Enabling Business Connecting Lives Across the World

Annual Report and Accounts 2022

Introduction

"Challenges remain for the aviation and travel industry as it seeks to fully recover from the impacts of the past three years and as we continue our journey together to meet our respective climate change and sustainability targets.
We look forward to meeting these obligations head-on and to delivering better standards for all our customers in 2023."

Kenny Jacobs
Chief Executive Officer

Contents

We are a global airport and travel retail group with business 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 (ARI), and international aviation operations, management and consultancy through daa International (daal). The company is state-owned and headquartered at Dublin Airport.

Our vision is:

To be airport industry leaders, delivering excellence in a sustainable future.

Our purpose is:

To enable business, and connect lives, across the world.

2022 performance

Passengers at our Irish airports

30.3m

+248%

See more on page 11

Turnover

€752m

+132%

See more on page 18

Operating costs[1]

€461m

+95%

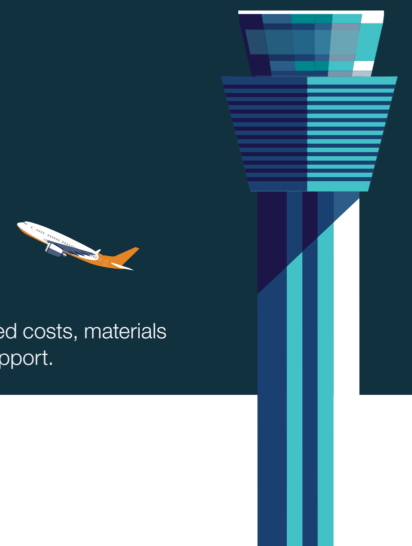
See more on page 18

Net debt

€840m

+0.5%

See more on page 19



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

Achievements and awards

International Wine and Spirit Competition

- Ovis Whiskey, Bronze Medal, Cyprus Duty Free
- XO Brandy, Silver Medal, Cyprus Duty Free
- St Helena Commandaria, Bronze Medal, Cyprus Duty Free

Great Taste Awards

- Ovis Whiskey, 1 Star, Cyprus Duty Free

Icons of Whiskey

- Travel Retailer of the Year, ARI Ireland

Icons of Whiskey Ireland Awards 2023

- Travel Retailer of the Year, The Loop, Dublin Airport
- Spirits Buyer of the Year, Tracey Jordan, highly commended

Best Corporate Social Responsibility/ Sustainability Campaign with #LittleChangesBigDifference

The Loop at Dublin Airport was named Travel Retailer of the Year at the Icons of Whiskey Ireland Awards 2023

Spiritz Achievers Awards

- Travel Retailer of the Year, Delhi Duty Free
- William Grant & Sons (Glenfiddich 30-Year-Old), Delhi Duty Free
- Bacardi (Bombay Bramble), Delhi Duty Free

Icons of Gin – India

- Spirits Buyer of the Year, Meenakshi Sharma, Delhi Duty Free

Diageo

- Global Travel Ambassadors: Sreejith Venugopalan & Vijesh Putuvakkal, Muscat Duty Free

MEADFA

- Best Retailer Award: Winner: Bahrain Duty Free
- Customer Award: Winners: Muscat Duty Free

Moodie Davitt Travel Journey Digital Awards

- Best E/M Commerce for The Loop Duty Free gift with purchase activation
- Best B2B Communications for the #SheWho International Women's Day campaign
- Best Corporate Social Responsibility/Sustainability Campaign with #LittleChangesBigDifference
- Most Effective Use of Data for Eye Tracking & Observation Research (Highly Commended)
- Best Small-Budget Campaign for the "Gift them off their Feet" Valentine's campaign
- Best Overall Use of Social Media by a Retailer

Moodie Davitt Travel Retail Superstars

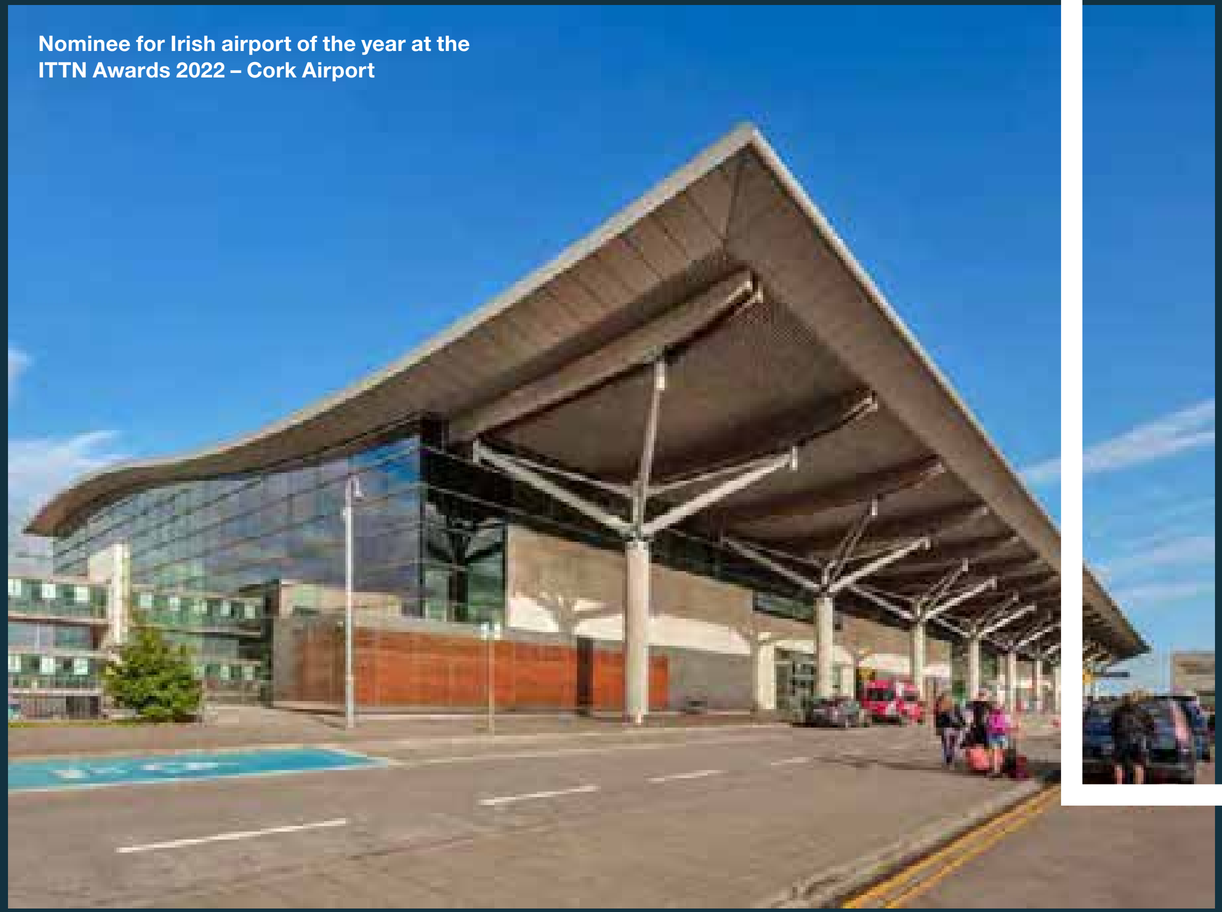
- Star Team Americas: Aer Rianta International North America
- Star Team Europe: Cyprus Duty Free Marketing Team
- Star Individual Middle East & Africa: Marwa Abdulmajeed Shamsan, Buyer, Bahrain Duty Free
- Innovation Europe: Sergios Sergiou, Business Development & Innovations Manager, Cyprus Duty Free
- Humanity, Leadership & Inspiration Europe: Konstantinos Ierodiakonou, Chief Accountant, CTC-ARI Cyprus Duty Free

MEADFA Best Retailer Award: Winner: Bahrain Duty Free


ARUP Engineering Endeavour of 2022:
North Runway at Dublin Airport

CORK AIRPORT

- Finalist at the Cork Chamber Digital Marketing Awards 2022
- Nominee for Irish airport of the year at the ITTN Awards 2022


Nominee for Irish airport of the year at the ITTN Awards 2022 – Cork Airport

DublinAirport

- ARUP Engineering Endeavour of 2022 – North Runway
- Shortlisted for – Best Use of Content/Creative at the Irish Media Awards for our campaign "The Magic of a Warm Welcome" with Avoca and United Airlines
- SEAI Energy Awards Finalists – Transport Category
- Short-listed at Fingal Chamber Business Awards in Best Climate Action category
- Shortlisted for four categories in the Green Awards
- Excellence in Waste Management Award
- Green Construction and Infrastructure project
- Sustainable Energy Achievement Award
- Sustainable Water Achievement Award

daa

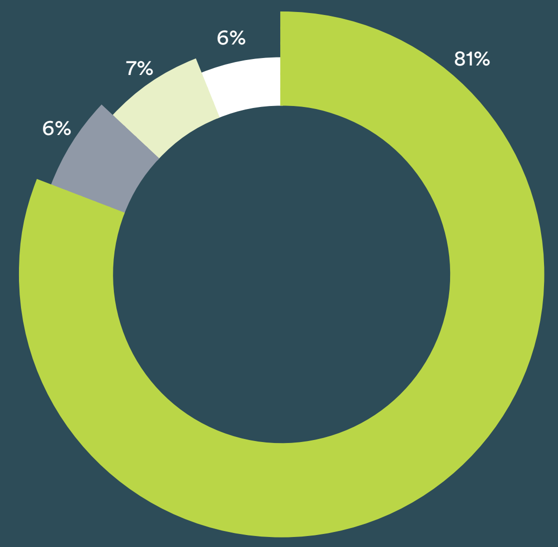
- Shortlisted for three categories in the Green Awards
- Green Large Organisation of the year
- Green Public Sector Organisation of the year
- Sustainability Team of the year

About our business

What we do

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

Group turnover by region 2022



- Europe
- Middle East
- Australasia
- North America

01

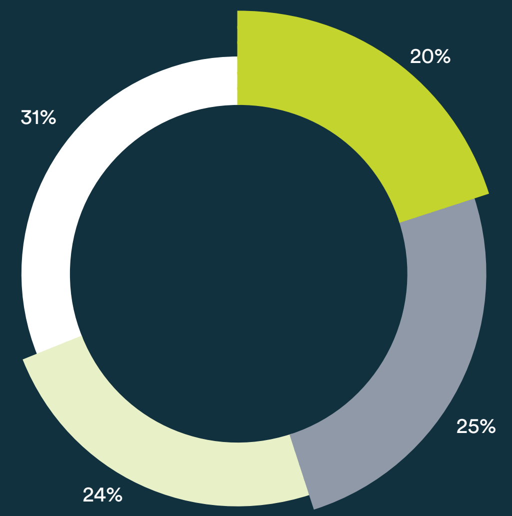
We manage

We own and manage Dublin and Cork airports in Ireland, and manage Terminal 5 at King Khalid International Airport in Riyadh, King Abdulaziz International Airport in Jeddah and the Red Sea International Airport, Saudi Arabia.

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 eight airport locations in Portugal.

Group turnover by class of business 2022



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

02

We invest

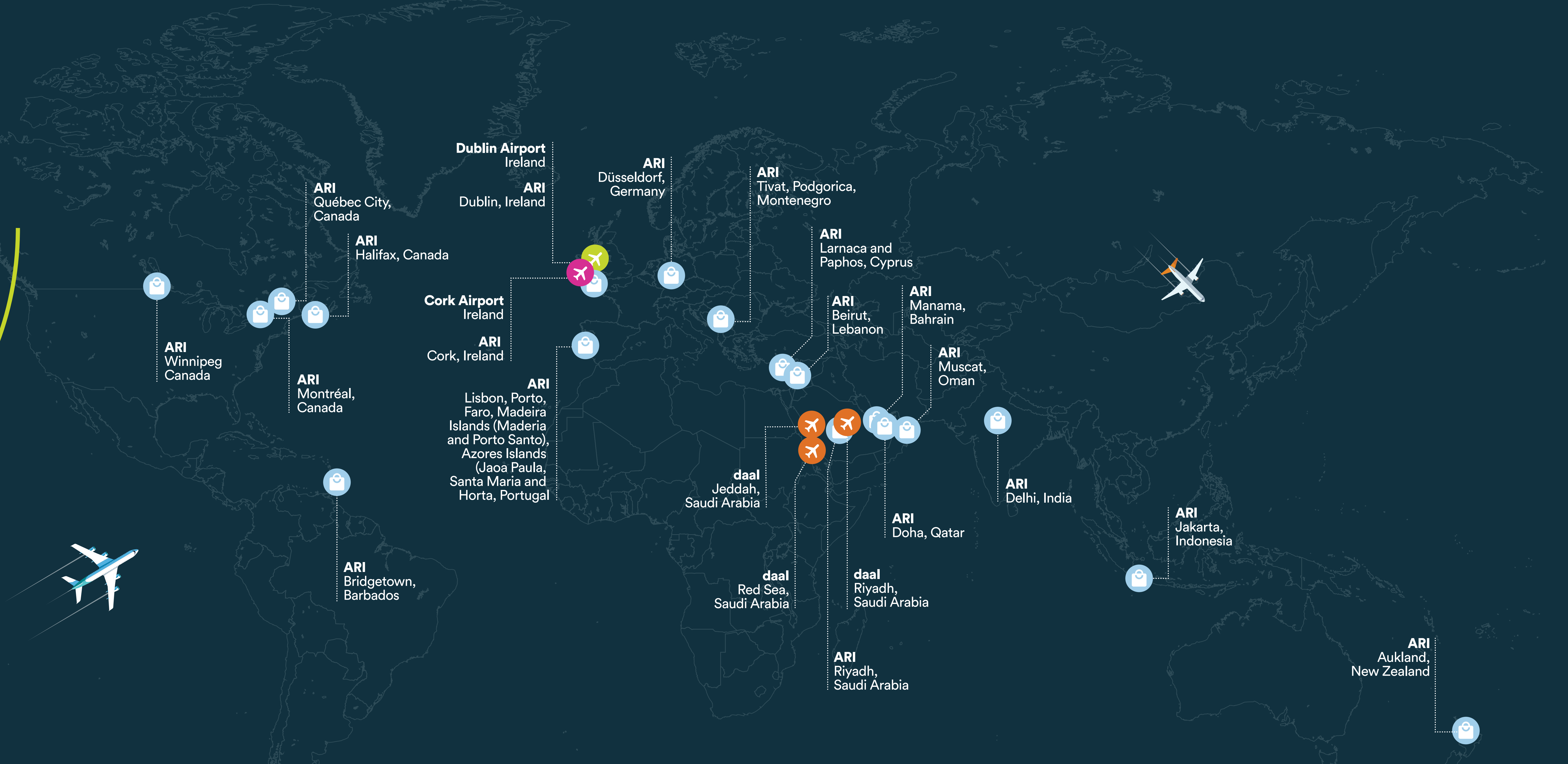
Through ARI, we own a 20% stake in Düsseldorf Airport and an 11% stake in Hermes Airports, which owns and operates Larnaca and Paphos airports in Cyprus.

03

We advise

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

Where we operate



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.

Cork Airport

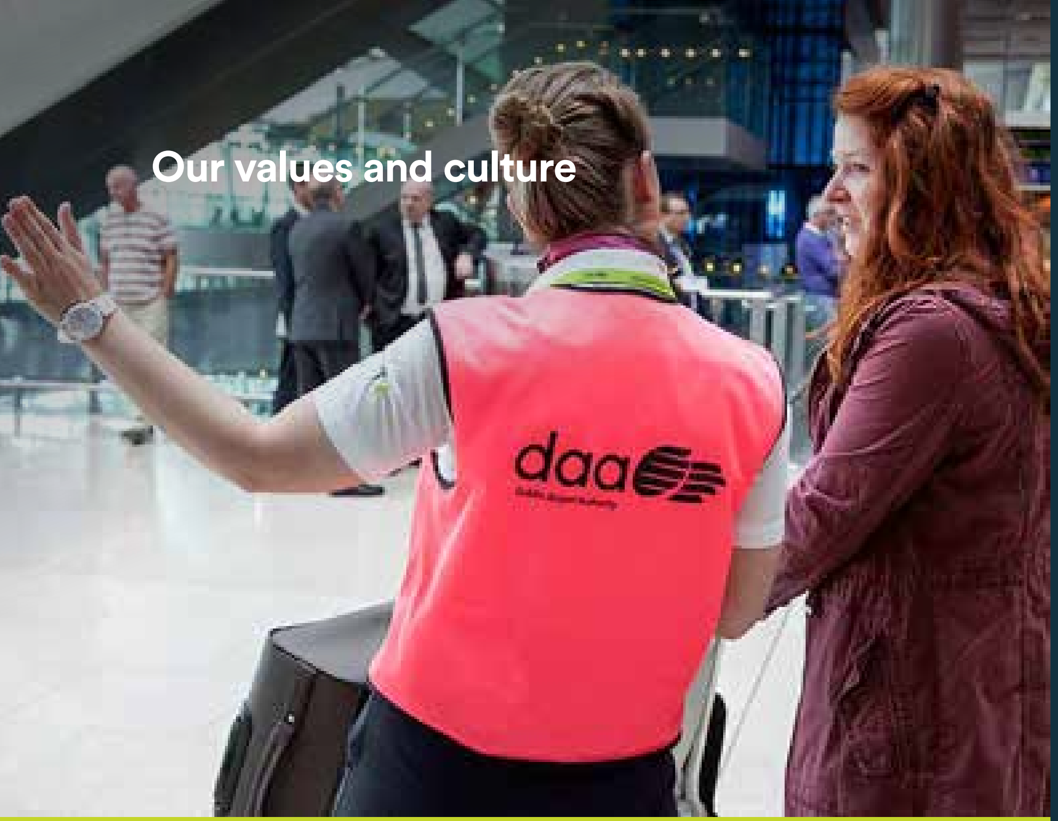
Cork Airport is the second largest of the international airports in the Republic of Ireland and a key gateway to the South of Ireland.

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.

daa International

daa International offers advisory, management and investment services to clients globally. Its flagship contracts for the business are the management contracts for Terminal 5 at King Khalid International Airport in Riyadh, King Abdulaziz International Airport in Jeddah and the Red Sea International Airport, Saudi Arabia.



daa purpose, culture and values

Our purpose: To enable business, and connect lives, across the world,

is what drives us and is underpinned by our values. daa's values are the glue that binds us together and help to guide the Group as it operates, develops and grows.

Our Values

Respecting each other's value
We work as a team. Each of us has a distinct and valuable role to play and 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 driven to ask, "How could this be even better?"

Our tone of voice

At daa, we want our employees to be proud to work in our Group and be an integral part of our vision to enable business and connect lives, across the world.

Despite the devastating impact of COVID-19 on the aviation industry, daa is integral to Ireland's success and an exciting, fulfilling and dynamic place to build a career.

Our Culture is grounded in developing great leaders and colleagues who go the extra mile for our passengers, airlines and partners. They take real pride in their roles and work in a thoughtful, caring and professional way.

We treat everyone as equals and are respectful of our colleagues right across every part of the organisation.

We are:

Honest
We know not all news will be good; however, we speak the truth with openness and transparency.

Clear
We speak simply and clearly. In our communications to colleagues we avoid confusing or misleading language.

Inclusive
At daa, everyone has a voice and an equal right to be heard.

Respectful
We work together in the spirit of mutual respect, regardless of titles, rank or position.

Adaptive
Our communications are flexible to reach people in all our operating countries and make sure everyone is heard and informed.

Our leadership standard

I build RESPECT by...
- Being open and honest
- Valuing all colleagues

As a result I...
Understand others and shape our future

I INSPIRE others by...
- Providing vision, pace and direction
- Creating a winning environment

As a result, our people...
Are focused on the right things and go the extra mile every day

I DELIVER results by...
- Being accountable
- Helping others succeed

As a result, our people...
Are supported, challenged and motivated to deliver on plans and projects

I SHAPE our future by...
- Taking responsibility for making things better
- Championing better approaches

As a result, daa...
Leads in the field in customer experience and grows profitability to build for future generations

Our stakeholders

Building relationships

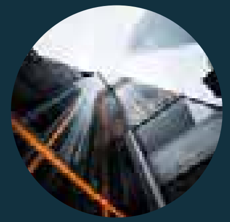
We recognise that the way we fulfil our purpose and vision is important to a wide range of stakeholders including:

Passengers and businesses
who rely on our airports to provide the services they need to connect with the world

Airlines
that we work in partnership with, to develop new routes and services for our passengers

Colleagues
who operate on our sites and who work in our airports in a variety of roles

Communities
who are impacted by the operations of our airports and who we also support through various initiatives



Economies
across the globe, that prosper through our contribution to employment, tourism and investment

> “Stakeholder engagement and building relationships is fundamental to delivering our business priorities.”

As an international organisation, daa interacts with a huge range of stakeholders every single day. We understand that building strong relationships and maintaining those relationships, is fundamental to the prosperity and success of our business.

We strive to maintain open and active engagement with both internal and external stakeholders through a range of channels such as regular meetings and business interactions, targeted events, surveys and social media to name but a few.

We also seek to understand and monitor our relationships to ensure challenges and opportunities are recognised early on and are adequately addressed to mitigate any impacts on our business or our key connections. We do this through a dedicated internal Stakeholder Board consisting of Executive level and Senior managers, who identify priority stakeholders annually, manage those relationships closely and report on relevant stakeholder engagements and issues on a regular basis.

We fully recognise that our stakeholder engagement processes and functions need to evolve in parallel with the ever-changing environment in which daa and its stakeholders operate. In 2023, we will be focusing on applying improvements to our process, such as the application of elements of the AA1000 Stakeholder Engagement Standard. This will include a review of our principles and objectives and the development of a formal stakeholder engagement policy.

ESG highlights

In 2022, daa continued to progress the published commitments set out in the Group's ESG Strategy for 2021-2023.

Carbon emissions reduced in 2022

-24%
Dublin Airport

-38%
Cork Airport

€390k
allocated to local community initiatives

12
exhibitions by local artists hosted at Cork Airport

€400k
raised for 4 charities by our staff over the past 3 years

48%
of food and souvenir suppliers were based locally by the end of 2022.

46%
recycling rate at Dublin Airport

20
Additional mental health first aiders trained

Although operational issues in the early part of the year initially hindered progress in certain areas, we made significant progress over the year across the four pillars of our ESG framework – Environmental Sustainability, People, Community and Economy.

In addition to the delivery of our ESG Strategy this year, extensive investigations were conducted into various environmental and ESG-related reporting standards and work continued throughout the year on securing formal accreditation for our ESG programme.

In 2023, we will seek to continue to build and evolve our ESG programme and credentials, with a particular focus on the implementation of a reporting standard, as well as the development of a new ESG Strategy for the organisation which will be introduced from 2024 onwards.

At daa, we are embedding **environmental sustainability** into everything we do. We are acutely aware of the scale of the task of achieving the government's target of a 51% reduction in Scope 1 and 2 emissions at our airports by 2030, on our way to our ultimate goal of achieving net zero emissions by 2050. We are fully committed to delivering on these targets while in parallel, working alongside aviation stakeholders to support the sector's transition to a more sustainable model for the future and addressing our Scope 3 emissions.

In 2022, we reduced our carbon emissions by 24% at Dublin Airport and 38% at Cork Airport versus a 2018 baseline average. This was achieved by implementing a robust energy management process along with continued LED upgrade works, a fleet replacement programme and participation in the SEAI and OPW Reduce Your Use Campaign. We have also exceeded our recycling target by achieving a 46% recycling rate at Dublin Airport.

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 training and leadership programmes aimed at developing people across the organisation. We also maintained a focus on health and wellbeing with the rollout of a variety of initiatives, such as the training of additional Mental Health First Aid officers. We have also increased our focus on our Equality, Diversity and Inclusion programme.

In terms of our local **community**, €390,000 was allocated to local community initiatives via the Dublin Airport Community Fund in 2022. Cork Airport's support of the arts increased significantly in 2022, with 12 exhibitions by local artists hosted at the airport.

The fundraising efforts of staff, supported by passengers at Dublin and Cork airports, saw over €400,000 raised for four charities following a number of successful fundraising activities over the past three years. St. Francis Hospice, The Mater Foundation, Feed Our Homeless and Headway were beneficiaries. This takes the total amount raised by daa staff since 2007 to more than €3.4 million, which has been shared amongst 30 charities.

Additionally, our international businesses continue to support socially responsible initiatives and by the end of 2022, 48% of food and souvenir suppliers were based locally.

Finally, our impact on the **economy** continues to be crucial. The connectivity that our airports provide is fundamental to Ireland's economic prosperity. In 2022, we began work on an economic analysis of Dublin Airport to understand the airport's impact on connectivity, jobs and economic growth in the post-COVID-19 era.

2023 will be the last year in the lifecycle of our current ESG strategy and our focus will be on ensuring the delivery of all 39 commitments outlined by year-end. A new ESG strategy will be developed by the end of 2023 to build upon the progress made across the current one.

We enable business *

*

Leveraging our experience to help our partners grow sustainably

Strategic report

In this section:

"We will continue to hire new talent throughout 2023 to complement our outstanding team of people who met every challenge put to them last year."

As daa Chair I would like to present the Group's Annual Report for 2022.

Passenger Traffic at Irish Airports

Following two years of COVID-19 disruption, 2022 was the year in which international travel rebounded strongly.

Dublin Airport, which delivers unrivalled global connectivity for Ireland, facilitated the journeys of more than 28.1 million passengers in 2022, representing a 231% increase on 2021 activity and an 85% recovery of 2019 levels. 26.5 million passengers either started or ended their journey at Dublin Airport last year while 1.33 million used the airport as a transfer hub.

Cork Airport welcomed 2.24 million passengers which represented 86% of 2019 levels and a 766% increase on 2021, thereby firmly positioning Cork as the Republic of Ireland's second-busiest and best-connected regional airport.

2022 began with the COVID-19 global pandemic still dominating the news headlines and the Omicron variant was prevalent in Ireland in January and February. With the lifting of all remaining travel restrictions by the Irish Government in March, traffic quickly built up pace and returned at a much faster rate than had been predicted. This brought its own challenges for our business and the wider supply chain in the first half of the year, as the aviation ecosystem struggled to cope with this recovery in international air travel.

We quickly acknowledged our shortcomings with respect to the airport's operations on May 29 last year and swiftly put in place plans to address these challenges to restore confidence among our passengers. We did not impose any limits on the numbers of passengers departing Dublin Airport last Summer or any cap on the number of flights permitted, an action which had to be taken at a number of other European and UK airports.

Additional frontline roles such as airport search unit officers, retail sales professionals, service delivery team members, cleaning team members and technicians, were recruited and we maintained an always-on recruitment strategy throughout the year to attract and hire over 1,000 new employees to cope with accelerated travel demand.

We will continue to hire new talent throughout 2023 to complement our outstanding people who addressed many challenges put to them last year. They showed remarkable resilience, flexibility and good nature, despite the very public and forensic scrutiny of our business as a result of our shortfalls in service at the outset of the extremely busy Summer season.

We returned to normal service for the Christmas and New Year holiday season which saw 93% of our passengers pass through security screening in under 20 minutes, with 99% through in under 30 minutes. In the year ahead, we are determined to maintain this security performance and make further improvements to the resilience of Dublin Airport so that the travelling public gets the service they expect and deserve.

Financial Performance

The daa Group recorded a profit before exceptional items of €98 million in 2022. Turnover was €752 million in the year, which represented an increase of 132% on 2021.

Capital Investment

In August, the new North Runway at Dublin Airport Commenced operations, a testament to the foresight, of prior generations at daa, and our team's ability and expertise to plan, build and manage vital national infrastructure. The opening of North Runway was an exciting milestone in the annals of Dublin Airport as we delivered this once-in-a-generation piece of infrastructure, positioning Ireland for economic growth for decades to come. It is a vital economic enabler for Irish tourism, trade and foreign direct investment and we were enormously proud of everyone who helped deliver this remarkable feat of aviation engineering.

The €320m North Runway (designated 10L/28R) and associated facilities were delivered on time and on budget at no cost to the Irish State. It will support the creation of 31,200 new jobs and €2.2 billion in additional economic activity. North Runway has been part of Dublin Airport's long-term strategic planning and land-use prioritisation since the 1960s and this enabled its delivery within Dublin Airport's existing campus, substantially mitigating cost, disruption and construction time.

Passenger numbers

30.3m

+248%

Turnover

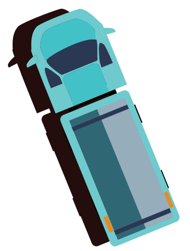
€752m

+132%

Group investment

€158m

-3%



> **"North Runway fulfils a key mandate set by the Irish Government's National Aviation Policy, by enabling Dublin Airport to develop as an international hub for leading airlines and enhancing connectivity of Ireland's island economy."**

North Runway also fulfils a key mandate set by the Irish Government's National Aviation Policy, by enabling Dublin Airport to develop as an international hub for leading airlines and enhancing the connectivity of Ireland's island economy for the benefit of consumers, tourism and foreign direct investment.

daa welcomed the decision by Fingal County Council (incorporating the decision of the Aircraft Noise Competent Authority (ANCA) in 2022) to amend prior planning conditions relating to night-time use of North Runway and to approve changes to permitted night-time aircraft movements across the entire airport. As required under the relevant legislation, the application was referred to ANCA and its Final Regulatory Decision regarding noise management at Dublin Airport would see the replacement of a night-time aircraft movement cap with a more considered noise management quota system. This is an industry-standard approach for managing aircraft noise at large international airports around the world and encourages the use of quieter aircraft. This would be complemented by further noise mitigation schemes and enhanced monitoring measures in the local community. This decision has now been appealed to An Bord Pleanála. It is important that there is a speedy outcome to this appeal. It is critical that the operational flexibility required to enable the growth of international connectivity at Ireland's key gateway, Dublin Airport, is facilitated.

Following the COVID-19 pandemic, daa has a renewed ambition for Dublin Airport and its users. We are steadfast in our ambition to grow Dublin Airport sustainably and to be a standard bearer for quality service. Following on from the North Runway development, we aim to progress at pace our planned €1.9 billion capital investment programme in sustainability projects, a refurbished terminal, new piers, gates, stands and transfer facilities that will ensure a compelling service and lasting legacy for future generations of air travellers in and out of Ireland. It is clearly critically important that the planning system is resourced to enable timely outcomes if we are to deliver against this ambition.

Regulation

The Commission for Aviation Regulation (CAR) decision on Dublin Airport passenger charges has a negative impact on the ability of the airport to fund itself for critical day-to-day operations and to deliver required infrastructure. This runs contrary to the interests of airport users, our passengers and airline partners, who share our desire for efficiency, high-quality, resilient service and investment in vital strategic infrastructure.

The Commission's consultants disallowed additional security staff (it is anticipated that we will require up to 240 additional staff at Dublin Airport by 2026); this undermines daa's determination to keep queues below 30 minutes (a CAR service quality target). The decision also disregards the operational lessons learned from COVID-19 and the challenges faced last Summer, which necessitate greater staff numbers in key frontline operational roles to address the needs of passengers and airline customers as requested by policy makers and the Irish Government.

daa has always said that it is vital that passenger charges are set at a level which allows Dublin Airport to meet the challenge of recovering from the COVID-19 pandemic and to deliver a high-quality resilient service.

While any change in passenger charges has virtually no discernible impact on the price an airline charges for a flight, it has a material effect on the standard of customer service and the level of capacity that Dublin Airport is able to provide as we have repeatedly warned over a number of years.

Dublin Airport already has the lowest charges of 18 similar sized airports across Europe. At a time of record cost inflation – when airfares increased by over 40% across Europe last Summer and are expected to increase by 15-20% this Summer, it makes no sense that airport passenger charges remain substantially less than 2019 levels.

As Ireland begins a process to review national aviation policy it is timely to reflect on the role of all actors performing within the aviation ecosystem in Ireland, including the regulator. We need to reset the system of regulation of aeronautical charges, post the COVID-19 crisis and factor in the learnings from last Summer before the next economic, health or other crisis impacts our ability to respond.

Strategy

daa's new corporate strategy was approved by the daa Board in June 2022 and it charts a course to 2026 that takes into account the strong rebound in passenger volumes at our airports and the necessity to grow in a responsible and sustainable manner.

There are significant initiatives included in the plan to improve standards at Dublin Airport. However, the period to 2026 will see no significant airport capacity delivered. Therefore, the impact of constraints on the passenger experience will be challenging and require huge focus and effort to contain. Supportive regulatory and planning frameworks are key to ensuring that appropriate staffing and necessary facilities can be delivered in a timely manner.

Cork Airport will see a strong rebound in passenger volumes over the course of the strategy and will strengthen its importance as a gateway into the South of Ireland. The strategy also takes account of the strong growth of Aer Rianta International (ARI) and daa International (daal) following significant contract wins in 2022 and envisages this trajectory continuing over the course of the strategy period.

Sustainability

daa recognises the role that airports must play in facilitating the change required in the aviation industry to transition to a more sustainable model that is fit for our future.

Sustainability is a key pillar in our strategy, with a growing focus and prominence, as legislation and stakeholder demands continue to increase. We are committed to ensuring sustainability is embedded within all parts of our organisation.

Three driving principles are guiding our actions – Decarbonisation, Circularity and Healthy Local Environments. The ultimate target for our Group's wholly owned business is to achieve net zero carbon emissions by 2050. Continued incremental achievements to reduce our emissions are critical to achieving net zero for daa. This significant and ambitious commitment will not be achieved however without interdependencies on many industries, as well as ours, investing, researching, and developing new technologies and opportunities to reduce carbon emissions and to capture and sequester the carbon that cannot be eliminated, with a focus on Scope 3 emissions.

International Businesses

In February 2022, ARI, the world's first duty-free operator, and a multiple international award-winning business within the daa Group, was chosen as the partner of choice by ANA Aeroportos de Portugal (ANA) to form a joint venture company to operate its portfolio of duty-free and duty-paid retail concessions throughout Portugal.

With over 70 years of experience in global travel retail, ARI brings our world-class service and extensive brand range to 27 locations in 14 countries. We were delighted to be selected as ANA's preferred joint venture partner which is testament to the commitment and skills of the entire ARI team. Since June 2022, ARI has been delivering an exceptional tailor-made offering across all eight Portuguese locations – Humberto Delgado Airport in Lisbon, Francisco Sá Carneiro Airport in Porto, Faro Airport, Cristiano Ronaldo Airport and Porto Santo Airport in Madeira, and João Paulo II Airport, Santa Maria Airport and Horta Airport in the Azores.

daal continued to grow and provide airport management, operations and maintenance consultancy services to clients in Australia, the Philippines, Saudi Arabia and the UK in 2022.

In March last year following a competitive tender process that included several high-profile airport operators from Europe, Asia and Africa, daal won a further major contract at King Abdulaziz International Airport. The contract, awarded by Jeddah Airports Company, appoints daal to support, manage and advise on operations, aviation business development, non-aeronautical revenue and facilities management at King Abdulaziz International Airport for the next five years.

Management and Board

The Board of daa appointed Kenny Jacobs as the Company's new Chief Executive Officer in November 2022 and Kenny assumed the role in January 2023, succeeding Dalton Philips, who left the business at the end of last Summer. I would like to take this opportunity to thank Dalton for his leadership as CEO over his tenure and wish him every success in his new role. I would also like to take this opportunity to express my thanks and appreciation and that of the Board to Catherine Gubbins, who acted as daa's Interim CEO from the end of last Summer until the start of the new year, in addition to fulfilling her role as Chief Financial Officer during the transition.

Kenny has been appointed for a seven-year term. He brings a unique knowledge of aviation and retail businesses and understands the importance of excellent customer service, commercial growth, retail, and marketing and communications. He has a proven record of putting the customer at the heart of the business and of the delivering of outstanding service. His leadership, expertise and experience will be vital to our operations at Dublin and Cork airports, in ARI and in daal, as we embrace the growth opportunities that lie ahead and proceed to implement our new corporate strategy at pace.

I was delighted to welcome Paula Cogan who was appointed to the daa Board in July last year. She is CEO at Cognate Health and the former President of Cork Chamber of Commerce. I also welcome Denis Smyth, James Kelly, Des Mullally and MarkJames Ryan, who were appointed to the Board in January 2022 under the Worker Participation (State Enterprises) Acts, 1977 and 1988.

Looking ahead

I remain enthusiastic about the future for the Group and the opportunities that lie ahead. I am confident the Board and management is focused on the right priorities across our company and that we have a strategy to deliver the long-term, sustainable future for our business that we all desire.

Basil Geoghegan
Chair
March 23, 2023

Kenny Jacobs took up the position of daa's CEO in January 2023. Here he shares his reflections on his first few months in the role, the challenges and opportunities he sees in the years ahead and the priorities for his tenure.

Who is Kenny Jacobs?
I grew up and studied in Cork and spent a lot of time living and working in the UK and Germany. I am married with two children, who are both in their early teens.

My first job was in sales with Procter & Gamble's pharmaceutical business, then Accenture, German retailer MetroGroup, Tesco as Chief Marketing Officer and running Tesco.com and most recently I spent seven years with Ryanair as its Chief Marketing Officer where I got the aviation bug.

What was it that attracted you to the role of CEO?
First and foremost, this role is all about aviation, something I have a passion for. Secondly, is the central role daa plays in the functioning of our island nation. daa's success is inextricably linked with Ireland's – connecting Irish people, facilitating Irish business and enabling investment in the Irish economy. daa also supports the Irish diaspora, grandparents looking to visit their grandchildren in other parts of the world and the millions of Irish ex-pats looking to come home to visit friends, family and loved ones.

I lived abroad for a big part of my adult life, so I know how special that feeling is to come into Cork and Dublin airports when you are returning home. Travel is in the DNA of Irish people and we are also a country that millions of people want to visit; and as a lover of travel and aviation, I am proud to have the opportunity to shape the next exciting chapter for daa.

I'm excited by the breadth of the role and the mix of businesses that we have within the Group, including Cork and Dublin airports in Ireland, as well as our highly successful retail business ARI, and the pioneering daa International.

What are the first things you have looked to focus on since coming in to daa?
The challenges faced by Dublin Airport in 2022 were well-documented, as passenger traffic surged back at a rate that stretched airports and the aviation sector all around the world.

Dublin Airport endured some tough moments in the March to early June period, but it bounced back very well and it is commendable that it was able to serve 28.1 million passengers, without the need for capacity constraints or mass flight cancellations, which were required at other European and UK airports in order for them to cope with demand. That said, while passengers were able to make their flights last year, we heard loud and clear from them that the experience at Dublin Airport was not good enough and we are working extremely hard to improve that – and at pace. I understand there are issues impacting resilience at Dublin Airport and we're getting on with fixing these, improving our standards and reducing queuing times in Security.

What are you doing to improve standards at Dublin Airport?
We are expecting and planning for another busy year at Dublin Airport and the main focus is on improving security queue times and our overall standards in both terminals, especially Terminal 1. My initial focus was to walk both terminals to identify opportunities to streamline the passenger journey. This led to the removal of unnecessary clutter in the terminals, including out-dated COVID-19 signage and installations. We have identified a number of areas for additional seating in Terminal 1 and a big emphasis is also being placed on improving basic services such as toilets and general cleanliness. We are ensuring that the bugbears that passengers have alerted us to are addressed.

What is daa doing practically in terms of ESG and sustainability?
We are acutely aware of the need to transition to a low-carbon society and we are committed to doing our part to help Ireland meet its carbon emissions reduction targets.

Dublin Airport has been reporting on its carbon emissions over the past decade through the Airport Carbon Accreditation (ACA) scheme. ACA is the only institutionally endorsed, global carbon management certification programme for airports. Dublin Airport's carbon footprint is subject to an annual, rigorous and robust independent assessment by an ACA-verified third party who audits the data to ensure it accurately reflects the emissions on-site.

Since 2010, daa has reduced its carbon emissions by 26%, whilst welcoming an additional 14.4 million passengers, and expanding its infrastructure. We are on track to achieve a 51% reduction in our Scope 1 and 2 carbon emissions and energy usage by 2030, as laid down in targets for the public sector, set by the government.

Additionally we are working towards a commitment to achieve net zero emissions from our operations by 2050, or sooner.

What progress is daa making in equality, diversity and the gender pay gap across the company?
I believe passionately in gender equality and we continue to make progress. For example almost 50% of all managerial appointments made since September were female. We have also developed a programme for high-performing, high-potential senior women within daa. Regarding diversity, I believe a diverse workforce gives us a much richer culture, and makes us far better able to welcome the vast cross-section of public that we serve. At daa our team members originate from 49 countries. In terms of the gender pay gap, work is ongoing to close the gap. We have a number of actions we are taking to address this over the coming years, following the initiatives we have already implemented.

> The return of international travel was good news for daa, our airline customers and our passengers in 2022. Following two years of grounded aircraft and passengers holidaying at home, the skies fully re-opened to facilitate overseas travel once again.

After The Turbulence, Clearer Skies Ahead

We entered the period covered in this Annual Report with a huge amount of uncertainty. COVID-19 travel restrictions were still in place in January and February 2022 and only lifted in Ireland in March.

The re-opening of society and the resumption of international travel presented many challenges for the overall aviation supply chain and the four business units within the daa Group, as doubt lingered over the demand for international travel in a post-pandemic world.

Dublin Airport in particular took time to adjust to the sharper than expected recovery in international travel last year. The operation struggled to keep pace with rising passenger numbers during the late spring and early summer months. The operational challenges faced during those challenging days has been well documented and took time to repair. However, thanks to the hard work, dedication and flexibility of the phenomenal Dublin Airport team, the stabilisation of the operation through the latter half of 2022 has continued into the opening months of 2023.

Dublin Airport facilitated 28.1 million passengers in 2022, which was 85% of the numbers carried in the airport's busiest ever year in 2019 and a 231% increase on 2021. Away from the terminals, 2022 also saw a seminal event for Dublin Airport and Ireland with the opening, on-time and within budget, of the award-winning €320 million North Runway – one of the most important pieces of strategic infrastructure delivered in Ireland in decades.

Cork Airport also enjoyed a markedly better year in 2022, serving a total of 2.24 million passengers – a near eight-fold increase on 2021 numbers and 86% of levels seen in 2019. daal and ARI also enjoyed great success in 2022, with major contract wins in Jeddah and Portugal respectively.

Thankfully, with COVID-19 lockdowns firmly in the rear-view mirror, we started 2023 with a great deal more certainty. With demand for international travel remaining high, we fully expect to see more long and short-haul routes re-established at both our Irish airports. The addition of new routes and the expected increase in passenger numbers will continue to boost the fortunes of all four businesses within the daa Group.

Operational challenges remain in providing a resilient service at Dublin Airport. This will be our focus in the short term, and in the longer term we want to get back to growth, attracting new airline customers and increasing our passenger capacity to 40 million passengers.

Challenges also remain for the aviation and travel industry as it seeks to fully recover from the impacts of the past three years, and as we continue our journey together to meet our respective climate-change and sustainability targets.

We look forward to meeting these obligations head-on and to delivering better standards for all our customers in 2023.

Kenny Jacobs
Chief Executive Officer

> My focus – and that of the wider daa team – will be to continue driving standards upwards at Dublin Airport over the year ahead.

All eyes on further growth and better standards in 2023

By their nature, Annual Reports understandably tend to do a lot of looking back. My colleagues writing in this report do an excellent job of offering a comprehensive overview of how 2022 went for daa, so four months into my tenure as CEO of daa, I will use this opportunity to look to the future.

I was delighted to join daa at the beginning of 2023. I have joined the business at a hugely crucial time with a range of exciting initiatives planned and underway across all parts of the Group.

In 2022, we restarted our businesses following the pandemic. This was clearly a challenging period for daa – in particular for Dublin Airport, which was severely challenged on a number of fronts in the first half of last year.

We made steady improvements over the second half of 2022 and, in 2023 our full focus is now on continuing to improve and grow for all our customers.

Dublin Airport

The issues which faced Dublin Airport between March and June 2022, as a result of the quicker-than expected recovery in passenger numbers post-pandemic, have been well-documented. The response of the entire daa team to those challenges was incredible, leading to a sustained improvement in the offering for passengers over the second half of 2022 and into the start of 2023.

Dublin Airport has entered 2023 in a much more assured place than it entered the previous year. The looming threat of further COVID-19 lockdowns and heavy travel restrictions is thankfully largely a thing of the past, with a much greater degree of certainty around travel habits in a post-pandemic world.

Planning for the summer months of 2023 has been done against the backdrop of a steady improvement of the operation at Dublin Airport since August 2022 – with processing times at security screening having once again stabilised consistently below 30 minutes. daa's focus is driving these times down further – with the aim of less than 20 minutes becoming the new norm at our busiest times – and for the continued improvement in the passenger experience in both our terminals at Dublin Airport.

We are listening intently to what our passengers are telling us about what they want and expect at Dublin Airport. We are acting on this feedback to deliver more seating where passengers need it most and to remove the bugbears that negatively impact on their experience. This includes improving overall standards and the cleanliness of our facilities in areas like toilets and seating. It means ensuring power sockets at all charging stations are working to allow passengers to charge their phones and laptops. We want to provide enjoyable and engaging shopping experiences, ensuring value-for-money at food and beverage outlets. Every improvement we make helps improve standards for passengers boarding a flight to their destination from Dublin Airport. My focus – and that of the wider daa team – will be to continue driving standards upwards at Dublin Airport over the year ahead.

Prior to COVID-19, Dublin Airport was synonymous with a good passenger experience and, through our comprehensive summer plan, we are putting our full focus on improving our standards to an even higher level than they were back then. Our passengers deserve no less.

International

The resumption of international travel was good news for ARI in 2022, with the welcome sight and sound of passengers once again flowing through its retail outlets around the world. ARI's portfolio of stores expanded through the year with the addition of eight airports in Portugal, which have been successfully integrated into the operation over the past nine months. The early months of 2023 have seen the rollout of ARI's exciting new brand, which will provide the business with a platform to deepen relationships and grow further into both existing and new markets over the months and years ahead.

It is now 12 months since daa International's five-year contract to operate King Abdulaziz International Airport in Jeddah, Saudi Arabia was announced, with the team now well-embedded. The operation provides a fantastic showcase for our abilities as a Company to expand further afield, with discussions ongoing regarding a number of strong opportunities which we look forward to announcing in due course.

Cork Airport

After two years of COVID-19, Cork Airport has recovered well over the past 12 months. Through the course of 2022, Cork welcomed back eight scheduled airlines and served a total of 2.24 million passengers. Cork Airport's main runway, which was reconstructed in November 2021, was put to good use with a total of 45 scheduled routes serving the UK, France, The Netherlands, Spain, Portugal, Italy, Germany, Switzerland, Austria, Poland and Croatia being operated by eight scheduled airlines – Ryanair, Aer Lingus, KLM Royal Dutch Airlines, Air France, Lufthansa, Vueling, SWISS International Air Lines and TUI, together with a number of charter airlines.

The current calendar year has started strongly too, with overall passenger numbers forecast to grow once again in 2023. Our team works very hard at Cork Airport to make the passenger journey seamless, friendly, and easy. The passenger satisfaction scores reflect this and I encourage prospective passengers across the South of Ireland to bear this ease and convenience in mind when booking their summer holidays in 2023.

"

The Group experienced a strong, consistent upturn in activity levels in 2022 and has seen an improvement in turnover, EBITDA and profit after tax for the year ended December 2022.

"

daa eagerly anticipated the start of 2022 and a return to a more consistent flow of passengers and activity across our domestic and international businesses, having weathered the significant impact of COVID-19 on the Group for the previous two financial years. Much has been commented on the pace of the return of activity levels and the impact of this can clearly be seen in our financial results for the year ended December 31, 2022. While the rate of recovery has not been consistent across our domestic and international airports, undoubtedly the appetite for international travel and the resilience of the aviation sector has been validated. Returning passengers availed of the broad range of food and beverage, retail and other commercial offerings available at our airports and this resulted in a strong financial return for the Group for the period.

2022 Results

This strong performance in 2022 drove a significant improvement in turnover, EBITDA[2] and profit after tax for the year ended December 2022 when compared with 2021. Passengers at daa's Irish airports totalled 30.3 million (85% of 2019 levels) compared with 8.7 million in 2021. Group turnover was €752 million, an increase of 132% compared with €324 million in 2021.

Turnover generated at Dublin and Cork airports comprises aeronautical charges levied, and turnover from direct retailing and commercial activities such as car parking, car hire and other activities. Domestic airport-related turnover increased by 143% to €519 million (2021: €214 million), with aeronautical revenue increasing by 142% to €154 million. Domestic retail revenue was up by 167% to €185 million and other commercial revenue increased by 122% to €180 million.

Our international business also experienced a strong return of activity with international turnover increasing by 109% to €233 million (refer to the Chair's statement on page 13 for further details).

The Group recorded EBITDA[2] before exceptionals of €249 million compared with an EBITDA[2] of €25 million in 2021.

Group operating costs[1] before exceptionals increased by 95% to €461 million from €236 million in 2021. Domestic airport costs[1] amounted to €351 million; an increase of 102% from

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

	2022	2021
Passenger numbers – Ireland (millions)	**30.3**	8.7
Change %	**+248%**	+10%
	€'m	€'m
Group turnover	**752**	324
Change %	**+132%**	+11%
Group operating costs[1]	**461**	236
Change %	**+95%**	-9%
Group EBITDA[2]	**249**	25
Change %	**+896%**	+176%
Group profit/(loss) after tax – before exceptionals & fair value movements	**98**	(101)
Exceptional items & fair value movements	**21**	0.06
Group profit/(loss) after tax – after adjustments & fair value movements	**119**	(101)
Net cash inflow from operating activities	**163**	167

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.

Group turnover

€752m

132%

Operating costs[1]

€461m

+95%

EBITDA[2]

€249m

+896%

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).

€173 million in 2021. Domestic operating costs were impacted by increased passenger levels but also by the cost increases in energy and gas and costs incurred in respect of unanticipated operational challenges in Dublin Airport during the start of the summer.

The Group had availed of a range of government supports throughout 2021, both in Ireland and abroad, including payroll support, rates waivers and operating and capital grants in Ireland in respect of Cork Airport. These supports ceased early in 2022. The Group recognised €4.7 million of payroll-related supports in 2022, compared with €39 million in 2021 and this is disclosed as other income in Note 4 of the Financial statements.

The Group generated a profit after tax and before exceptionals of €98 million, a significant improvement compared with a loss of €101 million in 2021.

Exceptional items include a fair value increase of €22 million in investment properties and a release of the Group's unutilised voluntary severance scheme provisions of €4.7 million (see Note 6 of the Financial statements).

After exceptional items, the Group incurred a profit after tax of €119 million (2021: loss after tax of €101 million).

Business Units

Dublin and Cork airports' aeronautical and commercial activities recorded an EBITDA of €225 million in 2022 (2021: EBITDA of €27 million). While the return of passengers positively impacted aeronautical revenues, there were also very strong sales of our commercial product offerings such as car parking and food and beverage with domestic retail sales also benefitting from the impact of Brexit.

International results improved from a loss of €11 million to a profit of €23 million in 2022. This takes into account a €15 million share of profit from associates and joint ventures (2021: loss of €1 million) with strong activity levels seen across all of our international retail sales ventures. daal continued to progress its business, with turnover increasing by 144%.

Tax

The Group recognised a taxation charge of €25 million for the year ended December 31, 2022, compared with a taxation credit of €11 million in 2021. The Group's overall effective tax rate was 17% (2021: 10%). The increase in tax rate is largely driven by income and other items taxable at rates higher than the standard rate of tax in Ireland. The largest component of the tax charge is the deferred tax charge of €17.1 million (2021: €12.2 million credit) arising mainly on property revaluations.

At the year-end, the Group continued to avail of the government's tax debt warehousing scheme to assist Irish businesses during the period of restricted trading caused by COVID-19. This scheme allowed companies that were severely affected by the pandemic to warehouse VAT and PAYE liabilities for a period on an interest-free basis. In total, over the period of the scheme, daa warehoused €7.7 million of VAT and €73.1 million of P30 liabilities for certain periods between May 2020 and January 2022. Currently, no interest is arising on the warehoused liabilities and it is the Group's intention to repay them in full in 2023.

Investment

Cashflow in respect of capital investment for 2022 amounted to €156 million (2021: €199 million). Expenditure continued to be focused on construction projects in Dublin Airport with construction work concluding on North Runway; the substantial completion of the required upgrade to hold-baggage screening (HBS) infrastructure at our airports; and completing several other critical projects, including airfield works at Dublin Airport.

The Group's capital investment pipeline and proposed timeline was impacted by the pandemic, with actual investment levels below those envisaged as part of our engagement with the Commission for Aviation Regulation (CAR) and our airline partners in 2019. Further to the finalisation of the third interim review of the 2019 Determination we look forward to working with our airlines, the relevant planning authorities and other key stakeholders to progress our critical capital plans for Dublin Airport.

At the end of 2022, capital commitments were €254 million, of which €24 million were contracted and primarily relate to the HBS project.

Cashflow Activities and Net Debt

The Group had net cash inflow from operating activities of €163 million in 2022, compared with inflows of €167 million in 2021 (see Note 26 of the Financial statements). There were a number of one-off factors impacting this result namely the receipt of significant aviation-specific funding from the government in December 2021 (€104 million). This funding was used to provide incentives to airlines during 2022.

After restructuring payments of €4 million (2021: €22 million), investment activities of €141 million (net) (2021: €203 million) and the effects of interest etc., net debt increased by €5 million to €840 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-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 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

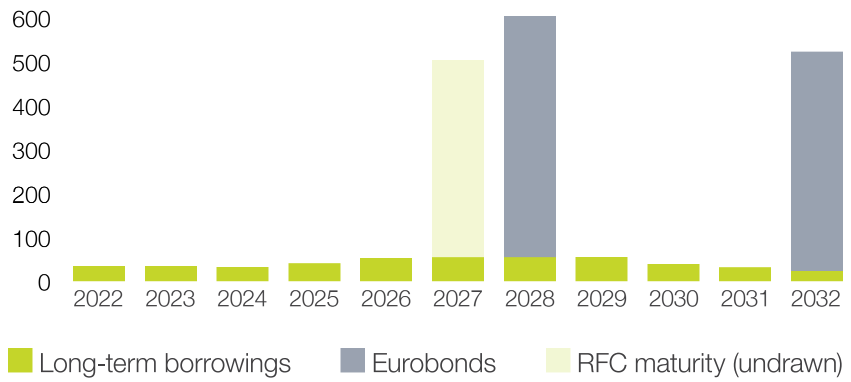
Looking forward to 2023 and beyond, we anticipate continued strong passenger flows and activity levels across our domestic and international portfolio. This is despite some macroeconomic headwinds and the potential downstream impacts of higher inflation, interest rate rises, certain recessionary indicators and geopolitical uncertainty. We are pleased to see the resilience of the industry being evidenced by the strong return of capacity from our key airline partners with our domestic route networks returning to 2019 levels.

Undoubtedly, the Group has certain challenges to navigate as we look to deliver on our ambitious strategy. The most significant of these is ensuring we are now in a position to deliver on critical required capital investments at Dublin Airport to ensure that the state's national gateway has the capacity to deliver for the citizens who rely on it. Other ongoing challenges include inflationary pressures being experienced locally and globally, and also a skills and people shortage.

Our focus over the past number of years was on ensuring that the Group was able to navigate the challenges associated with the COVID-19 pandemic and ensuring our financial resilience throughout. With the strong return of our passengers, the focus now is on ensuring a resilient and sustainable business, that delivers on our mandate for all of our stakeholders. We will continue to protect our business and our financial profile by adapting our cost base to remain competitive, investing in critical capital infrastructure and ensuring long-term prudent funding and liquidity to allow the Group to continue to withstand major events, especially in a cyclical sector.

Catherine Gubbins
Group Chief Financial Officer
March 23, 2023

Existing Group debt facilities



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)

Treasury

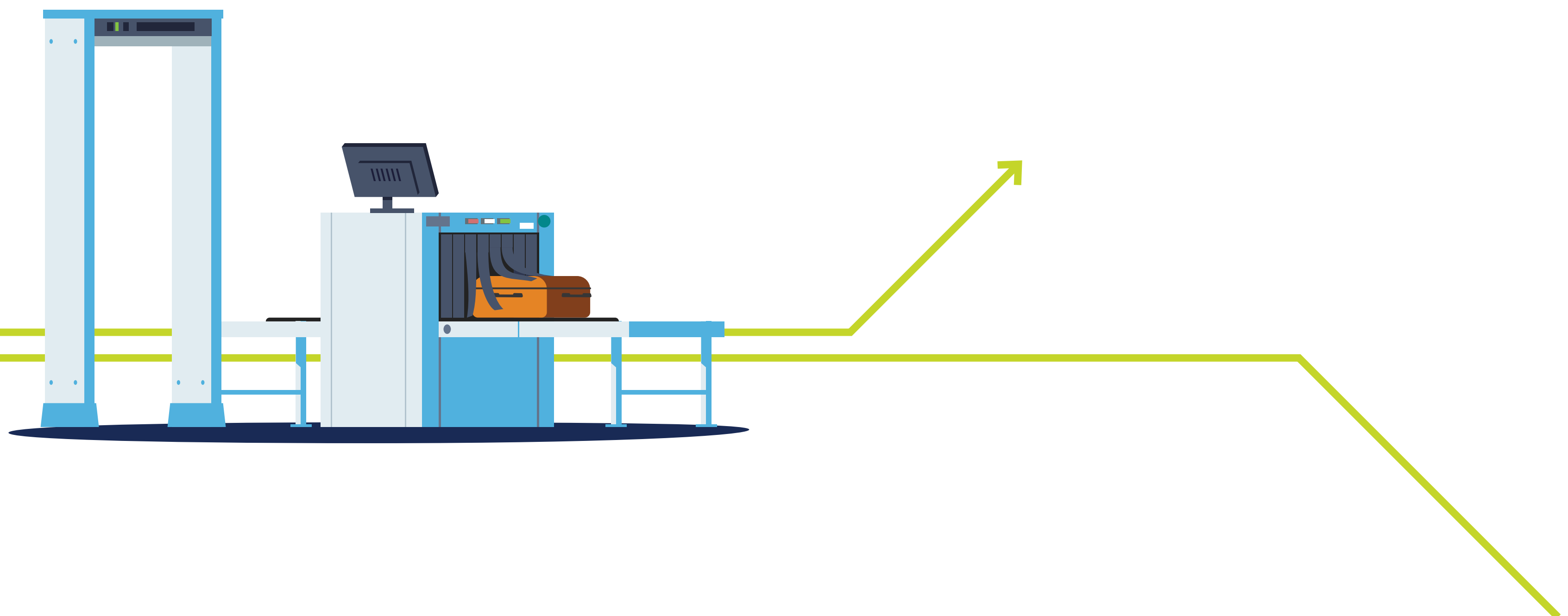
Treasury Management

The Group operates a centralised treasury function operated in compliance with Board-approved policies; those policies are reviewed periodically by management and Internal Audit for appropriateness and to ensure the system of internal controls is effective.

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

- Liquidity – to put in place sufficient liquidity to meet the Group’s requirements
- Funding – to maintain access to the debt markets and other sources of finance
- 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.



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 have the ability to absorb high-impact, low-probability events without having to refinance. • As a result of financing actions, the Group had, at December 31, 2022, liquidity of €1,266 million consisting of cash of €816 million and the undrawn €450 million committed revolving credit facility (RCF) providing the Group with strong liquidity to meet its future obligations. Capital commitments contracted at December 31, 2022 were €24 million, while a further €230 million was authorised by the Directors but not contracted.
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 40% at the year-end which decreased from 42% in 2021. The detailed cashflow statement is shown on page 76 and is supported by Notes 26 and 27 of the Financial statements. The Group’s debt maturity profile as set out across shows a very manageable repayment position with no significant repayments until June 2028 when the €550 million Eurobond matures. Please see the Group debt maturity table.
Interest rate	• The Group’s policy is to maintain a minimum fixed ratio of 70% on existing debt, to protect the profit and loss account and cash flows from material adverse movements in interest rates. At December 31, 2022, 99.4% 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% (2021: 1.5%).
Foreign exchange	• 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 natural hedging on 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.
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.

Our new strategy 2022-2026

The corporate strategy was approved by daa's Board in 2022 and associated milestones were developed over the course of the year to measure and track the delivery of the priorities over the course of the strategy period.

Keep our People at the Core

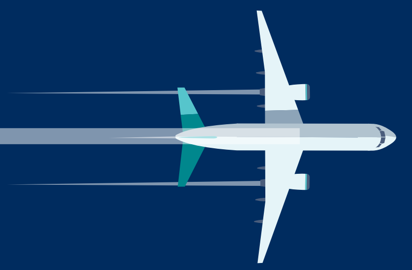
- Enhance our Employee Value Proposition (EVP).
- Continue to develop daa as a great place to build a career.
- Transform how we deliver HR services.
- Ensure we have the right people at every level.
- Improve the ways we work together.

Restore, Refine and Reimagine our Airports

- Deliver the highest standards of safety and security.
- Grow passenger numbers at our Irish airports.
- Become a digital airport innovator.
- Diversify and grow our commercial revenues.
- Restore the highest operational standards for our passengers and customers.

Build for the Future

- Develop the digital and data capabilities needed to enable the delivery of our plans.
- Invest €1.9 billion in capital development at Dublin Airport.
- Progress planning issues to facilitate long-term sustainable development.



Grow our International Business

ARI

- Strengthen our retail proposition.
- Deliver on, and successfully extend, our existing portfolio of contracts.
- Build on our recent successes to win new business.
- Deliver on our digital strategy.

daal

- Deliver successfully on our core contracts, including our new contract in Jeddah.
- Leverage our recent successes to win further business across our key focus regions.
- Ensure a proactive resourcing model to support our success.

Deliver on our Sustainability Ambitions

- Increase our focus on ESG (Environmental, Social and Governance).
- Accelerate our journey to net zero carbon emissions, net zero waste.
- Deliver the resourcing and investment we need to succeed.
- Maintain strong focus on our local communities and on human rights.

Our strategy

During 2022, daa developed a new corporate strategy for the period to the end of 2026. The strategy was prepared against a challenging external environment with rising inflation, war in Ukraine, and a sector which had rebounded strongly following the COVID-19 pandemic.

In addition, there were significant internal challenges facing daa as it readjusted, following a period of significant losses and the exit of over one third of our workforce.

The Group's net debt had doubled at a time when we were embarking upon an extensive capital investment programme to meet the longer term needs of our passengers, our airline partners and the wider economy.

daa's strategic objectives are aligned with the key elements of Ireland's National Aviation Policy, as they aim to:

- Provide efficient world-class operations at airports to keep Ireland connected globally.
- Act as long-term economic steward of critical national infrastructure.
- Position Ireland at the forefront of the green agenda, especially in global aviation.
- Maximise the Group's portfolio Return on Investment to generate the headroom to invest strategically in daa's assets, while also diversifying revenue streams.

Dublin Airport

The strategy for Dublin Airport prioritises improving the service standards and proposition across the campus and targets an effortless travel experience where every journey is defined by ease and efficiency. On May 29, 2022, the passenger experience provided at Dublin Airport fell short of daa's desired standards and we appreciate that this caused anger, frustration and upset to passengers and staff alike.

Our strategy seeks to improve standards through a range of initiatives to create a stress-free journey through the airport for our passengers. In the near term, the focus will be on providing a safe, clean and efficient environment for all customers by developing core standards which are delivered consistently.

As passenger volumes return, Dublin Airport will experience capacity challenges across an increasing number of operational areas, and due to planning and construction timelines it will remain constrained for much of the decade until larger infrastructure projects are delivered. Our strategy has identified actions to accelerate the delivery of infrastructure projects where possible to do so, however these initiatives will be dependent on planning outcomes.

We are committed to delivering key infrastructure projects in a way which minimises the impact on passengers, airlines, and staff alike. The most significant challenge will be aircraft parking stands and boarding gate capacity and to this end, daa is focused on providing increased staffing at peak times to manage the increased processing throughput, queuing and passenger circulation together with the careful phasing of delivery to minimise the passenger impact.

The airport environment is complex as multiple third parties are involved in creating the passenger experience. Our strategy focuses on improving the airport campus approach for internal teams, partners and customers to improve the overall experience.

A key initiative in this regard is the roll out in 2023 of a campus-wide safety stack initiative to support the delivery of safe airport operations across the aerodrome for all stakeholders including ground-handlers, airlines, Air Traffic Control and Dublin Airport staff.

Dublin Airport continues to be subject to independent economic regulation by the Commission for Aviation Regulation (CAR) in Ireland. The regulatory regime sets Service Quality Metrics (SQMs) and the non-achievement of the regulatory targets results in financial penalties each year. The strategy is focused on the delivery of services so as to meet or exceed the SQMs set by CAR.

Cork Airport

The strategy for Cork Airport targets a strong rebound in passenger volumes over the course of the period to 2026 given the continued importance of Ireland's second-busiest international gateway for the South of Ireland. The strategy also sets the goal for Cork Airport of becoming Ireland's greenest airport with a range of initiatives planned.

ARI

The ARI plan seeks to improve the customer value proposition and build on the momentum of the recent Portugal contract win to further expand ARI's retailing proposition into new markets. It targets key contract extensions and new business development in Europe, Middle East, North America and Asia Pacific.

daa International

Recent contract wins by daa International in Jeddah and the Red Sea in Saudi Arabia together with an expansion of consulting work for airport owners has created the platform for daa International to capitalise on market opportunities as they arise.

The strategy involves a proactive resourcing model including investment in subject matter experts who can be deployed to international assignments.

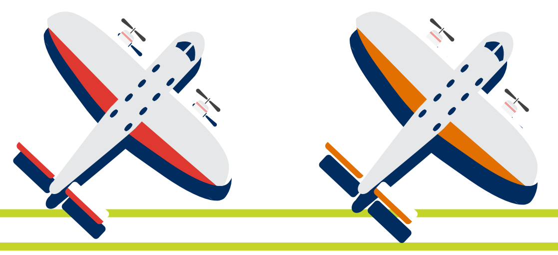
Performance against our strategy

Our previous Road to Recovery strategy had a number of associated Key Performance Indicators (KPIs) which were specific to the business and the challenges facing it at the time. As the business emerged from the COVID-19 pandemic and adopted a new corporate strategy, a new set of KPIs were developed. These will be used to measure progress of the implementation of the strategy against clearly defined metrics.

The 2022 KPIs for each pillar of our strategy and the associated metrics which are measured against prior year and targets using a traffic light rating are set out in the following pages.

Key:

- KPI achieved
- KPI off track/at risk
- More work needed



Keep our People at the Core

Staff

Definition
FTEs refer to full-time equivalent employees in the business for the year.

Why it is important to daa
Our business has seen a dramatic increase in passengers since 2021. The strong recovery to 85% of 2019 passenger levels required an accelerated recruitment and training programme to position our business to meet passenger demand. This was particularly challenging in a competitive labour market.

Performance
A extensive recruitment campaign took place in 2022 which resulted in FTEs increasing from 2,812 in 2021 to 3,430 in 2022.

2021	2022
2,812	3,430

Gender Pay Gap

Definition
The Gender Pay Gap compares the average pay of all women in an organisation with the average pay of all men. It is an indication of whether there is an even split of men and women across all role types and levels.

Why it is important to daa
This new KPI embraces transparency and reporting on our gender pay data is an important step towards gender parity.

Performance
daa had a mean gender pay gap of 12.2% in 2022 compared with the Eurostat average of 13%. However, we recognise that it is slightly above the Irish average of 11.3%.

Eurostat Average	daa Performance
13%	12.2%

Restore, Refine and Reimagine our Airports

Dublin and Cork airports – Passengers

Definition
Dublin and Cork airports' combined passenger numbers for 2022 compared to 2021.

Why it is important to daa
Passenger growth year-on-year is a key driver of aeronautical and commercial revenue at our airports and increased connectivity is a key priority in our strategy.

Performance
Dublin Airport experienced significant growth in 2022 due to the rebound in passenger travel post the relaxation of the travel restrictions related to the COVID-19 pandemic. Cork Airport also experienced strong growth in 2022.

2021	2022
Dublin and Cork Passengers 8.7m	Dublin and Cork Passengers 30.3m

Dublin and Cork airports – Revenue

Definition
Total revenue generated by Dublin and Cork airports compared to the preceding year.

Why it is important to daa
Revenue growth year-on-year is a key priority for daa. An increase in revenues at Dublin and Cork airports supports daa's investment in infrastructure projects, including capacity-enhancing investments, which in turn provide an improved passenger experience.

Performance
Both Dublin and Cork airports experienced significant growth in 2022 due to the rebound in travel and a significant increase in revenues at our airports post-COVID-19 restrictions.

2021	2022
Dublin Airport Revenue €200m	Dublin Airport Revenue €483m
Cork Airport Revenue €14m	Cork Airport Revenue €36m

Dublin and Cork airports – Security Queues

Definition
Dublin and Cork airports' monthly average security queue time performance against target.

Why it is important to daa
daa's ambition is to provide a stress-free and efficient journey through our airports for all passengers. This KPI is based on a target as this metric was not tracked during the height of the pandemic by the Commission for Aviation Regulation (CAR).

Performance
Despite challenges in the early summer period, 90% of passengers at Dublin Airport were processed through security in less than 30 minutes in 2022. Cork Airport processed 99% of all passengers in less than 20 minutes in 2022.

Target	Actual
Dublin 100% less than 30 minutes	Dublin 90% less than 30 minutes
Cork 100% less than 20 minutes	Cork 99% less than 20 minutes

Dublin and Cork airports – Passenger Satisfaction

Definition
Dublin and Cork airports' passenger satisfaction rates against target. Passenger satisfaction rates are assessed using passenger surveys in both airports.

Why it is important to daa
daa is committed to providing a consistently positive passenger experience and recognises the importance of monitoring, maintaining and improving standards. This KPI is compared to a target as daa suspended passenger satisfaction surveys during the pandemic.

Performance
Passenger satisfaction rates reduced during the peak summer months in Dublin Airport but increased again over the course of the year due to the significant focus on performance improvement. The passenger satisfaction rate at Cork Airport was ahead of target over the course of 2022.

Target	Actual
Dublin – Departures Passenger Satisfaction >8.5/10	Dublin – Departures Passenger Satisfaction 8.6/10
Cork – Departures Passenger Satisfaction >4.5/5	Cork – Departures Passenger Satisfaction 4.7/5

Build for the Future

Key Projects

Definition
Monthly progress on key infrastructural projects against target. C3 security is a new type of cabin baggage security scanner which does not require liquids and gels to be removed from the passenger's bag.

Why it is important to daa
The C3 scanners are key to ensuring we deliver high standards for passengers and enable growth in connectivity for the future.

Performance
Trials successfully commenced in both Terminal 1 and Terminal 2 at Dublin Airport in December.

Target	Actual
Trial operational	Trial commenced in December

North Runway

Definition
The delivery of North Runway to the approved technical, safety and quality specifications, on time and on budget.

Why it is important to daa
daa wants to continue delivering critical projects which unlock capacity. The on-time delivery of North Runway enables Dublin Airport to develop as an international hub for leading airlines to enhance Ireland's connectivity and support economic development.

Performance
A key milestone was reached during 2022 with the opening of North Runway on August 24, 2022.

Target	Actual
Operational from August	Runway opened August 24, 2022

Grow our International Business

Revenue Growth

Definition
Revenue growth measures revenue growth by ARI and daal over the course of 2022 compared to the previous year.

Why it is important to daa
Delivering revenue growth supports the overall health and development of ARI and daal. In addition, revenue growth supports the business development of both ARI and daal, when competing for new contracts internationally against other global operators in retail and airport management and consultancy respectively.

Performance
ARI had strong revenue growth year-on-year which reflected the strong rebound in passenger numbers across its markets. Separately, daal's revenue growth also increased following the addition during the year of the Jeddah management contract and new advisory work in a number of new markets.

	2021	2022
ARI	37%	108%
daal	54%	144%

Customer Value Proposition (CVP)

Definition
The CVP programme seeks to align our retail proposition with customer needs and expectations. The programme aims to deliver a suite of projects which provide passengers travelling through our airports with product offerings that provide value for money.

Why it is important to daa
The Customer Value Proposition is a key priority for ARI over the strategy period and will play a dual role of supporting ARI's ability to retain and maximise current business through adapting to customers' changing needs, while also providing a point of difference when it comes to winning new business.

Performance
Performance is measured by progress against a range of 63 separate initiatives in the work programme.

Target	Actual
80%	80%

Deliver on our Sustainability Ambitions

Carbon

Definition
This KPI measures the reduction of carbon against 2021 when comparing 2018 as the baseline year.

Why it is important to daa
daa seeks to reduce our absolute levels of carbon emissions, working towards a 51% reduction by 2030 versus a 2018 baseline.

Performance
Over the course of 2022 there was a consistent reduction in carbon when comparing 2018 as the baseline year.

	2021	2022
Dublin	-18.8%	-23.5%
Cork	-42.5%	-38.0%

Energy Reduction

Definition
This KPI measures energy efficiency against 2021 when comparing to the 2006-2008 baseline average.

Why it is important to daa
daa is committed in our efforts to improving energy efficiencies across our businesses, working towards 50% efficiency improvement by 2030 versus the baseline average from 2006-2008.

Performance
Over the course of 2022 there was a consistent improvement in energy efficiencies across our businesses. Note: 2021 figures were updated following an audit by SEAI and are different to the 2021 figures in last year's Annual Report. Interim 2022 results will be audited by SEAI and published when available.

	2021	2022
Dublin	60.6%	52.7%
Cork	63.0%	65.6%

Waste Recycling

Definition
This KPI measures the increase in waste recycling compared to 2021.

Why it is important to daa
daa is aiming to recycle 45% of our operational waste at Dublin Airport and 35% at Cork Airport.

Performance
Both Dublin and Cork airports were ahead of their target for waste recycling in 2022. This was due to a number of initiatives, including projects which eliminated single-use plastic bags from a number of units during 2022.

	2021	2022
Dublin	39%	46%
Cork	25%	36%

Sustainability Ambassadors

Definition
The number of daa employees who champion sustainable initiatives across the group.

Why it is important to daa
This new programme aims to support daa to achieve its environmental ambitions and further engage the workforce on sustainability.

Performance
The target was for 30 employees to become sustainability ambassadors. By the end of 2022, 102 employees had joined the programme.

Target	Actual
30	102

Approach to risk management

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

Effective risk management is critical to the success of the business. 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. daa faces risks in the execution of its business strategy, as well as operational and financial risks, and risks associated with the protection of its people, property and reputation. A culture of risk-focused controls and risk-aware decision-making is embedded throughout the organisation.

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 and is appropriately mitigated by the system of internal controls. The most significant risks are collated and presented for review 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.

The Risk Management Policy and Framework supports the Board's oversight of risk throughout the Group and provides a clear and comprehensive basis for a consistent approach to help 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 framework is structured to ensure that all aspects of the Group's risk profile are subject to regular review and provides for escalation and assessment of material risks and/or those that may be emerging, as they arise or are identified. This assessment process is facilitated through the delivery of an extensive programme of risk reviews and workshops, facilitated by the Central Risk Function which supports management across the organisation in identifying and evaluating key risks and associated mitigation actions designed to manage risk exposure to an acceptable level.

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, an executive risk forum, 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 setting the tone and culture of the organisation.
• 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 and Strategy Officer provides a direct line to the Board in managing risk and promoting a risk-aware culture in the Group.
		• The Central Risk Function is 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 coordinate risk management processes within their business units and communicate relevant risk information to management and to the Central Risk Function.
			• Responsible for ensuring that the tone and culture of the organisation is disseminated and embodied throughout 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.

daa Risk Model and Approach

Three Lines of Defence Model

daa operates a 'Three Lines of Defence' model for risk management: an approach which provides structure by defining roles and responsibilities in different areas and the relationship between them.

The first line of defence is within the business units, and risk management relies on the controls and processes that are in operation within the business. The second line of defence which includes the Central Risk Function, provides support and challenge to the first line to ensure risks are being managed appropriately and also monitors compliance of first line activities. The third line of defence is provided by Internal Audit, and other external expertise as required, and it is their role to ensure that the first two lines of defence are operating effectively and provide such assurances. In addition to the Three Lines of Defence there is external independent assurance provided by external auditors and regulators.

daa Three Lines of Defence Model

Board & Committees

Executive Management

First Line
Business Units
- Dublin Airport
- Cork Airport
- ARI
- daa International
- Central Functions

Second Line
Oversight Functions
- Central Risk Function
- Health and Safety Compliance
- Security Compliance
- Group Finance
- Procurement Compliance
- Group Insurance
- Group Legal
- IT Compliance

Third Line
Independent Advice and Assurance Providers
- Internal Audit
- Other external consultancy or expertise as needed

External Audit

Regulators

Top-Down and Bottom-Up Approach

daa adopts a top-down and bottom-up approach to managing risk. This approach, as detailed across, 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 including the production, review and assessment of the risk registers for all business areas.

Approach	Activities
Top Down	• Effective oversight of enterprise-wide risks • Board Risk report containing a strategic assessment of key risks • Audit and Risk Committee Enterprise risk reviews • Executive Risk Forum review of key strategic risks, controls and mitigations • Establishment and articulation of risk appetite
	• 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 within the Group • Detailed identification, prioritisation and mitigation of risks via risk business unit workshops, where risks and controls are identified and managed and mitigations tracked and reported • Business unit Risk Champions who direct the risk management activities, facilitate the risk workshops, maintain the risk registers and provide the link between the business unit and the Central Risk Function • Business units report on risk events and conduct risk assessments and analysis • Consideration and aggregation of risk exposures across the business and common risk themes

Enables Board and Executive team to make better risk based decisions

Drives robust risk management across the organisation

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. Risk is an inherent part of running any business and risk appetite is defined as the amount and type of risk that daa is willing to take in order to meet strategic objectives. Risk appetite is a multi-dimensional concept, based on a comprehensive view of the key business drivers across the organisation. The corporate strategy, as set out on page 21, which was developed and adopted during 2022, provides a pathway for growing the business in a responsible and sustainable manner. 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.

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.
- The Board prioritises the safety and security of passengers, visitors and staff, hence the risk appetite for compromising on areas of safety and security 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 and protecting data.
- daa seeks to be a responsible operator, meeting its environmental and planning obligations and raising its sustainability ambitions and has a low risk appetite for environmental and planning breaches and for failing to meet sustainability targets.
- 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 Summary

Strategic Priorities Key

- Keep our People at the Core
- Restore, Refine and Reimagine our Airports
- Build for the Future
- Grow our International Business
- Deliver on our Sustainability Ambitions

Oversight Key

- Board
- Audit and Risk Committee
- Strategic Infrastructure and Sustainability Committee
- Culture, Security and Safety Committee
- Nomination and Remuneration Committee
- Finance Committee

Principal Risk	Strategic Priorities	Risk Trend	Oversight
R1 People	Keep our People at the Core	–	Board; Culture, Security and Safety Committee; Nomination and Remuneration Committee
R2 Operational Delivery	Restore, Refine and Reimagine our Airports	↑	Board; Culture, Security and Safety Committee
R3 Financial	Restore, Refine and Reimagine our Airports; Grow our International Business; Build for the Future; Deliver on our Sustainability Ambitions	–	Board; Finance Committee; Audit and Risk Committee
R4 International Business	Grow our International Business	–	Board
R5 Capital Investment/Planning	Build for the Future	↑	Board; Strategic Infrastructure and Sustainability Committee
R6 Safety, Security and Compliance	Restore, Refine and Reimagine our Airports; Build for the Future	–	Board; Culture, Security and Safety Committee
R7 Stakeholder Support	Restore, Refine and Reimagine our Airports; Grow our International Business; Build for the Future; Deliver on our Sustainability Ambitions	–	Board
R8 Environment and Sustainability	Deliver on our Sustainability Ambitions	–	Board; Strategic Infrastructure and Sustainability Committee
R9 IT/Cyber Security	Restore, Refine and Reimagine our Airports; Grow our International Business	–	Board; Audit and Risk Committee
R10 External Events	Restore, Refine and Reimagine our Airports; Grow our International Business; Build for the Future	–	Board; Audit and Risk Committee

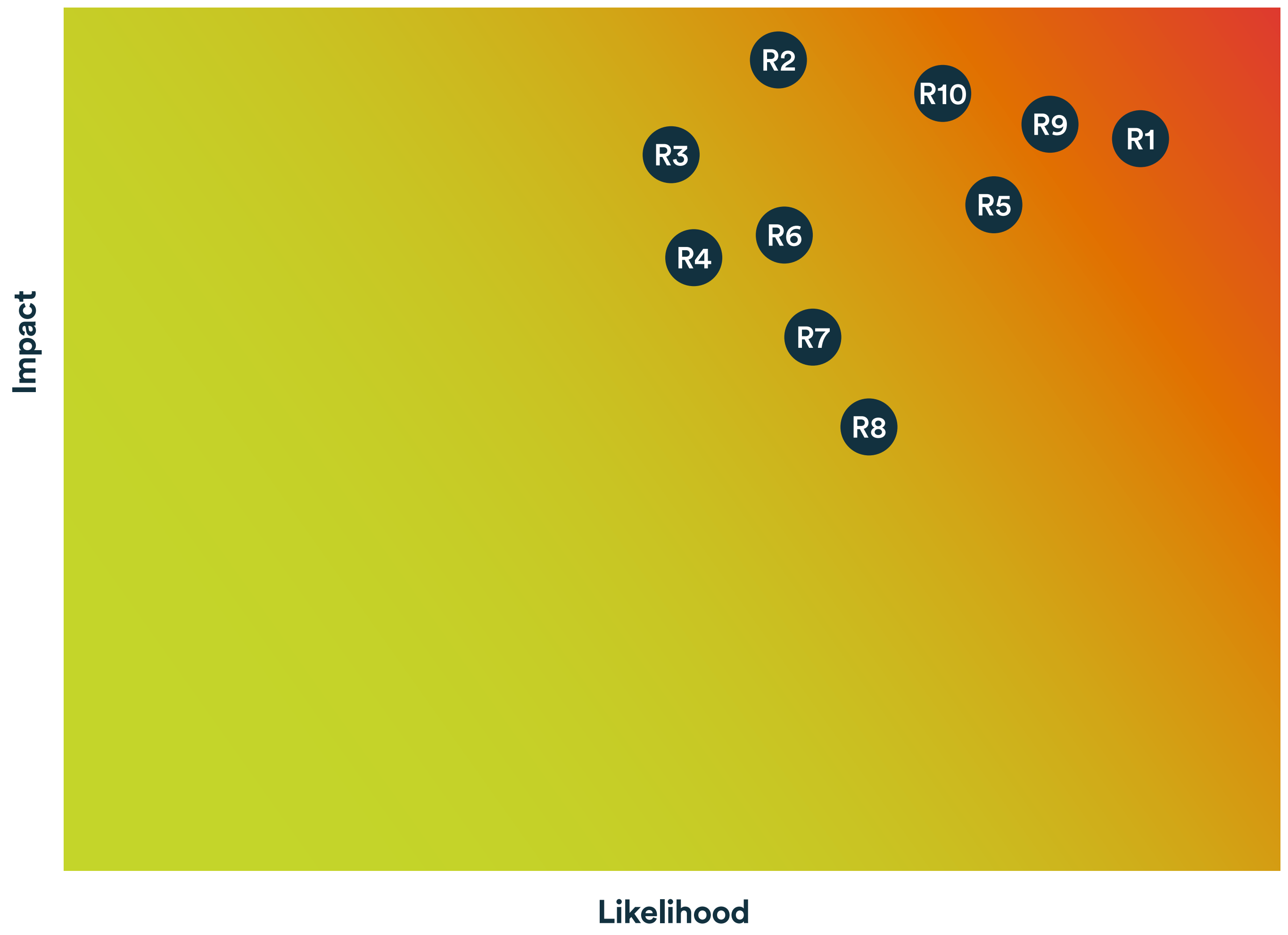
Principal Risks

Principal areas of risk and uncertainty which 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 which may arise in the ordinary course of business.

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.

Group Risk Heat Map



Risk Key

- R1 People
- R2 Operational Delivery
- R3 Financial
- R4 International Business
- R5 Capital Investment/ Planning
- R6 Safety, Security and Compliance
- R7 Stakeholder Support
- R8 Environment and Sustainability
- R9 IT/Cyber Security
- R10 External Events

Risk Area	Risk Description	Mitigation
People	• There was a significant restructuring of the business in response to the COVID-19 pandemic including the exit of many experienced staff via a voluntary severance scheme. As a result of the restructure, specialised knowledge has left the business and there is a risk that knowledge loss could have an impact on the Group's operations. • As the business rebounds there is a requirement to recruit to meet demand. There is a risk that we are unable to attract or retain personnel as a result of the buoyant external labour market and the perception that aviation is a challenging industry to work in. 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. • To meet the operational challenges which face the business as a result of the strong rebound in passenger traffic, staff are often required to work additional hours in a challenging environment. There is a risk that the measures being taken by the Group to manage the operational challenges negatively affect staff morale and wellbeing.	• Intensive focus is being placed on recruitment to ensure we have the required resources for 2023, including initiatives such as an employee referral scheme and a series of recruitment days. • Regular employee communications and the use of employee engagement surveys enables the Group to identify opportunities to improve the employee experience. • Pay reviews have taken place and an agreement has been reached with our union partners regarding pay progression for our collectively bargained staff. • Investment in the development of our people through a number of leadership development sessions, coaching, and appreciation initiatives. • Internal dispute resolution mechanisms are in place and whenever necessary, the employee relations mechanisms provided by the State are utilised. • There is an employee wellbeing programme in place and a dedicated wellbeing and reward specialist has been appointed. There have also been a number of specific wellbeing initiatives launched across the organisation.
Operational Delivery	• The COVID-19 pandemic had an unprecedented and sustained impact not only on the Group, but more widely on airline partners and key third parties that supply goods and services to the Group's airports. When travel restrictions were lifted, the surge in passenger traffic, whilst welcome and extremely positive, placed a significant demand on the operational resources and activities across the airport network. • Failure of the Group to cope with passenger demand and/or a lack of resilience across airlines and third-party operators could result in significant business disruption, increased costs, a poor customer experience and associated reputational damage. • The price cap set by the Commission for Aviation Regulation (CAR) in its recent Determination falls significantly short of that required by the Group to provide the quality of service our passengers and airlines expect. There is a risk that operational delivery will be severely compromised at Dublin Airport due to the unrealistically low passenger charges set by CAR. • Planning delays for infrastructure projects leading to capacity constraints, could negatively impact the passenger experience, impact operational efficiency and cause financial and reputational damage and increased stakeholder scrutiny. • Current planning related capacity constraints and the challenges in respect of the North Runway operations could lead to a constrained operating environment in the short to medium term. • 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.	• Intensive planning and focus takes place at Executive, Board and government level to ensure that Dublin Airport is in a strong position to manage passenger and airline demand in 2023. • There is an active recruitment campaign in place to ensure that the Group has appropriate resources to deal with passenger demand. • Measures have been deployed across the business to ensure there are extra resources available to the business to meet demand. • Processes are in place to allow early identification and communication of potential pinch points, with associated modelling to ascertain capabilities within current infrastructure. Contingency plans are in place to fill gaps in critical roles if required. Robust escalation mechanisms are in place should issues arise. • Clear specification of services and strong performance management measures including KPIs are included in third-party operational contracts. The Group continuously monitors third-party operational performance and reviews KPIs and there is regular structured engagement with third parties to understand issues, provide feedback and share objectives. • The Group is focusing on creative solutions in the short term to unlock capacity and preserve the passenger experience and meet the expectations of key airlines and stakeholders. • There is a well-developed business continuity structure in place and resilience in our key systems and processes to ensure optimal response to any business continuity events. • The Group also has insurance cover in place to mitigate against the costs of damage to assets and personal injuries.

Risk report continued

Risk Area	Risk Description	Mitigation
Financial	• The recent pricing decision by CAR which fails to adequately remunerate the Group for the services that its customers and passengers expect, could have a negative impact on the profitability of the Group. • The Group's profitability is also sensitive to prevailing external circumstances, and any significant cost escalation and/or a reduction in revenue as a result of external circumstances could impact the profitability of the Group. • The Group is reliant on core airline customers. 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 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, could have a significant impact on the Group's profitability. • 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 failing to deliver its corporate strategy 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.	• The Group maintains a strong focus on cost efficiency. • The Group has access to credit facilities which it can draw upon as required. • Strong focus is being maintained on cash collection and cashflow, and the Group evaluates operating and capital expenditure plans. • The Group continues to engage with all its airline customers to understand and align as far as possible with their strategies 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-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.
International Business	• The Group's international businesses are making a strong recovery in the aftermath of COVID-19. However as the Group operates in a global marketplace, in which the economies of certain of the countries where we operate or intend to operate are at different stages of socio-economic development, there are risks arising from uncertain or potentially fast-changing economic, social and political environments, political or social upheaval or instability, changes in laws or regulations, premature contract termination or breach of agreements and/or failure of the underlying businesses. • The international retail business faces increasing levels of competition in the sectors and markets in which it operates and there is competition at global, regional and local levels in obtaining and retaining concessions at airports and a limited number of suitable new opportunities. • Recruiting and retaining sufficient personnel and high calibre talent is critical to the success of our international business and remains a key area of focus. Failure to recruit and retain talent and deploy the required resources to our international businesses may result in an inability to execute current contracts with associated financial and reputational damage. • Failure of counterparties or partners to fulfil or meet their obligations could have a significant financial impact on the Group.	• The corporate strategy sets out the pathway for the ambitious growth and success of the international business and provides for the appropriate resources to facilitate this growth. • 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.

Risk Area	Risk Description	Mitigation
Capital Investment and Planning	• The Group is responsible for the maintenance and development of critical infrastructure at our airports. Risks to the delivery of capital projects may 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. • The development of Dublin and Cork airports is also 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 Group is engaging with the relevant statutory processes to seek a resolution to certain planning issues associated with the North Runway. A suboptimal resolution to the North Runway issues could have serious operational, financial and reputational impacts on the Group. • The 2007 Terminal 2 and T1 Extension planning conditions limit the throughput at Dublin Airport to 32 million passengers per annum. If this planning condition remains unchanged, it may result in operating constraints, additional costs and/or the inability to meet expected future demand.	• The Capital Investment Programme is under continuous review and is resized/rescoped in light of evolving traffic forecasts and/or funding requirements. • The Group has processes and procedures in place for Capital Investment Programme management, project management and contract and supplier management. • In its recent determination CAR has provided Dublin Airport with a regulatory allowance for capital expenditure that supports the delivery of its capital investment programme. • Framework agreements are in place with key infrastructure contractors to promote efficiencies by incentivising with shared advantages and losses. • The Group consults with key stakeholders and prepares high quality planning applications to support capital programmes. • As new process requirements arise, the Group engages with regulatory authorities to ensure submission of robust and "fit for purpose" planning applications. • The Group continues to engage with key stakeholders and processes to seek a timely and successful resolution to the North Runway issues. • In 2023 Dublin Airport intends to submit a planning application to raise the permitted capacity of Dublin Airport to 40 million passengers per annum.
Safety, Security and Compliance	• The safety and security of our customers, passengers and staff is a key priority. As an airport operator undertaking large capital projects with many third-party operators working on site in a busy environment, daa is subject to the risk of accidents or safety and security incidents at its airports. • The safety and security of our international staff and operations is extremely important. Failure to operate a safe and secure environment in our overseas operations could result in harm to people, damage to infrastructure, property and the environment, operational disruption and reputational damage. • 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 laws, regulations and standards relating to the environment, climate change, health and safety, in each of the jurisdictions in which the Group operates and/or has interests. • Security operations at Dublin and Cork airports 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 airport's licence to operate.	• The Group has a strong safety culture with supporting processes and procedures in place in both its airports and international business to monitor the integrity of the Group's safety and security systems. • The Group invests heavily to ensure customers, employees and stakeholders remain safe and secure and priority focus is given to the delivery of critical safety and security projects. • Staff training continues to form an integral part of the Group's mitigation measures. • The Group's safety and security processes are subject to extensive internal and external inspections and audits by regulators and internal compliance teams. The Group works closely and has strong relationships with external regulators to ensure we understand and can fully comply with requirements and we strive to act quickly when opportunities for improvement are identified. • The Group is committed to operating in accordance with legislative and regulatory requirements and works to achieve this through appropriate governance and oversight which is 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 engages closely with its legal advisors and other specialist advisors as required to ensure compliance with legislative and governance requirements. • The Group has robust safety processes in place to monitor drone activity at our airports and related safety risks, and the Company is proactively engaging with the state on this national matter. • The Group has appropriate insurance cover in place.
Stakeholder Relations	• The Group has many stakeholders both internal and external, who have various levels of interest in the business and power to influence key outcomes for the Group. Key stakeholders include airlines, passengers, employees, trade unions, regulatory bodies, the shareholder, local communities, and the media. The operational challenges experienced by Dublin Airport in 2022 as passenger traffic rebounded, resulted in an erosion in stakeholder confidence in the Group. There is a risk that the Group fails to rebuild trust with key stakeholders resulting in prolonged reputational damage with lasting impact. • There is also a risk that our current and future operating decisions and /or capital investment plans are not supported by key stakeholders, leading to an inability to deliver on our corporate strategy and/or capital investment programme and resulting in potential reputational damage.	• The Group has obtained shareholder support for its corporate strategy and has obtained CAR support for its capital investment programme. • A stakeholder engagement plan is in place with policymakers and Regulatory Authorities. • Key stakeholders have input into and are kept informed of our development plans and ESG ambitions. • The Group strives to be a good neighbour, engaging consistently with local communities through both formal and informal meetings and engagements. • The Group has developed many community initiatives which benefit local stakeholders and the wider airport community. • The Group engages and maintains ongoing dialogue with its union partners in relation to key plans and developments • There is strong employee communications programmes and channels in place across the Group. • Regular brand tracking, media monitoring and social listening tools in place to identify emerging issues.

Risk Area	Risk Description	Mitigation
Sustainability: Environmental, Social and Governance	• There is increased public investor and regulatory focus on sustainability and climate change, with particular reference to an organisation's ESG (Environmental, Social and Governance) strategy. A key element relates to how we address climate change, now 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, is committed to achieving net zero carbon emissions by 2050 and is setting challenging interim targets towards achievement of this goal. • Risks associated with this include: • 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. • Challenging regulatory targets with consequential financial penalties and/or operational constraints. • Lack of cohesive leadership, policy and finance to support national and international ambition on sustainable aviation. • daa fails to deliver on its ambitions or is constrained in doing so through misaligned regulatory pricing, airline customer or stakeholder expectations. • Increased frequency of extreme weather events related to climate change, and the associated challenges of climate change adaptation over the coming decades. • Failure to stay ahead of changing passenger, customer and consumer sentiment and expectations in the areas of sustainable operations leading to lowering of reputational status. • The increased costs of air travel, related to increased fuel or technology costs, or the introduction of punitive taxes on air travel • Environmental concerns and public sentiment result in a reduced propensity to travel. • Environmental breach potentially leading to external investigation, sanction and/or reputational issues. • Increasing bureaucracy and demands related to corporate sustainability reporting requirements.	• The Group recognises the need to play its part as a responsible corporate citizen in addressing the challenges of sustainability. Delivering on our sustainability ambitions is now a central pillar of our corporate strategy which reflects the extent to which these challenges have been made key priorities for the business. • There is a focus on environmental sustainability at project and operational level for all parts of the business, including infrastructure and construction projects, for which sustainability guidelines and carbon reduction objectives have been developed. These align with our environmental sustainability agenda, targets and with daa's sustainability policy and ESG strategy. • The Group has a strong governance structure at all levels of the organisation to ensure that the sustainability agenda is progressed, and to deliver on the challenging environmental sustainability targets and ESG ambition. • The Group will continue to comply with all relevant environmental legislation and government guidance, particularly with reference to the revised Climate Action Plan, the national Climate Action Framework reporting requirements for commercial semi-state organisations, and all relevant associated targets. Additionally, we strive to be leaders, working to accelerate progress in the relevant areas of decarbonisation, circularity and by creating healthy local environments at our airports. • The Air Navigation and Transport Act 2022 mandates CAR to take account of the policies of the government on aviation, climate change and sustainable development when making its Determinations. • In addition, the Group participates in the national and international discussions on sustainability and 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 adaptation, and environmental technology. The Group is also considering the best approach to corporate sustainability reporting, taking account of both voluntary and mandatory reporting requirements in the near future.
Cyber Security	• A cyber-attack on daa or on a key supplier resulting in 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 growing size and complexity of the IT estate, increasing dependence on cloud applications and closer integration of IT with OT (Operational Technology), all serve to expand the number of avenues of attack that can be used to target the Group. • In addition, the sophistication of attacks and the organisations that perpetrate them continue to evolve. With the increase in avenues of attack, the result is an overall increase in cyber risk.	• 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 evidence or signs that could identify risks or malicious activity. • The Group works closely with internal and external stakeholders, and external advisers including the National Cyber Security Centre to enhance intelligence and threat monitoring, and continues to invest in building and maintaining robust IT platforms and services and ensuring that we have effective processes to keep those platforms and services current and secure.
External Events	• The global economy is facing the most uncertain geopolitical and economic environment in a generation. Whilst the conflict in Ukraine has not had a major impact on the business, a further escalation of this conflict or the emergence of other significant conflicts or unrest could lead to major global economic and geopolitical uncertainty, resulting in a reduction in passengers and/or capacity at daa airports and at other airports where the Group has operations, rising fuel and energy 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, operations, prospects and/or financial condition.	• The Group monitors the economic environment closely, ensuring that our business plans are resilient to economic shocks through prudent scenario planning and sensitivity analysis. • The Group works closely with key stakeholders and the wider aviation industry to ensure that the longer term implications of current macroeconomic risk factors are well understood and mitigated where possible. • The Group has hedging policies in place for energy, interest rates and foreign exchange with appropriate controls and oversight to mitigate the financial impact of significant fluctuations on the business.

Our ESG

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.

daa's ESG Strategy was published in 2021 and highlights our commitments under the pillars of Environmental Sustainability, People, Community and Economy. This year marked the second year in the lifecycle of this strategy and significant progress has been made across the majority of our 39 ESG commitments.

Our four ESG pillars are each aligned to relevant UN Sustainable Development Goals and are underpinned and strengthened by our governance policies and practices. The governance framework which was initially developed in 2021 to support the delivery of our ESG ambitions, continued to develop and mature throughout this year. We now have a framework in place which ensures oversight of our progress and development in this space, from Board-level right through the Group's management structure.

We will remain focused on delivering against our ESG Strategy commitments in 2023, in parallel to developing an updated ESG Strategy which will reflect the ambitions of the organisation from 2024 onwards.

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 pillar** on **page 35**

People

Our people are integral to delivering our purpose to enable business, and connect lives, across 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 pillar** on **page 43**

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 wellbeing – and we are committed to doing this for decades more.

Find out more about our **Community pillar** on **page 47**

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 pillar** on **page 50**

Environmental Sustainability

> Since 2010, Dublin Airport has reduced its carbon emissions by 24%

Climate change is the greatest challenge of our time; according to the World Economic Forum Global Risks Report 2023 the top four global risks, by severity of impact in the next decade, are all environmental.

As part of the broader aviation industry, daa recognises the role that we must play in addressing these issues and we know that we must do more to reduce our impact on our surrounding environment.

We all have our part to play in ensuring that Ireland can reach its ambitious and necessary climate, carbon reduction and waste related goals, as set out in the Climate Action Plan. All sectors of society will need to do their part to achieve these goals and prevent the catastrophic consequences of climate change we are currently headed for if we surpass the 1.5-degree warming threshold.

The aviation sector has made significant commitments to achieving net zero carbon emissions by 2050 (relative to 2005) and daa has made a commitment to achieve net zero carbon emissions across our operations within that same period.

Since 2010, Dublin Airport has reduced its carbon emissions by 26%, whilst still welcoming an additional 14.4 million passengers, and we are on track to achieve a 51% reduction in our carbon emissions and energy usage by 2030, as per the public sector reduction targets set by the Irish Government.

With such significant commitments, there is a need to understand our progress; supporting frameworks and standards are now core to this approach. In July 2022, the Department of the Environment, Climate and Communications and NewEra issued a framework for sustainability reporting specific to commercial semi-state organisations (the Climate Action Framework), which was adopted by the daa Board in November 2022; and we made our first submission to NewEra in early 2023. This framework contributes to National Climate Reporting under the Climate Action Plan. We will also be required to report under the Corporate Sustainability Reporting Directive in 2026, submitting 2025 ESG data, and we are committed to implementing the most appropriate approach to ESG reporting going forward.

We welcome the challenge posed by the climate targets set by national and international governments and daa is committed to working with all of our stakeholders to deliver and achieve on climate ambition.

There is a wider story of transition to a low carbon society which we are acutely aware of. Aviation is an essential transport sector which connects people and economies and plays a key role in attracting foreign direct investment. This economic activity leads to the creation of new jobs; the industry is also a major employer with jobs in travel, tourism and hospitality. In normal times, approximately 35% of the value of world trade is transported by air, often facilitated by passenger as well as cargo flights. However, in Ireland this increases to 70% of export goods being transported by air, the highest rate in the EU, demonstrating the vital and valuable role that aviation plays in supporting our island economy and enabling it to access key export markets.

Ireland, as a peripheral, island nation within Europe must prioritise and support the transition to a sustainable aviation model and must be diligent in reviewing the implications of EU directives when transposing into Irish law, to ensure that we have a model that works for us. As an integral part of the aviation sector, managing both Dublin and Cork airports, airport retail internationally, through Aer Rianta International, as well as airport operation management and consultancy with daa International, we operate responsible and sustainable aerodromes and services within them by setting high operational standards, ensuring compliance to our own and mandated targets.

Carbon reduction versus 2018 baseline

Dublin Airport	Cork Airport
-24%	-38%

Dublin and Cork airports recertified through ACI Airport Carbon Accreditation (ACA) programme at level 3+ and 2 respectively

Energy efficiency versus baseline average 2006-2008

Dublin Airport	Cork Airport
-52.7%	-65.6%

continuing to exceed public sector target of -50%

Dublin Airport	Cork Airport
34%	20%

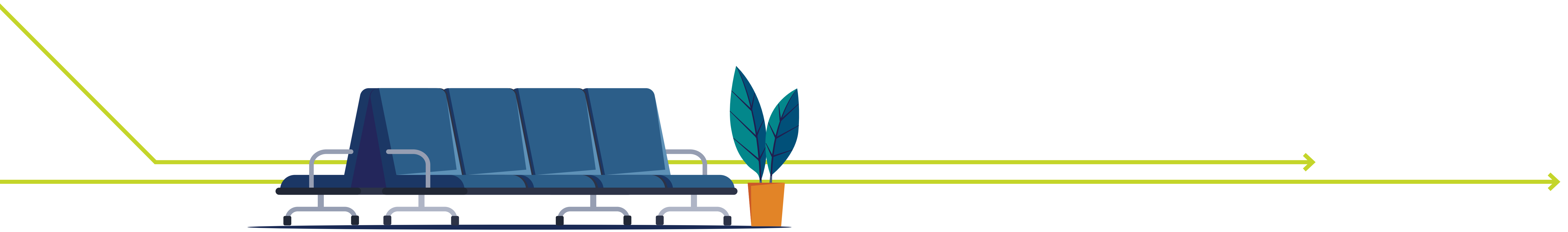
light fleet converted to LEV alternatives in 2022

Launched the inaugural Sustainability Ambassadors programme, with over 100 daa employees accepted to the programme in 2022, and now driving awareness and action in their teams

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 performance against each pillar.

	Commitment	Success Metric	Target	2021 Performance	2022 Performance	Comment on 2022 Performance
Carbon	• Continue to reduce our absolute levels of carbon emissions, working towards a -30% reduction by 2030	• % reduction achieved	• -7% reduction (2021) • -7% reduction (2022) • -51% reduction (2030)	• Dublin Airport: -18.8% reduction versus 2018 baseline • Cork Airport: -42.5% versus 2018 baseline	• Dublin Airport: -24% reduction versus 2018 baseline average • Cork Airport: -38% reduction versus 2018 baseline average	Reduction due to implementation of a robust energy management process, together with LED upgrade project, and participating in the SEAI and OPW Reduce Your Use campaign
	• Convert 30% of daa's light commercial fleet to Low Emission Vechicles (LEVs) by 2021, rising to 45% by 2022	• % light commercial fleet LEVs	• 30% of light commercial fleet are LEV (2021) • 45% of light commercial fleet are LEV (2022)	• 30.1% conversion to LEV by end of 2021	• Dublin Airport: 34% • Cork Airport: 20%	Continued transition plans in Dublin will exceed compliance with Clean Vehicle Directive. 2 LEVs at Cork Airport now operational, delivered in Q4 due to supply issues
	• Achieve Airport Carbon Accreditation Level 4 at Dublin Airport	• Achievement of accreditation complete	• Accreditation complete (2023)	• In progress	• Successful in maintaining Level 3+ in 2022	Work on stakeholder engagement progressing in 2023; aiming to apply for Level 4+ in 2025
	• Work towards achieving Airport Carbon Accreditation Level 3+ at Cork Airport	• Work being undertaken to achieve the standard	• Accreditation complete (2023)	• In progress	• Successful in maintaining Level 2 in 2022	Building data set during 2023; aiming to apply for Level 3 in 2026
Energy	• Continue in our efforts to improve energy efficiencies across our businesses, working towards 50% efficiency improvement by 2030	• % efficiency achieved at Dublin Airport • % efficiency achieved at Cork Airport	• Exceed public sector energy target by 15%	• Dublin Airport: 60.6% versus baseline average 2006-2008 • Cork Airport: 63% versus baseline average 2006-2008	• Dublin Airport: 52.7% • Cork Airport 65.6% versus baseline average 2006-2008 *2021 results subject to audit by SEAI*	Implemented robust energy management process together with LED upgrade project, and participated in the SEAI and OPW Reduce Your Use campaign
Waste	• Recycle 45% of our waste at Dublin Airport • Recycle 35% of our waste at Cork Airport	• % of operational waste recycled	• Dublin Airport: 45% of operational waste recycled (2022) • Cork Airport: 35% of operational waste recycled (2022)	• Dublin Airport: 39% recycling rate • Cork Airport: 25% recycling rate	• Dublin Airport: 46% recycling rate • Cork Airport: 36% recycling rate	Increased engagement with all stakeholders to continue to increase our recycling rate
	• Maintain zero waste to landfill	• Zero waste to landfill status maintained	• Work being undertaken to achieve the standard	• Status maintained	• Status maintained	
	• Work towards reducing plastic and waste and increasing recycling in our retail operations	• Sustainable design and implementation guidelines for new businesses created • % reduction in paper printing (kg) versus 2019 • Eliminate single-use plastic bags in 60% of our business units (2022) • Eliminate single-use plastic bags and waste in 100% of our business units (2023)	• Guidelines 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)	• Guidelines published and implemented • 83.4% reduction globally versus 2019 • On track for delivery • On track for delivery	• Guidelines published and implemented • 90% reduction in paper printing globally in ARI versus 2019 • 70% of ARI business units had zero kg usage of single-use plastic bags • On track for 100% of business units to achieve zero kgs of plastic bags in 2023	ARI has focused on a continued programme internationally reducing the volume of plastic bags and driving accompanying behavioural changes for colleagues and passengers

	Commitment	Success Metric	Target	2021 Performance	2022 Performance	Comment on 2022 Performance
Noise	• Implement enhanced noise monitoring systems and increase accessibility of noise data for local communities at Dublin Airport.	• Introduce WebTrak • Number of noise reports published	• WebTrack go-live (2021) • Four noise reports published (2021)	• WebTrack project went live in April 2021 • Four noise reports published	• Four noise reports published	Two fixed and two mobile noise monitors were installed in 2022 as part of a wider programme to enhance Dublin Airport's noise monitoring system
	• Introduce noise-related charges	• Noise-related charges introduced	• Noise charges framework introduced (2023)	• On track for delivery	• Introduced environmental indicative charges on invoices	Charging to commence in Q2 2023
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	• Four reports published annually • Zero exceedances annually	• Four air quality reports published • Zero exceedances	• Four air quality reports published • Zero exceedances	
Biodiversity	• Create habitats for nature to thrive including installing bee apiaries and creating butterfly habitats	• Number of beehives introduced • Number of butterfly habitats created	• Three beehives introduced (2021) • One butterfly habitat created (2021)	• Three beehives introduced • Zero butterfly habitats created in 2021	• One beehive introduced • Zero butterfly habitats created in 2022	230 metres of hedgerows planted for wildlife corridors and habitat in 2022
	• Create designated wildflower areas on our airport campus	• Number of wildflower areas created	• Five wildflower areas created (2022)	• Four wildflower areas created in 2021	• Two areas planted in Dublin Airport • Cork Airport created new wildflower areas that will be allowed to naturally regenerate	
	• Reduce the usage of chemical fertilisers	• % reduction in fertilisers	• 100% reduction in chemical fertilisers (2021)	• 100% reduction in chemical fertilisers (2021)	• 100% slow release organic fertilisers used on site	



Our Strategy

In 2022, the new daa corporate strategy identified Sustainability as a core pillar for the Group.

To focus our actions we identified three driving principles: Decarbonisation (focusing on carbon and energy), Circularity (referring to waste), and Creating Healthy Local Environments (focusing on noise, air, water and biodiversity).

We outline below some of the key projects under each pillar that we worked on in 2022 and which support our drive to achieve our environmental sustainability ambitions.

The key enablers of our environmental sustainability ambitions are innovation, communication and engagement. However, the most essential enabler is to have a passionate group of engaged, educated and empowered colleagues to drive sustainability forward; and for this our vision is to create a Climate Positive Culture.

> “A Climate Positive Culture will enable us to achieve our ambitions.”

A Climate Positive Culture

We have committed to creating a Climate Positive Culture in daa. This means ensuring that all our colleagues understand and feel the importance of our sustainability agenda, what we are doing, their part in it, and how they will proactively contribute to us achieving our ambition.

To make this happen, daa created our first Sustainability Ambassador Programme. We put out a call for colleagues with an interest in sustainability to volunteer to become change-makers. The response was excellent with over 100 passionate colleagues from across our Group volunteering to get behind our inaugural programme and play their part.

The purpose of the programme is to drive awareness and action in sustainability across every function in our business. Our ambassadors were welcomed to the programme and are already taking action. They have scoped and initiated projects in collaboration with their colleagues including seeking fuel alternatives, the removal of plastics and measurable waste reduction.

The programme enables our ambassadors to deliver on our sustainability ambitions. To sustain the programme, we are focusing on how we can develop, support and retain our passionate colleagues by developing their communication skills, leadership behaviours and project management skills. daa is acutely aware that our ambassadors are our most powerful asset in delivering on our commitments and naturally, they sit at the heart of driving sustainability in daa.

Our ambassadors are being supported to drive sustainability education, with a comprehensive guide to our sustainability ambitions being offered to ambassadors and rolled out to all colleagues, with effect from November 2022. It is imperative all colleagues understand what sustainability means in our business and are part of this journey with us. This training now forms part of the induction of all new starters to our Group. With an educated and empowered colleague base driven by a Climate Positive Culture we know we can achieve our ambitious targets.

SUSTAINABILITY AMBASSADOR PROGRAMME

To further drive education and awareness, we trialled a sustainability app in August and September 2022, and used gamification to encourage completing small deeds to make a measurable difference.

75 participants completed 4,671 tasks saving an estimated 1,734kg CO_2e during the trial period alone. The trial showed the appetite of our colleagues to play their part, and how, with direction, collectively they can make a big difference.

Decarbonisation

daa is committed to achieving net zero emissions by 2050. In 2020, Dublin Airport was proud to be awarded Ireland's first Level 3 Carbon Neutrality accreditation in 2020, as part of the Airport Carbon Accreditation (ACA) programme (an internationally recognised standard in aviation from Airports Council Internation (ACI)). We still hold this recognition today and by 2025, daa will ensure Dublin and Cork airports meet the criteria to achieve the highest level of 4+ Transition. This requires a considered focus on addressing Scope 3 emissions.

daa is also participating in the Reduce Your Use campaign from the Office of Public Works (OPW) and Sustainable Energy Authority of Ireland (SEAI). As a large energy user, we understand the important effect we can have by reducing our energy consumption. Indeed, daa established a winter taskforce in 2022 to drive operational change, with a focus on minimising heating and lighting wastage across campus buildings. This is in addition to our continued programme of energy efficiency improvements, including an LED upgrade programme, and to date daa is exceeding the public sector energy efficiency target by over 15%.

We continue to increase our use of renewable energy sources and to remove fossil fuels from our operations. This includes the Fixed Electrical Ground Power (FEGP) upgrades in Dublin and Cork airports to transition from diesel generators, and our application for a new, larger solar farm beside runway 10/28L at Dublin Airport.

In transport, we continue to evaluate the transition of our fleets away from fossil fuels. With over 34% of our light fleet converted in Dublin Airport, we were active in landside and airside bussing tenders in 2022 to ensure sustainable criteria are front and centre of transport decisions. Therefore, charging infrastructure is also a significant focus.

We are also driving plans to reduce Scope 3 emissions and a strategy for the alternative aviation fuelling we will need to facilitate in the coming years. Initially this will include Sustainable Aviation Fuel (SAF), but potentially also electric and hydrogen solutions. daa commissioned a SAF feasibility study in 2022 that was finalised at year-end. It will assist in understanding the path for this alternative fuel, its sourcing and scaling at our airports.

Our International Businesses

Our pursuit of more sustainable working extends to our businesses around the world. For example, Delhi Duty Free (DDF) has introduced a shuttle service for staff to the nearest metro, encouraging them to use public transport to work and so reduce their carbon footprint.

Focusing on energy reduction, DDF has also completed a comprehensive LED upgrade programme across their offices.

Meanwhile, in Barbados, the team has reduced deliveries to stores with no detriment to customers' operations. In addition, they have completed 60% of their LED upgrade programme across the business.

Energy savings of 32% at Dublin Airport and 25% at Cork Airport between October 1 and December 13, 2022

Case Study
Winter Energy Strategy and Reduce Your Use Campaign

Like every energy user, winter is particularly energy-intensive for daa. In our case, we have millions of passengers to keep warm and terminals and runways that need ample lighting for safe and smooth running throughout the long hours of darkness.

Therfore we established a team from across our business to create a plan to reduce our energy needs without compromising safety, warmth, or comfort. We set a challenging target to reduce our energy use at Dublin and Cork airports by 10% across our campuses from October to February. Key actions focused on the potential for consolidating operations, identifying energy-heavy requirements and implementing changes that save power while maintaining the facilities, functions and services that airports need to provide.

Some examples include controlling heating at times to match flight schedules, staggering entrance door openings to reduce heat loss and monitoring lighting usages across the campus. These actions generated major energy savings of 32% at Dublin Airport and 25% at Cork Airport during the period of October 1 to December 13, 2022 against a 2019 baseline.

To support this initiative, we signed up to the Reduce Your Use campaign led by the Sustainable Energy Authority of Ireland (SEAI) and the Office of Public Works (OPW). Each month, the campaign has focused the airports' teams on specific core topics and in addition it has given us practical information we can apply in our homes. We also engaged our colleagues with competitions to support the best energy-saving measures, and facilitated internal knowledge-sharing to exchange regular tips, updates and tasks for everyone to participate in.

Circularity

daa is actively moving the Group from pure waste management to circular principles with regard to waste. To achieve this, we first need to ensure that our base levels of waste management are optimised.

Post COVID-19, and the challenges this presented to traditional waste management, we have been proactive this year working with our stakeholders to drive better waste segregation and a return to pre-pandemic recycling rates. To date our recycling rate has improved by almost 20% year-on-year, with several of our stakeholders achieving no general waste and 100% recycling.

In construction, major infrastructure builds such as our Cork Airport runway reconstruction, as well as upgrades to campus roads, saw more than 10,000 cubic metres of materials sent for reuse in state projects and our own infrastructure projects on campus, reinforcing our move to circular principles on a major scale.

We are extending our reach and influence change wherever we can. In Q4 2022, Cork Airport launched a trial with an airline partner in relation to Category 1 waste. Currently waste from flights is unsegregated and sent for incineration. We are keen to minimise this waste, and this trial is an important first step.

daa is also looking to innovation as we pursue our most ambitious targets, working with stakeholders such as our food and beverage (F&B) concessionaires to encourage trials in our airports.

For example, in Q3 2022 we launched a trial to fit food waste monitors on bins in an F&B outlet. AI technology then analyses waste in the compost to assess waste volumes. The reports this generates not only help reduce waste but will also deliver valuable data for the F&B operator on what, and how much, is being wasted, enabling them to make adjustments accordingly.

Case Study
Cork Airport Runway Reconstruction
Circularity is at the core of our 2022 construction projects.

The Cork Airport Runway Reconstruction was a critically important project for Cork Airport and the South of Ireland. At the same time, a significant national road project, the Dunkettle Interchange was underway approximately 8km from the airport. Engineers deemed that the waste materials from the runway site could serve as excellent base and structural fill material for the interchange.

Approximately 10,200 cubic metres of material from the site was duly reused on this project, resulting in a win-win. The Dunkettle Project did not have to source the equivalent volume of virgin material and Cork Airport avoided sending a substantial amount of this material to landfill.

$10,200m^3$

of material from the runway was reused on this project

Seperately, further by-products were produced by Phase 1 of our external and campus roads projects. All 640 cubic metres of road base material was reused, to repair and maintain the laydown area, which was eventually returned to use as a carpark.

During Phase 2, topsoil from verge works was reused by our Asset Management department for maintaining the flowerbeds and our wildflower meadows, around the airport.

We also considered reusing road plannings as structural base material for another project, but it was found that returning the material to the asphalt manufacturer for reuse in new asphalt production, was less carbon intensive.

As a significant commissioner of large infrastructure builds in Ireland, daa is committed to achieving them in the most responsible way.

Along with our focus on circular principles across all our projects, we have also introduced sustainability guidelines. These set out core criteria for both daa and our stakeholders on reusing waste, as well as energy, carbon, and water management, building standards criteria and minimum sustainability requirements to ensure we build the best way possible for our business, and the planet.

Our International Businesses

By questioning whether more sustainable materials can be used, our retail teams around the globe are achieving extraordinary reductions in high-impact materials.

In Bahrain they found they could cover their palletised deliveries of stock with reusable fabric covers. This replaced the 270,000 metres of single-use shrink wrap they had been using each year. The same team has avoided using 183,000 non-biodegradable bottle sleeves in their stores annually.

Delhi Duty Free (DDF) continues with multiple initiatives focusing on removing single-use plastics and a move to circularity. DDF is now zero waste to landfill and all paper waste is recycled and returned to the business for reuse through a paper waste barter system.

In Cyprus, our teams focused on the importance of behavioural change. They provided training to colleagues and produced communications with their 'Do I Need a Bag' campaign challenging wasteful behaviours.

Healthy Local Environments

daa is committed to the responsible management of our environment and its associated ecosystems by focusing on the key aspects of water, air quality, noise and biodiversity.

Dublin Airport's water network provides both fire protection and potable water to over 160 buildings, including the passenger terminals, hangers, cargo warehouses and restaurants on the campus. To meet our water-related business targets we are establishing smart district meter areas, to map and measure the entire water network. In real time, this enables us to localise and view the campus water consumption and to monitor significant water users, identify water that is unaccounted for and gain early information on leakages.

While passenger volumes have increased by 44% since 2009, we have achieved a water consumption reduction of 40.3%. This shows a clear decoupling of water usage trends, achieved by specific targeting of infrastructure improvements, technical innovation, and staff awareness.

Water consumption reduction

40.3%

Further work under this principle in 2022 included:

- Introducing environmental shadow charging, illustrating the charges that will be levied on airlines landing at and departing from Dublin Airport from 2023. This aims to incentivise them to use quieter and more efficient aircraft, to support our ambitions on carbon and noise reduction.
- Installing Cork Airport's first continuous air quality monitoring station which delivers better transparency and more accurate data than previous on-site solutions. daa was already carrying out ambient air monitoring at Dublin Airport and the surrounding areas to ensure air quality is not affected by airport activities, so it was important for us to align Cork Airport as well. We published four reports in 2022.
- Working proactively with Biodiversity Ireland and participating in the All Ireland Pollinator plan to address biodiversity in aviation, to encourage a joined-up approach by airports across Ireland for significant and meaningful biodiversity change.

> "daa is committed to the responsible management of our environment and its associated ecosystems."

Case Study
Hedgerows On Our Campuses

Part of our commitment to managing our airports' ecosystems is to enhance their biodiversity value and address key causes of biodiversity loss. Among the commitments we make in our Biodiversity Plan is to plant native plant species.

Dublin Airport currently manages over 11 km of hedgerow on its land. A hedgerow is a row of bushes, trees and other plants growing closely together typically along a roadway or to separate fields. Hedgerows are important habitats in the Irish landscape providing food and shelter for insects, birds and small mammals. They can also form corridors that permit wildlife to move between habitats. Without hedges, many birds and small mammals that rarely venture more than a few metres from cover, could become isolated and vulnerable. A hedged landscape also helps to regulate water flow and protect water quality by trapping nutrients and sediment as they flow overland before they enter watercourses.

In 2022, we created over 200 metres of new hedgerow at Dublin Airport and allocated funding to plant almost 900 metres more in Spring 2023. This upcoming planting will use native species both for new lengths of hedgerow and for adding to existing hedgerows, maximising the benefits for local biodiversity.

Key Enablers
Innovation, communication and engagement drive our actions and the delivery of our goals in sustainability.

Innovation
In 2022 we partnered with Dublin City University (DCU) to create and deliver training for 26 senior leaders in our organisation. Recognising the knowledge and passion that DCU brings to sustainability, daa has since signed an MOU with them and Fingal County Council to identify and develop research opportunities in relation to sustainable aviation, to benefit the local economy and support the sustainability of our operations. Our two initial research focus areas are decarbonised heat and sustainable transport connectivity to Dublin Airport from across the Fingal catchment area.

daa works with our innovation hub, the Future Factory, on an ongoing basis. Four sustainable projects from this year's programme included:

- a Sustainability app, focused on educating colleagues about small actions we can all take to reduce our carbon footprint;
- a kinetic energy flooring solution for our terminals with trials scheduled in Terminal 1 for early 2023;
- a shuttle bus to take staff to the airport; and
- a feasibility study exploring anaerobic digestion versus thermal gasification at Dublin Airport.

Kinetic flooring

Waste To Energy Project
Our waste to energy project is investigating how we can reuse our waste. The goal is to identify a way to reduce our dependence on fossil fuel-based energy while repurposing our typical wastes to meaningful by-products that meet our business needs. The project team's feasibility study compares the value of anaerobic digestion versus thermal gasification in our environment for managing organic waste. The study will make recommendations on which process yields the most benefits in reusing our waste for energy and additional by-products.

Communication and Engagement
daa places a high priority on communicating and engaging with our stakeholders. In 2022, this engagement included a new programme with our campus stakeholders for face to face discussion on how we can collaborate to achieve our sustainability commitments. Airlines, ground handlers, concessionaires, regulators and transport operators have all committed to working with us, to deliver results.
daa is also a proactive contributor to the Dublin Airport Environmental Working Group (DAEWG). The group focuses on issues such as aviation noise, air quality monitoring and the development of airport infrastructure. The forum is independently chaired and includes representatives from local community groups including St. Margaret's, Portmarnock, Malahide, Swords and Santry, as well as representatives from Dublin Airport, Fingal County Council and the Irish Aviation Authority.

In summer 2022, daa was delighted to host students from St. Finian's Community College in Swords as part of the World of Work Programme. This was a valuable opportunity to engage with younger members of the community and show them the importance of sustainability on our campuses. This included showing our projects; guiding the students around our on-site PV solar farm; and showing them the new generation of water-efficient fire service vechicles; discussing how they might participate in future innovations and travel our sustainability journey with us.

People

> “Our people are supported and engaged and can grow professionally.”

36%
of our 2022 Senior Leadership Team were female

International Women’s Day

Our people demonstrated incredible resilience and support for each other, our passengers and our business over the past number of years and throughout 2022. We are committed as an organisation to continue to create a culture where our colleagues feel supported and engaged and where opportunities are provided for personal and professional growth.

Despite the operational challenges experienced, we continued to deliver a number of positive initiatives throughout 2022 which aligned with the commitments outlined under our ESG Strategy and which were delivered with the intention of fully supporting colleagues to thrive and develop.

Leadership Development

It is hugely important as a large organisation with a national and international footprint, that we continually build leadership capability at all levels. Each year, we place a strong focus on developing our talent pipeline and 2022 was no different, with a number of leadership and management programmes successfully delivered throughout the year.

Eighteen participants were inducted into our Graduate Programme and this next generation of leaders will continue to be mentored, trained and guided over a period of two years. We also continued to roll out our Management Fundamentals Programme, hosting seven, two-day introductory courses in addition to individual classes on core topics such as performance management.

We also wanted to acknowledge the experiences of our people over the past two years and provide an opportunity for them to reconnect. We therefore developed a Reconnect and Refuel Leadership Summit to allow our people leaders to come together to refresh and refocus on their mental, physical and emotional wellbeing. Six summits were held during the latter stages of the year, with over 600 attendees.

Equality, Diversity and Inclusion

daa is committed to a workplace environment that promotes respect, equality, diversity, and inclusion and to creating an open culture where everyone feels valued. We employ staff from different and diverse backgrounds right across our business and it is this diversity that makes our place of work so exciting.

In 2022, we continued to be guided by our Equality, Diversity and Inclusion (EDI) Framework consisting of three core pillars:

1) Diverse and inclusive recruitment practice
Selecting the right person for the right role whilst ensuring our recruitment and selection processes are fully inclusive and transparent.

2) Promoting a positive working environment
Supporting and encouraging our employees to develop to their full potential, whether they are in frontline or non-frontline roles.

3) Positive approach to disadvantaged groups
Ensuring that those who come from traditionally under-represented groups are supported and our status as an equal opportunities employer is maintained.

One of the key initiatives undertaken this year, was to embark on a partnership with the Irish Centre for Diversity to help further embed diversity and inclusion across our organisation.

The Centre enables companies to be recognised for their work in this space, through the achievement of an EDI Mark, known as ‘Investors in Diversity’, which provides for a framework for success over three levels.

We were delighted to achieve a bronze level 'Investors in Diversity' award in 2022, which clearly demonstrates that we have built a strong foundation on which we can build to further embed diversity and inclusion across our organisational systems and processes. This achievement was positive recognition for all the work that has been undertaken in terms of training delivered and policies implemented.

In addition, we continued to focus on increasing the awareness around disability. In conjunction with undertaking our annual disability survey, we also introduced an education video aimed at increasing the awareness around the breadth of disabilities that can impact any one of us across the workplace.

Taking an inclusive approach and supporting those with disabilities in our community is also important and we continued to strengthen our partnership with Trinity College on their programme for students with intellectual disabilities. As part of this partnership, we committed to facilitating onsite internships, with the first onsite internship due to commence in February 2023.

4) Gender Balance

It is important that we continue to focus on and encourage the development and promotion of female employees into more senior roles across daa to ensure there is an equitable gender balance within the organisation. Over the course of 2022, we embarked on a number of activities and initiatives to promote gender balance including:

- Roll out of our Executive Women in Leadership Programme and our Adaptive Leadership Programme.
- Continued participation in the IMI 30% club, which matches high-potential females with more senior mentors.
- A focus on female progression as part of our talent management processes.
- Formally recognising and celebrating the achievements and contribution of women at daa during International Women's Day.

A new female independent director was appointed to the Board in 2022 and we currently have three females (38%) among eight independent directors currently on the Board.

Wellbeing

As part of our ESG commitments, we continue to place a strong emphasis on the health and wellbeing of our employees and supporting those who may have mental and physical health concerns.

One of our core supports is the provision of an occupational health provider which is available to our people seven days a week to provide guidance on any health concerns. In addition, we have a 'Focus on You' portal which provides employees with access to various webinars and advice relating to health and mental wellbeing.

Mental Health First Aid (MHFA) training has been rolled out to over 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. We believe this training is crucial and we will continue to roll out this training programme over the course of 2023.

Humanitarian Assistance

Russia's invasion of Ukraine has passed the one-year mark, and the crisis shows no signs of letting up. The war in Ukraine has forced millions of people to flee their homes. Our people opened up the original terminal building at Dublin Airport as a welcome reception centre for the most vulnerable, including women, children, and the elderly arriving from Ukraine at the outset of the war. Our staff offered warm and generous hospitality to those who were forced to flee their homes. We continue to work with relevant government departments to facilitate the reception of Ukrainian guests at Dublin Airport. We are proud to play a fitting role in Ireland's response to those impacted by the war.

Staff Cook-A-Long during Mental Health Awareness Week

Case Study
'Mental Health Awareness Week'

World Mental Health Day took place on October 10, 2022 and daa was delighted to share with colleagues special events organised throughout the week under the Mental Health Ireland 'Five Ways to Wellbeing' themes.

A virtual Cook-A-Long was hosted by professional chefs to promote a healthy workforce. Colleagues were able to participate from home and test their culinary skills. For those unable to join online, Catherine Gubbins, our Interim CEO and John Brennan, our Director of Operations at Dublin Airport, participated in the Cook-A-Long live from daa offices.

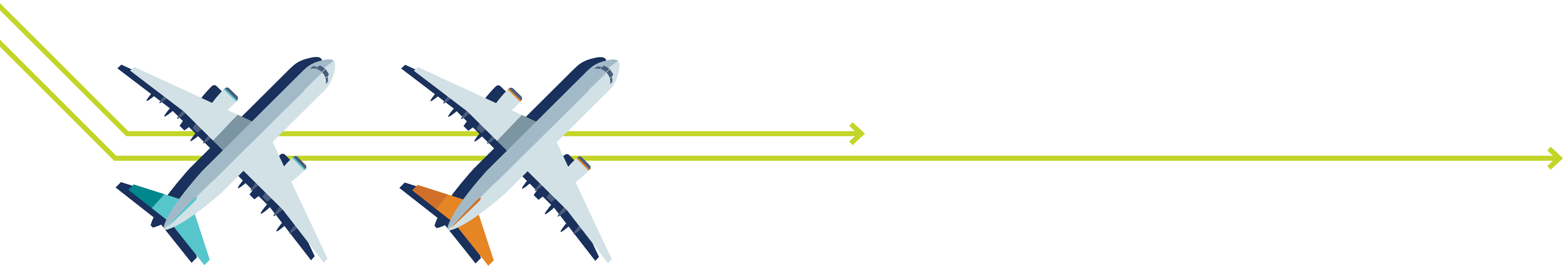
daa encouraged colleagues to #takenotice of the world around them throughout the week and to share actions they were taking to support their mental health. This could have included enjoying a book, movie, their favourite hobby, cooking or exercising. Colleagues were invited to share their experiences on daa's internal social media site by uploading a photo and using the hashtag #takenotice to inspire their colleagues.

daa also hosted a '5 Ways to Wellbeing' webinar. The aim was to provide participants with a brief introduction to the concepts of mental health and wellbeing. It also enabled an improved understanding of how we can look after our wellbeing and how to incorporate the 5 Ways to Wellbeing as a healthy coping strategy into our lives.

Other highlights included a "Choose Your Attitude" webinar and discussions with guest speakers Brian Pennie and Richie Sadlier who shared their individual mental health journeys.

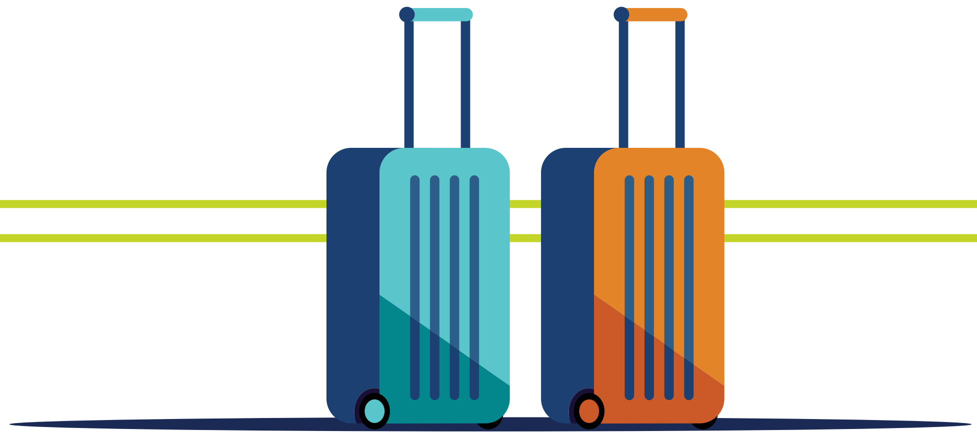
People Pillar – Annual Report Reporting Table

	Commitment	Success Metric	Target	2021 Performance	2022 Performance	Comment on 2022 Performance
Restructuring	• Implement the restructuring 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 • Number of employees that have utilised career services programme • Publish career framework	• 100% balloted support (2021) • 15 employees using the career services programme (2021) • Career framework published (2022)	• 95% balloted support • 18 employees used career services programme • On track for delivery	• Career framework launch deferred until 2023	• Career framework in development stage and is scheduled for launch in 2023
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	• Publication complete (2022) • 80% (2022)	• On track for delivery • On track for delivery	• Internal publication of guidelines complete • Follow-up staff survey scheduled for 2023	• The Hybrid Working Guidelines aim to support flexible, agile working. A review of the guidelines will be undertaken in 2023
Diversity	• Publish a Dignity and Mutual Respect at Work Policy	• Publication of Policy	• Publication complete (2021)	• Dignity and Respect Policy publication complete	• Complete 2021	• Policy published in April 2021 and released to all staff
	• 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	• 100% (2021)	• 77% participation	• Training completed by all new starters	• All new starters (circa 1,250) completed Dignity and Respect training as part of their induction
	• Develop action plans addressing two key focus areas: disability and gender equality	• Disability Action Plan Published • Gender Equality Action Plan Published	• Publication complete (2022) • Publication complete (2022)	• On track for delivery • On track for delivery	• Disability Action Plan publication scheduled 2023 • Action plan outlined under published Gender Pay Gap report	• Gender Pay Gap report published December 2022. Three areas of focus identified to address gender equity in the workplace
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	• 70 Build Back Better Masterclasses completed (2021) • 100% (2021)	• 96 masterclasses completed • 75% participation rate	• New leadership programme implemented: 'Reconnect, Refocus and Refuel' • 80% participation rate	• Changing business priorities led to the 'Build Back Better' leadership programme being superseded • Six 'Reconnect, Refocus, Refuel' leadership summits held; c. 600 people leaders in attendance • Bespoke leadership courses also delivered e.g. Adaptive Leadership Programme (32 attendees)



People Pillar – Annual Report Reporting Table continued

	Commitment	Success Metric	Target	2021 Performance	2022 Performance	Comment on 2022 Performance
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	• Staff Survey 2021 & 2023 completed • >74% participation rate in annual staff survey	• Staff survey completed October 2021 • 79% participation rate	• Staff survey on track to be undertaken in 2023	• Planning underway on the development of staff survey 2023
	• Provide feedback on each survey conducted and develop action plans to address key issues	• Corporate action plan developed • Plan communicated to 100% of staff	• Action plan developed (2022) • Action plan communicated (2022)	• On track for delivery • On track for delivery	• Action plan development will be undertaken to reflect results of 2023 staff survey	• Development of action plan based on 2021 staff survey impacted by operational challenges experienced in 2022 • New staff survey due to be undertaken in 2023 which will encompass development of corporate action plan
Health and Wellbeing	• Maintain and develop our health and wellbeing initiatives	• Number of communications to staff re: health and wellbeing • Number of Mental Health First Aid (MHFA) employees trained • Number health and wellbeing initiatives launched	• 25 annually • 90 annually • 6 annually	• 25 issued • 91 Mental Health First Aid employees trained • Eight core initiatives launched: two per quarter	• 20 issued • Additional 20 Mental Health First Aid employees • Seven new initiatives launched	• 104 Mental Health First Aid employees trained and active within the organisation
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 and Safety Standard) • Number of internal occupational health and safety compliance audits	• Successful re-certification (2021) • 14 (2021)	• Successful re-certification complete August 2021 • 14 internal Occupational Health and Safety audits complete	• Maintained re-certification in 2022 • 17 internal Occupational Health and Safety audits complete	• Maintaining certification to ISO standard critical to maintaining top health and safety standards. Continued internal audits ensured any non-conformances were identified quickly and addressed



Community

daa has a long-standing track record of working and engaging with our local communities.

daa is fully committed to being a responsible airport operator and a good neighbour. We are committed to supporting social and sustainable development whilst recognising and valuing diverse needs in our local communities.

Dublin Airport's €10 million Community Fund supports local initiatives that focus on the environment and sustainability, sports and recreation, social inclusion and community development, health and wellbeing, and culture and heritage. 2022 was another highly successful year for Dublin Airport's Community Fund with almost €400,000 allocated to 80 local projects. Through the Community Fund we continue this important collaboration in recognition of the role that our communities play in the success of Dublin Airport.

daa appreciates that a balance needs to be achieved between operating an international airport and the needs of our local communities. This is why we have a long record of engaging with our neighbours about the issues that are of importance to them. In addition to one-to-one meetings and home visits, daa also meets regularly with our local communities via the independently chaired St. Margaret's Community Liaison Group and Dublin Airport Environmental Working Group.

We are acutely aware of the challenges the operation of North Runway brings in terms of noise impact to some of our neighbouring communities. In addition to our schools insulation programme, Dublin Airport also offered free insulation to more than 200 local residences including acoustic glazing, ventilation and attic insulation. A generous voluntary house purchase scheme has also been developed for those residents most impacted by airport operations.

As well as working directly with local residents, we are also committed to building upon the strong and lasting relationships we have with local schools, educational institutions and community organisations. daa is a leading participant in Business in the Community (BITC) and has partnered with St. Finian's Community College in Swords to deliver the 'World of Work' programme.

daa was one of the first businesses to support Junior Achievement Ireland. In the 20 years of participation since 2002, almost 250 staff have worked with over 5,500 students to deliver various educational programmes at primary, secondary and third level.

Additionally, Dublin Airport doubled its support for up to 20 students per year from economically disadvantaged backgrounds to attend Dublin City University via its Access Programme.

"daa has a long-standing track record of working and engaging with our local communities."

Over 40 representatives from schools and clubs in St. Margaret's, Swords, Tyrrelstown, Ballymun, Malahide, Portmarnock and Santry joined us at Dublin Airport Central to celebrate the success of their wide-ranging initiatives.

Dublin Airport was also proud to support Swords Basketball Special Olympics who received funding for basketball equipment.

Red Rox Baseball, a local team from Portmarnock, received support for baseball kits and equipment from Dublin Airport's Community Fund.

Community Pillar – Annual Report Reporting Table

	Commitment	Success Metric	Target	2021 Performance	2022 Performance	Comment on 2022 Performance
Community Fund	• Reverted to investing €400,000 a year from Dublin Airport's Community Fund towards community initiatives post COVID-19	• Total investment / sponsorship • Number of initiatives supported	• €300,000 (2021); €400,000 (2022) • 90 initiatives supported (2021); 70-80 initiatives supported (2022)	• €297,000 invested • 92 initiatives supported	• €390,000 invested • 80 initiatives supported	Large funding for several initiatives that promote long-term community development, social inclusion, environment and sustainability across neighbouring communities including St. Margaret's, Swords, Tyrrelstown, Ballymun and Malahide
Education	• Support increased from 10 students in 2021 to 20 in 2022 students from Dublin Airport's local communities to attend Dublin City University (DCU) via its Access Programme	• Total number of participants	• 10 (2021) • 20 (2022)	• 10	• 20	To celebrate the opening of North Runway and mark our long-term commitment to local communities, daa committed to double its support for local residents to attend DCU via its Access programme
	• 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	• 3 (2021) • 3 (2022)	• 4 • 3	• 4 • 2	daa staff gave guest lectures during 2022 including with Munster Technological University
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 hosting photographic and artistic exhibitions at the airport	• Number of initiatives supported	• 3 (2021) • 12 (2022)	• 3 initiatives supported • 3 art exhibitions facilitated in Cork Airport	12 art exhibitions supported	100% of planned initiatives took place
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	• 5 per business unit (2021) • 5 per business unit (2022)	• Average is 4.6 initiatives supported. 5 business units are exceeding the target of 5 initiatives	ARI has exceeded this objective in 2022 with 100% of the business units implementing 5 or more CSV initiatives	ARI's global estate has been fully committed to driving the ESG Community and Climate pillars through 2022, and it will continue to remain a key priority in 2023 for our business
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	• 6 Community Liaison Group (CLG) meetings (2021) • 4 Dublin Airport Environmental Working Group (DAEWG) meetings (2021)	• 6 CLG meetings • 4 DAEWG meetings	• 6 CLG meetings • 4 DAEWG meetings	Our Community Engagement Team also undertook extensive engagement with local residents and elected representatives throughout the year to keep them up to date on key airport-related matters

Community Pillar – Annual Report Reporting Table continued

	Commitment	Success Metric	Target	2021 Performance	2022 Performance	Comment on 2022 Performance
Irish Charities	• Continue our daa Staff Charity Programme and daa's €37,000 investment annually	• Number of charities supported • Total company investment • Overall total staff charity donation	• 3 (2021) • €37,000 (2021)	• 3 • €37,000	• 3 • €390,000	30 charities supported to date and over €3.4 million raised
Volunteering	• Actively encourage staff to volunteer 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	• 1 (2021); 2 (2022) • 10 (2021); 15 (2022)	• 2 • 13	• 2 • 20	2022 was the 20th anniversary of daa's collaboration with Junior Achievement Ireland. Since 2002, 245 daa staff have volunteered to deliver programmes to over 5,600 students. 2022 was also the first year that we delivered our World of Work sustainability module as part of our collaboration with BITC
Home Improvements	• Continue to provide insulation measures to qualifying residences surrounding Dublin Airport, to address the impact of aircraft noise	• Number of residences insulated • Number of residences remaining	• 34 (2021); 34 (2022) • 0 (2022)	• 31 • 3	• 3 • 0	The current phase of Dublin Airport's insulation programmes is now complete

Economy

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

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

In 2022, daa played an important and crucial role in re-connecting Ireland with the globe, which had a positive influence on supply chains, employment and economic growth. We began work this year on capturing the value of our influence through an updated analysis of our economic impact, the results of which will be released in 2023. We also focused on assessing staff mobility trends on the Dublin Airport campus, as the migration from remote to office working increased. There was a notable and welcomed jump in bus travel to the airport in 2022, with 35% of staff utilising bus services versus 19% in 2021 and it is our objective to continue to support and increase sustainable modes of public transport to our airports.

Progress was also achieved in green procurement and the sustainable sourcing of products and materials in our international retail business. We are committed to building on this progress into 2023 to further develop processes and data tracking to ensure transparency on our ESG commitments.

	Commitment	Success Metric	Target	2021 Performance	2022 Performance	Comment on 2022 Performance
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	• Publication rescheduled to Q2 2023	Development of an updated economic impact analysis of Dublin Airport was delayed due to other priorities. Publication is now expected in Q2 2023
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 construction and infrastructure projects • Update daa Procurement Policy to further incorporate green procurement practices	• Six infrastructure projects (2021) • 15 construction projects (2022) • Publication complete (2023)	• 10 infrastructure projects procured with sustainability evaluation criteria included • On track for delivery 2023	• 26 relevant construction contracts procured with sustainability evaluation criteria included • On track for delivery 2023	The total of 26 contracts means that circa 81% of contracts awarded by the daa construction team in 2022 incorporated sustainability award criteria
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	• Publication delayed until 2023	Delays in receiving feedback on a draft Mobility Management Strategy, has pushed publication to 2023
	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 annually	• Survey completed November 2021	• Survey completed November 2022	Survey conducted of Dublin Airport based employees. Results indicate a modal split of 52% car /35% bus travel for staff travelling to Dublin Airport versus 2021 split: 67% car/19% bus travel
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 confectionary 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	• Average local supplier as a % of ranged suppliers: 48% • 56% of food and confectionery have one or more ESG attributes	ARI will continue to focus on both commitments in 2023, with a particular focus on ensuring that only products with ESG attributes will be ranged

We connect lives*

*

30.3m passengers travelled through our Irish airports in 2022

Governance

In this section:

Board of Directors

Basil Geoghegan
Chairman

Career experience
Basil is a Partner at 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.

He was appointed Chairman of daa 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.

Kenny Jacobs
Chief Executive Officer

Career experience
Kenny joined daa as Chief Executive Officer on January 9, 2023 and is an ex officio Board member. Prior to joining daa, he gained extensive international experience in marketing, commercial and operations in large consumer-serving businesses in Ireland, the UK and Germany. He spent over six years at Ryanair as Chief Marketing Officer, where he led digital, customer service, marketing and communications. During his career, he has gained valuable international experience working for major companies, including Procter and Gamble, Accenture, Metro Group GmbH, Moneysupermarket Group, Tesco as well as Ryanair.

Kenny graduated from University College Cork with a Bachelor of Commerce (Marketing and IT) first class honours degree in 1997. He has also completed a Management Development Programme at INSEAD, France. Kenny was appointed to the Board Strategic Infrastructure and Sustainability Committee and the Board Finance Committee in February 2023.

Marie Joyce
Director

Career experience
Marie is COO, CFO and Board Director of NTR plc, an international sustainable infrastructure investor and institutional fund manager. Prior to joining NTR, Marie was Senior Director of Strategic Planning for Élan Corporation plc and before that was an Audit and 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 at 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 was originally appointed to the Board in January 2020 and reappointed in January 2023. 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 the company in 1994 and works in the Airport Police and Fire Service at Cork Airport. He has 28 years' operational experience 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 and 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 and 1988 and in February 2022 was appointed to the Board Culture, Security and Safety Committee.

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 Board's 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 and Internal Audit Committee.

Risteard is a graduate of UCD and a Fellow of Chartered Accountants Ireland.

Risteard 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 at Etihad Aviation Group, Ray leads the equity partner strategy, 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 originally appointed to the Board in January 2020 and reappointed in January 2023. 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.

Board of Directors continued

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.

Paula Cogan
Director

Career experience
Paula Cogan was appointed to the Board in July 2022 and is CEO at Cognate Health, a role which she commenced in September 2020. Cognate Health is a leading supplier of occupational health services in Ireland. Services include on site and online medical support for employees of the largest companies as well as government bodies and educational institutes. Paula is immediate Past President of Cork Chamber and is the second female to hold this role in 200 years. Prior to her move to Cognate Health, Paula had worked for over 25 years in the hospitality industry and held senior roles in sales and marketing, culminating as Global Head of Sales for Doyle Collection, an Irish owned and operated luxury hotel company with properties in Ireland including the flagship Westbury Hotel, as well as in the UK and the US. Paula sits on the governing body of MTU (Munster Technological University) and The Glucksman Gallery at UCC. She completed her primary and postgraduate studies at UCC and in 2015 undertook a Diploma in International Sales and Marketing at Cornell University. A huge advocate for lifelong learning, in 2021 Paula completed a diploma in Corporate Governance and is currently completing a certificate in Diversity and Inclusion at MTU.

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 originally appointed to the Board in January 2020 and reappointed in January 2023. In March 2020 Karen 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 and 1988 and in February 2022 was appointed to the Board Culture, Security and Safety Committee.

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 holding 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 an Master's 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.

MarkJames Ryan
Director

Career experience
MarkJames joined daa in 2005. He holds the position of Service Delivery Team Lead (Airport Operations) at Dublin Airport and has held numerous frontline operational roles with daa. He is a graduate of Technological University Dublin, a member of the SIPTU trade union and is currently serving as Chair of the Irish Congress of Trade Unions National Worker Director Group.

MarkJames has extensive experience of airport operational management, business continuity and emergency management and industrial relations.

He was appointed to the Board in January 2022 under the Worker Participation (State Enterprises) Acts, 1977 and 1988 and in February 2022 was appointed to the Board Strategic Infrastructure and Sustainability Committee.

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 extensive experience in airport operations and 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 in January 2022 under the Worker Participation (State Enterprises) Acts, 1977 and 1988.

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

Executive Management Team

Kenny Jacobs
Chief Executive Officer

Career experience

Kenny joined daa as Chief Executive Officer on January 9, 2023 and is an ex officio Board member. Prior to joining daa, he gained extensive international experience in marketing, commercial and operations in large consumer-serving businesses in Ireland, the UK and Germany. He spent over six years at Ryanair as Chief Marketing Officer, where he led digital, customer service, marketing and communications. During his career, he has gained valuable international experience working for major companies, including Procter and Gamble, Accenture, Metro Group GmbH, Moneysupermarket Group, Tesco as well as Ryanair.

Kenny graduated from University College Cork with a Bachelor of Commerce (Marketing and IT) first class honours degree in 1997. He has also completed a Management Development Programme at INSEAD, France. Kenny was appointed to the Board Strategic Infrastructure and Sustainability Committee and the Board Finance Committee in February 2023.

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 the company, 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.

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 B2B/ 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 and is a member of the National Council of the Irish Exporters Association. Louise holds a BSc in Marketing from Trinity College Dublin and Dublin Institute of Technology and an MBS from Dublin City University.

Ray Hernan
Chief Executive Officer, ARI

Career experience

Ray joined daa in August 2018 as Chief Executive, ARI and has responsibility for all retail activities internationally and in Ireland. 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 member of the Institute of Chartered Accountants in Ireland having qualified with KPMG. He graduated from UCD in 1985 with a Bachelor of Commerce degree and also holds a postgraduate diploma in Advanced Management from the UCD Michael Smurfit Graduate Business College.

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.

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 GM 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.

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Executive Management Team continued

Maurice Hennessy
Chief Information and Security Operations Officer

Career experience

Maurice joined daa as Group Head of Financial and 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 with PwC and is a Fellow of Chartered Accountants Ireland.

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. Niall was seconded as Vice President Operations for Jeddah Airport, Saudi Arabia for daal from April to November 2022 to manage the first busy summer post COVID-19 and the critically important Hajj pilgrimage season. Under his leadership Cork Airport has won Best Airport in Europe in its class in 2017 and 2019 as rated by Airport Council International Europe. Cork Airport has also won the prestigious World Best in Aviation Marketing award in 2018 as awarded by Routes World. He is a former Chair of the Airports Council International Europe Regional Airports Forum representing 400 of Europe's regional airports and is the current Deputy Chair of the Irish Tourism Industry Confederation. Niall is a Board member of the Cork tourism initiative – Visit Cork since August 2016. 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 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 a Post Graduate Diploma in Corporate Governance from 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 and B2B. 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 February 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. Catherine served as Interim Chief Executive from September 2022 until the start of 2023 while the process to recruit a new permanent CEO was underway following the departure of Dalton Philips to take up a new role as Chief Executive Officer of Greencore Group plc.

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.

Our Structure

daa is an Irish commercial state company. The Group's principal activities are set out in the Report of the Directors on page 65.

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 and Risk Committee extends across the Group including daa Finance plc, daa Operations Limited, Aer Rianta International cpt and daa International Limited.

See page 63

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 and security systems at the Company's 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 63

Nomination and Remuneration Committee

The Nomination and Remuneration Committee's principal responsibilities are to determine the remuneration and other terms and conditions of employment of the CEO; determine the remuneration policy in relation to senior management and the wider workforce including performance-related pay and incentive schemes; 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 63

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 63

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 and climate-related risks and opportunities, and all related matters designed to achieve the Company's sustainability commitments and goals.

See page 63

Executive Management Team

See page 54

CEO

See page 54

This Governance report sets out daa's governance structures and highlights the main areas of focus for the Board and Board Committees during 2022. 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 complied with the Code of Practice in all material respects. The Company also has a comprehensive capital appraisal process which seeks to apply good practice and, where appropriate, the relevant aspects of the Public Spending Code in the appraisal and management of investment proposals.

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 Chair) 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 and 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 reappointments of Directors and the filling of Board vacancies (other than, in each case the CEO and elected Directors) are made by the Shareholder in accordance with established arrangements for appointments to state boards;
- The roles of the Chair and CEO are separate.

Role of the Board

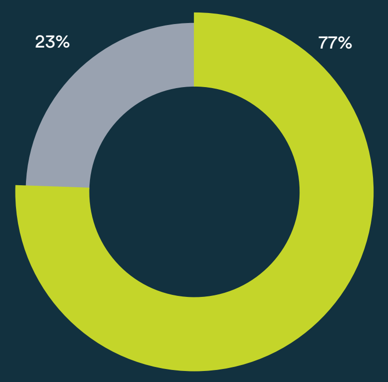
The Shareholder's objectives and priorities have been communicated to the Board through, inter alia, the formulation of the National Aviation Policy and a Letter of Expectation. Through regular contact with relevant government departments, the Board and management maintain ongoing reporting and dialogue 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 Chair who, with the CEO and Company Secretary, maintain regular dialogue with the Shareholder and Department officials. In February 2022, the Board received a new Shareholder Letter of Expectation and has, during the course of the year, engaged with the Shareholder to ensure that appropriate focus and attention is given to the policy objectives and priorities set out in the letter.

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.

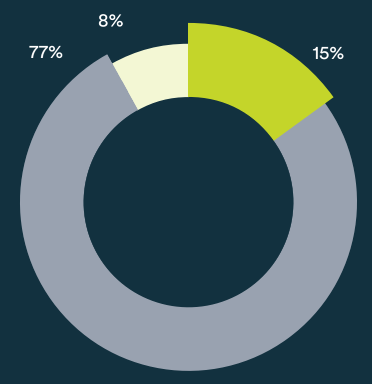
The charts below show the Board composition as at March 23, 2022

Current gender balance



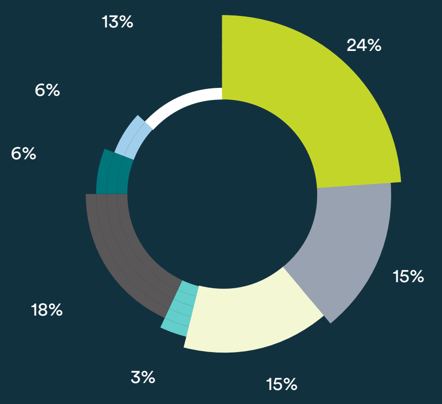
- Male
- Female

Tenure



- Less than 1 year
- 1 to 5 years
- Over 5 years

Expertise



- Aviation
- Finance
- HR/IR
- Legal
- Business, Marketing and Economics
- Sustainability
- Retail
- Digital

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;
- Remuneration policy in relation to senior management and the wider workforce;
- Risk management; and
- Major capital expenditure and investment decisions.

Roles and Responsibilities	
Chair – 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 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 – Kenny Jacobs	• is responsible for the management of the business; • is responsible for the implementation of the Group's strategy and policies; and • leads the Executive team.
Senior Independent Director – Risteard Sheridan	• provides a sounding board for the Chair; • serves as an intermediary for the other Board members where necessary; and • facilitates an annual meeting of the Board members to generally appraise the Chair's performance.
Company Secretary – Miriam Ryan	• 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 Board members; • is responsible for advising and reporting on governance matters; and • ensures that Board procedures are followed.

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, sales and marketing, sustainability, diversity and inclusion, 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.

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 for a third consecutive four-year term and MarkJames Ryan, Des Mullally and James Kelly are newly elected Directors with effect from January 9, 2022.

At the beginning of 2022, there was one vacancy on the Board. On July 26, 2022 the Shareholder appointed Paula Cogan to the Board for a period of five years following a recruitment and selection process. The terms of office of Ray Gammell, Karen Morton and Marie Joyce expired on January 22, 2023. On January 23, 2023 Ray Gammell was reappointed as a Director for a period of two years and Karen Morton and Marie Joyce were each reappointed for further periods of three years respectively.

Dalton Philips resigned as CEO and from the Board on August 26, 2022. Catherine Gubbins was appointed Interim CEO on September 2, 2022 and became an ex officio Director of the Company on this date. Kenny Jacobs was appointed CEO with effect from January 9, 2023 and became an ex-officio member of the Board. Catherine Gubbins resigned as Interim CEO and as a Director on January 9, 2023.

Board Evaluation

The Board seeks to continually improve its effectiveness and conducts an evaluation of its performance on a regular basis. An external evaluation was completed in respect of 2022. The areas of performance assessed were aligned with the model Board Self-assessment Evaluation questionnaire provided in the Code of Practice and included Governance Infrastructure, Performance and Focus, Conformance and Oversight, Dynamics and Culture and Board Engagement.

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 31 (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, Chair 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.

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 Director's 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 of 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 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 significant challenges associated with the rapid surge in passenger traffic in the aftermath of the COVID-19 pandemic. There were eight scheduled Board meetings during 2022 and in addition to this there were a number of Board updates during the year where the Board discussed specific matters arising.

Attendance at Board and Committee Meetings during 2022[1]

Directors	Board	Audit and Risk	Culture Security and Safety	Nomination and Remuneration	Strategic Infrastructure and Sustainability
Basil Geoghegan	8			6	1 (2 not attended)
Paula Cogan	3				
Peter Cross	8	7			
Raymond Gammell	6 (2 not attended)		7 (1 not attended)	5 (1 not attended)	
Catherine Gubbins	3				
Marie Joyce	8	7			3
James Kelly	8		8		
Karen Morton	8		8		3
Des Mullally	7 (1 not attended)		8		
Ger Perdisatt	8	7			
Dalton Philips	5				2
MarkJames Ryan	8				3
Risteard Sheridan	7 (1 not attended)	7		5 (1 not attended)	
Denis Smyth	8		8		

The green figure in each column indicates the number of scheduled meetings attended by the Director during the year. The grey figure represents the number of scheduled 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.

1. There were no meetings of the Finance Committee required in 2022 as there was no financing activity during the year.

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 the Group Risk Register at each Board 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 27 to 33.

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

Key Structures	Procedures
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, determining the remuneration and assessing the performance of and succession planning for the CEO. • An Audit and Risk Committee, which reviews audit plans, risk management processes 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 and 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 medium and long-term infrastructural and capital investment programmes, sustainability matters and other related issues. • 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 management risk review process. • Separate Boards which 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 which the Board has adopted for the Group. • Through a process of continuous improvement of the safety, security 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 which reviews key systems and controls with full access to systems, controls, documentation and the Audit and Risk Committee.
Risk Management	• An Executive Risk Forum to monitor risk management and governance and to assist the Audit and Risk Committee and 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 overseeing 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 Executives and their senior teams 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

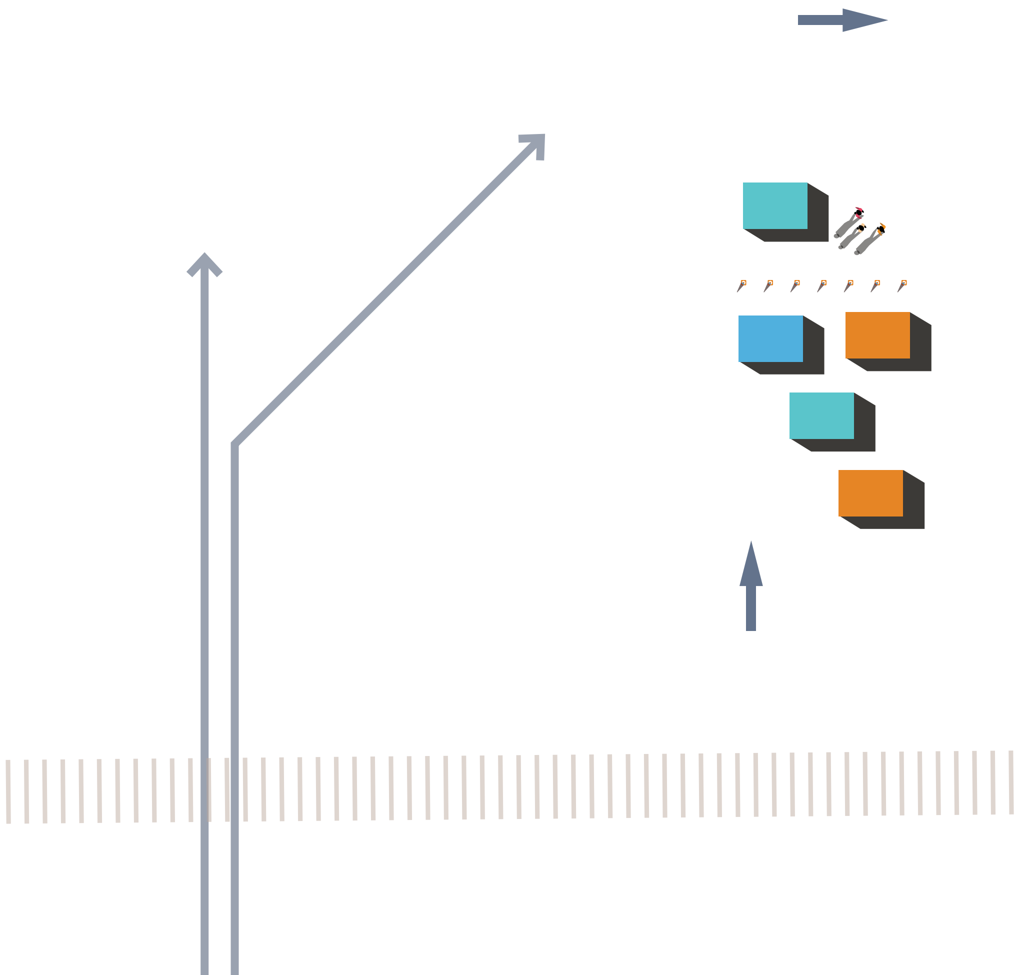
daa has procedures to monitor the effectiveness of its risk management and control procedures. daa's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and 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 2022. No significant weaknesses in key internal control procedures were identified in relation to 2022 that would have a material impact on the Group's financial performance or condition and 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") 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 57 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 on page 43.



Protected Disclosures

Pursuant to section 22 of the Protected Disclosures Act 2014, daa plc reports that two protected disclosures were received by the Group during 2022. The disclosures were reported, assessed, and investigated in accordance with our Protected Disclosures Policy. One disclosure is now concluded and one remains under investigation. The Group's Protected Disclosure Policy can be accessed here. Protected-Disclosure-Policy-November-2022.pdf (daa.ie)

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 December 31, 2022. Travel and subsistence costs charged to the profit and loss account for the year amounted to €0.6 million (2021: €0.3 million) (national) and €2.5 million (2021 €0.5 million) (international). Hospitality and staff wellbeing costs charged to the profit and loss account amounted to €2.6 million (2021 €2.7 million). Consultancy costs charged to the profit and loss amounted to €2.7 million (2021: €2.6 million). The main consultancy costs incurred in 2022 relate to regulatory consultancy of €1.3 million and security consultancy of €0.5 million with the remaining other consultancy of €0.9 million relating to consultancy on international projects, communications and energy (2021: 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, asset management and 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 €0.2 million (2021: €0.5 million) and settlement payments of €0.7 million (2021: €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 €12.7 million (2021: €12.1 million) as set out in Note 3 to the Financial statements. Total termination payments paid in the year amounted to €3.8 million (2021: €22.2 million) and payments made in relation to early retirement benefits amounted to €4.4 million (2021: €10.5 million), all under the voluntary severance scheme and all of which was accrued in 2021.

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 €13.9 million (2021: €1.2 million) and allowances paid during the year amounted to €5.5 million (2021: €5.1 million) for the year ended December 31, 2022, 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 below chart. Key management compensation comprising salaries, fees and other short-term benefits of €3.8 million, (2021: €4.0 million), post-employment benefits of €0.3 million, (2021: €0.4 million) and termination benefits of €Nil, (2021: €1.1 million) were recognised during the year.

Total Remuneration	No of Employees
€0 to €50,000	3,258
€50,000 to €75,000	738
€75,000 to €100,000	505
€100,000 to €125,000	206
€125,000 to €150,000	71
€150,000 to €175,000	47
€175,000 to €200,000	27
€200,000 to €225,000	14
€225,000 to €250,000	5
€250,000 to €275,000	4
€275,000 to €300,000	4
€300,000 to €325,000	6
€325,000 to €350,000	2

Breakdown of Total Remuneration by Pay-band

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.

Nomination and Remuneration Committee

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

There were six scheduled meetings of the Nomination and Remuneration Committee in 2022 and the work of the Committee included oversight of remuneration arrangements and the process for the recruitment of the new Chief Executive Officer for the daa Group.

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

Joseph O'Sullivan resigned from the Committee on January 8, 2022 when his term of office expired. James Kelly and Des Mullally were appointed to the Committee on February 8, 2022.

There were eight scheduled meetings of the Culture, Security and Safety Committee in 2022. 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
Kenny Jacobs	February 2023
Marie Joyce	September 2021
Karen Morton	March 2020
MarkJames Ryan	February 2022

MarkJames Ryan was appointed to the Committee on February 8, 2022. Dalton Philips resigned from the Committee on August 26, 2022. Kenny Jacobs was appointed to the Committee on February 27, 2023.

There were three scheduled meetings of the Strategic Infrastructure and Sustainability Committee in 2022, where the Committee considered capital investment plans, sustainability matters and other related issues.

Finance Committee

Members	Appointed to Committee
Marie Joyce, Chair	March 2020
Basil Geoghegan	March 2020
Kenny Jacobs	February 2023
Denis Smyth	March 2016

Dalton Philips resigned from the Committee on August 26, 2022. Kenny Jacobs was appointed to the Committee on February 27, 2023.

The role of the Finance Committee is primarily to review and consider major financings. As there were no major financings during 2022, there was no requirement for the Finance Committee to meet during the year.

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

There were seven scheduled meetings of the Audit and Risk Committee in 2022. During the year, the Committee held a meeting 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, Head of Governance, Insurance and Risk, 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	• 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 the Group Risk Register and top risk reports including risk trends, controls and mitigation activities; • Received briefings on the Group's operational risks including in areas of safety, security and IT; • Reviewed and recommended to the Board the approval of the Group's Enterprise Risk Management Policy and Framework and the Group's Risk Appetite Statements; • Reviewed output from benchmarking exercises in relation to the external risk landscape, emerging risks and risk processes in peer companies; • Reviewed output and recommendations from third-party reviews of daa's enterprise risk management processes and procedures; • Received updates on business continuity priorities and activities; • Received updates on the governance framework that applies to all infrastructure projects, and controls and processes in place for Capital Projects; • Received updates from IT regarding Business Processes, IT/Cyber Security and Business Resilience, Risks and Controls; • Considered the results of the independent review of cyber security using the NIST Cyber Security Framework and management responses to same; • Reviewed and considered structures, controls and risks relating to overseas investments including financial reporting considerations and internal audit assessment of the overseas control environment; Received updates on the hedging policy and approach in relation to energy, interest rates and foreign exchange; and • Undertook a review of its own effectiveness in accordance with the requirements of the Code of Practice.
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; • Considered the appropriateness of adopting the going concern basis of preparing the Financial statements and; • Reviewed the unaudited interim consolidated Financial statements for the six months ended June 30, including the appropriateness of the key accounting issues and judgements, before recommending their approval to the Board.
Protected Disclosures and Fraud	• Received reports from the Group Head of Internal Audit on confidential reporting and/or protected disclosures; • Received assurances that procedures are in place to ensure compliance with the Company's Anti-Bribery, Corruption and Fraud policy; and • Received updates on the process to automate the annual assurance attestation process and expand the cohort of staff and locations from which assurances are sought.
External Audit	• Carried out an assessment of the Auditor's independence and objectivity; and • 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.
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.

EY were approved as external Auditor to the Group at the Company's Annual General Meeting on June 27, 2022.

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 which 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 December 31, 2022 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 operates and manages Dublin and Cork airports in Ireland. It undertakes airport retailing in Ireland and in a range of international locations through its subsidiary Aer Rianta International. International aviation operations, management and consultancy is provided through daa International. The Group currently has investments in three European airports and operates three airports in Saudi Arabia on a contract basis.

Review of the Business and Future Developments

Commentary on performance for the year ended December 31, 2022, 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.

Recovery from COVID-19

Following the global easing of COVID-19 restrictions there has been significant demand for international travel and retail and growth in passenger numbers at airports of the Group. Further details on the Group's recovery from COVID-19 are set out in Note 35.

Results and Dividends for the Year

The financial results of the Group for the year show a profit for the financial year amounting to €98 million compared with a loss of €100.6 million for 2021, 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 December 31, 2022 (2021: €Nil).

Going Concern

The Directors, having reviewed the Group's projections, with particular reference to its operating cashflow, capital commitments, liquidity and funding position, 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. Whilst the Company has net current liabilities at December 31, 2022, the Directors are satisfied that the going concern basis is appropriate to adopt based on support from Group. For this reason, they continue to adopt the going concern basis in preparing the Company 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 registered office at Three, The Green, Dublin Airport Central, Dublin Airport, Swords, Co. Dublin K67 X4X5.

Information to the Auditors

Each Director confirms that, so far as the Director is aware, there is no relevant audit information of which the company's and the Group's statutory auditors are unaware and that the Director has taken all appropriate steps to make himself/herself aware of any relevant audit information and to establish that the company's and the Group'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, associate 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 (2021: €Nil).

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, Secretary and their Interests
The Directors who served at any time during the financial year are listed in the Company information section on page 83. The Directors and Secretary had no beneficial interest in the shares of the Company or any Group companies at any time during the current financial year and the preceding financial year.

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 2022 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
No significant events affecting the Group have occurred since year-end which would require disclosure or amendment of the Financial statements.

Audit Committee
The Group has established an Audit and Risk Committee. Details of this committee are disclosed in the Governance report.

Auditors
The Auditor, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, resigned effective April 22, 2022 and subsequently, Ernst & Young, Chartered Accountants and Statutory Audit Firm, were appointed to office in accordance with section 383(1) of the Companies Act 2014 and will continue in office in accordance with section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:

Basil Geoghegan
Chairman
March 23, 2023

Kenny Jacobs
Director

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' report and the Group and Company Financial statements in accordance with the applicable laws and regulations.

Irish company law requires the Directors to prepare Group and Company Financial statements for each financial year. Under that law, the Directors are required to prepare the Group and Company Financial statements in accordance with the Companies Act 2014 and Irish accounting standards (Generally Accepted Account Practice in Ireland) including Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102).

Under Irish 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 for the financial year and otherwise comply with the Companies Act 2014.

In preparing each of the Group and Company Financial statements, the Directors are required to:
- select suitable accounting policies 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website (www.daa.ie). Legislation in Ireland governing the preparation and dissemination of Financial statements may differ from legislation in other jurisdictions.

Approved by the Board and signed on its behalf by:

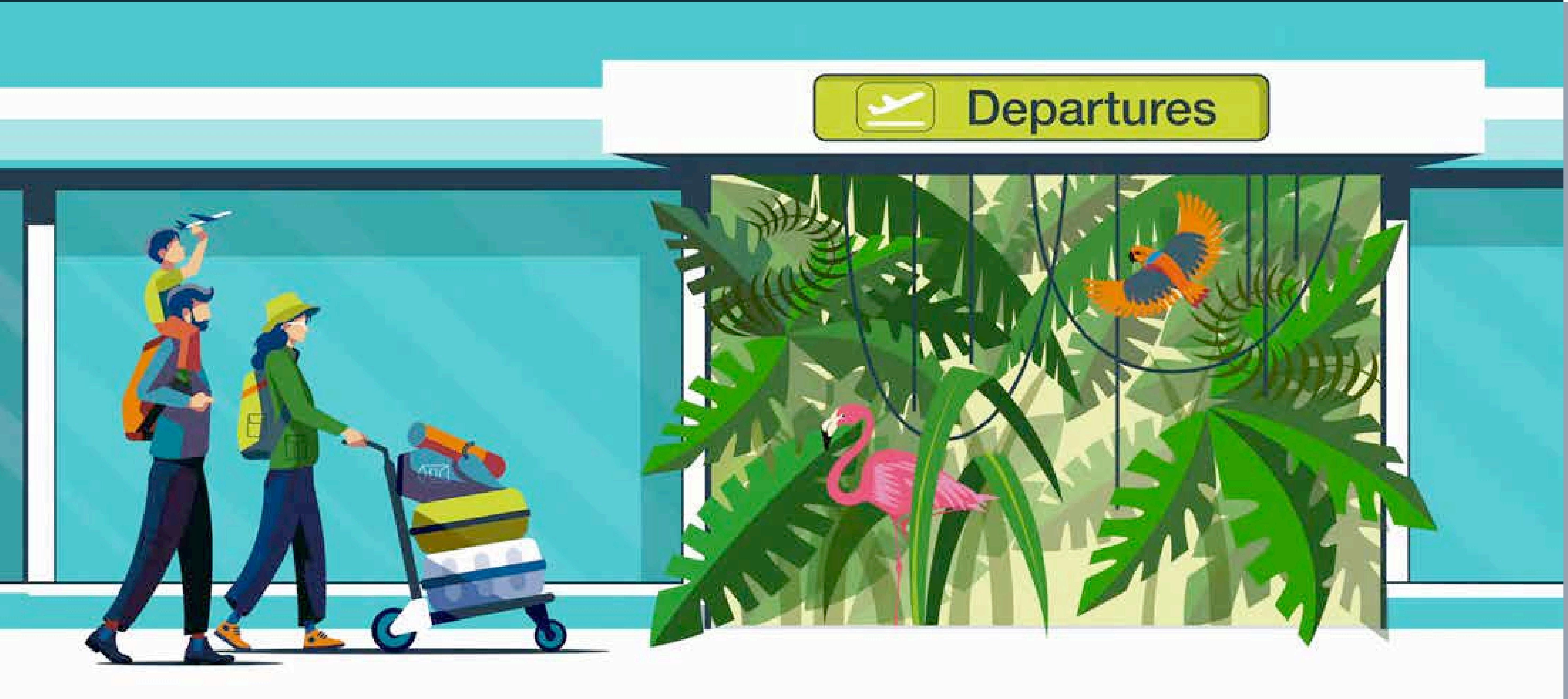
Basil Geoghegan
Chairman
March 23, 2023

Kenny Jacobs
Director

Across the world*

*

We operate in 15 countries across the globe



Financial statements

In this section:

Independent Auditor's report to the members of daa plc

Report on the audit of the Financial statements

Opinion

We have audited the Financial statements of daa plc (the Company) and its subsidiaries (the Group) for the year ended December 31, 2022, which comprise the Group Profit and Loss Account, Group Statement of Comprehensive Income, Group Balance Sheet, Company Balance Sheet, Group Statement of Cash Flows, Group Statement of Changes in Equity, Company Statement of Changes in Equity and notes to the financial statements, including the summary of significant accounting policies set out in Note 37. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion:
- the Group Financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2022 and of its profit for the year then ended;
- the Company Financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022;
- the Group and Company Financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the Group Financial statements and Company Financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are independent of the Group and Company in accordance with ethical requirements that are relevant to our audit of Financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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's or the Company's ability to continue as a going concern for a period of at least 12 months from the date 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the Financial statements and our Auditor's report thereon. 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.

Opinions on other matters prescribed by the Companies Act 2014
In our opinion, based solely on the work undertaken in the course of the audit, we report that:
- the information given in the Directors' report is consistent with the Financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the Financial statements to be readily and properly audited and the Company statement of financial position is in agreement with the accounting records.

Matters on which we are required to report by exception
Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of Directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Under the 2016 Code of Practice for the Governance of State Bodies (the Code) we are required to report to you if the statement regarding the system of internal control required under the Code, as included in the Directors' report does not reflect the Group's compliance with paragraph 1.9 (iv) of the Code or if it is not consistent with the information of which we are aware from our audit work on the Financial statements and we report if it does not. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of Directors for the Financial statements
As explained more fully in the Directors' responsibilities statement set out on page 67, the Directors are responsible for the preparation of the Financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they 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 the Company's ability to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or the parent Company or to cease operations, or has 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.

A further description of our responsibilities for the audit of the Financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our Auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

R Wallace

Roger Wallace
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

March 24, 2023

Group profit and loss account
for the financial year ended December 31, 2022

	Note	2022 Pre-exceptional €000	2022 Exceptional & fair value movements €000	2022 Total €000	2021 Pre-exceptional €000	2021 Exceptional & fair value movements €000	2021 Total €000
Turnover – continuing operations	2	**751,851**	**–**	**751,851**	324,090	–	324,090
Operating costs							
Cost of goods for resale		**(154,884)**	**–**	**(154,884)**	(72,525)	–	(72,525)
Payroll and related costs	3	**(245,733)**	**–**	**(245,733)**	(170,602)	–	(170,602)
Exceptional items	6	**–**	**4,735**	**4,735**	–	(1,579)	(1,579)
Materials and services		**(220,020)**	**–**	**(220,020)**	(105,275)	–	(105,275)
Total operating costs		**(620,637)**	**4,735**	**(615,902)**	(348,402)	(1,579)	(349,981)
Other income	4	**117,316**	**–**	**117,316**	49,359	–	49,359
Earnings before interest, tax, depreciation and amortisation		**248,530**	**4,735**	**253,265**	25,047	(1,579)	23,468
Depreciation and amortisation		**(126,231)**	**–**	**(126,231)**	(117,418)	–	(117,418)
Gain/(loss) on disposal/retirement of tangible assets and investment property		**96**	**–**	**96**	(386)	–	(386)
Fair value movement on investment property	6	**–**	**22,026**	**22,026**	–	2,001	2,001
Group operating profit/(loss) – continuing operations		**122,395**	**26,761**	**149,156**	(92,757)	422	(92,335)
Share of operating profit/(loss)							
Joint venture undertakings	5	**2,671**	**–**	**2,671**	1,210	–	1,210
Associated undertakings	5	**12,790**	**–**	**12,790**	(138)	–	(138)
Group profit/(loss) before interest and taxation		**137,856**	**26,761**	**164,617**	(91,685)	422	(91,263)
Other financial income	7	**8,433**	**–**	**8,433**	5,642	–	5,642
Interest receivable and similar income	7	**3,396**	**–**	**3,396**	1,157	–	1,157
Interest payable and similar charges	7	**(32,971)**	**–**	**(32,971)**	(27,165)	–	(27,165)
Group profit/(loss) on ordinary activities before taxation		**116,714**	**26,761**	**143,475**	(112,051)	422	(111,629)
Taxation on profit/(loss) on ordinary activities	9	**(18,714)**	**(6,032)**	**(24,746)**	11,410	(362)	11,048
Profit/(loss) after taxation		**98,000**	**20,729**	**118,729**	(100,641)	60	(100,581)
Attributable to:							
Non-controlling interest		**7,676**	**–**	**7,676**	2,620	–	2,620
Equity shareholders of the Group		**90,324**	**20,729**	**111,053**	(103,261)	60	(103,201)
Profit/(loss) for the financial year for the Group		**98,000**	**20,729**	**118,729**	(100,641)	60	(100,581)

Group statement of comprehensive income
for the financial year ended December 31, 2022

	Note	2022 €000	2021 €000
Group profit/(loss) for the financial year		**118,729**	(100,581)
Exchange differences on translation of overseas operations (arising on net assets)			
Subsidiary undertakings		**1,349**	2,445
Associated undertakings		**(993)**	1,517
Remeasurement of net defined benefit asset/liability	25	**3,803**	2,182
Deferred tax charge on remeasurement of net defined benefit asset/liability	25	**(476)**	(344)
Exchange differences on translation of overseas non-controlling interests	32	**1,008**	1,134
Total other comprehensive income/(loss) for the financial year		**4,691**	6,934
Total comprehensive income/(loss) for the financial year		**123,420**	(93,647)
Total comprehensive income/(loss) for the financial year attributable to:			
Non-controlling interest		**8,684**	3,754
Equity shareholders of the Group		**114,736**	(97,401)

Group balance sheet
as at December 31, 2022

	Note	2022 €000	2021 €000
Fixed assets			
Tangible fixed assets	11	**2,060,851**	2,018,295
Intangible assets	12	**49,891**	55,724
Investment property	13	**212,223**	190,937
		2,322,965	2,264,956
Fixed Assets – Investments			
Investments in joint venture undertakings		**1,407**	1,470
Investments in associated undertakings		**78,353**	71,853
Other financial assets		**21,583**	27,236
Long-term debtors		**26,358**	20,754
Total investments	14	**127,701**	121,313
Total fixed assets		**2,450,666**	2,386,269
Current assets			
Stocks	15	**45,083**	28,746
Debtors	16	**68,286**	54,438
Cash and cash equivalents	27	**816,146**	856,850
Other financial assets	17	**605**	–
		930,120	940,034
Creditors: amounts falling due within one year	18	**(339,210)**	(375,082)
Net current assets		**590,910**	564,952
Total assets less current liabilities		**3,041,576**	2,951,221
Creditors: amounts falling due after more than one year	19	**(1,655,773)**	(1,696,523)
Capital grants	21	**(20,092)**	(18,712)
Provisions for liabilities	22	**(97,180)**	(87,965)
Net assets		**1,268,531**	1,148,021
Capital and reserves			
Called up share capital – presented as equity	24	**186,337**	186,337
Profit and loss account		**1,057,247**	942,867
Other reserves	24	**740**	384
Shareholders' funds		**1,244,324**	1,129,588
Non-controlling interest	32	**24,207**	18,433
		1,268,531	1,148,021

The Financial statements were approved by the Board of Directors and authorised for issue on March 23, 2023. They were signed on its behalf by:

Basil Geoghegan
Chairman

Kenny Jacobs
Director

Company balance sheet
as at December 31, 2022

	Note	2022 €000	2021 €000
Fixed assets			
Tangible assets	11	**2,029,113**	1,984,991
Intangible assets	12	**18,204**	18,649
Investment property	13	**204,918**	183,347
		2,252,235	2,186,987
Investments			
Investments in subsidiaries, associated undertakings and other financial assets	14	**7,862**	14,314
Total fixed assets		**2,260,097**	2,201,301
Current assets			
Stocks	15	**17,501**	11,752
Debtors	16	**79,884**	79,202
Cash and cash equivalents		**712,499**	771,287
Other financial assets	17	**605**	–
		810,489	862,241
Creditors: amounts falling due within one year	18	**(1,491,077)**	(1,560,420)
Net current liabilities		**(680,588)**	(698,179)
Total assets less current liabilities		**1,579,509**	1,503,122
Creditors: amounts falling due after more than one year	19	**(468,834)**	(491,742)
Capital grants	21	**(20,092)**	(18,712)
Provisions for liabilities	22	**(93,186)**	(84,162)
Net assets		**997,397**	908,506
Capital and reserves			
Called up share capital – presented as equity	24	**186,337**	186,337
Profit and loss account		**811,060**	722,169
Shareholders' funds		**997,397**	908,506

As permitted by section 304 of the Companies Act 2014, the Company is availing itself of the exemption from presenting its separate Profit and Loss Account in the Financial statements and from filing it with the Registrar of Companies. The Company reported a profit for the financial year ended December 31, 2022 of €85.6 million (2021: loss of €93.2 million).

The Financial statements were approved by the Board of Directors and authorised for issue on March 23, 2023. They were signed on its behalf by:

Basil Geoghegan
Chairman

Kenny Jacobs
Director

Group statement of cash flows
for the financial year ended December 31, 2022

	Note	2022 €000	2021 €000
Net cash flows from operating activities	26	**163,438**	167,467
Cash flows from investing activities			
Dividends received		**16,616**	734
Disposal of shareholding in associated undertaking	14	**306**	–
Loans to associated undertakings		**(4,900)**	(8,000)
Loans repaid from associated undertakings		**3,760**	2,608
Investment in associated undertakings		**(3,078)**	–
Proceeds from sale of tangible fixed assets		**262**	145
Sale of investment property		**800**	–
Additions to tangible fixed assets		**(151,279)**	(190,846)
Additions to intangible assets	12	**(4,769)**	(7,817)
Interest and similar income received		**763**	142
Income from other financial assets		**387**	295
Net cash flows from investing activities		**(141,132)**	(202,739)
Cash flows from financing activities			
Dividends paid to non-controlling interest	32	**(2,910)**	(1,341)
Repayment of bank loans		**(35,331)**	(45,635)
New bank loans		**–**	10,000
Interest and similar charges paid		**(30,742)**	(30,423)
Grants received		**6,592**	12,657
Proceeds from the issue of new loan notes		**–**	159,655
Net cash flows from financing activities		**(62,391)**	104,913
Net (decrease)/increase in cash and cash equivalents		**(40,085)**	69,641
Cash and cash equivalents at beginning of financial year		**856,850**	785,314
Effect of foreign exchange rate changes		**(619)**	1,895
Net (decrease)/increase in cash and cash equivalents		**(40,085)**	69,641
Cash and cash equivalents at end of financial year		**816,146**	856,850

A cash flow statement has not been disclosed for the Company as it is taking an exemption under FRS 102 Section 1 paragraph 12 from the requirements of Section 7 Statements of Cash Flows, as the Group Consolidated Financial statements prepares and discloses a cash flow statement.

Group statement of changes in equity
for the financial year ended December 31, 2022

	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 January 1, 2022	**186,337**	**138**	**246**	**942,867**	**1,129,588**	**18,433**	**1,148,021**
Profit for the financial year	**–**	**–**	**–**	**111,053**	**111,053**	**7,676**	**118,729**
Movements in other comprehensive income	**–**	**356**	**–**	**3,327**	**3,683**	**1,008**	**4,691**
Total comprehensive income	**–**	**356**	**–**	**114,380**	**114,736**	**8,684**	**123,420**
Non-controlling interest dividend paid	**–**	**–**	**–**	**–**	**–**	**(2,910)**	**(2,910)**
At December 31, 2022	**186,337**	**494**	**246**	**1,057,247**	**1,244,324**	**24,207**	**1,268,531**
At January 1, 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)
Movements in other comprehensive income	–	3,962	–	1,838	5,800	1,134	6,934
Total comprehensive income	–	3,962	–	(101,363)	(97,401)	3,754	(93,647)
Non-controlling interest dividend paid	–	–	–	–	–	(1,341)	(1,341)
At December 31, 2021	186,337	138	246	942,867	1,129,588	18,433	1,148,021

Company statement of changes in equity
for the financial year ended December 31, 2022

	Called-up share capital €000	Profit and loss account €000	Total €000
At January 1, 2022	**186,337**	**722,169**	**908,506**
Profit for the financial year	**–**	**85,564**	**85,564**
Movements in other comprehensive income	**–**	**3,327**	**3,327**
Total comprehensive income	**–**	**88,891**	**88,891**
At December 31, 2022	**186,337**	**811,060**	**997,397**
At January 1, 2021	186,337	813,891	1,000,228
Loss for the financial year	–	(93,195)	(93,195)
Movements in other comprehensive income	–	1,473	1,473
Total comprehensive loss	–	(91,722)	(91,722)
At December 31, 2021	186,337	722,169	908,506

1 General information and basis of preparation

daa plc (the Company) is a company incorporated and domiciled in Ireland under the Companies Act 2014. Its registered number is 9401 and the address of the registered office is Three, The Green, Dublin Airport Central, Dublin Airport, Swords, Dublin K67 X4X5. The nature of the Company and its subsidiaries (together the Group) operations and its principal activities are set out in the report of the Directors.

The Group and Parent Company 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 FRS 102 and Irish statute comprising the Companies Act 2014.

The reporting currency of the Group and Parent Company is considered to be Euro, rounded to the nearest thousand (€000), as that is the currency of the primary economic environment in which the Group operates.

The Group and Parent Company 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. The Group and Parent Company Financial statements have been prepared on a going concern basis. Refer to Note 38 for the Critical accounting judgements and key sources of estimation uncertainty.

2 Turnover

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

	2022 €000	2021 €000
By class of business		
Ireland		
Aeronautical revenue	**154,310**	63,802
Direct retailing and retail/catering concessions	**184,990**	69,343
Other commercial activities	**179,989**	80,877
Total Ireland	**519,289**	214,022
International retail and other activities	**232,562**	110,068
Total turnover	**751,851**	324,090

Other commercial activities comprise income derived from car parks, property revenues including property rents and concessions and other miscellaneous commercial revenue.

	2022 €000	2021 €000
By geographical area		
Australasia	**48,790**	9,924
Europe	**610,812**	271,869
Middle East	**48,779**	28,442
North America	**43,470**	13,855
	751,851	324,090

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

	2022 €000	2021 €000
Sale of goods	**337,083**	147,251
Rendering of services	**414,768**	176,839
Total turnover	**751,851**	324,090

3 Payroll and related costs

	2022 €000	2021 €000
Staff costs comprise:		
Wages and salaries	**227,072**	163,598
Social insurance costs	**19,625**	5,087
Retirement benefit costs (Note 25)	**12,689**	12,149
Other payroll and related costs	**1,977**	2,086
	261,363	182,920
Staff costs capitalised into fixed assets (Note 11)	**(15,630)**	(12,318)
Payroll and related costs	**245,733**	170,602
Governments' wage subsidy schemes (Note 4)	**(4,724)**	(39,472)
Net payroll and related costs	**241,009**	131,130

	2022	2021
Average monthly employee numbers (full-time equivalents) were as follows:		
Airports	**2,569**	2,168
International activities	**861**	644
	3,430	2,812

4 Other income

	2022 €000	2021 €000
Governments' wage subsidy schemes	**4,724**	39,472
Government grant income	**112,592**	8,520
Other subsidy schemes	**–**	1,367
	117,316	49,359

The Group recognised €4.7 million (2021: €39.5 million) in respect of non-repayable government support relating to wage subsidy schemes introduced in Ireland and internationally in response to the COVID-19 pandemic. The Irish scheme ceased on April 30, 2022. The Group recognised €Nil (2021: €1.4 million) in respect of other subsidy schemes introduced in Ireland and internationally in response to the COVID-19 pandemic.

At December 31, 2021, €103.8 million of government funding was paid to the Group and recognised in deferred income, being state aid provided to Irish airports as part of damage compensation measures relating to the COVID-19 pandemic. The intention of the funding was to put state airports in receipt of funds to compensate for damage caused by COVID-19, so that the airports could, in turn, provide incentives and financial supports to airlines to restore connectivity. This government funding was used to provide incentives directly to our airline customers during 2022, and the funds were recognised in the profit or loss account on a systemic basis over the period in which the discounts and incentives were provided. At December 31, 2022, €102.2 million has been recognised as income in line with incentives provided during the year.

Cork Airport received an operational grant of €10.4 million during 2022 (2021: €6.7 million) which was recognised in the profit and loss account.

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

The Group's share of profits/losses after taxation in its associated undertakings and joint ventures as defined in Note 37, for the year is €15.5 million (2021: €1.1 million). Management fees and other direct income from these undertakings and joint ventures are included in the 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 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. During the course of 2022, this 2020 voluntary severance scheme was closed and a residual balance of €1.7 million of the provision has been released (2021: charge of €1.6 million). A further €3.0 million relating to other closed severance schemes was also released during the year ended December 31, 2022. The impact on taxation was the recognition of a deferred tax charge of €0.6 million (2021: credit of €0.2 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 December 31, 2022 (see Note 13). These valuations resulted in the Group recognising a fair value increase of €22.0 million (2021: increase of €2.0 million). The impact on taxation was the recognition of a net deferred tax charge of €5.4 million (2021: charge of €0.3 million).

7 Finance income/expense

	2022 €000	2021 €000
Other financial income		
Income from listed and trade investments	**6,801**	1,030
Movement in financial instruments	**-**	4,294
Financial assets revaluation	**135**	318
Amortisation of bond premium	**1,497**	-
Total other financial income	**8,433**	5,642

	2022 €000	2021 €000
Interest receivable and similar income		
Income from unlisted investments	**2,913**	771
Income on retirement benefits (Note 25)	**483**	386
Total interest receivable and similar income	**3,396**	1,157
Interest payable and similar charges		
Interest payable on bank loans and overdrafts	**10,801**	12,256
Interest on loan notes	**16,552**	14,911
Amortisation of issue costs/other funding costs	**834**	367
Other interest payable	**2,526**	4,801
Movement in financial instruments	**5,848**	-
Interest expense on retirement benefits (Note 25)	**504**	446
Total interest payable	**37,065**	32,781
Interest payable capitalised	**(4,094)**	(5,616)
Total interest payable and similar charges	**32,971**	27,165

8 Profit/(loss) on ordinary activities before taxation

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

	2022 €000	2021 €000
Auditor's remuneration		
Auditor – Irish firm		
– audit of the Group Financial statements	**239**	282
– other assurance services	**69**	32
– tax advisory services	**76**	61
	384	375
Auditor – international firms		
– audit of Financial statements	**260**	151
– tax advisory services	**47**	21
– other non-audit services	**-**	14
	307	186
	691	561

Included in the above are audit fees incurred of €58,000 for the statutory audit of the Company (2021: €58,000), €18,000 for other assurance services (2021: €29,000) and €9,000 for tax advisory services (2021: €5,000).

	2022 €000	2021 €000
Operating lease rentals		
– equipment	**145**	732
– buildings	**1,538**	1,275
Governments' wage subsidy schemes (Note 4)	**(4,724)**	(39,472)
Other government grant income and other subsidy (Note 4)	**(112,592)**	(9,887)
Depreciation (Note 11)	**117,747**	109,679
Amortisation of intangible assets and goodwill (Note 12)	**10,415**	8,501
(Gain)/Loss on disposal/retirement of tangible assets and investment property	**(96)**	386
Amortisation of capital grants (Note 21)	**(1,931)**	(764)
Foreign exchange loss	**607**	16

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:

	2022 €000	2021 €000
Directors' fees – for		
Services as Directors	**195**	170
Other amounts – in connection to their employment	**845**	661
Pension contributions – defined contribution scheme	**151**	137
	1,191	968

8 Profit/(loss) on ordinary activities before taxation continued

Other amounts include remuneration of the Chief Executive (and the interim Chief Executive) and of Directors elected pursuant to the Worker Participation (State Enterprises) Acts 1977 to 2001 arising from their normal contracts of employment.

Pension contributions includes aggregate pension contributions paid, treated as paid or payable during the financial year in respect of qualifying services of Directors of €0.2 million (2021: €0.1 million). Pension contributions have been made in respect of eight Directors (2021: five Directors), each of whom have contracts of employment with the Group, in each case for the portion of the year for which they were Directors.

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. In accordance with the Code of Practice, details of fees payable to individual Directors during 2022 and 2021 were as follows:

	2022 €	2021 €
Basil Geoghegan	**31,500**	29,995
Risteard Sheridan	**15,750**	14,998
Denis Smyth	**15,750**	14,998
Marie Joyce	**15,750**	14,998
Karen Morton	**15,750**	14,998
Ray Gammell	**15,750**	14,998
Peter Cross (appointed on March 4, 2021)	**15,750**	12,792
Gerard Perdisatt (appointed on July 5, 2021)	**15,750**	7,704
James Kelly (appointed January 9, 2022)	**15,400**	–
Des Mullally (appointed January 9, 2022)	**15,400**	–
MarkJames Ryan (appointed January 9, 2022)	**15,400**	–
Paula Cogan (appointed July 26, 2022)	**6,805**	–
Catherine Gubbins (appointed September 2, 2022, resigned January 9, 2023)	**–**	–
Paul Mehlhorn (resigned December 18, 2021)	**–**	14,441
Eric Nolan (term expired January 8, 2022)	**339**	14,998
Joseph O'Sullivan (term expired January 8, 2022)	**339**	14,998
Patricia King* (term expired July 1, 2021)	**–**	–
Dalton Philips (resigned August 26, 2022)	**–**	–
Total	**195,443**	169,918

* 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 €8,319 (2021: €1,309). These amounts primarily related to travel, subsistence and reimbursed expenses.

Benefits provided to members of the Board during the year, were €40,390 (2021: €8,853). These benefits related to the use of airport facilities.

Dalton Philips was appointed to the office of Chief Executive Officer on October 2, 2017. Pursuant to his contract, the salary of Mr Philips was €250,000 per annum. Total remuneration in respect of Mr Philips for 2022 amounted to €340,224 (2021: €386,120) which included basic salary of €172,612 (2021: €235,903) and pension contributions and other taxable benefits of €167,612 (2021: €150,216). Mr Philips did not receive a Director's fee. Mr Philips resigned as Chief Executive Officer of the Group on August 26, 2022. Catherine Gubbins was appointed to the office of Interim Chief Executive on September 2, 2022. Total remuneration in respect of Ms Gubbins for the duration of holding office in 2022 amounted to €83,160 which included basic salary of €70,579 and pension contributions and other taxable benefits of €12,581. Ms Gubbins did not receive a Director's fee.

9 Tax on profit/(loss) on ordinary activities

The tax charge/(credit) comprises:	2022 €000	2021 €000
Current tax on profit/(loss) on ordinary activities:		
Corporation tax – Ireland	**5,032**	361
Foreign tax credit	**(2,938)**	(357)
Overseas corporation tax	**5,480**	1,905
Adjustment in respect of prior financial years:		
Foreign tax	**101**	(723)
Irish corporation tax	**(37)**	–
Total current tax charge	**7,638**	1,186
Deferred tax:		
Origination/reversal of timing differences		
Attributable to Group	**16,448**	(11,703)
Adjustment in respect of prior financial years	**574**	(571)
Timing differences relating to retirement benefit obligations	**86**	40
Total deferred tax charge/(credit)	**17,108**	(12,234)
Total tax charge/(credit) on profit/(loss) on ordinary activities	**24,746**	(11,048)
Total current and deferred tax charge relating to items of other comprehensive income	**476**	344

The Group's Irish operations are subject to differing rates of corporation taxation, according to the nature of activities. During 2022 and 2021, these rates varied from 12.5% to 25% while the standard rate of corporation taxation was 12.5%.

Based on profit for the year, the current tax charge for the period is higher (2021: 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:

	2022 €000	2021 €000
Profit/(loss) on ordinary activities before taxation	**143,475**	(111,629)
Profit/(loss) on ordinary activities at standard Irish Corporation tax rate of 12.5% (2021: 12.5%)	**17,934**	(13,954)
Effects of:		
Permanent differences	**347**	2,302
Income taxed at higher rates	**4,109**	2,295
Revaluations taxed at higher rates	**2,696**	251
Prior year adjustments	**638**	(1,294)
Foreign withholding tax	**2,477**	298
Foreign tax credit	**(3,455)**	(946)
Total tax charge/(credit) for the financial year	**24,746**	(11,048)

Corporation tax is provided for on taxable profits at current rates.

The Group is expected to be impacted by the Minimum Effective Tax Rate of 15% as a result of Ireland and other jurisdictions' decision to enter the OECD Tax Agreement on Pillar Two. These changes are expected to impact the Group from January 1, 2024 from which point the Group's effective tax rate may increase as a result.

The total tax charge in future periods will be affected by changes to the corporation tax rates in force in jurisdictions in which the Group operates and other changes in the tax legislation applicable to the Group's business. Changes in the geographical mix of future earnings will also impact the total tax charge.

10 Company profit/(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 profit for the financial year after exceptionals and taxation of €85.6 million (2021: €93.2 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 January 1, 2022	1,052,341	615,442	979,713	414,404	467,574	3,529,474
Additions	140	135	8,363	7	151,548	160,193
Transfer to completed assets	1,947	258,733	24,461	7,301	(292,442)	–
Transfer from intangible assets	–	–	–	–	187	187
Disposals/write-offs	–	–	(9,552)	(75)	–	(9,627)
Translation reserve	–	–	218	–	–	218
At December 31, 2022	1,054,428	874,310	1,003,203	421,637	326,867	3,680,445
Depreciation						
At January 1, 2022	418,303	243,828	654,850	194,198	–	1,511,179
Charge for the financial year	32,083	26,329	47,378	11,957	–	117,747
Disposals/write-offs	–	–	(9,350)	(75)	–	(9,425)
Translation reserve	–	–	93	–	–	93
At December 31, 2022	450,386	270,157	692,971	206,080	–	1,619,594
Net book value						
At December 31, 2022	604,042	604,153	310,232	215,557	326,867	2,060,851
At December 31, 2021	634,038	371,614	324,863	220,206	467,574	2,018,295

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 January 1, 2022	1,052,341	593,006	930,097	413,834	467,585	3,456,863
Additions	140	135	6,585	7	151,548	158,415
Transfer to completed assets	1,947	258,733	24,461	7,301	(292,442)	–
Transfer from intangible assets	–	–	–	–	187	187
Disposals/write-offs	–	–	(9,331)	(75)	–	(9,406)
At December 31, 2022	1,054,428	851,874	951,812	421,067	326,878	3,606,059
Depreciation						
At January 1, 2022	418,303	240,421	619,574	193,574	–	1,471,872
Charge for the financial year	32,083	26,329	43,908	11,957	–	114,277
Disposals/write-offs	–	–	(9,128)	(75)	–	(9,203)
At December 31, 2022	450,386	266,750	654,354	205,456	–	1,576,946
Net book value						
At December 31, 2022	604,042	585,124	297,458	215,611	326,878	2,029,113
At December 31, 2021	634,038	352,585	310,523	220,260	467,585	1,984,991

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

11 Tangible fixed assets continued

Lands and airfields include airport land at a cost of €29.0 million (2021: €29.0 million). Fixed asset additions include internal architectural, engineering and agency payroll costs of €15.6 million (2021: €12.3 million).

Cost of fixed assets includes cumulative interest capitalised of €84.7 million (2021: €80.6 million).

Interest of €4.1 million was capitalised in 2022 (2021: €5.6 million).

12 Intangible assets

Group	Software €000	Software under construction €000	Goodwill €000	Concession rights €000	Total €000
Cost					
At January 1, 2022	28,425	6,866	25,624	67,293	128,208
Additions	47	4,722	–	–	4,769
Translation movement	40	–	–	(14)	26
Transfer to tangible fixed assets	–	(187)	–	–	(187)
Transfer to completed assets	3,770	(3,770)	–	–	–
At December 31, 2022	32,282	7,631	25,624	67,279	132,816
Amortisation					
At January 1, 2022	14,658	–	19,073	38,753	72,484
Charge for the financial year	5,511	–	1,916	2,988	10,415
Translation movement	40	–	–	(14)	26
At December 31, 2022	20,209	–	20,989	41,727	82,925
Net book value					
At December 31, 2022	12,073	7,631	4,635	25,552	49,891
At December 31, 2021	13,767	6,866	6,551	28,540	55,724

Company	Software €000	Software under construction €000	Total €000
Cost			
At January 1, 2022	22,059	6,667	28,726
Transfer to completed assets	3,770	(3,770)	–
Transfer to tangible fixed assets	–	(187)	(187)
Additions	–	4,476	4,476
At December 31, 2022	25,829	7,186	33,015
Amortisation			
At January 1, 2022	10,077	–	10,077
Charge for the financial year	4,734	–	4,734
At December 31, 2022	14,811	–	14,811
Net book value			
At December 1, 2022	11,018	7,186	18,204
At December 31, 2021	11,982	6,667	18,649

12 Intangible assets continued

The goodwill cost at December 31, 2022 comprises:

(i) Goodwill of €18.4 million relates to the 2008 and 2013 part acquisitions 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 January 1, 2022	**189,414**	**1,523**	**190,937**
Revaluations (Note 6)	**22,026**	**–**	**22,026**
Disposals	**(740)**	**–**	**(740)**
At December 31, 2022	**210,700**	**1,523**	**212,223**
At December 31, 2021	189,414	1,523	190,937

Company	Investment property €000	Property under construction €000	Total €000
Valuation			
At January 1, 2022	**181,824**	**1,523**	**183,347**
Revaluations	**21,571**	**–**	**21,571**
At December 31, 2022	**203,395**	**1,523**	**204,918**
At December 31, 2021	181,824	1,523	183,347

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.

14 Fixed assets – Investments

Group	At January 1, 2022 €000	Additions/ other increases €000	Disposals/ other movements €000	At December 31, 2022 €000
Joint venture undertakings				
Joint venture undertakings	11,692	2,671	–	14,363
Dividends received (gross)	(10,222)	–	(2,791)	(13,013)
Translation reserve	–	57	–	57
	1,470	2,728	(2,791)	1,407
Associated undertakings				
Equity interest at cost[1]	67,556	3,078	(306)	70,328
Share of post-acquisition profits/(losses)	299,661	16,719	(3,929)	312,451
Dividends received (gross)	(300,068)	–	(8,070)	(308,138)
Translation reserve	4,704	457	(1,449)	3,712
	71,853	20,254	(13,754)	78,353
Other financial assets				
Listed investments[2]	8,030	663	–	8,693
Other unlisted investments[3]	12,753	138	(1)	12,890
Other financial assets[4]	6,453	–	(6,453)	–
	27,236	801	(6,454)	21,583
Long-term debtors				
Loans to associated undertakings[5]	20,754	5,650	(46)	26,358
Total financial assets	121,313	29,433	(23,045)	127,701

In respect of prior financial year:

Group	At January 1, 2021 €000	Additions/ other increases €000	Disposals/ other movements €000	At December 31, 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 associated undertakings[5]	14,989	8,630	(2,865)	20,754
Total financial assets	106,584	25,833	(11,104)	121,313

14 Fixed assets – Investments continued

Company	At January 1, 2022 €000	Additions/ other increases €000	Disposals/ other movements €000	At December 31, 2022 €000
Ordinary shares in subsidiary undertakings at cost	7,862	–	–	7,862
Capital contributions to subsidiary undertakings[6]	–	5,787	(5,787)	–
Other financial assets[4]	6,452	–	(6,452)	–
	14,314	5,787	(12,239)	7,862

In respect of prior financial year:

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

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. This continued in 2022.
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 receivable that ARIME holds and a loan receivable amount that is due to CTC-ARI Airports Limited from a third party. The loan stock receivable carries an interest coupon of 6.0% plus 6 month EURIBOR and must be repaid by December 31, 2027. The loan receivable carries an interest coupon of 1.611% plus 6 month EURIBOR and must be repaid by December 31, 2026.
4. At December 31, 2022, other financial assets are considered to be current in nature and have been reclassed to Other financial assets. Please refer to Note 17 for further detail.
5. In 2022 the Group, provided funding to an associate investment of €4.9 million which carries an interest coupon of 3.1% plus 6 month EURIBOR and must be repaid by June 30, 2029. It arises pursuant to the Group's investment with ANA Aeroportos de Portugal (ANA) from VINCI Airports Group to operate their portfolio of duty free and duty paid retail concessions in eight airports (Lisbon, Porto, Faro, Madeira Islands (Madeira and Porto Santo) and Azores Islands (Ponta Delgada, Sant Maria, Horta) from June 1, 2022. In prior financial years, the Group also provided funding to another associate investment of €20 million, which is sub-ordinated, carries an interest coupon of 3.38% plus 6 month EURIBOR and must be repaid by March 31, 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.
6. The Company paid a subsidiary for tax relief surrendered by way of group relief and the excess payment over the tax value of the relief has been accounted for as a capital contribution. The capital contribution was fully impaired at year-end.

14 Fixed assets – Investments continued

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 in concession lease agreements), discount rates and likelihood of lease renewal.

The principal operating subsidiary, associated 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 December 31, 2022, 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 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 and investment	100.0
Halamar Developments Limited	Dublin, Ireland	Property investment	100.0
SkyZone Limited	Dublin, Ireland	Subsidiary 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
Portugal Duty Free Lda	Lisbon, Portugal	Duty free shopping and related activities	49.0
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 July 26, 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 exercises significant influence but not 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 December 31, 2022 for the purpose of including results of this company in the Group Financial statements. The company has availed of the exemption from disclosure of certain information on related undertakings as afforded by Section 314 of the Companies Act 2014. Furthermore, the company has availed of the provision for certain information to be annexed to the company's annual return under Section 316 of the Companies Act 2014.

15 Stocks

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
Goods for resale	**41,371**	24,720	**13,789**	7,726
Maintenance	**3,712**	4,026	**3,712**	4,026
	45,083	28,746	**17,501**	11,752

The replacement value of stock was not materially different from the carrying amount. The cost of stock included in cost of sales amounts to €144.6 million (2021: €68.5 million).

16 Debtors

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
Amounts falling due within one year				
Trade debtors	**25,964**	28,693	**15,998**	22,499
Prepayments and accrued income	**27,911**	15,998	**20,228**	11,622
Due from subsidiary undertakings	**–**	–	**31,927**	37,492
Due from associated undertakings	**2,514**	4,148	**–**	–
Corporation tax	**74**	1,093	**74**	213
Other debtors	**9,316**	4,506	**9,180**	7,376
	65,779	54,438	**77,407**	79,202
Amounts falling due after more than one year				
Pension asset (Note 25)	**2,507**	–	**2,477**	–
	68,286	54,438	**79,884**	79,202

Other debtors of the Group include €1.6 million of borrowing costs on undrawn revolving credit facility (2021: €1.6 million).

Other debtors of the Company include €5.7 million of borrowing costs, incurred on behalf of daa Finance plc (2021: €6.3 million).

17 Other financial assets

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
At January 1	**–**	–	**–**	–
Reclass (Note 14)	**6,453**	–	**6,453**	–
Financial instruments movement	**(5,848)**	–	**(5,848)**	–
At December 31	**605**	–	**605**	–

At December 31, 2022, other financial assets are energy forward contracts. At December 31, 2022, carbon credits are valued at €Nil (2021: €1.0 million) and the fair value loss of €1.0 million (2021: loss of €1.0 million) was recognised in the profit and loss account. At December 31, 2022, energy forward contracts were valued at €0.6 million (2021: €5.4 million), leading to a fair value loss of €4.8 million (2021: gain of €5.3 million). Total fair value movement on carbon and energy forward contracts as at December 31, 2022 is a loss of €5.8 million (2021: gain of €4.3 million). Energy forward contracts are sterling denominated and foreign exchange contracts are entered into with the supplier to fix the currency exposure.

18 Creditors: amounts falling due within one year

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Bank loans (Note 20)	**35,918**	35,335	**19,851**	20,037
Trade creditors	**20,313**	15,922	**12,066**	7,490
Due to subsidiary undertakings	**–**	–	**1,209,012**	1,229,386
Other creditors	**105,764**	89,036	**101,541**	88,790
Accruals	**112,627**	78,964	**84,019**	58,892
Deferred income	**14,297**	111,100	**14,297**	111,100
Capital accruals	**50,291**	44,725	**50,291**	44,725
	339,210	375,082	**1,491,077**	1,560,420
Taxation and social welfare included in other creditors:				
PAYE	**58,184**	52,106	**56,788**	51,068
PRSI	**21,528**	18,515	**21,528**	18,515
VAT	**10,120**	6,210	**11,000**	7,724
Other taxes	**7,608**	2,082	**3,074**	1,941

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. The Group availed of this scheme from May, 2020 to January, 2022.

At December 31, 2021, €103.8 million of government funding was paid to the Group and recognised in deferred income, being state aid provided to Irish airports as part of damage compensation measures relating to the COVID-19 pandemic. The intention of the funding was to put state airports in funds to compensate for damage caused by COVID-19, so that the airports could, in turn, provide incentives and financial supports to airlines to restore connectivity. This government funding was used to provide directly to our airline customers during 2022 and the funds are recognised in the profit or loss account on a systemic basis over the period in which the discounts and incentives are provided. At December 31, 2022, €1.4 million of government funding remains in deferred income, due to be provided to airlines through incentives in early 2023.

19 Creditors: amounts falling due after more than one year

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Bank loans (Note 20)	**565,595**	601,510	**441,659**	461,510
Loan notes (Note 20)	**1,054,291**	1,055,260	**–**	–
Accruals	**33,100**	28,997	**24,388**	27,105
Deferred income	**2,787**	10,756	**2,787**	3,127
	1,655,773	1,696,523	**468,834**	491,742

Deferred income of €1.4 million (2021: €1.4 million), for Group and company, falls due after more than five years.

20 Financial liabilities

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
Repayable by instalments:				
Repayable within one year	**35,918**	35,335	**19,851**	20,037
Repayable within one to two years	**32,506**	36,305	**16,036**	19,851
Repayable within two to five years	**151,184**	128,742	**101,621**	79,231
Repayable after more than five years	**381,905**	436,463	**324,002**	362,428
	601,513	636,845	**461,510**	481,547
Repayable other than by instalments:				
Repayable after more than five years	**1,054,291**	1,055,260	**–**	–
	1,655,804	1,692,105	**461,510**	481,547
Split as follows:				
Bank loans including overdrafts	**601,513**	636,845	**461,510**	481,547
Loan notes	**1,054,291**	1,055,260	**–**	–
	1,655,804	1,692,105	**461,510**	481,547
Included in creditors falling due within one year (Note 18)	**35,918**	35,335	**19,851**	20,037
Included in creditors falling due after more than one year (Note 19)	**1,619,886**	1,656,770	**441,659**	461,510

The loan notes comprise €550 million (2021: €550 million) of loan notes, which carries 1.554% fixed rate Eurobonds, repayable in June 2028 and €500 million (2021: €500 million), which carries 1.601% fixed rate Eurobonds, repayable in November 2032. Interest on the loan notes is payable annually on June 7 and November 5, respectively. Loan notes also include borrowing costs €4.2 million (2021: €4.7 million). These loan notes are both listed on the main securities market of Euronext Dublin and are guaranteed by the Company.

At December 31, 2022 DAA Finance plc also had bank loans of €130.0 million (2021: €145.3 million) which are guaranteed by the company. The bank loan is a 20 year amortising loan from the European Investment Bank, carries a 1.05% fixed rate of interest, is payable semi-annually. Interest on the bank loan is payable semi-annually in January and July.

At December 31, 2022 CTC-ARI Airports Limited has bank loans of €10 million (2021: €10 million) from a €12.1 million borrowing facility. The utilised facility carries an interest coupon of 2.1%, is repayable in equal installments and matures on April 20, 2031.

Interest rates and risk profile of financial liabilities are further analysed in Note 28.

The Company's bank loans at December 31, 2022 of €461.5 million (2021: €481.5 million) are unsecured and are repayable semi-annually by instalments. The fixed interest rates on the bank loans range from 0.91% to 4.6%. The loans are due to mature between December 2023 and June 2040.

Borrowing facilities

The Group has a €450 million undrawn committed revolving credit facility as at December 31, 2022, in respect of which all conditions precedent have been met (2021: €450 million undrawn committed revolving credit facility). This facility expires in four years in March 2027.

21 Capital grants

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
At January 1	**18,712**	6,819	**18,712**	6,819
Amortised to profit and loss account	**(1,931)**	(764)	**(1,931)**	(764)
Grants received	**3,311**	12,657	**3,311**	12,657
At December 31	**20,092**	18,712	**20,092**	18,712

21 Capital grants continued

Grants received in 2022 relate mainly to Single European Sky ATM Research (SESAR) grants.

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

Capital grants are recognised when there is reasonable assurance that the Group will comply with the conditions associated with the grant.

22 Provisions for liabilities

	Insurance and other[1] €000	Deferred tax (Note 23) €000	Restructuring programme[2] €000	Pension liability (Note 25) €000	Pension restructuring[3] €000	Total €000
Group						
At January 1, 2022	**19,585**	**52,060**	**11,598**	**1,986**	**2,736**	**87,965**
Charge/(credit) for the financial year	**7,598**	**16,975**	**(4,735)**	**–**	**–**	**19,838**
Utilised during the financial year	**(2,124)**	**–**	**(3,856)**	**–**	**–**	**(5,980)**
Pension asset transferred to debtors	**–**	**–**	**–**	**(1,986)**	**–**	**(1,986)**
Termination & retirement benefits transferred to creditors	**–**	**–**	**(2,657)**	**–**	**–**	**(2,657)**
At December 31, 2022	**25,059**	**69,035**	**350**	**–**	**2,736**	**97,180**

In respect of prior financial year:

	Insurance and other[1] €000	Deferred tax (Note 23) €000	Restructuring programme[2] €000	Pension liability (Note 25) €000	Pension restructuring[3] €000	Total €000
Group						
At January 1, 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 December 31, 2021	19,585	52,060	11,598	1,986	2,736	87,965

	Insurance and other[1] €000	Deferred tax (Note 23) €000	Restructuring programme[2] €000	Pension liability (Note 25) €000	Pension restructuring[3] €000	Total €000
Company						
At January 1, 2022	**19,584**	**48,230**	**11,598**	**2,014**	**2,736**	**84,162**
Charge/(credit) for the financial year	**7,598**	**16,810**	**(4,735)**	**–**	**–**	**19,673**
Utilised during the financial year	**(2,122)**	**–**	**(3,856)**	**–**	**–**	**(5,978)**
Pension asset transferred to debtors	**–**	**–**	**–**	**(2,014)**	**–**	**(2,014)**
Termination & retirement benefits transferred to creditors	**–**	**–**	**(2,657)**	**–**	**–**	**(2,657)**
At December 31, 2022	**25,060**	**65,040**	**350**	**–**	**2,736**	**93,186**

22 Provisions for liabilities continued

In respect of prior financial year:

	Insurance and other[1] €000	Deferred tax (Note 23) €000	Restructuring programme[2] €000	Pension liability (Note 25) €000	Pension restructuring[3] €000	Total €000
Company						
At January 1, 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 December 31, 2021	19,584	48,230	11,598	2,014	2,736	84,162

In accordance with FRS 102, Section 21 (Provisions and Contingencies) the Group and Company carries 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. The Group operates a level of self-insurance. Under these arrangements, the Group retains certain exposures up to the pre-determined self-insurance levels. The provision for these exposures represents amounts provided based on advice from insurance and loss adjuster consultants, industry information and historical data in respect of claims that are classified as incurred but not reported and outstanding loss reserves. The methodology of estimating the provision is periodically reviewed to ensure that the assumptions made continue to be appropriate. The utilisation of the provision is dependent on the timing of settlement of the outstanding claim. The average time for settlement of outstanding claims is from 2 to 3 years from the claim date.
2. In 2020, the Company developed a restructuring programme following consultation with staff and staff representatives. Amounts utilised in the year relates to payments under the Company's restructuring programme. At December 31, 2022 €0.4 million (2021: €8.6 million) remains and relates to potential future associated expenses. During the year €1.7 million of the provision relating to the 2020 restructuring programme was released following finalisation and closure of the scheme. €3.0 million relating to other closed severance schemes was also released during the year ended December 31, 2022.
3. The remaining pension provision relates to the restructuring of the IAS Scheme, which was frozen on December 31, 2014.

23 Deferred tax liability

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Deferred tax				
Deferred tax is provided as follows:				
Timing differences on capital allowances	**48,589**	47,236	**48,800**	47,240
Amounts temporarily not deductible for corporation tax	**79**	(416)	**(185)**	(67)
Tax losses available	**(5,647)**	(15,125)	**(5,647)**	(15,125)
Deferred tax assets arising in relation to retirement benefit obligations	**318**	(252)	**309**	(252)
Deferred tax on revaluations	**22,748**	17,309	**21,763**	16,434
Deferred tax in relation to goodwill	**2,948**	3,308	**–**	–
At December 31	**69,035**	52,060	**65,040**	48,230

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.

24 Called up share capital and other reserves

	Group and Company	
	2022 €000	2021 €000
Authorised:		
317,500,000 (2021: 317,500,000) ordinary shares of €1 each	**317,500**	317,500
Allotted, called up and fully paid:		
186,336,813 (2021: 186,336,813) ordinary shares of €1 each	**186,337**	186,337

24 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 January 1, 2022	**138**	**246**	**384**
Exchange differences arising on translation of overseas investments	**356**	**–**	**356**
At December 31, 2022	**494**	**246**	**740**
In respect of prior financial year:			
At January 1, 2021	(3,824)	246	(3,578)
Exchange differences arising on translation of overseas investments	3,962	–	3,962
At December 31, 2021	**138**	**246**	**384**

25 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 January 1, 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 January 1, 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 December 31, 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 December 31, 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 December 31, 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).

25 Retirement benefits continued

Employee benefits disclosures

The pension cost to the Group charged against operating profit for the financial year amounted to €12.7 million (2021: €12.1 million), see Note 3. The pension cost to the Company chargeable against operating profit for the financial year amounts to €9.6 million (2021: €9.8 million).

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Defined benefit arrangements – service cost	**79**	159	**79**	159
Defined contribution schemes	**12,610**	11,990	**9,545**	9,593
	12,689	12,149	**9,624**	9,752

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

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Gross pension asset/(liability)	**2,507**	(1,986)	**2,477**	(2,014)

The AR Supplemental Scheme is actuarially valued every three years by independent professionally qualified actuaries. The actuarial valuations are not available for public inspection. The latest valuation date was March 2022. 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 December 31, 2022, the net pension asset in the Group was €2.2 million (2021: liability of €1.7 million) being assets of €21.4 million (2021: €27.5 million) and present value of accrued scheme liabilities of €18.9 million (2021: €29.4 million) net of a related deferred tax liability of €0.3 million (2021: deferred tax asset of €0.2 million). The estimated cost relating to defined benefit plans for the year ended December 31, 2023 is a credit of €0.2 million.

At December 31, 2022, the net pension asset in the Company is €2.2 million (2021: liability of €1.8 million) being assets of €17.9 million (2021: €22.7 million) and present value of accrued scheme liabilities of €15.5 million (2021: €24.7 million) net of a related deferred tax liability of €0.3 million (2021: deferred tax asset of €0.3 million). The estimated cost relating to defined benefit plans for the year ended December 31, 2023 is a credit 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	
Valuation method	As at 31/12/2022 Projected Unit	As at 31/12/2021 Projected Unit
Rate of increase in salaries	**0.0% – 2.6%**	2.0% – 2.5%
Rate of increase in pension payment	**0.0% – 2.6%**	0.0% – 2.0%
Discount rate	**4.2% – 5.2%**	1.5% – 3.0%
Inflation assumption	**2.0% – 2.6%**	2%
Life expectancy		
Male member age 61-65	**22.5 – 25.7**	22.4 – 25.6
Male member age 40-45	**24.2 – 27.4**	24.1 – 27.3
Female member age 61-65	**24.2 – 30.6**	24.1 – 30.6
Female member age 40-45	**26.0 – 32.0**	26.0 – 31.9

The discount rate of 4.2% (Ireland) and 5.2% (overseas) is based on AA Rated Corporate Bonds which are considered appropriate for the duration of the liabilities of the schemes.

25 Retirement benefits continued

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

	Group		Company	
	2022 Percentage of plan assets	2021 Percentage of plan assets	2022 Percentage of plan assets	2021 Percentage of plan assets
Equities	**19.4%**	21.3%	**20.2%**	22.6%
Bonds	**72.8%**	70.3%	**73.4%**	70.4%
Property	**2.6%**	2.6%	**–**	–
Cash	**0.7%**	0.2%	**0.8%**	0.3%
Other	**4.5%**	5.6%	**5.6%**	6.7%
	100.0%	100.0%	**100.0%**	100.0%

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Amounts recognised in the balance sheet				
Present value of defined benefit obligations	**(18,878)**	(29,438)	**(15,468)**	(24,736)
Fair value of plan assets	**21,385**	27,452	**17,945**	22,722
Gross asset/(liability)	**2,507**	(1,986)	**2,477**	(2,014)
Related deferred tax (liability) / asset	**(318)**	244	**(310)**	252
Net asset/(liability)	**2,189**	(1,742)	**2,167**	(1,762)
Change in benefit obligation				
Benefit obligation at beginning of financial year	**(29,438)**	(30,932)	**(24,736)**	(26,167)
Current service cost	**(79)**	(159)	**(79)**	(159)
Interest cost	**(504)**	(446)	**(362)**	(319)
Plan members' contributions	**–**	(1)	**–**	–
Re-measurement gain	**10,063**	831	**8,923**	464
Benefits paid	**1,084**	1,670	**786**	1,445
Translation (loss)/gain	**(4)**	(401)	**–**	–
Benefit obligation (funded and unfunded) at end of financial year	**(18,878)**	(29,438)	**(15,468)**	(24,736)

25 Retirement benefits continued

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Change in plan assets				
Fair value of plan assets at beginning of financial year	**27,452**	26,507	**22,722**	22,150
Interest income	**483**	386	**340**	271
Remeasurement – actuarial (loss)/gain	**(5,859)**	1,351	**(5,120)**	1,220
Employer contributions	**877**	509	**789**	424
Member contributions	**–**	1	**–**	–
Administrative expenses	**(95)**	(102)	**–**	–
Benefits paid from plan	**(1,084)**	(1,670)	**(786)**	(1,445)
Pension scheme asset ceiling adjustment	**(394)**	–	**–**	–
Translation loss	**5**	368	**–**	–
Increase due to transfers	**–**	102	**–**	102
Fair value of plan assets at end of financial year	**21,385**	27,452	**17,945**	22,722
Amounts recorded in other comprehensive income				
Remeasurement of net defined asset/(liability)	**3,803**	2,182	**3,803**	1,684
Deferred tax on asset/(liability)	**(476)**	(344)	**(476)**	(211)
Total	**3,327**	1,838	**3,327**	1,473
Amounts recorded in profit and loss				
Current service cost	**79**	159	**79**	159
Administrative expenses	**95**	102	**–**	–
Interest cost (net)	**21**	48	**22**	48
Total defined benefit pension expenses	**195**	309	**101**	207

The return on plan assets was €5.6 million for the year (2021: €1.0 million).

Other Employee Benefits

In 2020, the Company developed a restructuring programme following consultation with staff and staff representatives. At the balance sheet date a provision remainder for restructuring of €0.4 million relating to future associated expenses (2021: €11.6 million), see Note 22. This is an unfunded liability 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 December 31, 2022.

Notes on and forming part of the Financial statements continued for the financial year ended December 31, 2022

26 Cash flow statement

Reconciliation of operating profit to cash generated by operations

	Note	2022 €000	2021 €000
Operating profit/(loss)		**149,156**	(92,335)
Adjustment for:			
Depreciation charge	11	**117,747**	109,679
Restructuring (release)/costs	6	**(4,735)**	941
Fair value gain movement on investment properties	13	**(22,026)**	(2,001)
Amortisation/write-off of intangible assets and goodwill	12	**10,415**	8,501
(Profit)/loss on disposal and retirements of tangible and intangible assets and investment property		**(120)**	386
Decrease in pension asset/liability		**(195)**	(502)
Increase in insurance liability	22	**7,598**	4,105
Amortisation of capital grants	21	**(1,931)**	(764)
Operating cash flow before taxation and movement in working capital		**255,909**	28,010
Taxation (paid)/refund		**(3,946)**	6,741
Operating cash flow before movement in working capital		**251,963**	34,751
(Increase)/decrease in stocks		**(16,337)**	3,325
Increase in debtors		**(14,764)**	(8,266)
(Decrease)/increase in creditors		**(51,444)**	58,479
Deferred government grant funding	18	**-**	103,789
Payments in respect of insurance and other provisions	22	**(2,124)**	(2,471)
Payments in respect of exceptional restructuring provisions	22	**(3,856)**	(22,140)
Cash flow from operating activities		**163,438**	167,467

27 Analysis of net debt

	At January 1, 2022 €000	Cash flow €000	Non-cash movements €000	Foreign exchange movement €000	At December 31, 2022 €000
Cash	**124,287**	(9,592)	-	(619)	114,076
Cash equivalents	**732,563**	(30,493)	-	-	702,070
	856,850	(40,085)	-	(619)	816,146
Debt due within one year	**(35,335)**	35,331	(35,915)	-	(35,919)
Debt due after one year	**(1,656,770)**	-	36,884	-	(1,619,886)
	(1,692,105)	35,331	969	-	(1,655,805)
Total	**(835,255)**	(4,754)	969	(619)	(839,659)

27 Analysis of net debt continued

In respect of prior financial year:

	At January 1, 2021 €000	Cash flow €000	Non-cash movements €000	Foreign exchange movement €000	At December 31, 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)	(169,656)	44,228	–	(1,656,770)
	(1,568,058)	(124,021)	(26)	–	(1,692,105)
Total	(782,744)	(54,380)	(26)	1,895	(835,255)

28 Financial instruments

Narrative disclosures concerning the Group's treasury policy and management are set out in the 2022 Chief Financial Officer's 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.

(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 December 31, 2022 was:

	2022			2021		
	Total €000	Floating rate €000	Fixed rate €000	Total €000	Floating rate €000	Fixed rate €000
Financial liabilities						
Euro	**(1,655,804)**	**(10,003)**	**(1,645,801)**	1,692,105	10,003	1,682,102

Financial liabilities above relate to bank loans and loan notes held by the Group.

	2022			2021		
	Total €000	Floating rate €000	Fixed rate €000	Total €000	Floating rate €000	Fixed rate €000
Financial assets						
Euro	**768,882**	**768,882**	–	824,160	824,160	–
Sterling	**1,681**	**1,681**	–	1,095	1,095	–
US Dollar	**21,655**	**21,655**	–	11,544	11,544	–
Canadian Dollar	**7,463**	**7,463**	–	7,266	7,266	–
New Zealand Dollar	**5,943**	**5,943**	–	3,662	3,662	–
Saudi Riyal	**10,452**	**10,452**	–	9,038	9,038	–
Australian Dollar	**64**	**64**	–	–	–	–
Swiss Franc	**–**	**–**	–	21	21	–
Other	**6**	**6**	–	64	64	–
	816,146	**816,146**	–	856,850	856,850	–

Financial assets above relate to cash and cash equivalents held by the Group.

The weighted average interest rate for fixed rate Euro currency financial liabilities was 1.5% (2021: 1.6%) and the weighted average period for which the rate was fixed was 10.9 years (2021: 10.5 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.

28 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	
	2022 €000	2021 €000	2022 €000	2021 €000
Financial Assets				
Measured at fair value through profit or loss				
Financial asset	**9,298**	14,483	**605**	6,453
Measured at amortised cost				
Loan stock receivable	**12,890**	12,753	**-**	–
Cash and cash equivalents	**816,146**	856,850	**712,499**	771,287
Trade debtors	**25,964**	28,693	**15,998**	22,499
Other debtors	**9,316**	4,506	**9,180**	7,376
Amounts due from subsidiary undertakings	**-**	–	**31,927**	37,492
Amounts due from associated undertakings	**28,872**	24,902	**-**	–
	902,486	942,187	**770,209**	845,107

Financial assets measured at fair value through the profit or loss comprise listed investments and forward energy contracts.

The fair value of listed investments measured at fair value through the profit or loss are determined using quoted prices on relevant stock exchange.

The Group enters into forward energy contracts to reduce exposure to energy price risk. The fair value of forward energy contracts measured at fair value through the profit or loss are determined using quoted prices.

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Financial liabilities				
Measured at amortised cost				
Bank loans and overdrafts	**601,513**	636,845	**461,510**	481,547
Loan notes	**1,054,291**	1,055,260	**-**	-
Amounts due to subsidiary undertakings	**-**	-	**1,209,012**	1,229,386
Trade creditors	**20,313**	15,922	**12,066**	7,490
Other creditors	**105,764**	89,036	**101,541**	88,790
	1,781,881	1,797,063	**1,784,129**	1,807,213

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	
	2022 €000	2021 €000
Interest income and expense		
Total interest expense for financial liabilities at amortised cost	**(29,879)**	(31,969)
Total interest income for financial assets at amortised cost	**387**	296
Fair value gains and (losses)		
On financial assets measured at fair value through profit or loss	**(5,713)**	2,851
On financial liabilities measured at fair value through profit or loss	**–**	1,761

29 Commitments and related matters

(i) Capital commitments

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
Contracted	**23,738**	45,438	**23,738**	45,438
Authorised by the Directors but not contracted for	**230,383**	140,555	**230,383**	140,555
	254,121	185,993	**254,121**	185,993

(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 December 31, 2022 were made up as follows:

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
Payable on concession agreements within:				
One year	**51,013**	41,052	**–**	–
Two to five years	**134,499**	155,473	**–**	–
Greater than five years	**93,172**	115,829	**–**	–
	278,684	312,354	**–**	–

At December 31, 2022 €15.4 million (2021: €16.8 million) of these commitments had been secured by performance bonds issued by banks and guaranteed by the Group.

(iii) Lessee operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group 2022 €000	Group 2021 €000	Company 2022 €000	Company 2021 €000
Buildings				
One year	**1,511**	1,261	**192**	151
Two to five years	**2,625**	2,114	**712**	551
Greater than five years	**1,369**	1,129	**626**	609
	5,505	4,504	**1,530**	1,311
Land				
One year	**28**	35	**28**	35
Two to five years	**9**	9	**9**	9
	37	44	**37**	44
Plant and Equipment				
One year	**28**	51	**–**	–
Two to five years	**24**	72	**–**	–
	52	123	**–**	–

29 Commitments and related matters continued

Group lease payments expensed at December 31, 2022 amounted to €1.7 million (2021: €1.8 million). Company lease payments expensed at December 31, 2022 amounted to €0.5 million (2021: €0.4 million).

(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 December 31, 2022, the purchase commitments amounted to €1.5 million (2021: €1.4 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 €13.5 million (2021: €10 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 €10 million (2021: €9.4 million). Any outstanding amounts in relation to the underlying obligations were already included in the Group's balance sheet at December 31, 2022 and 2021.

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 December 31, 2022, no liabilities or other obligations have arisen pursuant to these obligations.

30 Lessor operating leases

Total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Buildings				
One year	**17,866**	12,686	**18,429**	13,428
Two to five years	**39,264**	29,275	**41,516**	31,527
Greater than five years	**17,971**	9,066	**19,475**	11,133
	75,101	51,027	**79,420**	56,088
Land				
One year	**140**	109	**140**	109
Two to five years	**437**	425	**437**	425
Greater than five years	**143**	245	**143**	245
	720	779	**720**	779
Plant and Equipment				
One year	**892**	41	**892**	41
Two to five years	**3,325**	–	**3,325**	–
	4,217	41	**4,217**	41

Certain retail activities of the Group are subject to arrangements that include guaranteed minimum concession fees. Guaranteed minimum concession fees receivable over the life of concession agreements that are in place as at December 31, 2022 were made up as follows:

	Group		Company	
	2022 €000	2021 €000	2022 €000	2021 €000
Concession Agreements				
One year	**21,331**	22,113	**21,331**	22,113
Two to five years	**22,401**	32,597	**22,401**	32,597
Greater than five years	**7,642**	10,679	**7,642**	10,679
	51,374	65,389	**51,374**	65,389

31 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.

	2022 €000	2021 €000
Associated undertakings		
Management charges to associated undertakings	**2,939**	540
Dividends received from associated undertakings and joint ventures	**10,861**	–
Due from associated undertakings at year-end	**28,870**	24,902

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 and Company 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.

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 and the Company 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 2022 was €4.1 million (2021: €5.5 million).

32 Non-controlling interest

	2022 €000	2021 €000
At beginning of financial year	**18,433**	16,020
Share of profit for the financial year	**7,676**	2,620
Exchange differences	**1,008**	1,134
Dividend to non-controlling interest[1]	**(2,910)**	(1,341)
At end of financial year	**24,207**	18,433

1 Amounts above represent dividend payments and declared dividends by Aer Rianta International (Middle East) to its non-controlling interests.

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

No significant events affecting the Group have occurred since year-end which would require disclosure or amendment of the Financial statements.

35 Recovery from COVID-19

During 2022, the Group experienced a significant uplift in demand for international travel and retail, following the global easing of COVID-19 restrictions.

Passenger numbers at both Dublin and Cork airports continued to grow during 2022 with a total of 30.3 million passengers passing through the two airports, an increase of 248% from 2021. The Group's turnover increased by 132% to €751.9 million from €324.1 million in 2021. Aeronautical revenue increased by 142% to €154.3 million compared with €63.8 million in 2021, which is net of €102.2 million of discounts provided to airlines, with retail revenue increasing by 167% to €185.0 million and commercial revenue increasing by 123% to €180.0 million. International turnover increased by 111% to €232.6 million.

The Group also invested in capital infrastructure projects during the year with tangible fixed asset additions of €160.2 million. Capital spend included the Hold Baggage Screening (HBS) project in Terminal 1 at Dublin Airport and finishing works on North Runway, with the first flight taking off in August 2022.

The sharp rebound in passenger numbers presented operational challenges for the airport. Throughout the year, the Group continued to build back operations through recruitment and training. Total operating costs before exceptionals for the year were €461.0 million (net of payroll supports of €4.7 million), compared with €236.4 million in 2021 (net of payroll supports of €39.5 million).

Notwithstanding the above, the Group had a positive performance for 2022. The Group recorded an EBITDA profit before exceptionals of €248.5 million compared with an EBITDA profit of €25.0 million in 2021. The Group's share of profit after tax, before exceptionals was €90.3 million, compared with a loss of €103.3 million in 2021.

Geopolitical events including the war in Ukraine continue to have, a significant disruptive effect on global markets, including energy markets. The Group is actively monitoring the impact that ongoing events between Russia and Ukraine may have on the Group's operations. Indications are that direct exposure from the conflict in Ukraine and Russia on the Group's business is low. The Group will continue to assess the situation and any potential impact it may have on the business.

36 Contingent Assets

At December 31, 2022, the Group identified one contingent asset. This pertains to tax refund claims made by an associated 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 €0.7 million.

In accordance with FRS 102, these amounts have not been recognised in the Financial Statements of the Group as at December 31, 2022. 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 the full amount 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 December 31, 2022.

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 Directors, having reviewed the Group's projections, with particular reference to its operating cash flow, capital commitments, liquidity and funding position, 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.

Whilst the Company has net current liabilities at December 31, 2022, the Directors are satisfied that the going concern basis is appropriate to adopt based on support from Group. For this reason, they continue to adopt the going concern basis in preparing the Company 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.

37 Accounting Policies continued

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.

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 as the service is provided.

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.

(iii) Foreign operations

Where applicable the Group's net investment in overseas subsidiaries and associated 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.

37 Accounting Policies continued

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 which 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.

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 cash flows 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.

37 Accounting Policies continued

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 operational and strategic management of the Group. 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 initially recognised at its cost, being the purchase price and any directly attributable expenditure. 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.

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 cash flows 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.

37 Accounting Policies continued

These intangible assets are amortised over their economic lives, being the terms of various concessions, which currently range from three to 14 years or being the duration of the software licences, which currently range from three to seven years.

The Group is also legally required to participate in the EU Emissions Trading Scheme. Free granted carbon credits are not recorded in the Financial statements, while purchased carbon credits are initially recorded as intangible assets at cost less impairment, if any, taking into consideration the residual value. The quotas recognised are not amortised if the residual value is at least equal to the carrying value.

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.

The Group is also legally required to participate in the EU Emissions Trading Scheme. The Group recognises a provision for carbon credits costs when the actual carbon credits exceed the carbon credits granted or still held. When actual carbon credits exceed the amount of carbon credits granted, a provision is recognised for the exceeding carbon credits based on the carrying amount of the purchased quotas.

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.
- Remeasurements 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 remeasurements 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.

The Group records net assets relating to defined benefit schemes to the extent that they are recoverable either through reduced future contributions or through refunds from the plan. Net assets in the schemes are restricted from recognition to the extent that none of these conditions are met.

Capital Grants

Capital grants are treated as deferred income and amortised over the expected lives of the related fixed assets.

37 Accounting Policies continued

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 and 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, and in the case of received, net of impairment.

At the end of each reporting period financial assets measured at amortised cost, such as unlisted investment in loan stock and loan receivables which 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.

(ii) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and energy price risk. The Group does not hold or issue derivative financial instruments for speculative purposes. Examples of use are forward contracts purchased for energy.

Where energy forward contracts are denominated in foreign currencies, foreign exchange contracts are entered into with the supplier to fix the currency exposure.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured 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.

37 Accounting Policies continued

(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/or 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 operational and strategic management of the 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.

38 Critical Accounting Judgements and Key Sources of Estimation Uncertainty continued

Revaluation of Investment Property

The Group engaged independent valuation specialists to determine fair value at December 31, 2022 and December 31, 2021. 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. Refer to Note 13 for further detail.

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. There is a 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. Refer to Note 14 for further detail.

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 and environmental matters. These provisions are made based on historical or other relevant information, adjusted for recent trends where appropriate. 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. Refer to Note 22 for further detail.

Useful Economic Lives of Tangible Fixed 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 reassessed 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 the period of the concession agreement entered into in the acquired entity. Refer to Note 12 for further detail.

38 Critical Accounting Judgements and Key Sources of Estimation Uncertainty continued

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 – unaudited

	2022 €000	2021 €000	2020 €000	2019 €000	2018 €000
Operating results					
Turnover	**751,851**	324,090	290,643	934,696	896,901
EBITDA (pre-exceptional)	**248,530**	25,047	(32,926)	301,781	289,005
Depreciation, amortisation and impairment	**(126,135)**	(117,804)	(125,839)	(127,024)	(124,368)
Fair value adjustment on investment property	**22,026**	2,001	(11,106)	29,881	5,655
Group operating (loss)/profit	**144,421**	(90,756)	(169,871)	204,638	170,292
Share of (losses)/profits of associates and joint ventures	**15,461**	1,072	(33,870)	16,866	17,299
Finance income/(expenses)	**(21,142)**	(20,366)	(18,241)	(16,154)	(26,186)
Group exceptional items	**4,735**	(1,579)	(99,852)	–	2,811
Profit/(loss) before taxation	**143,475**	(111,629)	(321,834)	205,350	164,216
Taxation	**(24,746)**	11,048	35,025	(27,135)	(22,662)
Non-controlling interest	**(7,676)**	(2,620)	3,045	(2,245)	(2,010)
Profit/(loss) for the financial year	**111,053**	(103,201)	(283,764)	175,970	139,544
Profit/(loss) excluding exceptional items (after taxation)	**90,324**	(103,261)	(187,351)	150,167	132,628
Capital employed					
Tangible assets and investment property	**2,273,074**	2,209,232	2,149,250	1,996,918	1,856,038
Intangible fixed assets	**49,891**	55,724	57,178	57,296	51,750
Investments	**127,701**	121,313	106,584	129,459	128,024
Net current assets	**590,910**	564,952	627,924	189,589	247,864
Total assets less current liabilities	**3,041,576**	2,951,221	2,940,936	2,373,262	2,283,676
Creditors due after more than one year	**(1,655,773)**	(1,696,523)	(1,561,302)	(723,085)	(770,310)
Capital grants	**(20,092)**	(18,712)	(6,819)	(7,361)	(8,016)
Provisions for liabilities	**(97,180)**	(87,965)	(129,806)	(107,967)	(106,956)
Net assets	**1,268,531**	1,148,021	1,243,009	1,534,849	1,398,394

Five-Year summary cash flow – unaudited

	2022 €000	2021 €000	2020 €000	2019 €000	2018 €000
Summary Cash flow					
Cash flow from operating activities	**173,364**	185,337	(17,056)	304,759	286,696
Dividends received	**16,616**	734	1,618	17,859	18,921
	189,980	186,071	(15,438)	322,618	305,617
Net interest paid	**(29,592)**	(29,987)	(18,518)	(14,895)	(25,887)
Taxation (paid)/refund	**(3,946)**	6,741	12,140	(26,134)	(3,421)
	156,442	162,825	(21,816)	281,589	276,309
Investment in tangible fixed assets, investment properties and software	**(156,048)**	(198,663)	(270,094)	(222,012)	(134,686)
Payments in respect of exceptional restructuring and other provisions	**(5,980)**	(24,611)	(42,335)	(3,560)	(3,603)
Investment in/loans to/from associated and joint venture undertakings and financial assets	**(4,218)**	(5,392)	(19,330)	(2,696)	(630)
Acquisition of subsidiary undertakings net of cash acquired	**-**	–	2,692	–	–
Net proceeds from disposal of subsidiary/associated undertakings/joint ventures	**-**	–	–	–	1,238
Sale of tangible and financial assets	**1,368**	145	27	249	32
Capital grants received	**6,592**	12,657	–	–	–
Repayment of financial asset	**-**	–	–	365	302
	(158,286)	(215,864)	(329,040)	(227,654)	(137,347)
	(1,844)	(53,039)	(350,856)	53,935	138,962
Dividends paid to shareholder	**-**	–	–	(40,000)	(37,400)
Dividends paid to minority undertakings of subsidiaries	**(2,910)**	(1,341)	(504)	(3,073)	(1,261)
Cash (outflow)/inflow before management of liquid resources and financing	**(4,754)**	(54,380)	(351,360)	10,862	100,301
Net debt	**839,659**	835,255	782,744	429,656	440,773

Five-Year summary of passenger statistics – unaudited

Passengers	2022	2021	2020	2019	2018
Overall					
Transatlantic	**3,248,715**	545,834	577,003	4,003,989	3,819,410
United Kingdom	**8,919,562**	2,313,702	2,720,222	11,590,992	11,391,320
Continental Europe	**16,999,151**	5,444,365	4,231,585	18,558,369	17,332,628
Other International	**753,091**	186,954	236,413	1,005,480	991,293
Domestic	**128,985**	40,830	36,583	107,084	115,302
Transit	**276,157**	182,318	115,013	235,575	238,472
	30,325,661	8,714,003	7,916,819	35,501,489	33,888,425
Percentage change year-on-year	**+248%**	+10.1%	-77.7%	+4.8%	+6.3%
Dublin					
Transatlantic	**3,248,376**	545,675	576,960	4,003,713	3,790,970
United Kingdom	**7,777,998**	2,177,346	2,415,108	10,230,550	10,081,376
Continental Europe	**15,901,855**	5,325,156	4,009,378	17,333,001	16,282,380
Other International	**753,081**	186,954	236,412	1,005,477	991,285
Domestic	**128,549**	37,924	33,738	103,896	111,850
Transit	**275,180**	182,152	114,831	234,590	237,743
	28,085,039	8,455,207	7,386,427	32,911,227	31,495,604
Percentage change year-on-year	**+232.2%**	+14.5%	-77.6%	+4.5%	+6.5%
Cork					
Transatlantic	**339**	159	43	276	28,440
United Kingdom	**1,141,564**	136,356	305,114	1,360,442	1,309,944
Continental Europe	**1,097,296**	119,209	222,207	1,225,368	1,050,248
Other International	**10**	–	1	3	8
Domestic	**436**	2,906	2,845	3,188	3,452
Transit	**977**	166	182	985	729
	2,240,622	258,796	530,392	2,590,262	2,392,821
Percentage change year-on-year	**+765.8%**	-51.2%	-79.5%	+8.3%	+3.7%

Five-Year Summary of aircraft movements – unaudited

Overall	2022	2021	2020	2019	2018
Commercial					
– Scheduled	**207,983**	77,371	81,212	243,693	236,431
– Non-Scheduled	**5,302**	3,857	3,465	5,739	5,988
– Cargo	**6,161**	7,612	5,102	4,268	4,389
Commercial Air Transport Movements	**219,446**	88,840	89,779	253,700	246,808
Percentage change year-on-year	**+147%**	-1.0%	-64.6%	+2.8%	+4.7%
Others	**31,037**	33,617	31,417	33,930	29,160
Total Aircraft Movements	**250,483**	122,457	121,196	287,630	275,968
Dublin					
Commercial					
– Scheduled	**191,653**	74,607	74,754	222,492	216,199
– Non-Scheduled	**4,961**	3,414	3,396	5,382	5,587
– Cargo	**6,159**	7,410	5,102	4,268	4,388
Commercial Air Transport Movements	**202,773**	85,431	83,252	232,142	226,174
Percentage change year-on-year	**+137.4%**	+2.6%	-64.1%	+2.6%	+4.8%
Others	**9,676**	6,688	4,641	6,856	7,011
Total Aircraft Movements	**212,449**	92,119	87,893	238,998	233,185
Cork					
Commercial					
– Scheduled	**16,330**	2,764	6,458	21,201	20,232
– Non-Scheduled	**341**	443	69	357	401
– Cargo	**2**	202	–	–	1
Commercial Air Transport Movements	**16,673**	3,409	6,527	21,558	20,634
Percentage change year-on-year	**+389.1%**	-47.8%	-69.7%	+4.5%	+3.8%
Others	**21,361**	26,929	26,776	27,074	22,149
Total Aircraft Movements	**38,034**	30,338	33,303	48,632	42,783

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 10L/28R**: Length 3,110 metres – width 75 metres plus 7.5 metre shoulders on each side Surface concrete Category III B **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	THREE, The Green, Dublin Airport, Swords, Co. Dublin, K67 X4X5, Ireland
Fax number	(01) 814 1034 (09:00-17:00)
	(01) 814 5479 (24hrs)
Telephone number	National (01) 8141111 International 353 1 8141111
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/asphalt Non inst.
Refuelling	Full refuelling facilities available
Operational	24hrs
Postal address	Cork Airport, Kinsale Road, Cork, T12 P5NF, Ireland
Fax number	(021) 431 3442
Telephone number	National (021) 431 3131 International 353 21 431 3131
Web	www.corkairport.com
Sita	ORKARXH

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BNP Paribas
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European Investment Bank
HSBC Bank plc
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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