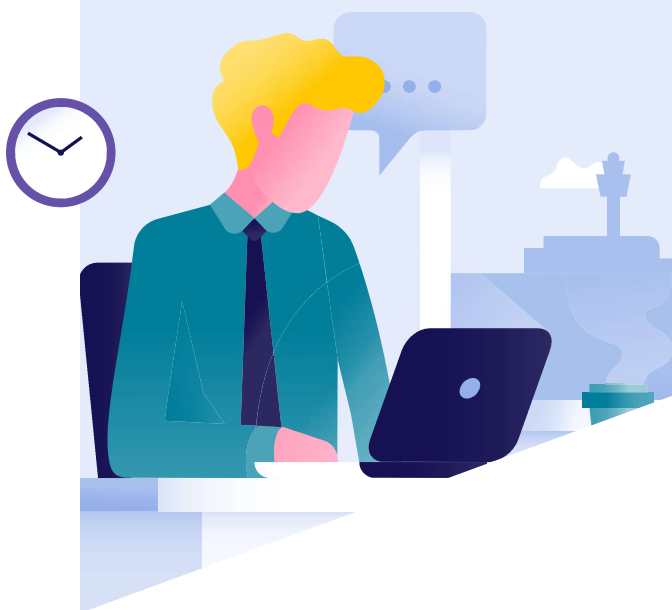


Schiphol Group 2023 marked a turnaround for passengers, employees and airport's future plans. The enhanced airport services played a crucial role in providing passengers with a positive travel experience, even though it led to a rise in operational costs.



# Financial performance

The 2023 underlying net result of Schiphol Group increased with 129 million euros from a reported loss of 28 million euros in 2022 to 101 million euros positive result in 2023. The increase in revenue was mainly driven by an increase in passenger numbers and ATM's compared to 2022, a year which was still partly influenced by COVID-19 travel restrictions. Furthermore, the revenue increased as a result of a 12% increase of the airport charges at Amsterdam Airport Schiphol as of April 2023. The increase in revenue is partly offset by an increase in underlying operating expenses (mainly security costs, employee benefits and maintenance).

The adjustment from underlying result for the year to the result for the year is mainly a consequence of developments in the real estate market and results from financial assets and liabilities.

Market developments in the real estate sector further deteriorated, which led to a significant decrease in the fair value of Schiphol's real estate portfolio. The 2023 fair value loss from investment property amounted to 151 million euros compared with a fair value loss of 192 million euros in 2022. The fair value gains and losses relating to Schiphol's international investments in Brisbane and Hobart amounted to a fair value gain of 2 million euros, compared to a fair value gain of 20 million euros in 2022 due to favourable market conditions at that time.

The 2023 net result was one-off impacted by the execution of a cash tender offer on three of the outstanding EMTN notes resulting into a 380 million euros notional repayment against a cash settlement of 350 million euros, hence a financial gain of 30 million euros before tax. The 2022 net result was on the other hand impacted by a net fair value gain before tax of 61 million euros on the remeasurement of the shares in Group ADP (Assets held for sale) less the remeasurement result on the financial liability related to the Share buy back obligation.

The net result for the year attributable to shareholders amounted to 13 million euros in 2023 compared to negative net result of 86 million euros in 2022.

## Revenue

Revenue increased strongly by 361 million euros (24%), rising from 1,491 million euros in 2022 to 1,852 million euros in 2023. Higher revenue was mainly driven by an increase in passenger numbers and ATMs and a 12% increase of the airport charges for Amsterdam Airport Schiphol as of April 2023. The total number of passengers using Schiphol Group's airports increased by 17% to 70.9 million (2022: 60.8 million). The overview of the various components of the revenue (excluding intercompany revenue) is as follows:

EUR million	2023	2022	%
Airport charges	1,158	901	28.5
Concessions	205	162	26.5
Rent and leases	194	193	0.5
Parking fees	150	125	20.0
Other	145	110	31.8
<b>Total Revenue</b>	<b>1,852</b>	<b>1,491</b>	<b>24.2</b>

### Airport charges

Revenue from airport charges at Amsterdam Airport Schiphol, Eindhoven Airport and Rotterdam The Hague Airport increased by 29% in 2023 to 1,158 million euros. This result was driven by an increase in the number of passengers, ATMs and an increase in airport charges at Amsterdam Airport Schiphol effective as of April 2023.

At Amsterdam Airport Schiphol, passenger numbers were up by 18% to 61.9 million (2022: 52.5 million), while the number of ATMs also increased by 11% to 441,969 (2022: 397,646). Cargo volumes decreased by 4% to 1.38 million tonnes compared to 1.44 million tonnes in 2022. Revenue from airport charges at Amsterdam Airport Schiphol increased by 251 million euros to 1,072 million euros (2022: 821 million euros).

Passenger numbers at Eindhoven Airport increased by 9% to 6.8 million in 2023 (2022: 6.3 million) and the number of ATMs increased by 5% to 39,996 (2022: 38,143). As a result, revenue from airport charges increased by 3% to 51 million euros in 2023 (2022: 49.5 million euros).

At Rotterdam The Hague Airport, the number of passengers in 2023 increased by 6% to 2.2 million (2022: 2.1 million), the number of ATMs increased by 419 to 16,191. Due to these positive developments the revenue from airport charges at Rotterdam The Hague Airport increased with 4.4 million euros to 34.4 million euros compared to 30 million euros in 2022.

### Concessions

Revenue generated by Schiphol Group through concessions strongly increased by 27% to 205 million euros in 2023 (2022: 162 million euros) following an increase in passenger numbers at Amsterdam Airport Schiphol as well as our regional airports. Revenue from concessions is positively impacted by absence of COVID-19 restrictions in 2023. Contrary to 2022 all shops were open with full opening hours as of April 2023. The return of passengers with destination China and Hong Kong had a positive impact on the passenger mix resulting in a higher spend per passenger.

The average spend per passenger on retail airside at Amsterdam Airport Schiphol increased from 12.67 euros to 13.06 euros, food and beverage spending per departing passenger decreased from 6.17 euros to 6.12 euros. The improved operation at Amsterdam Airport Schiphol led to longer dwell time in which passengers visit stores or consume food and drinks.

### Rent and leases

Revenue from rents and leases increased by 1% from 193 million euros in 2022 to 194 million euros in 2023. This increase is primarily caused by the increase as a result of indexation of lease contracts. The increase from indexation is for a major part offset by lower service charge revenue (relating to electricity and gas charges). The decrease in service charge related revenue had a limited impact on the EBITDA performance, as only the service costs for vacant space remain in income statement.

The average occupancy rate of Schiphol's total real estate portfolio in 2023 was 94.3%, which is in line with the average occupancy rate of 94.4% during the same period last year. The occupancy rate is generally lower, but the second line freight performance compensates for this effect.

### Parking fees

Total parking revenue increased by 20% to 150 million euros in 2023 (2022: 125 million euros). Parking revenue at Amsterdam Airport Schiphol increased by 20 million euros to 123 million euros. This is attributable to an increase in the number of original destination passengers (approximately 12.1%) at Schiphol and a higher average transaction value. Staff parking increased with 8% due to more subscriptions and an average indexation of 3.5%. A similar development was seen at Eindhoven Airport and Rotterdam The Hague Airport.

### Other

Revenue from other activities increased by 32% to 145 million euros, also due to the increase in passenger numbers. The increase is mainly driven by an increase in passengers with reduced mobility, more passengers making use of premium services as

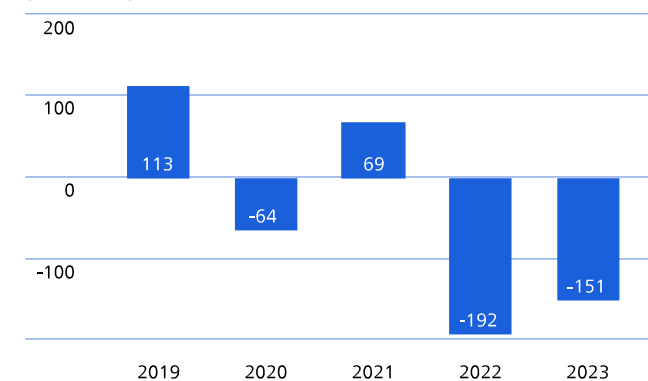
well as advertising (media) activities due to more passengers arriving and departing.

## Other income and results from investment property

Due to the recent economic developments and the rising interest rates on the capital market, the market conditions for real estate were unfavourable, which contributed to a fair value loss of 151 million euros in 2023 (2022: loss of 192 million euros). The Net Initial Yield (NIY) rose substantially in the office market this past year, due to higher interest rates in the capital market and the lack of demand as a result of the changing environment. This led to a fair value loss of 90 million euros. The performance of the logistics real estate market is also unfavourable, but due to the remaining high demand for logistic real estate, the NIY increase was less compared to the office market, causing a fair value loss of 42 million euros. Fair value losses of 5 million euros were recognised on investment property under construction, due to rising yields and higher construction costs. For the land positions, fair value losses of 13 million euros were recognised due to unfavourable market developments for this segment.

### Fair value gains and losses on the real estate portfolio

(EUR million)



## Underlying operating expenses and depreciation, amortisation & impairment

The underlying operating expenses increased by 221 million euros in 2022 from 1,130 million euros to 1,351 million euros. This increase results from an increase in passenger numbers, increased operational expenses to ensure a stable and robust operation across the entire airport and increased inflation compared to 2022 reflected in our workforce cost and services purchased.

Costs of outsourced work and other external charges increased from 684 million euros to 773 million euros, mainly caused by increased operational costs due to higher traffic numbers and the recovery from the COVID-19 pandemic in operations. Increase was mainly driven by an increase of temporary personnel to support the airport operations for which central recruitment was done by Schiphol Group. Furthermore, external resources were hired to improve the operations process and additional IT costs were recognized for these improvements as well.

The costs of maintenance activities (included as part of costs of outsourced work and other external charges) increased by 18 million euros in 2023 to 166 million euros (2022: 148 million euros), mostly due to an increase in corrective maintenance (on the luggage and flight handling) as a result of an increase in passenger numbers.

The cost of employee benefits increased by 38 million euros in 2023 to 290 million euros compared with 2022 (252 million euros). This is mainly the result of an increase in the active workforce (and costs) of Schiphol. During 2023 no income from NOW government grants was reported (2022: 11 million euros).

Operating expenses	2023	2022	%
EUR million			
Outsourcing and other external costs	773	684	13.0
Employee benefits	290	252	15.1
Security	288	194	48.5
<b>Underlying operating expenses (excl. Depreciation, amortisation and impairment)</b>	<b>1,351</b>	<b>1,130</b>	<b>19.6</b>
Depreciation, amortisation and impairment	344	331	3.9
<b>Underlying operating expenses</b>	<b>1,695</b>	<b>1,461</b>	<b>16.0</b>
<i>Adjustments for:</i>			
NOW government grants	-	11	
Impairment		-	
<b>Total adjustments</b>	<b>-</b>	<b>11</b>	
<b>Operating expenses (excl. Depreciation, amortisation and impairment)</b>	<b>1,351</b>	<b>1,119</b>	<b>20.7</b>
<b>Operating expenses</b>	<b>1,695</b>	<b>1,451</b>	<b>16.8</b>

Besides the impact of inflation on all the reported expenses categories the outsourcing and other external costs increased mainly as a result of increased maintenance levels of Schiphol airport.

The costs of security (included as part of the costs of outsourced work and other external charges) increased 94 million euros in 2023 (288 million euros compared with 194 million euros in 2022). The increase was mainly caused by increased passenger levels as well as the adjustments in the working schedules as an improvement to solve security staff shortages.

Depreciation, amortisation and impairment increased 13 million 2023 compared to 2022 due to new assets that were taken into operation in 2022 and 2021.

## Underlying operating result

The underlying operating result improved in 2023, generating a positive result of 157 million euros compared to a positive result of 30 million euros in 2022.

The underlying operating result from Aviation improved by 86 million euros to a loss of 113 million euros in 2023 compared to a loss of 199 million euros reported in 2022. Although the number of passengers, ATM's and airport charges increased compared to 2022 it turned out that the increase could not completely offset the increased operational costs.

The underlying operating result of Schiphol Commercial increased in 2023, from 221 million euros to 242 million euros. This was the result of an increase in revenue in all areas, due to an increase in passenger numbers compared to 2022 and an overall improved service level to passengers.

The underlying operating result for Alliances & Participations increased by 20 million euros mainly due to an increase in revenue of the regional airports which is attributable to an increase in passenger numbers and ATM's.

### Operating result

EUR million	2023	2022	%
Aviation	-113	-199	43.2
Schiphol Commercial	242	221	9.5
Alliances & Participations	28	8	>100
<b>Underlying operating result</b>	<b>157</b>	<b>30</b>	<b>&gt;100</b>
<i>Adjustments for:</i>			
NOW government grants	-	11	
Other results from investment property	-151	-192	
<b>Total adjustments</b>	<b>-151</b>	<b>-181</b>	
<b>Operating result</b>	<b>6</b>	<b>-151</b>	<b>&gt;100</b>

## Financial income and expenses

The underlying net financial income and expense for 2023 amounts to 28 million euros and is in line with expectations given the debt portfolio and cash and cash equivalent position (2022: 78 million euros).

The adjustment on the underlying net financial expense was in 2023 positively impacted by 30 million euros as a result of a one off financial income following the cash tender offer on certain EMTN notes. The net financial expenses in 2022 were impacted by a fair value gain of 135 million euros on the remeasurement and loss on disposal of the asset held for sale (investment (shares) in ADP) and a financial expense resulting from the remeasurement of the financial liability - share buyback obligation of 74 million euros.

## Share in results of associates and joint ventures

### Share in results of associates and joint ventures

EUR million	2023	2022	%
Brisbane Airport Corporation Holdings	21	12	75.0
Hobart International Airport (TGHC)	-3	2	>100
Other results of associates	3	4	-25.0
<b>Underlying result of associates and joint ventures</b>	<b>21</b>	<b>18</b>	<b>23.5</b>
<i>Adjustments for:</i>			
Other results from investment property	2	20	
Impairment	-1	-10	
Tax impact	-	5	
<b>Total adjustments</b>	<b>1</b>	<b>15</b>	<b>-93.3</b>
<b>Result of associates and joint ventures</b>	<b>22</b>	<b>33</b>	<b>-33.3</b>

The underlying share in the results of associates and joint ventures increased by 3 million euros, leading to a positive result of 21 million euros in 2023 (2022: 18 million euros). The fluctuations in the share of the results of associates and joint ventures were mainly driven by an increase in the results of our international activities, in particular Brisbane airport. Following international and domestic border openings in Australia and a strong pent up demand, passenger numbers have been trending higher than anticipated. Although operational performance of Hobart Airport continues to be strong, net results are affected by fair value changes of their interest rate swap. Other results from investment properties comprise the net of fair value gain of both Brisbane airport and Hobart airport. An impairment loss of 1 million euros (2022: 10 million euros) was recognised on one of Schiphol's joint ventures.

## Underlying corporate income tax

The underlying corporate income tax amounted to 40 million euros in 2023 compared with 11 million euros in 2022. This excludes the tax impact of the adjustments from underlying result to result with a total impact of 31 million euros for 2023 (52 million euros for 2022).

## Underlying net result

As a result of the developments outlined above, the underlying 2023 net result increased by 129 million euros to 101 million euros from 28 million euros loss in 2022. The underlying return on equity amounted to 2.9% positive in 2023 (2022: 0.8% negative).

## Net result

The adjustments, including the results of the investment property (mainly non-cash fair value gains) and several other one-off results, the net result attributable to shareholders for 2023 amounted to a result of 13 million euros (2022: negative result of 86 million euros). The return on equity amounted to 0.4% positive in 2023 (2022: 2.5% negative).

## Other results from financial assets and financial liabilities

Net financial income and expenses decrease by 18 million euros to positive 2 million euros for 2023 (2022: 16 million euros negative). This is mostly due to the 2022 fair value gain of 135 million euros on our investment (shares) in Groupe ADP, as a result of the remeasurement in terms of IFRS 9 as well as the recognition of the loss on disposal of the shares. Also, as a result of the remeasurement of the share buyback obligation, financial expenses to the amount of 74 million euros were recognised in 2022. The share buyback obligation (financial liability) was settled in December 2022 with the acquisition of the treasury shares.

## Tax impact

Corporate income tax amounted to 9 million euros expenses in 2023 compared to 58 million euros income in 2022. The 2022 tax calculations were impacted by the non taxable fair value gain of 135 million euros and finance costs of 74 million euros from the revaluation of the share buy-back obligation and the assets held for sale. For 2023, the effective tax rate was higher than the domestic income tax rate of 25.8%, mainly as a result of adjustments related to prior years. The effective tax rate for the 2023 financial year was 28.7% (2022: positive 42.9%).

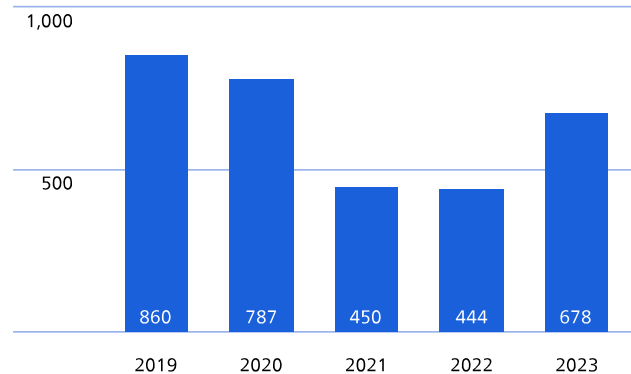
## Investments

In 2023, Schiphol invested 678 million euros, an increase of 53% compared to 444 million euros in 2022. There are several reasons for this linked to operational feasibility (capacity issues aircraft stands) and manufacturability (limited capacity of terminal, fluctuating capacity and security capacity) and also caused by COVID-19's aftermath. The most significant investments in 2023 are:

- development of Pier A;
- execution of maintenance on runway 18C-36R (Zwanenburgbaan);
- redevelopment Terminal 1;
- development Hangar 17;
- execution of the multi-year maintenance plan.

### Schiphol Group investments

(EUR million)



## Movement in the consolidated statement of financial position

The balance sheet total as at 31 December 2023 amounted to 9,254 million euros. This figure decreased by 350 million euros compared with 31 December 2022 (9,604 million euros). Total equity decreased by 14 million euros to 3,433 million euros. The decrease is a combined effect of a positive result attributable to shareholders of 13 million euros and a negative change in other comprehensive income of 27 million euros, mainly due to translation differences. No dividends were paid during 2022 and no dividends are expected to be paid over 2023 but formal decision takes place in the General meeting of shareholders in April 2024.

Non-current assets increased by 139 million euros to 7,723 million euros as at 31 December 2023. The increase was mainly due to the increase of Assets under construction or development which increased by 297 million euros. Within investment property, recognised fair value losses of 151 million euros exceeded the 2023 capital expenditure and combined resulted in a decrease of 101 million euros in the balance.

Current assets decreased by 488 million euros compared to 2022, mainly caused by a decrease of long term deposits included in trade and other receivables and a decrease of cash and cash equivalents. The decrease of cash and cash equivalents is primarily a result of early repayment of certain EMTN notes following the cash tender offer and capital expenditures and financing of capital expenditures without attracting new borrowings. As at 31 December 2023, Schiphol Group held 785 million euros in cash and cash equivalents, of which 165 million euros in bank accounts, 286 million euros in bank deposits and 334 million euros in money market funds (2022 money market funds: 642 million euros). In addition an amount of 370 million euros was included in deposited with an initial maturity exceeding 3 months (2022: 680 million euros).

Current liabilities increased as a result of an increase in the short-term portion of borrowings and an increase in accruals and an increase in flight tax payable.

## Cash flow developments

Cash flow from operating activities amounted to an inflow of 489 million euros in 2023 compared with an inflow of 353 million euros in 2022. This increase was a direct consequence of the recovery from COVID-19 on an operational level during 2023.

Total cash flow from investing activities amounted to an outflow of 349 million euros in 2023 compared with an inflow of 216 million euros in 2022. The outflow was mainly a result of higher investments in Property, Plant and Equipment and repayment. The inflow of 2022 was impacted by the disposal of the financial asset (shares of Groupe ADP), as well as taking into account a net outflow (investments) of deposits.

Net cash flow from operating and investing activities (free cash flow) amounted to an inflow of 140 million euros in 2023 compared with an inflow of 569 million euros in 2022.

Cash flow from financing activities amounted to 406 million euros negative (2022: 438 million euros outflow). The 2023 outflow was a result of the cash tender offer on three of its outstanding EMTN notes executed during the first half of the year, that resulted in a cash outflow of 350 million euros. In addition, Schiphol repaid the 25 million euros Namensschuldverschreibung, which matured during the first half of the year. The 2022 cash flow from financing activities was impacted by the acquisition of the treasury shares by 420 million euros. Schiphol Group did not attract additional debt in 2023 (2022: none).

Mainly as a consequence of the aforementioned developments in the operating result and the positive cash flow from investing activities, the net cash flow in 2023 amounted to an outflow of 266 million euros (2022: 131 million euros inflow). As a result, the net amount of cash balances, taking into account exchange and

translation differences, decreased from 1,051 million euros as at 31 December 2022 to 785 million euros as at 31 December 2023.

In addition to these cash balances, Royal Schiphol Group has access to 675 million euros in committed and 150 million euros in uncommitted undrawn bank facilities (2022: 675 million euros committed and 150 million euros uncommitted) and 370 million euros in short-term deposits.

## Financing

The total amount of outstanding loans and lease liabilities decreased by 431 million euros in 2023 to 4,934 million euros (2022: 5,365 million euros). The decrease was mainly the result of the voluntary cash tender offer on Schiphol's outstanding EMTN Notes, which reduced the total gross debt notional by 380 million euros, and to a lesser extent the repayment of 25 million euros on a Namensschuldverschreibung and 9 million euros on loans from the European Investment Bank. At present, it is possible to raise funds of up to 5 billion euros under the EMTN Programme, of which 4,037 million euros has been issued.

In addition, Schiphol Group has an Euro Commercial Paper (ECP) programme with a current limit of 1 billion euros. Schiphol Group also has a number of committed undrawn facilities to the value of 675 million euros with BNP Paribas, ABN AMRO, ING, Natwest Markets, SMBC, Rabobank, BNG and EIB.

## Ratios

The most important financing ratios set out in our financing policy are FFO/net debt, FFO/interest coverage ratios and net leverage ratios. Funds From Operations (FFO) relates to cash flow from operating activities adjusted for operating working capital. In 2023, FFO increased from 267 million euros negative to 446 million euros positive. The FFO/net debt ratio reached 11.8% positive at the end of 2023 compared with 7.4% positive at the end of 2022.

The FFO/interest coverage ratio in 2023 was 6.7x positive, an increase from the 4.5x negative recorded in 2022. In addition to these two ratios, the net leverage ratio (ratio of interest-bearing debt minus cash and cash equivalent divided by EBITDA) is applied. At the end of the 2023 financial year, Schiphol Group's net leverage ratio stood at 7.5x. The solvency ratio for the Group over 2023 was 37.1% (2022: 35.9%), which is above the required minimum of 30% per the covenants of the European Investment Bank.

## Economic regulation

Aviation activities at Amsterdam Airport Schiphol and Eindhoven Airport are regulated; the other regional airports are not regulated. Schiphol Group's income is differentiated between regulated and non-regulated flows in what is known as a (hybrid) dual-till system. The amounts Schiphol Group can charge are restricted to the costs associated with primary airport operations including security and related infrastructure.

Under the current Aviation Act, which took effect on 1 July 2017, Schiphol Airport's charges are set every three years. The

first three-year charge period covered the years 2019-2021. The second three-year charge period 2022-2024 was subject to consultation in 2021.

The return on aviation assets, the regulatory asset base, has been capped at the regulated weighted average cost of capital (WACC) determined for the three-year period, on which the 10-year interest rate on Dutch government bonds has a considerable impact. This means Schiphol Group's return on aviation investments depends on the general development of the interest rate. For the 2019-2021 charge period, the regulated WACC was 2.71% (after tax); for 2022-2024, the regulated WACC is 3.21% (after tax).

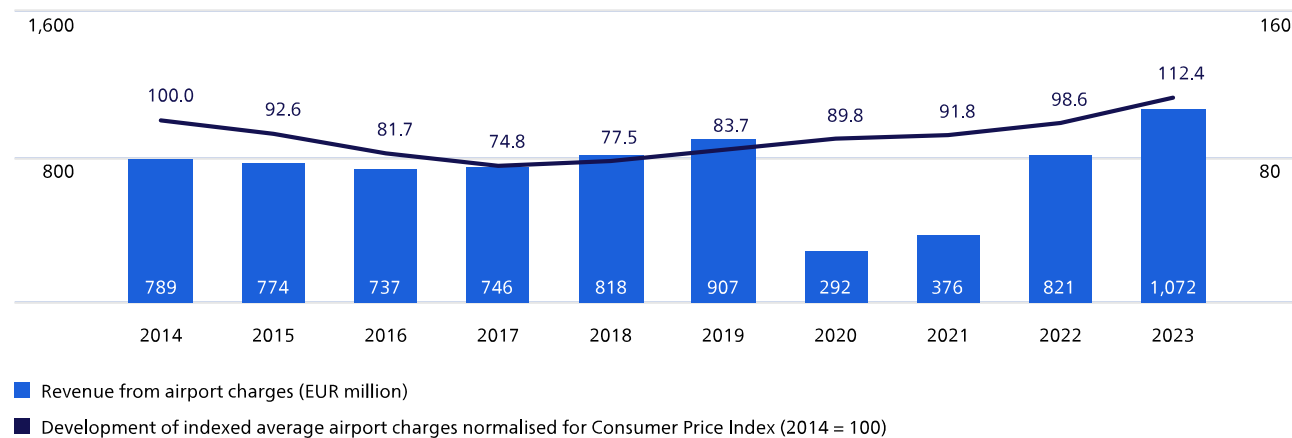
The fees we charge airlines for the use of Amsterdam Airport Schiphol are set after consultation with the airlines and subject to supervision by the Authority for Consumers and Markets (ACM) under the Dutch Aviation Act.

### Airport charges 2022-2024

After consultation with the airlines, the charges for 2022-2024 were set on 29 October 2021, and came into effect on 1 April 2022. When setting its charges for 2022 until 2024, Schiphol

### Development of airport charges Amsterdam Airport Schiphol

(EUR million)



Group balanced two different goals: maintaining its position as a high-value European hub airport and recovering its financial health. One key component for setting the charges for 2022 until 2024 was the settlements for 2020 and 2021. This has resulted in an average increase of charges of 9% in 2022, 12% in 2023 and 12% in 2024. In October 2022, the average increase of charges remained unchanged by incorporating the final settlement of 2021 (compared to the already incorporated outlook settlement of 2021). In October 2023, Schiphol adjusted the charges for 2024 as a result of the incorporation of the 2022 settlement. This has led to an average charge increase of 14.8% as of 1 April 2024.

### **Sustainability in the airport charges**

For the 2022-2024 charge period, Schiphol Group took a next step to further stimulate the use of quieter aircraft. As NOx emissions are a pressing issue in the Netherlands and noise disturbance remains a major impediment to airport operations and prospects for future development, Schiphol adjusted its charge structure on 1 April 2022. To stimulate quieter and more fuel-efficient aircraft, Schiphol Airport has introduced a NOx charge per kg NOx emissions into its landing and take-off charges and updated its noise modulation.

### **Dutch aviation tax**

Since 1 January 2021, all passengers at a Dutch airport are subject to aviation tax. In 2023 the aviation tax amounted to 26.43 euros per departing passenger and will increase as of 1 January 2024 to 29.05 euros per departing passenger. As demonstrated by the governments own research, Schiphol believes this aviation tax has a minimal impact in terms of reducing carbon emissions and that the revenue of this aviation tax should be used to promote innovation and sustainable development within the aviation sector.



The aviation business area is a central player in meeting the needs of passengers, airlines, handling agents, and logistics service providers. This business area is responsible for providing, up-keeping, and overseeing critical infrastructure and processes to guarantee a smooth, dependable, and enjoyable departure and arrival process for passengers, baggage, and cargo. Furthermore, Aviation takes the lead in coordinating safety and security across terminals, aprons, roads, airside zones, and buildings.

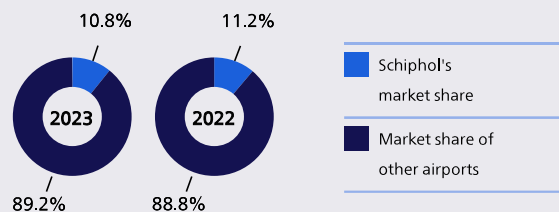
## Aviation

EUR million	2023	2022	%
Total revenue	1,141	871	31.0
Operating expenses	1,016	846	20.2
<b>Underlying EBITDA</b>	<b>125</b>	<b>25</b>	<b>&gt;100</b>
Depreciation	238	224	6.0
<b>Underlying operating result</b>	<b>-113</b>	<b>-199</b>	<b>43.4</b>
Average fixed assets	3,621	3,459	4.7

EUR million	Aviation			Security		
	2023	2022	%	2023	2022	%
Total revenue	761	580	31.2	380	291	30.6
Operating expenses	611	553	10.5	405	294	37.8
<b>Underlying EBITDA</b>	<b>150</b>	<b>27</b>	<b>&gt;100</b>	<b>-25</b>	<b>-2</b>	<b>&lt;100</b>
Depreciation	190	174	9.2	48	50	-4.0
<b>Underlying operating result</b>	<b>-40</b>	<b>-146</b>	<b>72.6</b>	<b>-73</b>	<b>-53</b>	<b>-37.7</b>

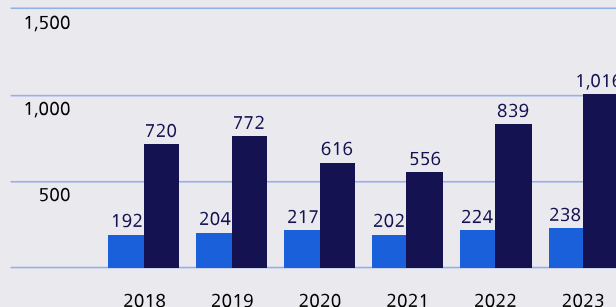
### Schiphol's market share in passenger volume

in top-10 European airports



### Aviation business area costs

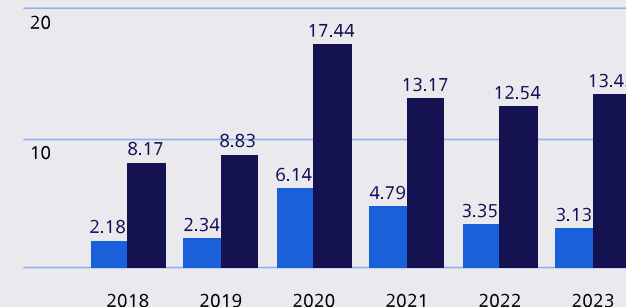
EUR million



■ Depreciation & amortisation  
■ Operating expenses (excl. D&A)

### Costs per WLU (Aviation)

EUR per WLU



■ Depreciation & amortisation per WLU  
■ Operating expenses (excl. D&A) per WLU





## Aviation (continued)

In 2023, the direct destinations from Schiphol totalled 305 in comparison to 313 in 2022. The IR rate for baggage handling (amount of baggage items delayed per departing 1,000 passengers) was 10.8 in 2023 (2022: 15.4). The punctuality of air transport movements for arrivals was 74.7% (2022: 74.9%) and for departures 58.9% (2022: 57.1%).

### Underlying operating result

The COVID-19 pandemic up until Q1 2022 and the rapid recovery in traffic thereafter had a significant impact on operations within Aviation over 2022, but in 2023 as well. This also shows in the underlying operating result of Aviation, which in 2023 increased from a loss of 199 million euros in 2022 to a loss of 113 million euros in 2023. Revenue increased by 270 million euros, mainly due to a strong recovery of the number of passengers and air traffic movements (ATMs).

Underlying expenses increased by 170 million euros to 1,016 million euros due to a combination of factors, though mainly as a result of measures and incentives implemented by Schiphol Group to cope with the operational challenges that emerged at the start of the May holiday in 2022 as well as initiatives to improve Quality of Work for all people working for and at Schiphol. In addition, inflationary pressure also pushed up operational expenses significantly.

With a fixed regulatory WACC of 3.21% (after tax), the maximum allowed return on net assets is limited and does by far not cover the actual cost of capital for Schiphol Group.

### Airport charges 2022-2024

In 2021 the charges were set for the years 2022-2024 with an increase of 9% in 2022 and an expected increase of 12% in both 2023 and 2024. A number of airlines and representative organisations have filed complaints about the charges, which were rejected by the regulator (Dutch Authority for Consumers & Markets). A few airlines subsequently appealed to the court (CBb: College van Beroep van Bedrijfsleven). The CBb is in the process of assessing these complaints. A ruling is expected early 2024.

In October 2022, Schiphol adjusted the airport charges for 2023 in accordance with the expected increase of 12%. In October 2023 Schiphol adjusted the airport charges for 2024 to an increase of 14.8%. Complaints have been submitted to the regulator about the adjusted increase in charges for 2024. The regulator is in the process of assessing these complaints. Schiphol expects the regulator to make a decision before 1 April 2024.

### Operational performance in 2023

Also in 2023, Schiphol still was confronted with the industry-wide effects of the COVID-19 pandemic and rapid recovery of demand for air travel after the pandemic ended. Shortage of staff, both within Schiphol as well as with various sector partners, resulted in an inability to accommodate the full recovery of passenger numbers in the beginning of 2023. To ensure that operations during the first weeks of the summer season, including the May holidays, would be able to cope with the increasing number of passengers, several measures were taken to limit the number of local departing passengers in the morning hours. After mid-May, there were no more restrictions and airlines had the ability to operate up to the maximum capacity of Amsterdam Airport Schiphol, whereby Schiphol managed to run a stable operation for the remainder of the year.

As of 2022, Schiphol launched numerous initiatives to reduce the staff shortages within the entire Schiphol ecosystem. Many of these initiatives continued in 2023. Next to financial incentives to improve labor conditions, Schiphol also continues to invest in 'Quality of Work' in order to make working conditions at Schiphol more attractive. As an example, the social accord as it was agreed-upon in 2022, was extended in 2023. Furthermore, Schiphol continued to invest in resting and sanitary areas for people working at Schiphol and also invests in various solutions to reduce the physical strain for people working in the baggage halls.

These measures continue to result in a significant increase of costs for Aviation. Driven by the regulatory context, Schiphol Group has limited manoeuvrability to offset these additional costs via the airport charges, which therefore drives a lower net result for Aviation.



The commercial business area actively contributes in creating value for both customers and Schiphol Group as a whole. This involves shaping a unique and dynamic marketplace for work and travel, and the efforts are driven by three dedicated department teams: Parking & Mobility Services, Commercial Terminal Services (encompassing Retail, Food and Beverages, Financial Services, Terminal Real Estate, Privium, VIP, and Media) and Commercial Real Estate.

## Schiphol Commercial

EUR million	2023	2022	%
Total revenue	564	492	14.6
Other income and results from investment property	-2	-	-
Operating expenses	249	204	22.1
<b>Underlying EBITDA</b>	<b>313</b>	<b>288</b>	<b>8.7</b>
Depreciation	71	67	6.0
<b>Underlying operating result</b>	<b>242</b>	<b>221</b>	<b>9.5</b>
Average fixed assets	2,758	2,864	-3.7

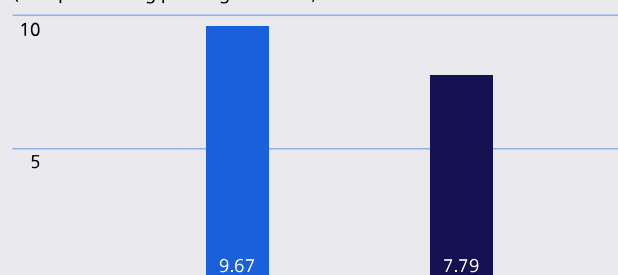
(in EUR 1.000)	Concessions		Parking & Mobility Services		Commercial Real Estate		Rental Terminal		Other	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total revenue	186	148	127	107	151	152	59	55	39	30
Operating expenses	50	37	56	47	66	65	45	36	32	19
<b>Underlying EBITDA</b>	<b>136</b>	<b>111</b>	<b>71</b>	<b>60</b>	<b>85</b>	<b>87</b>	<b>14</b>	<b>20</b>	<b>7</b>	<b>10</b>
Depreciation	18	17	20	20	9	6	20	19	4	5
<b>Underlying operating result</b>	<b>118</b>	<b>94</b>	<b>51</b>	<b>40</b>	<b>76</b>	<b>81</b>	<b>-6</b>	<b>1</b>	<b>3</b>	<b>5</b>

### Spend per departing passenger at Schiphol (in EUR)

	2023	2022
Airside retail	13.06	12.67
Airside catering	6.12	6.17
Total	19.18	18.84

### Public parking revenue

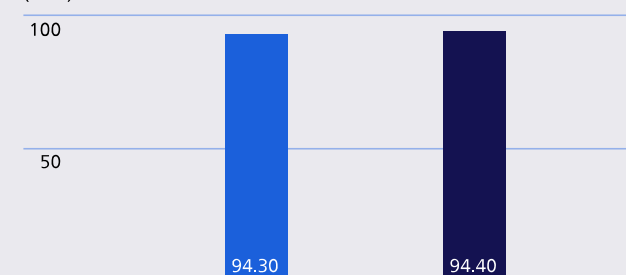
(EUR per arriving passenger OD/NL)



■ 2023  
■ 2022

### Real estate average physical occupancy rate

(in %)



■ 2023  
■ 2022



## Schiphol Commercial (continued)

### Underlying operating result

In 2023, the underlying operating result for Commercial increased by 21 million euros to 242 million euros due to the recovery in passenger numbers (an increase of 17%). Revenue from concessions was positively impacted by the number of shops that were open. As a result of the COVID-19 lock down in 2021, many shops were closed for a period of time. This extended into January 2022. The opening hours of the shops were impacted by the lack of staff due to labour shortages in the market.

The average spend per passenger on retail airside at Amsterdam Airport Schiphol increased from 12.67 euros to 13.06 euros, food and beverage spending per departing passenger decreased from 6.17 euros to 6.12 euros. The improved operation at Schiphol airport led to longer dwell time in which passengers visit stores or consume food and drinks.

Media revenue increased by 3 million euros (23%) compared to 2022, resulting in a net revenue of 16 million euros. Revenue recovered as passenger numbers increased and the types of passengers changed in comparison with 2022. With different customer journeys it is an interesting place for brands to communicate with the right target group.

The underlying operating result of Premium Services, consisting of Privium and the VIP service, further increased from 16 million euros to 24 million euros. The number of VIP passengers making use of the VIP service remained stable around 29,000 guests, whilst the number of Privium members grew significantly, from 69,000 to 90,500 members by the end of the year. These services are in high demand since the operational challenges in previous years.

The offices and lounges in the terminal are managed as operational assets, meaning they are mostly rented to companies with activities directly linked to Schiphol's airport processes. With

an occupancy of 89% (2022: 90%) and a footprint of 104,000 sqm, the terminal offices contributed 59 million euros to Schiphol Commercial's total rental income in 2023. The occupancy rate decreased slightly by 1%, as a result of renovations related to Skyport.

Our passengers remain the central focus of everything we do, and we aim to make their stay at the airport a safe and pleasant one. We keep our eyes open for new forms of mobility and digital innovations to enhance the customer experience. One of the highlights in 2023 was the opening of the new Bubbles Seafood & Wine Bar in Lounge 2. This is one of the milestones to improve the quality of this lounge. Over the coming years Schiphol will continue to improve the quality of this lounge by introducing several leading luxury (fashion) brands.

The underlying operating result of Parking & Mobility Services increased, from a profit of 40 million euros in 2022 to a profit of 51 million euros in 2023. This mainly relates to public parking revenues and was largely driven by an increase in OD passenger numbers (12.1%) and a higher average transaction value. Staff parking experienced an increase of 8% as an average of index of 3.5% was applied and the number of subscriptions by customers increased.

The underlying operating result from Commercial Real Estate decreased by 5 million euros in 2023 to 76 million euros.

Fair value losses amounting to 151 million euros in 2023 were recognised in comparison with a fair value loss of 192 million euros recorded in 2022. Rising interest rates on the capital markets and lack of demand caused yields to increase on the real estate market. In line with this development, the fair value of Schiphol's real estate portfolio decreased. Due to strong tenant retention, the occupancy rate decreased to 94.3% in 2023 compared with 94.4% in 2022.

### Commercial real estate - Offices

CRE achieved an average occupancy of 89% in 2023 (2022: 89%) for the office portfolio, which has a total footprint of 224,000 sqm. Due to the high indexation, the topline increase for the office portfolio was 5.4 million euros.

### Commercial real estate - Logistics

Schiphol's logistics real estate portfolio consists of first- and second-tier warehouses. In 2023, the average occupancy rate across the logistics portfolio was consistently high at 99% (2022: 99%), with a total footprint of 274,000 sqm. The logistics portfolio contributes 36 million euros to Schiphol's topline income.

### Commercial real estate - Land

CRE also owns a significant portfolio of land that is not used for aeronautical purposes. This land is managed and leased to third parties, generating total revenues of 36.4 million euros on an annual basis.



The Alliances & Participations business area primarily focuses on overseeing regional airports and advancing international business endeavours. These regional airports play a crucial role in linking their regions with the broader global network. Simultaneously, our international efforts are committed to sharing operational knowledge and expertise with locations such as New York JFK, Brisbane, Hobart, and Aruba.

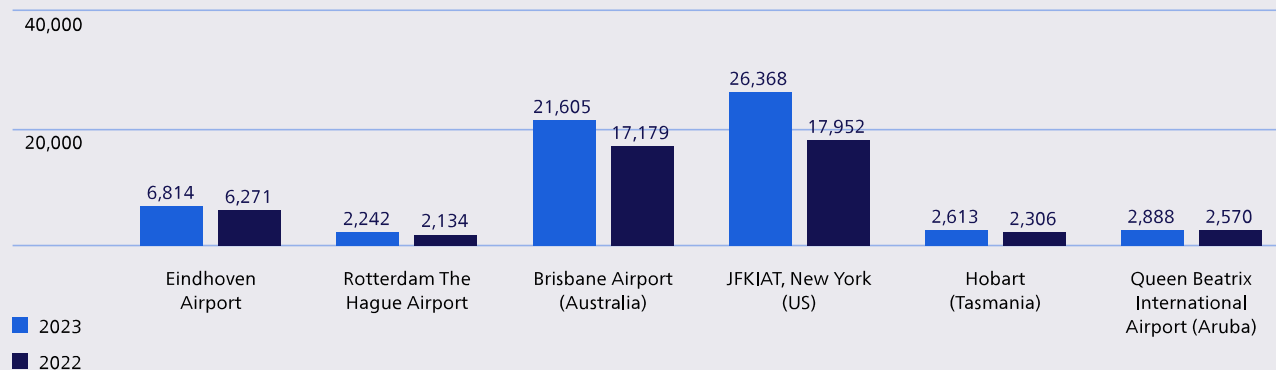
## Alliances & Participations

EUR million	2023	2022	%
Total revenue	260	237	9.7
Other income and results from investment property	2	-	-
Operating expenses	199	189	5.3
<b>Underlying EBITDA</b>	<b>63</b>	<b>48</b>	<b>31.3</b>
Depreciation	35	40	-12.5
<b>Underlying operating result</b>	<b>28</b>	<b>8</b>	<b>&gt;100</b>
Share in result of associates, including interest income	28	22	27.3
Average fixed assets	948	927	2.3

EUR million	Regional airports		International airports		Other activities		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	142	128	17	13	101	97	260	237
Operating result	8	5	9	-	11	3	28	8
Share in result of associates	-	-	17	13	-	-	19	13
Finance income	-	-	9	8	-	-	9	8
<b>Underlying total result</b>	<b>8</b>	<b>5</b>	<b>35</b>	<b>21</b>	<b>11</b>	<b>3</b>	<b>56</b>	<b>29</b>
Average asset base	323	326	505	499	120	101	948	927

### Number of passengers

(x 1,000)





## Alliances & Participations (continued)

The total underlying result for Alliances & Participations amounted to a profit of 28 million euros in 2023 compared with a profit of 8 million euros in 2022. The increase is mostly attributable to an increase in revenue of the domestic airports and lower expenses by Schiphol Telematics and Utilities.

### Regional airports

In 2023, Eindhoven Airport's operating result increased by 0.5 million euros, leading to a profit of 26.1 million euros (2022: profit of 25.6 million euros). This was due to a 9% increase in the number of passengers.

Rotterdam The Hague Airport's operating result also increased, by 3.4 million euros, resulting in a profit of 4.4 million euros (2022: profit of 1.0 million euros) amid a 6% increase in passenger numbers.

Lelystad Airport's operating loss increased by 1.4 million euros, leading to a loss of 10.1 million euros compared with 2022 (2022: loss of 8.7 million euros loss).

### International airports

Brisbane Airport's contribution to Schiphol's financial results decreased to 26 million euros in 2023 (2022: 36 million euros). JFK's contribution to Schiphol's financial results increased to 9 million euros (2022: 6 million euros). Hobart Airport's contribution to the result decreased to 1 million euros from a 10 million euro positive result in 2022.

### Other activities

The other participations segment consists primarily of Schiphol Telematics, which provides telecommunication services to the airport and neighbouring locations, and Utilities, which generates revenue by supplying electricity and gas as well as water. In 2023, Schiphol Telematics' operating result was 14 million euros. The operating result for Schiphol Utilities amounted to 8 million euros.

#### Total result of regional airports

(EUR million)

	2023	2022
Eindhoven Airport	26	26
Rotterdam Airport	4	1
Lelystad Airport	-10	-9
Allocation of overhead	-11	-10
<b>Total result</b>	<b>9</b>	<b>8</b>

#### Total result of international airports

(EUR million)

	2023	2022
Brisbane Airport	26	36
JFKIAT, New York	9	6
Hobart International Airport	1	10
Allocation of overhead	-	-6
<b>Total result</b>	<b>36</b>	<b>46</b>

#### Total result of other activities

(EUR million)

	2023	2022
Schiphol Telematics	14	8
Utility services	1	1
Allocation of overhead	-2	-5
<b>Total result</b>	<b>13</b>	<b>4</b>

## Our regional airports

### Eindhoven Airport



	2023	2022	Change
Number of passengers	<b>6.8</b>	6.3	8%
Direct destinations	<b>84</b>	87	-3
Air transport movements	<b>39,996</b>	38,143	5%
TPI Sustainability (reduction in CO <sub>2</sub> e emissions compared with 2019)	<b>0.94</b>	0.83	0.11
TPI Net safety score	<b>99.5%</b>	98.4%	1.1%
TPI On-time performance	<b>67%</b>	55%	12
TPI Net promoter score	<b>44.3</b>	23.4	20.9
TPI Employee promoter score	<b>31</b>	11	20
LTIF	<b>0</b>	0	0
Runway incursion	<b>17</b>	7	10
Bird strikes per 10,000 flight movements	<b>8.4</b>	11.8	-3.4
Percentage of operational waste separated	<b>33%</b>	32%	1

From many perspectives, Eindhoven Airport can look back on a strong year. The recovery, which began to become well visible in the second quarter of 2022, has continued. In 2023, passenger numbers saw an increase from 6.3 million to 6.8 million, slightly higher than the last record year of 2019 (6.7 million). Despite the

large influx, there were no queues, and passenger satisfaction has never been higher.

Even with this growing interest in air travel, one of Eindhoven Airport's top priority is always not to increase pressure on the surrounding area and environment. The number of total aircraft movements reached 41,496 in 2023, of which 39,996 commercial flight movements, remains within the maximum number agreed in 2019 (41,500). The increase in passenger numbers is partly explained by the airlines' high occupancy rate: 89 percent (2022: 86 percent).

#### Accelerating sustainability

Thanks in part to its healthy financial position, the second-largest airport in the Netherlands can make an emphatic commitment to further sustainability, which is one of the reasons Eindhoven Airport decided in 2023 to sharpen and accelerate its ambitions in this field. The airport had previously committed itself to the goal of reducing noise by 30 percent by 2030 at the latest (compared to the year 2019), and that still stands. However, a new goal has been added: by that year, CO<sub>2</sub>e emissions must also be reduced by 30 percent. Eindhoven Airport is convinced that this is achievable, without compromising the airport's importance to the Brainport region.

A five-point plan, presented on 7 November 2023, shapes the ambitions. Eindhoven Airport is going to bid farewell to General Aviation, the private business aircrafts. These small planes will no longer be allowed as of 2026, because these jets cause relatively high noise pollution and CO<sub>2</sub>e emissions per passenger and aren't always used for business purposes only. No other flights will replace them; the maximum number of flights will drop from 41,500 to 40,500.

#### Quieter and cleaner

Another important point in the plan is fleet renewal. Airlines will only be able to fly to Eindhoven Airport with the latest generation of aircraft, such as the quieter and cleaner Airbus A320neo and

the Boeing 737 MAX, by 2030. With this, the airport is aiming for a large-scale renewal in the next six years. In terms of noise, there will also be additional focus on departure routes: Eindhoven Airport wants to make departure procedures with the least noise pollution standard as soon as possible. Regarding fuel, airlines are urged to make adjustments: they are encouraged to blend more sustainable fuel. Because this Sustainable Aviation Fuel (SAF) is much more expensive than regular kerosene, participating airlines will receive a financial contribution. In 2024, Eindhoven Airport will set aside half a million euros for this purpose.

Eindhoven Airport also continues to strive for further sustainability in its own operations. And that has not gone unnoticed: in December 2023, the airport received the highest certificate in the field of CO<sub>2</sub>e reduction, the brand new and highest Level 5 certification from the Airport Carbon Accreditation (ACA). Since 2012, Eindhoven Airport has been CO<sub>2</sub>e neutral for its own operations. Eindhoven Airport runs entirely on green electricity (wind energy from windmills in the Netherlands) and green gas.

#### Cooperation with partners

Cooperation with partner companies at Eindhoven Airport received an extra boost in 2023. The trigger was the personnel shortage in 2022, which led to long queues at security checks, among other things. With united efforts, a recruitment day was organized on the airport grounds, during which interested parties could learn about a variety of professions. Following the success of this campaign, the partners decided to join forces in more areas and jointly brand and develop the airport as a 'Great place to work'. Plans have already been developed for joint education and training, among other initiatives.

#### Getting ready for the future

Eindhoven Airport anticipates further development, obviously within the limits agreed with the local community and partners. This does require adjustments. Already the terminal, which was originally calculated for up to 5 million passengers per year, is too

small for the numbers of passengers we serve. The lack of space is especially noticeable in the arrivals hall and the Non-Schengen departure area. The much-needed expansion of the terminal has been delayed, in part because environmental permits are delayed. Preparatory work should start in 2024, with actual construction in 2025. Completion is scheduled for 2027.

Read more at [www.eindhovenairport.nl](http://www.eindhovenairport.nl)

## Rotterdam The Hague Airport



In 2023, the first normal year after COVID-19, the aircraft movements were well spread over the year, all the operational processes functioned well and the passenger satisfaction was high.

To accommodate people waiting for arriving passengers, RTHA opened a new coffee corner in the spring, Kiosk16, on landside, located close to Arrivals.

In the summer Rotterdam The Hague Airport (RTHA) launched a new logo and visual identity. The (digital) world has changed a lot since the creation of the old logo and the visual assets no longer fitted within these developments. Besides that, RTHA's strategy and positioning have been refined and the new designs are a better representation of that.

	2023	2022	Change
Number of passengers	2.2	2.1	5%
Direct destinations	54	57	-3
Air transport movements	16,191	15,772	3%
TPI Sustainability (reduction in CO <sub>2</sub> e emissions compared with 2019)	0.13	0.14	-0.01
TPI On-time performance	66.6%	68.3%	-1.73
TPI Net promoter score	55	49.3	5.7
TPI Employee promoter score	16	27.1	-11.1
Net safety score	3.1	3.4	-0.3
LTIF	0	16.30	-16.30
Runway incursion	8	16	-8
Bird strikes per 10,000 flight movements	4.8	4	0.8
Percentage of operational waste separated	-1	46.70%	-0.47

<sup>1</sup> Data for 2023 not available, we are working on getting the data available for 2024

In the third quarter of 2023 CTSN took over as the new security partner. After a lengthy and complex transition process, CTSN had a successful start on the 1st of October.

At the end of the year RTHA proudly received ACA (Airport Carbon Accreditation) Level 5; the highest available recognition for the efforts made in making airports more sustainable. RTHA received the award for reducing the CO<sub>2</sub> emissions for its own activities by more than 90% and making continuous efforts to reduce emissions throughout the aviation sector. RTHA was one of ten airports worldwide to receive the certificate from Airports Council International (ACI).

### Passenger numbers and aircraft movements

In 2023, 2,2 million passengers travelled to and from RTHA, which is an increase of 5% compared to 2022 and 6% more than in 2019. In 2023 there were 16,191 commercial aircraft movements, which is 3% more than in 2022 and 3% less than 2019. On average, the load factor on board of the planes was higher in 2023 compared to previous years.

Passengers travelled to 54 different destinations, in 2022 there were 57 and in 2019 48 destinations.

### Discovery of PFAS at fire brigade training site

In September RTHA commissioned an external consultancy company to execute soil research at the fire brigade training site. This research has shown that there are increased concentrations of PFAS in the soil, groundwater and ditches around the training site. Further research is needed to understand the cause, extent and risks of the contamination. This research will start in January 2024. RTHA used to extinguish fires during past incidents and exercises with a legally prescribed PFAS-containing extinguishing agent. Since 2020, thanks to an adjustment in EASA legislation and regulations, PFAS-containing extinguishing agents are no longer used in incidents at RTHA. Since 2005, the fire brigade has only used water during firefighting exercises at the airport.

### Innovation and sustainability

RTHA signed a new contract with waste processing company Renewi and data-driven tech company Seenons to help reach the goal to become a zero waste airport in 2030 and towards full circularity in 2050. Thanks to the use of advanced data, residual streams will be separated and processed using innovative methods to ensure reuse and recycling and reduce emissions from waste incineration.

RTHA continues to work towards a zero emission airport for ground activities in 2030 and has invested in more electric ground vehicles and equipment. For the ground service equipment that is not yet electric, the fossil free HVO100 fuel is used, which has up to 90% less carbon emissions compared to fossil diesel.

In December Rotterdam The Hague Innovation Airport (RHIA) launched a new proposition. After four years of successful collaboration, the next phase will focus on a community-driven approach, private leadership and public support. A new Executive Board has been announced which includes Transavia, Shell, TU Delft, Netherlands Aerospace Centre (NLR) and Rotterdam The Hague Airport.

RTHA has further developed its role as innovation partner with the main focus to contribute to CO<sub>2</sub> neutral aviation per 2050. The airport invests in all 3 methods of sustainable aviation: SAF, hydrogen and battery- electric.

**SAF**

Shell and RTHA signed a long-term agreement to blend sustainable aviation fuel on all aircraft fuelled at the airport, starting in 2024. On top of the European blending mandate of 6%, the airport will accelerate its efforts by setting itself a minimum additional target of 8% to meet the more ambitious goal of the Dutch aviation sector of 14% by 2030. Using sustainable aviation fuel (SAF) is among the few measures currently available to reduce fossil carbon emissions from international aviation.

**Hydrogen**

A liquid hydrogen storage facility is currently being developed to store hydrogen powered aviation in the future. Besides this, RTHA continued hydrogen projects with Zeroavia, Conscious Aerospace and Aerodelft. In 2023 we started collaborating with Hamburg Airport, a hydrogen like-minded airport on creating a hydrogen corridor with the aim of realizing a demonstration flight in 2026.

**Battery-electric**

An electric charging facility has been installed at the airport, which is used to charge the first electric aircraft, the Velis Electro from manufacturer Pipistrel. The charging facility was realized at one of the flight schools at RTHA and enables all pilots at the flight school to get experience with electric flying. To stimulate electric flying, RTHA will not charge landing fees for all electric flights until 2025.

The airport fire brigade has had training on how to cope with new energy carriers like battery and hydrogen.

Read more at [www.rotterdamthehagueairport.nl](http://www.rotterdamthehagueairport.nl)

**Lelystad Airport**



	2023	2022	Change
Air transport movements <sup>1</sup>	<b>75,168</b>	83,514	-10.0%
TPI Sustainability (reduction in CO <sub>2</sub> e emissions compared with 2019)	<b>0.04</b>	0.03	0.01
TPI Net safety score	<b>99.5</b>	97.4	2.1
TPI Employee promoter score	<b>11</b>	-38	49

<sup>1</sup> Only general aviation (GA), business aviation (BA) is reported

**Past, present and future**

Lelystad Airport, currently a hub for general aviation (GA), business aviation (BA) and helicopter traffic, celebrated its 50<sup>th</sup> year of operations in 2023.

Under the 2008 Alders Agreement, Lelystad Airport is designated as an overflow airport for Schiphol, catering specifically to non-mainport traffic with a capacity of up to 45,000 commercial air transport movements (ATMs) a year. The plan initially aimed for Lelystad Airport to commence this role in 2018.

The opening of Lelystad Airport for commercial air traffic has been postponed several times. On 24 June 2022, the political decision on the opening was postponed by two years to 2024, and it hinged on Lelystad Airport fulfilling two requirements: (1) It must obtain a nature permit and (2) a solution must be

found for the flight altitude of aircraft approaching the airport over a distance of 30 kilometres near Lemelerveld. Regarding the first requirement, Lelystad Airport expects to acquire the nature permit in the first half of 2024. Regarding the second requirement, in December 2023, Air Traffic Control Netherlands (LVNL) sent a letter to the Ministry of Infrastructure and Water Management (I&W), stating that closing sector 3 (a low flight path) is an appropriate measure (precondition 2). If Lelystad Airport obtains the nature permit, it will comply with the two requirements set by the Minister of Infrastructure and Water Management.

Lelystad Airport could make an important contribution to fulfilling Schiphol Group's ambition to cause less hindrance to its surroundings, as described in the eight-points of the Quieter, Cleaner, Better plan. One of the options is to move night flights from Schiphol to daytime flights at Lelystad Airport.

Lelystad Airport is ready for commercial aviation. All necessary infrastructure work was completed in 2019, including the installation of air traffic control services by Air Traffic Control Netherlands (LVNL) and the Air Force Command (CLSK). The Lelystad Airport organisation and its business partners are fully committed and ready for take-off.

In 2023, Lelystad Airport registered over 75,000 ATMs of GA and BA traffic, a decrease of 10% in comparison with 2022, caused by periods of bad weather and the higher price of fuels, for example. In anticipation of the opening of the airport to commercial traffic, all notifications of noise disturbance can be submitted to a digital counter ('Meldpunt Lelystad Airport'). These notifications are followed up by reports that are discussed with local residents and municipalities and NGOs.

**Sustainability and community engagement**

Lelystad Airport has been designed as a sustainable airport and has been awarded 'Gold' category LEED certification. Sustainable construction methods were used to build the new terminal and to widen and lengthen the runway. The latter project resulted in a savings of 500 tonnes of carbon emissions. Together with



17 aviation and mobility partners, Lelystad Airport is promoting the introduction of electric regional aviation in a collaboration called 'Power Up'. The Power Up partners from different countries are committed to supporting a new proposition for efficient, low-carbon and convenient travel to and from regional airports. They are pooling their knowledge of passenger and airport processes and different electric aircraft technologies. By the end of 2023, all airside vehicles will be fully electric, and where sustainable solutions are not yet available, HVO100 will be used as fuel. HVO100 is a renewable and fossil-free fuel produced from biomass. Its use will result in near-zero carbon emissions. Lelystad Airport will be equipped with two charging stations for electric aircraft to support the development of electric aviation.

With local organisations such as the province of Flevoland, the municipality of Lelystad, the Lelystadse Boer and Lelystad Airport Business Park, the airport is exploring opportunities and addressing bottlenecks in renewable energy, climate action, health, hydrogen applications, ecology and the economy. In 2023, this cooperation has resulted in several initiatives, such as the provision of Lelystad Airport's electricity connection to the public bus company EBS for charging electric buses and the Flevoland Hydrogen Valley platform, which aims to develop the hydrogen economy in Flevoland.

Social responsibility is an important part of the development of Lelystad Airport. Lelystad Airport works with various non-profit organisations and community groups to address social and environmental issues. We strive to have a positive impact on society and employee engagement, while at the same time contributing to our sustainable development goals. By working together, we aim to make a meaningful difference and create a more inclusive and responsible approach to business.

Promoting local sustainable employment is one of Lelystad Airport's core values. The airport aims to recruit at least 30% of its workforce from within a 30-kilometre radius. Additional job opportunities will arise when Lelystad Airport opens for commercial air traffic. Lelystad Airport also works together with Stichting Campus Amsterdam Lelystad Airport (SCALA) and the

regional training centre, ROC of Amsterdam, to offer training initiatives for students and trainees, as well as work placements at the airport with its partner companies.

Read more at [www.lelystadairport.nl](http://www.lelystadairport.nl)

### Maastricht Aachen Airport



On 1 September 2023 Royal Schiphol Group acquired a 40% stake in Maastricht Aachen Airport. Which is the second largest cargo airport of the Netherlands with 63.331 tonnes of cargo and 228.660 passengers handled in 2023.

With the decision by the regional government in December 2022 to continue to invest in the airport and the introduction of the Royal Schiphol Group as a new shareholder the airport focused in 2023 on implementation of its strategy towards a transitioning in an environmentally aware airport (een 'omgevingsbewuste luchthaven').

The full renovation of the runway at the airport and the associated 8 weeks closure of the airport in May and June 2023 were a key event in 2023. This project marks the start of an extensive program to resolve the maintenance backlog and the transition of the airport in line with its strategy.

Maastricht Aachen Airport has submitted, and is awaiting approval for, all documentation to increase from level 2 to level 3+ 'neutrality' in the ACI Airport Carbon Accreditation program and is working hard on reaching its ambition to be net zero emission by 2030. The extensive collaboration with the other airports in the Royal Schiphol Group and regional partners provides invaluable insights and best practices as well as technical expertise to reach this goal and become a better and high quality airport

Read more at [www.maa.nl](http://www.maa.nl).

## Our international activities

The year 2023 marked a turning point for Royal Schiphol Group's international participations. Not only did traffic continue to recover, but at several airports it exceeded the pre-pandemic levels of 2019. Each airport in our Group is actively engaged in comprehensive capital expenditure (CAPEX) programmes, furthering our commitment to develop into more sustainable, high-quality airports.

A core element of our 'Group of Airports' strategy is the exchange of knowledge and expertise between the airports, promoting mutual learning and creating synergies. A notable milestone in 2023 was the first 'Schiphol Academy' training week, which brought together a diverse group of experts from our airport network to enhance internal knowledge sharing. This initiative, together with our Knowledge Network and Secondment Programmes, is the cornerstone of our collaborative approach.

Our diversified international portfolio made a positive contribution and demonstrated its value to the Group. Further growth and diversification of our Group remains an important focus for the coming years.

### Participations of Royal Schiphol Group 2023

Airport	Passenger numbers 2023	Change compared to 2022	Our role
Brisbane Airport, Australia	21.6 million	+ 26%	Shareholding of 19.61%
JFK Terminal 4, New York, USA	26.4 million	+ 47 %	Management contract
Hobart International Airport, Australia	2.6 million	+ 13 %	Shareholding of 35%
Queen Beatrix International Airport, Aruba	2,9 million	+12 %	Strategic partnership

## Brisbane Airport



A total of 21.6 million passengers travelled through Brisbane Airport (BNE) in 2023, an increase of 26% on 2022 and 90% of pre-COVID-19 traffic. International traffic saw a strong recovery, driven by new routes and support from Queensland's Attracting Aviation Investment Fund (AAIF), a joint airport and government initiative to bring tourists and jobs back to Queensland's visitor economy.

Brisbane Airport's positive workplace environment was recognised at the 2023 Australian Business Awards and the Australian HR Awards, where the airport was named Employer of Choice.

Brisbane Airport is committed to achieving net-zero emissions (Scope 1 and 2) by 2025 (amongst other activities) through the supply of renewable energy from wind and solar projects. In 2023, Brisbane Airport became the first Australian airport to be awarded Level 4 Airport Carbon Accreditation by Airports Council International (ACI), recognising Brisbane Airport's long-term carbon management strategy to achieve absolute emissions reductions and evidence of forging meaningful partnerships to reduce the emissions of airport partners.

Exciting times lie ahead for the airport. Queensland's population is expected to grow by 16% between now and 2032, and BNE's annual passenger numbers will increase by 10 million in the lead up to the Brisbane 2032 Olympic and Paralympic Games. Over the next decade, the company will invest more than 5 billion Australian dollars through its Future BNE long-term capital plan. The project includes upgrades, expansions and developments that will increase capacity, meet international safety standards, support essential services, improve the passenger experience, enhance sustainability, make Brisbane Airport the best airport to use and unlock commercial opportunities. Most excitingly, Future BNE includes the opening of the first phase of a new third passenger terminal.

Read more at [www.bne.com.au](http://www.bne.com.au)

## JFKIAT (JFK Terminal 4, John F. Kennedy Airport, New York)



JFK International Air Terminal LLC (JFKIAT), an affiliate of Royal Schiphol Group, has operated Terminal 4 at John F. Kennedy International Airport since 1997. The total number of passengers passing through Terminal 4 in 2023 was almost 26.4 million, compared with 22 million in 2019. In January 2023, Terminal 2 at JFK Airport was closed, and all flights of its anchor tenant Delta Air Lines, Inc. were consolidated into Terminal 4.

In 2023, JFKIAT revised its corporate strategy to align with the changing landscape of the aviation industry following the significant impact of COVID-19. This includes a more considered approach to decisions regarding in-house versus outsourced operations, an increased focus on certain strategic issues such as sustainability, and a dedicated effort to enhance the recognition and value of our employees.

Throughout the year, JFKIAT focused on building a strong community that is proud to work at T4. In Q2, another 4Excellence Rewards and Recognition Breakfast was held to recognise employees who go the extra mile, with a record-breaking group of 263 nominations from colleagues and passengers. As part of its Diversity, Equity, Inclusion and Belonging (DEIB) efforts, the operator partnered with the LQBT Network, marched in the Queens Pride Parade and hosted its first Juneteenth celebration. As a result of these efforts, JFKIAT was recognised on the Crain's New York Business Top 100 Best Places to Work list for the fourth consecutive year.

The operator received the 2023 Greenest Airport Terminal Award. JFKIAT is a notable leader in sustainability and hosted several initiatives to contribute to this important goal, including a pop-up thrift shop, an exhibit of sustainability-themed artwork created by Virgil I. Grissom Middle School students and a volunteer day at the Jamaica Bay Wildlife Refuge.

JFKIAT continued its transformation and renovation plans with the introduction of self-service technology in the departure lounges and the renovation of its restrooms and locker rooms. Throughout 2024, the terminal operator will focus on redeveloping its commercial programme and concessions, which are expected to be completed in 2026.

Read more at [www.jfkairport.com](http://www.jfkairport.com) or listen to the podcast: T4 Talks, via your favourite podcast listening platform (Apple Podcasts, Spotify, Amazon Music or the web).

## Hobart International Airport



Hobart Airport is the largest airport on the island of Tasmania and the ninth-largest in Australia, handling 2.6 million passengers in 2023. As the major gateway to an island state, Hobart Airport is a key economic driver for Tasmania.

In 2023, Hobart Airport's implementation of its people strategy over the past three years resulted in an engagement score of 94% in its annual staff survey and a Best Workplace Award from the survey provider. The airport also developed its first Reflect Reconciliation Action Plan for engagement with the Indigenous people of Tasmania and has begun work to upgrade to an Innovate Reconciliation Action Plan.

Hobart Airport maintained its net-zero emissions goal and moved from level 2 to level 3+ 'neutrality' in the Airport Carbon Accreditation programme. It increased its score from 90% to 95% in its third year of participation in the Global Real Estate Sustainability Benchmark.

The airport began work on a 200 million Australian dollar (121.9 million euros) upgrade of its passenger terminal. When completed in 2026, the upgrade will increase capacity from 1.5 million to 4.5 million passengers per year (expected to be reached in 2035). It will provide a significantly enhanced passenger experience with more retail, food and beverage options featuring a range of local Tasmanian products.

Read more at [hobartairport.com.au](http://hobartairport.com.au)

## Aruba Airport (Queen Beatrix International Airport)



Aruba Airport, managed and operated by Aruba Airport Authority N.V. (AAA), has a strategic collaboration with Royal Schiphol Group. This partnership enables Schiphol Group to nominate the airport's CEO, deliver technical support, and share knowledge and best practice.

The year 2023 culminated in AAA's growth, with an increase of 12% compared to the previous year, and a remarkable recovery of 114% of its 2019 passenger traffic. The airport's outlook is promising, with passenger numbers expected to grow by 4% in 2024 compared to 2023, marking a second consecutive year of full recovery.

The ambitious terminal expansion project, known as Gateway 2030, is progressing steadily and on schedule. Construction of the first phase of the project is well underway and is scheduled for completion by the end of 2024. In addition, the new state-of-the-art baggage handling system is on track for commissioning in the first quarter of 2025. The start of the second phase of the project, scheduled for the second half of 2024, will see the expansion of the terminal facilities with the introduction of new lounge areas and contact gate stands.

In 2023, Aruba Airport will continue to implement its corporate strategy, emphasising collaborative efforts to make a significant impact. Throughout 2024, AAA will embark on a transformation towards a more sustainable and inclusive airport business model, fostering higher levels of commercial excellence and customer satisfaction. A key element of this strategy is the continued deployment of advanced passenger processing technologies, including additional e-gates, new and improved security screening equipment and additional processing capacity, initiatives that will begin in 2023 and continue into 2024.

In the coming year, Aruba Airport will also work towards achieving the short- and medium-term goals outlined in the Joint Strategic Plan, developed in collaboration with the Dutch Caribbean Cooperation of Airports. This plan aims to improve inter-island connectivity, making it more accessible, efficient and sustainable within the region.

Read more at [www.airportaruba.com](http://www.airportaruba.com)

### Other international activities

Schiphol has been supporting St. Maarten Princess Juliana International Airport since 2019 in the reconstruction and transition of the airport after Hurricane Irma. In November 2023, the new departure area became operational ahead of the busy year-end period.

Royal Schiphol Group also has strategic partnerships with Incheon International Airport (Seoul) and Beijing Capital Airports Holding Company (CAH), focusing on knowledge exchange in areas such as innovation, capital investment programmes and operational excellence. Schiphol also has property interests in Milan Malpensa Airport in Italy and Hong Kong Airport.