

Zurich Airport Ltd.
Integrated Report

2023



Zurich Airport

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Letter to shareholders

Dear Shareholders, Dear Sir or Madam

We are pleased to report on a successful year. A particular highlight was the airport festival at the beginning of September which attracted some 140,000 visitors. Under the theme of “Yesterday, Today, Tomorrow”, we celebrated the 75th anniversary of our airport in true style. Demand for air travel is high. It picked up during 2023 even more quickly than was expected at the outset of the year, with an upward adjustment of passenger guidance already in August. This growth had a positive impact on recovery in our commercial centers too. We are also pleased to report further tenancy signups in the Circle and continuing high occupancy rates there.

GRI 2-22

We succeeded in further expanding our international presence over the past year, being awarded the operating licence for Natal Airport in northeastern Brazil. The construction project for Noida Airport in India passed further milestones, while declarations of intent for operating routes from this airport were signed with IndiGo Airlines, India’s largest airline, and Akasa Air.

In 2024 we plan to focus on delivering the quality demanded by our passengers, customers and partners. Along with various construction projects and digitalisation initiatives in the divisions, with the launch of our ZRH Innovation Hub, Zurich Airport Ltd. has further invested in enhancing the customer experience and developing operational processes at Zurich Airport. We will continue to drive forward measures to achieve net zero by 2040.

Faster than expected recovery

Passenger volumes during the past year were a reflection of many people rediscovering the joy of travel and the demand for international mobility. The number of passengers who travelled via Zurich Airport rose to 28.9 million in 2023. This is equivalent to 91.7% of the level in 2019.

The diversification of our company based on its four pillars of aviation, real estate, commercial and international business continued to prove fruitful in 2023. The significant rise in earnings for the past year can be attributed to increased revenue from both aviation and non-aviation business. For example, due to our expansion into the Circle and acquisition of the Piora portfolio, real estate revenues were significantly higher than pre-Covid levels, while our international subsidiaries also contributed higher revenues. Despite the recovery in demand, inflation and rising energy prices, we succeed in keeping operating costs well under control in 2023.

Payment of a dividend in line with the communicated dividend policy will be proposed to the Annual General Meeting.

Operational challenges

The swift recovery of demand on the aviation side of the business created major challenges for Zurich Airport: the ramping up of operations after the pandemic led to longer queuing times on the ground and delays in the air, especially during holiday periods. Targets for flight punctuality were missed. However, closely coordinated measures undertaken together with partner companies at Zurich Airport proved effective over the course of the year.

Nevertheless, it is the extension of runways 28 and 32 that will ultimately have the greatest long-term impact on the safety and reliability of flight operations, and consequently on punctuality. With the clear “Yes” vote, the electorate once again expressed its confidence in Zurich Airport.

Responsible corporate governance

Our company greatly values open dialogue and collaborative relationships with all its stakeholders. We continued to actively maintain these relationships at all levels throughout the reporting year. During 2023, the Government Council of the Canton of Zurich underlined the significance and relevance of Zurich Airport with a new airport policy and owner strategy in which it called for both a safe, competitive airport as well as for protecting residents from the impact of aviation operations.

A further important focus of our responsibility is our role as an employer. Around 30,000 people work for some 300 companies at Zurich Airport. This makes the airport and all its partner companies one of the most important job providers in the Canton of Zurich. We are pleased that Zurich Airport Ltd. continues to enjoy great popularity both in employer rankings and employee surveys. Our motivated and committed employees are our most important assets.

During the year under review, following a change in the general understanding of corporate governance, the Board of Directors of Zurich Airport Ltd. decided to change its practice of making financial donations to political parties. The Group Code of Conduct of the Zurich Airport Group was revised accordingly in October 2023.

The principles of the UN Global Compact, which we signed up to in 2021, remain the framework for all our business activities. Responsible corporate governance is of paramount importance to us, as is the exercise of our social, business and environmental responsibilities.

Looking to the future

The impact of aviation on the environment remains a challenge for our company too. As Zurich Airport Ltd. we are working hard on decarbonising our infrastructure and reducing our own greenhouse gas emissions to net zero by 2040. In the case of the company's own CO₂ emissions at Zurich Airport, by far the majority are attributable to heating and cooling the airport's infrastructure. We are therefore focusing on reducing energy usage, improving efficiency and utilising innovative technologies to produce emission-free electricity, space heating and cooling. One important project concerns investigating the use of an ice-age channel running under the airfield. This made excellent progress last year, and if it proves viable, the channel will serve as a natural energy store for heating and cooling our buildings. A further declaration of intent signed during the year under review affirmed our intention to purchase renewable fuel from Swiss ETH spin-off Synhelion, helping both to spur the transition from fossil to renewable energy sources and support the production of sustainable fuels.

A number of major infrastructure projects are necessary to ensure the future viability of Zurich Airport. The ageing Dock A will be replaced from 2030. The passenger areas in Airport Shopping also no longer meet modern standards and will be upgraded. In addition, the vital runway extension project will fortunately now be able to proceed, following approval by Zurich voters. Owing to the complex procedures involved, however, it will effectively not be possible to complete the runway extensions within the current decade.

Changes at the top

Various key management positions changed during the year under review. Josef Felder was elected as the new Chairman of the Board of Directors at the Annual General Meeting, and Claudia Pletscher was elected as a new board member. We said farewell to long-serving Chairman of the Board Andreas Schmid and to appointed delegate of the Canton of Zurich Eveline Saupper, who was replaced by Beatrix Frey-Eigenmann. Following the resignation of Stephan Widrig, Lukas Brosi stepped up to become our new CEO in May 2023. Acknowledged financial expert Kevin Fleck was recruited to fill the resulting vacancy as Chief Financial Officer. Our new Chairman of the Board of Directors and new CFO joined the CEO to meet with Zurich Airport Ltd.'s investors and analysts at our Investor Day held at the beginning of September 2023.

Thanks and outlook

Zurich Airport serves the mobility needs of society. Its development is closely intertwined with population and economic growth in Switzerland. The demand for mobility is steadily growing worldwide, and with it the demand for air travel. Connecting Switzerland to the most important European and intercontinental destinations is vital for our country. At the same time, direct flights should by no means be taken for granted. Only a well functioning hub at Zurich Airport can enable direct links to global destinations. Our infrastructure projects are designed for the long term and with sustainability in mind. In all our activities and decision-making we must maintain a global perspective so we can continue to fulfil our mission of connecting people and places. We provide efficient modern infrastructure with high safety standards. We must endeavour to maintain and further enhance this high quality.

We sincerely thank our shareholders for the support and trust you have placed in us over many years. We also extend our thanks to our partner companies, and especially to all our employees. Their extraordinary commitment during the past year enabled us to provide our customers with a smooth travel experience during a very challenging phase of rapidly rising demand and resource shortages.

We look forward to continuing the journey together.

Zurich Airport, 7 March 2024



Josef Felder
Chairman of the Board of Directors



Lukas Brosi
Chief Executive Officer

Multi-year comparison

Zurich Airport Ltd.

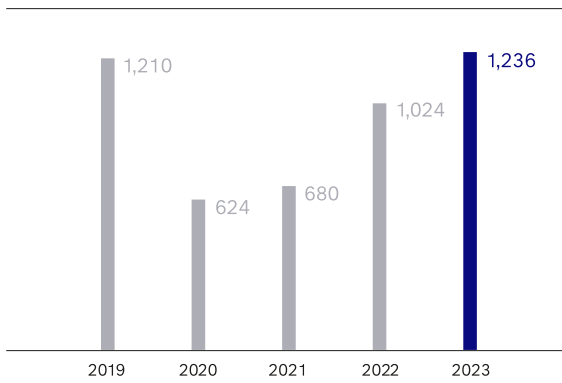
Key financial data (consolidated)

(CHF million)	2019	2020	2021	2022	2023
Total revenue	1,210.1	624.0	680.0	1,023.5	1,236.3
of which aviation revenue	661.5	221.7	240.6	491.1	610.1
of which non-aviation revenue	548.6	402.3	439.4	532.4	626.2
Operating expenses	-568.2	-428.0	-380.8	-467.9	-559.5
Earnings before interest, tax, depreciation and amortisation (EBITDA)	641.8	196.0	299.2	555.6	676.7
EBITDA margin (in %)	53.0	31.4	44.0	54.3	54.7
Earnings before interest and tax (EBIT)	403.1	-56.6	19.1	260.2	389.9
EBIT margin (in %)	33.3	-9.1	2.8	25.4	31.5
Consolidated result	309.1	-69.1	-10.1	207.0	304.2
Cash flow from operating activities	511.7	147.3	231.7	488.6	680.6
Cash flow from investing activities	-628.3	-565.1	-86.6	-567.0	-170.0
Invested capital as at reporting date ¹⁾	3,779.7	4,288.2	4,302.0	4,622.2	4,397.1
Average invested capital ¹⁾	3,635.3	4,034.0	4,295.1	4,462.1	4,509.7
Return on average invested capital (ROIC in %)	8.8	-1.1	0.4	4.7	7.0
Equity as at reporting date	2,469.1	2,336.8	2,411.3	2,679.1	2,803.6
Return on equity (in %)	12.7	-2.9	-0.4	8.1	11.1
Equity ratio (in %)	53.8	46.1	48.6	51.4	54.9
Interest-bearing liabilities (net), excl. noise ²⁾	1,158.4	1,403.4	1,387.8	1,290.2	1,110.3
Interest-bearing liabilities (net)/EBITDA, excl. noise ²⁾	1.83x	7.22x	4.64x	2.32x	1.64x

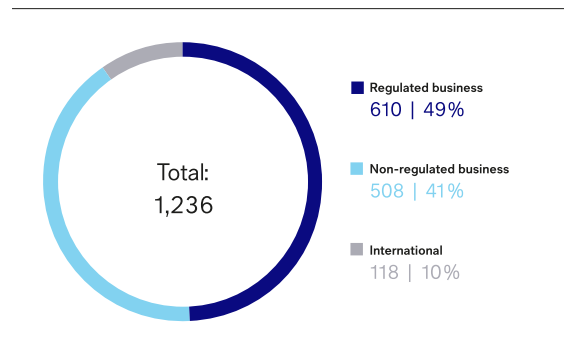
1) Invested capital includes equity and interest-bearing debt.

2) Interest-bearing liabilities (net) include interest-bearing debt less cash and cash equivalents, interest-bearing current and non-current financial assets and fixed-term deposits.

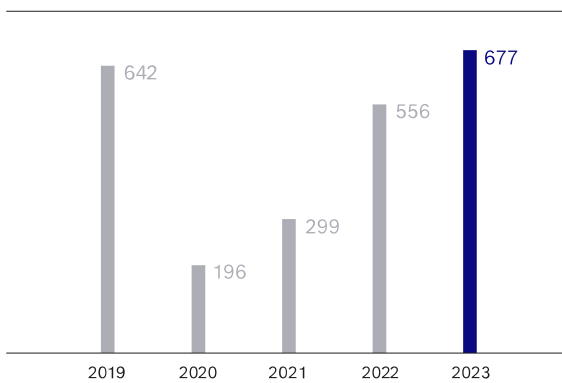
Total revenue CHF million



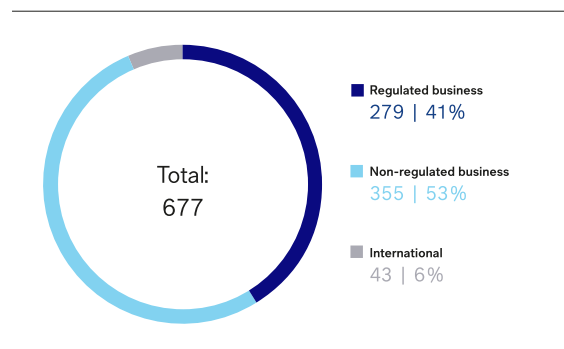
Revenue by segment* CHF million



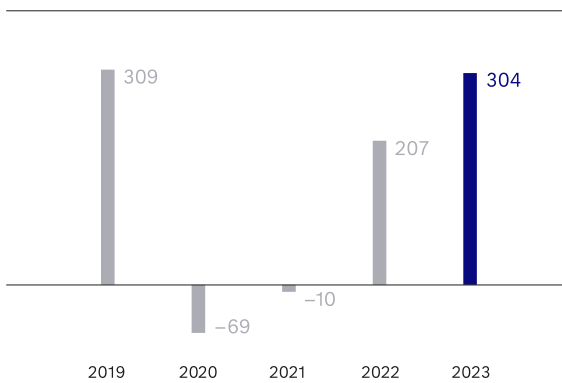
EBITDA CHF million



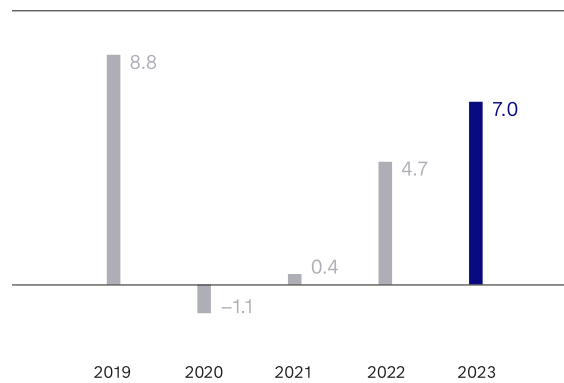
EBITDA by segment* CHF million



Consolidated result CHF million



Return on average invested capital in %



* For reasons of materiality, the "Noise" segment is not presented separately.

Key sustainability data¹

Zurich Airport, Switzerland	2019	2020	2021	2022	2023
CO ₂ e emissions Scope 1+2 (tonnes) ²⁾	27,850	27,496	32,390 ⁷⁾	29,067	24,014
Total energy consumption (MWh)	157,281 ⁷⁾	136,896 ⁷⁾	172,871 ⁷⁾	170,641 ⁷⁾	173,266
Total waste amount (tonnes)	18,439	8,623	8,506	12,943	15,574
No. of employees (excl. apprentices/interns/trainees)	1,706	1,652	1,534	1,553	1,662
Florianópolis Airport, Brazil³⁾	2019	2020	2021	2022	2023
CO ₂ e emissions Scope 1+2 (tonnes) ²⁾	n/a	n/a	1,071 ⁸⁾	612 ⁸⁾	686
Total energy consumption (MWh)	n/a	9,420	7,968	8,733 ⁷⁾	10,955
Total waste amount (tonnes)	433	383	412	469	741
No. of employees (excl. apprentices/interns/trainees)	167	104	131	136	143
Vitória/Macaé Airports, Brazil⁴⁾	2019	2020	2021	2022	2023
CO ₂ e emissions Scope 1+2 (tonnes) ²⁾	n/a	n/a	1,274 ⁸⁾	592 ⁸⁾	659
Total energy consumption (MWh)	n/a	n/a	9,746	9,492 ⁷⁾	10,150
Total waste amount (tonnes)	n/a	349	172	581	669
No. of employees (excl. apprentices/interns/trainees)	107	90	69	70	70
Natal Airport, Brazil⁵⁾	2019	2020	2021	2022	2023
CO ₂ e emissions Scope 1+2 (tonnes) ²⁾	n/a	n/a	n/a	n/a	n/a
Total energy consumption (MWh)	n/a	n/a	n/a	n/a	n/a
Total waste amount (tonnes)	n/a	n/a	n/a	n/a	n/a
No. of employees (excl. apprentices/interns/trainees)	n/a	n/a	n/a	n/a	2
Antofagasta Airport, Chile	2019	2020	2021	2022	2023
CO ₂ e emissions Scope 1+2 (tonnes) ²⁾	n/a	480	462	458	584
Total energy consumption (MWh)	n/a	1,210	1,147	1,141	1,196
Total waste amount (tonnes)	n/a	328	180	151	230
No. of employees (excl. apprentices/interns/trainees)	45	35	43	50	47
Iquique Airport, Chile	2019	2020	2021	2022	2023
CO ₂ e emissions Scope 1+2 (tonnes) ²⁾	n/a	425	449	598	604
Total energy consumption (MWh)	n/a	1,195	1,256	1,554	1,710
Total waste amount (tonnes)	n/a	55	79	92	353
No. of employees (excl. apprentices/interns/trainees)	61	49	53	196	113
Noida Airport, India⁶⁾	2019	2020	2021	2022	2023
CO ₂ e emissions Scope 1+2 (tonnes) ²⁾	n/a	n/a	n/a	73	258
Total energy consumption (MWh)	n/a	n/a	n/a	168	459
Total waste amount (tonnes)	n/a	n/a	n/a	2	12
No. of employees (excl. apprentices/interns/trainees)	n/a	14	51	71	100

1) Table excl. regional offices in Rio de Janeiro (Brazil) and Santiago de Chile (Chile)

2) In accordance with GHG Protocol: Zurich Airport Ltd.'s own sources (vehicles, machinery, heating)

3) Takeover from state-run operator took place in early 2018; completion of new terminal in October 2019

4) Takeover from state-run operator took place in early 2020; Vitória and Macaé are treated as a portfolio.

5) Takeover from state-run operator took place in February 2024.

6) Concession agreement for greenfield airport signed in October 2020.

7) Retroactive correction

8) Retroactive adjustment to the calculation method

n/a = data not available or airport not yet taken over from state-run operator

Key stock data

Key stock data of Zurich Airport Ltd.	2019	2020	2021	2022	2023
Number of issued shares	30,701,875	30,701,875	30,701,875	30,701,875	30,701,875
Ordinary dividend per share (in CHF) ¹⁾²⁾	-	-	-	2.40	4.00
Payout ratio (in %) ³⁾	-	-	-	35.6	40.4
Additional dividend per share (in CHF) ¹⁾²⁾	-	-	-	1.10	1.30
Equity per share (in CHF)	80.42	76.11	78.54	87.26	91.32
Basic earnings per share (in CHF)	10.07	-2.25	-0.33	6.74	9.91
Diluted earnings per share (in CHF)	10.07	-2.25	-0.33	6.74	9.91
Share price at year-end (in CHF)	176.70	156.10	164.10	143.10	175.60
Market capitalisation at year-end (in CHF million)	5,424.7	4,792.6	5,038.2	4,393.4	5,391.2
S&P rating	AA-	A+	A+	A+	A+
fedafin rating	Aa-	Aa-	Aa-	Aa-	Aa-

1) Owing to the widespread impact of Covid-19 and to safeguard liquidity, it was decided not to pay a dividend for the financial years from 2019 to 2021.

2) In accordance with the proposal to the Annual General Meeting

3) Additional dividend from capital contribution reserves not included

Zurich Airport Ltd.

Zurich Airport Ltd. is the owner and operator of Zurich Airport. It also develops and operates other airports in Brazil, Chile, Curaçao and Colombia and is constructing a new airport in India. Its business model combines the professional operation of large transport hubs with the management of attractive commercial centers and real estate. Thanks to its commitment to high quality, Zurich Airport Ltd. enjoys an excellent reputation.

GRI 2-6

As Switzerland's gateway to the world, Zurich Airport is a top-quality airport at the heart of Europe, offering excellent access to international, national and regional transport networks. Zurich Airport regularly wins awards for its excellent services, short transfer distances, friendly staff, clean infrastructure, reliable processes, attractive retail offering and other quality indicators. This performance may be credited to around 30,000 employees at over 300 partner companies who day after day ensure that passengers and visitors enjoy the time they spend at Zurich Airport.

As a semi-public listed company, Zurich Airport Ltd. operates the most important transport and meeting hub in Switzerland. The company focuses on its core activities relating to the operation of airports and management of commercial centers, as well as on profitably managing and further developing real estate and the infrastructure at its Zurich site.

It is increasingly also involved in holdings in foreign airports and their operation. Its portfolio includes majority interests in the airports at Florianópolis, Natal (integration in 2024), Vitória and Macaé in Brazil, at Antofagasta and Iquique in Chile, and in the new airport under construction at Noida in India.

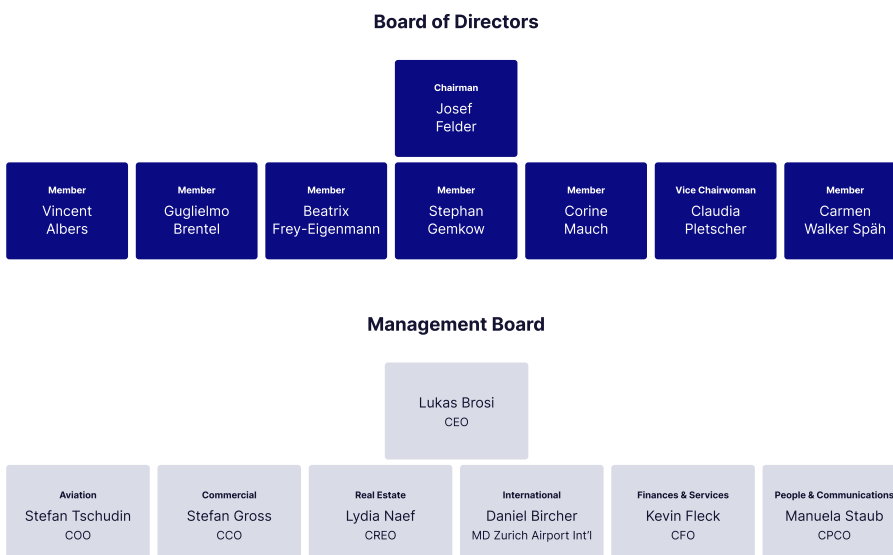
Organisational structure

Among its non-delegable statutory duties, the Board of Directors of Zurich Airport Ltd. is responsible in particular for determining the strategic objectives of the group and for overseeing the Management Board, which comprises seven members.

GRI 2-9

Organisation chart

The following organisation chart of Zurich Airport Ltd. shows the [Board of Directors](#) and the company's six divisions headed by members of the [Management Board](#):



As at 31 December 2023

Aviation

All the functions required for ensuring safe, efficient and high-quality flight operations at Zurich Airport are grouped together in the Aviation division. These include all passenger departure, arrival and transfer processes, the coordination of stand allocation and guidance of aircraft on the aprons as well as safety and security. Everything runs smoothly because all partners are coordinated by a central control body – Airport Steering. The Aviation division is furthermore responsible for all freight-related activities and, together with Aviation Marketing, constitutes the interface to the airlines. Operation of the airport's 800-hectare site, including planning, utilities, waste management and maintenance of engineering structures, also falls under the remit of Aviation. The Aviation division additionally ensures that aviation infrastructures and procedures are developed to meet demand, and handles all questions relating to noise management and resident protection.

Commercial

The Commercial division looks after the interests of Zurich Airport's end customers. It is responsible for marketing, landside transport and managing the airport's commercial centers. Alongside running the Circle service complex and one of Switzerland's most successful shopping centers, this division seeks to shape attractive airside and landside shopping, service and dining experiences. It also has overall responsibility for all landside transport services, the airport's various parking offerings and connections to public transport networks, along with the design of the airport's digital presence and all marketing functions.

Real Estate

The Real Estate division is responsible for the development and construction as well as the commercial, technical and infrastructural operation of all the buildings and associated systems at Zurich Airport. Its portfolio includes everything from the terminals, office centers and logistics and hangar buildings through to the Circle complex. The division ensures that all projects, small and large, are completed on schedule within their defined budgets while meeting the necessary quality standards, and that the airport's real estate and systems are optimally operated throughout their entire life cycle. These include technical building services, energy and heating, the baggage handling system, the passenger bridges and the Skymetro passenger transport service to Dock E.

International

The International division manages the ongoing development of the international business and also oversees the airports and subsidiaries that Zurich Airport Ltd. operates abroad. This involves analysing airport concessions, the privatisation of airports and direct acquisition opportunities, along with the development and management of airport privatisation projects. This also includes providing support and knowledge transfer to our own airports and subsidiaries abroad – as well as advising and supporting strategic investors involved in developing and operating airports.

Finance & Services

The Finance & Services division oversees the financial control of the company and manages its cross-divisional functions. Along with the usual financial functions, including treasury and investor relations, its remit also includes responsibility for all matters relating to information and communications technology, central purchasing and charge management. The Legal, Risk & Compliance and the Sustainability & Environment departments are also integrated in this division.

People & Communications

The People & Communications division handles all the strategic staff functions of the company. Human Resources and People & Organisational Development are responsible for modern personnel management and for further developing corporate and management culture. Corporate Communications is responsible for internal and external communications, while Public Affairs fosters relationships with the political community. The airport as a destination also falls within this division's remit.

The office of the General Secretary acts as the support staff unit for the Board of Directors.

Purpose, strategy and values

Our purpose, strategy and values create the foundations for the success of our company.



Purpose – Strategy – Values

Our purpose – what drives us

**We connect people and places,
creating positive experiences**

Our purpose guides our actions and drives us. Our airports connect people and places – regionally and across continents. In everything we do, we aim to create positive experiences.

Our strategy – how we realise our purpose

A strong foundation

Our entrepreneurial success is based on motivated and professional employees, well-planned and well-maintained infrastructures, healthy finances, and the smart use of digital technologies.

Mobility hubs at the core

We connect countries and regions with the world – in Switzerland, India and Latin America. We see our airports as state-of-the-art mobility platforms that seamlessly connect all modes of transport.

Commercial centers and experiences

A diverse commercial offering creates lively places where people can spend quality time and with high footfall. Top-class commercial centers provide attractive locations for brands, events and as destinations, creating a positive experience.

High-quality real estate as attractive business locations

We invest in high-quality real estate with direct access to our mobility platforms, which serve as an attractive business location. The revenue generated from this contributes significantly to the economic stability of our company.

Adding value by acting sustainably

We are convinced that the long-term increase in our corporate value as an overarching goal can only be achieved in connection with sustainable corporate management. That is why we set high standards for our corporate, ecological and social responsibility.

Our values – how we work together

We practise five values that connect our employees and create a strong community and corporate culture. These values foster a constructive and respectful dialogue, a culture of openness and willingness to change. They enable us to continuously develop as an organisation and as leaders, teams and individuals.

C: COLLABORATIVE

O: OPEN

A: AGILE

C: COMMITTED

H: HUMAN

Locations

The Zurich Airport Group owns or operates airports at the following locations:

GRI 2-1



Overview of locations

The percentage stakes held are as follows:

Airport	IATA Code	Location	Country	Passengers 2023	Concession period	Ownership
Zurich	ZRH	Zurich	Switzerland	28.9m	2001–2051	100%
Florianópolis International Airport	FLN	Florianópolis	Brazil	4.0m	2017–2047	100%
Eurico de Aguiar Salles	VIX	Vitória	Brazil	3.2m	2019–2049	100%
Benedito Lacerda Airport	MEA	Macaé	Brazil	0.2m	2019–2049	100%
Natal International Airport	NAT	São Gonçalo do Amarante	Brazil	n/a	2024–2054	100%
Belo Horizonte International Airport	CNF	Belo Horizonte	Brazil	10.5m	2014–2044	12.75%
Diego Aracena International Airport	IQQ	Iquique	Chile	1.8m	2018–2039 ¹⁾	100%
Andrés Sabella Gálvez International Airport	ANF	Antofagasta	Chile	2.4m	2011–2026	100%
Curaçao International Airport	CUR	Willemstad	Curaçao	1.7m	2003–2033	9.69% ²⁾
Noida International Airport	DXN	New Delhi	India	n/a	2021–2061	100%
Aeropuerto Internacional El Dorado	BOG	Bogotá	Colombia	40.6m	n/a	0% ²⁾

1) expected

2) incl. TSA (Technical Service Agreement)

Further information about individual foreign holdings can be found in the [International traffic figures](#) section or in [note 24.7, Concessions for the operation of foreign airports](#).

Traffic volumes Zurich

Passenger volumes climbed to 92% of pre-pandemic level

Passenger numbers in 2023 saw a year-on-year increase of 28%, with several days peaking at over 100,000. Volumes recovered gradually over the course of the reporting year close to pre-pandemic levels.

The local market accounted for the highest proportion of passengers, reaching 91% of its pre-pandemic volume, while the transfer market improved marginally faster to 93%. As a result, at 29.8%, the proportion of transfer passengers was slightly higher than in 2019. While the transfer market compensated for the static local market during the first quarter, local services picked up from the spring onwards, especially for leisure travel.

The individual market regions all showed positive annual growth. As Zurich Airport's main market, European destinations accounted for around 25% more passengers than in 2022. This was primarily driven by leisure demand for flights to southern countries such as Spain, Portugal and Turkey.

Intercontinental travel accounted for a quarter of all passengers, reaching 88% of 2019 levels. While passenger volumes flying to and from destinations in North America recovered almost completely, the Far East region reached only 72% of its pre-pandemic volume owing to the sluggish recovery of China and Hong Kong. This was due to the late lifting of coronavirus-related travel restrictions by China and Hong Kong and their weakening economies. Despite the conflict in the Middle East, this region did better, reaching 91% of pre-pandemic passenger numbers.

In the year under review, home carrier SWISS accounted for 51.2% of the total passenger volume. Edelweiss Air's share was 10%, followed by Austrian, Chair and Lufthansa with a share of 2.1% each. In total, members of the Lufthansa Group took a 67% share and carried around 93% of transfer passengers at Zurich.

Record-breaking seat load factor

The 19% increase in the number of scheduled and charter flight movements was slightly less dynamic than the rise in passenger numbers. Owing to high demand coupled with airline capacity constraints, the average annual seat load factor reached a record high of 80.4%. On average each scheduled or charter aircraft carried 135 passengers, around five more than in 2019.

General aviation saw a 9% drop in flight movements. This was due to the rebound in scheduled and charter services. In comparison with 2019 pre-pandemic levels, the number of general aviation aircraft movements rose by 4%.

Freight loses momentum

The volume of freight handled fell by 10% year on year. Air freight accounted for 68% of this, reaching only a rather low 77% of its pre-pandemic level. After briefly collapsing at the start of the coronavirus pandemic, road freight experienced greater demand. However, this evaporated again during the reporting year, resulting in a volume of just 2% more than before the crisis.

The higher growth of road freight compared with air freight is due to the sluggish market and the lack of capacity on scheduled services. These capacity constraints resulted from fewer flight movements than in 2019, coupled with higher passenger capacity utilisation. At 96%, the share of air freight transported on freight-only flights was close to its pre-pandemic level. This percentage had been noticeably elevated during the past three years because of crisis-related freight flights.

Key data

AO1; AO2; AO3

Zurich Airport Ltd., Zurich site	Unit	2019	2020	2021	2022	2023
Local passengers	No. of persons	22,231,195	6,288,226	7,739,188	16,041,109	20,236,952
Transfer passengers	No. of persons	9,209,982	2,005,062	2,439,168	6,453,514	8,584,766
Transit passengers	No. of persons	18,638	5,889	5,673	8,683	10,307
General aviation and Other	No. of persons	47,877	41,870	50,399	57,826	53,481
Total passengers	No. of persons	31,507,692	8,341,047	10,234,428	22,561,132	28,885,506
Passenger flights	No. of flight movements	242,717	80,555	94,012	178,438	213,457
Freight-only flights	No. of flight movements	396	2,526	2,242	1,115	453
General aviation and other	No. of flight movements	32,217	28,247	36,346	37,032	33,546
Total flight movements	No. of flight movements	275,330	111,328	132,600	216,585	247,456
Air freight	Tonnes	334,650	188,177	247,434	268,561	258,272
Road freight	Tonnes	117,177	102,986	145,628	153,592	119,726
Total freight	Tonnes	451,827	291,163	393,062	422,153	377,998

Traffic volumes: majority-owned international subsidiaries

Passenger volumes

Brazil

Overall, the Brazilian aviation segment handled around 208 million passengers in 2023. While domestic services grew year-on-year by 11%, international traffic increased by a total of 38%, resulting in an overall plus of 13%. Despite this strong growth, however, passenger volumes have not returned to pre-pandemic levels. Domestic services were around 4% below and international traffic was approximately 10% below their respective 2019 volumes.

Florianópolis

With a year-on-year increase of 17%, passenger numbers at Florianópolis surpassed the level of 2019. Among other things, this massive boost was driven by the strong growth in international travel. Regular international flights to Lima, Santiago de Chile and Montevideo were successfully added.

Vitória/Macaé

Traffic volumes at Vitória and Macaé airports increased 20% year on year. Owing to the construction of the new runway at Macaé, aircraft were only able to take off and land during part of the 2023 financial year, which reduced the number of passengers carried compared with 2022. Boasting some 28,000 flight movements during the reporting year, Macaé counts as one of the busiest airports for helicopter traffic in the world.

Chile

The Chilean aviation segment carried around 40 million passengers in 2023. Domestic services grew by 14% year on year, while international traffic increased by just under 40%. In contrast to Brazil, domestic flights surpassed 2019 levels by almost 2%. The number of international passengers was still 12% below pre-pandemic volumes, however. 2023 saw a further upswing in the mining industry, which consequently drove up growth at the airports operated by Zurich Airport Ltd. In comparison with the previous year, the two airports reported a cumulative rise in passenger numbers of around 10%. Both these concessions surpassed 4 million passengers annually for the first time.

Antofagasta

Antofagasta in particular posted solid growth, which is entirely attributable to the launch of new mining projects. With an increase of just under 17% compared with the previous year, the airport set a new passenger record. New destinations Cali and Lima were added to its international route network during the reporting year.

Iquique

Iquique can likewise report a record-breaking year for passenger numbers. In the past, it has posted the highest passenger volumes during the summer months of January and February. For the first time ever, the month of July overtook these dominant tourism months. As with Antofagasta, this was driven by activity in the mining industry.

Key data

Airport Florianópolis, Brazil	Unit	2021	2022	2023
Total passengers	No. of persons	2,367,176	3,405,644	3,991,380
Total flight movements	No. of flight movements	32,420	42,115	45,847
Total freight	Tonnes	4,093	4,972	3,096

Airports Vitória/Macaé, Brazil	Unit	2021	2022	2023
Total passengers	No. of persons	2,185,025	2,900,042	3,465,700
Total flight movements	No. of flight movements	54,189	69,433	73,114
Total freight	Tonnes	18,649	19,379	20,718

Airport Natal, Brazil ¹⁾	Unit	2021	2022	2023
Total passengers	No. of persons	n/a	n/a	n/a
Total flight movements	No. of flight movements	n/a	n/a	n/a
Total freight	Tonnes	n/a	n/a	n/a

Airport Antofagasta, Chile	Unit	2021	2022	2023
Total passengers	No. of persons	1,524,064	2,016,302	2,352,236
Total flight movements	No. of flight movements	13,274	13,446	14,822
Total freight	Tonnes	5,394	5,837	4,934

Airport Iquique, Chile	Unit	2021	2022	2023
Total passengers	No. of persons	1,337,018	1,747,694	1,806,226
Total flight movements	No. of flight movements	11,110	12,296	11,994
Total freight	Tonnes	4,252	3,344	3,791

1) Takeover from state-run operator took place in February 2024.

Business update

Aviation operations at Zurich Airport

Traffic trends and flight timetable

The returning popularity of travel was clearly reflected in passenger numbers, which once more reached almost pre-crisis levels. The summer and autumn holiday periods saw over 100,000 air passengers on some days, peaking at 110,148 passengers on 8 October and setting a new daily record since the coronavirus pandemic. For comparison: the all-time passenger record on 28 July 2019 was 114,872 passengers.

During the year under review, Zurich Airport handled a total of 28.9 million passengers, 91.7% of the volume in 2019. Flight movements totalled 247,456, equivalent to 89.9% of the level reported in 2019.

In terms of cities served in 2023, intercontinental destinations recorded the highest percentage increase in passenger demand. The number of passengers flying within Europe continued to rise as well. The past year saw not only increasing flight frequencies, additional direct services resumed or were added to schedules as well. For instance, since the introduction of the 2023 summer timetable our hub carrier SWISS has resumed services to Shanghai, Cathay Pacific now flies several times a week to Hong Kong, Korean Air offers seasonal direct flights to Seoul, and Edelweiss has introduced new flights from Zurich Airport to Bogotá and Cartagena.

Aviation operations and awards

Alongside the rather time-intensive recruitment and training of new staff at our airport partner companies, the unexpected fast surge in demand presented major challenges to airport operations, in particular on peak days during the spring and summer. Together with the airport partners involved, we were able to take measures that positively contributed to high passenger volumes over the year.

The tendering process for new computed tomography scanners (CT scanners) was also completed in the autumn. Trials in 2024 followed by the successive rollout of these scanners are vital for further improving the passenger experience at security checkpoints.

Along with challenging weather conditions, a shortage of staff at European air traffic control agencies coupled with strikes abroad further exacerbated delays. Together with our partner companies at the airport we worked hard to mitigate these delays as far as possible.

One important measure that will improve punctuality, stabilise flight operations and make them safer are the runway extensions which Zurich voters approved at the beginning of March this year. The electorate thus once again confirmed its confidence in Zurich Airport.

Despite the challenges posed by high passenger volumes, during 2023 Zurich Airport was twice voted the best airport in Europe: for the seventh time it received the Airport

Service Quality (ASQ) Award, and for no less than the 20th time it won the World Travel Award.

New offerings and changes to passenger processes

In November 2023 the company introduced a new service for all passengers, irrespective of airline and travel class – [► ZRH Comfort](#). This allows air passengers to book access to a separate serviced lounge in the Airside Center and to use the priority lane at the security checkpoint. Three new work and relax zones have also been available to travellers using Dock A since December.

The start of the 2023/24 winter timetable marked the launch of the project to replace the ageing baggage sorting and handling systems at Check-in 1. The check-in locations of affected airlines will be temporarily moved while the systems are being successively replaced. At the same time, the new baggage sorting system was gradually phased in. The construction work being carried out in connection with the development of the landside passenger areas will also require the rerouting of some passenger pathways this year.

During the year under review, Zurich Airport Ltd. decided to take over the provision of services for passengers with reduced mobility (PRM). From January 2025 onwards, it will therefore integrate the employees of Goldair AAS Assistance AG into Zurich Airport Ltd.

Real estate and commercial centers at Zurich Airport

Real estate business

The Real Estate division of Zurich Airport Ltd. has proved to be a strong and important revenue stream and in 2023 recorded the highest-ever revenues in the company's history. The focus in 2023 was on portfolio management, restructuring contracts, and the strategic development of the hangar area. As part of Zurich Airport Ltd.'s sustainability commitment, the Energy and Decarbonisation department was established. As well as upgrading building energy systems, it will specifically prioritise the transition to renewable energy sources such as PV solar panels, waste heat and geothermal energy. One related important project is investigating the use of an ice-age channel running under the airfield which made excellent progress last year. In the best-case scenario, this natural energy store will provide the entire airport complex with space heating and cooling from 2027 onwards.

The Circle

Over 50 companies employing upwards of 5,000 people have now taken up residence in the Circle, the highest-rated > [LEED Platinum-certified](#) building and the largest MINERGIE-certified building in Switzerland. Both hotel and convention businesses and healthcare services have become very well established there. The occupancy rate for office space is around 95%. New tenancies taken up during the reporting year include the financial services company GRENKELEASING AG and the IT business Inventx AG. Joining other dining establishments in the Circle were Negishi, Pret a Manger and the Bistro am Südplatz. With these three additions, all the spaces earmarked for cafés and restaurants have now been let. A number of events such as the third edition of the Zauberpark festival of music and light, the airport's 75th anniversary celebrations, the Zurich Food Festival and the Quartierfest attracted many visitors and further enlivened the Circle. A few adjustments will be necessary in the retail segment over the next two years, but this is not unusual for a new project.



Airport Shopping and Airside Center

The turnover generated in the Airside Center rose in line with the recovery in passenger numbers. In the publicly accessible Airport Shopping area, turnover even surpassed pre-pandemic levels. Renovations in the northern section of Airport Shopping will result in some passenger rerouting and store closures from 2024, although this will be offset by other measures elsewhere as far as possible. The extensive remodelling planned includes a new food hall, creating more attractive retail spaces and providing better links to the Circle.

Further development at Zurich Airport

Following the 2023 decision by Zurich's Cantonal Parliament in favour of extending runways 28 and 32, Zurich voters likewise approved this safety-related project at the beginning of March 2024. As a result, Zurich Airport Ltd. can now go ahead and submit its planning application to the federal government and make progress with one of its most important projects in recent years. Zurich Airport operates with a very complex runway system and extending these runways will ensure greater safety, improved punctuality and less noise impact in the evenings. The electorate once again expressed its confidence in Zurich Airport.

New baggage sorting system

The biggest building project at Zurich Airport is currently underway while operations continue largely as normal. Following extensive trials and ongoing adjustments, integration of the > [new system](#) and the phased transition from the old baggage sorting system began in the 2023 financial year. As well as continuing to ensure reliable baggage routing in future, Zurich Airport's new facility will comply with the new EU security screening regulations for hold luggage. Equipped with state-of-the-art technology costing some CHF 450 million, this new infrastructure at Zurich Airport is significantly more energy-efficient than existing systems.

Development of landside passenger zones

Over the coming years, the publicly accessible areas of the airport terminal will see the introduction of > [wider passenger routes](#), improved logistics, new retail spaces and a new food hall with outdoor terraces. Owing to an objection regarding the construction tendering process, the initial groundworks were delayed. However, building work has

since resumed and the new spaces and passenger routes will gradually come on stream from 2027. The construction work will be phased in order to minimise disruption to airport operations. The total investment runs to approximately CHF 250 million.

Development of the main airport complex with Dock A and tower

Project planning for replacing the existing [Dock A](#), dock base and tower commenced during the year under review. The planning applications have been submitted. The new Dock A will be built largely of wood on the passenger levels. The planned solar panels will cover around a third of the new dock's electricity requirement. Despite having a larger volume, the new building will also require much less heat. Renewable sources will be used for heating and cooling the infrastructure, which will greatly improve passenger comfort levels. Retail and hospitality offerings will also be optimised. Building work for the tower is due to commence in 2027, and for Dock A from 2030.

Zone West and Rächtenwisen cargo building

Following a two-year, pandemic-related suspension, construction work for [Zone West](#) was resumed. A total of 14 stands for scheduled and charter aircraft plus a parking area for business jets will be built on the western side of the airport. A high-rise building with hangar aprons is being planned to the west of the new apron. Completion of the construction project design is in the final stages, and a planning application was submitted at the end of February 2024. A seamless replacement for plane spotters' hill and the Heligrill was planned. However, due to an appeal submitted by the owners of a nearby wood, it has not yet been possible to complete this project.

The planning application for the new Rächtenwisen cargo building was approved. Construction is due to begin during the second quarter of 2024, with completion of the CHF 40 million cargo building scheduled for 2027.

ZRH Innovation Hub and digitalisation

In order to anticipate trends and be better equipped to face new and rapidly evolving challenges over the coming years, the company set up the ZRH Innovation Hub. This is organised as a staff unit that reports directly to the CEO. It focuses on multi-partner improvements to the customer experience and processes at Zurich Airport.

Further progress was made with the digitalisation of processes and products during 2023 as well. The company received the World Travel Tech Award for the best airport website in Europe for the second time. In addition, an [online magazine](#) was launched to make the wide range of stories about Zurich Airport even more accessible to the public at large.

In the Real Estate division, digitalisation was promoted in various projects across different levels during 2023. To optimise digital requirements, processes and services and operate more strategically in future, the division grouped the requisite competencies in a new "Digital Real Estate" team. Trials of two [cleaning robots](#) to support personnel have also been underway since December 2023. A newly developed Smart Cleaning solution enables them to maintain high standards of cleanliness, while data analyses optimise and automate the processes.

International airport business

International business saw marked growth in 2023 and is becoming increasingly important for the success of Zurich Airport Ltd. Further revenue growth is expected from our subsidiaries in Latin America and India over the next few years.

Latin America

The airports in Latin America all progressed well during the reporting year. In a public tendering process, in May 2023 Zurich Airport Ltd. was awarded a 30-year operating licence for [Natal Airport](#) in northeastern Brazil. The company assumed control of Natal during February of the current year. The newly acquired Natal Airport complements Zurich Airport Ltd.'s existing portfolio in Brazil and will enable it to benefit even more from the growth of the Brazilian aviation market. In 2023, the two airports at Florianópolis and Vitória were recognised as the best airports in their size category. Also, for the third time in a row, Florianópolis Airport in Brazil was awarded a "Green Airport" accolade by Airports Council International (ACI). In Macaé, the new runway is progressing well according to plan. Following delays resulting from the bankruptcy of the general contractor, expansion of the terminal in Iquique (Chile) was completed and it commenced operation.

India

Construction work at Noida International Airport is proceeding rapidly, making Zurich Airport Ltd. currently the biggest Swiss investor in India. The structure of the terminal is already in place, and building work on the control tower has reached the top level. Construction of the take-off and landing runway is well advanced. The new airport aims to meet high standards not only terms of quality, but also in sustainability. For instance, power will be supplied mostly from PV solar panels and wind turbines, rainwater will be collected, grey water is to be recycled, and the vehicle fleet as well as the ground handling equipment will be equipped with electric vehicles. Shortly before the end of the year, a declaration of intent was signed with India's largest airline, IndiGo Airlines, for stationing part of their fleet at Noida International Airport. IndiGo is one of the fastest growing airlines in the world and will offer an extensive route network from Noida, focusing on flights to other Indian cities. A further declaration of intent was recently also signed with Akasa Air. Discussions with further airlines operating in India, South-East Asia and the Middle East are ongoing. The majority of service contracts for operating the airport have also been awarded to licensed companies.

Corporate culture

Along with its corporate culture, the strong positioning of Zurich Airport Ltd. as an employer was further strengthened during the year under review. The company responded to the rapidly changing demands placed on it as an employer with various measures such as further improvements to working conditions and the creation of a new Employer Branding post. Zurich Airport Ltd. received the Swiss HR Award 2023 for its new onboarding app for employees joining the company. The corporate values redefined in 2022 were also discussed in various workshops and meetings during the reporting year in order to progress the integration of these values into our corporate and management culture. The focus during the year under review was on agility.

Financial development

The further growth in traffic volumes drove revenue and earnings before interest, tax, depreciation and amortisation (EBITDA) to new record levels in the reporting period. Consolidated profit came to CHF 304.2 million (previous year: CHF 207.0 million), almost matching the 2019 figure. The distribution to shareholders is to be increased from CHF 3.50 per share to CHF 5.30 per share.

Results trend

Aviation revenue

Due to the higher traffic volumes at Zurich Airport, revenue from flight operations charges increased by CHF 106.8 million or 25% to CHF 539.3 million in the reporting period.

Aviation fees and other aviation revenue amounted to CHF 70.8 million in total in the reporting period, a rise of CHF 12.1 million compared with the previous year.

Total aviation revenue grew at a slightly slower pace than passenger numbers, rising from CHF 491.1 million to CHF 610.1 million (+24%) against the background of the smaller rise in flight movements. Compared with 2019, aviation revenue stood at 92%.

Non-aviation revenue

Non-aviation revenue climbed by 18% to CHF 626.2 million in the reporting period, around 114% of the revenue achieved in 2019.

Total commercial and parking revenue increased by 10% year on year to CHF 264.5 million, with parking revenue showing the highest growth due in part to better product differentiation.

Real estate revenue reached a new all-time high, rising by 17% to CHF 196.5 million in the reporting period. This rise is due, among other factors, to the restructuring of agreements from the real estate portfolio purchased from Priora Suisse AG in 2019, higher energy and utility cost allocations and inflation adjustments.

Primarily as a result of higher passenger volumes, revenue from services rose by 9% to CHF 47.5 million in the reporting period.

The sharp rise in revenue from international airport business from CHF 80.6 million to CHF 117.8 million in the reporting period is due mainly to higher revenue from construction projects (concession accounting). Factoring out the income statement-neutral revenue from construction projects, revenue in international airport business climbed by 24% or CHF 15.5 million.

Operating expenses

Despite cost pressures, operating expenses rose at a slower pace than revenue. Overall, operating expenses increased by 20% year on year to CHF 559.5 million. Adjusted operating expenses (excluding expenses from construction projects) were around 7% up on 2019.

Personnel expenses were up by 12% to CHF 220.0 million in the reporting period and reflect the increase in headcount and the inflation adjustment. Costs for police and security rose by CHF 11.3 million year on year to CHF 116.6 million (+11%) due to higher passenger volumes. As expected at the beginning of the reporting period, energy and waste costs once again showed a sharp rise, of CHF 14.8 million (+43%) to CHF 48.9 million, due mainly to higher electricity prices.

Operating and consolidated result

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by CHF 121.2 million year on year to CHF 676.7 million (+22%), setting a new record. The EBITDA margin was at a high 55%. Compared with 2019, EBITDA was up by 5%.

Depreciation and amortisation fell slightly to CHF 286.8 million (–3%) in the reporting period. The decline is due, among other factors, to an impairment charge in the previous year.

The net finance result improved from CHF –20.0 million to CHF –12.2 million. Factoring out one-off effects, this is attributable mainly to lower debt and higher interest income.

The consolidated result for the past year rose by 47% to CHF 304.2 million (previous year: CHF 207.0 million), which is almost as high as the record profit achieved in 2019.

Investments

In the reporting period, Zurich Airport Ltd.'s investment in property, plant and equipment, projects in progress and airport operator projects totalled CHF 437.7 million (previous year: CHF 235.3 million), of which CHF 226.6 million (previous year: CHF 208.3 million) was invested at the Zurich site.

The single biggest project at the Zurich site was the refurbishment and expansion of the baggage sorting system. Other major projects included the development of the landside passenger zones, the work in preparation for the development of the main airport complex (new Dock A, tower and dock base, etc.) and the extension of the Zone West apron.

Assets and financial position

As at the 2023 year-end, cash and cash equivalents and fixed-term deposits (excluding noise-related funds) amounted to CHF 483.2 million, with the Zurich site accounting for slightly less than CHF 400 million.

Among other things, this liquidity will be used to repay the CHF 300 million debenture maturing in May 2024 and to distribute the dividend.

Starting from cash flow from operating activities of CHF 680.6 million and investments in property, plant and equipment, projects in progress and airport operator projects totalling CHF 437.7 million, free cash flow for the reporting period came to CHF 242.8 million (previous year: CHF 253.3 million).

Dividend

The existing payout ratio of around 40% of net profit after adjustment for one-off effects will be retained and distributed in the form of an ordinary dividend. As in the previous year, an additional dividend will be distributed from capital contribution reserves along with the ordinary dividend.

The Board of Directors is proposing to the Annual General Meeting the payment of an ordinary dividend of CHF 4.00 per share as well as an additional dividend of CHF 1.30 per share.

Financial outlook

Traffic volumes at the Zurich site are predicted to rise this year. Around 30 million passengers are expected, roughly 95% of the number reached in 2019.

Aviation revenue will slightly outperform traffic volumes. This is due especially to the increase in user fees introduced at the beginning of the year in connection with the refurbishment of the baggage sorting and handling system.

Non-aviation revenue is also expected to be higher. At the Zurich site, rising passenger numbers will have a positive impact on parking revenue, whereas the remaining commercial revenue will grow at a slower pace due in part to accounting effects (IFRS 16). Real estate revenue will be roughly in line with the prior-year figure. Revenue from international business will show above-average growth thanks to the integration of the newly acquired airport in Natal, Brazil and the general growth momentum in international business.

Operating expenses, particularly personnel and security-related expenses, are expected to be driven higher by inflation and volumes in financial year 2024.

Overall, Zurich Airport Ltd. expects to post both higher earnings before interest, tax, depreciation and amortisation (EBITDA) and a larger consolidated profit for full-year 2024 than in the past financial year.

Investment at the Zurich site will amount to between CHF 250 and 300 million in 2024. Investment at subsidiaries abroad is likely to be around the CHF 400 million mark, with the construction of the new airport in Noida making up the majority.

Risk management

For Zurich Airport Ltd., risk management is a key factor for successful company management. Comprehensive risk management ensures that risks are approached systematically and given due consideration. As well as providing transparency over the main risks associated with the company's business activities, it enables continuous monitoring and assessment of the risk profile.

GRI 2-23

Risk management system

Risk management as a reporting tool

Zurich Airport Ltd.'s risk management system is the tool used to manage corporate risk across the Group and consists of the following components:

- Risk policy objectives and principles of the company
- Risk management organisation
- Risk management process
- Risk reporting
- Auditing and review of the risk management system

In this context, the Board of Directors and the Management Board have overall responsibility under Swiss company law for ensuring the Group's continued existence and profitability. The Board of Directors is responsible for overall oversight of risk management. The Chief Financial Officer (CFO) acts as the Management Board's Chief Risk Officer.

The central Risk Office reports to the CFO as Chief Risk Officer and stipulates minimum requirements for decentralised risk management across the Group. The central Risk Office is responsible for risk reporting as well as for the operation and ongoing development of the risk management system.

The Management Board members are each responsible for the risks that could arise primarily in their respective divisions. They bear responsibility for identifying, assessing and managing the relevant risks (risk owner concept).

In consultation with the central Risk Office, other departments perform their specific risk management procedures themselves, such as safety management, liquidity management, occupational safety, information security, fire prevention and contingency planning. The same goes for Zurich Airport Ltd.'s international subsidiaries. The key risks to the Zurich Airport Group are then incorporated from these into central risk reporting. This describes the business risks, responsibilities and measures in detail, along with an assessment of their probability of occurrence and potential impact. Implementation of the measures is continually monitored. The risk report is presented to the Management Board and the Board of Directors once a year.

Compliance management

Zurich Airport Ltd. operates a group-wide compliance management system as a component of its risk management, the aim being to systematically identify, acknowledge and comply with the applicable statutory requirements as well as the internal corporate guidelines and ethical principles based on those requirements.

For this purpose, the processes at Zurich Airport Ltd. are structured into cross-divisional clusters that are each led by a specialist ("compliance supporter"). This specialist is responsible for training line managers within the particular field. The compliance supporters also perform the checks required in the context of compliance audits and report to the central Compliance Office. Ultimate responsibility for compliance with laws, guidelines and principles lies with line management. A broadly based Compliance Steering Committee headed by the Chief Risk Officer monitors systematic and uniform implementation of compliance management procedures.

Issues from compliance reporting that could give rise to significant risks for Zurich Airport Ltd. are incorporated into risk reporting.

Once a year, the central Compliance Office produces a comprehensive compliance report on behalf of the Chief Risk Officer which is based on information provided by the compliance supporters. This report is submitted to the Management Board and the Board of Directors.

Current risk situation

The current risk situation for the Zurich Airport Group may be characterised primarily by the following risks:

1. Regulatory uncertainties at Zurich Airport

1.1 Airport charges

Zurich Airport Ltd. is regulated with regard to the charges it levies for the use of the monopolised infrastructure. In a normal year, the regulated charges amount to around 50-60% of revenue. The Swiss airport charges regulation is based on EU-wide regulation but additionally includes specific stipulations for airport charges at Swiss airports. There is consequently a risk that regulatory requirements may be tightened or that charge-setting procedures may turn out to be to the disadvantage of Zurich Airport Ltd. which would endanger the amount of the regulated revenue.

1.2 Regulation governing the use of south German airspace

The use of south German airspace is presently regulated by an implementing regulation (DVO) issued unilaterally by Germany. On 4 September 2012, Switzerland and Germany signed an aviation treaty. This treaty must be ratified by both countries. The two chambers of Switzerland's Parliament have approved the treaty, but in Germany ratification was halted, and no date has yet been set for ratification there. Germany could also unilaterally change the implementing regulation (DVO), which could lead to additional capacity restrictions at Zurich Airport.

1.3 Capacity restrictions

The complexity of the runway and taxiway layout, the departure and approach routes and various operational regulations at Zurich Airport is considerable. Following the near-collision of two aircraft at the runway intersection in 2011, Zurich Airport Ltd., Skyguide, SWISS and the Swiss Air Force in 2012 prepared a comprehensive risk report with the assistance of the Federal Office of Civil Aviation (FOCA) and the Department of the Environment, Transport, Energy and Communications (DETEC). In addition, various measures aimed at improving safety were implemented or are in the process of being implemented. However, there is still a risk that capacity may be restricted due to safety considerations and that business performance may be negatively impacted as a result as long as key measures are not yet implemented. The planned taxiway around runway 28 will spatially separate inbound and outbound aircraft for the most part. This will avoid more than 100,000 crossings over runway 28 each year. The planned extensions to runways 28 and 32 will also enable more stable operation in all weather conditions and for all aircraft types.

1.4 Noise exposure (during shoulder periods and at night)

The permitted noise level (so-called "permitted noise") was defined in law by FOCA in 2015 but is based on an obsolete forecast from 2003 for the year 2010. During the day the permitted noise level is adhered to, after 10 p.m. on the other hand, it was exceeded to a considerable extent in some cases. If it is not possible to significantly improve compliance – for example through measures to prevent delays or as a result of changes to the permitted noise levels as already requested by the company – there is a risk of operational restrictions. Zurich Airport Ltd. is actively working to improve the situation in talks with authorities, as well as in ongoing approval and court proceedings, and also operationally together with its airport partners Skyguide, SWISS, Swissport and

the Zurich cantonal police force. If the permitted noise exposure limits are maintained or were to be tightened even further, this would pose a substantial threat to the airport's hub operations and to its intercontinental connections, especially from 10 p.m. onwards. As a consequence, numerous connecting feeder flights on European routes would also disappear.

2. Decline in demand/disruption due to external influencing factors

Experience over the past few years has shown that the air transport sector is sensitive to external events such as economic crises, acts of terrorism or pandemics. In addition, other external factors such as the political and macro-economic environment could have a negative impact on demand in both the aviation and non-aviation segments.

2.1 Geopolitical uncertainties

Geopolitical uncertainties could seriously impact airport operations, especially if they caused a slump in air travel as a result of security concerns, unpredictable political situations or a drop in spending power for example. Embargoes, such as cancelled flight routes for instance, could also have serious consequences for connections.

2.2 Energy shortages at the Zurich site

Energy shortages can severely impact operations at Zurich Airport. However, it can be assumed that, as key infrastructure, operation of the airport would be prioritised even in the event of power cuts or rationing. At its Zurich site, Zurich Airport Ltd. has recourse to various forms of energy that will enable it to remain operational, albeit at a much-reduced level.

2.3 Pandemics and epidemics

A pandemic could have severe company-wide effects, starting with a significant reduction in air traffic due to border closures, quarantine requirements and a lack of internationally coordinated action to tackle the pandemic. In addition, authorities could order businesses to close, which could have an appreciable impact on retail partners and therefore on the related revenue of Zurich Airport Ltd. In the event of large-scale employee absences due to illness or quarantine, it cannot be guaranteed that labour-intensive activities will be carried out to the usual quality standard.

2.4 Natural hazards

Zurich Airport Ltd. is constantly adapting to foreseeable developments resulting from climate change such as, for example, the general rise in temperatures, more prolonged periods of heat and drought, changes in the patterns and intensity of precipitation and wind, or shortages of renewable resources. Such developments are always taken into account when planning upgrades and extensions, for example to drainage systems, cooling plants or even handling processes.

It must be assumed, however, that climate change will also result in an increase in one-off events such as flooding following heavy rainfall. Wherever possible and cost-effective, property and business interruption insurance is taken out to mitigate the resulting financial risks. The same applies to risks from other events not caused by climate change such as earthquakes for example.

2.5 Suppliers and customers at the Zurich site

The home carrier at Zurich Airport flies over half the passengers who travel via Zurich Airport. SWISS, in turn, is integrated into the Lufthansa Group along with other airlines that offer hub systems at various locations. If the home carrier were to get into financial difficulty, a considerable number of long-, medium- and short-haul flights would cease operating. The fact that SWISS is integrated into its parent company Lufthansa increases the risk as it is then also dependent on the situation of other group companies. In the event of difficulties at these other group companies, or if political, economic and/or social circumstances change, the parent company could shift capacity between airports.

Zurich Airport Ltd. passes elements of its licence to operate the airport on to ground handling companies by issuing licences for ground handling operations. Zurich Airport Ltd. does not perform any ground handling activities itself. Swissport, the largest ground handler at Zurich Airport, commands around 80% of market volume in the main ground handling activities (passenger and ramp handling). If the market leader were to cease operating, Zurich Airport Ltd. would have to ensure the proper continuity of airport operations, including ground handling.

3. Interruptions to business due to operational events and IT systems failure

Given their tightly interconnected complexity, airport operations could be severely disrupted by operational events such as accidents or the failure of critical systems. Depending on the scale of the disruption, operations would have to be curtailed or even suspended altogether in order to maintain the safety of passengers and airport employees.

Nowadays, the majority of Zurich Airport Ltd.'s workflows and processes cannot be carried out properly without the aid of IT systems. A serious system failure could lead to the loss of personal, business-critical and/or confidential data. Such a scenario could result in major operational problems or even accidents. There is also the risk of severe interruptions to business that could conceivably last several weeks, with a concomitant loss of revenue on top of the costs for restoring operations.

4. International business

In addition to the risks already mentioned, projects abroad and international holdings inherently pose commercial and sector-specific risks comparable with those associated with operating Zurich Airport. Along with political risks, location-specific risks typically include country, market and currency risks that could severely impact future revenue prospects or even lead to the total failure of a venture.

When considering projects, both the financial risks and the political and economic risks are analysed in detail against the backdrop of the prevailing social and economic conditions. They are also continually monitored for existing activities. The same standards as practised at Zurich Airport apply.

Sustainability

Focus

Sustainability is central to Zurich Airport Group's corporate strategy. Accordingly, the company focuses on the long-term horizons of its business activities and takes its governance, environmental and social responsibilities very seriously.

Zurich Airport Ltd. is a semi-public listed company that owns and operates Zurich Airport, the most important transport and meeting hub in Switzerland. The company focuses on its core activities relating to the operation of airports and management of commercial centers, as well as on profitably managing and further developing real estate and the infrastructure at its Zurich site. It is increasingly also involved in holdings in foreign airports and their operation. Its portfolio includes majority interests in the airports at Florianópolis, Natal (integration in 2024), Vitória and Macaé in Brazil, at Antofagasta and Iquique in Chile, and in the airport currently under construction at Noida in India. Zurich Airport Ltd. believes that corporate value can only be increased over the long term by adopting sustainable business practices. Consequently, along with value creation, it has defined the principle of sustainability to be the overarching goal of its corporate strategy.

In the present report, which has been drawn up in line with the [Global Reporting Initiative \(GRI\)](#) standards, the company has recorded its various impacts on the environment and society. It shows both the positive and negative impacts of the Group's business activities at its various sites and what action Zurich Airport Ltd. is taking to mitigate adverse impacts and enhance positive effects along its value chain.

This section represents the non-financial report of the company in accordance with Art. 964a ff. of the Swiss Code of Obligations and gives an account of the relevant environmental (including CO₂ targets), social, workforce, human rights and anti-corruption matters. The business model and the material risks arising from these issues for third parties are described in this section. The risks for the company itself are described in the Annual Report. See the [Corporate profile](#) and [Risk management](#) sections of the Annual Report for further information.

Guidelines and implementation in the company

Zurich Airport Ltd. has been a signatory to the UN Global Compact (UNGC) since 2021. This obliges it to apply the ten principles of the UNGC relating to human rights, labour standards, the environment and preventing corruption in the conduct of its business. The core document to ensure this within the Zurich Airport Group is the [> Group Code of Conduct](#) which is binding for all its majority-owned holdings. It is available in English, German, Portuguese and Spanish and forms part of the contract of employment for all employees. Infringements of the Code of Conduct may have disciplinary consequences. Where subsidiaries adopt their own codes of conduct, at a minimum these must also comply with the requirements of the Group's Code of Conduct. To integrate the changes made to the Group Code of Conduct during the previous year, the codes for the subsidiaries in India, Chile and Brazil were amended accordingly.

GRI 2-23

The Code of Conduct stipulates minimum requirements with respect to behaviour and reporting on non-financial matters as are described in the present report. As well as human rights as prescribed by the United Nations [> Universal Declaration of Human Rights](#), it now also references the UN Guiding Principles on Business and Human Rights, the core labour standards 138 and 182 of the International Labour Organization (ILO) and the ILO Child Labour Guidance Tool for Business, which the company has pledged to uphold. How the company performs due diligence in this regard is described in the [> Human rights](#) section.

In addition, the company also has numerous other guidelines on specific topics. In Zurich for instance, there are guidelines on [> sustainability](#), on [> environmental protection](#) in general, on [> climate protection](#), on employees, as well as on safety and occupational safety. See the respective individual sections on each topic for further information.

The Board of Directors of Zurich Airport Ltd. exercises ultimate oversight of responsible business conduct as well as compliance with the UNGC's ten principles and the Code of Conduct. Its Audit and Finance Committee is responsible for non-financial reporting. The Management Board and the various heads of divisions are then responsible for implementing the sustainability strategy. They all bear equal responsibility for ensuring that the principles and guidelines of the company are followed in their respective divisions. The head of the "Finance & Services" division, along with the directly subordinate "Sustainability & Environmental", "Legal, Risk & Compliance" and "Financial Services" departments, are responsible for coordinating and developing sustainability-related matters. Together with the head of division, representatives from these departments steer the implementation of sustainability policies in close coordination with the relevant departments in the line organisation.

GRI 2-24

Sustainability strategy

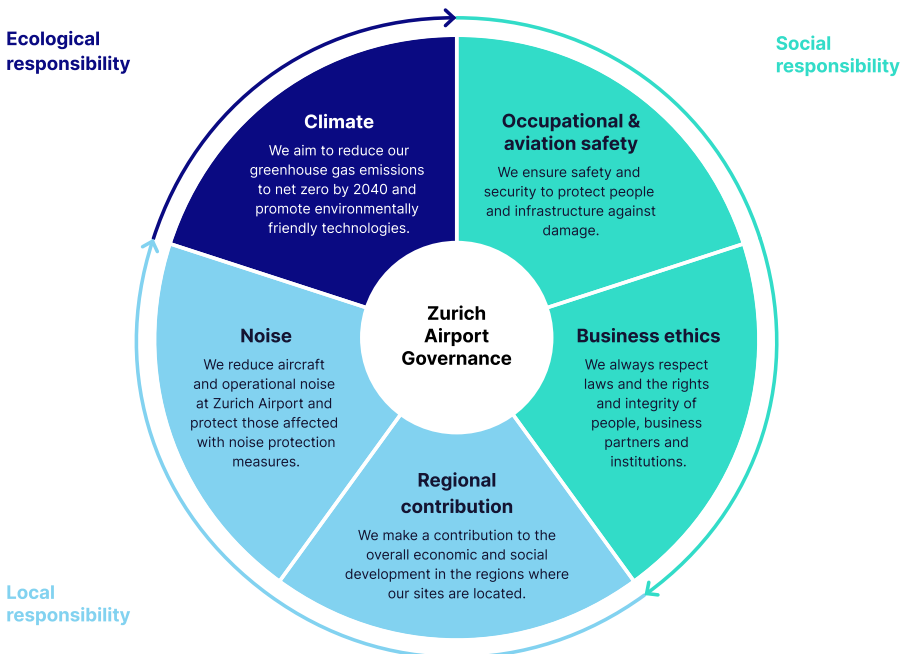
No fundamental changes were made to the sustainability strategy of the Zurich Airport Group during the year under review, but work ensued on its implementation. Interdisciplinary working groups were additionally established to oversee any sustainability issues that are not adequately reflected in the line organisation. These groups are tasked with applying their expertise to monitoring developments within their specific remit, and defining additional targets and measures where necessary.

In international business, the local sustainability strategies underwent further development. For Florianópolis, Vitória and Macaé in Brazil and for the two Chilean airports in Iquique and Antofagasta, targets were set for the most important sustainability topics (see the > [Sustainability topics](#) section). The sustainability awards won in the reporting year by the airports in Brazil operated by Zurich Airport Ltd. show that they are on the right track. For example, both Florianópolis and Macaé were recognised by the Brazilian civil aviation authority in their respective category as the most sustainable airports in the country. Vitória came in second, behind Florianópolis. In the case of the newly acquired airport in Natal, Brazil, which was only be integrated into the Group during 2024, its sustainability strategy will be defined during the current year.



Sustainability awards for our Brazilian airports Florianópolis, Vitória and Macaé

An overview of the topics and ambitions of the Zurich Airport Group is shown in the graphic below. The circular diagram is intended to underscore the fact that responsible management can only be mapped by addressing all five topics as complementary. Corporate governance is fundamental to the sustainability-oriented management of the company and represented accordingly in the diagram.



Sustainability ambitions of Zurich Airport Group

Sustainability topics

The Zurich Airport Group has to address a wide range of sustainability issues, but five topics are considered material.

The company first conducted a materiality analysis for its Integrated Report in 2021 to identify the scale of its economic, environmental and social impacts, not only at its Zurich site, but also at its majority-owned subsidiaries abroad. Every year the company reviews this materiality analysis and makes adjustments if necessary. No changes were made during the reporting year.

GRI 3-1

The impacts of the Zurich Airport Group can be summarised under 15 sustainability topic headings (see [> Overview of sustainability topics](#)). These include both sector-specific issues such as safety and noise, along with general concerns such as climate change, biodiversity or human rights. All the sustainability topics were assessed in relation to the significance of their impacts. Each of the topics was quantitatively evaluated, with the five having the highest scores being deemed material. Wherever possible this was done along the entire value chain to include both upstream and downstream processes. The existence of significant risks arising from business activities was likewise incorporated.

15

Sustainability topics

Many experts from various divisions across the Group were involved in the process of identifying and evaluating the topics. The viewpoint of stakeholders was taken into account both as estimated by experts internally as well as on the basis of specific feedback.

The following diagram shows all the sustainability topics identified, grouped into columns representing specific local, environmental and social impacts:



Overview of sustainability topics

The five topics that are material for the Zurich Airport Group are listed with a brief description below. They are described in greater detail together with related key data later in the report. A management approach is also explicitly stated as required by the GRI Standard.

GRI 3-2

Environmental topics for the whole of Zurich Airport Ltd. at the Zurich site are recorded and managed in an environmental management system that complies with international standard ISO 14001:2015. This management system was set up in 2001 and is audited every year.

Certified environmental management system

While all 15 sustainability topics identified are considered important, the five topics that have been classified as material and pertain to the Group's strategic focus have been prioritised (see > [Strategy](#)). For each of these topics, the company has defined actions to mitigate adverse impacts and enhance positive effects.

Topic	Description
Regional contribution	Contribute to value creation and economic development in the region and to quality of life and locational amenity in general.
Noise	Reduce noise arising from aircraft and operations and protect residents against excessive aircraft noise.
Climate	Reduce greenhouse gas emissions and take measures to counter the impact of climate change at our locations.
Occupational and aviation safety	Protect employees, customers, passengers and visitors as well as the infrastructure against damage arising from accidents or criminal acts.
Business ethics	Act reliably, transparently and fairly towards business partners, competitors and authorities.

Overview of material topics

A materiality analysis was carried out at each of the airports in Brazil and Chile during the year under review, using the 15 sustainability topics defined for the Group as a starting point. Interviews were conducted with internal experts and other people in key positions in the company, an online survey of external stakeholders was carried out, and a benchmarking exercise with companies in the same market was conducted. Internal and external documents were also consulted, for example guiding principles, reports, policies or media reports. The analyses thus produced a differentiated picture for each of the airports. As a result, targets specific to the individual issues identified at each location were defined which align with the ambitions of the Group as a whole.

Our contribution to attainment of the Sustainable Development Goals

By aligning their business strategy with sustainability, companies can make an important contribution to achieving the United Nations (UN) global development goals. The 2030 Agenda for Sustainable Development was adopted by member states of the UN in 2015. At its heart are 17 Sustainable Development Goals (SDGs) and 169 accompanying targets, with the aim of all member states attaining these goals by 2030. Switzerland and the other countries in which Zurich Airport Ltd. operates have pledged to support Agenda 2030 and the SDGs. The ways in which the company enhances positive impacts and mitigates adverse ones are set out below. Contributions to 15 of the 17 SDGs were identified as relevant, of which six directly associated with the five material topics defined in the sustainability strategy were additionally prioritised.



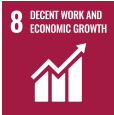
Overview of SDGs

More on the six prioritised SDGs:



Good health and well-being

Safeguarding the health and well-being of everyone at its airports is a top priority for Zurich Airport Ltd. Accidents and other incidents with adverse health consequences must be avoided. The company achieves this by instilling a culture of rigorous safety management, establishing high-quality infrastructures and offering opportunities and programmes to improve the health of employees. In addition, the company takes steps to eliminate or minimise potentially harmful emissions such as noise, air pollutants, waste or wastewater. And not least, airports also contribute to public healthcare, for example by providing the necessary infrastructure for speedy and safe air freighting of medical products.



Decent work and economic growth

By providing flight connections for passengers and freight, airports help stimulate business growth in their region. In addition, the airports operated by Zurich Airport Ltd. themselves make a major contribution to regional wealth creation. They offer employment and a source of income for variously skilled employees, and award contracts to other businesses. Zurich Airport Ltd. is a reliable and responsible employer which also invests in training and helping people join the workforce in all its majority-owned subsidiaries.



Industry, innovation and infrastructure

The Zurich Airport Group builds, maintains and operates high-quality, durable infrastructures. It develops forward-looking concepts and works together with local industry to implement them. This applies both to innovative building materials as well as to systems or solutions for its operations. The development of the airports favours the creation of additional durable and sustainable infrastructure such as railways, energy production or wastewater treatment plants that benefit sustainable industrialisation.



Sustainable cities and communities

Airports are part of the basic infrastructure of cities and stimulate regional dynamism. As well as contributing to the economy, Zurich Airport Ltd. contributes generally to raising the amenity value for people living in the vicinity of its airports by meeting environmental and social needs. These airports perform an important everyday role in people's lives – as workplaces, as transport hubs, or simply as places for meeting and shopping. At Noida, the company is planning further investment in building additional infrastructure for the local population, for example medical facilities, schools, drinking water supplies, roads and street lighting.



Climate action

The aviation industry is in the spotlight as a major contributor to greenhouse gas emissions in industrialised and developing countries. As airports also emit greenhouse gases as a result of their vehicle fleets and electricity, heating and cooling requirements, Zurich Airport Ltd. has been successfully working on reducing greenhouse gas emissions for many years. These efforts focus on measures to lower energy needs for both buildings and vehicles. The aim is to reach net zero greenhouse gas emissions from all its locations by 2040 at the latest. Moreover, Zurich Airport Ltd. works closely with partner firms at its airports to reduce greenhouse gases across the entire spectrum of airport operations, for example by installing aircraft ground power systems.



Peace, justice and strong institutions

The Zurich Airport Group conducts business fairly and acts in accordance with the law. By working transparently and cooperating with the authorities in the countries in which its airports are located, it helps to strengthen institutions and prevent corruption.

Stakeholder engagement

The Zurich Airport Group has a large number of stakeholders, both in Switzerland and at the airports it operates abroad.

Our stakeholders

Maintaining an open dialogue with stakeholders is vitally important to the Zurich Airport Group. The Group last performed a detailed analysis of its stakeholders in 2021 in connection with the materiality analysis, when they were grouped according to their interests and expectations. The same internal experts from the divisions who conducted the materiality analysis were involved in this process. The results were then validated with the assistance of an external consultant. In the reporting year, the list of stakeholders was again reviewed and found to still apply. The following ten stakeholder groups were defined:

GRI 2-29



Stakeholder groups of Zurich Airport Group

Zurich Airport Ltd. engages in open dialogue with its stakeholders. In Zurich, the 75th anniversary of Zurich Airport was used both as a springboard to look back at its history as well as to imagine the airport's future development. Through regular exchanges with stakeholder groups, the company can learn about developments in the areas concerned, and consequently identify potential risks to its business at an early stage. The following sections set out how these groups are defined, the forms of communication used and the respective focal issues.

Residents

Communicating with people in the region is important to Zurich Airport Ltd. In relation to noise specifically, the company actively exchanges information with public bodies such as the Zurich local residents protection association (SBFZ). Zurich Airport Ltd. provides information about its development plans and any related changes, ensuring its intentions and associated actions are communicated transparently through active participation in information events. It proactively communicates via the media as well as in collaboration with the respective political bodies. Particularly relevant during the year under review were the planned runway extensions, the airport's anniversary and the handling of delayed flights after 11 p.m. The company also liaises with citizens' organisations in connection with specific projects. Local residents affected by noise can contact a 24/7 noise hotline. See the [Noise](#) section for further information.

The company's majority-owned subsidiaries in Latin America also maintain close contacts with their local communities. All the airports operate a general telephone hotline for residents to report concerns about their local airport. All offer an online contact facility as well, for example to submit complaints.

Individual customers

No matter whether travellers or other types of visitor, Zurich Airport Ltd. considers it important to know the needs of its individual customers. A variety of contact options are available to customers. In Zurich, the company receives feedback directly at its contact desks at the airport, as well as over the telephone or online. Customer satisfaction is systematically analysed and benchmarked against other comparable European airports. The resulting data are used to identify and implement improvements on an ongoing basis. During the year under review, unusually long waiting times at security checkpoints and other impacts resulting from staff shortages at our airport partners were the issues most frequently raised by individual customers.

Zurich Airport scored highly this year again in regular customer satisfaction surveys carried out by third parties (see also [Awards](#)).

Airport partners

Besides the operator companies, numerous other partner firms (around 300 in Zurich) are involved in providing the myriad of services required to run the Zurich site. Almost all of these airport partners are in a direct contractual relationship, but for the most part they operate independently. Together with Zurich Airport Ltd. they ensure the smooth operation of the airport and provide a wide range of services and amenities. Along with police, rescue services and border police, the airport partners include the airlines and the ground handling, maintenance, cleaning and security firms directly involved in flight operations. Further partners are retail businesses, hospitality establishments and a wide range of firms that provide services to companies and private individuals.

As the licence holder for Zurich Airport, Zurich Airport Ltd. attaches great importance to a fair and transparent partnership with all its airport partners. It actively engages in dialogue with these partner companies, wishing to see them prosper to ensure high quality across the board. Evidence of this commitment is the large number of bodies that regularly meet, for example the Strategy Board which brings together executives at management board level, the Airline Operators Committee (AOC), the Airport User Board (AUB), and the annual meeting of airport tenants. Numerous bilateral meetings are also held.

Research and education

Zurich Airport Ltd. maintains close contacts with universities and organisations engaged in research and education. Senior executives and experts from the company regularly participate in public events and lecture at various universities. In addition, the company has been an active partner in European Union research programmes for many years, for instance the [SESAR](#) and [AVIATOR](#) programmes. Zurich Airport Ltd. regularly makes its personnel and infrastructure available for practice-centered research into new technologies.

Capital market

As a listed company, Zurich Airport Ltd. is obliged to comply with clearly defined requirements as regards transparency and reporting. For instance, there is an information obligation for facts of SIX Exchange Regulation that are relevant to the share price (ad-hoc publicity). Along with analysts and rating agencies, in particular shareholders and external capital providers need to be provided with a range of information.

Zurich Airport Ltd. regularly publishes relevant information about its business situation, such as annual and interim results, monthly traffic statistics and individual ad hoc press releases ([Investor News \[Ad hoc\]](#)), or by e-mail, and on its website (see [Information policy](#) for further information). Management and the Investor Relations department maintain a dialogue with the respective stakeholders through direct meetings or participation in conferences and roadshows.

Suppliers

Zurich Airport Ltd. and its subsidiaries purchase goods and services from thousands of different suppliers ranging in size from large multinationals down to small local firms. At Zurich Airport alone there are more than 3,000 suppliers. For many of them, Zurich Airport Ltd. is a major customer. Zurich Airport Ltd. is in regular contact with many of its suppliers about products and services, including their impact on the environment and society. Additional information about local suppliers and tendering requirements can be found in the [Regional contribution](#) section.

Media

Airports attract a great deal of interest from the public across a wide range of issues. Here the media play a dual reporting and multiplier role. Open and transparent information is important to the Zurich Airport Group. Its media offices provide timely, high-quality information as and when required. At the Zurich site during the year under review, the focus was very much on the airport's 75th anniversary.

Employees

The staff representation council (PeV) represents the company's Zurich-based employees at a collective level. See the [> Responsible employer](#) section for further information on employees and their right to be consulted.

The company has an open and transparent culture of communication, with many employees at Zurich Airport being on first-name terms for example. A wide range of communication channels are available at the Zurich site, ranging from a staff magazine to the intranet, along with e-mails from the CEO on current issues. In addition, regular events are held to enable the Management Board to meet senior executives and employees in person.

The areas on which the company is focusing and key developments during the financial year are communicated when the annual and interim results are announced. Employees are able to put questions directly to the Management Board during such events. The "GL im Gespräch" meet-the-management sessions facilitate regular dialogue with the workforce and enable all interested Zurich-based employees (including expats) to gain insights into strategic objectives and developments. Members of the Management Board are also available for informal and one-on-one conversations throughout the year. Significant issues for the workforce during the reporting year were the difficult labour situation across the board at Zurich Airport, the increase in the number of holidays, and further measures aimed at making the conditions of employment more attractive.

A similarly open and transparent culture of communication is encouraged at the company's locations abroad as well. The communication channels used vary from airport to airport.

Non-governmental organisations

The Zurich Airport Group communicates with numerous non-governmental organisations (NGOs). Owing to the wide-ranging nature of issues that arise at Zurich Airport, these include organisations from all spheres of society but in particular ones that are involved in business and commerce generally, labour organisations, or bodies concerned with matters of environmental protection, disability-friendly construction and light aircraft.

The Group also actively engages with NGOs in Latin America on a wide range of issues. In particular these include business and trade interest groups predominantly interested in economic development.

Governments and public authorities

Engaging in dialogue with legislators, administrative authorities and government agencies is very important for the Zurich Airport Group. Airport operation is a highly regulated business in all countries and is subject to both national and international regulations. At the same time, regional (cantonal in Switzerland) and municipal authorities are responsible for certain matters. The main topic in the reporting year was the deliberations on the planned runway extensions in the Zurich Cantonal Parliament.

At the Zurich site, a community event with representatives from the administrations of all five neighbouring municipalities is held every year. In addition, meetings on technical matters are organised with municipal authorities and agencies as and when required, usually in relation to building projects and to noise arising from aircraft, construction or

operations generally. Regular exchanges also take place with representatives of neighbouring districts in Germany.

At the cantonal level, regular or ad hoc meetings take place with members of the Government Council, the Cantonal Parliament or the competent authorities, in particular with the Office for Mobility of the Canton of Zurich. Similarly, dialogue is conducted at the federal level with the Federal Council, with commissions of the Federal Assembly or individual members of parliament, or in particular with the Federal Office of Civil Aviation (FOCA). Zurich Airport Ltd. addresses political issues in a "Political Newsletter" aimed at politicians and officials which is issued at least four times a year. The company also takes an active interest in legislative matters, primarily in relation to infrastructure, transport, spatial planning and environmental policy issues.

The company's airports abroad also communicated regularly with governments and local authorities, among other things with regard to further development of the concession models and specific airport development projects.

Memberships

Zurich Airport Ltd. is a member and/or partner of various industrial associations, chambers of commerce and local organisations. In particular, the company contributes personnel or funding to the following associations and organisations: Aerosuisse, Aviation Suisse, economiesuisse, LITRA Information Service for Public Transport, Zurich Chamber of Commerce, Unternehmergruppe Wettbewerbsfähigkeit, Flughafenregion Zürich association, Pro Airport association, Komitee Weltoffenes Zürich, Greater Zurich Area, Avenir Suisse, the freiwillig@Kloten volunteers association, Lifefair Platform for Sustainability, the German Airports Association (ADV), and Airports Council International (ACI) Europe/LAC (Latin America and Caribbean)/APAC (Asia Pacific). Also in Brazil: GRI Club, Associacao Nacional das Empresas Administradoras de Aeroportos (ANEAA), American Chamber of Commerce (AMCHAM). And in India: Association of Private Airport Operators (APAO), Air Cargo Forum India (ACFI) and Air Cargo Agents Association of India (ACAAI).

GRI 2-28

Zurich Airport Ltd. is also a member of the Swiss Business Council for Sustainable Development (Öbu) and a signatory of the UN Global Compact.

Local impacts

Regional contribution

The Zurich Airport Group provides excellent infrastructure at its airports that benefits the entire surrounding regions.

Relevance

Zurich Airport Ltd. makes a significant contribution to economic and social development in all the regions in which its airports are located. As a responsible company and major regional player, its activities impact not only its own business, they also exert a positive influence on the wider economy and society at large. By providing flight connections to a wide range of destinations, it performs the key service of linking a region or – in the case of Zurich – an entire country to the world. Airports create jobs and generate economic value in a region, both directly and indirectly through regional suppliers and service providers. In addition, they make a valuable contribution as land-based travel hubs, as places for shopping, meeting up or leisure, and as partners in research and education. Last but not least, Zurich Airport Ltd.'s regional sponsorship programmes help encourage a diversity of cultural life in the regions around its airports.

GRI 3-3

Approach and progress

Direct flights as a locational advantage

The role of Zurich Airport as a European gateway to the global aviation network is both a requirement of its operating licence from the Swiss government and is anchored in the company's purpose. Fulfilling this mandate for the benefit of Switzerland is an integral part of the company's identity, both on a day-to-day operational basis and as part of its long-term infrastructure development.

The direct European and intercontinental flights offered at Zurich Airport provide key locational advantages for the region and Switzerland as a whole. As well as bringing tourists to the country, the excellent global links attract businesses to locate here and help them grow, in turn making the region a highly desirable place to live and work. Along with passenger transport, freight is also an important economic driver.

Zurich Airport Ltd. is actively striving to maintain existing direct flights at all its airports and launch attractive new ones by liaising closely with airlines to identify potential routes. It also aims to provide high-quality airport infrastructure across the board so that it remains attractive to airlines wishing to offer flight routes.

In the reporting year, Zurich Airport regularly served 200 destinations (2022: 195) in 72 countries (2022: 73). The number of destinations served by direct flights was therefore higher than ever before.

Flights to

200

destinations from Zurich

Regional value creation

The Zurich Airport Group makes a major positive contribution to wealth creation in the regions where its airports are located. As well as its own investment and expenditure, the countries concerned benefit indirectly from taxes and income from charges.

GRI 203-1

Every year the company invests several hundred million Swiss francs in infrastructure development. Since its privatisation in 2000, it has invested an average of CHF 1 million per working day in developing and maintaining Zurich Airport. It consequently helps to shape the region's identity, provides jobs and income, and is a major commissioner of construction work. See the [Business update](#) section for information on current development projects.

Invested approx. CHF

1 million

per working day in Zurich since 2000

Over the course of 2023, Zurich Airport Ltd. also invested considerable sums of money in infrastructure at its sites abroad. Notable investments include construction of the new Noida Airport in India, the new runway in Macaé in Brazil, and the expansion and upgrading of the Iquique Airport terminal in Chile.

Through supplier and service relationships, other companies and their employees also benefit from these investments. Where service levels are comparable and public procurement rules permit, Zurich Airport Ltd. gives preference to local companies when awarding contracts.

The importance of local procurement relationships at the Zurich site is evident from the volume of contracts awarded to local suppliers in the cantons of Zurich, Zug, Aargau, Schaffhausen, Thurgau, Schwyz and St. Gallen. In the year under review, 81.7% (CHF 472.2 million) of the relevant procurement total of Zurich Airport Ltd. approximately CHF 578.1 million went to local companies.

GRI 204-1

Zurich Airport Ltd. counts as a government contracting entity in the transport sector and is therefore obliged to comply with public procurement law. This applies both to procurements covered by the relevant international treaties as part of GATT/WTO or with the EU and those not covered by such agreements. Procurements are put out to tender in accordance with federal law. Further information may be found in the [Anti-corruption](#) and [Human rights](#) sections.

Zurich Airport Ltd. regularly commissions a study on the economic importance of Zurich Airport. According to the latest study conducted in 2022 by the research and consultancy firm Infrac AG, the airport generates approximately CHF 7 billion annually for the economy. This is equivalent to around 4.4% of the gross domestic product of the canton of Zurich, or just under 1% of Switzerland's total GDP.

CHF

7 billion

generated by Zurich Airport

The company's business activities also benefit the regions and countries where its airports are located thanks to the charges and taxes they generate. Since privatisation in 2000, Zurich Airport Ltd. has paid direct taxes of around CHF 810 million in Switzerland and CHF 517 million in dividends has flowed into the public purse. In financial terms alone, its contribution thus amounts to more than CHF 1.3 billion over the last 23 years.

The Swiss Confederation accounts for 19%, the Canton of Zurich for 53%, the City of Zurich for 5% and other towns and municipalities for 23%.

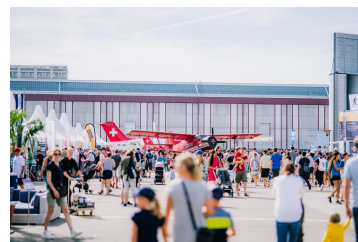
In the case of its international subsidiaries, concession fees for the operation of the airports concerned are also paid to the respective governments. These fees are payable either at the time the concession agreement is signed or are spread over the term of the concession. Details can be found under [note 24.7, Concessions for the operation of foreign airports](#).

Meeting and recreation spaces

Airports are more than just the start and end points of flights, they are also commercial centers and places where all manner of people come together. By offering access to shopping malls, service providers and a wide range of leisure facilities and experiences, Zurich Airport plays an important role in the everyday lives of the people who live and work in the region.

Zurich Airport furthermore functions as a central public transport hub for the area to the north of the City of Zurich, connecting to both local and intercity services. With around 450 train, 400 tram and 700 bus services daily, Zurich Airport is one of the best-connected locations in Switzerland. A statutory requirement in relation to access journeys to the airport stipulates that the proportion of public transport used must be at least 46% by 2030. At the time it was last measured in 2017 this figure was 44%.

With its diverse range of offerings, Zurich Airport Ltd. enables a wide audience to experience Zurich Airport. In the year under review, the standout attraction was undoubtedly the festival to celebrate the airport's 75th anniversary. It drew in over 140,000 visitors over three days of celebrations in September. A large number of guided tours and bus trips run almost every day throughout the year, some in collaboration with the airport's partner companies. The observation decks enable visitors to experience flight operations up close. On average around 300,000 people visit them each year.



Zurich Airport's 75th anniversary festival

The airport is also a popular place to hold conferences, business meetings and events of all kinds. The Circle and adjacent 80,000m² of recreational green space also provide further opportunities for spending time, exploring or meeting up with people.

With numerous cafés and restaurants, plane spotting locations and nature conservation areas, the extensive environs around Zurich Airport's runways also offer further recreational spaces that draw additional visitors. Zurich Airport Ltd. is keen to maintain these attractive amenities around the airport in future. The popular plane spotters' hill on the western side of the airport was removed during the year under review to make way for the "Zone West" construction project. There are plans to rebuild it at another location with an even better view of the activities on the airfield.

The table below shows participant numbers for visitor activities at Zurich Airport. Due to the restrictions imposed during the Covid-19 pandemic, the figures are not directly comparable.

Zurich Airport Ltd., Zurich site	Unit	2019	2020	2021	2022	2023
	Number of groups	3,456	856	1,482	3,177	3,420
Guided tours and bus tours conducted	Number of persons	71,614	14,741	26,956	63,659	70,314

Where possible, Zurich Airport Ltd. is developing concepts for positioning airports as recreational destinations at its subsidiaries abroad too. Florianópolis in Brazil has a leisure and recreation “Boulevard 14/32” with over 11,000m² dedicated to dining, shopping and concerts. 26 events were held during the year under review, attended by a total of 65,000 people. 730 visitors also took part in 26 guided tours of the airport.

Partner in research and education

Zurich Airport Ltd. supports universities and organisations engaged in research and teaching, and makes an important contribution in a regional context too. It makes personnel available to universities and institutions such as Zurich University, the Swiss Federal Institute of Technology (ETH) in Zurich, the Zurich University of Applied Sciences (ZHAW), the University of St. Gallen (HSG) or the Lucerne University of Applied Sciences and Arts for practice-centered lectures, assisting with case studies or reviewing dissertations. Universities and organisations furthermore make use of Zurich Airport’s resources as a platform for hands-on research into new technologies, in particular for aviation-related topics, but also generally in various other areas. The collaborative focus here is on the development and utilisation of technologies and processes for improving operational safety and efficiency and on mitigating environmental impacts. Zurich Airport Ltd. also plays a role in providing graduate employment opportunities.

Sponsorships and partnerships

With its > [regional sponsorships](#), Zurich Airport Ltd. contributes to a vibrant civil society in Zurich as well as to sport and culture in the region. Alongside smaller local clubs and non-profit organisations, Zurich Airport Ltd. also supports town and village festivals and various cultural events in the Zurich region. As well as purely financial support, it also provides services in-kind.

As Zurich Airport Ltd. is its main sponsor, in Zurich the highest monetary sponsorship during the reporting year went to the Young Flyers. Over 720 youngsters belong to this ice hockey association. Many smaller local clubs and organisations also benefited from sponsorship money. The company furthermore has strategic partnerships with some individual organisations such as Switzerland Tourism, Zurich Tourism, the Swiss Museum of Transport, Food Zurich and the Zurich Film Festival.



A player from EHC Winterthur, one of the clubs belonging to Young Flyers. Source: EHC Winterthur Juniors / Ivo Scholz Fotografie

At its locations abroad, Zurich Airport Ltd. organises and supports community activities that benefit local people. In Brazil, these include cultural events as well as more socio-ecological projects such as “Água e Vida”. This campaign aims to educate and raise awareness about protecting the oceans and organises annual beach clean-ups at each site. In Vitória, information panels about protecting coastal vegetation were also funded and set up at Curva da Jurema, a section of beach in the vicinity of the airport. The project also included topic-related NGO-run events in surrounding districts. In cooperation with the authorities in Chile, various awareness-raising campaigns were run at the airports there, including on road safety and preventing domestic violence.



Children picking up litter at the beach in Vitória as part of the “Água e Vida” project.

At Noida in India, community engagement with the surrounding municipalities is very important. Run in conjunction with an NGO, an educational programme to provide vocational training for young adults benefited 75 people during the reporting year. Various courses were offered, ranging from basic computer skills to rescue services to bookkeeping. Once the airport has commenced operation, investment in areas such as medical services, schools, the provision of drinking water or roadbuilding are planned over a period of five years, for example installation of manual water pumps or the renovation of a school building.

Noise

Aviation operations inevitably involve a degree of noise for neighbouring communities, especially at the Zurich site. The Zurich Airport Group is aware of this and employs numerous measures to minimise adverse impacts.

Relevance

Aircraft noise is a major consequence of flight operations and can be a nuisance for many people living in the vicinity, especially at Zurich Airport. Following the relatively peaceful years during the Covid-19 pandemic, towards the end of the reporting year noise exposure had returned to the pre-pandemic level. Compared with other hubs in Europe, Zurich Airport has some of the strictest night-time flight curfews. Nevertheless, night-time flights are especially likely to attract criticism.

GRI 3-3

Where noise arises and how loud it is perceived to be depends on a variety of interrelated factors. One key factor is the orientation of runways and flight paths, which depend on the nature of the terrain and the prevailing weather conditions. Another is the flight timetables of airlines, with the aircraft fleets they deploy being a further major factor. Advances in engine technology are another key factor. However, this is in the hands of the airlines and can only be indirectly influenced by airports (through [noise charge](#) incentives for example). Urban development, too, cannot be disregarded as in recent decades this has brought ever more residents into areas affected by noise at the Zurich site despite the planning and construction-related restrictions due to noise protection legislation and the cantonal planning guidelines.

Noise is less of an issue for the company's majority-owned subsidiaries in Brazil and Chile where the volume of air traffic is much lower. In the case of Brazil, the number of flight movements at all sites is below the threshold as of which the government demands that noise be monitored. Moreover, most take-offs and landings in Brazil are over the sea, while the airports in Chile are sited well away from large conurbations.

Approach and progress

Zurich Airport Ltd. employs technical, structural, operational and financial measures to tackle aircraft noise, all of which are aimed at reducing noise at source and along propagation pathways. At Zurich Airport it seeks to ensure that noise does not exceed the emission limits in any residential areas outside the zone defined in the Sectoral Aviation Infrastructure Plan (SAIP). In contrast to 2021 this target was not met in 2022 (figures for the reporting year are not yet available, see [Noise statistics](#)). The reasons are explained in the following section "Night flights and special authorisations". In addition, the Zurich Airport [sound insulation programme](#) includes various passive noise mitigation measures which Zurich Airport Ltd., as the originator of the noise, is obliged to put in place. These include in particular the installation of sound-insulating windows in living rooms and bedrooms. The company is aiming to install sound-insulating windows in at

least 200 further properties a year between 2022 and 2026, or alternatively to reimburse homeowners. As in recent years, this target was also met in 2023.

Communication with local residents

Zurich Airport Ltd. is aware that aviation noise can be perceived as a nuisance and that the public has a need for information. Transparent information and dialogue with residents are vital. The company has therefore reported on the measures it has taken and provided updates on noise statistics and flight operations for many years already. For instance, the number of take-offs and landings at the Zurich site, broken down by runways and flight paths, is reported on the company's website each day. Residents affected by aircraft noise can call or use an [online form](#) to contact Zurich Airport Ltd. directly with any queries or concerns, and staff from the Noise Management department will respond to specific questions.

Besides individuals, a number of bodies including municipalities in the airport vicinity, the Canton of Zurich and other neighbouring cantons, districts across the border in Germany and a variety of agencies and citizens organisations concerned with air traffic noise make representations to Zurich Airport. The company maintains a regular dialogue with these groups too. Exchanges are more frequent ahead of changes to take-off and landing operations.

In the reporting year, the number of enquiries and complaints declined by just under 20% compared to the previous year. The most frequent reason for enquiries and complaints concerned the inbound flights from the south in the evening hours and regular aircraft delays after 11 p.m. (see [Noise statistics](#)).

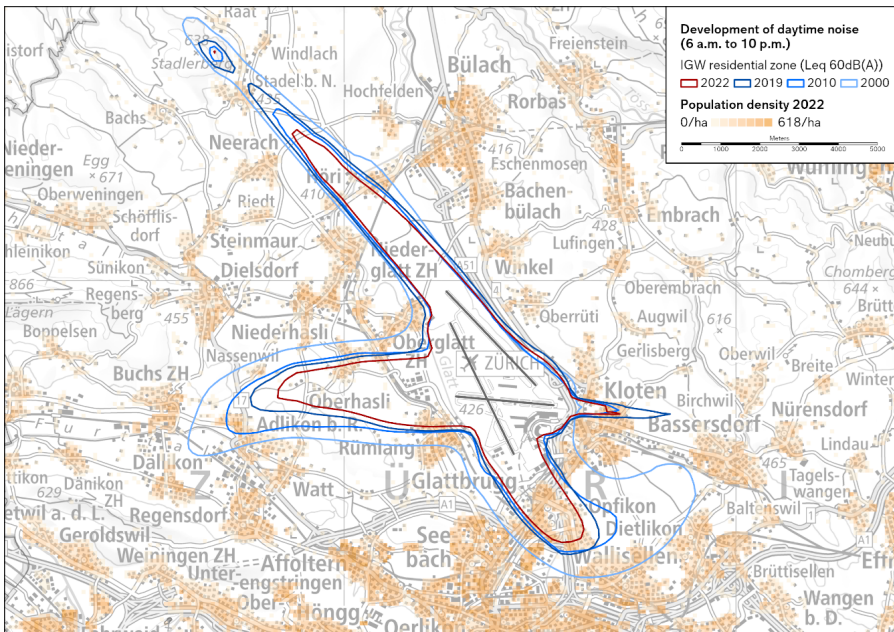
Noise exposure is less of an issue in Brazil and Chile. Nevertheless, complaint channels are provided at each of the airports in [Florianópolis](#), [Vitória](#) and [Macaé](#), available for noise information and complaints. The environmental licences of these airports are subject to the obligation to set up an easily accessible digital hotline for noise complaints and to submit quarterly reports to the authorities. See the [Business ethics](#) section for more information.

Noise monitoring

In order to objectively assess the noise situation and levy noise-related charges, it is necessary to have accurate measurements of noise levels. Data on air traffic noise in the vicinity of Zurich Airport have been collected since 1966. A network of [noise monitoring stations](#) currently at 14 fixed locations near arrival and departure routes is operated. The system automatically links the noise data recorded by these monitoring stations to the corresponding flight movements. These data are published monthly in a [noise report](#) that can be freely accessed on the company's website. As prescribed by the Sectoral Aviation Infrastructure Plan (SAIP), aircraft noise exposure and the progress of mitigation measures are analysed in a comprehensive report each year which is submitted to the Federal Office of Civil Aviation (FOCA). This report is then used as the basis for taking corrective action (see [Night flights and special authorisations](#)).

Following the recovery of air travel, which had almost come to a complete standstill in 2020 due to the Covid-19 pandemic, the number of take-offs and landings increased during the reporting year compared with the previous year. The volume of air traffic had almost reached pre-pandemic levels again by the end of 2023. Accordingly, an equivalent or higher level of aircraft noise than in the previous year was recorded during

daytime hours at the four main monitoring stations. However, the figures did not reach the 2019 level at all monitoring stations.



Daytime noise trends (6 a.m. to 10 p.m.), emission limits for residential zones (Leq=60dB(A))
Sources: EMPA, Statistical Office of the Canton of Zurich, swisstopo

The diagram above shows changes in exposure to aircraft noise at Zurich Airport over time. It shows the noise contour emission limits for residential zones for various years. Comparing the noise contours from different years shows the reduction in noise exposure despite a steady rate or increasing amounts of air traffic. This can be attributed to technical advances in aircraft design resulting in lower noise emissions. The sole exception is 2022, in which the reduction in noise was due to fewer flight movements. The current noise contours for the reporting year will only be available at mid-year.

Flight path monitoring

Take-off routes from Zurich Airport were configured to avoid low overflights of densely populated areas wherever possible. The Noise Management unit monitors all aircraft departing Zurich Airport for adherence to the prescribed flight paths. These are mandatory during daytime at least up to an altitude of 5,000 feet (approximately 1,500 m above sea level) and at night up to flight level 80 (approximately 8,000 feet or 2,500m above sea level). Compliance with these noise-optimised flight paths is monitored with the aid of the Airport Track And Noise Monitoring System (ATANOMS).

An aircraft may only deviate from the prescribed flight path if there is good reason to do so, for instance to avoid storm clouds or following instructions from an air traffic controller. If there is no legitimate reason, an investigation is triggered, and the pilot in question will be asked to submit a statement in writing. These investigations often also involve interviews with representatives of the airlines. If the investigators are not satisfied, the matter may be referred to FOCA. This constant monitoring encourages the airlines to optimise the take-off phase at all times.

As in the previous year, the most frequent reason for deviations from the prescribed flight paths were specific instructions from air traffic control. 132 (2022: 138) investigations into unjustified deviations were launched and 38 (2022: 39) interviews with chief pilots were conducted.

Night flights and special authorisations

Residents living near Zurich Airport perceive night-time flights to be particularly intrusive. Complaints are often received about flights after 11 p.m. Together with its partner companies, Zurich Airport Ltd. has taken steps to reduce the number of flights after 11 p.m. It is not yet possible to implement the key measures that would bring about a lasting improvement, such as better separation of take-off and approach routes, or extending the two shorter runways. Given the lengthy decision and approval processes involved, this could take several more years. Short to medium-term measures include planning for and providing sufficient personnel and optimising operational processes.

In 2023, 13,564 flights (2022: 10,109) were at night (10 p.m. to 6 a.m.). Special authorisations were issued for a total of 310 flights (2022: 241 flights) during the night-time curfew period (11.30 p.m. to 6 a.m.). Such night flights are only authorised when there are justifiable grounds (see [Noise statistics](#)). The many night-time flights were due in particular to the unsatisfactory delays at many European locations, a result of staff shortages. After the pandemic, it was not possible to build up ground handling, security and air traffic control staff numbers in time.

Use of the noise protection hangar

The soundproofed hangar built at Zurich Airport in 2014 greatly helps to reduce the noise from engine ground testing. Engines from aircraft up to the size of a Boeing 747-8 can be tested in the hangar. In contrast to the previous year, when the hangar was out of action for months, in the reporting year all engine tests – with just a few exceptions – were carried out inside the hangar. Although it significantly reduces noise exposure for nearby residents, the hangar does not completely eliminate the noise so there are set limits for the number of tests that may be run.

The majority of engine tests carried out at night were for short-haul and medium-haul aircraft (80% of all night-time engine tests). Most engine tests for long-haul aircraft such as the A340, A330 and B777 and all other aircraft types were performed during the day. The permitted noise level was exceeded in two individual time slots in 2023. This is significantly fewer than the maximum of 25 instances per year permitted by the operating regulations. According to figures provided by the aircraft maintenance companies, 757 idle tests were performed on the apron and on the stands. 313 of these were run at night (between 10 p.m. and 6 a.m.).

Noise charges and Airport Zurich Noise Fund

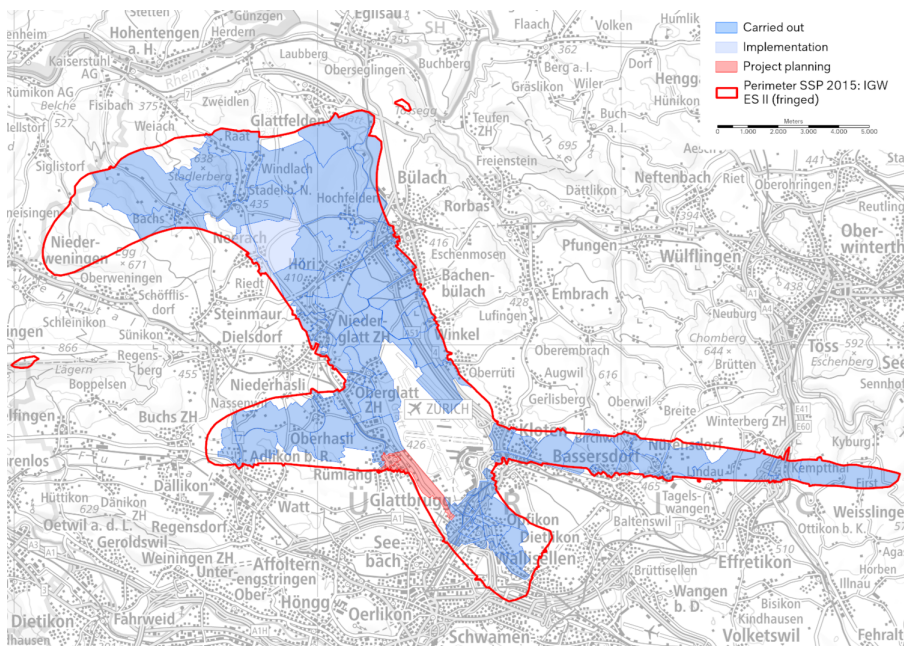
Levying noise-related charges gives airlines a financial incentive to operate the quietest possible aircraft on their Zurich routes. All jet aircraft are assigned to one of five noise categories, each of which has a different charge rate based on the time of take-off and landing. In addition, shoulder and night surcharges are applied to flights between 9 p.m. and 7 a.m. These may vary according to noise category and the specific take-off or landing time.

Until the end of 2020, all income from noise charges was credited to the Airport Zurich Noise Fund (AZNF). AZNF funds are used primarily to cover the costs of noise mitigation measures, in particular the [sound insulation programme](#), the south-side sound insulation concept, and the costs of meeting compensation claims for noise and overflying. As the law currently stands, the AZNF has sufficient assets to cover the known future costs for these purposes. Since then, therefore, revenue from [aircraft noise charges](#) has been reallocated to the “Aviation” segment. Further details about AZNF can be found in [note 20, Airport Zurich Noise Fund](#).

A total of CHF 15.4 million in revenue was generated from aircraft noise charges in 2023. Of this, CHF 6.2 million were from standard charges applicable to all 24 hours, and CHF 9.2 million were from surcharges levied during shoulder periods and at night. The surcharges were last adjusted in 2019.

Sound insulation

As the airport’s operator, Zurich Airport Ltd. is obliged to pay the costs of sound insulation measures in properties in the communities around Zurich Airport that are exposed to excessive aircraft noise. As its main measure, the company plans to install sound-insulating windows in at least 200 properties a year between 2022 and 2026, or alternatively to reimburse homeowners. In the year under review, this target was met with 205 properties (properties with their own house number).



Sound insulation programme – window measures in 2023; Source: swisstopo

In addition, in areas where night-time noise exposure limits are exceeded, the company is offering owners the option of installing automatic window-closing systems or sound-absorbing ventilators. Owners of properties with bedrooms which are located within a clearly defined perimeter, and which were not subject to any obligation to install sound insulation during construction or conversion, are eligible to benefit from these passive noise mitigation measures. Property owners who have already taken the initiative of fitting sound-insulating windows themselves are reimbursed by Zurich Airport Ltd.

From 1999 through 2023, approximately CHF 313 million was spent on sound insulation measures in around 5,760 buildings. Of CHF 12.2 million expenditure in 2023, CHF 0.7 million was spent on project planning, CHF 10.1 million on refurbishments and CHF 1.4 million on reimbursements. This expenditure was funded entirely by the AZNF.

Since 1999 CHF

313
million

spent on sound insulation measures

Zurich Airport Ltd.'s south-side sound insulation concept is designed to prevent local residents being awoken by early-morning inbound flights from the south. At the request of owners, the company will install automated window-closing systems or sound-absorbing ventilators in bedrooms in the areas affected. After phase 1 was completed, on 19 January 2021 FOCA published its decision on phase 2 of the south-side sound insulation concept with a larger perimeter. Following an objection raised by a neighbouring community which seeks to have the perimeter further extended to include the whole municipality, however, the case is now before the Supreme Court after the Swiss Federal Administrative Court referred it up.

As part of phase 1 of the south-side sound insulation concept which was completed earlier, around 1,100 window-closing systems and 900 sound-absorbing ventilators were installed in bedrooms between 2016 and 2018. The total costs amounted to around CHF 3 million.

Noise compensation (formal expropriations)

As air traffic noise can affect the value of a property, the company is faced with around 20,100 claims for compensation from property owners around Zurich Airport. The compensation claims were submitted at the time the airport was privatised and following the imposition by Germany of restrictions on flight approaches over its territory. Any new claims may now only be submitted if there are substantial changes to flight operations; as a result no further claims have been submitted to Zurich Airport Ltd. since then. Of the compensation claims received, as at the end of 2023 over 15,002 (75%) had been concluded, with CHF 87.8 million being paid in noise compensation. All noise compensation claims are paid from the Airport Zurich Noise Fund (AZNF).

As there are very few provisions regarding noise compensation or direct overflights in federal legislation, every open question of law must first be tested in the relevant courts. Legal test cases are being conducted in the interests of processing outstanding claims efficiently. They are helpful both for clarifying questions of law and for obtaining legal rulings regarding the specific situation in the various airport regions.

Noise statistics for Zurich Airport

AO7

Zurich Airport, Switzerland	2019	2020	2021	2022	2023
Number of residents ¹⁾ above alarm value	6,413	0	71	3,745	n/a ²⁾
Number of residents above immission limit	56,348	10,303	17,449	49,143	n/a ²⁾
Number of residents above planning limit	144,518	34,903	47,402	131,686	n/a ²⁾
Total residential area outside SAIP emission limit (ha) ³⁾	96.2	0.0	0.0	77.7	n/a ²⁾
Residential area daytime (6 a.m. - 11 p.m.) outside SAIP emission limit (ha)	0.0	0.0	0.0	0.0	n/a ²⁾
Residential area 1st night-time hour (10 p.m. - 11 p.m.) outside SAIP emission limit (ha)	15.6	0.0	0.0	16.9	n/a ²⁾
Residential area 2nd night-time hour (11 p.m. - 5 a.m.) outside SAIP emission limit (ha)	80.6	0.0	0.0	60.8	n/a ²⁾
Daytime aircraft noise levels ⁴⁾ at NMT 1/3/6/10 (dB[A]) ⁵⁾	66/59/66/59	61/55/59/55	62/55/60/54	64/57/64/57	64/59/65/59
Number of engine ground tests in the noise protection hangar during the day/night	273/214	303/103	284/93	58/23	307/109
of which number of exceedances of the permissible noise exposure level	3	2	6	0	2
outside the noise protection hangar during the day/night	1/0	1/0	19/2	134/13	8/0
Number of registered flight path deviations/investigated	4144/136	3628/83	4584/89	4837/138	5202/132
Number of night flight movements (10 p.m. - 6 a.m.)	12,968	3,157	4,422	10,109	13,564
of which in the first hour (10 p.m. - 11 p.m.)	10,342	2,770	3,755	7,733	10,058
Number of special authorisations for night flights issued ⁶⁾	272	69	75	241	310
of which emergency, relief and rescue flights	65	31	23	38	30
of which police, military and government flights	20	12	1	7	9
of which various other types of flight	187	26	51	196	271
2010 Sound Insulation Programme: number of properties fitted ⁷⁾	6,400	6,700	5,350	5,560	5,760
Number of complaints and enquiries relating to noise ⁸⁾	2,588	891	817	3,330	2,695

1) Encompassing noise contours

2) Figures will be calculated by Empa and published only after this report is published.

3) Emission limit SIL = area where emission limits are exceeded in the Sectoral Aviation Infrastructure Plan and in the structure plan of the Canton of Zurich.

4) Energy-equivalent continuous sound level of daytime aircraft noise (6 a.m. - 10 p.m.)

5) NMT = Noise Monitoring Terminal, 1 = Rümlang, 3 = Oberglatt, 6 = Glattbrugg, 10 = Nürensdorf

6) Special authorisations can be granted during the night-time curfew period in the event of unforeseeable extraordinary events.

7) Number of buildings and properties renovated to date, incl. Reimbursements; As of 2021, the properties not entitled to any measures are no longer included.

8) Includes complaints and enquiries relating to noise nuisance, flight paths, increased air traffic, etc.

Environmental impacts

Energy and climate

Reducing the company's greenhouse gas emissions to net zero by 2040 is one of Zurich Airport Group's top priorities.

Relevance

As far back as 1991, Zurich Airport Ltd. began taking steps to reduce CO₂ emissions at the Zurich site. And despite expanding the infrastructure and doubling passenger numbers in the same period, it has succeeded in cutting annual emissions at Zurich Airport by around 50%. To play its part in limiting the global temperature rise to well below two degrees in line with the Paris climate agreement, the Zurich Airport Group is aiming to cut its own greenhouse gas emissions (Scopes 1 and 2) to net zero by 2040.

GRI 3-3

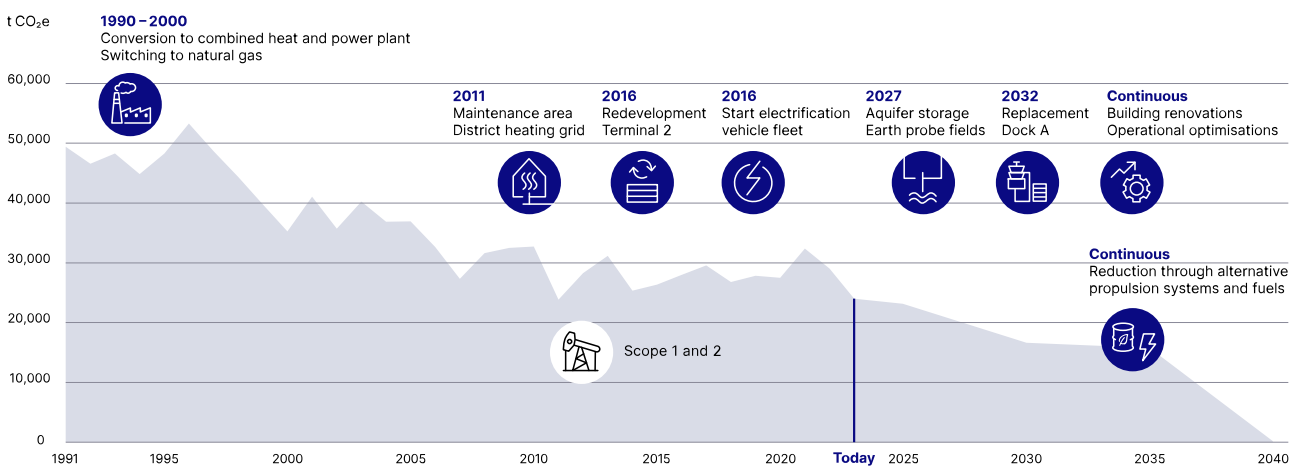
Of the known greenhouse gases, only carbon dioxide (CO₂) is emitted in any significant quantity at airports. Each year, therefore, Zurich Airport Ltd. records the CO₂ emitted by each of its airports in an emissions inventory in accordance with the Greenhouse Gas Protocol. Other greenhouse gases, such as those emitted by refrigerants for example, are recorded as CO₂ equivalents. All greenhouse gas sources are allocated to different spheres of influence known as "scopes". Scope 1 comprises sources within the company. At the Zurich site these mainly include heating systems, in-house electricity generation and the vehicle fleet. Scope 2 relates to emissions resulting from generation of the energy purchased from external suppliers. Finally, Scope 3 covers all other airport-related sources (e. g. ground handling and aircraft, including flights to the final destination) plus sources from upstream and downstream processes, for example in connection with landside access traffic, energy production or waste disposal. At over 99%, by far the majority of emissions arising at Zurich Airport as a whole fall into Scope 3.

Besides reducing its own greenhouse gas emissions, the company is also facing the challenge of adapting to climate change that is already happening as this affects airport operations in numerous ways. Changing precipitation and wind patterns are just one example of the effect of rising average temperatures that require the company to take infrastructural and operational measures. An analysis of the impact on the company and resulting risks was carried out during the year under review. The measures that consequently need to be taken will be determined during the present year.

Approach and progress

Net zero by 2040

The Zurich Airport Group is endeavouring to reduce its energy demand and fossil fuel consumption as much as possible in order to lower associated greenhouse gas emissions. It has set itself the goal of reducing its Scope 1 and 2 greenhouse gas emissions at all its airports to net zero by 2040. This means that any remaining anthropogenic greenhouse gas emissions must be offset by removal of carbon from the atmosphere so that the balance is zero. In other words: those who continue emitting greenhouse gases must also ensure that they remove an equivalent amount from the atmosphere for a given period. As an interim target, the company is aiming to reduce its annual greenhouse gas emissions at the Zurich site to just 20,000 tonnes by 2030. To help it meet these targets, the company has drawn up a gradual [reduction roadmap](#).



Greenhouse gas emissions of Zurich Airport Ltd. at the Zurich site since 1991 and planned reduction roadmap to 2040

The biggest contributor to greenhouse gas emissions in Scope 1 at Zurich Airport is the airport's own combined heat and power generation plant which both produces electricity for the airport and distributes heat over a district heating grid. Although the plant is operated efficiently with natural gas or fuel oil, it nevertheless emits a considerable amount of greenhouse gases. A priority for Zurich Airport Ltd. is therefore to reduce energy demand in its buildings. Each building renovation leads to lower energy demand thanks to better insulation, more efficient systems and new heating and cooling concepts. To tackle the increasing demands and accelerate progress, during the reporting year a new Energy & Decarbonisation department was created in the Real Estate division and was tasked with cutting greenhouse gas emissions linked to the company's buildings. One of its first acts was to begin drawing up a new future energy supply masterplan.

Alongside energy demand, the second focal point is generating renewable energy. The use of geothermal technology offers the greatest potential here. A significant proportion of the infrastructure is already supplied with heating and cooling in this way, for instance in Pier E, the Circle and parts of the maintenance area. The project begun in 2022 to [use an aquifer](#) to supply heating and cooling to a large part of the airport made further progress during the reporting year. Exploratory boreholes delivered promising results regarding the position and physical properties of the 300-metre deep geological channel. Further investigations are now necessary. If successful, Zurich Airport will be able to use the channel from 2027. The year under review also saw project planning commence for the central energy center that will house the heat pumps and cooling units required to use the underground storage.



In the reporting year three exploratory drillings were conducted to explore the subterranean channel.

To meet its electricity needs, Zurich Airport Ltd. purchases fossil-free grid electricity. It also generates some electricity in-house in its heating plant and from solar panels. It plans to add more solar panels in the coming years.

Besides buildings, vehicles are also a significant source of greenhouse gases. The transition to electric vehicles, which has been underway for some years already, continued during the reporting year. The reduction roadmap outlines the transition to electric vehicles as far as possible. The increasing number of battery-powered vehicles will necessitate further expansion of the charging infrastructure, both airside for partner companies and landside for the general public. One external airport partner opened a public fast charging station during the year under review.

The Zurich Airport Group actively encourages its airport partners to make significant cuts to their emissions as well. Providing the necessary support by installing the charging infrastructure required for electric-powered vehicles and machines is just one of several measures it is taking at the Zurich site. Installing ground power systems to supply electrical power and air conditioning at stands so aircraft do not need to use their auxiliary power units is another. This will greatly reduce aircraft greenhouse gas emissions as aircraft are obliged to use the ground power systems and are only permitted to use auxiliary power units shortly before starting their engines. As a beneficial side effect, this also helps to significantly reduce noise and pollutant emissions. The same type of fixed ground power systems for supplying electrical power and air conditioning to aircraft are currently also being installed at all terminal parking stands at Florianópolis and Vitória airports in Brazil in order to reduce their Scope 3 emissions.

In addition to the requirement of the Zurich Airport Group that net zero be reached by 2040, the three sites in Florianópolis, Vitória and Macaé in Brazil have set an additional target of achieving climate neutrality by 2030. Carbon offset certificates may also be used for the latter. In India, where Noida Airport is under construction, the intention is to reduce greenhouse gases to net zero already by 2030. Ongoing feasibility studies are being conducted to identify what action needs to be taken.

Airport Carbon Accreditation

Airport Carbon Accreditation (ACA) is a widely recognised worldwide programme run by Airports Council International (ACI) which helps airports effectively reduce their greenhouse gas emissions and grades their progress. Zurich Airport continues to be accredited at ACA level four. As well as reducing greenhouse gases, this involves setting a target for achieving net zero greenhouse gas emissions from Scopes 1 and 2, specifying an appropriate reduction roadmap and documenting the measures taken to motivate its partner companies at the airport to likewise reduce their emissions.



During the reporting year the three majority-owned airports in Brazil at Florianópolis, Vitória and Macaé succeeded in advancing one ACA level and now have level 2 accreditation. This means they are continually reducing their greenhouse gas emissions every year.

Large-scale consumers agreement

As a large-scale energy consumer, Zurich Airport Ltd. has signed an agreement with the Building Department of the Canton of Zurich. This requires the company to make average annual efficiency savings of 2% until 2030, measured on the basis of the heated area of the airport and the number of user units (passengers, freight, other visitors). In return it is exempted from implementing some specific cantonal regulations. The target for specific energy consumption was met in the reporting period.

Energy and climate leader

Participation in the Swiss Confederation's Exemplary Energy and Climate initiative further underlines Zurich Airport Ltd.'s pioneering role in energy and climate protection. As part of this initiative it is implementing concrete measures to improve energy efficiency, to expand renewable energy sources and to reduce greenhouse gas emissions.

Sustainable fuels

In order to contribute to lowering aviation-related greenhouse gas emissions beyond its airport operations, Zurich Airport Ltd. is committed to the use of sustainable aviation fuel (SAF). SAF is fuel made from biogenic waste or synthetically manufactured fuel, and over the course of its life cycle it produces at least 80% lower carbon emissions than fossil-based kerosene. Zurich Airport Ltd. advocates the use of SAF, both in its role as a center of expertise among its partners at Zurich Airport and the rest of Switzerland as well as at its other locations abroad. It also supports political endeavours aimed at a blend ratio harmonised with the EU.

Zurich Airport Ltd. has itself signed an agreement with ETH spin-off Synhelion SA for the future supply of synthetic diesel fuel for vehicles. Synhelion plans to use novel technology to produce synthetic fuel at scale from water, CO₂ and solar energy.

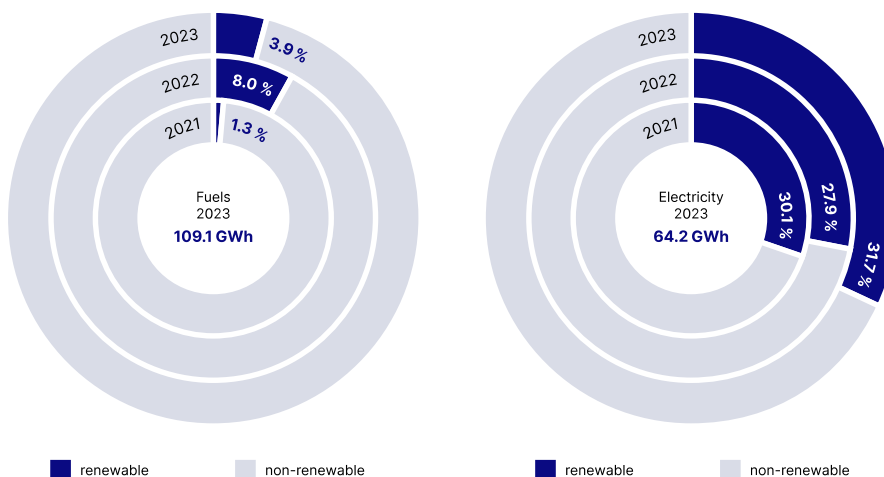
Situation in the reporting year

After proving extremely challenging at the beginning of the reporting year, the provision of energy to users improved noticeably in the spring. The measures taken to reduce demand during the previous year continued into the first months of the reporting year, and some will be continued on a long-term basis. Concepts for dealing with shortages remain ready to be deployed.

During the year under review, the company's specialists continued to work on reducing energy demand. For example, in Dock E, the heat pump was optimised, and the use of geothermal heat increased. An improvement in waste heat recovery also contributed to reducing fossil-based heat.

Compared to the previous year, in the reporting year the airport's own heating plant, which can be run on both gas and heating oil, was operated almost exclusively with gas. This is the main reason for the lower greenhouse gas emissions from heat production. Other reasons included the high temperatures in the second-hottest year in Switzerland since measurements began – resulting in lower heating demand, as well as the higher overall efficiency of the heating plant.

The share of renewable energies was increased slightly for electricity (see diagram). By contrast, in terms of fuels, the share of renewables declined markedly. This was because biogas was not used during the reporting year, whereas it accounted for a significant share in the previous year.



Share of renewable energy at Zurich Airport

Key data

Greenhouse gas emissions

GRI 305-1; 305-2; 305-3

Zurich Airport Ltd., Zurich site	Unit	2019	2020	2021	2022	2023
CO ₂ e Scope 1 Zurich Airport Ltd.	Tonnes	26,218	26,284	32,372	29,043	23,992
CO ₂ e Scope 2 Zurich Airport Ltd.	Tonnes	1,632	1,212	19	24	21
Total Scope 1 and 2	Tonnes	27,850	27,496	32,390	29,067	24,014
CO ₂ e Scope 3 at Zurich Airport ¹⁾	Tonnes	4,516,773 ²⁾	1,657,154 ²⁾	1,803,890 ²⁾	3,452,893 ²⁾	4,123,913
Florianópolis Airport, Brazil	Unit	2019	2020	2021	2022	2023
CO ₂ e Scope 1	Tonnes	n/a	n/a	91 ³⁾	248 ³⁾	299
CO ₂ e Scope 2	Tonnes	n/a	n/a	980 ³⁾	364 ³⁾	387
Total Scope 1 and 2	Tonnes	n/a	n/a	1,071³⁾	612³⁾	686
Vitória/Macaé Airports, Brazil	Unit	2019	2020	2021	2022	2023
CO ₂ e Scope 1	Tonnes	n/a	n/a	82 ³⁾	202 ³⁾	305
CO ₂ e Scope 2	Tonnes	n/a	n/a	1,193 ³⁾	390 ³⁾	354
Total Scope 1 and 2	Tonnes	n/a	n/a	1,274³⁾	592³⁾	659
Natal Airport, Brazil	Unit	2019	2020	2021	2022	2023
CO ₂ e Scope 1	Tonnes	n/a	n/a	n/a	n/a	n/a
CO ₂ e Scope 2	Tonnes	n/a	n/a	n/a	n/a	n/a
Total Scope 1 and 2	Tonnes	n/a	n/a	n/a	n/a	n/a
Antofagasta Airport, Chile	Unit	2019	2020	2021	2022	2023
CO ₂ e Scope 1	Tonnes	n/a	22	10	12	64
CO ₂ e Scope 2	Tonnes	n/a	458	452	446	520
Total Scope 1 and 2	Tonnes	n/a	480	462	458	584
Iquique Airport, Chile	Unit	2019	2020	2021	2022	2023
CO ₂ e Scope 1	Tonnes	n/a	97	99	57	77
CO ₂ e Scope 2	Tonnes	n/a	328	350	541	527
Total Scope 1 and 2	Tonnes	n/a	425	449	598	604
Noida Airport, India	Unit	2019	2020	2021	2022	2023
CO ₂ e Scope 1	Tonnes	n/a	n/a	n/a	31	40
CO ₂ e Scope 2	Tonnes	n/a	n/a	n/a	41	218
Total Scope 1 and 2	Tonnes	n/a	n/a	n/a	73	258

Scope 1: In accordance with GHG Protocol: Zurich Airport Ltd.'s own sources (vehicles, machinery, heating)

Scope 2: In accordance with GHG Protocol: externally sourced electricity for Zurich Airport Ltd.

1) In accordance with GHG Protocol: aircraft in LTO cycle and full flight (outbound flight only), calculated by Eurocontrol, other emission sources at airport (ground handling, other heating) and all landside traffic from start to destination for all modes of transport

2) Retroactive correction

3) Retroactive adjustment to the calculation method

Energy

GRI 302-1; 302-2; 302-3; 302-4

Zurich Airport, Switzerland	Unit	2019	2020	2021	2022	2023
Thermal energy	MWh	88,469	88,302	120'634	106,154	103,689
renewable	MWh	1,508	1,480	1,584	8,886 ¹⁾	4,292
non-renewable	MWh	86,961	86,822	119,050 ¹⁾	97,268 ¹⁾	99,397
Fuels	MWh	6,110	3,662	4,922	4,799	5,393
renewable	MWh	0	0	0	0	0
non-renewable	MWh	6,110	3,662	4,922	4,799	5,393
Electricity	MWh	62,703 ¹⁾	44,933 ¹⁾	47,315 ¹⁾	59,688 ¹⁾	64,184
renewable	MWh	15,771	11,839	14,263	16,651	20,370
non-renewable	MWh	46,931 ¹⁾	33,093 ¹⁾	33,052 ¹⁾	43,036 ¹⁾	43,815
Total energy consumption (thermal energy, fuel, electricity)	MWh	157,281¹⁾	136,896¹⁾	172,871¹⁾	170,641¹⁾	173,266
Overall consumption primary energy ¹⁾	MWh	497,595	411,709	456,589 ¹⁾	505,205	494,359
Energy intensity ratio according to GVV ²⁾	%	84.2	94.8	114.3 ⁴⁾	106.2	90.7
Florianópolis Airport, Brazil	Unit	2019	2020	2021	2022	2023
Total fuel consumption	MWh	n/a	n/a	252	310 ¹⁾	301
Electricity consumption	MWh	n/a	9,420	7,716	8,423 ¹⁾	10,654
Total energy consumption	MWh	n/a	9,420	7,968	8,733¹⁾	10,955
Vitória/Macaé Airports, Brazil	Unit	2019	2020	2021	2022	2023
Total fuel consumption	MWh	n/a	n/a	254	345 ¹⁾	403
Electricity consumption	MWh	n/a	10,820	9,492	9,147 ¹⁾	9,747
Total energy consumption	MWh	n/a	n/a	9,746	9,492¹⁾	10,150
Natal Airport, Brazil	Unit	2019	2020	2021	2022	2023
Total fuel consumption	MWh	n/a	n/a	n/a	n/a	n/a
Electricity consumption	MWh	n/a	n/a	n/a	n/a	n/a
Total energy consumption	MWh	n/a	n/a	n/a	n/a	n/a
Antofagasta Airport, Chile	Unit	2019	2020	2021	2022	2023
Total fuel consumption	MWh	n/a	89	40	49	46
Electricity consumption	MWh	n/a	1,121	1,107	1,092	1,150
Total energy consumption	MWh	n/a	1,210	1,147	1,141	1,196
Iquique Airport, Chile	Unit	2019	2020	2021	2022	2023
Total fuel consumption	MWh	n/a	393	400	231	420
Electricity consumption	MWh	n/a	802	856	1,323	1,290
Total energy consumption	MWh	n/a	1,195	1,256	1,554	1,710
Noida Airport, India	Unit	2019	2020	2021	2022	2023
Total fuel consumption	MWh	n/a	n/a	n/a	117	152
Electricity consumption	MWh	n/a	n/a	n/a	51	307
Total energy consumption	MWh	n/a	n/a	n/a	168	459

1) Retroactive correction

2) Scope total airport excl. Fuel

3) Energy consumption measured in terms of energy reference area and user units

4) The target was raised to 109.5 owing to newly added buildings; The figure for 2021 was also corrected retroactively.

Waste and circular economy

The Zurich Airport Group seeks to eliminate waste wherever possible and to close material loops. With a view to the circular economy, it is increasingly focusing on the resource-efficient construction of buildings.

Relevance

Airports are resource-intensive infrastructures comprising various buildings above and below the ground and require vast amounts of materials for their operation. They therefore hold great potential to contribute to creating a circular economy by enabling products and materials to be kept in circulation so that fewer primary raw materials are required and less waste is generated. The first step is to slow down and reduce the material loops by creating and procuring durable, repairable and reusable products. The second priority is then to close these material loops.

To date the focus has centered primarily on waste and recycling materials at the end of their life as a wide variety of waste is produced at airports, both during operations and when maintaining and developing their infrastructure. At the Zurich site, Zurich Airport Ltd. has defined a waste concept setting out the applicable principles so all waste from the airport will be recycled or safely disposed of in a lawful, economic and environmentally friendly way. Zurich Airport Ltd. collects the majority of waste produced by itself and its partners at the airport and sends it to appropriate recycling points. This includes a large amount of general waste, paper and cardboard, along with waste collected by aircraft cabin cleaners. Waste that is collected and disposed of by third parties (e.g. aircraft catering) is also included in the waste statistics of Zurich Airport.

Construction work results in considerable amounts of material for recycling or disposal. As most of this waste is either recycled or disposed of by the contractors themselves, it is not recorded in the waste statistics for Zurich Airport.

The avoidance and recycling of waste is a priority environmental measures at the international sites too. Both in Chile and Brazil as well as in India, the Zurich Airport Group is endeavouring to close material loops and avoid the negative environmental impacts caused by waste.

Approach

The concept of the circular economy has gained added importance within the Zurich Airport Group during the year under review. As a promoter and operator of building infrastructure, the company is focusing in particular on the significant material flows involved in construction processes. For future new infrastructure projects, work is underway at the Zurich site to create “material passports” containing information about the circular use aspects of materials and the environmental impact of buildings. This will boost circularity both in terms of operations and construction.

Where waste is concerned, the principle of elimination is the most important. Zurich Airport’s waste policy therefore follows the basic hierarchy of: prevent – recycle – dispose of responsibly. Material loops are closed and material streams minimised wherever possible. In line with the originator pays principle, the costs arising from waste disposal are passed on to the producers to create a financial incentive for them to generate less waste.

Waste disposal principles are included in the general environmental protection regulations which form part of the company’s tenancy agreements and ground handling licences. Another document, the general waste disposal concept (GEK), governs construction waste at Zurich Airport and ensures its proper disposal.

Waste is avoided by significantly reducing the amount of materials used or using materials that can subsequently be returned to the materials cycle. Wherever possible, any waste still remaining is collected in separate fractions so the materials can be reused as secondary raw materials.

The waste figures at Zurich Airport are calculated in line with the specifications of the ADV German airports association to make them easier to compare. Mineral waste from construction, antifreeze and organic waste from agriculture are not included. The recycling ratio for the airport as a whole in the reporting period was thus 46.7%.

46.7%

materials recycled

Most materials that cannot be recycled can be thermally utilised. They can be burned in a waste incineration plant and the heat produced can be used to generate electricity or heat buildings in a district heating network. Non-recyclable waste is usually sent to the waste incineration plant in Hagenholz in Zurich, only six kilometres away.

During the reporting period, a total of 15,574 tonnes of waste was disposed of at Zurich Airport. This is around 20% more than in the previous year, which reflects the increase in traffic volumes.

Waste management is one of the highest priority matters to be tackled by the company’s subsidiaries abroad. The majority-owned airports in Brazil have set themselves the goal of drastically reducing the volume of waste sent to landfill. By 2025 they are seeking to dispose of 90% of the waste produced each year using better disposal methods than sending to landfill. The interim target of 70% for the reporting year was clearly exceeded at 78%. Once Noida Airport in India commences operation, it aims to not send any waste to landfill at all.

Key data

Waste amount

GRI 306-3

Zurich Airport, Switzerland	Unit	2019	2020	2021	2022	2023
Overall waste generated ¹⁾	Tonnes	18,439	8,623	8,506	12,943	15,574
of which recycled material (e.g. paper, cardboard, glass, wood)	in %	45.9	55.2	51.3	46.4	46.7
Confiscated liquids from security checks	Tonnes	202	56	80	171	201
Florianópolis Airport, Brazil	Unit	2019	2020	2021	2022	2023
Total waste generated	Tonnes	433	383	412	469	741
of which recycled material (e.g. paper, cardboard, glass, wood)	in %	n/a	n/a	n/a	n/a	69.9
Vitória/Macaé Airports, Brazil	Unit	2019	2020	2021	2022	2023
Total waste generated	Tonnes	n/a	349	172	581	669
of which recycled material (e.g. paper, cardboard, glass, wood)	in %	n/a	n/a	n/a	n/a	84.1
Natal Airport, Brazil	Unit	2019	2020	2021	2022	2023
Total waste generated	Tonnes	n/a	n/a	n/a	n/a	n/a
of which recycled material (e.g. paper, cardboard, glass, wood)	in %	n/a	n/a	n/a	n/a	n/a
Antofagasta Airport, Chile	Unit	2019	2020	2021	2022	2023
Total waste generated	Tonnes	n/a	328	180	151	230
of which recycled material (e.g. paper, cardboard, glass, wood)	in %	n/a	n/a	n/a	n/a	0.0
Iquique Airport, Chile	Unit	2019	2020	2021	2022	2023
Total waste generated	Tonnes	n/a	55	79	92	353
of which recycled material (e.g. paper, cardboard, glass, wood)	in %	n/a	n/a	n/a	n/a	0.0
Noida Airport, India	Unit	2019	2020	2021	2022	2023
Total waste generated	Tonnes	n/a	n/a	n/a	2	12
of which recycled material (e.g. paper, cardboard, glass, wood)	in %	n/a	n/a	n/a	n/a	n/a

1) As defined according to the German Airports Association (ADV) for better comparability

Air quality

Taking appropriate measures to reduce air pollutants emitted by the airports run by the Zurich Airport Group is a constant undertaking.

Relevance

The air pollution arising at airports can be assigned to one of the following four source categories: aircraft, handling operations, airport infrastructure and landside traffic. Pollutants are primarily produced by the combustion of fuels such as kerosene, natural gas, heating oil, diesel or petrol. In addition, particulate matter is produced by tyre abrasion. Of these sources, aircraft account for the majority of emissions. The following pollutants are particularly relevant: nitrogen oxides (NO_x), particulate matter (PM), volatile organic compounds (VOC) and carbon monoxide (CO).

Air pollution can be viewed from two different perspectives: firstly the quantity emitted at source ('emissions'), and secondly the concentration measured at a specific location ('pollution'). A complex interrelationship exists between emissions and pollution exposure: once discharged into the atmosphere, emissions do not remain in the same state – their composition changes, and they are diluted and dispersed before actively becoming pollutants.

At the Zurich site, Zurich Airport Ltd. provides complete and transparent information about the air pollution situation and takes steps to minimise its impact on the environment as far as possible.

Approach

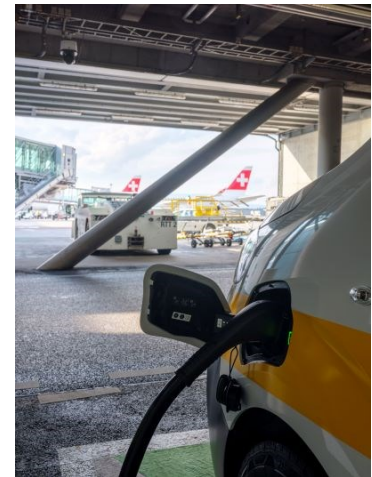
Official annual nitrogen oxide emission limits are specified for Zurich Airport. To document compliance, Zurich Airport Ltd. maintains an emissions inventory which records how much of each individual pollutant is emitted annually. The company must also comply with emission limits specified for individual emission sources such as vehicles or heating furnaces.

National ambient air quality standards are also applicable. They are measured at certain locations and are also modelled over the area as a whole. Several monitoring stations have been set up across the airport and the surrounding region. Both fully automatic monitoring stations at Zurich Airport itself as well as passive samplers that measure the amount of the indicator pollutant nitrogen dioxide in the environment are used. The company is taking steps to reduce air pollutant emissions in all four source categories, not only the ones it produces itself, but also those produced by its airport partners.

Zurich Airport Ltd. has long levied emissions-based landing charges to encourage airlines to use low-emission aircraft. To further lower emissions, fixed ground power systems for supplying electrical power and air conditioning to aircraft are mandated at all gate parking stands. This results in far lower noise, CO₂ emissions and pollution than when aircraft use their own auxiliary power units. Operational processes have also been optimised to minimise the amount of time aircraft spend queuing with their engines running. In ground handling, the gradual transition from combustion engines to electric-powered vehicles and machines is already well underway, not only at Zurich Airport Ltd. itself but also at its partners at Zurich Airport.

Where infrastructure is concerned, new and renovated buildings plus operational optimisation are helping to reduce the demand for fossil-based heating and consequently lower pollutant emissions. Zurich Airport is also taking steps to promote the use of public transport for travelling to and from the airport, for example by enabling inbound passengers to obtain tickets directly in the baggage claim hall, or by lobbying for more and earlier train services in the early morning for its shift workers. Zurich Airport Ltd. has also signed an agreement with the Zurich public transport network ZVV which allows not only the company itself, but all tenants in the Circle to offer their employees discounted public transport season tickets.

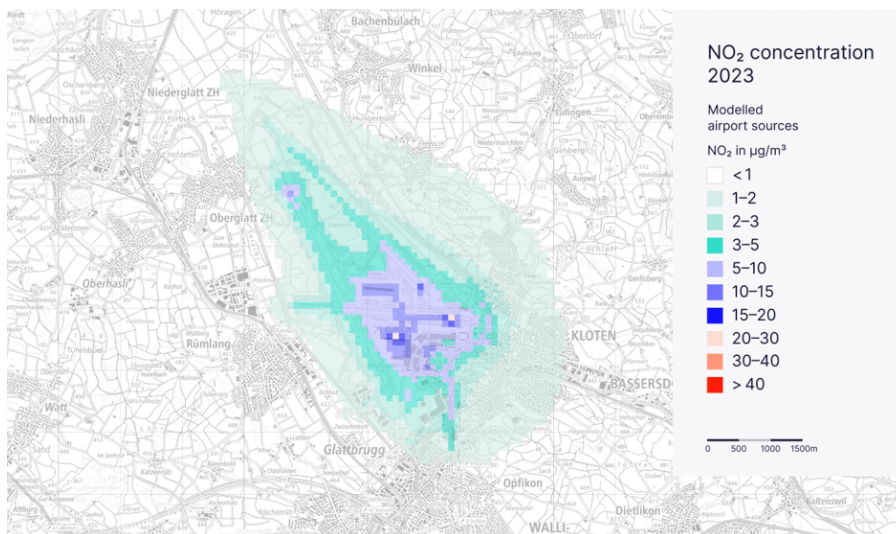
Zurich Airport Ltd. is furthermore helping to develop measurement methods and gain general insights into pollution at airports. The year under review saw the completion of the Aviator research programme to which the company had contributed measurements. Moreover, the prototype of a new type of instrument for measuring ultra-fine dust particles came into operation at Zurich Airport. As well as being more economic, it will also produce more reliable results in future.



The number of electric vehicles is steadily increasing.

Situation in the reporting year

As air traffic continued to recover after the Covid-19 pandemic, the figures for air pollutants also rose. The emission levels calculated are now just under the 2019 figures. The measured pollution values, on the other hand, where the airport is just one of a number of contributing sources, declined slightly compared with the previous year. This is due to meteorological conditions, primarily the direction and strength of the wind, which resulted in a lower pollution level in the reporting year.



Zurich Airport's contribution to nitrogen dioxide pollution in the region

Monitoring of air pollution in Noida, India, where construction is well underway, continued during the reporting year. Periodic measurements at several locations indicated values below the local standards for all pollutants measured (including NO₂, PM, CO, SO₂).

As yet no information is available regarding the air pollution situation for the airports in Latin America. In Florianópolis, however, the company is planning to introduce a voluntary air pollution monitoring programme in the next few years.

Key data

Air quality

GRI 305-7; A05

Zurich Airport, Switzerland	Unit	2019	2020	2021	2022	2023
NO _x emissions	Tonnes	1,396	535	611	1,005	1,184
of which from aircraft ¹⁾	Tonnes	1,293 ²⁾	469	539	929	1,098
of which from ground handling	Tonnes	42	19	22	32	31
of which from infrastructure	Tonnes	41	38	39	32	41
of which from landside traffic	Tonnes	20	9	11	12	13
VOC emissions	Tonnes	274	134	129	176	197
of which from aircraft	Tonnes	190 ²⁾	79	88	131	149
of which from ground handling	Tonnes	19	8	9	14	16
of which from infrastructure	Tonnes	55	42	27	25	24
of which from landside traffic	Tonnes	9	5	5	7	8
CO emissions	Tonnes	1,297	544	568	881	1,012
of which from aircraft	Tonnes	1,209 ²⁾	491	512	816	935
of which from ground handling	Tonnes	22	10	12	17	19
of which from infrastructure	Tonnes	17	14	15	12	14
of which from landside traffic	Tonnes	48	28	29	36	43
PM emissions	Tonnes	19	8	10	14	16
of which from aircraft	Tonnes	15 ²⁾	6	7	11	13
of which from ground handling	Tonnes	2	1	1	2	2
of which from infrastructure	Tonnes	2	1	2	1	1
of which from landside traffic	Tonnes	0	0	0	0	0

1) Flight operations in LTO cycle (up to 915 m), taking into account actual engine power, APU, engine start-up and airframe

2) Retroactive adjustment to the calculation method

Biodiversity

Biodiversity refers to the variety of species and habitats. The Zurich Airport Group is helping to conserve and promote such diversity at its various sites.

Relevance

The Zurich Airport Group protects the ecological value of the green spaces at its airports and helps to conserve and promote biodiversity.

As Zurich Airport was originally built in the middle of reed meadows, its perimeter still encompasses extensive areas that are of especially high ecological value. Of the total 953 hectares within its perimeter, around half is green space. Thanks to the airport fence, a mosaic of different habitats provides animals and plants – in some cases rare ones – with a home where they can be largely undisturbed. A total of 74 hectares are designated nature conservation areas, including wetlands of national importance. The company aims to preserve these habitats within the airport perimeter, especially since they are of a nature and quality that has become something of a rarity elsewhere in the central plateau.

74ha

nature conservation areas

The Zurich Airport Group also promotes biodiversity at its airports abroad. The Florianópolis, Vitória and Macaé airports in Brazil are near the coast and therefore adjacent to sensitive ecosystems. Biodiversity is also acknowledged as an important issue in connection with the construction of the new airport in India. At its two sites in Chile, the airfields along with their development and maintenance are in the hands of the authorities.

Approach

As well as safety and operational considerations, international regulations also include specific requirements or recommendations with regard to the maintenance and conservation of green spaces around airports. Together with nature conservation stipulations in local legislation, these form the framework for how Zurich Airport Ltd. manages green areas not used for aviation purposes.

At its Zurich site the company is doing everything necessary to preserve the ecological value of the protected areas within the airport perimeter and to meet the associated conservation goals defined by the authorities. The protected areas include wetlands with various habitats and wooded areas. Cultivation of extensive tracts of the airport grounds as high-grass meadows is in fact in the interests of both airfield operations and nature conservation.

When Zurich Airport Ltd. plans to build on green areas, their ecological value is measured using recognised methods. As part of the subsequent construction project, the company then offsets this by compensatory measures of equal value elsewhere. It aims to create

areas with high-quality habitats appropriate to the location wherever possible, for example ones considered a priority by the Confederation.

Whereas in the past efforts have been directed to the specific careful management of large parts of the green spaces to preserve and even increase biodiversity to some extent, the focus in the year under review shifted to its active encouragement. Modified measures set out in a revised concept aim to further increase species and habitat diversity over the next few years. These include action to be taken in woods, in existing nature conservation areas on the airfield, and for designated compensatory areas in the region.

Work has already begun on implementing measures in the wood: for instance, specific steps have been taken to support one species of butterfly in a wood to the south. In addition, a start was made on counting bat numbers so that targeted action can later be taken to increase species diversity. All these planned actions will positively influence biodiversity in general as individual measures always have an influence on the overall ecosystem.

Preserving biodiversity is important in Brazil too. In Vitória, for example, land which was already built on before the company acquired the operating licence in the lead up to construction of the new terminal will be “offset” by upgrades both on the airport site and elsewhere. This will be done at the section of beach at Curva da Jurema where ecological improvements are restoring the original coastal vegetation.

In Noida, India, where construction of the new airport impacts both agricultural land and human settlements, over 1,800 trees have been planted. This extensive reforestation also serves to compensate for the trees that were felled. The company is obliged to ensure that planting and reforestation are successful and to rectify any problems that arise. Comprehensive monitoring covering soil, drinking water, wastewater, air quality and noise feeds into monthly reports documenting the associated impacts so countermeasures can be taken quickly if necessary. The companies contracted to carry out the building work are in turn obliged to take the steps necessary to prevent harm to the natural environment.



Members of Noida's Management Board plant a tree on World Environment Day to raise awareness of environmental issues among employees.

Bird strikes

With its wooded areas, watercourses and large open spaces, Zurich Airport also attracts a large number of bird species. However, large birds and flocking birds in particular can present a safety risk for aircraft. Collisions between birds and aircraft (known as bird strikes) can have very serious consequences and so must be avoided at all costs.

Various steps are taken at the Zurich site to make the airfield less attractive to birds that pose a particular risk to safety in an effort to avoid potential collisions. One tactic is to cultivate most of the open areas as extensive high-grass meadows; this approach is also taken at the company's airports in Brazil. This is both environmentally friendly and also helps to prevent bird strikes as the high grass makes it difficult for birds of prey to spot their prey on the ground. It also discourages flocking birds from settling there. Specific steps have also been taken to reduce the birds' food supply – for instance weasels especially are encouraged because they compete with birds of prey in hunting small mammals.

Water

Clean drinking water cannot be taken for granted. The Zurich Airport Group therefore uses water resources sparingly.

Relevance

Clean water is a precious resource which Zurich Airport Ltd. is committed to conserving at all its airports. Along with minimising the volume of fresh water consumed, the company ensures wastewater is appropriately treated to keep watercourses clean. Various types of wastewater are produced at airports, each of which must be treated in different ways. These include domestic wastewater, aircraft sewage and wastewater from workshops, as well as runoff from operational areas and from aircraft de-icing.

Approach

Fresh water

Zurich Airport obtains drinking water from the municipal water supply for the town of Kloten. It also pumps groundwater itself. This is because some parts of the infrastructure are located below ground which are at risk if the groundwater table rises above a critical level. The pumped groundwater is used as process water and for toilet flushing. Rainwater collected from roofs is also used to flush some toilets, which additionally helps to control rainwater runoff.

The airports in Latin America likewise obtain their drinking water from the public water supply and are constantly taking steps to reduce their demand for fresh water. The three Brazilian airports in Florianópolis, Vitória and Macaé launched the “Aqua Project” which aims to reduce the demand for fresh water. This project has been the recipient of several sustainability awards. The project has three elements: treating used water, reducing demand, and accurately measuring consumption. This resulted in a 17% reduction in water demand in the reporting year, although not all plants were operating normally. In the year under review, the airports at Florianópolis and Vitória invested in expanding their systems for treating rainwater, for using treated water for cooling, and for using wastewater from fire engines in Vitória. At Florianópolis airport, a wastewater treatment plant that works on the reverse osmosis principle was set up. In addition, existing fixtures were replaced by water-saving ones and system maintenance was stepped up. Measuring and monitoring water usage on a daily basis enables speedy intervention if any changes in usage patterns are detected.

Noida Airport in India plans to meet 80% of its fresh water needs with treated rainwater. As Noida lies in a tropical zone with seasonal heavy precipitation, rainwater will be stored in tanks for use later in the year.



The reverse osmosis plant in Florianópolis

Wastewater

Like the municipalities in the canton, Zurich Airport has its own general drainage plan (GEP) which sets out the basic principles for water protection on the airfield. Following the “prevent – separate – treat” approach, the aim is to produce as little wastewater as possible. Along with measures to ensure airfield drainage systems meet the regulations, the drainage plan includes stipulations relating to the operation and maintenance of the existing sewage and pump systems.

In accordance with the drainage plan, the wastewater produced at Zurich Airport is separated and suitably treated. All domestic wastewater, from toilets or restaurant kitchens for example, is discharged into the local sewage treatment plant (STP) at Kloten-Opfikon where it is treated. The contents of grease separators are sent to a biogas plant. Special wastewater, from workshops or from aircraft toilets for example, requires pre-treatment before likewise being sent on to the sewage plant.

The airports in Latin America all have their own wastewater treatment plants from which the treated water is directly discharged into watercourses or, as in Florianópolis in Brazil and Antofagasta in Chile, is used locally for irrigation. A wastewater treatment plant is also planned for Noida in India in order to produce greywater that can be used for cooling and irrigation purposes, for instance.

Aircraft and surface de-icing

In order to ensure safe flight operations, in winter it is essential to keep both aircraft and operational areas at Zurich Airport free of ice. Average precipitation, but little snow was recorded over the winter of 2022/2023. Accordingly, the quantity of surface de-icing agents consumed was much lower than the long-term average. An average amount of aircraft de-icing agents was consumed. Propylene glycol is used for aircraft de-icing, whereas formate is used as a surface de-icing agent. Conventional de-icing salts are used on service roads, in the car parks and around the maintenance area.

Wastewater runoff from operational areas contaminated with de-icing agents is collected and is treated in one of three ways depending on the degree of contamination (more detailed information can be found online at [Zurich Airport De-Icing Wastewater](#)). One unique feature of treatment is the spraying of medium-contaminated wastewater over suitable green areas. As the water percolates down through the soil, the carbon compounds from the propylene glycol and the formate biodegrade, thus cleaning the wastewater in the process.



The sprinkler system sprays wastewater containing de-icing agents onto green spaces. The water is cleaned as it percolates down through the soil.

To assess the success of the cleaning systems, the degree of treatment is calculated for each winter season. This indicates what percentage of carbon contained in the collected wastewater was removed. In the winter of 2022/2023, the degree of treatment was 96%. The amount of carbon effectively untreated was 15 tonnes.

Key data

Fresh water consumption

GRI 303-3

Zurich Airport, Switzerland	Unit	2019	2020	2021	2022	2023
Drinking water	m ³	649,997	410,550	402,903	499,552	579,792
Groundwater	m ³	188,230	100,980	113,069	208,874	168,505
Rainwater	m ³	13,180	3,712	4,993	9,490	14,283
Total fresh water	m³	851,407	515,242	520,965	717,916	762,580
Florianópolis Airport, Brazil	Unit	2019	2020	2021	2022	2023
Drinking water	m ³	n/a	n/a	n/a	n/a	67,634
Recycled STP Water	m ³	n/a	n/a	n/a	n/a	62
Rainwater	m ³	n/a	n/a	n/a	n/a	8,551
Total fresh water	m³	n/a	n/a	n/a	n/a	76,247
Vitória/Macaé Airports, Brazil	Unit	2019	2020	2021	2022	2023
Drinking water	m ³	n/a	n/a	n/a	n/a	83,940
Rainwater	m ³	n/a	n/a	n/a	n/a	6,379
Total fresh water	m³	n/a	n/a	n/a	n/a	90,319
Natal Airport, Brazil	Unit	2019	2020	2021	2022	2023
Total fresh water	m³	n/a	n/a	n/a	n/a	n/a
Antofagasta Airport, Chile	Unit	2019	2020	2021	2022	2023
Drinking water	m ³	n/a	n/a	n/a	n/a	32,400
Recycled STP Water	m ³	n/a	n/a	n/a	n/a	2,736
Total fresh water	m³	n/a	n/a	n/a	n/a	35,136
Iquique Airport, Chile	Unit	2019	2020	2021	2022	2023
Drinking water	m ³	n/a	n/a	n/a	n/a	50,400
Total fresh water	m³	n/a	n/a	n/a	n/a	50,400
Noida Airport, India	Unit	2019	2020	2021	2022	2023
Total fresh water	m³	n/a	n/a	n/a	n/a	n/a

Consumption of de-icing agents

AO6

Zurich Airport, Switzerland	Unit	2018/19	2019/20	2020/21	2021/22	2022/23
Aircraft de-icer	m ³	2,113	982	862	1,252	1,474
Surface de-icing agents formate solution	m ³	1,364	112	1,338	501	515
Surface de-icing agents solid	Tonnes	0	0	16	0	4
De-icing salts for other surfaces	Tonnes	349	60	569	137	204
Degree of treatment (aprons, runway and taxiways)	in %	94	98	88	95	96
Washed off untreated carbon	Tonnes	30	5	23	13	15

Social impacts

Occupational and aviation safety

The protection of people, aircraft, vehicles and infrastructure from damage, accidents and criminal acts is of paramount importance to the Zurich Airport Group.

Relevance

The company does everything in its power to operate the airport complexes at all its sites safely and securely. Safety and security break down broadly into three different, but partially overlapping areas: system boundaries, regulation and organisation. **GRI 3-3**

First and foremost, safety encompasses all the efforts made to avoid dangerous situations, incidents and accidents involving people or material objects, especially those related to flight operations. Secondly, security is about taking precautions against wilful acts and being ready to limit any resulting damage. The third associated area of occupational safety and health is concerned with directly protecting employees in their workplace.

As it is responsible for safety and security across the entire Zurich site, the applicability of Zurich Airport Ltd.'s policies in this regard extends beyond the company itself to the airport as a whole. Direct responsibility of the company for occupational safety and health, on the other hand, is limited solely to its own employees.

Ensuring safety and security is also a core responsibility where the company's operations abroad are concerned. However, owing to the specific terms of the concession models in the respective countries, this may be handled organisationally in different ways at the various airports. In Brazil, the airport operator is responsible for drafting and implementing safety and security concepts. These must be approved by various government agencies at different levels (security, customs and regulatory authorities). In Chile, on the other hand, all aspects of flight safety are a matter for the civil aviation authority, namely the Dirección General de Aeronáutica Civil (DGAC). Airport licence holders are responsible for safety solely in the publicly accessible passenger zones.

All countries where Zurich Airport Ltd. operates belong to the International Civil Aviation Organization (ICAO) and are contractually obliged to follow its safety and security standards and recommendations for commercial airports. The ICAO rules are the legal minimum, and are specified in more detail and monitored by the respective national civil aviation authorities. In Switzerland, and consequently for Zurich Airport, safety and security requirements are monitored by the Federal Office of Civil Aviation (FOCA), which in turn are largely based on European regulations (EASA). The Zurich Airport Group is also obliged to comply with all relevant statutory and regulatory requirements in the countries in which it operates.

Approach and progress

Zurich Airport

Overarching safety and security responsibilities

Zurich Airport Ltd. operates an Integrated Management System (IMS) for systematically managing all safety and security aspects relating to flight operations at the Zurich site. As well as safety and security, this system also encompasses occupational health and safety. It aims firstly to reduce organisational risks by putting clear processes and organisational structures in place, and secondly to systematically improve preventive measures so that injuries and material damage are avoided from the outset.

The collaboration of all companies based at the airport and their employees is essential to ensure safety and security. Along with the actions of staff, various factors play a role here, from the fabric of buildings through to the structure of organisations and processes. Flight operations and ramp safety at the Zurich site are handled by specific units of Zurich Airport Ltd. They ensure everything always runs smoothly in accordance with the regulations and stand ready to respond to any incidents.

In the event of an incident, Zurich Airport Ltd. also has the primary responsibility for coordinating the various emergency responders. As well as drafting and updating emergency plans and emergency operating concepts, the company is also obliged to carry out regular widescale drills. Although the airport fire and rescue service is based on the airfield, it is actually part of the City of Zurich's emergency services (Schutz & Rettung Zürich). Following a change in the law, Zurich Airport Ltd.'s company fire brigade was dissolved during the year under review. The services required by the authorities are now performed by Schutz & Rettung Zürich. The company fire brigade run by our airport partner SR Technics was likewise disbanded at the end of 2023. The professional cantonal civil defence organisation can be called on for assistance in the event of an incident at the airport.

For the first time since 2019, safety days were again held at the Zurich site during the year under review as part of the ongoing "Working together for a safer airport" campaign. These days are organised together with our airport partners to highlight various topical aspects relating to safety and security, occupational safety and fire safety. Safety days help to raise awareness and deliver related further training. Over 1,000 employees of Zurich Airport Ltd. and its airport partners participated.



Safety days at Zurich Airport provided an opportunity to practise using a fire extinguisher.

Safety

The IMS at Zurich Airport incorporates a Safety Management System that also includes the airport's partner companies. Responsibility for its operation, monitoring and development lies with the Safety & Compliance Office, which serves as the contact point for airlines, public authorities and all external and internal partners. It provides a systematic and comprehensive way of managing risks and hazards in order to ensure safe and compliant flight operations. The aim is to prevent both personal injury and material damage. The key principles of the Safety Management System are anchored in the company's safety policy, which also defines responsibilities. In addition, the aerodrome manual published annually by the Safety & Compliance Office sets out all safety-relevant management processes. This fulfils the requirements of EU Regulation 139/2014.

GRI 403-1

The cooperation of all the parties involved in the various safety bodies is essential. Personnel with access to airside areas at the Zurich site receive specialist safety and security training and must attend refresher courses every two years. The company consequently ensures a high standard of training. It also periodically runs awareness campaigns that look at individual aspects in more detail.

GRI 403-5

As well as processing incidents, the handling of any reported safety concerns is also important. At Zurich Airport, importance is attached to cultivating a culture of openness about mistakes that encourages people to report critical or potentially critical incidents. The aim here is to identify what improvements could be made and put them into practice. Alongside conventional channels (such as phoning, writing or reporting in person to the flight safety office), an electronic platform for reporting [safety concerns](#) is also available. During the year under review, 58 tip-offs were received via this platform (7 anonymously). All reports submitted were investigated by the independent Safety & Compliance Office, and appropriate steps taken where necessary. Unless submitted anonymously, those reporting their concerns were informed of the outcome.

GRI 403-2

Both the authorities and Zurich Airport Ltd. itself regularly conduct inspections and airport operation audits to verify that rules and safety procedures are being followed in day-to-day operations. Any necessary corrective action is then taken where necessary. In the course of the reporting year, one audit was carried out by FOCA and one audit was carried out by EASA at the Zurich site. In addition, the internal pool of auditors supervised by the Safety & Compliance Office conducted 25 audits and inspections (including emergency drills). A few deviations and several recommendations were identified, but no significant deficiencies were discovered.

All the measures taken aim to continually reduce each year the number of accidents and incidents relative to the number of flight movements and employees. Nevertheless, an increase in the number of accidents and incidents (not directly resulting in material damage) was recorded. This is primarily due to the greatly reduced experience and routine of the airport partners' staff resulting from the many new hires. Together with the recovery in passenger numbers and the greater-than-expected rise in flight movements after the Covid-19 pandemic, this led to a negative trend in safety performance indicators. Although additional training and assistance was provided, this did not prevent a rise in the number of incidents. In absolute terms, safety standards are nevertheless very high.

Security

Zurich Airport is obliged to implement many national and international regulations relating to security in the air. These are based on the National Civil Aviation Security Programme (NASP) issued by FOCA. The airport operator is responsible for ensuring and verifying that its processes comply with all legislation. However, the Zurich cantonal police and private security firms are responsible for carrying out the actual security checks at doors and gates, and for checking passengers, baggage and freight.

Both the authorities and Zurich Airport Ltd. itself regularly carry out spot checks and audits at the checkpoints to verify the quality of the service and compliance with the regulations. Compared with other European airports, compliance with regulations is very high. During the year under review, FOCA carried out 22 audits, inspections and tests. In addition, the internal Airport Security unit performed 247 quality control checks. 33 deviations were identified and corrected with the appropriate measures. Neither FOCA nor Airport Security detected any serious deviations.

No incidents of a terrorist nature occurred at Zurich Airport during the reporting year.

Occupational safety and fire safety

Zurich Airport Ltd. attaches great importance to occupational health and safety. Occupational safety for all employees is not merely about complying with statutory obligations, it is also a matter of cultivating the right attitudes and showing leadership at all levels.

GRI 403-1; 403-2

At the Zurich site, Switzerland's accident insurance legislation obliges the company to take all technically feasible measures that experience has shown to be necessary and appropriate in the circumstances to prevent occupational illnesses and workplace accidents. Zurich Airport Ltd. has set out its position in its occupational safety policy. To implement and fulfil the statutory requirements, at the Zurich site, Zurich Airport Ltd. operates an occupational safety management system (which follows ASA guidelines, analogous to the ISO 45001 standard) based on the rules stipulated in directive 6508 of the Federal Coordination Commission for Occupational Safety (EKAS). This system not only applies to all employees of Zurich Airport Ltd., it also covers workers in an employment-like relationship (see also [> Responsible employer](#) section).

Work processes, equipment and materials are regularly analysed with respect to hazards, or after incidents and accidents. Internal Safety Officers who have received appropriate training are responsible for this. Where necessary, they also identify scope for improvement. If an employee considers a situation dangerous, they are required to stop work immediately and seek assistance. Every unit has a contact person for occupational safety, and these officers are in contact with each other at regular intervals several times a year. Co-workers and line managers are obliged to report incidents and accidents to a central office for investigation.

Zurich Airport Ltd. regularly conducts internal inspections and audits. Inspections are also carried out by various official bodies. Besides checking day-to-day operations, the latter also review the systematic implementation of occupational health and safety as well as fire safety measures. Following a detailed internal system analysis of occupational safety, some initial actions were implemented during the reporting year. For instance, three new e-learning modules were introduced, one for new employees, one for new line managers, and one for working outdoors.

One case of work-related illness occurred at the Zurich site during the year under review. No serious workplace accidents and no deaths were recorded.

GRI 403-9; 403-10

Safety at majority-owned international subsidiaries

The majority-owned airports in Brazil operate a safety and occupational safety management system designed to ensure the health of employees. This system comprises a risk management programme and an occupational health and safety programme in compliance with the statutory requirements. It covers both hazard identification and regular employee training. A continuous improvement process ensures that an incident or a tip-off from an employee triggers an investigation and additional measures are taken where necessary. The system covers all of the airport operator's employees.

The two airports in Chile also have an occupational health and safety system based on the ISO 45001 standard in order to comply with their statutory obligations.

Occupational health and safety is one of the top priorities for workers on the construction site for the airport currently being built in Noida. As the responsible promoter, the local subsidiary established a health, safety and environmental management system which also covers safety and occupational safety. This system complies with the customary industry standards, meets the statutory requirements and is certified according to ISO 45001. The system covers all construction work for the new airport, and consequently all workers on the site, irrespective of where they are employed. Any reports of incidents or hazardous situations are collected centrally for analysis, and corrective action is taken where necessary. Potential improvements or changes are communicated to small groups of employees in short daily briefings.



The National Safety Day in March of the reporting year focused on this topic in particular.

When construction contracts were signed in India, Zurich Airport Ltd. imposed strict workforce protection conditions above and beyond the statutory requirements. Everyone working on the building site will receive occupational safety training and will be provided with personal protective equipment.

Additional insulation and ventilation was fitted to workers' accommodation on the construction site to provide better protection from the weather. Care was also taken in the sanitary facilities to respect privacy and protect the health of workers. Both the authorities and the management of the local subsidiary periodically check site safety and the accommodation situation.

No cases of work-related illness were reported at our international majority-owned subsidiaries during the year under review. Likewise, no serious workplace accidents and no deaths were recorded.

GRI 403-9; 403-10

No incidents of a terrorist nature occurred during the reporting year.

Key data

Zurich Airport Ltd., Zurich site	Unit	2019	2020	2021	2022	2023
Number of hours lost through accidents (occupational accidents)	Hours (h) per 1,000 FTEs	3,652	2,513	1,711	2,503	2,240
Number of hours lost through accidents (non-occupational accidents)	Hours (h) per 1,000 FTEs	6,069	11,431	10,145	8,742	12,050
Florianópolis Airport, Brazil	Unit	2019	2020	2021	2022	2023
Number of hours lost through accidents (occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	14
Number of hours lost through accidents (non-occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	11,301
Vitória/Macaé Airports, Brazil	Unit	2019	2020	2021	2022	2023
Number of hours lost through accidents (occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	0
Number of hours lost through accidents (non-occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	671
Natal Airport, Brazil	Unit	2019	2020	2021	2022	2023
Number of hours lost through accidents (occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	n/a
Number of hours lost through accidents (non-occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	n/a
Antofagasta Airport, Chile	Unit	2019	2020	2021	2022	2023
Number of hours lost through accidents (occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	1,391
Number of hours lost through accidents (non-occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	0
Iquique Airport, Chile	Unit	2019	2020	2021	2022	2023
Number of hours lost through accidents (occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	2,478
Number of hours lost through accidents (non-occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	637
Noida Airport, India	Unit	2019	2020	2021	2022	2023
Number of hours lost through accidents (occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	n/a
Number of hours lost through accidents (non-occupational accidents)	Hours (h) per 1,000 FTEs	n/a	n/a	n/a	n/a	n/a

Zurich Airport, Switzerland		Unit	2019	2020	2021	2022	2023
Aircraft damage	Number of cases per 1,000 flight movements		0.11	0.18	0.19	0.11	0.14
Vehicle damage	Number of cases per 1,000 flight movements		0.48	0.34	0.25	0.34	0.39
Infrastructural damage	Number of cases per 1,000 flight movements		0.32	0.47	0.40	0.32	0.57
Florianópolis Airport, Brazil		Unit	2019	2020	2021	2022	2023
Aircraft damage	Number of cases per 1,000 flight movements		n/a	n/a	n/a	n/a	0.02
Vehicle damage	Number of cases per 1,000 flight movements		n/a	n/a	n/a	n/a	0.00
Infrastructural damage	Number of cases per 1,000 flight movements		n/a	n/a	n/a	n/a	0.00
Vitória/Macaé Airports, Brazil		Unit	2019	2020	2021	2022	2023
Aircraft damage	Number of cases per 1,000 flight movements		n/a	n/a	n/a	n/a	0.001
Vehicle damage	Number of cases per 1,000 flight movements		n/a	n/a	n/a	n/a	0.00
Infrastructural damage	Number of cases per 1,000 flight movements		n/a	n/a	n/a	n/a	0.00

The company assumed control of Natal airport in Brazil in February 2024.

At the Antofagasta and Iquique airports in Chile, aviation safety does not fall within the remit of the Zurich Airport Group.

The airport in Noida, India, is currently still under construction.

Business ethics

Complying with the law, treating all people with respect, and conducting business as a fair and reliable partner all rank among the fundamental values of the Zurich Airport Group.

Relevance

The high-profile position of airports as mobility hubs for a region or an entire country brings with it a wider responsibility. Over the long term, the company can only successfully fulfil its mandate in a functioning society, in an intact environment and in an efficient economy. This means not only primarily meeting statutory obligations and voluntary commitments, it also encompasses the fair and considerate treatment of other parties at both an individual and institutional level.

GRI 3-3

Matters relating to [human rights](#) and [anti-corruption](#) measures are discussed in greater detail elsewhere in this report.

Approach and progress

Together with the rights and integrity of people, business partners and institutions, the Zurich Airport Group respects the law at all times. It has set out its fundamental ethical principles in the [Group Code of Conduct](#). Following comprehensive revision in 2022, this Group-wide applicable document was then translated during the reporting year from German into English, Spanish and Portuguese – and is thus available in one of the official languages of the countries where the Group operates airports.

Processes to remediate negative impacts

In the event of any negative impacts unjustly resulting from the business activities of the company, Zurich Airport Ltd. acknowledges its responsibility to offer effective remediation to those affected and to support appropriate mechanisms for this purpose.

GRI 2-25

At the Zurich site, Zurich Airport Ltd. is obliged in certain circumstances to compensate owners for a loss in value of their properties as a result of aircraft noise or very low direct overflights (see [Noise section](#)). It is further obliged to operate a sound insulation programme to protect properties from noise exposure (see [Noise section](#)). As an employer, the company has also set up a staff representation council (PeV) to represent the interests of the workforce and to serve as an initial point of contact for any complaints about the company (see [Responsible employer section](#)).

In accordance with their operating licences, the Brazilian airports are obliged to provide low-barrier contact points such as an Ombuds Office. The airports in Florianópolis, Vitória and Macaé consequently each have a separate website that provides information and a facility for submitting written complaints. The focus here is on noise. The airport operators are obliged to discuss these complaints with the national civil aviation authority

(Agência Nacional de Aviação Civil, > [ANAC](#)) and report what action has been taken. The Chilean airports offer contact options by telephone and via their websites.

A formal electronic complaints process is provided for employees in Noida. A complaints process is currently being set up for all other stakeholders.

Compliance management

Zurich Airport Ltd.'s compliance management system is used to systematically identify, understand and comply with statutory requirements, as well as with internal corporate guidelines and ethical principles such as the Code of Conduct that are based on those requirements. This is described in more detail in the > [Risk management](#) section.

In the year under review, no relevant fines or sanctions were imposed due to non-compliance with any social or business laws and regulations.

GRI 2-27

Whistleblower office

The company is reliant on irregularities and violations of rules and regulations being discovered and rectified. The Zurich Airport Ltd.'s whistleblower office, run by the General Secretary, deals with cases where an employee has a justifiable suspicion that a concern they have reported using the regular compliance process via the human resources department or via their line manager is not being followed up appropriately, or where they fear personal reprisals. As far as possible, the identity of the whistleblower will remain confidential during any investigations. No such reports were received during the reporting year.

GRI 2-26

The majority-owned subsidiaries in Brazil, Chile and India likewise have dedicated whistleblower offices and corresponding processes.

A separate process exists for reporting safety concerns relating to flight operations at Zurich Airport (see > [Occupational and aviation safety](#)). The human resources department and the PeV are also available for reporting matters relating to bullying, sexual harassment and discrimination.

Anti-competitive behaviour

The operations of many business partners of the Zurich Airport Group are dependent on the airport infrastructure. The company therefore holds a dominant market position, and in some cases has a monopoly over infrastructures.

The particular infrastructures for which it has a monopoly are approved by the Swiss government and set out transparently in the > [operating regulations for Zurich Airport](#) (Annex 4, Attachment 2). The charges for using these infrastructures are specified and levied using a hybrid-till model in accordance with a regulated procedure under the supervision of the Swiss Federal Office of Civil Aviation (FOCA). These procedures ensure that users are involved in setting the charges and have access to information about the cost basis used.

Market access for ground handling firms and airlines is likewise specified in Zurich Airport's operating regulations. Zurich Airport is obliged to manage and provide stakeholders with access to its infrastructures in a fair, objective, transparent and non-discriminatory way.

The operating licences of the international subsidiaries are also subject to government regulation, which varies depending on the particular country concerned. For instance, the bigger airports in Brazil are regulated by Brazil's National Civil Aviation Authority (> [ANAC](#)) on the basis of a dual-till system. A dual-till system is also used in Chile, regulated by the Ministerio de Obras Públicas (> [MOP](#)). The new airport in India will be regulated by the

Airports Economic Regulatory Authority of India (> [AERA](#)) on the basis of a hybrid-till system.

No legal proceedings were brought against Zurich Airport Ltd. or its majority-owned subsidiaries for anti-competitive behaviour or violations of anti-trust and monopoly laws during the year under review.

GRI 206-1

Internal Audit

Internal Audit is an independent and autonomous unit within the company. It reports functionally to the Audit & Finance Committee. Its auditing activities help to identify risks and weaknesses in established processes, enabling any gaps to be closed. Internal Audit takes a risk-based inspection approach which also includes the majority-owned subsidiaries abroad.

Political contributions

The Code of Conduct was revised during the reporting year in relation to financial contributions. Accordingly, since October 2023 Zurich Airport Ltd. no longer makes any donations to political parties. It last donated set amounts of money to political parties in the Canton of Zurich in spring 2023. No individuals with political mandates or election campaigns will be supported in future either. To date, no donations to political parties have been made in Latin America or India.

Secondary occupations and political office

Zurich Airport Ltd. supports public service through paid leave where necessary. Employees who wish to take up public office or pursue another time-consuming secondary occupation must notify the company so any conflicts of interest are recognised in good time.

Resettlements in India

3,074 families from eight villages will be resettled for the development and construction of the new airport in Noida, India. The Indian state was responsible for this process, which commenced in 2020 and was completed during the year under review.

GRI AO8

Anti-corruption

The Zurich Airport Group does not tolerate any form of corruption and has taken precautions to prevent such abuses.

Relevance

Corruption has negative social and economic consequences and furthermore may lead to criminal prosecution and reputational damage. As an international enterprise with a wide variety of business relationships and close contacts with government agencies, Zurich Airport Ltd. is aware that it is also exposed to certain risks of corruption at its various operating locations. Corruption is understood to mean any instance of abuse of a position of trust to obtain an unjustified advantage.

Zurich Airport Ltd. is headquartered and anchored in the legal system of Switzerland which has ratified various international conventions. The Group is thus directly subject to stringent anti-corruption regulations.

Approach

Zurich Airport Ltd. does not tolerate any corrupt behaviour. It implements anti-corruption measures at all its sites; these are based on several fronts and also depend on individual employees behaving with integrity.

Preventive measures

In accordance with its statutory and regulatory obligations, the Zurich Airport Group has adopted a number of measures to prevent corruption or expose any instances that occur. The guidelines for the behaviour of all employees are laid down in the [Code of Conduct](#). The majority-owned subsidiaries must also include these obligations as a minimum.

In addition, the four-eyes principle applies: contracts require two signatures to be legally binding. The allocation of powers further clearly defines the extent of employees' financial powers, and hence also their authority to sign contracts. Finally, [Internal Audit](#) is able to check and report on specific transactions at any time.

Staff in leadership roles at the Zurich site are explicitly trained and made aware of these matters. Those who are new to a management role with financial powers attend an induction event in which their attention is drawn to corruption prevention issues.

Procurement

At its Zurich site, Zurich Airport Ltd. is obliged to procure goods and services in accordance with public procurement rules (see also the [Regional value creation](#) and [Human rights](#) sections). This requires a transparent regulated procedure and contracts to be awarded on the basis of clearly defined criteria. Tenders are always evaluated by

multiple people. In addition, all staff working in procurement sign a “no conflict of interest” declaration. This declaration obliges all employees concerned to stand aside in the event of any conflicts of interest, to avoid any contact with potential suppliers during the procurement process beyond that of the direct process itself, and to maintain confidentiality.

Equivalent principles are applied to procurement at the sites in Brazil and India. At the Noida site in India, procurement follows the requirements of the company’s own procurement policy, which in turn is based on the requirements in the concession agreement.

Integrity clause in international business contracts

The company also imposes obligations on its international business partners. Zurich Airport Ltd. includes a model contract clause forbidding active and passive bribery in all its contracts with local partners abroad. This clause stipulates a contractual penalty for any breaches as well as the premature termination of the contract without compensation. The majority-owned subsidiaries in Brazil, India and Chile also include anti-corruption clauses in their contracts.

Gifts

All employees of the Zurich Airport Group are forbidden to give or receive cash, goods, in-kind benefits, invitations or other advantages. The same applies to undisclosed commissions ('kickbacks'). An exception may be made for courtesy gifts, in which case a maximum amount is specified per year in each country. Any gifts above this fixed cap must be reported. The list of reports received is then presented to the Board of Directors once a year. Limits additionally apply to the acceptance and provision of foreign trips.

Violations

During the reporting year no cases of bribery and corruption were reported or otherwise came to light (active and passive bribery). Furthermore, no pending or completed legal proceedings in connection with corruption are known.

GRI 205-3

Human rights

The Zurich Airport Group exercises due diligence in relation to human rights and has established optimal processes in its value chain to prevent the infringement of human rights and child labour.

Relevance

As a signatory to the UN Global Compact, Zurich Airport Ltd. has undertaken to protect and advocate for human rights toward third parties. This means that the company is required not only to uphold human rights itself, but also to require this from its business partners and other parties directly linked to its business activities.

Zurich Airport Ltd. predominantly conducts its business in Switzerland where human rights are enshrined in the constitution and where the European Convention on Human Rights also applies. Effective mechanisms, both in government administration and in the courts, are in place to enable anyone to enforce the observance of human rights in Switzerland. Zurich Airport Ltd. therefore deems the risk of human rights violations at its base in Switzerland to be low.

In other countries where Zurich Airport Ltd. is a majority shareholder in subsidiaries, the situation is more delicate, however. Although human rights are likewise protected by laws in these countries, the company pays particular attention to upholding human rights in Brazil, Chile and India to avoid becoming complicit in any violations there.

Approach

Following new legislation on non-financial reporting and regulations on transparency and due diligence with respect to child labour that entered into force in Switzerland in 2023, Zurich Airport Ltd. undertook extensive work during the reporting period to extend previous instruments to prevent child labour in order to meet the required standard of due diligence. It revised its declaration on human rights, which forms part of the [Code of Conduct](#), to align with the requirements of the UN Guiding Principles on Business and Human Rights, and with further rules on human rights and labour rights published by the International Labour Organization (ILO) which are mentioned in the legislation.

During the year under review it initiated a comprehensive analysis to determine the human rights risks for the Zurich Airport Group. It examined the company's entire value chain to ensure that all its activities are taken into account. It adopted a risk-based approach, with more in-depth analysis where the risk of violations is greatest. In the company itself, there are no substantiated indications of violations of human rights. Zurich Airport Ltd. is aware, however, that infringements might occur in its upstream and downstream value chain, especially in relation to foreign business. The company is therefore working to introduce more extensive due diligence.

One fundamental element for preventing child labour is contractually obliging business partners to comply with occupational health and safety rights in accordance with existing legislation and international rules banning forced and child labour. At the Zurich site, this is done by including contractual clauses to this effect or, in the case of public procurement, by requiring a self-declaration. This is also taken into account at our majority-owned subsidiaries abroad, although the specific form this takes is different in each individual country. The contracts for the majority-owned subsidiaries in Brazil also include clauses designed to prevent forced and child labour. Similar clauses will also be included in all contracts in Chile as of 2024. At Noida in India, contractual clauses already require companies awarded concession contracts to comply with the ten principles of the UN Global Compact and to report annually on how they are fulfilling their obligations.

Risk-based procurement measures are used to ensure that human rights are upheld, as well as social, environmental and ethical standards. In the case of sensitive sectors or products, evidence of conformity is required in the form of certificates and adherence to international standards. It is planned to further enhance due diligence efforts in the area of procurement.

At the largest airport in the Group, Zurich Airport, the following are especially relevant in the context of human rights:

- Under the terms of the operating licence for the Zurich site, a right of expropriation exists in connection with noise exposure. This follows a legally defined procedure and obliges Zurich Airport Ltd. to pay compensation in the event of a formal expropriation (see [>Noise compensation \[formal expropriations\]](#) in the Noise section and [>Business ethics](#) for further details).
- As a sector enterprise, in Switzerland, Zurich Airport Ltd. is obliged to procure goods and services in accordance with public procurement rules (see [>Regional value creation](#) and [>Anti-corruption](#) for further information). Suppliers are obliged to offer Swiss working conditions and comply with occupational health and safety regulations, to follow the notification procedures and work permit rules for employees, and to offer men and women equal pay. For services provided outside Switzerland, the core conventions of the ILO must be observed. These obligations must also be imposed on any subcontractors. If these obligations are not met, the contract may be revoked and the supplier barred from participating in tenders. During the year under review no instances of abuse were reported. Consequently, there were no cases where non-compliance by a contracting party led to exclusion (see [>Compliance management](#)).

Equality of opportunity and freedom from discrimination

The Zurich Airport Group is committed to respectful and fair treatment of all people, irrespective of attributes such as language, sex or gender identity, age, sexual orientation, ethnic origin or religion.

Relevance

Zurich Airport Ltd. operates transport hubs and public spaces where all manner of people come together. Treating people fairly and respectfully is essential for providing high-quality services for everyone in a peaceful atmosphere. The company offers equal opportunities and does not tolerate any kind of discrimination. This fundamental attitude applies in particular to interactions with the company's own employees and is enshrined in the [Code of Conduct](#) which applies Group-wide. The same applies to everyone with whom they are in direct contact.

Approach

Employees

Zurich Airport Ltd. offers all employees the same rights and opportunities. Its corporate values are a reflection of how the company sees itself: it attaches great importance to constructive and respectful cooperation, a culture of trust and openness, and a willingness to adapt.

Women, men and non-binary individuals are treated equally. This applies in particular to maternity/paternity leave, pay, part-time working, flexible working time models, and training and professional development.

Zurich Airport Ltd. has drawn up guidelines for dealing with discrimination in the form of sexual harassment. These state that the company does not tolerate any harassment, and set out what action an affected individual can take and where support is available. More information concerning employees can be found in the [Responsible employer](#) section.

The principle of respectful and non-discriminatory behaviour is also stipulated in similar documents at the company's airports in Brazil, Chile and India, where it likewise applies to all employees. In Brazil, the applicable Code of Ethics and Conduct additionally defines inclusion and diversity as important values. Chile also has a Code of Conduct. In Noida, the relevant obligations are set out in an HR Policy Manual, which addresses in particular ethical conduct and the prevention of sexual harassment.

Customers

Persons with reduced mobility (PRM) or other disabilities may take advantage of support services at Zurich Airport. All European airports have been obliged to provide such services free of charge since 2009. The relevant EU regulation, which also applies in Switzerland, covers people with any kind of reduced mobility, blind and visually or hearing-impaired people, as well as anyone with an intellectual impairment. This service at Zurich Airport is funded by means of a solidarity levy included in the passenger-related airport charges. A third-party firm currently handles such PRM services on behalf of Zurich Airport Ltd. In September of the reporting year, Zurich Airport Ltd. decided that from 2025 it will no longer put these services out to tender, but provide them itself. This will enable the quality of interoperation with other services already provided by the company to be further optimised.

In addition, ground handling firms also provide other support services. Unaccompanied minors or passengers requiring medical assistance are able to get to and from the gates safely.

All the public zones of Zurich Airport are barrier-free. This also applies to the new buildings in Latin America and India, which are obliged to take the needs of people with reduced mobility into account. With their "Airport for All" programme, the Brazilian subsidiaries are aiming to make airports easily accessible to anyone with a disability. The programme includes communication, organisational and structural measures such as the provision of a multisensory room for people on the autism spectrum or with other special needs at Florianópolis and Vitória airports.

Responsible employer

As a company providing services, it is the Zurich Airport Group's employees who hold the key to its success. The daily efforts of 2,163 employees in over 70 different occupations materially influence the quality of services and the long-term success of the company.

Relevance

The wellbeing of the workforce is essential if the Group is to achieve its goals. This applies to all employees, irrespective of their background and their position in the company. The Zurich Airport Group not only has a major responsibility for its own staff, its actions also influence the working conditions of employees of its airport partner companies.

During the reporting year Zurich Airport Ltd. decided to take over the provision of support services at the Zurich site for passengers with reduced mobility (PRM) or other disabilities from the current supplier at the start of 2025 (see [Equal opportunity and freedom from discrimination](#)). To this end, approximately 120 employees involved in providing these services will be transferred and fully integrated into the Zurich Airport Ltd. workforce.

Approach

Safeguarding rights

The Zurich Airport Group respects the core conventions of the ILO (International Labour Organization) and all labour laws applicable locally at its airports. It offers fair pay, higher than the respective minimum wage, and guarantees that no child or forced labour is used in its companies. Measures and precautions relating to [human rights](#), including in its value chain, are described in a separate section.

Employee representation

Employees of Zurich Airport Ltd. at the Zurich site have a statutory guaranteed right of participation which is exercised by the staff representation council (PeV) on behalf of all staff. The PeV comprises seven members from the various divisions of the company. The members are elected by employees and represent them in respect of the Management Board. Participation of the PeV in all matters that directly affect employees is a keystone of the company's social partnership.

GRI 2-30

A new participation agreement was drawn up by the PeV and the Management Board during the year under review and came into force in September. The revised agreement provides more transparency and clarity about the rights and obligations of the parties. Participation of the PeV includes, for instance, issues such as occupational safety and

health, working time arrangements, business transfers (parts or whole), mass redundancies as defined by the Swiss Code of Obligations and collective pay bargaining.

One of the most important issues discussed between the PeV and the Management Board during the reporting year was the difficult labour situation at the airport's partner companies. Even though the company itself was able to field enough personnel, annoyed passengers represented a major challenge for Zurich Airport Ltd. employees. The PeV identified concrete measures to improve the situation, some of which were speedily implemented. The PeV was also involved in negotiations for collective pay increases (see [> Remuneration and equal pay](#)).

There are no collective bargaining agreements at the Zurich site or in India and Chile. In Brazil on the other hand, 100% of employees with a local contract of employment are legally entitled to the conditions negotiated annually in collective bargaining agreements.

Attractive jobs

Airports are unique working environments involving an enormous variety of occupations. The jobs offered by Zurich Airport Ltd. at the Zurich site are attractive to applicants and cover a broad range of occupations and qualifications. This also applies to the other companies operating at Zurich Airport – a total of over 300 firms employing some 30,000 people between them.

The majority-owned airports in Brazil were jointly awarded the [> Great Place to Work](#) label. This label is awarded to companies that have a good workplace culture. Using data from regular employee surveys, action is taken to improve the quality of the workplace on an ongoing basis.

In the reporting year, Zurich Airport Ltd. employed 95 non-guaranteed hours employees (see [> Key data](#)). At the Zurich site, these are mainly people who work for VIP Services or at service points and info desks, along with tour guides, the majority of whom have already reached retirement age.

Remuneration and equal pay

The Zurich Airport Group attaches importance to fair, market-based remuneration: at its Zurich site it pays bonuses above the statutory minimum for working at night and over weekends and holidays. It also awards bonuses for work in especially unpleasant, dirty or noisy environments. During the period under review, pay was increased by the previous year's inflation rate. Furthermore, lower-paid workers in particular benefited from a guaranteed additional fixed sum of CHF 150 per month.

Equal pay for work of equal value is a core principle for the Zurich Airport Group. At its Zurich site, Zurich Airport Ltd. compares the pay disparity between men and women annually. The pay gap calculated is currently approximately 1.8% in favour of men, based on total pay excluding allowances. However, if bonuses for particularly unpleasant, dirty or noisy jobs were included, the gap would be greater because it is predominantly men who work in these types of job.

GRI 405-2

Swiss law requires companies based in Switzerland with over 100 employees to periodically review pay equality, for which the federal government provides a specific tool to measure earnings equality ([> Logib](#)). Zurich Airport Ltd. last undertook such an analysis of pay equality at its Zurich site in 2021. Calculated according to the Logib method, there

was a gender pay gap of 3.5% in favour of men in the reporting year, which is within the Confederation's tolerance threshold of 5%.

Compensation ratio

At the Zurich site, during the financial year just ended the ratio of the annual total compensation (salary including variable remuneration plus pension/social insurance contributions) for the highest-paid individual (CEO) to the median annual total compensation for all other employees was 6.3x (2022: 9.1x). For the entire Group including the majority-owned subsidiaries abroad, the ratio of the annual total compensation for the highest-paid individual (CEO) to the median annual total compensation for all other employees in the Group was 6.9x (2022: 9.7x). Given the different levels of pay and costs in Switzerland in comparison with Brazil and India especially, the pay ratio for the Group is only meaningful to a limited extent. To make the pay ratio figure more meaningful, the pay of the Board of Directors, apprentices/interns/trainees and hourly-paid workers was excluded. Likewise, only workers who were employed for the whole year were included, and the pay of part-time employees was calculated on the basis of full-time equivalent rates.

GRI 2-21

Pension fund and health insurance

Through the BVK pension fund, Zurich Airport Ltd. offers its Zurich-based employees a well-structured retirement plan with above-average benefits and individual savings options. The company participates in the contributions regardless of age, but as prescribed by law with at least 50%. The company also provides pre-retirement workshops to furnish people with the skills to deal with both financial and personal matters, and consequently smooth the transition into retirement. 48 employees and their partners (previous year: 36) attended these workshops during the reporting year. The company furthermore allows early (or deferred) retirement. More information on the BVK pension fund can be found in [note 22, Employee benefits](#).

GRI 404-2

The Zurich Airport Group also seeks to provide adequate pension provision for employees of its subsidiaries abroad. In Brazil, the subsidiaries match the amount of any additional payments into a private pension plan. Chile does not provide for direct employer contributions to private pension plans. The legally required portion of pension benefits for private individuals is deducted from the salary, however, and paid out directly by the subsidiary to the private pension accounts of the employees. India has a similar system, where the employer likewise directly pays the pension portion of remuneration directly into its employees' accounts.

Whereas health insurance at the Zurich site is a private matter of the employees, at the sites in Latin America, the company participates in the premiums for employees' health insurance. Arranging and paying for health insurance policies for workers is mandatory in Brazil, while the subsidiary in Chile voluntarily pays 70% of these costs.

Additional perks

All Zurich staff enjoy discounts from cafés, restaurants and shops at the airport. In addition, for employees who work more than 50% of full-time hours, Zurich Airport Ltd. pays the full cost of a public transport card for the Canton of Zurich, or contributes to the costs of a cross-zone or general season ticket.

Similarly, employees in Brazil benefit from discounts in stores at the airports. Certain deals for employees have also been negotiated with schools, shops, pharmacies, etc.

Annual leave

In 2023, Zurich Airport Ltd. decided to increase the number of annual leave days at the Zurich site with effect from 2024. In future, employees aged up to 59 will get two more days off a year. There are no changes to the annual leave entitlement for those aged 60 or over. The new leave entitlements will now be 25 days (up to age 49), 28 days (50 to 59) and 31 days from age 60.

Employer branding and recruitment

In order to be able to continue to find enough suitable employees in future, at the Zurich site the company is investing in further increasing its attractiveness as an employer. This is also one of the strategic action points for the Board of Directors and Management Board. An additional Employer Branding post was created during the reporting year to tackle this. The company also employs innovative recruitment methods featuring a simplified application process and making quick contact. For instance, people can apply for jobs via video or messenger app, without submitting a motivation letter.

Flexible working hours and remote working

Zurich Airport Ltd. employees based in Zurich benefit from an annual working time model with flexible working hours. This makes it easier for employees to work around family commitments, devote time to important public or political office, have time for further education, or simply pursue social activities.

For occupations where this is feasible, employees have the option of remote working. Zurich Airport Ltd. can provide the necessary equipment and organisational structures to facilitate this. Meeting face-to-face in person remains important too, however.

Work-life balance

The ability to combine work with family life is especially important to the Zurich Airport Group. In addition to the enhanced flexibility options outlined above, at the Zurich site new mothers receive 16 weeks paid maternity leave, two weeks more than the statutory minimum. Fathers and spouses of women who have given birth are entitled to the statutory 10-day leave of the other spouse on a full salary. 32% (previous year: 32%) of Zurich-based employees with open-ended contracts worked part-time in the year under review. To encourage more part-time working at the Zurich site, the company offers the option of a trial reduction in working hours for twelve months. It also supports unpaid leave, allowing employees to pursue life goals such as world travel, longer courses of study, extended maternity or paternity leave, or for any other reason they wish a leave of absence. After such time spent on personal development, they will return to their jobs with renewed energy and all the more motivated.

Diversity

The Zurich Airport Group considers the diversity of its employees and occupations to be a strength. It seeks to provide equal opportunities to all employees and create understanding and acceptance for their breadth of knowledge, different ways of thinking, origin, age, lifestyles and gender. To date, there has been no strategic plan covering diversity. Consequently, during the year under review, the company participated in the St. Gallen Diversity Benchmarking programme for the first time in order to obtain an independent comparison of its Zurich site with similarly sized companies.



Fostering diversity begins already during the recruitment process. Applicants' qualifications for the job and their alignment with the company's values will always be the primary criteria for Zurich Airport Ltd. However, criteria such as ethnic origin, age, lifestyle or gender must not lead to any discrimination. Furthermore, in order to promote working time models such as part-time work or job-sharing, most jobs are advertised with a flexible percentage of full-time hours ranging from 80-100%.

Diversity in governance bodies and management

Four women and four men sit on the Board of Directors of Zurich Airport Ltd., and two women and five men sit on the Management Board. This meets the current gender balance requirements for listed companies.

At the Zurich site, the percentage of women in management during the year under review was 22.2%. At its Zurich site Zurich Airport Ltd. aims to increase the proportion of women in management positions to 25% over the next few years.

Training and professional development

Zurich Airport Ltd. invests in the professional development of employees at all its locations. It is important for the company both to train people just embarking on their careers and to foster the professional, social and leadership skills of existing employees. At least once a year, personnel in Zurich and Brazil take part in a personal performance review and discuss career development with their line managers. As yet, the introduction of an annual performance review for all employees has not been fully implemented in Chile. In India, individual career development plans were defined for approximately half the workforce. These will be used by line managers to assess and discuss employee development. This process will probably be retained for the duration of the project phase until the new airport begins commercial operation.

GRI 404-3

Training

The Zurich Airport Group considers basic vocational training to be both an economic necessity and a social duty. It consequently takes responsibility for providing professional vocational training. In the reporting period, the company employed 54 apprentices for 14 different occupations as well as nine newly qualified apprentices in a one-year follow-on programme after completing their apprenticeships at the Zurich site. Moreover, a total of 21 interns and trainees received mid- and post-training work experience over several months. As at the cut-off date at the end of the year, around 4% of all employees had completed basic vocational training and internships at Zurich Airport Ltd.

When taking on new apprentices, trainees and interns at the Zurich site, Zurich Airport Ltd. seeks to recruit applicants with a wide range of educational backgrounds and school qualifications. For instance, it offers basic training leading to the Swiss Federal Vocational Training Certificate or Diploma which can also accommodate trainees with prior qualifications at various different levels. In addition, the company helps people in various occupations integrate in the world of work. This includes, for example, providing integration pre-apprenticeships for refugees or people temporarily admitted to the country. During the year under review, the company also employed one commercial trainee from the primary labour market and two apprentices with hearing impairments in skilled manual trades. Appropriate programmes will enable them to start in or make the transition to the regular labour market.

Apprentices, trainees and interns are assimilated in regular work processes and are given tasks and responsibilities appropriate to their level of training. Zurich Airport Ltd. ensures that its training staff are suitably qualified by providing further development along with the resources, expertise and assistance to ensure successful training. Wherever possible, the company seeks to promote young workers to suitable jobs within the company.

A 24-month internship programme is offered at Florianópolis, Vitória and Macaé airports. A total of four participants received training during the reporting year. There is also a programme for trainees.

At the company's site in Noida, India, a programme was launched in conjunction with an NGO to provide six-month work placements for school-leavers and students in various units, for example in accounts, software development or paramedic services. A total of 75 people joined the programme in the year under review.

Professional development

The company offers a very wide range of training courses. Employees and managers can deepen or extend their technical, personal and social competencies in a variety of seminars and training courses. A total of approximately 460 courses are offered at the Zurich site. While a large number of training courses are mandatory for certain groups to enable them to continue practising their professions, there are also a wide variety of other learning and development opportunities for employees and managers. Around 118 courses are available online as self-guided training modules. Employees are entitled to do two of these modules a year within their working hours. Zurich Airport Ltd. also makes a contribution in terms of financing or hours to specific external courses. In the reporting year 79 further training courses involving the company's contribution of over CHF 3,000 each were supported.

GRI 404-2

As the operator of several airports around the world, Zurich Airport Ltd. additionally offers suitable personnel the opportunity to take up airport-related posts at one of its other locations to enable them to develop their skills in an international environment.

Health management

The Zurich site has a health management policy aimed at promoting and maintaining the health of employees, both at the workplace and in their private lives. Firstly, this policy includes occupational safety (see the [Occupational and aviation safety section](#)), i.e. the prevention of accidents and other negative health impacts resulting from work. Secondly, it encompasses collaboration with the external consultancy MOVIS on overall wellbeing and health-related issues. Zurich Airport Ltd. furthermore offers employees an extensive range of opportunities to improve their physical and mental health. For instance, the

company offers free sport benefits and free vaccinations against flu, and – for personnel exposed to them – tickborne encephalitis (FSME), hepatitis A and B, as well as specific travel vaccines for staff who are sent to work abroad.

If they have any personal issues or work problems, employees at the Zurich site also have the option of contacting an external advice center for free and confidential advice. The center can be contacted 24/7 and is completely confidential – the employer cannot determine who has made use of this service.

At the airports in Brazil, employees must be allowed to participate in a “CIPA” forum (Comissão Interna de Prevenção de Acidentes de Trabalho). As well as promoting good health, such forums seek to prevent workplace accidents and occupational illnesses. Employees elect the members of this body themselves.

Workers in an employment-like relationship

The Zurich Airport Group has workers who are not employees and who therefore do not have a direct contract of employment with the company. This applies in particular to people working as cleaners and individuals working in ICT at the Zurich site.

GRI 2-8

Cleaning workers in an employment-like relationship are used to cover peak periods, and are therefore used mostly during the summer months. These workers are employed by an agency, but are treated the same as the company’s own employees in relation to working hours and bonuses.

Workers who are not employees are also used in the field of ICT. This enables the company to buy in necessary skills and bridge short-term capacity bottlenecks. These workers are often employees of specialist IT companies, for example.

At the international majority-owned subsidiaries in Brazil and Chile, it is very rare for workers not to be direct employees. There are no such employment-like relationships in India at all.

Key data (as at 31 December 2023)

GRI 2-7

Zurich Airport Group	Unit	2019	2020	2021	2022	2023
Employee composition						
No. of employees (excl. apprentices/interns/trainees)	Number of people	2,129	1,983	1,915	2,105	2,163
No. of employees in FTEs (excl. apprentices/interns/trainees)	Full-time equivalents (FTE)	1,848	1,722	1,694	1,886	1,934
Non-guaranteed hours employees	Number of people	119	106	77	85	95
Apprentices	Number of people	49	48	43	49	54
Interns/trainees	Number of people	18	7	3	22	23
Employees by employment contract						
Permanent (excl. apprentices/interns/trainees)	Number of people	2,070	1,930	1,856	1,901	2,113
Female	Number of people	700	644	596	613	680
Male	Number of people	1,370	1,286	1,260	1,288	1,433
Other	Number of people	0	0	0	0	0
Temporary (excl. apprentices/interns/trainees)	Number of people	59	53	59	204	50
Female	Number of people	22	17	18	46	17
Male	Number of people	37	36	41	158	33
Other	Number of people	0	0	0	0	0
Permanent employees by employment type						
Full-time (excl. apprentices/interns/trainees)	Number of people	1,529	1,410	1,383	1,425	1,590
Female	Number of people	324	291	271	304	349
Male	Number of people	1,205	1,119	1,112	1,121	1,241
Other	Number of people	0	0	0	0	0
Part-time (excl. apprentices/interns/trainees)	Number of people	541	520	478	481	529
Female	Number of people	376	353	325	309	331
Male	Number of people	165	167	153	172	198
Other	Number of people	0	0	0	0	0
Employees by region						
Switzerland	Number of people	1,706	1,652	1,534	1,553	1,662
Permanent (excl. apprentices/interns/trainees)	Number of people	1,658	1,610	1,501	1,521	1,650
Temporary (excl. apprentices/interns/trainees)	Number of people	48	42	33	32	12
Latin America	Number of people	423	317	330	481	401
Permanent (excl. apprentices/interns/trainees)	Number of people	412	306	309	314	369
Temporary (excl. apprentices/interns/trainees)	Number of people	11	11	21	167	32
Asia	Number of people	0	14	51	71	100
Permanent (excl. apprentices/interns/trainees)	Number of people	0	14	46	66	94
Temporary (excl. apprentices/interns/trainees)	Number of people	0	0	5	5	6

Zurich Airport Ltd., Zurich site	Unit	2021	2022	2023
Newly hired employees (excl. apprentices/interns/trainees)	Number of people	76	161	278
of which female	Number of people	28	77	94
of which male	Number of people	48	84	184
of which employees aged up to 30 years	Number of people	7	40	74
of which employees aged between 31 and 50 years	Number of people	40	100	149
of which employees aged above 50 years	Number of people	29	21	55
Employee turnover rate¹⁾	in %	9.7	7.2	6.9
of which female	Number of people	46	67	40
of which male	Number of people	99	58	76
of which employees aged up to 30 years	Number of people	10	22	18
of which employees aged between 31 and 50 years	Number of people	81	74	66
of which employees aged above 50 years	Number of people	54	29	32

1) No. of notices of termination over last 12 months (excl. apprentices/interns/trainees, retirees/early retirees, people on zero-hours or temporary contracts)

Zurich Airport Ltd., Zurich site	Unit	2021	2022	2023
Percentage of following categories on Board of Directors				
Women	in %	38	38	50
Men	in %	62	62	50
Age: 30–50	in %	0	0	13
Age: >50	in %	100	100	88
Percentage of all employees by hierarchy level		w¹⁾ m²⁾	w¹⁾ m²⁾	w¹⁾ m²⁾
Management Board	in % of total	0 0.4	0.1 0.3	0.1 0.3
Management personnel (FS1–3)	in % of total	7 27	7 30	8 28
Employees without management function (FS4–6)	in % of total	25 41	23 40	24 40
Percentage of all employees by age		w m	w m	w m
<30	in % of total	2 4	3 4	5 8
30–50	in % of total	17 37	15 36	15 34
>50	in % of total	12 28	13 29	12 26

1) women

2) men

ICT security and data protection

The Zurich Airport Group ensures that its systems, data and information are available, confidentiality and integrity are maintained, and threats can be averted.

Relevance

At its various sites, Zurich Airport Ltd. uses different systems for information and communication technology. In Zurich, the company maintains extensive ICT systems with data centers that are absolutely vital for its operations. The entire airport infrastructure can only function if data can be processed. The situation is similar at the three majority-owned subsidiaries in Brazil. In Chile, on the other hand, the ICT systems of the subsidiary A-Port and its sites are largely confined to the commercial and personnel-related administration of the company itself, as in particular the aviation-related systems are operated by the authorities.

In addition to risks of a physical nature such as natural disasters for example, cyberattacks pose a great threat to ICT systems today. The Zurich Airport Group is accordingly faced with the challenge of continually developing its security strategies. The ICT systems and associated data and information must be protected from unauthorised access while maintaining availability, confidentiality and integrity at all times.

As a key element of Switzerland's infrastructure, Zurich Airport is part of the national strategy to protect critical infrastructures and is consequently required to take steps to increase resilience. At the same time the National Aviation Security Programme (NASP) run by the Federal Office of Civil Aviation (FOCA) stipulates certain ICT security requirements that are binding for Zurich Airport.

Personal data collected in Zurich, for example from passenger handling, video surveillance, access points to buildings and security zones, vehicle car parks, and from the provision of further services, are subject to Swiss and/or European data protection legislation.

Approach

ICT security

Following its ISO 27001 certification the previous year, to ensure the availability, confidentiality and integrity of its ICT systems, Zurich Airport Ltd.'s information security management system (ISMS) successfully completed a recertification audit during the reporting year. This management system ensures that ICT security is maintained for the basic infrastructure and is constantly adapted to meet ever-evolving challenges. Zurich Airport thus complies with the requirements of the NASP. The cybersecurity strategy of Zurich Airport Ltd., originally drawn up in 2019, was completely revised during the year under review. It is based on internationally recognised standards. The revised strategy gave rise to various projects which will be implemented in a comprehensive programme over the coming years. The technical and organisational requirements are already being

implemented and elaborated in an ongoing process audited by the Federal Office of Civil Aviation.

This tight integration with the national strategy to protect critical infrastructures and close conformance with sector standards is intended to ensure the company will always be in a position to detect external cyberattacks or other data breaches at an early juncture and minimise their impacts. System-critical infrastructures are provided redundantly, also to limit the damage to ICT systems caused by other incidents such as earthquakes for example.

The central importance of awareness is assigned to a separate project in the revised cybersecurity strategy as the behaviour of employees is key to successfully protecting systems against cyberattacks. Regular information campaigns and training events are held to raise awareness among all ICT users and enable them to quickly spot potential threats.

In Brazil, the project launched in 2021 to achieve ISO 27001 certification has not yet been completed. Further work will be required this year in order to meet the standard.

Various measures for improving ICT security which had been decided on in the previous year were implemented in Chile during the year under review. These greatly increased resilience and also ensured compliance with data security legislation.

Protection of personal data

The framework for handling personal data is primarily provided by the [> Swiss Data Protection Act](#) and the [> European General Data Protection Regulation](#).

As well as complying with data protection laws, Zurich Airport Ltd. handles all the data and sensitive information of its business customers, service partners, consumers and other stakeholders with care and observes its duties of confidentiality.

Zurich Airport Ltd. has appointed a data protection officer to ensure compliance as regards the protection of personal data. This officer advises line managers on the correct handling of personal data, maintains a list of the company's data repositories, and provides information to affected individuals, external bodies and public agencies. In addition, during the year under review Zurich Airport Ltd. drew up a [> data ethics policy](#) setting out its principles for handling personal and operational data.

The management of operational and personal data at the company's airports abroad is based on the respective local regulations in force. Owing to the limited scope of the systems, no passenger-related data are collected at the airports in Chile. The passenger data collected at the Brazilian airports cannot be linked to individual people.

Sustainability: Report on non-financial matters

Approval and publication of the report on non-financial matters

The Board of Directors approved and signed the report on non-financial matters for 2023 on 7 March 2024. It also has to be approved by the Annual General Meeting.

Zurich Airport, 7 March 2024

Josef Felder
Chairman of the Board of Directors

Beatrix Frey-Eigenmann
Chairwoman of the Audit & Finance Committee

GRI content index

Statement of use	Zurich Airport Ltd. has reported in accordance with the GRI Standards for the period 1 January to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not currently available

GRI Standard	Disclosure	Location	Explanation or omission
GRI 2: General Disclosures 2021	2-1 Organizational details	Ownership and legal form	
		Headquarters	
		Locations	
	2-2 Entities included in the organization's sustainability reporting	Group structure	
	2-3 Reporting period, frequency and contact point		01.01.2023–31.12.2023, annually
		Contact details	08.03.2024
	2-4 Restatements of information		No significant changes
	2-5 External assurance		None
	2-6 Activities, value chain and other business relationships	Zurich Airport Ltd.	
	2-7 Employees	Key data employees	
	2-8 Workers who are not employees	Workers in an employment-like relationship	
	2-9 Governance structure and composition	Committees of the Board of Directors	
		Diversity and competencies	
		Organizational structure	
		Activities at other companies	
		Board of Directors	
	2-10 Nomination and selection of the highest governance body	Nomination process	
	2-11 Chair of the highest governance body	Chairman of the Board of Directors	
	2-12 Role of the highest governance body in overseeing the management of impacts	Role of the Board of Directors in oversight	
	2-13 Delegation of responsibility for managing impacts	Delegation of responsibility	
	2-14 Role of the highest governance body in sustainability reporting	Role of the Board of Directors in sustainability reporting	
	2-15 Conflicts of interest	Conflicts of interest	
	2-16 Communication of critical concerns	Information and control instruments	
	2-17 Collective knowledge of the highest governance body	Board of Directors collective knowledge	
	2-18 Evaluation of the performance of the highest governance body	Board of Directors evaluation	
	2-19 Remuneration policies	Remuneration policy	
2-20 Process to determine remuneration	Remuneration system		
2-21 Annual total compensation ratio	Compensation ratio		
2-22 Statement on sustainable development strategy	Letter to shareholders		
2-23 Policy commitments	Guidelines and implementation		
2-24 Embedding policy commitments	Guidelines and implementation		
2-25 Processes to remediate negative impacts	Remediation of negative impacts		
2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing		

2-27 Compliance with laws and regulations	Compliance
2-28 Membership associations	Memberships
2-29 Approach to stakeholder engagement	Stakeholders
2-30 Collective bargaining agreements	Participation rights

GRI Standard	Material topics	Location
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability topics
GRI 3: Material Topics 2021	3-2 List of material topics	Material topics
Regional contribution		Go to section
GRI 3: Material Topics 2021	3-3 Management of material topics	Management approach
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Consolidated income statement
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Infrastructure investments
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Local suppliers
Noise		Go to section
GRI 3: Material Topics 2021	3-3 Management of material topics	Management approach
Climate		Go to section
GRI 3: Material Topics 2021	3-3 Management of material topics	Management approach
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate key data
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Climate key data
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Climate key data
Occupational and aviation safety		Go to section
GRI 3: Material Topics 2021	3-3 Management of material topics	Management approach
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safety
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Safety
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Safety
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Injuries and illnesses
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	Injuries and illnesses
Business ethics		Go to section
GRI 3: Material Topics 2021	3-3 Management of material topics	Management approach
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Legal proceedings

GRI Standard	Topics in the applicable GRI Sector Standards determined as not material	Location
Energy		Go to section
GRI 302: Energy 2016	302 – 1 Energy consumption within the organization	Energy key data
GRI 302: Energy 2016	302 – 2 Energy consumption outside of the organization	Energy key data
GRI 302: Energy 2016	302 – 3 Energy intensity	Energy key data
GRI 302: Energy 2016	302 – 4 Reduction of energy consumption	Energy key data
Waste and circular economy		Go to section
GRI 306: Waste 2020	306 – 3 Waste generated	Waste generated
Air quality		Go to section
GRI 305: Emissions 2016	305 – 7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air emissions
Biodiversity		Go to section
Water		Go to section
GRI 303: Water and Effluents 2018	303 – 3 Water withdrawal	Water consumption
Anti-corruption		Go to section
GRI 205: Anti-corruption 2016	205 – 3 Confirmed incidents of corruption and actions taken	Incidents of corruption
Human rights		Go to section
Equality of opportunity and freedom from discrimination		Go to section
Responsible employer		Go to section
GRI 401: Employment 2016	401 – 1 New employee hires and employee turnover	Employee turnover
GRI 404: Training and Education 2016	404 – 2 Programs for upgrading employee skills and transition assistance programs	Professional development Retirement
GRI 404: Training and Education 2016	404 – 3 Percentage of employees receiving regular performance and career development reviews	Performance review
GRI 405: Diversity and Equal Opportunity 2016	405 – 1 Diversity of governance bodies and employees	Diversity
GRI 405: Diversity and Equal Opportunity 2016	405 – 2 Ratio of basic salary and remuneration of women to men	Ratio of basic salary
ICT security and data protection		Go to section
Airport Operators Sector Supplement (G4: 2014)		
AO1	Total number of passengers annually	Passengers
AO2	Total annual number of aircraft movements	Flight movements
AO3	Total amount of cargo tonnage	Freight
AO5	Ambient air quality levels	Air quality
AO6	Aircraft and pavement de-icing/anti-icing fluid used and treated	De-icing/anti-icing fluid
AO7	Number and percentage change of people residing in areas affected by noise	Noise key data
AO8	Number of persons physically or economically displaced and compensation provided	Displacements

Corporate governance

Corporate governance forms an important element of Zurich Airport Ltd.'s corporate policy. It is based on transparency and clearly defined responsibilities. The company meets the guidelines of SIX Swiss Exchange and those of the Swiss Code of Obligations and observes the Swiss Code of Best Practice for Corporate Governance recommendations issued by *economiesuisse*.

Group and capital structures

Group structure

Zurich Airport Ltd. is a semi-public joint-stock company under Swiss law, based in Kloten in the Canton of Zurich. For details concerning the group operational structure, please see the section on [segment reporting](#). Apart from Zurich Airport Ltd., which is listed on SIX Swiss Exchange (securities no. 31941693, ISIN CH0319416936, market capitalisation of CHF 5.4 billion as at 31 December 2023), the consolidated group does not comprise any other listed companies. However, it does include the following unlisted companies:

GRI 2-1

Company	Domicile	Share capital	Stake held in %
Zurich Airport Ltd.	Kloten	CHF 307,018,750	Parent company
Airport Ground Services AG	Kloten	CHF 100,000	100.0
Zurich Airport International AG	Kloten	CHF 100,000	100.0
Yamuna International Airport Private Ltd.	New Delhi	INR 15,269 million	100.0
Concessionária do Aeroporto Internacional de Florianópolis S.A.	Florianópolis	BRL 304 million	100.0
Zurich Airport Latin America Ltda.	Rio de Janeiro	BRL 581 million	100.0
Aeroportos do Sudeste do Brasil S.A.	Vitória	BRL 571 million	100.0
Concessionária do Aeroporto Internacional de Natal S.A.	Natal	BRL 155 million	100.0
A-port S.A.	Santiago de Chile	CLP 16,139 million	100.0
Sociedad Concesionaria Aeropuerto de Antofagasta S.A.	Santiago de Chile	CLP 3,600 million	100.0
Sociedad Concesionaria Aeropuerto de Iquique S.A.	Santiago de Chile	CLP 600 million	100.0
Sociedad Concesionaria Aeropuerto Diego Aracena S.A.	Santiago de Chile	CLP 10,700 million	100.0
A-port Operaciones S.A.	Santiago de Chile	CLP 1,352 million	99.0
A-port Operaciones Colombia S.A.	Bogotá	COP 100 million	99.0
Unique IDC S.A. de C.V.	Tegucigalpa	HNL 0.2 million	99.0

Unless otherwise stated, data included in sustainability and non-financial reporting likewise refer to the majority-owned subsidiaries.

GRI 2-2

Capital structure

The group's ordinary share capital amounts to CHF 307,018,750, which is divided into 30,701,875 fully paid-up registered shares with a nominal value of CHF 10.00 each. All shares have the same dividend entitlements and voting rights (as long as they have been entered in the Share Register accordingly). As at the reporting date there is no conditional capital and no capital band has been defined; likewise, there are no participation or dividend-right certificates and no outstanding convertible bonds or options.

For information concerning the distribution of shares to employees (no options are distributed), please refer to the Financial report, Consolidated financial statements according to IFRS, Notes to the consolidated financial statements, > [note 3, Personnel expenses](#).

The changes in share capital, reserves and available earnings (financial statements according to the provisions of the Swiss Code of Obligations) during the past three years are shown below:

(CHF million)	31.12.2021	31.12.2022	31.12.2023
Share capital	307.0	307.0	307.0
Legal capital reserves			
Capital contribution reserves	117.0	117.0	83.2
Legal retained earnings			
General legal retained earnings	42.4	42.4	42.4
Voluntary retained earnings	109.7	109.7	109.8
Available earnings			
Profit brought forward	1,689.4	1,699.0	1,820.2
Earnings for the year	9.6	194.9	283.0
Treasury shares	-0.1	-0.1	-0.9
Total equity	2,275.1	2,469.9	2,644.8

Shareholders and participation rights

Significant shareholders

As at 31 December 2023, the Canton of Zurich held 33.33% plus one share, and the City of Zurich held 5% of the company's shares/voting rights. There were no other shareholders entered in the Share Register whose holdings exceeded 3% of the total number of shares with voting rights. Information about shareholdings in excess of or below the thresholds specified in Article 120 of the Financial Markets Infrastructure Act (FMIA) published during the reporting period can be found on the [platform](#) of the [Disclosure Office of SIX Swiss Exchange](#). There are no crossholdings and no shareholder agreements of which the company is aware.

GRI 2-1

Changes of control

The company's Articles of Association contain an opting-up clause which stipulates that, in the event that the threshold at which an offer is required in accordance with the provisions of the Swiss Stock Exchange Act is exceeded, it shall be set at 49%. No clauses exist regulating a change of control in favour of members of the Board of Directors or Management Board.

Limitations on transferability of shares/voting rights and nominee registrations

Registration with voting rights is limited to 5% of the share capital. This limit applies both to individual investors and groups of shareholders, with the exception of the Canton of Zurich (limit = 49%) and the City of Zurich (limit = 10%). Other statutory registration limits apply to guarantee proof of Swiss control, should such proof be required by a special law or double taxation agreement. Nominees are exclusively registered as shareholders without voting rights. Exceptions to these registration limits may be granted by the Board of Directors at its discretion, specifically in association with contributions in kind, shareholdings, mergers and easing of tradability of shares on the stock market. No exceptions were granted during the reporting period. Limitations on transferability are set forth in Article 6 of the company's [Articles of Association](#). They can be amended by a resolution of the Annual General Meeting by a two-thirds majority of represented votes.

Participation rights at the Annual General Meeting

Entries in the Share Register are normally made up to one week before the Annual General Meeting. With respect to the convening of the Annual General Meeting and the inclusion of items on the agenda, no rules in the Articles of Association deviate from the statutory provisions. In accordance with Art. 699b para. 1 of the Swiss Code of Obligations, shareholders representing 0.5% of the shares (153,510 shares) may request that items be included on the agenda. In accordance with Article 12 para. 3 of the company's Articles of Association, the relevant requests must be submitted in writing to the Board of Directors of the company together with proof of entitlement, an exact description of the requested item and a specifically formulated resolution proposal. Only

requests that are received by the company in good time, i.e. at least 60 days before the Annual General Meeting, can be considered.

Any shareholder may arrange to be represented by another person with a written power of attorney or by an independent proxy at the Annual General Meeting. Members of the Board of Directors and Management Board may represent other shareholders provided this does not constitute institutionalised representation. In accordance with Article 17 para. 3 of the company's Articles of Association, the Board of Directors may draw up rules of procedure covering participation in and representation at the Annual General Meeting and, in particular, make detailed provision for the issue of instructions to independent proxies. It shall ensure that the shareholders are also able to issue electronic powers of attorney and instructions to the independent proxy. On the basis of the Articles of Association the company is authorised to conduct the Annual General Meeting in virtual form or may, in addition to physical attendance, provide for participation in the AGM via electronic means. This will be communicated to shareholders in individual cases.

In accordance with the rules set out in the Articles of Association, resolutions of the Annual General Meeting are generally passed by a majority of the votes cast. In addition to those defined in Article 704 of the Swiss Code of Obligations, a qualified majority as defined in the code is required for the following cases:

- Amendments to the Articles of Association
- Easing or elimination of limitations with respect to the transferability of registered shares
- Conversion of registered shares into bearer shares

Board of Directors

Election and term of office

Members of the Board of Directors are elected by the Annual General Meeting for a term of office of one year. They may be re-elected without limit to the number of years in office. **GRI 2-9**

According to the Articles of Association, the Canton of Zurich is entitled to appoint three of seven or eight, or four of nine members of the Board of Directors in accordance with Article 762 of the Swiss Code of Obligations. In the reporting period, the five members to be elected by the Annual General Meeting were elected by individual vote.

Process for selecting and appointing the Board of Directors

The Board of Directors of Zurich Airport Ltd. continually and proactively reviews membership of the Board itself. Coordinated strategic human resources planning which takes account of the composition and selection process requirements is carried out for all members of the Board of Directors. **GRI 2-10**

On the basis of a skills matrix and a general requirements profile covering diversity, personality and leadership qualities, the Board of Directors determines what expertise and experience are lacking. The Board will generally employ an external executive search agency to identify a number of potential candidates on the basis of its requirements profile. Following pre-screening, the Nomination & Compensation Committee reviews the resulting shortlist and contacts the candidates on the list. The executive search agency and subsequently the Nomination & Compensation Committee conducts one or more interviews with the candidates. The Nomination & Compensation Committee will then make a recommendation to the Board of Directors as to which candidate it should put forward for election at the Annual General Meeting. Members of the Board of Directors appointed by the Canton of Zurich are likewise always selected with the assistance of an external consultant in a comparable process closely involving the Chair of the Board of Directors.

The Board of Directors evaluates the instruments used to manage and control the company and its members' competencies in the form of a self-assessment. This provides a basis for comparing existing and required competencies on the Board as a whole. If such an analysis reveals that certain competencies are incomplete or lacking entirely on the Board of Directors, this will flow into the next selection process for new members. **GRI 2-18**

Any measures taken as a result of the self-assessment will be reported in the following year, especially as the Board of Directors has been newly composed and a new chair has been in post since the 2023 Annual General Meeting.

Diversity and competencies

Both a good gender balance and an appropriate length of tenure on the Board of Directors are desirable. In the year under review, the Board of Directors was composed of four women and four men, average tenure was 7 years, and the average age was 62.

GRI 2-9

Description	V. Albers	G. Brentel	J. Felder	B. Frey-Eigenmann	S. Gemkow	C. Mauch	C. Pletscher	C. Walker Späh
Age	67	68	62	57	63	63	49	65
Gender	m	m	m	f	m	f	f	f
Nationality	Swiss	Swiss	Swiss	Swiss	German	Swiss	Swiss	Swiss
Term of office ¹⁾	9	10	7	1	7	13	1	9
Selection process	delegated	elected	elected	delegated	elected	elected	elected	delegated
Executive	no	no	no	no	no	no	no	no

1) The current term of office 2023/2024 is counted as a full year.

Along with a knowledge of law and compliance, the competencies required on the Board of Directors encompass core entrepreneurial skills, leadership experience at board or senior executive level, international experience, strategy development, finance, sustainability, communication, politics and reputation management; these broad-based competencies are all covered by multiple members of the Board. The Board of Directors also attaches importance to representation from individuals with (sector) knowledge of important stakeholders and in the areas of aviation, tourism, retailing, hotels and restaurants, real estate, the platform economy and digital transformation. It is also ensured that the majority of members of the Board of Directors are familiar with political processes and Switzerland's federal system. As well as having a balanced composition, this enables the Board to appoint deputies (vice chairs and committee chairs).

Every year the Board of Directors meets for in-depth discussions focusing on a particular issue for which it also draws on the knowledge of internal and external experts. The two new members of the Board of Directors attended an onboarding programme lasting several days to learn about the various aspects of the company, current and planned projects, and their particular challenges. In consultation with the respective member of the Management Board, relevant personnel in the company and the Chairman of the Board of Directors, the new board members were prepared for their specific role as chair of the respective committees (Audit & Finance Committee and Nomination & Compensation Committee).

GRI 2-17

Members

Josef Felder

- Chairman of the Board of Directors since the 2023 Annual General Meeting, member of the Board of Directors since the 2017 Annual General Meeting.
- Swiss citizen, born in 1961, Swiss Certified Expert for Accounting and Controlling and AMP Harvard Business School; various positions at Crossair AG between 1989 and 1998, culminating in deputy director and divisional head; then CEO of Flughafen-Immobilien-Gesellschaft FIG (from 1998 to 2000) and Zurich Airport Ltd. (from 2000 to 2008); member of the Boards of Directors at various companies since 2009
- Significant activities and vested interests: Vice Chairman of the Board of Directors of AMAG Group AG and subsidiaries; member of the Board of Directors of Cereal Property Group AG; Vice Chairman of the Board of Directors of Knie Holding AG; Chairman of the Board of Directors of Musikpunkt Hug Holding AG and Chairman of the Board of Directors of SGV Holding AG

Vincent Albers

- Member of the Board of Directors since May 2015 (delegation)
- Swiss citizen, born in 1956, degree in mechanical engineering from the Federal Institute of Technology (ETH Zurich) and MSc in management from Stanford Business School; mechanical engineer at Amdahl Corp., Sunnyvale and Fujitsu Ltd., Tokyo; Director of Albers & Co AG, Zurich since 1986, responsible for its Real Estate division since 1992, Partner since 1993
- Significant activities and vested interests: CEO and delegate of the Board of Directors of Hardturm AG; member of the Board of Directors and Management Board of Albers & Co AG; member of the Board of Directors of Schoeller Textil AG (Albers Group)

Guglielmo Brentel

- Member of the Board of Directors since the 2014 Annual General Meeting
- Swiss citizen, born in 1955, commercial apprenticeship, Swiss federal diploma in administration, Swiss federal diploma from Swiss Hospitality Management School in Lausanne; various consultancy roles for the hotel and tourism sector since 1989; founder, owner and Chairman of the Board of Directors of H&G Hotel Gast AG
- Significant activities and vested interests: none

Beatrix Frey-Eigenmann

- Member of the Board of Directors since May 2023 (delegation)
- Swiss citizen, born in 1966, MA in International Relations, University of St. Gallen, Head of Energie 2000 at the Swiss Federal Office of Energy (1993 to 1996); business consultant and branch manager at Federas Beratung AG since 1996, Partner (since 2009) and member of the Management Board (since 2015); politically active as head of Finance and Health on the Meilen Municipal Council (2006–2018) and as a Member of the Zurich Cantonal Parliament (from 2011 to 2023) and chair of its Finance Committee (2015–2019)
- Significant activities and vested interests: Chairwoman of the Board of Directors of Spital Männedorf AG

Stephan Gemkow

- Member of the Board of Directors since the 2017 Annual General Meeting
- German citizen, born in 1960, graduated in business management from the University of Paderborn and St. Olaf College, Northfield, MN, USA; business consultant at BDO Deutsche Warentreuhand AG (1988 to 1990) and, from 1990, various management roles at Deutsche Lufthansa AG; between 2006 and 2012 Chief Financial Officer and member of the Executive Board, Chairman of the Board of Franz Haniel & Cie. GmbH from 2012 to 2019
- Significant activities and vested interests: Member of the Board of Directors of Airbus SE, Leiden, Netherlands, Vice Chairman of the Board of Directors of Amadeus IT Group S.A., Madrid, Spain, Senior Advisor BNP Paribas Group, Frankfurt, Germany and member of the Board of Trustees of C. D. Waelzholz GmbH & Co. KG, Hagen, Germany

Corine Mauch

- Member of the Board of Directors since the 2011 Annual General Meeting
- Swiss citizen, born in 1960, degree in agricultural engineering from the Federal Institute of Technology (ETH); research work (from 1993 to 2002) and political studies (from 2002 to 2008) in the fields of environment, transport, energy and sustainable development; politically active as a member of the City Parliament of Zurich (from 1999 to 2009), Mayor of Zurich since 2009
- Significant activities and vested interests: member of the Greater Zurich Area Foundation Board; member of the Metropolitan Council of the Metropolitan Conference Association of Zurich; Deputy President of the SSV Association of Swiss Cities; member of the Steering Committee of the Association of Municipal Councils of the Canton of Zurich; member of the Technopark Zurich Foundation Board; member of the Foundation Board of Switzerland Innovation Park Zurich; member and patron of Digital Switzerland; member of the Board of Directors of Tonhalle-Gesellschaft Zurich AG

Claudia Pletscher

- Member of the Board of Directors since the 2023 Annual General Meeting
- Swiss citizen, born in 1974, Master's degree in law from the University of Bern and Poitiers (F), MBA from Henley Business School (UK) and MIT (USA); various international management positions for regions and countries at IBM; Head of Development & Innovation at Swiss Post from 2014 to 2021 as head of digital business, from 2017 extended Group executive management, chair of the INN group executive committee (innovation, new business & sustainability); positions on the Board of Directors during the establishment of Twint and following the co-founding of the SwissSign Group; currently Managing Partner of fineminds GmbH
- Significant activities and vested interests: member of the Board of Directors of Metall Zug AG; Medbase Group; Migros Vita AG; member of the Innosuisse Innovation Council; member of the Digital Advisory Board for Swissmedic, the Swiss agency for therapeutic products

Carmen Walker Späh

- Member of the Board of Directors since July 2015 (delegation)
- Swiss citizen, born in 1958, MA (Law); attorney-at-law; head of Legal Services and deputy head of the Building Inspectorate of the City of Winterthur (from 1998 to 2000); independent attorney (from 2000 to 2015); politically active as a member of the Cantonal Parliament (from 2002 to 2015) and since 2015 as a member of the Government Council and Head of the Department for Economic Affairs of the Canton of Zurich
- Significant activities and vested interests: President of the Greater Zurich Area Foundation Board, location marketing; Vice Chairwoman of the Board of the Swiss Conference of Cantonal Directors of Finance and of the Conference of Cantonal Directors of Public Transport (KöV); President of the Conference of Directors of Public Transport for the Zurich Region; Chairwoman of the ZVV Transport Council; member of the Swiss Conference of Directors of Building, Planning and Environmental Protection and member of the Conference of Directors of Public Works, Planning and Environmental Protection Region East; member of the Zurich Metropolitan Council; member of the Gotthard Committee; chair of the Housing Committee of the Canton of Zurich

None of the members of the Board of Directors holds an executive position at Zurich Airport Ltd., and none was a member of the Management Board of Zurich Airport Ltd. or any of its group companies during the three financial years prior to the period under review. As at the reporting date, with the exception of the transactions disclosed in the consolidated financial statements (see [note 24.4 Related parties](#)), there were no significant business relationships between members of the Board of Directors or the entities they represent and Zurich Airport Ltd.

GRI 2-11

Details of activities in companies with a commercial purpose and other legal entities entered in the Commercial Register are set out in the [Remuneration report](#). The requirements for disclosure of additional mandates of members of the Board of Directors and the Management Board are geared to the SIX Corporate Governance policy, and in the Remuneration Report they are geared to the Swiss Code of Obligations. These requirements are not identical. According to Article 22 of the company's Articles of Association, the number of additional mandates that members of the Board of Directors are permitted to hold in the most senior managerial or administrative organs of legal entities outside the scope of consolidation of the company is restricted to five mandates at listed companies and ten mandates at unlisted companies, and to an additional ten mandates at other legal entities entered in the Commercial Register. All members of the Board of Directors meet these requirements.

The Code of Conduct, which also applies to the Board of Directors, and the organisational regulations include a duty to disclose any internal conflicts of interest and set out the rules for dealing with conflicts of interest. Members of the Board of Directors have a duty to disclose conflicts of interest, or any appearance of a conflict of interest, in relation to an individual business matter, even minor ones. The Board of Directors will decide on the action to be taken, which may include the respective member withdrawing from deliberations and not voting on a particular item of business.

GRI 2-15

There are no cross-board memberships between Boards of Directors. In addition, major shareholders and their respective shareholdings are disclosed (see [Shareholders](#) section).

Internal organisation

Chairman of the Board of Directors

Josef Felder (elected by the Annual General Meeting for one year at a time)

Vice Chairwoman of the Board of Directors

Claudia Pletscher

The Board of Directors has formed the following committees:

GRI 2-9

Audit & Finance Committee

Members

Beatrix Frey-Eigenmann (Chairwoman), Stephan Gemkow, Vincent Albers, Josef Felder (guest)

Duties

This committee is responsible for the close supervision of the annual accounts and the monitoring of compliance with accounting policies, the evaluation of financial reporting and auditing activities, the assessment of findings obtained from audits and recommendations by the auditors and Internal Audit, ICT security and cyber resilience, the definition of the group's financing policy and an examination of business transactions of special importance. The committee also considers non-financial reporting matters.

International Business Committee

Members

Stephan Gemkow (Chairman), Vincent Albers, Guglielmo Brentel, Josef Felder (guest)

Duties

This committee reviews the strategic development of existing and new business activities abroad and oversees the development of major investment projects, currently focusing on construction of Noida Airport in India. It also considers investment opportunities and proposals for international business, and in particular evaluates and finalises any related tenders to be submitted within the bounds stipulated by the Board of Directors in each case.

Nomination & Compensation Committee

Members

Claudia Pletscher (Chairwoman), Vincent Albers, Guglielmo Brentel, Josef Felder (guest); are elected by the Annual General Meeting for one year at a time

GRI 2-10

Duties

This committee deals with all matters relating to the appointment or removal of members of the executive management of the Group, including their compensation and questions relating to succession planning. It formulates the principles of the Group's personnel and compensation policies and ensures that these are duly complied with. It is also responsible for assessing any potential conflicts of interest on the part of members of the Board of Directors or Management Board.

Public Affairs Committee (PAC)

Members

Carmen Walker Späh (Chairwoman), Corine Mauch, Beatrix Frey-Eigenmann, Josef Felder (guest)

Duties

This committee chiefly monitors political matters that are relevant to Zurich Airport and acts as an advisory panel for political issues of strategic importance to the company.

Organisation and participants

The executive bodies of Zurich Airport Ltd. convene meetings as required. During the reporting period the Board of Directors held eight meetings with an average duration of around five hours plus a two-day retreat. The three meetings that took place before the Annual General Meeting were attended by the previous board members. The Audit & Finance Committee held four meetings lasting an average of two hours, the International Business Committee held three meetings lasting an average of three hours each plus a one-day retreat, the Nomination & Compensation Committee held eight meetings with an average duration of two hours, and the Public Affairs Committee held two meeting lasting two hours in each case.

The committees approve recommendations and submit proposals to the Board of Directors and arrange for any necessary clarifications by internal or external offices. However, the committees do not pass any final, substantive resolutions.

The Chief Executive Officer, members of the Management Board and the General Secretary are regularly invited to attend meetings of the Board of Directors; the CEO, CFO and the General Secretary are invited to attend meetings of the Audit & Finance Committee; the CEO, CFO, MD of Zurich Airport International and the General Secretary are invited to attend meetings of the International Business Committee; the CEO, the Chief People & Communications Officer and the General Secretary are invited to attend meetings of the Nomination & Compensation Committee; and the CEO, COO, Head of Public Affairs and the General Secretary are invited to attend meetings of the Public Affairs Committee.

Members of the Board of Directors are required to attend all meetings of the Board and of the committees to which they belong and to spend the necessary preparation time to adequately carry out their responsibilities. Attendance at Board meetings was as follows during the last financial year:

Board member	Board meetings and retreat	Attendance committee meetings ¹⁾
Vincent Albers	100%	100%
Guglielmo Brentel	100%	100%
Josef Felder	100%	100%
Beatrix Frey-Eigenmann ²⁾	100%	100%
Stephan Gemkow	78%	75%
Corine Mauch	78%	100%
Claudia Pletscher ³⁾	100%	100%
Carmen Walker Späh	100%	100%
Andreas Schmid ⁴⁾	100%	100%
Eveline Saupper ⁵⁾	100%	100%

1) comprises of the following committee meetings: AFC, IBC, NCC, PAC

2) In office since 1 May 2023

3) In office since Annual General Meeting 2023

4) In office until Annual General Meeting 2023

5) In office until 30 April 2023

Definition of areas of responsibility

Based on the Articles of Association, the Board of Directors has issued a set of organisational regulations in accordance with the provisions of Article 716b of the Swiss Code of Obligations. Alongside the duties that are non-delegable by law, the Board of Directors has retained further fundamental strategic responsibilities, in particular those associated with the rights and obligations arising from federal civil aviation concessions, specifically deciding on significant licence applications, major budget approval requests, petitions for amendments to operating regulations and changes to fees and charges. In all other matters, it entrusts the Management Board with the general management of the company.

Role of the Board of Directors in overseeing the impacts of management practices

The Board of Directors reviews developments and the impacts of the company and all its divisions at every meeting. These are also discussed with members of the Management Board, including aspects of sustainable development. Encounters with and developments among stakeholder constituencies are also considered. At the first meeting in its new composition, the Board of Directors took the opportunity to review its own processes. Changes to procedures provide more time for reflecting on developments and the impacts of the company.

GRI 2-12

In 2021, the Board of Directors redefined the company's strategy and values in consultation with the Management Board. These are based on megatrends identified by the Management Board as particularly relevant to the company. Sustainable development has been expressly included in our strategy ever since (see > [Strategy](#) section).

Every year at a two-day retreat, the Board of Directors and the Management Board together develop and define business goals that align with this strategy. During the 2023 strategy review, half a day was set aside to discuss the development of aviation infrastructure, during which the Management Board worked out the fundamental

principles in its respective divisions. Particular attention was paid to the impact of the planned runway extensions and to the political environment at Zurich Airport. In consultation with external experts, the Board of Directors also considered digitalisation trends in the aviation industry and the digital strategy that flowed from these. Representatives of individual stakeholder groups are regularly invited to these retreats to set out their expectations and views. At their meetings, members of the Management Board report on all significant contact with stakeholders as a matter of course (see [Stakeholders](#) section for more information).

Delegation of responsibility

In accordance with the organisational regulations, the Board of Directors has delegated the management of the company to the Management Board. Division heads are responsible for allocating responsibilities within their divisions, with sustainability being a matter for all divisions. The Board of Directors is accordingly notified of all relevant developments in the general situation assessment at every meeting. Various reports presented to the Board of Directors over the course of the financial year elucidate elements of how impacts are managed.

GRI 2-13

Reporting on sustainable development is carried out through the Integrated Report. The Audit & Finance Committee is accordingly responsible for this and consequently analyses the company's sustainability reporting in detail and prepares it for the attention of the Board of Directors. For the first time, the report on non-financial matters for the 2023 reporting year will be approved and signed off by the Board of Directors. The report on non-financial matters will also be presented to shareholders. See [Approval and publication of the report on non-financial matters](#) for further information.

GRI 2-14

The Finance & Services division, which includes the Financial Services and Sustainability & Environmental departments, has overall responsibility for integrated reporting. Reporting on governance matters requires the involvement of the General Secretary. The People & Communications division is responsible for key aspects of managing impacts on social sustainability (employees and people generally).

Delegates appointed by the Canton

Members of the Board of Directors appointed by the Canton exercise their mandate with the same rights and obligations as every other member of the Board of Directors. The Canton may issue instructions to its delegates in certain legally defined circumstances: this applies solely to resolutions by the Board of Directors relating to changes in the location or length of runways and to changes to the operating regulations that have a significant impact on aircraft noise exposure.

Information and control instruments vis-à-vis the Management Board

GRI 2-16

The Management Board reports to the Board of Directors by means of a monthly Management Information System (MIS). Comprehensive financial and business reports are prepared on a quarterly basis, and a report on substantial business risks and the compliance situation is produced every year. As part of its general situation assessment, the Management Board also informs the Board of Directors at every meeting about any developments and critical concerns or particular risks that have recently come to light in the company's business activities. The Board of Directors is also kept informed of anticipated financial developments by means of long-term planning for various scenarios.

In consultation with the Audit & Finance Committee, the external auditors EY (Ernst & Young AG) reviewed the internal control system as part of the interim audit. During the reporting period, [Internal Audit](#), which was set up as an entity independent of management and the Audit & Finance Committee to help the Board of Directors exercise its duty of supervision, reviewed processes relating to remuneration, travel expenses and inventory management, as well as conducted various project audits (including the airports at Iquique in Chile and Noida in India) and on various further aspects of the Latin American subsidiaries. Follow-up activities to previous audits also took place. Internal Audit reports directly to the chair of the Audit & Finance Committee.

Management Board

Members

Lukas Brosi

- Chief Executive Officer (CEO)
- Swiss citizen, born 1979, degree in business economics; various roles in the corporate consulting division at UBS AG (2000 to 2009); joined Zurich Airport Ltd. in 2009 as Group Treasurer, steadily acquiring a wider role and more responsibility, including deputising for the CFO, became CFO and consequently joined the Management Board in February 2017
- CEO since May 2023
- Significant activities and vested interests: none

Daniel Bircher

- Managing Director Zurich Airport International
- Swiss citizen, born in 1968, lic. phil. I degree, Project Manager at EBP Schweiz AG (from 1996 to 2006), Safety Officer at Zurich Airport Ltd (from 2006 to 2011)
- Operations Director at Bangalore International Airport Private Limited, Bengaluru, India (from 2011 to 2015), Chief Operation Officer at Belo Horizonte International Airport, Belo Horizonte, Brazil (from 2015 to 2018)
- Chief Executive Officer at Zurich Airport International Asia, Kuala Lumpur, Malaysia (from 2018 to 2021)
- Returned to Zurich Airport Ltd. as a member of the Management Board in August 2021
- Significant activities and vested interests: none

Kevin Fleck

- Chief Financial Officer (CFO)
- Swiss-Canadian dual citizen, born in 1984, M.A. HSG in Economics; worked in asset management and derivatives trading at a Swiss and American bank (2006-2013); CFO at Airline Assistance Switzerland (ground handling company) (2015-2017); various CFO roles at the Vebego Group in the DACH market in the fields of facility management, real estate, aviation and health care (2017-2023)
- Joined Zurich Airport Ltd. in August 2023 as CFO and Member of the Management Board
- Significant activities and vested interests: Member of the Board of Directors of Belvalor AG, Zurich

Stefan Gross

- Chief Commercial Officer (CCO)
- Swiss citizen, born in 1969, studied business administration; managerial positions at IKEA in Switzerland, Australia, Germany and Russia (from 1996 to 2010); shopping center management roles for the Federation of Migros Cooperatives (from 2010 to 2015)
- Joined Zurich Airport Ltd. in February 2016 as CCO and Member of the Management Board
- Significant activities and vested interests: none

Lydia Naef

- Chief Real Estate Officer (CREO)
- Swiss citizen, born 1982, degree in business economics plus an MBA in international real estate management, various consulting and project management roles at RESO Partners AG and Halter AG (from 2006 to 2012), joined Zurich Airport Ltd. as a property management team leader in 2012, Head Services & Parking and Head Property & Portfolio Management
- Appointed CREO and assumed Management Board function in September 2022
- Significant activities and vested interests: Chairwoman of the Board of Directors of Nabreg AG

Manuela Staub

- Chief People & Communications Officer (CPCO)
- Swiss citizen, born 1973, degree in business economics and Executive Master of Science in Communications Management, worked in various roles, including Head of Organisational Development, at Bluewin (1999 to 2001); then Head of Communications for various divisions at Swisscom AG, joined Zurich Airport Ltd. as Head of Corporate Communications in February 2020
- Became CPCO and consequently joined the Management Board in June 2022
- Significant activities and vested interests: none

Stefan Tschudin

- Chief Operation Officer (COO)
- Swiss citizen, born 1968, MA (Law) and qualified airline pilot; worked as a legal consultant at a law firm and in court (from 1994 to 1997), as an airline pilot and flying instructor for Swissair (from 1997 to 2002) and as a legal advisor at PFS Pension Fund Services (from 2002 to 2006); joined Zurich Airport Ltd. in 2007 as a lawyer and aviation specialist in charge of approval processes
- Became COO and consequently joined the Management Board in October 2017
- Significant activities and vested interests: Member of the Board of Directors of UBAG - Unterflurbetankungsanlage Flughafen Zürich AG



Lukas Brosi, Kevin Fleck, Stefan Tschudin, Lydia Naef, Stefan Gross, Daniel Bircher and Manuela Staub (from left to right)

In the year under review, there were no management agreements associated with the assignment of management duties to third parties.

Details of activities in companies with a commercial purpose and other legal entities entered in the Commercial Register are set out in the [Remuneration Report](#). According to Article 22 of the company's Articles of Association, the number of additional mandates that members of the Management Board are permitted to hold in the most senior managerial and administrative organs of legal entities outside the scope of consolidation of the company is restricted to one mandate at listed companies and five mandates at unlisted companies, and to an additional five mandates at other legal entities entered in the Commercial Register. All members of the Management Board comply with these requirements.

Remuneration, participation and loans

The rules relating to the remuneration of the Board of Directors and the Management Board, which are based on Art. 28 ff. of the [Articles of Association](#), and the remuneration paid in the reporting period are shown in the separate [Remuneration Report](#).

Auditors

The auditors are appointed each year by the Annual General Meeting. The current auditors Ernst & Young AG assumed their mandate in 2018. The present lead auditor, Daniel Zaugg, has thus been responsible for this mandate since 2018, which is limited by law to a period of seven years.

The group-wide fee charged by the current auditors for auditing the figures for the year under review amounted to CHF 492,000 (2022: CHF 488,500). The auditors also charged a total of CHF 65,000 (2022: CHF 110,000) for additional audit-related services. No fees were paid to the auditors for additional services either in the reporting year or the previous year.

The Audit & Finance Committee is responsible for monitoring and supervising the external audit. It deals with the formulation and approval of integrated audit planning, which includes the plans for both external and internal audits. Moreover, the Audit & Finance Committee evaluates and analyses the respective audit reports and approves the fees for the external audit.

The auditors provide a written report on the results of the interim audit and the end-of-year audit. The lead auditor from the external auditing firm participates in the relevant agenda items at least twice a year at the meetings of the Audit & Finance Committee.

Information policy

Shareholders regularly receive information about current events and developments in the Interim and Annual Reports as well as monthly reports on traffic and trading figures and ad-hoc news releases in “Investor News”. Ad-hoc announcements from the company can be read online at www.flughafen-zuerich.ch/newsroom/en/investor-news/. Anyone interested can subscribe to [Investor News](#). The contact details and key dates are listed under [Additional information](#) and other details about the capital market are listed in the section on [Stakeholders](#).

For further information, please see [Investor Relations](#).

Blackout periods

During the period prior to the announcement of the company's interim and annual results, a general blackout applies to members of the Board of Directors and Management Board and to all employees with access to insider information, without exception. They are not permitted to buy or sell Zurich Airport Ltd. shares and options during these blackout periods. No information or estimations beyond already published financial market information may be provided to third parties. The duration of the blackout period is specified by the CFO on a case-by-case basis depending on the work required to produce the respective results, and ends on the day of publication. The blackout period is usually approximately 50 days for the annual results and around 35 days for the interim results.

Remuneration report

The following Remuneration Report describes the principles of the remuneration policy at Zurich Airport Ltd. as well as the associated decision-making powers and the components of remuneration.

1. Remuneration policy at Zurich Airport Ltd.

1. Foundations and principles

At Zurich Airport Ltd., the rules governing remuneration are based on the corporate and capital market law requirements of the Swiss Code of Obligations, the SIX regulations, and the company's [Articles of Association](#) (Art. 28 ff.) and any resolutions and rules issued on the basis of these Articles.

GRI 2-19

The remuneration philosophy of Zurich Airport Ltd. is geared to a corporate strategy oriented toward sustainable success. Market-based, performance-oriented remuneration creates the conditions for recruiting and retaining qualified, committed employees in a competitive labour market. The remuneration system is simply structured, clear and transparent. The basic structure of the company's existing remuneration system has been unchanged for a long time; over the years there have merely been adjustments to individual aspects. The pension contribution system for the Management Board is essentially the same as for other salaried employees based at the Zurich site. The only difference is that contributions to the pension fund for the variable salary component of Management Board members are paid in full by the employer. No severance payments are made to the Board of Directors or to the Management Board, and there are no rules pertaining to the clawback of compensation in certain circumstances.

The current remuneration and bonus system was drawn up in 2012 and minor adjustments were last made in 2017. The bonus scheme for the Management Board is presented by the Nomination & Compensation Committee for the Board of Directors to decide on. The scheme for all other employees entitled to a bonus is approved by the Management Board. See sections [2. Components and methods of determination](#) and [3. Approval by the Annual General Meeting](#) for further information.

GRI 2-20

2. Components and methods of determination

For the remuneration of members of the Board of Directors

In order to ensure the independence of the active members of the Board of Directors in the performance of their supervisory duties, their remuneration consists exclusively of a fixed remuneration package comprising an annual lump sum plus payments for attending meetings. Members of the Board of Directors receive no performance-related remuneration. Annual lump-sum payments are made in respect of their work on the Board of Directors and its committees (which it may form as and when required). The number of meetings of the Board of Directors and its committees and the number of committees are determined based on business requirements. The total amount to be proposed to the Annual General Meeting for prospective remuneration is designed to

also cover financial years in which the Board of Directors faces exceptional situations. The attendance allowances are calculated on the basis of a member's participation in meetings of the Board of Directors and its committees. The amount payable is currently CHF 2,875 per meeting. The applicable amounts for the lump sums and attendance allowances are defined according to the gross principle. They define all fees to be paid by the company including all statutory social security and occupational pension fund contributions payable by the company.

The Board of Directors evaluated the existing remuneration model during the reporting year and asked external consultants PwC (PricewaterhouseCoopers AG) to review the model and level of remuneration compared with a group of similar listed Swiss companies. During the reporting year, Zurich Airport Ltd. engaged PwC for further management consultancy for individual departments.

As Zurich Airport Ltd. is part of the SMIM® stock index (SMI Mid), companies on this index were used as benchmarks. The benchmarked companies included ones with a similar level of market capitalisation, revenue and employees, but excluded ones from the financial sector for example. The benchmark group for the remuneration model therefore comprises the following companies:

Company
Adecco
Avolta (formerly known as Dufry)
Bachem
Barry Callebaut
Belimo
Galenica
Georg Fischer
PSP Swiss Property
SIG Combibloc
Swiss Prime Site
Tecan
Temenos
VAT Group

The evaluation findings were incorporated in a new fee model for the Board of Directors which now has a more market-oriented structure. It now integrates the attendance allowances in function-dependent flat-rate fees for members of the Board of Directors and for committee chairs and members. The flat rates used are based on the median remuneration in the benchmark group. As the attendance of the Chairman of the Board as a guest of some committees without voting rights is in their capacity as chair of the board, it is not additionally remunerated. The flat-rate fees reflect the working time and the necessary risk management associated with the various committees and individual functions, also with reference to market rates. The remuneration model also differentiates according to the role of the particular member on the Board of Directors (chair, vice chair, member) and their function in the committees (chair, member), with the additional workload of chairpersons being recognised. The levels of attendance allowance are lower than in the original model and allowances are payable solely for unplanned extraordinary meetings of the Board of Directors. As before, no flat-rate expenses are paid. Remuneration is paid solely in cash, not in the form of shares as the latter form of compensation is not suitable for representatives of the canton and the city of Zurich and the fee model is intended to apply to all board members.

Following due consideration of the above-mentioned criteria, the Board of Directors has determined the new fee model and allowances as recommended by the Nomination & Compensation Committee. This takes into account the remuneration amount already approved for the 2024 financial year by the Annual General Meeting.

From the 2024 Annual General Meeting onwards, the new Board of Directors fee model will be as follows:

Board function	Fees in CHF per year
Board Chair ¹⁾	430,000
Board Vice Chair	150,000
Board member	135,000
Attendance fee for extraordinary board meetings, per meeting and participation	1,500

Committee	Fees in CHF per year
AFC Chair	35,000
AFC member	25,000
NCC Chair	30,000
NCC member	25,000
IBC Chair	30,000
IBC member	25,000
PAC Chair	15,000
PAC member	10,000

1) No further compensation for participation as a guest in committees

The Nomination & Compensation Committee will regularly review the fee model to verify that the chosen criteria continue to be appropriate and are adequately reflected. The fee model can be adjusted again by the Board of Directors if necessary.

For the remuneration of members of the Management Board

Remuneration of members of the Management Board is based on individual employment contracts and comprises a fixed component (fixed salary and benefits) and a variable performance-related component plus employer contributions to social security and pension funds. Two thirds of the variable remuneration is paid out in cash and one third in shares. The shares are blocked for a period of four years, which ensures that the incentives include an element oriented to long-term perspectives.

The fixed component is determined on a discretionary basis, while the variable component is based on the degree to which the target for the company's success set by the Board of Directors for the respective financial year was achieved. EBIT according to financial planning (excluding the influence of aircraft noise) has been adopted as the target. The target bonus proposed for 100% achievement of the target amounts to 100% of the fixed salary for the CEO and 50% of the fixed salary for the other members of the Management Board. If the target is exceeded, variable remuneration is limited to 150% of the target bonus. In the event that achievement falls below 70% of the target, there is no entitlement to variable remuneration. In accordance with the Articles of Association and the regulatory provisions, the Board of Directors can use its discretion to adjust the variable remuneration in justified exceptional cases, while bearing the upper limit of 150% of the target bonus in mind. The Board of Directors will review the variable remuneration scheme during the current year 2024.

The amounts concerned are set each year by the Board of Directors as proposed by the Nomination & Compensation Committee. Members of the Management Board do not participate or have any say in these decisions of the Board of Directors.

3. Approval by the Annual General Meeting

Each year, the Annual General Meeting holds a binding vote on the aggregate amount of remuneration for the Board of Directors and the Management Board. On the basis of Article 30 of the company's Articles of Association, this vote is held prospectively; that is, the maximum aggregate amounts that could be paid to the members of the Board of Directors and the Management Board during the following reporting period are submitted to the [Annual General Meeting](#) for approval.

In accordance with Article 30 para. 2 of the Articles of Association, an additional sum of 30% of the approved aggregate amount is available as necessary for the remuneration of any subsequently nominated members of the Management Board (per additional member); this sum does not require the approval of the Annual General Meeting.

As the amounts actually to be paid out depend in part on factors not yet known when these amounts are approved (for remuneration of the Board of Directors the actual number of meetings, for remuneration of the Management Board the consolidated result), this prospective method of approval requires that theoretical maximum amounts be used by the Annual General Meeting as a basis for their approval decisions. The remuneration actually paid out for a specific reporting period will be stated the following year in the Remuneration Report, which will be presented to the Annual General Meeting for approval on a consultative basis.

2. Remuneration paid

The following table shows the remuneration that was actually paid for the given financial year:

1. Remuneration of the Board of Directors

a) for the reporting period (2023):

(in CHF, gross)		Remuneration for members of the Board of Directors ¹⁾	Remuneration for attending board meetings ¹⁾	Remuneration for committee membership ¹⁾	Remuneration for committee meetings ¹⁾	Total
Recipient	Function					
Josef Felder ²⁾	Chairman since Annual General Meeting 2023	261,818	25,875	21,204	48,875	357,772
Claudia Pletscher ³⁾	Vice Chairwoman; Chairwoman Nomination & Compensation Committee	79,082	17,250	7,908	14,375	118,615
Vincent Albers	Member	97,750	25,875	17,250	46,000	186,875
Guglielmo L. Brentel	Member	97,750	25,875	9,704	31,625	164,954
Beatrix Frey-Eigenmann ⁴⁾	Member; Chairwoman Audit & Finance Committee	65,613	17,250	11,579	8,625	103,067
Stephan Gemkow	Member; Chairman International Business Committee	97,750	20,125	17,250	17,250	152,375
Corine Mauch ⁵⁾	Member	97,750	20,125	5,750	5,750	129,375
Carmen Walker Späh ⁶⁾	Member; Chairwoman Public Affairs Committee	97,750	25,875	11,500	5,750	140,875
Andreas Schmid ⁷⁾	Chairman until Annual General Meeting 2023	102,600	8,625	7,184	20,125	138,534
Eveline Saupper ⁸⁾	former Member; Chairwoman Nomination & Compensation Committee	32,137	8,625	5,671	11,500	57,933
Total		1,030,000	195,500	115,000	209,875	1,550,375
Total amount approved by the Annual General Meeting						1,700,000

1) Remuneration is presented on a gross basis, i.e. including employee and employer contributions to social security schemes and pension plans.

2) Vice Chairman until Annual General Meeting 2023

3) Elected at Annual General Meeting 2023

4) In office since 1 May 2023

5) Of the total amount of CHF 129,375, CHF 89,969 was paid out to the City of Zurich and CHF 39,406 to the member.

6) Of the total amount of CHF 140,875, CHF 140,875 was paid out to the Canton of Zurich and CHF 0 to the member.

7) In office until Annual General Meeting 2023; total amount excl. leaving gift (equivalent value CHF 26,000)

8) In office until 30 April 2023; total amount excl. leaving gift (equivalent value CHF 10,000)

b) for the prior year (2022):

(in CHF, gross)		Remuneration for members of the Board of Directors ¹⁾	Remuneration for attending board meetings ¹⁾	Remuneration for committee membership ¹⁾	Remuneration for committee meetings ¹⁾	Total
Recipient	Function					
Andreas Schmid	Chairman	328,500	23,000	23,000	51,750	426,250
Josef Felder	Vice Chairman; Chairman Audit & Finance Committee	108,531	23,000	17,250	40,250	189,031
Vincent Albers	Member	97,750	23,000	17,250	48,875	186,875
Guglielmo L. Brentel	Member	97,750	23,000	5,750	14,375	140,875
Stephan Gemkow	Member; Chairman International Business Committee	97,750	20,125	17,250	28,750	163,875
Corine Mauch ²⁾	Member	97,750	20,125	5,750	2,875	126,500
Eveline Saupper	Member; Chairwoman Nomination & Compensation Committee	104,219	23,000	17,250	20,125	164,594
Carmen Walker Späh ³⁾	Member; Chairwoman Public Affairs Committee	97,750	11,500	11,500	2,875	123,625
Total		1,030,000	166,750	115,000	209,875	1,521,625
Total amount approved by the Annual General Meeting						1,700,000

1) Remuneration is presented on a gross basis, i.e. including employee and employer contributions to social security schemes and pension plans.

2) Of the total amount of CHF 126,500, CHF 87,525 was paid out to the City of Zurich and CHF 38,975 to the member.

3) Of the total amount of CHF 123,625, CHF 123,625 was paid out to the Canton of Zurich and CHF 0 to the member.

No severance payments, joining bonuses or other long-term remuneration payments were made in 2023 or 2022.

2. Remuneration of the Management Board

a) for the reporting period (2023):

(in CHF)	Salary	Variable remuneration (cash) ¹⁾	Variable remuneration (shares) ¹⁾	Pension and social insurance contributions ²⁾	Miscellaneous ³⁾	Total CHF	Number of shares ⁴⁾	Share price (CHF) ⁴⁾
Recipient								
Lukas Brosi (CEO since May 2023, previously CFO)	365,004	305,328	152,246	199,966	26,044	1,048,588	867	175.60
Other members of the Management Board	1,901,199	978,759	418,279	827,737	132,238	4,258,212	2,382	175.60
Total	2,266,203	1,284,087	570,525	1,027,703	158,282	5,306,800	3,249	
Total amount approved by the Annual General Meeting						6,000,000		

1) The allocation is rounded down to a whole number of shares and any remainder is added to the cash component. This may result in a slight change in the apportionment of the variable remuneration between cash and equity components, but the total amount remains unchanged.

2) Social insurance contributions excl. pension fund calculated on a blanket basis.

3) Miscellaneous includes representation expenses and the company car, in individual cases it can also include other items such as a long-service gift.

4) The number of shares stated above is based on the share price at year-end. The definitive number of shares is calculated on the basis of the share price at the payment date.

Remuneration of members of the Management Board was effected as shown in the above table. The variable component is based on the degree to which the target for the company's success set by the Board of Directors for the respective financial year was achieved. The salaries of the other members of the Management Board was increased by 3% over the previous year in the reporting period, in line with inflation. The CEO's salary was not increased in line with inflation owing to the staff-related change. The salaries of the new CEO and of the CFO who joined during the reporting period will be brought into line with the defined CEO and CFO salaries in stages.

In the reporting year, total variable compensation (cash and share component) for individual members of the Management Board amounted to between 37% and 148% of their fixed salary and, as the target was achieved, is close to the maximum target bonus of 150%. In the previous year, the level of target achievement was reduced by the Board of Directors, taking due account of special factors, and set at 130%.

The variable remuneration (cash and share components) is accrued for the reporting period and paid out in the spring of the following year. The aggregate variable remuneration (cash and share components) amounts to between 50% and 100% of the fixed salary for individual members of the Management Board. Shares awarded as a component of variable remuneration are blocked for a period of four years (see also Financial report, Consolidated financial statements according to IFRS, Notes to the consolidated financial statements, [note 3, Personnel expenses](#)). No long-term remuneration or joining bonus or severance payments were made in 2023.

b) for the prior year (2022):

(in CHF)	Salary	Variable remuneration (cash) ¹⁾	Variable remuneration (shares) ¹⁾	Pension and social insurance contributions	Miscellaneous ²⁾	Total CHF	Number of shares ³⁾	Share price (CHF) ³⁾
Recipient								
Stephan Widrig (CEO)	420,000	363,977	182,023	254,763	27,818	1,248,581	1,272	143.10
Other members of the Management Board ⁴⁾	1,695,027	749,152	320,115	752,913	171,332	3,688,539	2,237	143.10
Total	2,115,027	1,113,129	502,138	1,007,676	199,150	4,937,120	3,509	
Total amount approved by the Annual General Meeting						5,500,000		

1) The allocation is rounded down to a whole number of shares and any remainder is added to the cash component. This may result in a slight change in the apportionment of the variable remuneration between cash and equity components, but the total amount remains unchanged.

2) Miscellaneous includes representation expenses and the company car, in individual cases it can also include other items such as a long-service gift.

3) The number of shares stated above is based on the share price at year-end. The definitive number of shares is calculated on the basis of the share price at the payment date.

4) A new member joined the Management Board on 1 June 2022.

3. Loans, advances, non-market-based remuneration

No loans or advances were granted to members of the Board of Directors or the Management Board in 2023 or 2022, nor was non-market-based remuneration paid to parties related to members of the Board of Directors or the Management Board during these years.

3. Equity interests and options

As at the reporting date, members of the Board of Directors and related parties held the following number of shares:

Name	Function	Number of shares as at	Number of shares as at
		31.12.2023	31.12.2022
Josef Felder ¹⁾	Chairman since Annual General Meeting 2023	25,200	25,200
Claudia Pletscher ²⁾	Vice Chairwoman; Chairwoman Nomination & Compensation Committee	0	n/a
Vincent Albers	Member	2,517	2,517
Guglielmo L. Brentel	Member	309	309
Beatrix Frey-Eigenmann ³⁾	Member; Chairwoman Audit & Finance Committee	200	n/a
Stephan Gemkow	Member; Chairman International Business Committee	100	100
Corine Mauch	Member	0	0
Carmen Walker Späh	Member; Chairwoman Public Affairs Committee	5	5
Andreas Schmid ⁴⁾	Chairman until Annual General Meeting 2023	n/a	11,115
Eveline Saupper ⁵⁾	Member; Chairwoman Nomination & Compensation Committee	n/a	675
Total		28,331	39,921

1) Vice Chairman until Annual General Meeting 2023

2) Elected at Annual General Meeting 2023

3) In office since 1 May 2023

4) In office until Annual General Meeting 2023

5) In office until 30 April 2023

As at the reporting date, members of the Management Board and related parties held the following number of shares:

Name	Function	Number of shares as at	Number of shares as at
		31.12.2023	31.12.2022
Lukas Brosi	Chief Executive Officer (CEO)	2,441	2,029
Daniel Bircher	Managing Director Zurich Airport International	1,227	847
Kevin Fleck	Chief Financial Officer (CFO)	100	n/a
Stefan Gross	Chief Commercial Officer (CCO)	2,258	1,846
Lydia Naef	Chief Real Estate Officer (CREO)	622	450
Manuela Staub	Chief People & Communications Officer (CPCO)	383	167
Stefan Tschudin	Chief Operation Officer (COO)	1,816	1,404
Stephan Widrig	n/a	n/a	8,080
Total		8,847	14,823

Neither members of the Board of Directors nor the Management Board held options on the company's shares at the reporting date.

4. Activities at other companies

The activities of members of the Board of Directors and the Management Board at other companies with a commercial purpose and other legal entities entered in the Commercial Register are listed below: **GRI 2-9**

Board of Directors	Activities in companies with a commercial purpose and other legal entities entered in the Commercial Register
Vincent Albers	<ul style="list-style-type: none"> • Chairman of the Board of Directors and Delegate of Hardturm Ltd • Member of the Board of Directors and Executive Management of Albers & Co AG • Member of the Board of Directors of Schoeller Textil AG (Albers Group) • Chairman of the Board of Directors of AG Haus zum blauen Täubli • Member of the Board of Directors of Immobilien ETHFZ AG • Member of the Board of Directors of Hohenlinden AG • Member of the Board of Directors of Kartaus AG • Various other mandates in units of the Albers Group
Guglielmo Brentel	<ul style="list-style-type: none"> • Chairman of the Board of Directors of H&G Hotel Gast AG, Altendorf • Chairman of the Board of Directors of Holesa AG, Lenzerheide (Hotel Schweizerhof) • Chairman of the Board of Directors of Niklaus Ming Holding AG, Vevey • President of IG Seepärke Zürich • President of Zurich Tourism • Member of the Board of Directors of Laax Hospitality 3.0 AG
Josef Felder	<ul style="list-style-type: none"> • Vice-Chairman of the Board of Directors of AMAG Group AG and subsidiaries • Member of the Board of Directors of Careal Property Group AG • Vice-Chairman of the Board of Directors of Gebr. Knie Schweizer National-Circus AG • Chairman of the Board of Directors of Musikpunkt Hug Holding AG • Chairman of the Board of Directors of SGV Holding AG (Schiffahrtsgesellschaft Vierwaldstättersee) • Chairman of the Board of Directors of Musica Nova AG • President of the Musik Hug Foundation Board • Chairman of the Board of Directors of Felder & Company AG
Beatrix Frey-Eigenmann	<ul style="list-style-type: none"> • Partner and Member of Management of Federas Beratung AG • Chairwoman of the Board of Directors of Spital Männedorf AG • Chairwoman of the Board of Directors of MRI Zentrum Männedorf AG • President of the Hohenegg Foundation Board, Meilen • Member of the Forel Klinik Foundation Board
Stephan Gemkow	<ul style="list-style-type: none"> • Vice-Chairman of the Board of Directors of Amadeus IT Group S.A., Madrid, Spain¹⁾ • Member of the Board of Directors of Airbus SE, Leiden, Netherlands¹⁾ • Senior Advisor BNP Paribas Group, German office, Frankfurt¹⁾ • Member of the Board of Trustees of C.D. Waelzholz GmbH & Co. KG, Hagen, Germany • Member of the Board of Directors of Airbus Defence und Space GmbH, Ottobrunn, Germany
Corine Mauch	<ul style="list-style-type: none"> • Mayor of the city of Zurich • Member of the Greater Zurich Area Foundation Board • Member of the Switzerland Innovation Park Zurich Foundation Board • Member of the Technopark Zurich Foundation Board • Member of the Board of Directors of Tonhalle-Gesellschaft Zürich AG • Member of the BlueLion Foundation Board • President of the Nico Kaufmann Foundation Board • Member of the Board of RZU (planning umbrella association for the Zurich region and vicinity) • Vice-Chairwoman of Association Trans Europe TGV Rhin-Rhône-Méditerranée • Member of the Board of Trustees of Zoo Zürich • President of the Zurich Film Foundation Board • Member of the Board of the Zurich Art Society
Claudia Pletscher	<ul style="list-style-type: none"> • Managing Director of fineminds GmbH • Member of the Board of Directors of Metall Zug Ltd¹⁾ • Member of the Innovation Council, Innosuisse – Swiss Innovation Agency • Member of the Board of Directors of Medbase AG • Member of the Board of Directors of Migros Vita AG • Member of the Digital Advisory Board for Swissmedic, the Swiss agency for therapeutic products • Member of the Advisory Board for Future Society Association Thinktank W.I.R.E – Web for Interdisciplinary Research & Expertise SA • Member of the Digital Advisory Board beUnity Ltd
Carmen Walker Späh	<ul style="list-style-type: none"> • Member of Government Council of the Canton of Zurich • President of the Greater Zurich Area Foundation Board, location marketing

In the Remuneration Report, the requirements for disclosure of additional mandates of members of the Board of Directors and the Management Board are geared to the Swiss Code of Obligations, in the section on corporate governance in the main report they are geared to the SIX Corporate Governance policy. These requirements are not identical.

1) listed company

Management Board	Activities in companies with a commercial purpose and other legal entities entered in the Commercial Register
Lukas Brosi	none
Daniel Bircher	none
Kevin Fleck ¹⁾	• Member of the Board of Directors of Belvalor Ltd.
Stefan Gross	none
Lydia Naef	• Chairwoman of the Board of Directors of Nabreg AG
Manuela Staub	none
Stefan Tschudin	• Member of the Board of Directors of UBAG - Unterflurbetankungsanlage Flughafen Zürich AG

1) since 15 August 2023

Gender representation on Board of Directors and Management Board

The Board of Directors comprises 50% women and 50% men (see also [Diversity and competencies](#)). The Management Board comprises 30% women and 70% men.

To the General Meeting of
Flughafen Zürich AG, Kloten

Zurich, 7 March 2024

Report of the statutory auditor on the audit of the remuneration report



Opinion

We have audited the remuneration report of Flughafen Zürich AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables on pages 134 to 139 of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report complies with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the remuneration report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, 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.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" in the remuneration report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.



Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the

preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.



Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is 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 Swiss law and SA-CH 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 this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Daniel Zaugg
Licensed audit expert
(Auditor in charge)

Juri Frischknecht
Licensed audit expert

Consolidated financial statements

Consolidated financial statements

according to IFRS Accounting

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Consolidated income statement

(CHF million)	Notes	2023	2022
Aviation revenue	(2)	610.1	491.1
Non-aviation revenue	(2)	626.2	532.4
Total revenue		1,236.3	1,023.5
Personnel expenses	(3)	-220.0	-196.9
Police and security		-116.6	-105.3
Energy and waste		-48.9	-34.2
Maintenance and material		-41.7	-38.8
Other operating expenses	(4)	-57.2	-50.1
Sales, marketing and administration		-49.1	-43.2
Capitalised expenditure and other income	(5)	16.7	21.0
Expenses for construction projects as part of concession arrangements	(5)	-38.4	-16.8
Other expenses	(5)	-4.3	-3.6
Earnings before interest, tax, depreciation and amortisation (EBITDA)		676.7	555.6
Depreciation and amortisation		-286.8	-295.3
Earnings before interest and tax (EBIT)		389.9	260.2
Finance costs	(6)	-25.0	-42.2
Finance income	(6)	12.8	22.2
Share of result of associates		0.0	0.0
Result before tax		377.7	240.3
Income taxes	(7)	-73.5	-33.3
Consolidated result		304.2	207.0
Result attributable to shareholders of Zurich Airport Ltd.		304.2	207.0
Result attributable to non-controlling interests		0.0	0.0
Basic earnings per share (CHF)	(17)	9.91	6.74
Diluted earnings per share (CHF)	(17)	9.91	6.74

Consolidated statement of comprehensive income

(CHF million)	Notes	2023	2022
Consolidated result		304.2	207.0
Other comprehensive income			
Foreign exchange differences		-22.8	-3.5
Items that are or may be reclassified subsequently to profit or loss		-22.8	-3.5
Remeasurement of defined benefit liability, net of income tax		-48.8	63.7
Items that will never be reclassified to profit or loss		-48.8	63.7
Other comprehensive income, net of income tax		-71.6	60.2
Total comprehensive income		232.7	267.2
Comprehensive income attributable to shareholders of Zurich Airport Ltd.		232.7	267.2
Comprehensive income attributable to non-controlling interests		0.0	0.0

Consolidated balance sheet

(CHF million)	Notes	31.12.2023	31.12.2022
Assets			
Property, plant and equipment	(8)	2,841.2	2,701.8
Right-of-use assets	(9)	134.3	152.2
Investment property	(10)	565.4	591.6
Investments in airport operator projects	(11)	314.9	290.3
Intangible asset from right of formal expropriation	(11)	19.9	46.5
Other intangible assets	(11)	14.0	13.0
Investments in associates	(12)	0.0	0.0
Non-current financial assets of Airport Zurich Noise Fund	(13)	234.0	301.0
Non-current fixed-term deposits	(16)	4.2	8.0
Other non-current financial assets		8.3	7.9
Deferred tax assets	(21)	7.1	8.1
Total non-current assets		4,143.3	4,120.4
Inventories		19.7	10.9
Current financial assets of Airport Zurich Noise Fund	(13)	62.5	60.1
Other current financial assets		29.6	57.6
Trade receivables	(14)	108.7	93.3
Other receivables and prepaid expenses	(15)	191.8	210.3
Current tax assets		11.0	0.9
Current fixed-term deposits	(16)	239.0	401.1
Cash and cash equivalents	(16)	300.4	261.2
Total current assets		962.6	1,095.4
Total assets		5,105.9	5,215.8
Equity and liabilities			
Share capital	(17)	307.0	307.0
Treasury shares		-0.9	-0.1
Capital reserves		166.5	200.2
Translation reserve		-134.0	-111.2
Other retained earnings		2,464.9	2,283.1
Equity attributable to shareholders of Zurich Airport Ltd.		2,803.5	2,679.0
Equity attributable to non-controlling interests		0.1	0.1
Total equity		2,803.6	2,679.1
Non-current financial liabilities	(18)	1,264.0	1,520.3
Non-current provisions for formal expropriations plus sound insulation and resident protection	(19)	266.6	273.0
Deferred tax liabilities	(21)	62.1	71.3
Employee benefit obligations	(22)	65.0	10.7
Contract liabilities		38.4	0.0
Non-current liabilities		1,696.1	1,875.3
Trade payables		52.5	44.4
Current financial liabilities	(18)	329.5	422.9
Current provisions for formal expropriations plus sound insulation and resident protection	(19)	19.4	45.7
Current tax liabilities		31.5	19.7
Other current liabilities, accruals and deferrals	(23)	173.3	128.8
Current liabilities		606.2	661.4
Total liabilities		2,302.3	2,536.7
Total equity and liabilities		5,105.9	5,215.8

Consolidated cash flow statement

(CHF million)	Notes	2023	2022
Consolidated result		304.2	207.0
Finance result	(6)	12.2	20.0
Share of result of associates		0.0	0.0
Income taxes	(7)	73.5	33.3
Depreciation, amortisation and impairment of			
Property, plant and equipment (after recognition of government subsidies and grants)	(8)	228.9	233.8
Right-of-use assets	(9)	8.8	8.8
Investment property	(10)	27.1	26.9
Intangible assets	(11)	22.0	25.9
Gains (-)/losses (+) on disposal of property, plant and equipment (net)		1.3	1.6
Share-based payments		1.3	1.6
Increase (-)/decrease (+) in inventories, trade receivables and other receivables and prepaid expenses		-19.3	-78.7
Increase (+)/decrease (-) in current liabilities, excluding current financial liabilities		60.3	25.2
Increase (+)/decrease (-) in employee benefit obligations		-5.8	0.9
Increase (+)/decrease (-) in provision for formal expropriations plus sound insulation and resident protection		-13.2	-12.1
Increase (+)/decrease (-) in contract liabilities		38.4	0.0
Income tax paid		-59.1	-5.5
Cash flow from operating activities		680.6	488.6
Investments in property, plant and equipment plus projects in progress		-381.7	-179.8
Investments in investments property		-10.2	-41.9
Investments in airport operator projects		-45.4	-13.2
Investments in other intangible assets		-0.4	-0.4
Investments in financial assets		-183.9	-151.1
Investments in fixed-term deposits		-764.5	-404.4
Repayment of financial assets		275.4	99.6
Repayment of fixed-term deposits		931.6	121.3
Proceeds from disposal of property, plant and equipment		0.1	0.1
Interest received		9.0	2.8
Cash flow from investing activities		-170.0	-567.0
Repayment of existing debentures	(18)	-400.0	-26.6
Issue of liabilities to banks	(18)	73.6	2.9
Repayment of liabilities to banks	(18)	-2.7	-10.7
Repayment of lease liabilities	(18)	-9.1	-8.9
Repayment of liabilities from concession arrangements	(18)	-0.5	-10.2
Purchase of treasury shares		-2.1	-1.0
Dividends paid		-107.5	0.0
Interest paid		-20.9	-16.2
Cash flow from financing activities		-469.1	-70.7
Increase (+)/decrease (-) in cash and cash equivalents		41.5	-149.1
Balance at 1 January	(16)	261.2	409.3
Effect of foreign exchange differences on cash and cash equivalents held		-2.3	1.1
Balance as at reporting date	(16)	300.4	261.2

Consolidated statement of changes in equity

(CHF million ¹)	Share capital	Treasury shares	Capital reserves	Translation reserve	Other retained earnings	Equity attributable to shareholders of Zurich Airport Ltd.	Equity attributable to non-controlling interests	Total equity
Balance as at 1 January 2023	307.0	-0.1	200.2	-111.2	2,283.1	2,679.0	0.1	2,679.1
Consolidated result	0.0	0.0	0.0	0.0	304.2	304.2	0.0	304.2
Foreign exchange differences	0.0	0.0	0.0	-22.8	0.0	-22.8	-0.0	-22.8
Remeasurement of defined benefit liability, net of income tax	0.0	0.0	0.0	0.0	-48.8	-48.8	0.0	-48.8
Other comprehensive income, net of income tax	0.0	0.0	0.0	-22.8	-48.8	-71.6	-0.0	-71.6
Total comprehensive income	0.0	0.0	0.0	-22.8	255.5	232.7	0.0	232.7
Dividend for the 2022 financial year	0.0	0.0	0.0	0.0	-73.7	-73.7	0.0	-73.7
Additional distribution from the capital contribution reserves for the 2022 financial year	0.0	0.0	-33.8	0.0	0.0	-33.8	0.0	-33.8
Purchase of treasury shares	0.0	-2.1	0.0	0.0	0.0	-2.1	0.0	-2.1
Share-based payments	0.0	1.3	0.1	0.0	0.0	1.3	0.0	1.3
Balance as at 31 December 2023	307.0	-0.9	166.5	-134.0	2,464.9	2,803.5	0.1	2,803.6

(CHF million)	Share capital	Treasury shares	Capital reserves	Translation reserve	Other retained earnings	Equity attributable to shareholders of Zurich Airport Ltd.	Equity attributable to non-controlling interests	Total equity
Balance as at 1 January 2022	307.0	-0.1	199.6	-107.7	2,012.4	2,411.2	0.1	2,411.3
Consolidated result	0.0	0.0	0.0	0.0	207.0	207.0	0.0	207.0
Foreign exchange differences	0.0	0.0	0.0	-3.5	0.0	-3.5	0.0	-3.5
Remeasurement of defined benefit liability, net of income tax	0.0	0.0	0.0	0.0	63.7	63.7	0.0	63.7
Other comprehensive income, net of income tax	0.0	0.0	0.0	-3.5	63.7	60.2	0.0	60.2
Total comprehensive income	0.0	0.0	0.0	-3.5	270.7	267.2	0.0	267.2
Dividend for the 2021 financial year	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of treasury shares	0.0	-1.0	0.0	0.0	0.0	-1.0	0.0	-1.0
Share-based payments	0.0	1.0	0.6	0.0	0.0	1.6	0.0	1.6
Balance as at 31 December 2022	307.0	-0.1	200.2	-111.2	2,283.1	2,679.0	0.1	2,679.1

Notes to the consolidated financial statements

I Accounting policies

General remarks

The consolidated financial statements of the Zurich Airport Group – comprising Zurich Airport Ltd. and its subsidiaries – have been prepared in accordance with the IFRS Accounting Standards and comply with Swiss law. They have been prepared under the historical cost convention, with the exception of the financial assets of the Airport Zurich Noise Fund, derivative financial instruments, associates and defined benefit obligations.

The single-entity financial statements of the Group companies, which have been prepared in accordance with uniform accounting policies, have been used as the basis for consolidation. The reporting date for all Group companies is 31 December. The consolidated financial statements are prepared in Swiss francs (CHF). Unless indicated otherwise, amounts are stated in millions of Swiss francs (CHF million). Due to the rules on rounding up or down, individual figures may not add up to precisely the sum total stated. This may also mean that individual amounts round to zero.

The preparation of financial statements in accordance with the IFRS Accounting Standards requires the Management Board to make estimates and assumptions, as well as exercise its discretion, when applying the accounting policies. This may affect reported income, expenses, assets, liabilities and contingent liabilities at the time of preparation of the financial statements. In the event that such estimates and assumptions made in good faith by the Management Board at the time of preparation of the financial statements subsequently deviate from the actual circumstances, the estimates and assumptions originally made are adjusted prospectively in the financial year in which the circumstances changed.

Judgements made by the Management Board in its application of the IFRS Accounting Standards that have a significant effect on the consolidated financial statements, and estimates and assumptions with a significant risk of adjustment in the following financial year, are discussed in [› II. Judgements and significant estimates and assumptions in the application of accounting policies.](#)

New and amended accounting policies

Changes in accounting policies

The Zurich Airport Group adopted the following relevant amendments to the IFRS Accounting Standards which are mandatory for the first time for the financial year beginning 1 January 2023:

- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies
- Amendments to IAS 8: Definition of Accounting Estimates
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12: International Tax Reform – Pillar Two Rules

The above-mentioned amendments did not have a significant impact on the financial position, results of operations or cash flows of the Zurich Airport Group for financial year 2023.

Introduction of new standards in 2024 and later

The following new or amended standards and interpretations issued by the end of 2023 and relevant to the company are not yet effective and were not applied early in these consolidated financial statements.

Amendments to standards and interpretations		Effective date	Planned application by the Zurich Airport Group
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	*	1 January 2024	Financial year 2024
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	*	1 January 2024	Financial year 2024
Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	*	1 January 2024	Financial year 2024

* No, or no significant, impact is expected on the consolidated financial statements of the Zurich Airport Group.

Changes in the scope of consolidation

Following a public tendering process, in May 2023, the Zurich Airport Group was awarded the contract to operate Natal Airport in northeastern Brazil. The wholly-owned subsidiary based in Natal (Brazil) was established for this purpose (see [note 24.7, Concessions for the operation of foreign airports](#)).

Furthermore, in the past financial year, the liquidation of the subsidiary Zurich Airport International Asia Sdn. Bhd. based in Kuala Lumpur (Malaysia), which had been inactive for some time, was concluded.

Summary of significant accounting policies

Scope and methods of consolidation

The consolidated financial statements of the Zurich Airport Group comprise Zurich Airport Ltd. and all companies in Switzerland and abroad that it directly or indirectly controls. Zurich Airport Ltd. controls an entity if it is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control begins until the date on which control ceases. All assets and liabilities are therefore included in the consolidated financial statements together with all income and expenses in accordance with the principles of full consolidation. All unrealised gains and losses on intragroup transactions and all intragroup balances are eliminated on consolidation.

Business combinations are accounted for using the acquisition method at the date of acquisition. Consideration transferred in a business combination includes the fair value of the assets transferred, liabilities assumed or incurred and equity instruments issued by the Group. Transaction costs incurred in connection with a business combination are recognised in the income statement. Goodwill arising from a business combination is recognised as an asset. Goodwill represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of any previously held equity interest in the acquiree over the fair value of the assets acquired and liabilities assumed. Two choices exist regarding the measurement of non-controlling interests. Non-controlling interests are measured at their fair value or at their proportionate share of the recognised amount of the identifiable net assets. When the excess is negative, a bargain purchase gain is recognised immediately in the income statement, after first reassessing the fair value of the net assets acquired.

Foreign currency translation

For consolidation purposes, all assets and liabilities reported in the balance sheets of Group companies that have been prepared in foreign currency are translated into Swiss francs (functional currency of the consolidated financial statements of the Zurich Airport Group) at the closing rate. Income statements and cash flow statements are translated at the average exchange rate for the period. Foreign currency differences arising on the translation of balance sheets and income statements are credited/charged directly to the translation reserve in equity. Transactions in foreign currency are translated into Swiss francs at the exchange rate in effect on the day of the transaction.

Foreign currency monetary items are translated at the exchange rate at the reporting date. Foreign exchange gains/losses that arise from the settlement or remeasurement of foreign currency items at the reporting date are recognised in the income statement.

Alternative performance indicators

Earnings before interest, tax, depreciation and amortisation (EBITDA)

EBITDA comprises earnings before tax, the finance result, the share of profit/loss of associates, depreciation and amortisation.

Earnings before interest and tax (EBIT)

EBIT comprises earnings before tax, the finance result and the share of profit/loss of associates.

Revenue recognition

Revenue is recognised by the Zurich Airport Group when the customer obtains control of a service.

Revenue in the "Aviation" segment primarily comprises passenger and landing charges as well as noise charges. Charges for providing assistance to passengers with reduced mobility are received by the "PRM" segment, while the "User fees" segment primarily receives fees for the use of the central infrastructure. Revenue in the "Air security" segment mainly includes security charges. Revenue is recognised immediately on rendering the service in question. Landing charges are billed per landing according to the weight of the aircraft. Passenger charges, fees for the use of the baggage sorting and handling system and security charges are based on the number of departing passengers. Noise charges are based, in turn, on the number of departing passengers and on an emissions-based charge according to the aircraft type.

The main components in the "Non-regulated business" segment are revenue from the marketing and rental of the commercial infrastructure at the airport (retail, tax & duty free, food & beverage operations, advertising media, parking, rental and leasing agreements, and energy and utility cost allocation). The service is rendered as soon as the commercial space is made available and the revenue recognised accordingly. For fixed-rent tenancy agreements classified as operating leases, the rents are recognised on a straight-line basis over the term of the tenancy agreement. Conditional rental payments (e.g. from turnover-based tenancy agreements) are recognised on an accrual basis based on the turnover generated by the lessee, in which case a minimum rent may be applied. If lessees are granted significant lease incentives (e.g. rent-free periods or other rent concessions), the equivalent value of the incentive is recognised on a straight-line basis over the original or remaining lease term as an adjustment to the rental income.

Finance result

The finance result comprises interest payments on borrowings calculated using the effective interest method (excluding borrowing costs relating to buildings under construction), interest expense as a result of adjusting the present value of provisions and non-current liabilities, interest and dividend income, foreign currency gains and losses, and gains and losses on financial assets.

Interest income is recognised in the income statement using the effective interest method. Dividend income from third parties is recognised in the financial statements at the due date.

Borrowing costs arising during the construction stage for movables, buildings and engineering structures are capitalised up until the date the asset is taken into use or at the date of completion, if earlier.

Property, plant and equipment

Property, plant and equipment is stated at acquisition or construction cost, less accumulated depreciation and accumulated impairment losses. The construction cost of buildings includes direct costs for labour (third-party services and internal personnel),

materials and overheads, plus the borrowing costs arising during the construction stage, which are capitalised up until the date the asset is taken into use or at the date of completion, if earlier. Borrowing costs and expenditure relating to significant assets under construction are capitalised.

Components of an item of property, plant and equipment with a different useful life are reported individually and depreciated separately. Expansion and replacement expenditure is capitalised only if it is probable that future economic benefits will flow to the Zurich Airport Group. Maintenance and renovation expenditure is charged to the income statement when incurred.

The assets (with the exception of land, which is not depreciated) are depreciated using the straight-line method over the estimated useful life or over the term of the lease, whichever is shorter. The useful life for each category of property, plant and equipment is as follows:

- Buildings: maximum 30 years
- Engineering structures: maximum 30 years
- Movables: 4 to 20 years

Projects in progress are stated at acquisition or production cost and include investments in projects that have not yet been billed. These mainly comprise assets under construction. Once a project has been put into operation and billed, the related asset is transferred to the relevant category of property, plant and equipment and segment and depreciated over its useful life. From the date the asset is taken into use, or from the date of completion, no further borrowing costs are capitalised.

Government subsidies and grants related to investments are deducted from the carrying amount in the relevant balance sheet items and recognised in profit or loss over the useful life of the related asset. They are reported in the income statement as an adjustment to the depreciation of the related asset. All government subsidies take the form of “a fonds perdu” grants and do not have to be repaid by the Zurich Airport Group.

Leases as lessee

At inception of a contract, the Zurich Airport Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This assessment requires a certain amount of judgement.

The Zurich Airport Group recognises the right-of-use asset and the lease liability at the commencement date of the lease. The right-of-use asset is presented in “Right-of-use assets” and the lease liability as a current or non-current financial liability, depending on its maturity. The initial measurement of the right-of-use asset is based on the present value of the lease payments, plus any initial direct costs and costs for the obligation to dismantle and remove the asset and restore the site, less any incentives received. When calculating the present value of the lease payments, the company uses its incremental borrowing rate at the commencement date, as the interest rate implicit in the lease cannot be readily determined. The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the underlying asset. The right-of-use asset is tested for impairment if there are indicators of impairment. If the lease contains an extension or purchase option that the company believes it is reasonably certain to exercise, the costs related to the option are included in the lease payments.

The Zurich Airport Group has decided not to recognise the right-of-use asset and the lease liability if the lease term is twelve months or less or if the lease relates to IT equipment of low value (less than CHF 5,000). Payments for such leases are recognised on a straight-line basis over the term of the contract.

Investment property

Investment property (in accordance with IAS 40) is property held for the long term to earn rentals or for capital appreciation. It is measured at initial recognition at its cost and subsequently at cost less straight-line depreciation and any impairment losses in accordance with IAS 36.

In the case of projects, the costs incurred are billed and allocated to the relevant categories of investment property at the date when the related assets are brought into use. The assets are then depreciated over their useful lives.

The useful life for each category of investment property is as follows:

- Buildings: maximum 40 years
- Engineering structures: maximum 50 years
- Movables: 4 to 20 years

Joint arrangements

A joint arrangement (in accordance with IFRS 11) is a contractual arrangement between two or more parties which gives those parties joint control of an activity. Each joint arrangement must be classified as either a joint operation or a joint venture. In a joint operation, the parties that have joint control have rights to the assets and obligations for the liabilities of the joint arrangement and account for them in relation to their interest. In a joint venture, the parties that have joint control merely have rights to the net assets of the joint arrangement (the investment is accounted for using the equity method).

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised using the straight-line method.

With the award of the operating licence for Zurich Airport, Zurich Airport Ltd. was also granted a right of formal expropriation in respect of property owners exposed to aircraft noise. This right of formal expropriation was granted on condition that the airport operator bears the costs associated with compensation payments and is recognised as an intangible asset at the date when the probable total cost can be estimated based on court rulings, so that the cost can be reliably estimated in accordance with IAS 38.21. The timing of recognition may differ depending on the airport region. At the same time as an intangible asset is recognised at the present value of the expected future payments, an equal amount is recognised as a provision. Any future adjustments to the probable total cost already recognised as assets and liabilities will be reflected on both sides of the balance sheet. The intangible asset is amortised using the straight-line method over the remaining duration of the operating licence (i.e. until May 2051).

In the case of clearly defined projects, external and internal costs directly attributable to the development of computer software are capitalised if they will be exceeded by the future economic benefits. The useful life of software is three to five years.

Investments in airport operator projects

If concession agreements for the operation of foreign airports fall within the scope of IFRIC 12, they are generally accounted for under the intangible asset model (IFRIC 12.17). In this case, the concessionaire as operator receives the right to charge for usage as consideration for the obligation to pay concession fees and provide upgrade services. The obligations under the concession agreements to pay fixed concession fees are recognised as financial liabilities. They are initially measured at the fair value of the liabilities using a discount rate appropriate to the risk. The rights to operate the airports that are received as consideration are recognised as intangible assets in the same amount and presented as investments in airport operator projects. The rights received as consideration for the upgrade services provided are recognised as an intangible asset on an accrual basis at the cost of construction. Revenues and costs relating to upgrade services are generally recognised in accordance with IFRIC 12.14. The financial liabilities recognised are subsequently measured at amortised cost using the effective interest method. The rights recognised as assets are subsequently measured at cost less accumulated amortisation over the term of the concessions. In accordance with IFRIC 12.18, any minimum revenue guaranteed by the grantor is deducted from the intangible asset and accounted for as a financial asset.

Financial assets of the Airport Zurich Noise Fund

In accordance with the principles in IFRS 9, the financial assets of the Airport Zurich Noise Fund are classified as at amortised cost (bonds) or at fair value through profit or loss (other financial assets).

Receivables

Receivables are measured initially at fair value and subsequently at amortised cost, which is usually their nominal value, minus individual allowances for doubtful accounts. As soon as there is sufficient evidence that a receivable will not be recoverable, it is directly written off or offset against the corresponding allowances.

The Zurich Airport Group uses a simplified method to calculate expected credit losses on trade receivables. Changes in credit risk are not tracked; instead, a loss allowance is recognised at each reporting date on the basis of the lifetime expected credit losses. In addition to forward-looking factors specific to the borrowers and general economic conditions, credit loss experience to date is also taken into account.

The recoverable amount of receivables is the present value of the estimated future cash flows. Impairment losses on receivables are reversed if the amount of the impairment loss decreases and the decrease is related to an event that occurred in a period after the impairment loss was recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, in postal accounts and at banks and short-term investments with a maturity of 90 days or less from the date of acquisition.

Impairment of assets

The carrying amounts of non-current non-financial assets (excluding deferred taxes) are assessed once a year for indications of impairment. If there are indications of a potential

impairment, impairment tests are performed for cash-generating units (CGU) and non-financial assets in accordance with IAS 36.

An impairment exists if the carrying amount of a CGU or a non-financial asset exceeds its recoverable amount (higher of fair value less costs of disposal and value in use).

Value in use is calculated using the discounted cash flow (DCF) method, where the discount rate applied is a post-tax rate that reflects the risks associated with the relevant asset. If an asset does not generate cash inflows that are largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are recognised in profit or loss. They may be reversed if there are indications that the impairment loss has decreased or no longer exists and if there has been a change in the estimates used to determine recoverable amount.

The increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years.

Equity

Share capital

Shares are classified as equity since they are non-redeemable and dividend payments are at the discretion of the company.

Dividends

Dividends are recognised as a liability as soon as they have been approved at the Annual General Meeting.

Financial liabilities

Financial liabilities are initially recognised at fair value less transaction costs. The difference between the carrying amount and the redemption amount is amortised over the term of the liability using the effective interest method.

Provisions

Provisions are recognised when the entity has a present obligation as a result of a past event that occurred prior to the reporting date, if an outflow of resources is probable and the amount of the outflow can be estimated reliably. If the effect is significant, provisions are reported in the balance sheet at their present value.

Provisions for legal and constructive obligations for sound insulation and resident protection measures are recognised on the basis of the Environmental Protection Act as soon as they can be estimated reliably.

Provisions for formal expropriations are recognised for compensation payments as soon as the probable total cost can be estimated reliably based on court rulings (see [note 11, Intangible assets](#)).

Employee benefits

For defined benefit plans, the benefit cost and the defined benefit obligation are determined on the basis of various economic and demographic assumptions using the projected unit credit method and taking into account the past years of insurance up until the measurement date. The assumptions required to be made by the Zurich Airport Group include, among others, expectations about future salary increases, the long-term return on retirement savings accounts, employee turnover and life expectancy. The calculations are performed annually by independent actuaries. The plan assets are measured annually at fair value and deducted from the defined benefit obligation.

The defined benefit cost consists of three components:

- service cost, which is recognised in the income statement within personnel expenses;
- net interest expense, which is recognised in the income statement within finance costs; and
- remeasurement components, which are recognised in other comprehensive income.

Service cost comprises current service cost, past service cost and gains and losses on settlement. Gains and losses resulting from curtailments are regarded as past service cost. Employee contributions and contributions from third parties reduce service cost and are deducted from it if they are set out in the formal terms of the plan or arise from a constructive obligation.

The net interest expense is the amount calculated by multiplying the net defined benefit liability (or asset) by the discount rate, both as at the beginning of the financial year, including any changes during the period as a result of contributions and benefit payments. Cash flows and changes during the year are factored in pro rata.

Remeasurement components comprise actuarial gains and losses resulting from changes in the present value of the defined benefit obligations due to changes in assumptions and experience adjustments, the return on plan assets less amounts included in net interest expense, and changes in unrecognised assets less effects included in net interest expense. Remeasurement components are recognised in other comprehensive income and cannot be recycled.

The amount recognised in the consolidated financial statements is the surplus or deficit of the defined benefit plans (net defined benefit liability or asset). However, the asset recognised as a result of any surplus is limited to the present value of economic benefits available in the form of reductions in future contributions.

Employer contributions to defined contribution plans are recognised in the income statement as personnel expenses when the employee earns the benefit entitlement. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss.

For other long-term employee benefits, the present value of the obligation is recognised at the end of the reporting period. Changes in the present value are recognised in the income statement as personnel expenses.

Income taxes

Income taxes comprise current and deferred taxes. They are recognised in the income statement unless relating to transactions recognised in other comprehensive income or directly in equity. In these cases, taxes are also recognised in other comprehensive income or directly in equity.

Current taxes comprise the taxes expected to be payable on the taxable result, calculated using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes are recognised for temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and their tax base using the balance sheet liability method. No deferred taxes are recognised for temporary differences in the following cases: the initial recognition of goodwill, the initial recognition of an asset or a liability in a transaction that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Measurement of deferred taxes takes into account the expected timing and manner of realisation or settlement of the assets and liabilities concerned using tax rates that are enacted or substantively enacted at the reporting date.

Deferred tax assets are only recognised if it is probable that the deductible temporary differences can be offset against future taxable profits.

Segment reporting

Reporting of operating segments is carried out in accordance with IFRS 8 in line with the internal reporting to the company's chief operating decision-maker. The Board of Directors of Zurich Airport Ltd. has been identified as chief operating decision-maker of the Zurich Airport Group responsible for major decisions concerning the allocation of resources and the assessment of the operating segments' performance.

II Judgements and significant estimates and assumptions in the application of accounting policies

Reporting of noise-related costs in the consolidated financial statements

With respect to formal expropriations, the reporting of noise-related costs in the financial statements is a complex matter due to a multitude of relevant legal bases, unclear or pending case law and political debate. Especially in the case of formal expropriations, this financial reporting requires significant assumptions and estimates concerning the capitalisation of such costs and the obligation to recognise appropriate provisions.

Zurich Airport Ltd. has received a total of around 20,000 noise-related claims for compensation, of which just under 5,100 were still pending at the end of 2023. Around 520 of these cases are currently being examined by the Swiss Federal Assessments Commission.

The rulings by the Swiss Federal Supreme Court in the first half of 2008 on fundamental issues related to formal expropriations enabled Zurich Airport Ltd. to estimate the total cost of compensation for formal expropriations for the first time, in spite of the remaining uncertainties regarding the accuracy of this estimate. In further rulings in 2010, the Swiss Federal Supreme Court definitively set the cut-off date for the foreseeability of an eastern

approach as 1 January 1961 and, in 2011, it ruled definitively on the method used to calculate a decline in the market value of investment property. In 2016, the Swiss Federal Supreme Court handed down two rulings in test cases regarding claims for compensation relating to eastern and southern approach routes and, in 2018, it handed down two rulings in test cases regarding cooperative ownership. In November 2019, the Swiss Federal Supreme Court handed down a ruling in test cases regarding the period of limitation on claims for compensation in Oberglatt. Based on these Swiss Federal Supreme Court rulings and other fundamental issues that have been decided, the company undertook a reappraisal of costs for formal expropriations at these dates, which in each case led to an adjustment to both the provision for formal expropriations and the intangible asset from the right of formal expropriation.

As at the reporting date, the estimated costs for formal expropriations remained unchanged at CHF 330.0 million, of which CHF 87.8 million had already been paid out at that date. As at 31 December 2023, a provision for the outstanding costs was recognised at their present value (see [note 19, Provision for formal expropriations plus sound insulation and resident protection](#)).

Depending on future legal judgements, including with respect to the southern approaches at Zurich Airport, noise-related liabilities may in future be subject to substantial adjustments, which would also require adjustments to the noise-related costs recognised as assets and liabilities in the balance sheet. At the present time, it is not possible to reliably estimate the total costs to capitalise as an intangible asset from the right of formal expropriation, the resulting amortisation or the corresponding provision.

With respect to sound insulation and resident protection measures, the Federal Office of Civil Aviation (FOCA) required Zurich Airport Ltd., in connection with its 2014 operating regulations application, to submit an extended sound insulation programme. In June 2015, based on the sound insulation programme submitted, the Board of Directors approved a further CHF 100.0 million of measures in addition to the CHF 240.0 million of costs previously estimated for sound insulation and resident protection. The company is also required to implement sound insulation measures in the area where it claims exemptions from noise limits (emission limit). In this context, the FOCA initiated a night-time noise abatement procedure. The area with exemptions under the Sectoral Aviation Infrastructure Plan adopted by the Federal Council in August 2017 was extended. In this context in mid-2018, Zurich Airport Ltd. recognised a provision for further costs of CHF 60.0 million, in addition to the costs previously estimated for sound insulation and resident protection.

As at the reporting date, the estimated costs for sound insulation and resident protection measures remained unchanged at CHF 400.0 million, of which CHF 312.4 million had already been paid out at that date. As at 31 December 2023, a provision for the outstanding costs was recognised at their present value (see [note 19, Provision for formal expropriations plus sound insulation and resident protection](#)).

Impairment of assets in accordance with IAS 36

The carrying amounts of non-current non-financial assets (excluding deferred taxes) are assessed once a year for indications of impairment. If there are indications of a potential impairment, impairment tests are performed for cash-generating units (CGU) and non-financial assets in accordance with IAS 36.

An impairment exists if the carrying amount of a CGU or a non-financial asset exceeds its recoverable amount (higher of fair value less costs of disposal and value in use).

The discounted cash flow (DCF) method is used to calculate value in use for CGUs and non-financial assets for which there are indications of a potential impairment or for which an annual impairment test is required. The key assumptions used to determine recoverable amount are disclosed and explained in further detail below:

Investments in airport operator projects

Recoverable amount was determined for investments in airport operator projects as at 31 December 2023 based on value in use calculations using cash flow forecasts from the financial budgets for the remaining terms of the contractually agreed concessions (3 to 26 years). The country-specific WACC applied to the cash flow forecasts ranged from 6.8% to 10.3% (previous year: 9.0% to 10.5%).

Result

As at 31 December 2023, no impairment losses were required to be recognised as a result of the impairment test on the CGUs and non-financial assets for which there were indications of a potential impairment. In the previous year, an impairment loss of CHF 4.3 million was recognised through profit or loss for the airport operator project in Iquique (Chile) (see > [note 11, Intangible assets](#)).

Accounting treatment of agreements for airport operator projects

In the case of agreements where the airport premises can be used both for the provision of regulated services and for the provision of non-regulated services, management must assess whether IFRIC 12 is applicable. If the unregulated business activities make a significant contribution to revenue, IFRIC 12 does not apply to that agreement. These assessments involve judgements by management.

III Notes to the consolidated financial statements

1 Segment reporting

The following table shows the reportable segments in the current financial year:

(CHF million)						
2023	Regulated business	Noise	Non-regulated business	International	Eliminations	Consolidated
Revenue from contract with customers (IFRS 15)	609.9	0.0	189.7	117.8	0.0	917.4
Other revenue (non IFRS 15)	0.2	0.0	318.7	0.0	0.0	318.9
Total revenue from third parties	610.1	0.0	508.4	117.8	0.0	1,236.3
Inter-segment revenue	28.5	0.0	108.4	0.0	-136.8	0.0
Total revenue	638.6	0.0	616.8	117.8	-136.8	1,236.3
Personnel expenses	-82.7	-1.8	-123.2	-12.2	0.0	-220.0
Other operating expenses	-169.7	-0.4	-108.1	-61.4	0.0	-339.6
Inter-segment operating expenses	-107.5	-0.8	-27.0	-1.5	136.8	0.0
Segment result (EBITDA)	278.6	-3.0	358.5	42.7	0.0	676.7
Depreciation and amortisation	-146.3	-2.9	-126.3	-11.3	0.0	-286.8
Segment result (EBIT)	132.4	-5.9	232.2	31.3	0.0	389.9
Finance result						-12.2
Share of result of associates						0.0
Income tax expense						-73.5
Consolidated result						304.2
Invested capital as at 31 December 2023	1,794.9	84.6	1,808.2	709.4		4,397.1
Non-interest-bearing non-current liabilities ¹⁾						432.1
Non-interest-bearing current liabilities ²⁾						276.7
Total assets as at 31 December 2023						5,105.9
ROIC (in %)	5.7	-5.1	10.0	3.9		7.0
Capital expenditure	160.7	0.7	71.3	217.7		450.5
Investments in associates	0.0	0.0	0.0	0.0		0.0

1) Non-interest-bearing non-current liabilities include non-current provisions for formal expropriations plus sound insulation and resident protection, deferred tax liabilities and employee benefit obligations.

2) Non-interest-bearing current liabilities include current provisions for formal expropriations plus sound insulation and resident protection, current tax liabilities, trade payables and other current liabilities plus accruals and deferrals.

(CHF million)

2023	Aviation	PRM	User fees	Air security ⁴⁾	Access fees ⁴⁾	Eliminations	Total regulated business
Revenue from contract with customers (IFRS 15)	366.6	14.4	63.9	163.4	1.6	0.0	609.9
Other revenue (non IFRS 15)	0.2	0.0	0.0	0.0	0.0	0.0	0.2
Revenue from third parties	366.8	14.4	63.9	163.4	1.6	0.0	610.1
Inter-segment revenue	30.1	0.0	5.6	10.1	3.6	-21.0	28.5
Total revenue	396.8	14.4	69.6	173.5	5.2	-21.0	638.6
Personnel expenses	-67.4	-0.0	-11.4	-2.8	-1.2	0.0	-82.7
Other operating expenses	-38.5	-11.5	-5.4	-66.3	-47.9	0.0	-169.7
Inter-segment operating expenses	-74.5	-1.3	-22.5	-17.0	-13.1	21.0	-107.5
EBITDA	216.4	1.6	30.3	87.4	-57.0	0.0	278.6
Depreciation and amortisation	-103.6	-0.2	-33.2	-6.0	-3.2	0.0	-146.3
EBIT	112.8	1.4	-3.0	81.4	-60.2	0.0	132.4
Invested capital as at 31 December 2023	1,222.8	6.3	449.8	93.5	22.5		1,794.9
ROIC (in %)	7.1	13.1	-0.5	56.7	-193.2		5.7
Operating assets pursuant to Ordinance on Airport Charges (OAC) ³⁾	1,141.5	2.8	433.5	59.7	16.5		1,654.0
ROIC (in %) pursuant to OAC	9.9	39.0	-0.6	113.0	-265.5		7.9

3) The Ordinance on Airport Charges (OAC) defines operating assets, on which a reasonable rate of return forms the basis for the charges, as the sum of the "residual cost of the existing assets and net working capital". This definition therefore results in minor deviations compared with the reported capital employed.

4) In accordance with the OAC, the shortfall in the "Access fees" segment can be charged to the "Air security" segment. Taking the shortfall into account, the ROIC pursuant to the OAC for the "Air security" segment amounts to 22.3%.

The following table shows the reportable segments in the previous year:

(CHF million)						
2022	Regulated business	Noise	Non-regulated business	International	Eliminations	Consolidated
Revenue from contract with customers (IFRS 15)	490.9	0.0	157.8	80.6	0.0	729.4
Other revenue (non IFRS 15)	0.2	0.0	294.0	0.0	0.0	294.2
Total revenue from third parties	491.1	0.0	451.8	80.6	0.0	1,023.5
Inter-segment revenue	27.9	0.0	84.6	0.0	-112.5	0.0
Total revenue	519.1	0.0	536.4	80.6	-112.5	1,023.5
Personnel expenses	-76.0	-1.8	-107.6	-11.6	0.0	-196.9
Other operating expenses	-157.3	4.0	-77.2	-40.5	-0.0	-271.1
Inter-segment operating expenses	-83.8	-0.9	-26.7	-1.2	112.5	-0.0
Segment result (EBITDA)	202.0	1.4	324.8	27.3	-0.0	555.6
Depreciation and amortisation	-148.4	-3.4	-128.9	-14.6	0.0	-295.3
Segment result (EBIT)	53.6	-2.1	195.9	12.8	-0.0	260.2
Finance result						-20.0
Share of result of associates						-0.0
Income tax expense						-33.3
Consolidated result						207.0
Invested capital as at 31 December 2022	1,971.5	101.4	1,950.1	599.2		4,622.2
Non-interest-bearing non-current liabilities ¹⁾						355.0
Non-interest-bearing current liabilities ²⁾						238.6
Total assets as at 31 December 2022						5,215.8
ROIC (in %)	2.3	-1.6	8.2	2.1		4.7
Capital expenditure	150.3	0.1	51.2	131.7		333.4
Investments in associates	0.0	0.0	0.0	0.0		0.0

1) Non-interest-bearing non-current liabilities include non-current provisions for formal expropriations plus sound insulation and resident protection, deferred tax liabilities and employee benefit obligations.

2) Non-interest-bearing current liabilities include current provisions for formal expropriations plus sound insulation and resident protection, current tax liabilities, trade payables and other current liabilities plus accruals and deferrals.

In the previous year in the “International” segment, “Depreciation and amortisation” included an impairment loss of CHF 4.3 million that arose on investments in international airport operator projects as a result of impairment calculations (see also [Impairment of assets in accordance with IAS 36](#)).

(CHF million)							
2022	Aviation	PRM	User fees	Air security ⁴⁾	Access fees ⁴⁾	Eliminations	Total regulated business
Revenue from contract with customers (IFRS 15)	297.4	11.2	53.3	128.2	0.9	0.0	490.9
Other revenue (non IFRS 15)	0.2	0.0	0.0	0.0	0.0	0.0	0.2
Revenue from third parties	297.6	11.2	53.3	128.2	0.9	0.0	491.1
Inter-segment revenue	28.5	0.0	5.8	11.9	2.8	-21.1	27.9
Total revenue	326.2	11.2	59.1	140.1	3.6	-21.1	519.1
Personnel expenses	-62.3	-0.0	-9.9	-2.7	-1.0	0.0	-76.0
Other operating expenses	-39.6	-10.3	-5.4	-58.4	-43.7	0.0	-157.3
Inter-segment operating expenses	-59.4	-1.1	-16.6	-13.9	-13.9	21.1	-83.8
EBITDA	164.9	-0.2	27.2	65.0	-54.9	0.0	202.0
Depreciation and amortisation	-107.7	-0.2	-31.6	-5.7	-3.2	0.0	-148.4
EBIT	57.2	-0.3	-4.4	59.3	-58.1	0.0	53.6
Invested capital as at 31 December 2022	1,343.4	10.8	450.5	138.8	28.0		1,971.5
ROIC (in %)	3.5	-2.8	-0.8	37.7	-183.6		2.3
Operating assets pursuant to Ordinance on Airport Charges (OAC) ³⁾	1,160.6	3.0	415.8	57.0	20.2		1,656.6
ROIC (in %) pursuant to OAC	4.8	-8.3	-0.9	76.9	-232.4		3.3

3) The Ordinance on Airport Charges (OAC) defines operating assets, on which a reasonable rate of return forms the basis for the charges, as the sum of the "residual cost of the existing assets and net working capital". This definition therefore results in minor deviations compared with the reported capital employed.

4) In accordance with the OAC, the shortfall in the "Access fees" segment can be charged to the "Air security" segment. Taking the shortfall into account, the ROIC pursuant to the OAC for the "Air security" segment amounts to 1.2%.

Internal reporting of operating segments to the chief operating decision-maker is carried out in accordance with the Swiss Ordinance on Airport Charges (OAC), more specifically with regard to the regulated charges and fees affected by the Ordinance. The following segments are presented for the regulated business and submitted to the chief operating decision-maker as the basis for his significant judgements and decisions:

- "Aviation" segment
- "PRM" segment
- "User fees" segment
- "Air security" segment
- "Access fees" segment

The "Regulated business" column presented in the segment reporting tables is not a separate segment in accordance with IFRS 8; for presentation reasons, it merely combines the reportable segments in which charges and fees are regulated by the OAC (excluding the "Noise" segment).

In all, the Zurich Airport Group therefore has the following reportable segments:

→ Aviation

The “Aviation” segment comprises the original infrastructure and services related to flight operations. It incorporates all the core services provided to airlines and passengers by Zurich Airport Ltd. in its capacity as operator of Zurich Airport. These services include the runway system, most apron zones (including control activities), passenger zones in the terminals, freight operations, passenger handling and services, and safety. The main sources of revenue for the “Aviation” segment are passenger and landing charges. Revenue from third parties is determined by passenger volumes, flight volumes and the trend with respect to aircraft take-off weights.

→ PRM

The “PRM” (Passengers with Reduced Mobility) segment combines the infrastructure and services related to implementing the regulation regarding the provision of support for passengers with reduced mobility. Revenue consists exclusively of the PRM charge.

→ User fees

The “User fees” segment comprises the central infrastructure, in particular the check-in areas and facilities, baggage sorting and handling system, aircraft power supply system, handling apron areas and the related services and fees.

→ Air security

The “Air security” segment comprises the equipment and services that Zurich Airport Ltd. is responsible for providing for air security (passenger and aircraft security measures). This includes all systems and their operation and maintenance designed to prevent actions of any kind that affect the security of commercial civil aviation, in particular facilities for checks on passengers, hand luggage, checked baggage and freight. The security charges levied per passenger are the main source of revenue for covering the costs of the “Air security” segment.

→ Access fees

The “Access fees” segment comprises the air security-related equipment and services that have to be provided in order to allow all persons other than passengers to access the airside areas. This includes all relevant systems and their operation and maintenance. It also includes airport policing duties such as surveillance patrols and other security-related duties. Revenue in the “Access fees” segment comes mainly from the fees for issuing airport badges.

→ Noise

Since 1 January 2021, revenue from aircraft noise charges has been allocated to the “Aviation” segment as, according to current knowledge, the Airport Zurich Noise Fund (AZNF) has sufficient resources to cover the known costs for sound insulation, resident protection and formal expropriations. The related expenses continue to be presented separately in the “Noise” segment. A liquidity-based statement of all noise-related data is presented in the notes to the consolidated financial statements (see [note 20, Airport Zurich Noise Fund](#)). This statement presents the accumulated surplus or shortfall as at the reporting date arising from noise charges determined on a costs-by-cause basis, less expenses for formal expropriations, sound insulation and resident protection measures, and operating costs.

→ Non-regulated business

The “Non-regulated business” segment encompasses all activities relating to the development, marketing and operation of the commercial infrastructure at Zurich Airport. This includes all retail and restaurant/catering operations at the airport, revenue from rented premises and supplementary costs (energy supply, etc.), parking charges plus a broad range of commercial services provided by Zurich Airport Ltd.

→ International

The “International” segment comprises the income and expenses of the subsidiaries and equity investments in the Zurich Airport Group’s international operations. This includes the income and expenses of the consolidated concessionaires in India, Brazil and Chile from the operation of the relevant airport infrastructure and income from consulting services. This segment also captures income and expenses from construction projects as part of concession agreements that are accounted for in accordance with IFRIC 12.

Principles of segment reporting

For internal reporting purposes, each profit center has been allocated to a segment. Any internal supplies and services that have been provided to other segments have been booked as inter-segment revenue or offset against costs. For example, the “Supplementary costs” profit center is allocated to Non-regulated business and proportionate costs are charged to the Regulated business segments on a costs-by-cause basis. Support functions are also allocated to Non-regulated business and charged on accordingly.

Invested capital is allocated to the individual operating segments based, firstly, on the allocation of the individual assets in the fixed-asset ledger and, secondly, on the pro rata allocation of the remaining assets (buildings, engineering structures and net working capital) to the respective segments. Until projects in progress have been completed, they are allocated to the segment with the largest share of the project measured by value. The definitive allocation to segments takes place after the projects have been classified into the relevant asset categories.

The identified operating segments have not been aggregated.

Additional disclosures in accordance with the Swiss Ordinance on Airport Charges (OAC)

In accordance with Art. 34 OAC, 30% of the economic added value in the airside area of Zurich Airport not relevant to flight operations and in road vehicle parking is to be used in the form of a transfer payment to finance the costs in the “Aviation” segment. Pursuant to this rule, in financial year 2023, an amount of CHF 22.7 million (previous year: CHF 13.8 million) was allocated to the “Aviation” segment and is reflected in the reported return on operating assets. Moreover, in accordance with Art. 45 OAC, the shortfall in the “Access fees” segment can be charged to the “Air security” segment.

Revenue from security charges is allocated in full to the “Security” segment and revenue from PRM charges to the “PRM” segment. All other flight operations charges are allocated to the “Aviation” segment. A breakdown of revenue by charge type can be found in [note 2, Revenue](#).

Additional disclosures

The Zurich Airport Group primarily provides services within Switzerland. In financial year 2023, consulting services totalling CHF 2.5 million (previous year: CHF 2.5 million) were provided abroad.

The company’s revenue with Lufthansa Group in the reportable segments amounted to CHF 428.0 million in the past financial year (previous year: CHF 339.3 million).

2 Revenue

(CHF million)	2023	2022
Passenger charges	230.7	181.7
Security charges	161.3	126.5
PRM charges	14.4	11.2
Passenger-related flight operations charges	406.4	319.4
Landing charges	78.4	65.5
Aircraft-related noise charges	15.4	12.1
Emission charges	3.6	3.0
Aircraft parking charges	28.2	25.0
Freight charges	7.2	7.5
Other flight operations charges	132.9	113.1
Total flight operations charges	539.3	432.5
Baggage sorting and handling system	42.6	35.1
De-icing	8.2	6.9
Check-in	4.7	4.0
Aircraft energy supply system	4.7	4.1
Other fees	5.4	3.9
Total aviation fees	65.5	54.1
Refund of security costs	2.1	1.7
Other revenue	3.2	2.9
Total other aviation revenue	5.3	4.5
Total aviation revenue	610.1	491.1
Retail, tax & duty-free	114.4	108.5
Food & beverage	25.0	21.6
Advertising media and promotion	17.8	17.7
Revenue from car parks	89.7	76.3
Other commercial revenue	17.5	15.9
Total commercial and parking revenue	264.5	239.9
Revenue from rental agreements	141.7	128.1
Energy and utility cost allocation	49.4	34.8
Cleaning	2.5	2.4
Other real estate revenue	2.8	3.0
Total real estate revenue	196.5	168.3
Communication services	14.6	14.9
Fuel charges	6.8	6.3
Catering	1.7	1.4
Other revenue from services	24.4	20.9
Total revenue from services	47.5	43.5
Revenue from international airport concessions	76.7	61.2
Revenue from consulting activities	2.5	2.5
Revenue from construction projects as part of concession arrangements	38.6	16.9
Total revenue from international business	117.8	80.6
Total non-aviation revenue	626.2	532.4
Total revenue	1,236.3	1,023.5

The rent concessions granted in connection with the coronavirus pandemic (rent waivers and contractual amendments such as staggered rents or lease term extensions) were recognised as assets in accordance with IFRS 16 and are being amortised over the remaining term of the relevant contracts. This reduced revenue by CHF –10.9 million in the reporting period (previous year: CHF –4.7 million).

Presentation of revenue from contracts with customers (IFRS 15):

(CHF million)	2023	2022
Flight operations charges	539.3	432.5
Aviation charges	65.5	54.1
Other aviation revenue	5.1	4.3
Total aviation revenue from contracts with customers (IFRS 15)	609.9	490.9
Aviation revenue (non IFRS 15)	0.2	0.2
Total aviation revenue	610.1	491.1
Commercial and parking revenue	90.0	75.9
Real estate revenue	53.6	39.7
Revenue from services	46.1	42.2
Revenue from international activities	117.8	80.6
Total non-aviation revenue from contracts with customers (IFRS 15)	307.5	238.4
Non-aviation revenue (non IFRS 15)	318.7	294.0
Total non-aviation revenue	626.2	532.4
Total revenue	1,236.3	1,023.5

3 Personnel expenses

(CHF million)	2023	2022
Wages and salaries	173.3	150.5
Pension costs for defined benefit plans ¹⁾	13.8	19.7
Social security contributions	14.7	14.1
Other personnel expenses and employee benefits	18.1	12.7
Total personnel expenses	220.0	196.9
Average number of employees (full-time equivalents) ²⁾	1,910	1,790
Number of employees as at reporting date (full-time equivalents) ²⁾	1,934	1,886
Personnel expense per full-time equivalents as at 31 December (in CHF)	113,741	104,369

1) See note 22.1 a) Defined benefit plans

2) Excluding apprentices and trainees

In the previous year, short-time working compensation of CHF 12.0 million related to the coronavirus pandemic was offset against personnel expenses (wages and salaries).

Staff participation programme

Employees of Zurich Airport Ltd. who have completed their first year of service receive one share free of charge as a one-off payment in kind. In financial year 2023, 154 shares (previous year: 54 shares) worth CHF 27,121 (previous year: CHF 8,645) were handed out.

Variable remuneration for members of the Management Board and other members of Management

The total annual remuneration awarded to members of the Management Board and other members of management comprises a fixed salary and a variable remuneration component, which is based on the consolidated result. EBIT according to financial planning (excluding the influence of aircraft noise) has been adopted as the target. The decision relating to the degree of achievement of the relevant target is taken in the following financial year (grant date). Two thirds of the variable remuneration is paid out to the members of the Management Board and members of the most senior management in cash and one third is paid out in shares.

The equity-settled portion of the bonus for financial year 2023 is calculated and accounted for on the basis of the data available as at the reporting date regarding the degree of achievement of the consolidated result.

	2023	2022	2022 ¹⁾	Price per share ¹⁾
(Recipient)	(CHF)	(CHF)	(Number of shares)	(CHF)
Members of the Management Board	563,635	633,757	2,939	170.70
Other members of management	992,998	914,153	4,752	170.70
Adjustment of variable remuneration accrued in the previous year ²⁾	-235,056	-326		
Total	1,321,577	1,547,584	7,691	

1) Shares distributed in the 2023 financial year under the variable remuneration programme for the Management Board and other members of management (number and price per share) for the 2022 financial year

2) In the subsequent period, the accrued variable remuneration is adjusted through personnel expenses on the basis of the actual degree of achievement of the relevant profit figure.

The number of shares to be granted cannot yet be established precisely at the reporting date, as that number is determined based on the quoted price as at the payment date (April 2024). If the shares had been granted as at year-end, a total of 8,865 shares would have been distributed.

Remuneration of the Board of Directors

The remuneration awarded to the Board of Directors comprises an annual lump sum plus payments for attending meetings.

Option programme

No option programme exists at the Zurich Airport Group.

4 Other operating expenses

(CHF million)	2023	2022
Zurich Protection & Rescue Services	22.3	21.5
PRM costs (service costs of service providers)	11.5	10.3
Other operating costs	7.8	3.5
Insurance	5.4	4.7
Cleaning by external contractors, incl. snow clearing	4.8	4.4
Costs for own car park	3.0	3.2
Communication costs	1.6	1.7
Passenger services	0.9	0.8
Total other operating expenses	57.2	50.1

5 Other income and expenses

(CHF million)	2023	2022
Capitalised expenditure	15.6	13.0
Other income	1.1	8.0
Capitalised expenditure and other income	16.7	21.0
Expenses for construction projects as part of concession arrangements	-38.4	-16.8
Expenses for construction projects as part of concession arrangements	-38.4	-16.8
Other expenses	-4.3	-3.6
Other expenses	-4.3	-3.6

Capitalised expenditure of CHF 15.6 million (previous year: CHF 13.0 million) comprises fees for the company's architects and engineers as well as for project managers representing the client. In the reporting period, other income included CHF 0.5 million (previous year: CHF 7.4 million) resulting from the adjustment of the discount rate used to calculate the present value of provisions for sound insulation and resident protection.

The expenses of CHF -38.4 million (previous year: CHF -16.8 million) for construction projects as part of concession agreements are the result of investments in airport infrastructure in Brazil and Chile. The corresponding counter-item can be found under [note 2, Revenue](#).

As in the previous year, the items recognised in other expenses in the reporting period primarily included losses on asset disposals.

6 Finance result

(CHF million)	2023	2022
Interest expenses on debentures and non-current loans	-6.8	-11.3
Interest expenses on defined benefit obligations	0.0	-0.2
Interest expenses on finance lease liabilities	0.0	-0.1
Other interest expenses	-8.1	-10.9
Adjustments to fair value on financial assets of Airport Zurich Noise Fund	0.0	-11.8
Present value adjustment on provision for formal expropriations plus sound insulation and resident protection	-5.9	-0.8
Present value adjustment on liabilities from concession arrangements	-0.1	-1.0
Foreign exchange losses	0.0	-0.8
Other finance costs	-4.1	-5.2
Total finance costs	-25.0	-42.2
Interest income on financial assets of Airport Zurich Noise Fund	1.7	0.6
Interest income on defined benefit obligations	0.1	0.0
Adjustments to fair value on financial assets of Airport Zurich Noise Fund	0.2	0.0
Other interest income	10.1	4.9
Foreign exchange gains	0.3	-0.0
Other finance income	0.4	16.7
Total finance income	12.8	22.2
Finance result	-12.2	-20.0

Interest expenses on debentures and non-current loans decreased to CHF –6.8 million (prior-year period: CHF –11.3 million) as a result of the repayment of a CHF 400.0 million debenture (see > [note 18, Financial liabilities](#)) in April 2023.

The financial assets of the Airport Zurich Noise Fund (AZNF) held at fair value showed changes in value of CHF 0.2 million in 2023 (prior-year period: CHF –11.8 million). Financial assets held at fair value were reallocated into CHF-denominated bonds in the reporting period and future fluctuations should be much smaller.

Expenses of CHF –5.9 million (prior-year period: CHF –0.8 million) for the present value adjustment on the provision for formal expropriations plus sound insulation and resident protection are attributable to the interest effect from the discounting of the relevant provision (see > [note 19, Provision for formal expropriations plus sound insulation and resident protection](#)).

Other interest income increased year on year to CHF 10.1 million (prior-year period: CHF 4.9 million) due in particular to the generally more favourable interest rate environment.

In the previous year, other finance income consisted mainly of two one-time items: the repurchase of own debentures and the prepayment of the future fixed concession payments in Florianópolis resulted in gains of CHF 8.4 million and CHF 8.0 million, respectively.

7 Income tax

(CHF million)	2023	2022
Taxes for current year	-70.9	-21.3
Taxes for prior years	0.1	0.7
Total current income tax	-70.9	-20.7
Deferred income tax on changes in temporary differences	-2.2	-12.6
Change in tax rate	-0.4	0.0
Total deferred income tax	-2.6	-12.6
Total income tax	-73.5	-33.3

Income tax can be analysed as follows:

(CHF million)	2023	2022
Result before tax	377.7	240.3
Income tax based on the statutory tax rate of 19.0% applicable at the parent company (2021: 19.0%)	-71.8	-45.7
Effect of application of different income tax rates	-3.9	-2.8
Prior-period adjustments	0.1	0.7
Effect of tax rate changes on deferred taxes	0.4	0.0
Effect of share of results of associates	-0.2	-0.2
Effect of solely tax-deductible income and expenses	0.6	-0.5
Effect of recognising previously unrecognised tax losses and deductible temporary differences	1.4	14.2
Effect of deferred taxes on investments	-0.4	0.0
Current-year losses for which no deferred tax assets were recognised	-0.1	0.0
Tax incentives	0.9	1.1
Miscellaneous items	-0.5	-0.1
Total income tax	-73.5	-33.3

In the previous year, a positive effect of CHF 14.2 million was recognised in connection with the restructuring of the subsidiary Zurich Airport International AG. This effect is attributable to the recognition of previously unrecognised tax loss carryforwards.

Pillar Two rules

The Zurich Airport Group has applied the temporary exception to the IAS 12 requirements for deferred tax accounting issued by the IASB in May 2023. Therefore, no deferred tax is presented and no information disclosed in relation to Pillar Two income taxes. In addition, the Group has examined its corporate structure in light of the introduction of the Pillar Two rules in all countries in which it operates and the effective tax rate in all countries is well above 15%. The Group therefore concludes that it is not subject to the "top-up" taxes set out in the Pillar Two rules.

8 Property, plant and equipment

(CHF million)	Land	Engineering structures	Buildings	Movables	Projects in progress	Total
Cost						
Balance as at 1 January 2022	138.1	1,704.1	4,799.2	280.0	268.5	7,189.9
Additions	0.0	0.0	0.0	0.0	200.6	200.6
Disposals	0.0	-45.7	-17.0	-12.4	0.0	-75.1
Transfer and reclassification	0.0	103.7	64.0	11.4	-183.9	-4.8
Foreign exchange differences	0.0	0.0	0.0	0.0	-3.4	-3.4
Balance as at 31 December 2022	138.1	1,762.1	4,846.2	279.0	281.8	7,307.2
Balance as at 1 January 2023	138.1	1,762.1	4,846.2	279.0	281.8	7,307.2
Additions	0.0	0.0	0.0	0.0	397.3	397.3
Disposals	0.0	-18.9	-24.0	-14.3	0.0	-57.2
Transfer and reclassification	0.0	29.5	123.7	16.1	-179.6	-10.3
Foreign exchange differences	0.0	0.0	0.0	-0.3	-16.7	-17.0
Balance as at 31 December 2023	138.1	1,772.7	4,945.9	280.5	482.8	7,620.0
Depreciation and impairment						
Balance as at 1 January 2022	0.0	-1,035.3	-3,197.3	-199.7	0.0	-4,432.3
Depreciation	0.0	-64.1	-153.5	-17.2	0.0	-234.8
Disposals	0.0	45.0	16.1	12.3	0.0	73.4
Foreign exchange differences	0.0	0.0	0.0	0.0	0.0	0.0
Balance as at 31 December 2022	0.0	-1,054.4	-3,334.7	-204.6	0.0	-4,593.7
Balance as at 1 January 2023	0.0	-1,054.4	-3,334.7	-204.6	0.0	-4,593.7
Depreciation	0.0	-66.8	-146.2	-17.0	0.0	-230.0
Disposals	0.0	18.5	23.2	14.1	0.0	55.8
Foreign exchange differences	0.0	0.0	0.0	0.1	0.0	0.1
Balance as at 31 December 2023	0.0	-1,102.7	-3,457.7	-207.4	0.0	-4,767.8
Government subsidies and grants						
Balance as at 1 January 2022	0.0	-7.7	-3.1	0.0	-1.0	-11.8
Additions	0.0	0.0	0.0	0.0	-0.9	-0.9
Disposals	0.0	0.8	0.2	0.0	0.0	1.0
Transfers	0.0	-0.5	-0.8	-0.3	1.6	0.0
Balance as at 31 December 2022	0.0	-7.4	-3.7	-0.3	-0.3	-11.7
Balance as at 1 January 2023	0.0	-7.4	-3.7	-0.3	-0.3	-11.7
Additions	0.0	0.0	0.0	0.0	-0.4	-0.4
Disposals	0.0	0.7	0.4	0.0	0.0	1.1
Transfers	0.0	0.0	-0.2	0.0	0.2	0.0
Balance as at 31 December 2023	0.0	-6.7	-3.5	-0.3	-0.5	-11.0
Net carrying amount as at 31 December 2022	138.1	700.3	1,507.8	74.1	281.5	2,701.8
Net carrying amount as at 31 December 2023	138.1	663.3	1,484.7	72.8	482.3	2,841.2

Projects in progress

In the past financial year, the Zurich Airport Group invested a total of CHF 397.3 million in projects in progress (previous year: CHF 200.6 million). The largest investments at Zurich Airport are attributable to the following projects:

- Expansion and refurbishment of the baggage sorting system (CHF 40.7 million)
- Development of the main airport complex (CHF 32.5 million)
- Extension of the Zone West apron (CHF 22.5 million)
- Development of the landside passenger zones (CHF 16.5 million)

In the reporting period, capitalised development, planning and implementation costs relating to the construction and operation of Noida International Airport in New Delhi, India amounted to CHF 167.0 million (previous year: CHF 25.3 million.). This amount includes the capitalised ongoing depreciation charges on the right-of-use asset relating to the land on which the airport is being built (see [note 9, Right-of-use assets](#)) and any interest expenses incurred on the corresponding lease liabilities (see [note 18, Financial liabilities](#)).

Depreciation

Depreciation of property, plant and equipment totalling CHF –230.0 million was offset against government grants and subsidies recognised in the income statement in the amount of CHF 1.1 million.

9 Right-of-use assets

The Zurich Airport Group as lessee

(CHF million)	Land	Real estate	Movables	Total right-of-use assets
Cost				
Balance as at 1 January 2022	0.0	93.4	0.0	93.4
Additions	83.5	13.4	0.0	96.9
Transfer and reclassification	0.0	-0.5	0.5	0.0
Foreign exchange differences	-7.2	0.0	0.0	-7.2
Balance as at 31 December 2022	76.3	106.3	0.5	183.1
Balance as at 1 January 2023	76.3	106.3	0.5	183.1
Additions	0.0	0.0	0.0	0.0
Transfer and reclassification	0.0	0.0	0.0	0.0
Foreign exchange differences	-7.5	0.0	0.0	-7.5
Balance as at 31 December 2023	68.8	106.3	0.5	175.6
Depreciation and impairment				
Balance as at 1 January 2022	0.0	-19.5	0.0	-19.5
Depreciation	0.0	-8.7	-0.1	-8.8
Transfer and reclassification	-2.6	0.0	0.0	-2.6
Foreign exchange differences	0.0	0.0	0.0	0.0
Balance as at 31 December 2022	-2.6	-28.2	-0.1	-30.9
Balance as at 1 January 2023	-2.6	-28.2	-0.1	-30.9
Depreciation	0.0	-8.7	-0.1	-8.8
Transfer and reclassification	-1.9	0.0	0.0	-1.9
Foreign exchange differences	0.3	0.0	0.0	0.3
Balance as at 31 December 2023	-4.2	-36.9	-0.2	-41.3
Net carrying amount as at 31 December 2022	73.7	78.1	0.4	152.2
Net carrying amount as at 31 December 2023	64.6	69.4	0.3	134.3

Land

Via its operator Yamuna International Airport Private Limited, the Zurich Airport Group holds the right-of-use asset relating to the land on which Noida International Airport, New Delhi, India will be built and operated in future. The right-of-use asset was recognised as an asset and a liability (see > note 18, Financial liabilities) at the present value of the future lease payments (interest rate: 9.0%) of CHF 83.5 million and will expire at the end of the concession in 2061. The depreciation charges arising on the right-of-use asset in this context up until the date in 2024 when the airport is brought into use and any interest expenses incurred on the corresponding lease liabilities (see > note 18, Financial liabilities) are capitalised as projects in progress (see > note 8, Property, plant and equipment).

Real estate

The Zurich Airport Group has a right-of-use asset entitling it to use space in a building (Radisson Hotel) that is located on Zurich Airport Ltd.'s land and was constructed under a granted building right from 2005. Although its right to use the space ends on 31 January 2080, the Zurich Airport Group has termination options, which have been taken into

account. The undiscounted potential future lease payments for periods after the exercise date of the termination options that are not included in the lease term amounted to CHF 91.2 million.

In financial year 2020, following the completion of the real estate project the Circle, Zurich Airport Ltd. moved into new office premises for which the company signed a 20-year lease with the co-ownership structure the Circle. Taking into account the extension option, the lease ends in October 2039. The company has also signed a management agreement with the co-ownership structure for the parking area in the Circle. Disregarding the extension option, this ends in 2031.

In addition, the Zurich Airport Group leases further space that is subleased as car parking space. The average period of use is five years.

The following table shows the carrying amounts of the lease liabilities and the changes during the reporting period:

(CHF million)	2023	2022
Balance as at 1 January	-165.6	-76.3
Additions	0.0	-96.9
Payments	9.1	8.9
Interest expense on lease liabilities	-7.4	-9.6
Foreign exchange differences	8.8	8.3
Balance as at 31 December	-155.1	-165.6
of which current (payment within 1 year)	-9.0	-9.1
of which non-current (payment from 1 year on)	-146.1	-156.5

A detailed overview of the maturities of the lease liabilities can be found in [note 18, Financial liabilities](#).

In the reporting period, the following amounts were recognised in profit or loss in connection with leases:

(CHF million)	2023	2022
Depreciation charges for right-of-use assets	-8.8	-8.8
Interest expense on lease liabilities	0.0	-0.1
Expense relating to short-term leases	0.0	-0.1
Total amount recognised for leases in profit or loss	-8.8	-9.0

The total cash outflow for leases amounted to CHF 9.1 million in the reporting period (previous year: CHF 8.9 million). There are no future cash outflows for leases not yet commenced as at the reporting date.

The Zurich Airport Group as lessor

The tenancy agreements entered into by the Zurich Airport Group as lessor may be either fixed tenancy agreements or commercial leases:

Fixed tenancy agreements

Fixed tenancy agreements comprise in particular agreements for office, warehouse, archive and workshop premises. They are divided into limited-term and indefinite agreements, with the latter usually being subject to either six or twelve months' notice to be communicated in advance.

Commercial leases

Commercial leases consist primarily of leases of commercial space. These agreements between the parties generally comprise guaranteed basic rents plus turnover-based portions with a fixed term of five years and no other options. Moreover, some agreements involving basic rents and turnover-based portions exist as a function of passenger trends or prior-year sales.

Commercial revenue (retail, tax & duty free plus food & beverage) and real estate revenue (revenue from rental agreements) contained conditional rental payments amounting to CHF 17.3 million in the reporting period (previous year: CHF 11.5 million).

At the reporting date, minimum lease payments (fixed rents and guaranteed basic rents) under non-cancellable leases were as follows:

(CHF million)	31.12.2023	31.12.2022
Due date up to 1 year	268.5	269.3
Due date from 1 to 5 years	791.6	826.7
Due date in more than 5 years	253.3	373.8
Total	1,313.4	1,469.9

10 Investment property

(CHF million)	Land	Project costs	Buildings and engineering structures plus movables	Total investment property
Cost				
Balance as at 1 January 2022	1.0	0.6	631.9	633.5
Additions	0.0	12.6	0.0	12.6
Disposals	0.0	0.0	0.0	0.0
Transfer and reclassification	0.0	-12.5	12.5	0.0
Balance as at 31 December 2022	1.0	0.7	644.4	646.1
Balance as at 1 January 2023	1.0	0.7	644.4	646.1
Additions	0.0	2.3	0.0	2.3
Disposals	0.0	0.0	0.0	0.0
Transfer and reclassification	0.0	-2.5	1.1	-1.4
Balance as at 31 December 2023	1.0	0.5	645.5	647.0
Depreciation and impairment				
Balance as at 1 January 2022	0.0	0.0	-27.6	-27.6
Depreciation	0.0	0.0	-26.9	-26.9
Disposals	0.0	0.0	0.0	0.0
Balance as at 31 December 2022	0.0	0.0	-54.5	-54.5
Balance as at 1 January 2023	0.0	0.0	-54.5	-54.5
Depreciation	0.0	0.0	-27.1	-27.1
Disposals	0.0	0.0	0.0	0.0
Balance as at 31 December 2023	0.0	0.0	-81.6	-81.6
Net carrying amount as at 31 December 2022	1.0	0.7	589.9	591.6
Net carrying amount as at 31 December 2023	1.0	0.5	563.9	565.4

The Circle

In 2015, Zurich Airport Ltd. and Swiss Life AG notarised the purchase agreement for the share of land for the Circle and registered it for entry in the Land Register, thereby establishing the Circle co-ownership structure between the two parties provided for in the financing agreements, in which Zurich Airport Ltd. has a 51% interest and Swiss Life AG a 49% interest. The joint real estate project was subsequently carried out and opened in November 2020.

Based on the nature of the contractual arrangement, the co-ownership structure the Circle is classified as a joint operation in accordance with IFRS 11. The share of the rights to the assets and the share of the obligations for the liabilities of the co-ownership structure are therefore recognised and presented in the relevant line items in the consolidated financial statements of the Zurich Airport Group.

The share of the property is classified as investment property in accordance with IAS 40. In this context, the Zurich Airport Group has decided to apply the cost model.

The share of the fair value of the Circle was CHF 758.9 million at the reporting date (previous year: CHF 794.1 million). The value was determined by an external expert using the discounted cash flow method (level 3) and taking into account the highest and best use. Under this method, the fair value is determined on the basis of the total expected future net income (before tax, interest payments, depreciation and amortisation) discounted to the present date. A risk-adjusted discount rate is set depending on the risks and rewards and in line with market rates.

11 Intangible assets

(CHF million)	Investments in airport operator projects	Intangible asset from right of formal expropriation	Other intangible assets	Total intangible assets
Cost				
Balance as at 1 January 2022	288.2	134.0	83.0	505.1
Additions	22.5	0.0	0.0	22.5
Disposals	-1.1	-17.7	-5.1	-23.9
Transfer and reclassification	0.0	0.0	4.8	4.8
Foreign exchange differences	14.6	0.0	0.0	14.6
Balance as at 31 December 2022	324.2	116.3	82.7	523.1
Balance as at 1 January 2023	324.2	116.3	82.7	523.1
Additions	50.5	0.0	0.0	50.5
Disposals	-1.7	-24.9	-3.9	-30.5
Transfer and reclassification	0.0	0.0	10.3	10.3
Foreign exchange differences	-18.6	0.0	0.0	-18.6
Balance as at 31 December 2023	354.4	91.4	89.1	534.8
Amortisation and impairment				
Balance as at 1 January 2022	-19.5	-67.7	-65.1	-152.4
Amortisation	-9.9	-2.1	-9.6	-21.6
Impairment	-4.3	0.0	0.0	-4.3
Disposals	1.0	0.0	5.0	6.0
Foreign exchange differences	-1.1	0.0	0.0	-1.1
Balance as at 31 December 2022	-33.8	-69.8	-69.7	-173.4
Balance as at 1 January 2023	-33.8	-69.8	-69.7	-173.4
Amortisation	-11.0	-1.7	-9.3	-22.0
Impairment	0.0	0.0	0.0	0.0
Disposals	1.5	0.0	3.9	5.4
Foreign exchange differences	3.9	0.0	0.0	3.9
Balance as at 31 December 2023	-39.4	-71.5	-75.1	-186.1
Net carrying amount as at 31 December 2022	290.3	46.5	13.0	349.8
Net carrying amount as at 31 December 2023	314.9	19.9	14.0	348.8

Investments in airport operator projects

The investments in airport operator projects in the amount of CHF 314.9 million (previous year: CHF 290.3 million) consist of concession rights which, due to the application of IFRIC 12, comprise minimum concession payments recognised as assets and investments made. They relate to the expansion and operation of the Brazilian airport in Florianópolis (CHF 125.7 million; previous year: CHF 127.6 million), the expansion

and operation of the Brazilian airports in Vitória and Macaé (CHF 118.2 million; previous year: CHF 96.3 million), the operation of the Brazilian airport in Natal (CHF 1.6 million; previous year: CHF 0.0 million) and the expansion and operation of the Chilean airports in Antofagasta and Iquique (CHF 69.4 million; previous year: CHF 66.4 million).

The obligations of CHF 5.7 million (previous year: CHF 6.6 million) relating to the relevant concessions have been recognised as current and non-current liabilities (see [note 18, Financial liabilities](#)).

Intangible asset from right of formal expropriation

With the award of the operating licence for Zurich Airport, Zurich Airport Ltd. was also granted a right of formal expropriation in respect of property owners exposed to aircraft noise. This right of formal expropriation was granted on condition that the airport operator bears the costs associated with compensation payments and is recognised as an intangible asset at the date when the probable total cost can be estimated based on court rulings, so that the cost can be reliably estimated in accordance with IAS 38.21 (see [Reporting of noise-related costs in the consolidated financial statements](#)). This is amortised using the straight-line method over the remaining term of the operating licence (until May 2051).

As at 31 December 2023, the Zurich Airport Group has recognised an intangible asset from the right of formal expropriation in the amount of CHF 19.9 million (previous year: CHF 46.5 million).

Impairment

In the previous year, an impairment loss of CHF 4.3 million was recognised through profit or loss for the airport operator project in Iquique (Chile) (see [Impairment of assets in accordance with IAS 36](#)).

12 Investments in associates

(CHF million)	31.12.2023	31.12.2022
Sociedade de Participação no Aeroporto de Confins S.A., Belo Horizonte (Brazil)		
Share capital: BRL 474 million (previous year BRL 474 million)/Equity share 25.0% (previous year 25.0%)	0.0	0.0
Administradora Unique IDC C.A., Porlamar (Venezuela)		
Share capital: VEB 25 million (previous year VEB 25 million)/Equity share 49.5% (previous year 49.5%)	0.0	0.0
Aeropuertos Asociados de Venezuela C.A., Porlamar (Venezuela)		
Share capital: VEB 10 million (previous year VEB 10 million)/Equity share 49.5% (previous year 49.5%)	0.0	0.0
Total investments in associates	0.0	0.0

Brazil

Alongside Brazilian company CCR, the Zurich Airport Group holds a 25% interest in Sociedade de Participação no Aeroporto de Confins S.A., Belo Horizonte, a private consortium which in turn controls 51% of the airport operator Concessionária no Aeroporto Internacional de Confins S.A. The remaining 49% of the shares are held by the state-owned Infraero. The Zurich Airport Group and CCR have therefore been responsible for the expansion of the international airport in Belo Horizonte in the Brazilian state of Minas Gerais since 2014 and for its operation since 2016. The concession agreement is for 30 years and prescribes certain infrastructure expansion. The Zurich Airport Group appoints the flight operations manager.

Venezuela

In 2010, the Zurich Airport Group and its consortium partner Unique IDC turned to the International Centre for Settlement of Investment Disputes (ICSID) in Washington D.C. in the matter of the airport expropriated in Venezuela (Isla de Margarita). This step is in compliance with the investment protection treaty between Venezuela, Switzerland and Chile. The ICSID reached its decision in November 2014, requiring the Bolivarian Republic of Venezuela to reimburse the consortium the costs incurred for the proceedings and project plus a compensation payment as well as interest incurred up until receipt of payment. After an application for annulment was rejected, the tribunal's decision is definitive and final. The value of this holding has been fully impaired.

Additional disclosures

The following table contains the summarised financial information for the associate Sociedade de Participação no Aeroporto de Confins S.A. The amounts correspond to those in the associate's financial statements prepared in accordance with the IFRS Accounting Standards.

Sociedade de Participação no Aeroporto de Confins S.A.

(CHF million)	31.12.2023	31.12.2022
Revenue	98.4	133.1
Loss	-16.6	-3.5
Comprehensive income	-16.6	-3.5
Non-current assets	497.0	501.5
Current assets	23.8	33.1
Non-current liabilities	-485.9	-482.2
Current liabilities	-58.3	-60.0
Equity attributable to non-controlling interests	11.5	3.8
Net equity	-11.9	-3.8
Equity share	25.0%	25.0%
Carrying amount of interest in associate	0.0	0.0

13 Financial assets of the Airport Zurich Noise Fund

(CHF million)	31.12.2023	31.12.2022
Current financial assets of Airport Zurich Noise Fund	62.5	60.1
Non-current financial assets of Airport Zurich Noise Fund	234.0	301.0
Total financial assets of Airport Zurich Noise Fund	296.5	361.2

The financial assets of the Airport Zurich Noise Fund consisted mainly of CHF-denominated bonds as at the reporting date. The mixed investment fund contained therein in the previous year was liquidated in the reporting period. The investment horizon is based on the expected obligation to make payments from the Airport Zurich Noise Fund and averages around four years. The coupons on the bonds ranged from 0.00% to 2.25% as at the reporting date (previous year: from 0.00% to 2.125%). The funds are invested by professional financial institutions (see > note 6, Finance result, and > note 24.1 a), Financial risk management, i), Credit risk).

14 Trade receivables

(CHF million)	31.12.2023	31.12.2022
Trade receivables, gross ¹⁾	109.1	93.8
Allowance for expected credit loss	-0.4	-0.5
Trade receivables, net	108.7	93.3

1) Trade receivables include an amount of CHF 19.4 million due from SWISS (2022: CHF 14.7 million). In the period between the reporting date and the preparation of the 2023 consolidated financial statements, SWISS paid the outstanding amount arising from flight operations charges as at 31 December 2023 in full.

Geographical distribution of trade receivables:

(CHF million)	31.12.2023	31.12.2022
Switzerland	44.2	39.1
Europe	4.3	4.0
Other	1.8	1.2
Total aviation	50.3	44.3
Switzerland	44.8	38.1
Europe	0.0	0.0
Latin America	13.4	11.1
Other	0.6	0.3
Total non-aviation	58.8	49.5
Total trade receivables, gross	109.1	93.8

Expected credit losses on trade receivables are as follows for the reporting period and the previous year:

(CHF million)					31.12.2023
	Not past due	Past due, 0 to 30 days	Past due, 31 to 60 days	Past due, more than 60 days	Total
Expected credit loss rate (in %)	0.3	1.5	3.0	5.0	
Trade receivables, gross	101.1	6.5	0.9	0.6	109.1
Expected credit loss	-0.3	-0.1	-0.0	-0.0	-0.4

(CHF million)					31.12.2022
	Not past due	Past due, 0 to 30 days	Past due, 31 to 60 days	Past due, more than 60 days	Total
Expected credit loss rate (in %)	0.3	1.5	3.0	5.0	
Trade receivables, gross	83.0	6.0	1.6	3.3	93.8
Expected credit loss	-0.2	-0.1	-0.0	-0.2	-0.5

In almost all cases, receivables not past due concern long-standing client relationships. Based on past experience, the Zurich Airport Group does not expect any additional credit losses.

15 Other receivables and prepaid expenses

(CHF million)	31.12.2023	31.12.2022
Prepaid expenses and accruals	98.0	103.6
Accrued interest on interest-bearing debt instruments Airport Zurich Noise Fund	0.6	0.4
Prepaid services	65.1	74.9
Tax receivables (VAT and withholding tax)	23.0	27.0
Other receivables	5.0	4.5
Total other receivables and prepaid expenses	191.8	210.3
of which financial instruments	98.6	104.0
of which other receivables and prepaid expenses	93.2	106.3

As at the reporting date, "Prepaid expenses and accruals" contained accruals for rent concessions in the amount of CHF 42.9 million (previous year: CHF 50.9 million) (see also [note 2, Revenue](#)).

The interest from the liquid funds of the Airport Zurich Noise Fund that were invested separately (see also [note 13, Financial assets of the Airport Zurich Noise Fund](#), and [note 20, Airport Zurich Noise Fund](#)) was recognised on an accrual basis.

As at the reporting date, "Prepaid services" included prepayments of CHF 64.0 million (previous year: CHF 69.1 million) to the general contractor engaged for the construction of Noida International Airport in New Delhi, India.

All services provided in the reporting period were invoiced between the reporting date and the preparation of the annual report. There are no past due receivables reported in the above items that would require the recognition of an allowance.

16 Cash and cash equivalents and fixed-term deposits

(CHF million)	31.12.2023		31.12.2022	
	Total	of which AZNF	Total	of which AZNF
Cash on hand	0.3	0.0	0.3	0.0
Cash at banks and in postal accounts	89.9	17.1	147.6	17.3
Fixed-term deposits ¹⁾	210.2	43.4	113.4	0.0
Total cash and cash equivalents	300.4	60.5	261.2	17.3
Current fixed-term deposits ²⁾	239.0	0.0	401.1	0.0
Non-current fixed-term deposits ³⁾	4.2	0.0	8.0	0.0
Total fixed-term deposits	243.2	0.0	409.1	0.0

1) Due within 90 days from date of acquisition

2) Due after 90 days from date of acquisition, remaining term less than 1 year as of balance sheet date

3) Due after 90 days from date of acquisition, remaining term more than 1 year as of balance sheet date

17 Equity and reserves

(Number of shares)	Issued registered shares (nominal value, CHF 10)	Treasury shares	Total shares in circulation
Balance as at 1 January 2022	30,701,875	-868	30,701,007
Purchase of treasury shares		-5,690	-5,690
Distribution of treasury shares to employees and third parties		5,727	5,727
Balance as at 31 December 2022	30,701,875	-831	30,701,044
Purchase of treasury shares		-12,387	-12,387
Distribution of treasury shares to employees and third parties		7,845	7,845
Balance as at 31 December 2023	30,701,875	-5,373	30,696,502

Share rights

The holders of registered shares are entitled to participate at the Annual General Meeting and cast one vote per share.

Treasury shares

Treasury shares are distributed to employees and third parties under the bonus programme; see > note 3, Personnel expenses, and > note 24.4, Related parties. Treasury shares are used for this participation programme.

Translation reserve

The translation reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations and investments in associates.

Earnings per share

Basic and diluted earnings per share are calculated from the results and share data as at 31 December, which are composed as follows:

	2023	2022
Result attributable to the shareholders of Zurich Airport Ltd. in CHF	304,236,810	206,975,401
Weighted average number of outstanding shares	30,697,874	30,700,650
Effect of dilutive shares	8,865	9,316
Adjusted weighted average number of outstanding shares	30,706,739	30,709,966
Basic earnings per share (CHF)	9.91	6.74
Diluted earnings per share (CHF)	9.91	6.74

Dividend distribution limit

The amount available for payment as a dividend is based on the available retained earnings of Zurich Airport Ltd. and is determined in accordance with the provisions of the Swiss Code of Obligations (CO). As at the reporting date, reserves amounting to CHF 154.4 million (previous year: CHF 153.6 million) were subject to a restriction on distribution under the provisions of commercial law.

Major shareholders and shareholder structure

The shareholder structure as at 31 December was as follows:

	2023	2022
Public sector	38.60%	38.60%
Private individuals	6.86%	7.13%
Companies	3.95%	3.76%
Pension funds	1.13%	1.50%
Financial institutions (including nominees)	13.68%	18.74%
Balance available and non-registered shareholders	35.78%	30.27%
Total	100.00%	100.00%
Number of registered shareholders	15,217	14,858

As at the reporting date, the following shareholders or groups of shareholders held at least 5% of the voting rights:

	2023	2022
Canton of Zurich	33.33%	33.33%
City of Zurich	5.00%	5.00%

18 Financial liabilities

(CHF million)	31.12.2023	31.12.2022
Non-current debentures	914.6	1,214.2
Non-current liabilities to banks	177.9	123.3
Non-current lease liabilities	146.1	156.5
Non-current liabilities from concession agreements	5.0	5.9
Other non-current financial liabilities	20.4	20.4
Non-current financial liabilities	1,264.0	1,520.3
Current debentures	299.9	400.0
Current liabilities to banks	18.6	12.3
Current lease liabilities	9.0	9.1
Current liabilities from concession agreements	0.7	0.7
Other current financial liabilities	1.3	0.8
Current financial liabilities	329.5	422.9
Total financial liabilities	1,593.5	1,943.2

The CHF 400.0 million debenture reaching maturity was fully repaid in April of the reporting period. In addition, the CHF 300.0 million debenture maturing in May 2024 was reclassified out of non-current and into current financial liabilities.

The rise in non-current liabilities to banks to CHF 177.9 million (31 December 2022: CHF 123.3 million) is attributable to additional liabilities held by foreign Group companies as a result of their expansion activities at the relevant airports.

Composition of non-current financial liabilities as at the reporting date:

Financial liabilities	as at 31.12.2023	as at 31.12.2023	as at 31.12.2022	Duration	Interest rate	Interest payment date
	Nominal value	Carrying amount	Carrying amount			
	(CHF million)	(CHF million)	(CHF million)			
Debenture (2024)	n/a	n/a	299.7	2020–2024	0.700%	22.5.
Debenture (2027)	200.0	199.7	199.7	2020–2027	0.100%	30.12.
Debenture (2029)	350.0	350.3	350.4	2017–2029	0.625%	24.5.
Debenture (2035)	365.0	364.5	364.5	2020–2035	0.200%	26.2.
Non-current liabilities to banks	190.0	177.9	123.3	n/a	n/a	n/a
Non-current lease liabilities	498.9	146.1	156.5	until 2039	0.000% - 9.000%	n/a
Non-current liabilities from concession agreements	7.7	5.0	5.9	until 2047	n/a	n/a
Other non-current financial liabilities	0.0	20.4	20.4	until 2035	0.000%	n/a
Total non-current financial liabilities		1,264.0	1,520.3			

External financing is subject to standard guarantees and covenants, which were complied with as at the reporting date.

In addition, unused credit facilities at the reporting date amounted to a total of CHF 289.8 million (see > note 24.1 a), Financial risk management, ii), Liquidity risk).

The maturities of financial liabilities are shown in the table below:

(CHF million)	31.12.2023	31.12.2022
Due date up to 1 year	329.5	422.9
Due date from 1 to 5 years	278.1	499.3
Due date in more than 5 years	985.9	1,021.0
Total financial liabilities	1,593.5	1,943.2

Financial liabilities changed as follows as a result of cash and non-cash changes:

(CHF million)	31.12.2022	Cash flows (+)	Cash flows (-)	Non-cash changes			31.12.2023
				Increase(+)/ decrease(-)	Foreign exchange movements	Value changes	
Debentures	1,214.2	0.0	0.0	-299.9	0.0	0.3	914.6
Non-current liabilities to banks	123.3	67.9	0.0	-4.6	-10.8	2.1	177.9
Non-current lease liabilities	156.5	0.0	0.0	-9.0	-8.8	7.4	146.1
Non-current liabilities from concession agreements	5.9	0.0	0.0	-0.6	-0.5	0.1	5.0
Other non-current financial liabilities	20.4	0.0	0.0	0.0	0.0	0.0	20.4
Non-current financial liabilities	1,520.3	67.9	0.0	-314.1	-20.1	9.9	1,264.0
Debentures	400.0	0.0	-400.0	299.9	0.0	0.0	299.9
Current liabilities to banks	12.3	5.7	-2.7	5.2	-2.0	0.2	18.6
Current lease liabilities	9.1	0.0	-9.1	9.0	0.0	0.0	9.0
Current liabilities from concession agreements	0.7	0.0	-0.5	0.6	-0.1	0.0	0.7
Other current financial liabilities	0.8	0.0	0.0	0.6	-0.1	0.0	1.3
Current financial liabilities	422.9	5.7	-412.3	315.3	-2.2	0.2	329.5
Total financial liabilities	1,943.2	73.6	-412.3	1.2	-22.3	10.1	1,593.5

(CHF million)	31.12.2021	Cash flows (+)	Cash flows (-)	Non-cash changes			31.12.2022
				Increase(+)/ decrease(-)	Foreign exchange movements	Value changes	
Debentures	1,648.9	0.0	-26.6	-400.0	0.0	-8.1	1,214.2
Non-current liabilities to banks	111.8	2.9	0.0	2.6	5.4	0.6	123.3
Non-current lease liabilities	68.8	0.0	0.0	86.5	-8.3	9.5	156.5
Non-current liabilities from concession agreements	24.0	0.0	-9.5	-5.9	2.5	-5.2	5.9
Other non-current financial liabilities	20.4	0.0	0.0	0.0	0.0	0.0	20.4
Non-current financial liabilities	1,873.9	2.9	-36.1	-316.8	-0.4	-3.2	1,520.3
Debentures	0.0	0.0	0.0	400.0	0.0	0.0	400.0
Current liabilities to banks	7.7	0.0	-10.7	14.3	0.3	0.7	12.3
Current lease liabilities	7.5	0.0	-8.9	10.4	0.0	0.1	9.1
Current liabilities from concession agreements	0.7	0.0	-0.7	0.7	0.0	0.0	0.7
Other current financial liabilities	0.9	0.0	0.0	0.0	-0.1	0.0	0.8
Current financial liabilities	16.8	0.0	-20.3	425.4	0.2	0.8	422.9
Total financial liabilities	1,890.7	2.9	-56.4	108.6	-0.2	-2.4	1,943.2

Overview of lease liabilities

The lease liabilities shown below include the leases listed in [note 9, Right-of-use assets](#). The interest rate on future lease liabilities is mostly 0.0% (leases at the Zurich site) or 9.0% (leases in Noida, India).

(CHF million)	31.12.2023	31.12.2022
Future minimum lease payments		
Due within 1 year	9.0	9.1
Due between 1 and 5 years	30.5	32.0
Due in more than 5 years	468.4	523.2
Total future minimum lease payments	507.9	564.3
Future interest payments	352.8	398.7
Present value of lease liabilities	155.1	165.6
Due within 1 year	9.0	9.1
Due between 1 and 5 years	30.4	31.9
Due in more than 5 years	115.7	124.6

19 Provision for formal expropriations plus sound insulation and resident protection

(CHF million)	2023	2022
Provision for formal expropriations as at 1 January	226.3	244.4
Provision used ¹⁾	-1.2	-1.0
Release of provision	-24.9	-17.7
Present value adjustment	4.2	0.6
Provision for formal expropriations as at 31 December	204.4	226.3
Provision for sound insulation and resident protection as at 1 January	92.4	110.7
Provision used ¹⁾	-12.0	-11.1
Release of provision	-0.5	-7.4
Present value adjustment	1.7	0.2
Provision for sound insulation and resident protection as at 31 December	81.6	92.4
Total provision for formal expropriations plus sound insulation and resident protection as at 31 December	286.0	318.7
of which current	19.4	45.7
of which non-current	266.6	273.0

1) The amount paid for formal expropriations only includes effective payments of compensation, and excludes other associated external costs in accordance with the regulations of the Airport Zurich Noise Fund (see note 20, Airport Zurich Noise Fund).

Provision for formal expropriations

As at the reporting date, the estimated costs for formal expropriations remained unchanged at CHF 330.0 million (see [Reporting of noise-related costs in the consolidated financial statements](#)), of which CHF 87.8 million had already been paid out at that date. In the consolidated financial statements for the period ended 31 December 2023, a provision was recognised for the outstanding costs at their present value (CHF 204.4 million). The discount rate used to calculate the present value of the nominal payment flows was 2.25% (previous year: 2.10%). Based on the court proceedings still

outstanding, it is now expected that the payments can be completed by the end of 2040 (previously: end of 2030).

Provision for sound insulation and resident protection

As at the reporting date, the estimated costs for sound insulation and resident protection measures remained unchanged at CHF 400.0 million (see > [Reporting of noise-related costs in the consolidated financial statements](#)), of which CHF 312.4 million had already been paid out at that date. In the consolidated financial statements for the period ended 31 December 2023, a provision was recognised for the outstanding costs at their present value (CHF 81.6 million). The discount rate used to calculate the present value of the nominal payment flows was 2.35% (previous year: 2.10%). It is still expected that the payments can be completed by the end of 2030.

20 Airport Zurich Noise Fund

The Airport Zurich Noise Fund (AZNF) represents a liquidity-based fund statement. This statement presents the accumulated surplus or shortfall as at the reporting date arising from noise charges, less expenses for formal expropriations, sound insulation and resident protection measures, and noise-related operating costs. Since 1 January 2021, revenue from aircraft noise charges has no longer been allocated to the Fund as, according to current knowledge, the Airport Zurich Noise Fund has sufficient resources to cover the known costs for sound insulation, resident protection and formal expropriations.

If the fund statement shows an accumulated income surplus, this surplus is moved to a special investment account and invested by professional financial institutions on the basis of a conservative, money market-oriented investment strategy. The income from these investments is credited to the fund statement.

The detailed fund statement is disclosed to a committee comprising representatives of Zurich Airport customers and the relevant authorities. The regulations of the Airport Zurich Noise Fund and other information (including an overview of its financial performance) can be downloaded from the website > www.flughafen-zuerich.ch/newsroom/en/airport-zurich-noise-fund-e/.

The balance on the Airport Zurich Noise Fund changed as follows in the reporting period:

(CHF million)	2023	2022
Airport Zurich Noise Fund as at 1 January	363.8	394.1
Revenue from noise charges	0.0	0.0
Costs for sound insulation and resident protection	-12.0	-11.1
Costs for formal expropriations ¹⁾	-1.3	-1.0
Balance before operating costs and finance result	350.5	382.0
Operating costs ²⁾	-3.4	-6.0
Interest income from and adjustments to fair value on financial assets of Airport Zurich Noise Fund	1.4	-12.2
Airport Zurich Noise Fund as at 31 December	348.5	363.8

1) In addition to compensation payments for formal expropriations, this amount includes other associated external costs (in accordance with regulations of the Airport Zurich Noise Fund; see note 19, "Provision for formal expropriations plus sound insulation and resident protection").

2) In the previous year, operating costs included the repair work on the noise protection hangar.

Summary of assets invested for the Airport Zurich Noise Fund:

(CHF million)	31.12.2023	31.12.2022
Cash equivalents (see note 16, "Cash and cash equivalents")	60.5	17.3
Current financial assets of Airport Zurich Noise Fund	62.5	60.1
Non-current financial assets of Airport Zurich Noise Fund	234.0	301.0
Accrual/deferral towards Zurich Airport Ltd. ¹⁾	-8.5	-14.6
Total assets invested for Airport Zurich Noise Fund	348.5	363.8

1) For accounting reasons, an asset or liability towards Zurich Airport Ltd. arises as at the reporting date. This is compensated for in the following month, so the balance of liquid funds is restored.

The following table presents an overview of the maturities and credit ratings of the assets invested for the Airport Zurich Noise Fund:

(CHF million)	2024	2025	2026	2027	2028ff.	Total
Cash and cash equivalents	60.5	0.0	0.0	0.0	0.0	60.5
AAA	8.1	21.5	22.0	29.6	72.3	153.5
AA+/AA/AA-	21.1	17.7	0.0	9.6	26.8	75.2
A+/A/A-	33.3	4.0	20.5	6.0	4.0	67.8
Other ¹⁾	-8.5	0.0	0.0	0.0	0.0	-8.5
Total assets invested for Airport Zurich Noise Fund	114.5	43.2	42.5	45.2	103.1	348.5
in %	32.8	12.4	12.2	13.0	29.6	100.0

1) For accounting reasons, an accrual (deferral) towards Zurich Airport Ltd. arises as of the balance sheet date. This is compensated in the subsequent month, so the balance of liquid funds is restored.

21 Deferred tax assets and liabilities

In accordance with IAS 12.47, deferred tax assets and liabilities are calculated at the rate that is expected to apply when the asset is realised or the liability settled. The balance of deferred tax assets and liabilities changed as follows:

(CHF million)	2023	2022
Deferred tax assets and liabilities, net as at 1 January	-63.2	-35.3
Change in tax rate, recognised in OCI	-0.1	0.0
Change in tax rate, recognised in income statement	0.4	0.0
Deferred taxes on remeasurement of defined benefit obligations, recognised in OCI	11.4	-15.8
Change according to income statement	-3.1	-12.6
Foreign exchange differences	-0.4	0.6
Deferred tax assets and liabilities, net as at 31 December	-55.0	-63.2
of which deferred tax assets	7.1	8.1
of which deferred tax liabilities	-62.1	-71.3

Deferred tax assets and liabilities are allocated to the following items:

(CHF million)	31.12.2023		31.12.2022	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment & other intangible assets		-5.4		-6.6
Investments and financial assets		-3.7		-3.3
Renovation fund		-38.0		-37.2
Aircraft noise		-26.7		-25.7
Financial liabilities issuing costs		-0.1		-0.2
Employee benefit obligations	12.3		2.0	
Miscellaneous items	7.1	-0.5	8.1	-0.4
Deferred tax assets and liabilities, gross	19.4	-74.3	10.2	-73.3
Offsetting of assets and liabilities	-12.3	12.3	-2.0	2.0
Deferred tax assets and liabilities, net	7.1	-62.1	8.1	-71.3

Temporary differences associated with the Group's investments in subsidiaries, associates and joint operations for which no deferred tax liability was recognised in the reporting period amounted to CHF 19.8 million in total (previous year: CHF 30.2 million).

As at 31 December 2023, the Zurich Airport Group still had tax loss carry forwards of CHF 0.1 million (previous year: CHF 2.2 million) where the criteria for recognising a deferred tax asset were not met, as it is not certain that it will be realised at a future date.

22 Employee benefits

(CHF million)	31.12.2023	31.12.2022
Net defined benefit obligations	-54.9	0.0
Other long-term employee benefits	-10.1	-10.7
Employee benefit obligations	-65.0	-10.7

22.1 Post-employment benefits

The Zurich Airport Group maintains the following employee benefit plans:

a) Defined benefit plans

Affiliation contract with the BVK Employee Pension Fund of the Canton of Zurich (BVK)

The employees of Zurich Airport Ltd. are affiliated to the BVK (Employee Pension Fund of the Canton of Zurich). The BVK is a multi-employer plan for employees of the Canton of Zurich and other employers. The BVK is registered with the Pensions and Trusts Supervisory Authority of the Canton of Zurich and is monitored by the latter.

The BVK Foundation Board, comprising nine employer and nine employee representatives, is the senior executive body of the Foundation and thus responsible for the strategic objectives and principles and for monitoring its management. The management is responsible for implementing legal requirements and the instructions given by the Foundation Board and its committees.

The BVK is subject to the provisions of the Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision (BVG) and its implementing provisions. The BVG defines the minimum insured salary, the minimum retirement credits and the return on them, and the conversion rate. As a result of these statutory provisions and the

features of the plan, Zurich Airport Ltd., as an employer affiliated to the BVK, is exposed to actuarial risks such as investment risk, interest rate risk, disability risk and the risk of longevity.

Moreover, in accordance with the statutory provisions, the management body of the pension fund is also responsible for ensuring that restructuring measures are decided and implemented in the event of a shortfall, so that complete cover for future pension benefits is restored within a reasonable period. Among other things this includes restructuring payments in the form of additional contributions.

According to the applicable Swiss accounting regulations (Art. 44 BVV2), the liabilities of the BVK were funded at an (unaudited) level of 102.9% as at 31 December 2023 (previous year: 97.6%).

Employees of Zurich Airport Ltd. are insured with the BVK against the risks of old age, death and disability. The retirement benefits are determined on the basis of the individual retirement savings accounts at the time of retirement and are calculated by multiplying the balance of the savings account by the conversion rate stipulated in the regulations. The statutory retirement age is 65. Early retirement with a reduced conversion rate is possible as of the time the employee turns 60. Zurich Airport Ltd. pays age-related contributions for all insured persons of between 6.0% and 17.4% of the insured salary and risk contributions of 1.2%. Up to the age of 20, only the risk contribution is incurred.

The assets originate from the BVK benefit plans. The investment strategy is defined by the BVK Foundation Board, based on the proposals and recommendations of the Board's own investment committee, which in particular is responsible for managing the BVK's assets. It prepares all the investment-related decisions taken by the Foundation Board and manages and supervises their implementation by the management. In addition, it is supported in the monitoring of the investment strategy and the investment process by an external investment controller.

The investment strategy (asset allocation) ranges within tactical bandwidths so as to enable a flexible response to current market situations. The aim is to manage the capital investments effectively and efficiently. The assets are well diversified. Compliance with the investment guidelines and the investment results are reviewed periodically.

Because the BVK, as a multi-employer plan, does not prepare separate financial statements for Zurich Airport Ltd., the company is also liable for liabilities of other affiliated employers, in accordance with the statutory provisions.

Explanation of the amounts in the consolidated financial statements

The actuarial calculation of the defined benefit obligations as at 31 December 2023 and the service cost was performed by independent actuaries using the projected unit credit method. The fair value of the plan assets was determined as at 31 December 2023 based on the information available at the date of preparation of the annual financial statements.

As no separate information was available for the affiliation contract with Zurich Airport Ltd. for the plan assets or for the breakdown of assets into asset classes at the reporting date, assumptions had to be made on the basis of the available information for these purposes.

The net defined benefit obligations recognised in the balance sheet at the reporting date are as follows:

(CHF million)	31.12.2023	31.12.2022
Present value of funded defined benefit obligations	-652.3	-579.3
Fair value of plan assets	597.4	584.9
Unrecognised asset due to the asset ceiling	0.0	-5.6
Net defined benefit obligations recognised in the balance sheet	-54.9	0.0

The defined benefit obligations changed as follows:

(CHF million)	2023	2022
Present value of defined benefit obligations as at 1 January	-579.3	-719.7
Current service costs	-13.8	-19.7
Interest expenses on defined benefit obligations	-12.1	-2.1
Employee contributions	-12.7	-11.9
Benefits paid	24.4	33.6
Gain/(loss) due to experience	-0.9	-18.2
Gain/(loss) due to changes in demographic assumptions	-2.4	0.0
Gain/(loss) due to changes in financial assumptions	-55.4	158.7
Present value of defined benefit obligations as at 31 December	-652.3	-579.3

The weighted average duration of the defined benefit obligations at 31 December 2023 was 14.1 years (previous year: 13.6 years).

The plan assets changed as follows:

(CHF million)	2023	2022
Fair value of plan assets as at 1 January	584.9	643.7
Employer contributions	18.8	17.6
Employee contributions	12.7	11.9
Benefits paid	-24.4	-33.6
Administration expenses	0.0	0.0
Interest income on plan assets	12.5	1.9
Return on plan assets excluding amounts included in interest income	-7.1	-56.5
Fair value of plan assets as at 31 December	597.4	584.9

The unrecognised asset due to the asset ceiling changed as follows:

(CHF million)	2023	2022
Unrecognised asset due to the asset ceiling as at 1 January	-5.6	0.0
Interest on the unrecognised asset (recognised in the income statement)	-0.2	0.0
Change in the unrecognised asset (recognised in other comprehensive income)	5.8	-5.6
Unrecognised asset due to the asset ceiling as at 31 December	0.0	-5.6

The net defined benefit obligations changed as follows:

(CHF million)	2023	2022
Net defined benefit obligations as at 1 January	0.0	-76.0
Total charge recognised in the income statement	-13.5	-19.9
Total remeasurements recognised in other comprehensive income	-60.1	78.3
Employer contributions	18.8	17.6
Net defined benefit obligations as at 31 December	-54.9	0.0

The company expects employer contributions of CHF 20.1 million for financial year 2024.

Analysis of the amounts recognised in the income statement:

(CHF million)	2023	2022
Current service cost	-13.8	-19.7
Net interest expenses on defined benefit obligations	0.3	-0.2
Administration expenses	0.0	0.0
Total charge recognised in the income statement	-13.5	-19.9

Analysis of the amounts recognised in other comprehensive income:

(CHF million)	2023	2022
Gain/(loss) due to experience	-0.9	-18.2
Gain/(loss) due to changes in demographic assumptions	-2.4	0.0
Gain/(loss) due to changes in financial assumptions	-55.4	158.7
Return on plan assets excluding amounts included in net interest	-7.1	-56.5
Change in unrecognised asset due to the asset ceiling	5.8	-5.6
Total remeasurements recognised in other comprehensive income (before tax)	-60.1	78.3

In the reporting period, changes in financial assumptions (in particular, a reduction in the discount rate from 2.15% to 1.40%) resulted in an actuarial loss of CHF 55.4 million, which was recognised in other comprehensive income. The actuarial gain of CHF 158.7 million recognised in the previous year was mainly the result of the marked increase in the discount rate from 0.30% to 2.15%.

Actual investment performance was once again lower than anticipated in the reporting period. The related effect of CHF -7.1 million (previous year: CHF -56.5 million) was also recognised in other comprehensive income.

Assumptions used in actuarial calculations:

(in % or years)	2023	2022
Discount rate as at 31 December	1.40	2.15
Consumer price inflation	1.25	1.00
Expected rate of salary increases (including inflation)	1.75	1.75
Expected rate of pension increases	0.00	0.00
Interest rate on retirement savings accounts	1.25	1.00
Life expectation at age 65 (in years):		
Female (aged 45)	25.70	25.60
Female (aged 65)	23.80	23.70
Male (aged 45)	24.00	23.90
Male (aged 65)	22.00	22.00

The discount rate is based on CHF-denominated corporate bonds with an AA rating issued by domestic and foreign issuers and listed on SIX Swiss Exchange. The future rate of salary increase is the long-term historical average adjusted for management's current estimates for the future. Based on the current financial status of the pension fund, no future increases in pensions are anticipated.

As at 31 December 2023, the life expectancy assumption was calculated on the basis of BVG 2020 (previous year: BVG 2020) by projecting future longevity improvements in accordance with the Continuous Mortality Investigation model (CMI model), based on historically observed longevity improvements in Switzerland and a future long-term longevity improvement rate of 1.50%.

Breakdown of plan assets by asset class:

(in %)	31.12.2023	31.12.2022
Asset category:		
Cash and cash equivalents	3.5	2.0
Shares	34.9	36.0
Bonds	35.5	38.0
Property	21.0	19.0
Other	5.1	5.0
Total	100.0	100.0

Sensitivities

The discount rate, the assumption regarding future salary increases and the return on retirement savings accounts are the significant actuarial assumptions in calculating the present value of the defined benefit obligations. A change in the assumptions of +0.25% or -0.25% has the following impact on the present value of the defined benefit obligations (DBO):

(CHF million)	2023 Effect on DBO		2022 Effect on DBO	
	+0.25%	-0.25%	+0.25%	-0.25%
Discount rate	-19.6	20.9	-16.8	17.4
Expected salary increases	2.0	-1.3	1.2	-1.2
Interest rate on retirement savings accounts	3.3	-3.3	2.3	-1.7

The above sensitivity calculations are based on one assumption changing while the others remain unchanged. In practice, however, there are certain correlations between the individual assumptions. The same method was used to calculate the sensitivities and the defined benefit obligations recognised at the reporting date.

b) Defined contribution plan

An agreement exists with Zurich Insurance Company offering benefits to the pensioners of the former Flughafen-Immobilien-Gesellschaft (FIG). This group of beneficiaries did not transfer to the BVK. This is a defined contribution plan which is fully funded. Zurich Insurance Company is responsible for providing all future benefits.

22.2 Other long-term employee benefits

Zurich Airport Ltd. pays its employees loyalty bonuses on the basis of years of service, in accordance with the employment regulations of 1 January 2016. The corresponding provision of CHF 10.1 million (previous year: CHF 10.7 million) was calculated based on the number of accumulated years of service which, at the reporting date, was 10.0 years (previous year: 10.5 years).

23 Other current liabilities, accruals and deferrals

(CHF million)	31.12.2023	31.12.2022
Deferred income and accruals	148.4	101.6
Accrued interest on financial liabilities	3.3	7.5
Deposits and advance payments by customers	6.0	8.2
Provision for holidays and overtime	7.2	4.7
Other liabilities	8.5	6.7
Total other current liabilities, accruals and deferrals	173.3	128.8
of which financial liabilities carried at amortised cost	151.6	109.1
of which other current liabilities, accruals and deferrals excluding financial instruments	21.7	19.7

The increase in deferred income and accruals is due mainly to the advanced stage of the construction activity and the related increase in project accruals at Noida International Airport in New Delhi, India.

24 Further details

24.1 Information concerning the performance of a risk assessment

Risk management ensures that risks are approached systematically and given due consideration. It guarantees transparency over the main risks associated with the company's business activities as well as continuous improvement and monitoring of the risk situation.

Zurich Airport Ltd.'s risk management system is the tool used to manage corporate risk across the Group and consists of the following components:

- Risk policy objectives and principles of the company
- Risk management organisation
- Risk management process
- Risk reporting
- Auditing and review of the risk management system

In this context, the Board of Directors and the Management Board have overall responsibility under Swiss company law for ensuring the Group's continued existence and profitability. The Board of Directors is responsible for overall oversight of risk management. The Chief Financial Officer (CFO) acts as the Management Board's Chief Risk Officer.

The central Risk Office reports to the CFO as Chief Risk Officer and stipulates minimum requirements for decentralised risk management across the Group. The central Risk Office is responsible for risk reporting as well as for the operation and ongoing development of the risk management system.

The Management Board members are each responsible for the risks that could arise primarily in their respective divisions. They bear responsibility for identifying, assessing and managing the relevant risks (risk owner concept).

In consultation with the central Risk Office, other departments perform their specific risk management procedures themselves, such as safety management, liquidity management, occupational safety, information security, fire prevention and contingency planning. The same goes for Zurich Airport Ltd.'s international subsidiaries. The key risks to the Zurich Airport Group are then incorporated from these into central risk reporting. This describes the business risks, responsibilities and measures in detail, along with an assessment of their probability of occurrence and potential impact. Implementation of the measures is continually monitored. The risk report is presented to the Management Board and the Board of Directors once a year.

a) Financial risk management

Due to the nature of its activities, the Zurich Airport Group is exposed to the following relevant financial risks, including:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk (currency and interest rate risk)

The following sections provide an overview of the extent of the various financial risks and the objectives, principles and processes relating to the assessment, monitoring and hedging of risks, as well as of the capital management of the Zurich Airport Group. Further information on financial risks can also be found in the corresponding notes.

i) Credit risk

Credit risk refers to the risk that the Zurich Airport Group could incur financial losses if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Cash and cash equivalents, accruals, trade receivables and other financial assets are exposed to credit risk.

The Zurich Airport Group invests its cash and cash equivalents and fixed-term deposits with major banks with a rating indicating their solvency. In addition, the Group minimises potential risks relating to cash and cash equivalents and fixed-term deposits in that it does not invest with a single bank, but with a variety of financial service providers.

As a rule, accruals as at the reporting date are invoiced within one month and subsequently monitored as part of trade receivables management.

With the exception of the home carrier SWISS at Zurich Airport, credit risk is distributed over a broad clientele. Trade receivables include an amount of CHF 19.4 million (previous year: CHF 14.7 million) due from SWISS (see [note 14, Trade receivables](#)). In the period between the reporting date and the preparation of the 2023 consolidated financial statements, SWISS paid the outstanding amount arising from flight operations charges as at 31 December 2023 in full.

The exposure to credit risk primarily depends on the individual characteristics of each client. Risk assessments include a creditworthiness check, taking account of the client's financial circumstances, past experience and other factors. The maturity structure of trade receivables is normally examined on a weekly basis. Where necessary, terms of payment aimed at minimising risk (mainly proforma invoicing) are applied, or security is requested (mainly in the form of bank guarantees).

The financial assets of the Airport Zurich Noise Fund are invested by professional financial institutions on the basis of a conservative, money market-oriented investment strategy and mainly in fixed-rate bonds. Here, priority is given to preservation of value and flexibility with respect to early redemption of investments. The direct use of derivative financial instruments is not permitted. The investment horizon is based on the expected obligation to make payments from the Airport Zurich Noise Fund and averages around four years. For bonds held directly, the minimum acceptable rating is A- (Standard & Poor's) or an equivalent rating from another recognised rating agency (see [note 20, Airport Zurich Noise Fund](#)).

The maximum exposure to credit risk corresponds to the carrying amounts of the individual financial assets. No guarantees or similar commitments exist that could give rise to an increase in the credit exposure above the respective carrying amounts. The maximum exposure to credit risk as at the reporting date was as follows:

(CHF million)	31.12.2023	31.12.2022
Cash equivalents (excluding cash on hand)	300.1	260.9
Current and non-current fixed-term deposits	243.2	409.1
Non-current financial assets of Airport Zurich Noise Fund	234.0	301.0
Trade receivables, net	108.7	93.3
Current financial assets of Airport Zurich Noise Fund	62.5	60.1
Other receivables and prepaid expenses	98.6	104.0
Other financial assets	37.8	65.5
Total maximum exposure to credit risk	1,085.0	1,293.9

ii) Liquidity risk

Liquidity risk refers to the risk that the Zurich Airport Group may not be able to meet its financial obligations on the due date.

The Zurich Airport Group monitors liquidity risk via a prudent liquidity management process, observing the principle that it must have sufficient flexibility and room for manoeuvre with respect to the availability of liquid funds at short notice. This means maintaining an adequate reserve of liquid funds, ensuring the availability of sufficient funds for financing purposes by securing adequate credit facilities, and being able to issue financial securities on the capital market. For this purpose, the company uses rolling liquidity planning that is based on expected cash flows and is periodically updated. In addition, the Zurich Airport Group had the following principal credit facilities at its disposal at the reporting date:

(CHF million)	Duration	31.12.2023	31.12.2022
Operating credit lines (committed credit lines)	31.12.2025	300.0	300.0
Total credit lines		300.0	300.0
Utilisation: bank guarantees		-10.2	-11.2
Total unused credit lines		289.8	288.8

The following tables show the contractual maturities of the financial liabilities (including interest payments) held by the Zurich Airport Group:

(CHF million)					
31 December 2023	Carrying amount	Contractual cash flows	Due within 1 year	Due within 1 to 5 years	Due in more than 5 years
Debentures	1,214.5	1,239.8	305.2	212.3	722.3
Liabilities to banks	196.5	199.8	9.7	46.5	143.5
Lease liabilities	155.1	507.9	9.0	30.5	468.4
Liabilities from concession agreements	5.6	7.7	0.0	7.7	0.0
Other financial liabilities	21.7	21.7	1.3	0.0	20.4
Trade payables	52.5	52.5	52.5	0.0	0.0
Other current liabilities and accruals	151.6	151.6	151.6	0.0	0.0
Total non-derivative financial liabilities	1,797.7	2,181.1	529.5	297.0	1,354.6
Total	1,797.7	2,181.1	529.5	297.0	1,354.6

(CHF million)					
31 December 2022	Carrying amount	Contractual cash flows	Due within 1 year	Due within 1 to 5 years	Due in more than 5 years
Debentures	1,614.2	1,651.0	411.2	514.6	725.2
Liabilities to banks	135.5	152.9	8.5	42.1	102.3
Lease liabilities	165.6	564.3	9.1	32.0	523.2
Liabilities from concession agreements	6.6	8.7	0.8	1.9	6.0
Other financial liabilities	21.2	21.2	0.8	0.0	20.4
Trade payables	44.4	44.4	44.4	0.0	0.0
Other current liabilities and accruals	109.1	109.1	109.1	0.0	0.0
Total non-derivative financial liabilities	2,096.6	2,551.6	583.9	590.5	1,377.1
Total	2,096.6	2,551.6	583.9	590.5	1,377.1

iii) Market risk (currency and interest rate risk)

Market risk refers to the risk that changes in market prices such as exchange rates and interest rates could have an impact on the finance result or the value of the financial instruments.

The objective of market risk management is to monitor and control such risks in order to ensure that they do not exceed a specified limit.

iiia) Currency risk

The functional currency of the consolidated financial statements of the Zurich Airport Group is the Swiss franc (CHF). The Group is exposed to foreign currency movements primarily in the Brazilian real (BRL), the Chilean peso (CLP) and the Indian rupee (INR).

A 5% appreciation or depreciation in the value of the Swiss franc against the relevant currencies as at 31 December 2023 would have increased or reduced consolidated equity ("Other comprehensive income") or the consolidated result by the amounts below. This analysis assumes that all other variables – in particular interest rates – remain unchanged.

(CHF million)	Appreciation of CHF (plus 5%)		Depreciation of CHF (minus 5%)	
	Equity	Profit	Equity	Profit
BRL	-7.9	0.0	7.9	0.0
CLP	-0.6	0.0	0.6	0.0
INR	-6.4	0.0	6.4	0.0
31 December 2023	-14.8	0.0	14.8	0.0
BRL	-6.5	0.0	6.5	0.0
CLP	-0.6	0.0	0.6	0.0
INR	-6.8	0.0	6.8	0.0
31 December 2022	-14.0	0.0	14.0	0.0

iiib) Interest rate risk

Interest rate risk can be divided into an interest-related cash flow risk (the risk that future interest payments could change due to fluctuations in the market interest rate) and an interest-related risk of a change in fair value (the risk that the fair value of a financial instrument could change due to fluctuations in the market interest rate).

The financial assets of the Airport Zurich Noise Fund are primarily invested in fixed-rate debt instruments and a mixed investment fund. The direct use of derivative financial instruments is not permitted in this context.

Most financing transactions have been concluded at a fixed rate of interest. Interest rate risk on variable liabilities is hedged on a case-by-case basis using interest rate swaps.

As at the reporting date, the Zurich Airport Group's interest rate profile was as follows (interest-bearing financial instruments):

(CHF million)	31.12.2023	31.12.2022
Current and non-current fixed-term deposits	243.2	409.1
Fixed-interest financial assets of Airport Zurich Noise Fund	296.5	264.2
Fixed-interest financial instruments (assets)	539.7	673.3
Cash and cash equivalents	239.9	243.9
Cash and cash equivalents of Airport Zurich Noise Fund	60.5	17.3
Variable-interest financial instruments (assets)	300.4	261.2
Total interest-bearing assets	840.1	934.5
Current and non-current debentures	-1,214.5	-1,614.2
Current and non-current lease liabilities	-155.1	-165.6
Current and non-current other financial instruments	-21.7	-21.2
Fixed interest financial instruments (liabilities)	-1,391.3	-1,801.0
Current and non-current liabilities to banks	-196.5	-135.5
Variable-interest financial instruments (liabilities)	-196.5	-135.5
Total interest-bearing liabilities	-1,587.8	-1,936.5

The table below shows the sensitivity analysis for variable and fixed-rate financial instruments with a deviation of 0.5%:

(CHF million)	Increase by 0.5%		Decrease by 0.5%	
	Equity	Profit	Equity	Profit
Fixed-interest financial instruments	-1.0	0.0	1.0	0.0
Variable-interest financial instruments	0.0	1.0	0.0	-1.0
31 December 2023	-1.0	1.0	1.0	-1.0
Fixed-interest financial instruments	-1.6	0.0	1.6	0.0
Variable-interest financial instruments	0.0	1.0	0.0	-1.0
31 December 2022	-1.6	1.0	1.6	-1.0

b) Categories of financial instruments

The following tables show the carrying amounts of all financial instruments by category both for the reporting period and for the previous year:

(CHF million)	31.12.2023	31.12.2022
Current and non-current financial assets of Airport Zurich Noise Fund (bonds)	296.5	264.2
Total financial assets carried at amortised cost	296.5	264.2
Current and non-current financial assets of Airport Zurich Noise Fund (mixed investment fund)	0.0	96.9
Total financial assets measured at fair value	0.0	96.9
Cash (excl. cash on hand) and cash equivalents plus short-term monetary investments	300.1	260.9
Current and non-current fixed-term deposits	243.2	409.1
Trade receivables, net	108.7	93.3
Other receivables and prepaid expenses	98.6	104.0
Other financial assets	37.8	65.5
Total cash and cash equivalents, fixed-term deposits, receivables and other financial assets	788.5	932.8
Debentures	-1,214.5	-1,614.2
Total financial liabilities carried at amortised cost	-1,214.5	-1,614.2
Liabilities from concession agreements	-5.6	-6.6
Liabilities to banks	-196.5	-135.5
Lease liabilities	-155.1	-165.6
Other financial liabilities	-21.7	-21.2
Trade payables, net	-52.5	-44.4
Other current liabilities, accruals and deferrals (excluding derivatives and non-financial instruments)	-151.6	-109.1
Total other financial liabilities	-583.2	-482.4

c) Fair value of financial instruments

Financial instruments recognised or disclosed at fair value are categorised according to the following hierarchy, reflecting the significance of the inputs used to measure fair value:

Level 1 – Quoted market prices

The inputs used to measure the assets or liabilities are quoted, unadjusted market prices determined in active markets for identical assets or liabilities at the measurement date.

Level 2 – Measurement based on observable inputs

The assets or liabilities are measured on the basis of inputs (other than the quoted prices included within level 1) that are directly or indirectly observable for the asset or liability.

Level 3 – Measurement based on unobservable inputs

The inputs for these assets or liabilities are not observable.

The carrying amounts of cash and cash equivalents, fixed-term deposits, receivables, other financial assets and other financial liabilities are a reasonable approximation of their fair values.

Financial assets in the Airport Zurich Noise Fund: The fair value of the bonds corresponds to the market price of the securities at the reporting date (level 1). The fair value of the mixed investment fund liquidated in the reporting period was the unadjusted net asset value, as the units could be redeemed at that value at the reporting date (level 2).

Financial liabilities: The fair value of the debentures corresponds to the market price (level 1).

(CHF million)	31.12.2023		31.12.2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Bonds of Airport Zurich Noise Fund (Level 1)	296.5	293.8	264.2	253.9
Mixed investment fund of the Airport Zurich Noise Fund (Level 2)	0.0	0.0	96.9	96.9
Total financial assets	296.5	293.8	361.1	350.8
Debentures (Level 1)	-1,214.5	-1,137.9	-1,614.2	-1,461.4
Total financial liabilities	-1,214.5	-1,137.9	-1,614.2	-1,461.4

d) Capital management

With respect to capital management, the Zurich Airport Group pays particular attention to ensuring the continuation of the Group's operating activities, achieving an acceptable return for shareholders and optimising the balance sheet structure, particularly in periods of major investment activity or after crises. In order to achieve these objectives, Zurich Airport Ltd. can adjust the amount of the dividend payment.

The Zurich Airport Group primarily monitors the following key financial indicator: net debt to EBITDA. Here it is especially important to ensure that the ratio of debt to equity is in line with the budgetable cash flows and investments, and tends towards the conservative side. In this way a high degree of entrepreneurial flexibility can be assured at all times, including when future unforeseeable events occur.

The necessary quantity of treasury shares may be held for the purpose of staff participation and bonus programmes. It is not permitted to accumulate several years' worth of treasury shares for the purpose of participation programmes, however. Neither is it permitted to hold treasury shares to use as payment for acquisitions (exchange of shares in the event of a takeover) or for the purpose of speculating on higher selling prices. Accumulated treasury shares may in no case exceed 10% of all shares issued.

24.2 Capital commitments

As at the reporting date, capital commitments for various buildings and engineering structures at the Zurich site amounted to around CHF 247 million in total. The most significant capital commitments currently relate to the development of the landside passenger zones (CHF 61 million) and the refurbishment and expansion of the baggage sorting system (CHF 45 million). Capital commitments for the development and implementation of Noida International Airport in New Delhi, India amounted to around CHF 300 million.

24.3 Contingent liabilities

Zurich site

A number of legal proceedings and claims against the Zurich Airport Group in the context of its normal business activities are still pending. The company does not expect the amounts required to settle these lawsuits and claims to have a significantly negative impact on the consolidated financial statements and cash flow of the Zurich Airport Group.

Depending on future legal judgements, including with respect to the southern approaches at Zurich Airport, noise-related liabilities may in future be subject to substantial adjustments, which would also require adjustments to the noise-related costs recognised as assets and liabilities in the balance sheet. At the present time, it is not possible to reliably estimate the total costs to capitalise as an intangible asset from the right of formal expropriation, the resulting amortisation or the corresponding provision.

Zurich Airport Ltd. and Swiss Life AG are jointly and severally liable to third parties for the liabilities of the co-ownership structure the Circle and the ordinary partnership the Circle.

International

As part of its involvement in the expansion and operation of the airport in Belo Horizonte, Brazil, the Zurich Airport Group provides a guarantee as security for local debt financing in the amount of CHF 19.9 million (previous year: CHF 19.5 million).

The Zurich Airport Group has entered into the following counterbonds for other guarantees (e.g. performance or bid bonds) provided to local authorities by the operators:

Operator (CHF million)	Location	Type of guarantee	2023	2022
Concessionária do Aeroporto Internacional de Florianópolis S.A.	Florianópolis, Brazil	Performance bond	14.4	13.6
Aeroportos do Sudeste do Brasil S.A.	Vitória/Macaé, Brazil	Performance bond	9.9	9.2
Concessionária do Aeroporto Internacional de Natal S.A.	Natal, Brazil	Performance bond	3.8	n/a
Sociedade de Participação no Aeroporto de Confins S.A.	Belo Horizonte, Brazil	Performance bond	10.1	9.4
Operating companies of Iquique and Antofagasta	Iquique/Antofagasta, Chile	Performance bond	5.9	4.9
Yamuna International Airport Private Limited	New Delhi, India	Performance bond	10.9	11.2
Total			55.0	48.3

24.4 Related parties

Related parties are:

- Canton of Zurich
- Members of the Board of Directors
- Members of the Management Board
- Associates
- BVK Employee Pension Fund of the Canton of Zurich

a) Transactions with related parties

In the reporting period, the costs for the Canton of Zurich police force amounted to CHF 92.4 million (previous year: CHF 84.1 million) in accordance with the applicable service level agreement. In this context, accrued expenses amounting to CHF 24.1 million (previous year: CHF 21.8 million) at the reporting date were included in [Other current liabilities, accruals and deferrals](#).

In financial year 2023, consulting revenue from operations and management agreements amounted to CHF 2.5 million (previous year: CHF 2.5 million) for the airports in Bogotá and on Curaçao.

In the reporting period, Zurich Airport Ltd. paid employer contributions amounting to CHF 18.8 million (previous year: CHF 17.6 million) to the BVK Employee Pension Fund of the Canton of Zurich for employee benefits (see [note 22, Employee benefits](#)). As at the reporting date, CHF 2.7 million (previous year: CHF 2.6 million) of this was still included in [Other current liabilities, accruals and deferrals](#).

b) Shares held by related parties

As at the reporting date, members of the Board of Directors and related parties held the following number of shares:

Name	Function	Number of shares as at	Number of shares as at
		31.12.2023	31.12.2022
Josef Felder ¹⁾	Chairman since Annual General Meeting 2023	25,200	25,200
Claudia Pletscher ²⁾	Vice Chairwoman; Chairwoman Nomination & Compensation Committee	0	n/a
Vincent Albers	Member	2,517	2,517
Guglielmo L. Brentel	Member	309	309
Beatrix Frey-Eigenmann ³⁾	Member; Chairwoman Audit & Finance Committee	200	n/a
Stephan Gemkow	Member; Chairman International Business Committee	100	100
Corine Mauch	Member	0	0
Carmen Walker Späh	Member; Chairwoman Public Affairs Committee	5	5
Andreas Schmid ⁴⁾	Chairman until Annual General Meeting 2023	n/a	11,115
Eveline Saupper ⁵⁾	Member; Chairwoman Nomination & Compensation Committee	n/a	675
Total		28,331	39,921

1) Vice Chairman until Annual General Meeting 2023

2) Elected at Annual General Meeting 2023

3) In office since 1 May 2023

4) In office until Annual General Meeting 2023

5) In office until 30 April 2023

As at the reporting date, members of the Management Board and related parties held the following number of shares:

Name	Function	Number of shares as at	Number of shares as at
		31.12.2023	31.12.2022
Lukas Brosi	Chief Executive Officer (CEO)	2,441	2,029
Daniel Bircher	Managing Director Zurich Airport International	1,227	847
Kevin Fleck	Chief Financial Officer (CFO)	100	n/a
Stefan Gross	Chief Commercial Officer (CCO)	2,258	1,846
Lydia Naef	Chief Real Estate Officer (CREO)	622	450
Manuela Staub	Chief People & Communications Officer (CPCO)	383	167
Stefan Tschudin	Chief Operation Officer (COO)	1,816	1,404
Stephan Widrig	n/a	n/a	8,080
Total		8,847	14,823

Neither members of the Board of Directors nor the Management Board held options on the company's shares at the reporting date.

c) Remuneration for key management personnel

Remuneration for the members of the Board of Directors and Management Board comprises the following:

(CHF million)	2023	2022
Short-term employee benefits	5.3	5.0
Post-employment benefits (pension benefits)	0.7	0.7
Share-based payments	0.6	0.5
Total	6.6	6.2

24.5 Composition of the group

As at the reporting date, the Group comprised the following companies:

Company	Domicile	Share capital	Stake held in %
Zurich Airport Ltd.	Kloten	CHF 307,018,750	Parent company
Airport Ground Services AG	Kloten	CHF 100,000	100.0
Zurich Airport International AG	Kloten	CHF 100,000	100.0
Yamuna International Airport Private Ltd.	New Delhi	INR 15,269 million	100.0
Concessionária do Aeroporto Internacional de Florianópolis S.A.	Florianópolis	BRL 304 million	100.0
Zurich Airport Latin America Ltda.	Rio de Janeiro	BRL 581 million	100.0
Aeropertos do Sudeste do Brasil S.A.	Vitória	BRL 571 million	100.0
Concessionária do Aeroporto Internacional de Natal S.A.	Natal	BRL 155 million	100.0
A-port S.A.	Santiago de Chile	CLP 16,139 million	100.0
Sociedad Concesionaria Aeropuerto de Antofagasta S.A.	Santiago de Chile	CLP 3,600 million	100.0
Sociedad Concesionaria Aeropuerto de Iquique S.A.	Santiago de Chile	CLP 600 million	100.0
Sociedad Concesionaria Aeropuerto Diego Aracena S.A.	Santiago de Chile	CLP 10,700 million	100.0
A-port Operaciones S.A.	Santiago de Chile	CLP 1,352 million	99.0
A-port Operaciones Colombia S.A.	Bogotá	COP 100 million	99.0
Unique IDC S.A. de C.V.	Tegucigalpa	HNL 0.2 million	99.0

In addition, the following associates are included by applying the equity method:

Company	Domicile	Share capital	Stake held in %
Sociedade de Participação do Aeroporto de Confins S.A.	Belo Horizonte	BRL 474 million	25.0
Concessionária do Aeroporto Internacional de Confins S.A.	Belo Horizonte	BRL 907 million	12.8
Administradora Unique IDC C.A.	Porlamar	VEB 25 million	49.5
Aeropuertos Asociados de Venezuela C.A.	Porlamar	VEB 10 million	49.5

24.6 Notes on the licence to operate Zurich Airport

The Swiss Federal Department of the Environment, Transport, Energy and Communications (DETEC) awarded Zurich Airport Ltd. the licence to operate Zurich Airport for 50 years from 1 June 2001 to 31 May 2051.

The licence encompasses the operation of an airport in accordance with the provisions of the ICAO (International Civil Aviation Organization) governing domestic, international and intercontinental civil aviation services. Zurich Airport Ltd. is authorised and obliged to operate Zurich Airport for the entire period cited in the operating licence, and to provide the necessary infrastructure for this purpose. To accomplish this, it is entitled to collect charges from all users of the airport. Furthermore, Zurich Airport Ltd. is authorised to assign specific rights and obligations arising from the operating licence to third parties. Insofar as they concern activities relating to airport operations such as aircraft handling, passenger handling, baggage sorting and handling, mail and freight handling, these rights and obligations shall be subject to the provisions of public law. Zurich Airport Ltd. regulates rights and obligations it has assigned to third parties in the form of binding entitlements (concessions).

The concessionaire is obliged to grant access to the airport to all aircraft that are licensed to provide domestic and international flights. The volume of flight traffic and handling of licensed aircraft are governed by the regulations laid down in the Sectoral Aviation Infrastructure Plan (SAIP) and the provisions of the operating regulations. The concessionaire is obliged to implement all measures relating to regulations governing the use of German airspace for landings at, and take-offs from, Zurich Airport without delay, and to submit the necessary applications for approval by the authorities in good time. The concessionaire is empowered and obliged to enforce sound insulation measures and to implement them where they are not contested. The provision whereby the concessionaire shall meet all obligations to which it is bound through clauses of the civil aviation treaty between Germany and Switzerland without entitlement to compensation was declared null and void in response to an objection lodged by Zurich Airport Ltd.

As part of the bilateral agreements that came into effect on 1 June 2002, the EU ground handling directive (Council Directive 96/67/EC of 15 October 1996 on access to the groundhandling market at Community airports) also became applicable to Switzerland. The principles governing the granting of rights to carry out ground handling activities are defined in the operating regulations for Zurich Airport dated 30 June 2011. The licences for ground handling operations in areas in which the number of admissible service providers may be limited were re-awarded on the basis of tender procedures on 1 December 2018 for the period to the end of November 2025.

24.7 Concessions for the operation of foreign airports

As at the reporting date, the Zurich Airport Group was responsible, via its majority interests, for the operation and expansion of the following foreign airports:

Brazil

Florianópolis

International Airport

Operator	Concessionária do Aeroporto Internacional de Florianópolis S.A.
Term of the concession	31 August 2017 – 30 August 2047
Terms and conditions	In return for the right to operate the airport, a one-off payment of BRL 83.3 million (CHF 24.7 million) fell due when the concession was acquired. In December 2022, a prepayment of BRL 53.6 million (CHF 9.4 million) of the future fixed concession payments was made; no further fixed concession payments are therefore due. The variable concession fees will be due for payment each year over the term of the concession. The opening of the passenger terminal in October 2019 marked the completion of the infrastructure measures mandated in the concession agreement.
Location	The airport has a catchment area of 1.1 million people and is situated in the state of Santa Catarina in the south of Brazil. Florianópolis is a popular holiday destination for both local and international guests.

Eurico de Aguiar Salles and Benedito Lacerda Airport

Operator	Aeroportos do Sudeste do Brasil S.A
Term of the concession	3 October 2019 – 2 October 2049
Terms and conditions	The concession encompasses the operation and expansion of both airports (cluster). A concession fee totalling BRL 437.0 million (CHF 105 million) fell due at the acquisition date. Variable, revenue-based concession payments will be incurred as of the sixth year of operations. Whilst a newly expanded airport was acquired in Vitória, the concession in Macaé requires modifications to be made to the infrastructure so as to comply with International Civil Aviation Organization (ICAO) provisions. To do so, the operator must construct a new runway.
Location	Both cities are located to the north (Macaé 150 km, Vitória 400 km) of Rio de Janeiro. Vitória is the capital of the state of Espírito Santo and is a major port city for the export of iron ore and pig iron. Macaé, in the state of Rio de Janeiro, is a central helicopter base for the oil rigs off the coast of Rio de Janeiro (Campos Basin).

Natal International Airport

Operator	Concessionária do Aeroporto Internacional de Natal S.A.
Term of the concession	11 January 2024 – 10 January 2054
Terms and conditions	The concession was taken over by a private operator, Inframerica, as part of a new tender with changed contractual conditions. A concession fee of BRL 323 million (CHF 56 million) was paid at the start of the contract. The airport was commissioned in 2014 and now already meets the requirements of the international civil aviation authority ICAO. It is primarily maintenance investments that are required. There are no fixed concession fees. As of the fifth year, variable, sales-based concession payments will fall due.
Location	Natal is located in northeastern Brazil and is the capital of the state Rio Grande do Norte. With the consistently hot temperatures and warm waters, the region is a popular year-round tourist destination and known for the production of large quantities of renewable energies.

Chile

Diego Aracena

International Airport

Operator	Sociedad Concesionaria Aeropuerto Diego Aracena S.A.
Term of the concession	The concession in place since April 2018 and has a term dependent on traffic volumes. Based on current traffic trends, the concession is expected to end in 2039.
Terms and conditions	The operator has undertaken to invest in measures to upgrade and extend the airport infrastructure, in particular to extend the existing terminal.
Location	Iquique is situated on the Pacific coast in the Tarapacá region in the north of Chile. While the region's economy is dominated by the mining industry, the city of Iquique is also popular with tourists.

Andrés Sabella Gálvez International Airport

Operator	Sociedad Concesionaria Aeropuerto de Antofagasta S.A.
Term of the concession	The concession is in place since 2012 runs until 28 February 2026.
Terms and conditions	The infrastructure measures mandated in the concession agreement were completed back in 2014 when the terminal was extended. No further, significant measures are required before the concession ends.
Location	Antofagasta is situated on the Pacific coast in the Antofagasta region in the north of Chile. The mining industry is the most important sector of the economy.

India

Noida International Airport

Operator	Yamuna International Airport Private Limited
Term of the concession	1 October 2021 – 30 September 2061
Terms and conditions	The operator has undertaken to construct and operate the new Noida International Airport. Once the first phase of construction has been completed at the end of 2024, the new airport will have the capacity to handle 12 million passengers a year. Additional phases of capital expenditure will depend on predefined performance indicators. A fixed concession fee per departing passenger will be payable as of the sixth year of operations.
Location	The new airport is the second international airport in the Delhi Metropolitan Area and is situated in Jewar in the Greater Noida Area around 70 kilometres south of the Indian capital.

24.8 Events after the reporting date

The Board of Directors authorised the 2023 consolidated financial statements for issue on 7 March 2024. These also have to be approved by the Annual General Meeting.

To the General Meeting of
Flughafen Zürich AG, Kloten

Zurich, 7 March 2024

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Flughafen Zürich AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 143 to 209) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.



Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), 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.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report, including in relation to these

matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Valuation and existence of property, plant and equipment

Risk As of 31 December 2023 Property, plant and equipment used for operations (assets in use) and assets under construction for operating activities together comprise 56% of total assets. In 2023, investments in property, plant and equipment amounted to CHF 397 million. Due to its size, this position is significant for the balance sheet of Flughafen Zurich Group.

The large number of different, partly very long-lived, assets, the high volume of capital expenditure and maintenance expenditure contain inherent risks regarding the existence and valuation of property, plant and equipment.

Further information regarding property, plant and equipment is included in the consolidated financial statements under note 8.

Our audit response

We mainly performed the following audit procedures:

- ▶ Evaluation of design, implementation and effectiveness of controls embedded in the capital expenditure process and of controls securing existence and valuation of property, plant and equipment.
- ▶ Assessment of the capitalization of expenditure in assets under construction and reconciliation of capitalized expenditure to the invoices received based on samples.
- ▶ Examination of transfers from assets under construction to assets in use based on the evaluation of effectiveness of internal controls and selected project completion protocols based on samples.
- ▶ Evaluation of management's assessment of impairment indicators.

On the basis of our audit procedures, we have no objections regarding existence and valuation of Property, plant and equipment.

Estimates relating to impairment testing of Investments in airport operator projects

Risk As of 31 December 2023, Flughafen Zurich Group reported Investments in airport operator projects in the amount of CHF 315 million related to concession arrangements for the operation of foreign airports. Due to its size this position is significant for the balance sheet of the Group. In addition, the activities abroad involve higher valuation risk. Management performs an annual valuation assessment (Impairment Test).

Management's assessment of the valuation of Investments in airport operator projects was significant to our audit, as this process involves

significant management judgement (regarding development of passenger volume, discount rates and tax rates).

Further information regarding Investments in airport operator projects is included in the consolidated financial statements under note 11.

Our audit response

We mainly performed the following audit procedures:

- ▶ Evaluation of management's assessment of impairment indicators.
- ▶ Assessment of relevant management's assumptions (Passenger growth rate, EBITDA growth rate, CAPEX) used in the business plans for the value in use calculations.
- ▶ Involvement of valuation experts to assist us in the evaluation of the impairment model, key assumptions (discount-rate and tax-rate) used and assessment of the consistency of valuation methodologies applied.
- ▶ Review of the appropriateness of assets and liabilities included in the carrying value, which is compared with the value in use.

On the basis of our audit procedures, we have no objections regarding estimates relating to impairment testing of investments in airport operator projects.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.



Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and 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 Swiss law, ISA and SA-CH 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 consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Daniel Zaugg
Licensed audit expert
(Auditor in charge)

Juri Frischknecht
Licensed audit expert

Financial statements

Financial statements according to the Swiss Code of Obligations (CO)

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Income statement

(CHF million)	Notes	2023	2022
Aviation revenue		610.1	491.1
Non-aviation revenue		490.2	440.9
Total revenue		1,100.3	932.0
Personnel expenses		-213.5	-184.3
Police and security		-113.7	-101.7
Energy and waste		-46.5	-30.6
Maintenance and material		-36.3	-33.8
Other operating expenses		-51.0	-46.8
Sales, marketing, administration		-38.9	-31.9
Expenses for formal expropriations plus sound insulation and resident protection		-14.6	-10.5
Deposits into renovation fund		-5.5	-5.5
Other income and expenses		14.6	10.7
Operating result before depreciation and amortisation, interest and tax		594.9	497.6
Depreciation and amortisation		-246.7	-250.5
Operating result before interest and tax		348.2	247.1
Finance expenses		-9.4	-14.6
Finance income		8.9	13.1
Extraordinary result	(1)	3.8	-29.6
Result before tax		351.5	215.9
Direct tax		-68.5	-21.0
Result for the year		283.0	194.9

Balance sheet

(CHF million)	Notes	31.12.2023	31.12.2022
Assets			
Cash and cash equivalents		222.4	220.7
Current fixed-term deposits		219.0	401.1
Current financial assets of Airport Zurich Noise Fund		62.5	60.1
Trade receivables	(2)	95.0	82.3
Other current receivables		21.8	17.9
Inventories		19.6	10.6
Prepaid expenses	(3)	89.3	95.0
Current assets		729.5	887.8
Non-current fixed-term deposits		0.0	0.0
Non-current financial assets of Airport Zurich Noise Fund		234.6	301.7
Investments	(4)	161.5	154.5
Loans	(4)	329.5	274.5
Other non-current financial assets		0.5	0.5
Equity interest in co-ownership structure for the Circle	(5)	565.4	575.0
Property, plant and equipment	(6)	2,633.8	2,638.6
Right-of-use assets	(7)	116.5	129.2
Intangible asset from right of formal expropriation		19.9	24.8
Other intangible assets		14.0	13.0
Non-current assets		4,075.7	4,111.8
Total assets		4,805.2	4,999.6
Liabilities and equity			
Trade payables		37.8	30.7
Current financial liabilities	(9)	300.0	400.0
Other current liabilities	(8)	53.3	41.2
Current provision for aircraft noise	(10)	19.4	45.7
Other current provisions		5.7	4.1
Accruals and deferrals		111.6	90.8
Current liabilities		527.8	612.5
Non-current financial liabilities	(9)	915.0	1,215.0
Other non-current liabilities		108.1	121.0
Non-current provision for aircraft noise	(10)	408.4	385.6
Renovation fund		201.1	195.6
Non-current liabilities		1,632.6	1,917.2
Total liabilities		2,160.4	2,529.7
Share capital	(11)	307.0	307.0
Legal capital reserves: capital contribution reserves	(11)	83.2	117.0
Legal retained earnings: general legal retained earnings		42.4	42.4
Voluntary retained earnings		109.8	109.7
Available earnings			
Profit brought forward		1,820.2	1,699.0
Result for the year		283.0	194.9
Treasury shares	(12)	-0.9	-0.1
Equity		2,644.8	2,469.9
Total liabilities and equity		4,805.2	4,999.6

Notes to the financial statements

I Accounting principles

General remarks

The 2023 financial statements of Zurich Airport Ltd., based in Kloten, have been prepared in accordance with the accounting provisions of the Swiss Code of Obligations.

The significant valuation principles that have been applied but are not prescribed by law are described below. These single-entity financial statements also serve for tax purposes and form the basis for the statutory business of the Annual General Meeting.

As Zurich Airport Ltd. prepares consolidated financial statements in accordance with accepted financial reporting standards (IFRS accounting standards), it has omitted to present disclosures on interest-bearing liabilities, disclosures on auditors' fees, a cash flow statement and a management report in these financial statements in accordance with the statutory provisions. As in the previous year, the average number of full-time equivalents was over 250 in the reporting period.

The financial statements were prepared in Swiss francs (CHF). Unless indicated otherwise, amounts are stated in millions of Swiss francs (CHF million). Due to the rules on rounding up or down, individual figures may not add up to precisely the sum total stated. This may also mean that individual amounts round to zero.

Reporting of noise-related costs in the financial statements

Costs for formal expropriations qualify as an intangible asset under the accounting provisions of the Swiss Code of Obligations. They are recognised as assets at the latest on the date on which the counterparty has attained an assertable claim. Amortisation of capitalised costs for formal expropriations is based at a minimum on the consolidated financial statements. Adequate provisions are recognised for current liabilities arising from sound insulation and resident protection measures. Any balance of revenue from noise charges after deduction of noise-related costs (compensation for formal expropriations, sound insulation and resident protection measures, operating costs, financing costs and amortisation) is transferred to the provision for aircraft noise (see [note 10, Provision for aircraft noise](#)).

With respect to formal expropriations, the reporting of noise-related costs in the financial statements is a complex matter due to a multitude of relevant legal bases, unclear or pending case law and political debate. Especially in the case of formal expropriations, this financial reporting requires significant assumptions and estimates concerning the capitalisation of such costs and the obligation to recognise appropriate provisions.

Zurich Airport Ltd. has received a total of around 20,000 noise-related claims for compensation, of which just under 5,100 were still pending at the end of 2023. Around 520 of these cases are currently being examined by the Swiss Federal Assessments Commission.

The rulings by the Swiss Federal Supreme Court in the first half of 2008 on fundamental issues related to formal expropriations enabled Zurich Airport Ltd. to estimate the total cost of compensation for formal expropriations for the first time, in spite of the remaining uncertainties regarding the accuracy of this estimate. In further rulings in 2010, the Swiss Federal Supreme Court definitively set the cut-off date for the foreseeability of an eastern approach as 1 January 1961 and, in 2011, it ruled definitively on the method used to calculate a decline in the market value of investment property. In 2016, the Swiss Federal Supreme Court handed down two rulings in test cases regarding claims for compensation relating to eastern and southern approach routes and, in 2018, it handed down two rulings in test cases regarding cooperative ownership. Based on these Swiss Federal Supreme Court rulings and other fundamental issues that have been decided, the company undertook a reappraisal of costs for formal expropriations at these dates, which in each case led to an adjustment to both the provision for formal expropriations and the intangible asset from the right of formal expropriation. On 22 November 2019, the Swiss Federal Supreme Court handed down a ruling in test cases regarding the period of limitation on claims for compensation in Oberglatt. This Swiss Federal Supreme Court ruling and other fundamental issues that have been decided enabled Zurich Airport Ltd. to undertake a reappraisal of the outstanding cost of compensation for formal expropriations as at 31 December 2019.

With respect to sound insulation and resident protection measures, Zurich Airport Ltd. is required to implement sound insulation measures in the area where it claims exemptions from noise limits (emission limit). In this context, the Federal Office of Civil Aviation (FOCA) has initiated a night-time noise abatement procedure. The area with exemptions under the Sectoral Aviation Infrastructure Plan adopted by the Federal Council on 23 August 2017 is to be extended. In 2018, the Board of Directors approved further sound insulation measures in this context.

As at 31 December 2023, Zurich Airport Ltd. has recognised an intangible asset from the right of formal expropriation of CHF 19.9 million (previous year: CHF 24.8 million) and a provision for aircraft noise of CHF 427.8 million in total (previous year: CHF 431.3 million) in the financial statements in accordance with the provisions of the Swiss Code of Obligations.

Depending on future legal judgements, especially with respect to the southern approaches at Zurich Airport, noise-related liabilities may in future be subject to substantial adjustments, which would also require adjustments to the noise-related costs recognised in the balance sheet. At the present time, it is not possible to reliably estimate the total costs to capitalise as an intangible asset from the right of formal expropriation, the resulting amortisation or the corresponding provision.

Additional significant accounting policies

Revenue recognition

Revenue is recognised by Zurich Airport Ltd. when the service has been rendered, it is probable that economic benefits will flow to the company and those benefits can be measured reliably. In addition, the significant risks and rewards of ownership have to be transferred to the recipient of the service. Revenue from fixed-rent tenancy agreements is recognised on a straight-line basis over the term of the agreement. Conditional rental payments (including turnover-based tenancy agreements) are recognised on an accrual basis based on the turnover generated by the lessee, in which case a minimum rent may be applied. If lessees are granted significant lease incentives (e.g. rent concessions), the equivalent value of the incentive is recognised on a straight-line basis over the original or remaining lease term.

Inventories

Inventories mainly comprise operating supplies and consumables necessary for the maintenance and repair of property, plant and equipment and are stated at cost or, if lower, at net realisable value. The first-in, first-out method is applied when calculating the cost.

Financial assets of the Airport Zurich Noise Fund

The financial assets of the Airport Zurich Noise Fund comprise quoted securities held for the short or long term. They are initially recognised at cost (fair value plus directly attributable transaction costs). The securities are subsequently measured at amortised cost (bonds) or at fair value (other financial assets), with gains and losses recognised in profit or loss. A fluctuation reserve is not recognised.

Property, plant and equipment

Property, plant and equipment is stated at acquisition or production cost less accumulated depreciation and impairment. With the exception of land, which is not depreciated, items are depreciated over their estimated useful life using the straight-line method. If there are indications that they are impaired, the carrying amounts are reviewed and, if necessary, adjusted.

Leases

Leases are accounted for by applying the concept of control. In doing so, a lease contract is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the leased item to Zurich Airport Ltd. as lessee. All other leases are operating leases. At the commencement date of a finance lease, the value of the leased item is recognised as a right-of-use asset and as a lease liability in the same amount. The right-of-use asset is depreciated and the lease liability amortised over the lease term. In the case of an operating lease, the lease payments are recognised directly in profit or loss at maturity.

Intangible assets

Intangible assets are stated at cost less amortisation. They are amortised over their estimated useful life using the straight-line method. If there are indications that they are impaired, the carrying amounts are reviewed and, if necessary, adjusted.

Treasury shares

At the date of acquisition, treasury shares are recognised at cost as a deduction from equity. In the event of their sale at a later date, the gain or loss is credited or charged directly to voluntary retained earnings.

II Notes to the financial statements

1 Extraordinary result

(CHF million)	2023	2022
Extraordinary income	7.0	0.1
Extraordinary expenses	-3.2	-29.7
Extraordinary result	3.8	-29.6

In the previous year, extraordinary expenses included an amount of CHF –24.6 million incurred in the course of the restructuring and recapitalisation of the subsidiary Zurich Airport International AG.

2 Trade receivables

(CHF million)	31.12.2023	31.12.2022
Trade receivables from third parties	94.1	82.9
Valuation allowance	-0.8	-1.5
Trade receivables from investments	1.7	1.0
Total trade receivables	95.0	82.3

3 Prepayments and accrued income

(CHF million)	31.12.2023	31.12.2022
Prepaid expenses in respect of third parties	89.3	93.8
Prepaid expenses in respect of investments	0.0	1.2
Total prepaid expenses	89.3	95.0

4 Investments and loans

Investments comprised the following as at the reporting date:

Company	Domicile	Share capital	Stake held in %
Airport Ground Services AG ¹⁾	Kloten	CHF 100,000	100.0
Zurich Airport International AG ¹⁾	Kloten	CHF 100,000	100.0
Yamuna International Airport Private Ltd. ²⁾	New Delhi	INR 15,269 million	100.0
Concessionária do Aeroporto Internacional de Florianópolis S.A. ²⁾	Florianópolis	BRL 304 million	100.0
Zurich Airport Latin America Ltda. ²⁾	Rio de Janeiro	BRL 581 million	100.0
Aeroportos do Sudeste do Brasil S.A. ²⁾	Vitória	BRL 571 million	100.0
Concessionária do Aeroporto Internacional de Natal S.A. ²⁾	Natal	BRL 155 million	100.0
A-port S.A. ²⁾	Santiago de Chile	CLP 16,139 million	100.0
Sociedad Concesionaria Aeropuerto de Antofagasta S.A. ²⁾	Santiago de Chile	CLP 3,600 million	100.0
Sociedad Concesionaria Aeropuerto de Iquique S.A. ²⁾	Santiago de Chile	CLP 600 million	100.0
Sociedad Concesionaria Aeropuerto Diego Aracena S.A. ²⁾	Santiago de Chile	CLP 10,700 million	100.0
A-port Operaciones S.A. ²⁾	Santiago de Chile	CLP 1,352 million	99.0
A-port Operaciones Colombia S.A. ²⁾	Bogotá	COP 100 million	99.0
Unique IDC S.A. de C.V. ²⁾	Tegucigalpa	HNL 0.2 million	99.0
Sociedade de Participação no Aeroporto de Confins S.A. ²⁾	Belo Horizonte	BRL 474 million	25.0
Concessionária do Aeroporto Internacional de Confins S.A. ²⁾	Belo Horizonte	BRL 907 million	12.8
Administradora Unique IDC C.A. ¹⁾	Porlamar	VEB 25 million	49.5
Aeropuertos Asociados de Venezuela C.A. ²⁾	Porlamar	VEB 10 million	49.5

1) Direct investment

2) Indirect investment

The equity interests stated are also the share of the voting power in the investees listed.

Zurich Airport International AG, the wholly-owned subsidiary responsible for advising, operating and/or owning airports and airport-related companies throughout the world, holds all the investees existing in this context (with the exception of those in Venezuela).

In 2010, Zurich Airport Ltd. and its consortium partner Unique IDC turned to the International Centre for Settlement of Investment Disputes (ICSID) in Washington D.C. in the matter of the airport expropriated in Venezuela (Isla de Margarita). This step is in compliance with the investment protection treaty between Venezuela, Switzerland and Chile. The ICSID reached its decision in November 2014, requiring the Bolivarian Republic of Venezuela to reimburse the consortium the costs incurred for the proceedings and project plus a compensation payment and interest incurred up until receipt of payment. After an application for annulment was rejected, the tribunal's decision is definitive and final. The value of this holding has been fully impaired.

Loans comprised the following as at the reporting date:

(CHF million)	31.12.2023	31.12.2022
Loans to Zurich Airport International AG	329.5	274.5
Total loans	329.5	274.5

During the reporting period, further loans of CHF 55.0 million were extended to Zurich Airport International AG for the purposes of financing international airport operator projects.

5 Equity interest in the co-ownership structure the Circle

(CHF million)	31.12.2023	31.12.2022
Share of assets of co-ownership structure for the Circle	573.7	597.4
Share of liabilities of co-ownership structure for the Circle	-8.2	-22.4
Total equity interest in co-ownership structure for the Circle	565.4	575.0

In 2015, Zurich Airport Ltd. and Swiss Life AG notarised the purchase agreement for the share of land for the Circle and registered it for entry in the Land Register, thereby establishing the Circle co-ownership structure between the two parties provided for in the financing agreements, in which Zurich Airport Ltd. has a 51% interest and Swiss Life AG a 49% interest. The joint real estate project was subsequently carried out and opened in November 2020.

6 Property, plant and equipment

(CHF million)	31.12.2023	31.12.2022
Land	139.0	139.0
Buildings, engineering structures	2,137.2	2,191.8
Projects in progress	286.6	234.9
Movables	71.0	72.8
Total property, plant and equipment	2,633.8	2,638.6

7 Leases

The cost of the right-of-use assets recognised and the accumulated depreciation are shown below:

(CHF million)	31.12.2023	31.12.2022
Cost of recognised right-of-use assets	166.8	166.8
Accumulated depreciation on right-of-use assets	-50.3	-37.6
Total right-of-use assets	116.5	129.2

The corresponding lease liabilities have the following maturity structure:

(CHF million)	31.12.2023	31.12.2022
Due within 1 year	12.9	12.9
Due between 1 and 5 years	46.3	47.6
Due in more than 5 years	61.9	73.5
Total recognised lease liabilities	121.1	134.0

8 Other current liabilities

(CHF million)	31.12.2023	31.12.2022
Other current liabilities to third parties	50.6	38.6
Other current liabilities to employee pension funds	2.7	2.6
Total other current liabilities	53.3	41.2

At the reporting date, other current liabilities to employee pension funds comprised outstanding liabilities to the BVK Employee Pension Fund of the Canton of Zurich.

9 Financial liabilities

	31.12.2023	31.12.2022	Duration	Interest rate	Interest payment date
	Nominal value (CHF million)	Nominal value (CHF million)			
Debenture (2023)	n/a	400.0	2013–2023	1.500%	17.4.
Debenture (2024)	300.0	300.0	2020–2024	0.700%	22.5.
Debenture (2027)	200.0	200.0	2020–2027	0.100%	30.12.
Debenture (2029)	350.0	350.0	2017–2029	0.625%	24.5.
Debenture (2035)	365.0	365.0	2020–2035	0.200%	26.2.
Total financial liabilities	1,215.0	1,615.0			
of which current	300.0	400.0			
of which non-current	915.0	1,215.0			

The CHF 400.0 million debenture reaching maturity was fully repaid in April of the reporting period. In addition, the CHF 300.0 million debenture maturing in May 2024 was reclassified out of non-current and into current financial liabilities.

External financing is subject to standard guarantees and covenants, which were complied with as at the reporting date. In addition, unused credit facilities at the reporting date amounted to a total of CHF 289.8 million (previous year: CHF 288.8 million).

10 Provision for aircraft noise

(CHF million)	2023	2022
Balance as at 1 January	431.3	449.2
Change in provision for aircraft noise	-3.5	-17.9
Balance as at 31 December	427.8	431.3
of which current	19.4	45.7
of which non-current	408.4	385.6

For information on the reporting of noise-related data in the financial statements in accordance with the Swiss Code of Obligations, see also [Reporting of noise-related costs in the financial statements](#).

11 Share capital and capital contribution reserves

The share capital of Zurich Airport Ltd. amounting to CHF 307,018,750 is composed of 30,701,875 fully paid-up registered shares with a par value of CHF 10.

At the reporting date, the capital contribution reserves amounted to CHF 83.2 million (previous year: CHF 117.0 million).

12 Treasury shares

(Number of shares)	2023	2022
Balance as at 1 January	831	868
Acquisitions (at applicable market price)	12,387	5,690
Allocation to management, employees and third parties ¹⁾	-7,845	-5,727
Balance as at 31 December	5,373	831

1) See also note 17, Equity interests of members of the Management Board, other members of management and employees

In the reporting period, 12,387 registered shares were purchased at the market price (previous year: 5,690 registered shares). Treasury shares are distributed to members of the Management Board and members of the most senior management level under the bonus programme. They are used primarily for this participation programme. In addition, Zurich Airport Ltd. gives those employees who have completed their first year of service a one-off gift in the form of one share free of charge.

13 Contingent liabilities

A number of legal proceedings and claims against Zurich Airport Ltd. in the context of its normal business activities are still pending. The company does not expect the amounts required to settle these lawsuits and claims to have a significantly negative impact on the financial statements and cash flow of Zurich Airport Ltd.

Depending on future legal judgements, including with respect to the southern approaches at Zurich Airport, noise-related liabilities may in future be subject to substantial adjustments, which would also require adjustments to the noise-related costs recognised as assets and liabilities in the balance sheet. At the present time, it is not possible to reliably estimate the total costs to capitalise as an intangible asset from the right of formal expropriation, the resulting amortisation or the corresponding provision.

Zurich Airport Ltd. and Swiss Life AG are jointly and severally liable to third parties for the liabilities of the co-ownership structure the Circle and the ordinary partnership the Circle.

As part of its involvement in the expansion and operation of the airport in Belo Horizonte, Brazil, Zurich Airport Ltd. provides a guarantee as security for local debt financing in the amount of CHF 19.9 million (previous year: CHF 19.5 million). The guarantee provided as security for local debt financing as part of its involvement in the operation and expansion of the airport in Florianópolis, Brazil was terminated with effect from September 2023 (previous year: CHF 81.3 million).

14 Net reversal of hidden reserves

No hidden reserves were reversed in the reporting period or in the previous year.

15 Equity interests of members of the Management Board, other members of management and employees

As part of the performance-related remuneration awarded to members of the Management Board and other members of management, 2,939 shares (previous year: 2,130 shares) worth CHF 501,687 (previous year: CHF 359,970) were distributed to members of the Management Board and 4,752 shares (previous year: 3,543 shares) worth CHF 811,166 (previous year: CHF 598,767) to other members of management in the reporting period.

In addition, Zurich Airport Ltd. gives those employees who have completed their first year of service a one-off gift in the form of one share free of charge. In the reporting period, 154 shares (previous year: 54 shares) worth CHF 27,121 (previous year: CHF 8,645) were handed out in this context.

16 Significant events after the reporting date

The Board of Directors authorised the 2023 financial statements in accordance with the provisions of the Swiss Code of Obligations (CO) for issue on 7 March 2024. These also have to be approved by the Annual General Meeting.

Proposal for the distribution of available earnings

The Board of Directors will propose to the Annual General Meeting that the available earnings be used as follows:

(CHF million)	31.12.2023
Profit brought forward	1,820.2
Result for the year	283.0
Available earnings	2,103.2
Allocation to the legal retained earnings ¹⁾	0.0
Payment of an ordinary dividend of CHF 4.00 (gross) ²⁾	122.8
To be carried forward	1,980.4

In addition to the ordinary dividend as proposed above, the Board of Directors will request that an additional dividend be distributed as follows from the capital contribution reserves:

(CHF million)	31.12.2023
Capital contribution reserves before distribution	83.2
Transfer from capital contribution reserves to voluntary retained earnings and payment of an additional dividend of CHF 1.30 (gross) ²⁾	39.9
Capital contribution reserves after distribution	43.3

1) No allocation is being made to the legal retained earnings because these exceed 50% of the nominal share capital.

2) The dividend sum covers all outstanding registered shares. However, those shares held by the company at the time of declaration of the dividend are not eligible to a dividend. For this reason, the reported dividend sum may be correspondingly lower.

To the General Meeting of
Flughafen Zürich AG, Kloten

Zurich, 7 March 2024

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Flughafen Zürich AG (the Company), which comprise the balance sheet as at 31 December 2023, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 215 to 225) comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and 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 Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, 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.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Valuation and existence of Property, plant and equipment

Risk As of 31 December 2023 Property, plant and equipment used for operations (assets in use) and assets under construction for operating activities together comprise 55% of total assets. In 2023, investments in property, plant and equipment amounted to CHF 211 million. Due to its size, this position is significant for the balance sheet of Flughafen Zürich AG.

The large number of different, partly very long-lived, assets, the high volume of capital expenditure and maintenance expenditure contain inherent risks regarding the existence and valuation of property, plant and equipment.

Our audit response

We mainly performed the following audit procedures:

- ▶ Evaluation of design, implementation and effectiveness of controls embedded in the capital expenditure process and of controls securing existence and valuation of property, plant and equipment.
- ▶ Assessment of the capitalization of expenditure in assets under construction and reconciliation of capitalized expenditure to the invoices received based on samples.
- ▶ Examination of transfers from assets under construction to assets in use based on the evaluation of effectiveness of internal controls and selected project completion protocols based on samples
- ▶ Evaluation of management's assessment of impairment indicators.

On the basis of our audit procedures, we have no objections regarding existence and valuation of Property, plant and equipment.



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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, 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.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the 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 Swiss law and SA-CH 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 EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings and the proposed repayment of legal capital reserve comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Daniel Zaugg
Licensed audit expert
(Auditor in charge)

Juri Frischknecht
Licensed audit expert

Further information

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Integrated Report 2023

The Integrated Report 2023 of Zurich Airport Ltd. is published in German and English and is available online under the following link:
> <https://report.flughafen-zuerich.ch/2023/ar/en/>

The expectations and forward-looking statements in this report are based on assumptions and are subject to risks and uncertainties. The actual results may vary from the expectations and forward-looking statements in this report.

The German version is binding.

Key dates

Annual General Meeting 2024

22 April 2024

Half-yearly financial statements 2024

27 August 2024