Rebuilding
Reconnecting
Ready

daa

daa plc | daa cpt

Annual Report 2021

Who we are

We are a global airport and travel retail group with businesses in 15 countries around the world. daa's principal activities include operating and managing Dublin and Cork airports, global airport retailing through our subsidiary Aer Rianta International, and international aviation consultancy through daa International. The company is state-owned and headquartered at Dublin Airport.

Our vision is to be airport industry leaders.

Our purpose is to connect Ireland with the world.

Rebuilding

Our strategic focus, 'Rebuilding our Group Together', was launched in 2021 to restore the business following the seismic impact of the COVID-19 pandemic on the aviation sector.

Reconnecting

Our recovery plans are intrinsically linked to our purpose; to reconnect Ireland, its people and businesses, to the rest of the world, safely and sustainably.

Ready

We believe the worst of the pandemic is behind us and see a world waiting to fly again. So we are investing heavily in new infrastructure projects, each with sustainability at their heart.

A further year of headwinds but a better climate to come.

Despite everyone's best hopes as we exited a very tough 2020, this reporting year of 2021 brought more of the same for our business at Dublin and Cork airports and the wider daa Group.

Our business across the globe was significantly impacted by the continuing fallout of COVID-19 as the aviation and travel sectors were, in every sense, effectively grounded.

For daa it marked a second year of some of the toughest and most challenging conditions we have ever faced, needing decisive and difficult decisions to protect our business. We significantly reduced our cost base, including the painful but necessary need to say goodbye to many colleagues, and to introduce new ways of working.

Mid-year, we started to see a gradual ramping up of our business with the reopening of non-essential international travel in July 2021. But this was followed by the Omicron variant, requiring further swift action to ensure the continued operation of our businesses at home and abroad.

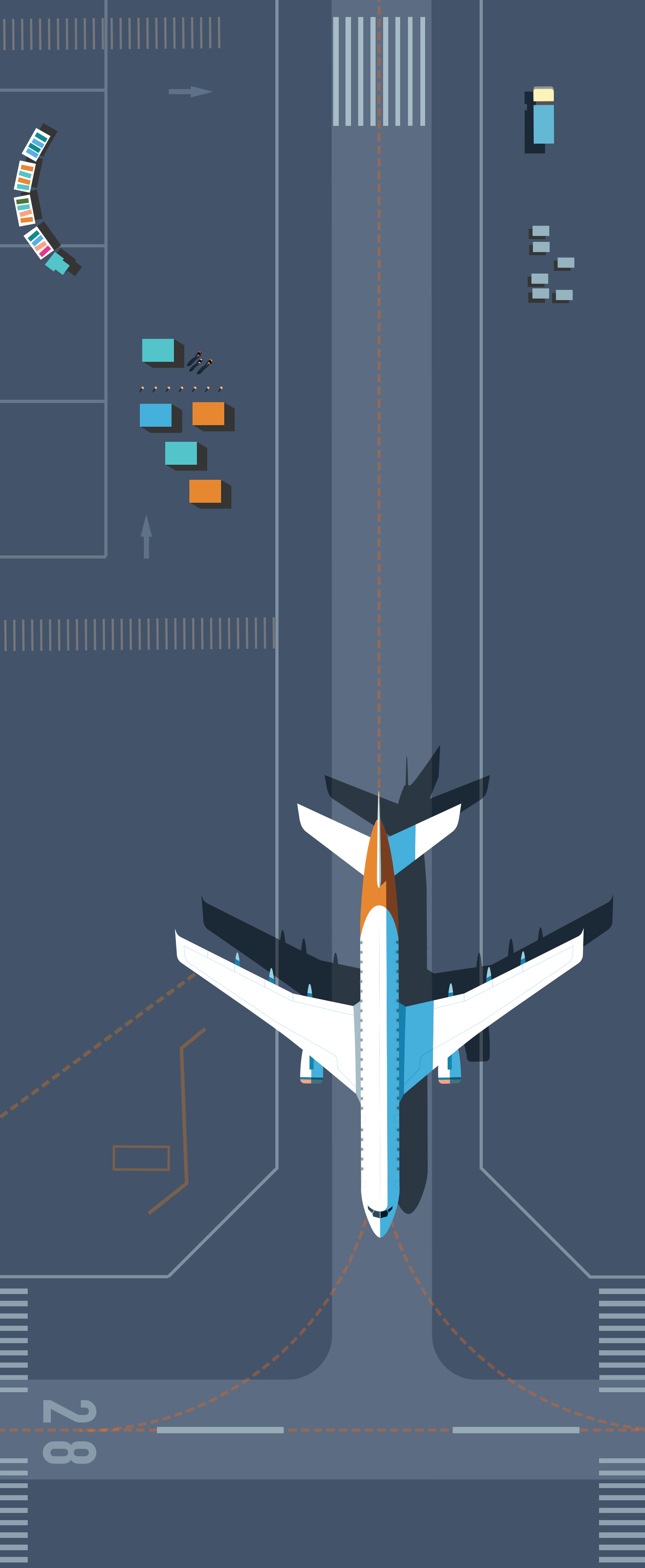
However, at the time of writing in Q1 2022, and as restrictions recede, we and our travel partners see a pent-up demand for travel waiting to be satisfied. We fully expect to see routes re-established and a renewed ramping up of long and short-haul travel, in and out of both Dublin and Cork airports.

We do not under-estimate that there is a long journey ahead, both for ourselves and our partners in aviation and tourism. Our collective task is to reconnect Ireland to the rest of the world and fulfil our role as an economic enabler of trade, tourism and social connectivity.

But as this report shows, we have been busy in the interim. *We will rebuild our networks out of Dublin and Cork airports, expand our international businesses through ARI and daa International as we re-ignite our vision and purpose to rebuild our business with our people.*

Dalton Philips
Chief Executive Officer

2021 performance



Passengers at our Irish airports

8.7m

+10%

See more on **page 12**

Turnover

€324m

+11%

See more on **page 29**

Operating costs[1]

€236m

-9%

See more on **page 29**

Net Debt

€835m

+7%

See more on **page 30**

1. Operating costs include payroll and related costs, materials and services and government wage subsidy support.

Achievements and awards

Dublin Airport won the Energy Leader award at the Business Achievement Awards 2021.

daa won the Statutory Unquoted Large Entity (Non IFRS) category for its 2020 published accounts at the Chartered Accountants Ireland Leinster Society awards.

Finance Dublin magazine recognised daa for its successful 2028 Eurobond tap as one of the ‘deals of the year’.

Cork Airport completed the reconstruction of its main runway in a record 10-week construction period.

Dublin Airport’s Platinum Services team won two Gold and one Bronze at the International Customer Experience Awards – Gold for Best Customer Service and CX Team of the Year and Bronze for Business Change and Transformation.

daa launched its Environmental, Social & Governance (ESG) Strategy, with four pillars: environmental sustainability, people, community, and economy.

Dublin Airport placed second for the Sustainable Energy Achievement category of the Green Awards 2021 for achieving Level 3+ Carbon Neutrality.

daa International secured a three-year extension of the management contract of the domestic terminal at King Khalid International Airport in Riyadh.

Delhi Duty Free won the DFNI award for Best Travel Retailer in Asia-Pacific.

ARI North America won Exceptional Achievement by an Airport Retailer and Americas Travel Retailer of the Year for the second year running.

The Irish Whiskey Collection team in Dublin Airport won Travel Retailer of the Year at the 2021 Icons of Whiskey Awards.

daa’s IT department won an Analytics Innovation Award from the Analytics Institute.

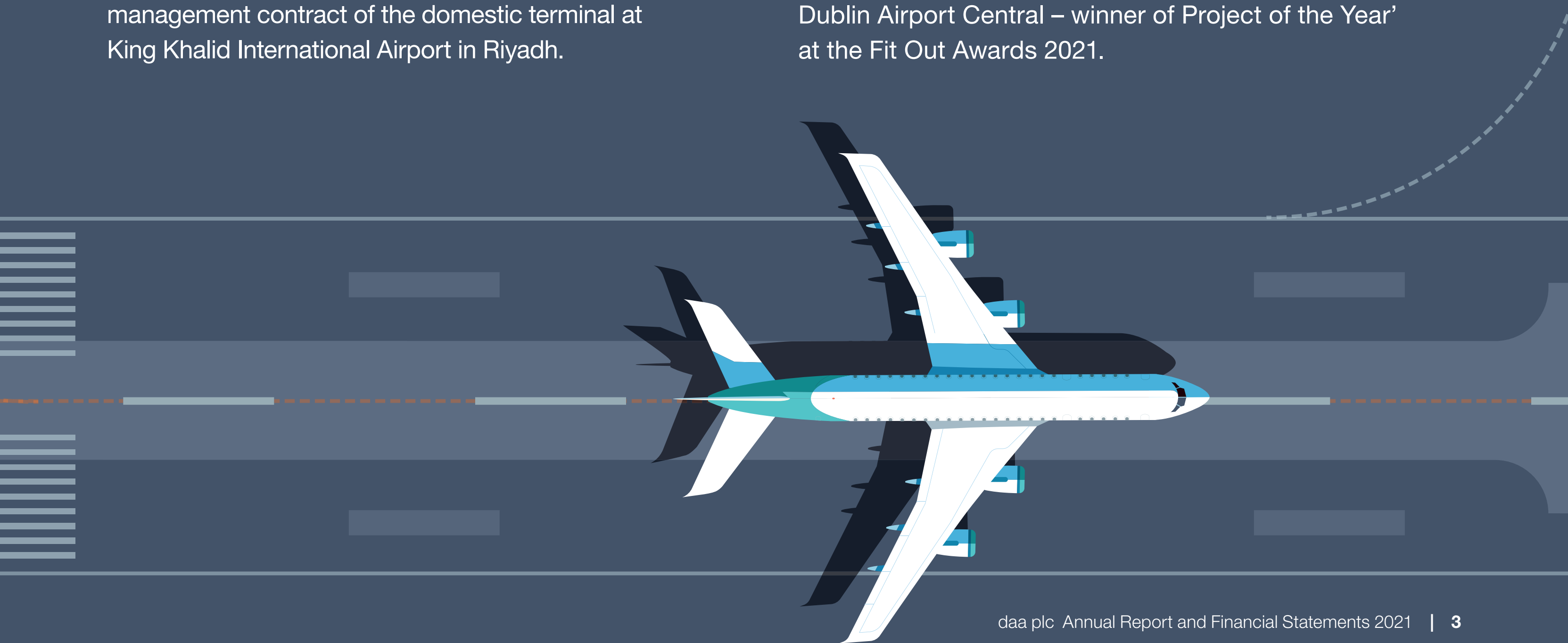
daa was ranked 6th of 30 peers on the Transparency International Ireland (TII) Integrity Index.

Cork and Dublin airports delivered their operational readiness programme in July for the reopening of non-essential international travel.

Cork and Dublin airports’ ACI Airport Health Accreditation was renewed.

Key construction milestones for Dublin Airport’s North Runway were met.

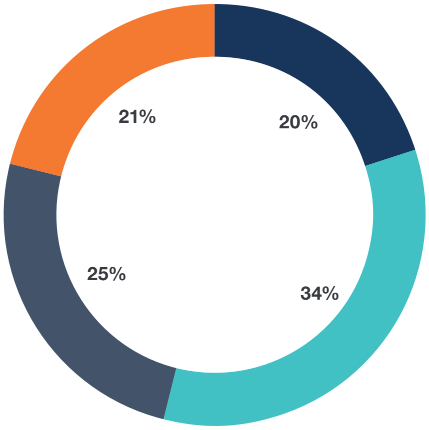
daa opened its new Head Office and relocated staff to Dublin Airport Central – winner of Project of the Year’ at the Fit Out Awards 2021.



What we do

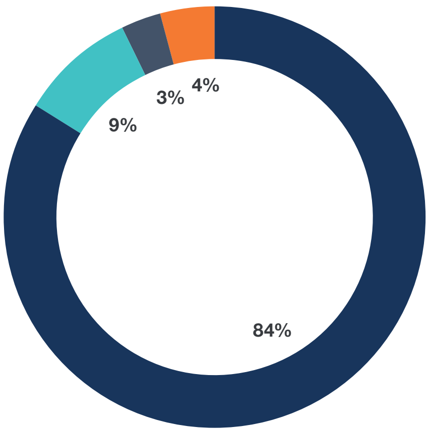
We are a global airports and travel retail group with operations in 15 countries around the world.

Group turnover by class of business 2021



- Aeronautical turnover
- International retail and other activities
- Other commercial activities
- Direct retailing and retail/catering activities

Group turnover by region 2021



- Europe
- Middle East
- Australasia
- North America

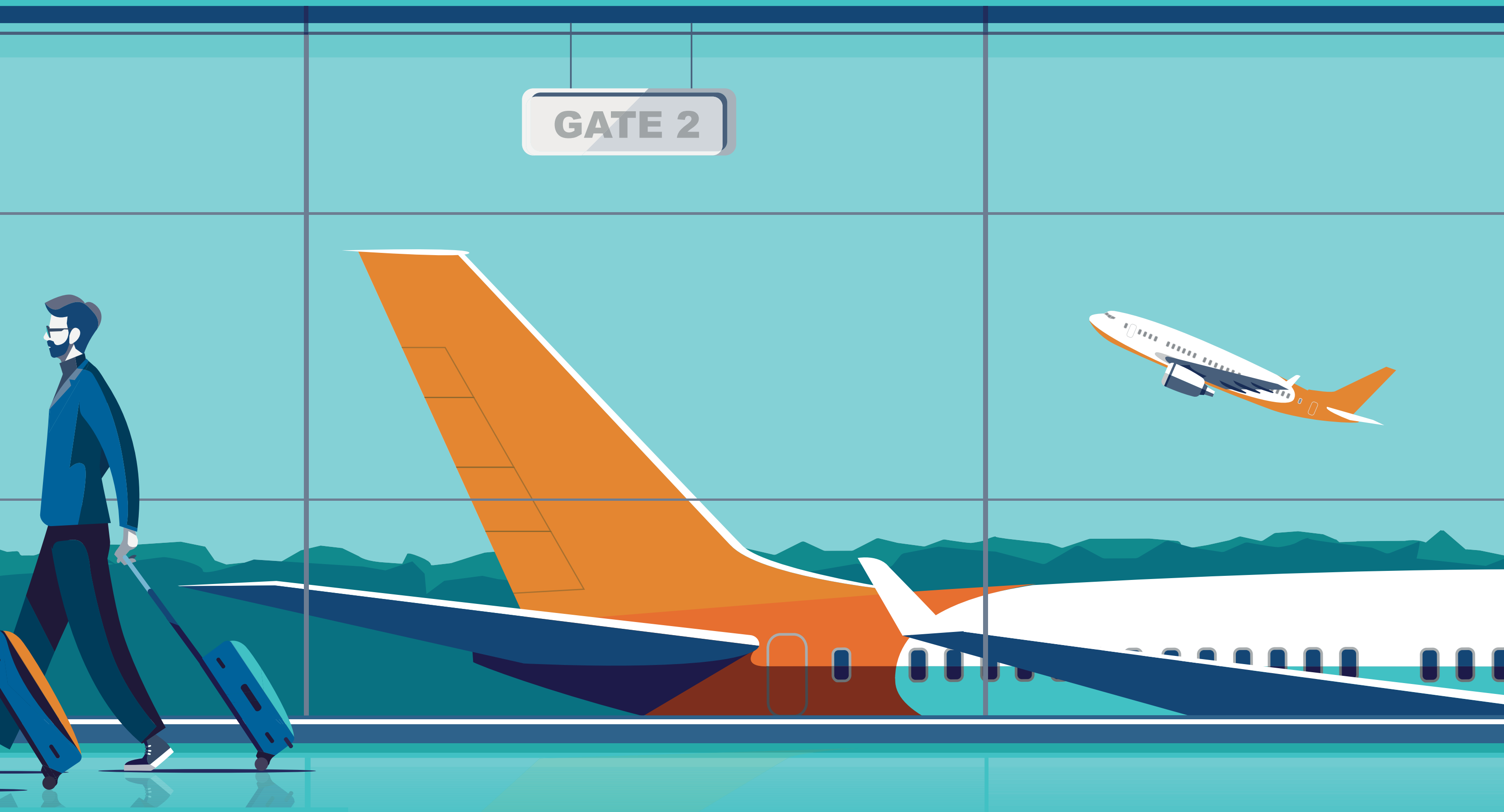
01

We manage

We own and manage Dublin and Cork airports in Ireland, and manage Terminal 5 at King Khalid International Airport in Riyadh, Saudi Arabia. We also own a 20% stake in Düsseldorf Airport and an 11% stake in Hermes Airports, which operates Larnaca and Paphos airports in Cyprus. We also own and operate travel retail operations globally.

International airport retailing

Aer Rianta International (ARI), our international airport retail business, has travel retail operations at Dublin and Cork in Ireland, Montréal, Winnipeg, Halifax and Québec in Canada, Bridgetown in Barbados, Larnaca and Paphos in Cyprus, Beirut in Lebanon, Riyadh in Saudi Arabia, Muscat in Oman, Manama in Bahrain, Doha in Qatar, Delhi in India, Jakarta in Indonesia, Auckland in New Zealand, Podgorica and Tivat in Montenegro, and from June 1, 2022, eight airport locations in Portugal.



02

We invest

Through ARI, we own a 20% stake in Düsseldorf Airport and an 11% stake in Hermes Airports, which owns and operates Larnaca and Paphos airports in Cyprus.

03

We advise

daa International has clients in Australia, the Philippines, Saudi Arabia and the UK, providing them with airport management, operations and maintenance consultancy.

Where we operate

daa Group is headquartered in Dublin with operations in 15 countries. The Group operates and manages Dublin and Cork airports in Ireland and Terminal 5 at King Khalid International Airport in Riyadh, Saudi Arabia. It also holds investments in Düsseldorf, Larnaca and Paphos airports.

ARI, daa's travel retail subsidiary, has operations in 15 countries and holds the Group's shareholding in Düsseldorf Airport and Hermes Airports. daa International offers advisory and management services internationally, leveraging the experience and expertise of the daa Group.

Dublin Airport

Dublin Airport is the Republic of Ireland's main aviation gateway serving the capital city, Dublin, and the rest of the island of Ireland.

See more on page 17

Cork Airport

Cork Airport is the second largest of the international airports in the Republic of Ireland and a key gateway to the South of Ireland.

See more on page 19

ARI

ARI is the Group's travel retail subsidiary. It manages its own outlets in Dublin and Cork airports, and has interests in retail operations in 14 other countries. ARI also holds the Group's shareholding in Düsseldorf Airport and Hermes Airports, which operates Larnaca and Paphos airports in Cyprus.

See more on page 20

daa International

daa International offers advisory, management and investment services to clients globally. Its flagship contract for the business is the management contract for Terminal 5 at King Khalid International Airport in Riyadh, Saudi Arabia.

See more on page 24

daa culture and values

daa's values are the glue that binds us together and help to guide the Group as it operates, develops and grows. They fall into four main areas:

Respecting each other's value

We work as a team. All of us have a distinct and valuable role to play; we appreciate each other's diverse contributions and celebrate success together.

Passing the baton, not the buck

We seek solutions before presenting problems and we support each other when we stand up to take responsibility.

Brilliant at the essentials

Whatever the role, we take pride in doing our job to the highest standards, creating an exceptional environment for our customers and for each other.

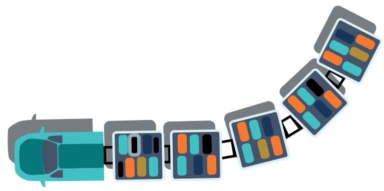
Always better

We are constantly seeking ways to improve, sharing information and ideas, and always feeling that we have the freedom to ask, 'how could this be even better?'

At daa, we want our employees to be proud to work in our company and be an integral part of our vision of connecting Ireland with the world.

Despite the devastating impact that COVID-19 had on the aviation industry, daa remains a fulfilling place to work with exciting and dynamic careers. Our culture is about developing great leaders and colleagues who go the extra mile for our passengers, airlines and partners, and take pride in their work in a thoughtful, caring and professional way.

We aim to treat all staff as equals and are respectful of our colleagues right across the organisation. As a company we aspire to operate in the following manner:



Our tone of voice

Honest

We know not all news will be good; however we aim to speak the truth in an open and transparent manner.

Clear

We always try to speak in a straightforward manner. In our communications to employees, we endeavour not to use confusing or misleading language.

Inclusive

At daa, we recognise that everyone has a right to be heard. It's important for us to ensure that every employee has a voice and is heard.

Respectful

As a company, we work together in the spirit of mutual respect, no matter the title, rank or position.

Adaptive

Our communications are flexible to reach people in all of our operating countries. We use our communication platforms to ensure our employees are heard and informed.

ESG highlights

In 2021, daa published the Group's Environmental, Social and Governance (ESG) Strategy for 2021-2023. The strategy provides a strong framework that brings together all ESG-related considerations, enabling us to clearly articulate to all stakeholders how we are performing across four key areas – Environmental Sustainability, People, Community and Economy. The framework is supported by our Governance practices and policies.

We are fully aware of the need to focus on environmental sustainability and to continue to embed it into the core of everything we do. We acknowledge that the actions we take over the remainder of this decade will be critically important to reducing our corporate carbon emissions and will enable us to achieve the Government's revised target of a 51% reduction in absolute emissions by 2030 in addition to our ultimate goal of achieving net zero emissions by 2050.

This year, we have reduced our carbon emissions by 18.8% in Dublin Airport and 42.5% in Cork Airport versus a 2018 baseline. This was achieved through the delivery of critical projects such as LED lighting, Low Emission Vehicles (LEV) and Fixed Electrical Ground Power (FEGP), in addition to increasing efficiencies in operations. We have achieved our target of converting 30% of our light commercial fleet to LEVs during the year and have put in place a plan to increase this to 45% in 2022.

To continue to mitigate the noise impact on our local communities, we introduced WebTrak, an online interactive system, which allows the public to monitor flights and associated noise. Internationally, ARI has reduced its paper printing by 83.4% globally versus 2019 levels and continues to work on reducing its plastic waste. The goal of eliminating single-use plastic bags and waste across all stores by 2023, remains on track.

Our **people** are central to the success of our business and we are committed to continuing to support the development of their careers with daa. This year, we delivered a number of positive initiatives to enhance the way people work with us as well as alongside each other. We introduced guidelines on hybrid working for those who can complete their responsibilities from home. We received close to 95% balloted support from eligible employees under the New Ways of Working (NWOW) framework and implementation of NWOW continues. We have increased our focus on our Equality, Diversity and Inclusion programme. An updated Dignity and Mutual Respect Policy was published during the year and training was provided to our leaders on this issue.

In terms of our local **community**, €297,000 was allocated to local community initiatives via the Dublin Airport Community Fund in 2021. Cork Airport's support of the arts continued, with three exhibitions by local artists hosted at the airport.

Additionally, our international businesses continue to support socially responsible initiatives, with 32 such initiatives live and in progress as of December 2021.

Finally, our impact on the **economy** continues to be crucial. The connectivity that our airports provide is fundamental to Ireland's economic prosperity.

We are also aware of our impact on promoting sustainable access to our airports. In 2021, we completed a staff mobility survey to assess the modes of transport being used by staff to access Dublin Airport and the findings will inform a detailed Mobility Management Plan for the airport in 2022.

We aim to continue to build on our 2021 ESG successes and look forward to advancing our programme of work in this area even further in 2022.

19%

reduction in carbon emissions this year

51%

reduction in absolute emissions by 2030

2050

target to reach net zero

30%

of our light commercial fleet converted to Low Emission Vehicles (LEVs)

€297k

allocated to local community initiatives

83.4%

reduction in paper printing globally **in our travel retail business** versus 2019 levels

For the second consecutive year, 2021 proved to be a year of difficult adjustments for our people.

"Hopes are high for a better year in 2022, allowing us to focus on rebuilding, reconnecting and being ready for the challenges and opportunities that lie ahead."

Basil Geoghegan
Chairman

As daa Chairman I would like to present the Group's Annual Report for 2021.

It was a year in which COVID-19 continued to have a profound impact on the world, on our people and on our business.

The ban on non-essential international travel in the first half of 2021, followed by the lifting of restrictions and the introduction of the EU Digital COVID Certificate to facilitate the slow return of passengers from July 19 onwards, made it another difficult year for our customers and our people. While passenger numbers at our two Irish airports in Dublin and Cork increased to 8.7 million in 2021, from the 7.9 million we welcomed in 2020, these numbers represented a decrease of 75% compared with the 35.5 million we served in 2019 before the onset of the pandemic.

While traffic did not recover to the levels we had hoped for in 2021, we are determined to leverage the initiatives we undertook, the foundations we laid and the Government supports provided to the industry, to facilitate a rebuilding of connectivity as we move forward into 2022 and beyond.

The daa Group recorded a loss before exceptional items of €103 million in 2021 due to the ongoing impact of the global pandemic on our domestic and international businesses. Turnover was €324 million in the year, which represented an increase of 11% on 2020.

In September 2021, daa took advantage of strong market conditions to further bolster our liquidity by raising long-term debt of €150 million, resulting in an increase in net debt to €835 million at the year end. We continue to be concerned at the uneconomic pricing levels that pertain at Dublin Airport. The forthcoming regulatory determination will be critical to enable us to build for the future, meet new sustainability challenges and avoid over leveraging the business.

The daa Group invested €163 million in infrastructure projects during 2021. Almost 68% of the 2021 capex spend at the airports was accounted for by three projects: the construction of North Runway at Dublin Airport, which will open for commercial operations later this year; and major investment in Hold Baggage Screening systems at our airports; and the high intensity and on-time reconstruction of the main runway at Cork Airport. We also progressed the design for future apron and taxiway works at Dublin Airport.

A key focus for 2022 will be engaging with airline users and the Commission for Aviation Regulation (CAR) to ensure that Dublin Airport secures a price cap that will permit funding for the capital investment required to meet Ireland's connectivity and sustainability needs to 2030.

daa's Rebuilding Our Group Together (ROGT) plan was developed as a short-term strategy to help the business recover and grow after the initial impact of the COVID-19 pandemic. In 2021, we progressed several initiatives and projects under this strategy.

Despite the uncertainty of the COVID pandemic, we prepared to return the business to growth and began to win back routes and increase passenger numbers, utilising our airport charges incentive schemes and strategic marketing programmes. In this context, we warmly welcomed the Government's commitment to provide €106 million in funding to the aviation sector, to help Ireland rebuild vital international connectivity following the decimation caused by COVID-19 over the past two years.

We also extended the reach of our international businesses in 2021. Our international advisory management and investment arm, daa International, signed a contract to operate a new airport at The Red Sea Development Project in Saudi Arabia. This is a major development being built over 28,000 square kilometres on Saudi Arabia's west coast, which will result in the creation of a new luxury tourism destination.

Aer Rianta International (ARI) submitted bid tender documents to manage duty free and duty paid shops in eight Portuguese airports. This resulted in ANA Aeroportos de Portugal appointing ARI as the preferred bidder in February 2022.

For the second consecutive year, 2021 proved to be a year of difficult adjustments for our people. By December 31, 2021, we had said goodbye to a total of 1,064 colleagues, through a combination of voluntary severance, career breaks, attrition and non-backfill of roles vacated since the pandemic began – a necessary step to ensure business survival. We also progressed work on embedding new structures and ways of working across the business during the year.

Throughout the COVID pandemic, we have been committed to providing a safe working environment for our employees. This has resulted in the implementation of a free Staff Screening Programme, facilitating 14,000 PCR and antigen tests across our Irish locations, and the continual update of work safely policies in line with Government public health guidelines and protocols.

The year saw a sustained emphasis on updating all safety and security protocols, and on regular communications and engagement with our people to ensure that these requirements were observed and that regulatory standards were upheld. The daa Board continued its focus on, and commitment to, the paramount importance of safe and secure operations. The focus of the Board sub-committee that monitors and advises the Board on these matters was expanded during the year to encompass company culture, including staff wellbeing.

Despite the challenges posed to our global airports and travel retail businesses, we continue to sharpen our focus on environmental sustainability and corporate responsibility.

Sustainability is one of the pillars of daa's corporate strategy and we have been working for over a decade to reduce our environmental impact and to make our businesses more sustainable for the long term. In this regard, the Board Strategic Infrastructure Committee now has an expanded remit and has been reconstituted as the Strategic Infrastructure & Sustainability Committee.

In 2021, several campus-wide projects were undertaken to improve our environment. These included major infrastructure projects such as the rollout of smart metering and the installation of Fixed Electrical Ground Power units on the airfield and the introduction of several wildflower areas to enhance biodiversity around Dublin and Cork airports.

daa also lodged plans for a photovoltaic solar farm on a site southwest of the airfield at Dublin Airport. If approved, the installation will support daa's sustainability goals as well as compliance with regulatory energy and carbon emissions targets.

Our airports play an important role in the Irish economy. Pre-COVID, both Dublin and Cork airports contributed over €10 billion to the Irish economy and supported over 140,000 jobs. We are committed to taking a leadership position both nationally and internationally, to transform our business sustainably and acknowledge that we have a crucial role to play in building back Ireland's reputation as a tourism and aviation hub.

In 2021, we also put a strong emphasis on strengthening our ESG activity. We have a significant track record in delivering ESG-related initiatives across our businesses, which have worked to safeguard our environment, support our local communities, our people and the local and national economies in which we operate. We want to build on this foundation, developing and implementing an industry-leading ESG programme. The ultimate target for Dublin and Cork airports is to achieve net zero carbon emissions by 2050 at the latest. Incremental achievements to reduce our emissions will be critical to reaching this goal.

In June 2021, we reached a significant milestone on this ambitious journey, with the publication of our ESG Strategy 2021-2023. This strategy brings together the key pillars of our ESG programme – Environmental Sustainability, People, Community and Economy – and identifies our commitments under each. We are now working to deliver these commitments and will be reporting publicly on our progress against the ESG Strategy in our Annual Report each year. We anticipate that 2022 will be another significant year, as we work to gain accreditation for our ESG programme.

During the year, Patricia King departed the Board after serving with distinction since July 2012 and we welcomed Peter Cross and Ger Perdisatt as new members. Elections were held in December in accordance with the Worker Participation (State Enterprises) Acts to elect four worker representatives to the Board. Denis Smyth was re-elected and James Kelly, Des Mullally and Mark James Ryan, are newly elected members. Sincere thanks to the outgoing worker directors, Joseph O'Sullivan, Eric Nolan and Paul Melhorn for their service. I look forward to working with the newly elected worker directors and the other members of the Board following my reappointment for a further five-year term.

On May 13, 2022, Dalton Philips informed the Board that he was stepping down from his role as Chief Executive Officer in September.

Dalton has been an outstanding leader since he joined daa in 2017. His collegiate approach has fostered a culture that positions daa for continued and sustainable growth into the future. I have been honoured to work with Dalton over the past five years and wish him every success in his new role.

I fully recognise the toll that the prolonged pandemic has had on all of our staff, who have continued to show great resilience and have supported the business at all stages. The successful rollout of Ireland's national vaccination and booster programme means that we can start looking to the future with increased optimism. Hopes are high for a better year in 2022, allowing us to focus on rebuilding, reconnecting and being ready for the challenges and opportunities that lie ahead.

Basil Geoghegan
Chairman
May 20, 2022

Passenger numbers

8.7m

+10%

Turnover

€324m

+11%

Group investment

€163m

Our resilience and resolve are focused on the future.

daa entered this second year of the pandemic with a new, short-term strategic plan for our business. This plan was focused on Rebuilding Our Group Together to help the business recover and grow after COVID-19.

Dalton Philips
Chief Executive Officer

As resilient as the aviation sector has been in the past to other crises and shocks, nothing compares to the severity of COVID on our business. Lockdowns across the globe, which first brought international travel to a virtual standstill in April 2020, continued to impact in 2021 as the waves of COVID continued to resonate around the world.

The restrictions that were imposed for the first six months of 2021, together with the advent of the Omicron variant at the end of the year, disrupted hopes of a return to normal business operations. The effects on our domestic and international businesses were significant.

As a global airports and travel retail group with operations in 15 countries around the world, our retail business was also hit by the impact of the pandemic on international travel and the resultant drop in footfall in our stores.

Like most Irish businesses, daa benefited from Irish Government supports and also received support for many of its international businesses in jurisdictions around the world as the pandemic restricted global travel. COVID recovery plans and supports were intrinsically tied to reconnecting families, friends and businesses across the globe in tandem with the sustainable development of the sector.

Aviation was one of the first sectors to be impacted by COVID and has been one of the sectors hardest hit by the pandemic. During 2021, our operations continued to be significantly affected, resulting in a decrease in flights and passengers travelling through our airports.

While passenger numbers at Dublin and Cork airports rose to 8.7 million, from 7.9 million passengers in 2020, that figure was still 75% lower when compared with pre-pandemic levels in 2019. Ireland suffered more from COVID restrictions than any other European country last year, experiencing a reduction of 183,000 flights in 2021 compared with 2019 – a 62% decline in air traffic according to Eurocontrol.

Turnover increased by 11% to €324 million last year as the aviation industry saw some recovery from the initial impact of the COVID pandemic. With a tight focus on cost reduction, our operating costs[1] fell by 9% to €236 million during the year. Non-pay costs declined by 4% to €105 million, while payroll-related costs[3] fell by 13% to €131 million.

An EBITDA[2] profit of €25 million before exceptional items was recorded during the year, compared with a €33 million EBITDA loss in 2020. The Group's loss after tax, including exceptional items, was €103 million for the year. The exceptional items comprised an increase in the Group's voluntary severance scheme provision of €1.6 million and a €2 million fair value increase in the value of investment property. Further details in relation to these exceptional items are set out on page 29 within the Chief Financial Officer's review.

At the start of 2021, the challenges we faced as a result of the pandemic continued to intensify, as countries across the globe struggled to manage new waves of infection and the spread of more virulent variants. The impact was particularly significant from an Irish perspective, with Ireland recording the highest COVID infection rate per capita in the world during January. The consequences for international travel to and from Ireland during the first half of 2021 were therefore unprecedented.

In Ireland, strict new rules relating to international travel came into effect from January, which required all passengers arriving in Ireland to produce a negative pre-departure PCR test, while new self-isolation rules were introduced for passengers from 'high-risk' countries. The Irish Government also strongly advised against all non-essential travel to all destinations worldwide.

These rules further intensified in February, with all arrivals to Ireland being subject to a legal requirement to quarantine at home for 14 days.

At the start of March, Ireland's Health (Amendment) Act 2021 was signed into law, enabling the introduction of Mandatory Hotel Quarantine (MHQ) in Ireland. The MHQ system officially went live on March 26, 2021, and by the end of April, 75 countries around the globe had been added to Ireland's MHQ list.

To ensure compliance with Government rules relating to international travel, Garda checkpoints were established on the approach roads to our terminals at Dublin and Cork airports. The combined impact of these unprecedented restrictions on traffic was extremely significant in the first half of 2021.

A ban on non-essential travel, a series of Government measures to curb international travel, as well as the delayed introduction of the EU Digital COVID Certificate until mid-July 2021, significantly impacted passenger numbers travelling into and out of our Irish airports during the first half of the year. Ireland's accelerated vaccination rollout and the adoption and widespread use of the EU Digital COVID Certificate aided some recovery from July onwards.

In advance of the reopening of international travel last July, Dublin and Cork airports had experienced a loss of over 43 million passengers in the preceding 16 months. The Irish economy, which is one of the most open in the world, is hugely dependent on international air connectivity for trade, tourism and foreign direct investment. We are working tirelessly to restore the vital connectivity that Ireland has lost during that time, re-establishing routes with our airline customers.

To coincide with the return of non-essential international travel from July 19, last year, daa, as the operator of Dublin and Cork airports, launched a new television commercial. The advertisement was aired on RTE, Virgin Media and Sky over an 11-week campaign until the autumn to encourage a return to travel and to reassure passengers.

With the advent of enhanced security vetting requirements on January 1, 2022, for all aviation industry employees in Ireland, daa is currently acting as the Central Processing Organisation for all industry applications until June 30, 2022, at the request of the Department of Transport. Under the new rules, An Garda Síochána, as the State's Competent Authority for Vetting and Security Intelligence Checks, is now required to conduct both 'Standard' and 'Enhanced' Background Checks in respect of all employee applications received from the sector.

daa entered this second year of the pandemic with a new, short-term strategic plan for our business. This plan was focused on Rebuilding our Group Together (ROGT) to help the business recover and grow after the initial impact of the COVID pandemic.

Our 2021 plans centred on two key goals for the daa Group: (i) to continue to protect our business effectively in the short-term, and (ii) to build the foundations, and develop the conditions, that would allow us to rebuild our businesses as quickly and efficiently as possible over time.

ROGT saw us progress several initiatives and projects under this strategy. This included embedding new structures and ways of working across the business, which incorporated non-frontline and frontline headcount reduction, all staff operating on a new resourcing model and new people policy changes.

In 2021, we also assessed our approach to the daa Group portfolio and began the initial stages of creating our longer-term Corporate Strategy, which will run to the end of 2026. We identified the following objective functions which guide how we operate our business:

1. Provide efficient world-class operations at Dublin and Cork airports to keep Ireland connected globally and act as a long-term economic steward of critical national infrastructure that supports a thriving aviation ecosystem.
2. Position Ireland to be at the forefront of the green agenda, especially in global aviation.
3. Maximise the Group's portfolio Return On Investment (ROI) to generate the headroom to invest strategically in our assets, while also diversifying our revenue streams.

daa has invested significantly in a range of health and well-being measures across both Dublin and Cork airports since the start of the pandemic to ensure the safety and wellbeing of passengers and staff. These include more than 1,000 hand sanitisation stations, almost 1,000 plexiglass screens at check-in and security screening locations, over 12,000 new signs erected to emphasise social distancing and hand hygiene, regular announcements to remind people of guidelines, enhanced cleaning regimes throughout the terminals and campus and a contactless airport environment. Access to the terminals remained limited to passengers, crew members and staff throughout 2021.

Group turnover

€324m

+11%

Operating costs[1]

€236m

-9%

EBITDA[2]

€25m

+176%

1. Operating costs include payroll and related costs, materials and services and government wage subsidy support.
2. Earnings before interest, tax, depreciation and amortisation (before exceptional items).
3. Net of domestic and international government payroll support.

In addition to looking after the safety and security of our passengers, the welfare of our people has been central to everything we have done over the past two years.

We continued to communicate with our people on an ongoing basis. A regular cadence of internal communications provided business and strategic updates to our teams and highlighted the importance of remaining hopeful and resilient despite the challenges we faced.

Our teams, having been on 80% pay since the previous year, saw working hours and pay return to 100% from March 28, 2021, in areas where New Ways of Working were accepted. To support this, employees were asked to reduce annual leave and time in lieu balances over the following six months.

In October, we launched our first staff survey since 2019. The survey featured 11 categories of questions (up from 10 in 2019, with the addition of a new COVID specific category), comprising 40 questions in total. The survey also provided an opportunity for staff to provide detailed comments to three separate questions. In total, we received 2,058 replies from employees across the Group. This represented an overall response rate of 79% – the highest rate that the company has achieved to date. In contrast, the benchmark norm response rate for daa's peer group is 58%. We also received over 3,000 verbatim comments from our team members. The previous staff survey resulted in a series of Top Ten Opportunities to address staff feedback. We are working through the most recent results on a similar basis and responding accordingly. This feedback is paramount to our ability to listen and respond to the needs of our employees.

During 2021, we also consolidated many of our office-based teams into our new company head office building in Dublin Airport Central, though we continue to trial a hybrid working model for our non-frontline staff as we navigate a path towards the new normal of work.

Throughout the year, daa has kept our airports open, playing a critical role in facilitating the repatriation of passengers, the import and export of essential medical supplies and goods and vital medical emergency and search and rescue missions.

Staff survey response rate

79%

+21%

Verbatim comments from team members

3,000

daa invested significantly in a range of health and well-being measures across our airports due to COVID.

Dublin Airport

Dublin Airport passenger numbers increased by 14% in 2021 to 8.5 million, when compared with 2020. However, 2021 passenger numbers were down by 74% when compared with 2019 as COVID continued to have a massive impact on aviation globally.

It is sobering to recall that less than one million scheduled passengers travelled through Dublin Airport in the first six months of 2021, resulting in our terminals being eerily quiet with a trickle of people on given days.

Two-thirds of all passengers (66%) who travelled through Dublin Airport in 2021 did so in August, September, October and November, equating to 5.6 million passengers. In total, 8.3 million passengers either started or ended their journey through Dublin Airport while 155,000 of the overall number used the airport as a transfer hub in 2021.

When compared with 2020 figures, short-haul traffic increased by 17% to 7.5 million, while long-haul passenger numbers decreased by 1% to almost one million. However, this was a decrease of 83% when compared with pre-COVID-19 passengers for long-haul travel and 73% for short-haul in 2019.

During 2021, passenger numbers to and from Continental Europe increased by 33% versus 2020 levels to 5.3 million. Passengers travelling to and from Britain decreased by 10%, while transatlantic traffic increased by 5% compared with 2020. When compared with pre-COVID in 2019, traffic to and from Continental Europe was down by 69%, while passengers travelling to and from Britain was down by 79%.

Passenger numbers on flights to and from other international destinations, which included flights to the Middle East, declined by 21% compared with 2020. The number of people taking domestic flights increased by 13%. When compared with pre-COVID-19 passenger numbers, other international destinations were down 81%, with domestic travel down by 63% versus 2019.

In Q1 2021, results from the annual reputation tracker RepTrak indicated that Dublin Airport had increased its Reputation Score to 79.1, building on scores in 2019 and 2020. The 2021 Ireland RepTrak surveyed over 6,500 members of the general public aged 18-64 throughout the Republic of Ireland. The survey measured the perceptions of 100 of the largest, most familiar, and most important organisations in Ireland. Dublin Airport maintained its ranking in 2021, achieving 15th place overall.

The top driver of our reputation remains our passenger experience, closely followed by Leadership and Governance. In 2021, Dublin Airport showed the most improvement in the area of Innovation.

As Ireland's principal gateway, Dublin Airport is a critical strategic infrastructure and an economic engine for Ireland and in particular Fingal and the local region. It is fundamental to attracting inward business investment and tourism directly, as well as being a key employment location.

To deliver wider economic benefits and meet the expectations of Government aviation policy, the airport must continue to be developed with airport infrastructure that will optimise existing capacity and enable the expansion of air service connections.

However, we do have concerns around our ability to deliver critical airport infrastructure in a fast, efficient and responsive way, given the current complexities and bottlenecks that are inherent to the planning system at a time when Dublin Airport stands poised to make an investment of approximately €2 billion across our Capital Investment Programme.

In June, daa appointed global engineering and construction management company Bechtel as Integrated Delivery Partner for Dublin Airport's capital investment programme. Bechtel, which won the contract following a public tender process, will provide Dublin Airport with additional capacity and capability over the next five years, as the capital programme evolves.

We are also engaging in the review of the Fingal Development Plan, which is an important framework for the future development of Dublin Airport. Since 2017, the current Fingal Development Plan has provided a positive background for the ongoing operation and development of Dublin Airport. This plan provides a springboard on which to build further

> **"Dublin Airport stands poised to make an investment of approximately €2 billion across our Capital Investment Programme."**

daa started pre-consultation for our new Capital Investment Programme (CIP) in December, 2021.

robust policies; help protect our national airport while shaping a future in keeping with national aspirations for the airport's continued growth. This review comes at an opportune time, as we enter into a period of rebuilding.

We started pre-consultation with our airline partners for Dublin Airport's new Capital Investment Programme (CIP) in December. The Air Navigation and Transport Bill, meanwhile, has important amendments that impact our business, including provisions for an increase in our borrowing ceiling and a change in the Commission for Aviation Regulation (CAR) objectives to incorporate a requirement to 'take account of the policies of the Government on aviation, climate change and sustainable development'. At the time of writing, the Bill was still in the legislative process and we hope it will be finalised soon.

2021 saw major progress on our new North Runway with the completion of runway and taxiway structures, electrical substations, drainage, airfield groundworks, perimeter fencing and airside roads. Airfield ground lighting flight checks were undertaken during the summer and testing of the instrument landing and navaid systems was also successfully completed. Final construction works are nearing completion, with commissioning, testing and operational readiness, activation and training (ORAT) activities ongoing.

Our application to amend and replace two onerous operating conditions continued its journey through the statutory planning process. Our proposals included a Noise Quota Count system that will encourage the use of quieter aircraft, in addition to a very generous home sound insulation grant for residents most impacted by our operations.

Along with other proposals, these balance the needs of the national economy whilst also seeking to address the concerns of our neighbours in the local community. If approved, they will afford Dublin Airport the operational flexibility that is essential to restore air connectivity to our island nation and enable the Irish economy to recover and prosper following COVID. A decision is expected from the planning authorities later in 2022.

In the meantime, we are looking forward to the opening of North Runway, a once-in-a-generation key infrastructural asset for the country which is on schedule to enter operation in August 2022.

As part of our commitment to our neighbours and to provide transparency, Dublin Airport launched WebTrak, an internet-based service that enables people in local communities to access flight paths and noise levels for flights at the airport. The system was established in collaboration with the Irish Aviation Authority (IAA), which provides air traffic control services in Ireland and Envirosuite, a firm of environmental management experts with experience in noise and flight track monitoring in over 70 airports worldwide.

We continued to develop the airport campus in 2021 and Dublin Airport is to get a €100 million investment in a new terminal-linked hotel that will create up to 550 jobs on campus. As part of an agreement with daa, UK hotel group Arora has secured planning for a new 410-bedroom luxury hotel adjacent to Terminal 2 at Dublin Airport.

In November, Dublin Airport completed the first phase of its new food and beverage offering as we focus on transforming the offering across our terminals to showcase Irish provenance, sustainability and changing and emerging consumer trends.

The first phase was completed in partnership with international food operator SSP. SSP will operate 24 food and beverage outlets at Dublin Airport and will work with Irish brands such as The White Hag, Hugh Maguire – The Smokin' Butcher, Teeling Whiskey and McCloskey's Bakery. Many local and certified ingredients will be at the heart of the menus offered in the new units. The new outlets will also leverage the latest technology, including mobile 'order at table' services and contactless menus to provide a smoother and quicker customer experience.

Cork Airport

A total of 258,000 passengers flew in and out of Cork Airport in 2021, providing vital connectivity for repatriation, cargo and essential travel.

Cork Airport began 2021 with minimal airline connectivity following the near shutdown of Irish overseas travel during December 2020. By mid-January, just two carriers – Aer Lingus and KLM – retained connectivity to London-Heathrow and Amsterdam respectively. This minimal network did not change until June when Ryanair restarted a limited number of routes with foreign-based aircraft.

Cork Airport ended the year with seven airline partners to ensure Cork, as the busiest international airport in the country after Dublin, bounces back strongly in 2022 with enhanced international connectivity and its route network restored.

daa is investing over €40 million at Cork Airport over three years between 2020 and 2022 to upgrade and enhance critical infrastructure and ensure we are in a position to facilitate growth in the years ahead. All investment projects have sustainability and green energy efficiency as a priority.

The highlight of investment in 2021 was the reconstruction of the main runway at Cork Airport which was officially re-opened by An Taoiseach Micheál Martin on November 20. The reconstruction of the main runway was completed on schedule and within budget in 10 weeks. The completion of the construction works within 12 months of funding being approved made it one of the fastest large-scale projects to be delivered in the State in recent years. The support of €10 million from the Government towards the investment by daa secured a key strategic asset for Cork and the South of Ireland for the next 20 years.

Cork Airport also completed an upgrade of its Hold Baggage Security screening system last year, at a cost of over €12 million, to ensure that checked-in baggage complies with the latest and highest international standards. A new Electrical Sub-Station for the airport will be added in 2022. All of these projects have sustainability and green energy efficiency as a priority.

In recognition of the substantial impact of COVID, Cork Airport received significant and welcome exchequer funding from the Irish State in 2021, including participation in the Regional State Airports Programme for the first time.

Passenger numbers at Terminal 5 in Riyadh performed well again in 2021 at 67% of 2019 volumes.

> "The core international retail losses and cash flow challenges would have been significantly worse had it not been for the speed and decisiveness of actions taken to date."

Aer Rianta International (ARI)

ARI is daa Group's travel retail subsidiary and also holds our equity investments in overseas airport operations.

In addition to operating outlets in Ireland, ARI also has a broad span of retail activities internationally, with direct or indirect interests in 15 countries across North America, Europe, the Middle East, Indonesia, New Zealand and a minority shareholding in Düsseldorf Airport in Germany, and in Larnaca and Paphos airports in Cyprus.

Group turnover for 2021 was again severely impacted by COVID in all locations, with significant disruption due to travel restrictions and border closures. With turnover still depressed from normalised levels, the key focus during the year was implementing cost control measures across all areas and cash flow management. There was a relentless focus on renegotiating commercial terms with airports, and brands.

While the restructuring program, was largely concluded in 2020, reduced hours and pay were unfortunately still in place in some locations for 2021. This would have been more severe but for the government supports in place in various jurisdictions. The core international retail losses and cash flow challenges would have been significantly worse had it not been for the speed and decisiveness of actions taken to date.

Group losses on ordinary activities after taxation totalled €12.7 million, compared with a loss of €66.5 million in 2020. The impact on our investment in Düsseldorf Airport, where we hold a 20% stake, was particularly significant, accounting for losses of €8 million during the year. In 2021, passengers at Düsseldorf Airport improved by 21% to 7.9 million, compared with 2020, but remained down 69% on 2019 levels.

In Ireland, ARI operates our retail business, The Loop, at Dublin and Cork airports and manages several retail concessions at the two airports. Total sales from these operations increased by 47% to €69 million. This was significantly ahead of the passenger recovery as spend by passengers grew strongly for a second year in 2021, helped by the return of duty free for UK destined passengers.

ARI's joint venture operation at Delhi International Airport, where ARI holds a 33.1% stake, managed its liquidity very successfully with no recourse to shareholders during a very volatile year. Although the country experienced some of the worst levels of COVID-19 during the year, turnover was circa 38% of 2019 levels. Cash resources have been successfully managed and the business is well-placed to react speedily to a recovery in passenger volumes. ARI Middle East (ARIME), which comprises businesses in Bahrain, Cyprus, Lebanon, Oman, Qatar, and Saudi Arabia had a strong year relative to most other regions. The retail business in Bahrain successfully migrated into the new terminal on January 28, 2021, and trades in a spectacular, world-class retail setting.

Our business in Riyadh performed well again in 2021. As a fully domestic terminal, Terminal 5 saw a strong recovery in 2021, with passenger numbers at 67% of 2019 volumes.

The liquor distribution operation in Qatar performed strongly during 2021 and is implementing plans to drive revenue during the football World Cup in late 2022. The contract was extended in March 2021 for a two-year period.

ARI's retail operations at Larnaca and Paphos airports performed at circa 58% of 2019 levels despite strong performance in the peak season period of the year. Their challenges were also felt by Hermes, the airport operator in Cyprus in which ARIME has an 11% stake. The business traded well on the back of a store refurbishment in 2020 and an enhanced duty free offering following Brexit. However, we are mindful of the horrifying events unfolding in Ukraine which will impact our operations in Cyprus given that Russian and Ukrainian tourists were key source markets for Cyprus and Montenegro in recent years.

We are hopeful that the Midfield Terminal at Abu Dhabi's International Airport will open in 2023, although passenger levels will be significantly lower than initially envisaged. Engagement is continuing with the airport authorities to agree on revised terms and support in light of the delays in opening.

The performance of ARI's retail operations in Canada and Auckland were significantly impacted by border closures and the fall in international long-haul traffic. This was particularly the case on Chinese routes, which typically have higher spending passengers.

ARI Group losses

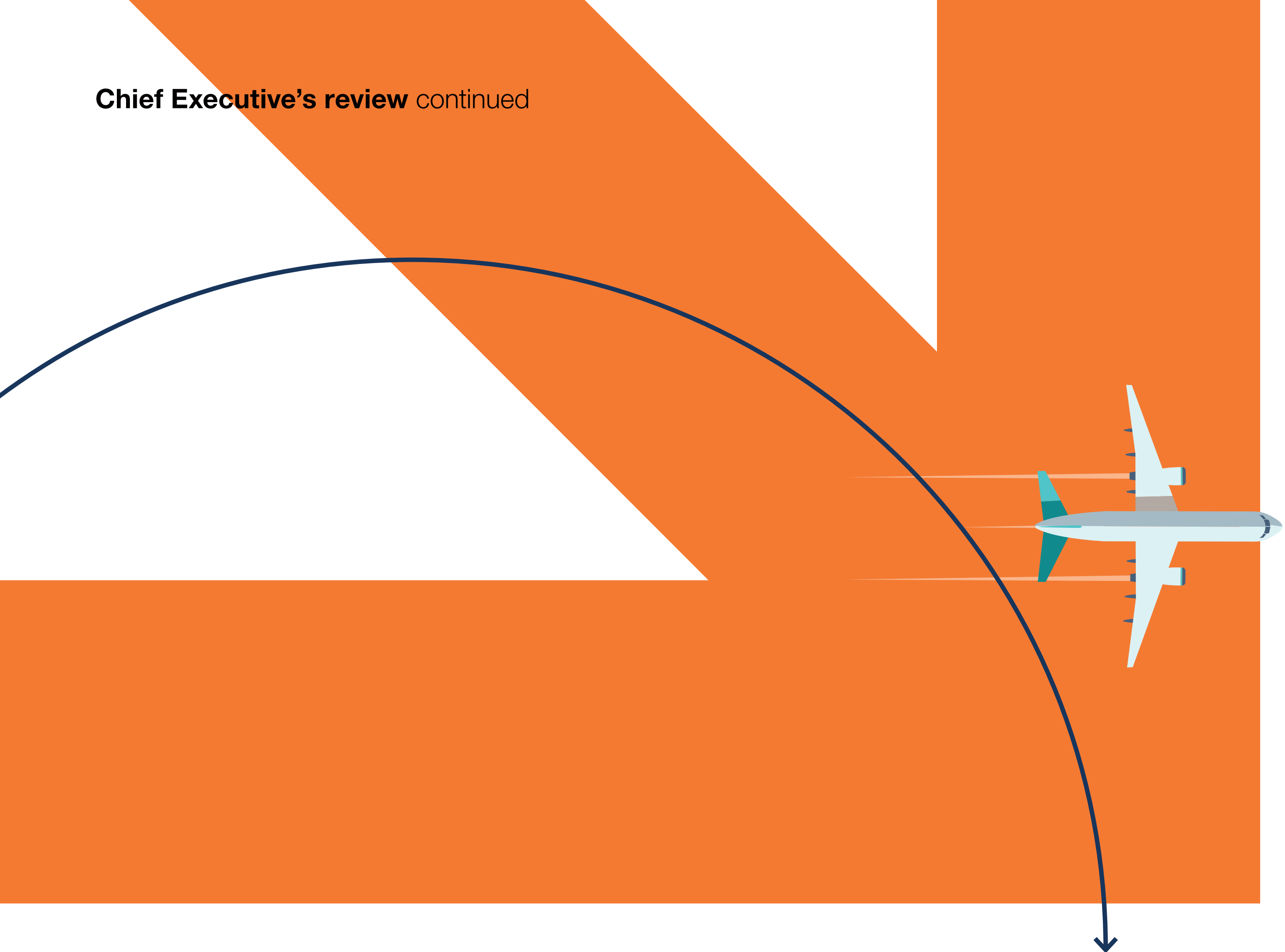
€12.7m

ARI Ireland turnover

€69m

+47%

Total sales from ARI outlets at Dublin and Cork airports increased by 47% to €69 million in 2021.



In Canada, our business performed at circa 25% of 2019 levels with the US border closed for much of the year and severe restrictions in place on other international travel. The Montréal contract was successfully extended in 2020 by a further seven years to 2030, with multi-year extensions also agreed in the regional airports of Québec, Halifax and Winnipeg.

The performance in Auckland was impacted negatively due to ongoing international travel restrictions, which have been in place since COVID-19 first hit in February 2020. This is reflected in the year-end outcome in terms of top-line sales at 14% of 2019 levels.

In 2020, ARI was awarded a five-year duty free retail concession at Tivat and Podgorica airports in Montenegro. These were successfully opened in the first half of 2021 and are trading well.

Despite the challenges, the business maintained a clear focus on adapting to changing consumer behaviour and maintaining best-in-class customer service. This and our evolving digital proposition were recognised during the year with ARI winning several prestigious international awards including:

- Aer Rianta North America winning the Americas Travel Retail of the Year Award at the 2021 DFNI Americas Awards for its launch of theloopdutyfree.ca.
- Delhi Duty Free Services winning the Exceptional Achievement Award by an Airport Retailer in Asia-Pacific, at the DFNI Asia Awards
- ARI Dublin: Travel Retailer of the Year for The Irish Whiskey Collection

There has been a continued focus on talent, capability, and culture in 2021. We have invested in people development to support our colleagues in developing their careers at ARI and to assist in employee retention, which has become an increasingly prominent challenge as competition for key skills externally has intensified.

A Global Diversity, Equity and Inclusion Framework (GDE&I) was developed and launched during 2021, the heart of which is ensuring an inclusive culture where everyone (employees, customers, partners and stakeholders) is made to feel welcome. The programme has four key objectives: (1) Demonstrate leadership commitment and accountability; (2) Be inclusive; (3) Seek better gender balance; and (4) Build a diverse talent pipeline. ARI is proud that it achieved the 2021 goals under the GDE&I Framework with key highlights being the: establishment of a GDE&I Committee with representation from each of ARI's global locations; a series of "Women Rise" conversations with senior female leaders across ARI's estate;

"The business maintained a clear focus on adapting to the changing behaviour of customers and maintaining best-in-class customer service."

and the launch of ARI's mentoring programme, which currently has over 80 participants from across the business.

We successfully launched our ESG Strategy, which is underpinned by clear targets and timelines under three pillars: People, Planet and Product. Achieving these challenging targets will be a key feature of the next several years. Together with our Customer Value Proposition (CVP), these programmes will assist business development and reinforce our reputation as a pioneer in the industry. The main objective of ARI's CVP is to align our retail proposition with our customers' needs and expectations (and alignment with airports' holistic customer journey) encompassing both in-store and online initiatives.

We have experienced an increase in the pipeline of business opportunities during the year as airports commenced the tender process for their retail operations, buoyed by the industry emerging from the impact of COVID. Our business development team is currently progressing such opportunities, some of which may come to fruition during 2022.

We are delighted that ARI has been chosen as the partner of choice by ANA Aeroportos de Portugal (ANA), from VINCI Airports Group, to form a joint venture company to operate their portfolio of duty free and duty paid retail concessions in Portugal from June 1, 2022.

The contract covers eight airport locations in Lisbon, Porto, Faro, Madeira Islands (Madeira and Porto Santo) and Azores Islands (Ponta Delgada, Santa Maria and Horta).

The concession scope incorporates over 34 commercial spaces, including duty free main shops, satellite stores, and fashion/beauty stores, with a total area approximately of 9,500 square metres, which the new joint venture will manage for seven years.

ARI is optimistic for 2022. New streamlined structures and processes are in place, while relationships with airports, brands and joint venture partners have been enhanced. Plans are also being progressed in key areas, including ESG, our customer value proposition and talent development. All of these are fundamental to building solid foundations for ARI into the future.

"We have experienced an increase in the pipeline of business opportunities during the year as airports commenced the tender process for their retail operations."

ANA has appointed ARI as its new joint venture partner for duty free and duty paid retail concessions across Portugal's airports.

daa International will operate the new airport at The Red Sea Development Project in Saudi Arabia.

Turnover

€9.4m

+54%

Passenger numbers

67%

of 2019 volume

daa International

daa International leverages the expertise of the wider daa Group to offer advisory, management and consultancy services to its clients around the world.

Just as the pandemic impacted on daa's airports and retail operations, daa International was also adversely affected, as staff on international assignments endured strict lockdowns and travel bans for the early part of the year.

Despite the pandemic, daa International (daal) had a positive 2021. The company's strategy remains focused on exploring investment partnership opportunities, pipeline business opportunities and expanding the company's footprint in Saudi Arabia.

daal continued to provide services to Riyadh Airport Company (RAC) at our flagship operation at Terminal 5 (T5), King Khalid International Airport (KKIA). As a fully domestic terminal, T5 saw a strong recovery in 2021, with passenger numbers at 67% of 2019 volume. Our turnover in 2021 amounted to € 9.4 million, which was up 54% on 2020 levels.

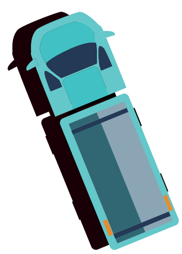
The daal team secured a three-year extension to the contract with RAC, with a new contract end date of December 31, 2024. The extension will ensure that a minimum of 11 daal team members will be onsite at Riyadh Airport, continuing our work in T5 along with assisting RAC across the wider airport portfolio.

At the start of 2021, the daal team commenced advisory work on the new International Airport to be constructed at the Red Sea Resort in Saudi Arabia. The airport, with a preliminary opening date in early 2024, is breaking new ground on sustainable design and operational practices of airports.

In addition to the two main contracts above, daal continued to work on other high-profile advisory projects in 2021. In Saudi Arabia, the company worked on two significant projects with RAC, independent of our T5 contract. The first related to facility management tendering and procurement and the second, working with consultants PwC, related to succession planning for the organisation.

The relationship with our partner, Aboitiz, in the Philippines remains in place, however, their planned takeover of several regional airports in the country has been pushed out to early 2022 due to COVID.

daal also continues to support Luton Council, on a one-year contract to Q3 2022, as their airport advisor, as they implement plans with the Luton airport operator for post-COVID recovery and growth.



Sustainability

daa put sustainability at the heart of its strategic organisational objectives and purpose in 2021. Our ambition is to achieve net zero carbon emissions by 2050 at the latest while supporting our wider eco-system's shared objective to achieve decarbonisation.

Aircraft manufacturers are making strides to decarbonise the flights of our airline customers, with significant investment ongoing in alternative aviation fuels and advancing low carbon aircraft technology. The industry is exploring and testing many environmental innovations before being scaled up for use in commercial aviation.

The advent of the European Commission's Fit for 55 package seeks to replace our industry's voluntary efforts to reduce emissions globally with a series of legislative proposals aimed at enabling the EU to meet its legal obligation to achieve a 55% greenhouse gas reduction by 2030 (from a 2005 baseline) and to get on track for net zero carbon emissions in 2050.

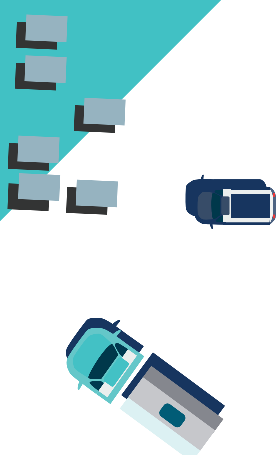
daa is committed to stepping up our accountability for the climate challenge that we all face, and we are accelerating our plans to decarbonise all parts of our business.

In 2021, daa finalised new environmental sustainability, energy, carbon and waste policies. 200 units of honey from daa beehives were collected and sold to raise funds for daa's nominated charities. We won the Energy Leader award at the Business Energy Achievement Awards, placed second in the 'Leadership in the Public Sector Award' in the SEAI Energy Awards, and were nominated by Business & Finance for our work on our ESG Strategy.

We have a strong track record of delivering sustainability initiatives right across our business, that benefit our environment, our people, our local communities, our passengers and our customers.

Our new ESG Strategy focuses on maintaining those initiatives but importantly, it also seeks to develop a new pathway forward to push our business to deliver even more for those economies and societies in which we operate all around the world.

Dublin and Cork airports are economic enablers and societal hubs, each with a vital role to play in connecting Ireland with the world. We look forward to working in partnership with our customers and communities, our government, and regulators as we continue our decarbonisation journey.



Government support

daa benefitted from the same supports as offered to other Irish businesses as a result of COVID. We welcomed the additional €106 million aviation funding package announced by Government to help Ireland rebuild vital international connectivity following the decimation caused to the sector by COVID.

This package of supports enabled us to further extend our competitive traffic recovery incentive schemes for airline customers who are looking to grow their business at Dublin and Cork airports.

Despite the pandemic-induced downturn, we have seen a ramping up of our business since the reopening of international travel last July with several positive route development announcements from our airline customers in recent months. We are confident that demand for long and short-haul travel will continue to increase both into and out of Ireland over the next number of years as consumer sentiment improves.

We were delighted to host visits by the Minister for Transport and the Minister for Environment, Climate and Communications Eamon Ryan TD and the Minister of State at the Department of Transport Hildegarde Naughton in December. These sessions allowed daa to provide an overview of its development and sustainability priorities and discuss key challenges and opportunities.

Conclusion

In late March into early April 2022, we experienced an extremely difficult period in the operation at Dublin Airport. There were a number of contributory factors to this which included the fact that passenger numbers recovered more quickly than anticipated by all industry forecasters; there were exceptional levels of staff absence due to the impact of COVID; there were ongoing challenges in resourcing for our security screening process given the buoyant labour market; which was further exacerbated by the impact of commencement on January 1 of new EU-wide Enhanced Background Checks (EBC) on staff working at international airports. The delays in the EBC process, together with the subsequent need to train and certify new hires in accordance with regulations, meant that it was taking many weeks to get certified screeners in place to meet increased demand.

Regrettably, this resulted in a very poor customer experience at the airport with long queues, extensive media coverage and in some cases, passengers missing flights as a consequence. Through intense and proactive management focus, the implementation of a range of immediate actions and enormous effort and support from our employees right across the business. We expect to have our full complement of new security hires in situ in June.

I warmly welcome the reappointment of Basil Geoghegan for another five-year term as daa Chairman and I look forward to working with the newly constituted Board.

During the last year we said farewell to Ray Gray, Group Chief Financial Officer, Marion O'Brien, Chief Governance and Strategy Officer, and Paul O'Kane our Chief Communications Officer. I would like to extend my best wishes to them all for the future and thank them for their huge contribution to the daa Group.

As we finalise this report, the recent Russian invasion of Ukraine and the worsening situation in the region is a focus for everyone. Flights to and from affected countries have been suspended, the EU has introduced a ban on Russian aircraft entering EU airspace and global economic sanctions on Russia have been put in place.

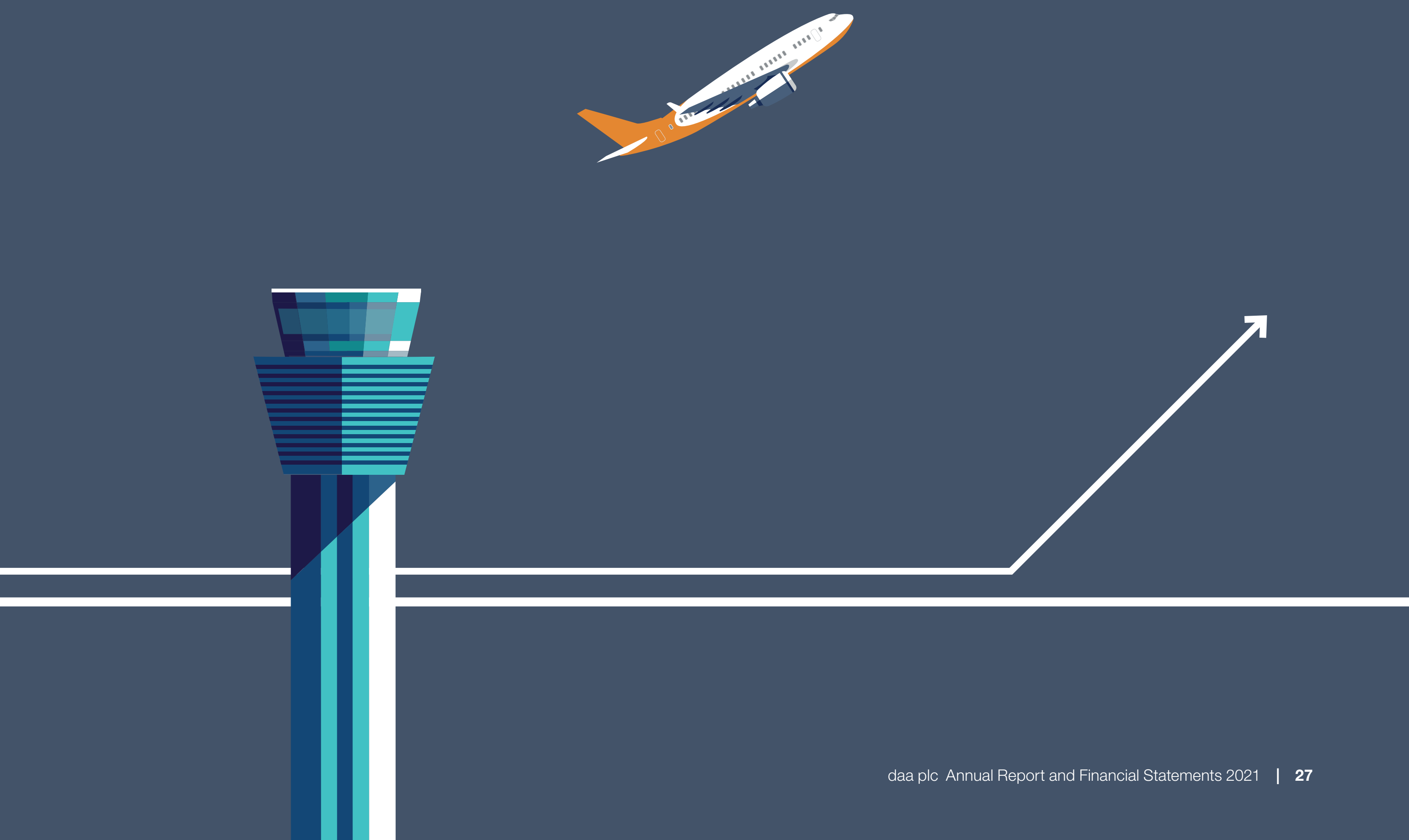
While the extent to which these events might impact the Group's operations domestically and globally is unclear, we can only hope and pray for a speedy end to the conflict and an easing of the humanitarian impact this is having on the people of Ukraine.

The past two years have been the most challenging ever faced by our industry. However, the resilience of the daa team has been remarkable.

The common consensus is that the worst of the pandemic is behind us and, in line with the Irish Government's policy of reopening international travel and keeping our airports operational, we will drive our business recovery forward in 2022.

Despite the challenges of the past two years, our resilience and resolve are focused on the future and our collective ambition is to ensure we are ready for the returned growth in demand for air travel with the right people, strategies and investments in place to ensure our success.

Dalton Philips
Chief Executive Officer
May 20, 2022



The key focus for the Group is ensuring a sustainable return to growth.

At the time of publishing this Annual Report, we see strong signs of recovery in domestic and global aviation. We are optimistic about a return to strong passenger growth in 2022 and beyond.

Catherine Gubbins
Group Chief Financial Officer

The global outbreak of COVID-19 continued to have a significant impact on every aspect of our operation in 2021. 2021 started with our domestic and international businesses being placed into an unanticipated and extended period of lockdown for a number of months. The introduction of strict new rules in respect of international travel in January 2021 again resulted in airline operators standing down their aircraft fleet and flight schedules, significantly reducing capacity levels, and in some cases suspending all capacity at the domestic airports and international locations in which we operate. This prolonged the devastating impact of COVID-19 on the turnover and profitability of the Group in the first half of 2021.

While the commencement of the roll-out of vaccines and the introduction of the EU Digital COVID Certificate in July 2021 finally provided a mechanism for the slow return of international travel, the uncertainty and complexity associated with the ongoing crisis in other jurisdictions continued to create a depressive impact on passenger numbers.

A summary of the key Group financial results are as follows:

	2021	2020
Passenger numbers – Ireland (millions)	**8.7**	7.9
Change %	**+10%**	-78%
	€'m	€'m
Group turnover	**324**	291
Change %	**+11%**	-69%
Group operating costs[1]	**236**	260
Change %	**-9%**	-42%
Group EBITDA[2]	**25**	(33)
Change %	**+176%**	-111%
Group loss after tax – before exceptionals & fair value movements	**(103)**	(187)
Exceptional items & fair value movements	**0.06**	(97)
Group loss after tax – after adjustments & fair value movements	**(103)**	(284)
Net cash inflow/(outflows) from operating activities (before restructuring payments)	**190**	(8)

1. Group operating costs include payroll and related costs, materials and services and Government wage subsidy support.
2. Group EBITDA comprises Group earnings before interest, tax, depreciation and amortisation before exceptional items from Group activities, excluding contributions from associated and joint venture undertakings.

2021 Results

While all of the Group's operations continued to be adversely impacted by COVID-19, with reduced traffic in terms of passengers and retail customers, the Group has seen an improvement in turnover, EBITDA[2] and loss after tax for the year ended December 2021 when compared with 2020. Passengers at daa's Irish airports were 8.7 million (25% of 2019 levels) compared with 7.9 million in 2020. Group turnover at €324 million, increased by 11% compared with €291 million in 2020.

Turnover generated at Dublin and Cork airports comprises aeronautical charges levied, turnover from direct retailing and commercial activities such as car parking, car hire and other activities. Domestic airport related turnover increased marginally by 1% to €214 million compared with €211 million in 2020 with aeronautical revenue declining by 28% to €64 million. Domestic retail revenue increased by 47% to €69 million and other commercial revenue increased by 8% to €81 million.

While the situation varied in each of our international locations, international turnover increased by 38% to €110 million (refer to the Chief Executive's review on page 20 for further details).

The Group recorded EBITDA[2] before exceptionals of €25 million compared with an EBITDA[2] loss of €33 million in 2020.

Group operating costs[1] before exceptionals decreased by 9% to €236 million from €260 million in 2020. Domestic airport costs[1] amounted to €173 million; a decrease of 14% from €201 million in 2020 and international costs[1] increased by 7% to €63 million. The Group continued to leverage cost mitigation actions implemented in 2020, including Irish-based employees being on 80% of normal working hours until March 2021 and further reductions in domestic and international employment levels. The Group had introduced a voluntary severance scheme at our Irish operations in order to right-size the Group in 2020 and our Full Time Equivalents (FTEs) reduced by 16% to c. 2,168 at December 31, 2021, largely as a result of the scheme. Similar restructuring programmes also took place across our international operations. Separately, the Group's international business obtained concession fee reductions and term extensions on certain key airport retail contracts.

The Group has continued to benefit from a range of Government supports throughout the year, including payroll support, rates waivers and operating and capital grants in respect of Cork Airport. The Group recognised €39 million of payroll-related supports, compared with €34 million in 2020 and this is disclosed as other income in Note 4 of the Profit and loss.

Group loss after tax, before exceptionals was €103 million, a significant decrease compared with a loss of €187 million in 2020.

Exceptional items include a fair value increase of €2 million in investment properties offset by an increase in the Group's voluntary severance scheme provision of €1.6 million (see Note 6).

After exceptional items, the Group incurred a loss after tax of €103 million (2020: €284 million).

Business units

Dublin and Cork Airport's aeronautical and commercial activities recorded an EBITDA[2] of €27 million in 2021 (2020: negative EBITDA[2] of €9 million). This result reflects Government support of €46 million without which the domestic business would have continued to generate an operating loss. This was a critical support to the business at a time when international travel to and from Ireland was effectively banned. EBITDA[2] from all other activities including international locations was a loss of €2 million (2020: loss of €24 million) reflecting in particular, COVID induced losses from international retail activities.

International results improved from a loss of €67 million to a loss of €11 million in 2021. This takes into account a €1 million share of loss from associates and joint ventures (2020: loss of €34 million) of which €8 million is due to the Group's share of losses arising in Düsseldorf Airport. daal continued to progress its business, with turnover increasing by 54%.

Tax

The Group recognised a taxation credit of €11 million for the year ended December 31, 2021, compared with a credit of €35 million in 2020. The Group's overall effective tax rate was 10% (2020: 11%) and has remained relatively stable year-on-year. The most significant driver of this was tax losses incurred in daa plc.

daa has continued to avail of the Government's tax debt warehousing scheme to assist Irish businesses during the period of restricted trading caused by COVID. This scheme allows companies that are severely affected by the pandemic to warehouse VAT and PAYE liabilities arising for a period of at least 12 months on an

Group turnover

€324m

+11%

Operating costs[1]

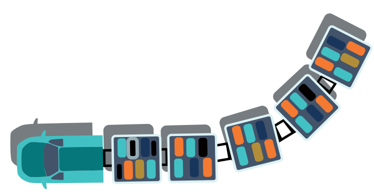
€236m

-9%

EBITDA[2]

€25m

+176%



1. Operating costs include payroll and related costs, materials and services and Government wage subsidy support.
2. Earnings before interest, tax, depreciation and amortisation (before exceptional items).

Chief Financial Officer's review

interest-free basis. The total amount warehoused at 31 December 2021 was €78 million (2020: €31 million) (see Note 17) for further details.

Investment

Cash flow in respect of capital investment for 2021 amounted to €199 million (2020: €270 million). Expenditure continued to be focused on the key construction projects such as the new North Runway, the required upgrade to Hold Baggage Screening (HBS) infrastructure at our airports, an overlay of Cork main runway, and completing several critical projects including airfield works at Dublin Airport.

The Group's capital investment pipeline was adjusted in light of the pandemic with actual investment levels below those envisaged as part of our engagement with CAR and our airline partners in 2019. The delivery timeframe for a number of major capital projects has been re-assessed pending progress on certain planning related matters and greater clarity on the future regulatory price cap.

At the end of 2021, capital commitments were €186 million, of which €45 million were contracted and primarily relate to the HBS project.

Cash flow activities and net debt

The Group continued to be focused on managing our cash outflow through the course of 2021. The Group had net cash inflow from operating activities of €190 million before restructuring payments in 2021 compared with outflows of €8 million in 2020 (see Note 25). This was largely as a result of the receipt of significant aviation specific funding from the Government in December 2021 and the impact of warehousing of tax debt.

After restructuring payments of €22 million (2020: €40 million), investing activities of €203 million (net) (2020: €285 million), the effects of interest, bond issue and dividend payments, net debt increased by €52 million to €835 million.

Funding and liquidity

The Group is currently rated 'A-/A-2' on negative outlook by credit rating agency S&P Global Ratings (S&P). At the start of 2020, the Group was rated A/A-1 and was on a stable outlook. However in July 2020, S&P lowered the rating to A-/A-2 and placed the outlook on negative.

In September 2021, the Group strengthened its liquidity position by issuing a further €150 million on an existing Eurobond due 2028, to bring the outstanding amount to €550 million. The Group received proceeds of some €160 million resulting in an effective cost of 0.503% per annum. In early 2022, the Group also availed of the opportunity to extend its €450 million Revolving Credit Facility for an extra 12 months to March 2027.

Outlook

While passenger and revenue levels for the first two months (combined) of 2022 were anticipated to be weak, there are indications of strong demand for available capacity from Quarter 2 2022 and we are hopeful of a strong return of domestic and international business. Industry forecasts suggest the recovery of European passenger traffic particularly will be strong.

Despite the substantial challenges occasioned by COVID, there are substantive grounds for optimism in the medium-term. The Omicron variant does not appear to have the same significant health implications as previous variants and this has resulted in a significant easing of public health and travel-related restrictions.

We are pleased to see the return of capacity from our key airline partners with some routes returning to 2019 levels for peak periods in Summer 2022.

This return has undoubtedly been assisted by the provision of the aforementioned Government fund of €106 million to support the aviation sector. Aviation is critical for our economy in Ireland – for our connectivity, trade and tourism, and this funding is a key enabler for the industry at a critical time.

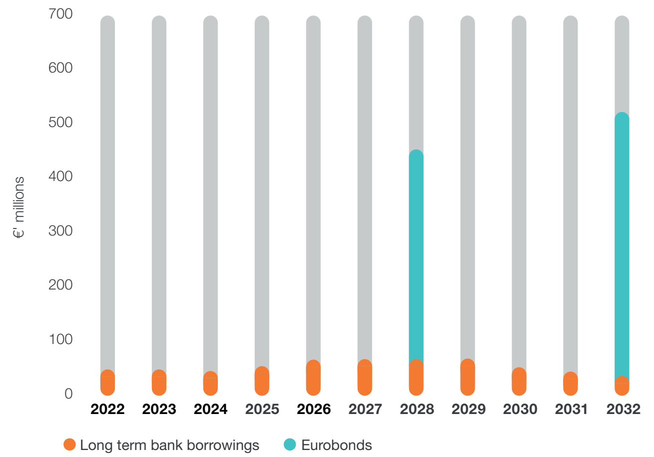
This welcome return to growth unfortunately brings with it some challenges which the Group will be required to deal with. The most significant of these are inflationary pressures being experienced locally and globally, and also a skills and people shortage. The Group is also currently engaging with the CAR in respect of the price control that will be in place for the next number of years. The ongoing conflict in Ukraine is also likely to have an impact on the aviation industry for the foreseeable future and we continue to monitor and assess the likely impact.

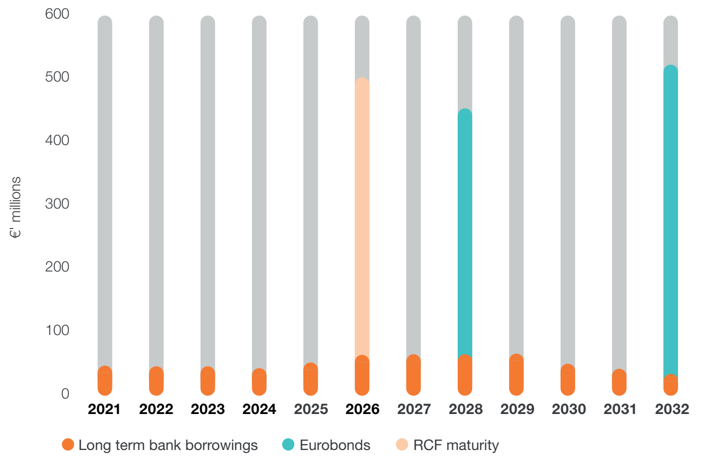
These uncertainties make it difficult to predict the shape, pace and extent of the recovery that we expect will follow. Our focus is on being ready for the recovery opportunity, to be re-sized and re-shaped, with the financial flexibility to be able to respond to developments and challenges effectively. We will continue to protect our business by adapting our cost base to remain competitive, investing in critical capital infrastructure programmes and ensuring long-term prudent funding and liquidity to allow the Group to continue to withstand major events, especially in a cyclical sector.

On a personal level, I was delighted to be appointed as Chief Financial Officer to the Group in May 2021. I would like to extend my thanks and best wishes to Ray Gray who I had the privilege of working with for many years. Whilst acknowledging the significant challenges the Group and our people have encountered over the past two years, I am filled with optimism and belief in our ability to recover and return this business to growth.

Catherine Gubbins
Group Chief Financial Officer
May 20, 2022

Group debt maturity to 2032





Treasury

Treasury management

The Group operates a centralised treasury function operated in compliance with Board approved policies which are reviewed periodically by management and Internal Audit for appropriateness and the effectiveness of the system of internal controls.

The main Group financial risks, managed from a treasury perspective, relate to:

- Funding – to maintain access to the debt markets and other sources of finance
- Liquidity – to put in place sufficient liquidity to meet the Group's requirements
- Interest rate movements on the Group's existing and projected future debt requirements
- Foreign exchange volatility mainly due to overseas operations
- Counterparty credit risk

Some of these risks can be mitigated through the use of derivative financial instruments and where appropriate such instruments are executed in compliance with the Specification of the Minister for Finance issued under the Financial Transactions of Certain Companies and Other Bodies Act 1992. This Act authorises the Group to enter into derivative contracts to eliminate or reduce the risk of loss arising from changes in interest rates, currency or other factors similar in nature.

Funding	The Group's funding operations are strategically important and support capital expenditure, the refinancing of maturing debt and supply of adequate liquidity. The Group has consistently placed a high priority on maintaining a strong investment grade credit rating and targeted longer maturity funding from the capital markets and the European Investment Bank. The Group's funding policy is to ensure a consistent supply of committed funding at Group level at reasonable cost, to meet the anticipated funding requirements of the Group taking into account the period covered by the long-term business plan and to provide flexibility for other unanticipated events. Gearing was 42% at the year-end which increased from 39% in 2020. Details of fundraising and liquidity management in 2021 are set out above. The detailed cashflow statement is shown on page 92 and is supported by Notes 25 and 26 to the Financial Statements. The Group's debt maturity profile as set out below shows a very manageable repayment position with no significant repayments until June 2028 when the €550 million Eurobond matures – See Group debt maturity table.
Liquidity	The Group's liquidity policy ensures it has sufficient liquidity available to meet its liabilities when due by ensuring sources of liquidity are at least 1.5 times or more than the uses of cash for the next 12 months and has the ability to absorb high impact, low probability events without having to refinance. As a result of financing actions, the Group had, at 31 December 2021, liquidity of €1,307 million consisting of cash €857 million and the undrawn €450 million committed Revolving Credit Facility (RCF) providing the Group with strong liquidity to meet its obligations and any other challenges presented by COVID. Capital commitments contracted at 31 December 2021 were €45 million, while a further €140 million were authorised by the directors but not contracted.
Interest rate	The Group's policy is to maintain a minimum fixed ratio of 70% on existing debt so as to protect the profit and loss account and cash flows from material adverse movements in interest rates. At 31 December 2021, 99% of the Group's debt was fixed to maturity thus minimising exposure to interest rate fluctuations. The weighted average interest rate applicable to the Group's borrowings was 1.5% (2020: 1.7%).
FX	The majority of the Group's cash flows are generated from euro-denominated operations at its Irish airports. The Group has a number of overseas subsidiaries, joint venture and associated undertakings from which dividends and management charges are denominated in foreign currencies. The Group's policy is to minimise currency transaction risk, by seeking, where appropriate, to hedge foreign exchange transaction exposures, using currency derivatives such as forward purchase contracts. The Group does not hedge translation risk arising from profits and net assets of these overseas subsidiaries, joint venture and associated undertakings. Currency exposures are disclosed in Note 27 of the Financial Statements.
Counterparty credit	The Group's counterparty credit risk consists principally of trade debtors and bank deposits. The Group's policy is to limit exposure to counterparties based on an assessment of credit risk and projected credit exposure. The Group has formalised procedures for managing credit risk, including the setting of credit limits, the monitoring of trade debtors and bank deposit levels. It is Group policy to deposit cash surpluses with banks with an appropriate credit rating as determined by the leading credit rating agencies.

Existing Group debt facilities

Instrument	Maturity	Current outstanding
Eurobond	June 2028	€550m
Eurobond	November 2032	€500m
EIB facilities	Amortising to 2040	€627m
RCF (€450m)	March 2027	Nil (undrawn)

Rebuilding our Group Together

Our strategy is focused on rebuilding our Group and recovering from the COVID-19 crisis while ensuring that we are well positioned to take advantage of opportunities to restore sustainable value. In 2022, we will develop a new corporate strategy that will steer the business to its full potential.

Strategic priority	Our aims
People Re-inspire our people	We want a climate that recognises people and performance, and engages and empowers our people to ensure everyone reaches their full potential. We want to embed new structures and ways of working together with our employees.
Business Operations Return our businesses to growth	We want to adapt to passengers' changing needs and expectations to ensure the passenger experience is as safe and good as it can be. We also want to attract customers back into the business and add value to the daa Group through new opportunities both at home and abroad.
Finances Restore our finances	We want to protect and grow our company's financial position while also restoring the value of our business and ensuring that any negative financial impacts of COVID are minimised.
Infrastructure Refocus on our development plans	We want daa to continue delivering critical projects, unlock capacity through planning and importantly, raise our sustainability ambition and prepare to meet our 2030 sustainability targets.
Stakeholders Renew and strengthen our relationships	We want to seek out beneficial partnerships and be recognised as an authentic voice. Our stakeholder relationships are vital to the continuation of our business and this pillar is about focusing on proactive engagement with our key stakeholders.

Find out more about KPI's on **page 36**
Find out more about risk on **page 38**

Achievements in the year

During 2021, we embedded new structures and ways of working across the business which incorporated non-frontline and frontline headcount reduction, with all staff operating on a new resourcing model and new people policy changes.

Throughout 2021, there was a sustained emphasis on updating all safety and security protocols to ensure that all requirements were observed and all regulatory standards were satisfactorily achieved. We also focused on returning the business to growth with the reopening of international travel from July 19, 2021, facilitated by the EU's Digital COVID Certificate and the relaxing of travel restrictions worldwide. We also incentivised our airline customers through our airport charges schemes and strategic marketing programmes.

In September 2021, daa took advantage of strong market conditions to raise long-term debt of €150 million in addition to the €500 million Eurobond raised in 2020, with a maturity of June 2028.

daa invested €163 million in infrastructure projects during 2021. Circa 68% of the 2021 capital expenditure spend at the airports in 2021 was accounted for by the Hold Baggage Screening (HBS), Cork Airport runway reconstruction and North Runway (NR) projects.

We have a strong emphasis on strengthening our ESG activity. We have a significant track record in delivering ESG-related initiatives across our businesses, which have worked to safeguard our environment, support our local communities, our people and the local and national economies in which we operate. In June 2021, we reached a significant milestone on this ambitious journey, with the publication of our ESG Strategy.

Our strategy in action

The 'Rebuilding Our Group Together' (ROGT) strategy guides us though recovery and rebuilding our Group. We are achieving this while also continuing to deliver excellent service and value for our passengers, airlines and customers, through the skills and commitment of our employees, partners, suppliers and stakeholders.

Our strategy comprises five pillars that work together to help accomplish our objectives:

- Surviving the pandemic and protecting our people;
- Recovering from the crisis;
- Ensuring we are well positioned to maximise our opportunities and restore value in our business as rapidly as possible; and
- Enhancing our business with a clear sustainable pathway to meet our 2030 sustainability goals.

Re-inspire our people

Case study: Build back better

As part of the 'Re-inspire our people' pillar, we wanted to ensure that our people leaders were prepared for and involved with rebuilding the organisation. As a result, in June 2021, as travel restrictions were being lifted and passenger numbers were returning to our airports and retail shops – we launched the 'Build Back Better' training programme.

The training programme focused on four simple modules that aimed to prepare our leadership team after the changes that resulted from the impact of COVID-19. The modules were:

- Standing Tall and Strong: This focused on resilience and the power of staying positive amid uncertainty.
- Shining a Light: This ensured that our people leaders understood their parts as role models for the business.
- Providing Safety: This educated our leaders about providing empathy for our teams.
- Creating Hope: This ensured everyone stayed focused on the aim of rebuilding our business together and concentrated on what we can do rather than what we can't.

Return our business to growth

Case study: Travel experience campaign

The COVID-19 pandemic had a profoundly, negative impact on the aviation industry. At the beginning of 2021, passenger numbers for daa fell to 25% of 2019 levels. Research conducted by the daa insights team found that by the time international travel had reopened, many Irish residents had not travelled in over 18 months and as a result were concerned about the safety of travel and the journey through our airports.

Coinciding with the reopening of international travel in the summer of this year, daa released a TV-led campaign to remind passengers of the travel experience. The aim of this campaign was to evoke the joy and excitement that travel can bring while also providing reassurance about our airport health and safety measures, and reminding passengers of the nature of the airport travel experience. We endeavoured to highlight the passenger journey through the airport while including the safety measures that we put in place such as hand sanitising stations, social distancing and COVID signage.

Our TV advertisement was shown throughout the summer and resonated well with the public. The insights team conducted additional research following the airing of the advert and discovered that 40% stated the advert made them more likely to travel internationally. Our communications to the public helped to resolve safety concerns about international travel helping us return our business to growth.

Restore our finances

Case study: Cork benefits from Government schemes

In recognition of the significant impact of COVID, Cork Airport was included in the National 'COVID-19 Regional State Airports Programme 2021'. As part of this programme, the Government advanced €10 million to Cork Airport towards the reconstruction of its main runway, which was completed in November 2021, and operational support for key security and safety tasks were funded to the value of €6.7m. In addition, Cork Airport also benefited from the Government's Airport Charges Rebate Scheme for the period January to March 2021 valued at €1.4 million. Thirdly, as part of the Government's 2022 budget package announced in October 2021, Cork Airport received €6.9 million in support of its incentives to stimulate the restoration of air routes and connectivity. Finally, in addition to these aviation specific supports from Government, Cork Airport also availed of the Employee Wage Subsidy Scheme and Rates waivers during the year.

While our losses remain extensive, the Government assistance advanced to Cork Airport in 2021 provided the necessary support to help weather the COVID-19 pandemic, rehabilitate critical infrastructure, and plan for traffic recovery and growth necessary to support the region.

Renew and strengthen our relationships

Case study: National integrity index

Transparency International Ireland (TII) is an independent, non-profit and non-partisan organisation with a vision of Ireland being open and fair with entrusted power being used in the public interest. TII has a national integrity index on semi-state bodies and universities which assesses how well prepared the organisations are to face corruption-related risks through an evaluation of their policies and public disclosures in five key areas: anti-corruption and anti-bribery programmes, financial transparency, open governance, responsible political engagement and whistleblowing policies.

As part of this study, TII assessed 30 organisations against 30 indicators across those five categories. In the report, daa was ranked sixth and while there is scope for further improvement which will be undertaken in 2022, the ranking was testament to the strong culture and focus on anti-bribery, fraud and corruption across the Group, and our protective disclosure policies and ongoing stakeholder engagement and responsible governance.

Refocus on our development plans

Case study: Upgrading Hold Baggage Screening (HBS)

The European Commission passed a legislative framework requiring all HBS in Europe to be equipped with European Civil Aviation Conference (ECAC) Standard 3 detection systems.

daa classed the upgrade requirements as a critical project. This included working throughout the COVID pandemic by rapidly adopting new safety policies and managing new challenges such as social distancing.

Despite the complications of the pandemic, by August 2021, the Dublin Airport Terminal 1 and Terminal 2 upgrades were completed on budget and are now fully operational. A new Baggage Control Building has been constructed and Dublin Airport is in the process of installing the baggage handling system which will be complete by 2022. The Cork Airport Standard 3 update was completed in June 2021, also within the timeframe and budget.

Our performance KPIs

The key performance indicators (KPIs) that we use to track the progress of our Rebuilding Our Group Together strategy are shown below.

People	Business Operations	Finances	
Staff FTEs	**Passenger growth**	**Net debt**	**Operating costs**
Definition **FTEs refer to full-time equivalent contracted employees in the business for the year.**	**Definition** **Passenger growth represents year-on-year increases in the number of passengers at each of our airports.**	**Definition** **Net debt is defined as total debt less cash and cash equivalents.**	**Definition** **Operating costs encompasses payroll costs and non-payroll costs for the Group net of Government wage subsidy support.**
Importance Our business has seen a dramatic drop in traffic since 2019. A recovery to previous levels is expected to take a number of years requiring us to right-size our business and reduce our staff numbers.	**Importance** Passenger growth is an important indicator of activity in our business. As we recover from the impact of COVID-19, it will be a key priority for the business.	**Importance** The financial outlook for the daa Group continues to be impacted by the duration of the COVID-19 pandemic and the ongoing uncertainty around the timing of return to growth. In 2020 and 2021, access to additional liquidity and long-term borrowings was required to ensure the Group has a strong balance sheet and sufficient liquidity.	**Importance** During 2021, the Group has continued to focus on achieving a lower, more efficient cost base to minimise the financial impact of the pandemic on the Group's finances.
Performance By continuing our voluntary severance and career break programme, there was a 12% reduction in FTEs from 2020. This programme was completed in 2021.	**Performance** Although coming from a low base in 2020, daa experienced an increase in traffic through 2021 which is a positive trajectory as we rebuild into the future.	**Performance** In September, the Group raised an additional €150 million debt by tapping its existing 2028 Eurobond on Euronext, Dublin's main security market.	**Performance** Costs have reduced by 9% in 2021, 80% attributable to payroll costs and 20% attributable to non-payroll costs.
2021: 2,812 2020: 3,205 2019: 4,139	**2021: +10%** 2020: -78% 2019: +5%	**2021: €835m** 2020: €783m 2019: €430m	**2021: €236m** 2020: €260m 2019: €446m

Infrastructure

Stakeholders

Capital spend	Energy consumption	Number of noise complainants	Enhanced visibility of our ESG activities
Definition **Capital spend shows the amount spent in the year on capital items at our airports and businesses.**	**Definition** **This KPI measures the change in energy consumption by the airports year-on-year.**	**Definition** **Complainants represent the number of individuals who have logged complaints to the Noise & Flight Track Monitoring Service.**	**Definition** **External communication of ESG initiatives and activities to key stakeholders.**
Importance Investment is required to unlock capacity and progress key compliance and essential maintenance projects.	**Importance** Dublin Airport committed to achieving carbon neutral status by the end of 2020 and energy consumption is a major contributor to our carbon footprint.	**Importance** Monitoring the number of complainants and analysing the reasons for deviations from the expected helps us to minimise disruption and plan for the future.	**Importance** Highlighting our deliverables and achievements will allow us to gain recognition and raise our reputation with respect to our ESG programme of activities.
Performance Capital spend for 2021 was predominantly driven by North Runway and HBS projects.	**Performance** There was a small increase in energy consumption in 2021 versus 2020 as a result of increased airport usage year-on-year (from a low base in 2020). However, 2021 experienced a significant decrease versus 2019 (-20.8%).	**Performance** There was an increase in complainants in 2021 (from a lower base in 2020), which reflected the rise in aircraft movements during 2021 compared with the prior year.	**Performance** In June 2021, daa launched its ESG Strategy setting out commitments for the organisation across our ESG activities. In 2021, a new governance framework for ESG was also established.
2021: €199m 2020: €270m 2019: €222m	**2021: +1.8%** 2020: -21.9% 2019: -5.4%	**2021: 191** 2020: 112 2019: 293	**2021: New ESG strategy** 2020: Carbon neutral accreditation for Dublin Airport 2019: Economic impact assessment of Dublin Airport

Approach to risk management

Risk management is an integral part of decision making in daa.

The Group's risk management process identifies drivers of change in the internal and external environment at enterprise and business unit level and considers their impact on the delivery of strategic objectives, in line with the Group's risk appetite.

The Board has overall responsibility for risk management and internal controls. The Board ensures that the Group's risk exposure is proportional to the pursuit of its strategic objectives. The Board has a Risk Management Framework in place to support its oversight of risk throughout the Group. The framework provides an integrated approach to help daa manage key strategic business risks and enable decision making and defines how risks are to be identified, assessed, managed and reported throughout the organisation.

The most significant risks are collated and reviewed by the Board at each Board meeting. The Audit and Risk Committee reviews the operation of the risk management process and assists the Board in its oversight responsibilities relating to risk management.

Risk governance and responsibilities

Robust governance is a fundamental tenet of Enterprise Risk Management and within daa there are formal governance structures in place across the Group. The structure comprises the Board, Board Committees, management/steering committees, management structures and reporting arrangements.

Risk governance structure

Ultimate Responsibility Board	Oversight Board Committees	Stewardship Central Risk Function	Management and Monitoring Executive Management	Ownership Business Units

• Responsible for determining the overall Group strategy, approving objectives and targets, and for ensuring that appropriate governance and risk management processes are in place.
• Committed to the proactive management of risk and responsible for determining the nature and extent of the principal risks the Group is willing to take in achieving its strategic objectives.
• Sets a clearly defined risk appetite for the Group, and ensures that through culture, processes and structures, risk management is embedded across the organisation in normal business activities and decision making.
	• The Board delegates responsibility for oversight of its principal and emerging risks to Board Committees in accordance with the Committees' Terms of Reference and their respective areas of expertise. The chairs of the Committees report to the Board on key developments and matters requiring further discussion and consideration.
	• The Audit and Risk Committee has overall responsibility for ensuring that the enterprise risks and opportunities are properly identified and controlled on behalf of the Board and advises the Board on its consideration of the overall risk appetite, risk tolerance and risk strategy of the Group.
	• The Culture, Security and Safety Committee oversees the systems in place to ensure the Group operates a safe environment and complies with security regulations and also monitors Group culture including staff wellbeing matters.
		• The Chief Governance & Strategy Officer provides a direct line to the Board in managing risk and promoting a risk aware culture in the Group.
		• The central risk management team are responsible for
		  • Risk reporting to Senior Executives, Board Committees and Board.
		  • Leading and collating the business unit risk reviews and risk workshops.
		  • Maintaining the Risk Management Framework for the Group.
		  • Benchmarking exercises against peers.
		  • Leveraging technology to enable enhanced reporting and tracking of risks and mitigations.
		• Risk champions co-ordinate risk management processes within their business unit and communicate relevant risk information to management and to the central risk management function.
			• Responsible for setting the tone and culture of the organisation.
			• Responsible for implementing effective and systematic processes for making decisions, improving performance, developing the business, identifying and assessing, mitigating and monitoring risks.
			• Accountable to the Board and Board Committees for its stewardship of the Group and monitoring and management of risks.
			• Responsible for identifying, evaluating and assessing the level of controls in place so that judgments may be made about the residual levels of risk in the business.
				• All levels of management are responsible for implementing Board/Executive-approved risk management policies, processes and effective controls.
				• All levels of management are responsible for identifying internal and external sources of risks, and continuously review existing and emerging threats to the areas of the business which they manage on a day-to-day basis.
				• Management is responsible for reporting risks within their business area, cascading a risk-aware culture in line with Group policy and taking appropriate risk mitigating actions.
				• Staff are responsible for understanding their roles and responsibilities with regard to processing transactions and undertaking activities and for applying internal controls and other risk responses to treat the risks associated with those transactions and activities.
				• The operation and effectiveness of the risk management processes, and internal controls is subject to periodic review by internal and external auditors.

Approach to risk management

The Group's approach, as detailed below, combines a top-down strategic assessment of risk and risk appetite, which takes account of the external business environment and changes to the business operating model, along with a bottom-up operational identification and reporting process arising from a review and assessment of the business unit risk registers.

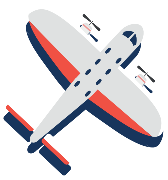
Approach	Activities	

Top Down	• Effective oversight of enterprise-wide risks:
	  • Board risk report
	  • Audit and Risk committee enterprise risk reviews
	  • Establishment and articulation of risk appetite
	  • Executive team involved in risk deliberations
	  • Executive dialogue on key strategic risks and controls
		Enables Board and Executive team to make better risk-based decisions

	• Business unit executives lead risk workshops, ensuring strategic and operational critical risk information is cascaded upwards and downwards	
Bottom Up	• Highly engaged risk aware culture • Detailed identification, prioritisation and mitigation of risks via risk business unit workshops • Consider aggregation of risk exposures across the business and common risk themes	Drives robust risk management across the organisation

The focus throughout 2021 has been on dynamically assessing risks, particularly those directly arising from the pandemic, and taking mitigating actions to reduce the impacts right across the business. There has been active discussion and review of risk issues throughout the year at Board and Board Committee level. Key decisions taken were based on a careful balancing of long-term and short-term consequences of the evolving pandemic situation, assessment of risks and practical mitigation measures that could be deployed. The process also involved active engagement with key stakeholders, including but not limited to the shareholder, customers, staff and regulatory bodies. At an operational level, there has been an ongoing assessment of risks supported by enhanced structures and systems that were put in place for managing COVID-19 related risks. These include local health and safety committees, widespread lead worker representative structures at business unit levels, cross functional teams examining various legal, regulatory and financial issues with escalation of matters through management structures and oversight functions.

In assessing the approach to risk, management teams are cognisant of the Group's values which are founded on respect and high standards of conduct, behaviour, and customer service. There is also a strong focus within the Group on performance and accountability. Risk management is integrated into key aspects of operating the business, ranging from definition of the organisation's culture and vision, through to the development and implementation of the business strategy and performance reviews.



Risk appetite

Risks relating to the delivery of the strategy and objectives are captured, considered and reviewed at business unit, Executive, Board Committee and Board level as appropriate. The Rebuilding our Group Together Strategy, as set out on page 32, which was developed and adopted in Quarter 4 2020, provides a pathway for recovery of the business. The Board set the Group's risk appetite, which is aligned with this strategy, recognising the fine balancing required between different pillars of the strategy to manage the overall level of risk for the Group as it rebuilds its business.
The Group's risk appetite profile across different areas and activities of its business is summarised as follows:

- The Board is willing to tolerate a moderate level of risk in pursuit of strategic objectives, however, carefully balancing the pursuit of strategy with maintaining key financial metrics.
- The Board achieves a balanced risk appetite by taking a cautious approach and ensuring the business is adequately financed to meet short and medium-term cash requirements. Thus, daa is not prepared to take risks that would jeopardise its investment grade credit rating or that would threaten the financial stability of the business. Hence, in the short-term there is a low risk appetite for capital spending (other than on critical projects and those projects already in progress) and for directly investing in non-core activities.
- The Board prioritises the safety and security of passengers, visitors and staff, and has a range of measures in place to support staff welfare, hence the risk appetite for compromising on areas of safety, security and staff welfare remains low.
- daa takes measures to identify and manage other business and operational risks. There is a low risk appetite for not achieving standards set in relation to maintaining critical systems, protecting data and delivering excellence in passenger experience.
- daa seeks to be a responsible operator, meeting its environmental and planning obligations and raising its sustainability ambitions. This may involve sacrificing short-term gains in favour of the longer-term benefits of more sustainable infrastructure and operations.
- Based on a low risk appetite for non-compliance with regulatory matters, daa seeks to ensure that compliance activities meet the requirements of relevant regulations.

Principal risks

Principal areas of risk and uncertainty that could adversely affect the Group's business, financial condition or results of operations to a significant extent, have been identified. A summary of the principal risks and uncertainties, as well as the strategies being adopted to mitigate them, are set out below.

As noted, the risks and uncertainties are assessed on a continuous basis and management regularly reports to the Board on significant changes in the business and external environment. The summary is not intended to be an exhaustive analysis of all the risks and uncertainties that may arise in the ordinary course of business or indeed in the current heightened risk landscape for the aviation sector.

All levels of management are expected to be aware of internal and external sources of risk and regularly review existing and emerging threats to the areas of the business which they manage on a day-to-day basis.

The impact right across the business during 2021 of the COVID pandemic, which is described in more detail below, remains a risk with continuing uncertainty that is impacting the Group. The last two years have been the most challenging time that the Group has ever faced, however the widely held belief is that the worst of this crisis is now behind us. Consumer sentiment remains strong and the vaccine roll-out, coupled with the use of the EU Digital COVID Certificate, provided a framework to facilitate the recent increase in passengers travelling through the Groups airports. Uncontrollable factors relating to demand and supply will continue to put pressure on the business, and the impact on available capacity in the short to medium term remains fluid as airlines consolidate, review strategies and deal with the ongoing consequences of the pandemic on their businesses.

In addition to the impacts of COVID, other dynamic and evolving risks have been considered by the Executive, Board Committees and the Board throughout the year, most notably operational resilience, IT security, climate change and sustainability. Emerging and evolving risks identified by other agencies, are reviewed as part of daa's risk-management process.

Key to strategic pillars:

- Re-inspire our people
- Return our businesses to growth
- Restore our finances
- Refocus on our development plans
- Renew and strengthen our relationships

Risk Area	Risk Description	Mitigation	Oversight	Strategic Pillar	Risk Trend
Economic	**COVID-19** The pandemic and the resulting actions and measures taken across the world, including travel restrictions or bans, flight cancellations and suspensions resulted in a substantial reduction in travel and business activities in 2021. Globally, airline operators (including Ryanair, Aer Lingus and others) substantially reduced their flight capacity levels. The impact of the pandemic has been felt right across daa's international businesses. The Group has operations and/or investments in 15 countries and the COVID pandemic significantly adversely affected all these operations. Although the industry outlook is optimistic and there has been a significant increase in passengers through the Group's airports in recent months, industry sources are predicting a return to 2019 levels by between 2023 and 2024. The pace of recovery will depend on continuation of vaccination campaigns globally and vaccines remaining effective against new variants. Resurgence of COVID and/or potential for new variants remains a risk. It is not possible to predict at present what its eventual impact will be on the Group's businesses and/or financial condition.	The Group has put in place a strategy to safeguard the long-term viability of its businesses. The Group has access to credit facilities which it will draw upon as required. Strong focus is being maintained on cash collection and operating costs. The Group maintains a strong focus on cost control and cash flow and continues to re-evaluate operating and capital expenditure plans. There is continued engagement with our credit rating agency, banks and other stakeholders to keep them up to date on the business and how the crisis is being managed. The Group continues to monitor and review passenger behaviours and responds dynamically.	Board Audit and Risk Committee		Stable
	Geopolitical Developments The Russian invasion of Ukraine and the worsening of the situation in the region is impacting the Group's operations both domestically and globally. Flights to and from affected countries have been suspended, the EU has introduced a ban on Russian aircraft entering EU airspace and global economic sanctions on Russia have been put in place. The macroeconomic implications of the conflict, primarily inflationary pressures, are increasing. A prolonged conflict and/or an escalation of the crisis could lead to major global economic uncertainty, resulting in a reduction in passengers and/or capacity at daa airports and at other airports where the Group has operations, rising fuel costs, supply chain issues, significant currency fluctuations and security threats including cyber security. Each of these matters could have a potential adverse impact on the Group's business, results of operations, prospects and/or financial condition.	The Group is monitoring the evolving situation in Ukraine, and its associated impacts, dynamically assessing the potential effects of the situation on the business. The Group is liaising with the relevant security agencies and other stakeholders as appropriate.	Board		Increasing
	Reliance on Core Airline Customers The Group is reliant on core airline customers, all of whom have been significantly affected by COVID. These core airline customers have adapted their business models to deal with the ongoing impact of the pandemic. The prospects for future air traffic movements in Ireland and accordingly, the prospects of the Group, are dependent to a significant extent on the future strategies and the financial strength of key airlines operating either to/from daa airports or those airports in which daa has significant business interests. Any decline in revenues arising from a disruption of the relationships of the Group with these airlines or any other change in strategy by, or ownership of these airlines, (including any restructuring of any of their route network, consolidation or other structural change in the airline industry) or factors adversely affecting their businesses, such as COVID or fuel prices, could have a significant impact on the Group's business.	The Group continues to engage with all its airline customers to understand and align as far as possible with their strategies, to re-build the route network and to identify their future capacity requirements and infrastructure needs. Financial incentives are in place to encourage airlines to allocate capacity to Dublin and Cork airports.	Board		Increasing

Key to strategic pillars:

Re-inspire our people	Return our businesses to growth	Restore our finances	Refocus on our development plans	Renew and strengthen our relationships

Risk Area	Risk Description	Mitigation	Oversight	Strategic Pillar	Risk Trend
Environmental	**Climate Change, Environmental and Sustainability** There is continued public and regulatory focus on climate action, environmental and sustainability management. Acting on climate change is a national and international priority for policy makers, regulators, influencers and decision makers. Challenging environmental and sustainability targets are being set and codified into laws and regulations. daa is raising its own ambition, committed to being net zero by 2050 and setting challenging interim targets towards achievement of this goal. Risks associated with this include: • daa fails to deliver on its ambitions or is constrained in doing so through misaligned regulatory pricing, airline customer or stakeholder expectations. • Failure to stay ahead of changing passenger, customer and consumer sentiment, and expectations in the areas of sustainable operations leading to a lowering of our reputational status. • The rapid pace of change in, and challenging nature of, regulations and standards related to climate change and environmental sustainability may lead to risks arising from inadvertent non-compliance. • Environmental breach potentially leading to external investigation, sanction and/or reputational issues. • Challenging regulatory targets with consequential financial penalties and/or operational constraints. • Increased frequency of extreme weather events. • Environmental concerns result in a reduce propensity to travel. • The introduction of punitive taxes on air travel.	The Group recognises the need to play its part as a responsible corporate citizen in addressing the challenges of climate change. These challenges have been made key priorities for the business and the Group has developed a comprehensive plan to identify and implement carbon abatement, reduction and environmental improvement actions. There is a focus on environmental sustainability at project and operational level for all infrastructure and construction projects, with sustainability guidelines and carbon reduction objectives incorporated and aligned with our environmental sustainability agenda, targets and with the daa sustainability policy. The Group has a strong governance structure to ensure that the sustainability agenda is progressed, and to deliver on the challenging environmental sustainability targets. The Group will continue to comply with all relevant environmental legislation and government guidance, particularly with reference to the revised Climate Action Plan and associated targets. Additionally, we strive to be leaders in environmental sustainability by learning from and implementing industry best practice approaches to reducing our environmental impact and exceeding compliance targets. In addition, the Group participates in the national discussions on climate action to ensure that the challenges for airports are well understood, and that there is an understanding of the need for alignment of airport regulatory policy with national and EU policy in relation to such issues as climate change mitigation and energy efficiency. The Air Navigation Bill 2021 includes sustainability as one of the statutory objectives for the Commission for Aviation Regulation in relation to the regulation of airport charges at Dublin Airport.	Board Strategic Infrastructure and Sustainability Committee	Refocus on our development plans; Return our businesses to growth	Increasing

Re-inspire our people	Return our businesses to growth	Restore our finances	Refocus on our development plans	Renew and strengthen our relationships

Risk Area	Risk Description	Mitigation	Oversight	Strategic Pillar	Risk Trend
Policy and Regulatory	**Legislative and Governance Requirements** The Group is subject to a wide range of legislative and governance requirements in Ireland, including but not limited to those set out in company law. The Group's operations are also subject to an increasingly stringent range of environmental and climate change, health and safety laws, regulations and standards in each of the jurisdictions in which the Group operates and/or has interests. There are also additional regulations, guidelines and protocols in relation to COVID-19. Security operations at Dublin and Cork airport are subject to EU security regulations through the European Union Aviation Safety Agency and are subject to security inspections by the competent authority of Ireland, the Irish Aviation Authority ("IAA"). Any breach of legislative or governance requirements, or failure to comply with laws and regulations, could result in serious financial loss or reputational damage and the removal of Dublin and/or Cork airports' licence to operate. New EU legislation governing Enhanced Background Checks (EBC's) on airport employees came into effect on January 1, 2022, which required that the State conduct more in-depth and more frequent checks on persons who are given access permits which allow entry to security restricted areas at Dublin and Cork airports. Delays in the checking process could negatively affect the ability of the Group and other critical service providers at Dublin and Cork airports to attract and recruit staff. This could have a potential adverse impact on the Group's operation, reputation and financial results.	The Group is committed to operating in accordance with legislative and regulatory requirements, and works to achieve this through appropriate governance supported by effective management structures and systems. The Group regularly reviews regulatory requirements across its business, updates its management systems, and undertakes comprehensive compliance activities as appropriate. The Group has a dynamic response to all COVID related guidance, maintaining alignment with international and national health protocols and guidelines. The Group engages closely with its legal advisors and other specialist advisors as required to ensure compliance with legislative and governance requirements. The Group works closely with the regulatory authorities in relation to security matters, including the outcome of inspections and audits and takes appropriate actions as required. The Group is fulfilling the role of the Central Processing Organisation (CPO) for EBC's on an interim basis until June 2022, after which it will transition to the permanent State CPO. The Group continues to engage with stakeholders to mitigate any issues.	Board Culture, Security and Safety Committee		Increasing

Key to strategic pillars:

Re-inspire our people	Return our businesses to growth	Restore our finances	Refocus on our development plans	Renew and strengthen our relationships

Risk Area	Risk Description	Mitigation	Oversight	Strategic Pillar	Risk Trend
Strategic	**Regulated Income** The Commission for Aviation Regulation (CAR) sets the maximum level of airport charges to be levied by Dublin Airport. In 2021, CAR conducted an Interim Review of its 2019 Final Determination and established a price cap for 2022. A full Regulatory Interim Review is being carried out in 2022, with a Determination which will cover the period to 2026. There is a risk that the outcome of this review will deliver a revised level of charges which may not adequately remunerate the Group for losses incurred as a result of COVID and for required capital expenditure. This could impact the ability of the Group to develop Dublin Airport and to grow its business sustainably.	Detailed submissions will be made to CAR to support daa's position, which will include comprehensive information on the ongoing impact of the pandemic and strategies for returning to growth. The Group has commissioned external experts to provide independent reports that corroborate key submissions in the areas of the cost of capital, operating expenditure, commercial revenue and financeability. Extensive consultation is taking place to raise awareness of planned developments amongst stakeholders to ensure proposed investment supports airline growth plans and adequate provision is made for building sustainable infrastructure. daa will, through appeal mechanisms and judicial review processes, if necessary, seek to amend any unfavourable regulatory determination outcomes.	Board Strategic Infrastructure and Sustainability Committee		Increasing
	Planning The development of Dublin and Cork airports is subject to the Group obtaining, maintaining and complying with all necessary licences, consents and other permissions, such as planning permission. Delays or negative outcomes in key planning decisions could constrain the delivery of capacity, constrain operational efficiency and/or impact operations. The implementation of the Aircraft Noise Regulation Act 2019 may lead to longer timelines for securing planning and/or the introduction of unfavourable planning conditions. The implementation of two onerous conditions attached to the grant of planning for the North Runway would see the introduction of runway movement restrictions at Dublin Airport, consisting of a limit of 65 aircraft movements between the hours of 23:00 and 07:00 and a restriction on the use of the new parallel runway between 23:00 and 07:00 hours. The Group is engaged in a process to seek to amend and replace these conditions. The uncertainty as to when these conditions may be amended could have an adverse impact on the Group's ability to plan for the deployment of capacity at Dublin Airport. These conditions could result in a period, potentially up to Quarter 1, 2025, where Dublin airport would be forced to operate at a reduced capacity for certain times of the day, thereby impacting the throughput capability in that period, which could have serious operational implications and financial impacts.	The Group's Capital Investment Programme (CIP) is undertaken to deliver growth in line with the State's National Aviation Policy (NAP) and airport masterplan. daa consults with key stakeholders and prepares high-quality planning applications to support such capital programmes. As new process requirements arise, the Group engages with regulatory authorities to ensure submission of robust and 'fit for purpose' planning applications. daa has submitted a planning application to amend conditions attached to the North Runway planning permission. The Aircraft Noise Competent Authority (ANCA) is currently considering public submissions made in respect of its draft recommendations regarding daa's application, which will inform ANCA's final direction to Fingal County Council before it rules on daa's application later in 2022.	Board Strategic Infrastructure and Sustainability Committee		Stable

Re-inspire our people	Return our businesses to growth	Restore our finances	Refocus on our development plans	Renew and strengthen our relationships

Risk Area	Risk Description	Mitigation	Oversight	Strategic Pillar	Risk Trend
Strategic	**International Operations** Although the International business is recovering as passengers return through the airports in which ARI operates, COVID-19 continues to have an impact on the Group's international businesses. There is a risk that some of these businesses fail to recover from the impact and/or are unable to grow in the medium term. Failure to re-negotiate commercial contracts to reflect current trading conditions could also have an impact on the Group's financial position. As the Group operates in a global marketplace, there are risks arising from uncertain or potentially fast-changing economic, social and political environments, changes in laws or regulations, premature contract termination or breach of agreements and/or failure of the underlying businesses. ARI faces increasing levels of competition in the sectors and markets in which it operates. There is competition at global, regional and local levels in obtaining and maintaining concessions at airports and there are a limited number of suitable new opportunities. The economies of certain countries in which ARI and daal operates or intends to operate in the future are at different stages of socio-economic development and may be subject to political or social upheaval or instability. Consequently, ARI's and daal's future results in such countries and any other countries where they do business in the future could be adversely affected by a variety of factors. Failure of counterparties or partners to fulfil or meet their obligations could have a significant financial impact on the Group.	Arising from the impact of COVID, the Group has successfully renegotiated the majority of its commercial contracts and commitments in overseas locations and will continue the process as required. The Group proactively manages its relationships with partners and has put structures and processes in place, including shareholder agreements and commercial counter-party arrangements to safeguard its interests. The Group seeks to put in place appropriate commercial and legal arrangements and has processes in place to evaluate and monitor performance of contracts to minimise the risk of calls by counterparties being made on any bonds, letters of credit or guarantees. The Group continues to actively explore potential opportunities with partners to win new business and expand its portfolio.	Board		Stable
	Capital Investment The Group is responsible for the maintenance and development of critical infrastructure at our airports. Delivery of capital projects and the timing of delivery will depend to an extent on the nature and speed of recovery of the Group's business. Risks to the delivery of capital projects may also arise due to cost, funding, project scope, planning permission, scheduling or operational factors, leading to delays in project completion, additional costs and/or consequential capacity shortfalls. daa is in the process of implementing Standard 3 Hold Baggage Screening equipment at Dublin and Cork airports. Standard 3 equipment is fully implemented in Cork Airport and in Terminal 2 at Dublin Airport. It is anticipated that by September 2022 all hold baggage in Terminal 1, Dublin Airport, will be screened using Standard 3. This is a complex project with significant reliance on third parties. Any delay to the delivery of this project may result in throughput delays or other impacts on the operation which could significantly impair the Group's ability to conduct its business efficiently.	The Capital Investment Programme is under continuous review and is resized/rescoped in light of evolving traffic forecasts and/or funding requirements. Priority focus continues to be given to delivery of critical projects. The Group has processes and procedures in place for Capital Investment Programme management, project management and contract and supplier management. The Group will engage with and make robust submissions to CAR in relation to its proposed 2023 – 2026 capital investment programme. There is a comprehensive HBS project management plan and oversight group in place, to ensure proper implementation and to mitigate risks. Approval has been granted for continued use of Standard 2 Hold Baggage Screening equipment in Terminal 1 Dublin Airport until September 2022.	Board Strategic Infrastructure and Sustainability Committee		Stable

Key to strategic pillars:

Re-inspire our people	Return our businesses to growth	Restore our finances	Refocus on our development plans	Renew and strengthen our relationships

Risk Area	Risk Description	Mitigation	Oversight	Strategic Pillar	Risk Trend
Operational	**Safety & Security** The safety and security of our customers, passengers and staff is a priority. As an airport operator, undertaking large capital projects and many third party operators working on site, daa is subject to operational risk of accidents or safety and security incidents at its airports. Failure to operate a safe and secure environment could result in harm to people, damage to infrastructure, property & the environment, operational disruption and reputational damage.	The Group has a strong safety culture and supporting processes and procedures in place to monitor the integrity of the company safety and security systems. daa manages safety risks through a structured ISO 45001 certified safety management system (SMS), which was reviewed by the Competent Authority (IAA-Safety Regulation Division) as part of the certification of Dublin and Cork airports under EASA (European Union Aviation Safety Agency) safety regulations. Staff training as well as a strong emphasis on monitoring compliance continue to form an integral part of the Group's mitigation measures.	Board Culture, Security and Safety Committee	Return our businesses to growth; Refocus on our development plans	Increasing
	People The restructuring plan implemented in response to COVID-19 continues to be embedded in the business. This restructuring plan is designed to improve the efficiency and effectiveness of the Group and includes a range of cost mitigating actions as well as implementing new ways of working across the organisation. There is a risk that failure to complete this restructuring could have a significant impact on the operation of the Group going forward and/or could result in industrial relations issues up to and including industrial action. As a result of the restructure process, specialised knowledge has left the business and there is a significant risk that knowledge loss could have an impact on the Group's operations. In addition to this, there is a risk that the mitigation measures being taken by the Group could negatively affect staff morale and the ability of the Group to attract and retain suitably qualified personnel. Failure to attract, develop and retain key management and staff would have a detrimental impact on the Group's ability to deliver its key strategic objectives.	The Group has engaged collaboratively with both employees and unions, and agreement on a restructuring plan has been reached across most areas of the business. There continues to be ongoing communications with employees on implementation of the new ways of working. Internal dispute resolution mechanisms are in place and, whenever necessary, the employee relations mechanisms provided by the State are utilised. daa seeks to be an employer of choice underpinned by a solid employee value proposition, providing rewarding careers and continuously investing in staff training and development to build a high performing organisation. There is ongoing engagement with staff including addressing the results of a company-wide staff survey undertaken in 2021 and increased focus on staff wellbeing and mental health.	Board Culture, Security and Safety Committee	Re-inspire our people; Restore our finances	Increasing
	Business Interruption COVID-19 has had a significant impact not only on the Group, but more widely on key stakeholders that supply goods and services to the Group's airports. There is a risk that a lack of resilience within the Group and/or across major stakeholders could cause significant business disruption, and impact on the Group's ability to operate effectively and provide the service levels as expected by passengers and customers. There has been a surge in passenger volumes in recent months at the Groups airports and current indications are that the growth in passenger numbers is likely to continue for the remainder of this year and beyond. Failure of the business to cope with increasing passenger demand may result in operational delivery issues, increased costs, a poor customer experience and associated reputational issues. The Group's operations are subject to other unforeseen risk events such as weather events, fire, flooding, wind, interruptions to power supplies, mechanical and technical failures, and terrorism. Serious disruption to operations and commercial activities can also arise due to third party industrial action. Long-term disruptions could result in a significant financial and/or reputational impact on the Group.	The Group seeks to manage both the event likelihood and severity of business interruption by having well developed business continuity plans and resilience in its key systems and processes. There is an active recruitment campaign underway to ensure that the Group has appropriate resources to deal with passenger demand. Ongoing modelling and forecasting of expected passenger volumes. There is regular structured engagement with third parties to understand issues they are facing, provide feedback and sharing objectives. The Group continuously monitors third party operational performance including reviewing KPI's in line with contracts. The Group also has insurance cover in place to mitigate against the costs of damage to assets and personal injuries.	Board Culture, Security and Safety Committee	Return our businesses to growth; Restore our finances	Stable

Re-inspire our people	Return our businesses to growth	Restore our finances	Refocus on our development plans	Renew and strengthen our relationships

Risk Area	Risk Description	Mitigation	Oversight	Strategic Pillar	Risk Trend
Operational continued	**IT Security** A cyber-attack on daa or on a key supplier resulting in a data breach or loss of service could result in potential business interruption, safety issues, reputational damage or regulatory fines. The increased sophistication of cyber-attacks and the move to remote working during the pandemic has increased the risk profile. Ransomware attacks continue to be the key cyber threat. An attack on core IT systems could cause significant disruption to operations. Unavailability of a critical system, or systems failure due to such an attack, could lead to reduced capability or even airport closure, and result in fines and reputational damage. The complexity of the IT estate, growing digitisation and dependence on cloud, and integration of corporate IT with operational technologies increases the risk of cyber incidents. The development of cybercrime practices such as 'ransomware as a service', the increasing volume of attacks, and recent moves to hybrid working, further increases these risks.	The Group seeks to reduce both the likelihood and potential impact of a cyber-attack by building cyber-resilience into key systems and processes, educating and training our people about the cyber threat environment, and by monitoring key services and systems for events that could identify risks or malicious activities.	Board Audit and Risk Committee		Increasing
Financial and Treasury	**Funding for Group** The Group's ability to deliver its planned capital expenditure programme and any unplanned capital or operating expenditure that may be required is dependent on, amongst other things, it being able to source and maintain appropriate funding. Any failure to develop an appropriate funding strategy and/or failure to raise and maintain the required financing on appropriate terms may result in the Group not achieving its objectives and could significantly impair the Group's ability to conduct its business efficiently. Any unplanned deterioration in the Group's business profile could affect its credit rating and in turn the availability and cost of funding the growing capacity, the borrowing capacity of, and financing terms and flexibility available to the Group. Government and Regulatory policy, as well as financial and business performance and prospects, impact the Group's credit rating. The Group is also exposed to certain other financial and treasury-related risks, including liquidity risks, credit risk, interest rate risk and foreign currency exposures.	Board-approved policies are in place to address key treasury risks. Maintaining an appropriate credit rating is a key objective for the Group and appropriate capital allocation across the Group. A prudent approach is adopted to the management of liquidity including pre-funding significant investment requirements.	Board Finance Committee		Stable

Our ESG Strategy

As a business that operates on both a national and international scale, we understand that our passengers and customers, our people and our local communities expect us to be a responsible business that strives to enhance our economic contribution in a sustainable and fair manner.

In June 2021, daa published its first ESG Strategy to 2023. Our ESG Strategy has been developed on the foundations of the achievements across the organisation over the past number of years. It sets out clearly how we will work to improve conditions for colleagues and communities, contribute to a thriving economy, and tackle the impacts of global challenges including climate change.

daa ESG Strategy framework

Our ESG Strategy consists of four pillars – Environmental Sustainability, People, Community and Economy – each aligned to relevant UN Sustainable Development Goals. The pillars are supported by clear and tangible commitments which will guide the sustainable development of our business in the regions where we operate. They ensure that we continue to target the areas of greatest importance to all of our stakeholders, as well as setting impactful priorities for us to consider during our decision making over the coming years.

Our ESG pillars are underpinned and strengthened by our governance policies and practices. In 2021, we focused on developing a governance framework that can specifically support the delivery of our ESG ambitions and commitments. We have established committees at Board, Executive and senior leadership level to advise and support delivery by the Technical Working Groups that are in place for each of our Environmental Sustainability areas, and the working group tasked with delivering daa's overall ESG programme.

01

Environmental Sustainability

We understand the global environmental challenge; we have set clear and effective environmental sustainability targets and embedded them in our overall business strategy. We are committed to working with all stakeholders to deliver our environmental goals and work towards a brighter future.

Find out more about our Environmental Sustainability strategy on page 50

02
People

Our people are integral to delivering our ambition to connect Ireland to the world. We are committed to creating a working environment for our colleagues that allows people to grow, develop and fulfil their potential.

Find out more about our People strategy on page 56

03
Community

We are committed to being a responsible and good neighbour; one that engages and listens. For decades we have supported activities that enhance community spirit, provided resources to improve community well being – and we are committed to doing this for decades more.

Find out more about our Community strategy on page 62

04
Economy

We are drivers of positive economic growth and a source of high-quality employment and we are committed to the development of the economies in which we operate. We also understand that we can positively influence our supply chains and enable initiatives which encourage sustainable business practices both internally and externally.

Find out more about our Economy strategy on page 66

Environmental sustainability

daa takes its responsibility to operate in a sustainable manner seriously and we are working across the Group to accelerate achieving full decarbonisation and creating a sustainable business.

Building on our achievements to date we are steadily increasing the level of change for good in areas under our direct control as well as the areas in which we can exert influence. This year, we appointed a senior executive into the role of Head of Environmental Sustainability to drive this agenda across the organisation. We are working on initiatives that take us far past our mandatory sustainability requirements, reducing carbon emissions from our buildings and operations, as well as looking to the future, with our partners and customers, to understand their needs and ambitions, and identify collaborative approaches to reducing our collective negative impact.

45%

of our waste will be recycled at Dublin Airport by 2023

50%

energy efficiency improvement targeted for 2030

45%

of our light commercial fleet will be low emission vehicles by 2022

Throughout 2021, the aviation industry has continued to navigate its way through a global pandemic which has devastated the sector. There is unwavering recognition that, despite the unprecedented challenges the industry faces, aviation must now take account of climate change and its impact on the environment during the post-pandemic recovery. Government policy is also accelerating change in the aviation sector. The updated Climate Action Plan for Ireland recently confirmed a minimum 51% carbon emissions reduction target at airports by 2030, a 21% increase on the previous target set.

daa is fully committed to taking a leadership position on Environmental Sustainability both nationally and internationally. As part of our ESG Strategy, we developed environmental sustainability commitments across seven areas. These account for the evolving regulatory landscape and address priorities emanating from the Paris Agreement (2015) and reflected in European, national and local plans, such as the European Green Deal (2019), The Climate Action Plan (2021), Fingal County Council's Local Area Plan (2020) and the Climate Change Adaptation Plan (2020). They also take account of stakeholder feedback received in 2021, which was captured through a materiality assessment.

This materiality assessment engaged our operational stakeholders and asked them to identify and prioritise the sustainability actions that they view as being most critical to daa, and to rate their relative importance. The output illustrates strong alignment between daa's priorities and those of our stakeholders in environmental sustainability with all our core themes and focus areas rated as of high or very high importance to both. Results show that energy and waste are the top priorities for our stakeholders, followed closely by carbon and fossil fuel reduction (see materiality assessment below).

The table that follows on pages 54 and 55, captures our short to medium-term targets for environmental sustainability with respect to the key areas identified by our operational stakeholders in our materiality assessment and summarises our performance in 2021 under each pillar.

Carbon and Energy

2021 in Dublin and Cork airports

daa has an important role to play in supporting the decarbonisation of Ireland's transport sector. We are working to decarbonise all aspects of our operations and future developments in addition to collaborating with our airline customers, passengers and other stakeholders to reduce their own associated emissions from aircraft, surface access and ground handling operations. Our ultimate goal is to produce net zero carbon emissions from all operations by 2050.

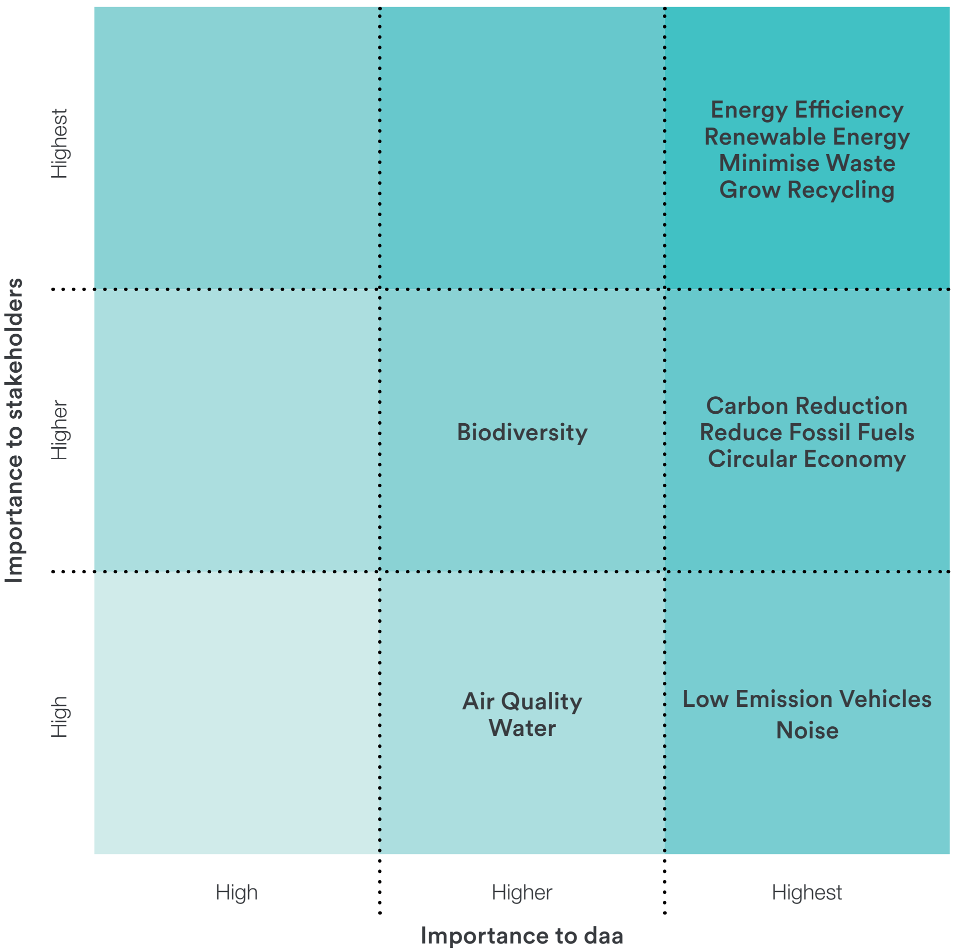
In July 2021, we published our draft Carbon Reduction Strategy which puts decarbonisation at the core of our environmental sustainability programme. We also implemented new sustainability guidelines that define the standards for design and construction of new infrastructure at our airports. These standards specify key environmental metrics that will be achieved from all new builds and major retrofits from 2021.

For our work in achieving Level 3 (Neutrality), under the Airport Carbon Accreditation (ACA) programme in 2020, Dublin Airport was a finalist in both the Green Awards 2021 and the Sustainable Energy Authority of Ireland (SEAI) Leadership in the Public Sector Award 2021 and won the Energy Leader 2021 award at the Business Energy Achievement Awards (BEAA).

The BEAA aims to recognise excellence in sustainable energy, from organisations across the island of Ireland, highlighting projects that deliver significant benefits to both their organisation and the environment.

The additional energy improvements were delivered through the continued implementation of energy efficiency projects such as lighting upgrades, and thermal and business management upgrades. Such projects were complimented by the provision of energy management training as well as regular communication to staff on energy related issues.

Materiality Assessment of Operational Stakeholders Environmental Sustainability Priorities



The electricity purchased at both airports is fully certified as renewable by Guarantees of Origin (instrument certifying electricity generated is from renewable sources). Additionally, we have set a goal that by 2030, at least 10% of electricity needs at Dublin Airport will be generated from on-site renewable sources, including proposed additional solar farm.

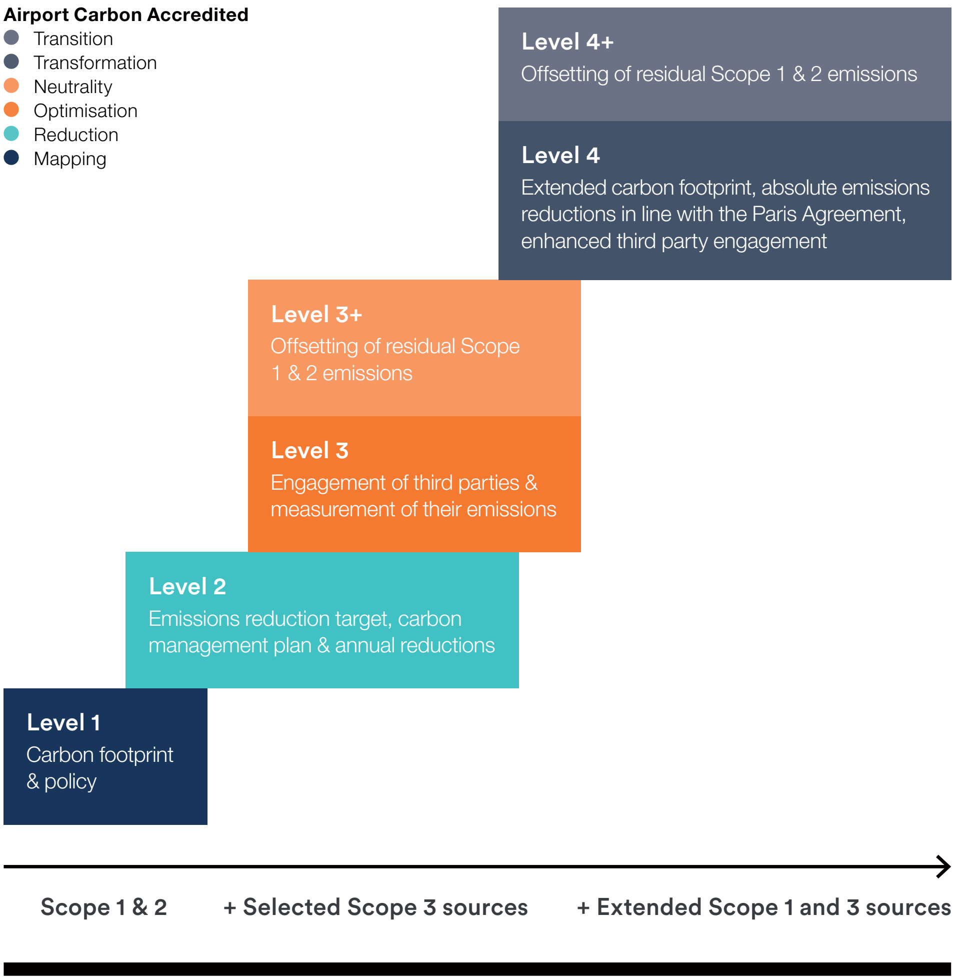
2021 in our international retail operations

Aer Rianta International (ARI), a part of daa Group, is a leading international travel retailer, with operations in 15 locations globally.

ARI commits to driving environmental efficiencies within our carbon footprint, including energy, transport, and materials used all throughout our refits and new builds from infrastructure to supplier furniture. Our 'Sustainable Design and Implementation Guidelines for New Businesses' have been created and are now being used for designing new builds and refits. We are proud to have a store in the new Abu Dhabi Midfield Terminal, where the airport authority ADAC, are applying for an Estidama 3-Pearl rating (which is the equivalent of LEED Platinum). Our store design and fit out complies to stringent policies on Environmental Product Declaration documentation, country of origin certificates, LEED, Green Guard, Energy Star & low VOC emission Certificates. Our store build also complies with strict construction waste management policies about segregation, quantification and disposal of waste, and single-use plastic. The Bahrain Duty Free store in the new Bahrain International Terminal, which opened in February 2021, is awaiting its LEED Gold certification from the USGBC. All materials were required to be LEED compliant.

Our business units have embraced energy efficiency, with an emphasis on energy efficient LED lighting. Our business in Ireland uses 80% energy efficient lighting; our new operation in Montenegro opened using 100% energy efficient lighting. Our North American businesses both use 60% LED lighting, and Canada and Barbados are actively pursuing a 20 and 15 percentage point increase in LED lighting respectively in 2022. Our Cyprus business unit (Larnaca and Paphos Duty Free stores) use 90% LED Lighting. The recent refurbishment of our Cyprus Duty Free shop in Larnaca saw the installation of 100% energy efficient LED lighting. Our Cypriot airport partner, Hermes, is currently installing a solar park adjacent to Larnaca Terminal which will supply renewable energy to the Terminal and concessionaires in 2022.

Airport Council International (ACI) Carbon Accreditation Scheme Levels



Looking to the future

Although daa will consider every opportunity to reduce our carbon impact, in future, it is expected that emissions reductions will predominantly occur through the delivery of significant projects at our airports, such as the transition from fossil fuels to electrification and a focus on renewable energy. We are assessing our capability to deliver on these and future projects. However, fundamental to our capability to deliver, will be the need for regulatory support in the form of adequate remuneration to invest and fund the required projects to meet the challenging targets.

Our journey towards net zero carbon emissions at our airports is supported by participation in various programmes such as the Airport Council International (ACI) Carbon Accreditation programme (see table above).

This is an institutionally endorsed, global carbon management certification programme for airports. It independently assesses and recognises the efforts of airports to manage and reduce their carbon emissions and it provides a common framework for active carbon management with measurable milestones. Both Dublin and Cork airports have committed to achieving level 4+ (Transition) by 2025.

We are committed to driving even more energy efficiency with a target of a further 51% reduction by 2030. This will be achieved by implementing programmes that deliver absolute reductions in energy usage through improved utilisation of power, as well as a forward-looking approach with onsite renewables at its core.

Waste

2021 in Dublin and Cork airports

daa has made a long-term commitment to reduce our on-site waste generation by 30%, and to increase recycling rates by 60% from the 2019 performance level, by 2030. To date, we are on track to have increased recycling rates by 45% by 2023.

The unprecedented impact of the pandemic during 2021 resulted in a continued increase in the use of single-use items and other non-recyclable materials through the mandatory utilisation of facemasks, other personal protective equipment (PPE), and continued focus on sanitisation and cleaning of surfaces. Despite this, and the delay in return to travel in early 2021, the recycling rate steadily grew through the year with the target exceeded monthly in the last half of 2021.

Recycling rates in Dublin Airport in 2021 were 39%, compared with 30% in 2020, with Cork Airport recycling rate being 25% compared with 26% in 2020. There has been a concerted effort to promote a return to increased recycling rates across daa, including in our stakeholder contracts.

With a focus on pre-security waste in 2021, Cork Airport installed sinks to enable the disposal of liquid and promote the correct disposal of plastic bottles or their reuse post security screening. Currently bottles are often disposed with liquids still in them. This not only adds to the weight of waste, but also disrupts the ability to correctly recycle the waste. The introduction of this solution will minimise this waste and promote reuse.

2021 in our international retail operations

In 2021, ARI committed to reducing paper printing by 80% across all business units by year end. Overall, the ARI Group reduced paper used by 83.4% across global operations versus a 2019 baseline (3,872 kgs in 2021 vs 23,393 kgs in 2019). All ARI business units are empowered to implement initiatives and solutions most suitable for local requirements. Business units such as Canada, Riyadh, Muscat, Bahrain and Delhi all transitioned to paperless processes and departments. Reuse of marketing/promotional materials and signage has been prioritised, agreed with suppliers and implemented across many of ARI's business units. In 2022, ARI has set a target to maintain an 80% reduction in paper printing (kg) vs 2019.

Looking to the future

Our aim by 2030 is to be a circular business. To fulfil this aim, we are investing in longer term projects to 'put our waste to work', from food waste to collected plastic. We are looking to find ways to re-purpose and then reuse these materials in our operations. Such projects include the trial of digestors, which will convert our food waste to fuel or fertilisers for our campus, or the collection of plastics through our waste management programme for repurposing into usable materials for our staff and/or operations e.g. high-vis vests, waste bags and uniforms.

Working holistically across our operations, it is key for us to bring our stakeholders and passengers on the waste reduction and increased recycling path with us. For example, there will be wider availability of segregated waste management solutions on our passenger journey end to end, as well as improved communications and education programmes for our colleagues and airport users.

Noise, air quality and water management

daa regularly publishes aviation noise data and noise complaints information, working in compliance with the Aircraft Noise Competent Authority (ANCA) noise regulatory framework for Dublin Airport.

During 2021, Dublin Airport published reports on aircraft-related noise at the airport on a quarterly basis. The reports are available on the Dublin Airport website and results are presented to local communities. In that same period, daa communicated to airlines that environmental noise charges will be introduced in 2022 at Dublin Airport to encourage the use of quieter aircraft and thereby further reduce the impact of noise on local communities.

In April 2021, WebTrak, the community-facing platform for reviewing airport operations and related noise, went live on the Dublin Airport website. WebTrak provides near real-time information on flight origin and destinations, aircraft types, altitudes and flight paths, as well as noise levels registered at Dublin Airport's noise monitoring terminals. The system also provides an additional simplified way for members of the public to monitor flights and submit noise complaints, which is supplementary to the existing electronic, telephone and postal options.

daa monitors and publishes air quality results on campus and within local communities, and is committed to maintaining compliance with national air quality limit values. Data from Dublin Airport's continuous air quality monitoring station can be viewed on the airport's website.

In 2021, daa continued its voluntary ambient air quality monitoring programme. At Dublin Airport, the equipment measures a range of parameters on site and at 11 locations in the surrounding areas, with Cork Airport also monitoring air quality at four locations within the site.

Biodiversity

daa recognises the importance of protecting and revitalising the biodiversity and natural habitats that exist within our airport ecosystems. This can be challenging as it must be done in a manner that is safe for airport operations. In 2021, we carried out wildflower planting and managed habitats at designated areas across the campus, in addition to introducing three native Irish Black Queen Bee beehives on site. Each hive contains up to 60,000 bees.

daa is also participating in the All-Ireland Pollinator plan 2021-2025, a programme by the National Biodiversity Data Centre (funded by the Heritage Council and the Department of Housing, Local Government and Heritage). This was developed to encourage organisations to adopt better biodiversity and land management approaches, to increase habitats for bees, pollinating insects and wider biodiversity. daa is working with Biodiversity Ireland to develop a National Aviation Biodiversity Working Group, which aims to find ways to encourage biodiversity at aviation campuses without impacting on the safety of our aerodrome.

Environmental sustainability targets

This table captures our short to medium term targets for environmental sustainability. It focuses on the areas that our materiality assessment identified as being most important to our stakeholders, and summarises our 2021 performance against each pillar.

	Commitment	Success metric
Carbon	• Continue to reduce our absolute levels of carbon emissions, working towards a 30% reduction by 2030	• % reduction achieved
	• Convert 30% of daa's light commercial fleet to LEVs by 2021, rising to 45% by 2022	• % light commercial fleet LEV's
	• Achieve Airport Carbon Accreditation Level 4 at Dublin Airport	• Achievement of accreditation complete
	• Work towards achieving Airport Carbon Accreditation Level 3+ at Cork Airport	• Work being undertaken to achieve standard
Energy	• Continue in our efforts to improve energy efficiencies across our businesses, working towards 50% efficiency improvement by 2030	• % efficiency achieved at Dublin • % efficiency achieved at Cork
Waste	• Recycle 45% of our waste at Dublin Airport	• % of operational waste recycled
	• Maintain zero waste to landfill	• Zero waste to landfill status maintained
	• Work towards reducing plastic and waste and increasing recycling in our retail operations	• Sustainable design & implementation guidelines for new businesses created • % reduction in paper printing (kg) vs 2019 • Eliminate single-use plastic bags in 60% of our business units • Eliminate single-use plastic bags and waste in 100% of our business units
Water	• Aim for no exceedances of water quality limits due to on-airport activity	• Number of exceedances
Noise	• Implement enhanced noise monitoring systems at Dublin Airport and increase accessibility of noise data for local communities	• Introduce WebTrak • Number of noise reports published
	• Introduce noise-related charges	• Noise-related charges introduced
Air Quality	• Continue to target compliance with national air quality limit values and publish air quality monitoring results	• Number of reports published • Number of exceedances
Biodiversity	• Create habitats for nature to thrive, including the installation of bee apiaries and the creation of butterfly habitats	• Number of beehives introduced • Number of butterfly habitats created
	• Create designated wildflower areas on our airport campus	• Number of wildflower areas created
	• Reduce the usage of chemical fertilisers	• % reduction in fertilisers

ESG strategy 2021-2023 targets	2021 performance	Comment
• 7% reduction (2021) • 51% reduction (2030)	• 18.8% reduction versus 2018 baseline Dublin Airport • 42.5% reduction versus 2018 baseline Cork Airport	• Emissions reduction target was revised upwards from 30% to 51%, to align with the national target set under the Climate Action Plan 2021 (versus 2018 baseline) which was released post-publication of daa's ESG Strategy 2021 – 2023
• 30% of light commercial fleet are LEV (2021) • 45% of light commercial fleet are LEV (2022)	• 30.1% conversion to end of 2021	• Zero emission vehicles are now 15.7 % of fleet. Plug-in hybrid electric vehicles and electric vehicles combined are 30.1% of fleet
• Accreditation complete (2023)	• In progress	• 2021 work focused on re-initiating engagement with key stakeholders, e.g. airlines
• Accreditation complete (2023)	• In progress	• Ongoing engagement with stakeholders
• Exceed public sector energy target by 15%	• 60.6% Dublin Airport vs baseline of average 2006-2008 • 63% Cork Airport vs baseline of average 2006-2008	• Our continued programme of LED retrofit and upgrades, notably our street lighting, boiler upgrades, and building management system upgrade in T1 energy centre are significant drivers of these results. Efficiency improvements to be viewed in the context of COVID mitigation management, i.e. increased ventilation run hours and cost reduction exercises
• 40% of daa operational waste recycled (2021)	• 39% recycling rate Dublin Airport • 25% recycling rate Cork Airport	• Recycling rate steadily grew throughout the year with the target exceeded monthly in the last half of the year
• Status maintained (2021)	• Status maintained	• Zero waste to landfill was fully achieved in 2021 despite changes in waste profile
• Published and implemented (2021) • 80% reduction in paper printing (2022) • Zero kgs in 60% of our business units (2022) • Zero kgs in 100% of business units (2023)	• Published and implemented • 83.4% reduction globally versus 2019 • On track for delivery • On track for delivery	• Paper reduction target achieved across ARI Group • Reduction in kgs: 3,872kgs in 2021 versus 23,393kg in 2019
• Zero annually	• No exceedances for potable water under Irish regulations	• There were no exceedances for potable water under Irish regulations in 2021
• WebTrack Go-Live (2021) • Four noise reports published (2021)	• WebTrack delivered and went live in April 2021 • Foup noise reports published	• WebTrak is a community-facing platform that allows the public to monitor specific flights and its associated noise • Noise reports provided to Dublin Airport Environmental Working Group and published on Dublin Airport website each quarter
• Noise charges framework introduced (2023)	• On track for delivery	• In 2021, daa consulted fully with airlines on proposals to implement Phase 1 Environmental Charges from Summer 2022 • In December, the final decision was made to implement a new night-time (23:00-07:00 local) surcharge for noisier aircraft, which commences from Summer 2022 • Phase 2 consultation will commence in late 2022, with expected implementation from mid-2023
• Four reports published (2021) • Zero exceedances annually	• Four air quality reports published • Zero exceedences	• Three air quality reports published in 2021 and air quality annual report for 2021, published in January 2022
• Three beehives (2021) • One butterfly habitat created (2021)	• Three beehives introduced • Zero butterfly habitats created in 2021	• The honey raised from the installed hives are now being sold to raise money for daa staff charities
• Five wildflower areas created (2022)	• Four wildflower areas created in 2021	• daa continued its wildflower planting initiative as part of its biodiversity programme. The focal point are four designated wildflower areas within the T2 embankment
• 100% reduction in chemical fertilisers (2021)	• 100% reduction in chemical fertilisers in 2021	• Fertilisers moved to organic compound at Dublin Airport

People

Our people are the beating heart of our business and are fundamental to the service quality that we provide both nationally and internationally. We are committed to instilling a culture where our colleagues feel supported and engaged, and to providing the development opportunities to grow their careers within our business.

We have developed commitments under several themes that are all focused on supporting our people. Throughout 2021, daa has delivered multiple positive initiatives aligned to these commitments right across the organisation, from maintaining the health and wellbeing of our people to ensuring their voice is heard through proactive staff engagement.

100%

target participation rate for leaders in dignity and respect at work training

74%

target participation rate for staff survey

Health and Safety

Due to the impact of COVID-19 our business changed dramatically. The safety of our employees was a top priority for daa throughout the pandemic and remains so.

In 2021, we continued to deliver our staff screening programme in conjunction with Corporate Health Ireland (CHI), our occupational health advisor. The screening programme aims to limit the potential spread of COVID-19 within the workplace through early detection. Antibody and PCR testing remain available to all staff members on site at both our airports.

From the outset of the pandemic, communication between management and staff was deemed critically important to ensure our teams remained joined up. We maintained our employee communication cadence throughout 2021 with weekly CEO videos, leadership calls, and internal email updates. This has enabled an ongoing level of transparency of the changing business environment, the issues, challenges, and our strategy and plans to rebuild our business post the pandemic.

The transition back to office-based working began in September 2021 and daa explored hybrid working arrangements with our staff and provided guidelines to office-based staff which facilitated a combination of onsite and remote working. Employees were able to work in the workplace for three days and remotely for two days, and we leveraged a hot-desk booking app to utilise capacity. These guidelines were intended to be trialled for a period of six months however, the new COVID measures introduced by the Government in November, meant that the majority of office-based staff were requested to work remotely on a full-time basis for the remainder of the year.

Equality, Diversity and Inclusion

daa continues to employ staff from different and diverse backgrounds right across its businesses around the globe. It is this diversity that makes our place of work so exciting. As a result, Equality, Diversity and Inclusion (EDI) is highly valued and we want to ensure that daa is a workplace in which everyone feels safe and are enabled to work to their full potential.

Our EDI Framework is based on three key pillars which drive our EDI actions and priorities:

1) Diverse and inclusive recruitment practice

Selecting the right person for a role is vital for our business to function and we are focused on ensuring our recruitment and selection processes are fully inclusive and transparent.

We are currently developing a guide for managers that will help inform actions that should be taken at all stages of the selection process to ensure an inclusive approach to recruitment. In addition, we have partnered with an external expert company 'Ability Focus' to review all our recruitment policies and processes. This includes interviewing and assessment methodologies and reasonable accommodation for applicants with a disability to ensure they are supported during their interview process.

We believe it is crucial to provide our colleagues tasked with interviewing candidates, with the knowledge and confidence to do so in a fair and unbiased way. daa therefore provides Interviewer Skills training to those engaged in these processes, which cover topics such as equality legislation, unconscious bias and discrimination.

EDI Framework

Vision

Promote a positive working environment where all employees feel valued and supported

Key focus areas 2021

Diverse and inclusive recruitment practice
- Outreach strategies
- Agency partnering
- Employer branding
- Advertising
- Psychometrics
- Interviews

Promoting a positive working environment
- Respect and Dignity policy and education plan
- Flexible work practices
- Wellbeing strategy
- Education and awareness

Positive to disadvantaged groups
- Dublin City University access programme
- Trinity College
- Fingal skills strategy group
- Passenger initiatives (e.g. autism friendly and deaf sign language.)

Embedding EDI through our HR policies and compliance with legislation

Data-driven approach to inform action planning and progress

Regulatory reporting

2) Promoting a positive working environment

At daa, we aim to support our employees and encourage them to work to their full potential, whether they are in frontline or non-frontline roles. A dedicated attendance management team has been established within our Human Resources department with the main area of focus being to implement a suite of aids to help employees who may need additional support to function in their role.

The type and level of assistance needed is decided and supported on an individual basis as per the employee's needs and may include assistive technology, assistive office equipment/adaptations, and changes to rosters. Our Absence Management policy includes a provision that seeks to ensure that staff who develop a disability are supported either to keep their present position or take up a new role where available. This is accomplished through retraining and/or the adaption and improvement of existing facilities. There is also a provision within our policy for redeployment on medical grounds which allows for employees to be accommodated in an alternative role if it is not possible for them to return to their original role and this policy is now supported through our dedicated attendance management team.

3) Positive to disadvantaged groups

daa is an equal opportunities employer and we want to ensure that those who come from traditionally under-represented groups are supported.

In 2021, we became a partner of the Trinity College Dublin (TCD) 'Programme for People with Intellectual Disabilities'. This is a two-year accredited programme that supports pathways through higher education into further education and/or employment. Our partnership commitment is for the next three years and we will work with TCD to support students in developing employment skills (for example through work experience, placements and airport familiarisation) that will provide invaluable experience to the students when it comes time to enter employment.

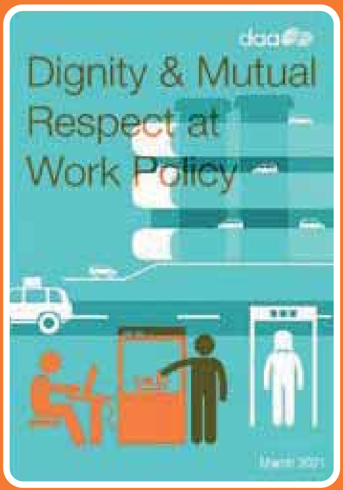
Wellbeing

COVID-19 has had an unprecedented impact on people's physical and mental health. Throughout 2021, and as part of our ESG commitments, we have placed a strong emphasis on the health and wellbeing of our employees and supporting those who may have mental and physical health concerns related to COVID-19 or otherwise.

An occupational health provider is available to our people seven days a week to provide guidance on any health concerns. A 'Focus on You' portal, as well as weekly newsletter updates, provide employees with access to various webinars and advice relating to health and mental wellbeing. Mental Health First Aid (MHFA) training has also been rolled out to 90+ employees across the organisation. MHFA is the initial help given to someone who may be developing a mental health problem, experiencing a worsening of an existing mental health problem or a mental health crisis. A mental health awareness session was also delivered to Human Resources employees to ensure that there is support for all employees who may be facing difficulty with their mental health.

To help our people feel valued and supported, we are developing an 'Employee Value Proposition' (EVP). The EVP will consider employee benefits, compensation, careers and overall wellbeing to create a culture of recognition and support to reinforce the value and wellbeing of our employees.

"A 'Focus on You' portal, as well as weekly newsletter updates, provide employees with access to various webinars and advice relating to health and mental wellbeing. Mental Health First Aid training has also been rolled out to 90+ employees across the organisation."



Case study
daa's Dignity and Mutual Respect Policy and training programme

Embedding our Dignity and Mutual Respect at Work Policy is a key action within our EDI programme and is fundamental to continuing to build daa as a positive place to work.

The Policy sets out the standards of behaviour that we expect from each other across the business and the behaviours that are unacceptable. It provides guidance on the various channels and supports available to employees to address and resolve issues arising under the policy at the earliest possible stage.

Training on the various aspects of our Dignity and Mutual Respect Policy has been completed by our people leaders and we are now bringing this policy to life for all our employees. To do this, we have developed a training module which all employees will have to complete to reinforce the importance of respect and dignity in the workplace and the impact of inappropriate behaviour as covered in the policy. Training covers a magnitude of issues and is used to:

- explain what is meant by bullying, harassment and sexual harassment in the workplace
- outline how we can all work to prevent such behaviours and the channels available to employees to deal with inappropriate behaviours if they arise.

To support the policy, circa 70 employees have been appointed and trained as Designated Contact People (DCPs) across the company. These individuals are in place to offer support and share information on the policy with colleagues on a confidential basis.

People targets

This table captures our short to medium-term targets for people and summarises our performance in 2021 under each pillar.

	Commitment	Success metric
Restructuring	• Implement the re-structuring changes required as a result of COVID-19 in a fair and equitable manner through consultation with employees	• 100% balloted support for New Ways Of Working framework • Number of employees that have utilised career services programme • Publish career framework
Work Flexibility	• Review our policies to create a culture where flexible, agile working is encouraged and supported	• Publication of flexible/remote work policy • 80% of eligible employees satisfied with flexible working options
Diversity	• Publish a Dignity and Mutual Respect at Work Policy	• Publication of policy
	• Build awareness at all levels across our business, targeting 100% participation rate for leaders in Dignity and Mutual Respect at Work training	• 100% participation rate
	• Develop action plans addressing two key focus areas: disability and gender equality	• Disability Action Plan published • Gender Equality Action Plan published
Leadership	• Invest in our people leaders through the delivery of relevant development training programmes and embed our leadership standard to guide behaviour	• Successful launch and roll out of 'Build back Better' Leadership Development Programme • % participation rates
Staff Engagement	• Provide our employees with the opportunity to tell us how we can improve as an employer via staff surveys and through other pulse surveys	• Annual staff survey supported by pulse surveys • % participation rate by employees in annual staff survey
	• Provide feedback on each survey conducted and develop action plans to address key issues	• Corporate action plan developed • Plan communicated to 100% of staff
Health & Well-being	• Maintain and develop our health and well-being initiatives	• Number of communications to staff re. health and wellbeing • Number of Mental Health First Aid employees trained • Number of health and wellbeing initiatives launched
Safety	• Maintain the relevant occupational health and safety standards and training, to ensure (1) safe and compliant working conditions for our people and (2) a safe travelling environment for our passengers	• Recertification of ISO 45001 (Occupational Health & Safety Standard) • Number of internal occupational health and safety compliance audits

Targets	2021 performance	Comment
• 100% (2021) • 15 (2021) • Career Framework published (2022)	• 95% balloted support • 18 employees utilised career services programme • On track for delivery	• Engagement continues with remaining 5% of employees on New Ways of Working
• Publication of Remote Work Policy (2022) • 80% (2022)	• On track for delivery • On track for delivery	• Interim guidelines on hybrid working published in 2021. Remote Work Policy to be published following completion of six month trial • 77% of colleagues who responded to 2021 Staff Survey expressed an interest in a hybrid working model, into the future
• Publication complete (2021)	• Dignity and Respect Policy publication complete	• Policy published in April 2021 and released to all staff
• 100% (2021)	• 77% participation	• Training continues to be rolled out across the organisation with the aim to increase participation rate to meet target
• Publication (2022) • Publication (2022)	• On track for delivery • On track for delivery	• Development of action plans ongoing throughout 2021. All Human Resource personnel undertook training on disability awareness and understanding. In addition, a cohort of senior female leaders successfully completed a Cornell University 'Women in Leadership' programme over the course of 2021
• 70 Build Back Better Masterclasses completed (2021) • 100% (2021)	• 96 masterclasses completed • 75% to date	• Participation rates in the masterclasses did not meet target primarily due to time constraints on personnel. However, classes continue to be rolled out to ensure 100% participation in the course
• Staff Survey 2021 completed • >74% participation rate	• Staff survey completed October 2021 • 79% participation rate	• Results from Staff Survey indicate that the average score overall has declined since 2019, however, many individual business areas have seen an increase on 2019
• Action Plan developed (2022) • Action Plan communicated (2022)	• On track for delivery • On track for delivery	• Action Plan development underway based on survey outputs received in November 2021
• 25 (2021) • 90 (2021) • 6 (2021)	• 25 issued • 91 Mental Health First Aid employees trained • Eight core initiatives launched; two per quarter	• Fortnightly 'Focus on You' newsletter issued to all staff as part of targeted communications programme • A range of initiatives rolled out to promote wellbeing and physical and mental health; initiatives were a combination of on-campus and at home events e.g. lunchtime HIIT workouts
• Successful Re-certification (2021) • 14 (2021)	• Successful recertification complete August 2021 • 14 internal Occupational Health and Safety audits completed	• The health and safety of our people and passengers was a top priority for the organisation throughout 2021. Continued audits ensured non-conformances were identified quickly and addressed Recertification to ISO standard critical to maintaining top health and safety standards

Community

daa is fully committed to being a responsible airport operator and a good neighbour. We understand that a balance needs to be achieved in terms of operating an international airport and the needs of our local communities. That is why we have a long record of engaging with our neighbours and supporting the initiatives that are important to them.

€300k
invested in community initiatives annually

92
local projects supported by Dublin Airport Community Fund in 2021

6
community liaison group meetings held annually

Dublin Airport Community Fund

Dublin Airport's €10 million Community Fund was launched in 2017 and has distributed almost €1.5 million to support local community initiatives from 13 eligible areas covering Santry to the south of the airport, Swords to the north, Portmarnock to the east and Tyrrelstown to the west.

The Fund supports social, educational, and sustainable initiatives, whilst recognising and valuing diverse needs in local communities. Supported projects focus on environment and sustainability, sports and recreation, social inclusion and community development, health and well-being, and culture and heritage.

In 2021, almost €300,000 was granted to 92 successful applicants which included local sports clubs, schools and voluntary community groups. The Fund also supports up to 10 students per year to attend Dublin City University (DCU) via its Access Programme. DCU's Access Programme, which is the largest of such programme in the State, supports circa 1,200 Access Scholars to study at either undergraduate or postgraduate level. The programme specifically targets groups such as students living in North Dublin communities with the lowest progression to third level education, students with no history of third level education in the family, and students experiencing the double disadvantage of disability and socio-economic disadvantage. daa's contribution specifically assists students living in the Community Fund's 13 eligible areas.

Staff Charity

Due to the continued impact of COVID-19, daa decided to rollover the three 2020 nominated charity partners into 2021 and again into 2022, in the hope that the return to a more normal way of life would enable an increase in the generation of much-needed funds for the charities in question.

The charities selected in 2020 and which continue to be supported are Feed Our Homeless, The Mater Foundation and St. Francis Hospice. Funds for these charities are generated through a combination of staff donations, donations from members of the public via collection boxes at Dublin Airport and an annual supporting donation from the company.

With the resumption of travel and fundraising activities, we expect to be in a position to donate raised monies to the three beneficiaries at the end of 2022.

Case study
Closing the Digital Gap

Through Dublin Airport's Community Fund, the Holy Spirit Boys National School in Ballymun was supported to embark on their 'Closing The Digital Gap' programme.

The Fund supported the provision of electronic tablets to pupils, with the aim of improving digital literacy and preparing the students for online learning and work. As a result, two classes within the school now have regular access to the equipment and are using them in the classroom to undertake various personalised learning programmes such as numeracy. Improved self-esteem and academic outcomes have many benefits for the wider community and the Closing the Digital Gap programme will work towards realising those benefits.

Case study
ARI

ARI is committed to establishing and supporting socially responsible initiatives in all markets.

32 social value initiatives are currently in progress across ARI locations. One such initiative undertaken in 2021 by ARI Muscat, was to provide water to two whole villages during a climate emergency in the region.

Community targets

This table captures our short to medium-term targets for community and summarises our performance in 2021 under each pillar.

	Commitment	Success metric
Community Fund	• Invest €300,000 a year from Dublin Airport's Community Fund towards community initiatives	• Total investment/sponsorship • Number of initiatives supported
Education	• Support up to 10 students each year from Dublin Airport local communities to attend Dublin City University via its Access Programme	• Total number of participants
Arts	• Continue to support various community initiatives in the local areas served by Cork Airport and maintain our long-standing commitment to the arts through the facilitation of photographic and artistic exhibitions at the airport	• Number of initiatives supported • Number of art exhibitions facilitated
International Support	• Continue to work closely with our international airport partners on supporting ESG funds and initiatives in the relevant countries in which we operate	• Number of initiatives supported per business unit
Third Level Education	• Work with third level education partners, to provide support and guidance in the delivery of relevant educational courses.	• Number of third level courses supported • Number of guest lectures facilitated
Community Relationships	• Continue to assess our relationships and interactions with our communities and continue to engage with them on key airport issues	• Number of formal engagements with local communities
Irish Charities	• Continue our daa Staff Charity Programme and daa to invest €37,000 annually towards this programme	• Number of charities supported • Total company investment • Overall total staff charity donation
Volunteering	• Actively encourage staff volunteering in ESG-related projects which benefit the local community and in key programmes such as Junior Achievement	• Number of volunteer initiatives run • Number of staff undertaking volunteer activities
Insulation Improvements	• Continue to provide insulation measures to qualifying residences to address aircraft noise impact	• Number of residences insulated • Number of residences remaining

Targets	2021 performance	Comment
• €300,000 (2021) • 90 initiatives (2021)	• €297,000 invested • 92 initiatives supported	• Initiatives supported include school and sports equipment, community gardens, social inclusion projects, drama sets and costumes
• 10 (2021)	• 10	• All 10 students supported are from communities local to Dublin Airport
• 3 (2021) • 2 (2021)	• 3 initiatives supported • 3 art exhibitions facilitated in Cork Airport	• Initiatives supported included a youth tour visit to Cork Airport, a presentation to aviation enthusiasts and sponsorship of a local litter-picking campaign
• 5 per business unit (2022)	• Average is 4.6 initiatives supported. 5 Business Units are exceeding the target of 5 initiatives	• Both environmental and community initiatives have been supported globally such as providing financial aid to a charity in India during the COVID-19 crisis which was used to purchase items such as PPE and also to support the vaccination programme
• 3 (2021) • 3 (2021)	• 4 • 3	• Lecturing and guidance provided at University College Cork, Munster Technological University and University College Dublin. Support was also provided on the topic of innovation to the European Institute of Innovation and Technology
• 6 Community Liaison Group (CLG) meetings (2021) • 4 Dublin Airport Environmental Working Group (DAEWP) meetings (2021)	• 6 CLG meetings • 4 DAEWG meetings	• All meetings online due to COVID, but aim to hold CLG, DAEWG and drop-in clinics in the community when permissible to do so
• 3 (2021) • €37,000 (2021)	• 3 • €37,000	• Due to the ongoing impact of COVID-19, fundraising activities for our Staff Charity programme were significantly curtailed. Therefore, a decision was made to rollover the three 2020 nominated charities into 2021 and again into 2022, to increase the amount of monies donated. The company has continued to make its contribution each year and this will be included in the final sum donated at the end of 2022
• 1 (2021) • 10 (2021)	• 2 (2021) • 13 (2021)	• Over 270 students reached by daa, through participation in the Junior Achievement Ireland and Business in the Community programmes
• 34 (2021) • 0 (2022)	• 31 (2021) • 3	• Bespoke sound insulation measures including acoustic double glazing and ventilation were provided free-of-charge to participants.

Economy

daa businesses add value economically and provide essential connectivity, enabling societies to reap economic, social and cultural benefits.

Despite the challenges of COVID-19, daa remains acutely aware of its critical and influential role on supply chains, on accessibility and on employment. The Economy pillar of our ESG Strategy sets out our commitments in relation to identifying our economic impact, particularly in terms of Gross Domestic Product (GDP) and job creation, our initiatives to encourage intermodal access to our facilities, and our responsibilities with respect to procurement practices. We are committed to promoting the values of fairness, transparency and environmental responsibility across our supply chain.

Throughout 2021, we maintained close working arrangements with local stakeholders and partners on local economic resilience and recovery planning, and provided regular updates on airport operations and future plans to stakeholder forums and local residents.

59%
of infrastructure procurements evaluated with sustainability criteria

75%
of food & confectionery products have socially responsible attributes

43%
of our retail range is sourced locally

Economic targets

This table captures our short to medium-term targets for economy and summarises our performance in 2021 under each pillar.

	Commitment	Success metric	Targets	2021 performance	Comment
Leading Contributor	• Demonstrate the economic impacts of our business by assessing the extent to which we drive connectivity, contribute to direct and indirect employment and support economic growth	• Publication of direct, indirect, induced and catalytic economic impacts	• Publication (2022)	• On track for delivery 2022	• Stabilisation of data inputs required in light of COVID-19, before economic impact assessment can be undertaken
Circular Economy	• Continue to enhance our green procurement practices, identifying key projects where our tender scoring can be influenced by sustainability criteria and incorporating those criteria in assessments	• Apply sustainability evaluation metrics to relevant infrastructure projects • Update daa Procurement Policy to further incorporate green procurement practices	• Six (2021) • Publication complete (2023)	• 10 infrastructure projects procured with sustainability evaluation criteria included • On track for delivery 2023	• 17 infrastructure-related procurements undertaken in 2021. 59% had sustainability evaluation criteria included. • Work ongoing throughout 2021 on assessing best practice and business and policy requirements which will inform updates procurement practices and policy
Intermodality	• Develop a Mobility Management Strategy and support the use of low emitting modes of transport for accessing our airports	• Publication of Mobility Management Strategy complete	• Publication (2022)	• On track for delivery 2022	• Development of a Mobility Management Plan underway in line with requirements of Dublin Airport Local Area Plan
	• Support sustainable commuting, including discounted travel for colleagues with selected operators, cycling schemes and the provision of facilities for cycling and walking	• Staff Mobility Survey complete	• Survey completed (2021)	• Survey completed November 2021	• Survey conducted of employees based on Dublin Airport campus in November 2021. Initial results indicate a modal split of 67% car travel /19% bus travel for staff travelling to Dublin Airport
Ethical Sourcing	• Work towards sustainable sourcing of range and materials used in the product lifecycles of our retail operations	• % of suppliers in food and souvenirs are local suppliers (regional suppliers in the Middle East) • % of food and confectionery products to have environmentally or socially responsible product attributes	• 15% (2022) • 75% (2022)	• Average local supplier as a % of ranged suppliers: 42.9%. • On track for delivery 2022	• Seven business units are achieving target. However, three have yet to succeed. Maximum implementation: Auckland 72.5% • Business units are continuing to build the capability to accurately measure environmental and socially responsible product attributes

Board of Directors

Basil Geoghegan
Chairman

Career experience

Basil is a Partner of PJT Partners, a US based publicly listed advisory investment bank, where he leads its business in the UK and Ireland. Prior to PJT Partners, he was a Managing Director at Goldman Sachs, Deutsche Bank and Citigroup in London and New York. He has broad M&A, corporate finance and strategy advisory experience, in the US, UK, Ireland and internationally. He also has an extensive record in complex M&A, public takeovers and anti-raid situations, including healthcare, financial services, TMT and transport.

Basil is a Non-Executive Director of AIB Group plc and is patron of The Ireland Fund of Great Britain.

Basil is a Scholar of, and holds an LLB, from Trinity College, Dublin and an LLM from European University Institute and qualified as a solicitor with Slaughter and May.

Appointed Chairman in June 2018 and reappointed in June 2021. He has been a member of the daa Board Nomination and Remuneration Committee and the Board Strategic Infrastructure and Sustainability Committee since his appointment to the Board. In March 2020, Basil was appointed to the Board Finance Committee.

Dalton Philips
Chief Executive Officer

Career experience

Dalton's roles, prior to joining daa, included Chief Executive of Wm Morrison plc., Chief Operating Officer of Canadian retailer Loblaw Companies and Chief Executive of Brown Thomas Group. Among other roles, he was also a Senior Advisor to The Boston Consulting Group, a global management consultancy firm. He holds a private pilot's licence. Dalton has a BA from University College Dublin and an MBA from Harvard University.

He is a Board member of ACI Europe and IBEC.

Dalton became Chief Executive and ex officio board member of daa in October 2017.
He is a member of the daa Board Strategic Infrastructure and Sustainability Committee and the Board Finance Committee.

Marie Joyce
Director

Career experience

Marie is Chief Financial Officer and Board Director of NTR plc, an international sustainable infrastructure investor and institutional fund manager. Prior to NTR, Marie was Senior Director of Strategic Planning for Élan Corporation plc and was previously an Audit & Corporate Finance Manager at Arthur Andersen. Marie is also a Non-Executive Director and Chair of the Audit and Risk Committee of Staycity Group, one of Europe's leading aparthotel operators. She serves on the Programme Board of the MSc. in International Accounting and Analytics Degree of NUI Galway, and on the Sustainability Expert Working Group of Chartered Accountants Ireland. She was formerly Chair of the Board of Make-A-Wish Ireland.

Marie joined the Board in January 2020. In February 2020, she was appointed to the Board Audit and Risk Committee, in March 2020 was appointed Chair of the Board Finance Committee and she was appointed to the Board Strategic Infrastructure and Sustainability Committee in September 2021.

James Kelly
Director

Career experience

James joined daa in 1994 and works in the Airport Police and Fire Service at Cork Airport. He has 28 years operational experience and a demonstrated history of working in the airline/aviation industry. James' current role is as an Aerodrome Fire Officer. He holds current certification from the International Fire Training College in airport rescue firefighting (ARFF) supervisory management and as a breathing apparatus instructor. He also holds IATA certification in emergency management & planning and is an emergency medical first responder (EFR). He is skilled in ARFF, major emergency incident command, emergency planning, operations management, customer service, conflict management, aviation policing and security and airport wildlife management. James is a daa designated contact person. He is a member of the SIPTU trade union and the Cork Airport SIPTU aviation section committee.

James was appointed to the Board in January 2022 under the Worker Participation (State Enterprises) Acts, 1977 & 1988.

Peter Cross
Director

Career experience

Peter was appointed to the Board in March 2021 and joined the Board Audit and Risk Committee in July 2021.

He is Managing Director of Trasna Corporate Finance, an advisory firm specialising in telecoms and infrastructure. He is a Non-Executive Director of the VHI, of Cubic Telecom and of a number of wind energy assets managed by Arjun Infrastructure Partners. He was previously Director and audit committee Chair at Ervia, one of Ireland's largest utility groups, and audit committee chair at the HSE, Ireland's national health service. Prior to establishing Trasna, Peter worked as CFO at eircom and CFO at BT Openreach, as Group Director of Corporate Finance at BT plc and as a trustee of BT's defined benefit pension scheme. He worked in corporate finance at Barings and Morgan Stanley, and he qualified as a chartered accountant with Arthur Andersen in Dublin.

Karen Morton
Director

Career experience

Karen Morton is a Chartered Director with 20+ years Commercial leadership experience. She currently works as a Strategic Marketing Consultant, a Lecturer, an entrepreneur and holds a number of Non-Executive Director positions. Karen has extensive commercial, strategy and marketing expertise in Ireland, UK, US and internationally both in multi-nationals and start-ups across a wide variety of sectors.

Karen was previously Chief Marketing Officer of Dell Financial Services and held leadership roles in Monster.com, eircom and British Airways. Karen holds a Bachelor of Business Degree from the University of Limerick, a Postgraduate Diploma in Marketing and is a Chartered Director.

Karen was appointed to the Board in January 2020, in March 2020 she was appointed to the Board Strategic Infrastructure and Sustainable Committee and in August 2021 was appointed to the Board Culture, Security and Safety Committee.

Des Mullally
Director

Career experience

Des joined daa in 1983 and is the Stock Accuracy Manager at Dublin Airport. Des has extensive experience of airport retailing having worked in Ireland and overseas. Des is a member of the Fórsa trade union and previously served on the daa Board from 2014 to 2018.

Des was reappointed to the Board in January 2022 under the Worker Participation (State Enterprises) Acts, 1977 to 1988.

Ger Perdisatt
Director

Career experience

Ger leads Microsoft's technology strategy organisation for Western Europe, guiding the teams that advise Microsoft's largest Enterprise customers on their business and technology transformations. Prior to this, Ger ran Microsoft's Enterprise business in Ireland, as well as having other leadership roles in Microsoft's European organisations over the last decade. Ger's background is in financial services (private and retail banking) and he holds a Masters in Business Administration from UCD Smurfit, Bachelor of Arts from UCD, and post-graduate ACCA (Dip FM) and HDip IT qualifications.

Ger was appointed to the Board in July 2021 and joined the Board Audit and Risk Committee in September 2021.

Risteard Sheridan
Director

Career experience

Risteard is Company Secretary and Chief Compliance Officer for AerCap, a global leader in aircraft leasing and aviation finance, and the largest owner of commercial aircraft in the world. He has extensive experience of advising and reporting to the boards, audit committees and senior management of multinationals and commercial semi-states on governance, financial reporting and control and process matters. This experience was largely gained while working with the professional services firms KPMG and EY. He also chairs the Chartered Accountants Ireland (CAI) Risk Management & Internal Audit Committee.

Risteard is a graduate of UCD and a Fellow of CAI.

Richard was originally appointed to the Board in September 2018 and reappointed in September 2021. In February 2020, Risteard was appointed Chairman of the daa Board Audit and Risk Committee having been originally appointed to the committee in November 2018. In September 2020, he was appointed Senior Independent Director and in September 2021 was appointed to the Board Nomination and Remuneration Committee.

Ray Gammell
Director

Career experience

Ray is an International Executive, Strategic Advisor and Board Director with 40+ years' experience across multiple industries and geographies including serving in the military, followed by careers in technology, banking, aviation, and more recently in the medical industry. He previously served as Senior Strategic Advisor to the Group CEO of Etihad Aviation Group, having held a variety of roles over almost 12 years including Chief People and Performance Officer and in 2017 was appointed Interim Chief Executive Officer of the Group.

Ray currently works as a Strategic Consultant and holds a number of Non-Executive Board positions in Ireland and the Middle East.

In his role as Senior Advisor to the Group CEO of Etihad Aviation Group, Ray lead the equity partner strategy, essentially managing the Group's investment strategy across multiple global airlines, in addition to other strategic responsibilities.

Ray holds a Master's degree in Business Studies from University College Dublin and a Bachelor of Arts degree from University College Galway. He is a Chartered Fellow of the Chartered Institute of Personnel Development.

Ray was appointed to the Board in January 2020. In March 2020, he was appointed to the Board Nomination and Remuneration Committee and the Board Culture, Security and Safety Committee (CSS). Ray was appointed Chair of the CSS in July 2020.

Mark James Ryan
Director

Career experience

Mark James joined daa in 2005 and currently holds the position of Service Delivery Team Lead (Airport Operations) at Dublin Airport. He is a graduate of Technological University Dublin. He is a member of the SIPTU trade union.

Mark James was appointed to the Board in January 2022 under the Worker Participation (State Enterprises) Acts, 1977 to 1988.

Denis Smyth
Director

Career experience

Denis joined daa in 1979 and currently holds the position of Deputy Head of Airport Operations Centre at Dublin Airport. He has experience in airport operations. He is a member of the SIPTU trade union and the Irish Congress of Trade Unions Worker Directors Group.

Denis holds diplomas in Airport Operations Management and Security Management.

Denis was originally appointed to the Board in January 2014 and reappointed in January 2018 and January 2022 under the Worker Participation (State Enterprises) Acts, 1977 & 1988.

He was appointed to the daa Board Culture, Security and Safety Committee in March 2014 and the Board Finance Committee in March 2016.

Board composition breakdown by gender

83% male

17% female

Executive Management Team

Nicholas Cole
Chief Executive Officer
daa International

Career experience

Nicholas joined daa as General Manager, Terminal 5, King Khalid International Airport, Riyadh, Saudi Arabia in 2017.

Prior to joining daa, he held a number of roles in the aviation sector in both the UK and the Middle East. These included leading Terminal 5 at Heathrow Airport, delivering Heathrow's 2012 London Olympics Programme and heading Terminal Design and Operations for Muscat and Salalah airports in Oman.

He has also acted as an International Olympic Committee Advisor on both the 2016 Rio and 2018 PyeongChang Games. He was appointed Chief Executive Officer of daa International in 2019 and has responsibility for leading the overseas advisory services, management contracts and concessions of the business.

He is a graduate of the Royal Military Academy Sandhurst and has a degree in Business Studies from Solent University.

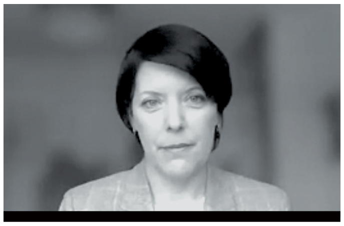
Ray Hernan
Chief Executive Officer
ARI

Career experience

Ray joined daa in August 2018 as Chief Executive, ARI. His previous roles included Chief Executive, Bus Éireann, Chief Executive of Irish retailer Arnotts and Director of Finance with Selfridges in the UK.

He was also Chief Financial Officer at Irish luxury goods retailer Brown Thomas Group and spent 10 years as Director of Finance at Ryanair.

Ray is a Fellow of Chartered Accountants Ireland and has a B.Comm degree from University College Dublin.



Louise Bannon
Head of Marketing
Dublin Airport

Career experience

Louise joined daa as Head of Marketing, Dublin Airport in 2006, having previously held senior management roles in two of Ireland's key utilities; eir and Electric Ireland. She has overall responsibility for consumer and business to business (B2B) and partner marketing programmes as well as an extensive customer research and planning function.

Louise has 20 years' experience in marketing and product management roles, focused on driving customer-led strategy development and implementation in complex customer service environments.

A former president of the Association of Advertisers in Ireland, she remains on the governing council. Louise holds a BSc in Marketing from Trinity College Dublin and Dublin Institute of Technology and an MBS from Dublin City University.

Brian Drain
Chief People Officer

Career experience

Brian joined the Finance department of Dublin Airport in 1989 and following roles in the commercial, retail, airport operations and IT functions of the business, including secondments in Australia, North America and continental Europe, he was appointed daa Chief People Officer in 2018. Prior to this, he was General Manager, Operations, for Dublin Airport.

He has responsibility for driving employee engagement and developing a people strategy that enables the business to meet its objectives.

He is a graduate of Dublin City University, is a qualified Management Accountant, and has an MSc in Business Management from Trinity College Dublin.

Maurice Hennessy
Chief Information &
Security Operations Officer

Career experience

Maurice joined daa as Group Head of Financial & Business Planning in 2007. Prior to this, he worked for US multinational organisations including as Vice President/ Corporate Controller with Global Crossing and in a variety of management roles with Analog Devices.

He was appointed Chief Information Officer in 2014 and to his security role in 2017. Before this he was Director of Commercial for daa. He has responsibility for developing and implementing the Group IT strategy along with all security planning and operations functions for Dublin Airport. He also has responsibility for delivery of the North Runway project at Dublin Airport.

He qualified as a Chartered Accountant with PwC and is a Fellow of Chartered Accountants Ireland.

Dalton Philips
Chief Executive

Career experience

Dalton joined daa as Group Chief Executive in 2017. Prior to joining the company, his roles included Chief Executive from 2010 to 2015 of Wm Morrison plc, the UK's fourth-largest supermarket chain, Chief Operating Officer of the Canadian retailer Loblaw Companies and Chief Executive of the luxury goods retailer Brown Thomas Group (Ireland).

His career began with Jardine Matheson, with roles in New Zealand, Australia and Spain. He then spent seven years with Walmart in Brazil and Germany. He was also a Senior Advisor to The Boston Consulting Group, the global management consultancy firm.

He is fluent in Portuguese and Spanish and holds a private pilot's licence. He is a Board member of Airports Council International Europe and IBEC. He has a BA from University College Dublin and an MBA from Harvard University.

Niall MacCarthy
Managing Director
Cork Airport

Career experience

Niall joined daa as Group Financial Systems Manager in 2000. Prior to joining the company, he was Group Financial Systems Manager for Dunnes Stores.

He was appointed Managing Director, Cork Airport, in 2012 where he has led the turnaround in the business. Before this, he was Head of Passenger Services at Dublin Airport and General Manager Business Intelligence and Systems for daa.

He is Vice-Chair of the Airports Council International Europe Regional Airports Committee, representing 400 of Europe's regional airports. Niall is a Fellow of Chartered Accountants Ireland and originally qualified in practice in Dublin.

Miriam Ryan
Chief Governance and Strategy Officer and Company Secretary

Career experience

Miriam joined daa in 1989. Following roles in the Marketing, Industry Affairs and Economic Regulation functions of the business, she was appointed daa's Group Head of Strategy in 2010.

She became an Executive Director of daa in 2019 and assumed her current role as Chief Governance and Stategy Officer (CGSO) and Company Secretary in August 2021. Miriam is a former Chair of the Airports Council International Europe Economics Committee.

She holds a BA in Communications Studies from Dublin City University, and is currently completing a Post Graduate Diploma in Corporate Governance at the UCD Michael Smurfit Graduate Business School.

Vincent Harrison
Managing Director
Dublin Airport

Career experience

Vincent joined daa in the Finance function in 2005. Prior to joining the company, he held senior financial and management positions with Rubbermaid in Europe and the US and Esat/BT in Ireland.

He was appointed Managing Director, Dublin Airport in 2014. Before this, he was Director Strategy, Regulation & Business to Business. Vincent holds an MBA from the University of Pittsburgh and a B. Comm degree from University College Cork.

He is a Fellow of Chartered Accountants Ireland and qualified as a Chartered Accountant with Arthur Andersen.

Catherine Gubbins
Group Chief
Financial Officer

Career experience

Catherine was appointed Group Chief Financial Officer in May 2021. Catherine joined daa in December 2014 as Group Financial Controller. She was appointed Director of Finance and became a member of daa's Executive Management Team in April 2019.

Before moving to daa, Catherine was a Senior Manager in the Assurance and Business Advisory function of PwC Ireland, having worked in the professional services firm for more than 16 years.

She has a primary degree in Law and Accounting from the University of Limerick and a Master of Accounting degree from UCD Michael Smurfit Graduate Business School. A member of the Institute of Chartered Accountants in Ireland, Catherine is a former Chairperson of the Leinster Society of Chartered Accountants.

John Brennan
Director of
Operations

Career experience

John joined daa in 1998 following roles as a Chemist and Management Accountant in the analytical chemistry, agri-science and manufacturing industries.

John's career in daa has included IT, Maintenance, Property and Car Parks positions. John was appointed Dublin Airport's General Manager Commercial in 2012 where he led significant expansion of the B2B, B2C and property portfolios.

He has recently taken on the position of Director of Operations. John holds a BA in Chemistry from Trinity College Dublin.

Our governance structure

daa is a commercial state company. The Group's principal activities are set out in the Report of the Directors on page 82.

Shareholder

Board of Directors

Board sub-committees

Audit and Risk Committee

The Audit and Risk Committee's principal responsibilities are to assist the Board in its oversight duties relating to internal control and risk management, financial reporting, external audit and internal audit. The remit of the Audit & Risk Committee extends across the Group including daa Finance plc, daa Operations Limited, Aer Rianta International cpt and daa International Limited.

See **page 80**

Culture, Security and Safety Committee

The Culture, Security and Safety Committee's principal responsibility is to monitor the integrity of the company's, health, safety & security systems at its airports and to monitor and advise the Board on company culture including staff wellbeing matters. The company's focus on culture includes safety and security, respecting each other, embracing diversity, living the company values, and striving for excellence.

See **page 79**

Nomination and Remuneration Committee

The Nomination and Remuneration Committee's principal responsibilities are to select, appoint and determine the remuneration and other terms and conditions of employment of the CEO, determine the remuneration policy in relation to senior management including performance related pay, review the ongoing appropriateness and relevance of remuneration policies and determine any structural changes required to such policies, including pension and severance scheme arrangements.

See **page 79**

Finance Committee

The Finance Committee's principal responsibilities are to consider and advise the Board on the Group's funding strategy and structure, debt and liquidity positions and the Group's five-year financial forecasts and financial plans; to oversee major financing and to make recommendations to the Board on treasury policies, borrowing limits, financial risk levels, targeted credit rating and dividend policy.

See **page 79**

Strategic Infrastructure and Sustainability Committee

The Strategic Infrastructure and Sustainability Committee's principal responsibilities are to advise the Board on the medium and long-term infrastructural needs and the capital investment programmes for Dublin and Cork airports and to consider and advise the Board on sustainability legislation/regulations, strategic sustainability ambitions, sustainability & climate-related risks and opportunities, and all related matters designed to achieve the company's sustainability commitments and goals.

See **page 79**

Executive Management Team

See **page 70**

CEO

See **page 70**

Governance report

This Governance report sets out daa's governance structures and highlights the main areas of focus for the Board during 2021. The Code of Practice for the Governance of State Bodies, the Annex to the Code of Practice on Gender Balance, Diversity and Inclusion and Amendments to the Annex on Remuneration and Superannuation issued in August 2016, September 2020 and July 2021 respectively, (the "Code of Practice"), by the Company's Principal Shareholder, the Minister for Public Expenditure and Reform, sets out the principles of corporate governance which the Boards of State Bodies are required to observe. daa complies with the Code of Practice in all material respects. The company also has a comprehensive capital appraisal process that seeks to apply good practice and, where appropriate, the relevant aspects of the Public Spending Code in the appraisal and management of investment proposals. The Cork Airport Runway project, which received Government funding, was subject to the Full Public Spend Code Lifecycle and Decision Gates process with final business case/funding being approved by the Minister of State at the Department of Transport.

In addition, in corporate governance matters, the Company has regard to recognised frameworks such as the UK Corporate Governance Code (the "Corporate Governance Code") and the Irish Corporate Governance Annex in order to meet its commitments to maintaining high standards of corporate governance and business conduct.

Board structure and appointments to Board

The Board governance structure is set out on the previous page.

The Board structure is prescribed by statute and set out in the Air Navigation and Transport (Amendment) Act 1998 (the "1998 Act"), as amended by the State Airports Acts, 2004 and 2014. Board vacancies are filled in accordance with Guidelines on Appointments to State Boards. The legislation provides that;

- The number of Directors shall be no more than 13;
- Each Director (including the Chairperson) shall be appointed (or removed from office) by the Minister for Transport (the 'Shareholder') with the consent of the Minister for Public Expenditure and Reform (the "Principal Shareholder") for a period not exceeding five years and shall be eligible for reappointment;
- Four of the Directors of the Company (the 'Elected Directors') shall be appointed by the Shareholder following a staff election process as provided for under the Worker Participation (State Enterprises) Acts, 1977 & 1988 (the 'Worker Participation Acts'); such Directors are appointed for a period of four years and are eligible for re-election;
- The Chief Executive (the 'CEO') shall be an ex officio Director of the Company;
- Decisions regarding the appointment and re-appointments of Directors and the filling of Board vacancies (other than, in each case the CEO and Elected Directors) are made by Shareholder in accordance with established arrangements for appointments to State boards; and
- The roles of the Chairperson and CEO are separate.

Role of the Board

The Shareholder's objectives and priorities have been communicated to the Board through, inter alia, the formulation of the National Aviation Policy and a Letter of Expectation. Through regular contact with relevant Government departments, the Board and management maintain ongoing reporting and dialogue with the Shareholder on strategic issues and matters of importance to the Shareholder. The Board has established procedures to ensure that Board members have an understanding of the views of the Shareholder. This is achieved through briefings to Directors from the Chairperson who, with the CEO, maintains regular dialogue with the Shareholder and Department officials. The Board welcomes the receipt of the Shareholder Expectation Letter in February 2022 and will continue to engage with the Shareholder on the matters contained therein.

The Board is responsible for creating the organisation's culture and directing the Group's activities. The Board's role is to provide leadership and direction for the Group within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board has put in place a corporate governance structure which provides for appropriate oversight at Board level and delegation to management.

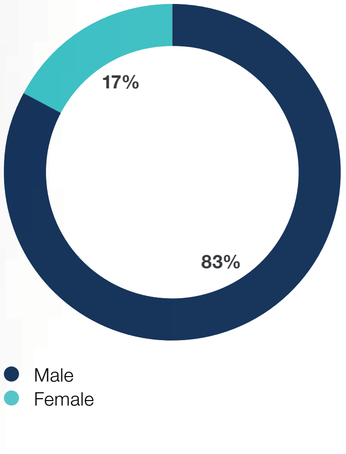
The Board satisfies itself that controls are adequate to secure compliance with statutory and governance obligations.

The Board has a formal schedule of matters reserved for its decision. These include:

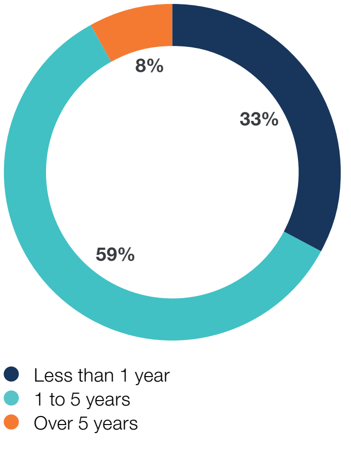
- The approval of daa's Group strategy, annual budget and Financial Statements;
- Evaluating performance versus strategy and budget;
- Appointment of the CEO;
- Policy on determination of senior management remuneration;
- Risk management; and
- Major capital expenditure and investment decisions.

The charts below show the Board composition as at May 20, 2022.

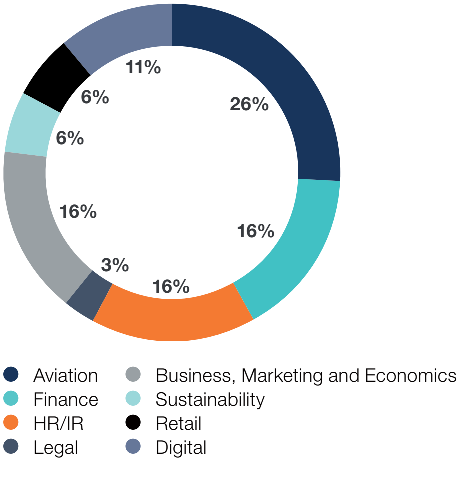
Current gender balance



Tenure



Expertise



Roles and responsibilities

Chairperson – **Basil Geoghegan**

- leads the Board and is responsible for organising the business of the Board, ensuring its effectiveness in all aspects of its role;
- is responsible for displaying high standards of integrity and probity and is responsible for setting expectations regarding culture, values, and behaviours and the tone of discussions at Board level;
- facilitates the effective contribution of Directors and ensures that Directors receive accurate, timely and clear information; and
- manages effective communication with the Shareholder.

CEO – **Dalton Philips**

- is responsible for the management of the business and implementation of the Group's strategy and policy; and
- leads the Executive Team.

Senior Independent Director – **Risteard Sheridan**

- provides a sounding board for the Chairperson;
- serves as an intermediary for the other Board members where necessary; and
- facilitates an annual meeting of the Board members to generally appraise the Chairperson's performance.

Company Secretary – **Miriam Ryan**[1]

- ensures the Board receives information in a timely manner to enable full and proper consideration of issues;
- is responsible for the formal induction of new members;
- is responsible for advising and reporting on governance matters; and
- ensures that Board procedures are followed.

1. Marion O' Brien resigned as Company Secretary on 17 August, 2021, and Miriam Ryan was appointed as Company Secretary on this date.

Board performance and effectiveness

The Board acts on a fully informed and ethical basis, in good faith and in the best interest of the company having due regard to its legal responsibilities and the objectives set by the Shareholder. All Board members are afforded the opportunity to fully contribute to Board deliberations, and to provide constructive challenge, while excessive influence on Board decision making by one or more individual members is guarded against.

The Board is provided with regular information, which includes key performance information across all aspects of the Group's business. Regular reports and papers are circulated to the Directors in a timely manner in preparation for Board and committee meetings. These papers are supplemented by information specifically requested by the Directors from time to time. Management and financial information is provided to all Directors, enabling them to scrutinise the Group's and management's performance against agreed objectives.

The Directors have a blend of skills and experience in the areas of aviation, finance, legal, corporate compliance, digital, business, marketing, sustainability, retail and industrial relations. These skills bring the necessary competence to the Board to address the major challenges for the Group. Directors draw on their experience and knowledge in the development of strategy and use their diverse range of skills to constructively challenge matters of strategic importance to the Group. The experience and knowledge of Directors is also taken into consideration in determining the requirements and membership of the Board committees.

The Board is satisfied that its size and structure as prescribed in legislation, is appropriate and achieves a balance of representation on the Board.

At the beginning of 2021, there were two vacancies on the Board. The Shareholder appointed Peter Cross and Ger Perdisatt to the Board on 4 March, 2021 and 5 July, 2021 respectively, following a recruitment and selection process. The term of office of the Chairperson, Basil Geoghegan expired on 13 June, 2021 and he was re-appointed as Chairperson on 14 June, 2021 for a period of five years. The term of office of Patricia King expired on 1 July, 2021. The term of office of Risteard Sheridan expired on 23 September, 2021 and he was re-appointed on 24 September, 2021 for a period of five years. Paul Mehlhorn resigned from the Board on 18 December, 2021. The terms of office of Eric Nolan and Joseph O'Sullivan expired on 8 January, 2022.

daa held an election in December 2021 in accordance with the Worker Participation (State Enterprises) Acts to elect four worker representatives to the Board. Denis Smyth was re-elected and MarkJames Ryan, Des Mullally and James Kelly are newly elected Directors with effect from 9 January, 2022.

daa is engaging with the Shareholder in relation to filling the remaining current Board vacancy.

Board evaluation

The Board seeks to continually improve its effectiveness and conducts an evaluation of its performance on a regular basis. A self-evaluation was completed in respect of 2021. The areas of performance assessed were aligned with the model Board self-assessment evaluation questionnaire provided in the Code of Practice and included strategy, risk management and internal control, Boardroom practice and Board effectiveness, performance of committees and gender, diversity and skills mix within the Board.

There were no material issues arising regarding board performance in 2021. Certain areas and opportunities for improvement were identified and actions are underway to address these matters.

Independence of Directors

The Directors and Company Secretary had no beneficial interest in the shares or loan stock of the company or in those of its subsidiaries at any time during the year or the preceding financial year. The Board considers that all Directors are independent in character and judgement.

Contracts of employment: Having regard to the independence criteria as set out in the Corporate Governance Code, the Board considers that the CEO and the four elected Directors all of whom have contracts of employment with the company, cannot for that reason be considered as independent.

Other interests: On occasion, members of the Board may also hold directorships or executive positions or have interests in third party companies including trade union organisations or airlines, some of which (or their affiliates) may, in the normal course of business, undertake transactions on an arm's length basis with the Group. Disclosure is provided, as required, in Note 30 (Related Party Disclosures) of the Financial statements, of relevant related party transactions where a Director holds a material interest in the relevant entity. In accordance with company law, details of directorships held by members of the Board are filed in the Companies Registration Office.

Basil Geoghegan, Chairman of the Board, is a partner of PJT Partners, a US-based publicly listed advisory investment bank, and has been directly involved in advising certain daa corporate customers.

Ger Perdisatt, a member of the Board, is an executive of Microsoft Ireland, a supplier of daa. Mr Perdisatt's position was disclosed to and considered by the Shareholder prior to his appointment.

Raymond Gammell, a member of the Board, is a former executive of Etihad Airways, a customer of daa. Mr. Gammell's position was disclosed to and considered by the Shareholder prior to his appointment.

Board procedures: The Board has specific procedures to deal with potential conflicts of interest that may arise. Directors are required, in accordance with the provisions of section 34 of the 1998 Act and the Code of Practice, to disclose any relevant interest and absent themselves from Board discussions where they have a direct or indirect interest.

The terms and conditions of appointment of Directors are available for inspection on request.

Access to professional advice

All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are complied with. The company's professional advisers are available to the Board as required. Individual Directors may take independent professional advice, in line with company procedures, at the company's expense.

Induction, training and development of Directors

On appointment, Directors are provided with detailed briefing documents, governance, financial and operational information and an opportunity to be briefed by executives on the different aspects of the business of the Group. Directors have access to training programmes and the ongoing development needs of Directors are kept under review.

Directors' remuneration

Fees for Directors are determined by the Shareholder, with the consent of the Principal Shareholder.

The remuneration of the CEO is determined in accordance with the arrangements issued by the Department of Transport, for determining the remuneration of CEOs of commercial State Bodies under its aegis and is set by the Nomination and Remuneration Committee in conjunction with the Shareholder and with the approval of the Principal Shareholder.

In line with the Code of Practice only one fee is payable to a Director in respect of service on the main Board and boards of subsidiary or associated bodies where applicable. No Directors' fee is payable to the CEO for service on the Board. Executives of the company who may serve on the Boards of subsidiary or associated companies do not receive any additional remuneration in respect of their directorships. Elected Directors, who receive a fee for their services as a Director, are separately remunerated for services provided to the company under their normal contracts of employment.

Details of Directors' fees and emoluments, including those of the CEO, are set out in Note 8 to the Financial Statements in accordance with the requirements of the Companies Acts 2014, and the Code of Practice.

Board committees

The Board has an effective committee structure to assist in the discharge of its responsibilities. The Board committees comprise Audit and Risk Committee, Finance Committee, Culture, Security and Safety Committee, Nomination and Remuneration Committee and Strategic Infrastructure and Sustainability Committee. The specific responsibilities delegated to those Board committees are set out in their Terms of Reference. Following each meeting, the committees report to the Board on the issues within their remit. The attendance of members at Board and committee meetings is set out in the table below. Terms of reference for the committees are available from the Company Secretary on request.

Meetings

Meetings of the Board are held throughout the year. During the year under review, there was a requirement for the Board to meet more frequently than usual to deal with the ongoing issues arising from the COVID-19 crisis. The Board met 12 times during 2021.

Attendance at Board and Committee Meetings during 2021

Director	Board	Audit and Risk	Culture Security and Safety	Nomination and Remuneration	Strategic Infrastructure and Sustainability	Finance
Basil Geoghegan	12			7	2	3 (+1 not attended)
Peter Cross	10	3				
Raymond Gammell	11 (+1 not attended)		5	7		
Marie Joyce	12	7			2	4
Patricia King	5 (+1 not attended)					
Paul Mehlhorn	11 (+1 not attended)		4 (+1 not attended)			
Karen Morton	12		3		2	
Eric Nolan	12					
Joseph O'Sullivan	12		5			
Ger Perdisatt	6	2				
Dalton Philips	12				2	4
Risteard Sheridan	12	7		3		
Denis Smyth	12		5			4

The blue figures in each column indicates the number of meetings attended by the Director during the year. The grey figures represent the number of Board and relevant committee meetings not attended by a Director.

Code of Practice

The Code of Practice sets out a number of compliance requirements including the publication of the Board's Statement on the System of Internal Control, which accordingly is set out below.

Statement on the system of internal control

Scope of responsibility

The Board is responsible for establishing and maintaining the system of internal control throughout the Group. The system of internal control comprises those ongoing processes for identifying, evaluating and managing the significant risks faced by the Group and the key structures and procedures designed to provide an effective system of internal control.

Purpose of the system of internal control

The system of internal control is designed to manage rather than eliminate risk of failure and can therefore only provide reasonable and not absolute assurance that the Group will not suffer material misstatement or loss. The Directors are satisfied that the Group's systems of internal control operated as planned for the year under review and up to the date of approval of the Financial Statements.

Risk management

The Board has responsibility for determining the nature and extent of the significant risks the Group is willing to take in achieving its strategic objectives, is committed to the proactive management of risk and has a risk management system in place designed to anticipate and address, to the extent possible, material changes to the Group's business and risk environment.

The Board defines risk appetite for the Group, and seeks to ensure that through processes and structures, risk management is embedded across the organisation in normal business activities and decision making. The Board receives a risk report at each meeting, which focuses on principal risks and key risk mitigation activities.

The Audit and Risk Committee has defined terms of reference and membership which incorporates recent and relevant financial experience and meets at least four times per year.

The internal audit function is adequately resourced and conducts a programme of work agreed with the Audit and Risk Committee.

Risk and control framework

The risk management system identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks. Details of the risk management process are outlined in the Risk report on pages 38 to 47.

A number of key structures and procedures designed to provide an effective system of internal control have been established. The key structures and procedures that are used to maintain and monitor an effective internal control system, and which are supported by detailed controls and processes, are as follows:

Strategic Planning	Periodic preparation and adoption of a strategic plan to set future direction together with rolling five-year business and financial plans.
Board Oversight	A Board approved Corporate Governance Policy and Framework, which includes a schedule of items reserved to the Board for approval.
	An active Board sub-committee structure.
	A Nomination and Remuneration Committee responsible for inter alia, the appointment, remuneration and assessment of the performance of and succession planning for the CEO.
	An Audit and Risk Committee, which reviews audit plans and deals with significant control issues raised by the internal or external auditors and meets periodically with the internal auditors and the external auditors.
	A Culture, Security and Safety Committee that monitors the integrity of the Health & Safety and Security systems at the company's airports and company culture including staff wellbeing matters.
	A Finance Committee to oversee major financing arrangements and advise the board on strategic financial matters.
	A Strategic Infrastructure and Sustainability Committee that considers capital investment plans, sustainability matters and other related issues at Dublin and Cork airports.
	Representation at Board level in the Group's principal associates and joint ventures by senior Group executives; Investments in associated and joint venture companies are considered as part of the Group's ongoing risk management review process.
	Separate Boards that monitor the governance and performance of each subsidiary company.
Management Structures	A clearly defined organisation structure with appropriate segregation of duties and delegation of responsibility; authority within which the Group's activities is planned, executed, controlled and monitored to achieve the strategic objectives that the Board has adopted for the Group.
	Through a process of continuous improvement of the safety and environmental management systems, key issues and concerns are raised and communicated appropriately, and are actively monitored, reported and managed throughout the organisation to executive and Board level.
	An Internal Audit department that reviews key systems and controls with full access to systems, controls, documentation and the Audit and Risk Committee.

Risk Management	An Executive Risk Committee to monitor risk management and governance and to assist the Board in discharging its responsibilities in ensuring that risks are properly identified, reported and assessed; that risks are appropriately mitigated and controlled; and that strategy is informed by, and aligned with, the Group's risk appetite.
Monitoring and Control	A comprehensive system of management and financial reporting across all functions including finance, legal and other corporate services, health, safety and security, asset management and development, commercial and operations.
	Clearly defined limits and procedures for financial expenditure.
	Executive management over-seeing capital, revenue, cost and employment matters.
	Annual scorecards, budgets and financial plans for the Group and business units.
	Regular monitoring of Group financial and operating performance against budgets and scorecards; regular reporting to Board on business performance.
	The company has specific arrangements for procurement in place including a formal procurement function and the promulgation of policies and procedures to staff to ensure compliance with the applicable EU and Irish legal requirements (in particular, the Utilities Directive 2014/25/EU and the Concessions Directive 2014/23/EU and the associated secondary legislation under Irish law).
Management Certifications	Annual certification by Head of Business Units in respect of any material changes in Business Unit internal control structures or significant internal control weaknesses, other than those already identified in internal or external audit reports.

Review of effectiveness of risk management and control procedures

daa has procedures to monitor the effectiveness of its risk management and control procedures. daa's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within daa responsible for the development and maintenance of the internal control framework.

The Board conducted an annual review of the effectiveness of the internal controls for 2021. No significant weaknesses in key internal control procedures were identified in relation to 2021 that have had a material impact on the Group's financial performance or condition, that require disclosure in the Financial Statements.

Gender balance, diversity, and inclusion

The Annex to the Code of Practice, on Gender Balance, Diversity and Inclusion ("Code of Practice") was issued in September 2020, by the Company's Principal Shareholder, the Minister for Public Expenditure and Reform. The annex sets out the requirement to provide an account of the approach being adopted in relation to the promotion of diversity and inclusion, including with regard to gender balance, in the specific context of the organisation; and on the progress and achievements in this regard.

The gender balance on the Board is included on page 73 of this report. When engaging and advising the Shareholder of the skills and experience sought in relation to new Board appointments, regard is had to the benefits of having a balanced Board in terms of gender and diversity of skills. An account of the company's approach to diversity and inclusion is included in the People section of the annual report on page 57.

Protected disclosures

Pursuant to section 22 of the Protected Disclosures Act 2014, daa plc reports that no protected disclosures were received by the Group during 2021.

Code of Practice reporting requirements

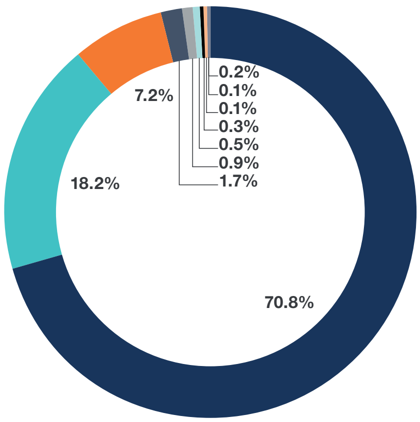
Reporting requirements

The Code of Practice also sets out reporting requirements in relation to specific types of expenditure for the year ended 31 December, 2021. Travel and subsistence costs charged to the profit and loss account for the year amounted to €0.3 million (national) and €0.5 million (international). Hospitality and staff wellbeing costs (including costs associated with staff screening) charged to the profit and loss account amounted to €2.7 million. Consultancy costs charged to the profit and loss account amounted to €2.6 million. The main consultancy costs incurred in 2021 relate to strategy consultants cost of €0.8 million, consultancy costs in respect of a rates appeal of €0.6 million, regulatory consultancy costs of €0.2 million, Dublin Airport proposition consultancy costs of €0.1 million, with the remaining other consultancy of €0.9 million relating to information technology, energy, communications and labour management.

Legal costs of €0.5million and settlement payments of €1.3 million were paid during the year for concluded and settled legal and insurance cases. Amounts relating to pension costs charged to the profit and loss account were €12.1 million as set out in Note 3 to the Financial Statements. Total termination payments paid in the year amounted to €22.2 million, including €10.5 million relating to early retirement benefits under the voluntary severance scheme, all of which was accrued in 2020.

Employee benefits comprise all regular earnings, salary, overtime, shift-related, performance-based earnings and other benefits such as medical insurance, but exclude employer pension contributions. Overtime paid during the year amounted to €1.2 million and allowances paid during the year amounted to €5.1 million for the year ended 31 December, 2021, which are included in employee benefits as displayed below. Details of employee benefits for the Group's activities across its domestic and international businesses are displayed in the chart below. Key management compensation comprising salaries, fees and other short-term benefits of €4 million, post-employment benefits of €0.4 million and termination benefits of €1.1 million were recognised during the year.

Employee remuneration



Total remuneration	No. of employees*
Up to €50,000	2,705
€50,000 to €75,000	694
€75,000 to €100,000	275
€100,000 to €125,000	64
€125,000 to €150,000	35
€150,000 to €175,000	21
€175,000 to €200,000	11
€200,000 to €225,000	5
€225,000 to €250,000	5
> €250,000	8

* Employee numbers include all full and part-time employees who worked for the Group for any portion of the year. Employee numbers expressed on a full-time equivalent basis and total payroll and related costs are disclosed in Note 3 to the Financial Statements.

Committee overview

The Board has an effective committee structure to assist in the discharge of its responsibilities.

Finance Committee

Members	Appointed to Committee
Marie Joyce, Chair	March 2020
Basil Geoghegan	March 2020
Dalton Philips	October 2017
Denis Smyth	March 2016

The Finance Committee met four times during the year and the work of the committee was primarily to review and consider major financings including a €150million Eurobond issue which was finalised in September 2021.

Nomination and Remuneration Committee

Members	Appointed to Committee
Basil Geoghegan, Chair	June 2018
Raymond Gammell	March 2020
Risteard Sheridan	September 2021

Risteard Sheridan was appointed to the committee on 17 September, 2021. The Nomination and Remuneration Committee met seven times during the year and the work of the committee included oversight of remuneration arrangements and an assessment of the company's voluntary severance scheme.

Culture, Security and Safety Committee

Members	Appointed to Committee
Raymond Gammell, Chair	March 2020
James Kelly	February 2022
Karen Morton	August 2021
Des Mullally	February 2022
Denis Smyth	March 2014

Karen Morton was appointed to the committee on 31 August, 2021. On 17 September, 2021, the Board agreed that the Health, Safety, Security and Environment Committee would become the Culture, Security and Safety Committee. The terms of reference of the committee were updated accordingly. Paul Mehlhorn resigned from the Board and the committee on 18 December, 2021. Joseph O'Sullivan resigned from the committee on 8 January, 2022 when his term of office expired. James Kelly and Des Mullally were appointed to the committee on 8 February, 2022.

The committee met five times in 2021. In fulfilling its role, the committee reviews the organisational structures in place to give effect to daa's Safety and Security compliance systems. It reviews and monitors performance metrics, receives incident reports and monitors the processes in place for training and communication of policies and procedures. The committee also monitors and advises the Board on company culture including staff wellbeing matters.

Strategic Infrastructure and Sustainability Committee

Members	Appointed to Committee
Basil Geoghegan, Chair	June 2018
Marie Joyce	September 2021
Karen Morton	March 2020
Dalton Philips	October 2017
Mark James Ryan	February 2022

On 23 July, 2021, the Board agreed that the Strategic Infrastructure Committee would become the Strategic Infrastructure and Sustainability Committee. The Terms of Reference were updated accordingly. Marie Joyce was appointed to the committee on 17 September 2021 and Mark James Ryan was appointed to the committee on 8 February 2022.

The committee met twice in 2021 primarily to consider capital investment plans, sustainability matters and other related issues at Dublin and Cork airports.

Audit and Risk Committee

Members	Appointed to committee
Risteard Sheridan, Chair	November 2018
Peter Cross	July 2021
Marie Joyce	February 2020
Ger Perdisatt	September 2021

Peter Cross was appointed to the committee on 23 July, 2021 and Ger Perdisatt was appointed to the committee on 17 September, 2021.

The Audit and Risk Committee met seven times in 2021. During the year, the committee held meetings without management present and also met privately with both the external and internal auditors. The Group Head of Internal Audit has a direct line of communication with the Chair of the Audit and Risk Committee. The Group Head of Internal Audit's executive reporting line is to the CEO and he is appointed, and may only be dismissed, by the committee.

Regular attendees at committee meetings, at the invitation of the committee, include the CEO, Group Chief Financial Officer, Company Secretary, Group Head of Internal Audit and representatives from the firm of external auditors.

Report of Audit and Risk Committee activities

Area of responsibility	Activity of the committee
Internal control and Risk Management	Received briefings on COVID-19 impact on operational risks, finance and reporting and internal controls; • Considered COVID-19 finance and people-related issues, including restructuring and working hours; • Reviewed the effectiveness of the Group's system of internal control and satisfied itself that it operated as planned for the year under review; • Considered any instances of potential weaknesses and relevant improvements to internal controls; • Monitored controls, including financial, operational and compliance controls and risk management processes; • Monitored the Group's ongoing process for identifying and evaluating the significant risks affecting the Group and the policies and procedures by which these risks are managed; • Reviewed internal risk and top risk summaries, business continuity priorities and activities; • Received reports and updates on controls and processes in place for Capital Projects; • Received updates from IT around Business Processes, IT/Cyber Security & Business Resilience, Risks and Controls; and • Received a report on the rollout of the Voluntary Severance Scheme.
Financial Reporting	• Reviewed the draft annual Financial Statements before recommending their approval to the Board; • Considered the appropriateness of the significant accounting policies, estimates and judgements applied in preparing these Financial Statements, together with presentational and disclosure issues; • Reviewed the financial obligations of the Group in relation to international business; • Received briefing on tax matters and developments; and • Considered the appropriateness of adopting the going concern basis of preparing the Financial Statements.
Protected Disclosures and Fraud	• Received reports from the Group Head of Internal Audit on confidential reporting and/or protected disclosures; and • Received assurances that procedures are in place to ensure compliance with the company's Anti-Bribery, Corruption & Fraud Policy.
External Audit	• Carried out an assessment of the auditor's independence and objectivity; • Monitored the external auditor's compliance with relevant regulatory, ethical and professional guidance on the rotation of partners, and assessed the qualifications, expertise, resources and the effectiveness of the audit process; • Received updates on the progress of the statutory audit tender process and the appointment of the external auditor from 2022; • Received and considered presentations from audit firms setting out their proposition for providing audit and tax compliances services to daa plc; and • Made a recommendation to the Board in relation to the appointment of an external auditor and taxation compliance advisor following a tender process.
Internal Audit	• Reviewed the plans and work undertaken during the year by the Group's Internal Audit department, including reports relating to the operation of internal controls, reports relating to overseas subsidiary and associated undertakings, security, procurement, financial and operations, capital investment and IT, and the consequential actions agreed with management; • Reviewed the findings of internal audits and considered management's progress in addressing the relevant issues, including the nature, extent and speed of response; and • Agreed a risk-based internal audit annual plan, including the resources required, and considered the alignment of internal audit focus with the areas of greatest risk facing the Group.

Financial reporting

The Audit and Risk Committee receives year-end Financial Statements from management, reviews any significant financial reporting judgements and considers the integrity of the Financial Statements of the Group and any formal announcements relating to the Group's financial performance.

The committee considers whether, in its opinion, the annual report and Financial Statements are fair, balanced and understandable, and provide the information necessary for an assessment of daa's financial position, financial performance and strategy. This review is supported by the processes, procedures and reporting in place, consideration of the key issues and events during the year and reports and information from internal and external auditors. Following its review, the Audit and Risk Committee is satisfied the annual report and Financial Statements meet the requirements as outlined above.

External audit

The committee takes appropriate steps to ensure that an objective and professional relationship continues to be maintained with the external auditor.

In assessing auditor independence and objectivity, the committee reviews:

a) the nature and extent of the services provided, and fees earned, for external audit and non-audit work carried out by the external auditor; and
b) compliance with the Group's policy governing the provision of non-audit services to the Group whereby clear rules and limits are in place, permitting non-audit services which do not present a conflict of interest.

During the year, a formal external audit tender process was undertaken with oversight by the Audit and Risk Committee on the Board's behalf, following which the Board selected EY as the external auditor for the company. A resolution to formally approve the appointment of EY as external auditors will be put to shareholders at the Annual General Meeting (AGM).

Fees paid to the Group's auditor for audit services, audit-related services and other non-audit services are set out in Note 8 of the Financial Statements. There were no instances where the external auditor was engaged to provide services that were adjudged to give rise to a conflict of interest.

Anti-fraud policies

Having considered the reports provided by the Group Head of Internal Audit regarding the confidential reporting system and compliance with the company's Anti-Bribery, Corruption & Fraud Policy, the committee is satisfied that appropriate procedures are in place for follow-up of any relevant matters.

Report of the Directors

The Directors have pleasure in submitting their Annual Report together with the audited Financial Statements for the year ended 31 December, 2021 in accordance with the requirements of Section 325 of the Companies Act 2014.

Principal activities

The Group's principal activities are airport development, operation and management, international airport retailing and international airport investment. The Group owns and operates the two largest airports in the Republic of Ireland, has airport retail activities in Ireland and a range of international locations. Outside of Ireland, the Group currently has investments in three European airports, and operates Terminal 5, at King Khalid International Airport in Riyadh, Saudi Arabia on a contract basis.

Review of the business and future developments

Commentary on performance for the year ended 31 December, 2021, including information on recent events and likely future developments are contained in the Chief Executive's Review. The financial position, principal risks and uncertainties facing the business and key performance indicators are contained in the Chief Financial Officer's review and the Risk report.

Implications of COVID-19

The COVID pandemic continued to present a number of different risks to the Group's principal activities. Further details of the historical and ongoing impact of COVID on the Group are set out in Note 35.

Results and dividends for the year

The financial results of the Group for the year show a loss for the financial year amounting to €103.2 million compared with a loss of €187.4 million for 2020, in both cases after taxation and before exceptional items.

Details of the results for the year are set out in the Group profit and loss account and related notes.

The Board does not propose the payment of a dividend in respect of the year ended 31 December, 2021 (2020: €nil).

There are no significant post balance sheet events that require adjustment to the Financial Statements or inclusion of a note thereto.

Going concern

The COVID-19 pandemic continued to have an adverse impact on domestic and international travel during 2021. The rollout of successful vaccination and booster programmes both domestically and internationally has facilitated the relaxation of COVID-related lockdowns and the outlook for the aviation industry has improved as a result of this. While the financial results for the daa Group for 2021 were impacted by the pandemic, the Directors expect that operations will continue to improve.

The Directors, having reviewed the Group's projections, with particular reference to its operating cash flow, capital commitments, liquidity and funding position, and in light of the ongoing impact of COVID, continue to have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

Accounting records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate systems, appropriate controls and resources to the financial function. The books of account of the Company are maintained at the Company's premises at Dublin and Cork airports and at its Shared Services Centre in Limerick.

Information to the auditors

Each Director confirms that, so far as they are aware, there is no relevant audit information of which the company's statutory auditors are unaware and that they have taken all appropriate steps to make themselves aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Research and development

During the year, the Group engaged in certain research and development related activities, primarily in relation to development in the information technology area.

Health and safety

The wellbeing of the Group's employees is safeguarded through the strict adherence to health and safety standards. The Safety, Health and Welfare at Work Acts 2005 and 2010 impose certain requirements on employers and all relevant companies within the Group take the necessary action to ensure compliance with the Acts.

Subsidiary, associated and joint venture undertakings

The information required by Section 314 of the Companies Act 2014 in relation to subsidiary, associated and joint venture undertakings is set out in Note 14.

Prompt Payments Act

Internal financial controls are in place to ensure compliance, in all material respects, with the provisions of the Prompt Payment of Accounts Act 1997 as amended by the European Communities (Late Payments in Commercial Transactions) Regulations 2002 and 2012. Standard terms of credit taken, unless otherwise specified in specific contractual arrangements, are 30 days. As in previous years, substantially all payments were made within the appropriate credit period as required.

Political donations

The Group did not make any political donations during the year.

Lobbying Act

In accordance with the Regulation of the Lobbying Act, 2015, the Group is registered and has made returns in compliance with the Act.

Directors' Compliance Statement

As required by section 225(2) of the Companies Act 2014 the Directors: (a) acknowledge that they are responsible for securing the company's compliance with its relevant obligations (as defined in that legislation); (b) confirm that a compliance policy statement has been drawn up and that appropriate arrangements or structures are in place that are, in the opinion of the Directors, designed to secure material compliance with the relevant obligations; and (c) confirm that a review has been conducted during the 2021 financial year of the arrangements and/or structures that have been put in place as referred to in (b) above and are compliant.

Events after the end of the Reporting Period

One of the Group's subsidiaries has been chosen as the partner of choice by ANA Aeroportos de Portugal, from VINCI Airports group, to form a joint venture company to operate c.10,000 sqms of duty free and duty paid retail concession space in Portugal.

From 1 June 2022, the contract covers eight airport locations in Lisbon, Porto, Faro, Madeira Islands (Madeira and Porto Santo) and Azores Islands (Ponta Delgada, Santa Maria, Horta). This requires an initial capitalisation of €2.94 million from ARI as part of its involvement in the joint venture.

Post year-end, one of the Group's subsidiaries signed a 5 year management contract with JEDCO to manage the operations, commercial and engineering aspects at Jeddah King Abdulaziz International Airport in Saudia Arabia, which commenced in April 2022.

We note with concern the recent developments in respect of the invasion by Russia of Ukraine. We continue to monitor this ongoing conflict and to work to try and understand how this may impact global and local economies. Our initial assessment is that this will not have a material impact on our domestic and international passenger flows and profitability and we are satisfied that this is a non-adjusting subsequent event.

No other significant events affecting the Group have occurred since year end which would require disclosure or amendment of the financial statement.

Auditors

During the year, a formal external audit tender process was undertaken with oversight by the Audit and Risk Committee on the Board's behalf, following which the Board selected EY as the external auditor for the Group.
A resolution to formally approve the appointment of EY as external auditors will be put to shareholders at the AGM.

Approved by the Board and signed on its behalf by:

Basil Geoghegan
Chairman

Dalton Philips
Director

May 20, 2022

Directors’ responsibilities statement

The Directors are responsible for preparing the Directors’ report and the Financial Statements in accordance with the Companies Act 2014.

Irish company law requires the Directors to prepare Financial Statements for each financial year. Under the law, the Directors have elected to prepare the Financial Statements in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (“relevant financial reporting framework”). Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and parent company as at the financial year end date and of the profit or loss of the Group and parent company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these Financial Statements, the Directors are required to:
- select suitable accounting policies for the parent company and the Group Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Financial Statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and parent company will continue in business.

The Directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records that correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the Financial Statements and Directors’ report comply with the Companies Act 2014 and enable the Financial Statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Legislation in Ireland governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company’s website.

Independent Auditor's Report to the members of daa plc

Report on the audit of the financial statements

Opinion on the financial statements of daa plc ("the company")

In our opinion the group and parent company financial statements:
- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2021 and of the loss of the group for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

the group financial statements:
- the Group Profit and Loss Account;
- the Group Statement of Comprehensive Income;
- the Group Balance Sheet;
- the Group Statement of Changes in Equity;
- the Group Cash Flow Statement; and
- the related notes 1 to 38, including a summary of significant accounting policies as set out in note 37.

the parent company financial statements:
- the Company Balance Sheet;
- the Company Statement of Changes in Equity;
- the related notes 1 to 38, including a summary of significant accounting policies as set out in note 37.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the *"Auditor's responsibilities for the audit of the financial statements"* section of our report.

We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report for the year ended 31 December 2021, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report for the year ended 31 December 2021. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. 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 financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 opinion. 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 control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the 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 and parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the group to express an opinion on the (consolidated) financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.

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 the auditor identifies during the audit.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the parent company were sufficient to permit the financial statements to be readily and properly audited.
- The parent company balance sheet is in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made. Use of our report This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Emer O'Shaughnessy
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

Date: June 03, 2022

Group profit and loss account
for the financial year ended 31 December, 2021

	Note	2021 Pre-exceptional €000	2021 Exceptional & fair value movements €000	2021 Total €000	2020 Pre-exceptional €000	2020 Exceptional & fair value movements €000	2020 Total €000
Turnover – continuing operations	2	**324,090**	**–**	**324,090**	290,643	–	290,643
Operating costs							
Cost of goods for resale		**(72,525)**	**–**	**(72,525)**	(63,479)	–	(63,479)
Payroll and related costs	3	**(170,602)**	**–**	**(170,602)**	(183,933)	–	(183,933)
Exceptional items	6	**–**	**(1,579)**	**(1,579)**	–	(99,852)	(99,852)
Materials and services		**(105,275)**	**–**	**(105,275)**	(109,960)	–	(109,960)
		(348,402)	**(1,579)**	**(349,981)**	(357,372)	(99,852)	(457,224)
Other income	4	**49,359**	**–**	**49,359**	33,803	–	33,803
Earnings before interest, tax, depreciation and amortisation		**25,047**	**(1,579)**	**23,468**	(32,926)	(99,852)	(132,778)
Depreciation and amortisation		**(117,804)**	**–**	**(117,804)**	(125,839)	–	(125,839)
Fair value movement on investment property	6	**–**	**2,001**	**2,001**	–	(11,106)	(11,106)
Group operating loss – continuing operations		**(92,757)**	**422**	**(92,335)**	(158,765)	(110,958)	(269,723)
Share of operating (loss)/profit							
Joint venture undertakings		**1,210**	**–**	**1,210**	(563)	–	(563)
Associated undertakings	5	**(138)**	**–**	**(138)**	(33,307)	–	(33,307)
Group loss before interest and taxation		**(91,685)**	**422**	**(91,263)**	(192,635)	(110,958)	(303,593)
Finance income	7	**5,642**	**–**	**5,642**	830	–	830
Interest receivable and similar income	7	**1,157**	**–**	**1,157**	697	–	697
Interest payable and similar charges	7	**(27,165)**	**–**	**(27,165)**	(19,768)	–	(19,768)
Group loss on ordinary activities before taxation	8	**(112,051)**	**422**	**(111,629)**	(210,876)	(110,958)	(321,834)
Taxation on loss on ordinary activities	9	**11,410**	**(362)**	**11,048**	20,480	14,545	35,025
Loss after taxation		**(100,641)**	**60**	**(100,581)**	(190,396)	(96,413)	(286,809)
Attributable to:							
Non-controlling interest		**2,620**	**–**	**2,620**	(3,045)	–	(3,045)
Equity shareholders of the Group		**(103,261)**	**60**	**(103,201)**	(187,351)	(96,413)	(283,764)
Loss for the financial year for the Group		**(103,261)**	**60**	**(103,201)**	(187,351)	(96,413)	(283,764)

Group statement of comprehensive income
for the financial year ended 31 December, 2021

	Note	2021 €000	2020 €000
Group loss for the financial year		**(103,201)**	(283,764)
Exchange differences on translation of overseas investments (arising on net assets)			
Subsidiary undertakings	23	**2,445**	(3,800)
Associated undertakings	23	**1,517**	(2,183)
Re-measurement of net defined benefit liability	24	**2,182**	(214)
Deferred tax charge thereon		**(344)**	48
Other comprehensive loss for the financial year			
– Equity shareholders of the Group		**(97,401)**	(289,913)
Non-controlling interest profit/(loss) for the financial year		**2,620**	(3,045)
Exchange differences on translation of overseas non-controlling interests		**1,134**	(1,310)
Other comprehensive income/(loss) for the financial year			
– Non-controlling interest		**3,754**	(4,355)
Total other comprehensive income/(loss) for the financial year attributable to:			
– Non-controlling interest		**3,754**	(4,355)
– Equity shareholders of the Group		**(97,401)**	(289,913)

Group balance sheet
as at 31 December, 2021

	Note	2021 €000	2020 €000
Fixed assets			
Tangible assets	11	**2,018,295**	1,960,326
Intangible assets	12	**55,724**	57,178
Investment property	13	**190,937**	188,924
		2,264,956	2,206,428
Investments			
Investments in joint venture undertakings		**1,470**	127
Investments in associated undertakings		**71,853**	69,099
Other financial assets		**27,236**	22,369
Long-term loan to associated undertakings		**20,754**	14,989
Total investments	14	**121,313**	106,584
Total fixed assets		**2,386,269**	2,313,012
Current assets			
Stocks	15	**28,746**	32,071
Debtors	16	**54,438**	54,126
Cash and cash equivalents	26	**856,850**	785,314
		940,034	871,511
Creditors: amounts falling due within one year	17	**(375,082)**	(243,587)
Net current assets		**564,952**	627,924
Total assets less current liabilities		**2,951,221**	2,940,936
Creditors: amounts falling due after more than one year	18	**(1,696,523)**	(1,561,302)
Capital grants	20	**(18,712)**	(6,819)
Provisions for liabilities	21	**(89,965)**	(129,806)
Net assets		**1,148,021**	1,243,009
Capital and reserves			
Called up share capital – presented as equity	23	**186,337**	186,337
Profit and loss account		**942,867**	1,044,230
Other reserves	23	**384**	(3,578)
Shareholders' funds		**1,129,588**	1,226,989
Non-controlling interest	31	**18,433**	16,020
		1,148,021	1,243,009

The Financial Statements were approved by the Board of Directors and authorised for issue on 20 May, 2022. They were signed on its behalf by:

Basil Geoghegan
Chairman

Dalton Philips
Director

Company balance sheet
as at 31 December, 2021

	Note	2021 €000	2020 €000
Fixed assets			
Tangible assets	11	**1,984,991**	1,924,448
Intangible assets	12	**18,649**	14,730
Investment property	13	**183,347**	181,834
		2,186,987	2,121,012
Investments			
Investments in subsidiaries, associated undertakings and other financial assets	14	**14,314**	10,033
Total fixed assets		**2,201,301**	2,131,045
Current assets			
Stocks	15	**11,752**	11,382
Debtors	16	**79,202**	78,589
Cash and cash equivalents		**771,287**	740,940
		862,241	830,911
Creditors: amounts falling due within one year	17	**(1,560,420)**	(1,324,650)
Net current liabilities		**(698,179)**	(493,739)
Total assets less current liabilities		**1,503,122**	1,637,306
Creditors: amounts falling due after more than one year	18	**(491,742)**	(506,022)
Capital grants	20	**(18,712)**	(6,819)
Provisions for liabilities	21	**(85,924)**	(124,237)
Net assets		**908,506**	1,000,228
Capital and reserves			
Called up share capital – presented as equity	23	**186,337**	186,337
Profit and loss account		**722,169**	813,891
Shareholders' funds		**908,506**	1,000,228

The company reported a loss for the financial year ended 31 December 2021 of €93.2 million (2020: loss of €215.0 million).

The Financial Statements were approved by the Board of Directors and authorised for issue on 20 May, 2022. They were signed on its behalf by:

Basil Geoghegan
Chairman

Dalton Philips
Director

Group statement of cash flows
for the financial year ended 31 December, 2021

	Note	2021 €000	2020 €000
Net cash flows from operating activities before restructuring programme	25	**189,607**	(7,546)
Payments in respect of restructuring programme	21	**(22,140)**	(39,705)
Net cash flows from operating activities after restructuring programme		**167,467**	(47,251)
Cash flows from investing activities			
Dividends received		**734**	1,618
Acquisition of subsidiary undertaking		**–**	(4,650)
Cash acquired through acquisition of subsidiary undertaking		**–**	7,342
Loans to associate undertakings		**(8,000)**	(18,134)
Loans repaid from associate undertakings		**2,608**	–
Investment in associate undertakings		**–**	(1,196)
Proceeds from sale of tangible fixed assets		**145**	27
Additions to investment property		**–**	(6,939)
Additions to tangible fixed assets		**(190,846)**	(256,853)
Additions to intangible assets		**(7,817)**	(6,302)
Interest and similar income received		**142**	7
Income from other financial assets		**295**	385
Net cash flows from investing activities		**(202,739)**	(284,695)
Cash flows from financing activities			
Dividends paid to non-controlling interest	31	**(1,341)**	(504)
Repayment of bank loans		**(45,635)**	(46,378)
New bank loans		**10,000**	357,561
Interest and similar charges paid		**(30,423)**	(18,910)
Grants received		**12,657**	–
Proceeds from the issue of new loan notes		**159,655**	497,102
Net cash flows from financing activities		**104,913**	788,871
Net increase in cash and cash equivalents		**69,641**	456,925
Cash and cash equivalents at beginning of financial year		**785,314**	329,925
Effect of foreign exchange rate changes		**1,895**	(1,536)
Net increase in cash and cash equivalents		**69,641**	456,925
Cash and cash equivalents at end of financial year		**856,850**	785,314

A cash flow statement has not been disclosed for the company as it is taking an exemption from disclosing company cash flows under FRS 102, as the Group Consolidated Financial Statements prepares and discloses a cash flow statement.

Group statement of changes in equity
for the financial year ended 31 December, 2021

	Called-up share capital €000	Translation reserve €000	Other capital reserve €000	Profit and loss account €000	Total €000	Non-controlling interest €000	Total €000
At 1 January, 2021	**186,337**	**(3,824)**	**246**	**1,044,230**	**1,226,989**	**16,020**	**1,243,009**
Loss for the financial year	**–**	**–**	**–**	**(103,201)**	**(103,201)**	**2,620**	**(100,581)**
Re-measurement of net defined benefit liability	**–**	**–**	**–**	**2,182**	**2,182**	**–**	**2,182**
Tax relating to items of other comprehensive income	**–**	**–**	**–**	**(344)**	**(344)**	**–**	**(344)**
Exchange differences on translation of overseas investments	**–**	**3,962**	**–**	**–**	**3,962**	**1,134**	**5,096**
Total comprehensive income	**–**	**3,962**	**–**	**(101,363)**	**(97,401)**	**3,754**	**(93,647)**
Acquisition	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Non-controlling interest dividend proposed and paid	**–**	**–**	**–**	**–**	**–**	**(1,341)**	**(1,341)**
Balance at 31 December, 2021	**186,337**	**138**	**246**	**942,867**	**1,129,588**	**18,433**	**1,148,021**
At 1 January, 2020	186,337	2,159	246	1,328,160	1,516,902	17,947	1,534,849
Loss for the financial year	–	–	–	(283,764)	(283,764)	(3,045)	(286,809)
Re-measurement of net defined benefit liability	–	–	–	(214)	(214)	–	(214)
Tax relating to items of other comprehensive income	–	–	–	48	48	–	48
Exchange differences on translation of overseas investments	–	(5,983)	–	–	(5,983)	(1,310)	(7,293)
Total comprehensive income	–	(5,983)	–	(283,930)	(289,913)	(4,355)	(294,268)
Acquisition	–	–	–	–	–	2,932	2,932
Non-controlling interest dividend proposed and paid	–	–	–	–	–	(504)	(504)
Balance at 31 December, 2020	186,337	(3,824)	246	1,044,230	1,226,989	16,020	1,243,009

Company statement of changes in equity
for the financial year ended 31 December, 2021

	Called-up share capital €000	Profit and loss account €000	Total €000
At 1 January, 2021	**186,337**	**813,891**	**1,000,228**
Loss for the financial year	**–**	**(93,195)**	**(93,195)**
Re-measurement of net defined benefit liability	**–**	**1,684**	**1,684**
Tax relating to items of other comprehensive income	**–**	**(211)**	**(211)**
Total comprehensive income	**–**	**(91,722)**	**(91,722)**
Balance at 31 December, 2021	**186,337**	**722,169**	**908,506**
At 1 January, 2020	186,337	1,028,912	1,215,249
Loss for the financial year	–	(214,959)	(214,959)
Re-measurement of net defined benefit liability	–	(71)	(71)
Tax relating to items of other comprehensive income	–	9	9
Total comprehensive income	–	(215,021)	(215,021)
Balance at 31 December, 2020	186,337	813,891	1,000,228

Notes on and forming part of the Financial Statements
for the financial year ended 31 December, 2021

1 General information and basis of preparation
daa plc is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is Three, The Green, Dublin Airport Central, Swords, Dublin. The nature of the Group's operations and its principal activities are set out in the report of the Directors.

The Financial Statements are prepared in accordance with generally accepted accounting principles in Ireland under the historical cost convention, modified to include certain items at fair value, and comply with Financial Reporting Standard 102 (FRS 102) of the Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in Ireland and Irish statute comprising the Companies Act 2014.

The reporting currency of the Group is considered to be Euro as that is the currency of the primary economic environment in which the Group operates.

The Financial Statements have been prepared in accordance with the accounting policies, as set out in Note 37, and have been applied consistently with the prior year. Refer to Note 38 for the Critical accounting judgements and key sources of estimation uncertainty.

2 Turnover
An analysis of the Group's turnover by class of business is as follows:

	2021 €000	2020 €000
Ireland		
Aeronautical revenue	**63,802**	88,902
Direct retailing and retail/catering concessions	**69,343**	47,099
Other commercial activities	**80,877**	75,078
Total Ireland	**214,022**	211,079
International retail and other activities	**110,068**	79,564
Total turnover	**324,090**	290,643
By geographical area		
Australasia	**9,924**	19,542
Europe	**271,869**	234,052
Middle East	**28,442**	22,836
North America	**13,855**	14,213
	324,090	290,643

An analysis of the Group's turnover by category is as follows:

	2021 €000	2020 €000
Sale of goods	**147,251**	103,678
Rendering of services	**176,839**	186,965
Total turnover	**324,090**	290,643

3 Payroll and related costs

	2021 €000	2020 €000
Staff costs comprise:		
Wages and salaries	**163,598**	172,260
Social insurance costs	**5,087**	9,569
Retirement benefit costs (Note 24)	**12,149**	13,100
Other payroll and related costs	**2,086**	2,473
	182,920	197,402
Staff costs capitalised into fixed assets (Note 11)	**(12,318)**	(13,469)
Payroll and related costs	**170,602**	183,933
Governments' wage subsidy schemes (Note 4)	**(39,472)**	(33,803)
Net payroll and related costs	**131,130**	150,130

	2021	2020
Average monthly employee numbers (full-time equivalents) were as follows:		
Airports	**2,168**	2,592
International activities	**644**	613
	2,812	3,205

4. Other income

	2021 €000	2020 €000
Governments' wage subsidy schemes	**39,472**	33,803
Government Grant Income	**8,520**	–
Other subsidy schemes	**1,367**	–
	49,359	33,803

The Group recognised €39.5 million in respect of non-repayable governments' support relating to wage subsidy schemes and €1.4 million in respect of other subsidy schemes introduced in Ireland and internationally in response to the COVID-19 pandemic.

The company also recognised €8.5 million in respect of state aid introduced for Irish airports as part of damage compensation measures relating to the COVID pandemic. At 31 December, 2021, €103.8 million of deferred government grant funding has been recognised in deferred income (see Note 17) in state aid provided for Irish airports as part of damage compensation measures relating to the COVID pandemic. The funds will be recognised in the profit or loss account on a systemic basis over the period in which the related costs for which the grants are intended to compensate.

5 Share of operating (loss)/profit of associated undertakings and joint ventures

€1.1 million profit (2020: €33.8 million loss) relates to the Group's share of profits/losses after interest and taxation for the year in its associated undertakings and joint ventures (see Note 14) as defined in Note 37. Management fees and other direct income from these undertakings and joint ventures are included in turnover of the Group. The Group's share of any profits or losses from transactions between the Group and its associated undertakings and joint ventures are eliminated where they are included in the carrying amount of the assets in the associated undertaking/joint venture.

6 Exceptional items and fair value movements

Restructure costs

In 2020, in response to the significant challenges in the business environment arising from the COVID-19 pandemic, a significant restructuring programme was developed during the year to facilitate a reduction in the Group's workforce. This restructuring programme comprised of a number of options including a voluntary severance scheme, career break options, and other changes to ongoing work practices and conditions. In 2021, an additional €1.6 million was provided arising from movements in the discount rate in respect of future ex-gratia payments that are expected to be incurred by the company. The impact on taxation was the recognition of a deferred tax asset of €0.2 million (2020: credit of €12.1 million).

Fair value movement on investment property

The Group has engaged independent valuation specialists to determine the fair value of its properties deemed to be investment properties at 31 December, 2021 (see Note 13). These valuations resulted in the Group recognising a fair value increase of €2.0 million (2020: decrease of €11.1 million). The impact on taxation was the recognition of a net deferred tax charge of €0.3 million (2020: credit of €2.4 million).

7 Finance income/expense

	2021 €000	2020 €000
Other financial income		
Income from unlisted investment	**1,030**	385
Derivative financial instruments revaluation	**4,294**	1,914
Financial assets revaluation	**318**	(1,469)
Total other financial income	**5,642**	830

	2021 €000	2020 €000
Interest receivable and similar income		
Income from listed and unlisted investments	**771**	244
Income on retirement benefits (Note 24)	**386**	453
Total interest receivable and similar income	**1,157**	697
Interest payable and similar charges		
Interest payable on bank loans and overdrafts	**12,256**	12,006
Interest on loan notes	**14,911**	7,444
Amortisation of issue costs/other funding costs	**367**	722
Other interest payable	**4,801**	3,098
Interest expense on retirement benefits (Note 24)	**446**	521
Total interest payable	**32,781**	23,791
Interest payable capitalised	**(5,616)**	(4,023)
Total interest payable and similar charges	**27,165**	19,768

8 Loss on ordinary activities before taxation

Group profit or loss on ordinary activities before taxation is stated after charging/(crediting) the following:

	2021 €000	2020 €000
Auditors' remuneration		
Auditor – Irish firm		
– audit of the Group Financial Statements	**282**	282
– other assurance services	**32**	66
– tax advisory services	**61**	73
	375	421
Auditor – international firms		
– other assurance services	**151**	168
– tax advisory services	**21**	29
– other non-audit services	**14**	11
	186	208
	561	629

Included in the above are audit fees incurred of €58,000 for the statutory audit of the company (2020: €58,000), €29,000 for other assurance services (2020: €66,000) and €5,000 for tax advisory services (2020: €11,000).

8 Loss on ordinary activities before taxation continued

	2021 €000	2020 €000
Operating lease rentals		
– equipment	**732**	618
– buildings	**1,275**	1,697
Governments' wage subsidy schemes (Note 4)	**(39,472)**	(33,803)
Other income (Note 4)	**(9,887)**	–
Depreciation (Note 11)	**109,679**	118,225
Amortisation of intangible assets and goodwill (Note 12)	**8,501**	6,990
Loss on retirements and disposals of tangible and intangible assets	**386**	3,458
Impairment of goodwill (Note 12)	**–**	605
Amortisation of capital grants (Note 20)	**(764)**	(542)
Foreign exchange	**16**	(345)

Directors' remuneration

Remuneration of Directors, including disclosures in accordance with the Code of Practice for the Governance of State Bodies (the "Code of Practice") and the Companies Act 2014, is set out below:

	2021 €000	2020 €000
Directors' fees – for		
Services as Directors	**170**	144
Other amounts – in connection to their employment	**661**	593
Pension contributions – defined contribution scheme	**137**	134
	968	871

Other amounts include remuneration of the Chief Executive and of Directors elected pursuant to the Worker Participation (State Enterprises) Acts 1977 to 2001 arising from their normal contracts of employment, in each case for the portion of the year for which they were Directors.

Pension contributions includes aggregate pension contributions paid, treated as paid or payable during the financial year in respect of qualifying services of Directors of €137,063 (2020: €133,805). Pension contributions have been made in respect of five Directors (2020: six Directors), each of whom have contracts of employment with the Group.

8 Loss on ordinary activities before taxation continued

Directors' fees are determined by the Minister for Transport, with the consent of the Minister for Public Expenditure and Reform, and are currently payable at the annual rate of €31,500 for the Chairman and €15,750 for individual Directors. From May 2020 to March 2021, all Directors waived 20% of their directors' fees. In accordance with the Code of Practice, details of fees payable to individual Directors during 2021 and 2020 were as follows:

	2021 €	2020 €
Basil Geoghegan	**29,995**	27,208
Denis Smyth	**14,998**	13,604
Eric Nolan	**14,998**	13,604
Paul Mehlhorn (resigned 18 December, 2021)	**14,441**	13,604
Risteard Sheridan	**14,998**	13,604
Karen Morton (appointed on 23 January, 2020)	**14,998**	12,652
Marie Joyce (appointed on 23 January, 2020)	**14,998**	12,652
Ray Gammell (appointed on 23 January, 2020)	**14,998**	12,652
Joseph O'Sullivan (appointed on 24 February, 2020)	**14,998**	11,267
Peter Cross (appointed on 4 March, 2021)	**12,792**	–
Gerard Perdisatt (appointed on 5 July, 2021)	**7,704**	–
Niall Greene (term expired 1 July, 2020)	**–**	7,918
Colm McCarthy (term expired 23 April, 2020)	**–**	4,933
Barry Nevin (resigned 24 January, 2020)	**–**	1,038
Gerry Walsh (term expired 1 January, 2020)	**–**	–
Patricia King (term expired 1 July, 2021)*	**–**	–
Dalton Philips	**–**	–

* Patricia King opted to waive her director's fee.

Expenses paid to members of the Board during the year in respect of services as Director, disclosed in accordance with the Code of Practice, were €1,309 (2020: €1,843). These amounts primarily related to travel, subsistence and reimbursed expenses.

Dalton Philips was appointed to the office of Chief Executive on 2 October, 2017. Pursuant to his contract, the salary of Mr Philips is €250,000 per annum. Total remuneration in respect of Mr Philips for 2021 amounted to €386,120 (2020: €366,270) which included basic salary of €235,903 (2020: €216,724) and pension contributions and other taxable benefits of €150,216 (2020: €149,546). Mr Philips did not receive a director's fee.

Notes on and forming part of the Financial Statements continued
for the financial year ended 31 December, 2021

9 Tax on loss on ordinary activities

The tax credit comprises:	2021 €000	2020 €000
Current tax on (loss)/profit on ordinary activities:		
Corporation tax – Ireland	**361**	483
Foreign tax credit	**(357)**	(475)
Overseas corporation tax	**1,905**	525
Adjustment in respect of prior financial years:		
Foreign tax	**(723)**	–
Irish corporation tax	**–**	(21,119)
Total current tax credit	**1,186**	(20,586)
Deferred tax:		
Origination/reversal of timing differences		
Attributable to Group	**(11,703)**	(13,925)
Adjustment in respect of prior financial years	**(571)**	(488)
Timing differences relating to retirement benefit obligations	**40**	(26)
Total deferred tax credit	**(12,234)**	(14,439)
Total tax credit on loss on ordinary activities	**(11,048)**	(35,025)
Total current and deferred tax charge relating to items of other comprehensive income	**344**	(48)

The Group's Irish operations are subject to differing rates of corporation taxation, according to the nature of activities. During 2021 and 2020, these rates varied from 12.5% to 25% while the standard rate of corporation taxation was 12.5%.

Based on loss for the year, the current tax credit for the period is lower (2020: lower) than that based on the standard rate of tax in the Republic of Ireland. The differences are set out in the tax reconciliation below:

	2021 €000	2020 €000
Loss on ordinary activities before taxation	**(111,629)**	(321,834)
Loss on ordinary activities at standard Irish corporation tax rate of 12.5% (2020: 12.5%)	**(13,954)**	(40,229)
Effects of:		
Permanent differences	**2,302**	3,091
Income taxed at higher rates	**2,295**	1,519
Revaluations taxed at higher rates	**251**	(264)
Prior year adjustments	**(1,294)**	(21,607)
Current year losses carried back to prior years	**–**	22,754
Foreign tax on branch activities	**298**	186
Foreign tax credit	**(946)**	(475)
Total tax credit for the financial year	**(9,286)**	(35,025)

Corporation tax is provided on taxable profits at current rates.

10 Company loss for the financial year

A separate company profit and loss account is not presented, as provided for under the Companies Act 2014, Section 304(2). The loss for the financial year after exceptionals and taxation of €93.2 million (2020: €215.0 million loss after exceptionals and taxation) has been dealt with in the Financial Statements of the company.

The company has also availed of the exemption from filing its individual profit and loss with the Registrar of Companies as permitted by Section 357 of the Companies Act 2014.

11 Tangible fixed assets

Group	Terminal complexes & piers €000	Lands & airfields €000	Plant & equipment €000	Other property €000	Assets in the course of construction €000	Total €000
Cost						
At 1 January, 2021	**1,031,295**	**565,847**	**915,889**	**401,247**	**460,047**	**3,374,325**
Additions	**773**	**6,334**	**19,659**	**4,247**	**136,108**	**167,121**
Transfer to completed assets	**20,413**	**43,261**	**54,983**	**10,692**	**(129,349)**	**–**
Transfer to investment property	**–**	**–**	**–**	**–**	**(12)**	**(12)**
Transfer from intangible assets	**–**	**–**	**–**	**–**	**780**	**780**
Disposals/write-offs	**(140)**	**–**	**(11,816)**	**(1,782)**	**–**	**(13,738)**
Translation reserve	**–**		**998**	**–**	**–**	**998**
At 31 December, 2021	**1,052,341**	**615,442**	**979,713**	**414,404**	**467,574**	**3,529,474**
Depreciation						
At 1 January, 2021	**386,382**	**222,934**	**620,539**	**184,144**	**–**	**1,413,999**
Charge for the financial year	**31,991**	**20,894**	**45,112**	**11,682**	**–**	**109,679**
Disposals/write-offs	**(70)**	**–**	**(11,531)**	**(1,628)**	**–**	**(13,229)**
Translation reserve	**–**	**–**	**730**	**–**	**–**	**730**
At 31 December, 2021	**418,303**	**243,828**	**654,850**	**194,198**	**–**	**1,511,179**
Net book value						
At 31 December, 2021	**634,038**	**371,614**	**324,863**	**220,206**	**467,574**	**2,018,295**
At 31 December, 2020	644,913	342,913	295,350	217,103	460,047	1,960,326

Company	Terminal complexes & piers €000	Lands & airfields €000	Plant & equipment €000	Other property €000	Assets in the course of construction €000	Total €000
Cost						
At 1 January, 2021	**1,031,295**	**543,423**	**867,818**	**400,677**	**460,046**	**3,303,259**
Additions	**773**	**6,334**	**19,085**	**4,247**	**136,108**	**166,547**
Transfer to completed assets	**20,413**	**43,261**	**54,983**	**10,692**	**(129,349)**	**–**
Transfer to investment property	**–**	**(12)**	**–**	**–**	**–**	**(12)**
Transfer from intangible assets	**–**	**–**	**–**	**–**	**780**	**780**
Disposals/write-offs	**(140)**	**–**	**(11,789)**	**(1,782)**	**–**	**(13,711)**
At 31 December, 2021	**1,052,341**	**593,006**	**930,097**	**413,834**	**467,585**	**3,456,863**
Depreciation						
At 1 January, 2021	**386,382**	**219,527**	**589,383**	**183,519**	**–**	**1,378,811**
Charge for the financial year	**31,991**	**20,894**	**41,712**	**11,683**	**–**	**106,280**
Disposals/write-offs	**(70)**	**–**	**(11,521)**	**(1,628)**	**–**	**(13,219)**
At 31 December, 2021	**418,303**	**240,421**	**619,574**	**193,574**	**–**	**1,471,872**
Net book value						
At 31 December, 2021	**634,038**	**352,585**	**310,523**	**220,260**	**467,585**	**1,984,991**
At 31 December, 2020	644,913	323,896	278,435	217,158	460,046	1,924,448

The accounting policies used by the Group for tangible fixed assets, including depreciation, cost capitalisation and impairment reviews, are set out in Note 37.

Lands and airfields include airport land at a cost of €29 million (2020: €29.0 million). Fixed asset additions include internal architectural, engineering and agency payroll costs of €12.3 million (2020: €13.5 million).

Cost of fixed assets includes cumulative interest capitalised of €80.6 million (2020: €75.0 million).

Interest of €5.6 million was capitalised in 2021 at a rate of 1.4% per annum (2020: €4.0 million at a rate of 1.4% per annum).

Notes on and forming part of the Financial Statements continued
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12 Intangible assets

Group	Software €000	Software under construction €000	Goodwill €000	Concession rights €000	Total €000
Cost					
At 1 January, 2021	**20,445**	**9,906**	**25,624**	**66,068**	**122,043**
Additions	**494**	**7,323**	**–**	**–**	**7,817**
Translation movement	**145**	**–**	**–**	**1,225**	**1,370**
Disposals/write-offs	**(2,242)**	**–**	**–**	**–**	**(2,242)**
Impairment	**–**	**–**	**–**	**–**	**–**
Transfer from tangible fixed assets	**–**	**–**	**–**	**–**	**–**
Transfer to tangible fixed assets	**–**	**(780)**	**–**	**–**	**(780)**
Transfer to completed assets	**9,583**	**(9,583)**	**–**	**–**	**–**
At 31 December, 2021	**28,425**	**6,866**	**25,624**	**67,293**	**128,208**
Amortisation					
At 1 January, 2021	**13,172**	**–**	**17,156**	**34,537**	**64,865**
Charge for the financial year	**3,593**	**–**	**1,917**	**2,991**	**8,501**
Translation movement	**135**	**–**	**–**	**1,225**	**1,360**
Disposals/write-offs	**(2,242)**	**–**	**–**	**–**	**(2,242)**
At 31 December, 2021	**14,658**	**–**	**19,073**	**38,753**	**72,484**
Net book value					
At 31 December, 2021	**13,767**	**6,866**	**6,551**	**28,540**	**55,724**
At 31 December, 2020	7,273	9,906	8,468	31,531	57,178

Company	Software €000	Software under construction €000	Total €000
Cost			
At 1 January, 2021	**14,406**	**9,906**	**24,312**
Transfer to completed assets	**9,583**	**(9,583)**	**–**
Transfer to tangible fixed assets	**–**	**(780)**	**(780)**
Additions	**312**	**7,124**	**7,436**
Disposals/write-offs	**(2,242)**	**–**	**(2,242)**
At 31 December, 2021	**22,059**	**6,667**	**28,726**
Amortisation			
At 1 January, 2020	**9,582**	**–**	**9,582**
Charge for the financial year	**2,737**	**–**	**2,737**
Disposals/write-offs	**(2,242)**	**–**	**(2,242)**
At 31 December, 2021	**10,077**	**–**	**10,077**
Net book value			
At 31 December, 2021	**11,982**	**6,667**	**18,649**
At 31 December, 2020	4,824	9,906	14,730

The goodwill cost at 31 December, 2021 comprises:

(i) Goodwill of €18.4 million relates to the 2008 acquisition of Aer Rianta International (Middle East) WLL ("ARIME"). The goodwill is being amortised from 2013 over 10 years which is the average life of the concession agreements currently held by ARIME.

(ii) Goodwill of €6.1 million in respect of the deferred tax liability recognised on the capitalised concession rights arising from the acquisition of the residual 50% of CTC-ARI in 2014 net of the deferred tax asset recognised on the fair value adjustment of a loan receivable amount. This goodwill is being amortised from 2014 over 17 years which is the contracted life of the concession agreement currently held by CTC-ARI.

(iii) Goodwill of €1.1 million arises pursuant to the part acquisition of Ahlan Modern Travelers Services Limited Company ("AMTSC"). The goodwill is being amortised from 2020 over six years which is the remaining term of the concession agreements currently held by AMTSC.

The accounting policies used by the Group for intangible fixed assets, including amortisation, cost capitalisation, and concession rights are set out in Note 37.

13 Investment property

Group	Investment property €000	Property under construction €000	Total €000
Valuation			
At 1 January, 2021	**186,991**	**1,933**	**188,924**
Revaluations (Note 6)	**2,001**	**–**	**2,001**
Transfer from tangible fixed assets (Note 11)	**12**	**–**	**12**
Transfer from property under construction	**410**	**(410)**	**–**
At 31 December, 2021	**189,414**	**1,523**	**190,937**
At 31 December, 2020	186,991	1,933	188,924

Company	Investment property €000	Property under construction €000	Total €000
Valuation			
At 1 January, 2021	**179,901**	**1,933**	**181,834**
Revaluations	**1,501**	**–**	**1,501**
Transfer from tangible fixed assets (Note 11)	**12**	**–**	**12**
Transfer from property under construction	**410**	**(410)**	**–**
At 31 December, 2021	**181,824**	**1,523**	**183,347**
At 31 December, 2020	179,901	1,933	181,834

Investment property comprises land and buildings owned by the Group and is measured at fair value at each reporting date with changes in fair value recognised in the profit and loss account. The fair value of the investment properties is based on a valuation by independent valuers who hold a recognised and professional qualification and have recent experience in the location and class of the investment properties being valued.

Valuations are carried out having regard to comparable market evidence relevant to each specific property or class of properties. In assessing fair value for all of the investment properties, current and potential future income has been capitalised using yields derived from market evidence. The external valuers, in discussion with the Group's management, have determined the appropriate judgements used in the valuations based on the size of the properties, rental values, repair and condition. There are no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

Notes on and forming part of the Financial Statements continued
for the financial year ended 31 December, 2021

14 Fixed assets – Investments

Group	At 1 January, 2021 €000	Additions/ other increases €000	Disposals/ other movements €000	At 31 December, 2021 €000
Joint venture undertakings				
Joint venture undertakings	10,349	1,343	–	11,692
Dividends received (gross)	(10,222)	–	–	(10,222)
	127	1,343	–	1,470
Associated undertakings				
Equity interest at cost[1]	66,049	1,507	–	67,556
Share of post-acquisition profits/(losses)	299,799	7,862	(8,000)	299,661
Dividends received (gross)	(300,068)	–	–	(300,068)
Translation reserve	3,319	1,385	–	4,704
	69,099	10,754	(8,000)	71,853
Other financial assets				
Listed investments[2]	7,620	646	(236)	8,030
Other unlisted investments[3]	12,577	179	(3)	12,753
Other financial assets[4]	2,172	4,281	–	6,453
	22,369	5,106	(239)	27,236
Long-term debtors				
Loans to associate undertakings[5]	14,989	8,630	(2,865)	20,754
Total financial assets	106,584	25,833	(11,104)	121,313

In respect of prior financial year:

Group	At 1 January, 2020 €000	Additions/ other increases €000	Disposals/ other movements €000	At 31 December, 2020 €000
Joint venture undertakings				
Joint venture undertakings	10,957	–	(608)	10,349
Dividends received (gross)	(10,222)	–	–	(10,222)
	735	–	(608)	127
Associated undertakings				
Equity interest at cost[1]	64,853	1,196	–	66,049
Share of post-acquisition profits/(losses)	333,106	–	(33,307)	299,799
Dividends received (gross)	(298,450)	–	(1,618)	(300,068)
Translation reserve	5,505	–	(2,186)	3,319
	105,014	1,196	(37,111)	69,099
Other financial assets				
Listed investments[2]	9,747	–	(2,127)	7,620
Other unlisted investments[3]	12,466	111	–	12,577
Other financial assets[4]	1,497	675	–	2,172
	23,710	786	(2,127)	22,369
Long-term debtors				
Loans to associate undertakings[5]	–	14,989	–	14,989
Total financial assets	129,459	16,971	(39,846)	106,584

14 Fixed assets – Investments continued

Company	At 1 January, 2021 €000	Additions/ other increases €000	Disposals/ other movements €000	At 31 December, 2021 €000
Ordinary shares in subsidiary undertakings at cost	**7,862**	**–**	**–**	**7,862**
Capital contributions to Subsidiary undertakings	**–**	**10,019**	**(10,019)**	**–**
Other financial assets[4]	**2,171**	**4,281**	**–**	**6,452**
	10,033	**14,300**	**(10,019)**	**14,314**

In respect of prior financial year:

Company	At 1 January, 2020 €000	Additions/ other increases €000	Disposals/ other movements €000	At 31 December, 2020 €000
Ordinary shares in subsidiary undertakings at cost	7,862	–	–	7,862
Capital contributions to Subsidiary undertakings	–	2,804	(2,804)	–
Other financial assets[4]	1,497	674	–	2,171
	9,359	3,478	(2,804)	10,033

1. The Group reclassified shareholder funding to support start-up capital expenditure in a non-operational associate undertaking, Travel Retail Sales and Services LLC ("TRSS"), from current assets to financial assets in 2021.
2. Listed investments are held by Aer Rianta International (Middle East) WLL ("ARIME"), a subsidiary undertaking and are carried at fair value and changes in fair value are recognised in the profit and loss. The investments are held in shares quoted on the Bahrain stock exchange.
3. Other investments comprise loan stock that ARIME holds and a loan receivable amount that is due to CTC-ARI Airports Limited from a third party.
4. At 31 December, 2021, other financial assets are surplus carbon and energy forward contracts. At 31 December, carbon credits are valued at €1.0 million (2020: €2.0 million) and the fair value loss of €0.9 million (2020: gain of €0.5 million) was recognised in the profit and loss account. At 31 December, 2021, energy forward contracts were valued at €5.4 million (2020: €0.2 million), leading to a fair value gain of €5.3 million (2020: gain of €1.0 million). Total fair value movement on carbon and energy forward contracts as at 31 December, 2021 is a gain of €4.3 million.
5. During the year, the Group, provided funding of €8 million (€12 million was drawn down in 2020) from a facility totalling €20 million, which is sub-ordinated, carries an interest coupon of 3.38% and must be repaid by 31 March 2027. It arises pursuant to arrangements agreed by all shareholders in Flughafen Düsseldorf GmbH to provide a long-term sub-ordinated shareholder loan of €100 million, as part of a wider set of refinancing measures for the airport. In 2020, separately, the Group received repayment of €2.8 million from a €5.7 million facility, which is interest free and was fully drawn at 31 December, 2020, the remaining balance of €2.9 million is repayable within the next 12 months.

In the opinion of the Directors, the net realisable values of the financial assets are not less than the carrying values. The basis on which financial assets are stated is set out in Note 37.

The key assumptions in the value-in-use calculations include growth rates of revenue and expenses (including minimum annual guarantees), discount rates and likelihood of lease renewal. Due to the ongoing COVID-19 global pandemic, there is an increased level of uncertainty in all of the above assumptions such that a possible change in these assumptions could lead to a material change in the carrying value of assets.

Notes on and forming part of the Financial Statements continued
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14 Fixed assets – Investments continued

The principal operating subsidiary, associate and joint venture undertakings of the Group, all of which are included in the Group Financial Statements, together with the Group's beneficial holding of ordinary shares, net of minority interest, at 31 December, 2021, are as set out below:

Undertaking	Registered office	Principal activity	%
Subsidiary undertakings			
ARI Auckland Limited	Auckland, New Zealand	Duty free shopping and related activities	100.0
Aer Rianta International cpt	Dublin, Ireland	International management services and airport investor	100.0
Aer Rianta International (Middle East) WLL	Manama, Bahrain	Provision of services for the operation of duty free shopping and related activities	71.3
Aer Rianta International (North America) Inc.	Montréal, Canada	Duty free shopping and related activities	100.0
Montenegro Duty Free Limited	Podgorica, Montenegro	Duty free shopping and related activities	70.0
Ahlan Modern Travelers Services Limited Company[1]	Riyadh, Saudi Arabia	Duty free shopping and related activities	49.9
ASC Airport Services Consolidated Limited	Dublin, Ireland	Provision of services to daa plc	100.0
daa Airport Services Limited	Dublin, Ireland	Secondment of employees to daa plc	100.0
daa Finance plc	Dublin, Ireland	Financing company	100.0
daa Operations Limited	Dublin, Ireland	Treasury trade	100.0
daa International Limited	Dublin, Ireland	Consultancy services	100.0
CTC-ARI Airports Limited	Nicosia, Cyprus	Duty free shopping and related activities	85.6
Gatland Property Limited	Dublin, Ireland	Property development	100.0
Halamar Developments Limited	Dublin, Ireland	Property dealing and development	100.0
SkyZone Limited	Dublin, Ireland	Property investment	100.0
Joint Venture undertaking			
Cyprus Airports (F&B) Limited[2]	Nicosia, Cyprus	Duty free food and beverage related activities	35.6
Associated undertakings			
Caribbean ARI Inc.[3]	Bridgetown, Barbados	Duty free shopping and related activities	50.0
Oman Sales & Services LLC	Muscat, Oman	Duty free shopping and related activities	35.6
Delhi Duty Free Services Private Limited	Delhi, India	Duty free shopping and related activities	33.1
Flughafen Düsseldorf GmbH	Düsseldorf, Germany	Airport operator	20.0
Travel Retail Sales and Services LLC	Emirate of Abu Dhabi, UAE	Duty free shopping and related activities	35.6

1 On 26 July, 2020, the Group acquired 49.9% shareholding in Ahlan Modern Travelers Services Company Limited ("AMTSC"). This company operates a retail outlet at Terminal 5 at King Khalid International Airport in Riyadh. AMTSC is deemed to be a subsidiary undertaking, due to control being exercised as 70% of the shares are held indirectly through Aer Rianta International (Middle East) WLL.

2 Cyprus Airports (F&B) Limited is treated as a joint venture as defined under FRS 102 Section 15 (Investments in Joint Ventures) on the grounds that the Group exercises joint control over Cyprus Airports (F&B) Limited rather than significant influence or dominant control.

3 In the opinion of the Directors, Caribbean ARI Inc. should be treated as an associated undertaking as defined under FRS 102 Section 14 (Investments in Associates) on the grounds that the Group does not exercise significant influence or dominant control.

All Financial Statements of subsidiary and associated undertakings are coterminous with the year end of the Group, other than in respect of Delhi Duty Free Services Private Limited whose Financial Statements are prepared to a 31 March year end. Management accounts of this entity have been prepared to 31 December, 2021 for the purpose of including results of this company in the Group Financial Statements.

15 Stocks

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Goods for resale	**24,720**	27,519	**7,726**	6,830
Maintenance	**4,026**	4,552	**4,026**	4,552
	28,746	32,071	**11,752**	11,382

The replacement value of stock was not materially different from the carrying amount.

16 Debtors: amounts falling due within one year

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Trade debtors	**28,693**	20,840	**22,499**	15,318
Prepayments and accrued income	**15,998**	13,705	**11,622**	10,962
Due from subsidiary undertakings	**–**	–	**37,492**	36,057
Due from associated undertakings	**4,148**	4,605	**–**	–
Corporation tax	**1,093**	7,695	**213**	6,062
Other debtors	**4,506**	7,281	**7,376**	10,190
	54,438	54,126	**79,202**	78,589

Debtors of €20.8 million (2020: €15.9 million) in the Group fall due after more than one year. €20.8 million (2020: €15.0 million) of this relates to loan facilities to two associate undertakings as outlined in Note 14.

Other debtors of the Group include €1.6 million of borrowing costs capitalised at a rate of 0.1% (2020: €1.9 million at a rate of 0.1%).

Other debtors of the company include €6.3 million borrowing costs (2020: €6.3 million), split between €4.7 million at a capitalisation rate of 0.05% (2020: €4.4 million at a capitalisation rate of 0.05%) and €1.6 million at a capitalisation rate of 0.1% (2020: €1.9 million at a capitalisation rate of 0.1%).

17 Creditors: amounts falling due within one year

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Bank overdraft	**–**	–	**–**	527,444
Bank loans (Note 19)	**35,335**	36,716	**20,037**	20,261
Trade creditors	**15,922**	14,695	**7,490**	9,087
Due to subsidiary undertakings	**–**	–	**1,229,386**	594,053
Other creditors	**89,036**	43,460	**88,790**	42,571
Accruals	**78,964**	66,846	**58,892**	49,364
Deferred income	**111,100**	7,079	**111,100**	7,079
Capital accruals	**44,725**	74,791	**44,725**	74,791
	375,082	243,587	**1,540420**	1,324,650
Taxation and social welfare included in other creditors:				
PAYE	**52,106**	21,963	**51,068**	20,864
PRSI	**18,515**	7,953	**18,515**	7,953
VAT	**6,210**	601	**7,724**	819
Other taxes	**2,082**	1,547	**1,941**	1,530

17 Creditors: amounts falling due within one year continued

Creditors for tax and social welfare are payable in the timeframe set down in the relevant legislation. In 2020, the Irish Revenue provided the ability for companies severely impacted by the COVID-19 pandemic to warehouse certain VAT and PAYE/PRSI liabilities on an interest-free basis. daa availed of this scheme during 2020 and 2021.

At 31 December, 2021, €103.8 million of Government grant funding has been recognised in deferred income being state aid provided for Irish airports as part of damage compensation measures relating to the COVID pandemic. The intention of the funding is to put state airports in funds to compensate for damage caused by COVID, so that the airports can, in turn, provide incentives and financial supports to airlines to restore connectivity. This deferred income will be used to fund incentives into 2022 and the funds will be recognised in the profit or loss account on a systemic basis over the period in which the discounts and incentives are provided.

18 Creditors: amounts falling due after more than one year

	Group		Company	
	2021 €000	**2020 €000**	**2021 €000**	**2020 €000**
Bank loans (Note 19)	**601,510**	635,763	**461,510**	481,547
Loan notes (Note 19)	**1,055,260**	895,579	**–**	–
Accruals	**28,997**	23,230	**27,105**	21,302
Deferred income	**10,756**	6,730	**3,127**	3,173
	1,696,523	1,561,302	**491,742**	506,022

Deferred income of €1.4 million (2020: €2.3 million), Group and company, falls due after more than five years.

19 Financial liabilities

	Group		Company	
	2021 €000	**2020 €000**	**2021 €000**	**2020 €000**
Repayable by instalments:				
Repayable within one year	**35,335**	36,716	**20,037**	547,705
Repayable within one to two years	**36,305**	36,518	**19,851**	20,037
Repayable within two to five years	**128,742**	110,925	**79,231**	61,329
Repayable after more than five years	**436,463**	488,320	**362,428**	400,181
	636,845	672,479	**481,547**	1,029,252
Repayable other than by instalments:				
Repayable after more than five years	**1,055,260**	895,579	**–**	–
	1,692,105	1,568,058	**481,547**	1,029,252
Split as follows:				
Bank loans including overdrafts	**636,845**	672,479	**481,547**	1,029,252
Loan notes	**1,055,260**	895,579	**–**	–
	1,692,105	1,568,058	**481,547**	1,029,252
Included in creditors falling due within one year (Note 17)	**35,335**	36,716	**20,037**	547,705
Included in creditors falling due after more than one year (Note 18)	**1,656,770**	1,531,342	**461,510**	481,547

The loan notes comprise of €550 million (2020: €400 million) of loan notes repayable in 2028 and €500 million (2020: €500 million) repayable in 2032. Loan notes also include borrowing costs capitalised of €4.7 million at a capitalisation rate of 0.05% (2020: €4.4 million at a rate of 0.05%). These loan notes are both listed on the main securities market of Euronext Dublin and are guaranteed by the company.

At 31 December, 2021, DAA Finance plc also had bank loans of €145.3 million (2020: €160.6 million) which are guaranteed by the company. Interest rates and risk profile of financial liabilities are further analysed in Note 27.

The company's bank loans at 31 December, 2021 of €481.5 million (2020: €1,029.3 million) are unsecured and are repayable by instalments.
In 2021, €Nil, (2020: €527 million) relates to a cash pooling arrangement with the Group.

19 Financial liabilities continued

Borrowing facilities

The Group has a €450 million undrawn committed revolving credit facility as at 31 December, 2021 in respect of which all conditions precedent have been met. This facility expires in more than five years on 26 March, 2027.

20 Capital grants

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
At 1 January	**6,819**	7,361	**6,819**	7,361
Amortised to profit and loss account	**(764)**	(542)	**(764)**	(542)
Grants received	**12,657**	–	**12,657**	–
At 31 December	**18,712**	6,819	**18,712**	6,819

Grants received in 2021 relate to the development and expansion of certain airport facilities including the overlay of the main runway in Cork airport.

21 Provisions for liabilities

	Insurance and other[1] €000	Deferred tax (Note 22) €000	Restructuring programme[2] €000	Pension liability (Note 24) €000	Pension restructuring[3] €000	Total €000
Group						
At 1 January, 2021	**17,950**	**64,139**	**40,558**	**4,423**	**2,736**	**129,806**
Charge/(credit) for the financial year	**4,106**	**(12,079)**	**941**	**(2,437)**	**–**	**(9,469)**
Utilised during the financial year	**(2,471)**	**–**	**(22,140)**	**–**	**–**	**(24,611)**
Termination & retirement benefits transferred to creditors	**–**	**–**	**(7,761)**	**–**	**–**	**(7,761)**
At 31 December, 2021	**19,585**	**52,060**	**11,598**	**1,986**	**2,736**	**87,965**

In respect of prior financial year:

	Insurance and other[1] €000	Deferred tax (Note 22) €000	Restructuring programme[2] €000	Pension liability (Note 24) €000	Pension restructuring[3] €000	Total €000
Group						
At 1 January, 2020	17,852	78,843	4,157	4,331	2,784	107,967
Charge/(credit) for the financial year	2,680	(14,704)	99,852	92	–	87,920
Utilised during the financial year	(2,582)	–	(39,705)	–	(48)	(42,335)
Termination & retirement benefits transferred to creditors	–	–	(23,746)	–	–	(23,746)
At 31 December, 2020	17,950	64,139	40,558	4,423	2,736	129,806

	Insurance and other[1] €000	Deferred tax (Note 22) €000	Restructuring programme[2] €000	Pension liability (Note 24) €000	Pension restructuring[3] €000	Total €000
Company						
At 1 January, 2021	**17,950**	**59,489**	**40,045**	**4,017**	**2,736**	**124,237**
Charge/(credit) for the financial year	**4,105**	**(11,259)**	**1,372**	**(2,003)**	**–**	**(7,785)**
Utilised during the financial year	**(2,471)**	**–**	**(22,140)**	**–**	**–**	**(24,611)**
Termination & retirement benefits transferred to creditors	**–**	**–**	**(7,679)**	**–**	**–**	**(7,679)**
At 31 December, 2021	**19,584**	**48,230**	**11,598**	**2,014**	**2,736**	**84,162**

21 Provisions for liabilities continued

In respect of prior financial year:

	Insurance and other[1] €000	Deferred tax (Note 22) €000	Restructuring programme[2] €000	Pension liability (Note 24) €000	Pension restructuring[3] €000	Total €000
Company						
At 1 January, 2020	17,852	71,613	4,157	4,083	2,784	100,489
Charge/(credit) for the financial year	2,680	(12,124)	97,005	(66)	–	87,495
Utilised during the financial year	(2,582)	–	(38,877)	–	(48)	(41,507)
Termination & retirement benefits transferred to creditors	–	–	(22,240)	–	–	(22,240)
At 31 December, 2020	17,950	59,489	40,045	4,017	2,736	124,237

In accordance with FRS 102, Section 21 (Provisions and Contingencies) the Group and company carry provisions where there is uncertainty of timing or amount, where there is a present obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. It is expected that such liabilities will be settled within one to ten years.

1 A provision for reported and potential claims under its self-insurance programme and for other liabilities including legal claims and environmental provisions.
2 In 2020, the Group developed a restructuring programme following consultation with staff and staff representatives. Amounts utilised in the year relates to payments under the Group's restructuring programme. At 31 December, 2021, €8.7 million (company: €8.6 million) relates to the voluntary severance scheme and associated expenses. At the year end, €7.3 million (company €7.4 million) which relates to termination and early retirement benefits to employees under the voluntary severance scheme was transferred to other creditors within one year €1.2 million (company: €1.2 million) and €6.1 million (company: €6.2 million) to creditors greater than one year. These payments will be made between the years 2022 and 2037.
At 31 December, 2021, €2.9 million of the restructuring programme provision balance (2020: €3.3 million) relates to a historical restructuring scheme for Group and company.
3 The remaining pension provision relates to the restructuring of the IAS Scheme, which was frozen on 31 December, 2014 (see Note 24).

22 Deferred tax liability

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Deferred tax				
Deferred tax is provided as follows:				
Timing differences on capital allowances	**47,236**	49,099	**47,240**	49,069
Amounts temporarily not deductible for corporation tax	**(416)**	2,034	**(67)**	(49)
Tax losses available	**(15,125)**	(6,798)	**(15,125)**	(5,028)
Deferred tax assets arising in relation to retirement benefit obligations	**(252)**	(612)	**(252)**	(502)
Deferred tax on revaluations	**17,309**	16,749	**16,434**	15,999
Deferred tax in relation to goodwill	**3,308**	3,667	**–**	–
At 31 December	**52,060**	64,139	**48,230**	59,489

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

23 Called up share capital and other reserves

	Group and Company	
	2021 €000	2020 €000
Authorised:		
317,500,000 ordinary shares of €1 each	**317,500**	317,500
Allotted, called up and fully paid:		
186,336,813 ordinary shares of €1 each	**186,336**	186,337

23 Called up share capital and other reserves continued

All the ordinary shares are beneficially held by the Minister for Public Expenditure and Reform of the Irish Government.

Other reserves	Translation reserves €000	Other capital reserves €000	Total €000
Group			
At 1 January, 2021	**(3,824)**	**246**	**(3,578)**
Exchange differences arising on translation of overseas investments	**3,962**	**–**	**3,962**
At 31 December, 2021	**138**	**246**	**384**
In respect of prior financial year:			
At 1 January, 2020	2,159	246	2,405
Exchange differences arising on translation of overseas investments	(5,983)	–	(5,983)
At 31 December, 2020	(3,824)	246	(3,578)

24 Retirement benefits

The Group participates in a number of pension schemes, including both defined contribution and defined benefit schemes for its staff. Pension scheme assets are held in separate, Revenue-approved, trustee administered funds. The Group has accounted for retirement benefits under defined schemes in accordance with FRS 102, Section 28 (Employee Benefits).

daa plc participates in a number of pension schemes in respect of its staff, the principal arrangements are as set out below.

a) daa Defined Contribution Retirement Savings Scheme (the "daa DC Scheme")

The daa DC Scheme is a contributory defined contribution pension plan operated by the Group for its eligible, Irish-based employees. Contributions are paid by the members and the employer at fixed rates. The benefits secured at retirement reflect each employee's accumulated fund and the cost of purchasing benefits at that time. The daa DC Scheme has been effective since 1 January, 2015 and is now the main arrangement for eligible employees at the Group's Irish airports for providing pension benefits in respect of reckonable service.

Prior to 1 January, 2015, pension benefits, for the majority of eligible parent company employees, accrued in the Irish Airlines (General Employee) Superannuation Scheme (the "IAS Scheme") and, in some cases, also in the Aer Rianta Supplemental Superannuation Scheme (the "AR Supplemental Scheme"). Following the restructuring of these schemes, accrued benefits were reduced (IAS Scheme) and frozen (both schemes) on 31 December, 2014. Further details of these schemes are set out below.

b) The IAS Scheme

The IAS Scheme is a multi-employer scheme in which benefits were formerly accrued by eligible employees of the company and of other member employers. Fixed contributions were made by the employers and employees in accordance with the scheme's trust deed and rules and the scheme is accounted for as a defined contribution scheme. Aer Lingus Limited, Shannon Airport Authority DAC and SR Technics (which has ceased trading) are the other employer members of the IAS Scheme. Following a restructuring of the IAS Scheme, benefits in this scheme were reduced and frozen for service up to 31 December, 2014. The employers ceased to have any further liability to the scheme (save in relation to the ongoing expenses).

c) Aer Rianta Supplemental Superannuation Scheme (the "AR Supplemental Scheme")

This scheme is for certain categories of company employees which provide certain retirement pension benefits supplementary to those payable under the IAS Scheme. This scheme is accounted for as a defined benefit scheme. As at 31 December, 2014, accrued benefits were frozen, save for annual revaluation, and pension benefits in respect of service from that date are provided through the daa DC Scheme. The Group ceased to have any further liability in respect of ongoing regular contributions but retains an obligation to fund any actuarial deficits and ongoing expenses.

Aer Rianta International cpt ("ARI") operates a defined contribution pension scheme in respect of eligible Irish-based employees. Aer Rianta International (North America) Inc., a subsidiary of ARI, operates a defined benefit pension scheme (the "ARINA Scheme").

Employee benefits disclosures

The pension cost to the Group charged against operating profit for the financial year amounted to €12.1 million (2020: €13.1 million), see Note 3. The pension cost to the company chargeable against operating profit for the financial year amounts to €9.8 million (2020: €10.4 million).

24 Retirement benefits continued

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Defined benefit arrangements – service cost	**159**	191	**159**	191
Defined contribution schemes	**11,990**	12,909	**9,593**	10,161
	12,149	13,100	**9,752**	10,352

The combined pension liabilities of arrangements, accounted for as defined benefit schemes were as follows:

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Gross pension liability	**1,986**	4,423	**2,014**	4,017

The AR Supplemental Scheme is actuarially valued every three years by independent professionally qualified actuaries. The actuarial valuations are not available for public inspection. In accordance with FRS 102, at each reporting date the most recent valuation of the scheme is updated by the actuaries to reflect financial assumptions that are current at the balance sheet date.

At 31 December, 2021, the net pension liability in the Group was €1.7 million (2020: €3.9 million) being assets of €27.5 million (2020: €26.5 million) and present value of accrued scheme liabilities of €29.4 million (2020: €30.9 million) net of a related deferred tax asset of €0.2 million (2020: €0.5 million).

At 31 December, 2021, the net pension liability in the company was €1.8 million (2020: €3.5 million) being assets of €22.7 million (2020: €22.2 million) and present value of accrued scheme liabilities of €24.7 million (2020: €26.2 million) net of a related deferred tax asset of €0.2 million (2020: €0.5 million). The estimated cost relating to defined benefit plans for the year ended 31 December, 2022 is a charge of €0.1 million.

The main financial assumptions, given on a combined basis, used by the actuaries of these arrangements to value the liabilities were:

	Group and Company	
	As at 31/12/2021 Projected Unit	As at 31/12/2020 Projected Unit
Valuation method		
Rate of increase in salaries	**2.0% – 2.5%**	1.3% – 2.5%
Rate of increase in pension payment	**0.0% – 2.0%**	0.0% – 1.3%
Discount rate	**1.5% – 3.0%**	1.3% – 2.5%
Inflation assumption	**2%**	1.3% – 2.0%
Life expectancy		
Male member age 61-65	**22.4 – 25.6**	22.5 – 25.6
Male member age 40-45	**24.1 – 27.3**	24.3 – 27.2
Female member age 61-65	**24.1 – 30.6**	24.4 – 30.5
Female member age 40-45	**26.0 – 31.9**	26.2 – 31.8

The discount rate of 2.0% (Ireland) and 2.5% (overseas) is based on AA Rated Corporate Bonds which are considered appropriate for the duration of the liabilities of the schemes.

The asset allocations at the year-end were as follows:

	Group		Company	
	2021 Percentage of plan assets	2020 Percentage of plan assets	2021 Percentage of plan assets	2020 Percentage of plan assets
Equities	**21.3%**	36.0%	**22.6%**	33.2%
Bonds	**70.3%**	56.6%	**70.4%**	57.9%
Property	**2.6%**	–	**–**	–
Cash	**0.2%**	0.2%	**0.3%**	0.3%
Other	**5.6%**	7.2%	**6.7%**	8.6%
	100.0%	100.0%	**100.0%**	100.0%

24 Retirement benefits continued

	Group 2021 €000	Group 2020 €000	Company 2021 €000	Company 2020 €000
Amounts recognised in the balance sheet				
Present value of defined benefit obligations	**(29,438)**	(30,931)	**(24,736)**	(26,167)
Fair value of plan assets	**27,452**	26,508	**22,722**	22,150
Gross liability	**(1,986)**	(4,423)	**(2,014)**	(4,017)
Related deferred tax asset	**244**	503	**252**	502
Net liability	**(1,742)**	(3,920)	**(1,762)**	(3,515)
Change in benefit obligation				
Benefit obligation at beginning of financial year	**(30,932)**	(29,639)	**(26,167)**	(24,847)
Current service cost	**(159)**	(191)	**(159)**	(191)
Interest cost	**(446)**	(521)	**(319)**	(383)
Plan members' contributions	**(1)**	(2)	**–**	–
Re-measurement gain	**831**	(1,500)	**464**	(1,061)
Benefits paid	**1,670**	589	**1,445**	315
Translation (loss)/gain	**(401)**	333	**–**	–
Benefit obligation (funded and unfunded) at end of financial year	**(29,438)**	(30,931)	**(24,736)**	(26,167)

	Group 2021 €000	Group 2020 €000	Company 2021 €000	Company 2020 €000
Change in plan assets				
Fair value of plan assets at beginning of financial year	**26,507**	25,308	**22,150**	20,764
Interest income	**386**	453	**271**	323
Re-measurement – actuarial gain	**1,351**	1,286	**1,220**	990
Employer contributions	**509**	475	**424**	389
Member contributions	**1**	2	**–**	–
Administrative expenses	**(102)**	(116)	**–**	–
Benefits paid from plan	**(1,670)**	(589)	**(1,445)**	(316)
Translation gain/(loss)	**368**	(311)	**–**	–
Increase due to transfers	**102**	–	**102**	–
Fair value of plan assets at end of financial year	**27,452**	26,508	**22,722**	22,150
Amounts recorded in profit and loss				
Current service cost	**159**	191	**159**	191
Admin expenses	**102**	116	**–**	–
Interest cost	**48**	68	**48**	60
Total defined benefit pension expenses	**309**	375	**207**	251

The return on plan assets was €1 million for the year (2020: €1.3 million).

Other employee benefits

In 2020, the Group developed a restructuring programme following consultation with staff and staff representatives. At the balance sheet date a provision remained for restructuring of €11.7 million (2020: €40.6 million) (Note 21). This is an unfunded liability, within the meaning of FRS 102, at the balance sheet date.

Termination and early retirement benefits were transferred to creditors' amounts due within one year and creditors' amounts greater than one year at 31 December, 2021.

Notes on and forming part of the Financial Statements continued
for the financial year ended 31 December, 2021

25 Cash flow statement

Reconciliation of operating profit to cash generated by operations

	Note	2021 €000	2020 €000
Operating loss		**(92,335)**	(269,723)
Adjustment for:			
Depreciation charge	11	**109,679**	118,225
Restructuring costs		**941**	99,852
Fair value (gain)/loss movement on investment properties	13	**(2,001)**	11,106
Taxation refund		**6,741**	12,140
Amortisation/write-off of intangible assets and goodwill	12	**8,501**	6,990
Impairment of goodwill	8	**–**	605
Loss on disposal and retirements of tangible and intangible assets	8	**386**	3,458
Amortisation of capital grants	20	**(764)**	(542)
		31,148	(17,889)
Operating cash flow before movement in working capital			
Decrease in stocks		**3,325**	21,601
(Increase)/decrease in debtors		**(8,266)**	28,515
Increase/(decrease) in creditors		**58,479**	(39,416)
Deferred government grant funding	21	**103,789**	–
Decrease in pension liability		**(502)**	(407)
Increase in insurance liability	21	**4,105**	2,680
Payments in respect of insurance and other provisions	21	**(2,471)**	(2,630)
Cash flow from operating activities before restructuring programme		**189,607**	(7,546)

26 Analysis of net debt

	At 1 January, 2021 €000	Cash flow €000	Non-cash movements €000	Foreign exchange movement €000	At 31 December, 2021 €000
Cash	**45,248**	**77,144**	**–**	**1,895**	**124,287**
Cash equivalents	**740,066**	**(7,503)**	**–**	**–**	**732,563**
	785,314	**69,641**	**–**	**1,895**	**856,850**
Debt due within one year	**(36,716)**	**45,635**	**(44,254)**	**–**	**(35,335)**
Debt due after one year	**(1,531,342)**	**(169,655)**	**44,228**	**–**	**(1,656,770)**
	(1,568,058)	**(124,020)**	**(26)**	**–**	**(1,692,105)**
Total	**(782,744)**	**(54,379)**	**(26)**	**1,895**	**(835,255)**

In respect of prior financial year:

	At 1 January, 2020 €000	Cash flow €000	Non-cash movements €000	Foreign exchange movement €000	At 31 December, 2020 €000
Cash	104,853	(58,069)	–	(1,536)	45,248
Cash equivalents	225,072	514,994	–	–	740,066
	329,925	456,925	–	(1,536)	785,314
Debt due within one year	(46,378)	46,378	(36,716)	–	(36,716)
Debt due after one year	(713,203)	(854,663)	36,524	–	(1,531,342)
	(759,581)	(808,285)	(192)	–	(1,568,058)
Total	(429,656)	(351,360)	(192)	(1,536)	(782,744)

27 Financial instruments

Narrative disclosures concerning the Group's treasury policy and management are set out in the 2021 Financial Review. The required disclosures in respect of relevant financial assets and liabilities (as defined) in accordance with FRS 102 Section 11 (Basic Financial Instruments) are provided below. Relevant financial assets/liabilities exclude short-term debtors and creditors and investments in subsidiaries and associated undertakings.

(i) Interest rate risk profile of financial liabilities and assets

The interest rate profile of the Group's relevant financial liabilities and interest bearing relevant financial assets at 31 December, 2021 was:

	2021			2020		
	Total €000	Floating rate €000	Fixed rate €000	Total €000	Floating rate €000	Fixed rate €000
Financial liabilities						
Euro	**1,692,105**	**10,003**	**1,682,102**	1,568,058	10,083	1,557,975
Financial assets						
Euro	**824,160**	**824,160**	**–**	763,395	763,395	–
Sterling	**1,095**	**1,095**	**–**	1,293	1,293	–
US dollar	**11,544**	**11,544**	**–**	5,693	5,693	–
Canadian dollar	**7,266**	**7,266**	**–**	5,563	5,563	–
New Zealand dollar	**3,662**	**3,662**	**–**	2,316	2,316	–
Saudi riyal	**9,038**	**9,038**	**–**	7,012	7,012	–
Swiss franc	**21**	**21**	**–**	17	17	–
Australian dollar	**64**	**64**	**–**	25	25	–
	856,850	**856,850**	**–**	785,314	785,314	–

The weighted average interest rate for fixed rate Euro currency financial liabilities was 1.6% (2020: 1.7%) and the weighted average period for which the rate was fixed was 10.5 years (2020: 11.8 years). There were no financial liabilities on which no interest is paid. The floating rate financial assets were comprised of term and call bank deposits of less than one year that bore interest based on market rates.

Currency exposures

The table below shows the Group's currency exposure, being those assets and liabilities (or non-structural exposures) that give rise to the net monetary gains and losses recognised in the profit and loss account. Such exposures comprise the monetary assets and liabilities of the Group that are not denominated in the functional currency of the unit involved. These exposures were as follows:

	Net foreign currency monetary assets €000							
As at 31 December, 2021	Euro	Sterling	US dollar	Canadian dollar	Swiss franc	Australian dollar	Saudi riyal	Swedish kroner
Functional currency of Group operations								
Euro	**–**	**1,097**	**388**	**737**	**21**	**14**	**6,491**	**4**
Canadian dollar	**20**	**–**	**132**	**–**	**–**	**–**	**–**	**–**
US dollar	**2,995**	**141**	**–**	**–**	**–**	**–**	**–**	**–**
Hong Kong dollar	**8**	**–**	**2**	**–**	**–**	**–**	**–**	**–**
New Zealand dollar	**–**	**38**	**9**	**–**	**–**	**50**	**–**	**–**
	3,023	**1,276**	**531**	**737**	**21**	**64**	**6,491**	**4**

As at 31 December, 2020	Euro	Sterling	US dollar	Canadian dollar	Swiss franc	Australian dollar	Saudi riyal	Swedish kroner
Functional currency of Group operations								
Euro	–	923	89	37	17	13	4,879	2
Canadian dollar	16	–	240	–	–	–	–	–
US dollar	7,072	328	–	–	–	–	–	–
New Zealand dollar	1	43	10	–	–	11	–	–
	7,089	1,294	339	37	17	24	4,879	2

27 Financial instruments continued

(ii) Carrying values of financial liabilities and assets

Set out below are the carrying values of the Group's relevant financial assets and liabilities:

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Financial assets				
Measured at fair value through profit or loss				
Financial asset	**14,483**	9,792	**6,453**	2,171
Debt instruments measured at amortised cost				
Loan stock receivable	**12,753**	12,577	**–**	–
Measured at undiscounted amount receivable				
Trade debtors	**28,693**	20,840	**22,499**	15,318
Other debtors	**4,506**	7,281	**7,376**	10,190
Amounts due from subsidiary undertakings	**–**	–	**37,492**	36,057
Amounts due from associated undertakings	**24,902**	19,594	**–**	–
	85,337	70,084	**73,820**	63,736
Financial liabilities				
Measured at fair value through profit or loss				
Financial liabilities	**–**	13	**–**	13
Measured at amortised cost				
Bank loans and overdrafts	**636,845**	672,479	**481,547**	1,029,252
Loan notes	**1,055,260**	895,579	**–**	–
Amounts due to subsidiary undertakings	**–**	–	**1,202,337**	565,288
Measured at undiscounted amount payable				
Trade creditors	**15,922**	14,695	**7,490**	9,087
Other creditors	**89,036**	43,460	**88,791**	42,571
Amounts due to subsidiary undertakings	**–**	–	**27,049**	28,765
	1,797,063	1,626,226	**1,807,814**	1,674,976

The fair values of assets and liabilities, held at fair value through the profit and loss, are determined using quoted market prices in place at each balance sheet date.

At the balance sheet date the fair values of the relevant financial assets and other creditors falling due after more than one year were not materially different from their carrying value.

(iii) Income, expense, gains and losses in respect of financial instruments

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	Group	
	2021 €000	2020 €000
Interest income and expense		
Total interest expense for financial liabilities at amortised cost	**(31,969)**	(22,547)
Total interest income for financial assets at amortised cost	**296**	385
Fair value gains and (losses)		
On financial assets measured at fair value through profit or loss	**2,851**	(33)
On financial liabilities measured at fair value through profit or loss	**1,761**	477

28 Commitments and related matters

(i) Capital commitments

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Contracted	**45,438**	108,042	**45,438**	108,042
Authorised by the Directors but not contracted for	**140,555**	192,805	**140,555**	192,805
	185,993	300,847	**185,993**	300,847

(ii) International concession agreements

Certain international retail activities of the Group are subject to arrangements that include guaranteed minimum concession fees.

Guaranteed minimum concession fees payable over the life of concession agreements that are in place as at 31 December, 2021 were made up as follows:

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Payable on concession agreements within:				
One year	**41,052**	39,522	**–**	–
Two to five years	**155,473**	164,663	**–**	–
Greater than five years	**115,829**	132,015	**–**	–
	312,354	336,200	**–**	–

At 31 December, 2021, €16.8 million (2020: €23.5 million) of these commitments had been secured by performance bonds issued by banks and guaranteed by the Group.

During 2021, the Group, as part of ongoing discussions to reduce or remove concession lease payments, across the estate, has reached agreement, to reduce further payments for 2022. The reduction is valued at €17.8 million.

(iii) Lessee operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Buildings				
One year	**1,261**	1,389	**151**	151
Two to five years	**2,114**	2,765	**551**	551
Greater than five years	**1,129**	1,411	**609**	747
	4,504	5,565	**1,311**	1,449
Land				
One year	**35**	35	**35**	35
Two to five years	**9**	23	**9**	23
	44	58	**44**	58
Plant and Equipment				
One year	**51**	72	**–**	35
Two to five years	**72**	89	**–**	37
	123	161	**–**	72

Group lease payments expensed at 31 December, 2021 amounted to €1.8 million (2020: €2.3 million). Company lease payments expensed at 31 December, 2021 amounted to €0.4 million (2020: €0.4 million).

28 Commitments and related matters continued

(iv) Other commitments, guarantees and contingencies

In the normal course of business, the Group has entered into commitments for the future supply of gas and electricity at its Irish airports. At 31 December, 2021, the purchase commitments amounted to €1.4 million (2020: €2.7 million).

In the ordinary course of business, certain subsidiary undertakings have provided back to back guarantees to (a) financial institutions in respect of guarantees issued on those subsidiary entities' behalf to customs, taxation and related authorities of €10 million (2020: €9.7 million), and (b) in another instance, to a co-shareholder in respect of its proportionate share of guarantees issued on that subsidiary's behalf as security in relation to their ongoing commercial obligations to an aggregate extent of €9.4 million (2020: €8.7 million). Any outstanding amounts in relation to the underlying obligations were already included in the Group's balance sheet at 31 December, 2021 and 2020.

In the normal course of business, certain subsidiary undertakings have provided guarantees, security or indemnities in respect of certain obligations and liabilities related to particular associated and joint venture undertakings to a partial or capped level. As at 31 December, 2021, no liabilities or other obligations have arisen pursuant to these obligations.

29 Lessor operating leases

Total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	Group		Company	
	2021 €000	2020 €000	2021 €000	2020 €000
Buildings				
One year	**12,686**	17,145	**13,428**	17,145
Two to five years	**29,275**	35,136	**31,527**	35,136
Greater than five years	**9,066**	12,661	**11,133**	12,661
	51,027	64,942	**56,088**	64,942
Land				
One year	**109**	107	**109**	107
Two to five years	**425**	429	**425**	429
Greater than five years	**245**	355	**245**	355
	779	891	**779**	891
Plant and equipment				
One year	**41**	168	**41**	168
Two to five years	**–**	6	**–**	6
	41	174	**41**	174

30 Related party disclosures

The related parties of the Group, as defined by FRS 102, Section 33 (Related Party Disclosures), the nature of the relationship and the extent of transactions with them (excluding subsidiary undertakings), are summarised below.

	2021 €000	2020 €000
Associated undertakings		
Management charges to associated undertakings	**540**	1,072
Dividends received from associated undertakings and joint ventures	**–**	1,618
Due from associated undertakings at year-end	**24,902**	19,594

Other than as set out in Note 14, outstanding balances with related parties are unsecured, interest free and cash settlement is expected within the specified payment terms. There were no amounts provided for or written off in the period in respect of debts due to or from related parties.

The Group deals in the normal course of business with Government and state bodies and other entities that are under ownership, control or significant influence from the Government. Such dealings are with a wide range of entities that include central government, local authorities, commercial and non-commercial semi-state companies and financial institutions.

30 Related party disclosures continued

Terms and conditions of transactions with related parties

Outstanding balances with entities are unsecured, interest free and cash settlement is expected within 30 days of invoice. The Group has not provided or benefited from any guarantees for any related party receivables or payables. There were no amounts provided for or written off in the period in respect of debts due to or from related parties.

Key management compensation

The Board of Directors and members of the executive team who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration in respect of the individuals for 2021 was €5.5 million (2020: €4.4 million).

31 Non-controlling interest

	2021 €000	2020 €000
At beginning of financial year	**16,019**	17,947
Share of (loss)/profit for the financial year	**2,620**	(3,045)
Exchange differences	**1,134**	(1,310)
Dividend to non-controlling interest[1]	**(1,341)**	(504)
Purchase of minority shareholding (Note 32)	**–**	2,932
At end of financial year	**18,432**	16,020

1 Amounts above represent dividend payments and declared dividends by Aer Rianta International (Middle East) to its non-controlling interests.

32 Acquisition of subsidiary

On 26 July, 2020, the Group acquired 49.9% of issued share capital of Ahlan Modern Travelers Services Company Limited ("AMTSC") and control of the company is obtained under the shareholder agreements, which govern the management of AMTSC's financial and operating policies. AMTSC currently operates a retail outlet at Terminal 5 at King Khalid International Airport in Riyadh that caters to domestic air traffic. The retail outlet trades primarily in perfumes, cosmetics, confectionery, fashion, jewellery, sunglasses and other consumer goods.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below

	2020 €000
Tangible assets	**1,666**
Intangible assets	**41**
Stocks	**1,871**
Other current assets	**297**
Cash at bank and in hand	**7,342**
Trade creditors	**(2,607)**
Accruals	**(860)**
Amounts due from parent company	**(1,715)**
Provision for retirement benefits	**(131)**
Total identifiable assets acquired and liabilities acquired	**5,904**
Goodwill	**1,678**
Non-controlling interest of 50.1% in AMTSC	**(2,932)**
Total consideration	**4,650**
Satisfied by:	
Cash	**4,650**
Cash consideration for acquisition of subsidiary undertaking	**4,650**
Cash acquired through acquisition of subsidiary undertaking	**(7,342)**
Net cash inflow arising from acquisition	**2,692**
Goodwill	
Goodwill arising on acquisition of subsidiary	**1,678**
Impairment of goodwill	**(605)**
Goodwill at end of financial year 2020	**1,073**

33 Litigation

In the normal course of business, the Group is involved in various legal proceedings with third parties, the outcome of which is uncertain. Where appropriate, provision is made in the Financial Statements based on the Directors' best estimate of the potential outcome of such proceedings. It is the policy of the Group to rigorously defend all legal actions taken against the Group.

34 Events after the end of the reporting period

One of the Group's subsidiaries has been chosen as the partner of choice by ANA Aeroportos de Portugal, from VINCI Airports group, to form a joint venture company to operate c.10,000 sqms of duty free and duty paid retail concession space in Portugal.

From 1 June 2022, the contract covers eight airport locations in Lisbon, Porto, Faro, Madeira Islands (Madeira and Porto Santo) and Azores Islands (Ponta Delgada, Santa Maria, Horta). This requires an initial capitalisation of €2.94 million from ARI as part of its involvement in the joint venture.

Post year-end, one of the Group's subsidiaries signed a 5 year management contract with JEDCO to manage the operations, commercial and engineering aspects at Jeddah King Abdulaziz International Airport in Saudia Arabia, which commenced in April 2022.

We note with concern the recent developments in respect of the invasion by Russia of Ukraine. We continue to monitor this ongoing conflict and to work to try and understand how this may impact global and local economies. Our initial assessment is that this will not have a material impact on our domestic and international passenger flows and profitability and we are satisfied that this is a non-adjusting subsequent event.

No other significant events affecting the Group have occurred since year end which would require disclosure or amendment of the Financial Statements.

35 Implications of COVID-19

The COVID-19 pandemic continued to have an adverse impact on domestic and international travel during 2021. While the Group's operations continued to be adversely impacted by COVID, with reduced traffic in terms of passengers and retail customers, the Group has begun to see a recovery in its financial position from year-end 2020, aided by successful vaccination and booster programmes being rolled out across the globe, as well as the relaxation of travel restrictions internationally. Passenger growth is also expected to continue into 2022 and beyond.

A number of factors across the business helped the Group improve its financial position over the course of 2021 including the following:

- Availing of Government and other stakeholder supports in the form of wage subsidy schemes, rates waivers and COVID-19 grants.
- Availing of the Government's tax warehousing scheme, which allows companies severely impacted by the pandemic to warehouse VAT and PAYE liabilities arising for a period of at least 12 months.
- Issuance of a further €150 million bond tap on an existing Eurobond due in 2028.
- Renegotiation of an extension of the Group's €450 million revolving credit facility to March 2027.
- Continued to managed the Group's capital spend during 2021.

The Group's turnover increased by 11% to €324 million compared with €291 million in 2020. Aeronautical revenue declined by 28% to €64 million, which is net of €15.5 million of discounts provided to airlines, with retail revenue increasing by 47% to €69 million and commercial revenue increasing by 8% to €81 million. International turnover increased by 38% to €110 million. The Group's operating costs before exceptionals (net of Government support) reduced by 9% to €236 million in 2021. The above items have positively impacted the Group's performance. The Group recorded an EBITDA profit before exceptionals of €25.0 million compared to an EBITDA loss of €33 million in 2020. Group loss after tax, before exceptionals was €103.3 million, compared with a loss of €187.4 million in 2020.

36 Contingent Asset

At 31 December, 2021, the Group identified one contingent asset. This pertains to tax refund claims made by an associate undertaking of the Group, relating to eligibility of goods and services tax credits on the sale and supply of goods from its duty free retail outlets, which were under negotiation with and assessment by the relevant tax authorities, as at year end and as such remained uncertain as to their outcome. The Group's share of these claims is €2.4 million.

In accordance with FRS 102, these amounts have not been recognised in the Financial Statements of the Group as at 31 December, 2021. Following the end of year, and before the approval of these Financial Statements, a portion of these claim amounts were agreed with relevant tax authorities and a refund was received, equivalent to €0.8 million of the Group's share of these claims.

37 Accounting policies

Basis of consolidation

The Group Financial Statements consolidate the Financial Statements of the company and its subsidiary undertakings ("subsidiaries") up to 31 December, 2021.

The results of subsidiaries are consolidated and included in the consolidated profit and loss account from their date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities.

Adjustments are made where necessary to subsidiary accounting policies when preparing the Group Financial Statements.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

37 Accounting policies continued

Going concern

The COVID-19 pandemic continued to have an adverse impact on domestic and international travel during 2021. The rollout of successful vaccination and booster programmes both domestically and internationally has facilitated the relaxation of COVID-related lockdowns and the outlook for the aviation industry has improved as a result of this. While the financial results for the daa Group for 2021 were impacted by the pandemic, the Directors expect that operations will continue to improve.

The Directors, having reviewed the Group's projections, with particular reference to its operating cash flow, capital commitments, liquidity and funding position, and in light of the ongoing impact of COVID-19, continue to have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Financial Statements.

Joint venture undertakings

Joint venture undertakings ("joint ventures") are those undertakings over which the Group exercises control jointly with one or more parties.

The Group accounts for investments in joint ventures using the equity method. Investments in joint ventures are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the Group's share of the profit or loss and other comprehensive income of the joint venture. If the Group's share of losses of a joint venture equals or exceeds the carrying amount of its investment in the joint venture, the Group discontinues recognising its share of further losses. The Group recognises additional losses as a provision if it has a legal or constructive obligation to do so. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of the losses not recognised.

The results of joint ventures acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Associated undertakings

Associated undertakings ("associates") are those undertakings in which the Group has a participating interest in the equity capital and over which it is able to exercise significant influence.

The Group accounts for investments in associates using the equity method. Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the Group's share of the profit or loss and other comprehensive income of the associate. If the Group's share of losses of an associate equals or exceeds the carrying amount of its investment in the associate, the Group discontinues recognising its share of further losses. The Group recognises additional losses as a provision if it has a legal or constructive obligation to do so. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of the losses not recognised.

Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out below. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

The results of associates acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are shown in the company balance sheet as investments and are valued at cost less allowance for impairment in value.

Listed investments and financial instruments that are classified as financial assets are measured at fair value through the profit and loss.

Financial income

Dividends receivable are recognised when the right to receive payment has been established.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Turnover represents the fair value of goods and services, net of discounts, delivered to external customers and to certain of the Group's associated undertakings net of unrealised profit/losses in the accounting period excluding value added tax.

Sale of goods comprises goods supplied to both external customers and to certain of the Group's associated undertakings. Turnover from the sale of goods is recognised when the customer takes delivery of the goods.

37 Accounting policies continued

Aeronautical revenue comprises passenger charges which are recognised on their departure, runway movement charges (recognised on landing and take-off) levied according to aircraft's maximum take-off weight, aircraft parking charges based on a combination of time parked and area of use, and other charges which are recognised when services are rendered. The Commission for Aviation Regulation ("CAR") regulates the level of revenues that the company may collect in airport charges levied on users of Dublin airport. CAR achieves this by setting a maximum level of airport charges per passenger that can be collected at Dublin airport.

Rendering of services include property letting, which is recognised on a straight-line basis over the term of the rental period and usage charges for the operational systems (e.g. check-in desks), which are recognised as each service is provided. Car park revenue, of which the majority is pre-booked, is recognised on a straight-line basis.

Concession fee revenue, in general, is a percentage of turnover which may be subject to certain minimum contracted amounts. The minimum contracted amounts are recognised on a straight-line basis over the period to which they relate and the excess which is a percentage of turnover is recognised at the time the excess is reached and can be reliably measured.

Management fees and other direct income from overseas associated undertakings are recognised as turnover when collection is reasonably assured.

Other income

Other income comprises government grants and assistance availed of by the Group in the form of Governments' subsidised wage schemes to provide relief for entities during the COVID-19 pandemic. Government grants are recognised in the profit and loss on a systematic basis over the period in which the entity has recognised the related costs for which the grants are intended to compensate.

Foreign currency

(i) Functional and presentational currency

The individual Financial Statements of each company are presented in the currency of the primary economic environment in which it operates (its functional currency).

For the purposes of consolidated Financial Statements, the results and financial position of each company are expressed in Euro, which is the functional currency of the parent company and the presentational currency for the consolidated Financial Statements.

(ii) Transactions and balances

Transactions arising in foreign currencies are translated into Euro at the rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the year-end rates of exchange. The resulting profits or losses are dealt with in the profit and loss account for the year.

Where applicable the Group's net investment in overseas subsidiaries and associate undertakings is translated at the rate ruling at the balance sheet date. The results of overseas subsidiaries, associates and joint ventures are, where applicable, included at the average rate of exchange. The resulting translation differences are accumulated in equity and are reported in other comprehensive income.

Leases

Operating leases

(i) As lessor

Leases where the Group retains substantially all the risks and benefits of ownership are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying value of the leased asset and recognised over the lease term on the same basis as income.

(ii) As lessee

Expenditure on operating leases is charged to the profit and loss account on a straight-line basis over the lease period except where there are rental increases linked to expected general inflation, in which case these increases are recognised when incurred.

Borrowing costs

Borrowing costs that are directly attributable to major capital projects are capitalised as part of the cost of the assets. The commencement of capitalisation begins when both the finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

37 Accounting policies continued

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost), less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write-off the cost of tangible fixed assets, other than land and assets in the course of construction, on a straight-line basis over the estimated useful lives as follows:

Terminal building, pier and satellite structures	20 – 50 years
Terminal fixtures and fittings	4 – 30 years
Airport plant and equipment	5 – 30 years
Runway surfaces	10 – 15 years
Runway bases	50 years
Taxiways and aprons	25 – 40 years
Motor vehicles	5 – 15 years
Office equipment	3 – 10 years
Computer equipment	3 – 7 years

Assets in the course of construction are transferred to completed assets when substantially all the activities necessary to get the asset ready for use are complete. Depreciation is not applied to assets in the course of construction. The cost of land and buildings and construction work in progress includes an apportionment of staff costs directly associated with the acquisition and development of the assets.

Assets that are constructed by a lessor are recognised as a completed asset when substantially all the activities necessary to get the asset ready for use are completed. In return for the transfer of title of the asset, the lessor receives abated rent for the period of the contract. The asset is initially recognised at the present value of the future cashflows which is the deemed cost.
Where a tangible fixed asset is to be withdrawn from use, the depreciation charge for that asset is accelerated to reflect the asset's remaining useful life based on the period between the date of the decision to withdraw the asset and the forecast date when withdrawal will take place.

The carrying values of items of property, plant and equipment are reviewed for indicators of impairment at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable.

The Group estimates the recoverable amount of its tangible fixed assets based on the higher of their fair value less costs to sell or their value-in-use, consisting of the present values of future cash flows expected to result from their use. For the purposes of this review, Dublin and Cork airports combined are considered to form one cash-generating unit based on the statutory mandate to operate critical national infrastructure, the interdependence of the airports' cash flows and the functional organisational structure by which the airports are managed. Where the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs to sell and value-in-use), an impairment loss is recognised by writing down the assets to their recoverable amount.

Investment property

Investment property is property held to earn rentals, capital appreciation or both. Assets that are currently held for an undetermined future use are also regarded as held for capital appreciation. Owner-occupied properties are classified as property, plant and equipment and carried at cost. Investment property is stated at fair value at the reporting date. Gains or losses arising from changes in the fair value of investment property are included in the profit and loss account for the period in which they arise. Investment properties are not depreciated. Valuations were carried out having regard to comparable market evidence relevant to each specific property or class of properties. In assessing fair value, current and potential future income (after deduction of non-recoverable outgoings) has been capitalised using yields derived from market evidence.

Investment properties in the course of construction are transferred to completed investment property when substantially all the activities necessary to get the asset ready for use are complete. During the construction phase, property under construction is stated at cost less any accumulated impairment losses. On completion, the investment property is stated at fair value.

Intangible assets and goodwill

Goodwill arising on the acquisition of a business (representing the excess of the fair value of the consideration given over the fair value of the separate net assets acquired) is capitalised and is amortised on a straight-line basis over its estimated useful life, the period during which benefits are expected to accrue.

Where control of a subsidiary undertaking is obtained in stages, in accordance with FRS 102, using the true and fair override, goodwill is calculated as the sum of the goodwill arising on each purchase of shares, being the difference at the date of each purchase between the fair value of the consideration given and the fair value of the identifiable assets and liabilities attributable to the interest purchased. This represents a departure from Irish company law, under which goodwill is calculated as the difference between the total acquisition costs of the interests held and the fair value of the identifiable assets and liabilities on the date that the entity becomes a subsidiary undertaking. This treatment under company law would be misleading in certain circumstances as it would have the effect that the Group's share of profits or losses and reserve movements of its associates becomes reclassified as goodwill. The Group has complied with the applicable legislation, except for this departure in relation to purchased goodwill in order to achieve a fair presentation.

37 Accounting policies continued

Where there is an increase in interest in an undertaking that is already a subsidiary undertaking, the assets and liabilities are not revalued to fair value and no additional goodwill is recognised at the date the controlling interest is increased.

Goodwill is being amortised over the period of the concession agreements entered into in the acquired entity.

Where events or circumstances are present which indicate that the carrying amount of goodwill may not be recoverable, the Group estimates the recoverable amount based on the present value of future cashflows expected to result from the use of the asset and its eventual disposition. Where this amount is less than the carrying amount of the asset, the Group will recognise an impairment loss.

In the year in which a business combination is affected and where some or all of the goodwill allocated to a particular cash-generating unit arose in respect of that combination, the cash-generating unit is assessed for impairment prior to the end of the relevant annual period.

Other intangible assets, comprising software and concession rights are recorded at acquisition cost, being fair value at the date of acquisition less the amounts amortised to the profit and loss account.

These intangible assets are amortised over their economic lives, being the terms of various concessions, which currently range from three to fourteen years or being the duration of the software licences, which currently range from three to seven years.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on invoice price on either an average basis or on a first-in first-out basis depending on the stock category. An allowance is made on an annual basis in respect of potential stock obsolescence. It is based on an aged analysis of stock.

Maintenance stock relates solely to stock which will be expensed when consumed. It comprises spare parts which are used for maintenance purposes and office supplies.

Taxation

Current tax, including Irish corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the Financial Statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the Financial Statements.

Unutilised tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment is measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction to which it relates.

Payments for corporation tax group relief to companies within the daa Group that are in excess of the value of the tax value surrendered are treated as a capital contribution.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

37 Accounting policies continued

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist if the Group has a contract under which unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Retirement benefit obligations

The Group operates or participates in contributory pension schemes, covering the majority of its employees. The schemes are administered by trustees and are independent of the Group.

For schemes accounted for as defined contribution schemes, contributions are accrued and recognised in operating profit in the period in which they are earned by the relevant employees.

For the schemes accounted for as defined benefit schemes:

- The difference between the market value of the schemes' assets and actuarially assessed present value of the schemes' liabilities, calculated using the projected unit credit method, is disclosed as an asset/liability on the balance sheet.
- Deferred tax on the pension is recognised (to the extent that it is recoverable) and disclosed as part of provisions for liabilities.
- The amount charged to operating profit is the actuarially determined cost of pension benefits promised to employees earned during the year plus any benefit improvements granted to members during the year.
- The net interest cost on the net defined benefit liability is included within finance costs in the profit and loss account.
- Re-measurement comprising actuarial gains and losses, due to changes in the actuarial assumptions or because actual experience during the year was different to that assumed, and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised in other comprehensive income.
- Tax in relation to service costs, net interest costs, past service costs or gains and losses on curtailments and settlements is recorded in the profit and loss account. Tax on re-measurements is recorded in other comprehensive income.

Unfunded retirement benefit liabilities are accounted for as defined benefit arrangements.

Other post-employment benefits are recognised where there is a legal or constructive obligation and are measured at the present value of the benefit obligation at the reporting date.

Termination benefits are recognised when the Group has a present obligation (legal or constructive) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy or early retirement. Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the termination benefits are due more than 12 months after the balance sheet date.

Capital grants

Capital grants are treated as deferred income and amortised over the expected lives of the related fixed assets.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Debt instruments that meet the basic financial instruments conditions, such as the Group's bank loans and loan notes, which have fixed or determinable payments, are subsequently measured at amortised cost using the effective interest method. Debt instruments that are classified as payable or receivable within one year and which meet the basic financial instruments conditions, such as intercompany loans carried in the company's balance sheet and which are repayable on demand, are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

37 Accounting policies continued

At the end of each reporting period, financial assets measured at amortised cost, such as unlisted investment in loan stock and loan receivables that are repayable on demand, are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit and loss.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when, and only when, (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

The company is also legally required to participate in the EU Emissions Trading Scheme and recognises, as a financial asset, the value of surplus carbon credits associated with the scheme at the quoted market price. Any gains or losses resulting from movement in the surplus of carbon credits and market price are recognised in profit and loss immediately.

(ii) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in the profit and loss immediately.

(iii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the Group estimates the fair value by using a valuation technique.

(iv) Interest income and expense recognition

Interest income and expense is recognised in the profit and loss account for all interest-bearing financial instruments using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment or receipts through the expected life of the financial instrument, or when appropriate, a shorter period to the carrying amount of the financial asset or liability.

Cash and cash equivalents

Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Within the Group cash flow statement, cash is defined as cash and deposits repayable on demand.

Exceptional items

Exceptional items are material items of income and expense that, because of the unusual nature and expected infrequency of the events giving rise to them, merit separate presentation to allow an understanding of the Group's financial performance. Such events may include gains or losses on disposal of assets or fair value movements on investment property, costs of a fundamental reorganisation or restructuring.

38 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 37, the Directors are required to make judgements, estimates and assumptions about the carrying amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the period that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The nature of estimation means that actual outcomes could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty include, but are not limited to, the following:

Impairment assessment

Airport assets are reviewed for potential impairment by considering a series of external and internal indicators specific to the assets under consideration. Dublin and Cork airports are considered to be a single income generating unit for the purpose of impairment assessments based on the statutory mandate to operate airport infrastructure, the interdependence of the airports' cash flows and the functional organisational structure of the daa Group. The level of headroom is a direct function of the judgements and assumptions underpinning the strategic plan and is ultimately dependent on the discount rate, the terminal growth rate and passenger combined annual growth rate. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the time value of money and the risks specific to the cash-generating unit. The main assumptions that affect the estimation of the value-in-use are continuation of the current regulatory regime, the existence and rate of passenger growth and the discount rate. The cash flows are taken from the Group's long-term financial projections and rolling five-year business and financial plan and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash-generating unit being tested.

Where there are indicators of impairment of financial or intangible assets including goodwill and concession rights, the Group performs impairment tests based on the value-in-use. The value-in-use is determined by calculating the net present value of estimated future cash flows arising from that income generating unit, discounted at an appropriate discount factor. The cash flows are derived from the financial projections plan.

Revaluation of investment property

The Group engaged independent valuation specialists to determine fair value at 31 December 2021 and 31 December 2020. The valuations were prepared in consideration of FRS 102 and in accordance with the appraisal and valuation manual issued by the Royal Institution of Chartered Surveyors. The Group has significant property assets which are employed in a wide variety of activities throughout the airports such as car parking, car hire, hangars and office space. Judgement was required to determine in the context of the operations of airports, which properties, if any, should be classified as investment properties under Section 16 Investment Property. Where property assets are held to deliver essential services required at the airport such as car hire, parking and hangar facilities, these were not deemed to be held as investment properties. Other properties that are considered to be an investment property are properties or land held to earn rentals or for capital appreciation such as hotel sites and office buildings which are not used in the core operation of the airports.

All valuations are professional opinions on a stated basis, coupled with any appropriate or special assumptions. A valuation is not a fact; it is an estimate. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty, or probability, that the valuer's opinion of market value would exactly coincide with the price achieved were there an actual sale at the valuation date.

Subjective judgements were made by the valuers during their valuation approach in arriving at the valuation and whilst they consider these to be both logical and appropriate, they are not necessarily the same as would be made by every purchaser.

Investments in subsidiaries, associates and joint ventures

Where there are indicators of impairment in investments in subsidiaries, associates and joint ventures, the Group performs an impairment assessment based on the value-in-use. The value-in-use is determined by calculating the net present value of estimated future cash flows arising from the that cash-generating unit, discounted using an appropriate discount factor. The cash flows are derived from the Group's long-range financial projections. Due to the ongoing COVID-19 global pandemic, there is an increased level of uncertainty in the assumptions applied such that a reasonably possible change in these assumptions could lead to a material change in the carrying value of assets.

Provision for liabilities

A provision is recognised when the Group has a present obligation (either legal or constructive) as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The Group carries provisions for reported and potential claims under its self-insurance programme and for other liabilities, including legal claims. These provisions are made based on historical or other relevant information, adjusted for recent trends where appropriate. Similarly, a provision for restructuring is held for the cost of future leavers under the scheme based on the most up to date information available at the year end. However, provisions represent estimates of the financial costs of events that may not occur for some years. The basis for these estimates are reviewed and updated at least annually and where information becomes available that may give rise to a material change.

38 Critical accounting judgements and key sources of estimation uncertainty continued

Useful economic lives of tangible assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Determination of appropriate useful economic lives is a key judgement and the useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See Note 11 for the carrying amount of the property, plant and equipment and Note 37 for the useful economic lives for each class of assets.

Intangible assets and goodwill

The Group establishes a reliable estimate of the useful life of intangible assets and goodwill arising on business combinations. The estimate is based on a five-year period or where longer, over the period of the concession agreement entered into in the acquired entity.

Onerous contracts

Present obligations arising under onerous contracts are measured and recognised as provisions. An onerous contract is considered to exist if the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Some of the Group's concession lease agreements include clauses to prevent early termination, do not have passenger adjustment clauses and contain obligations to fulfil guaranteed minimal payments during the full term of the agreement.

The conditions for an onerous contract will be met when the business behind such an agreement presents a non-profitable outlook. In this event a provision based on the present value of the unavoidable future negative cash flows expected is established. The unavoidable costs are the lower of the costs of fulfilling the contract and any compensation or penalties arising from failure to fulfil it.

Five-year summary of financial results

	2021 €000	2020 €000	2019 €000	2018 €000	2017 €000
Operating results					
Turnover	**324,090**	290,643	934,696	896,901	854,582
EBITDA (pre-exceptional)	**25,047**	(32,926)	301,781	289,005	270,901
Depreciation, amortisation and impairment	**(117,804)**	(125,839)	(127,024)	(124,368)	(113,024)
Fair value adjustment on investment property	**2,001**	(11,106)	29,881	5,655	6,804
Group operating (loss)/profit	**(90,756)**	(169,871)	204,638	170,292	164,681
Share of (losses)/profits of associates and joint ventures	**1,072**	(33,870)	16,866	17,299	29,543
Finance income/(expenses)	**(20,366)**	(18,241)	(16,154)	(26,186)	(36,419)
Group exceptional items	**(1,579)**	(99,852)	–	2,811	–
(Loss)/profit before taxation	**(111,629)**	(321,834)	205,350	164,216	157,805
Taxation	**11,048**	35,025	(27,135)	(22,662)	(21,827)
Non-controlling interest	**(2,620)**	3,045	(2,245)	(2,010)	(5,662)
(Loss)/profit for the financial year	**(103,261)**	(283,764)	175,970	139,544	130,316
(Loss)/profit excluding exceptional items (after taxation)	**(103,201)**	(187,351)	150,167	132,628	125,114
Capital employed					
Tangible assets and investment property	**2,209,232**	2,149,250	1,996,918	1,856,038	1,840,432
Intangible fixed assets	**55,724**	57,178	57,296	51,750	55,948
Investments	**121,313**	106,584	129,459	128,024	129,473
Net current assets	**564,952**	627,924	189,589	247,864	187,741
Total assets less current liabilities	**2,956,221**	2,940,936	2,373,262	2,283,676	2,213,594
Creditors due after more than one year	**(1,696,523)**	(1,561,302)	(723,085)	(770,310)	(817,510)
Capital grants	**(18,712)**	(6,819)	(7,361)	(8,016)	(8,705)
Provisions for liabilities	**(87,965)**	(129,806)	(107,967)	(106,956)	(94,102)
Net assets	**1,148,021**	1,243,009	1,534,849	1,398,394	1,293,277

Five-year summary cash flow

	2021 €000	2020 €000	2019 €000	2018 €000	2017 €000
Summary cash flow					
Cash flow from operating activities	**185,337**	(17,056)	304,759	286,696	255,723
Dividends received	**734**	1,618	17,859	18,921	26,481
	186,071	(15,438)	322,618	305,617	282,204
Net interest paid	**(29,987)**	(18,518)	(14,895)	(25,887)	(35,063)
Taxation refund/(paid)	**6,741**	12,140	(26,134)	(3,421)	(3,807)
	162,825	(21,816)	281,589	276,309	243,334
Investment in tangible fixed assets, investment properties and software	**(198,663)**	(270,094)	(222,012)	(134,686)	(171,194)
Payments in respect of exceptional restructuring and other provisions	**(24,611)**	(42,335)	(3,560)	(3,603)	(4,535)
Investment in/loans to/from associated and joint venture undertakings and financial assets	**(5,392)**	(19,330)	(2,696)	(630)	–
Acquisition of subsidiary undertakings net of cash acquired	**–**	2,692	–	–	(4,759)
Net proceeds from disposal of subsidiary/associated undertakings/joint ventures	**–**	–	–	1,238	–
Sale of tangible and financial assets	**145**	27	249	32	51
Capital grants received	**12,657**	–	–	–	28
Repayment of financial asset	**–**	–	365	302	442
	(215,864)	(329,040)	(227,654)	(137,347)	(179,967)
	(53,039)	(350,856)	53,935	138,962	63,367
Dividends paid to shareholder	**–**	–	(40,000)	(37,400)	(29,100)
Dividends paid to minority undertakings of subsidiaries	**(1,341)**	(504)	(3,073)	(1,261)	(2,570)
Cash (outflow)/inflow before management of liquid resources and financing	**(54,380)**	(351,360)	10,862	100,301	31,697
Net debt	**835,255**	782,744	429,656	440,773	540,619

Five-year summary of passenger statistics – unaudited

Passengers	2021	2020	2019	2018	2017
Overall					
Transatlantic	**545,834**	577,003	4,003,989	3,819,410	3,302,033
United Kingdom	**2,313,702**	2,720,222	11,590,992	11,391,320	11,293,751
Continental Europe	**5,444,365**	4,231,585	18,558,369	17,332,628	16,151,160
Other International	**186,954**	236,413	1,005,480	991,293	841,776
Domestic	**40,830**	36,583	107,084	115,302	98,892
Transit	**182,318**	115,013	235,575	238,472	203,203
	8,714,003	7,916,819	35,501,489	33,888,425	31,890,815
Percentage change year-on-year	**+10.1%**	-77.7%	+4.8%	+6.3%	+5.8%
Dublin					
Transatlantic	**545,675**	576,960	4,003,713	3,790,970	3,285,618
United Kingdom	**2,177,346**	2,415,108	10,230,550	10,081,376	9,987,687
Continental Europe	**5,325,156**	4,009,378	17,333,001	16,282,380	15,170,341
Other International	**186,954**	236,412	1,005,477	991,285	841,769
Domestic	**37,924**	33,738	103,896	111,850	94,276
Transit	**182,152**	114,831	234,590	237,743	202,617
	8,455,207	7,386,427	32,911,227	31,495,604	29,582,308
Percentage change year-on-year	**+14.5%**	-77.6%	+4.5%	+6.5%	+6.0%
Cork					
Transatlantic	**159**	43	276	28,440	16,415
United Kingdom	**136,356**	305,114	1,360,442	1,309,944	1,306,064
Continental Europe	**119,209**	222,207	1,225,368	1,050,248	980,819
Other International	**–**	1	3	8	7
Domestic	**2,906**	2,845	3,188	3,452	4,616
Transit	**166**	182	985	729	586
	258,796	530,392	2,590,262	2,392,821	2,308,507
Percentage change year-on-year	**-51.2%**	-79.5%	+8.3%	+3.7%	+3.5%

Five-year summary of aircraft movements – unaudited

	2021	2020	2019	2018	2017
Overall					
Commercial					
– Scheduled	**77,371**	81,212	243,693	236,431	224,862
– Non Scheduled	**3,857**	3,465	5,739	5,988	6,436
– Cargo	**7,612**	5,102	4,268	4,389	4,404
Commercial Air Transport Movements	**88,840**	89,779	253,700	246,808	235,702
Percentage change year-on-year	**-1.0%**	-64.6%	+2.8%	+4.7%	+3.5%
Others	**33,617**	31,417	33,930	29,160	30,630
Total Aircraft Movements	**122,457**	121,196	287,630	275,968	266,332
Dublin					
Commercial					
– Scheduled	**74,607**	74,754	222,492	216,199	205,372
– Non Scheduled	**3,414**	3,396	5,382	5,587	6,052
– Cargo	**7,410**	5,102	4,268	4,388	4,404
Commercial Air Transport Movements	**85,431**	83,252	232,142	226,174	215,828
Percentage change year-on-year	**+2.6%**	-64.1%	+2.6%	+4.8%	+4.0%
Others	**6,688**	4,641	6,856	7,011	7,369
Total Aircraft Movements	**92,119**	87,893	238,998	233,185	223,197
Cork					
Commercial					
– Scheduled	**2,764**	6,458	21,201	20,232	19,490
– Non Scheduled	**443**	69	357	401	384
– Cargo	**202**	–	–	1	–
Commercial Air Transport Movements	**3,409**	6,527	21,558	20,634	19,874
Percentage change year-on-year	**-47.8%**	-69.7%	+4.5%	+3.8%	-1.3%
Others	**26,929**	26,776	27,074	22,149	23,261
Total Aircraft Movements	**30,338**	33,303	48,632	42,783	43,135

Aeronautical information

Dublin Airport

Location	Lat. 532517N, Long. 0061612W (midpoint runway 10/28)
Elevation	242 ft. AMSL
Runway	**Runway 10R/28L:** Length 2,637 metres – width 45 metres plus 7.5 metre shoulders each side Surface asphalt Category III A (Runway 10)/Category III A (Runway 28) **Runway 16/34:** Length 2,072 metres – width 61 metres Surface Asphalt Category I (runway 16)/Non-precision (runway 34)
Refuelling	JET A1
Operational	24hrs
Postal address	Dublin Airport, Co. Dublin, Ireland
Fax number	(01) 814 1034 (09:00-17:00)
	(01) 814 5479 (24hrs)
Telephone number	National (01) 814 1111 International 353 1 814 1111
Web	www.dublinairport.com
Sita	DUBRN7X (Airport Administration) DUBYREI (Operations)

Cork Airport

Location	Lat. 515029N, Long. 0082928W
Elevation	502 ft. AMSL
Runway	**Runway 16/34:** Length 2,133 metres – width 45 metres plus 7.5 metre shoulders each side Surface asphalt Category II (Runway 16)/Category I (Runway 34) **Runway 07/25:** Length 1,310 metres – width 45 metres Surface concrete Non inst.
Refuelling	Full refuelling facilities available
Operational	24hrs
Postal address	Cork Airport, Co. Cork, Ireland
Fax number	(021) 431 3442
Telephone number	National (021) 431 3131 International 353 21 431 3131
Web	www.corkairport.com
Sita	ORKARXH

daa plc

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European Investment Bank
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Ulster Bank Limited

Forward-looking statements

This document contains certain forward-looking statements with respect to the financial condition, results of operations and businesses of daa plc. These statements involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. The statements are based on current expected market and economic conditions, the existing regulatory environment and interpretations of Financial Reporting Standards applicable to past, current and future periods. Nothing in this report should be construed as a profit forecast.

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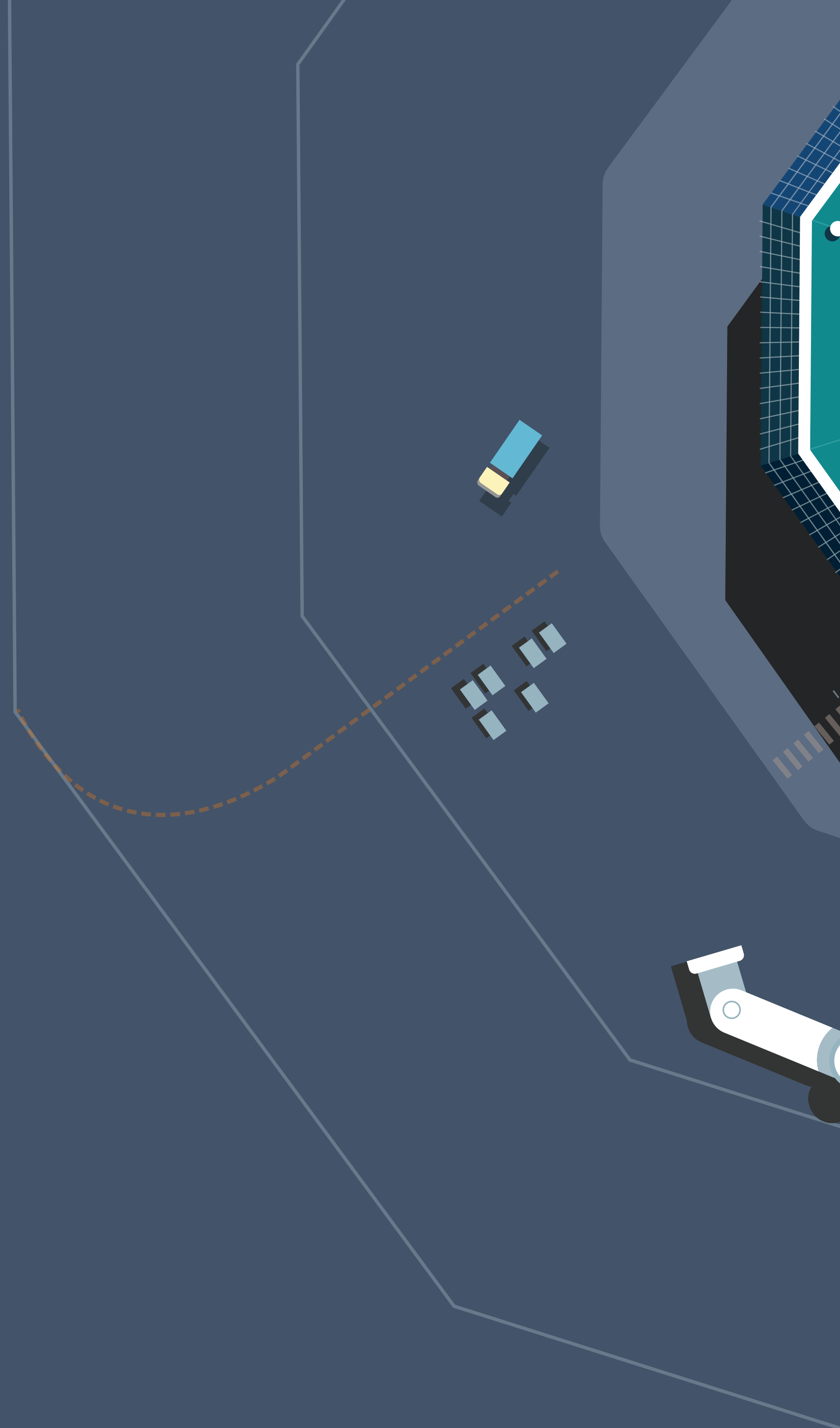

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