999)	Dr. Ulrich Kipper (Member of Supervisory Board since 29.05.2018 until 10.02.2022 and since 16.02.2022)
Michael Odenwald (Member of Supervisory Board since 11.12.2012)	Karin Knappe (Member of Supervisory Board since 08.06.2022)
Sonja Wärntges (Member of Supervisory Board since 16.10.2020)	Ramona Lindner (Member of Supervisory Board since 16.02.2022)
Prof. Dr.-Ing. Katja Windt (Member of Supervisory Board since 11.05.2012)	Matthias Pöschko (Member of Supervisory Board since 01.01.2021 until 10.02.2022 and since 16.02.2022)

In the course of a legally binding challenge to the elections of employee representatives on the Supervisory Board, the elected members left the Supervisory Board on February 10, 2022. Until the resolution on the challenge became final, the persons whose election was contested remained full members of the Supervisory Board. By decision of February 16, 2022, the Register Court of the District Court (Amtsgericht) Frankfurt/Main ordered a judicial replacement appointment for the departed members of the Supervisory Board at the request of the Executive Board. In addition to co-determination considerations, the appeal and the judicial (replacement) appointment also took into account and complied with the requirements of stock corporation law for the proportion of women on a supervisory board. This also applies to the judicial appointment of Ms. Ines Born to succeed Mira Neumaier, who left the Supervisory Board in 2022, and the judicial appointment of Ms. Karin Knappe to succeed Claudia Amier, who left the Supervisory Board in 2022.

Mr. Qadeer Rana vacated his position from the Supervisory Board of Fraport AG on the occasion of the transfer of the majority shareholding in FraSec Aviation Security GmbH to the Dr. Sasse Group at the beginning of January 2023.

Further information on the members of the Supervisory Board as well as their memberships to be disclosed in accordance with Section 285(10) of the HGB can be found in note 56 of the Group Notes as part of the 2022 Fraport Annual Report. CVs of the members of the Supervisory Board are available on the company's website under Supervisory Board & Economic Advisory (fraport.com).

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 2022	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 approval, on the annual and consolidated financial statements, on the Executive Board recommendation for the appropriation of profits, on the combined management report, on the combined 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	7	8	Dr. Margarete Haase (Chair) Mathias Venema (Vice-Chair) Hakan Cicek Dr. Ulrich Kipper Lothar Klemm Michael Odenwald Sonja Wärntges
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 investment-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	8	8	Lothar Klemm (Chair) Dr. Ulrich Kipper (Vice-Chair) Dr. Bastian Bergerhoff Frank-Peter Kaufmann Karin Knappe Ramona Lindner 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 bargaining law, the payment system, the employee investment plan, matters concerning the company retirement plan	4	3	8	Hakan Bölükmese (Chair) Frank-Peter Kaufmann (Vice-Chair) Devrim Arslan Karin Knappe Michael Odenwald Sonja Wärntges Prof. Dr.-Ing. Katja Windt
Executive committee	> Preparations for the appointment of members of the Executive 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 Supervisory Board	As needed	3	8	Chairman of the Supervisory Board Michael Boddenberg (ex officio) Vice Chairman Mathias Venema (ex officio) Devrim Arslan Dr. Bastian Bergerhoff Hakan Bölükmese Dr. Margarete Haase Frank-Peter Kaufmann Matthias Pöschko
Committee in accordance with Section 27 of the MitbestG (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	1	3	Michael Boddenberg (ex officio) Dr. Bastian Bergerhoff Dr. Margarete Haase

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, 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. The Executive Board is authorized to ensure that shareholders may cast their votes in writing or by electronic communication (mail-in ballot). Each share entitles its holder to one vote in the voting.

The German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic, which entered into force on March 28, 2020, which was amended by Article 11 of the German Act on the Further Shortening of the Residual Debt Relief Procedure and on the Amendment of Pandemic-Related Provisions under the Law of Companies, Cooperative Societies, Associations, Foundations, and Tenancy of December 22, 2020 (Federal Law Gazette I No. 67 2020, p. 3332) and the application of which was extended until August 31, 2022 by Article 15 of the German Act on the Establishment of a Special Fund "Reconstruction Assistance 2021" and on the Temporary Suspension of the Obligation to File an Insolvency Application due to Heavy Rainfall and Floods in July 2021 and on the Amendment of Further Acts dated September 10, 2021 (Federal Law Gazette I No. 63 2021, p. 4153) (COVID-19 Act), made it possible to also hold ordinary Annual General Meetings in 2022 without the physical presence of shareholders or their representatives (virtual Annual General Meeting). In view of the ongoing coronavirus pandemic, the Code of Conduct adopted by the State of Hesse in this respect and the goal of preventing the further spread of COVID-19 and avoiding risks to the health of shareholders, internal and external employees and members of the company's bodies, the Executive Board of Fraport AG also made use of this option in 2022 with the approval of the Supervisory Board.

With Article 2 of the German Act on the Introduction of Virtual Annual General Meetings of Stock Corporations and Amendment of Cooperative and Insolvency and Restructuring Law Provisions (Federal Law Gazette I 2022, p. 1166 et seqq.), Article 118a was inserted into the German Stock Corporation Act. This is intended to make it possible to conduct virtual Annual General Meetings on a permanent basis, even after the statutory special regulations introduced as a result of the coronavirus pandemic have expired. This requires an amendment to the company statutes, which only permits the holding of virtual Annual General Meetings for a maximum of five years. Against the backdrop of the ongoing coronavirus pandemic, on September 30, 2022, the Supervisory Board agreed, on the basis of the (transitional) provisions of Section 26n(1) of the Introductory Act to the German Stock Corporation Act, which entered into force in 2022, that the ordinary Annual General Meeting on May 23, 2023 was once again to be held as a virtual Annual General Meeting, in accordance with Section 118a of the AktG, without the physical presence of shareholders or their authorized representatives and agreed to propose an amendment to the Fraport AG company statutes at the 2023 Annual General Meeting with the intention of also enabling virtual Annual General Meetings to be held in the future on the basis of a corresponding authorization from the Executive Board in light of the change in the legal situation. This merely authorizes the Executive Board to hold virtual Annual General Meetings without any decision having been made as to whether future Annual General Meetings will once again be held virtually or in person. For future Annual General Meetings, the decision as to whether the authorization should be used and an Annual General Meeting held virtually should be taken on a case-by-case basis and in consideration of the individual circumstances. The Executive Board will take its decisions in consideration of the interests of the company and its shareholders and, in particular, the protection of shareholders' rights and aspects related to the protection of the health of participants, expenses, and cost, as well as sustainability issues. In February 2023, the Executive Board and in March 2023, the Supervisory Board again addressed the issue of holding the Annual General Meeting of Fraport AG in 2023 as a virtual event and confirmed that the Annual General Meeting 2023 should be held as a virtual event. The reasons for this included the significantly simplified participation option, in particular for international shareholders and shareholders with a distant domestic residence, the enabling of equal participation rights for shareholders at the virtual Annual General Meeting, the sustainability of the format, and the cost savings compared to an attendance event.

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 reporting 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 minimum participation requirement applies to the Executive Board, the obligation to set targets for the Executive Board ceases to apply 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. This target should have been reached by June 30, 2017. With the appointment of Dr. Pierre Dominique Prümm on July 1, 2019, the Executive Board was expanded to five members. As a result, between July 1, 2019 and the end of September 2022, the Executive Board comprised one female member and four male members, thus failing to meet the target during that period. Since Mr. Michael Müller left the Executive Board at the end of September 2022, the target figure for the proportion of women on the Executive Board of Fraport AG has once again been met. With the appointment of Julia Kranenberg to the Executive Board on November 1, 2022, the proportion of women on the Executive Board of Fraport AG was increased to 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.

At the turn of the year 2021/2022, 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”) and a target of 30.9% of women in the subordinate management level (“direct reports” to the first management level) 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”) and a target of 30.2% of women in the subordinate management level (“direct reports” to the first management level) for the same period.

As at the balance sheet date of December 31, 2022, the actual proportion of women in the first management level at Fraport AG was 19.0%, and 30.8% in the second management level. As at the balance sheet date of December 31, 2022, the actual proportion of women in the first management level within the Group was 23.1%, and 31.6% in the second management level.

Gender ratio on the Supervisory Board

In accordance with Section 96(2) of the AktG (Principle 11 of the GCGC), where members are newly elected and posted to the Supervisory Board of Fraport AG, the statutory gender quota must be met, with a minimum of 30% women and 30% men on the Supervisory Board.

The Supervisory Board decided at its meeting of September 18, 2015 that these ratios are to be met separately for shareholders and for employees. This requirement was fulfilled in the course of the new elections of the Supervisory Board in 2018 as well as the subsequent court appointments and the special elections to the Supervisory Board in 2020 and 2021. The Supervisory Board currently comprises three female and seven male shareholder representatives and three female and seven male employee representatives.

In consideration of the 2023 elections to the Supervisory Board, in November 2022 the Supervisory Board resolved, by means of a written procedure, that the quotas are to be met separately for the members representing the shareholders and those representing the employees. This means that, at the Annual General Meeting held on May 23, 2023 for the election of shareholder representatives and the election held in 2023 for employee representatives on the Supervisory Board, at least three women and at least three men must be proposed for election.

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

In its meeting held on December 15, 2022, and by means of its resolution of 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 new requirements profile must be taken into account when nominating and proposing candidates for the next Supervisory Board elections in 2023.

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 comprehensive range of knowledge and experience is represented by the entirety of the Supervisory Board’s members. 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.”

Concerning the extent to which this policy has been implemented, it can be stated that the current Supervisory Board, whose members offer a wide range of economic, political, and corporate expertise, has the knowledge, skills, and experience required to properly perform its duties. The objectives for the composition of the Supervisory Board and the competence profile for the overall board (including the diversity concept) will also be taken into account in elections to the Supervisory Board in 2023.

In addition, the Supervisory Board has both a sufficient number of members with international experience and an adequate number of members with a strong regional connection, as some of them hold seats in local and regional governments.

As regards the statutory gender quota with at least 30% women and at least 30% men on the Supervisory Board, in 2015 and most recently in 2022, the Supervisory Board decided that this quota is to be met separately for the members representing the shareholders and those representing the employees.

In line with this objective, the Supervisory Board has comprised three female and seven male shareholder representatives and three female and seven male employee representatives since the 2018 Annual General Meeting and the special election to the

Supervisory Board at the 2020 Annual General Meeting. The aforementioned separate quotas for the members representing the shareholders and those representing the employees are to be taken into account again accordingly for the Supervisory Board elections taking place in 2023.

According to Section 100(5) of the 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. 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.

Dr. Haase has successfully 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 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 DIC Asset AG has been issuing since 2011.

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. Regarding this objective, it should be noted that, during the reporting year, the Supervisory Board had as its members Dr. Margarete Haase, Prof. Katja Windt, and Ms. Sonja Wärntges, which means that it reached its goal of having three shareholder representatives independent of the company, its Executive Board, and the controlling shareholder.

In spite of the fact that she has been a member of the Supervisory Board of Fraport AG for more than 12 years (member since January 1, 2011), the Executive Board and the Supervisory Board are of the opinion that Dr. Haase is to be classified as independent of the company and the Executive Board, as, due to her personality, integrity, and professionalism, combined with many years of varied professional activities, including management responsibilities outside of Fraport, her independence from Fraport AG and its Executive Board cannot be called into question. 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.

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. It should also be noted that the Chair of the Supervisory Board, the Chair of the audit committee (see above), and the Chair of the executive committee are considered to be independent within the meaning of Recommendation C.10 of the GCGC.

The nomination committee and the Supervisory Board will continue to adequately take into account this objective for the composition of the Supervisory Board when presenting candidates for election to the Supervisory Board at the Annual General Meeting.

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 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 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.

Qualification matrix: Shareholder representatives

	Michael Boddenberg	Dr. Bastian Bergerhoff	Peter Feldman	Dr. Margarete Haase
Member since	26.05.2020	24.05.2022	03.09.2012	01.01.2011
selected/ordered until	May 23	May 23	May 23	May 23
Gender	male	male	male	female
Year of birth	1959	1968	1958	1953
Nationality	German	German	German	Austrian
Educational background	Master in the butcher trade	Doctor of Physics	Degree in political science and social business economist	Doctorate in business administration
Occupation	Hessian Minister of Finance	City treasurer and head of the department of finance, investments and personnel of the city of Frankfurt am Main	Former mayor of the city of Frankfurt am Main	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[1]	X
Leadership experience/Personnel management	X	X	X	X
International business activities/international experience			X	X
Accounting	X			X
Audit				X
Internal control systems, risk management		X		X
Legal and compliance				
Sustainability/sustainability reporting	X	X		
Strategy development and implementation	X	X	X	X
IT and digitalization, cyber and IT security		X		X

[1] Since November 11, 2022.

Qualification matrix: Employee representatives

	Devrim Arslan	Ines Born	Hakan Bölükmese	Hakan Cicek
Member since	31.05.2013	19.07.2022	29.05.2018	31.05.2013
selected/ordered until	May 23	May 23	May 23	May 23
Gender	male	female	male	male
Year of birth	1977	1989	1976	1973
Nationality	German	German	German/Turkish	German
Educational background	Automotive mechanic	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	Electrician and human resources manager/ Bachelor Professional of Human Resources Management
Occupation	Commercial employee FraGround Fraport Ground Handling Professionals GmbH	Trade union secretary	Chairman of the Works Council of Fraport AG	Member of the Works Council, human resources manager
Independence of the Company and the Executive Board in accordance with the GCGC (s. recommendation C.7 and C.8)		X		
Independence from majority shareholders (s. recommendation C.9)	X	X	X	X
Leadership experience/Personnel management		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				

	Frank-Peter Kaufmann	Lothar Klemm	Michael Odenwald	Sonja Wärntges	Prof. Dr.-Ing. Katja Windt
	30.05.2014	10.05.1999	11.12.2012	16.10.2020	11.05.2012
	May 23	May 23	May 23	May 23	May 23
	male	male	male	female	female
	1948	1949	1958	1967	1969
	German	German	German	German	German
	Degree in physics	Lawyer	Lawyer	Degree in business administration	Doctorate in mechanical engineering
	Member of the Hessian State Parliament	Former Minister of State of Hesse, self-employed lawyer	State Secretary (ret.)	Chairwoman of the Board of Directors of 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

	Dr. Ulrich Kipper	Karin Knappe	Ramona Lindner	Matthias Pöschko	Mathias Venema
	29.05.2018	08.06.2022	16.02.2022	01.01.2021	01.07.2020
	May 23	May 23	May 23	May 23	May 23
	male	female	female	male	male
	1960	1975	1975	1973	1972
	German	German	German	German	German
	Doctor of Physics	Physics Laboratory Technician, Dipl.-Ing. Environmental Engineering/ Environmental Measurement Technology and Master of Arts Human Resources Development	Radio and television technician, management assistant for information and telecommunication systems and (personnel) dispatcher for airport security checks (in accordance with Section 5 of the Aviation Security Act)	Automotive mechatronics technician/paramedic/ chief fire officer	Master's degrees in political science, economics, as well as medieval and modern history
	Service Division Manager Central Infrastructure Management of Fraport AG	Independent Works Council Representative, Chairwoman of the Group Works Council of Fraport AG	(Personnel) Dispatcher for airport security checks, FraSec Aviation Security GmbH	Firefighter/Member of the Works Council	Trade union secretary
					X
	X	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 2022 fiscal year can be found in the remuneration report. The remuneration report was subject to a formal and substantive audit by the auditor PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. The remuneration report is published as a separate document at www.fraport.com/publications.

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 2022 fiscal year this was Pricewaterhouse-Coopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main (hereinafter referred to as PwC), which is thus auditing Fraport for the tenth consecutive year. Prior to the submission of the nomination, the Supervisory Board and its audit committee obtained a declaration of independence from PwC. The audit of the consolidated financial statements and the combined management report was carried out in accordance with Section 317 of the 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.

A cyclical change of auditors is planned for the 2023 fiscal year. For this purpose, a selection process was carried out by the finance and audit committee in 2022. After completion of the tender process, the finance and audit committee submitted a reasoned recommendation to the Supervisory Board with two candidates and a preference for proposing one candidate to the 2023 Annual General Meeting. The Supervisory Board then resolved to propose Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, to the Annual General Meeting for election as auditors for the 2023 financial year.

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

The Executive Board disclosed the joint statement on corporate governance on March 13, 2023, at
www.fraport.com/en/investors/corporate-governance.html.

Share and Investor Relations

Share performance 2022

The 2022 trading year was largely impacted by the effects of Russia's invasion of Ukraine. Rising inflation and energy prices as well as expected and implemented key interest rate increases had a dampening effect on the development of the stock markets. The German leading index DAX ended the fiscal year at 13,923 points, a significant fall of 12.3% compared to year-end 2021. MDAX also recorded a clearly negative development in 2022, closing the trading year down by 28.5% when compared with the beginning of the year, at 25,117 points. Nevertheless, there were also individual stocks that benefited from the current developments in 2022. These include companies in the defense and banking sectors.

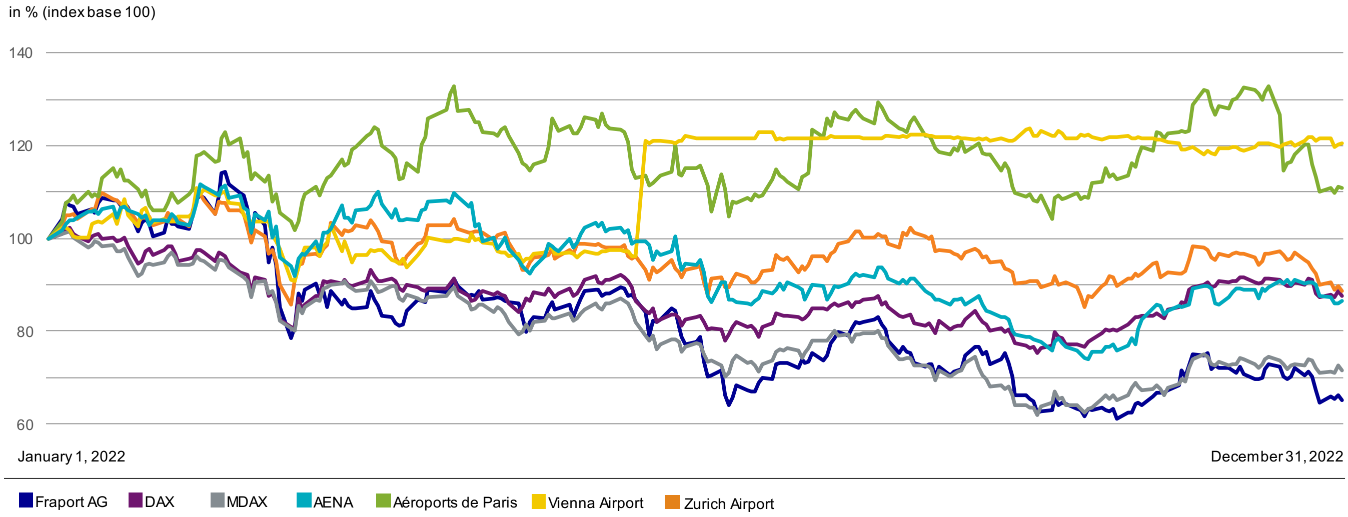
After a noticeable recovery during the 2021 fiscal year, the Fraport share suffered greatly in the negative market environment of 2022 and closed 35.7% down at €38.05. After showing strong initial growth up to mid-February 2022 (+14.3%), the value of the Fraport share had fallen by a total of 14.7% by the end of Q1 following the Russian invasion of Ukraine. This development continued with losses of 17.8% in Q2 and 10.4% in Q3. Not only was the share price impacted by market developments, it was also affected by the company's relatively high level of debt resulting from the coronavirus pandemic and the ongoing expansion investments in Frankfurt and Lima. After hitting its lowest value for the year on October 21 (€36.20), the Fraport share recovered against a backdrop of increasing market openings in the Far East, a slight fall in inflation, and the consequent prospect of smaller interest rate moves at the end of the year. Q4 closed with an overall increase of 2.3%.

Fraport share

	2022	2021	2020	2019	2018	2017	2016	2015
Opening price in €	59.18	49.36	75.78	62.46	91.86	56.17	58.94	48.04
Closing price in €	38.05	59.18	49.36	75.78	62.46	91.86	56.17	58.94
Change in €	–21.13	+9.82	–26.42	+13.32	–29.40	+35.69	–2.77	+10.90
Change in %	–35.7	+19.9	–34.9	+21.3	–32.0	+63.5	–4.7	+22.7
Highest price in € (daily closing price)	67.62	68.30	75.50	78.68	96.94	91.86	58.94	62.30
Lowest price in € (daily closing price)	36.20	43.12	30.01	61.44	61.56	55.26	45.25	48.04
Average price in € (daily closing prices)	48.08	55.58	44.52	73.20	79.18	74.12	51.77	56.34
Average trading volume per day (number)	202,994	256,728	398,143	128,953	160,367	173,015	173,666	151,188
Market capitalization in € million (year-end closing price)	3,518	5,472	4,564	7,007	5,776	8,494	5,192	5,443

The shares of other listed European airports performed as follows in 2022:
AENA -15.1%, Aéroports de Paris +12.3%, Vienna Airport +20.2%, and Zurich Airport -11.4%.

2022 development of the Fraport share compared to the market and European competitors



Source: vwd Group / EQS Group AG

Data relevant to the capital market

		2022	2021
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 %	–35.7	19.9
Beta relative to the MDAX		0.99	0.83
Earnings per share (basic)	in €	1.43	0.90
Earnings per share (diluted)	in €	1.43	0.89
Price-earnings ratio		26.6	65,8
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

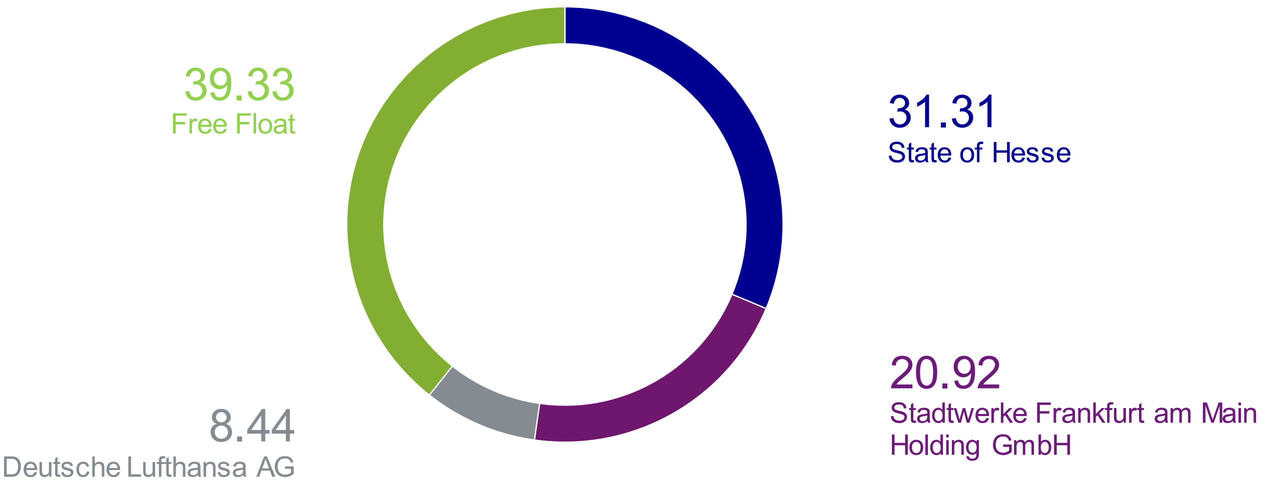
[1] Including treasury shares.
[2] Total number of shares as at the balance sheet date, less treasury shares.
[3] Proposed dividend (2022).

Development in shareholder structure

In January 2022, British Columbia Investment Management Corporation, the largest single institutional investor, fell below the 3% ownership level.

Shareholder structure as at December 31, 2022[1)]

in %



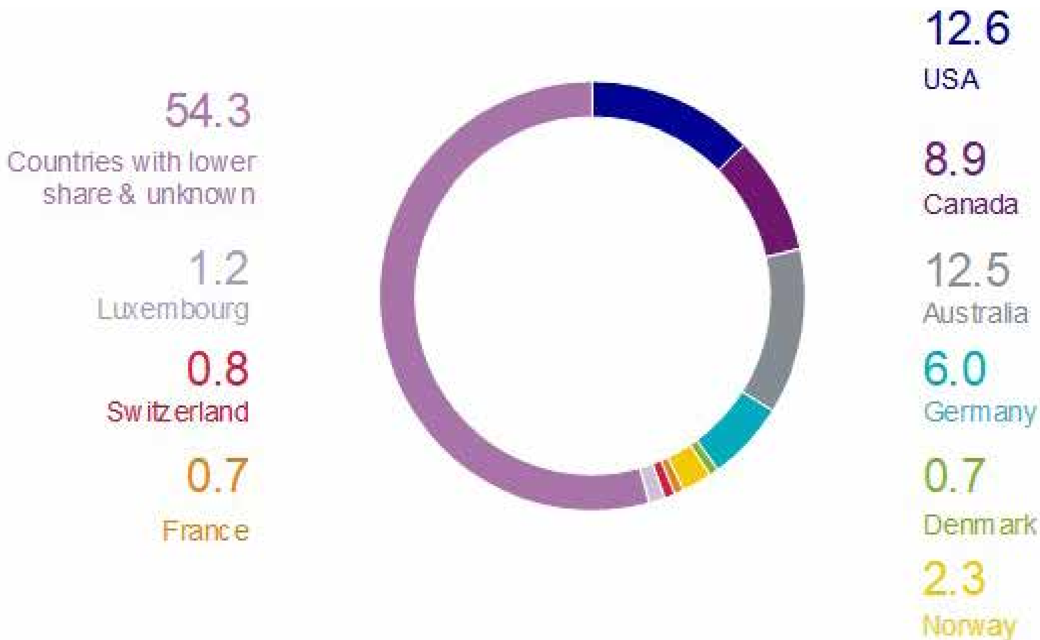
[1)] The relative ownership interests were adjusted to the current total number of shares as at December 31, 2022 and therefore may differ from the figures given at the time of reporting or from the respective shareholders' own disclosure. Shares below 3% are classified under "free float."

The majority of the approximately 92.5 million shares are held by German regional and local authorities (52.02%). The State of Hesse held 31.31% and the City of Frankfurt am Main 20.92%, holding these voting rights indirectly via its subsidiary Stadtwerke Frankfurt am Main Holding GmbH. Deutsche Lufthansa AG held 8.44% or over 7.8 million no-par-value shares, making it the third largest individual shareholder of Fraport AG

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, 2022 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 2022 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, as was the case during the previous year, the Executive Board and the Supervisory Board plan not to propose a dividend payment at the 2023 Annual General Meeting in favor of allocation of the profit earmarked for distribution for the 2022 fiscal year to revenue reserves.

In the medium term, the Executive Board aims to reintroduce the previous dividend policy of Fraport, under which the Executive Board aimed to pay out approximately 40% to 60% of the profit attributable to shareholders of Fraport AG as dividends. In addition, the Executive Board also plans to reintroduce the second principle of the previous dividend policy – a dividend per share that is at least stable compared to the previous year.

Investor Relations (IR)

Timely, consistent, and transparent communication with investors and analysts is a top priority for IR work at Fraport AG. The IR team maintains personal contact with current and potential investors in the context of road shows, capital market conferences, and meetings at the company's headquarters at Frankfurt Airport, either in person or virtually. 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 key topics of discussion in 2022 were passenger trends and forecasts at Group airports with a particular focus on the Frankfurt site, the impact of rising interest rates on the company in view of the upcoming refinancing, and the impact of inflation on the corporate expenses and capital expenditure associated with expansion of the airports in Frankfurt and Lima. In this context, the medium-term development of free cash flow was also a high priority in the discussions. Investors on the capital market also inquired about the strategy in international business as well as possible expansions or reductions in the portfolio. In this context, the shareholdings in St. Petersburg Airport in Russia and the sale of shares in Xi'an Airport in China were frequently discussed in 2022.

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 2022, 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.

The Airport Brand You Trust –

In the past fiscal year, the number of employees in the Fraport Group as at the reporting date increased by around 1,430.
As at December 31, 2022, the company employed about 19,200 people worldwide.

A big THANK YOU from the entire Executive Board to all employees for their extraordinary commitment!

Combined Management Report for the 2022 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 and is active on four continents with its international investments. As an airport operator, Fraport provides all operational and administrative services for airport and terminal operations. It also provides planning and consulting services, IT services, and facility management. In line with the mission statement “Gute Reise! We make it happen”, customers are the focus of all 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.

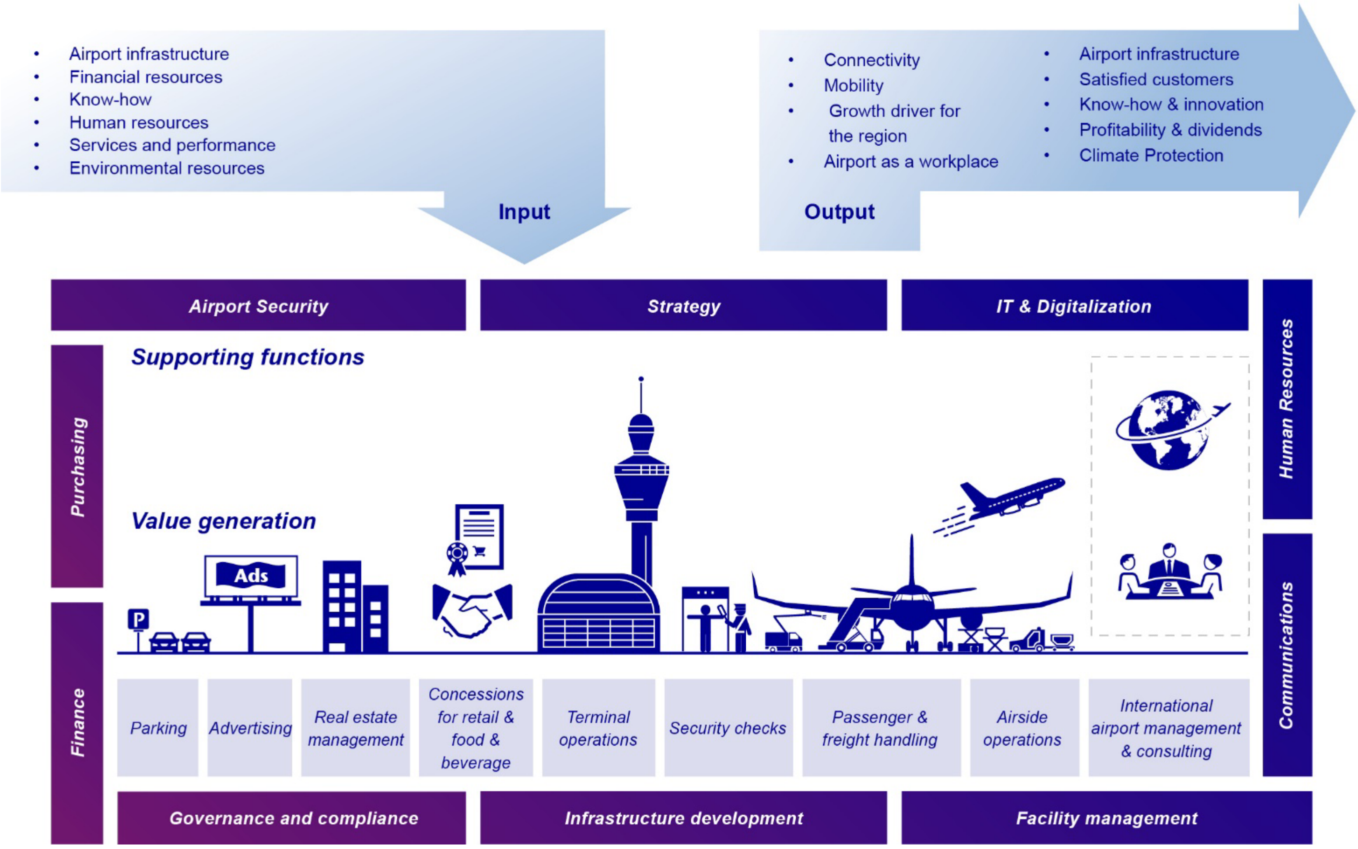
The main site is Frankfurt Airport, one of the most important passenger and cargo airports in the world. Owner of Frankfurt Airport is Fraport AG Airport Services Worldwide (abbreviated: Fraport AG), the parent company of the Fraport Group. Other key sites include 14 airports in Greece, Lima Airport in Peru, and two airports in Brazil – Porto Alegre and Fortaleza – (see also “Key sites” chapter).

The Fraport Group generates the majority of its revenue and earnings from the passenger and freight business. In this context, Fraport distinguishes between different services in the following four segments:

- **Aviation** – holistic management of the terminal facilities and passenger processes at Frankfurt Airport.
- **Retail & Real Estate** – development and leasing of space at the airport and in the area near the airport in Frankfurt. This primarily includes the retail sector, building and space leasing as well as parking management.
- **Ground Handling** – all ground handling services such as loading, baggage and passenger services, and also 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. Through its existing investments, 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 strategically well-positioned 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. These influencing factors can both positively and negatively affect passenger and freight demand as well as the range of aircraft movements and passenger capacity at the Group's 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. Rising **inflation rates** worldwide, on the other hand, potentially reduce disposable income and can have an impact on business development. International **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, as functional currencies are converted into the currency of the Group, the euro.

Price fluctuations on the 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. Restrictions on operations, such as bans on night flights and anti-noise measures, as well as travel restrictions can have a negative impact on airline offerings, and thus affect passenger numbers and cargo volume at the concerned sites and favor 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

Compared with the previous year, no fundamental changes were made to the legal and organizational Group structure in the 2022 fiscal year.

As already reported in the Interim Report 2022, the Supervisory Board of Fraport AG approved the extension of the contract with Anke Giesen, Executive Director Retail & Real Estate, for an additional three years until December 31, 2025 with effect from January 1, 2023. In addition, the Supervisory Board of Fraport AG appointed Julia Kranenberg as the new Labor Relations Director. On November 1, 2022, Ms. Kranenberg succeeded Michael Müller, who left the company on September 30, 2022, having reached retirement age. Ms. Kranenberg's contract has a term of three years.

Since October 1, 2022, the "HR Top Executives" unit and the "Human Resources" central unit have been jointly assigned to the Labor Relations Director, and the "Internal Auditing" central unit to the Executive Director Retail & Real Estate.

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, 2022 there were 55 consolidated companies excluding companies accounted for using the equity method, and 76 companies including companies accounted for using the equity method (in the previous year: 59 and 80 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 (Executive Director Retail and Real Estate), Julia Kranenberg (Labor Relations Director), Dr. Pierre Dominique Prümm (Executive Director Aviation and Infrastructure), and Prof. Dr. Matthias Zieschang (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 also include the Group companies involved in each of these business processes. The central departments of Fraport AG in Frankfurt are also 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. This segment is responsible for ensuring safe, efficient, and customer-oriented processes in the flight operating areas and terminals as well as the operational implementation of airport and air safety tasks in compliance with legal requirements. The close cooperation with authorities, including the Hessian air traffic authority and the German Federal Police, is of great importance to ensure smooth operation of the airside and landside processes.

The **Retail & Real Estate segment** is responsible for the retail activities and the marketing of real estate and land at Frankfurt Airport. 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. The focus is on greater use of online retail offers and sales channels, and on further development of the freight properties and areas.

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

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

As at December 31, 2022, 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	• FraGround • FraCareServices	• FraSec Aviation Security • FraSec Flughafen-sicherheit • FraSec Services	• Fraport Facility Services

A detailed description of the structure and operation of the management and control body is presented in the "Joint Statement on Corporate Governance". The annually updated "Joint Statement on Corporate Governance" does not form part of the annual audit of the consolidated accounts by the auditor. This can be found in the "To Our Shareholders" chapter.

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	Fixed minimum + revenue component
	Porto Alegre	Fraport Brasil S.A. Aeroporto de Porto Alegre	100	2017	2042	
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)	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[2]	1999	2051	Fixed amount

[1] Extension option.
[2] 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. Nationally, there is competition for passengers and air freight with airports in the original catchment area. Internationally, Frankfurt Airport competes for transfer passengers and freight transfer on the basis of its function as an international transfer airport. The main customer at the Frankfurt site remains the Lufthansa Group, which accounted for more than 60% of passengers in Frankfurt in the 2022 fiscal year. The largest competitors for transfer passengers are primarily the hub airports London Heathrow, Paris Charles de Gaulle, Istanbul, Amsterdam Schiphol, and Munich, which are also influenced to varying degrees by 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 Persian Gulf region in the past, the Frankfurt site is also in intercontinental competition with these airports. In particular, the expansion and modernization programs at the Frankfurt site contribute to maintaining and improving its international competitive position. For example, the northward relocation of the security checks in Terminal 1 will lead to a much improved transfer process. Terminal 3 (“Expansion South”), on the other hand, ensures 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 travel in 2026.

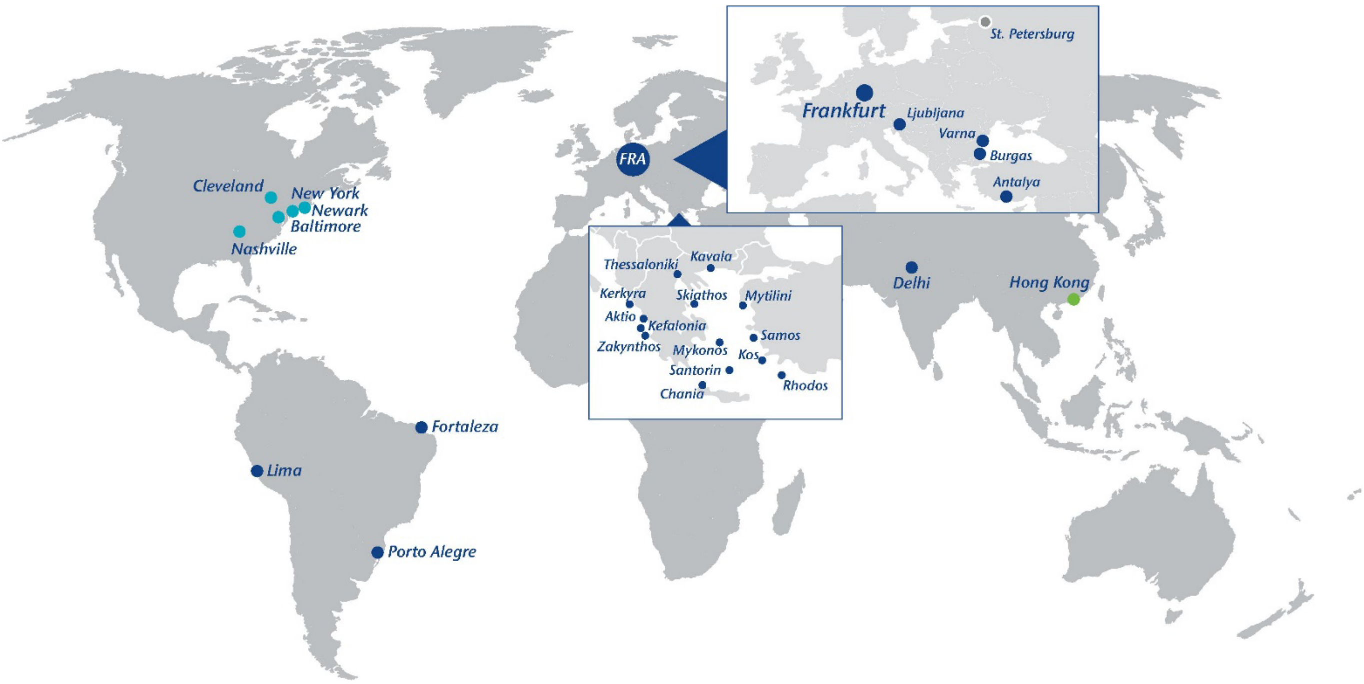
The ranking of the top 10 airports in Europe, which has changed due to the crisis, is slowly returning to the pre-crisis structure (ranking according to ACI Europe; as of: February 2023). With 48.9 million passengers, Frankfurt Airport ranked sixth among the leading airports in terms of passengers in the reporting year. The Group's Antalya Airport (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.

Competitive position in Europe

Rank[1]	2022	2021	2019	Airport	Passengers	change in %	Rank[1]	2022	2021	2019	Airport	Air freight	change in %
→	1.	1.	5.	IST - Istanbul	64,284,215	73.8	→	1.	1.	1.	FRA -Frankfurt	1,967,450	-13.7
↑	2.	10.	1.	LHR -London	61,614,508	217.7	→	2.	2.	2.	CDG -Paris	1,889,553	-3.5
→	3.	3.	2.	CDG - Paris	57,478,888	119.4	↑	3.	–	–	LEJ -Leipzig	1,509,098	-5.0
→	4.	4.	3.	AMS - Amsterdam	52,472,189	105.8	↓	4.	3.	4.	AMS -Amsterdam	1,437,810	-13.8
↑	5.	8.	6.	MAD -Madrid	50,602,864	109.8	↓	5.	4.	5.	IST -Istanbul	1,425,960	87.9
↑	6.	7.	4.	FRA - Frankfurt	48,918,482	97.1	→	6.	6.	3.	LHR -London	1,350,878	-3.7
↑	7.	11.	7.	BCN -Barcelona	41,616,302	120.7	↓	7.	5.	6.	LGG -Liege	1,140,058	-19.3
↑	8.	41.	10.	LGW -London	32,849,869	424.7	↓	8.	7.	7.	LUX -Luxembourg	969,962	-10.9
↑	9.	16.	9.	MUC -Munich	31,642,738	153.2	→	9.	8.	8.	CGN -Cologne	958,237	-1.0
↓	10.	9.	12.	AYT -Antalya	31,222,180	41.6	→	10.	9.	9.	MXP -Milan	716,516	-3.4

Ranking by ACI Europe (February 2022). The Leipzig/Halle Airport is not a member of the ACI Europe and so not reported in the ranking. Source: ADV (12.2021).

Competitive Position Outside the Frankfurt Site



● Operator concessions ● Retail concessions ● Logistics center ● Engagement put on hold

Developments of the Group airports outside the Frankfurt site were characterized in the 2022 reporting year essentially by the subsiding of the global coronavirus pandemic and the associated restart of international air traffic. Information on traffic development at individual sites can be found in the “Business Development” chapter.

As the airport of the country’s capital, the development of **Ljubljana** Airport is closely linked to the economic and tourist situation in Slovenia. The gaps in the flight schedule that emerged through the bankruptcy of Adria Airways in the fall of 2019, and the destinations which were temporarily unserved due to the coronavirus pandemic, were gradually added again in the course of the recovery in traffic numbers in 2022. Alongside a large number of connections to European capitals and business sites, flights to the Middle East and an increasing number of charter flight connections to tourist regions also contributed to the appeal of the location and the airport.

The two Brazilian airports in **Porto Alegre** and **Fortaleza** served almost exclusively domestic originating traffic in 2022. The share of domestic passenger traffic was around 96% in both Fortaleza and Porto Alegre. The resumption of the LATAM hub at the end of 2021 strengthened Fortaleza Airport’s position in the market environment of northern Brazilian domestic airports in 2022. LATAM Brazil, GOL, and Azul remained the dominant airlines in 2022. Cargo volumes developed positively in Porto Alegre, particularly benefiting from the use of larger aircraft on the international routes. With the commissioning of the extended runway in Porto Alegre in the second quarter of 2022, the planned major infrastructure measures at both airports will be completed.

The Jorge Chávez Airport in **Lima** is Peru’s leading airport, and one of the largest airports in South America. The site profits in particular from its geographical position, which makes the airport an attractive transfer point for traffic between South and North America. At Lima airport, LATAM Airlines Group is maintaining its strong market presence and has already reestablished a large part of its fleet strength from the time before the coronavirus pandemic, thus contributing to passenger growth in 2022. Low-cost airlines, such as SKY and Jetsmart, among others, also pursued a growth strategy, thereby supporting the recovery in passenger numbers. The expansion project at Jorge Chávez Airport includes the construction of a new passenger terminal, a new runway including aprons and taxiways, as well as other peripheral infrastructure, so as to provide sufficient capacity for further growth in the South American aviation market in the future. The construction of the second runway and the air traffic control tower were already completed by the end of 2022. The concession agreement provides for the inauguration of the new passenger terminal in the first quarter of 2025.

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 offers the potential for a further increase in demand in the coming years. The ramifications of the coronavirus pandemic affected Fraport Greece only in the first quarter of 2022. The following months saw traffic recover and exceed 2019 levels overall.

The Black Sea airports in **Burgas** and **Varna** are the second- and third-largest passenger airports in Bulgaria after Sofia. In addition to charter services, low-cost transport promises further long-term growth potential. Domestic traffic accounted for around 7% of passenger traffic. Wizz Air provided the largest share of passengers by far. In the 2022 summer flight schedule, the airline stationed three aircraft in Varna and one in Burgas, and expanded its program from the two sites to 75 destinations. In negotiations with the Bulgarian government, a five-year extension of the concession period until 2046 was granted, which is intended to compensate for the effects of the coronavirus pandemic. Through gradual, modular expansion measures of the terminals, both tourist sites offer sufficient capacity to meet the growth expected for the regions in the medium term.

Antalya was the second-largest passenger airport in Türkiye 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 Türkiye. 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 in 2024 and 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

After the worldwide traffic collapse caused by the coronavirus pandemic, traffic volume will recover in the coming years, according to forecasts by associations and aircraft manufacturers. Subsequently, the aviation market is again expected to show stable growth in the long term. Fraport aligns its strategy to the long-term forecasted development of the global aviation market and its trends. In particular, internationally assumed economic growth as well as a globally increasing and more strongly consuming middle class will positively influence the development. Further catch-up and growth effects will result from the global directing of business and education and the forecasted increasing traffic from migration and tourism. Disproportionate growth is still expected from and in the economic emerging markets.

Source	Period	Reference	CAGR
Airbus	2019 – 2041	Revenue passenger kilometers	+ 3.6 %
Boeing	2022 – 2041	Revenue passenger kilometers	+ 3.8 %
Embraer	2019 – 2041	Revenue passenger kilometers	+ 3.2 %
ACI	2019 – 2040	Number of passengers	+ 3.7 %

Strategic objectives

With its five strategic objectives, the vision of the Fraport Group serves to implement the mission statement, and remains valid despite short-term volatility:

A description of the development of the key financial and non-financial indicators in the past fiscal year can be found in the "Economic Report" chapter. The associated forecast figures for the 2023 fiscal year can be found in the "Outlook Report" chapter. The key risks and opportunities associated with the expansion of airport infrastructure in and outside of Frankfurt 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. In light of this, Fraport is aligning the company to ensure competitiveness and to participate sustainably in this growth – both at the Frankfurt site and internationally.

Fraport is maintaining its long-term growth goals, despite the effects of the coronavirus pandemic. Traffic volume is expected to follow the general market trend; aviation value added will increase and sustainable EBITDA growth will be maintained in the non-aviation segment. The international business is also expected to continue to grow sustainably 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 largely according to plan, and the new terminal will open for the 2026 summer flight schedule. The resulting capacity of around 20 million passengers will make it possible to gradually modernize older terminal infrastructure.

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 strategic mainstay. During the coronavirus crisis, the central location and the well-developed cargo facilities triggered strong growth in air cargo activities in Frankfurt. Subsequently, air freight came under pressure from geopolitical instability and operational challenges in the rebound of passenger traffic. Further infrastructural expansion areas at Frankfurt Airport, the steadily growing e-commerce segment, and the forecasted overall economic upswing are expected to contribute to growth in the coming years.

Fraport is continuing the expansion measures required to meet capacity that it has begun at international sites. In Peru, the construction plan for the new passenger terminal was concluded with the Peruvian government. The plan is to open the terminal in the first quarter of 2025. At the Group airports in Bulgaria, the commitment was extended for another five years until November 2046. In relation to this, the terminal at Varna Airport will be expanded in the coming 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, net financial debt to EBITDA ratio, and free cash flow. In view of the dynamic economic environment, Fraport is also focusing on securing liquidity in the long term.

Service-oriented airport operator

The mission statement and the slogan “Gute Reise! We make it happen” underpins the claim of having a strong customer and service orientation at all sites. Group airports will reach a leading position in their respective aviation market through motivated employees, efficient processes, and infrastructure that meets current needs.

In Frankfurt, the control of aviation security checks was taken over on January 1, 2023. This is a significant milestone in optimizing control of the travel process. As the first major airport in Germany, it will now be Fraport's responsibility to select and manage the service providers for aviation security checks. In combination with the gradual roll-out of new computer tomography (CT) scanners, this will reduce queues at security checkpoints. Customer experience will improve clearly 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 all around.

In addition to the passengers, airport business partners including airlines, retailers, and logistics specialists are of key importance to Fraport. Fraport provides its partners Group-wide with an optimum commercial basis, so that they can successfully compete. Processes and interfaces are technologically supported and thus continuously improved. This simplifies and accelerates processes. With the founding of FraAlliance GmbH, Fraport and Lufthansa have strengthened their strategic and operational cooperation. The goal is to jointly improve passenger processes and experiences, exploit efficiency potential, and further expand the central role of the Frankfurt hub in international competition.

Customer and service orientation will be continually improved at all 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 that aim to increase passenger satisfaction. 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

All Group companies, business fields, and services within the Fraport Group provide their services under quality and cost structures that can keep pace with specialized air traffic service providers. Optimized collaboration within the Group enables the operating cost to be reduced further and made more flexible.

In order to support the restart of air traffic and ensure Fraport's long-term success, the focus is currently on adapting the organization and its processes. Among other things, the plan is to bundle the ground services within the framework of a joint operation with a stringent focus on ground handling as the sole core business. 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 as a service provider. Risks and opportunities are recognized at an early stage, and changes in the market are 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 from the Fraport Group on specific airport management issues. One example of this is the “Sustainability X-Change” introduced in 2022, in which sustainability experts and managing directors of the international Group companies and Fraport AG regularly exchange ideas and drive forward joint projects.

The volatile overall environment continues to require a high level of adaptability from the organization and its staff. Fraport is increasingly building on digital solutions for collaborative value creation and is thus consistently implementing its digitalization and innovation strategy. Thus, in 2022, further projects were identified within the framework of a "Digital Factory” and implemented within a very short time. The topic of robotic process automation also became more widespread in the company. In addition, a first use case for the use of artificial intelligence in the control of apron processes was successfully piloted. In this context, Fraport considers digitalization and innovation to be a lever to improve customer satisfaction and financial performance indicators in the near term, where relevant. 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 and appreciatively throughout the Group.

Being a good neighbor means communal, cultural, and social engagement in the respective regions. At the sites of the international Group companies, regions close to the airport also benefit from the economic performance, such as through donations or sponsorship activities. These are implemented by each Group company on its own responsibility.

Active and passive noise abatement serves to limit 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 area of climate protection, Fraport has set the goal of reducing Group-wide CO_2 emissions to a total of 95,000 tons by 2030 and to be completely CO_2 neutral by 2045. No emissions will be compensated. As a policy paper for decarbonization, the “Decarbonization Master Plan” was developed in 2022. 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 Fraport's CO_2 emissions. The master plan will be taken into account by all divisions of Fraport AG and all relevant Group companies in further technical and economic planning.

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. The company secures its own competitiveness like this. 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” formed 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.

Comprehensive, integrated occupational health and safety is also an important component of the Fraport Group's understanding of sustainability. Coronavirus protection measures were implemented both at the Frankfurt site and internationally. Work processes were also adapted to make everyday operations as safe as possible for employees in observance of legally prescribed measures.

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

Strategic consideration of current market developments

The ongoing global political conflicts, economic developments, and adjustments to the legal framework are currently shaping a large number of the markets in which Fraport operates as a global airport operator.

The resulting uncertainties as well as strong price pressure from the airlines require high-quality services and significant flexibility at the same time. To meet these requirements, the process optimization program @FRA will continue to be pursued consistently. The program includes the following four directions:

In addition, sustainability management was realigned as an inherent part of the Group strategy. The claim is to have a Group-wide perspective on all aspects of sustainability. The path to CO_2-free operation at Fraport AG in Frankfurt was described as a key measure in 2022 with the Decarbonization Master Plan. In 2023, the master plan will be updated for all relevant fully consolidated Group companies. In the area of governance, the focus was particularly on the publication of the policy statement on human rights.

Research and Development

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

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, 2022 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 27.

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, 2022. They were attributed as follows: State of Hesse 31.31% and Stadtwerke Frankfurt am Main Holding GmbH 20.92%. The voting rights in Fraport AG owned by the City of Frankfurt am Main are held indirectly via the Stadtwerke Frankfurt am Main Holding GmbH subsidiary. According to the last official reports in accordance with the WpHG or disclosures by individual shareholders, a further 8.44% of voting rights in Fraport AG were attributable to Deutsche Lufthansa AG (as at December 31, 2022). The relative ownership interests were adjusted to the current total number of shares as at the balance sheet date, and therefore may differ from the figures given at the time of reporting or from the respective shareholders' own disclosures.

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 AGM, 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 AGM has to be passed by a three-quarter majority of the represented capital stock.

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: 20.71%) 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."

Joint 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 joint statement on corporate governance pursuant to Sections 289f and 315d of the HGB in conjunction with Section 289f of the HGB, in order to enable a general statement on the Group's corporate governance principles. The Joint Statement on Corporate Governance is published in the "To Our Shareholders" chapter and on the corporate website at https://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 2022 annual financial statements.

Annual General Meeting (AGM)

At the past virtual AGM on May 24, 2022, Fraport received a clear majority from its shareholders on all agenda items. Of the capital entitled to vote, 70,448,529 no-par-value shares and the same number of voting rights (76.19% of capital) were exercised. The detailed voting results as well as further information about the AGM are published on the company website at www.fraport.com/annualgeneralmeeting. The AGM for the 2022 fiscal year will be held on May 23, 2023, once again online.

Control system

The Control System chapter explains the most important key indicators used by the Executive Board to make the corporate measures taken as part of the Group strategy measurable and to evaluate them. Here, the Executive Board differentiates between financial and non-financial performance indicators.

Changes compared with the previous year

Following the suspension of the employee survey due to the coronavirus pandemic in 2020 and 2021, the Fraport Barometer was resumed in the Group to determine the key indicator of Employee Satisfaction across the Group. Passenger surveys were also carried out at the fully consolidated Group airports for the key indicator of Group Global Satisfaction, so that sufficient data was available for the calculation.

Compared to the same period last year, the Executive Board has streamlined the control system and reduced the scope of the most important financial performance indicators by the key indicators Revenue adjusted for IFRIC 12, EBIT, and Shareholders' equity ratio. Beginning with the reporting for the 2022 fiscal year, the Executive Board will focus on the following key financial and non-financial performance indicators, the developments of which are presented in the “Results of operations”, “Asset and financial position”, “Value management”, and “Non-financial performance indicators” chapters, and for which corresponding forecasts have been formulated in the “Business outlook” chapter.

Overview financial and non-financial key performance indicators

Topic	Target	Key figure	Target level	Term	Scope	Value 2022
Earnings position	We generate long-term earnings growth and maintain financial strength at a high level despite future investments.	EBITDA (€ million)	Between roughly €1,040 million and around €1,200 million	2023	Group	1,029.8
		Group result (€ million)	Between around €300 million and roughly €420 million	2023	Group	166.6
		Group liquidity	≥ €1 billion, temporarily clearly higher	Continuous	Group	3,866.9
		Net financial debt to EBITDA	Max. 5x	Continuous	Group	6.9
		Free Cash Flow (€ million)	Mid negative three-digit million € amount	2023	Group	–741.0
		ROFRA (%)	>WACC (2022: 7.3 %)	Continuous	Group	6.0
Customer satisfaction and product quality	We continuously optimize customer and service orientation at the Group airports.	Global satisfaction of passengers (%)	≥80	2026	Group	80
		Global satisfaction of passengers (%)	>80 [1]	2026	Fraport AG	74
		Baggage connectivity (%)	>98.5	2026	Fraport AG	95.8
Attractive and responsible employer	We create good working conditions and Increase employee satisfaction.	Employee satisfaction	>4.9 and at least 0.1 better than 2024	2024	Group [2]	4.76
			>4.8 and at least 0.1 better than 2024	2024	Fraport AG	4.64
	We increase the share of women in management positions.	Women in management positions (first level below the Executive Board) (%)	30.8	2026	Group (Germany) [3]	23.1
		Women in management positions (second level below the Executive Board) (%)	30.2	2026	Group (Germany) [3]	31.6
		Women in management positions (first level below the Executive Board) (%)	31.8	2026	Fraport AG	19.0
		Women in management positions (second level below the Executive Board) (%)	30.9	2026	Fraport AG	30.8
Occupational health and safety	We stabilize the sickness rate in the medium term and reduce it in the long term.	Sickness rate (%)	≤7.2%	2025	Group (Germany) [3]	8.7
			≤7.2%	2025	Fraport AG	7.9
Climate protection	We reduce the CO_2 emissions.	CO_2 emissions (total of scope 1 and 2) (m. t.)	95,000 [4]	2030	Group [5]	155,449 [6]
			50,000 [4]	2030	Fraport AG	113,199 [6]

[1] For Frankfurt Airport, starting from the opening year of Terminal 3: ≥85%.
[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] This includes Fraport AG as well as Group companies in Germany.
[4] Target for 2045: 0 t CO_2 (“Net Zero Carbon“ according to the Intergovernmental Panel on Climate Change).
[5] This includes Fraport AG as well as the Group companies Facility Services, FraGround, FraCareS, Fraport Ausbau Süd, FraSec Group (three companies), Media, Fraport Greece, Fraport Slovenija, Lima, Fortaleza, Porto Alegre and Twin Star.
[6] Subsequent verifications may result in changes to the figures.

Financial performance indicators

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 aid the process.

Fraport mainly 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, as key financial performance indicators (value management). 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 2023 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 essential for the Executive Board in relation to the company’s long-term management.

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

EBITDA and, indirectly, the Group result through the earnings per share (EPS) are part of the Executive Board remuneration and underline the relevance of these financial key figures as a control element (see also the “Remuneration report” at www.fraport.com/publications).

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, if consistent figures are assumed for both indicators. The Executive Board has decided on a ratio of a maximum of five 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.

The **free cash flow** provides information about the financial resources 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 expansion investment activities in Frankfurt and internationally, as well as the effects of the coronavirus pandemic on Fraport's operating activities, the free cash flow continues to be extraordinarily burdened and temporarily negative. In the medium term, the Executive Board expects a significant increase in free cash flow in positive territory.

Group liquidity 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). The calculation of the WACC is shown in the "Value added" section.

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 cost.

ROFRA is also an element of the Executive Board remuneration and underlines the long-term goal of Group-wide business activities that create value (see also the "Remuneration report" at www.fraport.com/publications).

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 7.3% (before taxes, 2021: 6.1%). 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 WACC is comprised as follows:

Calculation of the WACC

Cost of equity	Cost of debt
Equity cost rate before taxes 13.0%	Debt cost rate before taxes 2.0%
Shareholders' equity ratio 51% (based on market value)	Debt ratio 49% (interest-bearing 36% / non interest-bearing 13%)
WACC before taxes 7.3%	

Non-financial Performance Indicators

In addition to the key figures for its financial development, Fraport measures the development of "Non-financial performance indicators", which are also essential 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".

The description of the development of the most 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 report" chapters. The associated forecasted figures for the 2023 fiscal year can be found in the "Business outlook" chapter. More information on the topic of "Corporate Social Responsibility" can be found on the company website at www.fraport.com/responsibility.

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 its own quality and a high level of customer satisfaction. Fraport uses performance indicators for the purposes of measurement and control. The key indicators include the **global satisfaction** of passengers and **baggage connectivity**.

Global satisfaction describes passengers' satisfaction with the services and processes offered and the overall service at the airport. 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 2022. This target value is to be maintained until the inauguration of Terminal 3. Fraport has set a goal of at least 85% commencing from the year that Terminal 3 opens. The target value for Group global satisfaction also remained unchanged at 80% after the survey was resumed in the Group in fiscal year 2022.

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 the good quality of baggage processes. The objective also 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 AG 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. After employee satisfaction was surveyed in the previous year on the basis of the “pulse checks”, the indicator will be surveyed every two years from fiscal year 2022 onwards on the basis of a more comprehensive 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. In 2022, the survey was further developed in terms of content, methodology and process. 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, or at least 0.1 higher than in 2024. The minimum target for the Group is 4.9. Here, too, the value should be at least 0.1 higher than in 2024.

As a responsible employer, Fraport AG 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 AG, which the Group systematically addresses as part of its 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 corresponds to the objectives in the “Act on Equal Participation of Women and Men in Management Positions in the Private and Public Sector”. 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 lower management level 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 by, among other things, continuously analyzing the **sickness rate**. The calculation excluding illness-related absences beyond sick pay (extended sick leave) primarily 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 sick leave rate in the international Group companies plays a 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. Part of the master plan saw the Group-wide targets for Scope 1 and 2 CO_2 emissions for 2030 tightened once again. The aim is now 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).

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 within the scope of its finance management, 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 ensure its independence from financing sources. The significant financing measures at Fraport AG are related mainly to ensuring operational liquidity, 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. In addition, the negative free cash flow in fiscal year 2022 had to be offset by various financing measures. Despite the demanding financing environment, Fraport AG succeeded not only in obtaining the required funds on the capital market, but also in maintaining its liquidity reserve at a high level. Appropriate financing instruments are selected based on the situation, depending on the attractiveness of the price, of 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 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 permanently 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 also ensures that attention is paid to other 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 secured 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.

The substantial strategic financing measures in the foreign Group companies relate, in particular, to the expansion commitments within the framework of the concession agreements for Lima and Antalya.

It is planned to finance the existing expansion commitments in Lima with a financing mix consisting of shareholders´ equity to be additionally contributed, the operating cash flow, and external financing. As a first step towards raising the external financing, a bridge financing of $450 million was raised in 2020 and has since been extended until the end of the first quarter of 2023. The long-term follow-up financing of $1,250 million was signed in December 2022 and will replace the existing financing of $450 million in the first quarter of 2023.

To finance the first concession payment of the new Antalya operating concession and the expansion investments, financing of approximately €1.4 billion was raised in the first step, which was secured with guarantees from the shareholders due to the current local market environment. This included capital contributions to the new joint venture that was established in connection with the new operating concession at Antalya Airport (Fraport share: €375.3 million). Moreover, financial debt at Fraport Greece was repaid and refinanced ahead of schedule as part of the completed refinancing. Regarding the financing of capital expenditure in Brazil, further drawdowns from the loan agreements concluded in 2018 in the local currency were made in fiscal year 2022. The loan facility has thus been almost fully utilized for the agreed investments. Interest and repayments have started in Brazil.

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 “Supplementary Management Report on the Separate Financial Statements of Fraport AG” chapter.

The non-financial statement is an integral part of the Combined Management Report in accordance with Sections 315b and 315c in conjunction with the Sections 289b to 289e of the German Commercial Code (HGB) and has been extended to comply with the requirements 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. This can be found in the “Combined non-financial statement” chapter.

Group accounting takes account of the International Financial Reporting Standards (IFRS) in force on the reporting date (December 31, 2022) 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).

An overview of the calculation of financial key figures and a description of specialist terms are presented in the “Glossary” chapter.

Effective May 24, 2022, all shares in the Group company Xi’an Xianyang International Airport Co., Ltd. (Xi’an) have been sold. In addition, in December 2022 the co-shareholder in the Greek investments exercised an existing call option in full to acquire further equity interests. Along with the sale of the equity interests, pro rata loan and interest receivables from the Greek companies were sold. Fraport AG thereby reduced its capital share to 65%.

On November 12, 2021, FraSec Fraport Security Services GmbH sold a total of 51% of the capital shares in FraSec Luftsicherheit GmbH to Dr. Sasse AG. According to the share and transfer agreement, the sale will take place in two stages: 26% on January 1, 2022, and the remaining 25% of the capital shares on January 1, 2023. Other changes in the consolidated companies as well as the disclosures of shareholding pursuant to Section 313 (2) of the HGB can be found in the Group notes.

As a result of the Russian invasion into Ukraine, Fraport has suspended its business activities at St. Petersburg Airport. Therefore, no reporting on the course of business and the economic development of the Company is required.

The Executive Board approved the combined management report and the consolidated financial statements report for publication on February 24, 2023. The Supervisory Board gave its approval on March 13, 2023.

General Statement by the Executive Board

In the past fiscal year, all Group airports recorded a considerable increase in passenger numbers compared with the previous year. Accordingly, Group revenue amounted to €3,194.4 million, an increase of €1,051.1 million over the previous year (+49.0%). Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue increased by €961.7 million to €2,863.3 million (+50.6%).

Due to high one-off effects in the previous year, other operating income decreased to €139.3 million in the reporting period, down €215.3 million on the previous year.

Operating expenses (personnel, cost of material and other operating expenses) increased by €564.9 million to €2,343.8 million, mainly as a result of traffic volumes. Adjusted for expenses related to the application of IFRIC 12, operating expenses stood at €2,012.6 million (+€475.5 million). Group EBITDA was €272.8 million higher than in the previous year at €1,029.8 million due to the positive operating development. Despite the full write-off of a loan in connection with the involvement in St. Petersburg Airport, Group result showed a clear increase from €91.8 million to €166.6 million.

The free cash flow improved slightly to –€741.0 million (previous year: –€772.3 million). Correspondingly, net financial debt increased by €689.0 million to €7,058.7 million (December 31, 2021: €6,369.7 million). Despite the increase in debt, liquidity increased to €3,866.9 million (December 31, 2021: €3,564.3 million). Due to the rise in earnings, the ratio of net financial debt to EBITDA improved from 8.4 to 6.9.

The rapid recovery in traffic, which was associated with operational challenges, weighed heavily on the development of non-financial performance indicators such as global passenger satisfaction, baggage connectivity, and the sickness rate, particularly in Frankfurt. By contrast, CO_2 emissions were down on the previous year despite the rapid recovery in traffic.

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

In addition to the subsiding coronavirus pandemic, the **global economy** in 2022 was primarily shaped by the Russian invasion of Ukraine. At the beginning of the year, supply bottlenecks for raw materials and intermediate goods in connection with the coronavirus pandemic slowed growth. The Ukraine war added to the already higher energy and food prices and led to an increase in inflation rates worldwide. Interest rate hikes by many central banks to curb inflation rates dampened economic momentum.

In the **euro area**, the economy continued to benefit in the first half of the year from the lifting of pandemic control measures. However, the significant price increases became noticeable over the summer period.

In addition to supply bottlenecks, rising energy costs, and the resulting increase in inflation rates, the export-oriented **German economy** suffered from the worsening labor shortage. This was felt in almost all sectors of the economy and had the effect of inhibiting supply while consumer demand remained high. Overall, economic development in Germany was weaker than the European average.

The **US economy** grew in the second half of the year despite considerable monetary tightening by the national central bank. The **emerging markets** suffered from the difficult external environment, but overall development was mixed. In China, the government's zero-Covid strategy in place until the end of the year prevented higher growth rates and impacted global supply chains. Brazil's economy grew in 2022 mainly due to good development in the service sector. The Peruvian economy, on the other hand, suffered from massive price increases.

Despite many disruptive factors, **global trade** grew in 2022, but clearly lost momentum in the second half of the year.

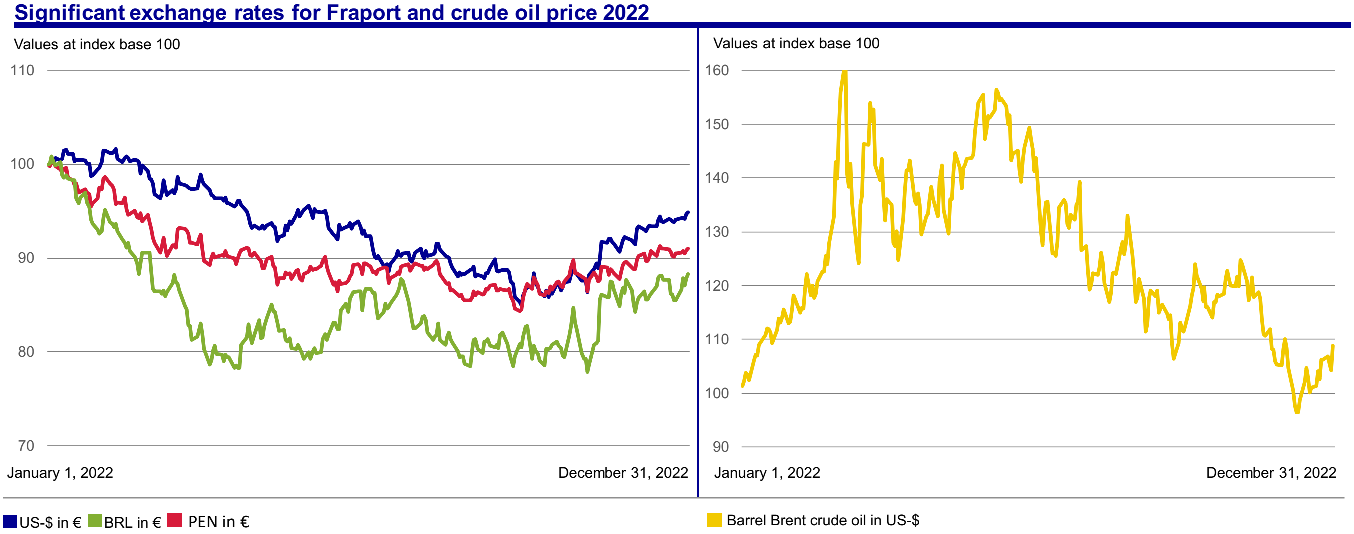
Gross domestic product (GDP)/world trade[1)]

Real changes compared to the previous year in %	2022	2021
World	+3.4	+6.2
Eurozone	+3.5	+5.3
Germany	+1.9	+2.6
USA	+2.0	+5.9
Latin America	+3.9	+7.0
China	+3.0	+8.4
Japan	+1.4	+2.1
World trade	**+5.4**	**+10.4**

[1)] 2021 and 2022 figures: Data and estimates based on International Monetary Fund (IMF, January 2023);
German GDP: The Federal Statistical Office, Press release (January 13, 2022).

The price of crude oil and the exchange rates for the Fraport Group developed as follows in 2022:

Significant exchange rates for Fraport and crude oil price 2022



Source: Bloomberg

Development of the legal environment

During the past fiscal year, there were no changes to the legal environment that had 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 55.5% in the period from January to November 2022 compared to the same period the previous year. Air freight volume fell by 6.0%. European airports also recorded a jump in passenger numbers of 98.5%. In terms of air freight, European airports posted a below-average decline of 5.2%. The passenger numbers at German airports recovered by 110%. Cargo tonnage decreased by 6.0%.

Passenger and cargo development by region 2022

Changes compared to the previous year in %	Passengers 2022 January until November	Air freight 2022 January until November
Germany	110.0	–6.6
Europe	98.5	–5.2
North America	37.0	–3.3
Latin America	53.2	3.3
Middle East	129.3	–8.2
Asia-Pacific	24.4	–10.2
Africa	65.4	4.1
World	**55.5**	**–6.0**

Source: ACI Pax Flash and Freight Flash (ACI 10/2022, January 25, 2023), ADV for Germany; cargo instead of air freight (ADV 11/2022, as on January 5, 2023).

Business Development

Development at the Frankfurt site

In fiscal year 2022, 48.9 million passengers used **Frankfurt** Airport. The easing of travel restrictions worldwide accounted for the increase of more than 97% compared with the same period of the previous year. Compared to the same period in the pre-crisis year 2019, passenger traffic in Frankfurt reached a level of around 70%. In **domestic traffic** (+95.9%), secondary connections such as Hanover, Nuremberg, and Leipzig were particularly prominent. Due to the high demand for holiday travel beginning in April, **European traffic** increased strongly in the reporting period (+77.9%). **Intercontinental traffic**, which grew by more than 100%, also benefited from the rise in primarily tourist traffic. Connections with the Americas in particular picked up again, whereas Far East traffic continued to be affected by the fact that travel restrictions there were not relaxed or were relaxed much later.

Cargo volume was unable to match the record results of the previous year. Volume sank by 13.5% to around 2.0 million metric tons. Capacity reductions as a result of the Ukraine war and declines in demand, also due to recovering maritime traffic, weakened cargo volume.

Compared to the previous year, **aircraft movements** rose by 45.9% to 382,211 takeoffs and landings. Passenger flights increased by 57.0% and freight traffic decreased by 19.0% compared to the previous year's figures. The **occupancy rate** for passenger flights reached 78.1% during the fiscal year, around 14 percentage points above the previous year's figure. The ratio of **passengers per passenger movement** increased by 25.6% compared to the previous year to around 143.3. **Maximum take-off weights** increased by 37.1% to 24.2 million metric tons. The **punctuality rate** at Frankfurt Airport was 61.0% in the 2022 fiscal year, which was 13.1 percentage points below the previous year's level. This was mainly due to operational challenges following the rapid restart of air traffic after the coronavirus pandemic.

Development outside the Frankfurt site

At the beginning of 2022, passenger traffic at **Ljubljana** Airport was still marked by the effects of the coronavirus pandemic. After the easing of the infection situation in Europe towards the middle of the year, the airport in Ljubljana recorded an increase in the number of passengers. At just under 1.0 million passengers, passenger numbers more than doubled year-on-year (+0.5 million).

The two Brazilian airports, **Fortaleza** and **Porto Alegre**, were severely affected by the coronavirus pandemic, particularly at the beginning of 2022 due to flight cancellations. However, both domestic and international air traffic gradually recovered in subsequent months. Some important routes, such as Porto Alegre – Lima or Fortaleza – Miami, were resumed during the year. Overall, a total of 12.4 million passengers used the two airports. This corresponds to growth of +41.0% compared to 2021. Fortaleza welcomed 5.5 million domestic passengers (+42.0%) and around 0.2 million international passengers (+>100%) in the year as a whole. Porto Alegre recorded 6.4 million domestic passengers (+33.4%) and around 0.3 million international passengers (+>100%).

Over the course of 2022, the volume of traffic at **Lima** Airport recovered considerably compared to the previous year. After the increase in coronavirus case numbers in January and February, the rest of the year was characterized by a gradual resumption of flight connections as the respective travel and entry restrictions were lifted. A total of 18.6 million passengers were counted in 2022, an increase of +72.0% compared to 2021. Domestic passenger operations recorded around 11.7 million passengers (+52.7%). International traffic also recorded a very positive increase and contributed to growth with 6.9 million passengers (+>100%).

At around 31.2 million passengers, **Fraport Greece** noted an increase of around 79.0% in the 2022 reporting period compared to the previous year. After the first three months of the year were marked by more cautious passenger bookings, passenger numbers developed positively from April onwards and reached or exceeded the pre-crisis level of 2019. This trend continued until late fall. Overall, domestic traffic was 56.1% above the previous year's level, while international traffic grew by 85.9%. The largest number of foreign passengers in terms of total passengers in the 2022 reporting year came from Great Britain (around 20%), followed by Germany (around 15%), and Italy (around 7%).

At the airports in **Varna** and **Burgas** in Bulgaria, the number of passengers in 2022 increased to approximately 3.1 million, +59.2% above the previous year's figure. The overall recovery in traffic in 2022 was weaker than at other tourist airports in Europe. From the end of February, the war in Ukraine resulted in a shortfall of Ukrainian, Belarusian and Russian passengers, which was partly offset by higher demand from Central and Eastern European countries. Additionally, more traffic was recorded in the off-season (spring, fall). For the year as a whole, this led to an increase in both domestic (+17.6%) and international passenger numbers (+63.8%). Most of the passengers came from Germany (around 20%), Poland (around 17%), and Great Britain (around 17%).

Passenger numbers at **Antalya** Airport in the 2022 fiscal year were around 31.1 million passengers (previous year: 21.9 million). International passenger traffic showed a growth rate of +47.3%, while domestic traffic grew by +21.6% compared to the previous year. Due to the impact of the war in Ukraine, there was a significant shift in passenger groups at Antalya Airport. The number of travelers from Russia decreased compared to the previous year, and almost no passengers were recorded from Ukraine. Instead, the share of passengers from Western, Central, and Eastern Europe increased. In many relevant markets, there was a clear year-on-year increase in demand for vacation travel to Türkiye. The largest passenger groups were travelers from Germany (approximately 27%), Russia (approximately 22%), and Great Britain (approximately 10%).

Traffic development at the significant Group sites

Airport	Share in %	Passengers[1]		Cargo (air freight + air mail in m. t.)		Movements	
		2022	Change in %[2]	2022	Change in %[2]	2022	Change in %[2]
Frankfurt	100	48,918,482	+97.1	1,967,450	– 13.5	382,211	+45.9
Ljubljana	100	970,152	>+100	12,480	+9.5	21,571	+23.5
Fortaleza	100	5,778,038	+45.4	41,769	+27.6	54,293	+31.3
Porto Alegre	100	6,654,062	+37.5	38,543	+27.0	66,402	+34.7
Lima	80.01	18,619,536	+72.0	218,567	– 0.3	149,793	+46.8
Fraport Greece	65	31,193,278	+79.0	5,653	+0.4	256,285	+39.9
Twin Star	60	3,127,767	+59.2	6,348	+35.0	23,713	+35.2
Burgas	60	1,643,581	+72.2	6,244	+33.7	12,293	+48.2
Varna	60	1,484,186	+46.9	104	>+100	11,420	+23.6
Antalya	51/50[3]	31,077,452	+41.8	n.a	n.a	193,548	+44.7

[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 development

Airport	2022	Adjustments during the year [Interim Report Q2/6M 2022] Interim Release Q3/9M 2022	Forecast 2021	2021	2019[1]
Frankfurt	48,918,482	[around 45 million passengers to around 50 million passengers] upper range of the forecasted 45 million passengers to around 50 million passengers	around 39 to around 46 million passengers	24,812,849	70,556,072
Ljubljana	970,152	–	over 50% of its 2019 passenger numbers	421,934	1,721,355
Fortaleza	5,778,038	–	approximately 80% of pre-crisis passenger numbers	3,974,759	7,218,697
Porto Alegre	6,654,062	–	approximately 80% of pre-crisis passenger numbers	4,839,594	8,298,205
Lima	18,619,536	–	around 70% of its 2019 figure	10,819,010	23,578,600
Fraport Greece	31,193,278	[at least 90% of the passenger volume in 2019] forecasted to be at or slightly above the level of 201	at least 80 % of 2019 levels	17,428,536	30,152,728
Twin Star	3,127,767	[at least 50% passenger volume in 2019] slightly over 60% of those in 2019	Due to the high proportion of Russian passengers at the sites in Varna and Burgas, Antalya and St. Petersburg, the Executive Board decided on March 14, 2022 not to provide a traffic forecast for these Group airports.	1,964,896	4,970,095
Antalya	31,077,452	[over 75% of passenger volume of 2019] more than 80% of the 2019 level		21,919,453	35,483,190

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

Passenger numbers in Frankfurt and at the tourist-oriented Group airports in Greece, Bulgaria, and Türkiye developed better than forecasted in the 2021 Annual Report. This was due to the fact that the recovery of traffic was faster than originally expected.

Group's Results of Operations

Revenue

At €3,194.4 million, revenue in the Fraport Group in the 2022 fiscal year was above the previous year’s figure by €1,051.1 million. Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue increased by €961.7 million to €2,863.3 million. The increase at the Frankfurt site was mainly due to higher revenue from airport charges (+€256.7 million) caused by an increase in traffic volume. Higher revenue from infrastructure charges (+€96.0 million) and retail services (+€81.5 million), as well as higher ground services (+€70.0 million) contributed to the increase in revenue. By contrast, revenue from security services fell by €20.4 million to €173.7 million despite additional revenue from new business at Hamburg Airport. This was due to a one-off effect in the previous year’s period of €57.8 million from the agreement with the Federal Police in connection with billed aviation security services in recent years. Outside of Frankfurt, contributions to adjusted revenue growth came, in particular, from Fraport Greece (+€208.0 million) and the Group company Lima (+€123.0 million) based on the positive traffic development.

Other operating income

At €139.3 million, other operating income was below the level in the same period of the previous year of €354.6 million (-€215.3 million). In the reporting period, other operating income was impacted positively 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, Fraport Greece and the two Brazilian Group companies reached a further agreement regarding compensation for the effects of the coronavirus pandemic. The compensation of Fraport Greece relates to the operating losses incurred in the first half of 2021. This resulted in a positive effect of €23.6 million (previous year: €92.8 million). The realized refund claims of the Brazilian Group companies amounted to €18.5 million (previous year: €26.5 million). In contrast, the previous year’s figure mainly included the compensation payment from the German Federal Government and the State of Hesse in equal measure to cover the holding costs incurred in the first lockdown in 2020 (€159.8 million) and the waiver of short-term minimum lease payments at the Group company Fraport USA (€35.2 million).

Expenses

Personnel expenses in the Group increased in fiscal year 2022 by €152.4 million to €1,036.7 million. The increase resulted primarily at the beginning of the year from a very low utilization of short-time work schedules compared with the prior-year period. In addition, demand for personnel grew over the course of the year due to the positive traffic development in the Group in general and in ground services in Frankfurt in particular. Non-staff costs (cost of materials and other operating expenses) were €1,307.1 million (+€412.5 million). Adjusted for expenses related to the application of IFRIC 12, non-staff expenses were €976.0 million (+€323.1 million). The increase is due in particular to higher variable concession charges at the international Group companies due to the recovery in traffic (+€105.8 million) and higher expenses for external staff (+€47.5 million), as well as external services purchased (+€37.5 million). In addition, expenses for utility services increased by €41.0 million (+50.7%) compared to the previous year given the sharp rise in energy prices.

EBITDA and EBIT

Group EBITDA was €272.8 million higher than in the previous year at €1,029.8 million thanks to the positive operating development. Greater depreciation and amortization of €465.3 million (+€22.0 million) resulted in Group EBIT of €564.5 million (+€250.8 million).

Financial result

The financial result in the reporting period amounted to –€330.6 million (previous year: –€197.3 million). This decrease compared to the same period in the previous year is mainly due to the other financial result of –€147.1 million (previous year: €8.8 million). This was negatively affected by the full write-off of a loan made to Thalita Trading Ltd. in the amount of €163.3 million in connection with the activities at St. Petersburg Airport. The reason for the full write-off was a reassessment of cash flows as at June 30, 2022 based on the current sanctions in place in connection with the war in Ukraine. Together with the write-off of €9.7 million recognized in fiscal year 2020, the carrying amount of the loan receivable in the Fraport Group has been written off in full.

Interest expenses in the Group increased (+€44.8 million), due to the extensive financing measures at Fraport AG in fiscal year 2021. The increase also resulted from refinancing in Greece and the associated one-off effects from the repayment of the original financing in the amount of €19.3 million. Furthermore, interest expenses from the compounding of concession liabilities increased by €13.2 million compared to the previous year, mainly as a result of inflation development in Peru.

Interest income increased by €9.2 million in the reporting period, mainly as a result of higher interest rates from the discounting of provisions. In the previous year, interest income was positively influenced by €17.5 million due to the one-off effect of the agreement with the German Federal Police.

The result from companies accounted for using the equity method increased by €58.2 million to €77.0 million, in particular due to the positive operating development of the Group company in Antalya (+€43.1 million). Moreover, the increase compared to the previous year is attributable to the write-up of the Group company Xi'an (+€20.0 million) resulting from the disposal of shares.

EBT, Group result, and EPS

EBT in the reporting period amounted to €233.9 million (previous year: €116.4 million). With a consolidated tax rate of 28.8%, income tax expense amounted to €67.3 million (previous year: €24.6 million). The Group result was €166.6 million (previous year: €91.8 million). This resulted in basic earnings per share of €1.43 (previous year: €0.90).

International business activities accounted for 53.4% of the Group result. Germany accounted for 46.6%.

Development of the Group's financial figures

€ million	2022	2021	Change	Change in %
Revenue	3,194.4	2,143.3	+1,051.1	+49.0
Revenue adjusted for IFRIC 12	2,863.3	1,901.6	+961.7	+50.6
Personnel expenses	1,036.7	884.3	+152.4	+17.2
Cost of materials	1,101.6	750.7	+350.9	+46.7
EBITDA	1,029.8	757.0	+272.8	+36.0
Depreciation and amortization	465.3	443.3	+22.0	+5.0
EBIT	564.5	313.7	+250.8	+79.9
Group result	166.6	91.8	+74.8	+81.5
Number of employees as of December 31	19,211	17,781	+1,430	+8.0
Average number of employees	18,850	18,419	+431	+2.3

Comparison with the forecasted development

€ million	2022	Adjustments during the year [Interim Report Q2/6M 2022] Interim Release Q3/9M 2022	Forecast 2021	2021	Change	Change in %
Revenue	3,194.4	[slightly above €3.0 billion] upper end of the forecast given in the Q2/6M Interim Report	approximately €3.0 billion	2,143.3	+1,051.1	+49.0
EBITDA	1,029.8	[around €850 million to around €970 million] upper end of the forecast given in the Q2/6M Interim Report	approximately €760 million to approximately €880 million	757.0	+272.8	+36.0
EBIT	564.5	[around €400 million to around €520 million] upper end of the forecast given in the Q2/6M Interim Report	between €320 million and around €440 million	313.7	+250.8	+79.9
Group result	166.6	[around €0 million to around €100 million] upper end of the forecast given in the Q2/6M Interim Report	between around €50 million and around €150 million	91.8	+74.8	+81.5
Dividend per share in €	0.00	No distribution	No distribution	0.00	0.0	–

As a result of the quicker recovery in traffic following the coronavirus pandemic, the financial figures developed better than originally forecasted in the 2021 Annual Report. In addition, the sale of shares in the Group companies Xi'an and D-Port Logistik GmbH, which are accounted for using the equity method, had an earnings-increasing effect. Compensation for the effects of the coronavirus pandemic at Fraport Greece and the Brazilian Group companies also had a positive impact.

Results of Operations for Segments

Revenue in the 2022 fiscal year in the **Aviation** segment increased by €240.6 million to €828.1 million (+41.0%). Higher revenue from airport charges (+€256.7 million) based on the strong recovery in traffic at Frankfurt Airport primarily contributed to revenue growth. Despite additional revenue from new business at Hamburg Airport, revenue from security services decreased (–€20.4 million). In the same period of the previous year, these were positively influenced by the agreement with the German Federal Police concerning billed aviation security services in recent years in the amount of €57.8 million. Other operating income was below the previous year’s level. This was due to the compensation payment in the same period of the previous year in the amount of €159.8 million granted by the German Federal Government and the State of Hesse to cover the holding costs incurred during the first lockdown in 2020. Personnel expenses increased by €41.2 million to €325.6 million, partly as a result of the very low utilization of short-time work schedules compared with the previous year, new hires at the Hamburg site, and collectively agreed pay increases. By contrast, the cost of materials decreased by €8.0 million to €52.1 million, mainly as a result of lower capital expenditure. Despite significant one-off effects in the previous-year period, segment EBITDA was €15.2 million higher than in the same period of the previous year at €175.4 million (previous year: €160.2 million). Adjusted for the aforementioned one-off effects, segment EBITDA increased by €232.8 million compared to the previous year. With depreciation and amortization virtually unchanged, segment EBIT was €40.6 million (previous year: €25.8 million).

Aviation

€ million	2022	2021	Change	Change in %
Revenue	828.1	587.5	+240.6	+41.0
Personnel expenses	325.6	284.4	+41.2	+14.5
Cost of materials	52.1	60.1	–8.0	–13.3
EBITDA	175.4	160.2	+15.2	+9.5
Depreciation and amortization	134.8	134.4	+0.4	+0.3
EBIT	40.6	25.8	+14.8	+57.4
Number of employees as of December 31	5,624	5,220	+404	+7.7
Average number of employees	5,569	5,476	+93	+1.7

The positive traffic development was also reflected in the **Retail & Real Estate** segment's revenue of €446.4 million (+€127.3 million). The growth in revenue is attributable in particular to higher retail revenue (+€81.5 million). Net retail revenue per passenger was €3.33 (previous year: €3.30). Parking and real estate revenue also developed positively (+€27.5 million and +€17.1 million, respectively). Other operating income increased mainly due to the sale of shares in the Group company D-Port Logistik GmbH, which was recorded using the equity method (€18.6 million). By contrast, personnel expenses increased (+€5.0 million), mainly due to a very low use of short-time working schedules. Moreover, cost of materials increased by €38.6 million as a result of a higher level of utility services due to rises in prices. Segment EBITDA rose to €342.9 million (+€92.1 million). With slightly higher depreciation and amortization (+€1.4 million), segment EBIT stood at €256.3 million (+€90.7 million).

Retail & Real Estate

€ million	2022	2021	Change	Change in %
Revenue	446.4	319.1	+127.3	+39.9
Personnel expenses	48.9	43.9	+5.0	+11.4
Cost of materials	146.5	107.9	+38.6	+35.8
EBITDA	342.9	250.8	+92.1	+36.7
Depreciation and amortization	86.6	85.2	+1.4	+1.6
EBIT	256.3	165.6	+90.7	+54.8
Number of employees as of December 31	573	574	–1	–0.2
Average number of employees	576	608	–32	–5.3

At €550.1 million, revenue in the **Ground Handling** segment in fiscal year 2022 was €163.7 million higher than in the same period of the previous year. The strong demand at Frankfurt Airport led to higher revenue from infrastructure charges (+€96.0 million) and ground services (+€70.0 million). Personnel expenses increased by €68.9 million in the reporting period. This was mainly due to very low utilization of short-time work schedules and new hires compared with the previous year. Non-staff costs rose by €92.8 million to €145.0 million, mainly as a result of the increase in the need for external staff due to higher traffic volumes and possible claims settlements. The segment EBITDA was –€73.9 million (–€1.7 million). With slightly higher depreciation and amortization (+€0.4 million), segment EBIT amounted to –€111.6 million (previous year: –€109.5 million).

Ground Handling

€ million	2022	2021	Change	Change in %
Revenue	550.1	386.4	+163.7	+42.4
Personnel expenses	382.2	313.3	+68.9	+22.0
Cost of materials	88.4	33.8	+54.6	> 100
EBITDA	–73.9	–72.2	–1.7	–2.4
Depreciation and amortization	37.7	37.3	+0.4	+1.1
EBIT	–111.6	–109.5	–2.1	–1.9
Number of employees as of December 31	7,404	6,816	+588	+8.6
Average number of employees	7,035	6,937	+98	+1.4

In the reporting period, revenue from the **International Activities & Services** segment rose by €519.5 million to €1,369.8 million. Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue amounted to €1,038.7 million (+€430.1 million). This increase was mainly due to the positive traffic development at the international Group airports. In particular, Fraport Greece and the Group company Lima benefited from the easing of travel restrictions with revenue growth adjusted for IFRIC 12 of €208.0 million and €123.0 million, respectively. In addition, exchange rate effects (€89.3 million) had a positive impact on revenue, particularly at the Group companies in Lima, Fortaleza, and Porto Alegre, and at Fraport USA. Other operating income in the segment was €112.6 million. The main positive impacts were the disposal of shares in the Group company in Xi'an, which were accounted for using the equity method, in the amount of €53.7 million and compensation for the effects of the coronavirus pandemic at Fraport Greece in the amount of €23.6 million (previous year: €92.8 million) and at the two Brazilian Group companies in the amount of €18.5 million (previous year: €26.5 million). By contrast, other operating income in the same period of the previous year included the waiver of fixed minimum lease payments at Fraport USA in the amount of €35.2 million. Personnel expenses increased by €37.3 million to €280.0 million, mainly due to the reduced use of short-time work schedules compared to the previous year and the increased demand for personnel during the reporting period. Non-staff costs in the segment increased by €280.1 million to €900.5 million (+45.1%) compared to the same period the previous year. Adjusted for the expenses relating to the application of IFRIC 12, non-staff expenses increased by €190.7 million to €569.4 million (+50.3%). This was due in particular to higher variable concession charges, especially at Fraport Greece and the Group company Lima. Segment EBITDA rose by €167.2 million to €585.4 million (+40.0%). Despite higher depreciation and amortization (+€19.8 million) compared to the previous year, segment EBIT rose to €379.2 million (+€147.4 million).

International Activities & Services

€ million	2022	2021	Change	Change in %
Revenue	1,369.8	850.3	+519.5	+61.1
Revenue adjusted for IFRIC 12	1,038.7	608.6	+430.1	+70.7
Personnel expenses	280.0	242.7	+37.3	+15.4
Cost of materials	814.6	548.8	+265.8	+48.4
Cost of materials adjusted for IFRIC 12	483.5	307.1	+176.4	+57.4
EBITDA	585.4	418.2	+167.2	+40.0
Depreciation and amortization	206.2	186.4	+19.8	+10.6
EBIT	379.2	231.8	+147.4	+63.6
Number of employees as of December 31	5,610	5,171	+439	+8.5
Average number of employees	5,670	5,398	+272	+5.0

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

Fully consolidated Group companies

€ million	Share in %	Revenue[1]			EBITDA			EBIT			Result		
		2022	2021	Δ %	2022	2021	Δ %	2022	2021	Δ %	2022	2021	Δ %
Fraport USA	100	103.4	67.9	+52.3	49.6	57.3	−13.4	4.8	20.7	−76.8	−1.8	8.5	–
Fraport Slovenija	100	33.9	21.7	+56.2	7.6	7.7	−1.3	−2.7	−3.0	+10.0	−2.6	−2.6	0.0
Fortaleza + Porto Alegre[2]	100	90.0	68.3	+31.8	60.1	40.1	+49.9	28.8	17.6	+63.6	−3.5	−16.5	+78.8
Lima	80,01	590.1	345.2	+70.9	100.2	54.7	+83.2	83.4	39.8	> 100	37.2	11.2	> 100
Fraport Greece[3]	65	443.8	255.4	+73.8	271.7	206.4	+31.6	208.5	144.0	+44.8	69.9	24.7	> 100
Twin Star	60	43.5	29.3	+48.5	19.3	15.1	+27.8	8.6	3.8	> 100	4.2	0.9	> 100

Group companies accounted for using the equity method

€ million	Share in %	Revenue[1]			EBITDA			EBIT			Result		
		2022	2021	Δ %	2022	2021	Δ %	2022	2021	Δ %	2022	2021	Δ %
Antalya	51/50[4]	396.6	266.6	+48.8	323.0	202.7	+59.3	208.3	92.1	> 100	119.6	33.4	> 100

[1] Revenue adjusted for IFRIC 12: Lima 2022: €277.9 million (2021: €154.9 million); Fraport Greece 2022: €433.5 million (2021: €225.5 million); Fortaleza + Porto Alegre: 2022: €81.3 million (2021: €46.8 million); Antalya 2022: €388.8 million (2021: €247.7 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 are collectively referred to as “Fraport Greece”.

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

As a result of the recovery in passenger numbers in the 2022 fiscal year, but also due to positive exchange rate effects, revenue at **Fraport USA** rose to €103.4 million (previous year: €67.9 million). Other operating income, which was positively impacted in the same period the previous year by the waiver of fixed minimum lease payments of €35.2 million, amounted to €3.2 million in the reporting period. Operating expenses increased by €10.6 million to €57.0 million, mainly due to the increased variable concession charges exchange rate effects. Due to the high other operating income in 2021, EBITDA was €49.6 million below the level from the same period in the previous year (previous year: €57.3 million). Depreciation and amortization (+€8.1 million) increased mainly due to unscheduled depreciation in the fiscal year. EBIT amounted to €4.8 million (previous year: €20.7 million). At –€1.8 million, the result remained below that of the same period last year (previous year: €8.5 million).

The increased demand for travel in 2022 was reflected in higher revenue of €33.9 million (+€12.2 million) at the Group company **Fraport Slovenija**. Other operating income decreased in the 2022 fiscal year due to the absence of compensation for the effects of the coronavirus pandemic, which was included in the same period of the previous year at around €6.6 million. Operating expenses increased by €5.4 million to €26.6 million due to the increased traffic volume. EBITDA decreased to €7.6 million due to lower other operating income (previous year: €7.7 million.) Slightly decreasing depreciation and amortization led to EBIT of –€2.7 million (previous year: –€3.0 million). The result was –€2.6 million (previous year: –€2.6 million).

In fiscal year 2022, the positive traffic development at the Brazilian Group companies **Fortaleza** and **Porto Alegre** was reflected in higher revenue of €90.0 million (+€21.7 million). Adjusted for the revenue relating to capacitive capital expenditure based on the application of IFRIC 12, revenue increased by €34.5 million. The growth in revenue also benefited from positive currency effects. Other operating income in 2022 was again positively influenced by compensation for the effects of the coronavirus pandemic in the amount of €18.5 million (previous year: €26.5 million). Cost of materials declined by €6.0 million to €32.9 million. Adjusted for the expenses in connection with the capacitive capital expenditure based on the application of IFRIC 12, the cost of materials increased by €6.9 million to €24.3 million. This was due in particular to currency exchange rate effects. Correspondingly, EBITDA increased to €60.1 million (previous year: €40.1 million). EBIT amounted to €28.8 million (previous year: €17.6 million), and the result was –€3.5 million (previous year: –€16.5 million).

At €590.1 million (+€244.9 million), revenue at the Group company **Lima** was also positively impacted by the recovery in traffic, as well as from exchange rate effects. Adjusted for the revenue relating to capacitive capital expenditure based on the application of IFRIC 12, revenue was €277.9 million (+€123.0 million). The cost of materials rose by €193.4 million year-on-year to €466.0 million due to the ongoing expansion measures. Adjusted for expenses resulting from the application of IFRIC 12, cost of materials increased by €71.6 million to €153.9 million, primarily due to higher revenue-dependent concession payments. At €100.2 million, EBITDA was higher than in the same period of the previous year (previous year: €54.7 million). EBIT amounted to €83.4 million (+€43.6 million). A more negative financial result, in particular due to higher interest expenses from the compounding of the concession liability, led to a result of €37.2 million (+€26.0 million).

In 2022, **Fraport Greece** recorded revenue of €443.8 million (+€188.4 million). Adjusted for contract revenue from construction and expansion services relating to the application of IFRIC 12, the revenue increased by €208.0 million to €433.5 million. Other operating income of €23.9 million included compensation for the effects of the coronavirus pandemic for the first half of 2021 (previous year: €92.8 million). Operating expenses increased by €51.0 million to €196.0 million as a result of traffic development and the variable concession fee. Adjusted for expenses resulting from the application of IFRIC 12, operating expenses increased by €70.6 million to €185.7 million. This led to EBITDA of €271.7 million (+€65.3 million) and EBIT of €208.5 million (+€64.5 million). The financial result deteriorated mainly due to the one-off effects of signed refinancing. The led to a result of €69.9 million (previous year: €24.7 million).

In the 2022 fiscal year, revenue of the Group company **Twin Star** rose by €14.2 million to €43.5 million due to the improved traffic development. Operating expenses increased to €24.4 million (+€10.0 million) in the reporting period. Correspondingly, EBITDA increased to 19.3 million (+€4.3 million). EBIT amounted to €8.6 million and the result was €4.2 million.

The Group company **Antalya**, which is accounted for using the equity method, generated revenue of €396.6 million in the reporting period, an increase of €130.0 million due to traffic volumes. EBITDA increased accordingly by €120.4 million to €323.0 million. EBIT was €208.3 million (previous year: €92.1 million), and the result was €119.6 million (previous year: €33.4 million). In connection with the newly founded Group company for the operating concession at Antalya Airport from 2027, there was an equity result of –€11.3 million.

Comparison with the forecasted development

Aviation in € million	2022	Forecast 2021 [Adjustments during the year 2022]	2021	Change	Change in %
Revenue	828.1	noticeably positive	587.5	+240.6	+41.0
EBITDA	175.4	at the same level as the previous year [Q2/6M Interim Report 2022:clear increase]	160.2	+15.2	+9.5
EBIT	40.6	at the same level as the previous year [Q2/6M Interim Report 2022: clear increase]	25.8	+14.8	+57.4

Retail & Real Estate in € million	2022	Forecast 2021	2021	Change	Change in %
Revenue	446.4	noticeably positive	319.1	+127.3	+39.9
EBITDA	342.9	clearly positive	250.8	+92.1	+36.7
EBIT	256.3	clearly positive	165.6	+90.7	+54.8

Ground Handling in € million	2022	Forecast 2021 [Adjustments during the year 2022]	2021	Change	Change in %
Revenue	550.1	noticeably positive	386.4	+163.7	+42.4
EBITDA	–73.9	balanced [Q2/6M Interim Report 2022: slightly negative; Q3/9M Interim Report 2022: stronger negative development]	–72.2	–1.7	–2.4
EBIT	–111.6	negative area [negative development in line with adjusted EBITDA forecasts]	–109.5	–2.1	–1.9

International Activities & Services in € million	2022	Forecast 2021	2021	Change	Change in %
Revenue	1,369.8	noticeably positive	850.3	+519.5	+61.1
EBITDA	585.4	clearly positive	418.2	+167.2	+40.0
EBIT	379.2	clearly positive	231.8	+147.4	+63.6

Compared to the forecasts made at the beginning of the fiscal year or adjusted during the year, the following significant deviations occurred:

The rapid recovery in traffic at Frankfurt Airport had a positive effect on the revenue and earnings development of the Aviation, Retail & Real Estate, and Ground Handling segments. On the other hand, higher than expected expenses meant that EBITDA and EBIT in the Ground Handling segment developed substantially worse than forecast. The positive traffic developments at the international Group locations and one-off effects from compensation for the effects of the coronavirus pandemic at Fraport Greece and the two Brazilian Group companies led to a noticeably better EBITDA and EBIT development in the International Activities & Services segment than expected at the beginning of the fiscal year.

The other key figures developed in line with the original forecasts or those adjusted during the year.

Asset and Financial Position

Asset and capital structure

At €17,607.6 million, **total assets** as at December 31, 2022 were €1,367.6 million (+8.4%) above the previous year.

Non-current assets increased by €1,374.8 million to €14,366.1 million. This is mainly due to the increase in property, plant and equipment (+€473.4 million) as a result of the capacity investment measures at the Frankfurt site and the increase in shares in companies accounted for using the equity method (+€420.1 million). This resulted in the amount of €375.3 million from the capital contribution to the joint venture Fraport TAV Antalya Yatirim, Yapim ve Isletme A.S (Fraport TAV Antalya), which was founded in connection with the tender for the operating concession at Antalya Airport won in December 2021. Investments in airport operating projects increased by €352.7 million as a result of the ongoing expansion of the Group company in Lima and currency effects. Other financial assets were €241.1 million higher than on December 31, 2021, due to additions to securities and investments in promissory note loans. On the other hand, the complete write-off of the loan receivable from Thalita Trading Ltd. in connection with the activities at St. Petersburg Airport had a diminishing effect on other financial assets and other financial receivables and assets.

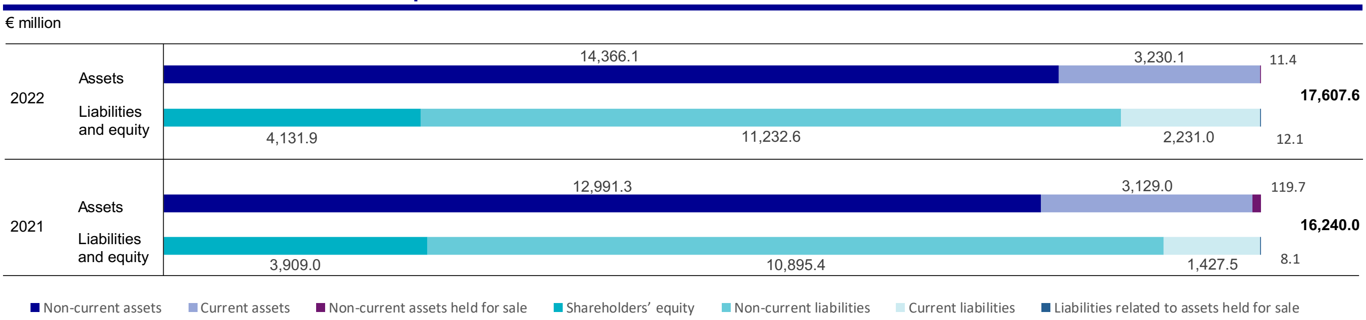
At €3,230.1 million, **current assets** were €101.1 million higher than at December 31, 2021, mainly due to higher other short-term financial assets (+€93.2 million). Furthermore, higher trade accounts receivable (+€24.8 million) due to traffic volumes and higher financial (+€24.6 million) and non-financial receivables and assets (+€18.5 million) due to the balance sheet date contributed to the increase. Cash and cash equivalents, on the other hand, decreased by €77.6 million. **Non-current assets held for sale** decreased by €108.3 million compared to the 2021 balance sheet date due primarily to the transfer of the 24.5% of shares in the Group company Xi'an completed on May 24, 2022.

Shareholders' equity increased by €222.9 million to €4,131.9 million as at the 2022 balance sheet date (December 31, 2021: €3,909.0 million). The increase resulted, in particular, from the positive Group result of €166.6 million. Despite this improved result, the **equity ratio** fell from 23.1% as at December 31, 2021, to 22.2% due to increased debt.

Non-current liabilities increased by €337.2 million to €11,232.6 million (+3.1%), in particular due to long-term financial liabilities. In addition, **current liabilities** rose in the reporting period by €803.5 million to €2,231.0 million (56.3%). This is mainly due to increased financial liabilities (+€582.0 million) in connection with scheduled reclassifications and the assumption of short-term financial liabilities at the Group company in Lima.

Gross financial debt as at December 31, 2022 was €10,925.6 million, up €991.6 million from €9,934.0 million as at December 31, 2021. **Liquidity** also increased, by €302.6 million to €3,866.9 million. Correspondingly, **net financial debt** increased by €689.0 million to €7,058.7 million (December 31, 2021: €6,369.7 million). The **gearing ratio** reached a level of 180.6% (value as at December 31, 2021: 169.7%). The **net financial debt to EBITDA** ratio reached a level of 6.9 (previous year: 8.4).

Structure of the consolidated financial position as at December 31



Additions to non-current assets

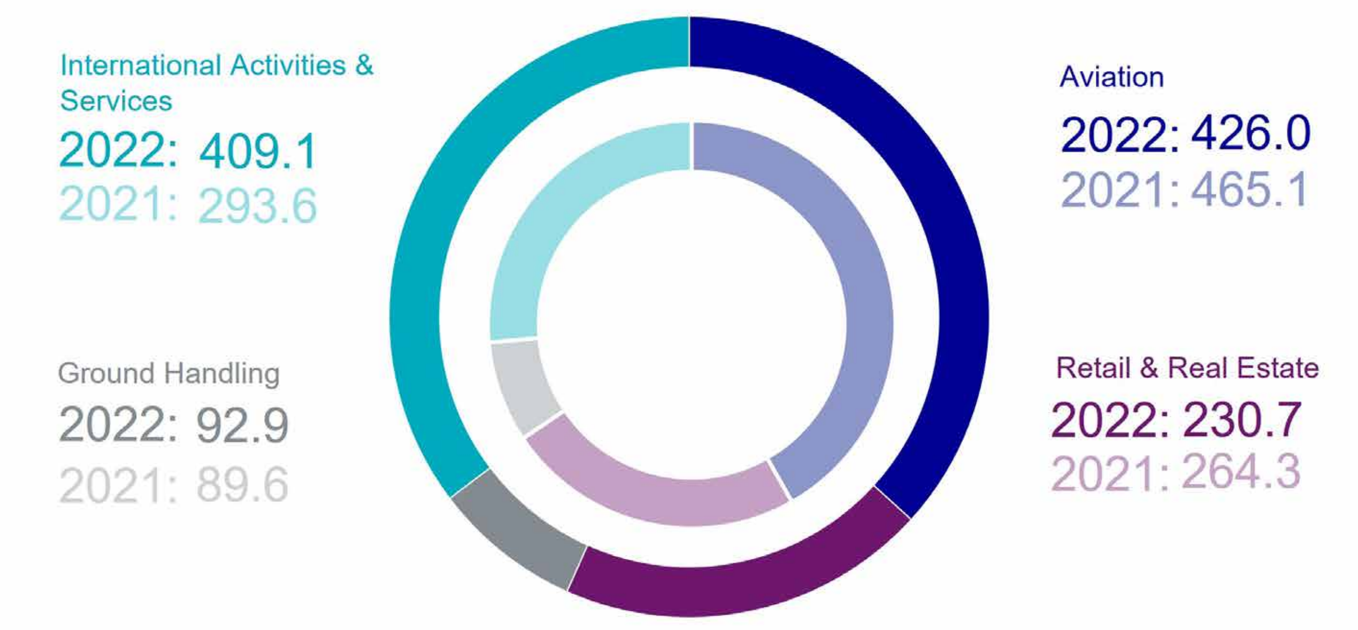
In the 2022 fiscal year, the additions to non-current assets of the Fraport Group totaled €1,158.7 million, €46.1 million more than the previous year (previous year: €1,112.6 million). They related to €779.8 million in property, plant and equipment (previous year: €847.0 million) and €374.1 million (previous year: €251.7 million) in capital expenditure on "airport operating projects". The item "Other intangible assets" accounted for €4.7 million (previous year: €4.4 million), and €0.1 million to “investment property” (previous year: €9.5 million). The capitalization of interest expenses relating to construction work amounted to €43.9 million (previous year: €40.6 million).

At Fraport AG, the additions to non-current assets amounted to €764.6 million (previous year: €833.5 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.

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 €426.0 million (previous year: €465.1 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 fiscal year 2022, the **Retail & Real Estate** segment recorded additions to assets in the amount of €230.7 million (previous year: €264.3 million). The measures also concerned, in particular, the Expansion South project.

The **Ground Handling** segment recorded additions amounting to €92.9 million (previous year: €89.6 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 €409.1 million (previous year: €293.6 million). The additions related mainly to the Group company Lima in connection with the infrastructure expansion.

Statement of cash flows

In the reporting year, **cash flow from operating activities** of €787.3 million was generated (2021: €392.6 million). The improvement by €394.7 million resulted in particular from an increase in operating results. In addition, the cash flow from operating activities was negatively impacted in the previous year by payments in connection with the Zukunft FRA – Relaunch 50” program.

Cash flow used in investing activities without investments in cash deposits and securities amounted to €1,305.8 million in the past fiscal year, an increase of €172.6 million year-on-year. This was mainly due to capital contributions of €375.3 million to the joint venture that was established in connection with the new operating concession at Antalya Airport. Higher capital expenditure in airport operating projects, especially in Lima, were offset by lower cash flow used for expansion measures at the Frankfurt site. In addition, revenue from the disposal of shares in the Group companies Xi'an and D-Port, which is accounted for using the equity method, reduced cash outflow by €173.5 million in total.

Taking into account 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 €1,216.0 million (2021: €2,304.2 million).

Compared to the previous year, **cash flow from financing activities** decreased substantially by €1,213.1 million to €882.3 million. In the previous year, considerably more extensive financing measures, including a bond issue, to secure liquidity were carried out compared to the current fiscal year. Within the scope of the signed refinancing at Fraport Greece, financial liabilities of €913.8 million were repaid and refinanced in advance in the amount of €960.0 million. The transactions with "non-controlling interests" are the sale of capital shares and loans to a co-partner of the Greek companies. Taking into account exchange rate fluctuations and other changes, the Fraport Group reported cash and cash equivalents based on the statement of cash flows of €826.2 million as at December 31, 2022 (2021: €431.2 million).

Free cash flow amounted to –€741.0 million (previous year: –€772.3 million).

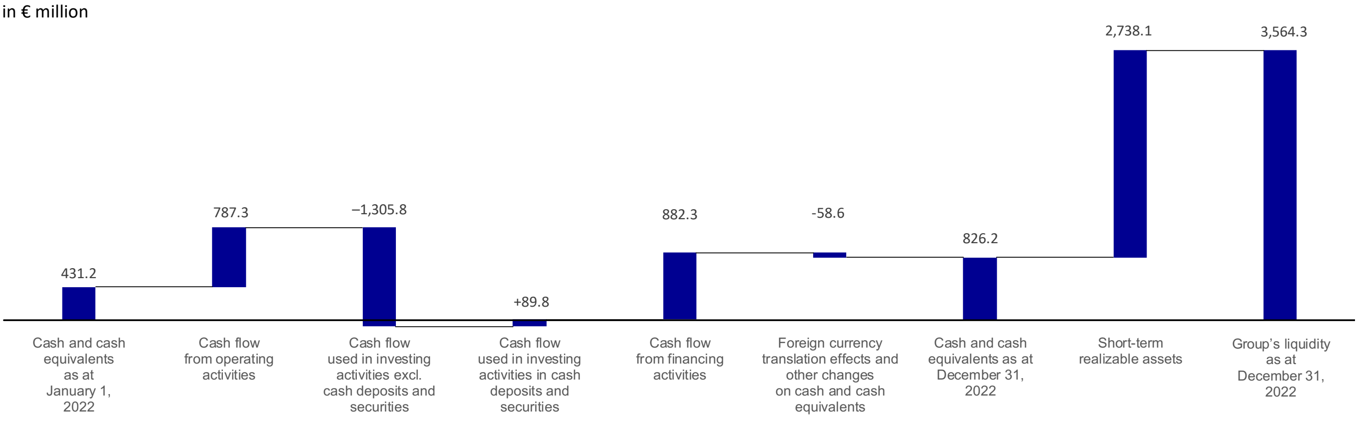
The following table shows a reconciliation to cash and cash equivalents as shown in the consolidated statement of financial position.

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

in € million	December 31, 2022	December 31, 2021
Bank and cash balances	579.6	220.4
Time deposits with a remaining term of less than three months	246.6	210.8
Cash and cash equivalents as at the consolidated statement of cash flows	**826.2**	**431.2**
Time deposits with a remaining term of more than three months	1,619.7	2,156.9
Restricted cash	139.3	74.7
Cash and cash equivalents as at the consolidated statement of financial position	**2,585.2**	**2,662.8**

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

in € million



Financing analysis

In 2022, 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 (20.8%), corporate bonds (19.3%), bilateral loans (43.1%), and project financing (16.8%).

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 refinancing in Greece, the existing derivatives were redeemed, so that the related nominal volumes were reduced to €0.0 million at the end of the year (previous year: €130.7 million). Overall, the financial liabilities had an average remaining term of 6.5 years with an average interest maturity of approximately 5.7 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 13%, and the fixed portion approximately 87%. The cost of debt after hedging measures was 2.3%.

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 2022 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
	2012	108.0	2030	End of term	Fixed	4.000 % p.a.
Promissory note loans	2013	50	2028	End of term	Fixed	4.000 % p.a.
	2017	135	2025	End of term	Fixed	1.395 % p.a.
			2027			1.810 % p.a.
		150	2024	End of term	Fixed	1.086 % p.a.
			2027			1.609 % p.a.
	2019	92.5	2024	End of term	Fixed	0.548 % p.a.
		250	2025			0.500 % p.a.
		110	2027			0.600 % p.a.
		137.5	2029			1.336 % p.a.
		50	2029			0.700 % p.a.
		20	2031			0.833 % p.a.
		20	2034			1.073 % p.a.
		20	2034			1.000 % p.a.
	2020	51	2025	End of term	Fixed	0.850 % p.a.
		17	2027			0.950 % p.a.
		7	2030			1.154 % p.a.
		86	2023	End of term	Fixed	1.250 % p.a.
		40	2026		Floating	6M-Euribor + Margin
		43	2026		Fixed	1.600 % p.a.
		16.5	2028			1.800 % p.a.
		19.5	2030			2.000 % p.a.
		45	2032			2.125 % p.a.
	2021	175.5	2026	End of term	Fixed	1.000 % p.a.
		164.5	2026		Floating	6M-Euribor + Margin
		23.5	2029			6M-Euribor + Margin
		136.5	2029		Fixed	1.360 % p.a.
		10	2031	End of term	Fixed	1.870 % p.a.
		30	2031			1.900 % p.a.
		168	2033			2.100 % p.a.
	2022	50.0	2029	End of term	Floating	6M-Euribor + Marge
		15.0	2030	End of term	Fixed	2.147 % p.a.
		25.0	2032			2.322 % p.a.
	2009	150	2029	End of term	Fixed	5.875 % p.a.
Corporate bond	2020	300	2024	End of term	Fixed	1.727 % p.a.
		500	2027			2.217 % p.a.
	2021	350	2024	End of term	Fixed	1.034 % p.a.
		800	2028			1.925 % p.a.
Bilateral loans	1999 – 2022	4,686.8	2023 – 2032	Mainly end of term	Mainly fixed	0.28 % – 4.48 % p.a.
Project financing (fully consolidated foreign Group companies)	2017 – 2022	1,832.19	2023 – 2045	Ongoing repayments during the term	Mainly fixed	2.125 % – 11.57 % p.a.

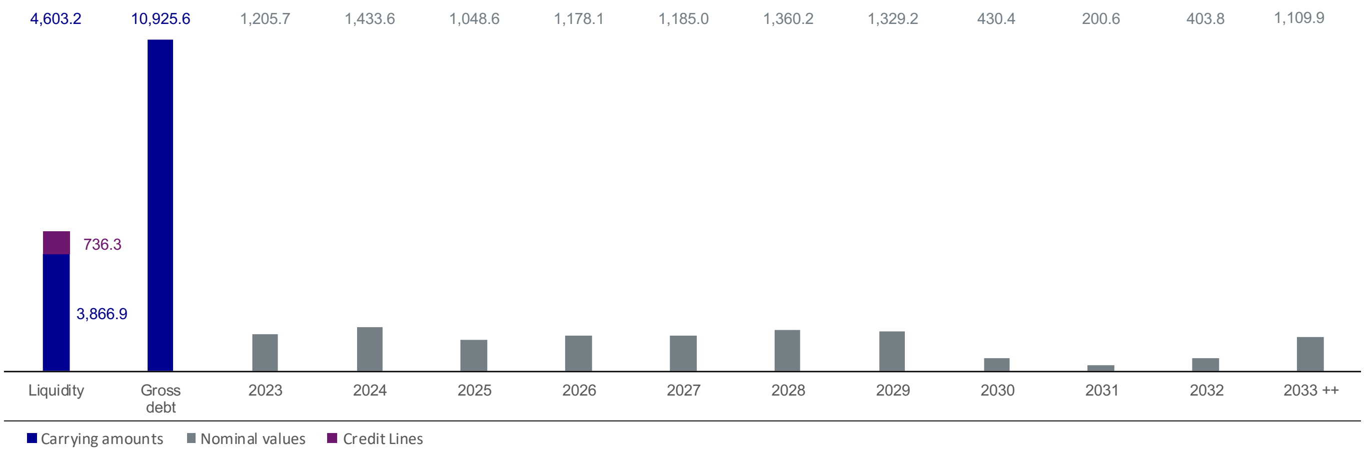
The contractual agreements for the financial liabilities of Fraport AG include two customary non-financial covenants consisting of a negative pledge and a pari passu clause. Only the special-purpose loans of Fraport AG contained in bilateral loans include, among other things, commonly accepted credit clauses regarding changes in shareholder structure and in the control of the company (so-called change-of-control clause). If these have a proven negative effect on the credit rating of Fraport AG, the creditors have the right to call the loans due ahead of time above a certain threshold.

Independent project financing agreements of fully consolidated foreign Group companies, in particular in 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 2022

in € million



Liquidity in the fully consolidated foreign Group companies was €945.3 million (previous year: €509.5 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 2022 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:

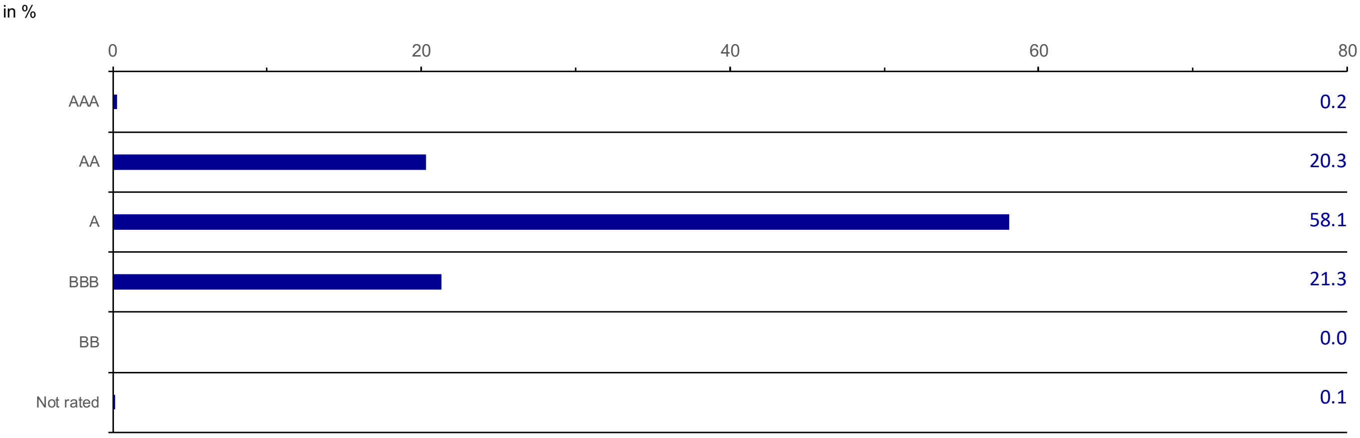
Asset structure of Fraport AG

Investment type	Market value [1] in € million	Average remaining term in years	Interest
Promissory note loans	0.0	0.0	Floating
	225.0	1.7	Fixed
Overnight funds	0.0	0.0	Fixed
Time deposits	1,599.3	0.3	Fixed
	0.0	0.0	Floating
Bonds	11.0	1.6	Floating
	966.0	1.9	Fixed
thereof governmental	0.0	0.0	Fixed
thereof financials	5.9	1.3	Floating
	215.5	2.2	Fixed
thereof insurances	5.1	1.8	Floating
	13.7	2.9	Fixed
thereof industrials	0.0	0.0	Floating
	736.8	1.9	Fixed
Commercial papers	79.7	0.2	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



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

The cost of carry, which is calculated using a (tiered statement) maturity-matching principle, was 0.9% (€25.7 million) as at December 31, 2022.

As at the 2022 balance sheet date, the Fraport Group had credit lines amounting to €736.3 million (previous year: €941.8 million) available, of which €156.0 million has, however, been earmarked for future capital expenditure on infrastructure. As at the balance sheet date, Fraport AG had unused credit lines amounting to €580.9 million (previous year: €554.2 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

in € million	2022	Forecast 2021 [Adjustments during the year 2022]	2021	Change	Change in %
Free cash flow	–741.0	roughly at the level of 2021	–772.3	+31.3	+4.1
Net financial debt to EBITDA	6.9	high single-digit range	8.4	–1.5	–
Liquidity	3,866.9	slightly lower than 2021	3,564.3	+302.6	+8.5
Shareholders’ equity ratio (%)	22.2	slightly lower than 2021	23.1	–0.9 PP	–

At €3,866.9 million, Group liquidity was above the forecast value. The negative effect from the free cash flow was offset by high inflows from the raising of long-term financial liabilities. In addition, the sale of companies accounted for using the equity method had the effect of increasing liquidity, especially at Xi'an Airport. The other figures of the asset and financial position were in line with the 2021 forecast.

Value Management

Development of the value added

in € million	Fraport Group		Aviation		Retail & Real Estate		Ground Handling		International Activities & Services	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Adjusted EBIT[1]	677.4	343.1	40.7	25.8	258.9	176.7	–102.1	–107.0	479.9	247.6
Fraport assets	11,383.8	10,208.6	4,152.3	3,881.1	2,672.6	2,464.1	852.1	770.1	3,706.9	3,093.3
Costs of capital before taxes	831.0	622.7	303.1	236.7	195.1	150.3	62.2	47.0	270.6	188.7
Value added before taxes	–153.6	–279.6	–262.4	–211.0	63.8	26.4	–164.3	–154.0	209.3	58.9
ROFRA in %	6.0	3.4	1.0	0.7	9.7	7.2	–12.0	–13.9	12.9	8.0

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

In fiscal year 2022, the value added of the **Fraport Group** increased notably by €126.0 million (previous year –€279.6 million), but remained in negative territory at –€153.6 million.

Despite substantially lower one-off effects, adjusted EBIT was €334.3 million above the previous year's level at €677.4 million due to the positive development of operating performance of all Group companies. The same period of the previous year included the compensation payment from the Federal Government and the State of Hesse for the uncovered contingency costs incurred in the first lockdown in 2020 in the amount of €159.8 million as well as the settlement with the Federal Police in connection with charged aviation security services in previous years in the amount of €57.8 million. In addition to the improved operating development, the sale of the shares in the Group company in Xi'an, which is valued at equity, also contributed to the improved adjusted EBIT. On the other hand, the increase in the WACC from 6.1% to 7.3%, the higher capital expenditure, especially in the expansion projects in Frankfurt and Lima, and the capital contributions to the joint venture for the new operating concession at Antalya Airport, led to higher capital costs.

Due to the operating recovery, the **ROFRA** of the Fraport Group increased by 2.6 percentage points to 6.0% (previous year: 3.4%).

The value added of the **Aviation** segment fell from –€211.0 million to –€262.4 million despite the positive operating development, which more than compensated for the absence of one-off effects from the previous year. The main reasons for this were the WACC-related increase in the cost of capital and the progressing construction activities within the framework of the Expansion South project. Segment ROFRA improved from 0.7% to 1.0%.

In the **Retail & Real Estate** segment, despite higher Fraport assets in the course of the expansion project in Frankfurt, the increase in segment EBIT led to an increase in the value added from €26.4 million to €63.8 million (+€37.4 million) and of ROFRA to 9.7% (previous year: 7.2%).

Despite a slightly improved adjusted EBIT, the value added in the **Ground Handling** segment was below the previous year's level (-€154.0 million) at –€164.3 million due to the WACC increase. Segment ROFRA improved from –13.9% to –12.0%.

The value added of the **International Activities & Services** segment increased from €58.9 million to €209.3 million (+€150.3 million). The fully consolidated Group companies in Greece and Lima, the sale of shares in Xi'an as well as the Group company Antalya, which is accounted for using the equity method, contributed in particular to the improved operating result. The increase in Fraport assets in the segment is mainly due to the expansion at Lima Airport and capital contributions to the joint venture for the new operating concession at Antalya Airport. In line with the value added, segment ROFRA improved strongly from 8.0% to 12.9%.

Comparison with the forecasted development

	2022	Forecast 2021	2021	Change	Change in %
Group ROFRA (%)	6.0	Clear improvement	3.4	+2.6 PP	–

Based on the Group-wide recovery in traffic, the improvement in Group ROFRA of 6.0% was stronger than forecast in 2021.

Non-financial Performance Indicators

Customer satisfaction and product quality

Global satisfaction of passengers

While the 2021 reporting year was still characterized by the effects of the coronavirus pandemic, global satisfaction at Frankfurt Airport came under increasing pressure, particularly from March 2022 onwards, due to a rapid rise in air traffic demand combined with operational capacity and staff shortages. As a result, global satisfaction fell by nine percentage points from 83% in the second half of 2021 to 74% in the 2022 reporting year. Overall satisfaction (top box share of global satisfaction) fell over the course of the year, initially from 79% in Q1 2022 to 75% in Q2 2022. In Q3 2022, global satisfaction decreased further to 73% and in Q4 2022 to 69%. Alongside global satisfaction, 16 other satisfaction criteria recorded a decline in 2022 compared to the second half of 2021. By contrast, five of the 22 criteria surveyed developed positively in the reporting year, including health and infection protection at Frankfurt Airport (up by one percentage point to 81%), the friendliness of staff at security checkpoints (up by one percentage point to 78%), and the speed and stability of the airport Wi-Fi (up by four percentage points to 77%).

At the fully consolidated Group airports, on the other hand, global satisfaction reached a cumulative value of 85% in the 2022 reporting year. To determine global satisfaction within the Group, a total of 28,354 passengers were surveyed at the locations 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 results in a Group-wide global satisfaction of 80% for the reporting year.

Baggage connectivity

Baggage connectivity at Frankfurt Airport came to 95.8% in the last fiscal year, or 2.5 percentage points below the previous year and 2.7 percentage points below the target. While the baggage connectivity value of 98.3% in Q1 2022 marked an increase over the previous year's level, the value fell to 95.9% in Q2 2022 (Q2 2021: 98.5%) and 95.0% in Q3 2022 (Q3 2021: 98.4%). In Q4 2022, baggage connectivity improved slightly to 95.1%, but remained below the level of the same period last year (Q4 2021: 98.1%). The development of baggage connectivity is mainly due to the rapidly increasing traffic since March 2022 combined with staff shortages. The countermeasures introduced, which included in particular the improvement of staff availability, did not fully compensate for the negative development.

Attractive and responsible employer

Employee satisfaction

The Group-wide employee survey (Fraport Barometer) was carried out in October 2022. Employee satisfaction in the Fraport Group was 4.76 (on a scale of one to seven, where seven is the best). This key figure includes the ratings of Fraport AG, 13 Group companies at the Frankfurt site as well as Fraport Slovenija, Twin Star, Fortaleza, Porto Alegre, Lima, Fraport Greece, and Fraport USA. The response rate was 46%. The average ratings of the topic areas (satisfaction aspects) were 4.40 for the employer, 4.79 for the workplace, 4.98 for the team, and 4.86 for the managers. The average satisfaction rating of Fraport AG employees was 4.64. Due to adjustments in the survey methodology and evaluation, it is not possible to compare with the previous year's figures.

Women in management positions

As at December 31, 2022, the proportion of women in management positions in the Group in Germany at the first management level below the Executive Board was 23.1% and 31.6% at the management level below. At Fraport AG, the proportion of women in management positions in the reporting period was 19.0% at the first management level and 30.8% at the second management level. In accordance with legal requirements, the proportion of women in management positions per management level will be reported separately for reporting from the 2022 fiscal year onwards. In the reporting period, the proportion of women in management positions in the Group in Germany increased slightly at both management levels. At Fraport AG, the proportion of women in management positions at the first level below the Executive Board fell slightly, but rose slightly at the second level. Although this means that the majority of the forecast was met, the forecasted development was not achieved for the proportion of women in management positions at the first level at Fraport AG.

Occupational health and safety

Sickness rate

In the 2022 fiscal year, the Group sickness rate in Germany increased by two percentage points to 8.7% (previous year: 6.7%). The development is attributable to the recovery in traffic at Frankfurt Airport and the associated increase in the number of operational personnel. The sickness rate of Fraport AG also increased by two percentage points to 7.9% (previous year: 5.9%).

Climate protection

CO_2 emissions

In the past fiscal year, Group-wide scope 1 and scope 2 CO_2 emissions amounted to approximately 155,449 metric tons of CO_2, and were thus down 6.5% year on year. The emission reduction is mainly attributable to Fraport AG, which reduced its CO_2 emissions by 3.9% compared to the previous year, to 113,199 metric tons of CO_2 (previous year[7]): 117,783 metric tons of CO_2). This decrease is mainly due to the purchase of renewable electricity, the in-house generation of electricity from photovoltaic systems, and the continuous conversion of the vehicle fleet to electric mobility.

Comparison with the forecasted development

Indicators	2022	Forecast 2021 [adjustment during the year Q2 / 6M Interim Report]	2021	Change
Global satisfaction of passengers (Group) in %	80	At least 80 %	– 1)	–
Global satisfaction of passengers (Frankfurt) in %	74	At least 80 %	91/83 2)	–
Baggage connectivity (Frankfurt) in %	95.8	Better than 98.5 %	98.3	–2.5 PP
Employee satisfaction (Group)	4.76	No forecast	– 1)	–
Employee satisfaction (Fraport AG)	4.64	No forecast	82.5 4)	–
Women in management positions (1st level, Germany) in %	23.1	5)	– 5)	–
Women in management positions (2nd level, Germany) in %	31.6	5)	– 5)	–
Women in management positions (1st level, Fraport AG) in %	19.0	5)	– 5)	–
Women in management positions (2nd level, Fraport AG) in %	30.8	5)	– 5)	–
Sickness rate (Germany) in %	8.7	Stabilization at least at the previous year's level	6.7	+2.0 PP
Sickness rate (Fraport AG) in %	7.9	Stabilization at least at the previous year's level	5.9	+2.0 PP
CO_2-Emissions (Group) (Scope 1 und 2) in m. t. 6)	155,449	Roughly on pre-crisis level	166,208 7)	–10,759
CO_2-Emissions (Fraport AG) (Total Scope 1 und 2) in m. t.	113,199	Roughly on pre-crisis level	117,783 7)	–4,584

1) Due to the impact of the coronavirus pandemic, this statistic was not collected in 2021.
2) Due to a change in methodology, the results are reported separately for the first and second half of 2021.
3) 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.
4) 2021 value determined as part of the pulse check.
5) Until 2021, the figure was reported combined for the first and second level below the Executive Board.
6) Includes Fraport AG as well as the Group companies FFS, FraGround, FraCareS, FAS, FraSec Fraport Security Services GmbH, FraSec Flughafensicherheit GmbH, Media, Fraport Greece, Fraport Slovenija, Lima, Fortaleza, Porto Alegre, and Twin Star.
7) Subsequent verifications resulted in some updates for 2021.

The "Non-financial performance indicators" chapter above provides explanatory notes on deviations from the 2021 forecast.

Employees

Development of employees

Average number of employees	2022	2021	Change	Change in %
Fraport Group	18,850	18,419	+431	+2.3
thereof Fraport AG	7,309	7,893	–584	–7.4
thereof Group companies	11,541	10,526	+1,015	+9.6
thereof in Germany	15,691	15,599	+92	+0.6
thereof abroad	3,159	2,820	+339	+12.0

The average number of employees in the Fraport Group (excluding apprentices and employees on leave) increased by 431 to 18,850 in the 2022 fiscal year (previous year: 18,419). The reason for this was the increased need for personnel as a result of the positive traffic development, mainly at the Group company FraGround (+404 employees). In addition, the number of employees at the Group company FraSec increased (+241 employees), primarily due to new business at the Hamburg site. At Fraport AG, the headcount (–584 employees) decreased mainly due to staff departures as part of the volunteer program under the strategic initiative “Zukunft FRA – Relaunch 50”.

Outside Germany, the headcount increased to 3,159 (+12.0%) due to the Group-wide traffic recovery, especially at the Group companies in Bulgaria (+125 employees), Lima (+93 employees), and Greece (+69 employees).

Development of employees in the segments

Average number of employees	2022	2021	Change	Change in %
Aviation	5,569	5,476	+93	+1.7
Retail & Real Estate	576	608	–32	–5.3
Ground Handling	7,035	6,937	+98	+1.4
International Activities & Services	5,670	5,398	+272	+5.0

The average number of employees in the International Activities & Services, Ground Handling, and Aviation segments increased as a result of traffic volumes. In contrast, the number of employees in the Retail & Real Estate segment decreased, mainly in connection with the volunteer program initiated in 2020 under the strategic initiative “Zukunft FRA – Relaunch 50”.

Development of employees as at the balance sheet date

Number of employees as at the balance sheet date	December 31, 2022	December 31, 2021	Change	Change in %
Fraport Group	19,211	17,781	+1,430	+8.0
thereof Fraport AG	7,209	7,450	–241	–3.2
thereof Group companies	12,002	10,331	+1,671	+16.2
thereof in Germany	16,145	15,113	+1,032	+6.8
thereof abroad	3,066	2,668	+398	+14.9

Compared with the previous year’s reporting date, the number of employees in the Fraport Group (excluding apprentices and employees on leave) increased by 8.0% to 19,211 (+1,430 employees) as at December 31, 2022. In Germany, the increase is due in particular to the Group companies FraGround (+624 employees) and FraSec (+453 employees). Internationally, the decrease in the number of employees resulted in particular from the Group companies in Lima (+153 employees) and Bulgaria (+145 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 15.0% in the reporting period was lower than the rate of 27.8% in the previous fiscal year. The change is mainly due to the volunteer program initiated in 2020 and the associated staff reduction in the previous year.

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, 2022 was 26.6%, slightly higher than the previous year’s level of 26.3%. The **average age** of the Group’s workforce decreased slightly to 45.3 years (previous year: 45.5 years). The **percentage of persons with major disabilities** relative to the total number of employees excluding apprentices and temporary staff was 5.8% on a Group-wide basis (previous year: 5.9%).

At **Fraport AG**, the proportion of female employees as at the balance sheet date 2022 was 19.4% (previous year: 19.2%). The proportion of workers with severe disability or equivalent circumstance was 7.8% (previous year: 7.9%). The average number of apprentices decreased to 246 (previous year: 286). The staff turnover rate at Fraport AG reached 3.5% (previous year: 16.7%).

Combined non-financial Statement

About this combined statement

The combined non-financial statement complies with the requirements of Sections 315b and 315c in conjunction with the Sections 289b to 289e of the German Commercial Code (HGB) and the requirements 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 (EU Taxonomy Regulation). This combined non-financial statement has been audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft according to ISAE 3000 (revised) with limited assurance. The unrestricted auditor's opinion can be found at the end of the Annual Report.

The "Control System" and "Non-financial Performance Indicators" chapters describe the most important non-financial performance indicators and their development during the reporting period. Their concepts and measures are used as the basis for this combined non-financial statement. The target values set for the Fraport Group and Fraport AG can also be found in the aforementioned chapters. The forecast figures for fiscal year 2023 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).

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". The materiality analysis carried out comprehensively in 2018 was based on the standards of the Global Reporting Initiative 2016 (GRI 103-Management approach). However, Fraport relied on the "GRI 3-3 Management of Material Topics" when updating and validating the material topics in 2022. In addition, the ESG Factbook, available at https://www.fraport.com/en/investors/publications.html, provides a detailed overview of the relevant GRI indicators in the Fraport Group. 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.

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.

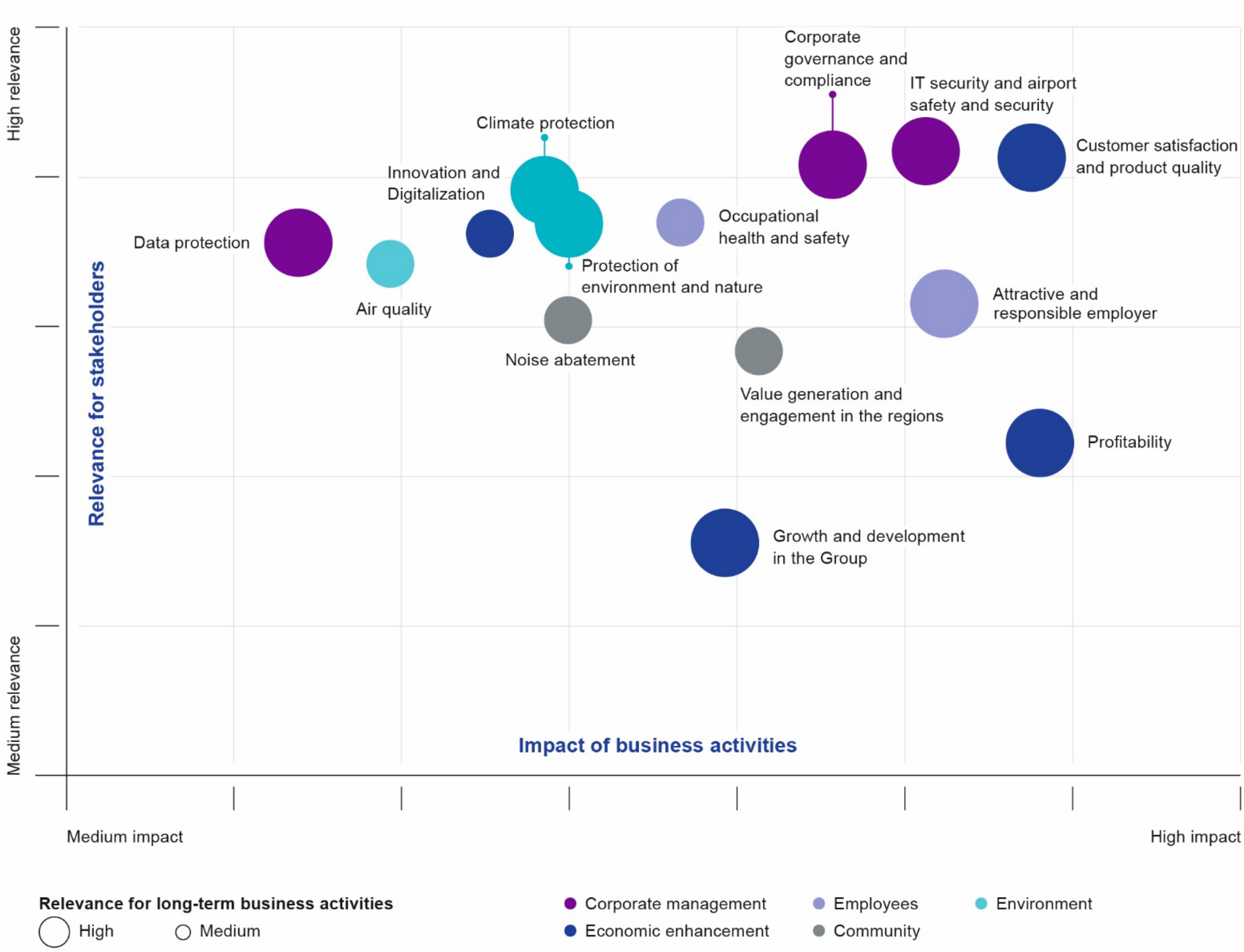
Derivation of materiality

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 significant 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.

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 and situation of Fraport, 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, 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 updated in 2018. The Executive Board has confirmed the relevance of the topics for 2022. A comprehensive materiality analysis with the participation of internal and external stakeholders will be carried out in 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 all reportable information in connection with the non-financial aspects in a separate chapter.

Allocation of material topics to non-financial aspects

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

The Executive Board remuneration system also includes non-financial elements in addition to the financial objectives for the long-term performance-based remuneration. As non-financial components, the development of a master plan and package of measures for reducing CO_2 and the performance of tasks to prepare for the take-over of the management of aviation security services in accordance with Section 5 LuftSiG were determined for fiscal year 2022 (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 the least favorable loss situation is estimated 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 2022, there were no additional reportable risks for the Fraport Group and Fraport AG in connection with the non-financial aspects, beyond the material risks already listed in the "Risk and Opportunities Report" chapter.

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 AG compels business partners and suppliers to comply with its **Supplier Code of Conduct**, (which can be viewed at https://www.fraport.com/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. A contractual penalty may be imposed and a claim for lump-sum damages may be raised in the event of antitrust violations and serious misconduct. Business partners and suppliers must also undertake to demand and ensure that these principles are adhered to when dealing with their own suppliers.

In addition, Fraport AG undertakes to consistently focus on sustainability criteria when purchasing products and services and has signed a target agreement initiated by the Hessian Ministry for the Environment, Climate Protection, Agriculture and Consumer Protection.

Fraport has a heterogeneous demand structure. It ranges from architectural services to the maintenance and expansion of airport infrastructure, from office materials to IT services and aircraft tugs. At Fraport AG (incl. the Airport Expansion South project), more than 52% of the total order volume went to companies in the Rhine-Main region. Around 98% of Fraport AG's order volume, amounting to approximately €1,036 million, was awarded to suppliers and service providers based in Germany, 99.7% to those based in the EU, and about 0.2% to those based in the United States, the United Kingdom, Switzerland, Australia, and Canada. As there are similar legal standards in these countries, especially regarding anti-corruption and bribery matters and respect for human rights, the first level of the supply chain is not deemed critical. As regards the Group airports, orders were predominantly awarded within their own country.

The largest suppliers of Fraport AG (including the Airport Expansion South project) by order volume in fiscal year 2022 were subject to an extensive business partner screening.

In the context of EU-wide tenders issued by Fraport AG, all bidders are generally subject to an extensive business partner review. The result is made available to the responsible buyers for evaluation. Irrespective of this, 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. An examination of the first level of the supply chain by contractors' country of origin is an essential part of regular reporting for the "Central Purchasing, Construction Contracts" central unit.

Fraport AG has fulfilled the legally compliant assignment of external personnel based on independent service and work contracts, as opposed to temporary work. External personnel compliance was implemented as part of a policy to hire external personnel. The policy includes a mandatory audit process and reduces the risk of false service or work contracts, or covert contracts for temporary work. External staff assignments provided by Group companies to Fraport AG are also subject to this audit process. The Group companies independently ensure the legally compliant assignment of external personnel by implementing suitable processes according to the respective country-specific regulations.

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 ↗ https://www.fraport.com/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. This is relevant for large construction projects such as the new terminal at Lima Airport. For this project, compliance with the Supplier Code of Conduct is agreed. If such inclusion in the General Terms and Conditions is not possible or is only possible if the Supplier Code of Conduct is modified, the local management will inform the compliance department.

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 also only engage subcontractors or other third parties that meet these requirements. The Fraport Supplier Code of Conduct also forms part of any agreement. A due diligence review process was defined for the construction of Terminal 3, which has since been carried out depending on the order value. In addition to mandatory checking of sanction lists and company information, this includes extensive research online on potential business partners before new business relationships are initiated.

In the past fiscal year, Fraport AG dealt intensively with the due diligence obligations resulting from the German Supply Chain Act (*Lieferkettensorgfaltspflichtengesetz*: LkSG), which entered into force on January 1, 2023. To implement the due diligence obligations, existing structures were expanded, and new processes were established. A core element of the due diligence obligations is Fraport's human rights strategy that is published at ↗ https://www.fraport.com/en/our-group/responsibility/supply-chain-due-diligence-act.html. In addition, further due diligence obligations were implemented in the risk management system and the whistleblower system.

Anti-corruption and bribery matters and respect for human rights

Anti-corruption and bribery matters

Objective **–** Conduct in compliance with laws and regulations has 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 fully revised **Fraport Code of Conduct,** which was rolled out globally in 2022. 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 require 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 provided. 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 and consulting services in all major business units of Fraport AG, its subsidiaries and joint ventures, and Group companies and carries out **compliance audits**. A standardized and risk-oriented planning process is the foundation for the focus points of the audit.

Measures to combat 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. The e-learning program on important compliance fundamentals was fully revised for Fraport AG employees in 2022. In addition to a clear presentation of why compliance is important in everyday working life, the new Fraport Code of Conduct, dealing with gifts and invitations, and conflicts of interest are central elements of the new online training. In addition, the central reporting channels for compliance violations are detailed.

A key instrument for preventing and discovering compliance violations is the **whistleblower system** (see www.fraport.com/compliance). Employees, business partners and customers can anonymously submit information about irregularities in all Group companies 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. Furthermore, Fraport AG has an **ombudswoman**, an external, independent lawyer, at its disposal. Employees at the Frankfurt site can also contact an **internal representative**.

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. In fiscal year 2022, the Group companies focused on the final implementation of the Group-wide minimum requirements for the local CMS, which were revised in 2021.

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, Environment, and Sustainability" central unit of Fraport AG deals with, among other things, coordinating Group-wide respect of human rights. Employees can anonymously report violations via the **whistleblower system** that is freely accessible worldwide via www.fraport.com/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 an external ombudswoman contracted by Fraport AG or their internal representative, as needed.

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 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 towards 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. Regarding this topic also, in fiscal year 2022, the Group companies focused on the final implementation of the Group-wide minimum requirements for the local CMS, which were revised in 2021.

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, approximately 250 further contactless Smiley Boxes were introduced at the Frankfurt Airport to collect feedback. These contribute to an improved passenger experience against the background of the coronavirus pandemic and the resulting greatly increased need for passengers to have a seamless travel journey. Further passenger services, such as digital information desks (Info Gates), have been put into operation to assist passengers. The digital information offering featuring contactless, personal interaction with staff has been extended to 14 sites in Terminal 1 and Terminal 2 in 2022 in order to give all passengers quick, comprehensive, and easy access to information.

In March 2022, TÜV Hessen once again examined the measures implemented to protect the health of passengers and employees at the Frankfurt airport, once again awarding them the **TÜV seal “Safe from Covid-19”**. A detailed review was carried out, for example, on cleaning and disinfection procedures, social distancing measures and controls, wearing protective masks, the availability of disinfectants, the use of standard personal protective equipment by airport staff, and internal protection and precautionary measures for employees. The seal is valid up to and including March 2023.

In order to guarantee service quality and to meet passengers’ and airlines’ requirements, Fraport conducted extensive modernization measures at the Group airports. Sensors for optical distance and speed measurement were installed in Thessaloniki, Corfu and Rhodes in order to increase the accuracy of queue wait times. In order to further improve performance at security checkpoints, an optimization project was launched that will be rolled out at all Group airports in Greece by 2025. In addition to the expansion of lounge areas, a telephone hotline was introduced at the airport in Lima, which can be used to obtain all information relating to flying.

The international airport association ACI awarded the “Airport Health Accreditation” for the organizational, infrastructural, and personnel measures introduced to protect against the coronavirus at Frankfurt Airport. The accreditation was carried out as part of a structured evaluation process along the entire airport process chain and included all stakeholders. The Group airports in Greece also received the Airport Health Accreditation.

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 largely unchanged basic questionnaire was supplemented with additional questions by the Association of German Airports, Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (ADV). The number of customer satisfaction criteria queried compared with the second half of 2021 was unchanged at 22.

At the fully-consolidated international Group airports, the regular surveys to measure passenger satisfaction were resumed from the second quarter of 2022 at the latest, albeit in some cases with reduced case numbers compared to pre-crisis levels. However, the sample sizes are sufficient to provide a valid figure for global satisfaction in both the international portfolio and the Group for the reporting year 2022. The passenger surveys were supplemented by measurements using the mystery shopping method, for example at Ljubljana Airport. Further insights on improving passenger satisfaction were gained in this way.

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). In order to maintain connectivity at its current high level in the future coupled with increasing numbers of baggage items, Fraport is constantly working on optimization measures that are implemented in close cooperation with airlines within the scope of regular performance discussions. 2022 was characterized by operational challenges and a shortage of staff. Numerous management measures were implemented to counteract this. The focus was on recruiting and training employees in particular. Processes were also further optimized, for example, by implementing automated baggage forwarding on large parts of Lufthansa's route profile.

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).

IT security and airport safety and 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.

IT Security

Objective – All important business and operating processes at Fraport AG are supported by IT systems and IT components. 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 2022, Fraport AG once again implemented a variety of projects to adequately respond to the growing risks arising from information technology. 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, such as the ISO27001 audit most recently conducted in 2022 in the area of energy management, 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 the German Air Traffic Control has developed the security standards of the industry. These are based on the new KRITIS requirements. The objective is to establish a high safety standard within the aviation industry through close cooperation and reciprocal verification of compliance with regulatory requirements.

The Group companies outside of Frankfurt use their own IT infrastructure, that 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 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 measure the effectiveness of the measures implemented. These indicators cannot be published for security reasons.

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 workshops**. 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 enjoys 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. At Frankfurt Airport, Fraport AG employees as well as employees of the Group company FraSec Luftsicherheit and other private security service providers currently carry out airport security checks on behalf of the German Federal Police. Personnel and goods checks are carried out by the Group company, FraSec Flughafensicherheit.

Fraport AG develops measures to maintain high security standards independently and in agreement with the competent authorities. In the reporting year, the focus was on preparing for the transfer of responsibility for the performance of security services, which will take place at Frankfurt Airport from 2023. A service provider management system was designed and established. After the transfer of responsibility, it will be possible for the airport operator to make greater progress with control and quality management and thus to make processes more flexible and more efficient.

In May 2021, “Click2Drive”, a fully automated, label-based access control system, was introduced for the first time in Cargo City Süd (CCS). Due to the reliability of the system, the expansion to enable this type of access control in other operational areas was started in 2022 and thus laid the foundation for further digitalization projects, such as a digital version of the vehicle identification for certain operational areas.

A significant digitalization project was also driven forward for access to security areas. In 2022, biometric access control for personnel was implemented, which again increases the level of security. The first sites will be equipped with biometric scanners in the upcoming years.

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

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). The 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 towards 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.

Employee-related Matters

Group-wide, Fraport aims to remain competitive at all sites and in all areas, 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.

The fundamental importance of the human resources strategy is generally taken into account in Germany by the three key non-financial performance indicators of **satisfaction of employees, women in management positions**, and **sickness rate**. Another key figure used to monitor accident development is **LTIF (Lost Time Injury Frequency)**.

The **Emergency Situation Collective Bargaining Agreement** concluded in 2021 for German airports bound to the collective bargaining agreement for the public service (Tarifvertrag für den Öffentlichen Dienst TVÖD) was a measure to reduce personnel expenses during the time of the coronavirus pandemic. The agreement included postponing wage increases, the elimination of collectively agreed performance-based pay, an increased employee contribution to the company pension scheme, and the option of reducing working hours without wage compensation. Due to the sharp increase in passenger numbers in the past fiscal year, an early wage increase was implemented. Instead of a gradual adjustment on October 1, 2022 by 1.4% and on April 1, 2023 by 1.8%, both wage increases were implemented on August 1, 2022. This rule also applies to employees of FraCareS GmbH. For the employees of FraGround GmbH, only individual regulations of the Emergency Situation Collective Bargaining Agreement were applicable due to other collective bargaining conditions.

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 also make it easier to derive target-oriented improvement measures on the basis of the results throughout the Group. The survey will be conducted every two years from 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. All questions are assigned to four topics - "My employer," "My workplace," "My team," and "My manager" - and rated on a scale of one to seven. An average score is calculated for each topic. The average value of all four 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. A process instruction for the Group barometer has been included in the management system documentation.

The **Group 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 2022, Fraport continued its activities to strengthen and utilize diversity in the Group. One focus was on the topic of discrimination. Racism and sexual discrimination were discussed in seminars and presented with trainers and managers. The focus was on recognizing and dealing with discrimination and on conflict management. The issues were addressed by apprentices in the "Impro Theater" theater education project. 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 easy language and with many illustrations, thus ensuring continuing language education.

Measures to increase employee satisfaction were also implemented at the international Group airports. For example, additional benefits such as the use of a knowledge portal were made available to employees at the airport in Ljubljana. Fraport Greece and the Group company Lima continued to address the respective corporate culture, mission, vision, and values in order to strengthen employee identification.

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. In 2022, discussions were held at Executive Board level with female high-potential employees to clarify their requirements for assuming a leadership role in top management. The findings from these discussions were incorporated into the design of the development initiative "Empowering Leaders". The individual promotion and stronger networking of high-potential female employees have thus been stepped up once again. The focus is also on increasing their visibility.

Performance indicator – Employee satisfaction at Fraport AG and in the Group and 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, Fraport AG has established an occupational safety unit and an occupational health, prevention and health management services unit under the Executive Director of Labor Relations, which advise and support corporate departments in the further development of occupational safety. Measures to promote occupational health are controlled by 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 worldwide. The cooperation and the exchange of experiences is organized in the **Occupational Health and Safety Management System Board**, which has a Group-wide meeting once a year. Group-wide tasks are promoted together in order to work efficiently and conserve resources. In addition, there is a steering committee for Fraport 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 increased to 22.6 in the 2022 reporting year (previous year: 20.3). The rise is primarily attributed to the increased volume of traffic compared to 2021, and the associated decrease in short-time working rates.

Over the past year, many employees have continued to work from home. A questionnaire with the requirements for an ergonomic working area in a home office was integrated into the assignment process for mobile working. Fraport Health Management has expanded its **digital health offers**. In summer 2022, licenses for a health application were purchased for any interested Fraport AG employees. Offering useful tips for your daily routine, both in the office and at home, the app helps you to take care of yourself and stay healthy. Four digital newsletters address seasonal health issues on a quarterly basis.

Screenings for skin and bowel cancer were offered at the Frankfurt site as well as workshops for apprentices to increase awareness of health issues. Company sport has been gradually structured and expanded. At this year's European Company Sport Games in Arnheim, Netherlands, which saw company sport teams come together from all over Europe, the Frankfurt site was represented by 39 sportsmen and women. They won four gold medals and one silver medal in the disciplines of football, darts, and orienteering.

It is important that a high level of occupational safety standards is maintained when handling dangerous goods, in Ground Services' operations, 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 in operational sections.

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 airports in Slovenia and Greece.

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 an independent 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 taking into account 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 gGmbH, the Berufsbildungswerk Südhessen in Karben, and the "Pilot" unit of the Evangelische Kirchenkreis Hanau.

Even at the 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 each Group company independently. In this regard, the focus is on the areas of child support, environmental protection and sports in particular. For example, Fraport Greece has contributed to installing play areas and redesigning and equipping a gymnasium belonging to a kindergarten and primary school. The Group company in Lima is also involved, and participates in "Pacto por la Cultura", among other initiatives. "Pacto por la Cultura" is a United Nations initiative aimed at promoting culture, equal treatment, and cultural heritage in relation to tourism.

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 clearly below the figure forecasted in the 2007 planning decision.

Noise abatement measures are implemented at the Group airports according to the national and local requirements on noise protection. They follow the respective national laws. Corresponding monitoring systems are implemented.

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

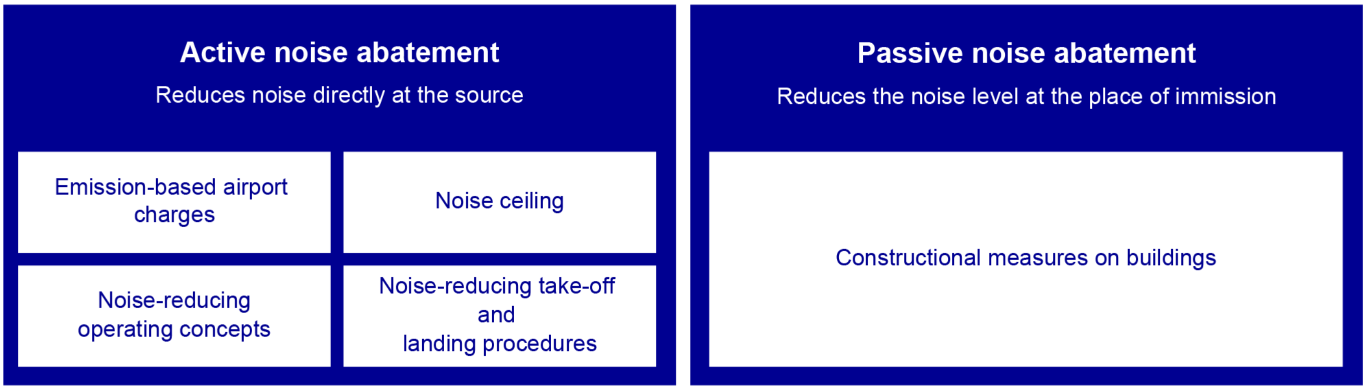
The aircraft noise pollution in the area around the airport is continuously monitored. **Aircraft noise monitoring** is also implemented at the Group airports. In addition, aircraft noise complaints are submitted and dealt with directly via the corporate website in Greece. At the Group airport in Lima, a committee has also been set up to combat aircraft noise, involving airlines as well as national and local government agencies. The Group airport in Lima is currently working on an aircraft noise reduction plan in collaboration with the noise committee.

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 the 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.

As a general rule, a distinction is made between active and passive noise abatement.



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 both off-peak periods at night, individual takeoff and landing runways in Frankfurt 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, 2022, the noise-related airport charges for loud aircraft have been further increased. The use of particularly modern, quieter aircraft will be rewarded more than before by adjustments to the Noise Rating Index (NRI). In addition, NRI discounts have been abolished for flights that take place at night between 11 p.m. and 5 a.m., in order to further reduce aircraft movements during this period. Fraport is therefore providing further economic incentives for airlines to take off or land in Frankfurt using quieter aircraft and thus protect the core night period. On November 21, 2022, the HMWEVW approved the application for airport charges for Frankfurt Airport, valid from January 1, 2023. In the applications, Fraport once again considerably increased the noise surcharges for older aircraft, thereby providing even greater incentives to use more modern or 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 the airlines must examine how they can reduce the noise level, for example by using quieter aircraft. The calculations in the 2022 monitoring report for 2021 show that the levels did not exceed the noise emission ceiling in 2021. The values of the previous year are always checked.

As a **noise abatement measure** at the Group airport in Ljubljana, the local authority in charge of air traffic control introduced a ban on departures between 12:00 a.m. and 6:00 a.m. in the direction of the towns of Šenčur and Kranj.

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. Invoices were able to be submitted for measures taken as part of the noise abatement program until October 12, 2022.

In the area of passive noise abatement, the Fraport Group held provisions in the amount of €1.8 million as at the balance sheet date of December 31, 2022 (see Group Notes, note 40, and Fraport AG's Notes, note 29).

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, Environment, 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 half-yearly via detailed monitoring 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 is chaired by the Executive Board, reports all decisions regarding the energy management of Fraport AG at Frankfurt Airport to the Executive Board. This is where the current long-term energy savings measures are monitored, and where possible further measures are continuously examined with a view to uncovering levers for improving the energy efficiency of buildings, plants, and processes.

Fraport is gradually switching to **emission-free alternatives** for its vehicles on the apron. To this end, the airport operator put two electric buses for transporting passengers into operation in 2020 as part of a funding project from the State of Hesse and has developed a charging strategy for these buses, which can also be applied for further planned acquisitions. In addition, 66 electric vehicles were acquired for the Ground Services in 2022. 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. 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 2022, 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. For this purpose, in October 2022, another installation to increase the proportion of green electricity was put into operation in addition to the existing photovoltaic installations at the Frankfurt site. The demonstration installation at the south west end of Runway West has 20 PV panels and an output of 8.4 kilowatts. These are known as fence 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. The installation is to be expanded in the future. In the final stage of expansion, it will extend to a length of 2,600 meters parallel to the runway and generate a photovoltaic output of up to 13 megawatts.

An important milestone in reducing CO_2 emissions was also reached at Lima Airport. In 2021, a contract was concluded to supply the terminal and the expansion project with renewable energy. The existing terminal has been operated with green electricity since 2022. In addition, photovoltaic installations are planned at the Bulgarian Group airports in Varna and Burgas in order to increase the proportion of green electricity in the coming years.

The variety of individual measures that have already been decided upon and implemented in the last few years represent important steps to 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.

The participation of Fraport in the **Airport Carbon Accreditation** program of the ACI (Airports Council International) serves as proof of its successful 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, Mytilini, 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 environmentally relevant" 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, 75.9% 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 €11.1 million as at the balance sheet date of December 31, 2022 (see Group Notes, note 40, and Fraport AG's Notes, note 29).

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, environmentally 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. In an annual report, it 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.

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 the Umwelt- und Nachbarschaftshaus (UNH) in Kelsterbach to study so-called ultra-fine particulates (UFP). Unlike conventional, limit-controlled air pollutants, airports have proven to be a major source of UFP. There are no reliable statements yet on possible health effects. 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 state government. A **"UFP" working group** has been set up at UNH, in which Fraport AG is also involved. Building on the measurement results of the HLNUG and the findings of a previous hearing of experts, the UFP working group has now developed a research design for a UFP pollution study. The pollution study is expected to start in 2023. The results should form the basis for an impact study on the possible health effects of UFP, to be carried out at a later date. 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 www.umwelthaus.org/umweltmonitoring/ultrafeinstaub/auf-dem-weg-zu-einer-studie/.

The HLNUG published its "4. Bericht zur Untersuchung der regionalen Luftqualität auf ultrafeine Partikel im Bereich des Flughafens Frankfurt" in January 2022. As was already shown in the previous reports, Frankfurt Airport clearly contributes to the UFP burden in the surrounding area. At all 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 addition, the analysis of measurements showed that the impact of motor vehicle traffic and air traffic emissions are approximately the same but differ greatly in the particle size distribution. The temporarily very low number of aircraft movements as a result of the coronavirus pandemic is now constantly increasing again. This is also causing the concentration of ultrafine particles at the HLNUG measuring stations to rise again.

At the local level, there is an overlap of air pollutant concentrations 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 close 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 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. 540 of the Fraport vehicles used by Ground Services at Frankfurt Airport already have electric engines. This corresponds to approximately 27% of the vehicles.

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. Regular evaluation of the air quality also takes place at the Brazilian Group airports. Fraport Slovenija has set the goal of improving relationships with the stakeholders affected by aircraft noise. A partnership group for airport environmental protection formed of relevant interest groups and a dialog forum meets regularly for this.

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 towards a more sustainable economy. The Regulation uniformly assesses predefined economic activities with regard to their contribution to achieving the six environmental objectives of the European Commission, 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 2022 reporting period related to the first two environmental objectives of the European Commission (climate protection and adaptation) 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, all taxonomy-eligible or taxonomy-aligned economic activities contribute to the climate protection environmental objective.

Definitions

A **taxonomy-eligible** economic activity means an economic activity that is described in the current delegated acts on the climate objectives (climate protection and adaptation to climate change), irrespective of whether that economic activity meets any or all of the technical screening criteria laid down 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 clearly affect any of the other environmental objectives (DNSH).
- It is performed in keeping with the minimum protection.

Revenue KPI

The share of the **taxonomy-eligible Group revenue** was calculated as the portion of 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 Revenue).

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". In addition, Fraport generates taxonomy-eligible revenue from the charging of costs for the passenger transport system within airport charges. This comes under the economic activity "6.3 Urban and suburban transport, road passenger transport". The revenue from the passenger transport system is generated in the Aviation segment. Revenue from the renting of buildings is mainly reflected in the revenue in the Retail & Real Estate segment and the revenue in the International Activities & Services segment.

The **revenue** relating to the passenger transport system is **taxonomy-aligned**. Revenue in the area of the renting of buildings is not taxonomy-aligned as the relevant buildings do not meet the technical screening criteria.

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 Property, plant, and equipment).

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)

- 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 or the operation of the passenger transport system cannot be carried out without the corresponding rail infrastructure or stations, we consider the related capital expenditures to be connected with the economic activity 6.3. In addition, the following **taxonomy-eligible** economic activities were also identified:

- 4.1. Electricity generation using solar photovoltaic technology

- 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, regulation and controlling energy performance of buildings

In order to avoid double counting when calculating the Capex ratio, capital expenditure that has already been taken into account under letter a) will only be taken into account once.

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, regulation and controlling energy performance of buildings

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, maintenance and repair, and any other direct expenditure relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

Thus, the definition of operating expenditure in accordance with the EU Taxonomy Regulation differs clearly from the definition of operating expenses used in the rest of the 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 2022 results from maintenance expenses for the passenger transport system as well as maintenance expenses for rented buildings. In the same way as the revenue, the maintenance expenses for the passenger transport system are **taxonomy-aligned**.

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, 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 exhaust 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, we assign 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, regulation 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 substantial contribution could not be proven for the taxonomy-eligible economic activities 7.1, 7.2 and 7.7. This is partly due to the non-existence of class A energy certificates.

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. Since the potential taxonomy-eligible economic activities for this year were identified exclusively at Fraport AG, the analysis was limited to the Frankfurt site. 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 worse 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.

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.

No DNSH criteria are defined for the economic activities under 7.4 and 7.5 for the further 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 Draft Report on Minimum Safeguards from the Platform on Sustainable Finance of July 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.

Template Revenue

	Code(s) (2)	Absolute revenue (3)	Proportion of revenue (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		in € million	%	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
6.3 Urban and suburban transport, road passenger transport	6.3.	25.10	0.79	100.00	0	0	0	0	0
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**25.10**	**0.79**	**100.00**	**0**	**0**	**0**	**0**	**0**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
7.7 Acquisition and ownership of buildings	7.7.	605.40	18.95						
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**605.40**	**18.95**						
Total (A.1 + A.2)		**630.50**	**19.74**						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Revenue of Taxonomy-eligible activities (B)		2,563.90	80.26						
Total (A + B)		**3,194.40**	**100.00**						

[1] No taxonomy-aligned share was determined in 2021.

Template operating expenses (Opex)

	Code(s) (2)	Absolute Opex (3)	Proportion of Opex (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		in € million	%	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
6.3 Urban and suburban transport, road passenger transport	6.3.	7.10	7.29	100.00	0	0	0	0	0
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**7.10**	**7.29**	**100.00**	**0**	**0**	**0**	**0**	**0**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
7.7 Acquisition and ownership of buildings	7.7.	28.40	29.16						
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**28.40**	**29.16**						
Total (A.1 + A.2)		**35.50**	**36.45**						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Opex of Taxonomy-eligible activities (B)		61.90	63.55						
Total (A + B)		**97.40**	**100.00**						

[1] No taxonomy-aligned share was determined in 2021.

	DNSH criteria (Does Not Significantly Harm)										
	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum Safeguards (17)	Taxonomy-aligned proportion of revenue 2022 (18)	Taxonomy-aligned proportion of revenue 2021 (19) [1)]	Category (enabling activity) (20)	Category (transitional activity) (21)
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	Y	Y		Y	Y		Y	0.79			
								0.79			
								0,79			
								0.79			

	DNSH criteria (Does Not Significantly Harm)										
	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum Safeguards (17)	Taxonomy-aligned proportion of Opex 2022 (18)	Taxonomy-aligned proportion of Opex 2021 (19) [1)]	Category (enabling activity) (20)	Category (transitional activity) (21)
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	Y	Y		Y	Y		Y	7.29			
								7.29			
								7.29			
								7.29			

Template capital expenditures (Capex)

	Code(s) (2)	Absolute Capex (3)	Proportion of Capex (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		in € million	%	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
4.1. Electricity generation using solar photovoltaic technology	4.1.	0.10	0.01	100.00	0	0	0	0	0
6.3 Urban and suburban transport, road passenger transport	6.3.	103.10	8.90	100.00	0	0	0	0	0
6.17 Low carbon airport infrastructure	6.17.	0.20	0.02	100.00	0	0	0	0	0
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4.	0.37	0.03	100.00	0	0	0	0	0
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5.	39.22	3.38	100.00	0	0	0	0	0
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**142.99**	**12.34**	**100.00**	**0**	**0**	**0**	**0**	**0**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
7.1 Construction of new buildings	7.1.	623.14	53.78						
7.2 Renovation of existing buildings	7.2.	41.10	3.55						
7.3 Installation, maintenance and repair of energy efficiency equipment	7.3.	0.11	0.01						
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5.	0.36	0.03						
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**664.71**	**57.37**						
Total (A.1 + A.2)		**807.70**	**69.71**						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-eligible activities (B)		351.00	30.29						
Total (A + B)		**1,158.70**	**100.00**						

[1] No taxonomy-aligned share was determined in 2021.

	DNSH criteria (Does Not Significantly Harm)										
	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum Safeguards (17)	Taxonomy-aligned proportion of Capex 2021 (18)	Taxonomy-aligned proportion of Capex 2021 (19) [1]	Category (enabling activity) (20)	Category (transitional activity) (21)
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	Y	Y		Y		Y	Y	0.01			
	Y	Y		Y	Y		Y	8.90			
	Y	Y	Y	Y	Y	Y	Y	0.02		E	
	Y	Y					Y	0.03		E	
	Y	Y					Y	3.38		E	
								12.34			
								12.34			
								12.34			

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 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 provisions and non-current assets. The Notes to the 2022 annual financial statements are available on the Group's website at www.fraport.com/publications.

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 €527.2 million to €1,776.2 million. The increase was mainly due to higher revenue from airport charges (+€256.7 million) caused by an increase in traffic volume. Higher revenue from infrastructure charges (+€96.0 million) and retail revenue (+€77.8 million), as well as higher ground services (+€65.6 million) contributed to the increase in revenue. By contrast, revenue from security services decreased by €24.0 million to €69.4 million. This was due to a one-off effect in the previous year's period of €30.5 million from the agreement with the Federal Police in connection with billed aviation security services in recent years.

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

At €58.7 million, **other operating income** was below the level in the same period of the previous year of €194.0 million (–€135,3 million). This decline was mainly a result of the compensation of €159.8 million granted by both the German Federal Government and the State of Hesse for the holding costs incurred in the first lockdown in 2020.

Total revenue rose by €392.5 million to €1,863.7 million (+26.7%).

Personnel expenses increased in fiscal year 2022 by €63.7 million to €573.3 million. The increase resulted primarily from a very low utilization of short-time work schedules compared with the same period of the previous year, as well as from increased personnel requirements due to the positive traffic development.

Non-staff costs (cost of materials and other operating expenses) were €900.0 million (+€274.5 million). The increase is mainly attributable to higher expenses for purchased services (+€203.5 million) due to traffic and price factors.

Despite substantially lower other operating income, Fraport AG **EBITDA** was €54.3 million above the previous year's level at €390.4 million due to the positive development of operating performance. **Depreciation and amortization** decreased slightly by €6.9 million to €308.4 million, leading to **EBIT** of €82.0 million (previous year: €20.8 million).

The main driver of the sharply lower **financial result** of –€165.6 million (previous year: –€65.1 million) were mainly the 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.

In particular to the evident negative financial result, **EBT** amounted to –€83.6 million (previous year: –€44.3 million). **Earnings after taxes** amounted accordingly to –€88.4 million. The previous year's earnings after taxes of €76.5 million included income tax relief of €120.8 million, in particular from the capitalization of deferred taxes due to tax loss carryforwards.

A corresponding amount was withdrawn from the other revenue reserves to offset the net loss for the year of –€88.4 million. This results in profit earmarked for distribution of €0.00. For this reason, there is no proposal for the distribution of profits.

Asset and financial position

Asset and capital structure

Assets

€ million	December 31, 2022	December 31, 2021
Non-current assets	10,754.1	9,736.6
Current assets	2,090.9	2,539.1
Prepaid expenses and accrued income	38.9	39.9
Deferred tax assets	341.9	340.0
Assets arising from the overfunding of pension obligations	0.0	0.0
Total	**13,225.8**	**12,655.6**

Liabilities and equity

€ million	December 31, 2022	December 31, 2021
Shareholders' equity	2,876.0	2,964.4
Special items for investment grants in non-current assets	7.8	7.3
Provisions	507.7	484.2
Liabilities	9,786.2	9,153.9
Accrued income and accrued expenses	33.8	35.8
Deferred tax liabilities	14.3	10.0
Total	**13,225.8**	**12,655.6**

At the end of the 2022 fiscal year, the **total assets** of Fraport AG amounted to €13,225.8 million, up €570.2 million year on year (+4.5%).

Fixed assets rose by €1,017.5 million to €10,754.1 million. This is mainly due to the increase in property, plant and equipment of €444.6 million – particularly in connection with construction measures as part of the Expansion South project at the Frankfurt site and capital contributions of €375.3 million to the investment established in connection with the tender for the operating concession at Antalya Airport won in December 2021. In addition, the portfolio of securities was increased by €218.9 million.

Current assets were €448.2 million lower than in the previous year, mainly due to the reduction in cash and cash equivalents (–€512.3 million).

Shareholders' equity as at December 31, 2022 amounted to €2,876.0 million, and fell by €88.4 million as a result of the net loss in the current fiscal year.

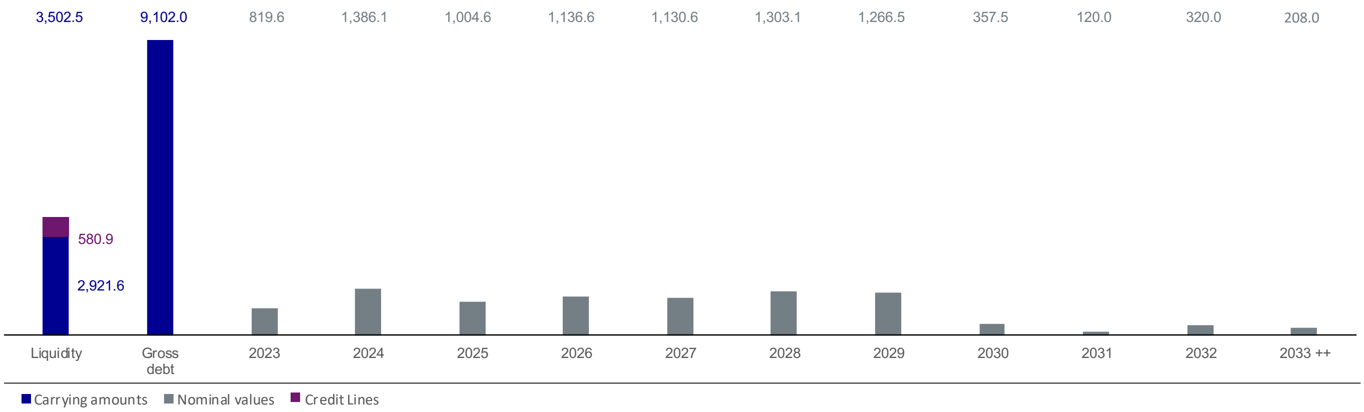
Liabilities increased compared to the previous year by €632.3 million to €9,786.2 million, mainly due to the financing measures undertaken during the fiscal year to secure liquidity.

Liquidity as of December 31, 2022, was €2,980.9 million, down from €3,054.9 million in the previous year. **Gross debt** increased in the reporting year to €9,114.7 million (previous year: €8,499.8 million). This led to a considerable increase of €689.0 million in **net financial debt** to €6,133.8 million (previous year: €5,444.8 million).

As at the 2022 balance sheet date, the financial debt maturity profile of Fraport AG exhibited the following repayment structure:

Maturity profile as at December 31, 2022

in € million



As at the 2022 balance sheet date, there was a balanced mix of financing consisting of bilateral loans (35.2%), promissory note loans (41.6%), and bonds (23.2%). The floating rate portion of the gross debt of Fraport AG fell to nearly 5%, with the fixed portion coming to around 95%.

Statement of cash flows

Statement of cash flows

€ million	2022	2021	Change	Change in %
Cash and cash equivalents as at January 1	1,050.6	256.9	793.7	> 100
Operating cash flow	471.2	122.3	348.9	> 100
Cash flow used in investing activities excluding investments in cash deposits and securities	–756.2	–821.3	65.1	+7.9
Cash flow used in investing activities	–1,634.6	–1,322.7	–311.9	–23.6
Cash flow from/used in financing activities	441.4	1,994.1	–1,552.7	–77.9
Cash and cash equivalents as at December 31	328.6	1,050.6	–722.0	–68.7

In the fiscal year, a **cash flow from operating activities (operating cash flow)** of €471.2 million (2021: €122.3 million) was achieved. The €348.9 million increase resulted in particular from the traffic-related improvement in the operating result.

At €756.2 million, **cash flow used in investing activities excluding investments in cash deposits and securities** was below the previous year's level (€821.3 million) due to lower cash flow used in expansion and expansion measures.

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 €1,634.6 million (2021: €1,322.7 million).

Compared to the previous year, **cash flow from financing activities** decreased substantially by €1,552.7 million to €441.4 million. In the previous year, considerably more extensive financing measures, including a bond issue, to secure liquidity were carried out compared to the current fiscal year.

This brought **cash and cash equivalents** to €328.6 million as at the 2022 fiscal year-end.

Events after the Balance Sheet Date

Effective January 1, 2023, FraSec Fraport Security Services GmbH transferred in a second step 25% of the shares in FraSec Aviation Security GmbH, formerly FraSec Luftsicherheit GmbH, to the Dr. Sasse Group. As a result of this transfer, the Dr. Sasse Group holds a 51% majority stake in FraSec Aviation Security GmbH.

Under the concession agreement, the Group company in Lima is required to renew terrorism property insurance with an insurance volume of $200 million by February 28, 2023. Due to the ongoing political unrest in Lima, the insurance volume could not be concluded to the required extent. The concession agreement stipulates that a lack of insurance coverage constitutes an immediate breach of the concession agreement, known as an Event of Default (as of March 1, 2023), which gives the grantor a unilateral right to terminate the concession.

The Group company in Lima declared force majeure to the grantor on February 15, 2023, as it is unable to fulfill its contractual obligation due to reasons beyond its control, namely the political unrest in Peru. The declaration of force majeure initially suspends a potential default until the grantor has taken a position on the declaration.

The goal is to obtain a waiver from the grantor for failure to provide the required volume of insurance, beyond the declaration of force majeure, and thus avoid an event of default.

Regarding the project financing newly concluded in December to replace the bridge financing and further finance the expansion obligations, there is a risk that agreed disbursements cannot be made or must be repaid at short notice.

Effective termination of the concession agreement by the grantor would result in the derecognition of the concession and the loss of the planned positive earnings contributions and would have a massive negative impact on both the 2023 fiscal year and the planned positive business development in subsequent years.

Fraport currently assumes that an agreement will be reached with the grantor of the concession.

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

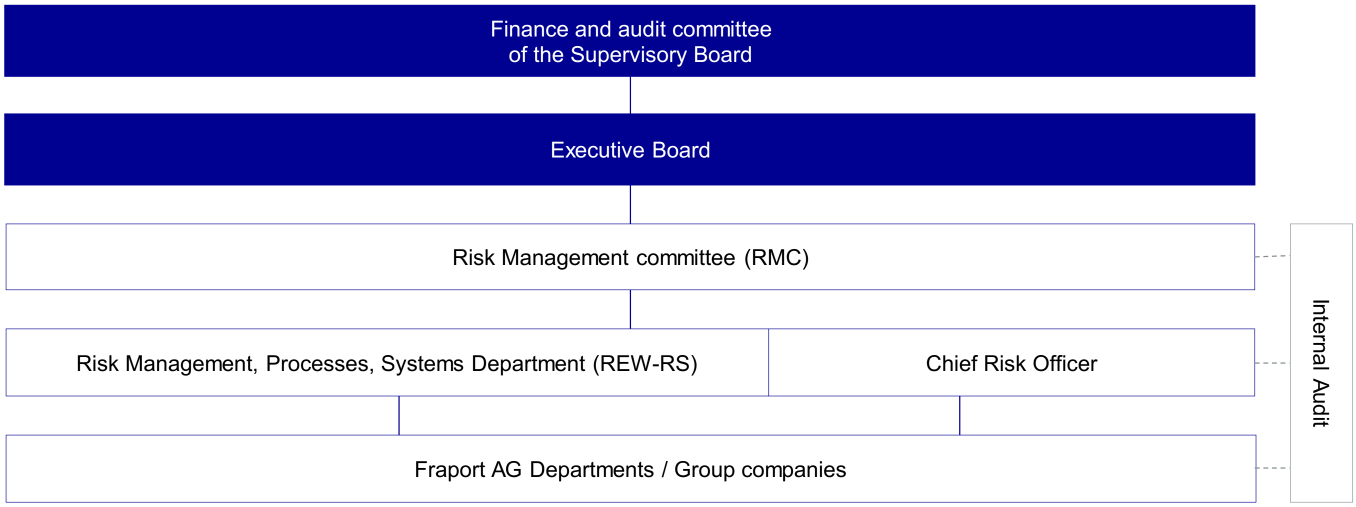
Risk and Opportunities Report

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.

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.

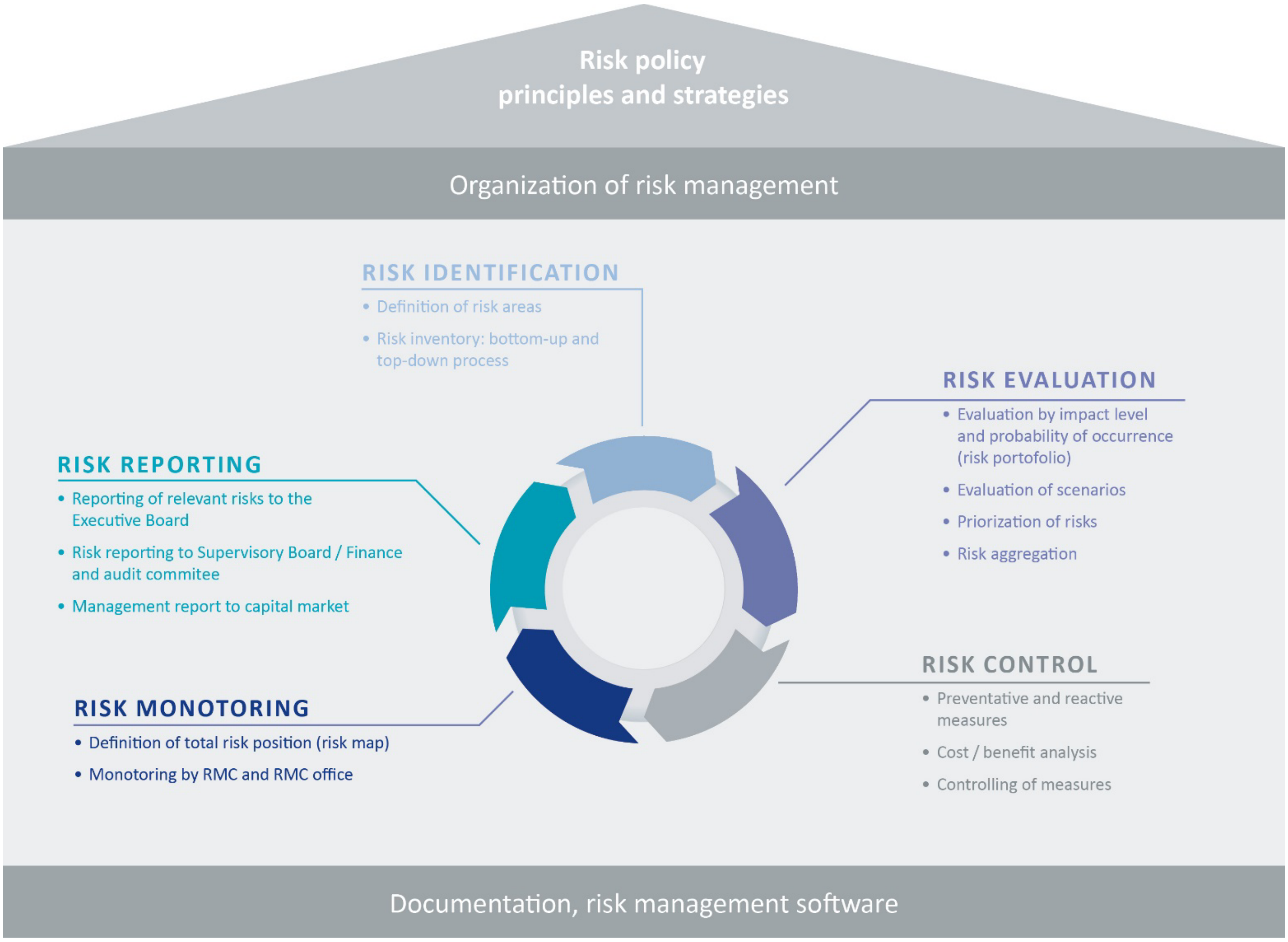
PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC) has examined the risk early warning system of Fraport AG during the audit of the annual financial statements for stock corporation law requirements. According to Section 91 (2) AktG, it fulfills all the legal requirements that apply to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

Fraport defines risks as future developments or events that could have a negative impact on the achievement of operational planning and strategic targets. 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, RMA, 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.

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 also 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.

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.

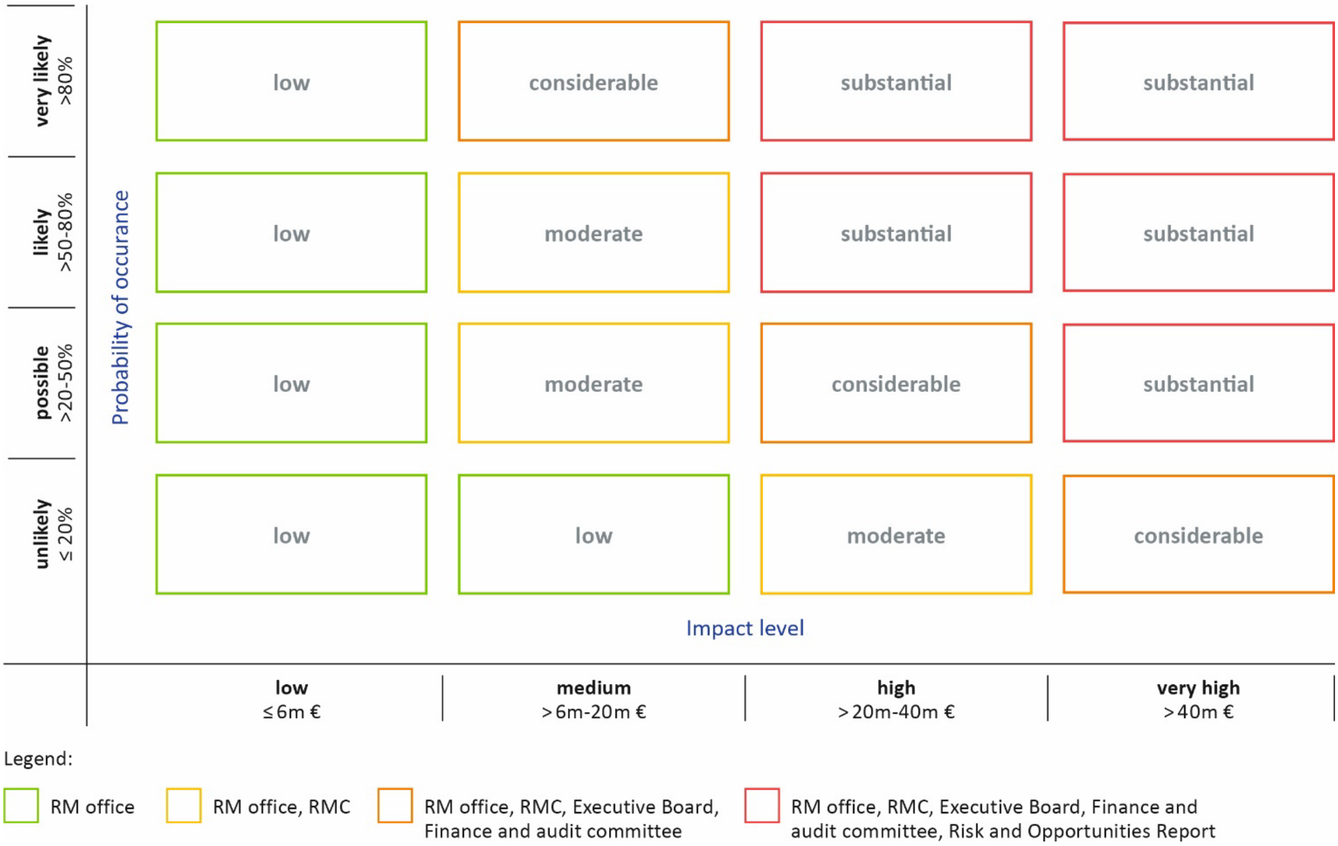
Risk monitoring and reporting

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



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

An integral component of the risk management system of Fraport 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. 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.

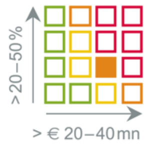
Fraport AG is the parent company of the Fraport Group and comprises all of the described segments above. Therefore, it is also directly or indirectly subject to the risks and opportunities described.

The 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 →
• The current high inflation rates may reduce the disposable income of private households. This circumstance, together with uncertainties about the future development of inflation rates, could have a negative impact on flight bookings. • Interest rate hikes by central banks 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 passenger development. • Overall, global economic development may cool down more than expected and have a negative influence on passenger demand. • As a result of sustained high energy prices, the competitiveness of German industry could suffer and Germany's position as an attractive hub for air traffic could be weakened. • A structural shift toward greater national protectionism could develop in world trade, which could adversely affect the export-oriented German economy. • Growth could be dampened by weakening of the EU as a result of diverging interests among the member states and the actions they take. • In addition to the economic consequences of the Ukraine war, there are numerous geopolitical trouble spots around the world that could put a strain on economic development and air traffic.	• 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:** considerable 

Opportunities

- Sustained easing of supply chain bottlenecks and the European gas and electricity market may lead to better-than-expected economic development and have a positive impact on demand for air travel.
- A weak euro could keep European goods cheap internationally and thus provide a positive impulse for the export economy, from which Frankfurt Airport could particularly benefit as a hub. Moreover, the weak euro could provide incentives for incoming traffic of international passengers.

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 network, as well as the connectivity between demand markets.

Risks	Measures	Trend →
• The Russia-Ukraine war could partly result in sustained reductions in demand and supply due to rising energy costs. • Rising crude oil and thus kerosene prices could result in higher airfares and an associated dip in air travel demand. If competition is intense, increasing crude oil prices could lead to payment difficulties for less solvent airlines, with a resulting drop in supply. • The current political discussion around reducing short-haul traffic could prompt a shift to alternative transportation other than aircrafts, which would hamper demand for flights. 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. • Discussions surrounding climate protection could produce a long-term shift in travel behavior and lead to a reduction in air travel. • 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 upcoming review of the Emission Trading Directive 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. • 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. • 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 after a recovery in air travel. • The tight financial situation of the airlines as a result of the coronavirus pandemic could lead to further insolvencies and thus to market consolidations. The resulting drop in supply could further weigh on the passenger growth forecast. • The increased use of digital communication media in the wake of the coronavirus pandemic could lead to a stronger than expected decline in demand for business travel.	• 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 • 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 • Implementation of climate protection measures and sustainability program • Active participation in industry-related associations	**Risk assessment:** substantial 

• Demographic changes as well as the reorientation of the workforce during the pandemic caused a considerable labor shortage in the aviation sector. The situation could 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 hot spots of unrest could affect demand for specific travel destinations.		

Opportunities
- Now that the coronavirus pandemic is over, there is a high demand among consumers for tourist air travel. The opening of international markets may also lead to stronger than expected catch-up effects in business travel.
- 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 could benefit.
- 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 and will enable the Group to benefit more than expected from long-term growth in the air traffic market.
- A possible liberalization of air traffic rights could open new markets for air traffic and expand existing markets.
- International harmonization of regulatory measures that have so far distorted competition, such as the German air traffic tax, would reduce such disadvantageous distortions.
- There is a chance that airlines will further expand their intercontinental fleet in Frankfurt due to the good 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.

Further development of the coronavirus pandemic

Risks	Measures	Trend ↓
• The further traffic development in Frankfurt and at Group airports continues to be subject to uncertainty given possible travel restrictions stemming from the pandemic. • A renewed increase in the number of coronavirus infections worldwide could lead to local restrictions on public life, production limitations and further supply chain bottlenecks, which would also have a direct impact on traffic at Frankfurt Airport and the Group airports. • In the unlikely event of the emergence of virus variants with a high mortality rate, the recovery of passenger numbers and the positive development of traffic in Frankfurt and at the Group airports could be greatly inhibited.	• Close coordination with health authorities, airports and aviation associations • Close cooperation with airlines and authorities to secure and strengthen air traffic including safeguarding provisions	**Risk assessment:** considerable 

Opportunities
- Catch-up effects could prompt an accelerated recovery in tourist travel demand sooner than expected for trips that have been postponed so far.
- A lifting of travel restrictions in China in the near term could ensure a speedy recovery in traffic and a quicker return to intercontinental transfer flows

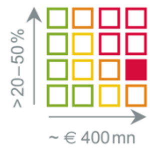
Drainage for the parallel runway system

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 

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 and limited material availability 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 • Insolvencies • 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 • Restrictions due to the coronavirus pandemic, such as the availability of resources • Changes in requirements related to new market conditions after resolution 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
- Execution of construction work on existing infrastructure (FRA-Nord) during low passenger volumes without affecting operating processes at Frankfurt Airport
- Capacity expansion to ensure the ability to cope with the expected long-term growth of the air traffic market

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

Risks	Measures	Trend →
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	• Collaboration with experienced local partners • Non- or limited-recourse project financing • Investment protection insurance • Monitoring measures to enable timely countermeasures	**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
- Group airports with a strong focus on tourist traffic could return to the old growth path in terms of traffic development faster than expected

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 has commissioned a construction consortium which, as general contractor, will take over the EPC services (engineering, procurement, construction) that are commonly used within the industry including 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, compared to the previous year, these are assessed as "moderate" as of the balance sheet date (previous year: "substantial"). For risks from developments in Peru in the fiscal year 2023, please see the section "Events after the Balance Sheet Date".

Personnel risks and opportunities

Risks

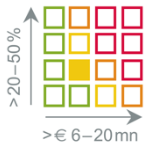
- Loss of know-how resulting from crisis-related staff loss and downsizing
- Staff loss due to reduced salary development (emergency collective agreement, inflation)
- More difficult recruitment due to current labor market conditions
- Training periods for the recruitment of less qualified workers and 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

- Reorganization and process optimization within the scope of "Zukunft FRA – Relaunch 50"
- Centralized monitoring of personnel management measures
- Temporary granting of labor market allowances for staff recruitment, incentives through above-tariff remuneration schemes
- Improving employer attractiveness through modern work formats

Trend →

Risk assessment: moderate



Opportunities

- Weakening economy could have a relaxing effect on the labor market and positive impact on recruitment opportunities
- Increased appeal through modern collaboration models and flatter governance structure as part of the strategic program "Zukunft FRA – Relaunch 50"

Additional provision 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

Trend →

Risk assessment: substantial

Risks of exceptional incidents

Risks

- Business interruptions due to exceptional local events such as terrorist attacks, accidents, fires, drone flights, technical malfunctions, actions by climate activists, or strikes
- Impact on national and international air traffic caused by natural disasters, extreme weather conditions, armed conflicts, and pandemics

Measures

- Implementation of a local central crisis team
- Local plans to maintain critical business and operating processes (business continuity and emergency teams)
- Safety management system
- Drone detection technology and drone defense tests
- Property and business interruption insurance

Trend →

Risk assessment: considerable

Cyber risks

Risk

- 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

Measures

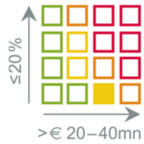
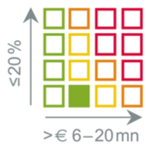
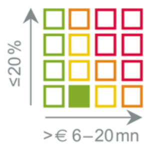
- Redundant implementation of relevant IT infrastructure
- Preventative IT security management to protect business-critical IT systems
- IT security policy and IT security guidelines
- Established emergency process with defined roles and competencies
- Interregional collaboration to develop uniform security standards for IT environments
- Compliance with IT security requirements is checked regularly by Internal Auditing, IT security management or external advisors

Trend ↑

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	**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 • Due to sufficiently secured inventory financing, the risk assessment decreases.	**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 Risk increase due to the rising number of regulations and requirements with possible effects on business activities.	• 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 overall risk situation in fiscal year 2022 has improved mainly due to the development of the coronavirus pandemic, although opposing effects resulting from rising energy costs and increasing 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.

Further development of the risk management system

As part of the continuous development and improvement of the risk management system, a methodology for analyzing human rights-related and environmental risks in the company's own business and at direct suppliers was developed and integrated into the risk management process. In particular, the provisions of the Act on Corporate Due Diligence Obligations in Supply (LkSG) were complied with. The risk analysis required by the LkSG will be carried out once a year starting from fiscal year 2023 onwards, as well as on an ad-hoc basis if a greatly changed or expanded risk situation in the supply chain is to be expected.

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 central internal control system described above.

The central Group Internal Audit performs process-independent audit activities on the risk management and central internal control systems. 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. The 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, 2022.

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 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 content audit of the management report by the external auditor. The reason for this is that these disclosures go beyond the statutory 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 2023 fiscal year (see also Group notes, note 4).

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 increased geopolitical uncertainties, the Executive Board expects an overall positive development of the global economy and global trade in the 2023 fiscal year. Based on this assumption, the Executive Board expects a continued high desire to travel and consequently an evident demand for air travel. For Frankfurt Airport, the Executive Board therefore expects passenger numbers in the range of more than 80% to around 90% of the 2019 level.

Compared to the 2022 fiscal year, which was still affected by the coronavirus pandemic at the beginning of the year, this represents clear growth. The Executive Board also forecasts positive traffic development for the Group airports.

The Executive Board assumes that the positive business development will have an increasing effect on the Group's revenue and profit development. The Executive Board expects a further recovery of the Group EBITDA towards the pre-crisis level and forecasts a range between approximately €1,040 million and approximately €1,200 million. In 2019, the Group EBITDA was €1,180.3 million. A Group result of between around €300 million and about €420 million is expected. The ROFRA is forecasted to remain approximately at the same level as 2022. Due to ongoing expansion measures, the free cash flow will again be negative in the mid three-digit million euro range in 2023 and will have an increasing effect on the net financial debt. Due to the positive development of Group EBITDA that is expected, the net financial debt to EBITDA ratio is forecasted to be approximately at the level of 2022. Despite comprehensively planned financing measures, Group liquidity is expected to come in slightly below the level of 2022. This is against the background of negative free cash flow.

The Executive Board continues to project a stable financial situation for the Fraport Group over the forecast period.

For the significant non-financial performance indicators, the Executive Board expects at least stable to slightly better values compared to 2022.

According to the opinion of the Executive Board, the development of an existential threat due to 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. In the forecast period, the Executive Board does not foresee any acquisitions or disposals of companies, or increases or reductions in shareholdings.

Business outlook

Forecasted situation of the Group for 2023

Development of structure

Effective January 1, 2023, FraSec Fraport Security Services GmbH transferred in a second step 25% of the shares in FraSec Aviation Security GmbH, formerly FraSec Luftsicherheit GmbH, to the Dr. Sasse Group. As a result of this transfer, the Dr. Sasse Group holds a 51% majority stake in FraSec Aviation Security GmbH. In addition, at the start of the 2023 fiscal year, Fraport assumed management of the aviation security checks at the Frankfurt site. This will have an impact on the asset, financial, and earnings position of the Fraport Group, in particular the Aviation segment. 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 commissioning of the new runway in Lima is planned for 2023, 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

In view of the economic situation arising from the coronavirus pandemic, Fraport will continue to implement measures derived from the Group strategy in fiscal 2023. The business segments and Group companies continue to work intensively to position Fraport successfully in the competitive environment in the long term. In 2023, Fraport will update the materiality matrix with the involvement of all stakeholders. Depending on the results, the Executive Board will adjust the Group's strategy and the resulting control system.

As described in the “Control system” chapter, the Executive Board will focus on the financial and non-financial performance indicators forecasted in this chapter.

The Executive Board does not expect any fundamental changes to the strategic focus of finance management in 2023.

Forecasted economic environment 2023

Development of the macroeconomic conditions

The global economic outlook for 2023 is subject to a high degree of uncertainty: the further course of the Ukraine war and the associated economic consequences, as well as the future inflation dynamics and the resulting tightening measures of the central banks determine the forecasts of the economic institutes. Only low growth rates or recessions are expected for a large part of the developed economies. The International Monetary Fund expects much weaker global growth of 2.9% for the current year. World trade is expected to reach 2.4% in 2023.

For the US economy, the International Monetary Fund expects an increase of 1.4% for 2023. 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 5.2% is forecasted for the Chinese economy. Overall expectations for the euro area stand at 0.7%. The German economy is expected to stagnate.

The following GDP trends are expected in 2023 for countries with key Group sites: USA 1.4%, Slovenia 1.7%, Brazil 1.2%, Peru 2.6%, Greece 1.8%, Bulgaria 3.0%, Türkiye 3.0%.

Source: IMF (October 2022, January 2023), OECD (December 2022), Deutsche Bank Research (December 2022), Deka Bank (December 2022), Ifo Institute for Economic Research (December 2022).

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 fiscal year 2023 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, IATA anticipates global passenger growth of 21.1% in 2023 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 2023 versus 2019 by Region

Changes compared to the previous year in %	
Worldwide	−14.5
Europe	−11.3
North America	−2.8
Asia-Pacific	−29.2
Latin America	−4.4
Middle East	−2.2
Africa	−13.7

The Airports Council International (ACI) expects a more positive development of European passenger traffic in 2023 and assumes traffic to reach 91% of the pre-crisis level. The German Airports Association (ADV) also anticipates a clear recovery in travel demand and forecasts that passenger arrivals at German airports in 2023 will reach 82% of the level in the pre-crisis year of 2019.

With travel restrictions largely lifted in the wake of the coronavirus pandemic, a strong increase in long-haul traffic to Asia is expected. Despite inflation and increased ticket prices, the desire to travel will remain high in 2023. Business travel demand is also expected to recover further.

Nevertheless, business travel will recover more slowly than leisure travel relative to 2019.

Source: IATA "Economic Performance of the Airline Industry" (October 2022), ACI Airport Traffic Forecast, ADV Press Release 18/2022.

Forecasted business development for 2023

The recovery phase at the Group airports continues to be positive with varying degrees of intensity. Airports with a strong focus on tourism will recover disproportionately and in some cases will be above pre-crisis levels in 2023. Based on the current framework conditions, the following passenger developments are expected in 2023.

The German population will still have a strong desire to fly in 2023. However, in addition to the private travel segment, the recovery of passenger demand in **Frankfurt** is largely dependent on economic development and the recovery of business travel. Based on the current demand dynamics, a further recovery in passenger numbers is expected in 2023. Overall, passenger numbers at Frankfurt Airport in the 2023 fiscal year are expected to be over 80% up to about 90% of the 2019 level.

Positive traffic development is also expected at the **international Group airports**, as follows:

At the **Ljubljana** site, the Executive Board expects a volume of around three quarters of the passenger arrivals seen in 2019. A further passenger recovery compared to the previous year is expected at **Lima** airport and at the Group airports in **Fortaleza** and **Porto Alegre**. This means the respective passenger volumes are continuing to move towards the levels reached in 2019. At the 14 **regional Greek airports**, the passenger arrivals are expected to be around the same high level as the previous year. Passenger volumes in **Antalya** will also continue to recover and move toward the pre-crisis level.

Depending on how the war in Ukraine progresses as well as geopolitical developments, changes to the outlook provided are possible.

Forecasted results of operations for 2023

Although uncertainties remain in connection with the operational business development, the expected passenger developments in 2023 will lead to an increase in Group revenue in the 2023 fiscal year. The traffic-related revenue growth is supported by price developments of the charges at the Frankfurt site and at the key Group companies Lima, Fortaleza, and Porto Alegre, as well as at Fraport Greece. On the cost side, the Executive Board also expects higher traffic-related expenses at the Frankfurt site as well as rising concession charges at the Group company Lima and at Fraport Greece. Despite the recent easing on the European energy markets, the Executive Board expects higher expenses from utility services in 2023 compared to 2022. Uncertainties regarding the development of expenses exist in particular due to possible increases in collective bargaining costs at the Frankfurt site, negotiations for which had not yet been concluded at the time the forecast was prepared. 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. The largely earnings-neutral takeover of the management of aviation security controls at the Frankfurt site will also have the effect of increasing revenue and expenses. In contrast, the at-equity inclusion of FraSec Aviation Security GmbH from January 1, 2023 will lead to a reduction in revenue and expenses.

Due to the traffic ranges and the aforementioned uncertainties in view of the development of expenses and income, the Executive Board forecasts a **Group EBITDA** of between approximately €1,040 million and approximately €1,200 million. The **Group result** is expected to be between about €300 million and up to about €420 million, with increasing depreciation and amortization as well as an improvement in the financial result. This is mainly due to the discontinuation of the write-off of loan receivables in connection with the St. Petersburg Airport commitment from 2022. The **ROFRA** is forecasted to be around the 2022 level.

In the context of the economic impact of the coronavirus pandemic, the Executive Board expects to again forego the distribution of dividends for fiscal 2023.

Forecasted segment development for 2023

The planned traffic developments will have a positive impact on the revenue of the four Fraport segments. The Executive Board expects EBITDA in the **Aviation** segment to exceed the level of 2019 and, depending on passenger development, to be up to around €300 million. The Executive Board also expects an improvement in EBITDA in the **Retail & Real Estate** segment, which will continue to develop toward pre-crisis levels. Despite volume and price-driven revenue growth, the Executive Board assumes continued cost pressure to ensure quality in the **Ground Handling** segment. The Executive Board therefore expects segment EBITDA to remain in negative territory in the 2023 fiscal year. Due to the discontinuation of one-off effects from the sale of the investment in Xi'an Airport, which was consolidated at equity, as well as declining compensation effects in connection with the coronavirus pandemic, the Executive Board expects a clear decline in segment EBITDA despite positive operating development in the **International Activities & Services** segment, which is, however, expected to remain above the level of 2019. Adjusted for the aforementioned special effects, segment EBITDA is expected to be roughly at the level of 2022.

Forecasted asset and financial position for 2023

Despite the traffic-related improvement in operating results, the Executive Board expects **free cash flow** to remain negative in 2023 due to ongoing expansion activities at the Frankfurt and Lima sites and is forecasted to be in the mid negative triple-digit million euro range. The negative free cash flow will further increase net financial debt. Moreover, cash inflows and outflows in connection with the Group companies as well as exchange rate effects will influence 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 2022, slightly above to slightly below. **Group liquidity** is projected to come out at a slightly lower level than in 2022, primarily due to the negative free cash flow, despite plans for comprehensive financial measures.

Forecasted non-financial performance indicators for 2023

In the “Customer Satisfaction and Product Quality” category, the Executive Board expects an **overall passenger satisfaction** score at Frankfurt Airport and a weighted overall satisfaction score for the Group of at least 80% for 2023. Accordingly, the Executive Board has also set a target of 80% for the fully consolidated Group airports. The Executive Board expects **baggage connectivity** to be at least 97.0%.

In the “**Attractive and responsible employer**” category, the next Group-wide survey to measure **employee satisfaction** will be conducted in 2024. The goal for both the Group and Fraport AG is to exceed the figure for the same period in the previous year. The Executive Board continues to attach great importance to **women in management** and expects a slight increase in the proportion of women in management positions at all levels.

In the category of “Occupational Health and Safety,” in 2023 the Executive Board will again strive to hold the **sickness rate** in Germany steady at least at the previous year’s level.

In the “Climate Protection” category, the Executive Board expects **CO_2 emissions** for the Group and for Fraport AG in 2023 to be roughly on a par with the previous year.

Medium-term outlook

Over the medium term, a strong recovery in the global economy is expected, with a return to the previous growth track. After successfully overcoming the coronavirus pandemic and lifting the travel restrictions, the demand for air travel is rising again. A return to 2019 passenger levels in Frankfurt is expected roughly by 2026. Despite the increasing cost of living, the growth driver internationally will continue to be private consumption, which generally supports high demand for air travel. Group airports will also benefit from forecasted medium- to long-term global market growth and show positive traffic development (see also the “Strategy” chapter).

The projected medium-term passenger recovery and additional forecasted growth in passenger numbers will have a positive impact on the asset, financial, and earnings position of the Fraport Group. Against the backdrop of revenue-increasing price effects and long-term operational efficiency measures, the Executive Board expects to reach and subsequently exceed the Group EBITDA from the pre-crisis level of 2019 as early as 2023/2024.

As a result of the multi-year capital expenditure to expand capacity in Frankfurt and Lima, the free cash flow will remain well in the negative range until 2024 and then recover noticeably. Due to this development, the Group's net financial debt will continue to increase temporarily before decreasing from the 2025 fiscal year onwards. In particular, due to the expected improvement in Group EBITDA, the net financial debt to EBITDA ratio will again approach the target value of five in the medium term.

Future capital expenditure obligations may be financed with debt instruments described above and cash flows from operations (see also the “Financial management” and “Asset and financial position” chapters).

For the dividend payment, the Executive Board aims to resume a dividend policy in the medium term. Before the start of the coronavirus pandemic, this was invested with 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 five.

The Executive Board continues to use the non-financial performance indicators to control the Group in the medium term (see also the “Control system” chapter).

Frankfurt/Main, February 24, 2023

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.

The Airport Brand You Trust – Decarbonization Master Plan

Fraport developed the Decarbonization Master Plan last year for a comprehensive consideration and structuring of the measures for decarbonization.

The master plan is derived from the scientific and legal boundary conditions as well as the technical possibilities. In addition to the description of specific measures, the Decarbonization Master Plan provides orientation for dealing with subject areas.

Green power share grows – New photovoltaic system on Runway West in vertical arrangement to affect vegetation area as little as possible.

Consolidated Financial Statements for the 2022 Fiscal Year

Consolidated Income Statement

€ million	**Notes**	**2022**	**2021**
Revenue	(5)	**3,194.4**	**2,143.3**
Other internal work capitalized	(6)	39.9	38.0
Other operating income	(7)	139.3	354.6
Total revenue		**3,373.6**	**2,535.9**
Cost of materials	(8)	–1,101.6	–750.7
Personnel expenses	(9)	–1,036.7	–884.3
Depreciation and amortization	(10)	–465.3	–443.3
Other operating expenses	(11)	–205.5	–143.9
Operating result		**564.5**	**313.7**
Interest income	(12)	53.0	43.8
Interest expenses	(12)	–313.5	–268.7
Result from companies accounted for using the equity method	(13)	77.0	18.8
Other financial result	(14)	–147.1	8.8
Financial result		**–330.6**	**–197.3**
Result from ordinary operations		**233.9**	**116.4**
Taxes on income	(15)	–67.3	–24.6
Group result		**166.6**	**91.8**
thereof profit attributable to non-controlling interests		34.2	9.0
thereof profit attributable to shareholders of Fraport AG		132.4	82.8
Earnings per €10 share in €	(16)		
basic		1.43	0.90
diluted		1.43	0.89
EBITDA (= EBIT + depreciation and amortization)		**1,029.8**	**757.0**
EBIT (= operating result)		**564.5**	**313.7**

Consolidated Statement of Comprehensive Income

€ million	2022	2021
Group result	**166.6**	**91.8**
Remeasurements of defined benefit pension plans	11.0	6.5
(Deferred taxes related to those items	–3.4	–2.0)
Equity instruments measured at fair value	21.2	4.6
Other comprehensive income of companies accounted for using the equity method	0.0	0.1
(Deferred taxes related to those items	0.0	0.0)
Items that will not be reclassified subsequently to profit or loss	**28.8**	**9.2**
Fair value changes of derivatives		
Changes directly recognized in equity	11.5	6.2
realized gains (+)/losses (–)	8.3	0.1
	3.2	**6.1**
(Deferred taxes related to those items	–1.0	–1.6)
Debt instruments measured at fair value		
Changes recognized directly in equity	–61.9	–3.8
realized gains (+)/losses (–)	0.0	0.0
	–61.9	**–3.8**
(Deferred taxes related to those items	19.2	1.2)
Currency translation of foreign subsidiaries		
Changes recognized directly in equity	51.6	33.4
realized gains (+)/losses (–)	0.0	0.0
	51.6	**33.4**
Income and expenses from companies accounted for using the equity method directly recognized in equity		
Changes recognized directly in equity	0.0	14.0
realized gains (+)/losses (–)	33.4	0.0
	–33.4	**14.0**
(Deferred taxes related to those items	0.0	0.0)
Items that will be reclassified subsequently to profit or loss	**–22.3**	**49.3**
Other result	**6.5**	**58.5**
Comprehensive income	**173.1**	**150.3**
thereof attributable to non-controlling interests	39.4	16.0
thereof attributable to shareholders of Fraport AG	133.7	134.3

Consolidated Statement of Financial Position

Assets

€ million	Notes	December 31, 2022	December 31, 2021
Non-current assets			
Goodwill	(17)	19.3	19.3
Investments in airport operating projects	(18)	3,769.1	3,416.4
Other intangible assets	(19)	95.9	105.8
Property, plant, and equipment	(20)	8,371.8	7,898.4
Investment property	(21)	69.1	88.6
Investments in companies accounted for using the equity method	(22)	491.4	71.3
Other financial assets	(23)	1,173.4	932.3
Other financial receivables and assets	(24)	87.2	142.7
Other non-financial receivables and assets	(25)	129.4	133.9
Deferred tax assets	(27)	159.5	182.6
		14,366.1	**12,991.3**
Current assets			
Inventories	(28)	25.5	20.3
Trade accounts receivable	(29)	177.1	152.3
Other current financial assets	(23)	269.7	176.5
Other current financial receivables and assets	(24)	55.2	30.6
Other current non-financial receivables and assets	(25)	84.1	65.6
Income tax receivables	(26)	33.3	20.9
Cash and cash equivalents	(30)	2,585.2	2,662.8
		3,230.1	**3,129.0**
Non-current assets held for sale	**(22), (50)**	**11.4**	**119.7**
Total		**17,607.6**	**16,240.0**

Liabilities and equity

€ million	Notes	December 31, 2022	December 31, 2021
Shareholders´ equity			
Issued capital	(31)	923.9	923.9
Capital reserve	(31)	598.5	598.5
Revenue reserves	(31)	2,387.0	2,230.7
Equity attributable to shareholders of Fraport AG	(31)	3,909.4	3,753.1
Non-controlling interests	(32)	222.5	155.9
		4,131.9	**3,909.0**
Non-current liabilities			
Financial liabilities	(33)	9,716.0	9,306.4
Trade accounts payable	(34)	62.3	71.8
Other financial liabilities	(35)	1,098.1	1,115.1
Other non-financial liabilities	(36)	69.9	78.3
Deferred tax liabilities	(37)	41.3	37.7
Provisions for pensions and similar obligations	(38)	31.7	41.7
Provisions for income taxes	(39)	77.0	83.7
Other provisions	(40)	136.3	160.7
		11,232.6	**10,895.4**
Current liabilities			
Financial liabilities	(33)	1,209.6	627.6
Trade accounts payable	(34)	444.4	298.8
Other current financial liabilities	(35)	190.3	150.1
Other current non-financial liabilities	(36)	162.8	132.1
Provisions for income taxes	(39)	24.7	29.4
Other provisions	(40)	199.2	189.5
		2,231.0	**1,427.5**
Liabilities related to assets held for sale	**(50)**	**12.1**	**8.1**
Total		**17,607.6**	**16,240.0**

Consolidated Statement of Cash Flows

€ million	Notes	2022	2021
Result attributable to shareholders of Fraport AG		**132.4**	**82.8**
Result attributable to non-controlling interests		34.2	9.0
Adjustments for			
Taxes on income	(15)	67.3	24.6
Depreciation and amortization	(10)	465.3	443.3
Interest result	(12)	260.5	224.9
Gains/losses from disposals of non-current assets		1.3	–4.5
Others		67.8	–12.5
Changes in the measurement of companies accounted for using the equity method	(13)	–77.0	–18.8
Changes in inventories	(28)	–5.0	2.1
Changes in receivables and financial assets	(24 – 25), (29)	–74.1	–41.2
Changes in liabilities	(34 – 36)	96.4	14.8
Changes in provisions	(37 – 40)	–7.8	–210.1
Operating activities		**961.3**	**514.4**
Financial activities			
Interest paid		–156.6	–127.6
Interest received		19.6	24.3
Paid taxes on income		–37.0	–18.5
Cash flow from operating activities	**(43)**	**787.3**	**392.6**
Investments in airport operating projects	(18)	–407.1	–277.1
Investments for other intangible assets	(19)	–4.7	–4.4
Capital expenditure for property, plant, and equipment	(20)	–741.6	–872.0
Investments for “Investment property”	(21)	–0.1	–9.5
Investments in companies accounted for using the equity method	(22)	–377.3	–5.4
Sale of shares in companies accounted for using the equity method	(2)	173.5	0.0
Dividends from companies accounted for using the equity method	(22)	50.7	26.6
Proceeds from disposal of non-current assets		0.8	8.6
Cash flow used in investing activities excluding investments in cash deposits and securities		**–1,305.8**	**–1,133.2**
Financial investments in securities and promissory note loans	(23)	–812.3	–1,139.0
Proceeds from disposal of securities and promissory note loans		364.9	575.0
Changes in time deposits with a term of more than three months	(30)	537.2	–607.0
Cash flow used in investing activities	**(43)**	**–1,216.0**	**–2,304.2**
Transactions with non-controlling interests	(2)	82.3	0.0
Cash inflow from long-term financial liabilities	(33)	2,011.6	2,798.4
Repayment of non-current financial liabilities		–1,307.2	–424.2
Changes in current financial liabilities		95.6	–278.8
Cash flow used in financing activities	**(43)**	**882.3**	**2,095.4**
Change in restricted cash		–64.6	23.4
Change in cash and cash equivalents		**389.0**	**207.2**
Cash and cash equivalents as at January 1		431.2	216.4
Foreign currency translation effects on cash and cash equivalents		6.0	7.6
Cash and cash equivalents as at December 31	**(30), (43)**	**826.2**	**431.2**

Consolidated Statement of Changes in Equity

€ million	Notes	Issued capital	Capital reserve
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		–	–
Consolidation activities/ other changes		–	–
As at December 31, 2022	**(31),(32)**	**923.9**	**598.5**
As at January 1, 2021		**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		–	–
Consolidation activities/ other changes		–	–
As at December 31, 2021	**(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)
2,276.7	**–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
0.0	–	–	0.0	0.0	–	0.0
2,439.3	**–92.7**	**40.4**	**2,387.0**	**3,909.4**	**222.5**	**4,131.9**
2,189.3	**–147.9**	**55.0**	**2,096.4**	**3,618.8**	**139.9**	**3,758.7**
–	27.5	–	27.5	27.5	5.9	33.4
0.1	14.0	–	14.1	14.1	–	14.1
4.5	–	–	4.5	4.5	–	4.5
–	–	4.6	4.6	4.6	–	4.6
–	–	–2.6	–2.6	–2.6	–	–2.6
–	–	3.4	3.4	3.4	1.1	4.5
4.6	**41.5**	**5.4**	**51.5**	**51.5**	**7.0**	**58.5**
–	–	–	–	–	–	–
82.8	–	–	82.8	82.8	9.0	91.8
–	–	–	–	–	–	–
2,276.7	**–106.4**	**60.4**	**2,230.7**	**3,753.1**	**155.9**	**3,909.0**

The Airport Brand You Trust – Concession in Bulgaria extended by 5 years

The concession grantor of the Bulgarian Group airports in Varna and Burgas has approved Fraport's request to extend the concession period by five years to 2046.

The extension of the contract aims to compensate for the negative effects of the Coronavirus pandemic. The extension of the concession is also accompanied by an increase in the mandatory investment volume by €10 million to a total of €413 million.

Group Notes for the 2022 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, 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
IFRS 5 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**
Acquisition/production costs			
As at January 1, 2021	**132.3**	**3,736.1**	**272.6**
Foreign currency translation effects	0.0	64.9	1.8
Additions	0.0	251.7	4.4
Disposals	0.0	–1.7	–13.7
Reclassifications	0.0	2.4	0.1
	0.0	0.0	-0.1
As at December 31, 2021	**132.3**	**4,053.4**	**265.1**
Accumulated depreciation and amortization			
As at January 1, 2021	**113.0**	**514.9**	**153.5**
Foreign currency translation effects	0.0	19.2	1.2
Additions	0.0	104.6	17.4
Impairment losses	0.0	0.0	0.9
Disposals	0.0	–1.7	–13.7
Reclassifications	0.0	0.0	0.0
	0.0	0.0	0.0
As at December 31, 2021	**113.0**	**637.0**	**159.3**
Residual carrying amounts			
As at December 31, 2021	**19.3**	**3,416.4**	**105.8**

	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
	6,432.2	**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
	0.0	0.0	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**
	6,225.3	**3,291.6**	**556.6**	**330.5**	**2,192.8**	**12,596.8**	**137.1**
	0.0	0.0	5.0	22.7	0.6	**28.3**	0.0
	41.3	47.8	21.1	7.7	729.1	**847.0**	9.5
	–15.1	–52.3	–27.9	–26.7	–2.4	**–124.4**	–2.6
	180.7	123.6	5.3	0.0	–266.3	**43.3**	–45.8
	0.0	0.0	-0.5	-0.8	0.0	-1.3	0.0
	6,432.2	**3,410.7**	**559.6**	**333.4**	**2,653.8**	**13,389.7**	**98.2**
	3,051.2	**1,778.8**	**351.8**	**83.6**	**1.1**	**5,266.5**	**13.8**
	0.0	0.0	3.3	7.4	0.0	**10.7**	0.0
	146.7	97.9	37.6	37.5	0.0	**319.7**	0.7
	0.0	0.0	0.0	0.0	0.0	**0.0**	0.0
	–14.6	–51.5	–27.6	–16.1	0.0	**–109.8**	0.0
	4.9	0.0	0.0	0.0	0.0	**4.9**	–4.9
	0.0	0.0	-0.4	-0.3	0.0	-0.7	0.0
	3,188.2	**1,825.2**	**364.7**	**112.1**	**1.1**	**5,491.3**	**9.6**
	3,244.0	**1,585.5**	**194.9**	**221.3**	**2,652.7**	**7,898.4**	**88.6**

Segment Reporting

(Note 42)

€ million		Aviation	Retail & Real Estate	Ground Handling	International Activities & Services	Reconcilia-tion	Group
Revenue	2022	828.1	446.4	550.1	1,369.8	–	**3,194.4**
	2021	587.5	319.1	386.4	850.3	–	**2,143.3**
Other income	2022	27.9	30.7	8.0	112.6	–	**179.2**
	2021	187.9	23.2	6.8	174.7	–	**392.6**
Income with third parties	**2022**	**856.0**	**477.1**	**558.1**	**1,482.4**	**–**	**3,373.6**
	2021	**775.4**	**342.3**	**393.2**	**1,025.0**	**–**	**2,535.9**
Inter-segment income	2022	87.8	213.8	34.4	338.4	–674.4	**–**
	2021	79.8	194.7	29.2	309.4	–613.1	**–**
Total income	**2022**	**943.8**	**690.9**	**592.5**	**1,820.8**	**–674.4**	**3,373.6**
	2021	**855.2**	**537.0**	**422.4**	**1,334.4**	**–613.1**	**2,535.9**
Segment result EBIT	**2022**	**40.6**	**256.3**	**–111.6**	**379.2**	**–**	**564.5**
	2021	**25.8**	**165.6**	**–109.5**	**231.8**	**–**	**313.7**
Depreciation and amortization of segment assets	2022	134.8	86.6	37.7	206.2	–	**465.3**
	2021	134.4	85.2	37.3	186.4	–	**443.3**
EBITDA	**2022**	**175.4**	**342.9**	**–73.9**	**585.4**	**–**	**1,029.8**
	2021	**160.2**	**250.8**	**–72.2**	**418.2**	**–**	**757.0**
Share of result from companies accounted for using the equity method	2022	0.1	–3.5	9.2	71.2	–	**77.0**
	2021	0.0	7.6	2.4	8.8	–	**18.8**
Income from investments	2022	0.0	0.0	0.1	0.0	–	**0.1**
	2021	0.0	0.0	0.0	0.0	–	**0.0**
Carrying amounts of segment assets	December 31, 2022	6,406.9	3,727.4	1,035.3	6,245.2	192.8	**17,607.6**
	December 31, 2021	6,219.1	3,590.4	967.5	5,259.6	203.4	**16,240.0**
Segment liabilities	December 31, 2022	5,603.7	3,191.8	890.8	3,630.0	159.4	**13,475.7**
	December 31, 2021	5,279.6	2,964.3	816.0	3,103.5	167.6	**12,331.0**
Acquisition cost of additions to property, plant, and equipment, investments in airport operating projects, goodwill, intangible assets, and investment property	2022	426.0	230.7	92.9	409.1	–	**1,158.7**
	2021	465.1	264.3	89.6	293.6	–	**1,112.6**
Other considerable non-cash effective expenses	2022	88.0	46.0	18.1	17.5	6.1	**175.7**
	2021	48.8	23.7	12.3	12.7	–	**97.5**
Investments in companies accounted for using the equity method	December 31, 2022	0.6	29.0	12.5	449.3	–	**491.4**
	December 31, 2021	0.0	23.3	8.7	39.3	–	**71.3**

Geographical information

€ million		Germany	Rest of Europe	Asia	America	Reconciliation	Group
	2022	1,886.1	513.1	10.8	784.4	–	**3,194.4**
Revenue	2021	1,346.6	304.8	9.9	482.0	–	**2,143.3**
	2022	73.1	24.4	54.6	27.1	–	**179.2**
Other income	2021	224.7	103.4	1.1	63.4	–	**392.6**
	2022	**1,959.2**	**537.5**	**65.4**	**811.5**	**–**	**3,373.6**
Income with third parties	**2021**	**1,571.3**	**408.2**	**11.0**	**545.4**	**–**	**2,535.9**
	December 31, 2022	11,398.0	3,113.3	691.4	2,212.1	192.8	**17,607.6**
Carrying amounts of segment assets	December 31, 2021	11,027.7	3,015.6	263.8	1,729.5	203.4	**16,240.0**
Acquisition cost of additions to property, plant, and equipment, investments in airport operating projects, intangible assets, and investment property	2022	770.3	20.7	0.0	367.7	–	**1,158.7**
	2021	836.4	28.0	0.0	248.2	–	**1,112.6**

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, 2022 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 2022 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 approved the consolidated financial statements of Fraport AG for the 2022 financial year at its meeting on February 24, 2023 for publication. The Supervisory Board approved the consolidated financial statements in its meeting on March 13, 2023.

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 2022 fiscal year:

Companies included in consolidation

	Germany	Other countries	Total
Fraport AG	**1**	**0**	**1**
Fully consolidated subsidiaries			
December 31, 2021	29	30	59
Additions	0	0	0
Disposals	–4	0	–4
December 31, 2022	**25**	**30**	**55**
Companies accounted for using the equity method			
Joint ventures			
December 31, 2021	11	4	15
Additions	2	0	2
Disposals	–1	0	–1
December 31, 2022	**12**	**4**	**16**
Associated companies			
December 31, 2021	3	2	5
Additions	0	0	0
Disposals	0	–1	–1
December 31, 2022	**3**	**1**	**4**
Companies consolidated including companies accounted for using the equity method on December 31, 2021	44	36	80
Companies consolidated including companies accounted for using the equity method on December 31, 2022	**41**	**35**	**76**

On June 23, 2022, the joint venture FraAlliance GmbH was entered into the commercial register. Fraport AG and Lufthansa Commercial Holding GmbH each hold 50% of the shares in the newly founded company, which is intended to further improve the strategic and operational cooperation between the two companies.

Furthermore, Fraport Casa Commercial GmbH founded the joint venture PEG Europa Real Estate GmbH, Neu-Isenburg along with GVG Grundvermögen GmbH & Co. KG. Entry into the commercial register took place on March 11, 2022. The company's purpose is the acquisition, as well as the development and marketing of properties in the vicinity of the airport, in particular in Mörfelden-Walldorf.

On November 12, 2021, FraSec Fraport Security Services GmbH sold a total of 51% of the capital shares in FraSec Luftsicherheit GmbH to Dr. Sasse AG. The sale took place in two stages in accordance with the share and transfer agreement. In the first stage, 26% of the capital shares were transferred effective January 1, 2022. In a second stage, a further 25% were transferred effective January 1, 2023. The assets and liabilities of the company were already classified and measured "held for sale" in accordance with the IFRS 5 as at December 31, 2021. The deconsolidation and recognition of shares accounted for using the equity method at fair value took place on January 1, 2023.

As part of a chain merger, VCS Verwaltungsgesellschaft für Cleaning Service mbH, Fraport-Beteiligungsholding GmbH, Flughafen Kanalreinigungsgesellschaft mbH and Frankfurter Kanalreinigungsgesellschaft mbH were merged to the previously converted Fraport Facility Services GmbH (formerly GCS Gesellschaft für Cleaning Service mbH & Co. Airport Frank-furt/Main KG) in the 2022 fiscal year.

The incorporations, partial sales and mergers in the reporting year had no substantial effects on the Fraport consolidated financial statements.

Effective May 24, 2022, all shares in the associated company Xi'an Xianyang International Airport Co., Ltd. (Xi'an) have been sold at a price of RMB1.11 billion. Other operating income of €53.7 million resulted from the sale. €33.4 million thereof resulted from recycling of currency translation differences, which were recognized directly in shareholders' equity without affecting profit or loss over the period of share ownership. In addition, the reversal of the impairment loss recognized on the at-equity shares in previous years had a positive effect of €20.0 million on the financial result.

Furthermore, Fraport Real Estate Mönchhof GmbH & Co. KG sold all capital shares (50%) to the joint venture D-Port Logistik GmbH effective December 9, 2022. Other operating income of €18.6 million resulted from the sale.

In December 2022, the co-shareholder in the Greek affiliated companies fully exercised the existing purchase option to acquire further capital shares (up to 8.4%). In addition to the sale of capital shares (€16.6 million) pro rata loan and interest receivables (€53.2 million) to the Greek companies were sold at a purchase price of €82.3 million. Thus, Fraport AG has reduced its capital share to 65%. As it involved a transaction with non-controlling interests, there was no effect on the earnings contribution from the sale. The effects were recognized directly in the shareholders' equity accordingly. The liability balanced for the "short position" was derecognized without affecting profit or loss.

As at December 31, 2022, a total of 76 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.

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, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Participation quota of non-controlling interests in %	**35.00**	**26.60**	**35.00**	**26.60**	**19.99**	**19.99**	**40.00**	**40.00**
Non-current assets	970.0	1,014.1	984.5	1,022.1	1,176.2	777.9	154.2	161.2
Current assets	249.0	128.3	244.7	93.8	87.6	62.5	25.5	16.4
Non-current liabilities	1,024.1	993.1	1,081.0	1,002.9	256.7	260.2	63.9	69.3
Current liabilities	70.2	72.6	70.1	57.1	555.2	188.1	15.9	12.4
Shareholders' equity/net assets	**124.7**	**76.7**	**78.1**	**55.9**	**451.9**	**392.1**	**99.9**	**95.9**
Carrying amount, non-controlling interests	43.6	20.4	27.3	14.9	90.4	78.4	40.0	38.3

	2022	2021	2022	2021	2022	2021	2022	2021
Revenue	236.2	138.3	207.5	117.1	590.1	345.2	43.5	29.3
EBITDA	149.3	102.1	119.2	101.4	100.2	54.7	19.3	15.1
Result after taxes	46.7	12.9	21.2	10.3	37.2	11.2	4.2	0.9
Other result	1.3	2.7	0.9	1.8	0.0	0.0	–0.2	–0.2
Currency translation differences	0.0	0.0	0.0	0.0	23.1	28.9	0.0	0.0
Comprehensive income	**48.0**	**15.6**	**22.1**	**12.1**	**60.3**	**40.1**	**4.0**	**0.7**
Proportion of non-controlling interests in comprehensive income	16.8	4.1	7.7	3.2	12.1	8.0	1.6	0.3
Cash flow from operating activities	116.1	51.6	97.4	55.0	119.4	141.2	19.2	15.4
Cash flow used in investing activities	–3.8	–14.6	–4.8	–11.9	–360.1	–202.3	–10.8	–9.3
thereof investments in airport operating projects	0.0	0.0	0.0	0.0	–341.2	0.0	–7.1	–6.7
thereof in infrastructure	–3.8	–14.6	–4.8	–11.9	–18.9	–202.3	–3.7	–2.6
Cash flow used in financing activities	2.6	–18.8	54.6	–17.5	249.1	39.5	0.0	–0.6
Change in cash and cash equivalents	**114.9**	**18.2**	**147.2**	**25.6**	**8.4**	**–21.6**	**8.4**	**5.5**
Cash and cash equivalents as at January 1	76.9	59.5	54.6	23.8	42.4	59.0	13.0	7.5
Changes in restricted cash	–22.6	–0.8	–35.7	5.2	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	2.5	5.0	0.0	0.0
Cash and cash equivalents as at December 31	169.2	76.9	166.1	54.6	53.3	42.4	21.4	13.0
Dividends to non-controlling interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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.

Intercompany profits and losses on trade accounts payable between companies included in the consolidated financial statements were minimal.

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, 2022	Average exchange rate 2022	Exchange rate December 31, 2021	Average exchange rate 2021
1 US Dollar (US-$)	0.9367	0.9496	0.8835	0.8455
1 Turkish New Lira (TRY)	0.0500	0.0574	0.0661	0.0951
1 Renminbi Yuan (CNY)	0.1355	0.1413	0.1391	0.1311
1 Hong Kong Dollar (HKD)	0.1202	0.1213	0.1133	0.1088
1 Peruvian Nuevo Sol (PEN)	0.2473	0.2476	0.2214	0.2179
100 Russian Rubles (RUB)	1.3063	1.3469	1.1768	1.1474
1 Brazilian Real (BRL)	0.1771	0.1838	0.1586	0.1568

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	Nominal value
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 (see note 49), as well as from security services at the Frankfurt site. 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. Provisions for maintenance measures are formed if maintenance obligations of specified amounts arise from the concession agreements. Costs for ongoing, scheduled maintenance measures are therefore recognized as current expenses of the period.

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 owner-occupation, 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, financing charges in respect of finance leases, 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	10-39
Software and other intangible assets	1-30
Buildings (structural sections)	1-80
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 2023 to 2027 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 2030 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: 1.0% to 2.0%) 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) after taxes of between 6.3% and 16.5% (previous year: 4.6% to 12.7%).

In particular, due to the continuing challenging market environment in 2022 as a result of the war in Ukraine and the resulting negative impact on the earnings forecast for the following years, Fraport assessed the impairment of non-current assets of the Group companies in accordance with IAS 36.12 and IAS 36.13.

The forecasts presented in the “Business Outlook” on the recovery of traffic figures at the Frankfurt site to the levels before the pandemic by 2026 correspond to the base scenario of the planning and have been incorporated into the calculations of the impairment tests.

Due to the increased uncertainties in planning given the war in Ukraine and the associated economic consequences, and the future inflation rate, 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. The increase in the WACC leads to an impairment requirement in the low double-digit million range for the Slovenia cash-generating unit, while the increase results in a mid double-digit million amount for the Greek cash-generating units and in a high double-digit million amount for the Lima cash-generating unit. The impairment of the cash-generating units within the framework of the revenue scenarios was further confirmed. For the cash-generating unit airport operations of Fraport AG, the increase in the WACC leads to an impairment requirement in the low three-digit million range.

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. The individual cash flow scenarios were then discounted with different capital cost rates ranging from 5.7% to 6.8%. 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.

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 is even with a reduced growth rate of the perpetual annuity of 0.5%. The adjustment to the growth rate leads to an impairment requirement in the low three-digit million amount.

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.BC 86), 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, the Fraport Group recognizes the lease object in its balance sheet when a finance lease exists and shows it as a receivable in the amount equal to the net investment in 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. Non-current low-interest or interest-free loans are recognized at their present value. 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. Value changes are recognized in other result, and if there is an early sale, profit or loss from shareholders' equity are recycled with an effect on the income statement.

For other investments, the FVOCI option was 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 nominal value. 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 3.69% (previous year: 0.90%). 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 2.99% (previous year: 0.03%).

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.

As at the reporting date, there were no cash flow hedges.

Treasury shares

Repurchased treasury shares are deducted from the issued capital and the capital reserve.

Stock options

The value of the remuneration within the scope of the annual employee investment plan is not based on the performance of the shares, which means that the employee investment plan does not fall within the scope of application of IFRS 2.

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.

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.

Receivables from contracts with customers

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, 2022 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, 2022 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, 2022.

On May 14, 2020, the IASB published amendments to several IFRS standards. The amendments relate to the following standards: IFRS 3 "Business Combinations" - Reference to the Framework; IAS 16 "Property, Plant and Equipment" - Revenue before Intended Use of the Asset. The amendment provides that revenue generated during the period in which an item of property, plant and equipment is brought to its location or to its working condition may be deducted from the cost of the asset. In addition, there were changes in connection with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" - onerous contracts, contract performance costs. Accordingly, when assessing whether contracts will be loss-making, all costs directly attributable to the contract as well as costs that would not be incurred in the absence of the contract are to be taken into account. In addition, the annual "Improvements to IFRSs 2018-2020" were published with minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41. All amendments are effective January 1, 2022, with different transitional provisions. The amendments were endorsed in EU law on July 2, 2021 and are effective for annual periods beginning on or after January 1, 2022. All amendments did not have a substantial impact on the reporting of the asset, financial, and earnings position of the Fraport Group.

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 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 is permitted. The amendments to IAS 1 and IAS 8 are not expected to 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 is permitted. The effects of the application of the amendments to IAS 12 are not expected to be substantial for the reporting of the asset, financial, and earnings position of the Fraport Group.

Standards, interpretations, and amendments that have been published, but not yet adopted into European law by the European Commission

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 must be applied from January 1, 2023. An earlier application is permitted, but this requires EU endorsement. The effects of the application of the new classification of liabilities as current or non-current are currently being analyzed for the reporting of the asset, financial, and earnings position of the Fraport Group.

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 must be applied from January 1, 2024. An earlier application is permitted, but this requires EU endorsement. 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 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. The disclosures should enable investors to evaluate the risk that a non-current liability could become repayable within twelve months and includes the following information, amongst other things: carrying amount of the liability, type of covenant, 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. Earlier application is permitted. 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 – Global Anti-Base Erosion Rules (GloBE)

The OECD is currently working on the introduction of a global minimum taxation (OECD – Pillar 2). The regulations are intended to ensure that the income of multinational groups with annual sales of at least €750 million is subject to a minimum tax rate of 15%. As a potentially affected group of companies, the Fraport Group is following the developments to introduce a global minimum tax rate, analyzing the existing regulations and drafts with regard to their impacts on the Group and working on the required adjustments to the tax reporting processes. As the regulations have not yet been finalized in local law, the analysis of the impacts has not yet been completed. Estimation of the financial impacts has therefore not been performed yet.

Notes to the Consolidated Income Statement

5 Revenue

Revenue

€ million	2022	2021
Aviation		
Airport charges	618.4	361.7
Security services	173.7	194.1
Other revenue	36.0	31.7
	828.1	**587.5**
Retail & Real Estate		
Real Estate	185.9	168.8
Retail	153.6	72.1
Parking	78.9	51.4
Other revenue	28.0	26.8
	446.4	**319.1**
Ground Handling		
Ground services	291.2	221.2
Infrastructure charges	237.5	141.5
Other revenue	21.4	23.7
	550.1	**386.4**
International Activities & Services		
Aviation	594.6	316.6
Non-Aviation	444.1	292.0
Contract revenue from construction and expansion services (IFRIC 12)	331.1	241.7
	1,369.8	**850.3**
Total	**3,194.4**	**2,143.3**

In fiscal year 2021, the agreement reached with the German Federal Police in connection with billed aviation security services in recent years had a positive effect of €57.8 million on revenue from security services in the Aviation segment. Information on revenue can be found in the management report under the chapter "Results of Operations" as well as the segment reporting (see note 42).

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 €127.8 million (previous year: €56.9 million) was realized. The underlying lease contracts in the Retail section for fiscal year 2022 contain contractually agreed minimum lease payments of €33.6 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 42 years on average (previous year: 43 years).

The acquisition and production costs of the leased buildings and land amount to €523.9 million (previous year: €522.4 million). Cumulative depreciation and amortization came to €380.2 million (previous year: €375.6 million), of which depreciation and amortization amounted to €4.3 million for the fiscal year (previous year: €4.8 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 (€594.6 million; previous year: €316.6 million). Revenue in the Non-Aviation section was €288.1 million (previous year: €171.7 million), resulting from retail and real estate activities as well as parking. In addition, €84.5 million (previous year: €58.8 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 €331.1 million (previous year: €241.7 million) was attributed to Lima (€312.1 million; previous year: €190.3 million), Greece (€10.3 million; previous year: €29.9 million) as well as Fortaleza and Porto Alegre (€8.7 million; previous year: €21.5 million).

Revenue in the amount of €3,194.4 million (previous year: €2,143.3 million) resulted from €2,236.2 million (previous year: €1,484.2 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**	**2022**
Minimum lease payments	162.0	93.2	86.7	81.7	79.7	1,505.2	2,008.5

€ 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**	**2021**
Minimum lease payments	144.9	103.0	85.8	76.9	74.3	1,505.3	1,990.2

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	**2022**	**2021**
Other internal work capitalized	39.9	38.0

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	**2022**	**2021**
Net income from the sale of investments in companies accounted for using the equity method	72.3	0.0
Compensation claims in connection with Covid 19	49.2	320.9
Releases of allowances	2.0	0.9
Income from compensation payments	1.1	5.5
Gains from disposal of non-current assets	0.4	6.5
Releases of special items for investment grants	0.5	0.5
Change in work-in-process	0.1	0.0
Others	13.7	20.3
Total	**139.3**	**354.6**

In the 2022 fiscal year all shares in the associated company Xi’an and in the joint venture D-Port Logistik GmbH were sold. A net income of €53.7 million (Xi’an) and €18.6 million (D-Port Logistik GmbH) resulted from the transactions.

The income from releases of valuation allowances resulted in the amount of €1.9 million from released valuation allowances on receivables from joint ventures.

Furthermore, compensation claims totaling €49.2 million were realized again in connection with Covid-19 (previous year: €320.9 million). This mainly relates to the agreements reached at Fraport Greece (€23.6 million; previous year: €92.8 million) and the two Brazilian Group companies (€18.5 million, previous year: €26.5 million). In addition, the waiver of short-term minimum lease payments at the Group companies of Fraport USA in the amount of €3.2 million (previous year: €35.2 million) had a positive effect in fiscal year 2022. In contrast, the previous year was influenced in particular by the compensation of €159.8 million granted by both the German Federal Government and the State of Hesse for the holding costs incurred in the first lockdown in 2020 at the Frankfurt site.

8 Cost of Materials

Cost of materials

€ million	2022	2021
Cost of raw materials, consumables, supplies, and real estate inventories	–409.8	–299.1
Cost of purchased services	–691.8	–451.6
Total	**–1,101.6**	**–750.7**

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 €183.1 million (previous year: €77.9 million), as well as order costs for construction and expansion services of €331.1 million (previous year: €241.7 million), which were allocated to the cost of raw materials, consumables, supplies, and real estate inventories.

9 Personnel Expenses and Number of Employees

Personnel expenses and average number of employees

€ million	2022	2021
Remuneration for staff	–842.8	–721.1
Social security and welfare expenses	–164.1	–135.9
Pension expenses	–29.8	–27.3
Total	**–1,036.7**	**–884.3**

Average number of employees	2022	2021
Permanent employees	18,052	18,092
Temporary staff (interns, students, and partially employed staff)	798	327
Total	**18,850**	**18,419**

Additions to pension provisions and additions to obligations arising from time-account models are included in personnel expenses.

The contributions for short-time work schedules resulted in a reduction in personnel expenses of €1.9 million (previous year: €78.0 million). Of this amount, €0.5 million (previous year: €30.9 million) was attributable to social security contributions to be reimbursed.

10 Depreciation and Amortization

Depreciation and amortization

€ million	2022	2021
Composition of depreciation and amortization		
Goodwill		
non-regular	0.0	0.0
Investments in airport operating projects		
regular	–113.5	–104.6
Other intangible assets		
regular	–17.4	–17.4
non-regular	–3.4	–0.9
Property, plant, and equipment		
regular	–326.7	–319.7
non-regular	–3.4	0.0
Investment property		
regular	–0.9	–0.7
Total	**–465.3**	**–443.3**

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 €7.4 million year on year (previous year: €12.2 million) and increased depreciation and amortization of €2.1 million (previous year: €1.1 million).

Non-regular depreciation and amortization

Non-regular depreciation and amortization relate to the Group company Fraport USA.

11 Other Operating Expenses

Other operating expenses

€ million	2022	2021
Indemnities	–34.4	–2.6
Insurances	–32.9	–31.6
Consulting, legal, and auditing expenses	–26.0	–21.4
Costs for advertising and representation	–14.4	–9.6
Rental and lease expenses	–12.4	–10.2
Other taxes	–9.4	–10.7
Write-downs of trade accounts receivable	–6.3	–3.3
Losses from disposal of non-current assets	–1.8	–2.0
Others	–67.9	–52.5
Total	**–205.5**	**–143.9**

The expenses for damages result from the formation of provisions (see note 40). 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 include: Other administrative expenses (e.g., for office supplies), expenses from environmental protection measures, contributions and fees, as well as travel and training costs.

The consulting, legal, and audit expenses include Group auditor fees (disclosed in accordance with Section 314 (1) no. 9 HGB) amounting to €2.1 million (previous year: €2.3 million). Other key certification services provided by the external auditor for Fraport AG related, in particular, to the expert opinion on the chargeable cost basis, as well as to the audit of the non-financial statement. They are comprised as follows:

Group auditor fees

€ million	2022		2021	
	Fraport AG	Consolidated companies	Fraport AG	Consolidated companies
Audit services	1.4	0.3	1.4	0.3
Other certification services	0.4	0.0	0.5	0.0
Tax audit services	0.0	0.0	0.0	0.0
Other benefits	0.0	0.0	0.1	0.0
Total	**1.8**	**0.3**	**2.0**	**0.3**

12 Interest Income and Interest Expenses

Interest income and interest expenses

€ million	2022	2021
Interest income	53.0	43.8
Interest expenses	–313.5	–268.7

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. The increase in interest expenses of €44.8 million resulted mainly from the extensive financing measures by Fraport AG in 2021, as well as in the amount of €19.3 million from the release of the original financing as part of a refinancing in Greece.

Interest income and interest expenses for financial instruments that are not recognized in income at fair value

€ million	2022	2021
Interest income from financial instruments	33.8	40.9
Interest expenses from financial instruments	–304.9	–257.5

13 Result from Companies accounted for Using the Equity Method

Result from companies accounted for using the equity method

€ million	2022	2021
Joint Ventures	58.9	33.8
Associated companies	18.1	–15.0
Total	**77.0**	**18.8**

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 +€59.8 million (previous year: +€16.7 million), as well as the expenses from a contractually agreed tax settlement payment from Fraport AG to FAR of -€8.9 million (previous year: -€6.7 million). 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	2022	2021
Income		
Foreign currency translation rate gains, unrealized	4.1	1.1
Foreign currency translation rate gains, realized	3.1	3.0
Valuation of derivatives	11.8	3.1
Others	5.7	7.2
Total	**24.7**	**14.4**
Expenses		
Foreign currency translation rate losses, unrealized	–0.9	–1.6
Foreign currency translation rate losses, realized	–3.1	–2.1
Valuation of derivatives	–0.2	–0.5
Write-off of loan receivable from Thalita	–163.3	0.0
Others	–4.3	–1.4
Total	**–171.8**	**–5.6**
Total other financial result	**–147.1**	**8.8**

Other income included in the financial result is primarily the fair value of the minority shareholder's option to purchase further shares in the companies Fraport Regional Airports of Greece of €4.7 million (previous year: €7.1 million), which was measured until the option was exercised. The expenses of the other financial result have increased substantially due to the depreciation and amortization of the loan receivable from Thalita Trading Ltd. (see note 22).

15 Taxes on Income

Income tax expense breaks down as follows:

Taxes on income

€ million	2022	2021
Current taxes on income	–22.7	–33.4
Deferred taxes on income	–44.6	8.8
Total	**–67.3**	**–24.6**

Current income tax expense consists of current taxes on income for the year under review (€21.9 million, previous year: €18.9 million) and taxes on income for previous years (€0.8 million, previous year: €14.5 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 31%, which includes trade tax, is applied, unchanged from the previous year.

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, 2022, based on current information, the Fraport Group 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: €5.3 million related to trade taxes and €0.5 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 €618.4 million (corporation taxes; previous year: €613.2 million) and €715.3 million (trade taxes; previous year: €679.8 million) as well as utilizable losses carried forward aboard of €97.1 million (previous year: €23.0 million).

As at December 31, 2022, the Fraport Group no longer has any interest carry-forwards (previous year: €184.6 million). The interest carry-forwards from the previous year resulted from Fraport Greece A and Fraport Greece B exclusively.

For temporary differences in connection with shares in subsidiaries amounting to €678.8 million (previous year: €529.6 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 1.55% 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		2022		2021
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Investments in airport operating projects	16.5	–118.6	9.7	–116.4
Other intangible assets	2.0	–13.1	0.0	–15.1
Property, plant, and equipment	3.0	–275.4	2.7	–270.7
Financial assets	2.3	0.0	1.4	0.0
Accounts receivable and other assets	4.6	–20.0	6.5	–0.3
Provisions for pensions	4.6	0.0	8.8	0.0
Other provisions	34.5	–3.0	51.9	–0.9
Liabilities	237.9	–0.2	232.4	0.0
Securities and financial derivatives	18.9	0.0	1.1	–0.3
Losses and interest carried forward	236.1	0.0	249.5	0.0
Total separate financial statements	**560.4**	**–430.3**	**564.0**	**–403.7**
Offsetting	–406.4	406.4	–384.4	384.4
Consolidation measures	5.5	–17.5	3.0	–18.4
Consolidated Statement of Financial Position	**159.5**	**–41.3**	**182.6**	**–37.7**

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-increasing deferred taxes of €18.2 million (previous year: equity-decreasing deferred taxes of €0.4 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-decreasing deferred taxes resulted primarily from the revaluation of defined benefit plans to the value of €3.4 million (previous year: equity-decreasing deferred taxes to the value of €2.0 million).

The following reconciliation shows the relationship between expected tax expense and tax expense in the consolidated income statement:

Tax reconciliation

€ million	2022	2021
Earnings before taxes on income	233.9	116.4
Expected tax income/expense[1)]	–72.5	–36.1
Tax effects from differences in foreign tax rates	5.6	5.9
Tax credit from tax-free income	8.8	5.1
Taxes on non-deductible operating expenses	–6.4	–2.0
Non-creditable non-German withholding tax	–0.8	–0.4
Permanent differences including non-deductible tax provisions	–0.9	–11.7
Result of companies accounted for using the equity method	49.5	0.7
Non-utilizable tax losses carried forward	–48.1	0.0
Utilization of not balanced tax losses carried forward	0.0	5.4
Trade effects and other effects from local taxes	–3.9	–2.8
Prior-period taxes	–0.3	10.1
Others	1.7	1.2
Taxes on income according to the income statement	**–67.3**	**–24.6**

[1)] Expected tax rate around 31%, for corporation tax 15.0% plus solidarity surcharge 5.5 % and trade tax of around 15.5 % (unchanged from the previous year).

The consolidated tax rate for the 2022 fiscal year is 28.8% (previous year: 21.1%).

16 Earnings per Share

Earnings per share

	2022		2021	
	basic	diluted	basic	diluted
Group result attributable to shareholders of Fraport AG in € million	132.4	132.4	82.8	82.8
Weighted number of shares	92,391,339	92,529,395	92,391,339	92,741,339
Earnings per €10 share in €	1.43	1.43	0.90	0.89

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 2022 fiscal year, the basic earnings per €10 share amounted to €1.43.

The rights to purchase shares acquired by employees under the employee share program (MAP) (authorized capital) result 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.

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, 2022	Carrying amount December 31, 2021
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, 2022:

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	9.7 %	–	3.7 %	2022 to 2053

*The forecast period up to 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 2027 to 2053. Over the entire forecast period, the average revenue growth is 5.1%.

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 €16.3 million, while an adjustment of the growth forecasts by -0.5 percentage points results in a need for impairment of €1.8 million.

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, 2022	December 31, 2021
Investments in airport operating projects	3,769.1	3,416.4

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 €1,845.0 million (previous year: €1,889.6 million) as well as capital expenditure of €1,870.9 million (previous year: €1,507.4 million) and prepayments of €53.2 million (previous year: €19.4 million). They relate to terminal operation at the concession airports in Greece at

€1,933.0 million (previous year: €1,986.7 million), Lima at €1,094.9 million (previous year: €726.7 million), Fortaleza and Porto Alegre at €595.9 million (previous year: €551.6 million), as well as Varna and Burgas at €145.3 million (previous year: €151.5 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 €35.8 million (previous year: €39.6 million), of which €7.6 million (previous year: €13.8 million) were capitalized. Interest rates on loans range from 7.3% and 13.1%. 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 €1.2 million (previous year: €0.7 million).

As part of the expansion at Lima Airport, loans amounting to €313.8 million were raised as part of specific financing and in this context borrowing costs of €10.5 million (previous year: €3.7 million) were capitalized. The loan will accumulate interest at an interest rate of 4.97%.

19 Other Intangible Assets

Other intangible assets

€ million	December 31, 2022	December 31, 2021
Other concession and operator rights	50.9	57.4
Software and other intangible assets	45.0	48.4
Total	**95.9**	**105.8**

The other concession and operator rights include the right derived from an existing, long-term land use contract to operate the airport in Ljubljana (€50.9 million, previous year: €52.5 million) with a remaining term of 31 years (previous year: 32 years). The concession rights in the retail area accounted for by Fraport USA (previous year: €4.9 million) were fully depreciated in the 2022 fiscal year (see note 10).

The other intangible assets as at the reporting date contain internally generated intangible assets with residual carrying amounts of €7.7 million (previous year: €8.3 million). At closing date further €2.3 million (previous year: €1.8 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 20 years. Depreciation and amortization in the fiscal year amounted to €1.6 million (previous year: €4.0 million).

20 Property, Plant, and Equipment

Property, Plant, and Equipment

€ million	December 31, 2022	December 31, 2021
Land, land rights, and buildings, including buildings on leased lands	3,172.3	3,244.0
Technical equipment and machinery	1,534.5	1,585.5
Other equipment, operating, and office equipment	179.3	194.9
Construction in progress	3,294.1	2,652.7
Right of use assets leases	191.6	221.3
Total	**8,371.8**	**7,898.4**

Additions in the 2022 fiscal year amounted to €779.8 million (previous year: €847.0 million). Of this, €593.7 million (previous year: €625.4 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 €21.5 million (previous year: €19.4 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 1.5% (previous year: around 1.6%). In addition, specific project financing has been concluded for measures related to the construction of Terminal 3. In total, borrowing costs of €4.3 million (previous year: €3.6 million) were capitalized in the financial year. The average financing cost rate was around 0.6% (previous year: around 0.6%).

As at the balance sheet date, property, plant, and equipment with a carrying amount totaling €0.1 million (previous year: €0.2 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 €3,060.1 million (previous year: €3,129.1 million). As at the balance sheet date of 2022, 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	2022	2021
Carrying amount of right-of-use assets as of December 31	191.6	221,3
Carrying amount of lease liabilities as of December 31	208.9	238,5
Additions right-of-use assets/ lease liabilities in fiscal year 2020	0.2	7,7
Total cash outflow for leases	69.3	43,9
Expenses related to variable lease payments not included in the measurement of lease liabilities	21.1	20,8
Interest expense on lease liabilities	8.5	8,9
Income from subleasing right-of-use assets	85.3	52,5
Leases not yet commenced to which the lessee is committed	0.6	0,1

Right-of-use assets as at the balance sheet date amounted to €152.0 million (previous year: €176.3 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. The longest-running contract with Fraport USA as at the reporting date ends on January 31, 2029.

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 €264.4 million. A maturity analysis of the lease liabilities is shown in note 47.

In the Fraport Group, income of €3.2 million (previous year: €35.2 million) from the application of the relief provisions to IFRS 16.46 adopted on May 28, 2020 was realized in the fiscal 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

in Mio €	Carrying amount December 31, 2022	Carrying amount December 31, 2021	Fair value December 31, 2022	Fair value December 31, 2021
Undeveloped land – Level 2	3.1	21.7	2.6	21.3
Undeveloped land – Level 3	7.4	7.4	14.8	14.8
Developed land – Level 3	58.6	59.5	82.6	82.0
Total	**69.1**	**88.6**	**100.0**	**118.1**

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 decrease in the carrying amount is the result of necessary reclassifications to property, plant, and equipment.

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 2022 fiscal year amounted to €6.1 million (previous year: €4.2 million). The total costs incurred for the maintenance of investment property amounted to €1.0 million (previous year: €0.9 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, obligations exist for the acquisition of investment property amounting to €0.1 million (previous year: €0.4 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 primarily applies to the airports in Antalya and Pulkovo.

Shares in joint ventures

Fraport TAV Antalya Terminal Isletmeciligi Anonim Sirketi, Antalya/ Türkiye (“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, Türkiye, ("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. In the first stage, financing of around €1.4 billion was raised for the advance payment and the expansion investments of around €765.3 million.

Summarized financial position

€ million		Antalya I		Antalya II
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Non-current assets	**504.2**	**546.9**	**4,364.7**	**3,940.0**
Non-current liabilities	**467.4**	**588.4**	**3,576.5**	**3,940.0**
thereof financial liabilities	55.5	97.1	3,570.3	3,940.0
thereof other liabilities (including trade accounts payable)	411.9	491.3	6.2	0.0
Current assets	**290.2**	**114.8**	**43.6**	**0.0**
thereof cash and cash equivalents	184.6	74.8	41.3	0.0
thereof other assets	105.6	40.0	2.3	0.0
Current liabilities	**214.2**	**52.3**	**103.8**	**0.0**
thereof financial liabilities	152.3	41.6	88.6	0.0
thereof other current liabilities (including trade accounts payable)	61.9	10.7	15.2	0.0
Net assets	**112.8**	**21.0**	**728.0**	**0.0**
Pro rata share of net assets	56.4	10.5	364.0	0.0
Goodwill	16.9	16.9	0.0	0.0
Investment carrying amount	**73.3**	**27.4**	**364.0**	**0.0**

Results data for Antalya

€ million	2022	2021	2022	2021
Revenue	396.6	266.6	101.5	0.0
EBITDA	323.0	202.7	–7.5	0.0
Regular depreciation and amortization	–114.7	–110.6	0.0	0.0
Interest income	2.7	0.6	0.3	0.0
Interest expenses	–34.6	–36.7	–4.8	0.0
Currency translation differences	–11.6	–12.9	0.0	0.0
Taxes on income	–45.2	–9.7	–10.6	0.0
Result after taxes	**119.6**	**33.4**	**–22.6**	**0.0**
Other result	–0.1	0.2	0.0	0.0
Comprehensive income	**119.5**	**33.6**	**–22.6**	**0.0**

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	
	2022	2021	2022	2021	2022	2021	2022	2021
Investment carrying amount as at January 1 (Fraport share)	**27.4**	**20.0**	**0.0**	**0.0**	**41.5**	**30.2**	**68.9**	**50.2**
Share of annual net profit/losses	59.8	16.7	–11.3	0.0	10.4	17.1	58.9	33.8
Share of other result	–0.1	0.1	0.0	0.0	0.0	0.0	–0.1	0.1
Comprehensive income	**59.7**	**16.8**	**–11.3**	**0.0**	**10.4**	**17.1**	**58.8**	**33.9**
Dividends	–13.8	–9.4	0.0	0.0	–4.0	–6.8	–17.8	–16.2
Other adjustments	0.0	0.0	0.0	0.0	1.9	–1.2	1.9	–1.2
Additions	0.0	0.0	375.3	0.0	2.0	2.2	377.3	2.2
Investment carrying amount as at December 31 (Fraport share)	**73.3**	**27.4**	**364.0**	**0.0**	**51.8**	**41.5**	**489.1**	**68.9**

There are no further significant restrictions pursuant to IFRS 12.

Investments in associated companies

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 has held 25.0% of the shares in Thalita Trading Ltd.

Due to EU sanctions against Russia in connection with the Russian war of aggression in Ukraine, the operations of the airport in Pulkovo are currently being performed exclusively by the local management of NCG without any decisions being taken by the parent company Thalita Trading Ltd. or its shareholders. Due to the current EU sanctions, the shareholders abstain from shareholders' meetings and resolutions. Substantial resolutions and decisions on the control of NCG/Thalita Ltd. can, however, still only be made on the basis of the company statutes and shareholder rights that are still valid. As a result, the company continues to be shown as an associated company in the consolidated financial statements. Due to accumulated losses in the past, the investment carrying amount is “zero”. In addition, the losses not recorded in the consolidated income statement were €112.3 million (previous year: €112.3 million). As the financial position and results data of the companies are therefore of no material significance for the Fraport Group, they are not presented separately below.

In connection with the financing of the “Pulkovo” operating project, the Fraport Group has a loan receivable (see note 23), and an interest receivable (see note 24) from Thalita Trading Ltd. As at June 30, 2022, the receivables in the amount of €163.3 million were fully written-off, as no further cash flows (interest and principal payments) are expected due to the current sanctions. This assessment is based, on the one hand, on a Russian presidential decree from May 2022 that prohibits the payment of Euros to the EU. On the other hand, due to the EU sanctions against Russia, it will no longer be possible to make any dividend resolutions for the foreseeable future.

NCG is not listed, there are no available active market values for the shares.

Reconciliation for carrying amounts in associated companies

€ million	Associated companies	
	2022	2021
Investment carrying amount as at January 1 (Fraport share)	**2.4**	**2.3**
Share of annual net profit/losses	–0.1	0.1
Share of other result	0.0	0.0
Currency translation differences	0.0	0.0
Comprehensive income	**–0.1**	**0.1**
Dividends	0.0	0.0
Impairments	0.0	0.0
Investment carrying amount as at December 31 (Fraport share)	**2.3**	**2.4**
Unrecorded pro rata results/losses		
In the reporting period	**–1.7**	**–4.1**
Cumulative	**–115.7**	**–114.0**

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, 2022	up to 1 year	over 1 year	December 31, 2021
Financial instruments						
Securities	265.2	791.5	1,056.7	164.1	682.4	846.5
Other investments	0.0	130.4	130.4	0.0	109.2	109.2
Loans						
Loans to joint ventures	4.5	23.2	27.7	12.5	2.0	14.5
Loans to associated companies	0.0	0.0	0.0	0.0	76.1	76.1
Other loans	0.0	228.4	228.4	0.0	62.6	62.6
Insolvency-secured funds	0.0	0.0	0.0	0.0	0.0	0.0
Total	**269.7**	**1,173.4**	**1,443.1**	**176.6**	**932.3**	**1,108.9**

In the year under review, investments in securities amounted to €619.9 million (previous year: €1,077.5 million), which partly were already disposed during the year. Other changes resulted from reclassifications to current other financial assets due to securities of €155.8 million maturing in 2023 (previous year: €93.9 million) and changes arising from valuation of –€64.7 million (previous year: –€8.5 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 2022 fiscal year, the fund units have increased by €6.1 million (no change in the previous year). As at the reporting date, acquisition costs amounted to €68.6 million (previous year: €62.5 million). These securities are measured at fair value and credited against the corresponding obligations of €66.3 million (previous year: €67.0 million) (see also note 40). At year-end, there was an underfunding from fund units of €1.4 million (previous year: €0.7 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 fiscal year on June 30, 2022 (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, 2022	up to 1 year	over 1 year	December 31, 2021
Accounts receivable from joint ventures	9.8	0.7	10.5	5.6	0.0	5.6
Accounts receivable from associated companies	0.5	0.0	**0.5**	0.8	79.1	**79.9**
Accounts receivable from other investments	0.5	0.0	**0.5**	0.3	0.0	**0.3**
Other financial assets	44.4	86.5	**130.9**	23.9	63.6	**87.5**
Total	**55.2**	**87.2**	**142.4**	**30.6**	**142.7**	**173.3**

Accounts receivable from associated companies in the 2021 fiscal year primarily included interest receivables from the interest cost added back pursuant to the effective interest method to the loan to Thalita Ltd. recorded under “Other loans”. There was a full write-off of the interest receivables in the 2022 fiscal year (see note 22).

Other assets include in particular compensation claims recognized in connection with the coronavirus pandemic.

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, 2022	up to 1 year	over 1 year	December 31, 2021
Accruals	10.6	23.4	34.0	9.7	28.6	38.3
Refunds from “Passive noise abatement/wake turbulences”	8.8	38.0	46.8	7.0	71.6	78.6
Other non-financial assets	64.7	68.0	132.7	48.9	33.7	82.6
Total	**84.1**	**129.4**	**213.5**	**65.6**	**133.9**	**199.5**

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, 2022	Receipts	Disposals	Reclassification	Interest effect	December 31, 2022
Refunds from “Passive noise abatement/ wake turbulences”	78.6	9.2	17.7	0.0	–4.9	46.8

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.

26 Income Tax Receivables

Income tax receivables

€ million	Remaining term		Total	Remaining term		Total
	up to 1 year	over 1 year	December 31, 2022	up to 1 year	over 1 year	December 31, 2021
Income tax receivables	33.3	0.0	33.3	20.9	0.0	20.9

Income tax receivables as at December 31, 2022 primarily comprised refund claims from the current year or previous years.

27 Deferred Tax Assets

Deferred tax assets

€ million	December 31, 2022	December 31, 2021
Deferred tax assets	159.5	182.6

Deferred tax assets are recognized in accordance with IAS 12. Further explanations are provided in note 15.

28 Inventories

Inventories

€ million	December 31, 2022	December 31, 2021
Raw materials, consumables, and supplies	21.5	18.1
Land and buildings for sale	0.5	0.5
Work-in-process/other	3.5	1.7
Total	**25.5**	**20.3**

Raw materials, consumables, and supplies mainly relate to consumables for the airport operation.

29 Trade Accounts Receivable

Trade accounts receivable

€ million	December 31, 2022	December 31, 2021
From third parties	177.1	152.3

For 2022, as at the reporting date, the maximum default risk without taking securities into account equaled the carrying amount of €177.1 million (previous year: €152.3 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, 2022	**177.1**	**107.3**	**37.7**	**10.9**	**21.2**
December 31, 2021	152.3	93.9	22.0	23.2	13.2

As at December 31, 2022, 18% (previous year: 15%) of outstanding accounts receivable were due from two 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. 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	2022	2021
Balance as at January 1	**20.2**	**70.8**
Allowances included in other operating expenses	6.3	3.3
Revenue-decreasing allowances	0.0	2.4
Releases included in the other income	0.0	–0.9
Release of revenue-decreasing allowances	–3.1	–31.9
Availments	–0.1	–24.5
Exchange rate differences	–0.8	1.0
Balance as at December 31	**22.5**	**20.2**

In fiscal year 2021, the agreement reached with the German Federal Police in connection with billed aviation security services in recent years, in particular, had an effect on the development of valuation allowances. The settlement of the legal dispute is primarily reflected in increased releases of revenue-decreasing valuation allowances and claims recognized in previous years.

30 Cash and Cash Equivalents

Cash and cash equivalents

€ million	December 31, 2022	December 31, 2021
Cash in hand, bank balances, and checks	2,585.2	2,662.8

The bank balances mainly include short-term time deposits as well as overnight deposits.

Cash and cash equivalents include time deposits of €1,619.7 million (previous year: €2,156.9 million) with a term of more than three months from the time of acquisition. These funds 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, €139.3 million of bank balances were subject to a drawing restriction (previous year: €74.7 million).

31 Equity Attributable to Shareholders of Fraport AG

Equity attributable to shareholders of Fraport AG

€ million	December 31, 2022	December 31, 2021
Issued capital	923.9	923.9
Capital reserve	598.5	598.5
Revenue reserves	2,387.0	2,230.7
Total	**3,909.4**	**3,753.1**

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.

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, 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**

	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, 2021	**92,468,704**	**92,391,339**	**77,365**	**773,650**	**0.0837**
Employee investment plan					
Capital increase	0	0			
As at December 31, 2021	**92,468,704**	**92,391,339**	**77,365**	**773,650**	**0.0837**

The shares issued to employees in June 2022 under the employee investment plan had been purchased on the market. The shares were issued at a price of €51.30.

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. In the 2022 fiscal year, the shares for issue within the scope of the employee share program were acquired by Fraport AG on the market.

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.

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 –€8.0 million as at the balance sheet date (previous year: –€9.5 million). The reserve for the equity and debt instruments measured at fair value totals €48.4 million (previous year: €69.9 million).

Pursuant to Section 253 (6) sentence 1 of the HGB and in accordance with Section 268 (8) of the HGB, a total of €344.9 million of the shareholders' equity attributable to Fraport AG's shareholders (previous year: €353.9 million) is subject to a distribution block. However, the distribution block did not take effect insofar as sufficient free reserves were available.

In view of the economic consequences of the Covid-19 pandemic, the Executive Board has proposed not to pay a dividend for the past fiscal year.

32 Non-controlling Interests

Non-controlling interests

€ million	December 31, 2022	December 31, 2021
Non-controlling interests (excluding the attributable Group result)	188.3	146.9
Group result attributable to non-controlling interests	34.2	9.0
Total	**222.5**	**155.9**

Non-controlling interests related to allocated shareholders' equity and earnings of Fraport Twin Star Airport Management AD, FraCareServices GmbH, FraSec Aviation Security 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 up to 1 year	Remaining term over 1 year	Total December 31, 2022	Remaining term up to 1 year	Remaining term over 1 year	Total December 31, 2021
Financial liabilities	1,209.6	9,716.0	10,925.6	627.6	9,306.4	9,934.0

In the course of the year, promissory note loans in the amount of €539.4 million (previous year: €1,056.5 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 up to 1 year	Remaining term over 1 year	Total December 31, 2022	Remaining term up to 1 year	Remaining term over 1 year	Total December 31, 2021
To third parties	444.4	62.3	506.7	298.8	71.8	370.6

Trade accounts payable include liabilities in connection with compensation measures in connection with nature protection law in the amount of €13.7 million (previous year: €15.2 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 up to 1 year	Remaining term over 1 year	Total December 31, 2022	Remaining term up to 1 year	Remaining term over 1 year	Total December 31, 2021
To joint ventures	37.4	0.0	**37.4**	16.3	0.0	**16.3**
To associated companies	2.5	0.0	**2.5**	2.8	0.0	**2.8**
Liabilities in connection with concession obligations	52.4	911.5	**963.9**	27.2	890.8	**918.0**
Lease liabilities	44.4	164.5	**208.9**	46.3	192.2	**238.5**
Negative fair values of derivative financial instruments	–	0.7	**0.7**	22.4	9.3	**31.7**
Other liabilities	53.6	21.4	**75.0**	35.1	22.8	**57.9**
Total	**190.3**	**1,098.1**	**1,288.4**	**150.1**	**1,115.1**	**1,265.2**

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 up to 1 year	Remaining term over 1 year	Total December 31, 2022	Remaining term up to 1 year	Remaining term over 1 year	Total December 31, 2021
Prepayment for orders	3.0	–	3.0	2.5	–	2.5
Investment grants for non-current assets	0.5	7.5	8.0	0.6	7.0	7.6
Other accruals	22.5	51.6	74.1	32.5	58.7	91.2
Other non-financial liabilities	136.8	10.8	147.6	96.5	12.6	109.1
Total	**162.8**	**69.9**	**232.7**	**132.1**	**78.3**	**210.4**

The remaining non-financial other liabilities, inter alia, consist wage and church taxes and other taxes and personnel-related liabilities.

37 Deferred Tax Liabilities

Deferred tax liabilities

€ million	December 31, 2022	December 31, 2021
Deferred tax liabilities	41.3	37.7

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 18 (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 €24.0 million (previous year: €24.5 million), of which €1.0 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, €0.04 million (previous year: €0.0 million) were paid in the reinsurance in fiscal year 2022 through deferred compensation. The average weighted term of the members of the Executive Board’s defined benefit plans is 12.2 years (previous year: 14.2 years) for pensions with reinsurance and 6.9 years (previous year: 8.1 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, 2022, Dr. Schulte is entitled to a retirement pension of 75% and thus the maximum and Prof. Dr. Zieschang a claim of 60% 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 667 benefits (of which 641 vested) as at the end of the year. The present value of the non-vested benefits amounted to €0.0 million (previous year: €0.1 million); the present value of the vested benefits amounted to €12.5 million in the 2022 annual financial statements (previous year: €14.5 million). Future obligations amount to €8.2 million for active employees and €4.3 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 8.0 years (previous year: 9.3 years).

Furthermore, senior managers not covered by collective bargaining have had the opportunity to participate in an employee-financed company pension scheme ("deferred compensation"). 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 €7.4 million (previous year: €8.4 million). Obligations amount to €6.0 million for active employees (previous year: €6.5 million); obligations amount to €1.5 million for former and retired employees (previous year: €1.9 million). The average weighted term of the employee-financed company pension scheme was 7.0 years (previous year: 8.3 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, 2022 were calculated on the basis of actuarial opinions. Changes to the obligations outlined above were as follows:

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**

Pension obligations (2021)

€ million	Present value of the obligation	Plan assets	Total
As at January 1, 2021	**71.4**	**–24.7**	**46.7**
Service cost			
Current service cost	2.3	0.0	**2.3**
Supplementary service cost	0.0	0.0	**0.0**
Gains and losses on compensation	0.0	0.0	**0.0**
Total service cost	**2.3**	**0.0**	**2.3**
Net interest income/expense			
Interest income and interest expenses	**0.3**	**–0.1**	**0.2**
Remeasurements			
Income on plan assets, excluding interest	0.0	–0.6	**–0.6**
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	–2.3	0.0	**–2.3**
Actuarial gains and losses from changes in financial assumptions	–3.5	0.0	**–3.5**
Total remeasurements	**–5.8**	**–0.6**	**–6.4**
Impacts of exchange rate differences	0.0	0.0	**0.0**
Contributions of the employer to the plan	0.1	0.0	**0.1**
Contributions of the employee to the plan	0.0	0.0	**0.0**
Payments from the plan	–2.0	0.8	**–1.2**
Overfunding	0.0	0.0	**0.0**
As at December 31, 2021	**66.3**	**–24.6**	**41.7**

Offsetting

Pension obligations are offset against the plan assets reserved for insolvency insurance below:

Offsetting

€ million	2022	2021
Offsetting		
Reconciliation to assets and liabilities recognized in the financial position		
Present value of an obligation funded through a reinsurance/trust assets	25.2	30.1
Fair value of plan assets	–24.0	–24.6
Overfunding (not included in the net liability)/underfunding	1.2	5.5
Present value of an obligation not funded through a reinsurance/trust assets	30.5	36.2
(Net) liabilities recognized in the financial position	**31.7**	**41.7**

Significant actuarial assumptions

	2022	2021
Salary trend	2.25%	2.25 %
Interest rate	3.69%	0.90 %
Pension growth	2.25 %/2.25 % one time 10.0%	1.75 %/2.25 %
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, 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	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.

Sensitivity analysis (December 31, 2021)

€ million	2021	
	Decrease in interest rate by 0.5%	Increase in interest rate by 0.5%
Interest rate	3.6	-3.4
	Decrease in pension growth by 0.25%	Increase in pension growth by 0.25%
Pension growth	–1.0	1.0
	Reduction by one year	
Mortality	0.0	
	Increase by one year	
Retirement age [1)]	1.8	

[1)] The obligation would increase by €1.8 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 €349.5 million. The obligations carried out via the ZVK are indirect pension obligations for which no provisions have been established pursuant to Article 28 (1) sentence 2 of the Introductory Act to the German Commercial Code (EGHGB).

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, €22.0 million (previous year: €19.2 million) was recorded as contributions to defined contribution plans for ZVK. Furthermore, due to statutory provisions, contributions are also made to state-administered pension funds in Germany. Contributions in the amount of €24.2 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 €71.6 million (previous year: €68.4 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, 2022	up to 1 year	over 1 year	December 31, 2021
Provisions for taxes on income	24.7	77.0	**101.7**	29.4	83.7	**113.1**

Tax provisions amounting to €101.7 million (previous year: €113.1 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, 2022	Use	Release	Additions	December 31, 2022
Personnel	**163.9**	**–73.6**	**–28.0**	**54.4**	**116.7**
thereof non-current	**63.1**				**45.4**
thereof current	**100.8**				**71.3**

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, 2022	Use	Release	Additions	Interest effect	December 31, 2022
Environment	40.7	–2.1	0.0	9.4	–11.9	**36.1**
Passive noise abatement	31.4	–3.4	–25.3	0.0	–0.9	**1.8**
Nature protection law compensation	13.9	–0.3	–0.5	0.0	–2.0	**11.1**
Wake turbulences	16.9	–2.9	0.0	7.7	–1.6	**20.1**
Others	83.4	–15.1	–30.8	112.4	–0.2	**149.7**
Total	**186.3**	**–23.8**	**–56.6**	**129.5**	**–16.6**	**218.8**
thereof non-current	97.6					90.9
thereof current	88.7					127.9

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, 2022, estimated cash outflows (present value) amounted to €1.9 million within one year (previous year: €2.4 million), €9.1 million after one to five years (previous year: €10.0 million), and €24.2 million after five years (previous year: €26.8 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, 2022 in the amount of €1.8 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. As the application deadline expired in October 2022, the excess amount of the provision was released against the corresponding asset without affecting profit or loss.

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, 2022, estimated cash outflows (present value) amounted to €0.1 million within one year (previous year: €0.8 million), €3.4 million after one to five years (previous year: €3.2 million), and €7.6 million after five years (previous year: €10.0 million). In the fiscal year, there was a reassessment of the expected cash outflows that led to a release of €0.5 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, 2022, estimated cash outflows (present value) amounted to €3.7 million within one year (previous year: €1.2 million), €10.0 million after one to five years (previous year: €8.1 million), and €6.4 million after five years (previous year: €7.6 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 €62.0 million (previous year: €25.1 million), which in the 2022 fiscal year include revenue-decreasing additions of €52.5 million, provisions for possible claims settlements in connection with the strong recovery in traffic and passenger numbers in the fiscal year of €36.9 million (previous year: €3.5 million), provisions for interest related to expected back tax payments of €7.3 million (previous year: €16.8 million), provisions for development measures still to be implemented in connection with the sale of real estate inventories (also see note 28) of €5.2 million (previous year: €5.7 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, 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	N/A	N/A	N/A
Trade accounts receivable	177.1				177.1	N/A	N/A	N/A
Other financial receivables and assets	142.4				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		27.6	
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**	**478.1**	**130.4**
Financial liabilities								
Trade accounts payable	506.7				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								
Hedging derivative								
Other derivatives				0.7	0.7		0.7	
Share option								
Total	**12,510.9**	**0.0**	**0.0**	**0.7**	**11,520.2**	**1,934.8**	**9,585.4**	**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, 2021:

Financial instruments as at December 31, 2021

€ 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	2,662.8				2,662.8	N/A	N/A	N/A
Trade accounts receivable	152.3				152.3	N/A	N/A	N/A
Other financial receivables and asset	173.3				185.5		94.2	91.3
Other financial assets								
Non current securities			846.5		846.5	751.4	95.1	
Other investments		109.2			109.2			109.2
Loans to joint ventures	14.5				14.5		14.5	
Loans to associated companies	76.1				87.8			87.8
Other loans	62.6				62.6		62.6	
Total	**3,141.6**	**109.2**	**846.5**	**0.0**	**4,121.2**	**751.4**	**266.4**	**288.3**
Financial liabilities								
Trade accounts payable	370.6				370.6		370.6	
Other financial liabilities	995.0				1,335.3		1,335.3	
Financial liabilities	9,934.0				9,993.9	2,208.7	7,785.1	
Derivative financial liabilities								
Hedging derivative					4.7		4.7	
Other derivatives				4.6	4.6		4.6	
Share option				22.4	22.4			22.4
Total	**11,299.6**	**0.0**	**0.0**	**27.0**	**11,731.5**	**2,208.7**	**9,500.3**	**22.4**

Given the short terms, the carrying amounts of cash and cash equivalents, trade accounts receivable, and current other financial receivables and assets as at the reporting date correspond to the fair value.

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 are determined using established valuation models.

The fair values of loans to joint ventures and associated companies, as well as other non-current financial assets, are determined as the present value of future cash flows. 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.

Non-current 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. There is a general interest rate risk for fixed-interest loans that are extended at the ends of their terms.

In order to determine the fair value of 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 2022 fiscal year, the two interest rate swaps related to the commitment in Greece were terminated prematurely as part of a refinancing.

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 equity option in relation to up to 8.4% of the shares in Fraport Greece A and Fraport Greece B, reported as Level 3 in the previous year, was fully exercised in December 2022.

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 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

Fair value hierarchy level 3 reconciliation 2021 (values determined using valuation techniques)

€ million	January, 1 2021	Additions	Gains/losses in income statement	Transfers into level 3	Gains/losses in OCI	December, 31 2021
Share option	–29.5	0.0	7.1	0.0	0.0	–22.4
Other investments	104.2	0.0	0.0	0.0	4.6	108.8

The following amounts generated from the fair value in the event of changes in assumptions are:

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

Sensitivities 2021

€ 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%
Share option	6.8 %	–15.4	–34.2	–23.9	–20.8	N/A	N/A
Other investments	11.0 %	85.9	134.7	111.4	106.2	108.3	109.4

The following table shows the net result for 2022 and 2021 according to IFRS 9:

Net results of the measurement categories

€ million	2022	2021
Financial assets		
At amortized cost	–168.1	–2.0
FVOCI with Recycling	–57.7	–2.5
FVOCI without Recycling	21.2	4.7
Financial liabilities		
At amortized cost	4.5	–0.6
FVTPL	12.0	8.9

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. Interest and dividend income of the other categories are not included in the net result disclosed.

In addition to the recognized fair value changes, gains on financial liabilities FVTPL also include the fair values of an interest rate swap for which there were no hedged items in the course of the 2022 fiscal year. In addition, the recognized change in the equity option before it was exercised was included in this.

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 derivatives existing in connection with the refinancing of the Greek companies in the previous year were prematurely liquidated in the 2022 fiscal year as part of a refinancing that took place. The valuation results of the derivatives were recognized in other income during the term and, in the course of disposal, led to a recycling of income in the amount of €8.3 million, which is reported in the financial result.

The Group holds one interest rate swap as at the reporting date (previous year: three).

Derivative financial instruments

€ million	Nominal volume		Fair value		Credit risk	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Interest rate swaps	30.0	160.7	–0.7	–9.3	0.0	0.0
thereof hedge accounting	0.0	130.7	0.0	–4.7	0.0	0.0
thereof trading	30.0	30.0	–0.7	–4.6	0.0	0.0
Share option	0.0	0.0	0.0	–22.4	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, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Interest rate swaps - cash flow hedges	0.0	0.0	0.0	4.7
Interest rate swaps - trading	0.0	0.0	0.7	4.6
Share option	0.0	0.0	0.0	22.4

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.

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.

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 €64.3million, EBITDA of €22.2million and EBIT of -€7.2 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 Türkiye. The figures shown under “America” relate mainly to the United States, Peru, and Brazil. The two Brazilian companies achieved revenue in the amount of €90.0million in 2022 (previous year: €68.3million). The investments in airport operating projects according to IFRIC 12 increased from €551.6million in the previous year to €595.9million as at December 31, 2022. The revenue of Lima Airport Partners S.R.L., Lima, Peru, amounted to €590.1million in 2022 (previous year: €345.2million). The company holds non-current intangible assets in connection with the accounting pursuant to IFRIC 12 of around €1,094.9million as at the balance sheet date (previous year: €726.7million). In the “Rest of Europe” region, the two Greek companies contributed a total of €443.8million (previous year: €255.4million) to revenue (see also note 2). The investments in airport operating projects according to IFRIC 12 amounted to €1,933.0million as at December 31, 2022 (previous year: €1,986.7million).

The additions to the joint ventures relate to FraAlliance GmbH (Segment Aviation) and PEG Europa Real Estate GmbH (Segment Retail & Real Estate). The disposal of the associated companies relates to the sale of all shares in Xi’an Xianyang International Airport Co., Ltd. (Xi’an) (Segment International Activities & Services). Furthermore, the sale of capital shares in D-Port Logistik GmbH (Segment Retail & Real Estate) took place in the 2022 fiscal year. The effects of the additions and disposal 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: €0.5million).

During the 2022 fiscal year, revenue of €740.8million was generated in all four segments with one customer (previous year: €467.8million). 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 previous fiscal year, cash flow from operating activities was €787.3 million (previous year: €392.6 million). The improvement by €394.7 million resulted in particular from an increase in operating results. In addition, the cash flow from operating activities was negatively impacted in the previous year by payments in connection with the “Zukunft FRA – Relaunch 50” program.

Cash flow used in investing activities

Cash flow used in investing activities without investments in cash deposits and securities amounted to €1,305.8 million in the reporting year, an increase of €172.6 million year-on-year. This was mainly due to capital contributions of €375.3 million to the joint venture that was established in connection with the new operating concession at Antalya Airport. Higher capital expenditure in airport operating projects, especially in Lima, were offset by lower cash flow used for expansion measures at the Frankfurt site. In addition, proceeds from the disposal of shares in the Group company Xi’an and D-Port, which is accounted for using the equity method, reduced cash outflow by a total of €173.5 million.

Taking into account 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 €1,216.0 million (previous year: €2,304.2 million).

Cash flow from financing activities

Compared to the previous year, cash flow used in financing activities has decreased substantially by €1,213.1 million to €882.3 million. In the previous year, considerably more extensive financing measures, including a bond issue, to secure liquidity were carried out compared to the 2022 fiscal year. Within the scope of the signed refinancing at Fraport Greece, financial liabilities of €913.8 million were repaid and refinanced in advance in the amount of €960.0 million. The transactions with "non-controlling interests" relate to the sale of capital shares and loans to the shareholder of the Greek companies. Taking into account exchange rate fluctuations and other changes, the Fraport Group reported cash and cash equivalents based on the statement of cash flows of €826.2 million as at December 31, 2022 (previous year: €431.2 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, 2022	December 31, 2021
Bank and cash balances	579.6	220.4
Time deposits with a remaining term of less than three months	246.6	210.8
Cash and cash equivalents as at the consolidated statement of cash flows	**826.2**	**431.2**
Time deposits with a remaining term of more than three months	1,619.7	2,156.9
Restricted cash	139.3	74.7
Cash and cash equivalents as at the consolidated statement of financial position	**2,585.2**	**2,662.8**

Changes in liabilities from financing activities

€ million	January 1, 2022	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, 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

Changes in liabilities from financing activities

€ million	January 1, 2021	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, 2021
					Accrued interest	Foreign currency translation effects	Changes in fair value	Reclassifications and other changes	
Non-current financial liabilities	6,936.5	2,798.4	0.0	0.0	12.3	–4.4	7.2	–443.6	9,306.4
Current financial liabilities	810.7	0.0	–424.2	–244.6	42.1	0.0	0.0	443.6	627.6
Other financing activities	40.3	0.0	–9.5	0.0	0.0	0.0	0.0	0.0	30.8

Other Disclosures

44 Long-Term Incentive Program (from 2020 Performance Share Plan PSP)

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.

On January 1 of the years 2017 to 2019, the Executive Board and Senior Managers in the Fraport Group were each promised a tranche. The tranches for the Executive Board and for Senior Managers differ in the calculation of the extent to which objectives have been reached for the targets in the weighting of the individual years of the performance period.

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 has been replaced by the Performance Share Plan (PSP), which maintains the performance period of four years. The Long-Term Strategy Award based on a three-year period was initially transferred to the previous LTIP in order to make the remuneration even more sustainable for the long term.

The long-term performance remuneration component consists of a performance share plan with a four-year performance period. At the start of the plan, each member of the Executive Board is promised a target amount in euros specified in their employment contract as an allocation value. This amount is divided by the initial fair value (i.e., the financially 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 to each case.

The achievement of the performance share plan is determined by two performance criteria, Earnings Per Share (EPS) and the Total Shareholder Return (TSR) to the companies in the MDAX.

- 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.

For all performance shares allocated between fiscal years 2014 and 2019, the LTIP payment is limited to 150% of the product of the performance shares of the target tranche multiplied by the relevant share price at the time of issuance. The “relevant share price at the time of issuance” corresponds to the weighted average of the company’s closing share prices in XETRA or a similar trading system replacing XETRA at the Frankfurt Stock Exchange during the month of January of the fiscal year, in which the relevant performance period begins.

Performance shares awarded from the 2020 fiscal year onwards will be defined for the four-year performance period at the start of the plan. The 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 executives to the allocation value applicable at the start of the plan.

A total of 100,624 virtual shares were issued in the 2022 fiscal year. A provision for the current LTIP tranches of €1.9 million and the PSP in the amount of €3.0 million was reported as at December 31, 2022.

Due to the market dependence of the fair value measurement, there was a negative effect on profit and loss of €1.1 million in the past fiscal year 2022 (previous year expense of: €5.8 million), which was recognized in personnel expenses. Of this, €0.7 million (previous year: €3.8 million) is attributable to Executive Board members and €0.4 million (previous year: €2.0 million) is attributable to Senior Managers of Fraport AG.

Development of the fair values of the virtual shares for the Executive Board and Senior Managers

Tranche All figures in €	Fair value December 31, 2022 Executive Board	Fair value December 31, 2022 Senior Managers	Fair value December 31, 2021 Executive Board	Fair value December 31, 2021 Senior Managers
Fiscal year 2019	34.01	36.55	52.10	56.60
Fiscal year 2020[1)]	9.45	10.61	17.06	16.11
Fiscal year 2021[2)]	39.39	32.14	46.95	35.72
Fiscal year 2022	25.75	22.20	42.53	33.54

[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

As at January 1, 2019, the Executive Board and the senior executives in the Fraport Group were each granted a tranche. The tranches for the Executive Board and for senior executives differ in the weighting of the individual years of the performance period when calculating the degree of target achievement for the performance targets. Since fiscal year 2020, the weighting of the individual tranches has been the same for both the Executive Board and senior executives.

The achievement of the targets for the respective performance criteria of the tranches from fiscal year 2020 will be published in the subsequent compensation report after the end of the plan (2023).

Virtual share conditions

The virtual shares in the 2022 tranche were issued on January 1, 2022. Their term is four years ending on December 31, 2025.

The payout per virtual share corresponds to the weighted average closing prices of the Fraport share in the XETRA trading system on the first 30 stock market trading days immediately following the last day of the performance period. As of the 2021 fiscal year, the amount of the payout from the PSP shall be equal to the weighted average of the closing prices of the Fraport share in XETRA trading on the last three calendar months prior to the end of the performance period plus dividends paid during the performance period.

Entitlement to the PSP payment is established by approval by the Supervisory Board of the consolidated financial statements for the last fiscal year of the performance period. Payments are made within one month.

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 2019 to 2022 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.

45 Contingent Liabilities

Contingent liabilities

€ million	December 31, 2022	December 31, 2021
Guarantees	2.1	2.5
Warranties	1,721.1	673.5
thereof contract performance guarantees	1,644.3	585.0
Other contingent liabilities	89.9	79.6
Total	**1,813.1**	**755.6**

The warranties concluded mainly result from the respective contract terms in connection with national and international investment projects.

The guarantees primarily contain contract performance guarantees of €1,644.3 million, the most important of which are explained below.

As at the balance sheet date of December 31, 2022, there were contract performance guarantees in connection with the two service concession agreements concluded in 2015 for the 14 Greek Regional Airports of €31.2 million (previous year: €37.8 million). There are no longer any guarantees for the associated construction activities (previous year: €29.4 million) and financing (previous year: €7.3 million). Both guarantees expired in 2022 due to contractual fulfillment and agreements.

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 €1,361.0 million as at the reporting date. Fraport AG, as a shareholder, issued a financing guarantee in favor of the bank consortium totaling €687.3 million in accordance with its share.

In connection with the current concession at Antalya Airport, Türkiye, in which Fraport AG holds a 50% stake, the shareholder guarantees were contractually reduced in 2022 from €150.0 million (€75.0 million Fraport share) to €125.0 million (€62.5 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 €3.8 million in connection with the commitment (previous year: €5.6 million).

The concession agreements in Porto Alegre and Fortaleza, Brazil, resulted in performance guarantees of €401.7 million (previous year: €376.4 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 €34.0 million (previous year: €35.6 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.

The performance guarantee relating to the concession agreement for the operation of the airport in Lima, Peru, amounted to €24.6 million as at the balance sheet date (previous year: €14.6 million). The amount of the guarantee is regularly adjusted and depends on the investment obligations already fulfilled by the subsidiary in Lima.

The Group companies of Fraport USA have obligations which are amounting to €7.0 million (previous year: €6.8 million) in connection with the operation and development of commercial terminal areas at various US airports.

Fraport Twin Star Airport Management AD is guaranteed 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 other contingent liabilities include among others that Fraport AG is held liable to the amount of €6.5 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: €7.1 million) as well as contingent liabilities of the subsidiary Lima from tax risks to the amount of €6.9 million (previous year: €13.1 million).

Other contingent liabilities in 2022 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 €68.5 million (previous year: €52.9 million).

The above mentioned contingent liabilities contain commitments in connection with investments in joint ventures in the amount of €107.1million (previous year: €120.1 million) and €34.0 million (previous year: €35.6 million) obligations in connection with associated companies.

46 Other Financial Obligations

As at the balance sheet date, there were other obligations amounting to €144.4 million (previous year: €48.4 million). These relate largely to obligations arising from a long-term heat and cold supply contract (€59.1 million, previous year: €24.0 million) with Mainova AG. The other obligations include €80.1 million (previous year: €5.3 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, 2022	December 31, 2021
Orders for capital expenditure in property, plant, and equipment and intangible assets	1,387.3	1,234.3

Order commitments for intangible assets comprise an insignificant portion of the total amount.

Operating leases

€ million	December 31, 2022	December 31, 2021
Rental and lease contracts		
up to 1 year	6.7	6.9
more than 1 up to 5 years	7.2	8.0
more than 5 years	0.1	0.0
Total	**14.0**	**14.9**

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, 2022	December 31, 2021
Debt instruments	1,281.7	901.5

The gross 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, 2022	December 31, 2021
AAA	6.2	0.0
AA+	5.1	5.5
AA	38.9	29.1
AA–	187.3	45.1
A+	252.6	76.4
A	161.5	197.7
A–	93.9	66.3
BBB+	252.6	191.7
BBB	192.6	228.1
BBB–	87.4	61.6
BB	0.0	0.0
Not rated	3.6	0.0
Total	**1,281.7**	**901.5**

The credit risk on liquid funds (gross 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, 2022	December 31, 2021
AAA	0.0	0.0
AA+	0.0	0.0
AA	0.0	0.0
AA–	389.0	210.0
A+	631.7	713.2
A	300.8	332.4
A–	629.4	1,016.2
BBB+	159.7	181.0
BBB	3.6	2.7
BBB–	0.8	0.4
BB+	0.0	0.0
BB	0.0	0.0
BB–	16.2	9.9
B+	0.0	0.0
B	0.0	0.9
B–	451.8	193.9
CCC+	0.0	0.0
Not rated	2.2	2.3
Total	**2,585.2**	**2,662.9**

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, 2022 influence the Group's future liquidity.

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
Lease liabilities	**264.2**	–	47.6	–	41.1	0	136	0	8,3	0	31,2
Concessions payable	**2,037.4**	–	48.1	–	25.8	–	263.8	–	305.9	–	1,393.8
Trade accounts payable	**506.7**	–	444.4	–	52.7	–	9.4	–	0.2	–	–
Other financial liabilities	**100.6**	–	88.6	–	4.7	–	0.1	–	–	–	7.2
Derivative financial instruments	**–**	–	–	–	–	–	–	–	–	–	–
Interest rate swaps	**0.7**	0.3	–	0.2	–	0.2	–	–	–	–	–
Thereof trading	**0.7**	0.3	–	0.2	–	0.2	–	–	–	–	–
Thereof hedge accounting	**–**	–	–	–	–	–	–	–	–	–	–

The liquidity profile as at December 31, 2021 was as follows:

Liquidity profile as at December 31, 2021

€ million	Total	2022		2023		2024 – 2028		2029 – 2033		2034 et seqq.	
		Interest	Payment	Interest	Payment	Interest	Payment	Interest	Payment	Interest	Payment
Primary financial instruments											
Financial liabilities	**11,366.4**	182.0	555.9	174.9	862.8	701,3	6,069.3	279.2	1,889.1	125.7	526.2
Finance leases	**289.6**	**0**	49.3	**–**	42.8	0	154.8	0	10.6	0	32.1
Concessions payable	**2,519.4**	**0**	24.6	**0**	41.3	0	288.2	0	357.3	0	1,808.0
Trade accounts payable	**370.6**	**0**	298.8	**0**	57.4	0	12.0	0	2.4	0	–
Other financial liabilities	**76.5**	**0**	55.8	**0**	10.5	0	–	0	–	0	10,2
Derivative financial instruments	**–**	**0**	0	0	0	0	0	0	0	0	0
Interest rate swaps	**17.4**	4.1	**0**	3.2	0	7.8	0	2.2	0	0.1	0
Thereof trading	**4.5**	1.4	**0**	1.3	0	1.8	0	–	0	–	0
Thereof hedge accounting	**12.9**	2.7	**0**	1.9	0	6.0	0	2.2	0	0.1	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.

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.

As at the reporting date, most companies were in compliance with the provisions of the financing agreements. For companies that were not able to maintain the required financial key figures, agreements were reached with the financing banks effective December 31, 2022, which were in line with the arrangements provided for this purpose in the respective financing contracts.

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, 2022		December 31, 2021	
	Net income before tax	Loss before tax	Net income before tax	Loss before tax
US$/PEN	0.40	0.40	0.26	0.26

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 €: 3.25 percentage points; US Dollar (US$): 4.25 percentage points; Turkish Lira (TRY): 15.75 percentage points; Peruvian Nuevo Sol (PEN): 6.00 percentage points; Saudi Riyal (SAR): 4.00 percentage points; Bulgarian Lew (BGN): 5.22 percentage points; Hong Kong Dollar (HKD): 5.25 percentage points; Brazilian Real (BRL): 10.50 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, 2022 and the assumptions made, the profit or loss-related sensitivity is 8.6 million in the event of an increase (decrease) in the market interest rate (previous year: €28.2 million). This means that the financial result could hypothetically have increased (decreased) by €8.6 million. This hypothetical effect on the result would have resulted from the potential effects of interest rate derivatives of €1.0 million (previous year: €1.7 million) and an increase (decrease) in the interest result from primary floating-rate net financial positions of €7.6 million (previous year: €26.5 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, 2022	**8.6**	**1.0**	**7.6**
December 31, 2021	28.2	1.7	26.5

The equity-related sensitivity is €39.7 million (previous year: €47.9 million). By applying the assumptions made, an increase (decrease) in interest rates would have resulted in an increase (decrease) in shareholders' equity of €39.7 million.

Assuming a parallel shift in the interest rate curve of 107 basis points (previous year: 33 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, 2022	**8.2**	**0.6**	**7.6**
December 31, 2021	26.8	0.3	26.5

The equity-related sensitivity for 107 basis points (previous year: 33 basis points) is –€25.1 million (previous year: –€9.4 million). By applying the assumptions made, an increase (decrease) in interest rates would have resulted in an increase (decrease) in shareholders' equity of –€25.1 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, 2022	December 31, 2021
Net Debt/EBITDA	Max. 5 x	6.9	8.4
EBITDA/interest expense	Min. 3 – 4 x	3.3	2.8

Due to the unpredictable extent of the Coronavirus Pandemic and the significant negative financial development compared with pre-coronavirus times, some of the ranges or thresholds presented in relation to the financial debt ratios could not be met. In the fiscal year 2022, a further increase in net financial debt is expected in view of the continuing low level of operating development and the advancing construction activities, in particular at the Frankfurt site and in Lima. Therefore, the net financial debt to Group EBITDA is expected to be in the high single-digit range. However, this key figure is expected to return to the target value of five 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 2022. 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. Related companies and authorities with which major business relationships are maintained include Mainova AG and its subsidiaries. In addition, other operating income in the fiscal year 2021 included the compensation granted by both the German Federal Government and the State of Hesse for the holding costs incurred in the first lockdown in 2020 (see also note 7). The compensation payment approved by the State of Hesse in this context amounted to €79.9 million.

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			
	2022	**0.9**	**0.2**	**98.7**	**4.9**	**19.6**
Revenue	2021	0.8	0.4	87.7	6.2	19.0
	2022	**1.7**	**7.5**	**6.5**	**14.5**	**80.8**
Purchased goods and services	2021	1.3	8.1	10.9	12.8	47.6
	2022	**0.0**	**0.0**	**0.8**	**0.1**	**0.0**
Interest	2021	0.0	0.0	0.2	15.3	0.0
	2022	**0.0**	**0.0**	**10.5**	**0.5**	**0.0**
Accounts receivable	2021	0.0	0.1	5.6	79.9	0.0
	2022	**0.0**	**0.0**	**27.7**	**0.0**	**0.0**
Loans	2021	0.0	0.0	14.5	76.1	0.0
	2022	**0.1**	**0.0**	**37.4**	**2.5**	**4.7**
Liabilities	2021	0.0	0.2	16.3	2.8	4.1

The loan receivables and/or receivables from associated companies in the 2021 fiscal year mainly included the loan and interest receivables from Thalita Trading Ltd. In connection with the existing sanctions against Russia as a result of the war in Ukraine, the full write-off of the receivables took place in the reporting period on June 30, 2022 (see note 22).

The liabilities to joint ventures include, in particular, advance dividends received for the 2022 fiscal year.

Regarding contingent liabilities and other financial obligations to joint ventures, please refer to note 45 and note 46. Regarding other obligations to related parties, see note 46.

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	2022	2021
Salaries and other short-term employee benefits	7.5	4.3
Termination benefits	0.0	0.0
Post-employment benefits	1.1	1.4
Other long-term benefits	0.0	0.0
Share-based remuneration	2.9	3.2
Total	**11.5**	**8.9**

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 2022 (see also note 54).

At the end of the fiscal year, there were outstanding balances for the Executive Board members' bonuses amounting to €3.4 million (previous year: €3.3 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.

There are outstanding balances for members of the Supervisory Board in connection with provisions made in the amount of €0.9 million.

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 daytime 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, 2022, there was an average increase in airport charges of 4.3% and a further spread in noise-related charges. In addition, the charge table includes an incentive program "Recovery Program FRA 2022" for airlines, with the aim of promoting a rapid recovery of passenger volumes at Frankfurt Airport following the pandemic-related slumps.

- As at January 1, 2023, a new charge table will enter into effect, which provides for an average increase in airport charges of 4.9%, as well as a further increase in noise surcharges. The "Recovery Program FRA 2023" incentive program for airlines is also included in the 2023 charge table.

- Airport charges accounted for 34.76% (previous year: 28.97%) 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 2022, 16.22% was generated by ground services (previous year: 17.60%) and 13.35% by infrastructure charges (previous year: 11.33%).

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 35.67% (previous year: 42.10%) 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. 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. 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.

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. In connection with the damage caused by the coronavirus pandemic, the Greek Parliament has ratified a compensation agreement for the operational losses incurred over the past year. Depending on passenger development, the compensation is made through the waiver of fixed concession payments and a deferment of the variable concession fee, which is also to be paid. Due to the waiver of the fixed concession payments for the years 2019 to 2022, there was a positive effect on other operating income totaling €92.8 million in the previous year. The further waiver of the fixed concession fee for 2023 was decided in the 2022 fiscal year and resulted in income of €23.6 million.

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. 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 2022. The resulting reimbursement claim of €18.5 million (previous year: €26.5 million) will also 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

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. In the course of this sale, the Dr. Sasse Group holds a majority stake of 51% in FraSec Aviation Security GmbH. The deconsolidation and recognition of the remaining shares at fair value will take place when the sale is completed. The disposal will not have a material impact on the Group's asset, financial, and earnings position.

As part of the concession agreement, the Group company in Lima is obliged to renew the terrorism property insurance with an insurance volume of USD200 million by February 28, 2023. Due to the ongoing political unrest in Lima, the insurance volume could not be taken out to the required extent. The concession agreement stipulates that a lack of insurance coverage represents a direct violation of the concession agreement, an event of default (as at March 1, 2023), which gives the grantor a unilateral right to terminate the concession.

On February 15, 2023, the Group company in Lima declared force majeure against the grantor because it is unable to fulfill its contractual obligation for reasons for which it is not responsible, namely the political unrest in Peru. With the declaration of force majeure, a possible default is initially lifted until the grantor has commented on the declaration.

In addition to the declaration of force majeure, the aim is to obtain a waiver from the grantor for failure to provide the required insurance volume and thus avoid an event of default.

With regard to the project financing concluded in December to replace the bridge financing and further financing of the expansion obligations, there is a risk that agreed payments cannot be made or have to be repaid at short notice.

Effective termination of the concession agreement by the grantor would result in the derecognition of the concession and the loss of the planned positive earnings contributions and would have a massive negative impact on both the 2023 fiscal year and the planned positive business development in the years to come.

Fraport is currently assuming that an agreement will be reached with the grantor.

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

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 2022 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 2022 fiscal year regarding the provisions of the First Subsection (annual financial statements of the corporation and management report) and the Fourth Subsection (disclosure):

- FraGround Fraport Ground Handling Professionals GmbH
- FraSec Flughafensicherheit GmbH

52 Information on Investments pursuant to the German Securities Trading Act (WpHG)

In fiscal year 2022, Fraport AG received the following notifications pursuant to Section 33 and Section 34 WpHG:

British Columbia Investment Management Corporation, Victoria, Canada, informed us on January 24, 2022, in accordance with Sections 33 and 34 of the WpHG, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt/Main, Germany, fell below the threshold of 3% of voting rights on January 21, 2022 and on that day amounted to 2.71% (2,509,588 voting rights).

As at December 31, 2022, 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, 2022. 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, 2022 in each case): Deutsche Lufthansa AG 8.44 %, British Columbia Investment Management Corporation 2.71 %. 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 36.62% (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 15, 2022, 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 www.fraport.com/corporategovernance.

54 Information Concerning the Executive Board, Supervisory Board, and Economic Advisory Board

Remuneration of the Executive Board and Supervisory Board in fiscal year 2022

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 €1,081.6 thousand (previous year: €1,389.8 thousand) the total remuneration of the Executive Board composed as follows:

Total remuneration of the Executive Board

EUR thousands				2022	2021
	Not Performance-related components	Performance-related components	Components with long-term incentive effect	Total remuneration	Total remuneration
Dr. Stefan Schulte	742.3	1,765.5	849.0	2,507.8	2,590.3
Anke Giesen	532.1	1,311.5	647.0	1,843.6	1,905.4
Julia Kranenberg (Member of the Executive Board from November 1, 2022)	92.1	350.0	300.0	442.1	0.0
Michael Müller (Member of the Executive Board until September 30, 2022)	412.8	619.7	121.3	1,032.5	1,915.9
Dr. Pierre Dominique Prümm	538.4	679.0	379.0	1,217.4	1,265.5
Prof. Dr. Matthias Zieschang	586.4	1,409.0	647.0	1,995.4	2,056.5
Total	**2,904.1**	**6,134.7**	**2,943.3**	**9,038.8**	**9,733.6**

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 2022) and the 2022 PSP tranche allocated at the time of the award. The column "components with long-term incentive effect" includes the 2022 PSP tranche.

Expenses recorded for LSA and LTIP

EUR thousands	2022	2021
	LTIP resp. PSP	Total (LSA, LTIP/PSP)
Dr. Stefan Schulte	180.3	1,127.1
Anke Giesen	112.7	852.7
Julia Kranenberg (Member of the Executive Board from November 1, 2022)	66.9	0.0
Michael Müller (Member of the Executive Board until September 30, 2022)	135.9	855.2
Dr. Pierre Dominique Prümm	102.0	418.9
Prof. Dr. Matthias Zieschang	137.4	813.2
Total	**735.2**	**4,067.1**

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 €1,336.4 thousand in the 2022 fiscal year (previous year: €1,378.5 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 €1,644 thousand (previous year: €1,548 thousand). The pension obligations towards active members of the Executive Board as at the balance sheet date were €13,173 thousand (previous year: €17,351 thousand) and towards former Executive Board members and their surviving dependents €21,655 thousand (previous year: €21,897 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 2022

In the 2022 fiscal year, aggregate remuneration of the Economic Advisory Board amounted to €103.4 thousand (previous year: €108.0 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 Group AG – Fraport Ausbau Süd GmbH
Executive Director Labor Relations **Julia Kranenberg** (from November 1, 2022)	**Member of the Supervisory Board:** – Fraport Ausbau Süd GmbH (from November 1, 2022) – LPKF Laser & Electronics AG **Member of the Shareholders' Meeting:** – Airport Cater Service GmbH (from November 7, 2022) – Medical Airport Service GmbH (from January 1, 2023) – Terminal for Kids gGmbH (from January 1, 2023) **Member of the Administrative Board:** – Zusatzversorgungskasse für die Gemeinden und Gemeindeverbände in Wiesbaden (from December 1, 2022) **Member of the Presidium:** – Vereinigung der kommunalen Arbeitgeberverbände (from November 25, 2022)
Executive Director Labor Relations **Michael Müller** (until September 30, 2022)	**Member of the Supervisory Board:** – Fraport Ausbau Süd GmbH (until September 30, 2022) **Member of the Shareholders' Meeting:** – Airport Cater Service GmbH (until September 30, 2022) – Medical Airport Service GmbH (until December 31, 2022) – Terminal for Kids gGmbH (until December 31, 2022) **Member of the Administrative Board:** – Zusatzversorgungskasse für die Gemeinden und Gemeindeverbände in Wiesbaden (until September 30, 2022) **Member of the Presidium:** – Vereinigung der kommunalen Arbeitgeberverbände (until September 30, 2022)
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 **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** Finance Minister of the State of Hesse (Remuneration 2022: €130,000; 2021: €133,000)	**Member of the Executive Board:** – Fleischer Innung Frankfurt/Darmstadt/Offenbach **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 – Stiftung Sigmund-Freud-Institut – Stifterversammlung der Polytechnischen Gesellschaft e.V. – Rheingau Musik Festival – Institute for Law and Finance
Vice-Chairman (from May 1,2022) **Mathias Venema** ver.di Hessen (until February 10, 2022; from February 16, 2022) (Remuneration 2022: €80,082.19; 2021: €84,500)	
Vice-Chairwoman **Claudia Amier** Advisor to the works council office, Frankfurt (until February 10, 2022; from February 16, 2022; until April 30, 2022) (Remuneration 2022: €24,773.98; 2021: €83,500)	**Member of the Representative Assembly:** – Raiffeisen-Volksbank Aschaffenburg
Devrim Arslan Chairman of the Works Council of FraGround Fraport Ground Handling Professionals GmbH (until March 31, 2022) Commercial Employee of FraGround Fraport Ground Handling Professionals GmbH (from April 1, 2022) (until February 10, 2022; from February 16, 2022) (Remuneration 2022: €60,821.92; 2021: €67,000)	**Vice-Chairman of the Supervisory Board:** – FraGround Fraport Ground Handling Professionals GmbH (until March 31, 2022)
Uwe Becker Representative of the Hessian State Government for Jewish Life and the Fight against Anti-Semitism (until January 31,2022) State Secretary for European Affairs (from February 1, 2022) (until May 24, 2022) (Remuneration 2022: €22,041.10; 2021: €62,000)	**Membership in mandatory control bodies:** – Mainova AG (until September 17, 2022) **Membership in comparable control bodies:** – Member of the Board of Directors of Zweckverband Nassauische Sparkasse

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Dr. Bastian Bergerhoff City Treasurer and department head for finance, investments, and personnel of the City of Frankfurt (from May 24, 2022) (Remuneration 2022: €38,013.70)	**Membership in mandatory control bodies:** – Mainova AG (from November 8, 2022) – Messe Frankfurt GmbH – Stadtwerke Frankfurt am Main Holding GmbH (Chairman) – Stadtwerke Verkehrsgesellschaft Frankfurt am Main mbH **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 **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)
Hakan Bölükmese Chairperson of the Works Council (until February 10, 2022; from February 16, 2022) (Remuneration 2022: €71,835.62; 2021: €67,000)	**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 (from July 19, 2022) (Remuneration 2022: €16,917.81)	**Member of the Supervisory Board:** – Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (from August 24, 2022)
Hakan Cicek Member of the Works Council (until February 10, 2022; from February 16) (Remuneration 2022: €54,671.23; 2021: €56,500)	
Yvonne Dunkelmann Aviation Manageress (until February 10, 2022) (Remuneration 2022: €4,773.98; 2021: €24,750)	
Peter Feldmann Lord Mayor of the City of Frankfurt am Main (until November 11, 2022) (Remuneration 2022: €39,000; 2021: €39,000;)	**Chairman of the Supervisory Board:** – ABG FRANKFURT HOLDING Wohnungsbau- und Beteiligungsgesellschaft mbH (until November 11, 2022) – Mainova AG – Messe Frankfurt GmbH (Chairman) (until November 11, 2022) – Stadtwerke Frankfurt am Main Holding GmbH (Chairman) (until November 11, 2022) – Thüga Holding GmbH & Co. KG aA (Chairman) **Membership in Supervisory Boards and comparable control bodies of business enterprises:** – Alte Oper Frankfurt Konzert- und Kongresszentrum GmbH (Chairman) (until November 11, 2022) – FrankfurtRheinMain GmbH International Marketing of the Region (Chairman) (until November 11, 2022) – Nassauische Heimstätte Wohnungsbau- und Entwicklungsgesellschaft mbH (Vice Chairman) (until November 11, 2022) – Rhein-Main-Verkehrsverbund GmbH (Chairman) (until November 11, 2022) – Schirn Kunsthalle Frankfurt am Main GmbH (Chairman) (until November 11, 2022) – Tourismus- und Congress GmbH Frankfurt am Main (Chairman) (until November 11, 2022) – Frischezentrum Frankfurt am Main - Großmarktgesellschaft mit beschränkter Haftung (until November 11, 2022) – Kulturgesellschaft Bergen-Enkheim mbH (until November 11, 2022) – Stadtwerke Verkehrsgesellschaft Frankfurt am Main mbH (until November 11, 2022) – traffiQ Lokale Nahverkehrsgesellschaft Frankfurt am Main mbH (until November 11, 2022) **Member of the Advisory Board:** – Thüga AG (until November 11, 2022)

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Peter Gerber Chairman of the Executive Board of Brussels Airlines (until March 31, 2023) (Remuneration 2022: €40,000; 2021: €41,000)	**Chairman of the Supervisory Board:** – Albatros Versicherungsdienste GmbH **Presidium membership:** – Bundesverband der Deutschen Luftverkehrswirtschaft e.V. **Vice President:** – Arbeitgeberverband Luftverkehr e.V. (AGVL) (from May 1, 2022)
Dr. Margarete Haase Independent corporate consultant (Remuneration 2022: €102,000; 2021: €103,000)	**Chairwoman of the Supervisory Board:** – ams OSRAM AG (from June 24, 2022) **Member of the Supervisory Board:** – ams OSRAM AG (until June 23, 2022) – ING Groep N.V. and ING Bank N.V. Amsterdam – Marquard & Bahls AG
Frank-Peter Kaufmann Member of the Hessian State Parliament (Remuneration 2022: €70,000; 2021: €72,000)	
Dr. Ulrich Kipper Head of Central Infrastructure Management (until February 10, 2022; from February 16, 2022) (Remuneration 2022: €57,582.19; 2021: €56,500)	**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, Lawyer (Remuneration 2022: €88,500; 2021: €86,500)	**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 Chair of the Fraport Group Works Council (from June 8, 2022) (Remuneration 2022: €37,575.35)	**Member of the Executive Board:** – Vertreterversammlung Unfallkasse Hessen **Member of the Board of Directors:** – Medizinischer Dienst Hessen
Ramona Lindner Aviation Security Assistant FraSec Aviation Security GmbH (formerly: FraSec Luftsicherheit GmbH) (from February 16, 2022) (Remuneration 2022: €49,897.26)	
Mira Neumaier Federal Section Leader Air Transport, ver.di Federal Administration (until June 30, 2022) (Remuneration 2022: €24,250; 2021: €46,104.17)	**Member of the Supervisory Board:** – Lufthansa Cargo AG (until June 30, 2022) **Vice President of the Civil Aviation Section:** – European Transport Workers' Federation (until June 30, 2022) **Full member of the Civil Aviation Section Committee:** – International Transport Workers' Federation (until June 30, 2022)
Michael Odenwald State Secretary (retired) (Remuneration 2022: €66,000; 2021: €67,000)	**Chairman of the Supervisory Board:** – Deutsche Bahn AG (until July 22, 2022) **Member of the Supervisory Board:** – DB Stiftung gGmbH (until September 29, 2022)
Matthias Pöschko Member of the Works Council (until February 10, 2022; from February 16, 2022) (Remuneration 2022: €64,821.92; 2021: €62,875)	
Qadeer Rana Chairman of the Central Works Council of FraSec Aviation Security GmbH (formerly: FraSec Luftsicherheit GmbH) (until August 11, 2022) Chairman of the Multi-Company Works Council of FraSec Fraport Security Services GmbH (from August 12, 2022) (until February 10, 2022; from February 16, 2022; until January 5, 2023) (Remuneration 2022: €64,821.92; 2021: €68,000)	**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 **DIC Asset AG - Chief Executive Officer** **(Remuneration 2022: €65,000; 2021: €67,000)**	**Chairwoman of the Supervisory Board:** – DIC Real Estate Investments GmbH & Co. KGaA
Prof Dr. Katja Windt Member of the Management Board SMS Group GmbH (Remuneration 2022: €63,000; 2021: €64,000)	**Member of the Executive Board:** – Bundesvereinigung Logistik (BVL) e.V. **Member of the Supervisory Board:** – Deutsche Post AG – Ford Otomotiv Sanayi A.S., Istanbul, Türkiye (from July 1, 2022)

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
	2022	**100**	**0**	**0** [1,9]
Afriport S.A., Luxembourg/Luxembourg	2021	100	–72	–20 [1]
	2022	**100**	**2,260**	**641** [2]
AirIT Services GmbH, Lautzenhausen	2021	100	2,283	863 [2]
	2022	**100**	**0**	**0** [1]
AIRMALL Boston Inc., Boston/USA	2021	100	0	0 [1]
	2022	**100**	**–618**	**0**
AIRMALL Inc., Pittsburgh/USA	2021	100	–583	0
	2022	**100**	**–10,778**	**–6,143**
AIRMALL USA Inc., Pittsburgh/USA	2021	100	–4,451	–4,336
	2022	**100**	**162,616**	**3,864** [2]
Airport Assekuranz Vermittlungs-GmbH, Neu Isenburg	2021	100	162,591	3,126 [2]
	2022	**100**	**26**	**90** [2]
Airport Cater Service GmbH, Frankfurt am Main	2021	100	26	90 [2]
	2022	**100**	**0**	**0** [1,9]
Daport S.A., Dakar/Senegal	2021	100	421	–4 [1]
	2022	**51**	**929**	**79**
FraCareServices GmbH, Frankfurt am Main	2021	51	849	–21
	2022	**100**	**1,186**	**773** [2]
FraGround Fraport Ground Handling Professionals GmbH, Frankfurt am Main	2021	100	1,298	–19,888 [2]
	2022	**100**	**461**	**110**
Fraport Antalya Havalimanı İşletme ve Yatırım A.Ş Istanbul, Türkiye	2021	100	500	0
	2022	**100**	**153,799**	**42,366**
Fraport Asia Ltd., Hong Kong/China	2021	100	103,932	957
	2022	**100**	**16**	**150** [2]
Fraport Ausbau Süd GmbH, Frankfurt am Main	2021	100	**–94**	**10** [2]
	2022	**100**	**63**	**–1**
Fraport Beteiligungsgesellschaft mbH, Neu-Isenburg	2021	100	64	–1
	2022	**100**	**24**	**–1** [2]
Fraport Brasil Holding GmbH, Frankfurt am Main	2021	100	24	0 [2]
	2022	**100**	**104,427**	**–5,243**
Fraport Brasil S.A. Aeroporto de Fortaleza, Fortaleza/Brazil	2021	100	97,975	–13,624
	2022	**100**	**156,744**	**3,157**
Fraport Brasil S.A. Aeroporto de Porto Alegre, Porto Alegre/Brazil	2021	100	137,584	–1,677
	2022	**100**	**7**	**0** [1]
Fraport Bulgaria EAD, Sofia/Bulgaria	2021	100	**7**	**–3** [1]
	2022	**100**	**42,016**	**1,351** [2]
Fraport Casa GmbH, Neu-Isenburg	2021	100	42,020	1,379 [2]
	2022	**100**	**6,849**	**212**
Fraport Casa Commercial GmbH, Neu-Isenburg	2021	100	6,637	3,390
	2022	**100**	**6,909**	**1,797**
Fraport Cleveland Inc., Cleveland/USA	2021	100	4,845	1,213
	2022	**100**	**6,015**	**3,010**
Fraport Facility Services GmbH, Frankfurt am Main	2021	100	1,849	3,373
	2022	**100**	**14,375**	**23,383** [2,3]
Fraport Immobilienservice- und Entwicklungs GmbH & Co. KG, Frankfurt am Main	2021	100	14,375	16,923 [2,3]
	2022	**100**	**266,509**	**–161,927**
Fraport Malta Business Services Ltd., St. Julians/Malta	2021	100	428,436	8,413
	2022	**100**	**25,620**	**34**
Fraport Malta Investment Ltd., St. Julians/Malta	2021	100	25,586	–9
	2022	**100**	**291,523**	**–161,843**
Fraport Malta Ltd., St. Julians/Malta	2021	100	453,366	18,538

Subsidiaries

Name and registered office		Shareholding in %	Shareholders' equity (pursuant to IFRS) in € thousand	Result (pursuant to IFRS) in € thousand
	2022	**100**	**29,497**	**3,624**
Fraport Maryland Inc., Maryland/USA	2021	100	24,452	5,738
	2022	**100**	**3,235**	**4,488**
Fraport New York Inc., New York/USA	2021	100	–1,124	9,197
	2022	**100**	**2,238**	**748**
Fraport Newark LLC., Newark, USA	2021	100	1,415	690
	2022	**100**	**31**	**1**
Fraport Objekt Mönchhof GmbH, Frankfurt am Main	2021	100	31	1
	2022	**100**	**32**	**1**
Fraport Objekte 162 163 GmbH, Frankfurt am Main	2021	100	31	1
	2022	**99.99**	**0**	**0** 1)
Fraport (Philippines) Services, Inc., Manila/Philippines	2021	99.99	0	0 1)
	2022	**100**	**1,100**	**149**
Fraport Peru S.A.C., Lima/Peru	2021	100	851	321
	2022	**100**	**350**	**580** 2)
Fraport Passenger Services GmbH, Frankfurt am Main	2021	100	350	43 2)
	2022	**100**	**7,215**	**–8,318**
Fraport Pittsburgh Inc., Pittsburgh/USA	2021	100	14,544	391
	2022	**100**	**7,851**	**19,385** 2) 3)
Fraport Real Estate Mönchhof GmbH & Co. KG, Frankfurt am Main	2021	100	7,506	12,628 2) 3)
	2022	**100**	**47**	**2**
Fraport Real Estate Verwaltungs GmbH, Frankfurt am Main	2021	100	45	0
	2022	**100**	**7,420**	**4,641** 2) 3)
Fraport Real Estate 162 163 GmbH & Co. KG, Frankfurt am Main	2021	100	7,228	4,711 2) 3)
	2022	**65.0**	**124,733**	**46,731**
Fraport Regional Airports of Greece A S.A. Athens/Greece	2021	73.4	76,701	12,871
	2022	**65.0**	**78,054**	**21,246**
Fraport Regional Airports of Greece B S.A. Athens/Greece	2021	73.4	55,941	10,310
	2022	**65.0**	**7,862**	**1,942**
Fraport Regional Airports of Greece Management Company S.A. Athens/Greece	2021	73.4	5,966	1,559
Fraport Saudi Arabia for Airport Management and Development Services Company Ltd., Riyadh/Saudi Arabia	**2022**	**100**	**1,778**	**–366**
	2021	100	4,299	–286
	2022	**100**	**194,739**	**–2,575**
Fraport Slovenija, d.o.o. Zgornji Brnik/Slovenia	2021	100	197,133	–2,558
	2022	**100**	**–5,489**	**2,670**
Fraport Tennessee Inc., Nashville/USA	2021	100	–7,662	–774
	2022	**100**	**44,104**	**3,720**
Fraport Türkiye Havalimani Yatirimlari Anonim Sirketi, Antalya, Türkiye	2021	100	11,576	3,617
	2022	**60**	**99,870**	**4,205**
Fraport Twin Star Airport Management AD, Varna/Bulgaria	2021	60	95,920	868
	2022	**100**	**2,754**	**–756**
Fraport USA Inc., Pittsburgh/USA	2021	100	3,301	–1,624
	2022	**74**	**15,744**	**5,173**
FraSec Aviation Security GmbH, Frankfurt am Main	2021	100	12,725	31,041
	2022	**100**	**7,540**	**–5,489** 2)
FraSec Flughafensicherheit GmbH, Frankfurt am Main	2021	100	7,449	–10,220 2)
	2022	**100**	**–1,052**	**5,756** 2)
FraSec Fraport Security Services GmbH, Frankfurt am Main	2021	100	–6,971	–18,744 2)
	2022	**100**	**1,044**	**224** 2)
FraSec Services GmbH, Frankfurt am Main	2021	100	1,039	–3,566 2)
	2022	**100**	**25**	**0** 1)
FraSec VG GmbH, Frankfurt am Main	2021	100	25	0 1)
	2022	**100**	**163**	**231** 2)
FRA – Vorfeldkontrolle GmbH, Kelsterbach	2021	100	51	109 2)
	2022	**80.01**	**443,553**	**37,506**
Lima Airport Partners S.R.L., Lima/Peru	2021	80.01	383,499	11,544
	2022	**51**	**8,261**	**967**
Media Frankfurt GmbH, Frankfurt am Main	2021	51	7,294	–521

Joint ventures

Name and registered office		Shareholding in %	Shareholders' equity (pursuant to IFRS) in € thousand	Result (pursuant to IFRS) in € thousand
	2022	**50**	**5,695**	**1,551**
AirITSystems GmbH, Hanover	2021	50	5,279	2,027
	2022	**49**	**12,202**	**6,820**
FCS Frankfurt Cargo Services GmbH, Frankfurt am Main	2021	49	5,310	11,584
FraAlliance GmbH, Frankfurt am Main	**2022**	**50**	**1,218**	**193** [4]
	2022	**50**	**42,113**	**21,733**
Frankfurt Airport Retail GmbH & Co. KG, Hamburg	2021	50	20,381	6,922
	2022	**50**	**22**	**1**
Frankfurt Airport Retail Verwaltungs GmbH, Frankfurt am Main	2021	50	21	1
	2022	**51/50**	**92,924**	**125,362** [5]
Fraport TAV Antalya Terminal Isletmeciligi A.S., Antalya/ Türkiye	2021	51/50	–4,321	39,169 [5]
	2022	**49**	**727,973**	**–22,577**
Fraport TAV Antalya Yatirim, Yapim ve İşletme A.Ş., Antalya, Türkiye	2021	49	1	0
	2022	**33.33**	**4,155**	**–1,750**
Grundstücksgesellschaft Gateway Gardens GmbH, Frankfurt am Main	2021	33.33	5,906	2,040
	2022	**50**	**18,075**	**2,175**
Medical Airport Service GmbH, Mörfelden-Walldorf	2021	50	17,798	3,795
	2022	**50**	**25**	**2,306**
M-Port GmbH & Co. KG, Neu-Isenburg	2021	50	25	12,215
	2022	**50**	**24**	**0**
M-Port Verwaltungs GmbH, Neu-Isenburg	2021	50	24	–1
	2022	**52**	**9,119**	**1,512**
N*ICE Aircraft Services & Support GmbH, Frankfurt am Main	2021	52	8,092	451
	2022	**50**	**6,924**	**1,767**
Pantares Tradeport Asia Ltd., Hong Kong/China	2021	50	7,157	2,350
PEG Europa Real Estate GmbH, Neu-Isenburg	**2022**	**50**	**2,949**	**–1** [4]
	2022	**50**	**180**	**–36**
Shanghai Frankfurt Airport Consulting Services Co., Ltd., Shanghai/China	2021	50	220	–95
	2022	**50**	**3,966**	**47**
Terminal for Kids gGmbH, Frankfurt am Main	2021	50	3,919	28

Associated companies

Name and registered office		Shareholding in %	Shareholders' equity (pursuant to IFRS) in € thousand	Result (pursuant to IFRS) in € thousand
	2022	**40**	**5,363**	**–135**
Airmail Center Frankfurt GmbH, Frankfurt am Main	2021	40	5,498	341
	2022	**49**	**–9,677**	**–3,376**
ASG Airport Service Gesellschaft mbH, Frankfurt am Main	2021	49	–6,301	–1,624
	2022	**50**	**33,407**	**15,922**
operational services GmbH & Co. KG, Frankfurt am Main	2021	50	31,141	14,655
Thalita Trading Ltd., Lakatamia/Zypern;	**2022**	**25**	**–453,900**	**–104**
Northern Capital Gateway LLC, St. Petersburg/Russia	2021	25	–498,700	–13,300

Other investments

Name and registered office		Shareholding in %	Shareholders' equity (according to local regulation) in € thousand	Result (according to local regulation) in € thousand
	2022	**10**	**187,244**	**–44,527** [6)]
Delhi International Airport Private Ltd., Neu Delhi/India	2021	10	279,540	–75,105 [6)]
	2022	**20.0**	**840**	**545**
Flughafen Parken GmbH, Frankfurt am Main	2021	16.7	295	22
	2022	**13.51**	**0**	**0** [1)]
Gateways for India Airports Private Ltd., Bangalore/India	2021	13.51	0	0 [1)]
	2022	**20**	**0**	**0** [1) 7) 8)]
Ineuropa Handling Alicante, U.T.E., Madrid/Spain	2007	20	–575	–786 [1) 8) 9)]
	2022	**20**	**0**	**0** [1) 7) 8)]
Ineuropa Handling Madrid, U.T.E., Madrid/Spain	2007	20	–1,282	–2,604 [1) 8) 9)]
	2022	**20**	**0**	**0** [1) 7) 8)]
Ineuropa Handling Mallorca, U.T.E., Madrid/Spain	2007	20	871	270 [1) 8) 9)]
	2022	**20**	**0**	**0** [1) 7) 8)]
Ineuropa Handling Teneriffa, U.T.E., Madrid/Spain	2007	20	1,642	–762 [1) 8) 9)]
Perishable-Center Verwaltungs-GmbH Zentrum für verderbliche Güter Frankfurt, Frankfurt am Main	**2022**	**10**	**0**	**0** [9)]
	2021	10	2,824	1,821
	2022	**5.1**	**0**	**0** [9)]
The Squaire GmbH & Co. KG, Frankfurt am Main	2021	5.1	–645,351	–20,298

[1)] Company inactive or in liquidation.
[2)] IFRS result before consolidation.
[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 2022
[5)] 51% capital shares, 50% dividend rights.
[6)] Fiscal year of the company ends on March 31.
[7)] There is no influence on financial and business policies.
[8)] Shareholders' equity has been largely or wholly repaid.
[9)] Current financial statements not yet available.

Frankfurt/Main, February 24, 2023

Fraport AG
Frankfurt Airport Services Worldwide

The Executive Board

Dr. Stefan Schulte Anke Giesen Julia Kranenberg Dr. Pierre Dominique Prümm Prof. Dr. Matthias Zieschang

The Airport Brand You Trust – Progress Terminal 3

To serve the expected long-term growth in traffic, Fraport is expanding capacity at Frankfurt Airport by constructing a third passenger terminal.

The construction of Terminal 3 is already well advanced. The roof of the main terminal building has been fully installed and the facade work including glazing is progressing well. Numerous technical installations are in progress inside the terminal. Solutions for the installation of photovoltaic systems on the roof and other areas are being worked on. The aim is to generate part of the energy required directly on site. The opening of the new terminal is unchanged and still planned for the start of the summer flight schedule in 2026.

Road link with Zeppelinheim freeway junction on the A5 completed.

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, February 24, 2023

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 Group Management Report

Audit Opinions

We have audited the consolidated financial statements of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022**,** and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of Fraport AG Frankfurt Airport Services Worldwide, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2022. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's 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 [Article] § 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] 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 2022, and of its financial performance for the financial year from 1 January to 31 December 2022, and

- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group 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 group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

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 group 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 § 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 [Institute of Public Auditors in Germany] (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 Group 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 group 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 2022. 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 our view, the matter of most significance in our audit was as follows:

❶ Recoverability of goodwill and non-current assets

Our presentation of this key audit matters has been structured as follows:

① Matter and issue

② Audit approach and findings

③ Reference to further information

Hereinafter we present the key audit matter:

❶ Recoverability of goodwill and non-current assets

① In the Company's consolidated financial statements non-current assets in a total amount of EUR 12.8 billion (72,8 % of total assets) are reported under the balance sheet items "Goodwill", "Investments in airport operating projects", “Other intangible assets”, “Property, plant and equipment”, “Investment property” and “Investment in companies accounted for using the equity method” . While goodwill must be tested for impairment ("impairment test") on an annual basis and if there are indications that goodwill may be impaired, such a test needs only to be carried out for other non-current assets if there are indications that these assets may be impaired ("triggering events"). The impairment test is performed at the level of the cash-generating units. The carrying amount of the relevant cash-generating unit is compared with the corresponding recoverable amount for the purposes of the impairment test. The calculation of the recoverable amount generally employs the value in use. The present value of the future cash flows from the respective cash-generating unit normally serves as the basis of measurement. The present values are calculated using discounted cash flow models. Within the Fraport Group, this is generally based on the approved medium-term plan (for the 2023 to 2028 financial years). Due to the long-term investment plans at the Frankfurt location, the plans for the cash-generating units in this location are projected on an aggregated level from 2028 to 2030 and then based on assumptions about long-term rates of growth. In cases involving cash-generating units with fixed-term airport concessions, the plans are taken as a basis in line with the term of the respective concession agreements. Expectations relating to future market developments and assumptions about the development of macroeconomic factors on the business activities of the Group are also taken into account. The discount rate used is the weighted average cost of capital for the relevant cash-generating unit. The impairment test determined that write-downs in a total amount of EUR 6.8 million were necessary.

The outcome of this valuation is dependent on the estimates made by the executive directors with respect to the future cash flows of the respective cash-generating unit, the discount rate used, the rate of growth and other assumptions and is therefore subject to corresponding uncertainty. Against this background and due to the complex nature of the valuation, these matters were of particular significance in the context of our audit.

② As part of our audit, we evaluated, among other things, the methodology used for the purposes of testing the recoverability of goodwill and non-current assets. After matching the future cash flows used for the calculation against the adopted business plan of the Group, we assessed the appropriateness of the calculation, in particular by agreeing it to general and sector-specific market expectations. We discussed supplementary adjustments to the plan for the purposes of the impairment tests with the departments responsible and evaluated their appropriateness. We also assessed the appropriate consideration of the costs of Group functions. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value calculated using this method, we focused our testing in particular on the parameters used to determine the discount rate applied, and assessed the calculation model. In order to reflect the uncertainty inherent in the projections, we evaluated the sensitivity analyses performed by the Company and carried out our own additional sensitivity analyses with respect to those cash-generating units with low headroom (recoverable amount compared with the carrying amount). We verified that the necessary disclosures were made in the notes to the consolidated financial statements relating to cash-generating units for which a reasonably possible change in an assumption would result in the recoverable amount falling below the carrying amount of the cash-generating units including the allocated goodwill.

Overall, the measurement parameters and assumptions used by the executive directors are in line with our expectations and are within the ranges considered by us to be reasonable.

③ The Company's disclosures pertaining to impairment testing are contained in sections 4, 10, 13, 17 to 22 of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report, which we obtained prior to the date of our auditor’s report:

- the non-financial statement to comply with §§ 289b to 289e HGB and §§ 315b to 315c HGB included in section „combined non-financial statement“ of the group management report

- the section “Information on the central internal control system” of the group management report

The other information comprises further:

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB, which we obtained prior to the date of our auditor’s report

- all remaining parts of the annual report, which are expected to be made available to us after the date of the auditor’s report, – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report

Our audit opinions on the consolidated financial statements and on the group 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 mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with 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 Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 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 group 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 group 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 group 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 group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group 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 group 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 group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 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 group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group 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 for one 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 (systems) relevant to the audit of the group 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 group 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 IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 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 group 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 group 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 group 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 also 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, actions taken to eliminate threats or safeguards applied.

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 of the current period and are therefore the key audit matters. We describe these matters in our 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 Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file "Fraport_AG_KA_LB_ESEF-2022-12-31.zip" and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2022 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic renderings of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

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 Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance 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 electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group 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 date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 24 May 2022. We were engaged by the supervisory board on 15 December 2022. We have been the group auditor of the Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, without interruption since the financial year 2013.

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).

Reference to an 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 group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Guido Tamm.

Frankfurt am Main, February, 24, 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Rainer Kroker Wirtschaftsprüfer [German public auditor]	Guido Tamm Wirtschaftsprüfer [German public auditor]

Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting

To Fraport AG, Frankfurt am Main

We have performed a limited assurance engagement on the combined non-financial statement of Fraport AG, Frankfurt am Main, (hereinafter the "Company") for the period from 1 January to 31 December 2022 (hereinafter the "Combined Non-financial Statement") included in section "Combined Non-financial Statement" of the combined management report.

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Combined Non-financial Statement.

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Combined Non-financial Statement in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section 'Information on the EU Taxonomy Regulation' of the Combined Non-financial Statement.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Group that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as the executive directors consider necessary to enable the preparation of a Combined Non-financial Statement that is free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms 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 the Delegated Acts adopted thereunder in section 'Information on the EU Taxonomy Regulation' of the Combined Non-financial Statement. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis - IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Combined Non-financial Statement based on our assurance engagement.

We conducted our assurance engagement in accordance with 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 to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Combined Non-financial Statement, other than the external sources of documentation or expert opinions mentioned in the Combined Non-financial Statement, are not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section 'Information on the EU Taxonomy Regulation' of the Combined Non-financial Statement.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the Group's sustainability organisation and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Combined Non-financial Statement about the preparation process, about the internal control
- system relating to this process and about disclosures in the Combined Non-financial Statement
- Identification of likely risks of material misstatement in the Combined Non-financial Statement
- Analytical procedures on selected disclosures in the Combined Non-financial Statement
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and the combined management report
- Evaluation of the presentation of the Combined Non-financial Statement
- Evaluation of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Combined Non-financial Statement
- Inquiries on the relevance of climate-risks

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Combined Non-financial Statement of the Company for the period from 1 January to 31 December 2022 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section ‘Information on the EU Taxonomy Regulation’ of the Combined Non-financial Statement.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Combined Non-financial Statement.

Restriction of Use

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, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Frankfurt am Main, 24 February, 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Guido Tamm
Wirtschaftsprüfer
[German public auditor]

Nicolette Behncke
Wirtschaftsprüfer
[German public auditor]

Ten-Year Overview

Consolidated income statement[1)]

€ million	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues	**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**	**2,375.7**
Change in work-in-process	0.0	0.0	0.0	0.4	0.3	0.4	0.4	0.5	0.6	0.6
Other internal work capitalized	39.9	38.0	37.9	37.9	35.9	36.3	34.9	29.9	28.3	32.3
Other operating income	139.3	354.6	81.8	40.9	88.2	38.9	332.9	49.8	42.5	32.5
Total revenue	**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**	**2,441.1**
Cost of materials	–1,101.6	–750.7	–688.6	–1,197.4	–1,089.1	–720.4	–621.9	–610.4	–533.3	–595.2
Personnel expenses	–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	–928.9
Other operating expenses	–205.5	–143.9	–146.6	–184.5	–202.3	–193.9	–211.7	–193.2	–172.2	–184.1
EBITDA	**1,029.8**	**757.0**	**-250.6**	**1,180.3**	**1,129.0**	**1,003.2**	**1,054.1**	**848.8**	**790.1**	**732.9**
Depreciation and amortization	–465.3	–443.3	–457.5	–475.3	–398.5	–360.2	–360.4	–328.3	–307.3	–294.3
Operating result/EBIT	**564.5**	**313.7**	**–708.1**	**705.0**	**730.5**	**643.0**	**693.7**	**520.5**	**482.8**	**438.6**
Interest result	–260.5	–224.9	–165.8	–165.0	–168.4	–157.5	–106.9	–125.6	–141.1	–136.0
Result from companies accounted for using the equity method	77.0	18.8	–55.0	46.1	98.8	30.9	–4.6	37.6	43.5	18.5
Other financial result	–147.1	8.8	–4.3	3.9	9.5	–10.3	–0.8	1.3	–10.5	10.4
Financial result	**–330.6**	**–197.3**	**–225.1**	**–115.0**	**–60.1**	**–136.9**	**–112.3**	**–86.7**	**–108.1**	**–107.1**
Result from ordinary operations/EBT	**233.9**	**116.4**	**–933.2**	**590.0**	**670.4**	**506.1**	**581.4**	**433.8**	**374.7**	**331.5**
Taxes on income	–67.3	–24.6	242.8	–135.7	–164.7	–146.4	–181.1	–136.8	–122.9	–95.8
Group result	**166.6**	**91.8**	**–690.4**	**454.3**	**505.7**	**359.7**	**400.3**	**297.0**	**251.8**	**235.7**
thereof profit attributable to non-controlling interests	34.2	9.0	–32.8	33.6	31.8	29.5	24.9	20.5	17.1	14.7
thereof profit attributable to shareholders of Fraport AG	**132.4**	**82.8**	**–657.6**	**420.7**	**473.9**	**330.2**	**375.4**	**276.5**	**234.7**	**221.0**
Earnings per €10 share in € (basic)	**1.43**	**0.90**	**–7.12**	**4.55**	**5.13**	**3.57**	**4.07**	**3.00**	**2.54**	**2.40**
Earnings per €10 share in € (diluted)	**1.43**	**0.89**	**–7.09**	**4.54**	**5.11**	**3.56**	**4.06**	**2.99**	**2.54**	**2.39**

Key figures	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating cash flow in € million	787.3	392.6	–236.2	952.3	802.3	818.7	583.2	652.2	506.2	454.2
Free cash flow in € million	–741.0	–772.3	–1,400.0	–373.5	6.8	393.1	301.7	393.6	246.8	34.3
EBITDA margin in %	32.2	35.3	–14.9	31.9	32.5	34.2	40.8	32.7	33.0	30.8
EBIT margin in %	17.7	14.6	–42.2	19.0	21.0	21.9	26.8	20.0	20.2	18.5
Return on revenue in %	7.3	5.4	–55.6	15.9	19.3	17.2	22.5	16.7	15.6	14.0
Fraport assets in € million	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	5,061.7
ROFRA in %	6.0	3.4	–8.3	8.8	11.1	10.0	11.4	9.4	9.2	8.7
Year-end closing price of the Fraport share in €	38.05	59.18	49.36	75.78	62.46	91.86	56.17	58.94	48.04	54.39
Dividend per share in €	0.00	0.00	0.00	0.00	2.00	1.50	1.50	1.35	1.35	1.25
Passenger numbers Frankfurt	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	58,036,948
Average number of employees	18,850	18,419	21,164	22,514	21,961	20,673	20,322	20,720	20,395	20,481

Financial position key figures	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	Dec. 31, 2013
Profit earmarked for distribution in € million	0.0	0.0	0.0	184.9	184.9	138.7	138.7	124.7	124.7	115.4
Net financial debt in € million	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	2,870.6
Capital employed in € million	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	5,808.3
Net debt/EBITDA	6.9	8.4	–22.1	3.5	3.1	3.5	2.2	3.3	3.8	3.9
Gearing ratio in %	180.6	169.7	152.9	93.3	88.7	94.2	65.4	83.8	97.3	97.7
Debt-to-equity ratio in %	40.1	39.2	39.3	32.8	31.0	32.4	26.6	31.4	33.4	32.6
Dynamic debt ratio in %	896.6	1,622.4	-2,342.7	435.5	441.9	444.2	404.0	425.4	595.2	632.0
Working capital in € million	2,432.6	2,608.3	1,675.6	558.4	717.9	575.1	840.9	606.0	626.6	797.6
Group Liquidity in € million	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	1,368.1

[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, 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	Dec. 31, 2013
Goodwill	19.3	19.3	19.3	19.3	19.3	19.3	19.3	41.7	41.7	22.7
Investments in airport operating projects	3,769.1	3,416.4	3,221.2	3,284.1	2,844.3	2,621.1	516.1	500.9	479.2	458.1
Other intangible assets	95.9	105.8	119.1	131.1	134.5	132.4	146.7	161.2	157.1	51.1
Property, plant, and equipment	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	5,962.3
Investment property	69.1	88.6	123.3	93.3	88.8	96.4	79.6	74.5	63.0	47.7
Investments in companies accounted for using the equity method	491.4	71.3	165.5	242.2	260.0	268.1	209.7	237.6	216.9	194.9
Other financial assets	1,173.4	932.3	350.3	503.0	426.1	488.6	561.7	659.2	773.3	728.6
Other receivables and financial assets	216.6	276.6	233.2	193.7	195.0	190.9	173.3	167.0	181.1	172.2
Income tax receivables	0.0	0.0	0.0	0.0	0.0	0.0	0.2	5.4	10.2	20.3
Deferred tax assets	159.5	182.6	175.8	78.6	56.7	41.0	36.9	33.4	31.1	27.9
Non-current assets	**14,366.1**	**12,991.3**	**11,971.2**	**11,576.9**	**10,106.4**	**9,779.3**	**7,697.7**	**7,926.3**	**8,081.3**	**7,685.8**
Inventories	25.5	20.3	22.3	23.6	28.9	29.3	37.9	42.8	43.7	42.3
Trade accounts receivable	177.1	152.3	125.4	203.1	177.9	143.5	129.6	154.0	174.7	174.4
Other receivables and financial assets	409.0	272.7	321.0	203.3	304.3	245.5	259.7	310.8	297.6	426.4
Income tax receivables	33.3	20.9	10.1	25.2	13.1	5.4	11.9	7.4	7.7	1.0
Cash and cash equivalents	2,585.2	2,662.8	1,864.4	788.9	801.3	629.4	736.0	406.0	401.1	486.9
Current assets	**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**	**1,131.0**
Non-current assets held for sale	**11.4**	**119.7**	**0.0**	**0.0**	**17.2**	**0.0**	**0.0**	**0.0**	**7.1**	**0.0**
Issued capital	923.9	923.9	923.9	923.9	923.9	923.9	923.6	923.1	922.7	922.1
Capital reserve	598.5	598.5	598.5	598.5	598.5	598.5	596.3	594.3	592.3	590.2
Revenue reserves	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	1,540.8
Equity attributable to shareholders of Fraport AG	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	3,053.1
Non-controlling interests	222.5	155.9	139.9	180.1	187.7	160.6	101.1	74.4	64.9	45.7
Shareholders' equity	**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**	**3,098.8**
Financial liabilities	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	3,948.1
Trade accounts payable	62.3	71.8	42.6	41.4	45.5	42.4	41.8	42.5	47.1	50.8
Other liabilities	1,168.0	1,193.4	1,147.7	1,279.4	1,016.7	1,090.1	408.0	447.7	497.5	491.7
Deferred tax liabilities	41.3	37.7	39.7	212.7	228.3	203.8	173.6	172.2	158.7	107.2
Provisions for pensions and similar obligations	31.7	41.7	46.7	40.2	31.7	34.2	33.2	30.7	33.7	26.7
Provisions for income taxes	77.0	83.7	51.0	69.7	74.2	70.3	71.8	62.1	68.8	54.1
Other provisions	136.3	160.7	196.5	158.7	160.2	147.2	147.2	201.6	228.0	223.9
Non-current liabilities	**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**	**4,902.5**
Financial liabilities	1,209.6	627.6	810.7	556.5	608.3	575.4	366.5	543.6	318.1	290.6
Trade accounts payable	444.4	298.8	294.6	297.3	286.5	185.9	146.7	143.1	134.5	159.6
Other liabilities	353.1	282.2	330.4	347.0	275.6	249.7	145.7	129.4	123.7	123.0
Provisions for income taxes	24.7	29.4	43.1	59.7	43.9	33.1	42.9	56.0	14.7	7.7
Other provisions	199.2	189.5	383.0	194.7	201.1	216.0	217.1	232.9	223.8	234.6
Current liabilities	**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**	**815.5**
Liabilities in the context of non-current assets held for sale	**12.1**	**8.1**	**0.0**	**0.0**	**8.8**	**0.0**	**0.0**	**0.0**	**4.3**	**0.0**
Total assets	**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**	**8,816.8**

Change over the previous year in %	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	Dec. 31, 2013
Non-current assets	+10.6	+8.5	+3.4	+14.6	+3.3	+27.0	–2.9	0.0	0.0	0.0
Shareholders' equity (less non-controlling interests and profit earmarked for distribution)	+4.2	+3.7	–18.6	+11.2	+7.1	+3.5	+8.7	+7.0	+5.4	0.0
Share of total assets in %										
Non-current assets	81.6	80.0	76.8	81.2	88.3	90.3	86.8	89.6	89.7	87.2
Shareholders' equity ratio	22.2	23.1	25.7	35.2	34.9	34.4	40.6	37.4	34.4	33.3

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.

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

[1)] Shareholders' equity less non-controlling interests and profit earmarked for distribution.

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)]

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"

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

Return on shareholders' equity
Profit attributable to shareholders of Fraport AG/shareholders' equity[1)]

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[1)]/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 2023

Thursday, May 4, 2023
Interim Release Q1 2023, online publication, conference call with analysts and investors

Tuesday, May 23, 2023
Annual General Meeting 2023

Tuesday, August 8, 2023
Interim Report Q2/6M 2023, online publication, conference call with analysts and investors

Tuesday, November 7, 2023
Interim Release Q3/9M 2023, online publication, annual press conference, conference call with analysts and investors

Traffic Calendar 2023

(Online publication)

Monday, April 17, 2023
March 2023/3M 2023

Friday, May 12, 2023
April 2023

Wednesday, June 14, 2023
May 2023

Thursday, July 13, 2023
June 2023/6M 2023

Friday, August 11, 2023
July 2023

Wednesday, September 13, 2023
August 2023

Friday, October 13, 2023
September 2023/9M 2023

Monday, November 13, 2023
October 2023

Wednesday, December 13, 2023
November 2023

Tuesday, January 16, 2024
December 2023/FY 2023

Imprint

Publisher
Fraport AG Frankfurt Airport Services Worldwide
60547 Frankfurt am Main
Germany
www.fraport.com

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Photography/Design
Stefan Rebscher, Fraport AG / Frank Blümler, Frankfurt / Oliver Rösler / Rödermark.
The report was compiled with the system SmartNotes.

Editorial Deadline & Publication Date
February 24, 2023/ March 14, 2023

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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