ATHENS INTERNATIONAL AIRPORT
ELEFTHERIOS VENIZELOS

2019
Annual & Sustainability Report

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INTERNATIONAL AIRPORT
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Athens International Airport
Eleftherios Venizelos

Annual & Sustainability Report 2019

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Introduction by the CEO

Dear Stakeholders,

We welcome you to Athens International Airport's Annual & Sustainability Report for the year 2019.

2019 has been a landmark year for the Airport Company in multiple aspects, with developments of paramount importance. The year was marked by the achievement of the 20 year extension of the airport's concession period from 2026 to 2046, the subsequent launch of the sale of 30% of the Airport Company's shares owned by the Hellenic Republic Asset Development Fund (HRADF), the approval of the new Master Plan and the Airport Development Plan and the Company's commitment for zero carbon emissions until 2025 (Route 2025).

These developments were complemented by a record traffic performance in terms of passengers and flights. Passenger traffic reached 25.57 million passengers, surpassing previous year's traffic by 1.4 million (+6%). The dynamic rise of international passengers (+8.6%) was the driving force behind this favourable outcome vis-à-vis a rather stagnant domestic market (+0.3%).

2019 was also very successful in terms of financial performance. Growth in operating performance due to traffic development, combined with efficient operations, led to improved operating revenues and high profitability. The Company recorded Operating Revenues (incl. ADF) of €518.5 million (higher by 4.6% compared to the previous financial year) and Profit before Tax (PBT) of €224.9 million (reduced by 6.2% compared to the previous financial year).

This Report addresses the highlights of the Airport Company's business performance as well as its continuous approach to sustainability in an integrated manner as reflected in its Sustainability Policy, across all aspects of its operation and development. The Report aligns with the ACI-Europe Sustainability Strategy for Airports and our Company's uninterrupted commitment towards the collective global effort for addressing the most pressing social, economic, and environmental challenges. This commitment is expressed through the adoption and upholding of the United Nations' Global Compact principles as well as the acknowledgment and embedding of the United Nations' Sustainability Development Goals (SDGs) and the Agenda 2030.

At the time of preparation of this Report, the Airport Company along with the entire aviation sector, is experiencing a dramatic disruption in all aspects of its business, heavily impacted by the COVID-19 pandemic crisis. The pandemic has become a massive disruptor of global air travel, with unprecedented travel restrictions imposed by the states, resulting in a strong negative effect on the travelling behaviour and consequently the airport's traffic.

The handling of the COVID-19 pandemic through AIA's response mechanism was immediate from Day 1 of the pandemic's breakout through the establishment of a tailor-made structure called the Emergency Response Team for Covid-19, or EReTeCo.

Through this emergency structure, the Airport Company ensured business continuity and adaptation to the new situation by swiftly adopting necessary hygiene, safety, operational, labour and business measures, towards passengers, employees and business partners, in line with new requirements and the directions of the National, European and International authorities,.

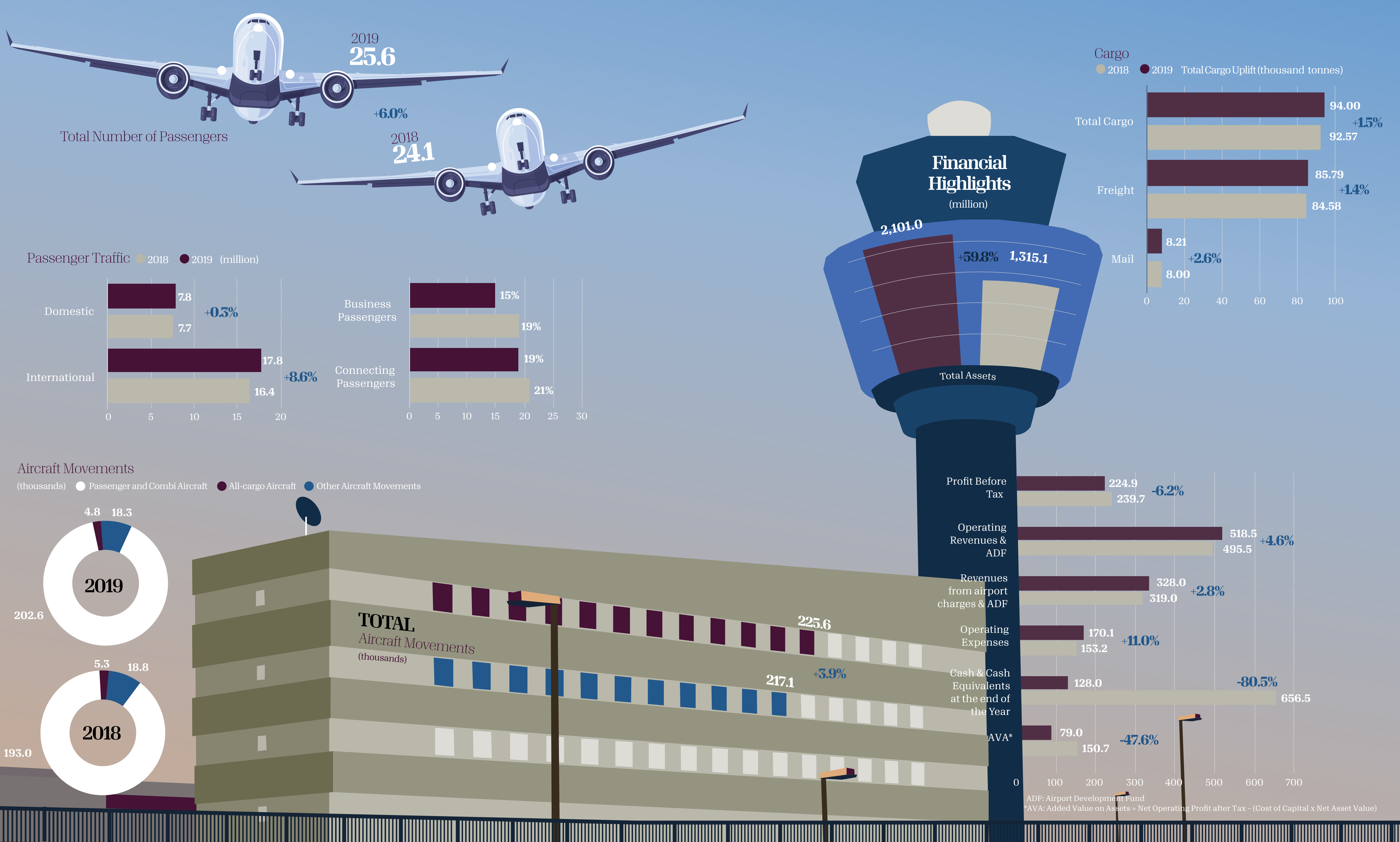
As the situation is still unfolding and will continue to do so in 2021, the full extent of the impact is yet unclear. Our industry is facing tectonic and systemic changes and uncertainties of extreme magnitude. The change in passenger behaviour, the travel restrictions and the ensuing macroeconomic crisis will likely continue to affect our business for a significant time ahead. The Airport Company is persistently undertaking all proper measures to address safety, health and operational issues, but also the necessary steps to ensure financial viability until the pandemic is contained and the business gradually recovers.

In the midst of a fiercely turbulent social and business environment, we maintain intact our corporate reputation of a prudent, dependable and respectful operator that nurtures the loyalty of our people and the trust of our business partners.

All of us at Athens International Airport are proud of our record of consistently running a sustainable business. We are determined to dedicate the best of our efforts to overcome the current adversity and prove to sustain a resilient and agile business model for the years ahead.

Dr. Ioannis N. Paraschis
CEO

Traffic Highlights



ADF: Airport Development Fund
*AVA: Added Value on Assets = Net Operating Profit after Tax - (Cost of Capital x Net Asset Value)

1 Company Identity

Corporate Profile

Athens International Airport S.A. ("AIA" or the "Airport Company") was established in 1996 as a public-private partnership with a 30-year concession agreement, the Airport Development Agreement (ADA), as ratified by Greek Law 2338/95, by which the Airport Company was granted with the exclusive right and privilege of the 'design, financing, construction, completion, commissioning, maintenance, operation, management and development' of the new Athens International Airport. Further, by virtue of Greek Law 4594/2019, the ADA Extension Agreement was ratified and the duration of the concession was extended for 20 additional years (i.e. 2046). The Airport Company's registered office is situated in the Municipality of Spata-Artemis, at East Attica region, Greece. AIA is a privately managed company with the following shareholders:

Shareholder Structure

Shareholder	Number of Shares	%
HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A. (HRADF)	9,000,000	30%
AVIALLIANCE GmbH	7,500,006	25.00002%
HELLENIC CORPORATION OF ASSETS & PARTICIPATIONS S.A. (HCAP)	7,500,000	25%
AVIALLIANCE Capital GmbH & Co. KGaA	4,500,000	15%
COPELOUZOS DIMITRIOS	599,997	1.999990%
COPELOUZOU KIRIAKI	299,999	0.999997%
COPELOUZOS CHRISTOS	299,999	0.999997%
COPELOUZOU ELENI-ASIMINA	299,999	0.999997%
TOTAL	**30,000,000**	**100%**

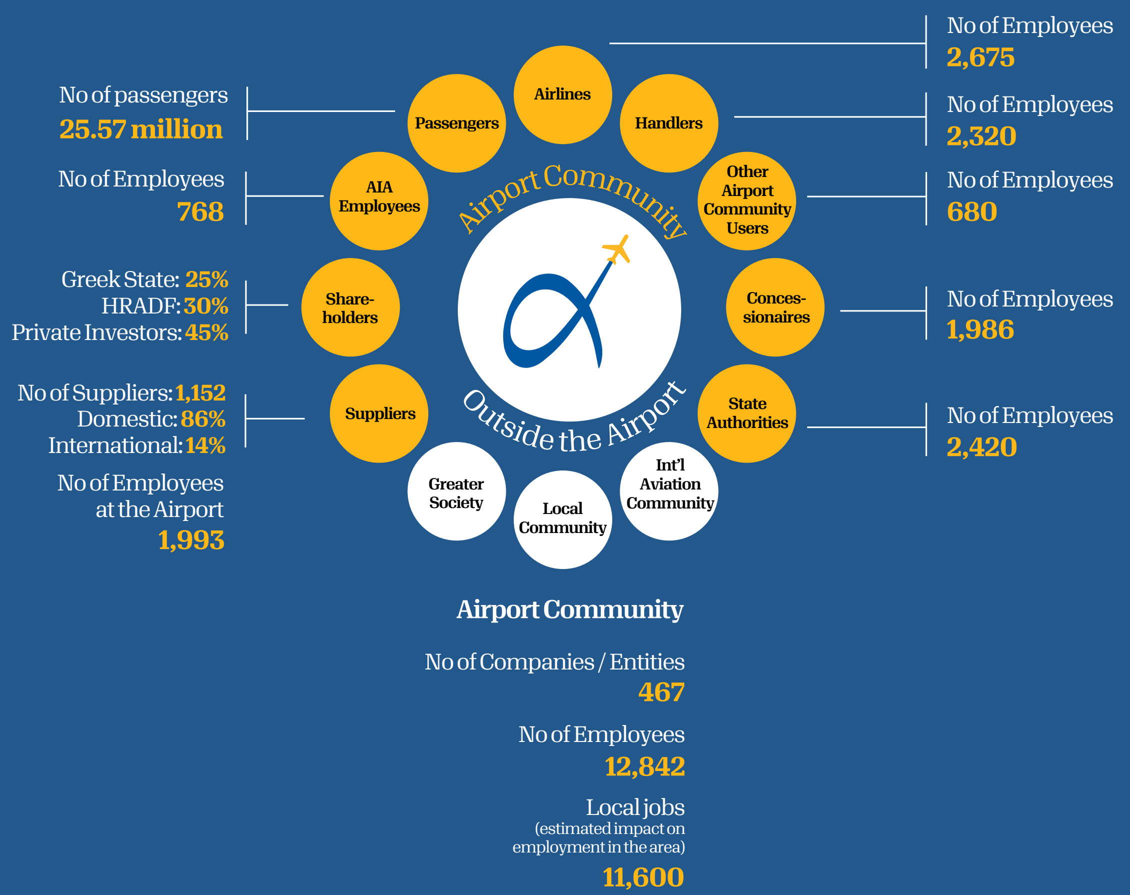
About the Airport

Athens International Airport "Eleftherios Venizelos" (the "Airport") extends in an area of approximately 16km2 and has two runways in compliance with ICAO Aerodrome Reference Code "4E", (03L/21R: 3,800x60m and 03R/21L: 4,000x60m - incl. shoulders on both sides with a width of 7.5m). The Airport features a 168,000m2 Main Terminal Building and a 34,000m2 Satellite Terminal Building with a total of 24 Contact Bridges and 75 active remote aircraft parking positions. The Airport is certified for all known types of currently operating aircraft, including the Boeing 747- 8 and the Airbus A380. AIA is internationally considered a pioneer public-private partnership, being a major greenfield airport with the participation of the private sector. The cost for the development of the Airport was mainly financed from bank loans, the European Investment Bank being the primary lender, while the remaining funding was provided through private shareholders equity and EU and Greek State grants. With a corporate goal to create sustainable value to all stakeholders by offering value-for-money services, AIA has implemented a successful development strategy in both its aeronautical and non-aeronautical sectors. Offering one of the most advanced incentives and marketing support schemes, AIA ensures the sustainability and development of domestic, regional and international traffic, working closely with home carriers and international carriers, legacy airlines and Low Cost Carriers (LCC). In the non-aeronautical sector AIA undertakes advanced and extensive development initiatives ranging from IT & Telecommunications systems and business activities to high-quality consumer-related products offered at its commercial terminals and business activities related to its real estate assets. The Airport Company operates in a socially and environmentally responsible way providing stakeholders with an operating and working environment that meets increasing demands on service quality, safety and security.

AIA's Stakeholders

AIA engages stakeholders in a balanced and respectful manner, always including their requirements and expectations in developing and implementing its strategy. The Airport Company has established mechanisms to elicit stakeholders' feedback, to which the Management evaluates and actively responds. AIA's operational success heavily relies on its cooperation with its stakeholders. Collaboration with customers and business partners is facilitated through a structure of engagement practices (committees, exercises, workshops, joint activities, etc.) further to the day-to-day interaction. On a community engagement level, continuous interaction with authorities and their representatives facilitates the identification of material sustainability issues and the prioritisation of challenges and opportunities through a perspective of mutual trust and understanding. Mechanisms for feedback from the local society include a noise complaint line. At a wider societal level, AIA engages passengers and other consumers through various feedback mechanisms (satisfaction surveys, complaint management, etc.) aiming to compile evaluation data used for planning actions for improvement. The stakeholder map reflects the diversity of the Airport Company's stakeholders based on the effect of its operational and business activities both within and outside the boundaries of the Airport community.

AIA Stakeholder Map



The Airport Company

Governance Structure

The corporate governance framework established at AIA abides by the provisions of the Airport Company's constitutional documents, i.e. the Articles of Association, the provisions of the Airport Development Agreement and Law 2338/1995 – Government Gazette A' 202/14.9.1995, as amended by Law 4594/2019 – Government Gazette A' 29/19.2.2019 and includes a number of specific processes and procedures which aim at forging a robust governance structure and approach, in line with the principles set forth in the Law 4548/2018 as in force, article 39 of the 8th European Company Law Directive as amended and in force as well as the OECD Principles of Corporate Governance. The nine-member Board of Directors elected by the General Meeting of Shareholders with a two-year term of office bears the responsibility for the management and administration of all corporate matters and affairs and has in this respect delegated specific authorities to the Chief Executive Officer and members of the management respectively. The Greek State advises the Airport Company for the appointment of four members (also appointing the Chairman), while shareholders who represent the majority of the ordinary shares other than those held by the Greek State, appoint four directors and appoint the Vice Chairman. The ninth director is appointed either following an agreement between the Greek State and the shareholders holding the majority of the ordinary shares or in case of non-achievement of such an agreement, by the Chairman of the European Investment Bank. The CEO is responsible for the day to day management and operation of the Airport Company's activities, is proposed by the private shareholders and participates in all Board of Directors' meetings with no voting right. Board meetings are held monthly and are supported by a competent, qualified and experienced Company Secretary who consults Board members to ensure that statutory and regulatory requirements are met and also instructs senior management on Board matters. The schedule of matters reserved for the decision of the Board and its Committees include without limitation: (a) approval of the overall long-term strategy, corporate goals and official Business Plan, (b) approval of annual operating and capital budgets, (c) ensuring the integrity of the Airport Company's accounts and financial reporting systems, (d) approval of major pricing policies, (e) approval of major contract awards, and (f) delegation of powers related to administration, management and representation of the Company. In order to allow an effective discharge of its duties, the Board has established four Board Committees, namely the Audit, Personnel, Finance and Investment Committees, with an advisory capacity. Having specialized knowledge, Board committees discuss in depth issues in their remit and make recommendations to the Board. The Annual Ordinary General Meeting of the Shareholders approves actions and decisions of the Board of Directors taken during the previous corporate fiscal year, in accordance with the Company's Articles of Association and the Law 4548/2018, as in force.

The Airport Company is structured around four Business Units serving relevant activity sectors (Aviation, Consumers, Property and IT & Telecommunications), which hold a combined responsibility for operational excellence and business development. Business Units are supported by various corporate functions.

Board of Directors

Prof./Dr. Dimitrios Dimitriou Chairman of the Board of Directors	Elected Chairman of AIA's Board of Directors in September 2016 • Professor Associate, Planning, Management & Economics in Transport, Dpt. of Economics, Democritus University of Thrace (DUTh)
Holger Linkweiler Vice-Chairman of the Board of Directors	Elected Vice-Chairman of AIA's Board of Directors in May 2012 • Elected Member of AIA's Board of Directors in June 2011 • Managing Director of AviAlliance GmbH and AviAlliance Capital GmbH & Co. KGaA • Member of the Board of Directors of Budapest Airport Zrt. since July 2019 • Member of the Supervisory Board of Flughafen Dusseldorf GmbH • Member of the Operating Board of Aerostar Airport Holdings, LLC (San Juan Airport, Puerto Rico)
Robert Goebbels Member of the Board of Directors	Elected Member of AIA's Board of Directors in June 2018 • Member of the Luxembourg Government from 1984 to 1999, in charge of Economy, Transportation, Energy and Infrastructures • Chaired the Conference leading to the Schengen Agreement Member of the European Parliament from 1999 to 2014 • Member of the European Parliament from 1999 to 2014
Sven Erler Member of the Board of Directors	Elected Member of AIA's Board of Directors in June 2017 • Executive Director Asset Management, AviAlliance GmbH • Managing Director of Airport Holding Kft. and Airport Hungary Kft. • Managing Director of HAP Hamburg Airport Partners Verwal-tungs GmbH
Spyridon Papakonstantinou Member of the Board of Directors	Elected Member of AIA's Board of Directors in June 2017 • Economist
Professor Charalampos Pampoukis Member of the Board of Directors	Elected Member of AIA's Board of Directors in June 2016 • Professor of Private International Law, the Law School, University of Athens • Former Minister of State to the Prime Minister • Former Alternate Minister of Development, Competitiveness and Mercantile • Commandeur de la Legion d' Honneur • Member of the National Citizenship Committee • Former Secretary General at the Ministry of Foreign Affairs • Lawyer before the Supreme Court • Director at the Hellenic Institute of International And Foreign Law
Panayiotis C. Pavlopoulos Member of the Board of Directors	Elected Member of AIA's Board of Directors in November 2016 • Economist
Nikolaos Protonotarios Member of the Board of Directors	Elected Member of AIA's Board of Directors in May 2015 • Chairman of the Audit Committee, AIA Board • Electrical Engineer
Dr. Evangelos Peter Poungias Member of the Board of Directors	Elected Member of AIA´s Board of Directors between 2015-2017; re-elected in November 2019 • Executive Director Commercial and Property Activities, AviAlliance GmbH
Gerhard Schroeder Former Member of the Board of Directors	*Former Member of AIA's Board of Directors* • *Member of AIA's Board from May 2012 until Nov 2019*

Board Committees

Seating from left to right: Mr. R. Goebbels, Ms E. Papathanasopoulou (Secretary to the BoD), Prof./Dr. D. Dimitriou, Mr. H. Linkweiler, Mr. S. Erler
Standing from left to right: Mr. P. Pavlopoulos, Prof. Ch. Pampoukis, Dr. I. N. Paraschis (CEO), Mr. N. Protonotarios, Mr. S. Papakonstantinou, Mr. G. Schroeder

Audit Committee:
N. Protonotarios (Chairman), S. Erler (Member), P. Tampourlos (Member)

Finance Committee:
S. Erler (Chairman), R. Goebbels (Member), E.P. Poungias, P.Pavlopoulos (Member), S. Papakonstantinou (Member)

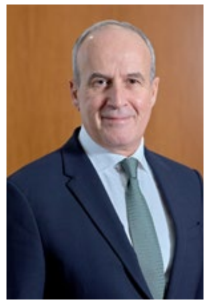
Investment Committee:
E. P. Poungias (Chairman), D. Dimitriou (Member), S. Erler (Member)

Personnel Committee:
R. Goebbels (Chairman), D. Dimitriou (Member), H. Linkweiler (Member)

Chief Officers

Dr. Ioannis N. Paraschis
Chief Executive Officer

Mr. Alexandros M. Aravanis
Chief Operations Officer



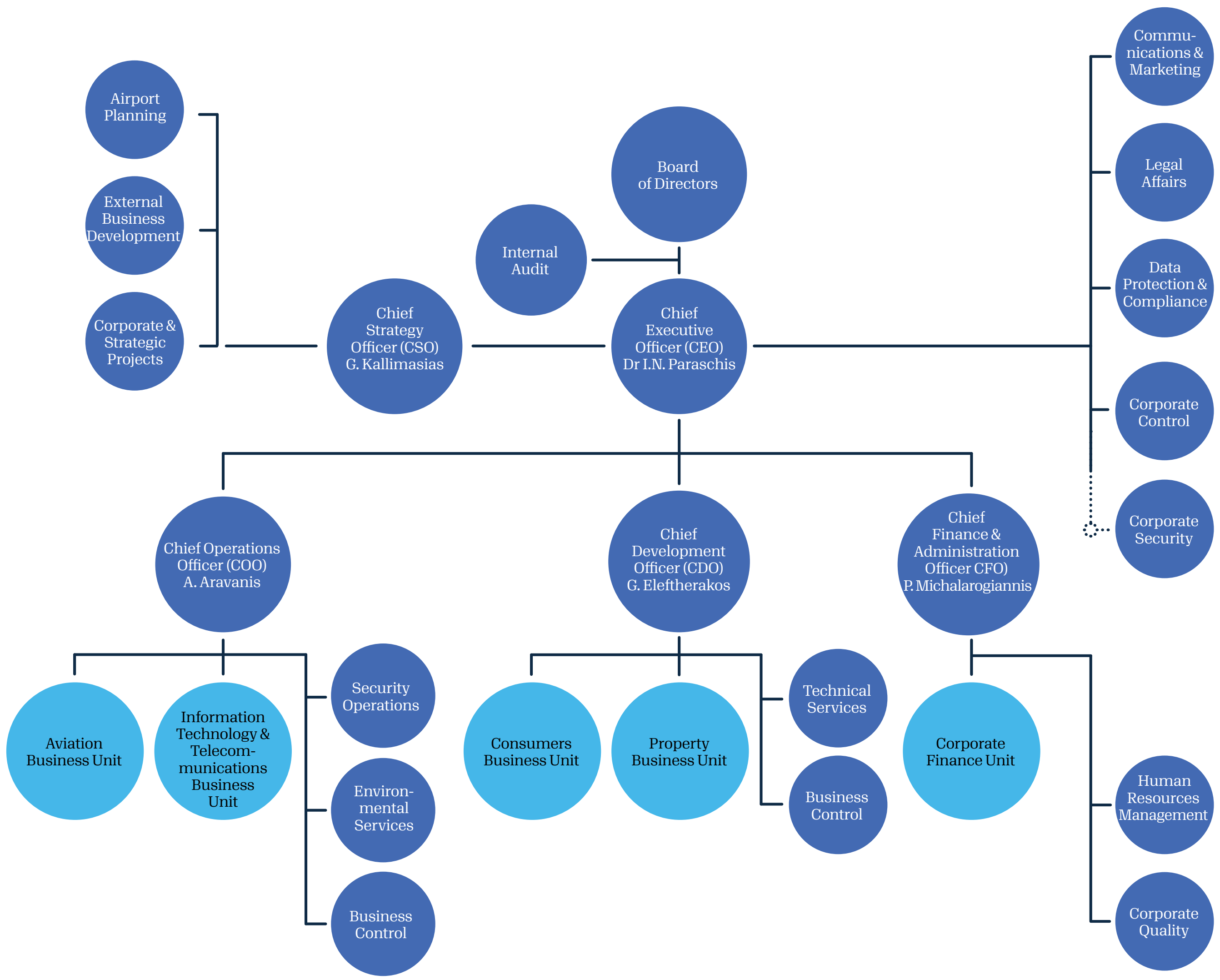
Mr. George P. Eleftherakos
Chief Development Officer

Mr. George A. Kallimasias
Chief Strategy Officer

Mr. Panagiotis K. Michalarogiannis
Chief Finance & Administration Officer

AIA Organisational Structure

Athens International Airport
"Eleftherios Venizelos" S.A.



System of Internal Controls and Risk Management

The Airport Company maintains a sound system of internal controls to safeguard the Company's assets and ensure that significant risks are identified and adequately managed. For this purpose, AIA applies Enterprise Risk Management (ERM) practices and implements internal organisational arrangements as follows:

- The Internal Audit with a mission to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.
- The Statutory Auditor, within the framework to audit the airport's annual statutory financial statements and, among other procedures, to obtain an understanding of internal controls.
- The Finance function implements an integrated and coordinated approach to financial risks and financial reporting.
- Operational managers who design, implement and supervise the execution of procedures that serve controls.
- The Corporate Control department, assigned with Risk Management responsibilities, providing management with assistance in developing processes and controls to manage risks and monitoring the timely remediation of potential deficiencies. The role is also responsible for operational business continuity planning.

Regulatory Compliance

Through its Audit Committee, the Board is committed to operating a strict policy of compliance with all applicable laws and regulations. For this purpose, the Manager, Data Protection & Compliance has undertaken the responsibility to bring together required activities of all departments, especially in the areas of aerodrome operations, ground handling services, environment, security, information technology, accounting & tax, procurement, labour, fire safety, design & construction and Airport charges policy.

Process Management

The Airport Company maintains and continuously updates a system of procedural documentation ensuring that management directives are adopted and corporate objectives are achieved. A corporate Process Management system is established and maintained by the Corporate Quality department for ensuring effective interfaces, proper authorisation and version control of procedural documentation. The Company invests in management systems that enhance controls and serve its commitment to providing high-quality, state-of-the art services. Where necessitated by business or compliance reasons, these systems are certified in accordance with prevailing standards.

Information

On an annual basis, the Airport Company issues and publicly discloses a number of reports that cover all aspects of activities and performance. Furthermore, AIA has developed a reporting system, which not only supports the Management in its strategic decision-making, but also fosters effective communication within the Company as well as with external parties. Publicly available information regarding the Airport Company is found on the Company's website.

Monitoring

The Airport Company practices continuous monitoring in order to safeguard that controls and other planned actions are carried out properly and to identify those key exceptions that require quick and effective review and management action. Scheduled periodic audits performed both by external auditors and the Company's Internal Audit department aim to further assure adequacy of the internal control environment. Furthermore, enhanced IT solutions applied on data compilation & analysis facilitate the continuous monitoring process with appropriate performance indicators. Steadily reinforcing the role of its Business Units, AIA's Value Based Management (VBM) methodology measures performance against predefined targets on both financial and non-financial metrics and parameters (e.g. systems performance, quality of services, safety of operations, environmental responsibility, personnel safety, training).

Supply Chain

AIA promotes its corporate values to everyone in its supply chain falling in its sphere of influence, namely, providers of materials, services and works. AIA awards contracts which integrate green procurement guidelines, receives energy-efficient supplies and implements projects combating climate change aiming to improve AIA's CO2 emissions footprint. Suppliers are required to comply with all applicable laws and regulations, conform to the highest standards of ethical conduct, respect and support human rights, operate in an environmentally responsible and effective manner and abide by all health and safety rules.

Procurement and Efficiency

Procurement is an integral part of AIA's professional efficiency. AIA heavily relies on outsourcing for facility and systems management and maintenance and lays strong emphasis on the selection of its business partners. Related agreements bear all necessary provisions to ensure that the required service level is adequately defined, quantified and in line with accepted performance thresholds. AIA applies contract management best practices that include performance monitoring mechanisms aiming to ensure the attainment of high service level. Furthermore, an annual evaluation process of all suppliers ensures the best possible performance. AIA aims to develop long-term relationships with suppliers, providing added benefits associated thereto. In 2019, AIA cooperated with 1,152 different suppliers, of which 86% were domestic and 14% foreign, ensuring beneficial partnerships in all purchasing areas concerning airport technical works, services and supplies. The percentage of products and services purchased locally in 2019 amounts to 92% of the total cost.

Procurement Ethics

AIA promote fairness, transparency, equal treatment, non-discrimination and proportionality at every phase of the procurement process, in compliance with the corporate Procurement Policy and Framework and with the Code of Relations with Business Partners and by following international best practices as per the principles of European and national procurement law. AIA ensures adequate publicity and objective selection and award criteria for its tender procedures and applies electronic procurement practices (e-auction) as to ensure the best possible purchasing terms and the highest level of compliance.

Business Conduct

The Airport Company aims at being acknowledged as an exemplary responsible company within the market it operates while influencing others in their effort to follow a path of sustainability. Airport Company's corporate values (Accountability, Team Spirit, Respect, Effectiveness, and Customer Focus) are embedded in all aspects of its operation and development. The Airport Company applies a Code of Business Conduct, developed in line with global best practices, which urges employees to conduct business activities in accordance with corporate values, thus aiming to preserve its good reputation, maintain public trust and bolster stakeholders 'confidence. The Code of Business Conduct is complemented by a Code of Relations with Business Partners for ensuring proper governance across the Airport Company's supply chain.

Anti-Fraud

Preventing fraud is a crucial element of the Airport Company's Policies, and strict compliance to the relevant rules must be secured by involved employees, management members and Board members. Both Management and employees are expected to behave in an honest and fair way, in line with the provisions of the Airport Company's Code of Business Conduct for compliance, integrity and avoiding conflict of interest, thus promoting fraud avoidance. The Airport Company has established an Anti-Fraud Policy that embeds a system of internal controls, securing adequate containment of fraud risk. An internal framework is provided for all employees to report a suspected act of fraud or other similar irregularities and a mechanism is in place for undertaking a formal investigation of such irregularities and designing specific actions to rectify identified control gaps.

Regular Review of Controls by the Board

The Board regularly reviews main risks to the business and the effectiveness of the system of Internal Controls in managing these risks, including financial, operational and compliance controls, as well as the Risk Management Process. For this purpose, the Board, has delegated specific responsibilities to the Audit Committee. The purpose of the Audit Committee is to provide a structure systematic supervision of the organisation's governance, risk management and internal control practices. This Committee is also responsible for overseeing the Internal Audit department, external auditors and other assurance providers. The Committee monitors business ethics and sustainability, as well as the adequacy of the Airport Company's process regarding compliance with all legal and regulatory requirements.

Sustainability Context

As a balanced, multi-faceted approach that takes account of the social, environmental and economic aspects of a business with a long-term perspective, sustainability is embedded in the Airport Company's strategy, in an integrated manner, across key features of its operation:

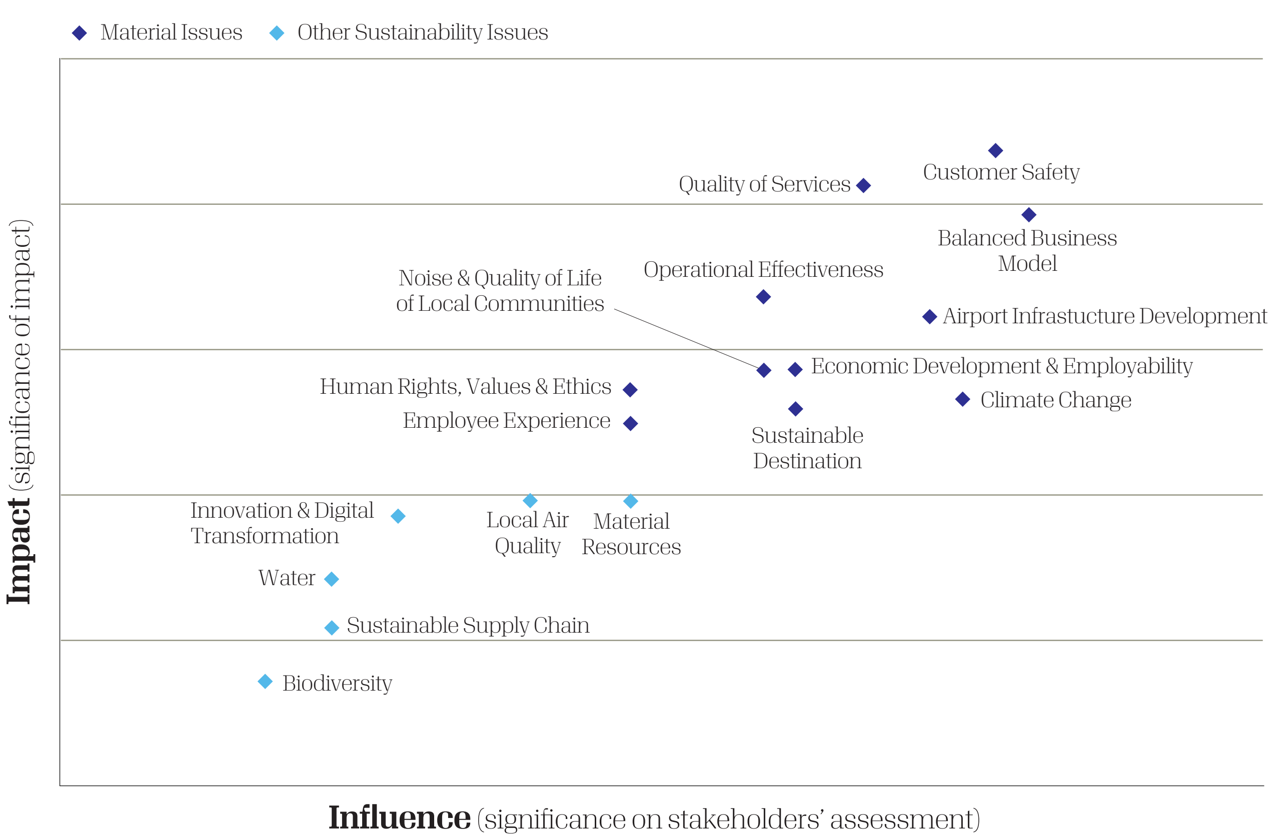
The Sustainability Policy is regularly revised, in order to reflect upon emerging sustainability trends and global standards. The Sustainability Policy, which was updated in July 2019, makes provision for the annual Materiality Analysis and the resulting Action Plan, which is approved by AIA's senior management and communicated through this Annual & Sustainability Report. The Sustainability Committee, consisting of members of the management, is primarily responsible for formulating and validating the perspectives of the sustainability strategy. In line with the Sustainability Policy, the Airport Company engages in independent sustainability assurance for confirming the accuracy, completeness and compliance with applicable standards of corporate disclosures. AIA's reporting abides by the Global Reporting Initiative (GRI) Standards and is in line with the Airport Company's sustained commitment to the United Nations Global Compact, the acknowledgement of the United Nations' Sustainability Development Goals (SDGs) and the Agenda 2030, contributing to the global sustainability effort. The Audit Committee reviews the independence and the quality of sustainability assurance services engaged by the Management to ensure that public disclosures are accurate, complete and adhere to applicable standards.

Materiality Analysis

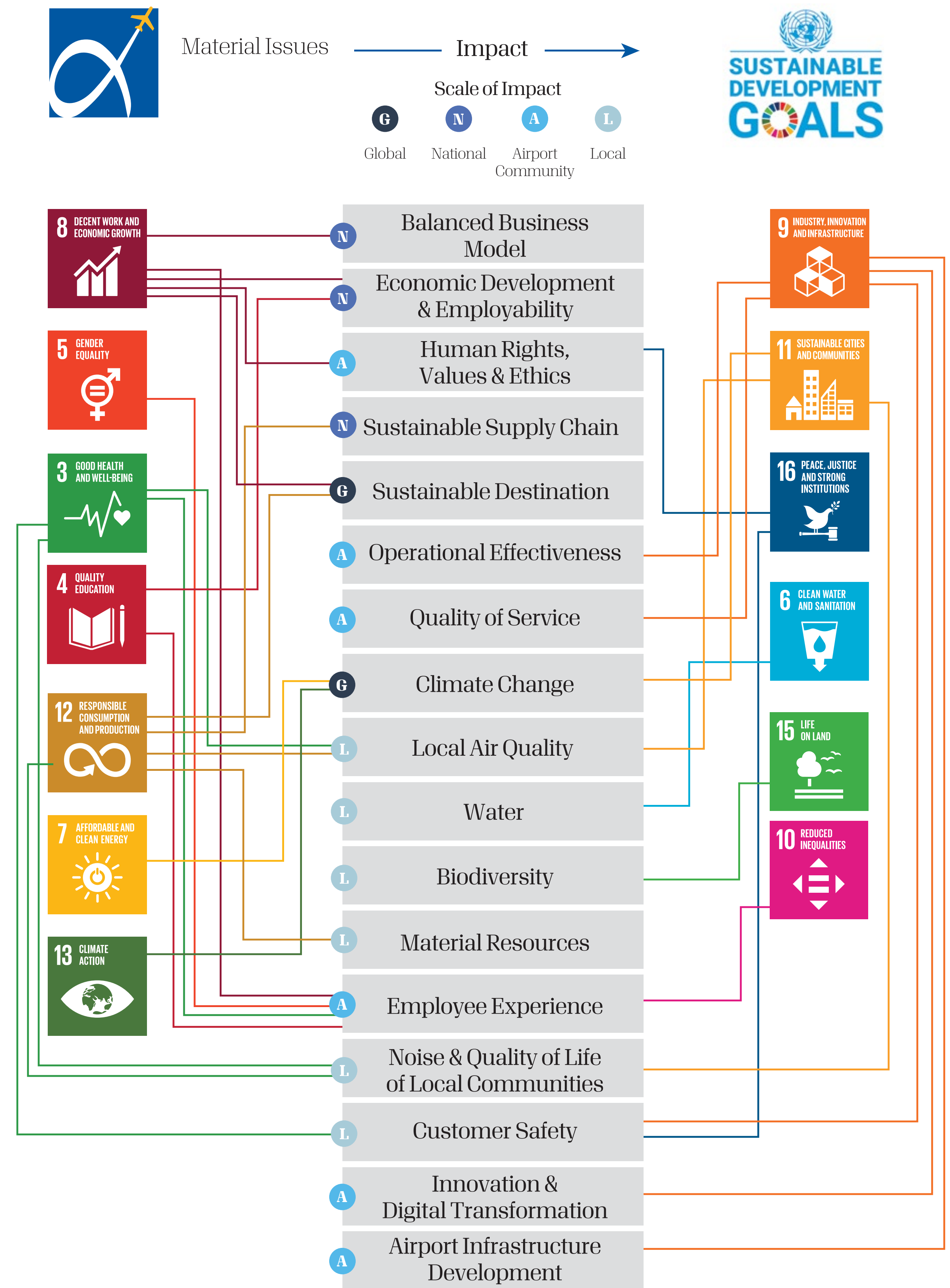
Development and continuous update of AIA's Sustainability strategy is based on annual redefinition and prioritisation of the material issues, i.e. those of significant impact for the Airport Company and of significant influence on its stakeholders. The basis for the 2019 Materiality Analysis was the ACI-Europe Sustainability Strategy for Airports (SSA – 1st edition June 2019) that was developed with the contribution of Athens International Airport, as part of the relevant ACI task force.

With a total of 17 sustainability issues (14 issues derived from the ACI-SSA plus 3 additional chosen by AIA, as per ACI-SSA recommendation) of which 11 are prioritized as material, the materiality analysis was updated for 2019. The GRI index in the Appendix of this Report presents the linkage between the material issues with the GRI Standards and which of the GRI disclosures have received external assurance. In line with the GRI Standards and the related Airport Operators Sector Supplement (GRI-G4 AOSS), the evaluation of materiality is based on two parameters: "Impact" (Significance of Impact) and "Influence" (Influence on Stakeholders' Assessment). The elaborated description of these two parameters is included in the "Materiality Evaluation Model" in the Appendix of this Report. Identification of issues' boundaries consider the unique characteristics of an airport environment. Specific boundaries were defined and evaluated for "Scale of Impact" and particularly those relating to Global, National and Airport Community level impact. The outcome of the materiality analysis is shown in the following chart, while the material issues through the report are marked with a relevant identification symbol.

Materiality Analysis



Material issues & SDGs



Linking AIA's business objectives with the Sustainable Development Goals

In line with the Airport Company's sustaining commitment to the United Nations Global Compact, AIA adopts and upholds the related sustainability principles for Human Rights, Labour Relations, Environmental Impact and Anti-Corruption. Furthermore, the Airport Company acknowledges the United Nations' Sustainability Development Goals (SDGs) and the Agenda 2030, contributing to the global sustainability effort. Regardless of size and industry, all companies can contribute to the achievement of the SDGs by carrying out business in a responsible manner, while pursuing opportunities to address societal and environmental challenges through innovation and collaboration. Global challenges –ranging from climate change, water and food crises, to poverty, conflict and inequality –drive the transformation of business models and the embedding of globally acknowledged values in everyday business. Hence, the 17 Sustainable Development Goals can be directly correlated with business activities. This is also the case for AIA, as the Airport Company's sustainability issues have a direct impact on the majority of the Goals. Specifically, for the material issues, the correlation is presented in the opposite page. AIA also contributes, to a lesser extent, to the achievement of other SDGs, the relevant table in the Appendix of this Report illustrates the connection of all AIA's identified sustainability issues with the SDGs.

The Annual & Sustainability Report

For the 2019 Annual & Sustainability Report, AIA retains the combination of financial and socio-economic data, presenting the full spectrum of its activities in a sole publication. The content is divided in chapters covering the Airport Company's Identity, Business & Operational Performance, Financial Performance, Human and Intellectual Capital, Environmental and Social Performance. Specific disclosures of this report are reviewed by an independent audit firm, and the outcome of this process, the Assurance Statement, is included in the Appendix: Sustainability Indices. The 2019 Annual & Sustainability Report is distributed via the company's corporate website to all stakeholders. This Report is complemented with the other digital publications such as the "Aerostat" publication on airport statistics (English) and the "Care for the Environment" publication (Greek - English) as well as the quarterly free-press magazine "2Board" (Greek-English) distributed in the Terminal buildings. In addition, AIA is informing the travelling public regarding the UN Sustainable Development Goals and how the Company strategy aligns with them through a relevant brochure distributed in the Terminal Buildings.

Managing non-financial performance

The Airport Company develops and implements appropriate responses to sustainability challenges considering stakeholder views. In 2019, our annual corporate scorecard included sustainability related objectives for measuring the company's performance. The attainment of these objectives is linked to the evaluation of AIA Management's and employees' performance. In particular, the areas in which non-financial performance objectives were set on a corporate level, as part of the Operational Scorecard were: Efficiency of critical systems, Airport Service Quality, Climate Change Action Plan, Community Engagement Action plan and Human Resources development. Charts and tables with performance specifics for all above are found in the following chapters of this report, along with specific mentions regarding the attainment of corporate targets.

Industrial Affairs and Sustainability

AIA is a member of business associations which are active in enhancing sustainability in business practice and actively participates, as well as -in certain cases- organises various sustainability networking events and initiatives, through which the Airport Company has the chance to share demonstrate its practices and expertise.

AIA is a member of the Board of CSR Hellas and the local UN Global Compact Network. The Airport Company's representative also chairs the CSR Committee of the Hellenic-American Chamber of Commerce, which in 2019 organised its 17th Annual CSR Conference under the title "We are the Change Generation", sponsored by AIA. Furthermore, AIA, through its membership in SEV Business Council for Sustainable Development (SEVBCSD), as well as in ACI EUROPE Environmental Strategy Committee -chaired by AIA's representative- commits to addressing the Climate Change issue, which is increasingly driving European policies in the fields of air transport and tourism, as well as the travellers' behaviour.

Most importantly, during the 7th Airport Chief Executives' Symposium "ACES – Athens" AIA committed to implementing "ROUTE 2025", thus achieving net zero carbon emissions by consuming only clean, renewable electricity, exclusively produced on AIA's premises, and zeroing out AIA's carbon emissions from fuel consumption (natural gas, diesel etc.). "ROUTE 2025" incorporates environmental sustainability into the company's future development; thus, actively contributing to reducing the ecological footprint of Athens as a destination, as well as to the National Energy and Climate Plan.

Within the same framework, since 2018, AIA is one of the ambassadors of the ACI EUROPE initiative for the development of a comprehensive sustainability strategy for the airport industry. The ACI EUROPE Sustainability Strategy for Airports (SSA) was released in June 2019 and became the foundation for AIA's update of its Materiality Analysis. The ACI EUROPE SSA is under continuous development, with the support of AIA, towards becoming the Industry Standard for Sustainability.

In addition, it is worth mentioning that AIA proudly hosted the 1st Digital Sky Challenge, jointly organized by the major aviation stakeholders (SESAR JU, ACI EUROPE, IATA, EASA, EUROCONTROL) on 2-4 December 2019. Aiming at developing new digital technologies that will help meet the future needs of the European aviation system in terms of capacity, safety, efficiency and environmental impact, youngsters from across Europe united in Athens for this 48-hour innovation contest in the framework of SESAR Innovation Days 2019.

Planning Ahead

Connected with the Materiality Map, the Sustainability Action Plan (included in the Chapter titled "Future Prospects") offers an indication of activities that AIA plans to undertake versus each of the material issues.

Material Issues discussed in this chapter

1 - Airport Infrastructure Development

2 - Operational Effectiveness

3 - Customer Safety

4 - Quality of Service

2 Operational and Business Performance

Key Traffic Developments 2019

Overall, in 2019, the Airport Company recorded an all-time high performance with 25.57 million passengers, surpassing previous year's traffic by 1.4 million (+6%).

+8.6%
International market

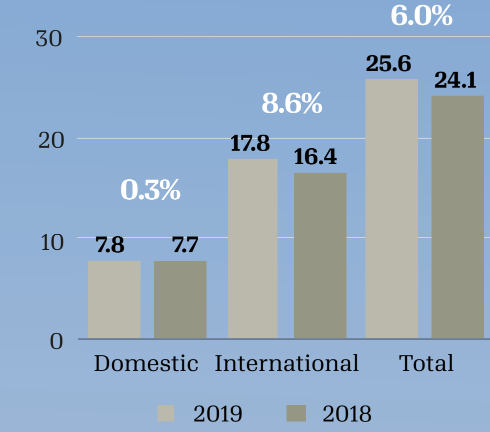
+14%
foreign residents increasing compared to 2018

+0.3%
domestic market retained prior-year levels

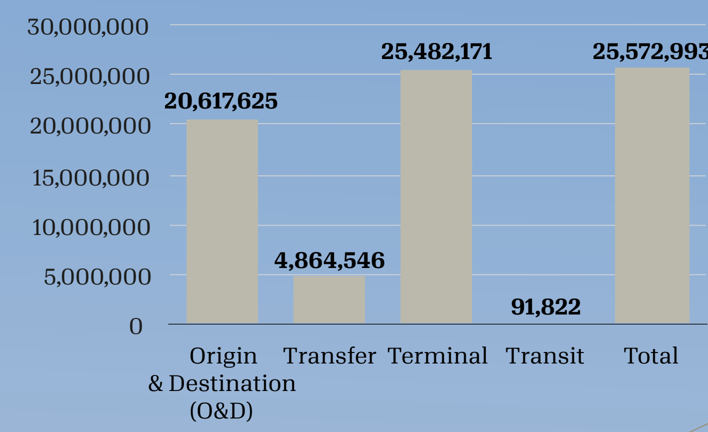
-5%
Greek residents presented an overall decline by 5%, attributed to the reduction of domestic trips

Total number of passengers (mio) (including transit passengers)

Variation calculated on the primary figures prior to conversion to mios.

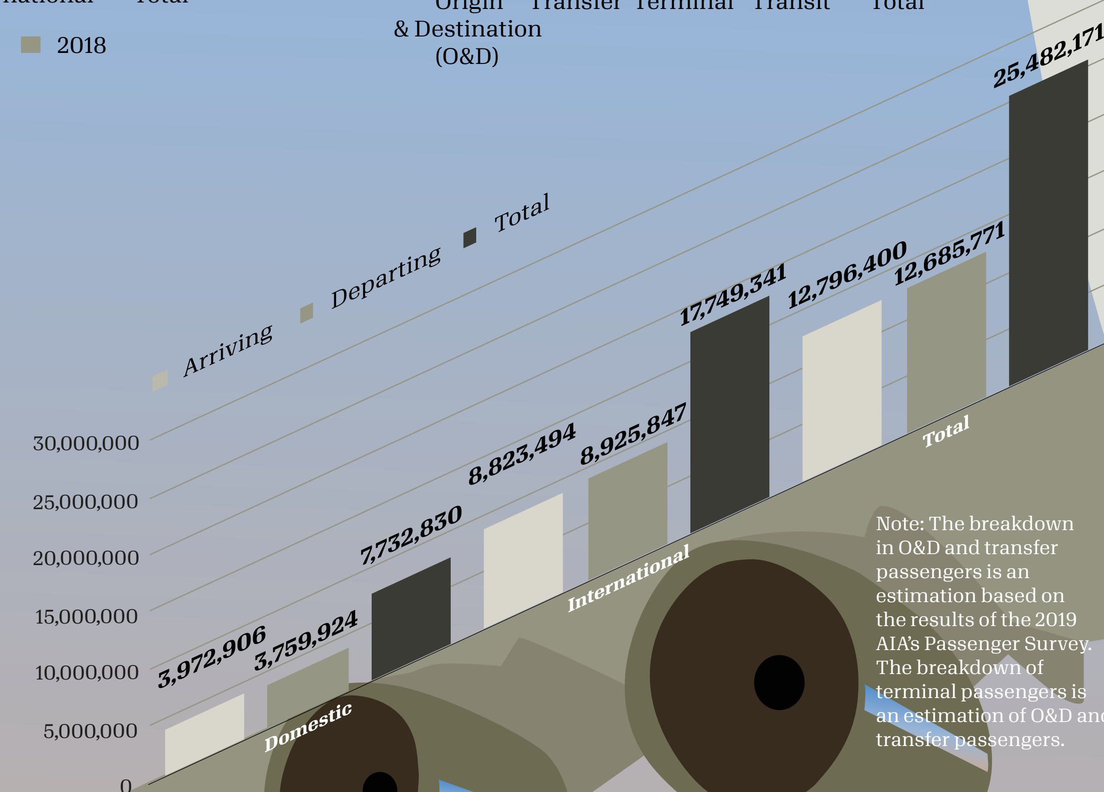


2019 Total number of passengers by type of airport use (in million)



2019 Total number of arriving and departing passengers (mio)

(not including transit passengers)



Note: The breakdown in O&D and transfer passengers is an estimation based on the results of the 2019 AIA's Passenger Survey. The breakdown of terminal passengers is an estimation of O&D and transfer passengers.

The robust growth of the O&D passengers by 9% demonstrates the ongoing emergence of Athens as an attractive destination, assisted by the joint and coordinated pertinent actions of the Airport Company with stakeholders from the airline and tourism industries and, therefore, should be highlighted.

Transfer passengers declined by approximately 6% in the course of 2019, mainly due to the reduced self-connecting passengers.

Airline Development & Marketing (Market Presence)

AIA's incentives have been part of its aeronautical policy since the beginning of its operations. Discounts offered to the airlines in the context of AIA's Development Incentive Scheme constitute business cases and a risk-sharing instrument to support airlines in their efforts to introduce new routes and frequencies. These incentives, complemented with additional targeted ones since 2012, have been regularly reviewed and fine-tuned, according to current market conditions.

Within this context, aiming at generating growth and incentivising traffic growth and route enhancement, in 2019 the Airport Company partially restructured the existing scheme to address its development objectives better and more effectively.

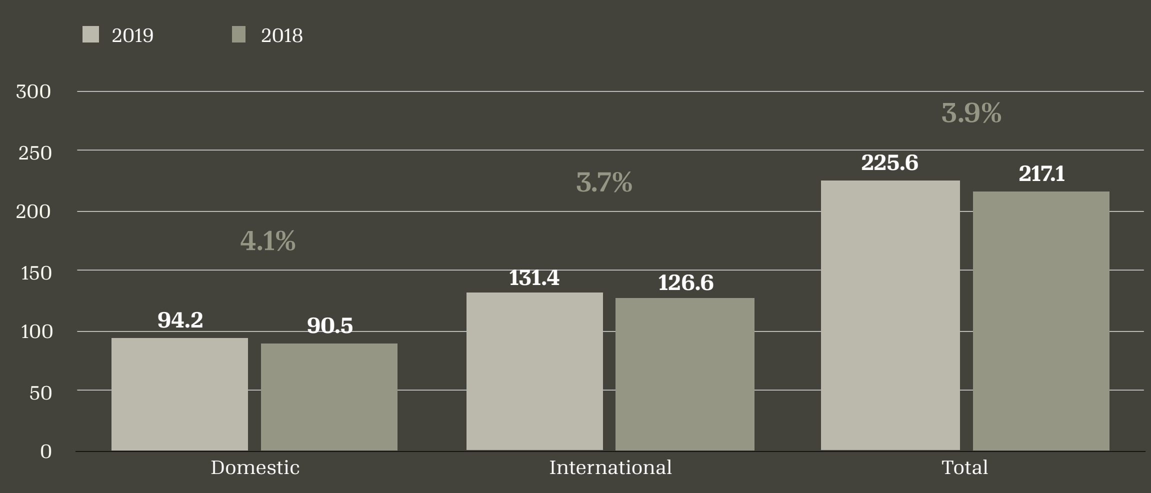
AIA's incentives continue to be applied in a fully transparent and non-discriminatory manner and constitute a profitable business case. The majority of the operating carriers made use of one or more targeted or development incentives, many of which benefited further by receiving marketing support actions.

The Airport Company's targeted approach was also the main element of its 2019 marketing campaign towards the airlines. Specifically, the 2019 campaign featured the slogan "Do the Math" to reflect AIA's successful growth during the previous year, and the opportunity this presents for the airlines since it creates the ideal environment for them to grow.

The Airport Company acknowledged the airlines' contribution to its performance for 2019 and for the 20th consecutive year awarded those that recorded the highest passenger traffic growth during the year.

Aircraft Movements (thousands, take-offs and landings)

Variation calculated on the primary figures prior to conversion to mios.



11
new international routes
were introduced in 2019

66
Carriers

157
destinations-cities

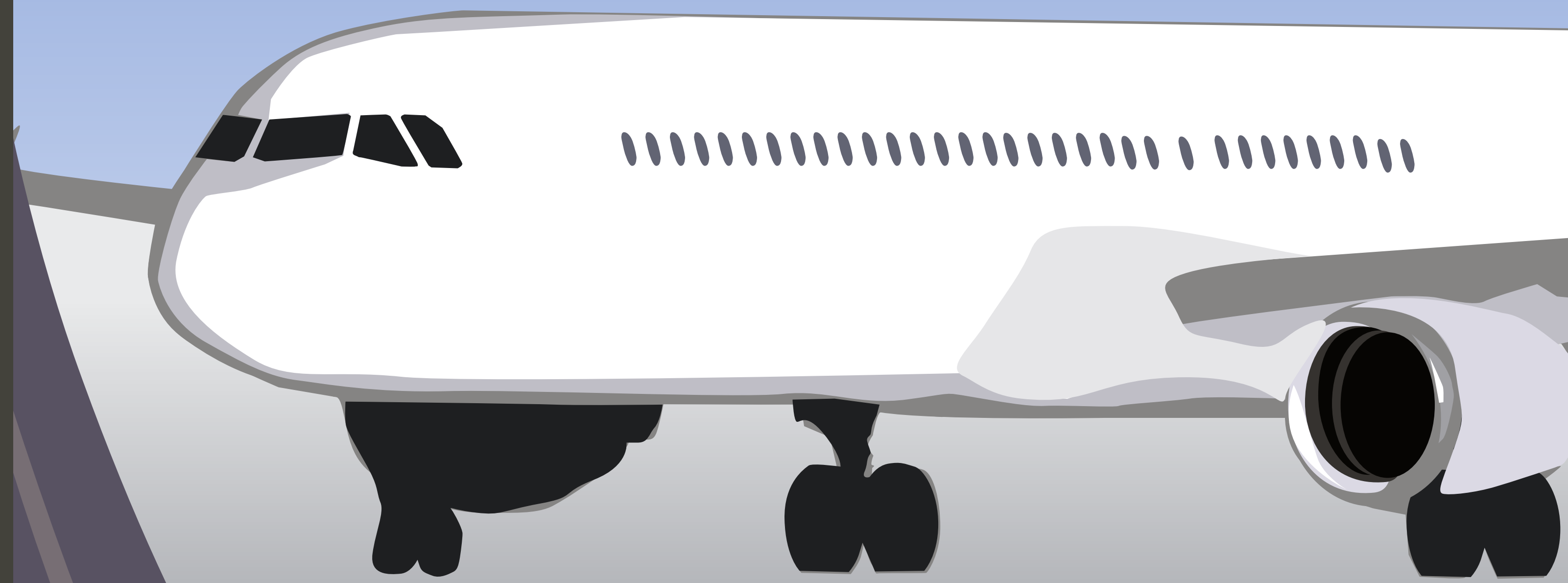
London Larnaca Paris Istanbul and Rome
The top five international destinations are still all within Europe

Thessaloniki Santorini Heraklion Rhodes and Chania
remained the top domestic destinations.

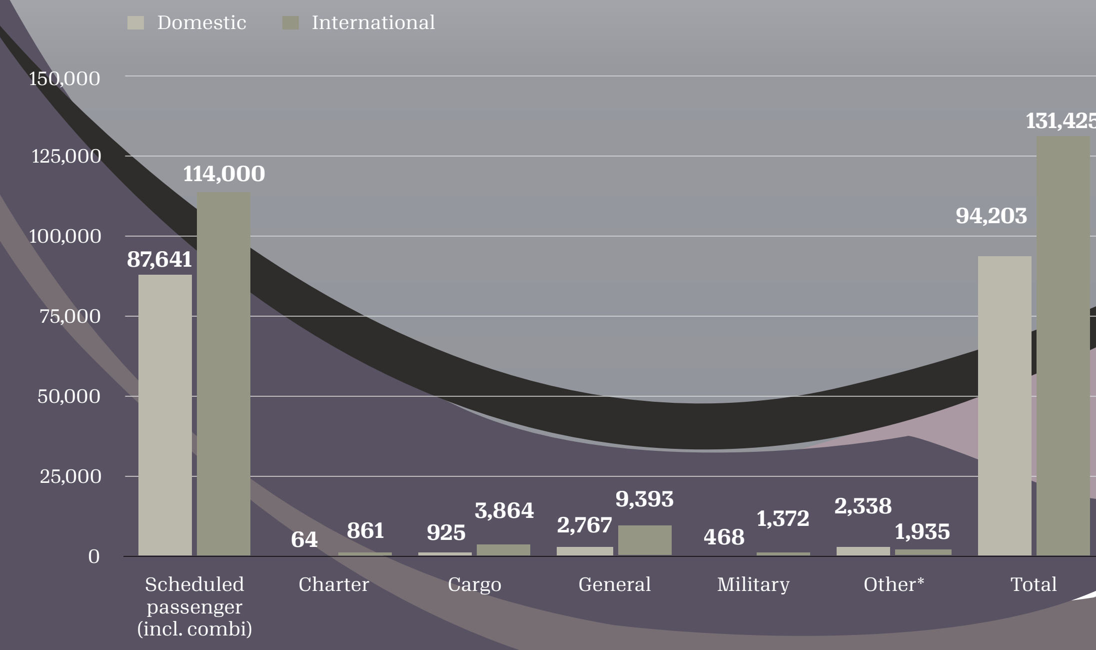
9
New airlines
launched operations to/from Athens

55
Countries

124
International destinations-cities



Aircraft Movements 2019 (Flight categories, incl. helicopters)



The day and night segregation is not applicable in our airport,because the airport operates 24/7 and there is no night curfew (night flight restrictions).
*Other: Ambulance, Technical stops, Training, Positioning, Special (FAA/Government), Technical Test.

Cargo Uplift

Despite the gloomy global trend, the Athens cargo market posted a slight increase of 1.5% compared to 2018. Exports were the main growth driver rising by 5%*, while imports, on the other hand, declined by almost 2%.

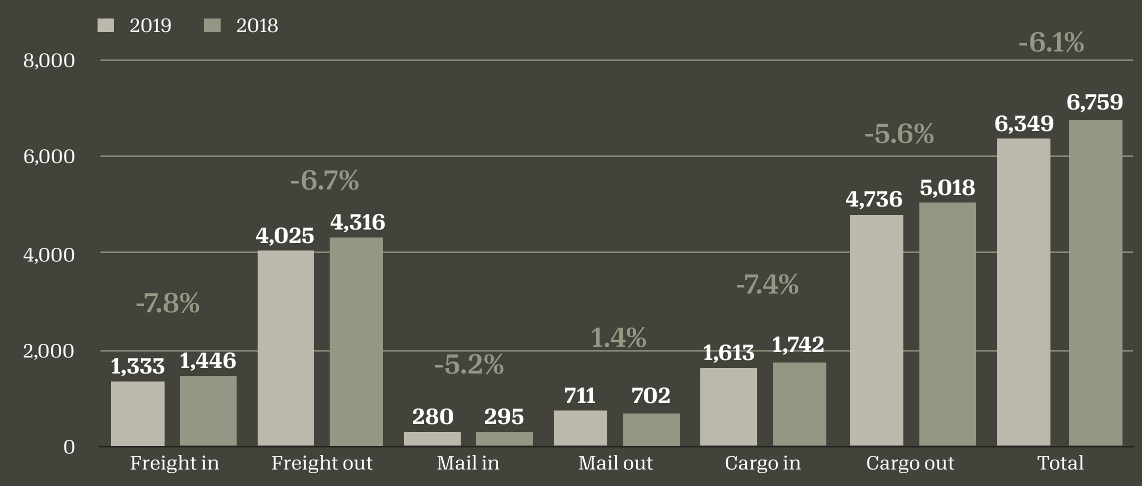
Cargo Traffic (in/out) 2019

thousand tonnes	inbound cargo	outbound cargo	Total
Cargo Aircraft	19.87	14.76	34.63
Passenger Aircraft	21.76	37.61	59.37

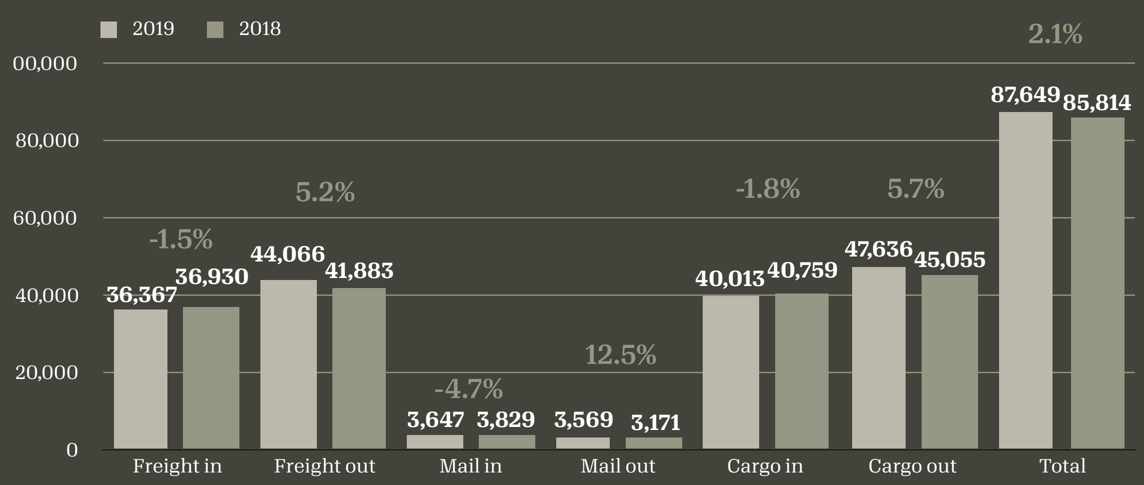
Cargo Traffic (domestic/international)

thousand tonnes	2019	2018	Var%
Domestic	6.35	6.76	- 6.1%
International	87.65	85.81	+2.1%
Total	94.00	92.57	+1.5%

Domestic Cargo Uplift 2019-2018



International Cargo Uplift 2019-2018



Please find more Airport statistics in our Corporate publication "Aerostat Handbook" at www.aia.gr.

* The percentage has been restated following the Assurance process.

Airport Infrastructure Development (M)

Having reached the capacity "trigger point" of passenger terminal facilities (i.e. 23.4 million passengers on a rolling twelve-month period which corresponds to 90% of the relevant capacity of 26 million annual passengers) in September 2018, following the provisions of the ADA, the Airport Company requested IATA to issue a passenger demand forecast for the next two years and determine whether, after allowing for an increase in the designed capacity of any building or equipment due to technological, organisational or other improvements, the relevant 90% threshold would still have been reached, and whether passenger traffic will reach or exceed the applicable 95% threshold within the next two years. Indeed, IATA's independent review confirmed that the capacity of the Airport's passenger terminal facilities remains at 26 million passengers annually, therefore, the 90% threshold of the new capacity has been reached and passenger traffic within the next two years will exceed the 95% threshold. The 95% threshold was then reached in June 2019 and created the need to establish an appropriate plan to increase the relevant Design Capacity by at least 20% within six months. On 27th of December, HCAA issued its approval of the Airport expansion plan and the Master Plan.The updated Master Plan and the Airport expansion plan were presented to Airport Users in the context of the annual consultations on Airport charges per EU Directive 2009/12/EC.

The main infrastructure projects carried out in 2019 are briefly the following:
The South Wing Expansion Project's operational part, which includes a new immigration passport control area, an expansion and upgrade of the emigration passport control area, 17 new check-in counters and an additional baggage reclaim belt has been completed and delivered in 2019. The new commercial concourse, with a broader and better retail offering, as well as the new, expanded CIP lounges are expected to open in the first half of 2020.

The new Transfer Baggage Facility for the baggage handling of the transfer passengers, located in the north apron area, was completed in the third quarter of 2019. It aims at making the flow of transfer bags more efficient thus alleviating a significant load from the BHS systems, particularly during the impending modification works into a Standard 3 screening equipped BHS. Following trial tests in October and November, the facility is ready for operation.

AIA Business Units

Aviation Business Unit (ABU) – Airport Operations

• Once more the Airport Company called upon the Governor of the Hellenic Civil Aviation Authority (HCAA) on the reduced use of the Airport runways, with reference to the restrictions of the Air Traffic Control (ATC), which limit AIA's aircraft movements to only 44 per hour. This limitation is considerably lower than the minimum technical requirements of AIA's dual runway system (65 movements per hour).

• With regards to the airside parking capacity, operational arrangements were implemented in order to cope with the demand during the peak months of 2019 (i.e. "Prior Permission Required" operational process for General/Business Aviation traffic, "Ground Stay" process for military & cargo technical stop flights).

• Under the umbrella of the Airport Ground Handling Action Group, AIA and the main ground handlers completed the Operational Conformance Monitoring System. The system aims at rendering the Airport's airside safety culture more synergistic and publicly promote good practices through its bonus-malus setup.

Consumers Business Unit:

1. Retail Services:

• The Airport's terminal shopping centre recorded a strong growth with revenues at €68 million (+15% vs. 2018), well above passenger traffic growth which stood at +6%.

• Nine new commercial outlets commenced operations, including seven F&B outlets, a large Duty-Free shop extension and a specialty retail unit, while five more F&B outlets were substantially refurbished.

• The Airport Company launched a series of marketing events, in close cooperation with the concessionaires. The marketing plan promoting the "Greek character" of AIA's commercial offering included an influencer campaign among travel, beauty and fashion bloggers to enhance AIA's shopping centre presence on social media and a monthly event calendar under the concept of "Live-it".

2. Landside services

• Revenues from the Airport Company's car parking reached €14.3 million, increased by 3.7 % vs. 2018 despite a Greeks' O&D decline of 2%. Online booking grew by 12% and now stands at 46% of total parking revenues with the rest coming from offline parking which continues to decline.

• Commercial co-operations with large long-term partners including Aegean Airlines and Attiki Odos enabled the AIA parking to target a broader audience and further increase revenues. The "PARK€WIN" loyalty scheme reached almost 80,000 users in 2019 continuing its strong trend for one more year.

3. Terminal Services

• The Airport Company successfully served more than 3.4 million passengers and visitors providing information and personal assistance.

• The Airport Call Centre handled approximately 385,000 telephone inquiries with almost 95% of callers being served within 20 seconds. The "Airport info" email service replied to over 5,500 electronic inquiries.

• The AIA Call-Centre was again a finalist in the "Teleperformance Greece 2019 CRM Grand Prix Service Awards" for excellent call service and gained the silver award in the "Large Call-Centre" category.

• The Passport Control areas on both Departures and Arrivals levels were upgraded to accommodate the additional operational needs of the new passport control checks, while an awareness campaign was designed and implemented, to ensure passengers were sufficiently informed in advance.

385,000
calls

95%
service time: 20sec

Property Business Unit

• The 'Sofitel' Airport hotel posted a healthy turnover increase of 4.7%, witnessing record sales for the third consecutive year.

• The Metropolitan Exhibition & Conference Centre recorded a turnover growth of 6.4% vs. the previous comparable year, i.e. 2017, matching like-for-like exhibitions taking place every two years.

• AIA's Retail Park, comprising the outlets of IKEA, KOTSOVOLOS, FACTORY OULET and LEROY MERLIN, recorded a marginal sales growth of 1.0% vs. the previous year, supported by the ability of operating 7 days/week during the summer season, under the relevant legal framework.

• Buildings, offices and other space leases mainly serving the Airport community (i.e. airlines, ground handlers and state entities) also reflected an upward trend, with the occupancy rate reaching 89% over the available portfolio.

• The Photovoltaic Park witnessed a 2% increase in annual production compared to 2018, mainly due to the favourable weather conditions, especially during the second half of 2019.

Information Technology & Telecommunications Business Unit

• New equipment and services were established in the areas of Common Use Terminal Equipment (CUTE), Flight Information Display System (FIDS), Automated Boarding Control (ABC) kiosks, and Automated Boarder Pass Control (ABPC) gates.

• AIA's call-centre has been successfully upgraded from a legacy infrastructure to a Next Generation one, thus allowing for enhanced functionality in favour of both the call-center agents and the Airport's customers.

• The Security Information Event Management System (SIEM), which provides 24/7 real time information and the annual IT&T Disaster Recovery drill, were successfully completed.

• The deployment of the Multifactor Authentication for Office 365 / updated password policy for all AIA user's computers login, was introduced.

• ISO 20000-1:2011 and ISO 9001:2015 certifications were renewed by TÜV AUSTRIA for the IT&T Business Unit.

• The IT&T Business Unit received the Gold Award IMPACT BITE (Business IT Excellence) in the category "New Technological Works in Applications / Services - Robotics" for developing the "Pepper" robots' capability for providing useful information and entertainment to passengers.

• In cooperation with Cosmote, AIA's IT&T won a tender issued by ESMA, which is an independent EU Authority that safeguards the stability of the European Union's financial system by enhancing the protection of investors and promoting stable and orderly financial markets.

• With the scientific support of the Athens Centre of Entrepreneurship and Innovation (ACEin) of the Athens University of Economics and Business (AUEB), AIA's IT&T organised the 3rd Digital Gate contest calling new talents to develop tools and solutions that can improve operations and services deploying emerging technological trends. The winning team was Meton Innovatence (Enorasys) with an innovative FOD (foreign objects debris) detection system to be installed in the airside safety and inspection vehicles.

• IT&T is involved in several EU funded projects with partners from technology and aviation, exchanging know-how, testing and implementing innovative solutions with both financial and non-financial added value for the Airport Company.

Operational Effectiveness (M)

AIA compliments its Corporate risk management system with the development of a Business Continuity Programme (referred to as BCP), in line with industry best practices. The aim is to identify those systems and services that affect critical operations and invest in the establishment of the necessary mechanisms to achieve a maximum degree of resilience and the ability to cope with adverse and extraordinary circumstances. The BCP encompasses the following principal elements:

a) development of contingency plans in order to deal with any type of disruption and minimise or counteract such negative effects,
b) preparation of recovery plans to restore/resume essential functions, processes and resources to normal operations,
c) engagement of necessary resources to secure continuity of those systems/services within predefined agreed timeframes, and
d) development of the required procedures and work instructions summarising the actions above.

To this end, AIA BCP comprises 48 different scenarios. Specifically, to continuously improve and verify the adequacy of these plans and measures, malfunction scenarios are designed, and drills are carried out annually.

In addition to these preventive measures, the Maintenance Contractors' financial viability risk for providing support services on the Airport's critical systems/procedures is regularly assessed, not only before awarding the contract but also during its execution. In particular, we assess the contractor's business continuity and capacity to provide quality services as per the agreement terms.

A Disaster Recovery (DR) path has been developed to ensure that business stays resilient to ICT-related incidents and secure continuity of operations. Relevant tests and DR exercises, which are conducted annually, reassessed operation and effectiveness of the established contingency plans.

AIA's critical systems are continuously monitored for availability, in line with the commitments in the company's Operational Scorecard.

Critical Systems Availability

	2019	2018	
Baggage Handling System	99.84%	99.83%	BHS
Medium Voltage	100%	100%	TES
Airfiled Lighting	100%	100%	TES
Passenger Boarding Bridges	99.98%	99.99%	TES
Average of UFIS/FIDS, CUTE, Voice & Data Networks	100%	100%	IT&T

Customer Safety (M)

Seldom is the importance of aviation safety knowingly recognised by the average air traveller, with safety aspects being usually considered only when accidents occur. However, pertinent regulations and practices ensure the safety of countless passengers on literally thousands of passenger and cargo flights every day. To this end, AIA engages all operational stakeholders in the implementation of every preventive measure that minimises the risk of an aviation accident.

• Another year was successfully concluded by implementing the annual Safety Action Plan.
• An aviation safety workshop for Airport Company employees and experts was organised in April, titled "Aviation Safety in Aerodrome Operations & Human Factors".
• The "Aviation Safety Day 2019" was organised on the 6th of December, with the broad participation of AIA and the Airport Community, celebrating in parallel the International Civil Aviation Day.
• In March 2019, AIA's security system was assessed in its entirety by HCAA's specialiaed security auditors. The audits and tests confirmed that the Airport Company maintains the highest security level and fully adheres to the regulations and best practices in providing security services to the travelling public.
• Finally, as regards Crisis Planning & Emergency Management, 13 emergency exercises in total were organised at the Airport, including the Annual Partial-Scale Emergency Exercise "Terrorist attack at the Airport".

Customer Safety is the top material issue for AIA, as it is validated in the Company's Materiality Analysis. During 2019, nine (9) aviation safety audits were conducted to third parties, in line with the provisions of EASA Aerodrome Rules for aviation safety practices. To ensure the health & safety of the travelling public, all public and technical areas are regularly inspected, to verify that personnel of the Airport facilities comply with all legal provisions and corporate rules and procedures. In 2019, nineteen (19) health and safety audits were conducted to various stakeholders of the Airport community.

AIA maintained its strong commitment for respect of human rights in its operations, by expanding its joint initiative with Aegean Airlines and Hellenic Police for raising awareness and offering field training on Human Trafficking. The workshop, attended by more than 150 airport community staff, received high praise by the relevant Subcommittee of the Hellenic Parliament in December 2019.

In year 2019, there were no cases of AIA non-compliance with regulatory and/or voluntary codes, as regards Aviation Safety.

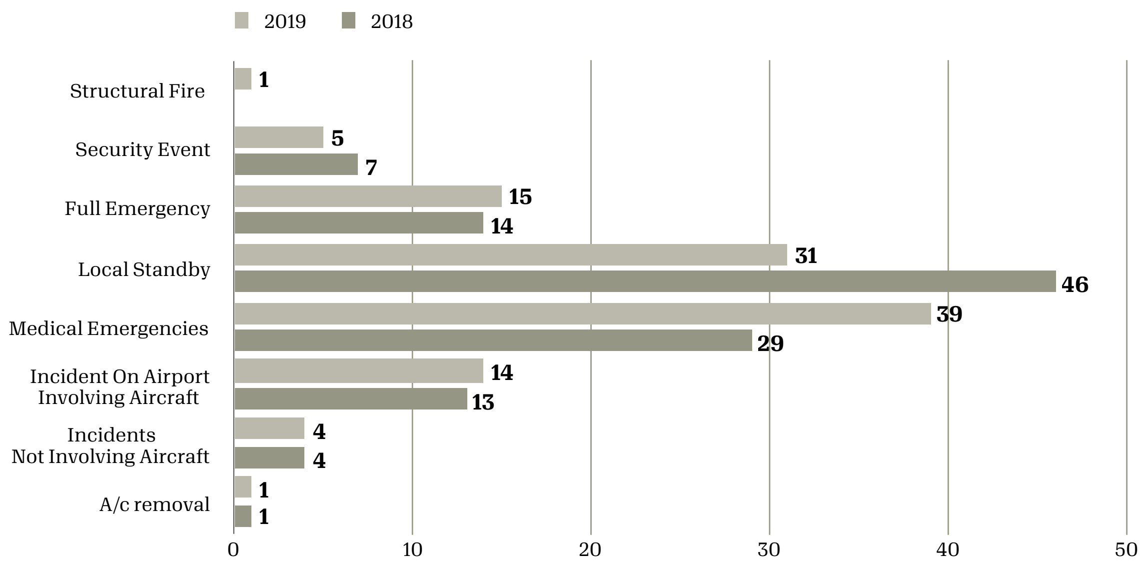
Aviation Safety (Key Performance Indicator)

	2019	2018
Irregularities handled/100, 000 aircraft/ helicopter movements	22.60	34.08

Note:
1. 2019 total number of aircraft movements: 225,628
2. This performance fulfils the related corporate target for 2019, at the "above target“ level.

Emergency Response System (Breakdown of Incidents) 2019-2018

AIA's emergency response system addressed 110 Incidents



Performance Statistics / Emergency Events 2019

2019 Mobilisation of Airport Hellenic Fire Corps		
	2019	2018
A/c emergencies	54	
Fire Alarms	265	7
Traffic accidents	3	14
Fuel/Gas Leaks	16	46
Other (i.e. fire on cars, animal rescue)	13	29
Fire protection for a/c refuelling with pax on board	493	13

2019 Mobilisation of Airport Services Emergency Medical Care (ASEMC) per 100,000 Movements

	2019	2018
Arrived alone	1,605	1,671
Arrived with ambulance	801	788
Transportation in hospitals	112	123
Treated in house	2,294	2,426
Passengers	956	954
Personnel / visitors / guests	1,450	1,596

Quality of Services

With a strong commitment to creating a positive passenger experience by providing high-quality services, personnel of the Terminal Services Department is available around the clockto assist passengers, visitors and Airport users, through AIA's call-centre, e-mail service (airport_info@aia.gr) or in person. Support is provided both at the Information Counters located in central points of the Departures and Arrivals Concourses and freely throughout the premises by mobile customer care agents.The Airport Information Services Supervisors also support the Press Office by offering timely and accurate information on issues regarding Terminal operation, to be used at our social media accounts.

Measuring Passenger Satisfaction

AIA continuously monitors passenger satisfaction through a number of channels ranging from structured surveys to immediate feedback communication. The results are forwarded to the involved departments through the monthly notification process, compiled and annually presented to the Management, who leads the continuous improvement process. AIA also carries out a daily monitor survey called Passenger Survey to appreciate passenger perception.

Satisfaction rating from passengers was maintained at high levels (4.22 on a 5-point scale), an outstanding performance especially considering the growth of passenger traffic.

Service performance was also recognised in 2019 by ASQ, as AIA is the leader among European Airports with traffic between 15-25 million passengers, with a score of 4.05.

Assistance services provided to Persons with Disability and Reduced Mobility (PRM) surged to almost 200 thousand compared to 2018, posting an 11% increase. Despite the traffic increase however, both PRM travellers and Airlines appreciated the level of the services offered, granting increased survey scores (4.8 and 4.1 out of 5, respectively).

A similar analysis is carried out on passenger comments registered on the corporate brochure "Your Opinion Counts", available both on the Terminal premises and through the corporate website, also incorporating the comments received through social media (Facebook and Twitter). The Company handled more than 6,000 comments originating from nearly 2,400 passengers and responded in an average time of 8.4 days at a custom response rate of 93%.

The i-mind programme

Passenger satisfaction is at the focus of every AIA employee, as nearly 1,300 "virtual passenger" walkthroughs were conducted in 2019 as part of the innovative "i-mind" programme, corresponding to over 97,000 inspections.

Passenger Service Parameters

	2019	2018
Call-Centre Service Level (% calls answered in under 60 sec)	97.87%	98.20%
Call-Centre Efficiency (% calls answered / total calls received)	98.88%	99.00%
Avg Waiting Time for Check-in (min)	8.4	7.1
Avg Waiting Time for Security Screening (min)	1.8	1.4
Avg Response Time to Passenger Comments (days)	8.4	8.3
Customisation rate of responses (custom total responses)	93%	86.74%
Baggage Handling - Shortshipped Bags (per mio bags handled)	5	3
Baggage Handling - Average time for First Bag reclaim (min:sec)	16:51	16:07

Material Issues discussed in this chapter

1 - Balanced Business Model

2 - Economic Development & Employability

3

Financial Performance

Balanced Business Model (M)

AIA has allocated appropriate people, tools, methodologies, processes and resources for managing its financial performance. Over and above all legal requirements for financial recording and monitoring, AIA has in place controls of various levels through systems (such as the Corporate Business Information System), central and decentralised financial monitoring (through Accounting, Procurement, Corporate Finance, Treasury, Business and Corporate Controllers, Internal Audit), effective procedural controls and business performance tools (e.g. Value Based Management). The corporate financial performance cycle includes financial planning (business plan, budgeting) and financial reporting (monthly, quarterly and annual results) that ensure proper monitoring and adjustment (e.g. through the latest quarterly estimates) of the Company's economic performance. Given the importance of financial performance from a legal, compliance and business perspective, the Company continuously enhances the related mechanisms.

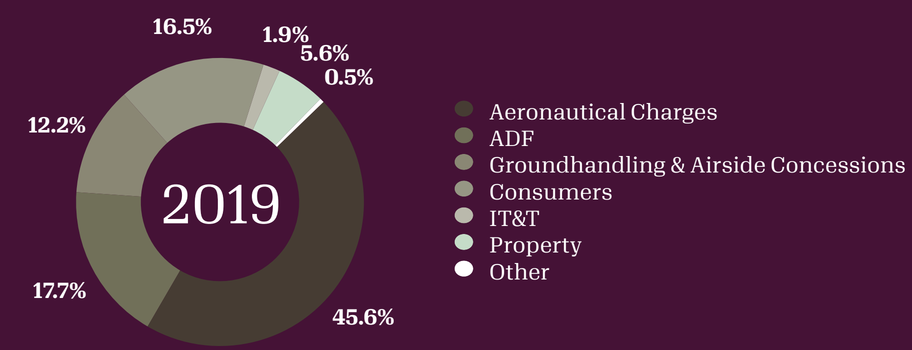
Operating Revenues & ADF

Operating revenues (inclusive of AIA's share from the Airport Development Fund) of the Airport Company reached €518.5 million, higher by 4.6% (or €22.9 million) compared to the previous financial year, mainly attributed to the improved performance of traffic-dependent revenue segments.

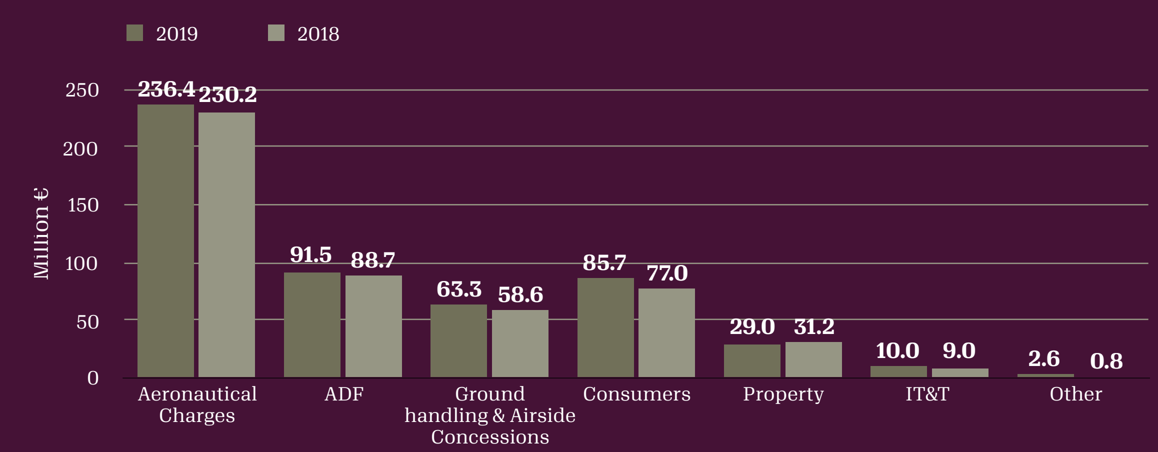
Aeronautical revenues (inclusive of AIA's share from the Airport Development Fund) amounted to €328.0 million or 63.3% of the total income. Revenues from airport charges increased by 2.7% compared to prior year, affected by traffic development and tariffs' changes. The Airport Company, following the effectiveness of the ADA Concession Extension Agreement, reduced the Aircraft Landing and Parking tariffs by 25%, effective as of 1st June 2019. The Airport Company's participation in the Airport Development Fund (ADF) reached €91.5 million, higher by €2.8 million or 3.1% compared to the prior fiscal year.

Non-aeronautical revenues amounted to €190.5 million or 36.7% of the total income and presented a year-on-year growth of €14.0 million, i.e. 7.9%, driven by the satisfactory performance of traffic-related segments. In specific, revenues from Ground handling and Airside Concessions reached €63.3 million (+8.0% vs prior year), and revenues from Commercial activities stood at € 85.7 million (+11.3% vs prior year), the latter being also helped by organic growth of the terminal shopping centre and the positive conclusion of a series of commercial tenders for AIA's currency exchange and car rentals concessions. The remaining non-aeronautical domains that are not affected by traffic were overall close to prior year's levels (+1.4%), i.e. the Property domain recorded revenues of €29.0 million, IT&T revenues reached €10.0 million, while other revenues reached €2.6 million.

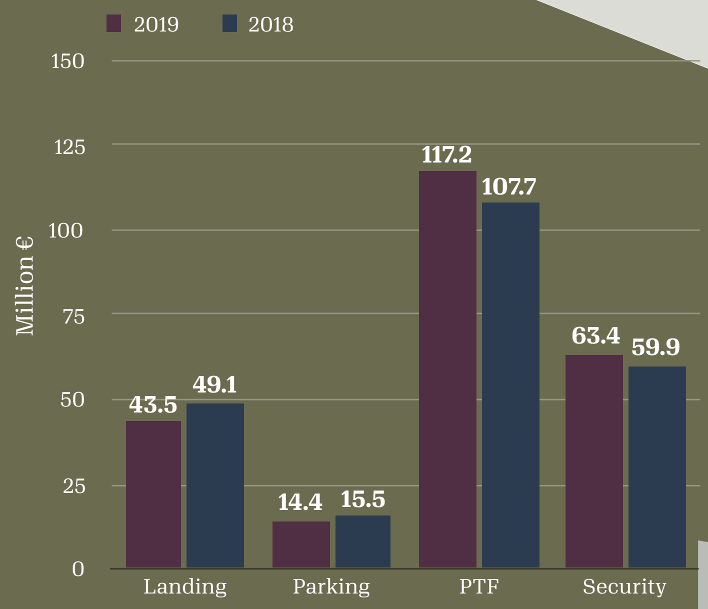
2019 Revenues structure



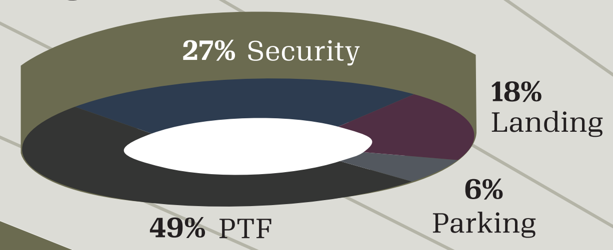
Operating Revenues Breakdown 2019 vs. 2018



Aeronautical Charges 2019 vs 2018

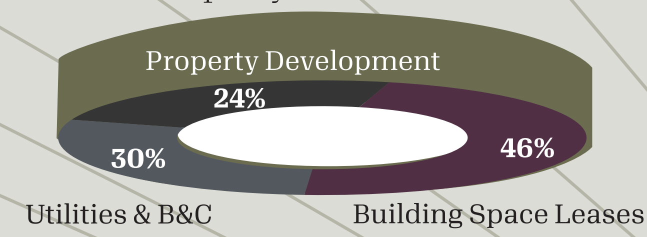


Revenues from Aeronautical Charges 2019

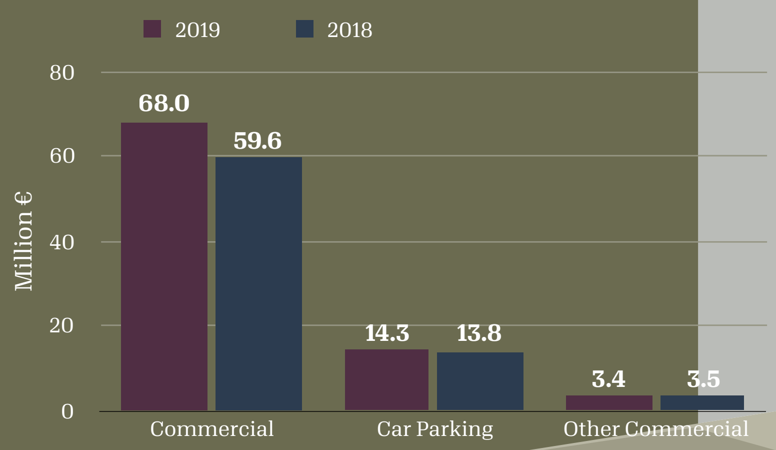


Consumers Revenues 2019

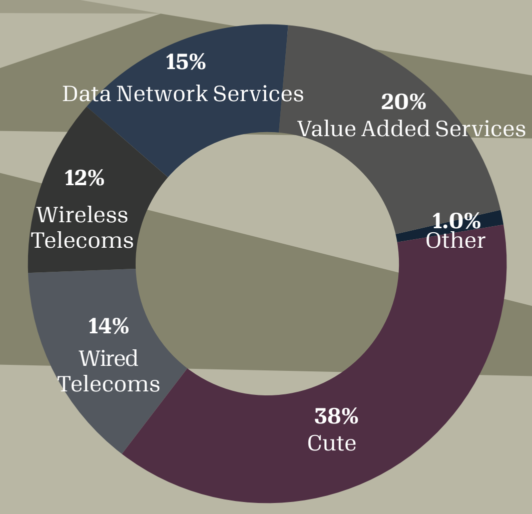
Property Revenues



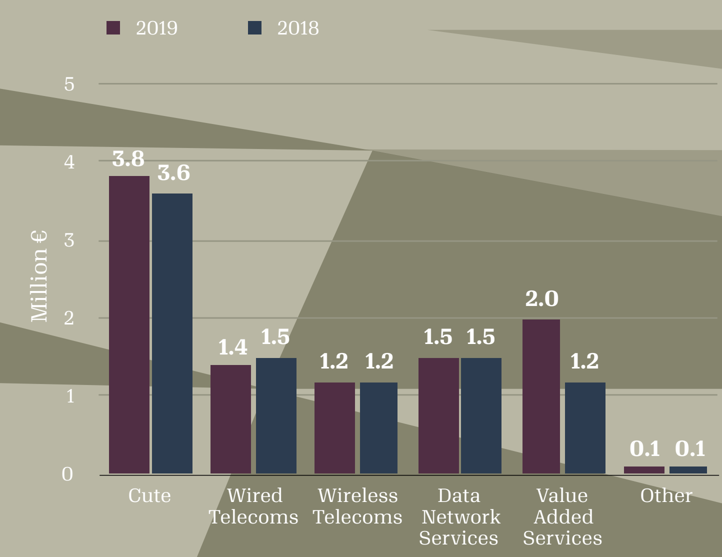
Consumers Revenues 2019 vs 2018



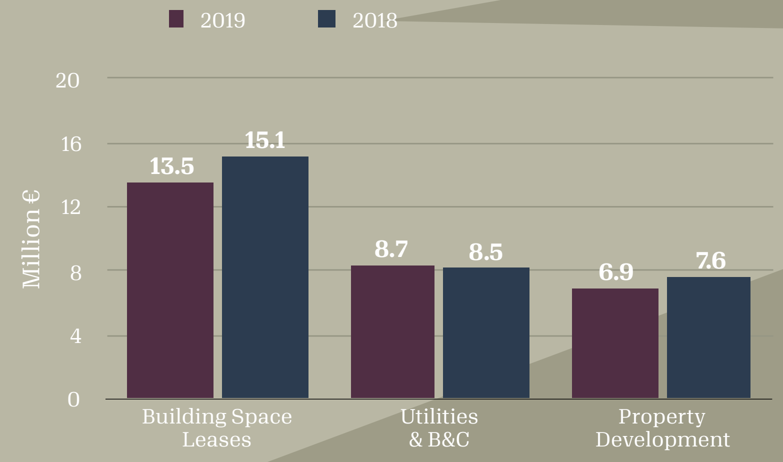
IT&T Revenues 2019



IT&T Revenues 2019 vs 2018



Property Revenues 2019 vs 2018



Operating Expenses

In 2019, operating expenses amounted to €170.1 million, increased by €16.9 million or 11.0%, mainly due to (i) additional cost requirements following continuing traffic growth and intensive use of the facilities, (ii) increased variable fee element of the Grant of Rights Fee which was calculated on 2018 profitability, (iii) higher provision for restoration expenses that accounted for the extended concession period and (iv) higher utility expenses as a result of the significant increase of the electricity price.

2019 Operating expenses structure

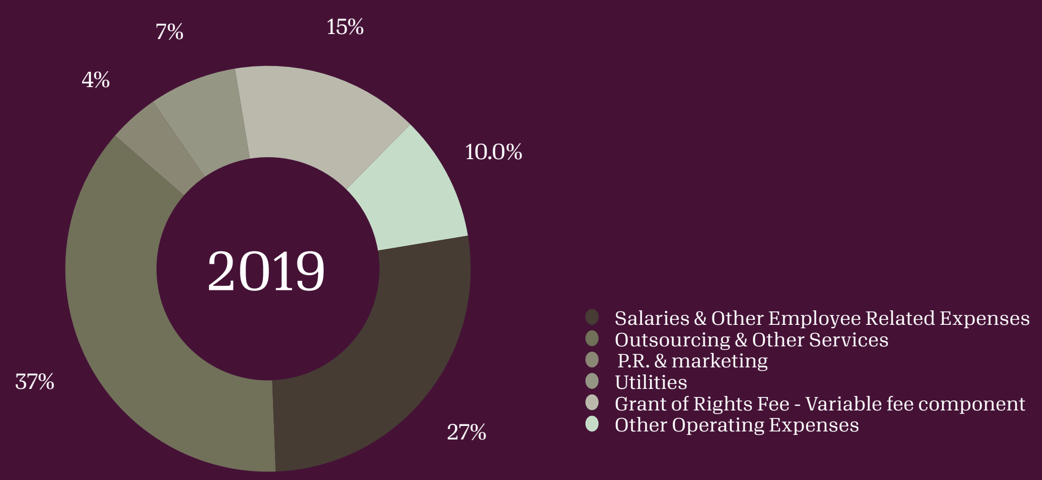
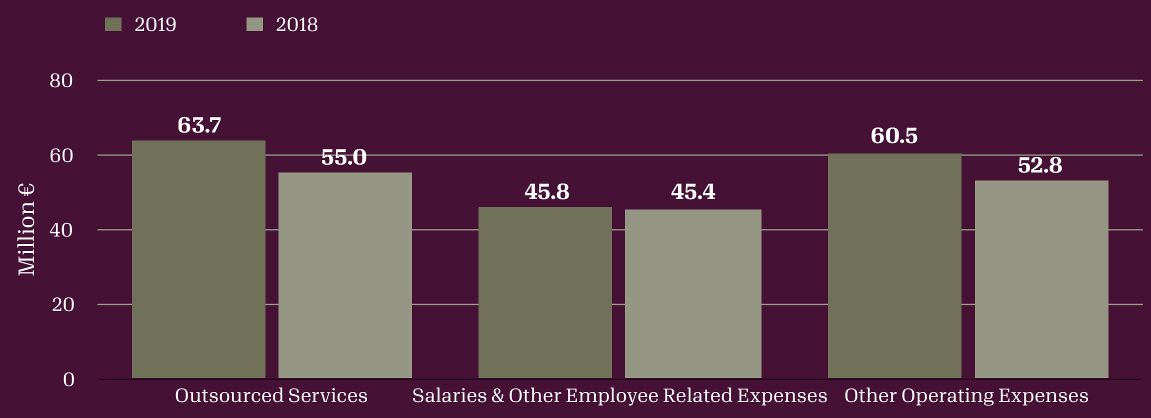


Chart: 2019 vs 2018 Operating expenses



Profitability

As a result of the increase in the operating revenues and operating expenses, the overall earnings before interest, tax, depreciation & amortisation (EBITDA including ADF) in 2019 rose by €6.1 million or 1.8% compared to the previous year and reached €348.4 million.

Depreciation charge was €79.9 million in 2019, higher by €2.4 million compared to the corresponding amount in 2018 of €77.5 million, mainly due to additional investments in fixed assets within the year, while the benefit in the amortisation of the original intangible asset that is now amortised during the extended period, i.e. until June 2046, is more or less offset by the additional depreciation of the upfront fee for the Concession Extension which was recognised in the intangible asset.

Net financial expenses stood at €43.6 million rising by €18.4 million or 73.1% versus 2018, due to the new borrowings that the Company concluded in 2019 mainly for the partial financing of the concession extension Consideration.

Profit Before Tax reached €224.9 million. After accounting for the aggregate charge for income tax of €50.5 million, the statutory and other reserves of €10.8 million and the prior year's retained earnings of €315.9 million, there remains a distributable profit of €479.5 million. The Board of Directors reserves the distribution of dividends in light of the adverse developments in the international and domestic economy regarding the spread of the Covid-19 epidemic.

Highlight of the 2019-2018 Profit and Loss Statement

Financial Results	2019 (€million)	2018 (€million)
Operating Revenues & ADF	518.5	495.5
Operating Expenses	(170.1)	(153.2)
EBITDA including ADF	**348.4**	**342.3**
Amortization & Depreciation	(79.9)	(77.5)
Financial Expenses	(43.6)	(25.2)
Profit (Loss) before Tax	**224.9**	**239.7**
Total Corporate Taxation	(50.5)	(68.6)
Profit after Tax	**174.4**	**171.0**

2019 vs 2018 KPIs

Performance Indicators	2019	2018	Change	In
Revenues & ADF / Pax (€)1	20.3	20.5	-1.3	%
Revenues & ADF / FTE ('000€)2	670.0	669.3	0.1	%
Revenues & ADF / Net Asset Value (%)3	27.7%	85.5%	-57.8	pp
Operating Cost / Pax (€)	6.7	6.3	4.8	%
PBT Margin (%)4	43.4%	48.4%	-5.0	pp
ROCE (%)5	26.9%	57.1%	-30.2	pp
AVA (million €)6	79.0	150.7	-47.6	%

1 Net Turnover plus ADF / Passengers
2 Net Turnover plus ADF / Full Time Equivalents
3 Net Turnover plus ADF / Net Asset Value (including Works In Progress)
4 Profit Before Tax / Net Turnover plus ADF
5 Operating Profit Before Interest & Tax / Capital Employed
6 AVA: Added Value on Assets = Net Operating Profit after Tax – (Cost of Capital x Net Asset Value)

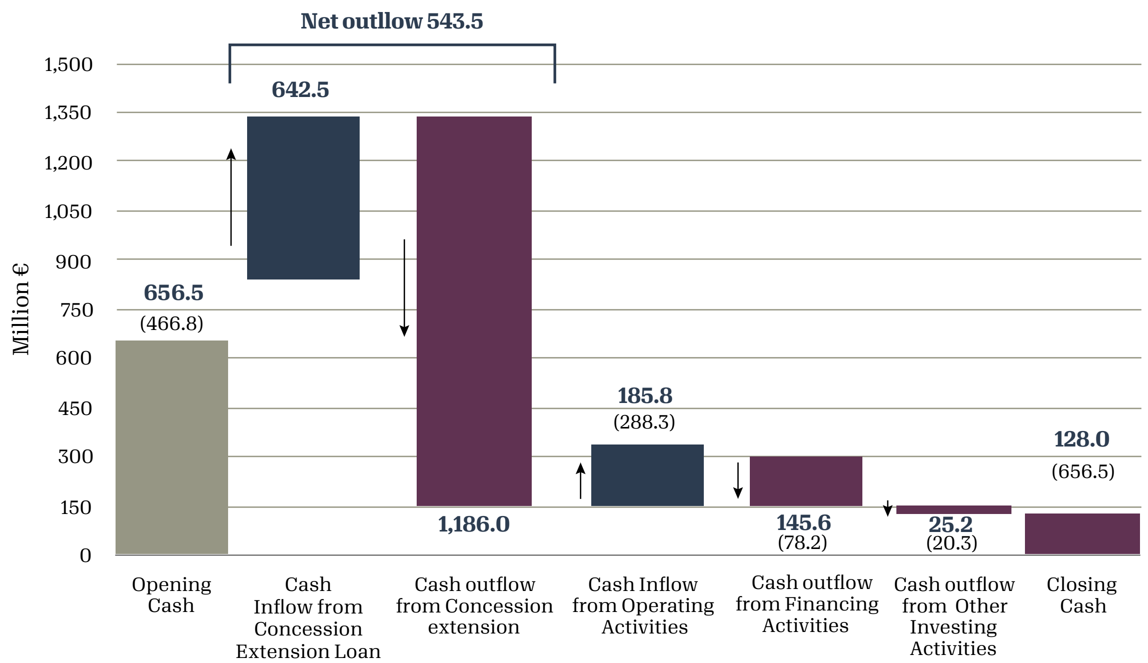
Cash Flow

In 2019 AIA managed to sustain a healthy cash position, even following payment of the concession extension consideration. Total net cash outflow within the year was € 528.5 million, the major part of which represents payment of the concession extension consideration (€1,186 m), partly offset by the relevant loan raised (€ 642 m). Cash inflow from operating activities reached € 185.8 million compared to € 288.3 million in 2018, mainly due to higher income tax payment and unfavourable variances in working capital.

Net cash outflow from investing activities stood at €25.2 million, versus €20.3 million the previous year. Net cash outflow from financing activities was at € 145.6 million, compared to € 78.2 million in 2018, following dividend distribution of € 65 million this year. The closing cash position for 2019 is €128.0 million.

Further details of the Company's financial performance and position are available in Annexes I & II of this Report.

Cash Position Development 2019-2018

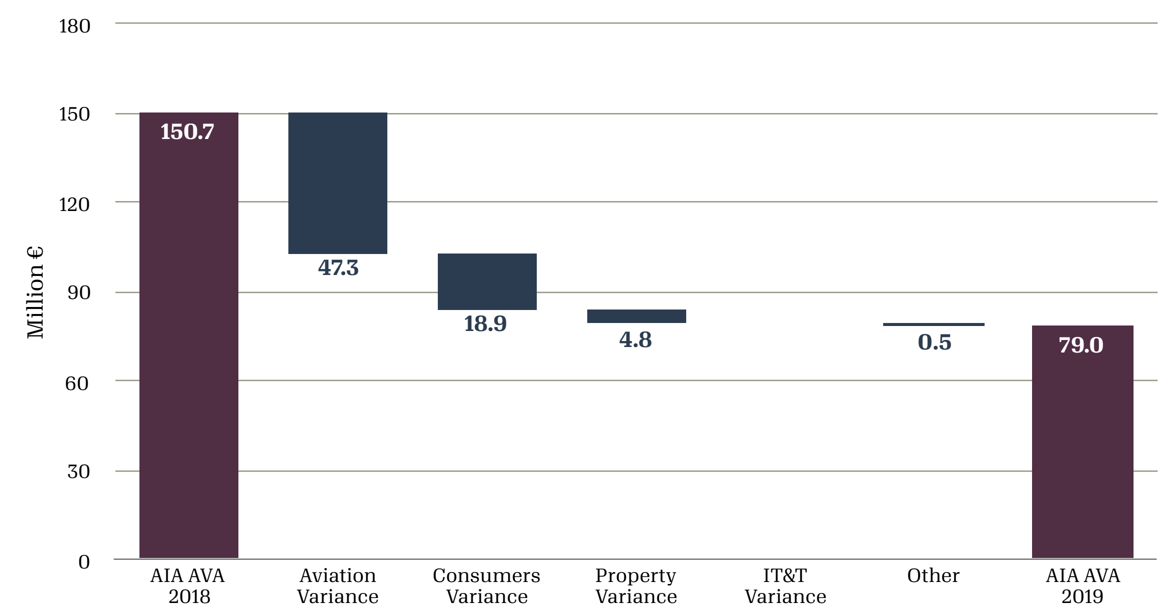


Figures in brackets refer to 2018

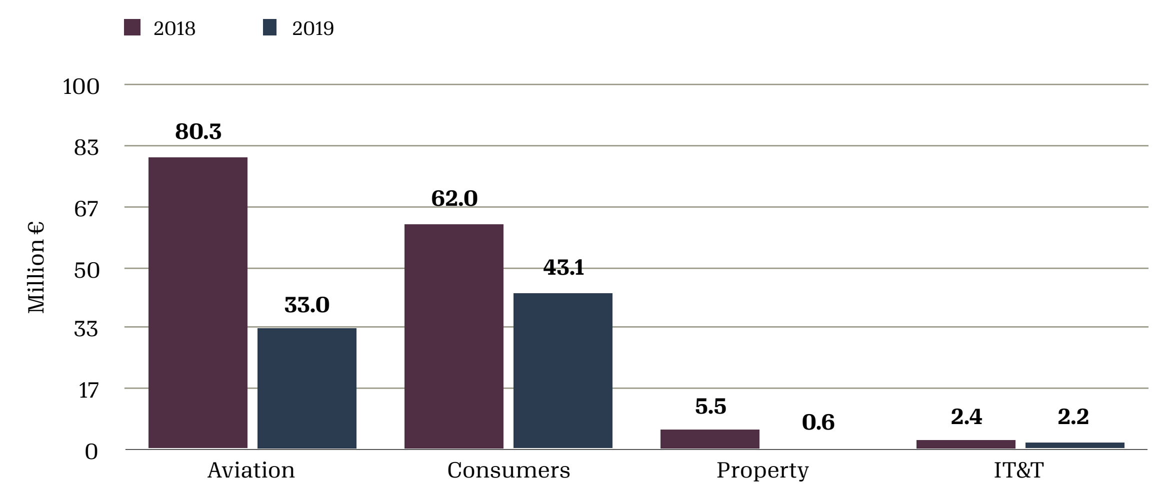
Added Value on Assets (AVA)

The Airport Company uses a method of measuring, namely AVA (Added Value on Assets), to calculate the value created from operating revenues and expenses, also factoring in assets and cost of capital, since airports are largely capital-intensive business entities. Even though the Concession Extension consideration has significantly affected the Company's asset base, significant added value is still created, while the new extended horizon allows for significant value to be created in the future. In 2019 the Airport Company has generated AVA of €79.0 million vs €150.7 million in 2018.

AVA per Business Unit 2019 vs 2018



AVA per Business Unit



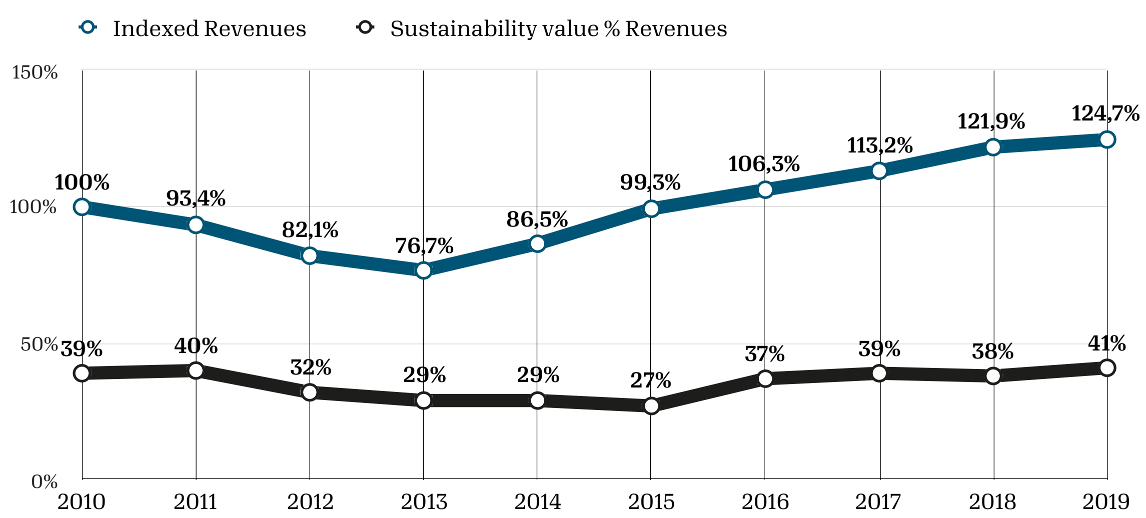
Sustainability value

Consistent to our commitment of balancing sound financial performance with a sustainable approach to business, in 2019 our Corporate Responsibility activities' valuation stood at 2.65% of the total operating expense, and the total valuation of our Sustainability Value yield reached €208.8 million (an increase of 11.7% vs 2018).

Financial Results	2019	2018
Sustainability Value	**208.8**	**187.0**
Stated in €million. Social Product is the total valuation of amounts paid for AIA payroll, contracted services payroll, social security contribution, income/municipality/other tax, corporate responsibility opex, environmental and safety-related capex. Includes provisions		
Corporate Responsibility % OpEx	**2.65%**	**2.56%**

These two indices' exemplary stability throughout the years despite changing financial conditions is an indication of the Airport Company's constancy of purpose.

Sustainability Value (Social Product)



Corporate Responsibility OpEx vs Total OpEx

Economic Development & Employability (Indirect Economic Impact)

The Airport Company regularly assesses the overall economic and social value it generates. In 2018, AIA assigned an Economic Impact Study of its performance to the Foundation for Economic and Industrial Research (IOBE). The study's aim was to identify and measure the impact of AIA's operation to the Greek economy and the Mesogheia region, as well as its contribution to the economic activity and employment; also, to appreciate the importance of AIA for the Greek tourism industry. The methodology used measured the total economic impact of AIA as the sum of three separate but interrelated categories: direct, indirect and induced impact, as well as the broader effects of travel expenditure, etc.

The results of the study clearly demonstrate that AIA is a significant contributor to the socioe-conomic output of the country in terms of economic value creation (annual added value at the national level: €7.9 billion or 4.4% of the Greek GDP) and in terms of job creation (operation of the Airport yields 181,000 jobs at a national level). Moreover, the study revealed that 3,700 people residing in the area of Mesogheia are employed at the Airport and (also considering the indirect and induced effects) the impact on employment in the Mesogheia area is estimated at about 11,600 jobs. This socio-economic impact, having taken into account the indirect and induced effects, significantly exceeds the results of the previous study performed in 2013, and rates high against the relevant benchmarks of other major European airports.

Material Issues discussed in this chapter

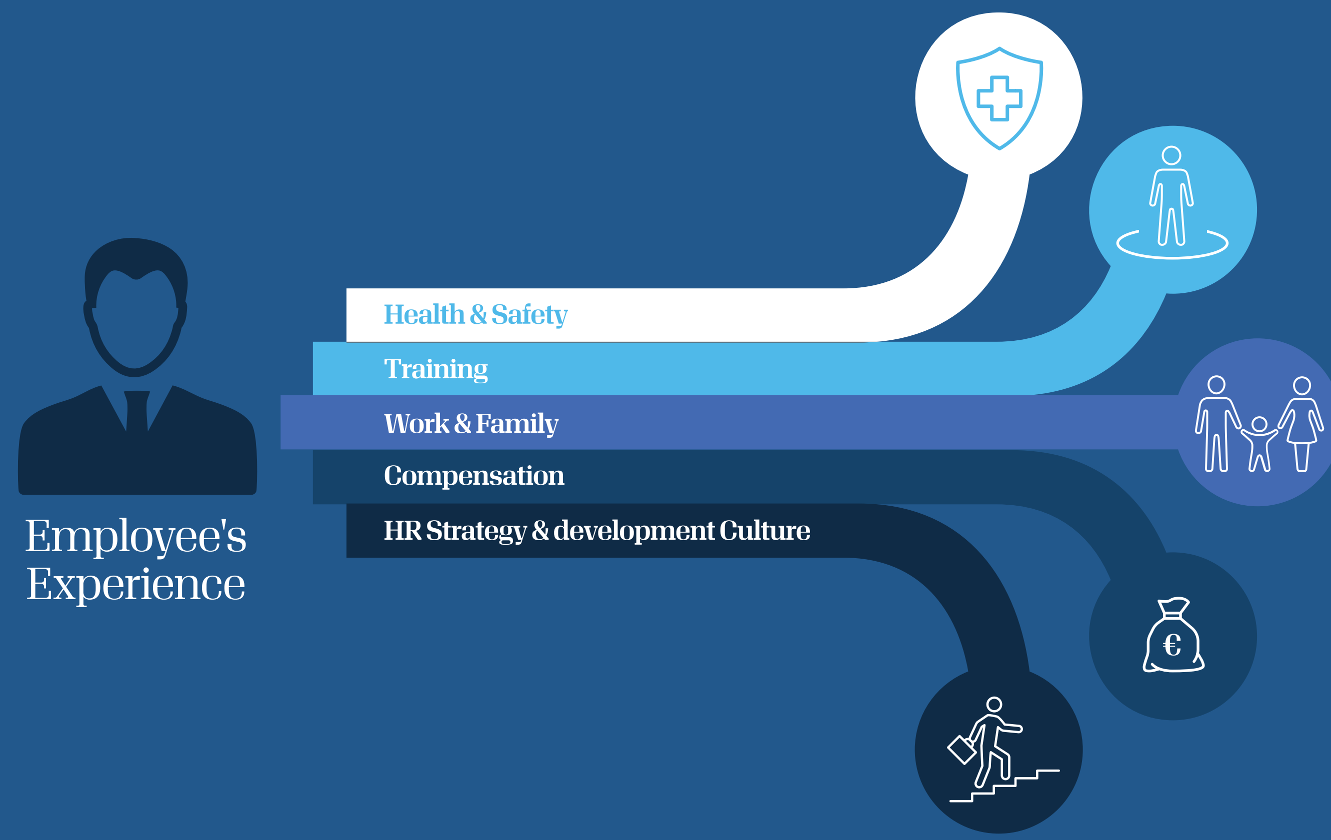
1 - Employee Experience

4

Human and Intellectual Capital

Employee Experience (M)
The business achievements of Athens International Airport are greatly attributed to the commitment and efforts of our people, as over the years they help devise and implement the Company's strategy and aim to deliver excellent services to both airlines and passengers. AIA provides its employees with a supportive work environment for both their professional and personal life. As a responsible employer, the Airport Company seeks to maintain employee satisfaction, gives incentives to raise productivity and offers tangible and intangible benefits to employees and their dependents. This holistic approach was also followed in 2019, empowering employees on a professional, personal and family level within a sustainable context.

AIA regards the employee experience as a fundamental pillar for its success, which is reflected in the quality of services offered to the Company's clients and stakeholders.



Human Resources

AIA's corporate culture is driven by our Vision, Mission and Values, described in our Company policies and processes, and expressed daily by our employees. All our employees are aware of and work following our Code of Business Conduct, ensuring compliance and the highest ethical standards. They get annually trained on the Code of Business Conduct and the code of Relations with Business Partners. Human Resources management is continuously focused on improving the value proposition and enabling the organisation to achieve business and employee development. The annual work progress is measured and reported via HR Metrics, helping evaluate AIA's performance and determine future actions in supporting the business in terms of recruitment, development, productivity, compensation, benefits, training, and others.

Employment by Type of Contract			
	Men	Women	Total
Open-end contracts	425	228	653
Contract based	72	43	115
TOTAL	**497**	**271**	**768**

Age Average	2019
	46.11

Employment by Gender		
	2019	2018
Number of employees	768	742
Men	64.7%	65%
Women	35.3%	35%

Female Managers		
Diversity in Management as % of total Management	2019	2018
	16.7%	16.7%

Educational Status	PHD	Master's	University	TEI	Occupational Schools	Lyceum	Basic	Total
Women	1	58	81	27	53	49		269
Men	5	83	101	72	135	94	9	499
Total	**6**	**141**	**182**	**99**	**188**	**143**	**9**	**768**

In 2019, 31% of AIA personnel reside in the local communities, reflecting the Airport Company's close relationship with the Mesogheia community.

Occupational Health & Safety

AIA recognises the importance of employees' overall wellness, thus particular care is taken to provide a contemporary, healthy and safe working environment by keeping risks to a minimum. AIA aims to comply with all applicable national and international regulations and adopt related standards.

Within the framework of our accident prevention programme, employees are encouraged to report all incidents regardless of their severity (including first-aid incidents, near misses and property damages). At the same time, AIA has developed procedures and e-tools to facilitate and improve process efficiency and effectiveness.

Especially, first-aid and near-misses records are considered important for assessing the effectiveness of existing controls to identify whether new trends are developing and to implement new procedures to avoid future serious incidents.

Occupational Accidents			
	2019	2018	var %
Total Accidents (excluding to/from work accidents)	13	16	-19
Accident Frequency Rate	0.26	0.54	-52

Frequency Rate: Number of lost workday cases x 200,000 / total workhours

Breakdown of Accidents			
	2019	2018	var %
Lost workday cases	2	4	-50
First Aid Cases	11	12	-8
Accidents to / from work	6	3	100
Fatal accidents	0	0	-

AIA Training Center

Aviation is an industry where training is critical for addressing compliance requirements in a highly regulated industry. Training activities are designed to support business strategy, maintain employee competence in the market conditions and regulatory requirements, enhance safety, and increase productivity.

• Employee Training

The 2019 Training & Development Plan had a yield of 30,434 training hours, equivalent to 39.3 training hours per full-time employee (FTE). The learning coverage in our organisation is at 99.2%, representing the percentage of employees who attended at least one training session during the year.

Most of the total training hours represent compliance and job-related training (representing together 72% of the total training hours) reflecting the high degree of specialisation required in our industry.

Safety training is at the core of our compliance training with the EASA Certification Training programme taking place annually to maintain a high competence level for the employees in positions operating at the Airside. The annual recurrent training programme was delivered in 2019 with 16 training courses and a total of 1.874 training hours.

Digital learning has been rising and the delivery of training through an e-learning format to our employees reached 6,874 training hours or 22% of our total training hours in 2019. Many training courses were developed into an e-learning format during 2019.

• Airport Community Training

The training delivered by AIA to the Airport Community according to various regulatory frameworks, has reached 19,986.5 total training hours in 2019. In addition, 's learning management system "i-learn", which offers efficient scheduling and recording of the training, was fully applied to the Airport Community for compliance training in 2019.

• ACI Global Training and Employee Exchange programmes

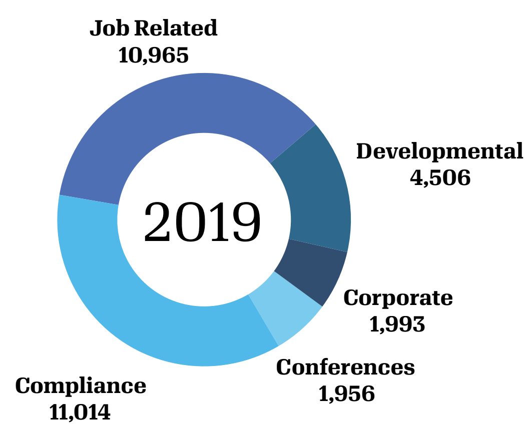
As an Accredited Training Centre of the Airport Council International (ACI), AIA hosted three global training programmes at its Training Centre with the participation of 53 airport worldwide professionals.

As a member of the ACI Europe partner network that supports the development of airport professionals, in 2019 AIA welcomed and hosted for two weeks nine young professionals from Munich International Airport. The programme participants were assigned to various AIA departments, according to their field of expertise, namely HRE, Property Development, Retail Services, Operational Compliance and Development, Security Operations, IT&T.

Training Dashboard 2019

Year	Training Hours	Learning Coverage	Hours/FTE
2019	30,434	99,22%	39.3
2018	28,665	99.19%	38.7

Training Hours per Category



Training Dashboard 2019

Course	Training hours 2019
Security Awareness Training	8.984
Airside Training	10.273
Ground Handling Training	514,5
Baggage Reconciliation Training	72
Environmental Awareness Training	79
Airport Collaborative Decision Making	64

Employee Development

Employee development is key for deploying competitive business strategies and achieving ambitious goals at an individual and a company level. Through corporate programmes and processes we drive performance and development in our organisation.

• Performance Management

Our performance management annual process was deployed according to our Corporate Policy in 2019. Managers and employees actively participate in the process annually.

The target setting step started in the first trimester of 2019 by establishing performance criteria and expectations from the employees for the year. The process completed with the year-end discussion for the performance evaluation per the deliverables and targets achieved, also providing the input for learning and career development of each employee.

• Innovation programme

Our Innovation corporate program continued with the deployment of the Innovation Ambassadors team. In the team participate employees from various departments and levels and it has executive sponsorship for the implementation of initiatives that embrace all AIA employees. Two special events have been organized in 2019 with the purpose to share innovative stories from inspiring external speakers. All employees were invited to these events and participation was high.

In addition, the Innovation Ambassadors team is involved in other corporate projects where they can offer a new perspective based on the following principles: observe, engage, ideate, propose and participate.

Employee Benefits

• Healthcare benefits

• **Group Insurance Programme:** provides in- and out-of-hospital medical coverage for employees and their dependent members (2,016 persons in total), as well as life and disability insurance for all employees.

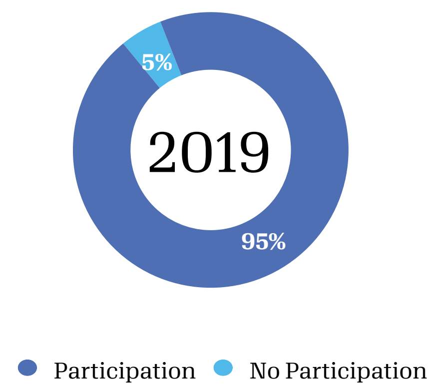
• **Check-ups:** free medical check-ups at reputed diagnostic centres for all employees aged 40 and above, that cover both standard medical tests and specialised ones, for both men (e.g. PSAs) and women (e.g. mammograms). Approximately 10% of the eligible employees had a checkup in 2019.

• **Health offers:** medical services are offered at special prices to AIA employees as a result of the extended network that AIA has formed with hospitals and diagnostic centres.

• **Occupational Doctor:** besides protecting its people from occupational hazards, AIA promotes health-defending conduct by disseminating information through the Intranet and holding information sessions with employee groups. Under the law, AIA employs an occupational doctor who maintains employees' medical records and checks that they are fit for the job. This periodical process is of course bound by confidentiality. The infirmary staffed with an occupational doctor, a health visitor and a medical doctor from the Social Security Institution (IKA) (the presence of whom facilitates fast and easy access of employees), operates daily. In 2019, AIA employees visited the occupational doctor to have their medical files updated and receive an anti-flu vaccination if needed.

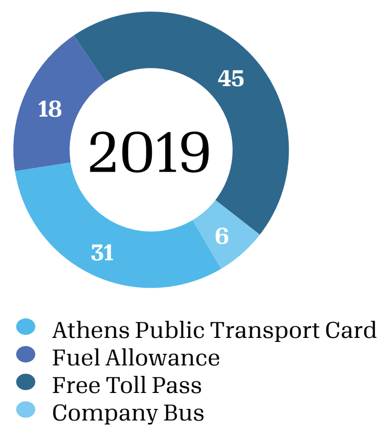
• **Pension Plan programme:** The pension programme that AIA established in 2003 to reduce the gap between the state pension and the salary before retirement stipulates that the company contributes at a minimum 2.5% of the employee's base salary without requiring the latter's contribution, while in case the employee also wishes to contribute, AIA matches up to a certain percentage of his/her salary (applicable to certain staff groups). Percentage 95% of all open-ended employees that were offered the pension programme has selected to participate with a voluntary contribution.

Pension



• **Transportation to work:**
to facilitate its employees but also help protect the environment by reducing carbon emissions, AIA offers its employees four options of commuting to the Airport, namely the company bus, a toll allowance, a free pass at the Athens means of public transport and a fuel allowance for those carpooling. Percentage 45% of the eligible employees has opted for the free toll pass, 31% preferred the Athens Public Transport card, 18% a fuel allowance and the remaining 6% take the company bus.

Transportation



• **Flexible working hours:**
AIA offers the possibility to non-shift employees who work Monday through Friday to set flexible schedules after consulting with their managers, starting anytime between 08:00 and 09:30 and finishing 8:15 hours later.

• **Loans:**
employees facing financial challenges may apply for a company loan which AIA provides free of interest. In 2019, 109 loans were granted.

• **Meals allowance:**
since October 2016, AIA has launched a food allowance in the form of a ticket restaurant card which may be used in all food points. The card is valid for 11 months every year.

• **Festivities:**
AIA caters for employees working on shift during the festive periods of Christmas, New Year and Easter and offers lunch and/or dinner buffets.

• **Sport Activities:**
employees are encouraged to exercise and participate in sporting activities. In 2019, AIA continued the running coaching programme, and was happy to witness many employees successfully participating in all races of the Athens Authentic Marathon and Half Marathon. Group fitness programmes at the Airport premises also continued in 2019, enriched with various types of exercising, while AIA's football and basketball teams participated in corporate tournaments with the Company's support.

Employee Welfare

During 2019, AIA carried out a variety of initiatives throughout the year in favour of the mental and physical health of its employees and their families, aiming to further support work and life balance and enhance employee engagement. Their participation to at least one activity reached 51%.

• **Nursery Allowance:** in 2019 the Company arranged for a lump sum to 96 employees that met specific income criteria to partially subsidise pre-school child care.

• **Marriage & Birth Allowance:** AIA grants an allowance of 500 euro to employees upon marriage or childbirth to contribute to the new life beginnings. In 2019, 28 allowances were given.

• **Christmas Children Party:** a Christmas party for all employees' children under 14 years of age is held every year. In 2019, it was hosted at the Athens Intercontinental Hotel and included animation, crafts and theatre game, a festive lunch buffet and gifts for all children.

• **Christmas Vouchers:** another token of its responsibility as an employer is AIA's contribution to the family's festive dinner with supermarket vouchers of 200 euro offered to each employee. In 2019, vouchers offered amounted to approximately 136,000 euro.

• **Family Days:** actively supporting work-life balance, AIA organised outdoor activities and guided tours to cultural sites for employees and their family members during weekends.

• **Employee Assistance Programme (EAP)** AIA offers an EAP for employees and their families, providing consulting on any professional, personal or family issue via telephone support 24/7.

• **Reward of Distinguished Students:** each year AIA rewards its employees' children who excelled at school with a 300-euro prize for high school (gymnasion) students and 400 euro for lyceum students. In 2019, 86 students received awards at a ceremony organised by HRE.

• **Aviation and Flight Academy:** AIA is determined to offer opportunities to young people, especially those who are willing to acquire theoretical or practical knowledge of the aviation industry. For the fourth consecutive year, in cooperation with the Hellenic American University (HAU), the Airport Company organised the 4th Aviation and Flight Academy. With the intention to give young people the chance to attend a short summer course which includes theoretical knowledge and practical implementation as well as experiencing a virtual flight through a sophisticated simulator, the programme was open to employees' children aged 14 to 17. From 24th June to 12th July 2019, the 20 participants were taught the principles of aviation by experienced executives and scholars of the aviation industry and were awarded certifications of attendance. This pioneering initiative aspires to become an annual educational activity in the industry.

• **Postgraduate studies:** as a result of AIA's long-established collaboration with prestigious academic institutions in Greece, its employees and their family members are presented with the opportunity to attend a series of academic programmes with considerably discounted fees.

• **Wellbeing sessions:** experts are invited to present various interesting topics in their area of expertise, i.e. physical, mental or emotional health.

Corporate Volunteering

AIA undertakes several initiatives of social concern with voluntary involvement of its employees.

• **Fundraising activities:** For the fourth consecutive year with the support of AIR MEDITERRANEAN, AIA hosted the Plane Pull, a truly remarkable event of the Airport community, in favour of "The Smile of the Child" association.

• **Bazaars:** A Christmas and an Easter bazaar, both organised by "The Smile of the Child" association, were hosted at AIA, and employees purchased their seasonal presents, thus contributing to the NGO's cause. It is worth mentioning that many of the items for sale were created by the employees themselves, who had previously attended an Arts & Crafts workshop.

• **Association 'Together for Children':** 20 children from the Association were invited to AIA's Christmas children party and shared happy moments with our kids.

• **Donations:** almost 100 toys were donated to children up to 14 years old through the association "The smile of the child".

• **Blood Donation:** AIA considers blood donation as an act of humanity, an action of social solidarity, compassion and kindness. In 2019, our employees donated 72 units of blood. The Blood Transfusion Centre of Aglaia Kyriakou Children Hospital houses AIA's blood bank for any child in need of blood, but also for the sake of our employees, their families or close relatives.

• **Volunteers – Contingency Plan Agents:** the culture of voluntarism cultivated in our Company has been often demonstrated in the case of major events, such as the Olympics or the Champions League, and in emergency situations, such as adverse weather conditions, an airplane crash, and others. In 2019 a team of 55 volunteers has been put together with the purpose of contributing in similar situations in the future.

• **Internships:** AIA cooperates with various educational institutes and provides selected students the opportunity to practice within the Company.

Material Issues discussed in this chapter

1 - Climate Change

2 - Noise & Quality of Life of Local Communities

5

Environmental Performance

Environmental Management & Compliance

Environmental protection is a top priority for the Airport Company. AIA aims to responsibly and effectively monitor all environmental aspects and to minimise or prevent, where possible, the Airport's environmental impact through initiatives that exceed regulatory requirements in accordance with the corporate Environmental Policy.

During 2019, no legal action was taken against AIA nor was any fine or monetary sanction related to environmental aspects imposed.

All efforts to effectively address significant environmental challenges take place within the context of the Environmental Management System (EMS), certified in accordance with the international standard ISO 14001 since 2000. In addition, AIA remains the only Greek airport with an Energy Management System (EnMS) certified in accordance with the ISO 50001 standard. By the end of 2019, 74 companies within the Airport community had a Certified Environmental Management System. The 10th Environmental Workshop for third parties was held in December 2019 with the participation of 60 representatives from 40 companies operating at the Airport and focused on the issues of Climate Change. AIA's Airport Third-Party **Environmental Excellence Award for 2019** was presented to Goldair Handling S.A. in recognition of its excellent performance and cooperation with all stakeholders, thus contributing to minimising the impact of its operations on the environment.

Climate Change (Energy & Emissions) (M)

In the age of "Climate Crisis", AIA joined many of its fellow European airports in undersigning ACI Europe's commitment for its members to become Net Zero Carbon for emissions under their direct control by 2050, which was announced in June 2019. In December 2019, AIA announced its ambitious "ROUTE 2025" initiative, through which it intends to reach Net Zero Carbon by 2025, well in advance of the 2050 target. Finally, AIA successfully renewed its certification at Level 3+ (Neutrality) in *Airport Carbon Accreditation* following the offsetting of its residual emissions from 2018.

By heavily investing in energy-efficient technology over the past decade, AIA has managed to reduce its carbon footprint by approximately 40%. The Airport Company's environmental profile is further bolstered by the production of clean electricity by its 8.05 MWp Photovoltaic (PV) Park.

Addressing the potential impacts of climate change on the Airport, AIA completed its first-ever Climate Change Adaptation study. The results of the study were presented to various stakeholders, including representatives of the wider Airport community, the Ministry of Environment and Energy and the Attica Prefecture.

Electricity Consumption

	2019	2018	var%
Total Airport (MWh) (Refers to the entire airport community)	113,336.6	109,796.5	3.2%
AIA only (MWh) (Refers to the Company only)	61,263.8	58,276.6	5.1%
Total Airport consumption per passenger (kWh/pax) (pax 25,573,993)	4.43	4.55	-2.6%

Natural Gas Consumption

	2019	2018	var%
Total Airport (Nm³ x 1000) (Refers to the entire airport community)	2,371.4	1,972.9	20.2%
AIA only (Nm³ x 1000) (Refers to the Company only)	1,188.5	925.8	28.4%
Total Airport consumption per passenger (Nm³/pax)	0.093	0.082	13.1%

PV Plant Operation

	2019	2018	var%
Total Energy Production (MWh)	13,234.5	12,948.4	2.2%
Total PVP CO_2 emissions savings equivalent (tonnes)	8,443.6	7,885.6	6.6%

Airport Carbon Accreditation

AIA participates in *Airport Carbon Accreditation* (ACA), a voluntary initiative launched by the European region of the Airports Council International (ACI Europe), aimed at helping airports map and manage greenhouse gas emissions under their control which eventually evolved into a global programme following the inclusion of all other ACI regions. To date, AIA has reduced its carbon footprint by almost 40% compared to the 2005 baseline. In 2019, AIA maintained its carbon neutral accreditation (ACA Level 3+) by zeroing out its residual carbon emissions. This was accomplished by purchasing Guarantees of Origin from its local electricity supplier through the Greenpass programme that ensures that all electricity AIA consumes was produced by renewable energy sources and by purchasing verified carbon offsets for AIA's remaining emissions (e.g. its vehicle fleet), which makes certain that these emissions were neutralised by clean energy produced in other parts of the world.

Climate Change Corporate Action Plan

Every year, following an internal consultation that involves several AIA departments, a Climate Change Corporate Action Plan (CCCAP) is developed, with the aim to identify measures to reduce carbon emissions and maximise energy efficiency. The CCCAP is approved by senior management and included in the Operational Scorecard under the Stakeholder Perspective. In 2019, its 12th year of implementation, seven actions were successfully completed.

Furthermore, for the 11th consecutive year, AIA continued to actively participate in the global initiative "Earth Hour" by closing one of the two runways and switching off its lighting, reducing lighting in all buildings, staff parking areas and other areas of the Airport, as well as making public announcements in the terminal buildings on March 30th.

Local Air Quality

AIA continuously monitors air quality and meteorological conditions both within the Airport fence and in the adjacent communities. In addition, emissions of air pollutants from all relevant Airport sources are assessed and measures are taken to reduce these emissions where possible. AIA's monitoring equipment includes an Air Quality Monitoring Network (AQMN), a Differential Optical Absorption Spectroscopy system (DOAS), a SOnic Detection and Ranging system (SODAR), a Radio Acoustic Sounding System (RASS) and a meteorological Station. The AQMN, which consists of five permanent monitoring stations installed in the neighbouring areas of Glyka Nera, Koropi, Markopoulo, Pallini and Spata and one mobile station, has been in operation since 1998, well before the Airport commenced operations in 2001. Ground-level concentrations of the major pollutants (NO_2, O_3, PM_{10}, $PM_{2.5}$, SO_2, CO and HCs), as well as basic meteorological parameters (wind speed and direction, temperature, relative humidity, precipitation, total solar radiation and atmospheric pressure), are measured.

AIA's 2019 Carbon Footprint

	2019	CO_2 Emissions (tonnes)
Scope 1		
Natural Gas	1,188,492 Nm³	2,504
Vehicle Fleet	81,203 lt of petrol	185
	464,497 lt of diesel	1,243
Stationary Sources	1,295 lt of heating oil	4
	46,368 lt of diesel	124
TOTAL		**4,060**
Scope 2		
Grid Electricity	61,263,839 kWh	39,086
TOTAL		**39,086**
TOTAL (Scope 1 and 2)		**43,146**

Mean Concentrations of Monitored Pollutants at the AQMN Stations

	NO_2 ($\mu g/m^3$)		O_3 ($\mu g/m^3$)		PM_{10} ($\mu g/m^3$)		$PM_{2.5}$ ($\mu g/m^3$)		SO_2 ($\mu g/m^3$)		CO (mg/m^3)		HCs (ppm)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Glyka Nera	13.2	12.2	81.1	84.4	19.9	26.8	12.6	n/m	6.4	6.1	0.3	0.3	n/m	n/m
Koropi	10.4	9.6	78.2	78.3	23.6	n/m	13.1	23.3	n/m	n/m	n/m	n/m	2.3	2.4
Markopoulo	10.9	10.6	83.3	n/a	24.0	32.4	15.6	n/m	n/m	n/m	0.3	0.4	n/m	n/m
Pallini	7.5	5.8	91.0	83.7	22.0	n/m	14.8	16.0	6.2	5.1	0.3	0.3	n/m	n/m
Spata	13.7	13.0	73.5	73.4	24.0	n/a	14.6	n/m	3.5	3.7	0.3	0.3	2.5	2.5

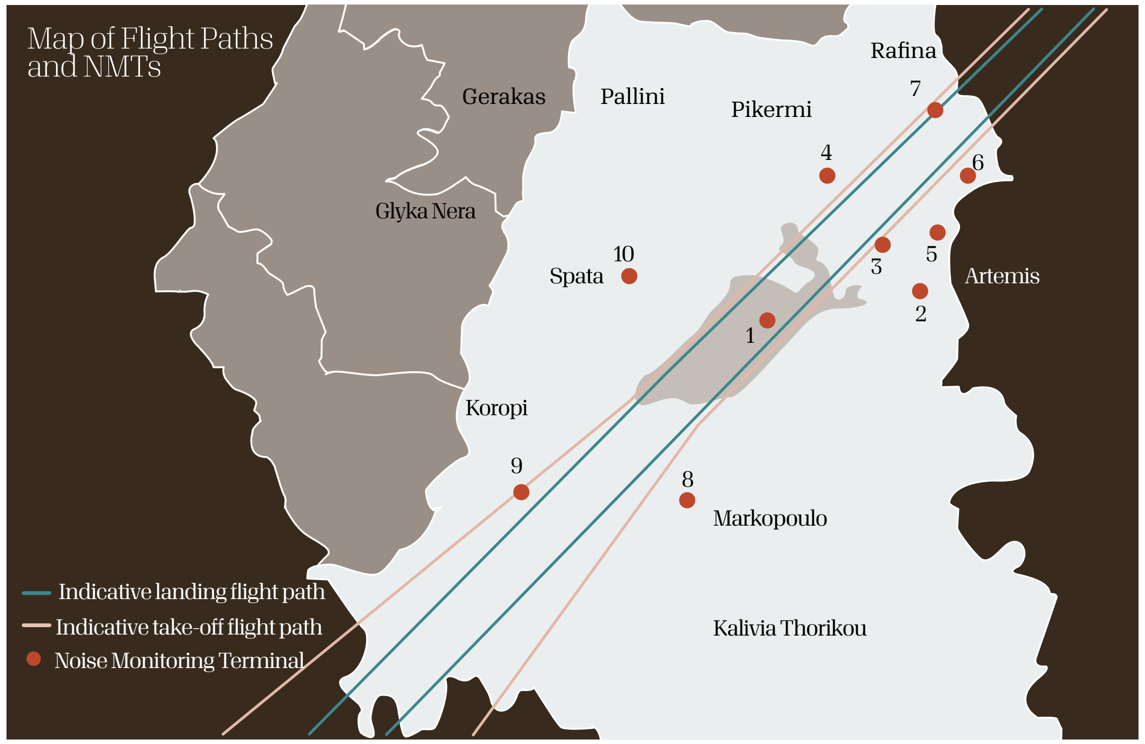
Noise & Quality of Life of Local Communities (M)

Aircraft noise is one of the main environmental challenges associated with the operation of an airport. Noise arises from different sources, primarily the aircraft's engines but also from airflow around aircraft.

AIA has installed a NOise MOnitoring System (NOMOS) consisting of one mobile and ten permanent Noise Monitoring Terminals (NMTs), which provide a detailed profile of aircraft noise in the residential areas near flight paths. This system is connected with HCAA's radar so that correlations can be made based on actual flight track information. The Airport Company addresses noise issues responsibly by taking measures that aim to reduce annoyance to its neighbours. As such, Noise Abatement Procedures have been in place since the Airport opened, implemented in collaboration with the Hellenic Civil Aviation Authority (HCAA) and airlines, to reduce noise in the residential areas around the Airport.

Preferential Runway Use System Results

Preferential Runway Use System Results	Runway	2019	2018
Take-offs			
Percentage of take-offs to the north from 23:00 to 07:00 hrs.	03R	5%	7%
Percentage of take-offs to the north from 15:00 to 18:00 hrs.	03R	4%	7%
Landings			
Percentage of landings to the south from 23:00 to 07:00 hrs.	21L	13%	10%
Percentage of landings to the south from 15:00 to 18:00 hrs.	21L	5%	2%



Average Noise Level per Noise Monitoring Terminal (NMT)

NMT	2019 L_{den} dB(A)	2019 L_{night} dB(A)	2018 L_{den} dB(A)	2018 L_{night} dB(A)
2	46.2	26.6	43.6	22.6
3	60.7	44.9	60.1	45.5
4	58.7	50.0	54.4	46.7
5	51.1	34.6	53.7	38.5
6	49.1	36.0	49.4	35.9
7	53.9	46.4	53.3	45.8
8	45.8	34.6	46.6	36.1
9	54.8	41.7	54.7	41.2
10	31.4	18.9	32.7	24.2

Legend: L_{den} and L_{night} are calculated as defined in Ministerial Decision 13586/724 (GGG 384, 28/3/2006).
Noise levels are measured in dB(A), a unit that represents the human ear's response to sound. Since 2015, the data presented refers to noise levels generated from flights only, as per the requirements of Joint Ministerial Decision 210474/2012, while prior to 2015 the total noise level was presented.

Noise Complaints

Number of citizen complaints received	2019	2018
Artemis	30	21
Koropi	0	0
Other areas	9	4
Total	**39**	**25**

The Airport Company regularly engages with local authorities and citizen groups on aircraft noise. AIA has established a dedicated telephone line called "We Listen" that concerned citizens may call to register their complaints or request clarifications on noise-related issues. A relevant form is also available on its corporate website. In 2019, a total of thirty-nine complaints were handled.

Water

AIA systematically monitors water consumption (potable and irrigation), as well as the quality of surface and ground water. AIA applies a number of water-saving measures, such as the use of treated wastewater from its own Sewage Treatment Plant (STP) for irrigation of non-public green areas at the Airport. An Industrial Wastewater Treatment Facility (IWTF) operating on site receives wastewater primarily from aircraft maintenance activities but also from other sources (wastewater from runway derubberisation, oil-water separators, etc.). The quality of surface water is monitored regularly through ad hoc sampling and analyses following rain events, and constantly by an Online Water Monitoring System (OWMS) before being discharged offsite. An approved Spillage Response Plan is implemented each time a spillage occurs, which calls for the use of bioremediating substances and appropriate sweeper vehicles. Due to the local climate, aircraft/helicopter and runway anti/de-icing operations are limited. Nevertheless, relevant procedures have been established for the ground handling companies which provide de-icing services following ICAO and IATA standards, the Local Ground Handling Regulation and the respective concession agreements. The total amount of aircraft and pavement de/anti-icing material used in 2019 was 36,968 m³. During 2019, no water treatment actions were required as per the criteria defined in the relevant procedures.

Water Consumption

	2019	2018	var%
Total Airport (m³ x 1000) (Refers to the entire airport community)	647	642	0.7%
AIA only (m³ x 1000) (Refers to the Company only)	432	438	-1.4%
Total Airport consumption per passenger (m³/pax)	0.0253	0.0266	-5.2%

* based on pax numbers 25,573,993

Effluents, Waste & Reuse of Materials

Applying the "Polluter Pays" principle to waste management at AIA continues to produce remarkable results. The Recycling Rate exceeded 64% for Solid Non-Hazardous Waste (12,734 tonnes of the total 19,861 tonnes). In addition, 291 tonnes of Hazardous Waste and 239 kg of Medical/Clinical Waste were collected and transferred to licensed facilities. Lastly, Airport employees recycled nearly 10 tonnes of hazardous and non-hazardous waste at AIA's dedicated Recycling Centre.

Wastewater Treatment (Refers to the entire airport community)

	2019	2018	var%
Processed through Sewage Treatment Plant (m³ x 1000)	399	378	5.6%
Processed through Industrial Water Treatment Facility (m³ x 1000)	3.4	3.0	13.3%

Recycling Breakdown of Non-Hazardous Waste in 2019

■ 2019 ■ 2018

	Paper	Metal	Glass	Plastic	Wood	Tetra Pak	Aluminium	Tyres	Edible Oils	Bio-waste	Sludge STP	Construction & Demolition waste
Change	6%	21%	7%	10%	13%	6%	10%	-122%	-2%	14%	20%	-353%
2019	2,438	413	355	1,777	371	149	19	4	43	476	856	5,833
2018	2,283	326	329	1,596	322	141	17	9	44	410	681	26,608

Total (-156%)

12,734

32,608

Hazardous Waste Processing 2019

	2019	2018
Managed by Alternative Management Facilities	32%	39%
Transferred to licensed Management Facilities	68%	61%

Breakdown of Solid Non-Hazardous Waste 2019 (tonnes)

	2019	2018
Municipal Type Waste (incl. Cat 1 of 1069/2009)	7,125	6,607
Recyclables	12,734	32,608
Special Waste	2	6
Total	19,861	39,221

Biodiversity

AIA implements a comprehensive biomonitoring programme in the Airport's vicinity aimed at protecting the region's biodiversity based on international best practices. The number of bird species spotted at the Airport has risen in recent years and serves as an indicator of the overall health of the local ecosystem. In addition, a team of specialists monitors and records wildlife activity at the Airport and takes measures to control and reduce wildlife hazards for aircraft where necessary.

The programme of trapping and relocating raptors launched in 2009 continues to bear positive results. More than 200 individuals were trapped and relocated during 2019. AIA continues its successful partnership with the Hellenic Ornithological Society to protect and promote the Vravrona Wetland, a local site of unique ecological and archaeological value included in the Natura 2000 European network of protected areas as a Site of Community Importance (SCI). According to data collected so far, the biodiversity of the Vravrona Wetland includes 100 plant taxa, 224 bird taxa, 27 taxa of other terrestrial vertebrates, a scarce species of freshwater fish, and 15 habitat types as defined within the relevant EU legislation. Since 2015, the project has been extended to include initiatives at the Aliki Wetland in Artemis (one of the Priority A' wetlands in Attiki), where more than 140 bird species have been recorded.

Material Issues discussed in this chapter

1 - Sustainable Destination

2 - Human Rights, Values & Ethics

6

Social Performance

Sustainable Destination (M)

In 2019, "This is Athens & Partners" (TIAP), the partnership of the Airport Company, the Municipality of Athens, Aegean Airlines and SETE (Greek Tourism Confederation), coordinated and implemented actions, as part of its three-year development plan, for upgrading and supporting the attractiveness of Athens as a year-round destination. TIAP launched a two-phase digital campaign. Initially, the campaign was targeted to the English-speaking audience of Western Europe while its second phase was aimed at the German and French markets.

Once more the Airport Company organised the 7th Airport Chief Executives' Symposium (ACES-Athens) in December 2019. This time, ACES stimulated dialogue on "Infrastructure Investments and Impact on Destinations". During the same event, AIA announced "Route 2025", its official commitment to achieve Net Zero Carbon Emissions by 2025.

In December 2019, AIA hosted the «Digital Sky Challenge», jointly organised by the major aviation stakeholders (i.e. Single European Sky ATM Research Joint Undertaking (SESAR), Airport Council International (ACI) Europe, International Air Transport Association (IATA), European Aviation Safety Agency (EASA), EUROCONTROL). It was a 48-hour innovation contest in the framework of the SESAR Innovation Days 2019, aiming at creating new digital technologies that will help meet the future needs of the Sustainable Destinations in Europe system in terms of capacity, safety, efficiency, and environmental impact.

Community Engagement

The Airport Company recognises that it is part of a community that extends beyond the Airport fence. AIA acknowledges that airport operations, may be an issue of concern to our neighbours when considering potential annoyance due to aircraft noise. Thus, its goal is to limit any such impact to the extent possible, if not eliminate it altogether. At the same time, the Airport is a significant driver of economic development in the region. This is complemented by targeted investments in social, educational, cultural, athletic, environmental and other initiatives that go well beyond the scope of any legal obligations and help establish the Airport as a good neighbour. These actions comprise AIA's Community Engagement Plan (CEP), which is incorporated in our annual Operational Scorecard. Key to its successful implementation are:
a) continuous cooperation and constructive discourse with all local stakeholders, in order to become aware of their needs and expectations,
b) prioritisation of the many requests for support received from local entities, with a focus on emerging social needs, and
c) incorporation of AIA's own initiatives which aim to improve quality of life in the local communities.

In 2019, a total of 301 meetings were held with representatives from local authorities, associations, schools and individuals.

Engaging Local Entities

(breakdown of meetings)	2019	2018
Municipalities	135	79
Associations	73	65
Schools	93	51
Individuals	0	10

Local Community Investment

thousands of Euro	2019	2018
Education	274.7*	188.6
Culture & Athletics	30.4*	36.8
Society	96.9	84.8
Environment	33.4	33.0
Transportation	0	0
Other Community Activities	27.2*	16.2
Total	**462.6**	**359.4**

(*) Community Projects valued at €222,722 in progress for implementation

Some of the more important initiatives our Community Engagement Plan comprised in 2019 include financial rewards to local schools for their participation in AIA's Recycling Programme and to top students from local high schools admitted to Greek universities; the continuation of the awareness programme for AIA's environmental protection measures in the Mesogaia area; and financial assistance to local cultural and athletic associations, communal supermarkets and families in need.

Furthermore, the Airport Company continued to support the conservation and promotion of the Vravrona and Artemis Wetlands in collaboration with the Hellenic Ornithological Society and provided financial support to the Archaeological Museum of Vravrona. In addition, following the devastating fire of 2018, it continues to support the Municipality of Rafina-Pikermi by providing equipment and upgrading/restoring damaged facilities.

Human Rights (M)

Both Athens International Airport's management and employees are expected to behave in an honest and fair way, in line with the provisions of the Airport Company's Code of Business Conduct for compliance with the legal and regulatory framework, including the respect of human rights.

In close cooperation with our business partners, we take all appropriate measures to minimise the risk of human rights violations within the Airport operational environment. For this purpose, part of the basic training of security agents is the respect for human rights and cultural diversity. Furthermore, front-line security staff are trained for respecting the rights of people with reduced mobility (PRMs).

In 2019, AIA maintained its firm commitment for respect of human rights in operations, by expanding the joint with Aegean Airlines and Hellenic Police initiative for awareness and practical training on Human Trafficking, which has been taken by the Airport Council International (ACI) Handbook for Combatting Human Trafficking (2019 edition). The workshop was attended by 55 registered trainees for a total of 275 training man-hours. Attendance corresponds to 0.4% of the total number of employees of the Airport Community. In December 2019, the initiative received the pertinent Hellenic Parliament Subcommittee's commendation.

Art & Culture

Throughout the years, the Airport Company delivers an impressive cultural programme that contributes to the promotion and preservation of the national cultural heritage. In 2019, in collaboration with the National Theatre, we organised a unique exhibition titled "Destinations" featuring costumes from its legendary performances. In cooperation with the Museum of Greek Children's Art, for a whole year AIA hosted the exhibition "Tales of Athens" featuring works of children aged between five and 15 years old depicting the city of Athens through their own eyes. Lastly, "The Journey" exhibition, organised in collaboration with the cultural entity THE BOX, presented works of teachers, visual artists and designers of the University of the Aegean, the Athens School of Fine Arts and the School of Visual and Applied Arts of the Aristotle University of Thessaloniki.

For the sixth consecutive year, the "Fly me to the Moon" cultural programme continued to offer travellers and visitors a unique cultural entertaining and gastronomic experience at the Airport and the "Sounds Greek to me" initiative promoted various areas of Greece, through their culture, customs and gastronomy showcased by their own representatives.

During the period 2001-2019, more than 85 exhibitions and cultural events were held at the Airport revealing its unique identity as a venue of continuous cultural interaction and promotion of the Greek Civilisation to millions of passengers and visitors each year. AIA was recognised during the 2019 Tourism Awards 2019 with the Golden Award in the section "Culture & Tourism".

Art and Cultural Investment

	2019	2018
Cultural Sponsorships	21.825	21.125
Art Exhibitions / Events	122.465	127.643
Total Art and Cultural Investment	144.290	148.768

Sponsorships

	2019	2018
Sports	14.000	6.000
Business - General	78.885	89.077
Business - Aviation Sector	9.500	14.016
Social - Various Humanitarian	17.350	4.070
Social - Children/ Youth	54.150	38.800
Science	31.856	10.905
Total Sponsorships	**205.741**	**162.868**

"Fly me to the Moon 6" cultural and entertainment programme at Athens Airport presented the broader area of Prespes.

"Fly me to the Moon 6" cultural and entertainment programme at Athens Airport with the South Kynouria destination.

Athens International Airport, in cooperation with the National Theatre, presented a unique exhibition titled "Destinations" aiming at introducing the Airport visitor to the magical routes of the theatre through historical productions of the Main Stage of Greece, the National Theatre.

Athens International Airport hosted a unique exhibition, “Tales of Athens” in collaboration with the Museum of Greek Children’s Art, at the exhibition area “Art & Culture” .

Athanasia Sklirou, Curator, MUSEUM OF GREEK CHILDREN’S ART.
Iris Kritikou, President of the Board, MUSEUM OF GREEK CHILDREN’S ART
Anastasia Sourlantzi, MUSEUM OF GREEK CHILDREN’S ART
Chara -Helene Mitsotakis, Head Public Relations & Culture, ATHENS INTERNATIONAL AIRPORT

A welcoming Airport for Children

Athens International Airport is designed to make young passengers and visitors feel safe and comfortable. In cooperation with our business partners, family check-in services are offered and family toilet and baby changing facilities are also provided throughout the Main and Satellite Terminal Buildings.

Airport Visitors Service: We host field trips at the Airport premises to help pupils and students broaden their horizons through visiting our facilities and learning about operational procedures. These visits last 2½ hours and include a presentation of the Main Terminal Building, the Airport’s Museum, cultural exhibitions, the baggage reclaim area and a visit to the Airport Fire Station where the impressive PANTHER fire trucks are kept.

In 2019 we welcomed in total 2,380 students from kindergartens, elementary schools, high schools, universities and other educational institutions.

Airport Children’s Play Area: In collaboration with the NGO “The Smile of the Child”, Athens International Airport operates the Children’s Play Area for families travelling with children. Located in the public area of the Main Terminal Building, the facility enables expert staff to provide activities for different age groups in a safe and secure environment. **During 2019, The Smile of the Child’s Play Area, welcomed 5,988 young visitors from all over the world.**

The innovative collaborations between Athens International Airport, the Benaki Museum, and the Costa Navarino were tinted “GOLD” at the 2019 Tourism Awards.

Enhanced Social Commitment

In 2019 we continued our multidimensional social programme which entails contributions to national and international non-governmental humanitarian endeavours.

A significant example of this effort is the "Boarding Pass in Autism” initiative, an important social endeavour, simulating air travel flow for children with Autism Spectrum Disorder (ASD), which was organised by the Onassis Foundation in collaboration with AIA under the auspices of the National and Kapodistrian University of Athens and the support of Aegean Airlines.

Another significant initiative, the Flight Aviation Academy programme, continued in collaboration with the Hellenic American University, aiming at training high school students on aviation, airline management & operations and flight operations.

7

Future Prospects

Following a year of historic developments for the Airport Company, the next years pose several challenges, most of which however are shadowed by the impact of the Covid-19 pandemic and its mid- to long-term impact on the aviation industry. Indeed, it is the most immediate and structural disruptor in our business, likely to dominate over the actions of the Airport Company in the next period.

More specifically with regards to 2020, we expect traffic to be severely affected by the spread of the Covid-19. As events are unfolding, the full extent of the impact is yet unclear, but the virus's direct impact on travelling behavior and the state-imposed travel restrictions, together with its potentially significant effects on the world economy, will undoubtedly lead to a substantial negative impact on the airport's traffic with long-term effects. The Company is taking all possible precautionary steps in close cooperation with public health authorities but is also taking contingency actions to protect the health of the airport's employees and the public, in order to achieve continuation of airport operation, following the implementation of any necessary public health measures. Concurrently, we are monitoring the developments in traffic numbers and we are assessing the potential impact on our business and the necessary financial measures that need to be taken, in order to ensure the financial health of the Company.

Aside the pandemic challenge, with the new extended Concession period until 2046, the Company is more resilient to address the challenges of our sector and to exploit relevant opportunities. We are fully aware of the main disruptors in our industry which pose threats and opportunities:

- the revision of the EU Directive on Airport Charges, which is currently under way, is more likely to lead to stronger regulatory oversight than not. Such a development will potentially affect the Company's flexibility and effectiveness in applying future pricing policy and thus, in implementing investments and will certainly increase administrative efforts and costs;
- the digital transformation and the introduction of AI and IoT technologies, which will gradually change not only the technologies of our airport systems, but most importantly our passengers' and customers' behavior in the way they travel, shop, commute, etc., and we are developing strategic actions to mitigate threats and exploit opportunities that these ecosystem changes will bring;
- the impact of climate change in the aviation's regulatory framework but also to public perception about the environmental impact from flying. In the regulatory aspect, we recognize the risk of the introduction of new taxation on aviation as part of the EU's Green Deal. Simultaneously, our industry needs to win the ethical debate vs. elements of the climate change advocacy such as "flight shame"; this debate needs actions to demonstrate our industry's willingness towards emissions' reduction in order to mitigate the effects on traffic development. AIA's recently announced Route 2025 is a clear step towards this direction;

We are truly proud to have been part of the Airport Company's historic moments. From a new greenfield project, growing and maturing as a new airport under an innovative business model, successfully facing the challenges of the Greek economic crisis and reaching traffic levels over 25 million passengers. At the same time, the Company has consistently been profitable since 2002, with some of the best financial and operational KPIs across the European airport landscape. All these achievements thanks to a sound business model and strategy, with the support of the shareholders, the guidance of the Management and the efforts of our most valuable asset, the Company's staff. We are confident that Airport Company -along with the rest of the aviation industry- will gradually manage to overcome the pandemic's impact and resume its successful course.

Planning Ahead for Sustainability

At the time of preparation of this Report, the Airport Company is experiencing a dramatic disruption in all aspects of its business, heavily impacted by the COVID-19 pandemic crisis. Operating in an emergency structure, the Airport Company focused primarily on ensuring business continuity and adaptation to the new situation by swiftly adopting necessary hygiene, safety, operational, labour and business measures, towards passengers, employees and business partners, in line with new requirements and the directions of the National, European and International authorities.

Even during these challenging times, the commitment of the Airport Company towards Sustainability remains intact. Connected with the Materiality Analysis, the Sustainability Action Plan below gives an indication of activities planned to be undertaken in 2020, in relation to each Material Issue.

Material Issue	Planned Activities 2020
Balanced Business Model	• Incentives Plan (Developmental & Targeted Incentives) • Route Development / Marketing Support Policies • Commence application of the ACI-Europe Sustainability Strategy for Airports (SSA)
Economic Development & Employability	• Maintain positive impact on local society through improvement of social and environmental conditions
Human Rights, Values & Ethics	• Risk Management & Business Continuity activities • Code of Conduct e-training
Sustainable Destination	• Destination Marketing activities • Art & Culture programme
Operational Effectiveness	• Emergency Crisis Planning training / workshops / exercises plan • Action to attain availability targets for Critical Systems
Quality of Service	• Airport Service Quality / Passenger Satisfaction Surveys/ Quality Monitor Surveys • Passenger Comments Management/ i-mind programme/ service measurements
Climate Change	• Energy conservation projects • Retain ISO 50001 certification • Climate Change Corporate Action Plan 2020 • Maintain Neutrality level for Airport Carbon Accreditation
Employee Experience	• Employee Training & Development program • Health & Safety training / awareness sessions and Risk Assessments • Continuation of Safety e-training (fire-life, office safety, chemical safety)
Noise & Quality of Life of Local Communities	• Noise Abatement Procedures in collaboration with involved parties • Noise Complaint management • Multidimensional Community Engagement Plan 2020
Customer Safety	• Aviation Safety Training Courses • Safety promotion initiatives, Hazard Identification and Risk Assessments, Health & Safety inspections in public areas
Airport Infrastructure Development	• Proceed with major airport expansion works (South Wing Expansion)

Reporting By The Board Of Directors To The Annual General Meeting Of The Shareholders For The Financial Year Ended 31 December 2019

Dear Sirs and Mesdames,

According to the articles 108 and 150 of Law 4548/2018, we submit herewith to your General Assembly the Athens International Airport S.A. (the Airport Company or the Company or AIA) Financial Statements for its 24th financial period. The present report refers to these statements as well as to any supplementary information necessary or useful for the statements' appreciation and approval by the General Assembly, according to the proposal of the Board of Directors.

Developments of paramount importance for the Airport Company took place in 2019, the most important being the achievement of the 20-year Extension of the Concession period after a lengthy process. Other significant events include the launch of the sale of 30% of the Airport Company's shares owned by the Hellenic Republic Asset Development Fund (HRADF), the approval of the new Master Plan and the airport expansion plan, the Company's commitment for zero carbon emissions until 2025 (Route 2025). These, and other significant developments that transpired during 2019 are analyzed fuarther in relevant sections.

With respect to the main developments in the global aviation industry, 2019 was a year characterised by a slowing global economy, and rising trade and geopolitical conflicts. Beyond the economic and geopolitical factors, aviation was also challenged by the grounding of B737MAX, airline bankruptcies and industrial action, particularly affecting Europe. Amid this volatile environment, the aviation industry managed in the course of 2019 to keep a positive sign on its results, despite an obvious slowdown. On a global level, airlines achieved healthy profitability with net profit margins in 2019 estimated at the level of 3.1%, according to International Air Transport Association (IATA), while Revenue Passenger Kilometres (RPKs) estimated to increase overall by 4.2%.[1]

Airport Council International (ACI) reports, based on preliminary data, a global passenger traffic rise for 2019 at the level of 3.4%[2], which although is a significant slowdown from 2018 (+6%), it is considered a solid performance given the pertaining geopolitical environment. Similarly, in Europe passenger traffic posted in the year under review an average growth of 3.2%[3] , with EU and Non-EU airports presenting similar levels of increase. The fact that large part of this observed slowdown comes primarily from domestic traffic (-1.1%), could be explained by changing attitudes towards air transport, due to its environmental impact.

Despite the challenging conditions in the European and global aviation market, traffic at AIA achieved robust growth and surpassed historical traffic records both in terms of passengers and flights. Passenger traffic reached 25.57 million passengers, surpassing previous year's traffic by 1.4 million (+6%). The dynamic rise of international passengers (+8.6%) was the sole driving force behind this favourable outcome vis-à-vis a stagnant domestic market (+0.3%).

1. Traffic Highlights

Overall, in the year 2019, the Airport Company recorded an all-time high performance with 25.57 million passengers, surpassing previous year's traffic by 1.4 million (+6%). This outcome was driven by the robust growth of the international market (+1.4 million or +8.6%), while the domestic market retained prior-year levels (+0.3%), in line with the domestic services' capacity evolution. The foreign residents segment continued for one (1) more year its strong performance, increasing by 14% compared to 2018, while Greek residents presented an overall decline by 5%, attributed to the reduction of domestic trips.

The robust growth of the O&D passengers by 9% should also be highlighted, demonstrating the consistent emergence of Athens as an attractive destination, assisted by the joint and coordinated pertinent actions of the Airport Company with stakeholders from the airline and tourism industries. Transfer passengers presented a decline of almost 6% in the course of 2019, mainly attributed to the reduction of self-connecting passengers.

During 2019, nine (9) new airlines launched operations to/from Athens and eleven (11) new international routes were introduced, further expanding the airport's route network. In 2019 Athens was directly connected with scheduled services with 157 destinations-cities, out of which 124 were international (including 24 non-European) in 55 countries, operated by a total of 66 carriers. In the same year, 22 LCCs offered services to 82 airports worldwide (compared to 75 airports in 2018). An all-time high performance was also achieved in terms of flights that during the year 2019 reached 225,628 (+3.9%).

The expanded airport route network, in combination with an increased demand for international air travel, resulted to the dynamic growth of international passenger traffic in all regions, with the non-European markets/regions enjoying sharp traffic rise of more than 20%. The top five (5) international destinations are still all within Europe, being with ranking order: London, Larnaca, Paris, Istanbul and Rome, while Thessaloniki, Santorini, Heraklion, Rhodes and Chania remained the top domestic destinations.

The busiest day of the year 2019 was the 10th of August, with total passenger throughput reaching 104,968, the highest number ever, while the 100 thousand passengers mark was exceeded numerous times the course of the peak months of July and August for the first time in the airport's history. Similarly, the threshold of 3 million passengers in a calendar month was surpassed for the first time in August 2019.

Finally, with regards to cargo, despite the negative global trend, the Athens cargo market posted a slight increase of 1.5% compared to 2018. Exports were the main growth driver rising by 4% while imports on the other hand contracted by almost 2%.

2. Business Highlights

AIA's business highlights for the year 2019 are presented hereunder:

2.1 Airport Operation

Airside Capacity

During 2019, the Airport Company addressed anew the Governor of the Hellenic Civil Aviation Authority (HCAA) on the issue of reduced use of the airport runways, stressing the restrictions imposed by the Air Traffic Control (ATC), which limits AIA's aircraft movements to only 44 per hour even though higher numbers are achieved periodically. This limitation is considerably lower than the minimum technical requirements of AIA's dual runway system (65 movements per hour), whilst it is almost half compared to other European international airports with similar infrastructure, which operate at approximately 90 movements per hour. The Airport Company is intensively working with the Air Navigation Service Provider (ANSP) in order to achieve a roadmap for implementation of corrective measures decided by the 2018 relevant working groups.

Smooth and efficient operation allowed for the airport to remain a slot non-coordinated airport. With regards to the airside parking capacity, operational arrangements were implemented in order to cope with the demand during the peak months of 2019 (i.e. "Prior Permission Required" operational process for General/Business Aviation traffic, "Ground Stay" process for

1 (source: IATA Economic Performance of the Industry end year 2019 report)
2 (source: ACI World Press Release 28 Jan 2020 (https://aci.aero/news/2020/02/28/aci-world-finds-global-passenger-growth-moderated-as-2019-drew-to-a-close/)
3 (source: ACI Europe Press Release 13 Feb 2020)

military & cargo technical stop flights). However, significant delays were experienced in July and early August, directly attributed to ATC capacity restrictions in Athens Terminal Area (TMA), as well as by similar restrictions in the Greek FIR and the regional airports; thus, airlines' on time performance was adversely affected during the said period.

Operational Compliance & Development

n terms of aviation safety, another year was successfully concluded by implementing the annual Safety Action Plan. The objective of maintaining a high level of aviation safety has been achieved despite the significant increase in the volume of airside movements.

A two-day aviation safety workshop was organized on the April, titled "Aviation Safety in Aerodrome Operations & Human Factors", for Airport Company employees as well as Airport Community experts (State Authorities, Air Navigation Service Provider, Ground Handlers, Airlines, etc.).

Also, the "Aviation Safety Day 2019" was organised on the 6th of December, with strong participation by AIA and by the Airport Community, celebrating in parallel the International Civil Aviation Day. The event was a one-day Conference/Event dedicated to aviation safety, focusing in particular in the contribution of science and academia to aviation, whilst, personnel from all stakeholders, who had performed outstanding safety-related actions on the airside during 2018 and 2019, received awards by the Airport Community, thus recognizing their significant contribution to Aviation Safety.

During March 2019, the security system of AIA was assessed in its entirety by specialized security auditors of the HCAA. The results of the audits and tests confirmed the continuation of the highest level of security as well as the full adherence of the Airport Company with the regulations and best practices in the provision of security services for the travelling public.

Finally, as regards Crisis Planning & Emergency Management, 13 emergency exercises in total were organised at the airport, including the Annual Partial-Scale Emergency Exercise "Terrorist attack at the Airport".

Other Operational Highlights and Developments

AIA and the main ground handlers completed under the umbrella of the Airport Ground Handling Action Group, the Operational Conformance Monitoring System. The latter is the outcome of the fruitful collaboration between AIA and the ground handlers aiming through its bonus-malus setup, to render the airport's airside safety culture more collaborative and to publicly promote good practices. The system, which had already run as a pilot throughout the year to the three main ground handlers was officially presented to the airport community in December and will be officially launched in early 2020, while all other ground service entities will also join in for their trial year.

For the seventh time in a row AIA and the members of the Airport Company aviation fuel supply chain were awarded with the Sustain Performance Award by the Joint Inspection Group (JIG), while OFC/AIA remains the only such operator worldwide, which has been awarded with twelve (12) consecutive JIG Certificates of Excellence (2008-2019).

2.2 Pricing and Airport Marketing

At the annual consultation with the irport users held in March 2019, as per the Airport Charges Directives (2009/12/EC) as these have been incorporated in the Greek legislation (PD 52/12), the Airport Company, following the effectiveness of the ADA Concession Extension Agreement, announced the reduction of the published Aircraft Landing and Parking tariffs by 25%, effective as of 1st June 2019. This reduction was linked to the decrease of recoverable costs (i.e. costs allocated to Air Activities) due to reduced depreciation of existing assets resulting from the prolongation of depreciable lifetime.

AIA's incentives have been part of its aeronautical policy since the beginning of its operations. Discounts offered to the airlines within AIA's Development Incentive Scheme constitute business cases and a risk sharing instrument aiming to support airlines in their efforts to introduce new routes and frequencies. These incentives, which have been complemented with additional targeted ones since 2012, have been constantly reviewed and fine-tuned taking into account the prevailing market conditions.

Within this context, aiming at generating growth and incentivising traffic development and route enhancement, in 2019 the Airport Company partially restructured the existing scheme to better and more effectively address its development objectives. The core changes in AIA's incentive policy are:

- Reducing the validity period of all development incentives (except for the long-haul incentive) from five to three years and changes on the respective percentage of the discounts on the landing & parking charges;
- Strengthening of the long-haul incentive, the long-haul market being a fairly important future growth driver for the Athens' market;
- Removal of the summer seasonal incentive;
- Emphasis on the off-peak period and introduction of a seasonal incentive for the off-peak October – April period;
- Continued targeting of the Niche Markets.

AIA's incentives continue to be applied in a fully transparent and non-discriminatory manner and they constitute a profitable business case. The majority of the operating carriers made use of one or more targeted or development incentives, many of which benefited further by receiving marketing support actions.

The Airport Company's targeted approach was also the main element of its 2019 marketing campaign towards the airlines. Specifically, the 2019 campaign featured the slogan "Do the Math" to reflect AIA's successful growth during the previous year, and the opportunity this presents for the airlines since it creates the ideal environment for them to grow.

The contribution of the airlines to AIA's performance in 2019 was acknowledged by the Airport Company for the 20th consecutive year by presenting awards to those that recorded the highest passenger traffic growth during the specific year.

In 2019 "This is Athens & Partners" (TIAP), the partnership of the Airport Company, the Municipality of Athens, Aegean Airlines and SETE (Greek Tourism Confederation), coordinated and implemented actions, as part of its three-year development plan, for upgrading and supporting the attractiveness of Athens as a year-round destination. TIAP launched a two-phase digital campaign. Initially, the campaign was targeted to the English-speaking audience of Western Europe while its second phase was focused to the German and French markets.

The Airport Company once more organised the 7th Airport Chief Executives' Symposium (ACES-Athens) in December 2019. This year, ACES stimulated a dialogue on "Infrastructure Investments and Impact on Destinations" while AIA announced "Route 2025", its official commitment to achieve Net Zero Carbon Emissions by 2025.

During the same month, AIA hosted the «Digital Sky Challenge», jointly organised by the major aviation stakeholders (i.e. Single European Sky ATM Research Joint Undertaking (SESAR), Airport Council International (ACI) Europe, International Air Transport Association (IATA), European Aviation Safety Agency (EASA), EUROCONTROL) on a 48-hour innovation contest in the framework of the SESAR Innovation Days 2019, aiming at creating new digital technologies that will help meet the future needs of the European aviation system in terms of capacity, safety, efficiency, and environmental impact.

2.3 Consumers

Retail Services

The airport's terminal shopping centre recorded strong growth with revenues at €68 million (+15% vs. 2018) well above passenger traffic which stood at +6%. This performance was driven by organic growth from a robust Food & Beverage category (+22.6%) and solid Duty-Free shops performance (+6.5%) as well as revenues deriving from the positive conclusion of a series of commercial tenders for AIA's currency exchange and car rentals concessions.

At the same time, AIA continued its efforts to further enhance its commercial offering by adding variety and sophistication through the introduction of new commercial concepts, aligning with the constantly evolving passenger needs and market trends. Within this context, nine (9) new commercial outlets commenced operations, including seven F&B outlets, one large Duty-Free shop extension and one (1) specialty retail unit, while five more F&B outlets were substantially refurbished.

Further to the above, the Airport Company launched a series of marketing events, in close cooperation with the concessionaires, aiming to promote AIA's shopping centre as part of a unique travel experience. The marketing plan included a media plan on print and outdoor media, promoting the "Greek character" of AIA's commercial offering, an influencer campaign among travel, beauty and fashion bloggers in order to enhance AIA's shopping centre presence on social media and a monthly events calendar under the concept of "Live-it".

Landside services

In 2019, the Airport Company's car parking revenues reached €14.3 million, an increase of 3.7% vs. 2018 despite a Greeks' O&D decline of 2%.

2019 saw a strategic decision to rebrand the parking areas so as to position the Airport Official Parking against competition by clearly defining and demonstrating the size of the airport parking portfolio and the wide range of service and offerings that users can enjoy.

The rebranding was coupled with a strong communication drive throughout 2019. AIA's parking services were promoted through radio spots, digital displays and campaigns, informative newsletters, dedicated offers to loyal members and special discounts to all parking users.

Online booking grew by 12% and now stands at 46% of total revenues with the rest coming from offline parking which continued its steady decline. AIA's very competitive online pricing, compared to the offerings of off-airport parkings, led to AIA's online long-term parking products achieving high occupancy levels, i.e. above 80%, with many days during the year being sold out.

Commercial co-operations with large long-term partners including Aegean Airlines and Attiki Odos also allowed AIA parking to reach a broader target audience and further increase revenues. The "PARK€WIN" loyalty scheme reached almost 80,000 users in 2019 continuing its dynamic trend for one more year.

Terminal Services

The Airport Company successfully served more than 3.4 million passengers and visitors through the provision of information and personal assistance. The Airport Call Centre handled approximately 385,000 telephone inquiries with almost 95% of callers being served within 20 seconds. Furthermore, the "airport info" email service replied to over 5,500 electronic inquiries.

The AIA Call Centre was again a finalist in the "Teleperformance Greece 2019 CRM Grand Prix Service Awards" for excellent call service and gained the silver award in the "Large Call Centre" category.

Within the frame of the European Union regulation 20017/458 enforcement (April 8th, 2019), requiring systematic checks against all databases for European Union citizens travelling to/from Non-Schengen destinations, a series of actions was taken to reduce the impact on passenger experience for both departing and arriving travellers. The Passport Control areas on both Departures and Arrivals levels were modified and upgraded to accommodate the additional operational needs of the new passport control checks, while an awareness campaign was designed and implemented, to ensure passengers were sufficiently informed in advance. Furthermore, mobile staff was deployed to the Immigration and Emigration areas to assist passengers and expedite the new process.

2.4 Property

In 2019, the Airport Company's Property business achieved positive results, key highlights being the improved performance of the Airport Hotel and the Exhibition Centre.

The Airport hotel 'Sofitel' evidenced a robust turnover increase of 4.7%, realizing record sales for the third consecutive year. The renovation programme of the Hotel's facilities is ongoing and will also continue during 2020.

The Metropolitan Exhibition & Conference Centre recorded a turnover growth of 6.4% vs. the previous comparable year, i.e. 2017, matching like-for-like exhibitions taking place every two (2) years.

In a year of weak market performance for the retail sector in Greece (especially for the first half of the year), AIA's Retail Park, comprising the outlets of IKEA, KOTSOVOLOS, FACTORY OULET and LEROY MERLIN, recorded a marginal sales growth of 1.0% vs. the previous year, supported by the ability of operating 7 days/week during the summer season, in accordance with the relevant legal framework.

Buildings, offices and other space leases mainly serving the airport community (i.e. airlines, ground handlers and state entities) also reflected an upward trend, with the occupancy rate reaching 89% over the available portfolio.

The Photovoltaic Park witnessed a 2% increase in annual production compared to 2018, mainly due to the favorable weather conditions, especially during the second half of 2019.

2.5 Information Technology & Telecommunications

The Airport Company's Information Technology & Telecommunications (IT&T) managed effectively data and communications operations of AIA and the airport community, and introduced new B2B and B2C services, aiming at operational excellence and advanced customer experience.

Main Projects and Developments

In the context of the infrastructure improvements, new equipment and services were established in the areas of Common Use Terminal Equipment (CUTE), Flight Information Display System (FIDS), Automated Boarding Control (ABC) kiosks, and Automated Boarder Pass Control (ABPC) gates. Very importantly, the existing Airport Operation Database infrastructure hosting critical systems such as UFIS (Airport's Flight Information System), Oracle E-Business Suite (Enterprise Resource Planning), Aeronautical Billing, etc. will be replaced with an Oracle Cloud @ Customer solution, which was chosen, following a tender procedure, to enable transformation of IT&T business into a state of the art cloud services environment.

AIA's call centre has been successfully upgraded from a legacy infrastructure to the Next Generation, thus allowing for enhanced functionality in favor of both the call center agents and airport's customers, while additional services or upgrades include the e-QRG (electronic quick reference guide) which describes the role and actions according to AIA Standard Operational Procedures as well as the International Air Transport Association (IATA) Simplified Invoicing and Settlement (SIS) platform.

To further strengthen AIA's IT system's resilience, the deployment of Multifactor Authentication for Office 365 / updated password policy for all AIA user's computers login, was introduced. Moreover, a penetration test was performed for all critical & sensitive AIA systems, aiming to identify security gaps in IT business systems infrastructure. The annual IT&T Disaster Recovery exercise was performed with the participation of all involved parties and all systems were tested successfully. Also, the Security Information Event Management System (SIEM), which provides 24/7 real time information, in order to proactively identify potential threats, was successfully completed.

ISO 20000 and ISO 9001 certifications were renewed by TÜV AUSTRIA for the IT&T Business Unit.

Innovation and Business Initiatives
AIA's IT&T with the scientific support of the Athens Center of Entrepreneurship and Innovation (ACEin) of Athens University of Economics and Business (AUEB), organized the 3rd Digital Gate contest attracting new talents to develop tools and solutions that can improve operations and services deploying emerging technological trends. At the end of this creative "journey" that lasted eight (8) months, the winning team was Meton Innovatence (Enorasys) with an innovative FOD (foreign objects debris) detection system to be installed in the airside safety and inspection vehicles.

IT&T Business Unit received the Gold Award IMPACT BITE (Business IT Excellence) in the category "New Technological Works in Applications / Services - Robotics" for the development of the "Pepper" robots' ability to provide useful information and entertainment to passengers.

On external business activities, IT&T, in cooperation with Cosmote, AIA's IT&T won a tender issued by ESMA, which is an independent EU Authority that contributes to safeguarding the stability of the European Union's financial system by enhancing the protection of investors and promoting stable and orderly financial markets. This project aims in the provision and monitoring of specific IT&T services.

Finally, AIA's IT&T is involved in several EU funded projects with partners from technology and aviation, exchanging know-how, testing and implementing innovative solutions with both financial and non-financial value-added for the Airport Company.

2.6 Major Corporate Projects and developments

Extension of the ADA Concession Period
By the end of 2018, the lengthy process of the 20-year extension of the Company's Concession Extension, foreseen in the Airport Development Agreement (ADA), had achieved critical progress. The revised Concession Extension Agreement (the "Agreement") had received the approval from the pertinent Greek and EU authorities and the Airport Company had signed on 18 December 2018 the loan agreements with a consortium of Greek banks, for the partial financing of the Consideration to be paid to HRADF.

The Agreement was signed on 24th January 2019 between the Greek State, HRADF and AIA. Thereafter, the Agreement was ratified by the Hellenic Parliament with the positive votes of most parliamentary parties on 14 February 2019 and the effectiveness of the Concession Extension took place upon the relevant publication in the Government Gazette, i.e. law 4594/2019 on 19 February 2019. The amount paid to HRADF as Consideration on 22 February 2019 reached €1,131,676,123 (plus the applicable VAT) which was comprised of the initial Consideration of €1,115,000,000 and the amount of €16,676,123 representing the adjustment for the period from 1 January 2019 to 22 February 2019.

Thus, the 20-year extension project was finally concluded with success, enabling the Company to develop its strategic, business and investment plans for the new extended horizon creating value for its shareholders, employees, airport users and the society at large.

Terminal Capacity and Master Plan approval
After having reached in September 2018 the capacity "trigger point" of passenger terminal facilities (i.e. 23.4 million passengers on a rolling twelve-month period which corresponds to 90% of the relevant capacity of 26 million annual passengers), in accordance with the provisions of the ADA, the Airport Company requested IATA to perform a passenger demand forecast of the next two (2) years and to determine whether, after allowing for any increase in the design capacity of any buildings or equipment due to technological, organisational or other improvements, the relevant 90% threshold would still have been reached, and whether passenger traffic will reach or exceed the relevant 95% threshold within the next two (2) years. Indeed, IATA's independent review confirmed that the capacity of the airport's passenger terminal facilities remains at 26 million annual passengers and therefore, the 90% threshold of the new capacity has been reached and furthermore, that the passenger traffic within the next two years will exceed the 95% threshold. The 95% threshold was reached in June 2019 therefore, triggering the need within 6 months to establish an appropriate plan for the purposes of increasing the relevant Design Capacity by an increment of at least 20%. This airport expansion plan was indeed developed with the support of expert advisors Mott MacDonald, together with the updated Master Plan which includes all the development phases of the airport up to the annual capacity of 50 million passengers, and both of these documents were submitted to the HCAA in November 2019. On the 27th of December the HCAA issued its approval of the airport expansion plan and of the Master Plan. Also, the updated Master Plan and the airport expansion plan, were presented to the Airport Users in the context of the annual consultations on airport charges in accordance with EU Directive 2009/12/EC.

The above development is a very significant milestone in the Company's history, since it constitutes the first time that the Master Plan is officially updated vs. the original Master Plan of 1995 and paves the way for the first major expansion of the airport facilities in order to serve the future growth in traffic demand.

Sale process of HRADF's 30% shares in AIA
Pursuant to HRADF's Asset Development Plan, the sale of 30% of AIA shares, currently owned by the HRADF is included in the latter's Privatisation Program. In this context, on 28th June 2019 HRADF published an invitation to potential tenderers to submit an Expression of Interest (EoI). Consequently, on 29th of October ten (10) interested parties submitted their interest to HRADF. The response to the EoI in terms of number and quality of participants reflects the high interest of the international market for the acquisition of AIA's shares, demonstrating also the investors' appreciation for the Airport Company and the growing interest in investments in Greece.

Throughout this critical process, the Airport Company supports the HRADF team and their advisors, always in compliance with the provisions of the ADA and any relevant decisions from AIA's Board of Directors.

Route 2025

In December 2019, the Airport Company announced "Route 2025", its official commitment to achieve Net Zero Carbon emissions by 2025, well in advance of the target of 2050 set by Europe's Airports in June 2019. Furthermore, in the official commitment -which was signed jointly by Dr. Yiannis Paraschis, CEO, and Mr. Olivier Jankovec, Director General, ACI EUROPE - AIA committed to prepare a detailed roadmap within 2020 for the achievement of Net Zero Carbon emissions through self-production of clean electricity within the airport boundaries via solar power for self-consumption purposes, (aiming to cover 100% of the Airport Company's electricity needs, which corresponds to 91.1% of its current carbon footprint) and for addressing the remaining 8.9% of its carbon footprint corresponding to direct emissions from fuel consumption onsite via other initiatives.

Through this significant, internationally pioneering initiative (subject to changes in national legislation), AIA has the goal of becoming the first airport operator in Europe to cover 100% of its electricity needs by on-site production from renewable sources and zeroing out its direct emissions from fuel consumption.

Transfer of shares

In December 2019, AviAlliance GmbH transferred 499,998 ordinary registered shares in the Company to its shareholder AviAlliance Capital. Following the transfer of shares, AviAlliance GmbH holds 7,500,006 shares (corresponding to 25% of AIA shares) and AviAlliance Capital 4,500,000 (corresponding to 15% of AIA shares). In November 2019 the shareholders of Copelouzos family entered into a "Usufruct of Shares and Voting Rights Agreement", by virtue of which the above shareholders as owners, established and granted a usufruct for a 15 years period over the Airport Company's shares in favour of "Slentel LTD", a limited liability company operating under the law of Cyprus.

Main infrastructure projects

The main infrastructure projects ongoing in 2019 are summarized below:

- The operational part of South Wing Expansion Project, which includes a new immigration passport control area, an expansion and upgrade of the emigration passport control area, 17 new check-in counters and an additional baggage reclaim belt has been completed and delivered in 2019. The new commercial concourse, with more and better retail offering, as well as the fresh and expanded CIP lounges are expected to open in first half of 2020.
- The new Transfer Baggage Facility, located in the north apron area for the baggage handling of the transfer passengers, was completed in the 3rd quarter of 2019. This facility aims at making the flow of transfer bags more efficient thus alleviating a significant load from the BHS systems, particularly during the impending modification works into a Standard 3 screening equipped BHS. During October and November trial tests were conducted and the facility is ready for operation.

Protection of Personal Data

The E.U. General Data Protection Regulation (GDPR), which came into effect in May 2018 signified a substantial leap in the consistent protection of individuals' privacy.

AIA having already established a Personal Data Protection Management System, prior to GDPR effective date, proceeded with its first revision, following regulatory and market developments, namely:

- newly enacted Greek Law 4629/2019
- recent guidelines by the Hellenic Data Protection Authority in relation with data processing constrains
- recommendations for additional organizational measures, as recorded during the AIA's readiness review audit process that ran in 2018.

Under the guidance provided by the Data Protection & Compliance Department, AIA's operational and employee practices are aligned with the applicable regulatory obligations.

3. Corporate Responsibility and Sustainability

AIA maintains a contemporary approach for Sustainability through a multi-faceted approach that takes account of the economic, social and environmental aspects of business. The Company updated the relevant Policy in 2019, sustaining commitment towards the UN principles and the Sustainable Development Goals (SDGs).

The Company issued the unified Annual & Sustainability Report, in line with contemporary practice to embed sustainability into the core business. The Report was reviewed through the independent Sustainability Assurance engagement that verified AIA's disclosures for accuracy, completeness and abidance to applicable standards.

In 2019, AIA took a major step forward with regards to Sustainability by actively participating in the ACI-Europe Sustainability Task Force and therefore having the chance to influence developments on an international scale. The Sustainability Strategy for European airports was presented at the 29th Annual ACI-Europe Congress at Limassol in June 2019 and a pilot implementation process has commenced with the participation of AIA and other 14 European airports.

3.1 Operational Responsibility

Operational responsibility is the cornerstone of Airport Company's commitments. The Company ensures safe, secure, efficient and value-adding services for the benefit of a well-coordinated airport community and for delivering an exceptional experience to the travelling public.

Aviation Safety is the top material issue for AIA, as it is validated in the Company's Materiality Analysis. During 2019, nine (9) aviation safety audits were conducted to third parties, in line with the provisions of EASA Aerodrome Rules for aviation safety practices.

Ensuring the health & safety of the travelling public, all public and technical areas are regularly inspected, in order to ensure that airport facilities personnel comply with legal provisions and Airport Company's corporate rules and procedures. In 2019, nineteen health and safety audits were conducted towards various airport community stakeholders.

Operational readiness and availability performance of critical systems was maintained at exceptional levels. At the same time, satisfaction rating from passengers was maintained at high levels (4.22 on a 5-point scale), an outstanding performance especially considering the growth of passenger traffic. Service performance was also recognized in 2019 by ASQ, as AIA is the leader among European Airports with traffic between 15-25 million passengers, with a score of 4.05.

Assistance services provided to Persons with Disability and Reduced Mobility (PRM) surged to almost 200 thousand compared to 2018, posting an 11% increase. Despite the traffic increase however, PRM travellers as well as the Airlines appreciated the level of the services offered, granting increased survey scores (4.8 and 4.1 out of 5 respectively).

Passenger satisfaction is at the focus of every AIA employee, as nearly 1,300 "virtual passenger" walkthroughs were conducted in 2019 as part of the innovative "i-mind" program, corresponding to over 97,000 inspections. In line with the commitment for service excellence, the Company handled more than 6,000 comments received from nearly 2,400 passengers and responded in an average time of 8.4 days at a custom response rate of 97%.

In 2019, AIA maintained the high commitment for respect of human rights in operations, by expanding the joint initiative with Aegean Airlines and Hellenic Police for awareness and practical training on Human Trafficking, attended by more than 150 airport community staff. The initiative received high praise, in December 2019, by the relevant Subcommittee of the Hellenic Parliament.

3.2 Environmental Responsibility

In 2019, the Airport Company held fast to its commitment to sustainably operate and develop the Airport with a strong focus on environmental protection.

In the age of "Climate Crisis", AIA joined many of its fellow European airports in undersigning ACI Europe's commitment for its members to become Net Zero Carbon for emissions under their direct control by 2050, which was announced in June 2019. In December 2019 AIA announced its ambitious "ROUTE 2025" initiative, through which it intends to reach Net Zero Carbon by 2025, well in advance of the 2050 target. Finally, AIA successfully renewed its certification at Level 3+ (Neutrality) in Airport Carbon Accreditation until July 2020 following the offsetting of its residual emissions from 2018.

By heavily investing in energy-efficient technology over the past decade, AIA has managed to reduce its carbon footprint by approximately 40%. The Airport Company's environmental profile is further bolstered by the production of clean electricity by its 8.05 MWp Photovoltaic (PV) Park, avoiding the emission of approximately 8,000 tonnes of CO2 per year.

Addressing the potential impacts of climate change on airport operation, AIA completed its first ever Climate Change Adaptation study. The results of the study were presented to various stakeholders, including representatives of the wider airport community, the Ministry of Environment and Energy and the Attica Prefecture.

In accordance with industry best practices, AIA awarded a study to update its Strategic Noise Map based on 2018 traffic figures in accordance with the new CNOSSOS-EU method, as per regulation. The results of the study showed no significant change in the noise footprint compared to the previous methodology, therefore inhabitants in the area surrounding the airport continued to be protected from any noise the specified by the Greek law limits.

Application of the "Polluter Pays" principle to waste management at AIA continues to produce remarkable results. The Recycling Rate exceeded 64% for Solid Non-Hazardous Waste (12,734 tonnes of the total 19,861 tonnes). In addition, 291 tonnes of Hazardous Waste and 239 kg of Medical/Clinical Waste were collected and transferred to licensed facilities. Finally, airport employees recycled nearly 7 tonnes of hazardous and non-hazardous waste at AIA's dedicated Recycling Centre.

Finally, further to the December 2019 annual surveillance audit of AIA's Environmental Management System (EMS), the Company maintains its certification according to the ISO 14001 standard.

3.3 Employer's Responsibility

The people of AIA are the most valuable resource and the key to Company's business success. In 2019, the number of full-time equivalent staff employed was 774 employees compared to 740 employees in 2018. A significant number of employees have a high-level educational background, while 31% of the Airport Company's personnel reside in the local communities, reflecting our close relationship with the Mesogheia community.

In October 2019, a Collective Labour Agreement (CLA) was signed, as each year since 2000, between the Airport Company's Management and the Employees' Union under mutual consensus of the two (2) parties, further fostering constructive and peaceful labour relations.

Aiming to the engagement and retention of talent as well as the wellbeing of employees, AIA applies a competitive compensation and benefits policy.

During 2019, AIA carried out a variety of initiatives throughout the year for mental and physical health for employees and their families, aiming to further support work and life balance and enhance employee engagement. Employees' participation to at least one activity reached 51%.

Furthermore, AIA, following all applicable regulations and best practices, ensures the health and occupational safety of all employees. In 2019, AIA had no accident at work.

The 2019 Training & Development Plan had a yield of 30,402 training hours, equivalent to 39.29 training hours per full time employee (FTE) with a learning coverage of 99.2% for employees attending at least one training session during the year. Indicatively, a total of 6,000 training hours on Aviation Safety were delivered to AIA employees, out of which 1,874 training hours were completed as part of the EASA Compliance Training. 's learning management system "i-learn" was fully deployed to the Airport Community for compliance training, resulting in 20,000 training hours for 9,000 trainees.

3.4 Corporate Citizenship

Throughout the years, the Airport Company delivers an impressive cultural program that contributes to the promotion and preservation of the national cultural heritage. In 2019, in collaboration with the National Theater, we organized a unique exhibition titled "Destinations" featuring costumes from the National Theater's legendary performances. In cooperation with the Museum of Greek Children's Art, AIA hosted for a whole year, the exhibition titled "Tales of Athens" featuring works of children aged 5-15 presenting the city of Athens through their own eyes. Finally, the exhibition "The Journey", in collaboration with the cultural organization THE BOX, presented works of teachers, visual artists and designers of the University of the Aegean, the Athens School of Fine Arts and the School of Visual and Applied Arts of the Aristotle University of Thessaloniki.

For the sixth consecutive year, the "Fly me to the Moon" cultural program continued to offer travelers and visitors a unique cultural entertaining and gastronomic experience at the airport. The "Sounds Greek to me" initiative hosts and promotes various areas of Greece, through their culture, customs, and gastronomy.

The "Boarding Pass in Autism" initiative, an important social endeavor, simulating air travel flow for children with Autism Spectrum Disorder (ASD), was organized by Onassis Foundation in collaboration with AIA under the auspices of the National and Kapodistrian University of Athens and the support of Aegean Airlines.

Furthermore, the Flight Aviation Academy program continued in collaboration with the Hellenic American University, aiming at training high school students on aviation, airline management & operations and flight operations.

During the period 2001-2019, more than 85 exhibitions and cultural events were hosted at the airport reveal its unique identity as a venue of continuous cultural interaction and promotion of Greek Civilization to millions of passengers and visitors each year. This was recognized during the 2019 Tourism Awards 2019 with the Golden Award in the section “Culture & Tourism”.

AIA is a major driver of economic development in the local region, a role which is complemented by targeted investments in social, educational, cultural, athletic, environmental and other causes, above and beyond any legal obligations. The Company’s relations with local communities remained strong in 2019 via the implementation of its annual Community Engagement Plan.

Some of the more important initiatives undertaken in 2019 include financial rewards to local schools for their participation in AIA's Recycling Programme as well as to top students from local high schools that were admitted to Greek universities, the continuation of the awareness programme for AIA’s environmental protection measures in the Mesogaia area, and financial assistance provided to local cultural and athletic associations, communal supermarkets and families in need.

Furthermore, the Airport Company continued to support the conservation and promotion of the Vravrona and Artemis Wetlands in collaboration with the Hellenic Ornithological Society and also provided financial support to the Archaeological Museum of Vravrona. In addition, the Airport Company continues to support the Municipality of Rafina-Pikermi by providing equipment and upgrading/restoring damaged facilities following the devastating fire of 2018.

4. Financial Statements’ Highlights

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the Accounting Policies approved by the Board of Directors of the Airport Company.

Operating revenues of the Airport Company reached €506.7 million, higher by 5.84% (or €28.0 million) compared to the previous financial year, mainly attributed to the improved performance of traffic-dependent revenue segments.

In total, Airport Company’s participation in the Airport Development Fund (ADF) reached the amount of €91.5 million, higher by €2.8 million or 3.1% in comparison to the prior financial year. Part of the ADF receipts covered interest expenses of €11.8 million (2018: €16.8 million), while the remaining €79.7 million (2018: €71.9 million) covered part of the instalments of the loan received for the construction of the Airport.

In 2019, operating expenses increased by €16.9 million or 11.01% mainly due to (i) additional cost requirements following continuing traffic growth and intensive use of the facilities, (ii) increased variable fee element of the Grant of Rights Fee which was calculated on 2018 profitability, (iii) higher provision for restoration expenses accounted for the extended concession period and (iv) higher utility expenses resulting from the significant adjustment of the electricity price.

As a result of operating revenues and operating expenses evolution, overall earnings before interest, tax, depreciation & amortisation (EBITDA) in 2019 were increased by €11.1 million or 3.41% compared to the previous year and reached €336.6 million.

Depreciation charge was €79.9 million in 2019, higher by €2.4 million compared to the corresponding charge in 2018 of €77.5 million, mainly due to additional investments in fixed assets within the year, while the benefit in the amortisation of the original intangible asset that is now amortised during the extended period i.e. until June 2046 is more or less offset by the additional depreciation of the upfront fee for the Concession Extension which is was recognized in the intangible asset.

Net financial expenses stood at €43.6 million presenting an increase of €18.4 million or 73.1% versus 2018, mainly due to the new borrowings that the Company concluded in 2019 (Second Lien Bond Loan and CapEx Debt Bond Loan).

Profit Before Tax reached €224.9 million. After accounting for the aggregate charge for income tax of €50.5 million, the statutory and other reserves of €10.8 million and the prior year’s retained earnings of €315.9 million, there remains a distributable profit of €479.5 million. The Board of Directors is reserved for the distribution of dividends in light of the current negative developments in the international and domestic economy in connection with the spread of the Covid-19 epidemic. The Board of Directors with the Airport Company’s Management will be closely monitoring the developments and will subsequently evaluate the possibility of the distribution of dividends taking also into account the undertakings of the Airport Company against the lenders and other stakeholders.

The Statement of Financial Position of 31 December 2019 reflects total Assets of €2.10 billion. The value of the Airport Company’s Non-Current Assets (€1.87 billion) represents 89.0% of the Total Assets, indicating that the Airport Company is a capital-intensive company.

The Airport Company continued to present a healthy financial performance, with consistently strong key performance indicators. More specifically, net turnover & ADF per passenger stands at €20.3 reflecting also the price reduction in Landing and Parking charges effected in mid-2019 (2018: €20.5), while despite significant additional requirements, operating costs per passengers remain at low levels, namely €6.7 per passenger (2018: €6.3 per passenger). Moreover, the Airport Company uses a method of measuring, AVA (Added Value on Assets), to calculate the value created from operating revenues and expenses, also taking into account assets and cost of capital, since airports are largely capital-intensive business entities. Even though the Concession Extension consideration has significantly affected the Company’s asset base, significant added value is still created. In 2019 the Airport Company has generated AVA (Net Operating Profit After Tax minus Cost of Capital x Net Assets) of €79.5 million, (2018: €150.7 million).

All fixed assets are recorded in the Fixed Assets Register and are free of any encumbrances apart from the conditional assignment of the usufruct extended since 1996 in favour of the Airport Company’s lender, European Investment Bank (EIB). Fixed assets were depreciated at rates reflecting their estimated useful lives and the legal limits on their use as provided by the ADA. The existing intangible asset consisting of the value of the usufruct of the land that was assigned by the Greek State for the development and operation of the airport, the costs incurred to construct the airport infrastructure (net of government grants received), as well as the present value of the fixed determined future obligations for the Grant of Rights Fee payable to the Greek State until 2026 were equally depreciated using the straight line method over the extended concession period, from the effective date of the Concession Extension Agreement until 2046. The consideration paid in advance for the extension of the concession period and the present value of the fixed determined future obligations for the Grant of Rights Fee from 2026 until 2046, as foreseen in the ADA Concession Extension Agreement, are being treated as a modification to the existing intangible asset model and were added to the carrying amount of the existing intangible asset at the effective date of the agreement, and are also amortised using the straight-line method over the new concession period, from the effective date of the ADA Concession Extension Agreement until 2046.

Investment in associates consists of €3.25 million and represents the carrying amount of Airport Company’s participation in the equity of Athens Airport Fuel Pipeline Company S.A.

The closing cash position for 2019 is €128.0 million. The Company is exposed to financial risks such as cash flow and fair value interest rate risk, price, credit and liquidity and to concentration risks. The Company invests its cash and cash equivalents in short-term deposits and highly liquid financial assets minimising its exposure to interest rates volatility. As regards the borrowings, these are either with fixed interest rates or, in case floating interest rates are hedged, eliminating any potential adverse impact on Company's financial performance from the fluctuation of interest rates for a specified period.

The weighted average fixed interest rate of EIB Loan is 6.12%, whereas the current outstanding balance amounts to € 134.3 million out of the initial withdrawn amount of € 997.0 million. The repayment of the EIB Loan is effected through semi-annually installments which started in June 2004 and will be completed in June 2021. In addition, the Company has entered into a Second Lien Bond Loan Agreement for the amount of € 642.5 million with National Bank of Greece and Piraeus Bank for the partial financing of the concession extension Consideration. The Second Lien Bond Loan was disbursed once off, with 15-years tenor, semi-annual payment starting in October 2019 and will bear a floating interest rate comprised of the six-month Euribor plus an applicable margin, currently at 3.10%. The Airport Company has entered into an interest rate hedging agreement for the full amount of the Bond Loan eliminating its exposure to interest rates volatility until April 2022. Furthermore, in October 2019 the Company concluded successfully the CapEx Debt Bond Loan amounting up to €100 million, with the four (4) systemic Greek Banks for the financing of five (5) CapEx projects. The CapEx Debt Bond Loan will be disbursed in quarterly drawdowns, according to each project's progress, and availability period up to 31 December 2022. As of 31 December 2019, the outstanding balance of the CapEx Debt Bond Loan was €17 million. The CapEx Debt Bond Loan has a 15-year tenor, semi-annual payments and the interest rate will be comprised of the six-month Euribor plus an applicable margin currently at 3.10% p.a. The Company has undertaken to hedge from floating to fixed rate the CapEx Debt Bond Loan, by not less than 70% (but not more than 100%) for a tenor of at least two (2) years from the date falling one month before the expiry of the final Availability Period (December 2022) by way of entry into any combination of interest rate swaps, interest rate options, interest rate caps or swaptions. More details on the Company's borrowings are presented in note 5.20 of the Financial Statements.

In order to cover the credit risk, the Airport Company obtains adequate securities from customers, as per the applied Credit Policy. The liquidity risk is managed through efficient cash management involving cash forecasting and investments strategy that ensures the sufficient level of available cash to meet operational needs, to cover the debt service obligations and to finance investments, complying with the debt covenants in terms of creditability and maturity of investments. The nature of the risks, as well as the scope and the Company policies for managing financial risks, are presented in Section 3 of the Notes to the Financial Statements. Other risks and uncertainties related to tax disputes with the Greek State, the dispute for the unilateral decrease of Greek State entities rentals and disputes on municipal charges with two (2) of the surrounding municipalities are analytically referred to in note 5.29 of the Notes to the Financial Statements.

Regarding events that occurred after the financial position date a reference is made in note 5.32 of the Financial Statements.

5. 2020 Outlook

Following a year of historic developments for the Airport Company, the next years pose a number of exciting challenges.

Firstly, and with regards to 2020, we expect traffic to be affected by the spread of the Covid-19. As events are unfolding, the extent of the impact is yet unclear, but the virus's direct impact on travelling behavior and travel restrictions, together with its potentially significant effects on the world economy, will likely lead to a significant negative impact on the airport's traffic. The Company is taking all possible precautionary steps in close cooperation with public health authorities but is also designing contingency actions to address the impact of potential virus cases among the airport employees or the public, in order to achieve the minimum possible disruption of the airport operation, following the implementation of any necessary public health measures. Concurrently, we are monitoring the developments in traffic numbers and we are assessing the potential impact on our business and the necessary measures that need to be taken.

A less severe challenge for 2020 is the uncertainty regarding the B737 MAX, which affects airlines' capacity, however its impact will probably be shadowed by the demand decrease from the virus outbreak.

Looking at the longer term, on the demand side, Athens maintains a growing trend, which is expected to be further bolstered by the development of the Hellenicon project. Overall the effective promotion and sustainable development of the Athens destination and the Greek tourism proposition is vital for the evolution of the traffic demand of our airport. Moreover, the aviation sector is sensitive to geopolitical events, therefore the stability in our economy and the regional geopolitical environment is also crucial.

On the supply side, we are pleased with the announced plans for fleet development from our main home carrier, Aegean, and we expect that the Greek home carrier will contribute substantially to AIA's future traffic growth, albeit under the same strategic model of regional carrier.

The traffic growth of the recent years has led to the need to develop a plan for the expansion of our main facilities in accordance also with the ADA provisions. The recent approval of this expansion plan and of our Master Plan has paved the way for entering in the next phases of this challenging process. The Company is carrying out the necessary organisational and methodological steps towards the optimum planning, procurement, funding, project & construction management of the airport expansion works, ensuring at the same time, flexibility in case of change in market conditions.

With the new extended Concession period until 2046, the Company is more resilient to address the challenges of our sector and to exploit relevant opportunities. We are fully aware of the disruptors in our industry which pose threats and opportunities:

- the revision of the EU Directive on Airport Charges, which is currently under way, is more likely to lead to stronger regulatory oversight than not. Such a development will potentially affect the Company's flexibility and effectiveness in applying future pricing policy and thus, in implementing investments and will certainly increase administrative efforts and costs;
- the digital transformation and the introduction of AI and IoT technologies, which will gradually change not only the technologies of our airport systems, but most importantly our passengers' and customers' behavior in the way they travel, shop, commute, etc., and we are developing strategic actions to mitigate threats and exploit opportunities that these ecosystem changes will bring;
- the impact of climate change in the aviation's regulatory framework but also to public perception about the environmental impact from flying. In the regulatory aspect, we recognize the risk of the introduction of new taxation on aviation as part of the EU's Green Deal. Simultaneously, our industry needs to win the ethical debate vs. elements of the climate change advocacy such as "flight shame"; this debate needs actions to demonstrate our industry's willingness towards emissions' reduction in order to mitigate the effects on

traffic development. AIA's recently announced Route 2025 is a clear step towards this direction;

We are truly proud to have been part of the Airport Company's historic moments. From a new greenfield project, growing and maturing as a new airport under an innovative business model, successfully facing the challenges of the Greek economic crisis and reaching traffic levels over 25 million passengers. At the same time, the Company has consistently been profitable since 2002, with some of the best financial and operational KPIs across the European airport landscape. All these achievements thanks to a sound business model and strategy, with the support of the shareholders, the guidance of the Management and the efforts of our most valuable asset, the Company's staff. And now, with the long awaited 20-year extension being a reality, we are confident that Airport Company will continue its successful course delivering value to all stakeholders.

Spata, 19 March 2020

On behalf of the Board of Directors of Athens International Airport S.A.

Dr. Dimitrios Dimitriou

Chairman of the Board of Directors

ANNEX II

Financial Statements

As at 31 December 2019
In accordance with the International Financial Reporting Standards as endorsed by European Union

The attached Financial Statements are those that were approved by the Board of Directors of ATHENS INTERNATIONAL AIRPORT S.A. on 19 March 2020.

The Financial Statements and the Notes to the Financial Statements, as presented on pages 1 to 57, have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and have been signed, on behalf of the Board of Directors by:

Dr. Dimitrios Dimitriou
Chairman of the Board of Directors

Holger Linkweiler
Vice Chairman of the Board of Directors

Dr. Ioannis N. Paraschis
Chief Executive Officer

Panagiotis Michalarogiannis
Chief Financial Officer

Alexandros Gatsonis
Accounting & Tax Manager

Income Statement for the Year Ended 31 December 2019

	Note	2019	2018
Revenue from contracts with customers	5.1	407,212,645	387,082,810
Other revenues	5.1	99,474,077	91,632,167
Total operating revenues		**506,686,722**	**478,714,977**
Operating expenses			
Personnel expenses		**45,792,727**	**45,417,002**
Outsourcing expenses		63,731,555	55,009,843
Public relations & marketing expenses		6,130,431	5,271,097
Utility expenses		11,402,342	9,219,180
Insurance premiums		1,905,128	1,680,056
Net provisions and impairment losses		2,574	(2,630)
Grant of rights fee - variable fee component		25,398,192	18,932,976
Other operating expenses - net		15,709,153	17,677,557
Total operating expenses	5.2	**170,072,103**	**153,205,081**
EBITDA		**336,614,619**	**325,509,896**
Depreciation & amortisation charges	5.2	79,902,921	77,472,948
Operating profit		**256,711,699**	**248,036,948**
Financial income	5.3	(116,503)	(14,987)
Financial costs	5.3	43,714,039	25,194,823
Net financial expenses	5.3	43,597,537	25,179,836
Subsidies received for borrowing costs	5.4	(11,784,067)	(16,825,778)
Profit before tax		**224,898,230**	**239,682,891**
Income tax expense	5.5	(50,457,388)	(68,641,628)
Profit after tax		**174,440,841**	**171,041,262**
Basic earnings per share	5.6	**5.81**	**5.70**

The notes on pages 9 to 57 are an integral part of these financial statements.

Statement of Comprehensive Income for the Year Ended 31 December 2019

	Note	2019	2018
Profit after tax		**174,440,841**	**171,041,262**
Other comprehensive income/(loss):			
Other Comprehensive income/(loss) that will not be classified to profit or loss			
Actuarial gains/(losses)	5.21	(1,584,096)	1,143,246
Deferred tax on actuarial gains/(losses)		380,184	(331,541)
Other Comprhensive income/(loss) that may be subsequently reclassified to profit or loss			
Change in the fair value of equity investments		0	(231,000)
Deferred tax on the change in the fair value of equity investments		0	66,990
Total comprehensive income for the year after tax		**173,236,929**	**171,688,957**

The notes on pages 9 to 57 are an integral part of these financial statements.

Statement of Financial Position for the Year Ended 31 December 2019

ASSETS	Note	2019	2018
Non-current assets			
Property plant & equipment-owned assets	5.7	23,402,775	23,036,242
Intangible assets	5.8	1,825,147,647	545,703,951
Right of use assets	5.9	2,385,761	0
Non-current financial assets	5.10	287,677	10,159,718
Construction works in progress	5.13	20,049,780	10,832,889
Other non-current assets	5.11	3,617,331	3,495,246
Total non-current assets		**1,874,890,972**	**593,228,046**
Current assets			
Inventories	5.12	5,896,932	5,830,408
Trade accounts receivables	5.14	29,741,180	29,712,427
Income tax receivable	5.15	23,364,123	0
Other accounts receivables	5.15	39,149,975	29,796,985
Cash & cash equivalents	5.16	127,968,412	656,533,344
Total current assets		226,120,621	721,873,164
TOTAL ASSETS		**2,101,011,593**	**1,315,101,210**
EQUITY & LIABILITIES			
Equity			
Share capital	5.17	300,000,000	300,000,000
Statutory & other reserves	5.18	87,874,703	78,231,185
Retained earnings	5.19	479,525,853	380,932,442
Total equity		**867,400,555**	**759,163,627**
Non-current liabilities			
Borrowings	5.20	653,652,180	134,348,764
Employee retirement benefits	5.21	11,867,669	10,015,756
Provisions	5.22	24,730,999	20,926,128
Deferred tax liabilities	5.23	85,077,492	89,596,945
Other non-current liabilities	5.24	234,848,091	81,252,050
Lease liabilities	5.27	1,966,279	0
Total non-current liabilities		**1,012,142,710**	**336,139,643**
Current liabilities			
Borrowings	5.20	124,458,470	83,650,848
Trade & other payables	5.25	75,317,139	68,287,667
Income tax payable	5.23	0	42,248,559
Other current liabilities	5.26	21,218,765	25,610,865
Lease liabilities	5.27	473,954	0
Total current liabilities		**221,468,328**	**219,797,939**
Total liabilities		**1,233,611,038**	**555,937,583**
TOTAL EQUITY & LIABILITIES		**2,101,011,593**	**1,315,101,210**

The notes on pages 9 to 57 are an integral part of these financial statements.

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share Capital	Statutory & Other Reserves	Retained Earnings	Total Equity
Balance as at 31 December 2017	**300,000,000**	**69,031,428**	**218,443,243**	**587,474,670**
Comprehensive income				
Net profit for the year 2018	0	0	171,041,262	171,041,262
Other comprehensive income	0	647,694	0	647,694
Total comprehensive income	**0**	**647,694**	**171,041,262**	**171,688,956**
Transactions with owners				
Dividends distributed to the shareholders	0	0	0	0
Total transactions with owners	**0**	**0**	**0**	**0**
Transfer to statutory reserves	0	8,552,063	(8,552,063)	0
Balance as at 31 December 2018	**300,000,000**	**78,231,185**	**380,932,442**	**759,163,626**
Comprehensive income				
Net profit for the year 2019	0	0	174,440,841	174,440,841
Other comprehensive income	0	(1,203,912)	0	(1,203,912)
Total comprehensive income	**0**	**(1,203,912)**	**174,440,841**	**173,236,929**
Transactions with owners				
Dividends distributed to shareholders	0	0	(65,000,000)	(65,000,000)
Total transactions with owners	**0**	**0**	**(65,000,000)**	**(65,000,000)**
Transfer to statutory and other reserves	0	10,847,430	(10,847,430)	0
Balance as at 31 December 2019	**300,000,000**	**87,874,703**	**479,525,853**	**867,400,555**

The notes on pages 9 to 57 are an integral part of these financial statements.

Statement of Cash Flows for the Year Ended 31 December 2019

	Note	2019	2018
Operating activities			
Profit for the year before tax		**224,898,230**	**239,682,891**
Adjustments for:			
Depreciation & amortisation expenses	5.2	79,902,921	77,472,948
Provision for impairment of trade receivables		(529)	(2,630)
Net financial expenses	5.3	43,597,534	25,179,836
(Gain)/loss on PPE disposals		62,250	(6,400)
Increase/(decrease) in retirement benefits		402,817	397,070
Increase/(decrease) in provisions		3,746,059	1,077,597
Increase/(decrease) in other assets/liabilities		(1,732,639)	(14,248,260)
Increase/(decrease) in working capital		(9,501,311)	68,438,181
Cash generated from operations		**341,375,331**	**397,991,233**
Income tax paid		(120,497,482)	(89,432,127)
Interest paid	5.3	(35,400,132)	(20,301,702)
Net cash flow from operating activities		**185,477,716**	**288,257,404**
Investment activities			
Acquisition of intangible assets - PPE		(27,218,153)	(20,523,054)
Concession extension	5.8	(1,185,996,577)	0
Interest received		141	2,905
Investments to financial assets	5.10	1,052,636	0
Dividends received from associate		915,620	216,260
Net cash flow from investment activities		**(1,211,246,333)**	**(20,303,890)**
Financial activities			
Dividends paid	5.19	**(64,675,001)**	**0**
Repayment of bank loans		**(98,437,465)**	**(78,201,166)**
New borrowings raised		660,603,662	0
Payments under leases	5.27	(287,512)	0
Net cash flow from financial activities		**497,203,684**	**(78,201,166)**
Net increase/(decrease) in cash & cash equivalents		**(528,564,932)**	**189,752,347**
Cash & cash equivalents at the beginning of the year		**656,533,344**	**466,780,996**
Cash & cash equivalents at the end of the year		**127,968,412**	**656,533,344**

The notes on pages 9 to 57 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Incorporation & activities of the Company

Athens International Airport S.A. ("the Company" or "AIA") is active in the financing, construction and operation of civil airports and related activities. As a civil airport operator, the Company manages the AIA at Spata, Greece. The Company is a Société Anonyme incorporated and domiciled in Greece. The address of its registered office is Spata, Attica 19019, with General Commercial Registry Number 2229601000.

The Company was established on 31 July 1995 by the Greek State & Private Investors for the purpose of the finance, construction, operation and development of the new international airport at Spata Attica. In exchange for the finance, construction, operation and development of the airport the Greek State granted the Company a 30-year concession commencing on 11 June 1996. The Company commenced its commercial operations in March 2001 following a construction period of approximately five (5) years initiated in September 1996. At the end of the concession arrangement (11 June 2026), subject to the stipulations of Article 33 of the Airport Development Agreement ("ADA") and without prejudice to all rights and obligations then having accrued to the Greek State and/or the Company, the airport together with all usufruct additions would have reverted to the Greek State, without payment of any kind and clear of any security, unless the concession arrangement was renewed as provided by the Article 4.2 of the ADA.

Pursuant to the Article 4.2 of the ADA the Hellenic Republic Assets Development Fund (the HRADF) sent a letter to AIA on 7 December 2015 requesting the initiation of the negotiations in view of the possible extension of the concession period for another 20 years. The ADA Concession Extension Agreement, following the fulfillment of the respective conditions i.e. DG Grow, DG Comp clearances of the European Commission and European Investment Bank approvals, was finally ratified by the Hellenic Parliament on 14 February 2019 and the effectiveness of the Concession Extension took place upon the relevant publication in the Government Gazette on 19 February 2019, i.e. law 4594/2019. The Concession Extension Agreement entailed payment of a consideration ("Consideration") amounting to €1,131,676,123 (plus the applicable VAT) comprising the initial Consideration of €1,115,000,000 and the amount of €16,676,123 representing the adjustment of 10.30% per annum, calculated pro rata on a daily basis, for the period from 1 January 2019 to 22 February 2019. The Company, based on the content of the Concession Extension Agreement and in order to pay the Consideration for the concession extension to HRADF, entered into a Second Lien Bond Loan Agreement for an amount of €642,476,578 with the National Bank of Greece and Piraeus Bank as subscribers (for more details refer to note 5.20).

The Company's return from air activities is capped at 15.0% on the capital allocated to air activities. As per the Concession Extension Agreement, the airport charges set by the Company, shall additionally cover the depreciation of the extension consideration and the interest paid on the proportion of the Company's indebtedness allocated to air activities. In the event that the Company's actual compounded cumulative return exceeds 15.0%, in 3 out of any 4 consecutive financial periods, the Company is obliged to pay any excess return to the Greek State, a condition which through 31 December 2019 has never occurred.

The terms and conditions of the concession for AIA are stipulated in the ADA. The ADA and the Company's Articles of Association were ratified and enacted under Law 2338 dated 14 September 1995.

The number of full-time equivalent staff employed at year-end was 774 employees, compared to 740 employees at the end of year 2018.

The financial statements have been approved by the Board of Directors on 19 March 2020 and are subject to the approval of the Annual General Meeting of the shareholders.

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have consistently been applied to all the years presented.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, IFRIC Interpretations and the Law 4308/2013 as applicable to companies reporting under IFRS and present the financial position, results of operations and cash flows of the Company on a going concern basis. Management has concluded that the going concern basis of preparation of the accounts is appropriate.

The Company's financial statements have been prepared under the historical cost convention, with the exception of financial assets that are measured at fair value.

2.1.1 Going concern

As a result of the funding activities undertaken and the increased focus on working capital, the Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current financing. Currently net financial expenses are covered by operating profits more than 5 times.

Based on the forecasts and projections, management reasonably believes that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.1.2 New standards, amendments to standards and interpretation

The accounting principles and calculations used in the preparation of the financial statements are consistent with those applied in the preparation of the financial statements for the year ended 31 December 2018 and have been consistently applied in all periods presented in this report except for the following amended IFRSs which have been adopted by the Company as of 1 January 2019:

The Company applied for the first time, IFRS 16 (Leases) and disclosed below, as required by IAS, the nature and effect of these changes. Several other amendments and interpretations we also applied for the first time in 2019 but do not have a significant impact on the financial statements of the Company for the year ended 31 December 2019.

IFRS 16: Leases

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'). The new standard requires lessees to recognize most leases on their financial statements. Lessees have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged.

IFRS 16 supersedes IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases-Incentives" and SIC-27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company acts as a lessor.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, comparative figures have not been restated and the cumulative effect of initially applying the standard was recognised at the date of initial application. The Company applied the practical expedient to grandfather the definition of a lease on transition. This means that it applied IFRS 16 to all contracts entered into before 1 January 2019 that were identified as leases in accordance with IAS 17 and IFRIC 4. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Finally, the Company decided to apply a single discount rate for leases with reasonably similar characteristics (such as leases with similar remaining lease term for similar class of underlying assets in a similar economic environment).

The effect of adoption IFRS 16 as at 1 January 2019 (increase/(decrease) is as follows:

A right of use asset for vehicles leases amounting to €674,726 was recognised at the beginning of the annual period of the current year, the annual depreciation of which amounted to €277,651. A right of use asset for explosive detection equipment leases was recognized within 2019 amounting to €1,922,114. Since the cost reflects the exercise of a reasonably certain purchase option, depreciation of the right to use asset is based on the useful life of the detection machines, amounting for 2019 to €48,053.

Upon adoption of IFRS 16, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The right-of-use assets were recognized as equal to the lease liability, adjusted by the amount of any prepaid lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. In specific:

As at 1 January 2019:

- 'Right-of-use assets' that included vehicles leases amounting to €674,726, were recognised and presented separately in the statement of financial position.
- Additional 'lease liabilities' were recognised and presented separately as current and non-current liabilities in the statement of financial position. Amount for lease liabilities were equal to right-of-use assets i.e. vehicles leases amounting to €674,726.
- 'Retained earnings' have not changed as the Company proceeded with the modified retrospective approach and the principles of para C8 bii), where the right-of-use asset equals the lease liability at the date of initial application. There were no prepaid of accrued lease payments that would require ROU to be adjusted. For the year ended 31 December 2019:
- Depreciation expense increased because of the depreciation of additional assets recognised (i.e., increase in right-of-use assets). This resulted in increases in Depreciation & Amortization charges of €312,843. Regrading mechanical equipment, the Company assessed it will exercise of a reasonably certain purchase option, thus depreciation of the right to use asset is based on the detection machines useful lifetime.
- Rent expense included in other operating expenses, relating to previous operating leases, decreased by €287,512.
- 'Finance costs' increased by €11,653 relating to the interest expense on additional lease liabilities recognised.
- Cash outflows from operating activities decreased by €287,512 and cash outflows from financing activities increased by the same amount, relating to decrease in operating lease payments and increases in principal and interest payments of lease liabilities.
- Deferred tax liability increased because of the deferred tax impact of the changes in recognised lease related assets and liabilities.

IFRS 9: Prepayment features with negative compensation (Amendment)
The Amendment allows financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that, from the perspective of the holder of the asset there may be 'negative compensation'), to be measured at amortized cost or at fair value through other comprehensive income. Management has assessed the effect of the amendment and considers that there is no significant impact on the Company's financial statements.

IAS 28: Long-term Interests in Associates and Joint Ventures (Amendments)
The Amendments relate to whether the measurement, in particular impairment requirements, of long-term interests in associates and joint ventures that, in substance, form part of the 'net investment' in the associate or joint venture should be governed by IFRS 9, IAS 28 or a combination of both. The Amendments clarify that an entity applies IFRS 9 Financial Instruments, before it applies IAS 28, to such long-term interests for which the equity method is not applied. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long- term interests that arise from applying IAS 28. Management has assessed the effect of the amendment and considers that there is no significant impact on the Company's financial statements.

IFRIC Interpretation 23: Uncertainty over Income Tax Treatments
The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The Interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances. Management has assessed the effect of the interpretation and considers that there is no significant impact on the Company's financial statements.

IAS 19: Plan Amendment, Curtailment or Settlement (Amendments)
The Amendments require entities to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after a plan amendment, curtailment or settlement has occurred. The Amendments also clarify how the accounting for a plan amendment, curtailment or settlement affects applying the asset ceiling requirements. Management has assessed the effect of the amendment and considers that there is no significant impact on the Company's financial statements.
The IASB has issued the Annual Improvements to IFRSs 2015 – 2017 Cycle, which is a collection of amendments to IFRSs. Management has assessed these amendments and considers that there is no significant impact on the Company's financial statements.

IFRS 3 Business Combinations and IFRS 11 Joint Arrangements:
The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

IAS 12 Income Taxes:
The amendments clarify that the income tax consequences of payments on financial instruments classified as equity should be recognized according to where the past transactions or events that generated distributable profits has been recognized.

IAS 23 Borrowing Costs:
The amendments clarify paragraph 14 of the standard that, when a qualifying asset is ready for its intended use or sale, and some of the specific borrowing related to that qualifying asset remains outstanding at that point, that borrowing is to be included in the funds that an entity borrows generally.

2.1.3 Standards issued but not yet effective and not early adopted

Conceptual Framework in IFRS standards
The IASB issued the revised Conceptual Framework for Financial Reporting on 29 March 2018. The Conceptual Framework sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. IASB also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. Its objective is to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of 'material' (Amendments)
The Amendments are effective for annual periods beginning on or after 1 January 2020 with earlier application permitted. The Amendments clarify the definition of material and how it should be applied. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity'. In addition, the explanations accompanying the definition have been improved. The Amendments also ensure that the definition of material is consistent across all IFRS Standards.
Management has assessed the effect of these amendments and considers that there is no significant impact on the Company's financial statements.

Interest Rate Benchmark Reform - IFRS 9, IAS 39 and IFRS 7 (Amendments)
The amendments are effective for annual periods beginning on or after 1 January 2020 and must be applied retrospectively. Earlier application is permitted. In September 2019, the IASB issued amendments to IFRS 9, IAS 39 and IFRS 7, which concludes phase one of its work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting. Phase two will focus on issues that could affect financial reporting when an existing interest rate benchmark is replaced with a risk-free interest rate (an RFR). The amendments published, deal with issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative interest rate and address the implications for specific hedge accounting requirements in IFRS 9 Financial Instruments and IAS 39 Financial Instruments: Recognition and Measurement, which require forward-looking analysis. The amendments provided temporary reliefs, applicable to all hedging relationships that are directly affected

by the interest rate benchmark reform, which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate. There are also amendments to IFRS 7 Financial Instruments: Disclosures regarding additional disclosures around uncertainty arising from the interest rate benchmark reform. Management has assessed the effect of these amendments and considers that there is no significant impact on the Company's financial statements.

IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current. The amendments affect the presentation of liabilities in the statement of financial position and do not change existing requirements around measurement or timing of recognition of any asset, liability, income or expenses, nor the information that entities disclose about those items. Also, the amendments clarify the classification requirements for debt which may be settled by the company issuing own equity instruments. These Amendments have not yet been endorsed by the EU. Management has assessed the effect of these amendments and considers that there is no significant impact on the Company's financial statements.

2.2 Foreign currency translation

2.2.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Company's financial statements are presented in Euro (€), which is the Company's functional and presentation currency. Any slight discrepancies are due to rounding's of the relevant amounts.

2.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the valuation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the income statement.

2.3 Property, plant and equipment

Property, plant and equipment mainly comprise movable assets, such as vehicles and furniture & fixtures which do not form part of the service concession intangible asset.

The items included under the heading "Property, plant & equipment" in the accompanying statement of financial position are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of the various categories of property, plant and equipment to their residual values over their estimated useful lives, as follows:

Mechanical Equipment	shorter of 10 years and remaining concession period
Vehicles	shorter of 6-10 years and remaining concession period
Fixtures & Equipment	shorter of 10 years and remaining concession period
Hardware	shorter of 5 years and remaining concession period

Land, buildings, installations, fencing, aircraft ground power system, runways, taxiways, aircraft bridges and aprons held under the Service Concession Arrangement constitutes the total infrastructure that has been recognised as an intangible asset (refer to accounting policy 2.4).

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other (losses)/gains – net, in the income statement.

2.4 Intangible assets

2.4.1 Service Concession Arrangement

Service Concession Arrangement

The Service Concession Arrangement refers to the ADA which governs the right that has been granted by the Greek State to the Company for the purpose of the finance, construction, operation and development of the Airport. The above right initially had a finite useful life of approximately 25 years, until 11 June 2026, which was equal to the duration of the concession arrangement following the completion of the construction phase.

The Service Concession Arrangement has been accounted under the intangible asset model, as foreseen by the IASB published IFRIC 12, since the Company, as operator, is paid by the users and the concession grantor has not provided any contractual guarantees with respect to the recoverability of the investment. The intangible asset corresponds to the right granted by the concession grantor to the Company to charge users of the airport services.

The Service Concession Arrangement consists of the fair value of acquiring the service concession which principally includes the cost of the usufruct and the costs incurred to construct the infrastructure (net of government grants received), as well as the present value of the fixed determined future obligations for the grant of rights fee payable to the Greek State until 2026 as set out in the ADA.

Through February 2019 amortisation was calculated using the straight-line method to allocate the cost of the right over the duration of the Service Concession Arrangement which is approximately 25 years.

Extension of Service Concession Arrangement

Pursuant to the Article 4.2 of the ADA, the Service Concession Arrangement was extended (refer to note 1) under the terms and conditions prescribed in the ADA Extension Agreement as ratified by the Hellenic Parliament on 14 February 2019 and the effectiveness of the Concession extension taking place upon the relevant publication in the Government Gazette on 19 February 2019, i.e. law 4594/2019.

Subject to the terms and conditions of the ADA extension Agreement with effect from the effective date the concession period is extended by twenty (20) years, commencing on 12 June 2026 and ending on 11 June 2046.

Since the right granted by the concession grantor to the Company to charge the users of the airport services has not been amended but only prolonged in respect to the extended concession period the intangible asset model continuous to apply. The consideration for the extension of the service concession and the fixed determined future obligations for the grant of rights fee payable to the Greek State from 2026 until 2046 arising from the extension of the service concession arrangement meet the definition of an intangible asset since they arise from contractual rights. Recognition criteria are also met since additional economic benefits to the Company are expected.

The ADA Extension Agreement is being treated as a modification to the existing intangible asset model corresponding to the right to operate the airport. The consideration paid in cash for the extension of the service concession and the present value of the fixed determined future obligations for the grant of rights fee from 2026 until 2046 are added to the carrying amount of the existing intangible asset, at the extension agreement effective date, and the aggregate balance will be amortised using the straight-line method over the extended concession period, from the effective date until 2046.

Any subsequent costs incurred in maintaining the serviceability of the infrastructure is expensed as incurred unless such cost relate to major upgrades or to the extension of the concession period which increase the income generating ability of the infrastructure. These costs are capitalised as part of the service concession intangible asset and are amortised on a straight-line basis over the remaining period of the Service Concession Arrangement.

2.4.2 Grant of rights fee, variable fee component

As set out in the ADA and its extension in respect to the period after the twentieth anniversary of the Agreement Commencement Date and until the end of the extended Concession Period, the Company shall pay to the Greek State per quarter the higher of: (a) a fixed amount of €3,750,000 and (b) 25.0% of 15.0% of the Consolidated Operating Profits for the Financial Year of the Company ending immediately prior to such Quarter.

Consolidated Operating Profit is specifically defined in the ADA as:

(a) the operating profit of the Company and its Subsidiaries (before interest, extraordinary and exceptional items, taxation calculated on profits or distributions and similar charges), all as determined on a consolidated basis and excluding amounts attributable to minority interests in Subsidiaries, in respect of a Financial Year as shown by the Audited Accounts in respect of that Financial Year, and

(b) less interest paid during that Financial Year (other than any interest paid on or as a result of a prepayment or acceleration of all or part of the relevant indebtedness) in respect of indebtedness for borrowed money incurred in respect of the provision, acquisition, construction, maintenance, repair, renewal and operation of the assets allocated to Air Activities.

The accounting for the Service Concession Arrangement and its extension continues as determined in 2.4.1, with the exception that the variable element of the Grant of Rights Fee is expensed to the income statement in the period in which it relates.

2.4.3 Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are depreciated over their estimated useful lives (shorter of 5 years and the remaining concession period).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Company and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the employee costs incurred as a result of developing software and an appropriate portion of relevant overheads.

Computer software development costs that recognised as assets are depreciated over their estimated useful lives (shorter of 5 years and the remaining concession period).

2.5 Impairment of non-financial assets

Assets, such as the service concession intangible asset, that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value - the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants - less costs to sell and value in use - the present value of the future cash flows expected to be derived from an asset or cash-generating unit. If the recoverable amount is lower than the carrying amount, the difference is recognised as an impairment loss in the income statement and the carrying amount of the asset is reduced by the same amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Financial assets

2.6.1 Initial recognition and measurement

Financial assets are classified, at initial recognition, subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade accounts receivable that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade accounts receivable that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in note 2.17 "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.6.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Derivatives are also categorised as "held for trading" unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the end of the reporting period, otherwise they are classified as non-current. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. The Company elected to classify its listed equity investments under this category.

Financial assets at amortised cost
The Company measures financial assets at amortised cost if both of the following conditions are met: a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and, b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

2.6.3 Derecognition and impairment
Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:
The rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment
The Company has implemented the simplified approach, in accordance with the principles of IFRS 9 and calculated the expected credit losses over the lifetime of receivables. The Company assessed the need for an impairment allowance on trade accounts receivable, however, due to the fact that all customers have provided letters of guarantee or cash deposits which cover their respective outstanding balances, the Company concluded that there are no expected credit losses and does not provide for these specific receivables separately in its financial statements.

2.6.4 Derivative financial instruments and hedge accounting
The Company uses derivative financial instruments such as purchase caps, to hedge its interest rate risks associated with long-term floating interest rate loan agreements. Such derivative financial instruments are initially recognized at fair value at the inception date of the hedge relationship and are subsequently measured at fair value through profit or loss. The Company elected not to apply hedge accounting.
The Company entered into purchase caps agreements to hedge its risk deriving from fluctuations of the fair value of future cash flows of the hedging instrument due to changes in market interest rates. The risk being hedged in a cash flow hedge is the exposure from volatility in future cash flows that are attributable to a particular risk associated with a recognized asset or liability resulting from changes in interest rates, exchange rates and could affect profit and loss account.

2.7 Inventories
Inventories are stated at the lower of cost and net realisable value. Cost is determined using
the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Spare parts consumed within a year are carried as inventory and recognized in profit or loss when consumed.

2.8 Trade receivables
Trade accounts receivable are unconditional amounts due – only the passage of time is required before payment - from customers for aeronautical and other services performed in the ordinary course of business. If collection is expected within one year or less, they are classified as current assets. If not, they are presented as non-current assets.
The Company has established a provision policy based on which all trade accounts receivable are assessed on a case by case basis. When necessary, the amount of the provision is recognised in the income statement and is included in "Net provisions and impairment losses".

2.9 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.10 Share capital
Ordinary shares are classified as equity. Incremental costs associated directly with the issue of new ordinary shares are shown in equity as a reduction, net of tax, from the proceeds.

2.11 Trade account payables
Trade accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs are capitalised if they are directly attributable to the acquisition or construction of a qualifying asset.

Borrowings are derecognised when the obligation under the loan agreement is discharged or cancelled or expires. When an existing loan agreement is replaced by another from the same lender on substantially different terms, or the terms of an existing loan agreement are substantially modified, such a modification is treated as a derecognition of the original loan liability and the recognition of a new loan liability. The difference of the respective carrying amounts is recognized in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the financial position date.

2.13 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Borrowing Government grants

Government grants relating to borrowing and other related costs are recognised in the income statement to match them with the costs that they are intended to compensate (refer to note 5.4).

Asset Government grants

Government grants relating to non-current assets are off-set against the cost of the relevant non-current asset. The grant is recognised as income over the life of the respective depreciable non-current asset by way of a reduction in the depreciation/amortisation charge (refer to notes 5.7, 5.8).

2.14 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated based on Greek tax laws enacted or substantively enacted at the financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the Company's financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the financial position date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Employee benefits

2.15.1 Pension obligations

The Company has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that typically defines an amount of pension benefits that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Defined benefit pension plan

The Company's obligations to pay employee retirement benefits under Law 2112/1920 are considered and accounted for as defined benefit plans.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the financial position date less the fair value of plan assets, if applicable, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the income statement.

Defined contribution plan

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.15.2 Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the financial position date are discounted to present value.

2.15.3 Bonus plans

The Company recognises a liability and an expense for bonuses based on achievement of predefined financial and operational targets. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.16 Provisions

Provisions are recognised when: The Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions include the obligations under the Service Concession Arrangement to maintain, keep in good operative condition, renew and replace to the extent reasonably necessary the serviceability of major infrastructure components, such as roads, runways, taxiways, aprons, air field lighting and baggage handling equipment etc. which require major overhauls at regular intervals during the concession period. These contractual obligations for maintaining or restoring the infrastructure are recognized and measured based on experts' studies on large scale asset management projects using the best possible estimate of the costs that would be required to meet the present obligation at the financial position date (in accordance with IAS 37), since the maintenance and restoration obligation arises as a result of the usage during the operating period. Provisions are not recognised for future operating losses.

Refer to note 5.22 for Company's restoration provision. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Revenue from contracts with customers

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Control over services rendered is transferred to the customer upon delivery of the respective service respectively. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Payment terms vary in line with the type of sales transactions and depend mainly on the products sold or services rendered, the distribution channels as well as each customer's specifics.

The Company assesses whether it acts as a principal or agent in each of its revenue arrangements. The Company has concluded that in all sales transactions it acts as a principal. Revenue is shown net of value-added tax, returns, rebates and discounts.

For sales of services, revenue is recognised in the accounting period in which the services are rendered, as the customer obtains control over the promised services, by reference to stage of completion of each specific performance obligation and assessed based on the actual service provided as a proportion of the total services to be provided.

If the consideration in a contract includes a variable amount, the Company recognizes this amount as revenue only to the extent that it is highly probable that a significant reversal will not occur in the future. The Company provides different developmental and targeted incentives offered to airlines, both for developing new markets, as well as for reinforcing existing ones. These incentives are assessed by the Company to determine whether they constitute a material right that the customer would not receive without entering into that contract. Incentives constitute a variable cost, which is accrued within the financial year.

2.17.1 Sales of services

Revenue from the sale of services derives from "air activities" and "non-air activities".

"Air Activities" mean the provision of facilities, services and equipment for the purpose of landing, parking and servicing of aircrafts; the handling of passengers, baggage, cargo or mail on airport premises; and the transfer of passengers, baggage, cargo or mail to and from aircrafts and trains.

"Non-Air Activities" mean the provision, operation, maintenance, repair, renewal staffing and supervision of the following services, facilities and equipment: car parking, general retail shops, restaurants, bars and other refreshment facilities, vehicle rental, porter service, hotels etc.

Aeronautical & Centralized Infrastructure charges

The use of facilities and installations at the Airport by airlines/aircrafts against payment, is stipulated in the guidelines in the customers' manual "Terms and Condition of use and schedule of traffic charges" as published in the Company's official site. Revenues from the use of such facilities and installations related to aeronautical & centralized infrastructure charges are recognised in the income statement when the services are rendered. The criteria for the recognition of revenue related to aeronautical & centralized infrastructure charges is the aircraft's take off due to the very sort cycle of aircraft turnarounds. Each arrival of an aircraft and its subsequent departure is considered as a cycle of movement/flight where all necessary services have been rendered.

Article 14 of ADA sets the rules for defining the charges levied to the users of the airport with respect of the facilities and services provided at the airport. According to the aforementioned article, the Company is entitled to determine at its discretion the level of airport charges in order to achieve a maximum return of 15.0% per annum on the capital allocated to air activities.

Retail concession agreements

The Company's business area has at the financial position date, a total of 69 retail concession contracts, concerning the performance of various commercial activities at the airport.

A retail concession involves granting of rights to a concession holder to operate and manage a commercial activity at a specific location designated by the Company. The concession rights are calculated according to an agreed scale as a percentage of the sales generated by the concession holder subject to an annual minimum guaranteed fee. A separate part of the concession contract is entered into for the space required for warehouses, for which a fixed rent is payable.

Revenue from these Concession agreements is accounted for as income for the financial year in which it was generated, while the settlement of the annual concession fees is finally recognised by the Company in the income statement, at year-end.

2.17.2 Parking fees

Revenues related to parking services to vehicles used by passengers and visitors to reach the airport are recognized in the income statement when the service is concluded. The criterion for the recognition of revenue related to parking charges is the vehicle's departure. Each arrival of a vehicle and its subsequent departure is considered as a cycle of movement where all services have been rendered.

2.17.3 Interest income

Interest income is recognised on a time-proportion basis using the effective interest rate method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans and trade accounts receivable is recognised using the original effective interest rate.

2.17.4 Dividend income
Dividend income is recognised when the right to receive payment is established.

2.18 Offsetting financial instruments
Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.19 Leases
The Company as a lesee
An agreement contains a lease if it conveys the right to control the use of an identified asset, even if that asset is not explicitly specified, for a period of time in exchange for a consideration. Reassessment is required only if the terms and conditions of the contract are changed. The Company has entered into lease agreements for certain of its vehicles and for the procurement, installation and maintenance of explosive detection equipment.

Right of use asset
At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises a right-of-use asset. The right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of the right-of-use asset comprise the amount of the initial measurement of the lease liability less any lease payments made at or before the commencement date and any initial direct costs. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset is transferred to the Company at the end of the leased term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful lives of the assets.

Lease liabilities
At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company also recognises a lease liability measured at the present value of the lease payments, to be made over the lease term, and that are not paid at the commencement date. The present value of the lease payments is calculated by using the interest rate implicit in the lease or if that rate cannot be determined the Company's incremental borrowing rate. The lease liability is decreased by the lease payments and increased by the finance fee charged as part of the unwinding of the discounting.
The Company has elected to apply the practical expedient for other mechanical equipment, whereby it is not required to separate non-lease components from lease components and instead account for each lease component and any associate non-lease components as a single lease component.
The Company has elected not to recognise a contract as a lease for short term leases and leases for which the underlying asset is of low value, in which case the lease payments are recognised as an expense on either a straight-line basis over the lease term or another more representative to the lease benefit basis.

The Company as a lessor
The Company's property area has at the financial position date, a total of 110 lease contracts, concerning the lease of buildings, offices, storages, lounges and lockers at the airport.
The Company classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers all the risks and rewards incidental to ownership of an underlying asset. In any other case, the lease is classified as an operating lease.
The Company recognises assets held under finance lease in its Statement of Financial Position and present them as a receivable at an amount equal to the present value of the future lease payments and recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. Payments made by the Company under operating leases are charged to the income statement on a straight-line basis over the period of the lease.
The Company does not lease any property, plant or equipment under finance leases under which it substantially retains all the risks and rewards of ownership.

2.20 Dividend distribution
Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.21 Fair value estimation and hierarchy
Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The carrying value of trade accounts receivable and payables are assumed to approximate their fair values at the financial position date. The fair value of financial assets that are debt instruments measured at fair value through other comprehensive income or equity investments measured at fair value through profit and loss account is assessed using quoted prices in active market (Level 1). The fair value of loans is estimated by discounting the future contractual cash flows at the current market interest rate swaps for the average duration of the loan which corresponds to the average duration of the relevant debt obligation (Level 2). During the year there were no transfers between Level 1 and Level 2 and no transfers into and out of Level 3 for the measurement of fair value.

2.22 Associates
Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20.0% and 50.0% of the voting rights. Investments in associates are initially recognised at cost and subsequently at cost less any impairment losses. Dividend income is recognised when the right to such income is established.
The Company's investment in its associate amounted to €3.25 million as of 31 December 2019 represents less than 1.0% of total assets as of that date. This investment has not been accounted for under the equity method of accounting on the basis that it is not considered to be material to the Company's operations and any share of the profit or loss or share of other comprehensive income of this associate is unlikely to influence the economic decision of the users of these financial statements.

3 Financial risk management

3.1 Financial risk factors

The Company is exposed to financial risk, such as market risk (fluctuations in exchange rates, interest rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company.
The financial risk management of the Company is performed internally by a qualified unit, which operates under specific rules that have been approved by the Board of Directors.
The ongoing developments relating to the macroeconomic and financial environment in Greece have not significantly affected the operations and financial performance of the Company.
Historically, the Company has demonstrated increased resilience in the years of macroeconomic instability, combining financial performance with operational excellence and quality of services and therefore, Management does not expect that the operations and financial position of the Company will be significantly affected in the foreseeable future. Despite all adversities, past and future, Management has and will continue to assess the situation and its possible impact, adjusting its operating strategy whenever necessary, in order to deliver financial and non-financial value to shareholders and other stakeholder parties.

3.1.1 Exchange rate risk

Exchange rate risk occurs if future business transactions, recognized assets and liabilities and net investments in activities outside the euro zone are expressed in a currency other than the functional currency of the Company (Euro).
The Company's exposure to foreign exchange risk is limited since its business is substantially transacted in its functional currency.

3.1.2 Cash flow and fair value interest rate risk

The cash flow interest rate risk is the risk of fluctuations in the future cash flows of a financial instrument as a result of fluctuations in the market interest rate.
During 2019 the Company's cash and cash equivalent were not invested in any short-term time deposits or any other liquid investments. The impact from possible future interest rates on the Company's financial performance, regarding cash and cash equivalents is presented below:

	2019		2018	
Interest rates fluctuation	+1.0%	0.0%	+1.0%	0.0%
Impact on interest receipts	**1,274,541**	**0**	**6,739,542**	**0**

The Company is also exposed to interest rate risk arising from its long-term borrowings. Borrowings issued at variable interest rates expose the Company to cash flow interest rate risk while borrowings issued at fixed interest rates expose the Company to fair value interest rate risk.
The Company's borrowings provided by the European Investment Bank loan are borrowings with fixed interest rates. Hence the financial performance cannot be affected by fluctuations in interest rates with respect to such loans. The fair value interest rate risk of such loans is presented in note 5.20.
The Company's borrowings provided by the National Bank of Greece, Piraeus Bank, Alpha Bank and Eurobank Ergasias (2L Bond Loan & Capex Debt Bond Loan) are borrowings with variable interest rates. In respect to the 2L Bond Loan, the Company has entered into hedging agreements in order to neutralize any effect from interest rate fluctuations through April 2022. In respect to the Capex Debt Bond Loan, the Company has agreed with its lenders to enter into hedging agreements for the neutralization of any effect from interest rate fluctuations starting from November 2022, one month prior to the conclusion of the relevant drawdowns.

	2019		2018	
Interest rates fluctuation	**+0.6%**	**0%**	**+0.8%**	**0%**
2L Bond Loan	4,004,749	0	0	0
Capex Bond Loan	13,059	0	0	0
Total impact on interest expenses	**4,017,808**	**0**	**0**	**0**

The fair value interest rate risk is the risk of fluctuations in the value of a financial instrument as a result of fluctuations in the market interest rate. The Company is exposed to fair value interest rate risk as a result of discounting liabilities and accounts receivable of long-term settlement. Such liabilities and accounts receivable are discounted using the prevailing pre-tax risk-free rate which is affected by interest rates fluctuations. The impact from possible future interest rates on the Company's financial performance from liabilities of long-term settlement is presented below:

	2019		2018	
Interest rates fluctuation	**+1.0%**	**-1.0%**	**+1.0%**	**-1.0%**
Grant of rights fee payable*	(249,946)	(429,179)	349,410	(322,147)
Interest rates fluctuation	**+1.0%**	**-0.35%**	**+1.0%**	**-0.24%**
Provision for major restoration expenses	(325,874)	132,003	(73,560)	18,004
Total impact	**(575,820)**	**(297,175)**	**275,850**	**(304,143)**

*Amounts include impact from finance costs & amortization

3.1.3 Price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices. The Company's exposure to equity securities price risk is limited to the investment in an unlisted entity which represents less than 1.0% of total asset. The Company is not exposed to commodity price risk.

3.1.4 Credit risk

Credit risk arises from cash and cash equivalents held with banks and credit exposures from customers.

Cash and cash equivalents – Financial assets

For banks and financial institutions, only independently rated parties with minimum ratings described below, as set out under the Master Facility Agreement between the Company and the EIB and the 2L Terms Agreement and the Capex Debt Terms Agreement between the Company and National Bank of Greece, Piraeus Bank, Alpha Bank and Eurobank Ergasias (Greek Consortium) are acceptable. The Company could cooperate with banks or financial institutions or proceed with the purchase of financial assets that satisfy the following criteria:

- Long term unsecured and unguaranteed debt should be rated at:
  a. A3 or higher by Moody's; or
  b. A- or higher by S&P; or
  c. A- or higher by Fitch
- The maturity date of an investment should not exceed the period of 2 years from the investment date

- Operates a branch in Greece or such other places as may be agreed between the Company and EIB, the 2L Bondholder Facility Agent and the Capex Debt Bondholder Facility Agent; and
- Is acceptable by EIB, the 2L Bondholder Facility Agent and the Capex Debt Bondholder Facility Agent

The banks with lower than required credit rating, in which the Company holds bank accounts are approved by EIB, the 2L Bondholder Facility Agent and the Capex Debt Bondholder Facility Agent.
The analysis of financial assets and bank deposits' balances based on credit ratings is presented in the following table:

	2019		2018	
	Aaa to A3	Caa1 to C	Aaa to A3	Caa1 to C
Non Current Financial Assets - Hedging	0	287,677	0	0
Equity investments financial assets	0	0	0	259,718
Restricted cash financial assets	0	0	9,900,000	0
Bank deposits' balances	126,888,391	565,727	654,524,812	297,185
Total	**126,888,391**	**853,404**	**664,424,812**	**556,903**

The above criteria are satisfied with respect to the financial assets held within 2019 and classified at amortized cost including the bank deposits' balances. As regards to the investment in the financial asset classified at fair value through profit and loss, for which the above criteria were not satisfied, the Company obtained the consent and waiver of EIB on 1 December 2016. Further information is presented in notes 5.10 and 5.20.

Trade accounts receivable
Regarding credit exposure from customers, the Company has an established credit policy and procedures in place aiming to minimise collection losses. Credit control assesses the credit quality of the customers, considering independent credit ratings where available, their financial position, past experience in payments and other relevant factors. Cash and other collateral are obtained from customers when considered necessary under the circumstances.
Trade and other accounts receivable are analysed as follows in terms of credit risk:

Trade and other receivables subject to impairment testing	2019	2018
Fully performed	15,651,185	14,754,833
Past due but not impaired	23,147,511	23,952,565
Impaired	2,878,207	2,938,517
Total trade and other receivables subject to impairment testing	**41,676,903**	**41,645,915**

Any past due account that is fully covered by guarantees or collaterals given is not tested for impairment. The aging analysis of the past due, but not impaired amount is presented in the following table:

Aging analysis of past due but not impaired receivables	2019	2018
1-30 days	16,917,292	15,454,365
31-60 days	1,733,104	2,161,141
Over 60 days	4,497,116	6,337,059
Total of past due but not impaired receivables	**23,147,511**	**23,952,565**

Credit quality of financial assets
The credit quality of the financial assets is satisfactory, considering the allowance for doubtful debt. The Company has established a credit policy which requires the customers to extend securities for the use of the airport's services and facilities. The securities held by the Company are in the form of cash deposits and bank letters of guarantee. The fair value of the collaterals held by the Company as at 31 December 2019 is analysed as follows:

Fair value of collaterals held	2019	2018
Letter of guarantees	66,791,731	64,431,549
Cash deposits	40,881,413	29,098,570
Total fair value of collaterals held	**107,673,143**	**93,530,119**

The collaterals above have been received against the outstanding balance of all trade receivable accounts.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to information about counterparty secured amounts:

	2019	2018
Group 1 - Fully secured	9,152,205	8,383,695
Group 2 - Partially secured	5,380,316	5,605,714
Group 3 - Not secured	1,118,664	765,424
Total	**15,651,185**	**14,754,834**

Provision for impairment
As of 31 December 2019, trade accounts receivable of €23,147,511 (2018: €23,952,565) were tested for impairment and adequately provided for their unsecured amount. The amount of provision stood at €2,413,515 as of 31 December 2019. The individually impaired trade accounts receivable mainly relate to customers, who are in unexpectedly difficult economic situations. It was assessed that a portion of the trade accounts receivable is expected to be recovered.
Movements on the provision for impairment of trade accounts receivable are as follows:

Provision of trade receivables impairment	2019	2018
At 1 January	2,414,045	2,416,675
Addition (release) of provision for receivables impairment	(529)	(2,630)
At 31 December	**2,413,515**	**2,414,045**

The creation and release of provision for impaired trade accounts receivable have been included in "Net provisions and impairment loses" in the income statement. The other classes within trade accounts receivable do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the value of total provision for impairment of trade receivables.

3.1.5 Concentration of credit risk
The Company is exposed to concentration risk attributed to the concentration of the trade accounts receivable and cash balances.
The Company has a high concentration of credit risk with respect to 2 carriers (2018: 2 carriers) which represents higher than 10.0% of its aeronautical revenues.
For bank balances and deposits, there is a significant concentration of credit risk with respect to 2 banks (2018: 2 banks), which hold more than 10.0% of the Company's cash balances and deposits. However, no financial loss is expected based on what has been referred above in note 3.1.4 for cash balances and financial assets.

3.1.6 Liquidity risk

Liquidity risk is the risk that the entity will have difficulty in raising the financial resources required to fulfil its commitments. Liquidity risk is held at low levels through effective cash flow management and availability of adequate cash. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that is has sufficient cash to meet operational needs, to fund scheduled investments and debt and to comply with loan covenants. The table below analyses the financial liabilities towards the bank institutions into relevant maturity groupings based on the remaining period at the financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the financial position, as the impact of discounting is not significant.
Note: Amounts depicted in the category Borrowings include the EIB Loan (fixed interest rate), the 2L Bond Loan and the Capex Debt Bond Loan (both with floating interest rates). The assumptions used for the floating interest rate are that the 6M Euribor is 0% until the maturity of the loans and that the margin of the loans is 3.10% until 10 June 2021 and 3.15% until the maturity of the loans.

At 31 December 2019	Les than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
EIB loan	95,119,007	47,544,603	0	0
2L Bond loan	51,191,837	51,635,494	158,098,678	531,166,354
CAPEX Debt Bond loan	814,813	2,114,215	12,524,105	72,583,678
Grant of rights fee payable	15,000,000	15,000,000	45,000,000	321,833,333
Trade and other payables	70,551,861	0	0	0
Total	**232,677,518**	**116,294,312**	**215,622,783**	**925,583,365**

At 31 December 2018	Les than 1 year	Between 1 & 2 years	Between 2 & 5 years	Over 5 years
EIB loan	95,148,992	95,119,007	47,544,603	0
Grant of rights fee payable	15,000,000	15,000,000	45,000,000	36,833,333
Trade and other payables	64,347,323	0	0	0
Total	**174,496,315**	**110,119,007**	**92,544,603**	**36,833,333**

Grant of Rights Fee payable relates to the fixed determined future obligations (refer to note 2.4.1).

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.
In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, use excess cash to repay its borrowings (subject to the termination provisions of the respective loan agreements) or sell assets not pledged as security, to reduce debt.
Consistent with others in the industry, the Company monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "Current and non-current borrowings" as shown in the statement of financial position) less cash and cash equivalents and current financial assets. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

Gearing ratio	2019	2018
Total borrowings	779,597,236	217,431,038
Less: Cash & cash equivalent and current financial assets	(128,256,089)	(217,431,038)
Net debt	**651,341,147**	**0**
Total capital – (equity plus net debt)	1,518,741,702	759,163,627
Gearing ratio	**43%**	**n/a**

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are disclosed below.

4.1.1 Taxes

The internal control procedures for the related tax risks are part of the Company's control system. The general tax risk for the Company concerns the timely submission of complete tax returns, the payment of the tax amounts concerned as well as compliance with all tax laws and regulations and reporting rules specifically relating to corporate income tax.
The Company is subject to income tax, VAT and other taxes in Greece. Significant judgment is sometimes required in determining the Company's tax position for such taxes in certain instances due to the tax regime, under the ADA, applicable to the Company's operations, which is subject to being challenged by the tax authorities on the grounds of ambiguity or different interpretation of tax laws. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will arise, or tax losses reduced. Where that final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax, deferred tax and other tax assets and liabilities in the period during which such determination is made.

4.1.2 Provision for restoration cost

Provision for restoration cost includes future expenses for the major overhauls of roads, runways, taxiways, buildings and replacement of airfield lighting and baggage handling equipment. Significant estimates are required to determine the level of provision such as the timing of the expenditure, the extension of the works and the amount that it will be expensed in the future. The nominal value of the provision for restoration cost is annually determined by a qualified department within the Company based on international experience and the specific conditions relating to the operations of the airport. Due to the effectiveness of the Concession Extension Agreement within 2019 the provision for restoration cost includes, as from the current year, future expenses until 11 June 2046. The amount of the provision is discounted at the financial position date by using the risk-free rate for similar time duration.

4.1.3 Provisions for legal claims

The Company has a number of legal claims pending against it (refer to note 5.29). Management uses its judgement as well as the available information from the Company's legal department and legal experts, in order to assess the likely outcome of these claims and if it is more likely than not that the Company will lose a claim, then a provision is recognized. Provisions for legal claims, if required, are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

4.1.4 Retirement Benefit Obligations

The present value of the pension obligations for the Company's defined benefit plans depends on several factors that are determined on an actuarial basis using a few assumptions. The assumptions used in determining the net cost / (income) for pensions include the discount rate and salary rate increases. Any changes in these assumptions will impact the carrying amount of pension obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds that are denominated in the currency and jurisdiction in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

4.1.5 Impairment of non-financial assets and investments in associates and joint ventures

The Company assesses at each reporting date, whether indicators for impairment exist for its non-financial assets (refer to note 5.11) and its investment in associate. If any indication exists, the Company estimates the asset's or cash generating unit's recoverable amount. Judgment is involved to some extent in determining whether indicators exist and the determination of the cash generating units at which the respective assets are tested.

5 Notes to the financial statements

5.1 Revenues

Analysis of revenues from contracts with customers	2019	2018
Air activities		
Aeronautical charges	236,446,029	230,229,963
Centralized infrastructure & handling related revenues	57,390,107	52,955,664
IT&T and other Services	12,849,042	12,774,219
Total air activity revenues from contracts	**306,685,178**	**295,959,846**
Non-air activities		
Retail concession activities	68,143,075	59,767,485
Parking services	14,347,068	13,836,052
IT&T and other Services	18,037,323	17,519,427
Total non-air activity revenues from contracts	**100,527,467**	**91,122,964**
Total revenues from contracts with customers	**407,212,645**	**387,082,810**
Other revenues		
Airport Development Fund - excess over borowwing costs	79,734,098	71,924,149
Rentals & other revenues from air activities	15,479,902	18,615,021
Rentals & other revenues from non-air activities	4,260,077	1,092,997
Total other revenues	**99,474,077**	**91,632,167**
Total revenues	**506,686,722**	**478,714,977**

Operating revenues are measured at the fair value of the consideration received or receivable, considering the amount of any trade discounts or tax-volume rebates (refer to note 2.17). With respect to Air activities and Aeronautical revenues, the Company implemented a 25% reduction on the pricelist of Landing & Parking charges as of 1 June 2019.

The fair value of the consideration received, or receivable is equal to the invoiced amount, since the Company doesn't provide any deferred credit terms to its customers, in the form of interest-free instalments or at below market interest rates. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

As at the financial position date, the Company has contracted with tenants for the following minimum non-cancellable operating lease payments:

Analysis of minimum lease payments from customers	2019	2018
Within one year	18,381,736	17,071,501
Between one and five years	62,131,361	54,025,822
More than five years	11,426,998	19,828,325
Total minimum lease payments from customers	**91,940,096**	**90,925,648**

Concession fees earned for the year ended 31 December 2019 include turnover linked fees in excess of base concession fees amounting to €11,463,575 (2018: €12,164,281).

5.2 Operating expenses & depreciation charges

Operating Expenses

Operating expenses in Income Statement are classified by nature. Operating expenses have been increased in year 2019 by €16,867,022 as compared to the previous financial year 2018 with the variances attributed to:

a) the variable part of the Grant of Rights Fee by €6,456,216, which was calculated on the profitability of the previous financial year as provided by law
b) the additional cost requirements following continuing traffic growth and intensive use of the facilities amounting to €4,351,643,
c) the increased provision for restoration expenses by €3,876,001 due to the extended concession period and
d) the increased utility expenses by €2,183,162 due to the significant increase in the price of electricity.

Depreciation & Amortization charges

Analysis of depreciation & amortisation charges	2019	2018
Depreciation of owned assets	4,088,375	4,367,224
Amortisation of intangible assets	81,372,127	88,182,501
Amortisation of right of use assets	325,704	0
Amortisation of cohesion fund related to intangible assets	(5,883,285)	(15,076,777)
Total depreciation & amortisation expenses	**79,902,921**	**77,472,948**

Depreciation charge is higher by €2,429,973 compared to 2018, mainly due to additional investments in fixed assets within the year, while the benefit in the amortization of the original intangible asset that is now amortized during the extended period is more or less offset by the additional depreciation of the consideration paid for the Concession Extension and the amortization of the fixed determined future obligations of the grant of rights fee (refer to note 2.4.1) which are included in the intangible asset.

5.3 Net financial expenses

Analysis of net financial expenses	2019	2018
Financial expenses		
Interest expenses and related costs on bank loans	31,240,174	16,672,174
Unwinding of discount for long term liabilities	10,476,133	5,017,162
Other financial expenses	1,997,732	3,505,487
Financial expenses	**43,714,039**	**25,194,823**
Financial revenues		
Interest income	(116,503)	(14,987)
Financial revenues	**(116,503)**	**(14,987)**
Net financial expenses	**43,597,537**	**25,179,836**

Interest and related expenses amounting to €35,400,132 (2018: €20,301,702) were paid during the year ended 31 December 2019.

The Company did not proceed to any investments on its cash surplus (investments in cash deposits and financial assets) within 2019, therefore there is no weighted average interest rate earned in 2019 (2018: 0.0%).

Interest income amounting to €141 (2018: €2,905) was received during the year ended 31 December 2019.

5.4 Subsidies received

Airport Development Fund (ADF)

In accordance with Law 2065/1992, as amended with Law 2892/2001, the Greek State imposed a levy on passengers older than 5 years old departing from Greek Airports, amounting to €12 for EU passengers and €22 for non-EU passengers, for the purpose of ensuring that passengers share the responsibility for funding the commercial aviation infrastructure within the Hellenic Republic. As of 11 April 2017, onwards, in accordance with Law 4465/2017, and until 1 November 2024, the levy for both EU and non-EU passengers has been set at €12 per departing passenger over 2 years old, while as of 1 November 2024 the levy will be further decreased to €3.

The passenger levy is collected by the airlines and consequently refunded to the Hellenic Civil Aviation Authority on a monthly or cash basis, through bank accounts maintained at the Bank of Greece for each airport, in favour of the Hellenic Civil Aviation Authority. The Airport is entitled to make withdrawals from the ADF account in accordance with Article 26.2 of the ADA ratified by Law 2338/1995.

For the year ended 31 December 2019 the Company was entitled to subsidies under the ADF amounting to €91,518,165 (2018: €88,749,927) as analysed below:

Analysis of subsidies receivable	2019	2018
Receivables meeting interest expenses	11,784,067	16,825,778
Excess over borrowing cost	79,734,098	71,924,149
Total subsidies receivable	**91,518,165**	**88,749,927**

Any subsidies receivable in excess of qualifying interest and related expenses for the year are shown as other revenues in line with the accounting policy 2.13.

5.5 Income tax expense

The corporate income tax rate of legal entities in Greece is 24% for 2019 (2018: 29%), as per to the article 22 of Law 4646/2019, according to which the corporate income tax rate in Greece is 24% from the fiscal year 2019 (inclusive) onwards. Income tax is calculated on taxable income or, in circumstance where the Company has tax losses carried forward, on gross dividends declared for distribution. For further information refer to note 5.23.

The total income taxes charged to the income statement are analysed as follows:

Analysis of income tax expense	2019	2018
Current income tax	(54,596,659)	(84,374,473)
Special once off tax contribution	0	(9,099,138)
Deferred income tax	(339,905)	13,114,402
Deferred income tax effect of change in tax rates	4,479,175	11,717,581
Total income tax expense for the year	**(50,457,388)**	**(68,641,628)**

The following is the reconciliation between income taxes as presented in the income statement, with those resulting from the application of the enacted tax rates:

Reconciliation of effective income tax rate	Rate	2019	Rate	2018
Profit before tax for the year		**224,898,230**		**239,682,891**
Income tax	24.0%	(53,975,575)	29.0%	(69,508,038)
Expenses not deductible for tax purposes	0.53%	(1,180,737)	0.95%	(1,814,748)
Revenues relieved from income tax	(0.10)%	219,749	(0.03)%	62,715
Effect of change in tax rates	(1.99)%	4,479,175	(5.21)%	11,717,581
Special once off tax contribution	0.0%	0	4.0%	(9,099,138)
Total income tax expense for the year	**22.44%**	**(50,457,388)**	**28.64%**	**(68,641,628)**

Refer to notes 5.23 and 5.29 for further analysis of income and deferred taxes.

5.6 Basic earnings per share

Basic earnings per share are calculated by dividing the Company's net profits after taxes by the weighted average number of shares during the year which is as follows:

Analysis of earnings per share	2019	2018
Profit of the year attributable to shareholders	174,440,841	171,041,262
Average no of shares during the year	30,000,000	30,000,000
Earnings per share for the year	**5.81**	**5.70**

There were no new shares issued or existing shares repurchased during the year. The average number of shares remained unchanged between fiscal years 2019 and 2018. The Company does not have any potential dilutive instruments.

5.7 Property plant & equipment-owned assets

Property plant & equipment-owned assets						
Acquisition cost	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
Balance as at 1 January 2018	**40,000**	**20,803,412**	**36,673,605**	**88,744,656**	**(17,437,643)**	**128,824,029**
Acquisitions	0	20,654	24,123	455,712	0	500,489
Disposals	0	0	(326,342)	(23,547)	0	(349,889)
Transfers	0	0	274,399	2,320,245	0	2,594,644
Reclassifications	0	0	(11,574)	11,574	0	0
Balance as at 31 December 2018	**40,000**	**20,824,066**	**36,634,211**	**91,508,640**	**(17,437,643)**	**131,569,273**
Balance as at 1 January 2019	**40,000**	**20,824,066**	**36,634,211**	**91,508,640**	**(17,437,643)**	**131,569,273**
Acquisitions	0	14,373	115,027	707,637	0	837,037
Disposals	0	0	(832,161)	(19,534)	0	(851,695)
Transfers	0	0	597,124	3,047,479	0	3,644,603
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2019	**40,000**	**20,838,439**	**36,514,201**	**95,244,222**	**(17,437,643)**	**135,199,218**

Depreciation of owned property plant & equipment						
Depreciation	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
Balance as at 1 January 2018	**0**	**9,951,947**	**34,597,929**	**77,403,464**	**(17,437,644)**	**104,515,696**
Depreciation charge for the year	0	1,299,110	548,709	2,519,405	0	4,367,224
Disposals	0	0	(326,342)	(23,547)	0	(349,889)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2018	**0**	**11,251,057**	**34,820,296**	**79,899,322**	**(17,437,644)**	**108,533,031**
Balance as at 1 January 2019	**0**	**11,251,057**	**34,820,296**	**79,899,322**	**(17,437,644)**	**108,533,031**
Depreciation charge for the year	0	515,675	543,985	3,028,715	0	4,088,375
Disposals	0	0	(807,418)	(17,544)	0	(824,962)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Balance as at 31 December 2019	**0**	**11,766,732**	**34,556,863**	**82,910,493**	**(17,437,644)**	**111,796,443**

Carrying amount of owned property plant & equipment						
Carrying Amount	Land & buildings	Plant & equipment	Vehicles	Furniture & fittings	Cohesion fund	Total
As at 1 January 2018	**40,000**	**10,851,465**	**2,075,676**	**11,341,192**	**1**	**24,308,333**
As at 31 December 2018	**40,000**	**9,573,009**	**1,813,915**	**11,609,318**	**1**	**23,036,242**
As at 1 January 2019	**40,000**	**9,573,009**	**1,813,915**	**11,609,318**	**1**	**23,036,242**
As at 31 December 2019	**40,000**	**9,071,707**	**1,957,338**	**12,333,729**	**1**	**23,402,775**

5.8 Intangible assets

Intangible assets				
Acquisition cost	Concession assets	Cohesion fund	Software & other	Total
Balance as at 1 January 2018	**2,107,947,919**	**(380,686,471)**	**19,648,338**	**1,746,909,786**
Acquisitions	117,909	(97,359)	196,644	217,194
Disposals	0	97,359	0	97,359
Transfers	7,901,630	0	855,789	8,757,419
Reclassifications	0	0	0	0
Balance as at 31 December 2018	**2,115,967,458**	**(380,686,471)**	**20,700,771**	**1,755,981,758**
Balance as at 1 January 2019	**2,115,967,458**	**(380,686,471)**	**20,700,771**	**1,755,981,758**
Acquisitions	1,344,254,443	0	85,751	1,344,340,194
Disposals	(2,611,660)	0	0	(2,611,660)
Transfers	9,931,068	0	661,275	10,592,343
Reclassifications	0	0	0	0
Balance as at 31 December 2019	**3,467,541,309**	**(380,686,471)**	**21,447,797**	**3,108,302,635**

Amortization of intangible assets				
Amortization	Concession assets	Cohesion fund	Software & other	Total
Balance as at 1 January 2018	**1,372,113,311**	**(252,533,813)**	**17,592,584**	**1,137,172,082**
Amortization charge for the year	87,139,344	(15,076,777)	1,043,157	73,105,724
Impairment losses	0	0	0	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2018	**1,459,252,655**	**(267,610,590)**	**18,635,741**	**1,210,277,806**
Balance as at 1 January 2019	**1,459,252,655**	**(267,610,590)**	**18,635,741**	**1,210,277,806**
Amortization charge for the year	80,352,846	(5,883,285)	1,019,281	75,488,842
Impairment losses	0	0	0	0
Disposals	(2,611,660)	0	0	(2,611,660)
Transfers	0	0	0	0
Reclassifications	0	0	0	0
Balance as at 31 December 2019	**1,536,993,841**	**(273,493,875)**	**19,655,022**	**1,283,154,988**

Carrying amounts of intangible assets				
Carrying amount	Concession assets	Cohesion fund	Software & other	Total
As at 1 January 2018	**735,834,608**	**(128,152,658)**	**2,055,754**	**609,737,704**
As at 31 December 2018	**656,714,803**	**(113,075,881)**	**2,065,030**	**545,703,952**
As at 1 January 2019	**656,714,803**	**(113,075,881)**	**2,065,030**	**545,703,952**
As at 31 December 2019	**1,930,547,468**	**(107,192,596)**	**1,792,775**	**1,825,147,647**

The concession assets represent the right granted to the Company by the Greek State for the use and operation of the Athens International Airport under the ADA. Due to the effectiveness of the Concession Extension Agreement within 2019 the existing intangible asset was increased (Acquisitions 2019) by €1,185,996,577 referring to the concession consideration and by €158,163,319 referring to the present value of the future obligations for the grant of rights fee. The Company's liabilities towards European Investment Bank are secured through the assignment of the Usufruct (refer to note 5.20).

5.9 Right of use assets

Right of use assets			
Acquisition cost	Vechicles	Mechanical Equipment	Total
Balance as at 1 January 2019	**674,726**	**0**	**674,726**
Acquisitions	175,342	1,922,114	2,097,456
Disposals	(73,578)	0	(73,578)
Transfers	0	0	0
Reclassifications	0	0	0
Balance as at 31 December 2019	**776,490**	**1,922,114**	**2,698,604**

Depreciation of right of use assets			
Depreciation	Vechicles	Mechanical Equipment	Total
Balance as at 1 January 2019	**0**	**0**	**0**
Depreciation charge for the year	277,651	48,053	325,704
Impairment losses	0	0	0
Disposals	(12,861)	0	(12,861)
Transfers	0	0	0
Reclassifications	0	0	0
Balance as at 31 December 2019	**264,790**	**48,053**	**312,843**

Carrying amounts of right of use assets			
Carrying amount	Vechicles	Mechanical Equipment	Total
As at 1 January 2019	**674,726**	**0**	**674,726**
As at 31 December 2019	**511,700**	**1,874,061**	**2,385,761**

5.10 Non-current financial assets

Equity Investments

Equity investments are financial assets classified at fair value through profit and loss and are analysed as follows:

Equity investments financial assets	2019	2018
Attica Bank shares	0	259,718
Total equity investments financial assets	**0**	**259,718**

Equity investments are measured at fair value. The acquisition cost of the equity investment amounted to €9,900,000. During the period 27 June 2019 to 22 July 2019 AIA proceeded to the sale of all Attika Bank shares (2,327,221) recognizing a gain from the sale of the Attika bank shares of €1,052,636.

As explained in notes 3.1.4 and 5.20, the equity investment financial assets acquired were not "Authorised Investments" as defined in the loan agreements entered into between the Company and EIB with respect to the Company's borrowings. The consent and waiver obtained from EIB imposed the undertaking to the Company to open a new pledged Reserve Account (Attica Sub-Account) with the amount of the acquisition cost of the equity investment (€9,900,000) that was classified as restricted cash. In view of the payment for the extension of the Concession Period, EIB approved the release of the balance of the Attica Sub-Account and its utilisation for the aforementioned payment, transferring the amount of €9,900,000 from financial assets-restricted cash to cash and cash equivalents. This Pledged Account was closed after the completion of this transaction.

Financial derivatives

Financial derivatives are financial assets classified at fair value through profit or loss.

As foreseen in the Agreed Hedging Programme of the 2L Bond Loan, as described in note 5.20, the Company entered into 4 interest rate cap agreements with NBG and Piraeus Bank to hedge its risk deriving from fluctuations of the fair value of future cash flows of the hedging instrument due to changes in market interest rates. In particular, the interest rate cap agreements cover the interest periods until 01.04.2022 in case the 6-month Euribor on the roll-over days is higher than 0% (strike rate). The Company elected not to apply hedge accounting (refer to note 2.6.4).

More specifically:

On 26 March 2019, which was the inception date, the NBG interest rate cap with effective date 22 February 2019 fair value was €375,000, reflecting the hedging instrument premium paid. As of the financial position date the fair value of the NBG interest rate cap amounted to €16,584. A fair value loss of €358,416 was recognized in the income statement. As of post financial position date 03 February 2020 the fair value of the purchase caps amounted to €2,897.

On 26 March 2019, which was the inception date, the Piraeus Bank interest rate cap with effective date 22 February 2019 fair value was €375,000, reflecting the hedging instrument premium paid. As of the financial position date the fair value of the Piraeus Bank interest rate cap amounted to €6,658. A fair value loss of €368,342 was recognized in the income statement. As of post financial position date 03 February 2020 the fair value of the purchase caps amounted to €1,426.

On 13 December 2019, which was the inception date, the NBG interest rate cap with effective date 01 April 2021 fair value was €193,000, reflecting the hedging instrument premium paid. As of the financial position date the fair value of the NBG interest rate cap amounted to €136,379. A fair value loss of € 56,621 was recognized in the income statement. As of post financial position date 03 February 2020 the fair value of the purchase caps amounted to €68,398.

On 13 December 2019, which was the inception date, the Piraeus Bank interest rate cap with effective date 01 April 2021 fair value was €193,000, reflecting the hedging instrument premium paid. As of the financial position date the fair value of the Piraeus Bank interest rate cap amounted to €128,056. A fair value loss of €64,944 was recognized in the income statement. As of post financial position date 03 February 2020 the fair value of the purchase caps amounted to €47,195.

Based on their maturity date, financial assets are classified as follows:

Analysis of financial assets	2019	2018
Current financial assets		
Current financial assets	0	0
Total current financial assets	**0**	**0**
Non-current financial assets		
Non-current financial assets - hedging	287,677	0
Non-current financial assets - equity	0	259,718
Non-current financial assets-restricted cash	0	9,900,000
Total non-current financial assets	**287,677**	**10,159,718**
Total financial assets	**287,677**	**10,159,718**

5.11 Other non-current assets

Other non-current assets are analysed as follows

Analysis of other non-current assets	2019	2018
Investment in associates	3,245,439	3,245,439
Long term guarantees	371,892	249,806
Total other non current assets	**3,617,331**	**3,495,246**

Long term guarantees relate to guarantees given to lessors for operating lease contracts.

5.12 Inventories

Inventory items are analysed as follows:

Analysis of inventories per category	2019	2018
Merchandise	578,336	608,665
Consumables	1,021,088	910,982
Spare parts	4,873,095	4,883,244
Inventory impairment	(575,587)	(572,483)
Total inventories	**5,896,932**	**5,830,408**

During 2019, an impairment provision of €3,104 was recognized in the income statement in order to reflect the accumulated provision for certain obsolete and slow-moving items to €575,587.

5.13 Construction works in progress

Analysis of construction works in progress	2019	2018
Balance as at 1 January 2019	10,832,889	2,470,539
Acquisitions	23,453,837	19,714,413
Transfer to property plant & equipment-owned assets	(3,644,603)	(2,594,644)
Transfer to intangible assets	(10,592,343)	(8,757,419)
Total construction works in progress	**20,049,780**	**10,832,889**

Construction works in progress mainly relate to additions and improvements on the existing infrastructure assets such as technical works, building and facilities, roads etc. These assets will be returned to the Grantor at the end of the Concession Period, together with all other infrastructure assets as described in note 1. Upon the completion of the construction, such assets related to the infrastructure, will increase either the cost of the concession intangible asset or the owned assets.

5.14 Trade accounts receivable

Trade accounts receivable are analysed as follows:

Analysis of trade accounts receivable	2019	2018
Domestic customers & accrued revenues	26,301,462	24,356,038
Foreign customers	2,845,456	3,170,257
Greek State & public sector	3,007,778	4,600,176
Provision for impairment of trade receivables	(2,413,515)	(2,414,045)
Total trade receivable accounts	**29,741,180**	**29,712,427**

All trade accounts receivable are initially measured at their fair value, which is equivalent to their nominal value, since the Company extends to its customers short-term credit. Should any of the trade accounts receivable exceed the approved credit terms, the Company charges such customers default interest, (that is, interest on overdue accounts) at 6 months Euribor interest rate plus a pre-determined margin, as stipulated in the respective customer agreements. Such interest is only recognised when it is probable that the income will be collected.

During 2019 a provision release of €529 (2018: release of €2,630) was recognized in the income statement, resulting in an impairment provision as at 31 December 2019 of €2,413,515 (2018: €2,414,045).

5.15 Income tax receivable & other accounts receivables

Corporate income tax receivable of €23,364,123 comprises of tax advance payment of €80,130,349 relating to income tax liabilities of 2020 and income tax liabilities for 2019 of €56,766,226 (refer to note 5.23). Financial year 2018 has been reclassified to conform to current period presentation (refer to note 5.31).

Other accounts receivable is analysed as follows:

Analysis of other receivable accounts	2019	2018
Accrued ADF	31,803,104	18,284,939
Other	7,346,871	11,512,046
Total other receivable accounts	**39,149,975**	**29,796,985**

Accrued ADF (refer to note 5.4) represents the amount of the passengers' airport fee attributable to the Company, which had not been collected by the Company at year-end. Other accounts receivable mainly consists of advance payments to suppliers and payments for taxes and duties, that relate to various tax disputes, as required by relevant laws in order for the tax disputes to be referred to the competent Courts for resolution. The major tax disputes are disclosed in note 5.29 "Contingent Liabilities" and involve taxes imposed for VAT, Property Taxes and Municipal Charges.

5.16 Cash and cash equivalents

Cash and cash equivalents are analysed as follows:

Analysis of cash & cash equivalents	2019	2018
Cash on hand	514,294	1,711,347
Current & time deposits	127,454,118	654,821,997
Total cash & cash equivalents	**127,968,412**	**656,533,344**

The substantial decrease in closing cash & cash equivalents is attributed to the payment of the Concession Extension consideration which was also partially financed by the Second Lien Bond loan (refer to note 1).

5.17 Share capital

The issued share capital of the Company has been fully paid by the shareholders and comprises 30,000,000 ordinary shares of €10 each amounting to €300,000,000.

The Company has the following shareholders with their participation in the share capital rounded where appropriate, to the closer two-digit decimal points:

a) the Société Anonyme " Hellenic Republic Asset Development Fund S.A." (HRADF) (30.00% of the shares), which is a company owned indirectly (through the Société Anonyme under the name "Hellenic Corporation of Assets & Participations S.A." (HCAP) by the Greek State,
b) the Société Anonyme " Hellenic Corporation of Assets & Participations S.A." (HCAP) (25.00% of the shares). HCAP is a holding company governed by the provisions of Law 4389/2016, as amended and in force, owned by the Greek State.
c) the AviAlliance GmbH (25.00% of the shares),
d) the AviAlliance Capital GmbH & Co. KGaA (15.00% of shares)
e) Copelouzos Dimitrios (1.99% of the shares),
f) Copelouzou Kyriaki (0.99% of the shares),
g) Copelouzos Christos (0.99% of the shares) and
h) Copelouzou Eleni-Asimina (0.99% of the shares)

On December 2019 the Board of Directors approved the transfer of 499,998 ordinary registered shares, representing a portion of 1.66% in the Company's share Capital owned by AviAlliance GmbH to its wholly owned subsidiary and shareholder of the Company, namely AviAlliance Capital GmbH & Co. KGaA.

Shareholders referred from e) to h) above entered into a "Usufruct of shares and voting rights Agreement" dated 19 November 2019, by virtue of which the above shareholders as owners, established and granted an usufruct for a 15 years period over the Company's shares in favour of "Slentel Limited", a limited liability company operating under the law of Cyprus.

5.18 Statutory & other reserves

Under Greek Corporate Law it is mandatory to transfer 5.0% of the net after tax annual profits to form the legal reserve, which is used to offset any accumulated losses. The creation of the legal reserve ceases to be compulsory when the balance of the legal reserve reaches 1/3 of the registered share capital.

At 31 December 2019 the Company's legal reserve increased by an amount of €8,722,042 (2018: €8,552,063) and amounted to €85,880,707 (2018: €77,158,666).

In addition, there is a reserve for tax purposes relating to dividends received from our associate amounting to €2,477,993 (2018: €352,604) and a reserve for actuarial gains/losses recognized due to the adoption of the amended IAS 19, amounting to €(483,997) (2018: €719,916).

Analysis of other reserves	2019	Movement	2018
Statutory reserves	85,880,707	8,722,042	77,158,665
Reserves for tax purposes	2,477,993	2,125,389	352,604
Actuarial gains/(losses) reserve net of tax	(483,997)	(1,203,913)	719,916
Totals	**87,874,703**	**9,643,518**	**78,231,185**

5.19 Retained earnings

The accumulated retained earnings at year end stood at €479,525,853 (2018: €380,932,442). In accordance with Greek Corporate Law, companies are required each year, to declare dividends of at least 35.0% of profits after tax having allowed for the legal reserve.

In addition, the prevailing bank loan agreements impose specific conditions for the permitted dividend distribution, which have been fulfilled since 2003 when the Company was in the financial position to distribute dividends. On 27 Nov 2019 the Extraordinary General Meeting of Shareholder resolved to distribute as dividends part of the retained earnings of year 2018 at €65,000,000 (€2.1667 per share) which were actually paid to the Shareholders on 11 December 2019. The General Meeting of Shareholders is the legally competent body of the Company that may take a decision on the distribution of dividends upon recommendation of the Board of Directors. Any decision to distribute dividends from the profits of the current or the past financial years and the subsequent payment to the shareholders will be recognized in the accounts of the financial year 2020.

5.20 Borrowings

Borrowings are analysed as follows:

Analysis of loans	2019	2018
Long term loans		
EIB loan	46,131,001	134,348,764
2L Bond loan	590,493,188	0
CAPEX Debt Bond loan	17,027,992	0
Total long term loans	**653,652,180**	**134,348,764**
Short term loans		
EIB loan	88,217,763	83,082,274
2L Bond loan	30,764,113	0
CAPEX Debt Bond loan	0	0
Accrued interest & related expenses	5,476,594	568,574
Total short term loans	**124,458,470**	**83,650,848**
Total bank loans	**778,110,650**	**217,999,612**

European Investment Bank Loan (EIB loan)

The Company and EIB, under a supplemental agreement signed on 19 December 2008, agreed to the partial release the Greek State's Guarantee on the outstanding balance of the EIB Loan and to modify certain terms of the EIB Master Facility Agreement related to the applicable interest rates. The modified terms were effective from 31 July 2009 and include the consolidation and division of the outstanding balance of the initial loan into two loans, Loan A and Loan B. As of 31 December 2019, Loan A was fully repaid while the outstanding balance of Loan B was €134,348,764.

The weighted average interest rate for all tranches under Loan B is 6.12%.

The Company's liabilities towards EIB are secured through the assignment of the Usufruct, the ADA Claims, the Insurance claims and the contracts that generate revenues for AIA and the pledge of Bank Accounts and Securities.

All the covenants set under the EIB Master Facility Agreement have been fulfilled as of 31 December 2019. As explained in notes 3.1.4 and 5.10, as of 1 December 2016, and following the negotiations with EIB and the Greek State in its capacity as EIB Loan Guarantor, the Company obtained the waiver of EIB for the investment of €9,900,000 in the financial asset measured at fair value through profit and loss account that did not meet the criteria of "Authorised Investments". The waiver imposed the undertaking to the Company to open a new pledged Reserve Account (Attica Sub-Account) with the amount of the acquisition cost of the financial asset (€9,900,000) and the decrease of the amount available for Dividend distribution to the Company's Shareholders by the balance of the Attica Sub-Account. The relevant Attica Sub-Account was opened on 1 December 2016 and the amount of €9,900,000 was deposited on 2 January 2017.

The Company may only transfer amounts out of this bank account in situations where the Company had disposed of some or all of its shares in Attica Bank on market terms. Furthermore, in terms of this remediation agreement, any funds left over once the entire Attica Bank shareholding is disposed of, will be transferred into the Proceeds account. However, in the context of the extension of the Concession period, it was agreed with EIB that the funds of the Attica Sub-Account would be used for the payment of the concession Consideration of this transaction (refer to note 1) and the relevant amount was released on 21 February 2019.

The amortised cost of the long-term financial liabilities at fixed interest rates from the EIB Loan is determined using the effective interest rate method, by discounting the future contractual cash flows with the effective interest rate applied to those liabilities. The fair value of the financial liabilities at fixed interest rates is determined by discounting the future contractual cash flows with the current mid-swap interest rate for the average loan life period of such liabilities. The fair value measurement of the financial liabilities is categorised as Level 2.

Fair value of the EIB loan	2019	2018
Carrying amount EIB loan	134,348,764	217,431,038
Fair value EIB loan	142,449,969	236,746,284
Excess of fair value over carrying amount	**(8,101,205)**	**(19,315,246)**

Second Lien Bond loan (the 2L Bond loan)

The Company paid to the Hellenic Republic Asset Development Fund (HRADF) on 22 February 2019 an amount of €1,131,676,123 (including the adjustment of €16,676,123 calculated on 10.30% per annum on the agreed consideration of €1,115,000,000 pro rata on a daily basis) plus applicable VAT, in cash as consideration for the extension of the Concession Period.

Within this context, the Company entered into a 2L Bond Loan Agreement for an amount of up to €665,600,000 with the National Bank of Greece and Piraeus Bank as equal subscribers (namely the 2L Bond Loan). Although the 2L Bond Loan documentation was signed on 18 December 2018, the disbursement of the loan took place on 22 February 2019, 3 business days after the effectiveness of the ADA Extension Agreement.

On 30 September 2019, a syndication process took place, through which, Alpha Bank and Eurobank Ergasias also became 2L Bondholders. Current 2L Bondholders participate on the bonds issued with the following percentages: National Bank of Greece: 35%, Piraeus Bank: 35%, Alpha Bank: 15% and Eurobank Ergasias: 15%.

The 2L Bond Loan finally amounted to €642,476,578 disbursed once off, has a 15-year tenor, semi-annual payments and the interest rate will be comprised of the 6-month Euribor plus an applicable margin currently at 3.10% p.a. As of 31 December 2019, the outstanding balance of the 2L Bond Loan using the effective interest method amounted to €621,257,301, while the outstanding balance towards the bond holders amounted to €627,121,388.

The 2L Bond Loan is subordinated to the EIB loan.

The Company has undertaken to hedge from floating to fixed rate the 2L Bond Loan, by not less than 70% (but not more than 100%) for a tenor of at least two (2) years by way of entry into any combination of interest rate swaps, interest rate options, interest rate caps or swaptions. Within this context, the Company has entered into hedging agreements as described in note 5.10.

All borrowings are denominated in Euro, the functional currency of the Company.

Capital Expenditure Bond Loan (Capex Debt Bond Loan)

On 31 October 2019, the Company concluded successfully the Capex Debt Bond Loan amounting up to €100 million, with National Bank of Greece at 35%, Piraeus Bank at 35%, Alpha Bank at 15% and Eurobank Ergasias at 15%.

The Capex Debt Bond Loan relates to the financing of five (5) Capex projects, namely:

a) The construction of the Main Terminal Building South Wing Expansion (the "MTB SWE" Project) amounting up to € 23.8 million;
b) The construction of the Baggage Handling System's Security Screening Upgrading and Capacity Enhancements (the "BH-22" Project) amounting up to €44.8 million;
c) The construction of the Curbside and Parking Reorganization (the "Curbside" Project) amounting up to €5.0 million;
d) The construction of the Apron North of Taxiway Y2, Ramp Service Station and the Relocation of General Aviation ("GA") Apron at the Homebase (the "Y2" Project) amounting up to €21.0 million; and
e) The construction of the STB Enhancement project – Phase 3 (the "STB Phase 3" Project) amounting up to €5.4 million.

The Capex Debt Bond Loan will be disbursed in quarterly drawdowns, according to each project's progress, with availability period up to 31 December 2022. The first drawdown was realised on 22 November 2019 for the MTB SWE Project and for the BH-22 Project. As of 31 December 2019, the outstanding balance of the Capex Debt Bond Loan using the effective interest method was €17,027,992, while the outstanding balance towards the bond holders was €18,127,084.

The Capex Debt Bond Loan has a 15-year tenor, semi-annual payments starting from 1 October 2021 and the interest rate will be comprised of the 6-month Euribor plus an applicable margin currently at 3.10% p.a.

The Capex Debt Bond Loan is subordinated to the EIB loan and pari passu with the 2L Bond Loan.

The Company has undertaken to hedge from floating to fixed rate the Capex Debt Bond Loan, by not less than 70% (but not more than 100%) for a tenor of at least two (2) years from the date falling one (1) month before the expiry of the final Availability Period (31 December 2022) by way of entry into any combination of interest rate swaps, interest rate options, interest rate caps or swaptions.

All borrowings are denominated in Euro, the functional currency of the Company.

Financial covenant

According to the Loan agreements, the Company has assumed certain obligations which must be adhered to among which, but not limited to, ensuring throughout the duration of the bond loans period compliance with certain financial covenant mainly for the maintenance of the Historic Debt Service Coverage Ratio ("DSCR"), which is only related to the Company's ability to distribute dividends to its shareholders.

DSCR is calculated as the Net Cash Flow to Debt Service. Net Cash Flow is calculated on the net increase or decrease of cash and cash equivalents plus the payment of dividends and the repayment of borrowings, any interests and related expenses paid. Debt Service is calculated as the repayment of borrowings, any interests and related expenses paid.

The Company is in full compliance with the above financial indicator as at 31 December 2019.

5.21 Employee retirement benefits

In accordance with Greek labour law, employees are entitled to compensation payments in the event of dismissal or retirement with the amount of payment varying depending on the employee's compensation, length of service and manner of termination (dismissal or retirement). Employees who resign or are dismissed with cause are not entitled to termination payments. The amount payable in the event of retirement is equal to 40.0% of the amount which would be payable upon dismissal without cause.

The provision for employees' retirement benefits is reflected in the attached statement of financial position in accordance with IAS 19R and is calculated, as at the financial position date (31 December 2019), based on an independent actuarial study.

The results of any valuation depend upon the assumptions employed. Thus, as at 31 December 2019:

- If the discount rate used were 1.0% higher, then the Defined Benefit Obligation (DBO) would be lower by about 12.9%.
- If the discount rate used were 1.0% lower, then the DBO would be higher by about 15.5%.

The results of the actuarial study for the provision for employee retirement benefits as computed by actuaries are shown below:

Actuarial study analysis	2019	2018
Principal actuarial assumptions at 31 December 2019		
Discount rate	0.78%	1.82%
Range of compensation increase	0%-3.0%	0%-3.0%
Plan duration	14.44	15.05
Present value of obligations	11,867,669	10,015,756
Net liability/(asset) in the balance sheet	**11,867,669**	**10,015,756**
Components of income statement charge		
Service cost	192,256	245,228
Interest cost	181,352	174,875
Settlement/curtailment/termination loss	107,406	29,315
Total income statement charge	**481,014**	**449,418**
Movements in net liability/(asset) in the balance sheet		
Net liability/(asset) at the beginning of the period	10,015,756	10,761,931
Benefits paid directly	(213,197)	(52,347)
Total expense recognized in the income statement	481,014	449,418
Total amount recognized in the OCI	1,584,096	(1,143,246)
Net liability/(asset) in the balance sheet	**11,867,669**	**10,015,756**
Reconciliation of benefit obligations		
DBO at start of the period	10,015,756	10,761,931
Service cost	192,256	245,228
Interest cost	181,352	174,874
Benefits paid directly by the Company	(213,197)	(52,347)
Extra payments or expenses/(income)	107,406	29,316
Actuarial loss/(gain)	1,584,096	(1,143,246)
DBO at the end of the period	**11,867,669**	**10,015,756**
Remeasurements		
Liability gain/(loss) due to changes in assumptions	(1,533,442)	982,770
Liability experience gain/(loss) arising during the year	(50,654)	160,476
Total actuarial gain/(loss) recognized in OCI	**(1,584,096)**	**1,143,246**

An actuarial loss (the difference between expected and actual DBO as at the end of 2019) of €1,584,096 arose during the year due to the following factors:

- Change in financial assumptions: the equivalent discount rate has decreased from 1.82% to 0.78%, producing a loss of €1,611,770. The salary increase assumption has decreased for years 2020 and 2021, producing a gain of €78,328. Thus, the change in financial assumptions gives rise to an overall actuarial loss of €1,533,442.
- Experience: the loss of €50,654 is mainly from population movements being different than assumed, partly offset by the gain from the lower than anticipated salary increases over the period.

According to IAS19 Revised, the entire actuarial gains or losses that arise in each accounting period are recognized immediately in the Statement of Other Comprehensive Income (OCI), in net equity. In this case, the loss that arose in 2019 is recognized as an expense in the OCI statement.

5.22 Provisions

Analysis of provisions	As at 1 Jan 2019	Additions	Utilisations	Releases	As at 31 Dec 2019
Restoration expenses	17,699,699	4,158,723	282,721	0	21,575,700
Net other provisions	3,226,429	188,588	0	259,718	3,155,299
To be settled over 1 year	**20,926,128**	**4,347,311**	**282,721**	**259,718**	**24,730,999**
Total provisions	**20,926,128**	**4,347,311**	**282,721**	**259,718**	**24,730,999**

The provision for restoration expenses relates to the future expenses that result from the Company's contractual obligations to maintain or to restore the infrastructure to a specified condition before it is handed over to the Greek State at the end of the service concession arrangement. It is expected that an aggregate amount of €60.86 million will be spent on major restoration activities commencing in year 2020 through year 2046 based on management's current best estimates.

5.23 Income & deferred tax liabilities

Income tax liabilities

At the financial position date, the recognition of the income tax liability amounting to €56,766,226 reflects the income tax payable on taxable income at the rate of 24.0%. The income tax payable on taxable income has been set off against the tax advance payment of €80,130,349 relating to income tax liabilities of 2020 (refer to note 5.15). Financial year 2018 has been reclassified to conform to current period presentation (refer to note 5.31).

Deferred tax assets & liabilities

The analysis of deferred tax assets and deferred tax liabilities is as follows:

Deferred tax assets & liabilities	2019	2018
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	(63,865,944)	(24,114,049)
Deferred tax assets to be recovered within 12 months	(8,992,084)	(18,592,981)
Total deferred tax assets	**(72,858,028)**	**(42,707,030)**
Deferred tax liabilities:		
Deferred tax liabilities to be settled after more than 12 months	120,841,213	107,615,952
Deferred tax liabilities to be settled within 12 months	37,094,307	24,688,023
Total deferred tax liabilities	**157,935,520**	**132,303,975**
Deferred tax liabilities (net)	**85,077,492**	**89,596,945**

The gross movement on the deferred income tax account is as follows:

Deferred income tax movement	2019	2018
As at 1 January	89,596,945	114,164,377
Income statement charge	339,905	(13,114,402)
Effect of changes in tax rates	(4,479,175)	(11,717,581)
Other comprehensive income	(380,183)	264,551
As at 31 December	**85,077,492**	**89,596,945**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	Accelerated tax depreciation	Grant of rights fee	Usufruct of the site & other	Total
As at 1 January 2018	151,111,204	6,002,532	5,334,339	162,448,077
Charged/(credited) to the income statement and other comprehensive income	(31,105,436)	(1,290,605)	2,251,939	(30,144,102)
As at 31 December 2018	**120,005,768**	**4,711,926**	**7,586,278**	**132,303,975**
Charged/(credited) to the income statement and other comprehensive income	(12,692,927)	36,245,098	2,079,374	25,631,544
As at 31 December 2019	**107,312,841**	**40,957,024**	**9,665,652**	**157,935,520**

Deferred tax assets	Grant of rights fee	Provisions	Retirement benefit obligations	Other	Total
As at 1 January 2018	(30,163,097)	(6,258,364)	(2,809,564)	(9,052,674)	(48,283,700)
Charged/(credited) to the income statement and other comprehensive income	5,793,653	549,693	574,070	(1,340,746)	5,576,669
As at 31 December 2018	**(24,369,444)**	**(5,708,672)**	**(2,235,494)**	**(10,393,420)**	**(42,707,030)**
Charged/(credited) to the income statement and other comprehensive income	(34,815,281)	(651,278)	(387,440)	5,703,001	(30,150,998)
As at 31 December 2019	**(59,184,725)**	**(6,359,950)**	**(2,622,935)**	**(4,690,419)**	**(72,858,028)**

At the financial position date, the Company has no unused tax losses available for offset against future taxable profits, thus no deferred tax asset has been recognised. According to the provisions of article 25.1.2.(k) of the ADA, (Law 2338/1995) tax losses can be carried forward to relieve future taxable profits without time limit. Tax losses have primarily arisen from the application of the accelerated depreciation method as provided by paragraph 8 of article 26 of Law 2093/1992.
In addition, according to article 25.1.2.(j) of the ADA the accelerated depreciation method provided by Law 2093/1992 relates to tax depreciation and constitutes an allowable deduction for tax purposes even though the depreciation in the annual statutory accounts of the Company may differ from year to year. At the financial position date, the Company recognised a deferred tax liability on the outstanding accelerated depreciation, amounting to €107,312,841 (2018: €120,005,768).

5.24 Other non-current liabilities

Other long-term liabilities are analysed as follows:

Analysis of other non-current liabilities	2019	2018
Grant of rights fee payable	231,603,019	78,877,775
Long term securities provided by customers	3,245,072	2,374,275
Total other non-current liabilities	**234,848,091**	**81,252,050**

The Company pays a quarterly fee to the Greek State during the concession period for the rights and privileges granted in the ADA. The carrying amount of the liability represents the present value of the future payment that relates to the fixed part of the fee at the financial position date. In 2019 a finance charge amounting to €9,561,925 has been recorded as unwinding interest of the liability due to the passage of time (2018: €4,867,096). The amount payable within the next 12 months is included in trade & other payables. The present value of total future payments at the time of airport opening has been included in the cost of the intangible concession asset which is amortised over the concession period. An amount of €5,772,337 is included in the 2019 amortisation of the intangible concession asset with respect to the grant of rights fee (2018: €2,435,104).

5.25 Trade & other payables

Trade & other payable accounts are analysed as follows:

Analysis of trade & other payable accounts	2019	2018
Suppliers	15,428,017	20,893,461
Advance payments from customers	13,778,898	12,991,510
Beneficiaries of money - guarantees	26,328,811	15,442,202
Value added tax	322,331	(86,872)
Other taxes payable and payroll withholdings	4,442,947	4,027,217
Grant of rights fee payable	15,000,000	15,000,000
Other payables	16,135	20,149
Total trade & other payable accounts	**75,317,139**	**68,287,667**

The amount shown above for suppliers represents the short-term liabilities of the Company towards its trade creditors as at the corresponding year end for the goods purchased and the services rendered in the respective year.

Advance payments from customers represent mainly the prepayments effected by the airlines which have selected the “Rolling prepayment” method in settling their financial obligations to the Company for the use of the airport facilities.

Beneficiaries of money - guarantees represent the cash guarantees provided by the concessionaires for the prompt fulfilment of their financial liabilities arising from the signed concessions agreements. The cash guarantees are adjusted each year in accordance with the latest estimate of the expected sales forecast of the concessionaires for the subsequent year.

The carrying amount of trade accounts payable closely approximates their fair value as of the financial position date.

5.26 Other current liabilities

Other current liabilities are analysed as follows:

Analysis of other current liabilities	2019	2018
Accrued expenses for services and fees	21,218,765	25,610,865
Total other current liabilities	**21,218,765**	**25,610,865**

Current liabilities mainly concern accrued costs for services rendered by third parties, private or public, which had not been invoiced as at year end.

5.27 Lease liabilities

The Company as a lessee

Lease payments represent rentals payable by the Company for certain of its vehicles and for the procurement, installation and maintenance of explosive detection equipment. The Company calculated the present value of the lease payments by using the Company's incremental borrowing rate for a right of use asset over a similar term and with a similar security.

Vehicles leases are negotiated for an average term of 5 years and rentals are fixed for the same period. Referring to note 2.19, a right of use liability amounting to €674,726 was recognised at the beginning of the annual period of the current year.

The explosive detection equipment leases are negotiated for an average term of 93 months for the 2 machines supplied and rentals are fixed for the same period. Referring to note 2.19 a right of use liability amounting to €1,922,114 was recognised at the inception date. The Company applied the practical expedient using the single lease approach, thus non-lease components such as maintenance including spare parts that are not significant were not separated from the lease components.

Lease liabilities	Vechicles	Mechanical Equipment	Total
Balance as at 1 January 2019	**674,726**	**0**	**674,726**
Additions	119,252	1,922,114	2,041,366
Interest	9,757	1,896	11,653
Payments	(287,512)	0	(287,512)
Total lease liabilities	**516,223**	**1,924,010**	**2,440,233**

Lease liabilities	Vechicles	Mechanical Equipment	Total
Current lease liabilities	208,158	265,796	473,954
Non-current lease liabilities	308,065	1,658,214	1,966,279
Total lease liabilities	**516,223**	**1,924,010**	**2,440,233**

The Company as a lessor

Refer to note 5.1.

5.28 Commitments

As at 31 December 2019 the Company has the following significant commitments:

a) Capital expenditure commitments amounting to approximately €36.2 million (2018: €48.8 million)

b) Operating service commitments, which are estimated to be approximately to €77.6 million (2018: €106.4 million) mainly related to security, maintenance, fire protection, transportation, parking and cleaning services, to be settled as follows:

Analysis of operating service commitments	2019	2018
Within 1 year	43,254,179	38,958,767
Between 1 and 5 years	28,667,951	55,910,205
More than 5 years	5,715,833	11,541,713
Total operating service commitments	**77,637,963**	**106,410,685**

c) Variable fee Component of the Grant of Rights Fee for fiscal year 2020, which is based on the calculation of the 2019 Consolidated Operating Profit as set out in ADA and as described in notes 2.4.1 and 2.4.2, is estimated to €33.4 million. This amount will be recognised in the income statement within 2020.

d)The ADA foresees an evaluation of the requirement to proceed with the Airport's expansion, once demand exceeds certain capacity thresholds. Since in the 12-month period that ended in May 2019, the existing capacity threshold of 95% was surpassed, the Company was obliged within 6 months from that day establish an appropriate plan for the purpose of increasing the Airport's capacity by an increment of at least 20%. Thus, the Company, in November 2019, submitted to HCAA the plan for expansion and the Master Plan update for approval. On the 27th of December HCAA issued its approval of the airport expansion plan and of the Master Plan. Also, the updated Master Plan and the airport expansion plan, were presented to the Airport Users in the context of the annual consultations on airport charges in accordance with EU Directive 2009/12/EC. The expansion phase foresees mainly an expansion of the Main Terminal Building, construction of new apron, taxiways, new landside and circularity roads and a multi-storey car parking facility. There is no capital expenditure commitment as at the financial position date and any future capital investment is scheduled for 2021.

5.29 Contingent liabilities

The Company has contingent liabilities comprising the following:

Tax Audits

a) The Company has not been audited yet by the Tax Authority for the fiscal year 2010. Recent decisions of the Conseil d'Etat set a 5-year limitation period of the State's right to impose taxes and fines, although the limitation period can be further extended up to 10 years, based on applicable provisions. At the financial position date, the Company has not received any tax audit notification for the subject year.

b) Effective from fiscal years ending 31 December 2011 onwards, Greek companies meeting certain criteria were obliged to obtain an "Annual Tax Certificate" from their statutory auditor in respect of compliance with tax law, as provided for by par. 5, article 82 of L.2238/1994 and article 65A of L. 4174/2013. As of 2016 the "Annual Tax Certificate" became optional. Irrespective of the tax audit performed by the statutory auditor, the tax authorities reserve the right of future tax audits. The Company has received unqualified Tax Compliance Reports by respective statutory auditors for fiscal years 2012 and 2016-2018. It should be noted that years 2011 and 2013-2015 although unqualified the Company received a Tax Certificate Compliance Report with a matter of emphasis due to the pending value added tax and property tax disputes. The tax audit for the financial year 2019 is in progress and the issuance of the Tax Certificate is expected to be issued within the fourth quarter of 2020 and management expects it to be unqualified.

Value added tax

With respect to VAT, the Tax Authority questioned the right of the Company to set off the total VAT of all fixed assets acquired, and services rendered until 31 December 2015, as stipulated by article 26 paragraph 7 of Law 2093/1992, in conjunction with Articles 25.1.1 & 25.1.2 (g) of the ADA as ratified by Law 2338/1995. The Tax Authority disputed the above right of the Company to set off VAT, which corresponds to activities not subject to VAT, i.e. property leases, and proceeded to impose VAT –including penalties – for the fiscal years 1998-2012 amounting to €168.4 million, comprising of €46.0 million capital and €122.4 million surcharges. The Company referred the issue, related to years 1998-2009, to the London Court of International Arbitration, in accordance with Article 44 of the ADA. Pursuant to the final award of the London Court of International Arbitration No 101735, which was issued on 27 February 2013, the relating acts of determination had been issued in breach of law.

Alongside, the Company appealed before the competent Administrative Courts of Appeals against all the acts of determination of the Tax Authority to impose VAT on such capital and operating expenses, requesting the annulment of the tax assessments for all years from 1998 to 2012.

The Administrative Court of Appeals by its decisions, regarding the acts of determination for the years 2004-2009 amounting to €12.2 million, rejected the appeals of the Company. The Company filed respective annulment petitions before the Conseil d'Etat for the cassation of the decisions of the Administrative Court of Appeals and the Conseil d'Etat by its decisions, which were notified to the Company on 11 March 2015, accepting the annulment petitions of the Company on the VAT disputes for the fiscal years 2004-2009 and referred-back the cases to the Administrative Court of Appeals. The hearing before the Administrative Court of Appeals took place on 7 October 2015, which by its decisions finally accepted the Company's petitions and the VAT assessments for the fiscal years 2004-2009 were annulled. However, the Greek State on 20 May 2016 filed annulment petitions against the aforementioned decisions in favour of the Company before the Conseil d'Etat. The hearing took place on 11 October 2017 and the decisions notified to the Company on 30 August 2018 were in favour of the Company.

Furthermore, regarding the assessments for the years 1998-2003 and 2010-2012, the juridical process before the Administrative Courts of Appeal is as follows:

- For the fiscal years 1998-2003, which corresponds to VAT imposed on non-exempt expenses, such as, entertainment and hospitality expenses amounting to €1.3 million, the hearing took place at 1 October 2018, apart for year 2002 where the hearing took place at 16 October 2018. The Company's appeals were fully upheld. The same Court referred the VAT assessment for the fiscal year 2001 to the Administrative Court of Appeals due to lack of competence, the hearing of which took place at 7 November 2018 and the decision was issued in favour of the Company. The Greek State has filed respective annulment petitions for the years 1998, 1999, 2000, 2002 and 2003 before the Conseil d'Etat the hearing of which has not yet been set.
- For the fiscal years 2001-2003, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €150.3 million, the hearing took place at 16 October 2018 and the decisions were issued is favour of the Company. The Greek State filed respective annulment petitions before the Conseil d'Etat the hearing of which has not yet been set.
- For the fiscal years 2010-2011, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €3.5 million, the hearing took place at 10 October 2016 and by virtue of decisions nos. 1665/2017 & 1666/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which has been set for 13 May 2020.
- For the fiscal year 2012, which corresponds to VAT imposed on the acquisition of fixed assets and operating expenses amounting to €1.1 million, the hearing took place before the Court of Appeals at 8 April 2019 and the decision was issued in favour of the Company.

Based on the Company's experts' opinion by reference to the aforementioned final award of the London Court of International Arbitration No 101735, as well as the decisions of the Conseil d'Etat no provision has been recognised for all the above acts of determination.

Property tax

With respect to property tax, the Tax Authority questioned the right of the Company to be exempted from any property tax until 31 December 2015 as provided by paragraph 5 of article 26 of Law 2093/1992, in conjunction with Articles 25.1.1 & 25.1.2 of the ADA. Further to the completion of tax audits on real property, the Tax Authority issued real property tax assessments for the fiscal years 2008-2013, amounting totally to €44.6 million, comprising of €28.2 million capital and €16.4 million surcharges.

The Company referred the issue, to the London Court of International Arbitration, in accordance with Article 44 of the ADA. Based on the final award of the London Court of International Arbitration No 142821, which was issued on 21 January 2016, the Greek State was instructed to indemnify the

Company as per Articles 5.2(i) and 32.3 of the ADA against the consequences of the real property tax levied on the Company by the Greek State for the period 2008-2013.

Alongside, the Company appealed before the competent Administrative Courts of Appeals against all the acts of determination of the Tax Authority to impose real property tax, requesting the annulment of the tax assessments for all years from 2008-2013.

Regarding the real property tax assessments, the juridical process before the Administrative Courts of Appeal is as follows:

- For the fiscal years 2008-2009, which corresponds to the charge of real property tax amounting to €12.7 million, the hearing took place at 19 September 2016 and by virtue of decisions nos. 1048/2017 and 1047/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which has been set for 13 May 2020.
- For the fiscal years 2010-2012, which corresponds to the charge of real property tax amounting to €15.2 million, the hearing took place at 16 January 2017 and by virtue of decisions nos. 5522/2017, 5524/2017 and 5527/2017 the Company's appeals were fully upheld. In January 2018 the Greek State filed respective annulment petitions before the Conseil d'Etat the hearing of which has not been set yet.
- For the fiscal year 2013, which corresponds to the charge of real property tax amounting to €16.7 million, the hearing took place at 10 October 2016 and by virtue of decisions nos. 804/2017 and 807/2017 the Company's appeals were fully upheld. The Greek State has filed respective annulment petitions before the Conseil d'Etat the hearing of which has been set for 13 May 2020.

Based on the Company's experts' opinion by reference to the aforementioned final award of the London Court of International Arbitration, as well as the decisions of the Administrative Court of Appeals, which recognised that the arbitral award is binding for the Greek Administrative courts, no provision has been recognised for all above acts of determination.

Greek State Entities rentals

According to article 21 of Law 4002/2011, all rentals paid by the Greek State and public sector entities, calculated on the amount of rent rates of July 2010, were to be reduced by 20% as of 22 August 2011, while in accordance with article 2 of Law 4081/2012 the impaired rental fees were further reduced as of 1 October 2012 by a proportion varying from 10% to 25% depending on the level of monthly fees payable. Initially, any readjustment was banned until 30 June 2013, further extended by article 2 of Law 4081/2012 until 31 December 2014, by article 102 of Law 4316/2014 until 31 December 2018 and further by article 102 of Law 4583/2018 until 31 December 2019.

The Greek State questioned the right of the Company to be exempted from such laws as per article 13.1.10(a) of the ADA which foresees that to the extent that any airport rights granted pursuant to this Agreement comprise leases for the use of any land or buildings, the terms thereof shall prevail over any law regulating the level of increases in rental or other periodical payments under any such lease. Although AIA promptly and duly communicated the issue to all parties involved, all State entities operating at the airport proceeded to reduce payments of their rentals fully applying the provisions of the above laws.

The Greek State with its letters from 24 June 2019 and 15 July 2019 denied the right of the Company to set off as per article 32.4 of the ADA the difference between the contractually agreed State agencies rentals with the reduced rentals actually paid by the agencies, amounting to €19.8million. Thus, and since no agreement was reached by way of the procedure set out under article 44.1 of the ADA, the Company decided to refer the case to the arbitration procedure before London Court of International Arbitration (LCIA) in accordance with article 44.3 of the ADA.

Based on the Company's experts' opinion, no provision has been recognised.

Municipal charges

The Municipalities of Paiania and Spata-Artemida charged the Company with municipal charges for the provision of cleaning and lighting maintenance for the years 2004-2016 and 2007-2010 respectively, amounting to €68 million including surcharges.

All respective petitions that the Management has filed before the competent Administrative Courts of Athens against the said Municipalities, claiming that in accordance with the provisions of the ADA the Company has been granted with the exclusive right to provide such services to the airport users, were fully and irrevocably upheld by the Conseil d'Etat, thus rendering the imposition of such municipal charges unlawful.

Nevertheless, the Company is still expecting the decisions of the Administrative Court of Appeals related to the hearing of the petition against the Municipality of Paiania for the annulment of the 2013 municipal charges, which have taken place on 5 November 2018.

Based on the Company's experts' opinion by reference to the aforementioned rulings of the Conseil d'Etat, no provision has been recognised.

Other

All current pending legal lawsuits from individuals against the Company are covered by insurance policies. Previous year (2018: €2.5 million) legal lawsuits from individuals were time bared or decisions in favor of the Company were issued.

5.30 Related parties transactions

AIA is a privately managed Company, having as major shareholders the Hellenic Republic Asset Development Fund S.A (which is a company owned indirectly from the Greek State), the Hellenic Corporation of Assets & Participations S.A, (which is a company owned directly from the Greek State) and AviAlliance Group, each one of them holding more than 20.0% of the shares as at 31 December 2019 (for more details refer to note 5.17). Additionally, the Company also holds 34% of the share capital of the Athens Airport Fuel Pipeline Company S.A.

The Company during 2019 had undertaken related party transactions with companies controlled by its current Shareholders, by receiving specific services. Furthermore, the Company provides either aeronautical or non-aeronautical services to entities that are controlled by its Shareholders and to Athens Airport Fuel Pipeline Company S.A. The above goods/services/works are based on corresponding market's terms and conditions. The transactions with the above-mentioned related parties have as follows:

a) Sales of services and rental fees

Sales of services	2019	2018
Related companies of Hellenic Corporation of Assets & Participations*	1,637,315	1,642,880
AviAlliance Group	0	1,500
Athens Airport Fuel Pipeline Company S.A.	8,185	8,247
Total	**1,645,500**	**1,652,627**

b) Purchases of services

Purchases of services	2019	2018
Related companies of Hellenic Corporation of Assets & Participations*	6,777,323	5,045,903
AviAlliance Group	30,263	58,261
Total	**6,807,586**	**5,104,164**

*The services received consist mainly of energy & water supplies and charges for medium voltage network. The amount of €1,131,676,123 regarding the consideration paid to HRADF within 2019 for the extension of the ADA Concession Agreement is not included in the related parties' transactions since the transaction was performed on behalf of the Greek State.

c) Year end balances arising from sales/purchases of services and rental fees

Year end balances arising from sales/purchases of services	2019	2018
Trade and other receivables:		
Related companies of Hellenic Corporation of Assets & Participations	45,710	72,103
AviAlliance Group	60	1,500
Trade and other payables:		
Related companies of Hellenic Corporation of Assets & Participations	784,474	1,083,911
AviAlliance Group	9,075	7,811
Total	**839,319**	**1,165,325**

d) Key management compensation

Key management includes personnel authorised by the Board of Directors for planning, directing and controlling the activities of the Company. Compensation paid or payable to key management for employee services rendered is shown below:

Analysis of BoD and key management compensation	2019	2018
Board of directors' fees	504,240	510,260
Short-term employment benefits of key management	2,377,264	1,611,877
Total BoD and key management compensation	**2,881,504**	**2,122,137**

5.31 Reclassifications

In the comparative figures of the Statement of Financial Position, an amount of €44,398,010 has been reclassified from "Other receivables" to "Income tax payable", to conform to current period presentation.

5.32 Events after the financial position date

a) Regarding the unilateral decrease of the Greek State Entities rentals the Company paid on 2 January 2020 the amount of €12,199,890 as claimed by the Greek State with the letters dated on 24 June 2019 and 15 July 2019. However, the Company has already decided to refer the case to Arbitration before the London Court of International Arbitration (LCIA) as foreseen in article 44.3 of the ADA (refer to note 5.29).

b) In early January 2020, an outbreak of a respiratory pandemic caused by the coronavirus (Covid-19) was spread throughout the world and in most countries large-scale social-distancing measures have been imposed, disrupting the global economy and resulting in downfall in demand. Many countries around the globe, including the Hellenic Republic, have adopted emergency and costly restriction measures.

The rapid development of the Covid-19 pandemic and its escalating situation, since the beginning of the year 2020, is having a severe impact on air travel and the airport business, leading to countries' travelling bans and quarantine measures, airlines' limiting or ceasing operations and closure of commercial activities, followed by a rapid traffic deterioration to practically zero passengers' traffic in Europe and consequently in our Airport since the end of March, with severe effect on the Company's financial performance and cash flows in the current financial year. The 2020 January to May traffic reached 3.6 million passengers, i.e. -59% vs. the same period in 2019. Slow gradual recovery can be expected from June 2020.

From the emergence of the health crisis, the Company has taken measures to protect health and safety of its staff, passengers, suppliers and stakeholders and to ensure operational and business continuity. Business continuity plans have been implemented and the infrastructure, as well as all other intergraded business activities, remain operational however in limited capacity.

In vi0ew of the radical developments on the Covid-19, the Company, having monitored the developments in traffic numbers and having assessed the severe impact on its operations, proceeded with the execution of several actions, aiming in containing the spread of the coronavirus in the community and reducing operating expenses, including the operation on one of the two runway systems, the close of the Satellite Terminal Building and of the major part of the Main Terminal Building.

In order to assess the potential impact on its liquidity and financial performance, the Company has prepared an assessment of risks which may face under stressed scenario and has run stressed cash flow projections for the years 2020-2021, which among others incorporate:

- volume declines for the current financial year and delays in collections,
- cost control measures, focusing mainly in the major operating expenses items, such as payroll and outsourcing expenses,
- the suspension of the majority of the CAPEX projects,
- the postponement of the year 2020 first principal payment of the 2L Bond loan (€15 million) and the EIB principal payments (€88 million) based on approvals duly received by the Company and,
- the deferment of the payment (€48 million) of the Grant of Rights Fee for 2020 based on Article 31 of the ADA and more specifically Article 31.1.8 and 31.2.2.a of the ADA, under which Covid-19 pandemic is considered as being an event of Force Majeure.

Although the above actions result in adequate liquidity for the Company for the foreseeable future, nevertheless, the Company is in the process to raise an additional loan facility of up to €140 million, which will provide it with further flexibility.

Although the Company's operations, financial performance and cash flows are adversely affected due to the coronavirus pandemic, Management reasonably believes, considering its healthy financial position and the precautionary actions that have already been taken, that the Company has the adequate resources to continue in operational existence for the foreseeable future and the ability to meet its short-term financial obligations and concludes that there is no uncertainty about continuing its activity as a going concern as referred to in note 2.1.

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Building a better working world

ERNST & YOUNG (HELLAS)
Certified Auditors-Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Athens International Airport S.A.

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of the Athens International Airport S.A. (the Company), which comprise the statement of financial position as of December 31, 2019, the income statement and the statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly in all material respects the financial position of the Athens International Airport S.A. as at December 31, 2019 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as endorsed by the European Union.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs), as incorporated in the Greek law. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated in the Greek law, together with the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter
We draw your attention to Note 5.32 on the financial statements, which describes the risks arising from the COVID-19 pandemic, as well as the company's estimates and plans for addressing these risks. Our opinion is not modified in respect of this matter.

Other information
Management is responsible for the other information. The other information, includes the Board of Director's Report, for which reference is also made in the section "Report on Other Legal and Regulatory Requirements", but does not include the financial statements and our auditor's report 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 identified above 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.

EY
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Certified Auditors-Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

Responsibilities of the Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management 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, management 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 management 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 ISAs, as incorporated in the Greek law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, as incorporated in the Greek law, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ERNST & YOUNG (HELLAS)
Certified Auditors-Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

Report on Other Legal and Regulatory Requirements

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we report that:

a) In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018 and the content of the Board of Directors' Report is consistent with the accompanying financial statements for the year ended December 31, 2019.

b) Based on the knowledge and understanding concerning the Athens International Airport S.A. and its environment, obtained during our audit, we have not identified information included in the Board of Directors' Report that contains a material misstatement

Athens, June 9, 2020
The Certified Auditor Accountant

Chris Pelendridis
SOEL R.N. 17831

ERNST & YOUNG (HELLAS)
Certified Auditors Accountants S.A.
8B Chimarras St., Maroussi
151 25, Greece
Company SOEL R.N. 107

Appendix: Sustainability Indices

AIA follows a structured reporting framework to foster credibility of the disclosed sustainability information.

About this Report

AIA's 2019 Annual & Sustainability Report combines the Airport Company's financial and non- financial performance in a unified report. It is AIA's 17th consecutive annual edition of non-financial performance, with the previous report printed in June 2019. In order to enable comparability of the information disclosed, previous Corporate Responsibility Reports are available on the company's website (www.aia.gr), the GRI portal (www. globalreporting. org) as well as in the UNGC CoP Directory (www. unglobalcompact. org/participants).

Purpose & Scope
This Report focuses on the management's constant commitment on the sustainable and socially responsible operation and development of Athens International Airport. With this edition and the accurate and validated information it contains, AIA aims to increase its stakeholders' interest. The Report refers to the period of January through December 2019. It covers the full spectrum of the company's programmes and activities carried out at the Athens International Airport "Eleftherios Venizelos" in the Spata region of Athens, Greece. In addition, it contains information pertaining to the wider role AIA holds in the Airport business community.

Methodology

Report content has been set as defined by AA1000 Accountability Principles Standards and the Global Reporting Initiative (GRI) Sustainability Reporting Standards GRI Standards). This report has been prepared in accordance with the GRI Standards: Core option, including the GRI Airport Operators Sector Disclosures and ACI Europe Sustainability Strategy as appropriate, depending on AIA's reported material aspects. Additionally, the Report content is based on the ten principles of the United Nations Global Compact (UNGC) and is aligned with the United Nations Sustainable Development Goals.

The responsibility for preparing, submitting and distributing the Report lies with AIA's Corporate Quality & Communications & Marketing departments, which coordinate the input from other AIA departments. The report preparation process is supervised by the cross-company Sustainability Committee, which in turn reports to the CEO and the Chief Officers.

UN Global Compact / Communication on Progress (COP)

Since June 2008, AIA committed through its CEO, Dr. Ioannis N. Paraschis, to embed the UN Global Compact ten ethical principles and accountability within its sphere of influence. AIA is a company-member of the Global Compact Network Hellas and participates in multi-stakeholder engagement activities that promote the initiative's character and the company's support to deepen its commitment and actions. To enhance credibility towards its commitment to the UNGC principles, AIA reports its continuous improvement per principle area on an annual basis.

UNGC COP is a communication tool towards the UNGC Headquarters and AIA's stakeholder groups.

Reference of AIA's Practices related to UNGC principles

Area	UNGC principles	Reference
Human Rights	1: Business should support and respect the protection of international proclaimed human rights 2: Business should make sure that they are not complicit in human right abuses	17-18, 46-54, 66
Labour Standards	3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining 4: Business should uphold the elimination of all forms of forced and compulsory labour 5: Business should uphold effective abolition of child labour 6: Business should uphold the elimination of discrimination in respect of employment and occupation	17-18, 46-54, 66
Environment	7: Business should support a precautionary approach to environmental challenges 8: Business should undertake initiatives to promote greater environmental responsibility 9: Business should encourage the development and diffusion of environmentally friendly technologies	19-21, 56-63
Anti-corruption	10: Business should work against corruption in all its forms, including extortion and bribery	17-18

Integrating the UN Sustainable Development Goals in AIA's Sustainability Policy

AIA has advanced its materiality analysis by correlating with Sustainable Development Goals (SDGs), building on its steady commitment on the UN Global Compact. SDGs are integrated in AIA's Sustainability Policy in line with the UN-recommended five- step approach (understanding the SDGs, defining priorities, setting goals, integrating, reporting & communicating) and as foreseen in AIA Sustainability Policy. AIA uses both the GRI Aspects and the SDG structure for describing the sustainability context and for referencing the company's material issues to broader sustainable development conditions and goals.

The 2019 Materiality Exercise was performed in line with the GRI recommended practice for evaluating the impact versus the influence of material issues, considering the scale of impact (boundaries). In 2019, the evaluation of material issues by AIA's Sustainability Committee was based on the following model, leading to the identification of Material Issues and the formation of the Materiality Map, as it appears in Chapter 1.

Materiality Evaluation Model

Impact		Influence	
Evaluation of the issue's significance of Impact, considering economic, environmental & social aspects of each issue, both internally and externally		Evaluation of the issue's Influence on Stakeholders' assessment of AIA in regards to airport operation	
Internal Impact (relates to AIA's Financial and Non-Financial Performance with significant impact on its business model, its ability to achieve objectives and/or its reputation)	External Impact (AIA's level of contribution to Sustainable Development and the UN SDGs) considering the related scale of impact (a/p community, national, global)	Influence evaluation (by the Sustainability Committee) in regards to the influence to AIA internal stakeholders and general society)	Influence evaluation (by members of airport community) in regards to the influence to Airport Community stakeholders
5. Critical Impact		5. Critical Influence	
4. High impact (currently)		4. High influence	
3. Medium impact (currently) or potentially high		3. Medium influence	
2. Low impact (currently) or potentially medium		2. Low influence	
1. Marginal impact		1. Marginal influence	

The correlation among AIA's list of sustainability 17 issues, linking with the Sustainable Development Goals and GRI Aspects, from which the 11 Material Issues are derived (shaded), are tabulated below:

no.	Issue	Contribution to Sustainable Development	
		Link to UN Sustainable Development Goals (SDGs	Scale of Impact
1	Balanced Business Model	SDG-8 Decent Work & Economic Growth	National
2	Economic Development & Employability	SDG-4 Quality Education SDG-8 Decent Work & Economic Growth	National
3	Human Rights, Values & Ethics	SDG-8 Decent Work & Economic Growth SDG-16 Peace, justice and strong institutions	Airport Community
4	Sustainable Supply Chain	SDG-12 Responsible Consumption	National/Global
5	Sustainable Destination	SDG-8 Decent Work & Economic Growth SDG-12 Responsible Consumption	National
6	Operational Effectiveness	SDG-9 Industry, innovation and infrastructure	Airport Community
7	Quality of Service	SDG-9 Industry, innovation and infrastructure	Airport Community
8	Climate Change	SDG-7 Affordable & Clean Energy SDG-11 Sustainable Cities & Communities SDG-13 Climate Action	Global
9	Local Air Quality	SDG-3 Good Health and Well Being SDG-11 Sustainable Cities & Communities SDG-12 Responsible Consumption	Local
10	Water	SDG-6 Clean Water & Sanitation	Local
11	Biodiversity	SDG-15 Life on Land	Local
12	Material Resources	SDG-12 Responsible Consumption	Local
13	Employee Experience	SDG-3 Good Health and Well Being SDG-4 Quality Education SDG-5 Gender Equality SDG-8 Decent Work & Economic Growth SDG-10 Reduced Inequalities	Airport Community
14	Noise & Quality of Life of Local Communities	SDG-3 Good Health and Well Being SDG-11 Sustainable Cities & Communities SDG-12 Responsible Consumption	Local
15	Customer Safety	SDG-3 Good Health and Well Being SDG-9 Industry, innovation and infrastructure SDG-16 Peace, justice and strong institutions	Airport Community
16	Innovation & Digital Transformation	SDG-9 Industry, innovation and infrastructure	Airport Community
17	Airport Infrastructure Development	SDG-9 Industry, innovation and infrastructure	Airport Community

GRI Standards Content Index

General Disclosures				
GRI STANDARD	DISCLOSURE	Page number(s) and/or URL(s)	Omission	External Assurance
Organizational Profile				
GRI 102: General Disclosures 2016	102-1 Name of the Organization	10		√
	102-2 Activities brands, products and services	10, 24-28		√
	102-3 Location of Headquarters	10		√
	102-4 Location of operations	10		√
	102-5 Ownership and legal form	10		√
	102-6 Markets served	10, 24-28		√
	102-7 Scale of the organization	11, 48, Annex II Financial Statements		√
	102-8 Information on employees and other workers	48		√
	102-9 Supply Chain	17		√
	102-10 Significant changes to the organization and its supply chain	7		√
	102-11 Precautionary Principle or approach	17-18, 56-57		√
	102-12 External Initiatives	23, 58		√
	102-13 Membership of associations	23		√
Strategy				
GRI 102: General Disclosures 2016	102-14 Statement from senior decision-maker	7		√
Ethics and Integrity				
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and norms of behavior	19		√
Governance				
GRI 102: General Disclosures 2016	102-18 Governance Structure	13-16		√
Stakeholders Engagement				
GRI 102: General Disclosures 2016	102-40 List of Stakeholder Groups	12		√
	102-41 Collective Bargaining Agreements	All AIA employees are covered by the minimum requirements of the National Labor Agreement.		√
	102-42 Identifying and selecting stakeholders	11-12		√
	102-43 Approach to stakeholder engagement	11-12, Appendix p. 9		√
	102-44 Key Topics and concerns raised	17-18, 19-20, 26,29, 32, 33, 35, 36, 49, 57, 64, 66		√
Reporting profile				
GRI 102: General Disclosures 2016	102-45 Entities included in the consolidated financial statements	10		√
	102-46 Defining report content and topic Boundaries	19-23, Appendix p. 9		√
	102-47 List of Material topics	19-21		√
	102-48 Restatements of information	28		√
	102-49 Changes in reporting	20		√
	102-50 Reporting Period	Appendix p. 1		√
	102-51 Date of most recent report	Appendix p. 1		√
	102-52 Reporting cycle	Appendix p. 1		√
	102-53 Contact Point for questions regarding the report	Appendix p. 10		√
	102-54 Claims of reporting in accordance with the GRI Standards	Appendix p. 2		√
	102-55 GRI content index	Appendix p. 5-7		√
	102-56 External Assurance	Appendix p. 11-14		√

Material Topics				
GRI STANDARD	DISCLOSURE	Page number(s) and/or URL(s)	Omission	External Assurance
Balanced Business Model				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26, 36, Appendix p. 8		√
	103-2 The management approach and its components	26, 36		√
	103-3 Evaluation of the management Approach	25-28, 36, 48		√
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	48		
	A01-Total number of passengers annually, broken down by passengers on international and domestic flights and broken down by origin and destination and transfer passengers, including transit passengers	25		√
	A02-Total annual number of aircraft movements by day and by night, broken down by commercial passenger, commercial cargo, general aviation and state aviation flights	26-27		√
	A03-Total amount of cargo tonnage	28		√
Economic Development & Employability				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	44, Appendix p. 8		
	103-2 The management approach and its components	44		
	103-3 Evaluation of the management Approach	44		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	65		
Climate Change				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56-58, Appendix p. 8		√
	103-2 The management approach and its components	56-58		√
	103-3 Evaluation of the management Approach	56-58		√
GRI 302: Energy 2016	302-1 Energy Consumption within the organization	57		√
	302-2 Energy Consumption outside of the organization	57		
	302-3 Energy Intensity	57		√
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	58		√
	305-2 Energy indirect (Scope 2) GHG emissions	58		√
	A05 – Ambient air quality levels according to pollutant concentration in microgram per m3 or parts per million (ppm) by regulatory regime	59		√
Noise & Quality of Life of Local Communities				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	59, 65, Appendix p. 8		√
	103-2 The management approach and its components	59, 65		√
	103-3 Evaluation of the management Approach	59, 65		√
GRI 413: Local commnities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	65		
	A07 – Number and percentage change of people residing in areas affected by noise	According to the results of the Airport Strategic Noise Map inhabited areas are not exposed to noise levels above the limits set by Authorities.		√
	A08 – Number of persons physically or economically displaced, either voluntarily or involuntarily, by the airport operator or on its behalf by a governmental or other entity, and compensation provided	No person from local area or any other origin were physically or economically displaced due to airport development.		

GRI STANDARD	DISCLOSURE	Page number(s) and/or URL(s)	Omission	External Assurance
Customer Safety				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33, Appendix p. 8		√
	103-2 The management approach and its components	33		√
	103-3 Evaluation of the management Approach	33-34		√
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	34		√
Human Rights, Values & Ethics				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	66, Appendix p. 8		√
	103-2 The management approach and its components	66		√
	103-3 Evaluation of the management Approach	66		√
GRI 412: Human Rights Assessment 2016	412-2 Employee Training on human rights policies and procedures	66		√
Sustainable Destination				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	64, Appendix p. 8		
	103-2 The management approach and its components	64		
	103-3 Evaluation of the management Approach	64		
GRI 413: Local communities 2016	413-1 Operations with local comunity engagement,	65		
Operational Effectiveness, Engagement, Impact Assessments and Develoment Programs				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	32, Appendix p. 8		
	103-2 The management approach and its components	32		
	103-3 Evaluation of the management Approach	32		
	Critical Systems availability	32		
Quality of Services				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	35, Appendix p. 8		√
	103-2 The management approach and its components	35		√
	103-3 Evaluation of the management Approach	35		√
	Airport Service Quality Satisfaction Score	35		√
Employee Experience				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	47, Appendix p. 8		
	103-2 The management approach and its components	47		
	103-3 Evaluation of the management Approach	47		
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management – worker health and safety committees	49		
Airport Infrastructure Development				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	29, Appendix p. 8		
	103-2 The management approach and its components	29		
	103-3 Evaluation of the management Approach	29		
	102-10 Significant changes to the organization and its supply chain	7		

Boundaries of Material Issues & Engagement

In the context of the GRI Standards (101/2.4), the following is a tabulation of the boundaries for each material issue along with corresponding engagement means, identifying where the primary impact occurs. This is a general overview while the detailed involvement of AIA and its stakeholders is described in the related chapters of this Report.

Material Issue	Primary means of engagement	Description of AIA's involvement	Where th Where the impact occurs						
			AIA	Airlines	Users & Handlers	Concessionaires	State Authorities	Suppliers	Stakeholders Outside the Airport Community
Balanced Business Model	Disclosure of Sustainability Management Approach and Performance Routes Conferences Airlines Marketing Workshop	Ch.1	●	●	●	●	●	●	●
Economic Development & Employability	Monitoring of related KPIs Consultation	Ch.3	●	●	●	●	●	●	●
Human Rights, Values & Ethics	Engaging stakeholders on the basis of the Code of Conduct	Ch.8	●	●	●	●	●	●	●
Sustainable Destination	This is Athens & Partners Initiative Engaging Tourism-related Stakeholders	Ch.6	●	●	●		●		●
Operational Effectiveness	Engaging Airport Community Parties for Ensuring Effectiveness - User Groups Emergency Exercises Business Continuity Plans	Ch.2	●	●	●	●	●	●	
Quality of Services	Surveys Passenger Comments	Ch.2	●	●	●	●	●	●	
Climate Change	Airport Carbon Accreditation Climate Change Action Plan ISO 50000 audits and action plans	Ch.5	●	●	●	●		●	
Employee Experience	Internal Communication Health & Safety Awareness & Training	Ch.4	●	●	●	●			
Noise & Quality of Life of Local Communities	Noise Line Nose Studies / Monitoring / Abatement Community Engagement Action Plan	Ch.4 Ch.6	●	●			●		●
Customer Safety	Airport Guidelines Aviation Safety Committee	Ch.2	●	●	●		●	●	
Airport Infrastructure Development	Contractual Provisions	Ch.2	●	●	●	●		●	

Committees

AIA's Sustainability Committee

I. Papadopoulou
Director, Communications & Marketing (chair)

G. Kallimasias
Chief Strategy Officer

G. Tzavaras
Director, Aviation Business Unit

G. Stergiopoulou
Director, Human Resources

M. O'Connor
Manager, Environmental Services

P. Papademetriou
Manager, Corporate Quality

2019 Annual & Sustainability Report Team

A. Kontaxis
Manager, Passenger & Business Marketing

P. Papademetriou
Manager, Corporate Quality

K. Raftopoulou
Supervisor, Quality & Sustainability

S. Sochoritis
Coordinator, Marketing Passengers

A. Orfanou
Administrator, Quality Systems & Sustainability

2019 Content Owners

G. Kallimasias
Chief Strategy Officer

E. Papathanasopoulou
Director, Legal Affairs & Secretary to the BoD

I. Papadopoulou
Director, Communications & Marketing

G. Tzavaras
Director, Aviation Business Unit

T. Anglos
Director, Consumers Business Unit

T. Gyftakis
Director, Property Business Unit

A. Ziomas
Director, IT&T Business Unit

G. Stergiopoulou
Director, Human Resources

A. Gatsonis
Manager, Accounting & Tax

N. Xirogianni
Manager, Corporate Finance

M. O' Connor
Manager, Environmental Services

Text and indicators contained herein was compiled with the contribution of numerous colleagues, representing all AIA Units.

Contact Details

Readers' comments regarding our corporate responsibility performance enable us to improve the structure and quality of information disclosed. We would highly appreciate any suggestions or requests for clarification on any related issue.

For AIA Sustainability Reporting matters, kindly contact:

K. Raftopoulou
tel: (+30) 210-3536660
e-mail: RaftopoulouC@aia.gr

For Local Communities issues, kindly contact:

A. Kostiani
tel: (+30) 210-3536493
e-mail: KostianiA@aia.gr

For noise-related issues, kindly contact:

"We Listen" hotline
tel: (+30) 210-3530003

For any other issues within Athens International Airport, kindly contact:

AIA / Administration Building Call Centre
tel: (+30) 210-3531000

AIA Call Center (24 hours)
tel: (+30) 210-3530000

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ERNST & YOUNG (HELLAS)
Certified Auditors-Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

INDEPENDENT ASSURANCE STATEMENT

To the management of Athens International Airport S.A.
The Athens International Airport 2019 Annual & Sustainability Report ("the Report") has been prepared by the management of Athens International Airport S.A. ("AIA"), which is responsible for the collection and presentation of the information contained therein. Our responsibility, in accordance with AIA management's instructions, is to carry out a "limited level" assurance engagement on the English version of the Report, except for Annex I - Reporting by the BoD to the AGM and Annex II - Financial Statements of the Report which have been audited by the AIA statutory auditors (for the independent auditor's report see page 58 of Annex II - Financial Statements).

Our responsibility in performing our assurance engagement is solely to the management of AIA and in accordance with the terms of reference agreed between us. We neither accept nor we assume any responsibility and for any other purpose, to any other person or organization. Any reliance any third party may place on the Report is entirely at its own risk and responsibility.

Work scope and criteria
Our assurance engagement has been planned and performed in accordance with ISAE3000 (revised) and the requirements of a Type 2 assurance engagement, as defined by AA1000AS, in order to provide a limited level assurance opinion on:

1. Adherence to the AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact against the relevant criteria found in the AA1000APS.
2. Accuracy and completeness of quantitative data and plausibility of qualitative information related to the GRI General and Specific Disclosures (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 5-7 of Appendix), against the GRI Standards "In accordance – Core" requirements.
3. Adherence to the United Nations Global Compact (UNGC) Communication on Progress (CoP) requirements, against the guidelines found in the Basic Guide to the UNGC CoP.
4. Alignment with United Nations' Sustainability Development Goals according to the guidance found in the "SDG Compass, Linking the SDGs and GRI" document, developed by the GRI, the UNGC and the World Business Council on Sustainable Development (WBCSD).

What we did to form our conclusions
In order to form our conclusions in relation to the scope and criteria mentioned above, we undertook (but were not limited to) the steps outlined below:

- **Interviewed certain AIA Executives and Managers** to understand the current status of corporate responsibility activities and progress made during the reporting period.
- **Reviewed AIA's approach to stakeholder engagement** through interviews with managers responsible for engagement activities at corporate level and reviews of associated documentation.
- **Reviewed AIA's processes for determining material issues** to be included in the Report, as well as the coverage of material issues within the Report, against aspects found in the "GRI G4 Airport Operators Sector Disclosures", material issues and areas of performance covered in external media reports, and sustainability reports of selected European peers.

ERNST & YOUNG (HELLAS)
Certified Auditors-Accountants S.A.
8B Chimarras str., Maroussi
151 25 Athens, Greece

Tel: +30 210 2886 000
Fax:+30 210 2886 905
ey.com

- **Interviewed specialists responsible for managing, collating and reviewing sustainability data** reported for internal and public reporting purposes, linked to the GRI General and Specific Disclosures under the scope of our assurance engagement (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 5-7 of Appendix).
- **Reviewed the Report for the appropriate transposition and presentation** of the sustainability data linked to the GRI General and Specific Disclosures under the scope of our assurance engagement (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 5-7 of Appendix), including limitations and assumptions relating to how these data are presented within the Report.
- **Read information or explanations to substantiate** key data, statements and assertions regarding the sustainability disclosures under the scope of our assurance engagement.
- **Checked the AIA UNGC CoP** against the guidelines found in the Basic Guide to the UNGC CoP.

Level of assurance

The evidence gathering procedures were designed to obtain a limited level of assurance, as set out in ISAE 3000 (revised) on which we formed our conclusions. The extent of these evidence gathering procedures is less than those designed to obtain a reasonable level of assurance and therefore a lower level of assurance is provided. This is also expressed by the 'moderate' level of assurance, under AA1000AS, according to which "the assurance provider achieves moderate assurance where sufficient evidence has been obtained to support their statement, such as the risk of their conclusion being in error is reduced but not reduced to very low or zero".

Limitations of our review

- Our review was limited to the English version of the Report. In the event of any inconsistency in translation between the English and Greek versions, as far as our conclusions are concerned, the English version of the Report prevails.
- The scope of our work did not include any review of third party activities or performance, nor attending any stakeholder engagement activities. In addition, it did not include any review of the accuracy of research results assigned to third parties, nor Information Technology systems used by third parties.
- Our review did not include financial data and the corresponding narrative text and testing of the Information Technology systems used or those upon which the collection and aggregation of data was based by AIA.
- We do not provide any assurance relating to future information such as estimates, expectations or targets, or their achievability.
- We did not review Annex I - Reporting by the BoD to the AGM and Annex II – Financial Statements which have been audited by the AIA statutory auditors (for the independent auditor's report see page 58 of Annex II - Financial Statements).

Our conclusions

Based on the scope of our review our conclusions are outlined below:

1. **Adherence to the AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact against the relevant criteria found in the AA1000APS.**

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ey.com

Inclusivity: Has AIA been engaging with stakeholders across the business to develop its approach to sustainability?

- Nothing has come to our attention that causes us to believe that any key stakeholder groups have been excluded from stakeholder engagement activities, or to conclude that AIA has not applied the Inclusivity principle in developing its approach to sustainability.

Materiality: Has AIA provided a balanced representation of material issues concerning its sustainability performance?

- Nothing has come to our attention that causes us to believe that AIA's materiality determination approach does not provide a balanced representation of material issues concerning its sustainability performance.

Responsiveness: Has AIA responded to stakeholder concerns?

- We are not aware of any matters that would lead us to conclude that AIA has not applied the responsiveness principle in considering the matters to be reported.

Impact: Has AIA been measuring, monitoring and evaluating its impact?

- Nothing has come to our attention that causes us to believe that AIA has not been measuring, monitoring and evaluating the impact it has on its broader ecosystem.

2. **Accuracy and completeness of quantitative data and plausibility of qualitative information related to the GRI General and Specific Disclosures (indicated in the assurance column of the GRI Content Index with a checkmark, pp. 5-7 of Appendix), against the "In accordance – Core" requirements of the GRI Standards.**

How plausible are the statements and claims within the Report linked to qualitative information on GRI General and Specific Disclosures under scope?

- We have reviewed information or explanations on selected statements on AIA's sustainability activities presented in the Report and we are not aware of any misstatements in the assertions made.

How complete and accurate are the quantitative data linked to the GRI General and Specific Disclosures under scope?

- Nothing has come to our attention that causes us to believe that quantitative data linked to the GRI General and Specific Disclosures under scope has not been collated properly at corporate level.
- We are not aware of any errors that would materially affect the data as presented in the Report.

Does the Report meet the GRI Standards requirements of the "In accordance – Core" option?

- Based on our review, nothing has come to our attention that causes us to believe that the Report does not meet the requirements of the "In accordance – Core" option, as presented in the GRI Content Index, found on pages 5-7 of Appendix.

3. **Adherence to the United Nations Global Compact (UNGC) Communication on Progress (CoP) requirements, against the guidelines found in the Basic Guide to the UNGC CoP.**

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Does AIA's UNGC CoP adhere to the guidelines found in the Practical Guide to the UNGC CoP?

- Nothing has come to our attention that causes us to believe that AIA's UNGC CoP is not fairly stated, according to the guidelines found in the Practical Guide to the UNGC CoP.

4. Alignment with United Nations' Sustainability Development Goals according to the guidance found in the "SDG Compass, Linking the SDGs and GRI" document.

Is the link of AIA's material issues to the UN Sustainable Development Goals, as presented in the report, in alignment with the guidance found in the "SDG Compass, Linking the SDGs and GRI" document?

- Nothing has come to our attention that causes us to believe that the link of AIA's material issues to the UN Sustainable Development Goals, as presented in the report, is not in alignment with the guidance found in the "SDG Compass, Linking the SDGs and GRI" document.

Independence

We conducted our assurance engagement in accordance with International Assurance Standards, particularly ISAE 3000 (revised), which requires that we comply with ethical standards and plan and perform our assurance engagement to obtain limited assurance about the scope described above.

We maintain a robust system of quality control, including policies and procedures documenting compliance with relevant ethical and professional standards and requirements in law or regulation.

We comply with the independence and other ethical requirements of the IESBA Code of Ethics for Professional Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our assurance team

The professionals which participated in the engagement are members of and are supported by the EY Climate Change and Sustainability Services global network, which undertakes similar engagements in Greece and at a Global level

Athens, 9 March 2021

For and on behalf of

ERNST & YOUNG (HELLAS)
Certified Auditors Accountants S.A.

AA1000 Licensed Assurance Provider 000-18

Vassilios Kaminaris
Partner

Athens International Airport S.A
Tel.: +30 210 353 1000
www.aia.gr