

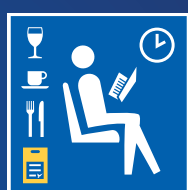
Schiphol Group
Annual Report
2013





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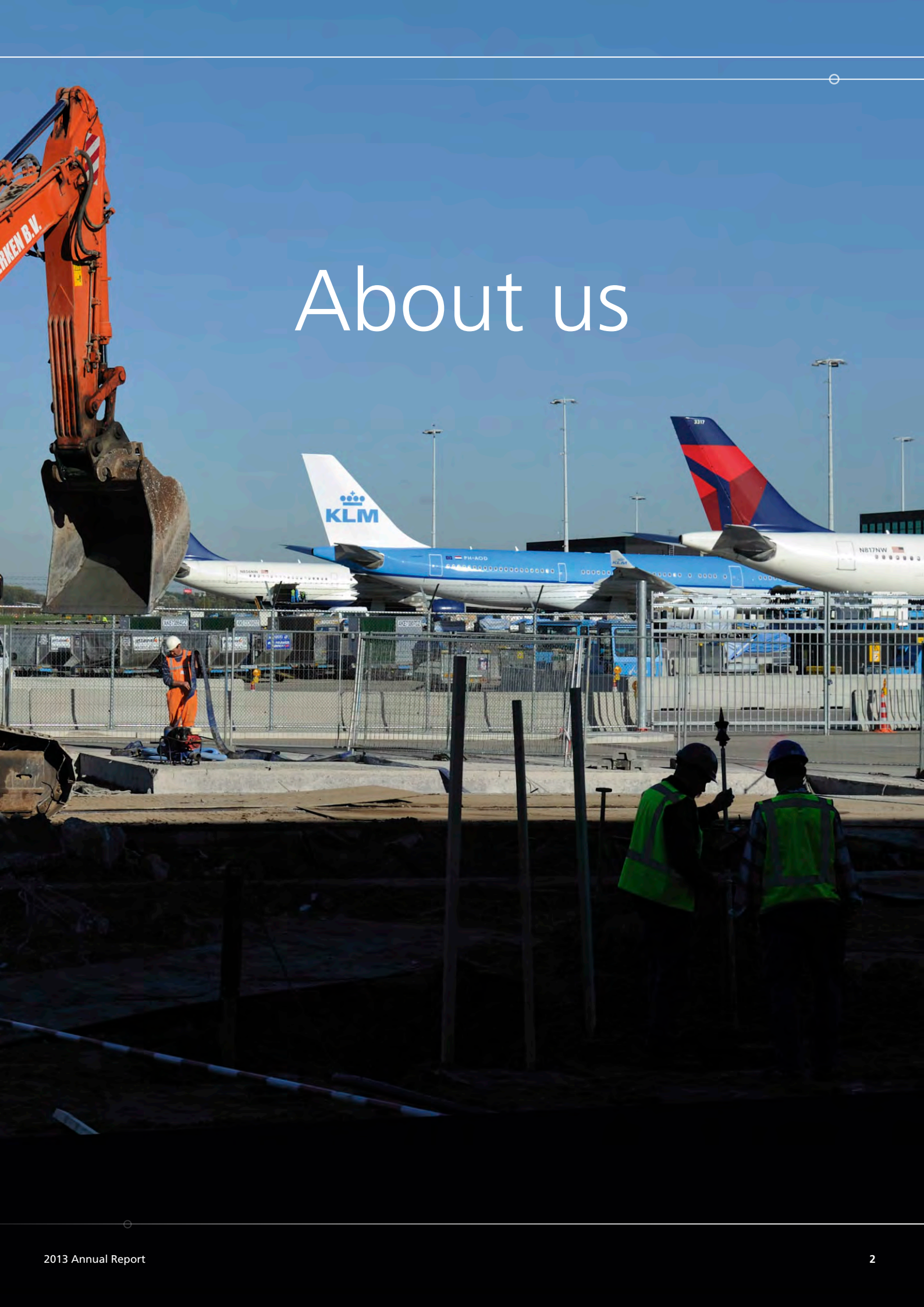
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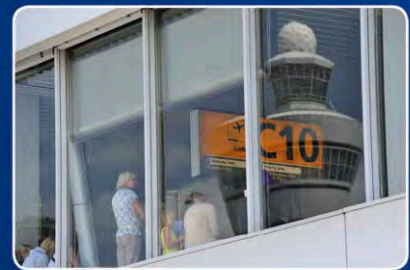
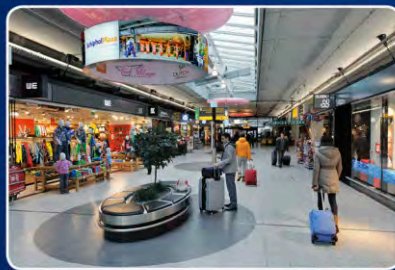
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About us



Profile

Schiphol Group is an airport company and Amsterdam Airport Schiphol is its principal airport. We aim to create sustainable value for our stakeholders, with due regard for their various interests. All our actions reflect our key values: reliability, efficiency, hospitality, inspiration and sustainability.



Destinations hub

Amsterdam Airport Schiphol is a well-equipped international airport that offers state-of-the-art facilities to 99 airlines which, in 2013, carried a total of 52.6 million travellers and over 1.5 million tonnes of cargo from Schiphol to destinations all over the world. For our operations we depend strongly on our home carrier KLM and its SkyTeam partners, which account for approximately 70% of all air traffic to and from Schiphol. Via Amsterdam Airport Schiphol, passengers and cargo can reach 323 direct destinations worldwide, several times per day or per week. In addition, our regional airports - Eindhoven Airport and Rotterdam The Hague Airport - offer numerous flights to destinations within Europe.

Mainport Schiphol

Amsterdam Airport Schiphol, the high-quality network offered by KLM, its partners and other airlines, and the attractive Amsterdam metropolitan region have jointly developed into what we refer to as Mainport Schiphol. As this name suggests, Schiphol is more than just an airport with a global network. The Mainport serves as a hub of businesses and activities that all reinforce each other. Together, they create an international and multimodal junction where flows of people, goods, information, knowledge and culture all converge.

The activities at Schiphol are an important engine that drives the Dutch economy and generates employment. Every year, aviation adds over 26 billion euros to the Dutch gross domestic product. The Schiphol site alone accommodates some five hundred companies that provide jobs for approximately 65,000 employees. The Amsterdam region offers an attractive business climate for internationally oriented companies and institutions. Thanks to its network of destinations, Schiphol is one of Europe's four major airports. This is a remarkable achievement, considering its relatively small domestic market in the Netherlands.

In order to consolidate and expand this position, we will be investing in capacity and quality improvements over the coming years. This will include large-scale adaptations to the terminal, gates and piers in anticipation of future market demand. Renovation work started in July 2013 and will take several years to complete.

Amsterdam Airport Schiphol


323

direct destinations


52.6 million

passengers, 1.5 million tonnes of cargo


425,565

air transport movements


290,000

jobs in the Netherlands, approx 65,000 people are employed at the Schiphol location


650,000 m²

terminal area, five main runways on 2,787 hectares


4 billion euros

total value of fixed assets


approx 500

companies located at the Schiphol location


26 billion euros

contribution of aviation sector to the Dutch Gross Domestic Product

AirportCity

Schiphol is our principal airport and we operate it as an AirportCity: a dynamic metropolitan area offering travellers and airlines all the services they need, 24 hours a day. Our three complementary and mutually reinforcing business areas bring the AirportCity formula into practice. Serving travellers, airlines and ground handling agents, the Aviation business area has a pivotal role at the airport. Aviation supplies and manages the infrastructure that is required to ensure pleasant, reliable and efficient arrival and departure processes for travellers, baggage and cargo. The Consumer Products & Services business area offers travellers a range of products and services that guarantee a carefree, comfortable and enjoyable travel process. The Real Estate business area develops and manages real estate at and around the airport. The airport area is an attractive environment for companies, offering a huge variety of high-quality real estate in the form of offices, industrial premises and logistics facilities.

Regional airports

Schiphol Group also holds interests in three regional airports: Rotterdam The Hague Airport (wholly owned), Eindhoven Airport (51% interest) and Lelystad Airport (wholly owned). These three airports each develop their own market position. In future, the importance of Eindhoven Airport and Lelystad Airport will increase as they will be used to accommodate non-Mainport-related traffic.

International activities

We carry out our international activities in order to strengthen Schiphol Group and the Mainport. To that end, we seek partnerships with major international airports that are of particular significance to the Mainport. We collaborate closely with our partner Aéroports de Paris, in which we have

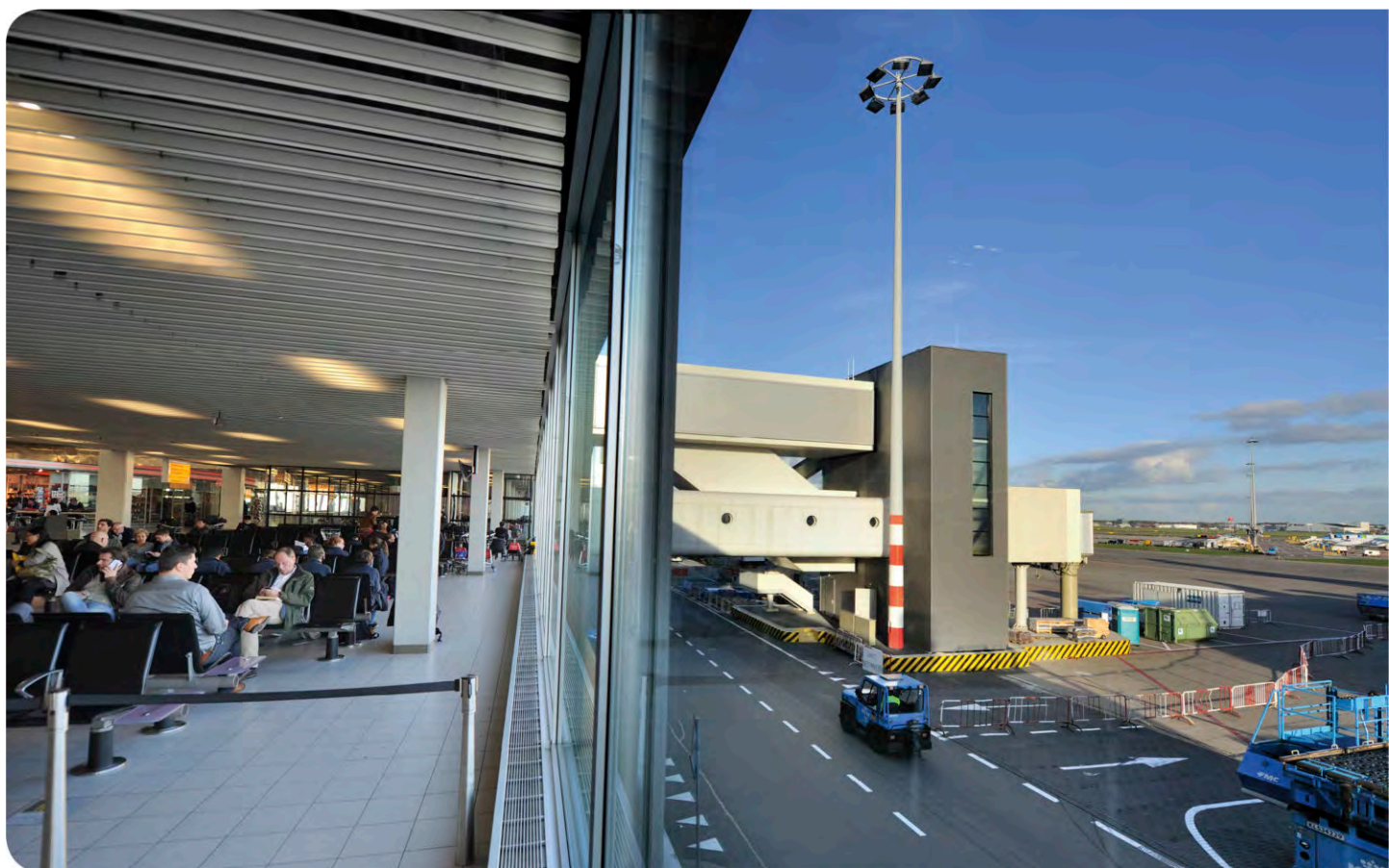
an 8% cross-participation interest. In addition, we are involved with Terminal 4 at JFK International Airport in New York, and we are involved in airports in Australia, Hong Kong, Aruba and Sweden. Over the past two decades, many of these activities have seen positive development. In all, they account for over a quarter of Schiphol Group's results.

Network of partners

At Schiphol we collaborate with partners, government organisations and other parties in a variety of networks. Our operations at Schiphol depend not only on airlines, but also on air traffic control, the slot coordinator, the national government, the provincial and local authorities, local residents, handling agents, security companies, customs and the Dutch Border Police (*Koninklijke Marechaussee*). While these parties have their own roles and responsibilities, our close, long-term and constructive collaboration with each of them is key to successful and sustainable airport operations.

An enterprise with a socio-economic function

Our airports play an important socio-economic role. In order to safeguard the continuity of our activities in the highly competitive aviation sector, Schiphol Group pursues a robust financial policy. Rather than maximising profits, Schiphol Group aims to achieve a reasonable return on its equity based on moderate increments in airport charges and a stable dividend distribution trend. We continually invest in our infrastructure and facilities, and finance these investments independently. For this reason it is crucial for us to have easy access to the capital market and to maintain our current credit ratings (S&P's A+ and Moody's A1). This solid position enables us to continue fulfilling our socio-economic role and contribute to the strength and appeal of the Dutch economy.



Schiphol also continues to further incorporate sustainability principles into its operations. Social and ecological considerations go hand in hand with economic decisions. Our operations reflect social values and together with our stakeholders we collaborate on various themes that are relevant to our business: sustainable employment, accessibility and air quality, climate-friendly aviation, commodity shortages and noise and the local environment.

We are engaged in an active dialogue with our stakeholders on the impact of these themes. As the central coordinating entity at the airport we encourage our partner businesses and organisations to reflect a firm commitment to sustainability. Due to the position and function of Schiphol in Dutch society, aviation activities increasingly serve as a breeding ground for new and innovative technologies and, as such, constitute an attractive environment for businesses and employment.

Facts and Figures

Transport figures

Amsterdam Airport Schiphol, Rotterdam The Hague Airport and Eindhoven Airport combined

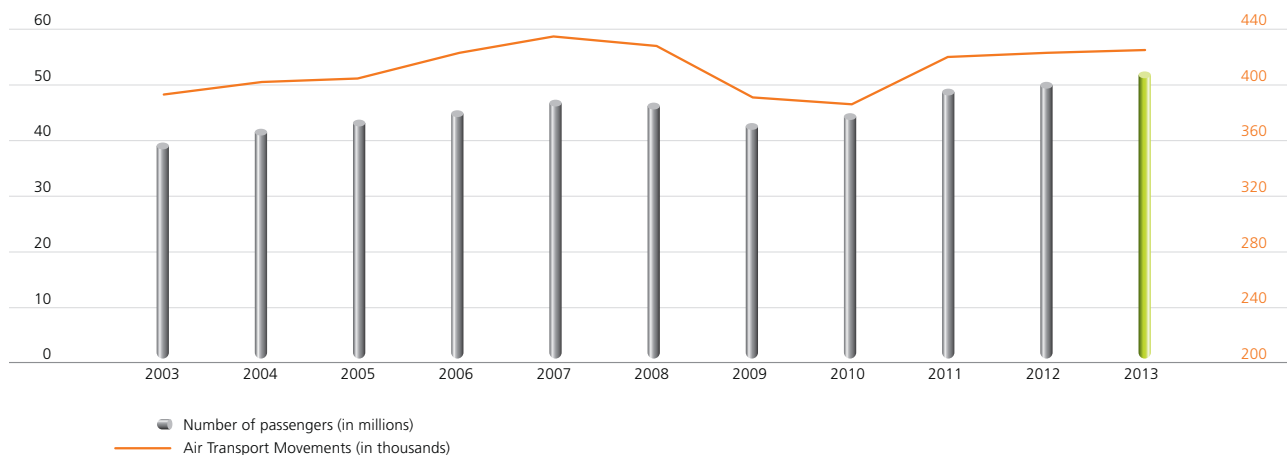
2013	57,556	2013	1,531	2013	468,996
Passengers x 1,000		Cargo volume x 1,000 tonnes		Air transport movements	
	2012 55,284		2012 1,483		2012 461,237
	2011 53,522		2011 1,524		2011 453,613
	2010 48,324		2010 1,512		2010 415,883
	2009 46,246		2009 1,286		2009 418,742

Total Amsterdam Airport Schiphol

2013	52,569	2013	1,531	2013	425,565
Passengers x 1,000		Cargo volume x 1,000 tonnes		Air transport movements	
	2012 51,034		2012 1,483		2012 423,407
	2011 49,755		2011 1,524		2011 420,249
	2010 45,212		2010 1,512		2010 386,316
	2009 43,570		2009 1,286		2009 391,265

Passengers and Air Transport Movements Amsterdam Airport Schiphol

Number of passengers (left axis), Air Transport Movements (right axis)



Key figures

EUR million unless stated otherwise	2013	2012	%
Results			
Revenue	1,382	1,353	2.2
Result from sales of property	-	12	-98.4
Fair value gains on property	3	-24	110.6
Operating expenses (excluding depreciation, amortisation and impairment)	798	806	-0.9
EBITDA ¹	587	534	9.8
Depreciation and amortisation	248	215	15.6
Impairment	17	23	-23.4
Operating result	321	296	8.2
Financial income and expenses	-95	-88	7.7
Share in results of associates	51	45	11.2
Result before tax	276	254	8.9
Corporate income tax	-46	-57	-20.5
Result after tax	231	196	17.5
Net result	227	199	14.5
Total equity	3,309	3,198	3.5
Investments in intangible assets and property, plant & equipment	310	298	4.0
Cash flow from operating activities	468	399	17.2
Proposed dividend	135	108	24.9
Ratios			
RONA after tax ²	6.1%	5.7%	
Return on equity (ROE) ³	7.0%	6.2%	
Leverage ⁴	37.6%	37.8%	
FFO / total debt ⁵	24.7%	24.5%	
FFO interest coverage ratio ⁶	5.7	5.6	
Earnings per share ⁷	1,222	1,068	
Dividend per share	727	582	
Business volume (in numbers)			
Air transport movements ⁸	468,996	461,237	1.7
Passenger movements (x 1,000) ⁸	57,556	55,284	4.1
Cargo (x 1,000 tonnes) ⁸	1,531	1,483	3.2
Workforce in full-time equivalents	2,058	2,087	-1.4

1) Operating result plus depreciation, amortisation and impairment

2) Operating result after tax plus share in results of associates and interest income / (average non-current assets minus deferred tax assets)

3) Net result attributable to shareholders / average total equity

4) Leverage: interest-bearing debt / (total equity + interest-bearing debt)

5) Funds from operations (cash flow from operating activities before changes in working capital) / interest-bearing debt

6) Funds from operations plus gross interest expense / gross interest expense

7) Based on net result attributable to shareholders

8) Schiphol Group: Amsterdam Airport Schiphol, Rotterdam The Hague Airport and Eindhoven Airport

Mission and Ambition

Schiphol Group's mission is to connect the Netherlands with all of the world's major cities and economic, political and cultural centres.

Together with our partners, we aim to continue to develop Amsterdam Airport Schiphol as an efficient and sustainable multi-modal hub where passengers from all corners of the globe feel welcome in a dynamic and inspirational environment.

Ambition: Europe's Preferred Airport

Schiphol Group has developed Amsterdam Airport Schiphol into Europe's Preferred Airport in concert with its partners. We are proud that passengers rate Schiphol highly time and again and that they choose the airport as their preferred point of departure or transfer. We maintain and further strengthen our prominent position in Europe. Schiphol aims to offer smooth processes and excellent facilities and to ensure, to the best of its ability, that passengers have a pleasant journey. Our goal is that passengers choose to travel via Amsterdam Airport Schiphol. Achieving this goal requires a clear strategy and close collaboration with our partners and stakeholders.



Schiphol & the Management Board

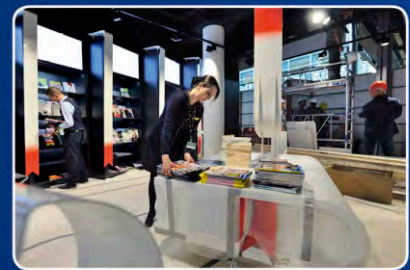
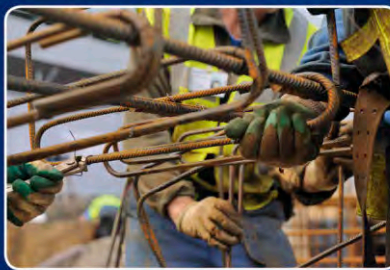
Schiphol Group Management Board

“Together with our partners, stakeholders and employees we have achieved good results for 2013. We can look back on successful summer operations and solid financial results, and the effort to realise central security in the entire terminal got off to a flying start. We would like to thank all the parties involved for their commitment in 2013. Together we managed once again to secure the title of Europe's best airport for Amsterdam Airport Schiphol in 2013.

The central themes at Schiphol for the next few years are 'construction, conversion and connection'. The multitude of construction activities in the terminal and on the piers means that we will once again call upon the flexibility of all our partners in the operational process. We have every confidence that the expanded capacity and quality upgrade will lay the foundations for our future as Europe's Preferred Airport.”

Schiphol constructs, converts and connects

Schiphol began implementing the Master Plan in 2013. To bolster and ensure the continued growth of Mainport Schiphol, the airport's facilities require extensive renovation, expansion and renewal. This will boost capacity, allowing us to offer passengers enhanced comfort through more spacious terminals and piers as well as smoother passenger processes.



Investing in capacity and quality

Passenger volumes at Schiphol will rise by around 25% in the next decade. This means that pressure on our operations will increase. This will also become apparent to passengers: if airport capacity is or seems inadequate, passenger satisfaction with the facilities will decline. A further reason for investing in capacity and quality is the increasing competition we are facing from other European and Gulf state hubs. These competing hubs are making serious investments in capacity and quality, while the Dubai and Istanbul airports are profiling themselves vigorously. Through the implementation of the Master Plan we aim to retain our competitive position.

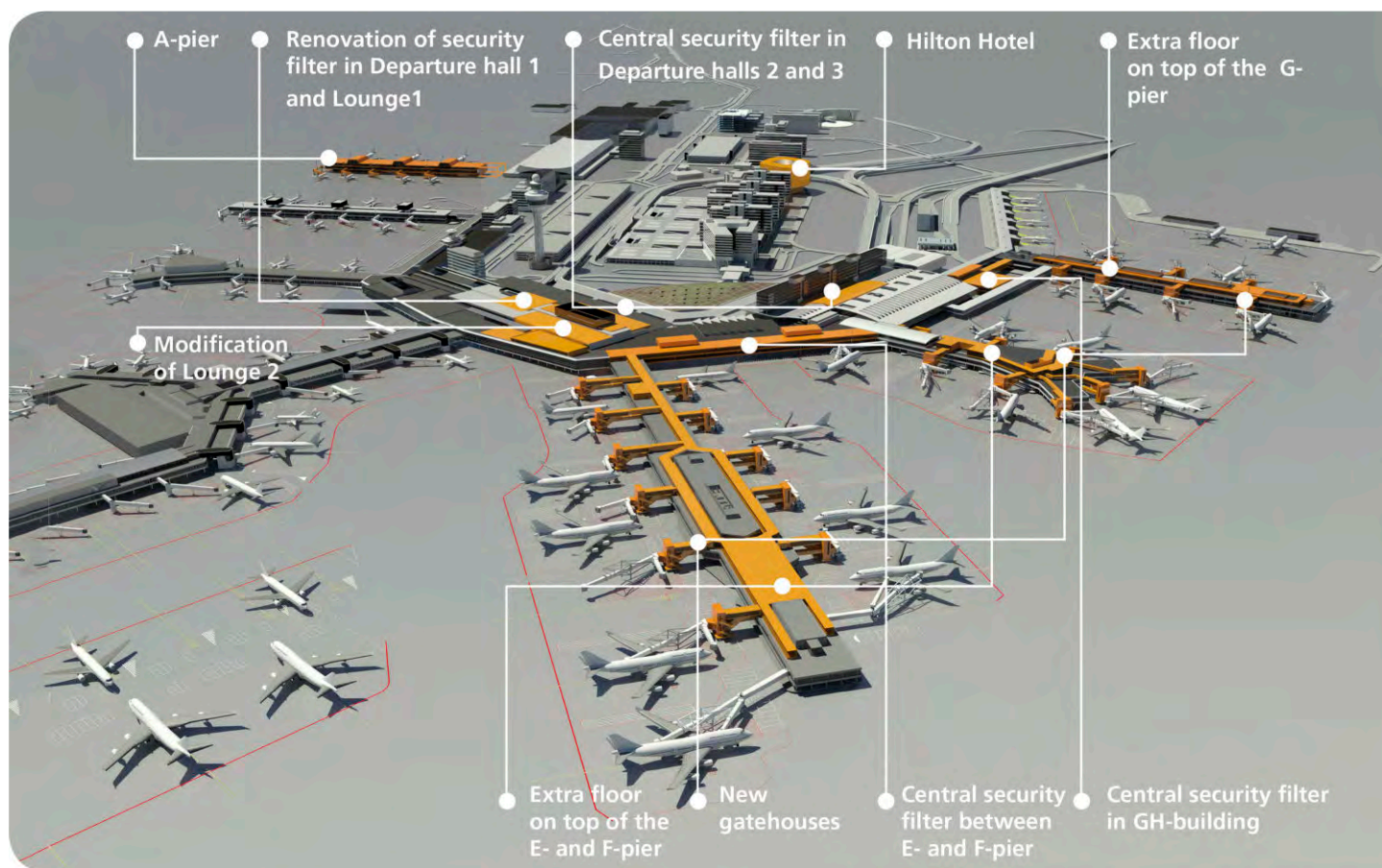
The phased capacity and quality improvement of the terminal, the piers and the aircraft stands will take place over the next few years. The Master Plan comprises a range of projects, including several independent projects, which we will be implementing in consultation and in conjunction with our partners. The modular plan provides flexibility so that we can build and complete infrastructural facilities when and where necessary. Through careful planning we will minimise the impact of the investments on our airport charges as much as possible, allowing a gradual development of airport charges.

Sustainable materials will be used as much as possible, both in new construction and in renovation projects. Where possible, demolition waste will be recycled and reused. The design aims to optimise traveller experience, with facilities being conceived in terms of passenger and visitor convenience using state-of-the-art design and technology. This will enable Amsterdam Airport Schiphol to remain an attractive and inspiring AirportCity.

Central security

On Thursday 11 July 2013 Ms Mansveld, the State Secretary for Infrastructure and the Environment, gave the go-ahead for the first phase: the introduction of central security filters in the non-Schengen area. This means that security control for flights destined for non-Schengen countries will no longer be carried out at the gates, but will be centralised instead. Security control for flights destined for Schengen countries has already been centralised. This far-reaching modification will enable us to remain compliant with European laws and regulations in the future.

Five new security control entryways are planned: three in the departure halls and two near the piers designated for transfer passengers. An extra (mezzanine) floor will be built to accommodate the security filters in Departures 2, 3 and 4. The



current filter located on the Schengen side of the terminal is to be expanded and enhanced. Piers E, F and G are to gain an additional level. Travellers will be directed through a gatehouse to the correct level on arrival. Travellers whose destination is Schiphol will proceed directly to the baggage claim hall and will no longer need to traverse the departure lounge. Travellers transferring at Schiphol who have undergone the correct screening at their airport of departure can go straight to the departure lounges. Travellers who need to undergo further screening will be directed to a security filter via the additional level of the pier.

The implementation of new central security filters also provided an opportunity to examine how the security control process can be made more comfortable and waiting times reduced. Thanks to the reduced waiting times at the gates, airlines will be able to increase the punctuality of their aircraft departures. The new central security filters are scheduled to be completed in mid-2015.

Pier D

The modifications to the fork of Pier D commenced in 2013. Twelve aircraft stands located on the inner section of the pier will be converted into ten aircraft stands for the larger aircraft

types, such as the B737-700 and B737-800. The passenger bridges and waiting areas will be concurrently modified.

Area A

The Master Plan incorporates a Pier A on the south side of Schiphol. Pier A will be located west of Pier B. In the future, additional terminal capacity can also be built at this location. Further preparations for the project will be undertaken in 2014.

Lounges

As a result of the extension of the security filter in the Schengen area of the terminal, a number of shops in Lounge 1 will be relocated and revamped. Lounge 2 will also be entirely revamped in the years ahead, integrating new retail and traveller experience concepts.

New hotel and office facilities

The new Hilton Hotel, which is currently under construction, represents a significant quality impulse for the accommodation and conference facilities offered at Schiphol-Centre. In addition, an existing office complex is being converted into a multifunctional office, The Base, housing working, shopping, leisure and other facilities.



Schiphol & Melvin Fraenk

Work foreman at Ballast Nedam

"Ensuring a smooth, well-managed construction process without hinder for passengers and airlines certainly represents a complex challenge. In coordinating the construction team, Ballast Nedam aims to align Schiphol's interests with the most suitable working methods and logistical approach. This requires cooperation among all the parties concerned and the sharing of innovative insights. By helping to develop Schiphol, we're actually helping to connect the Netherlands with the wider world. I'm proud to be part of such a fascinating project."

Business model

Schiphol Group distinguishes four core activities: Aviation, Consumer Products and Services, Real Estate, and Alliances and Participations. These activities collectively determine the success of Amsterdam Airport Schiphol as a Mainport and a hub.

Passenger traffic and cargo transport represent the key drivers of Schiphol Group's business model. The development of Schiphol Group's other activities is dependent, to a greater or lesser extent, on this constant flow of traffic. It is crucial that we optimally facilitate air traffic - in other words aviation activities - to keep the process running.

The wide variety of commercial activities at the airport simultaneously serve to elevate the passenger experience and enhance travel comfort. Schiphol Group also offers high-end commercial real estate. In addition, the company has been internationally active for many years. The good returns on these activities allow us to finance in part the necessary investments in large-scale infrastructure projects. Revenues from non-aviation activities are an indispensable source of income since aviation activities are subject to economic regulation and not always sufficient to cover costs.

To ensure we remain Europe's Preferred Airport we have defined four strategic themes that encompass our objectives for the years ahead. The core activities at Mainport Schiphol are linked to these themes. In our operations, we always strike a balance between people, planet and profit.

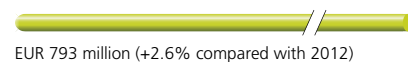
Read more about the environment in which we operate and about our strategy in the 'Strategy' section.



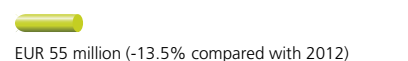
Aviation

The Aviation business area operates at Amsterdam Airport Schiphol and provides services and facilities to airlines, passengers and handling agents. Aviation supports an efficient and high-quality passenger and cargo process. It is responsible for the design and layout of the terminal, piers and gates, for the baggage system, managing the airfield and the airport infrastructure and for coordinating safety on the airport aprons, roads, grounds as well as inside the airport buildings.

Total revenue



Operating result



Sources of revenue

Revenue is derived from airport charges (aircraft, passenger and security-related fees) and concession income from oil companies for the supply of fuel.

Aviation in 2013

- Record number of 52.6 million passengers
- Network of 323 destinations
- 3.2% cargo growth to over 1.5 million tonnes
- 70MB baggage system fully operational
- Disruption due to baggage system failure on 3 May
- Successful summer operations thanks to improved collaboration with partners
- Limited rise in airport charges as a result of constructive consultations
- Implementation of the Master Plan begins with Central Security in the non-Schengen area
- Agreement on new noise enforcement standards reached in Alders Platform
- Aviation Act in final phase of evaluation

Key performance indicators

Number of scheduled destinations

Passengers and cargo



IR Rate for baggage handling

(% of baggage delayed)



Punctuality of arrivals

(in %)



Punctuality of departures

(in %)



Passenger market share

Top 10 European airports (in %)



Cargo market share

Top 10 European airports (in %)



Key figures

EUR million

2013

2012

%

Total revenue	793	773	2.6
Operating expenses	550	547	0.4
Depreciation	189	163	16.0
EBITDA	244	225	8.2
Operating result	55	63	-13.5
Average fixed assets	2,093	2,100	-0.3

EUR million

2013

2012

%

2013

2012

%

	Aviation			Security		
Total revenue	521	506	2.9	272	267	1.9
Operating expenses	317	316	0.3	232	231	0.6
Depreciation	152	132	14.7	37	30	21.4
EBITDA	204	189	7.8	40	36	10.1
Operating result	52	57	-8.4	3	6	-49.0



Consumer Products & Services

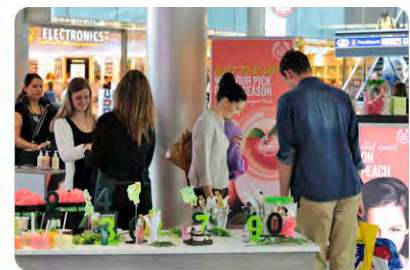
The Consumer Products and Services business area develops and manages the range of products and services available at Amsterdam Airport Schiphol, the key objective of which is to ensure that passengers enjoy a carefree and comfortable journey. The business area grants concessions for retail and catering outlets, services and entertainment facilities, and operates retail outlets and car parks. It also creates advertising possibilities at Amsterdam Airport Schiphol. The Privium programme and VIP Centre are services designed specifically for premium passengers.

Total revenue

EUR 371 million (+1.3% compared with 2012)

Operating result

EUR 182 million (+2.1% compared with 2012)



Sources of revenue

The share of revenue from this business area is not subject to economic regulations and is derived from retail sales, concession income, car parking charges, rents and leases, advertising and media income as well as other income and management fees.

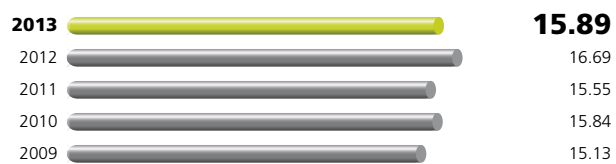
Consumer Products & Services in 2013

- Higher revenue and operating result
- Spending per passenger on airside retail down by 4.8% to 15.89 euros
- Spending per passenger in airside catering outlets up by 1.4% to 3.88 euros
- Quality impulse for P1 car park
- Slight increase in parking revenue
- Departure Lounge 1 partly renovated as a result of the expansion of the security filter in Departure Hall 1

Key performance indicators

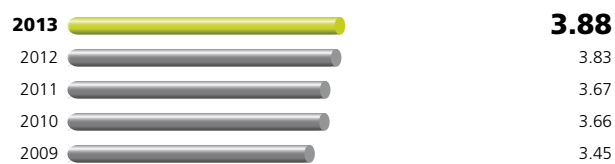
Spend per passenger Retail Airside

EUR per departing passenger



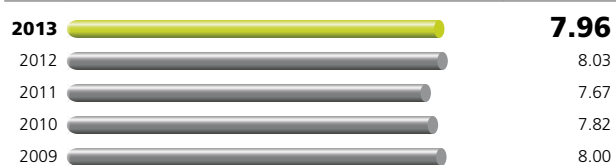
Spend per passenger Catering Airside

EUR per departing passenger



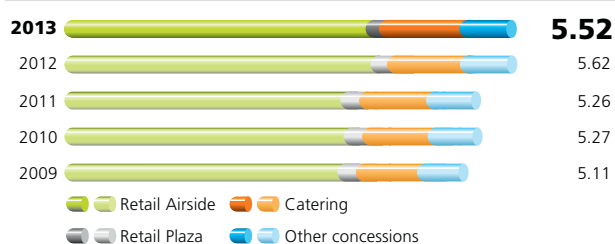
Parking revenues

EUR per departing NL passenger



Concession income per departing passenger

EUR per departing passenger



Key figures


EUR million	2013	2012	%
Total revenue	371	366	1.3
Operating expenses	160	163	-1.7
Depreciation	29	26	15.4
EBITDA	211	204	3.7
Operating result	182	178	2.0
Average fixed assets	282	258	9.3

EUR million	2013	2012	%
Concessions	151	149	1.9
Parking fees	82	81	0.7
Retail sales	85	87	-1.3
Rents and leases	19	17	11.8
Advertising	19	19	-0.5
Other revenues	15	13	11.7
Total revenue	371	366	1.3


Real Estate

The Real Estate business area develops, manages, operates and invests in operational and commercial real estate at and around airports in the Netherlands and abroad. Of these properties, 86% are located at and around Amsterdam Airport Schiphol. Flexibility, multifunctionality, connectivity, experience and value for money set Schiphol apart as a world-class location. We offer business and logistics service providers a variety of locations, office buildings and business premises and lease options, plus a very special advantage: the immediate proximity of a major international airport.

Total revenue


 EUR 166 million (-2.2% compared with 2012)

Operating result


 EUR 53 million (+133.5% compared with 2012)



Sources of revenue

The largest source of revenue for Real Estate is the leasing of buildings and property. In addition, the business area generates revenue through the lease of land and the sale of property and buildings. In any given year, the fair value gains or losses on property can influence the group result substantially, either positively or negatively.

Real Estate in 2013

- Slight fall in revenue
- Higher operating result, due to lower costs and smaller fluctuations in value
- Slightly higher value of existing real estate investments, due to land revaluations
- Occupancy level declined from 91.8% to 86.3%
- Construction of new Hilton hotel and redevelopment of The Base in full swing

Key performance indicators

Direct return on investment property

(in %)



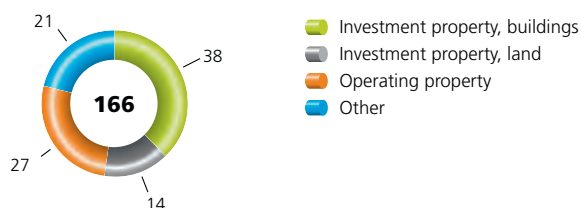
Occupancy rates

(in %)



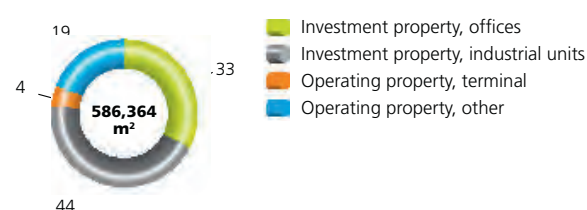
Revenue split in 2013

EUR million (in %)



Property portfolio per category

(as % of total square metres)



Key figures

EUR million	2013	2012	%
Total revenue	166	170	-2.2
Result on sale of investment property	-	12	
Fair value gains on property	3	-23	
Operating expenses	81	97	-16.8
Depreciation	17	15	14.3
Impairment	17	23	-23.4
EBITDA	88	61	45.1
Operating result	53	23	133.5
Average fixed assets	1,539	1,521	1.2

Returns (in %) ¹	2013		2012	
	Direct return	Indirect return	Direct return	Indirect return
Investment property	5.8%	0.1%	5.0%	-2.2%
Real estate under construction or in development	-7.9%	0.0%	-7.1%	0.0%
Real estate for operational activities	12.1%	0.0%	12.0%	0.0%
Total returns	5.1%	0.1%	4.9%	-1.7%

1) Returns on average fixed assets, before tax



Alliances & Participations

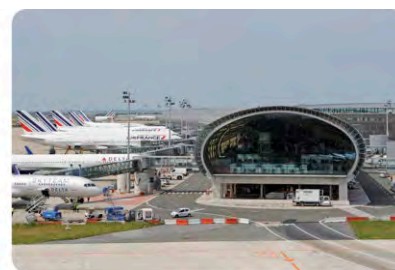
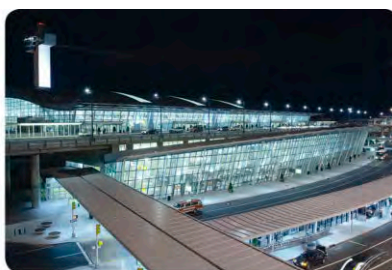
Within the Netherlands we have stakes in three regional airports: Eindhoven Airport (51%), Rotterdam The Hague Airport and Lelystad Airport (both wholly owned). Other activities such as Schiphol Telematics and Schiphol Utilities also come within the scope of the Alliances & Participations business area, as do our activities at foreign airports (in Paris, New York and Brisbane). In addition, we support airport activities on Aruba.

Total revenue

EUR 166 million (+4.8% compared with 2012)

Total result (including share in results of associates, interest income and dividend)

EUR 87 million (-0.4% compared with 2012)



Sources of revenue

The principal sources of revenue from the domestic airports are airport charges and parking fees. Schiphol Telematics supplies telecom services to companies. Schiphol Utilities accounts for revenues relating to the transport of electricity and gas, and to water supply. The foreign airports contribute to revenue for this business area in the form of management, performance and intellectual property fees. Furthermore, they contribute to the net result through a share in the results of associates, dividend and interest income.

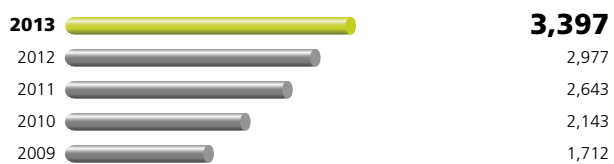
Alliances & Participations in 2013

- Increase in revenue and operating result
- Substantial contribution from Brisbane Airport and Aéroports de Paris to the results
- Expansion of New York JFK Terminal completed
- Growth in passenger volumes New York JFK Terminal 4: +36.1%
- Expansion of terminal and new airport hotel at Eindhoven Airport
- Launch of transavia.com and Ryanair bases at Eindhoven Airport
- Growth in passenger volumes at Eindhoven Airport: +14.1%
- Growth in passenger volumes at Rotterdam The Hague Airport: +24.9%

Key performance indicators

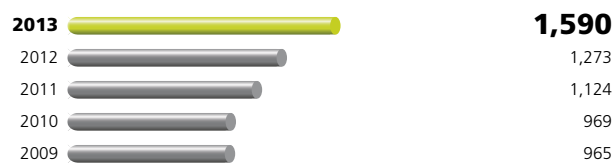
Eindhoven Airport

Passengers x 1,000



Rotterdam The Hague Airport

Passengers x 1,000



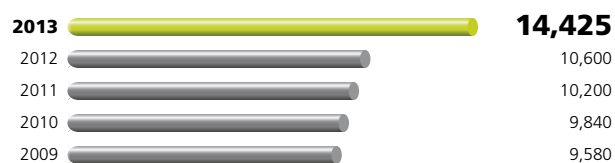
Brisbane Airport (Australia)

Passengers x 1,000



JFK IAT, New York (USA)

Passengers x 1,000



Key figures

EUR million	2013	2012	%
Total revenue	166	158	4.8
Fair value gains and losses on property	-0	-1	
Operating expenses	122	114	7.4
Depreciation	13	12	7.4
EBITDA	43	43	0.3
Operating result	30	32	-4.1
Share in result of associates including interest	56	55	1.7
Average fixed assets	932	883	5.6

EUR million	International airports		Domestic airports		Other participations		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
Revenue	10	11	79	66	78	81	166	158
Operating result	6	8	15	13	10	11	30	32
Share in result, interest charges and result on other investments	56	55	-	-	-	-	56	55
Total result	62	63	15	13	10	11	87	87
Average asset base	754	727	105	90	73	65	932	883

Strategy

Message from the CEO

Schiphol Group is looking back on a successful year. Together with our business partners we laid the foundations in 2013, quite literally too, for the further growth and strengthening of Mainport Schiphol. There is now a widely supported vision on the investments necessary to support the quality of our facilities and infrastructural capacity. A large-scale renovation and renewal project has been launched which will increase comfort and convenience for our passengers, deliver greater efficiency for airlines, and help maintain Schiphol's competitive position.

Positive results

Results from 2013 present a positive picture. In spite of a difficult economic climate, Schiphol's passenger numbers increased by 3% to reach a record 52.6 million. Schiphol also excels in terms of customer satisfaction. In 2013 SKYTRAX once again voted Schiphol the best airport in Europe and number three in the world. From August onwards, cargo volumes also increased at Schiphol, so that for 2013 as a whole volumes rose by 3.2% to a total of more than 1.5 million tonnes. We are delighted that our number of direct destinations increased from 317 to 323, ensuring we offer top-quality connectivity. All of these impressive results have been achieved through the collective efforts of our business partners at Mainport Schiphol. We are grateful to all of them for working with us so constructively and amicably, and I am sure they will not mind if I extend my special thanks to the employees of Schiphol Group for their dedication in 2013. Their professionalism, boundless energy and passion for the airport remain an inspiration.

Anticipating and investing

We have achieved a lot, but there is no room for complacency. Aviation is a tough sector. It is a world in which margins are tight, international competition is fierce and requirements keep getting stricter. Meanwhile, economic growth in emerging countries will mean a significant rise in the number of people travelling by air. If we are to strengthen our competitive position in that world and keep offering passengers and airlines a top-notch product, two things are indispensable: anticipating and investing. And that is exactly what we at Schiphol do, and will continue to do. Dynamism, renewal and innovation are part of our DNA and we have a natural drive to be a global player. This is why we set such great store by innovation and sustainability and focus our attention on the long term. The building projects we launched in 2013 under the banner of 'Schiphol constructs, converts, connects' are an example of how we are delivering on our aim of anticipating and investing. From now through to 2016,

Schiphol Group will be investing an average of 1.5 million euros per day in Amsterdam Airport Schiphol. At the same time, we are managing to keep our cost levels competitive. The modest 0.4% rise in airport charges being introduced in April 2014 also places us in a leading position in Europe.

Schiphol constructs, converts, connects

It is no accident that our renovation programme - 'Schiphol constructs, converts, connects' - is the main theme of this annual report. This programme lays the foundations of our future success. In the summer we laid the foundation stone of a multi-year project to update our infrastructure. Over a three-year period, the terminal will be thoroughly modified and improved. The first step is the centralisation of security for the whole airport, making the travel experience much smoother and quicker. We are also expanding the capacity of the terminal and piers, and renovating the lounges. In addition, 2014 will see the completion of plans for the construction of Pier A. Throughout all this construction work, it will be business as usual at Schiphol. In fact, we aim to remain Europe's Preferred Airport during this period, and keep increasing our passenger numbers. We are working night and day to deliver a vital Mainport Schiphol, in a joint effort with our home carrier KLM and all our other business partners. Together, we will ensure that Schiphol is a leading airport with an extensive network of connections and excellent facilities in a strong economic region with good accessibility that people are happy to live in. Schiphol greatly values its surroundings, which is why it maintains an ongoing dialogue with local residents and the regional authorities. We want this to be a great area both for residents and for workers. One of the outcomes of the Alders Platform talks has been the agreement made in October 2013 on a new noise measurement system for Schiphol. This is another example of our anticipation and investment, and it will help us ensure a secure future for the 500 companies and 65,000 Schiphol workers at this location.

International activities

One of the ways we are strengthening the Mainport is by developing activities beyond our own national borders. Our international activities also contribute substantially to Schiphol Group's results. In 2013 we officially opened the extension to Terminal 4 at JFK airport in New York, and work on the next extension has already begun. From a strategic perspective, we were also very interested in the airport at Rio de Janeiro. Unfortunately, our consortium failed in its bid to become the new operator of Galeão International Airport. This is regrettable, because it would have been a good long-



term investment in one of the most important global emerging markets. Schiphol Group will be keeping its eyes open and will continue to look for new opportunities to further strengthen Schiphol's competitive position.

World-class aviation product

Schiphol Group's mission remains to connect the Netherlands with all of the world's most important economic, political and cultural centres. We are constructing and converting to ensure that passengers continue to favour Amsterdam Airport Schiphol as their place of departure or transfer. We want to keep playing an important role in the international aviation sector. That is why we value our strong relationships with all the partners we work with to deliver a world-class aviation product. And it is why we will continue to anticipate and invest!

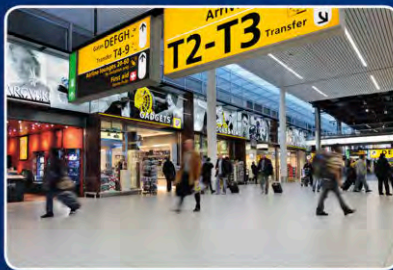
Jos Nijhuis

President & CEO of Schiphol Group



Changing business environment

The business environment in which Schiphol Group operates is constantly changing, requiring us to respond promptly to opportunities and threats within the aviation sector and beyond with a view to the future.



Competition from other airports

It is crucial for Schiphol to invest in sufficient capacity and in quality perception to ensure that the airport maintains its strong competitive position. This is essential since the major European airports, among them London Heathrow, Paris Charles de Gaulle and Frankfurt, have made sizeable investments in capacity and quality in recent years. Added to that, the European transfer market is facing competition from the airports in Dubai and Istanbul and their home carriers. In response, we are developing Amsterdam Airport Schiphol with our sector partners based on a joint vision. This has allowed us to garner a high degree of consensus on substantial long-term investments and the moderate development of airport charges.

Growth in air traffic

New passenger flows, particularly from the Far East and South America, are set to drive the sharp growth of air traffic in the years ahead. An additional one billion passengers are forecast to travel by air in 2017 compared with 2012. If Amsterdam Airport Schiphol is to benefit from this growth impulse, it is crucial that we continue to position the airport as the gateway to Europe. Embracing the strategic themes of Top Connectivity, Excellent Visit Value and a Competitive

Marketplace, Schiphol is focusing its efforts on maintaining and expanding its distinctive position.

New and larger aircraft

The introduction of the new aircraft types, such as the Airbus A380 and the Boeing 787, has given the aviation sector a new impetus. Schiphol Group sees both opportunities and threats. One opportunity is the higher volume of air traffic created by larger aircraft travelling between hubs and the expansion of the network of long-haul destinations. On the flipside, new aircraft types have the ability to bridge longer distances and, consequently, bypass hub airports. We have anticipated this development by adapting our infrastructure to create larger aircraft stands. By continuing to streamline our passenger processes, we have ensured that we can handle the larger volume of passengers per flight smoothly.

Commercial offering and experience

The financial and economic uncertainty in Europe in recent years has resulted in a relatively low level of consumer confidence. Even though the economy is now climbing out of recession, European travellers in particular still remain reluctant to spend. Nevertheless, their interest in international brands is growing and they have a greater demand for high levels of service and an enhanced customer

experience. By keying into these trends, we can ensure that passengers continue to opt for Amsterdam Airport Schiphol as their preferred airport in Europe. Our refreshing commercial offering allows us to fight off the ever-fiercer competition from online retailers.

Stringent security requirements

Airport security requirements are intensifying worldwide. So, too, at Amsterdam Airport Schiphol. Schiphol wishes to combine an efficient security process with added passenger comfort and is therefore making additional, large-scale investments in the central security concept across the entire terminal. Our aim is to ensure that the security process is as smooth as possible for passengers.

Sustainability - gaining in importance

Climate change and the diminishing availability of raw materials constitutes a global threat. Finding solutions for global sustainability issues is becoming ever more urgent, also in the aviation sector. Schiphol Group has deliberately stepped up to the plate by seeking innovative and cutting-edge solutions together with other businesses and stakeholders.

Community engagement

Striking a proper balance between the interests of Mainport Schiphol and those of the local residents is vital if we are to secure sufficient support for the airport's growth plans. We work towards safeguarding the quality of the living environment in the area surrounding the airport. We attach great importance to our dialogue at the Alders Platform and the agreements made concerning selective growth and the new noise enforcement standards. The agreements laid down in the Aviation Policy Document and in the Alders Platform form the compass that plots the future course for development at Amsterdam Airport Schiphol, Eindhoven Airport and Lelystad Airport in the Netherlands.

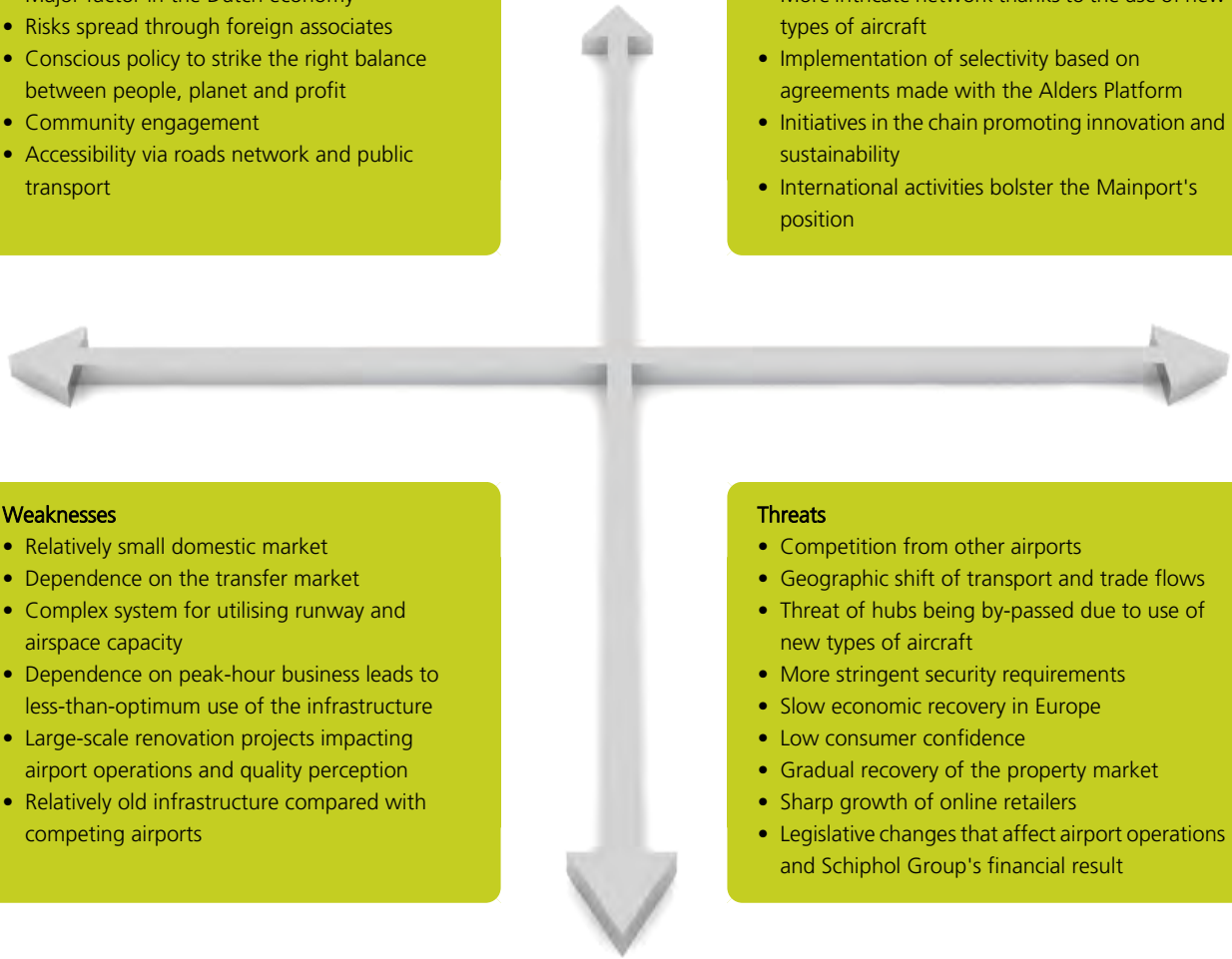
SWOT Analysis

Strengths

- Major network of connections and frequencies
- Reliable operations
- Modern, well-equipped hub airport with well-developed non-aviation activities
- Competitive price-quality ratio for the airlines
- Trendsetter in innovation
- Solid real-estate portfolio
- Major factor in the Dutch economy
- Risks spread through foreign associates
- Conscious policy to strike the right balance between people, planet and profit
- Community engagement
- Accessibility via roads network and public transport

Opportunities

- Position as the gateway between Asia, Europe and South America
- Traffic and transport from emerging economies
- Improved direct international train connections to and from the airport
- Higher volume of traffic operated by larger aircraft types between hubs
- More intricate network thanks to the use of new types of aircraft
- Implementation of selectivity based on agreements made with the Alders Platform
- Initiatives in the chain promoting innovation and sustainability
- International activities bolster the Mainport's position



Weaknesses

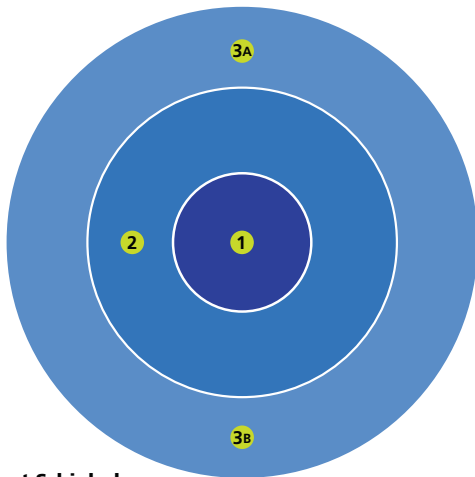
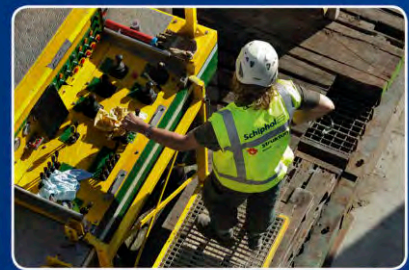
- Relatively small domestic market
- Dependence on the transfer market
- Complex system for utilising runway and airspace capacity
- Dependence on peak-hour business leads to less-than-optimum use of the infrastructure
- Large-scale renovation projects impacting airport operations and quality perception
- Relatively old infrastructure compared with competing airports

Threats

- Competition from other airports
- Geographic shift of transport and trade flows
- Threat of hubs being by-passed due to use of new types of aircraft
- More stringent security requirements
- Slow economic recovery in Europe
- Low consumer confidence
- Gradual recovery of the property market
- Sharp growth of online retailers
- Legislative changes that affect airport operations and Schiphol Group's financial result

Strategy

In order to maintain Schiphol's position as Europe's Preferred Airport, Schiphol Group aims to continue developing the airport as a high-quality, innovative and sustainable hub. The focus will be on safeguarding Mainport Schiphol's strong competitive position. In addition to its worldwide network and role as a multi-modal transport hub, Schiphol is also a key driver of the Dutch economy. We seek collaborations at both a national and international level.



Mainport Schiphol

- 1 A strong KLM/SkyTeam network to drive the Mainport**
- 2 A competitive airport**
 - Schiphol as an attractive & efficient hub airport (for both passengers and cargo)
 - Schiphol as an OD airport and multimodal transport junction
- 3 A competitive region**
 - A)** An attractive region for residents, employees and tourists
 - B)** A country with an attractive international business climate

Mainport Schiphol: leading the way

We strive to maintain Schiphol's position as Europe's Preferred Airport: the airport passengers choose over our competitors for either transfer or departure. In order to achieve this goal, it is crucial that we maintain and expand our high-quality network of connections. This network, after all, lends Schiphol its status as one of Europe's four key hubs.

We are working to further develop Schiphol as a Mainport, creating an international and multi-modal hub that accommodates flows of people, goods, information, knowledge and culture. Schiphol seeks to lead the way in terms of efficiency and sustainability. Sustainability and innovation are key priorities. These goals can only be achieved by maintaining good relationships with our stakeholders and working closely with local administrators and residents in the surrounding area.

Our broad range of commercial activities helps set us apart from the competition. Schiphol is an AirportCity, a city in itself. The terminal offers passengers a broad, continually evolving range of stores and catering outlets, along with other services that make travelling a more pleasant experience. We also cater to the businesses community, offering a range of multifunctional buildings and flexible

lease contracts as befits a metropolitan region. Together, these facilities allow Schiphol to manifest itself as a top-quality location.

The changing role of regional airports

Schiphol Group also comprises a range of regional airports: Eindhoven Airport, Rotterdam The Hague Airport, and Lelystad Airport. Eindhoven Airport and Rotterdam The Hague Airport offer networks for regional business traffic and cater to the non-business (leisure) segment. In future, Eindhoven Airport and Lelystad Airport will come to play a key role in achieving selective growth. This form of expansion is aimed at servicing an increasing number of non-Mainport related destinations (such as holiday destinations) from regional airports.

International value creation

In order to further strengthen Mainport Schiphol and its network of destinations, Schiphol Group seeks out collaborations with key international airports, most notably the SkyTeam hubs of John F. Kennedy International in New York and Paris Charles de Gaulle. Collaboration and cross-participation with Aéroports de Paris has helped build a strong platform for the further development of the hub system and the AirportCity concept. Over the course of our international activities, we share knowledge and gain experience with new business models and processes. As a result, our international activities help to further strengthen the Mainport. Our international participations make a considerable contribution to Schiphol Group's results.

Strategic themes

Schiphol Group has formulated several long-term themes to guide its strategy. We have incorporated the aspects as described in Changing business environment, SWOT Analysis and Risks and Opportunities into our business model and strategy to make them future-proof.

Top Connectivity

Schiphol Group is continually working to further improve and expand its infrastructure. The focus is on enabling Amsterdam Airport Schiphol to continue facilitating the extensive network of frequencies and destinations. The high-quality hub network offered primarily by home carrier KLM and the SkyTeam partners distinguishes Schiphol as a transfer hub and serves as the basis for its Mainport status. This extensive network also allows us to offer our passengers and cargo carriers a certain freedom of choice. Schiphol is working with government authorities and public transport companies to further improve the Mainport's accessibility by road and rail.

Excellent Visit Value

Schiphol Group wishes to continue offering its passengers, airlines and other users an attractive, high-quality airport environment at competitive rates. This will allow Schiphol to retain its status as Europe's Preferred Airport, while safeguarding and further improving its competitive position. We strive to continually improve the efficiency of our operations and the quality of products and services at our airports. The wishes of our passengers are key to our efforts in this regard. We strive to strike a careful balance between costs and quality.

Competitive Marketplace

Schiphol offers an attractive working and business location. The AirportCity concept includes shopping, meeting and leisure facilities. We must create an attractive marketplace in order to remain competitive with other national and international business locations. Our retail vision and real estate strategies are key in this regard. We are also seeking to strengthen Schiphol's position as a cargo distribution hub.

Sustainable Performance

Schiphol airport creates sustainable value for its customers and stakeholders. Financially sound, robust and efficient business operations will be crucial in building a future-proof company. Schiphol seeks to strike a balance between people, planet and profit. We engage in constant dialogue with our stakeholders, including interested parties in our immediate environment. In particular, Schiphol assumes responsibility for five key social themes: sustainable employment, accessibility and air quality, climate-friendly aviation, commodity shortages, and noise and the local community.

Strategic objectives for 2013 -2017

In order to realise sufficient progress and achieve results, clear targets for each strategic theme have been formulated for the 2013-2017 period. To provide direction, we have included Key Performance Indicators for each target in our planning process. In addition, every year we prepare a *Tactical Plan* covering the next three years, which also contains the budget for the subsequent year. In the *Tactical Plan*, which is based on realisation of the long-term strategic objectives, we strive to at least meet the return requirement determined by the Dutch State and currently set at 6.7% (Return on Equity) for Schiphol Group.

We also set a management agenda for each year, including concrete steps and focus areas. Those for 2014 can be found in the Management Agenda for 2014. The level of variable remuneration for the management of Schiphol Group is partly dependent on the successful implementation of this management agenda and the associated individual targets.

Top Connectivity

1. Facilitate the hub, with a view to the continued development of a high-quality, distinctive and competitive network of intercontinental and European connections;
2. Further improve an extended, reliable and accessible landside network of multi-modal connections.

Excellent Visit Value

1. Continue to improve passenger travel comfort;
2. Effect a competitive price-quality ratio for airlines;
3. Offer high-quality and distinctive facilities that are tailored to meet passenger needs.

Competitive Marketplace

1. Ensure an attractive business climate at the airport;
2. Realise flexible logistics solutions for handling agents and forwarders;
3. Offer an attractive, up-to-date portfolio of products and services.

Sustainable Performance

1. Ensure a well-considered balance between people, planet and profit;
2. Guarantee financially robust and efficient business operations to facilitate continued Mainport development and to generate value for all stakeholders;
3. Continue the stakeholder dialogue within the Alders Platform and with parties from the Schiphol Regional Consultative Committee (CROS) in order to maintain local support.

Management Agenda 2014

The Management Board has established ten management objectives for 2014. These objectives are directly linked to the five-year *Strategic Plan 2013-2017* drawn up in 2012.

The Management Agenda 2014 focuses on the development of the Mainport, the implementation of the Master Plan and ongoing improvements in our relationships with stakeholders. There will also be a distinct focus on minimising operational disruption during the implementation of major investment projects, and on Corporate Responsibility. Within

our organisation, we will focus on working smarter and on further improving our efficiency. We will increase the management focus on total cost of ownership, asset management optimisation and improvement of contract management within the group.

Management Agenda 2014	Top Connectivity	Excellent Visit Value	Competitive Marketplace	Sustainable Performance
Further develop the Mainport, in part by maintaining the focus on competitive airport charges	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Ongoing implementation of the Master Plan including area A development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintain close relationships with stakeholders	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Completion of major investment projects with minimum operational disruption and specific attention to Corporate Responsibility	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ensure sufficient liquidity and access to financing				<input checked="" type="radio"/>
Strengthen international activities and position	<input type="radio"/>			<input type="radio"/>
Achieve the Corporate Responsibility ambitions		<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Successful further implementation of Retail Vision 2020 and improved market position of Real Estate based on the 'Creating Preferred Locations' strategy		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Focus on a 'lean' organisation and further efficiency improvements		<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Achieve compliance ambitions				<input type="radio"/>

Our results for 2013



Management Agenda 2013

A constructive relationship with key stakeholders, based on mutual trust, is crucial for the development of a joint Mainport vision. The same applies to our Master Plan. Much progress has been made in both areas, for which we are grateful to our stakeholders.

We have managed to strengthen certain aspects of our international position. Unfortunately, the bid for the airport at Rio de Janeiro, which we prepared as part of a consortium, was unsuccessful. We have increased our operating results

from retail and property. With regard to the development of a 'lean' organisation and increasing efficiency, further steps can be made.

Management Agenda 2013	Top Connectivity	Excellent Visit Value	Competitive Marketplace	Sustainable Performance
Foster the development of the Mainport by working on a joint vision with stakeholders				
Complete the Master Plan and start construction of the first phase of the South Terminal and the first phase of Pier A				
Build a long-term relationship based on mutual trust with the key stakeholders				
Complete, where possible on schedule and within budget, the five largest investment projects with minimum disruption to operations and with specific attention for Corporate Responsibility				
Actively endeavour to achieve acceptable results in the evaluation of the Aviation Act				
Ensure a sufficient level of liquidity for the enterprise and access to financing				
Consolidate international operations and, where possible, further strengthen our international position				
Further integrate and embed Corporate Responsibility in the business				
Increase the operating result through further roll-out of the Retail Vision 2020 and maintain the market position of the Real Estate business area				
Develop a 'lean' organisation				
Improve efficiency in the organisation by reducing bureaucracy				

- Target met (100%)
- Target largely but not entirely met
- Target met only to a limited extent

Top Connectivity

Schiphol Group strives to continually improve the quality of Amsterdam Airport Schiphol's multimodal transport hub. We work with KLM and other airlines to further bolster our global network of connections. When it comes to accessibility by car and public transportation, Schiphol ranks amongst Europe's leading airports; we cooperate with regional authorities and local stakeholders to further improve infrastructural quality.

Destinations



323

Passengers



52.6_m

Cargo



1.5_m tonnes

Shared Vision: Essential elements of the Mainport

As the Shared Vision Commission debates on future airport development demonstrated, constructive dialogue between all parties involved can lead to further efforts to strengthen the Mainport.

Schiphol has underscored the common interests shared by both airport and hub carrier in the **Essential elements of the Mainport** memorandum. Optimal cooperation between these parties, Air Traffic Control the Netherlands (LVNL) and the government will be crucial to the success of the Mainport and the Dutch economy.

In this memorandum, the parties concur that the Mainport is comprised of three interrelated elements:

1. A strong KLM/SkyTeam network as the Mainport driver.
2. A competitive airport, whereby Schiphol serves as an attractive and efficient hub airport for both passengers and cargo, a departure and arrival airport and a multimodal transport hub.
3. A competitive region which is attractive for residents, employees and tourists, and an international business climate that helps the Netherlands attract new businesses.

The Shared Vision Commission has contributed to a constructive dialogue that will further Schiphol's continuity, quality and network development, ensuring that the airport remains a vital link in the Dutch economy.

Traffic and transport

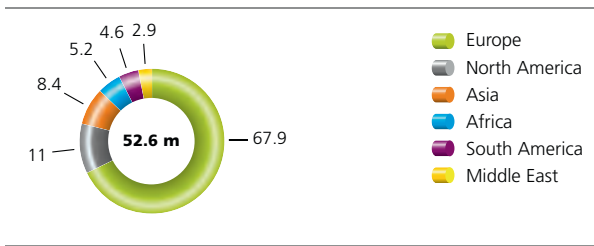
Despite the palpable effects of the economic crisis, especially during the first half of 2013, growth recovered across Europe during the final quarter. Amsterdam Airport Schiphol benefited from this development, further strengthening its position in the process. Passenger numbers increased by 3% to a total of over 52.6 million. The airport maintained its position as Europe's fourth-largest passenger airport. The early signs of economic recovery are reflected in cargo transport volumes. Whereas 2012 was still marked by a slight decline, 2013 saw volumes rise by 3.2% to a total of over 1.5 million tonnes. The quality of our network of destinations improved following the addition of several new destinations; however, this development was offset by the termination of a few intercontinental destinations. Our cargo network was also further strengthened in 2013, with the addition of new connections in China.

Sustained growth of passenger numbers

In 2013 Amsterdam Airport Schiphol continued its expansion on the passenger market. The total number of passengers travelling via Schiphol rose by 3% to 52.6 million. This exceeds the growth figure for 2012, in which year passenger numbers increased by 2.6%. In relative terms, we outperformed all of our main European competitors: Londen Heathrow, Paris Charles de Gaulle and Frankfurt. Schiphol thus maintained its position as Europe's fourth-largest passenger airport. Istanbul Airport has shown the strongest growth figures, in 2013 already ranking as Europe's fifth-largest passenger airport.

The number of OD passengers (Origin & Destination passengers using Schiphol as a point of departure or arrival) rose by 1.4% to a total of 30.5 million. The number of transfer

Passengers per continent
(in %)

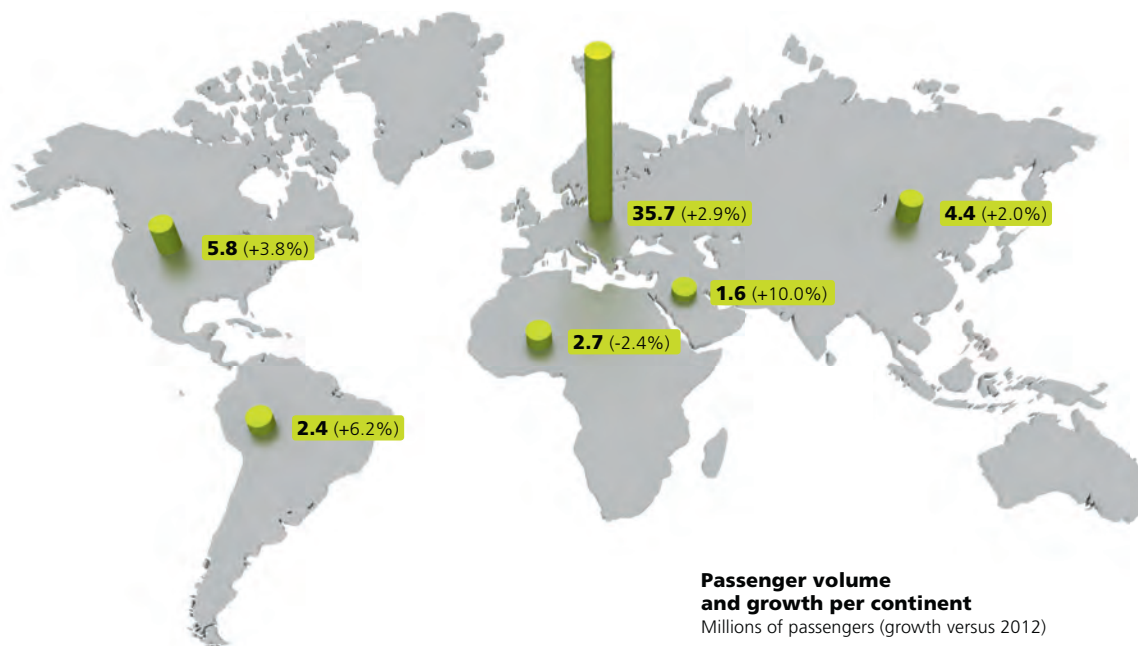


passengers grew by 5.4% to 22.0 million, which represents 41.9% of the total number of passengers.

As in previous years, our home carrier KLM and partner airlines with which it has a code-sharing agreement transported by far the largest number of passengers in 2013 and showed the strongest growth in both absolute and relative terms. Together, KLM and its partners transported a total of 35.2 million passengers in 2013, an increase of over 2 million (+6.2%). This growth is mainly attributable to KLM itself.

The low-cost airlines, the second largest segment, saw passenger numbers drop by over 404,000 to 5.4 million (-7.0%). However, this does not mean the traffic was lost: the drop is attributable to the fact that a large number of transavia.com flights formerly operated in the low-cost segment were carried out as code-share flights with KLM in 2013. As a result, these flights moved from the low-cost segment to the hub segment.

July and August proved to be the busiest period of the year: in total, approximately 5.3 million passengers were transported during each of these two months. The number of



Passenger volume and growth per continent
Millions of passengers (growth versus 2012)

passengers in July grew by 1.9% compared with last year, while the number of passengers in August rose by 3.8%. In 2013 Schiphol broke its existing record once again; the number of passengers travelling from, to and through the airport during the summer season reached a new peak. 29 July proved to be the year's busiest day, with a total of 182,300 passengers.

Most passengers in 2013 - 35.7 million in total - travelled to and from a European destination; an increase of 2.9% representing a growth of over one million passengers in comparison with the previous year. In relative terms, the Middle East yielded the most substantial growth, with passenger numbers growing by 10.0% to a total of 1.6 million. The North-Atlantic routes to the United States also saw above-average growth of 3.8%, to 5.8 million passengers. The number of passengers travelling to Asia rose by 2%, reaching a total of 4.4 million.

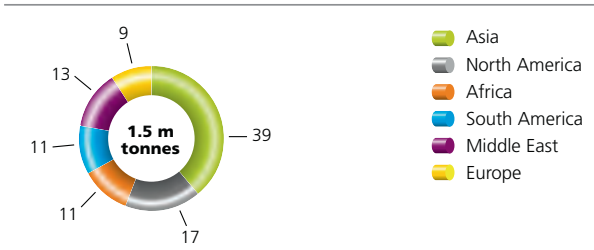
Load factors continue to rise

On average, the aircraft making use of Schiphol in 2013 were larger and had higher load factors. Average seating capacity rose from 155 in 2012 to 157 in 2013. The total number of available seats rose by just over one million to more than 64.3 million, an increase of 1.6%. The average load factor for passenger aircraft continued to rise in 2013, setting a third consecutive annual record. On average, 81.7% of all seats were occupied, compared with 80.6% in 2012.

Destinations network

The destinations network saw further improvements in 2013, both for passengers and for cargo. The number of direct destinations increased by six in 2013, to a total of 323.

Cargo per continent
(in %)

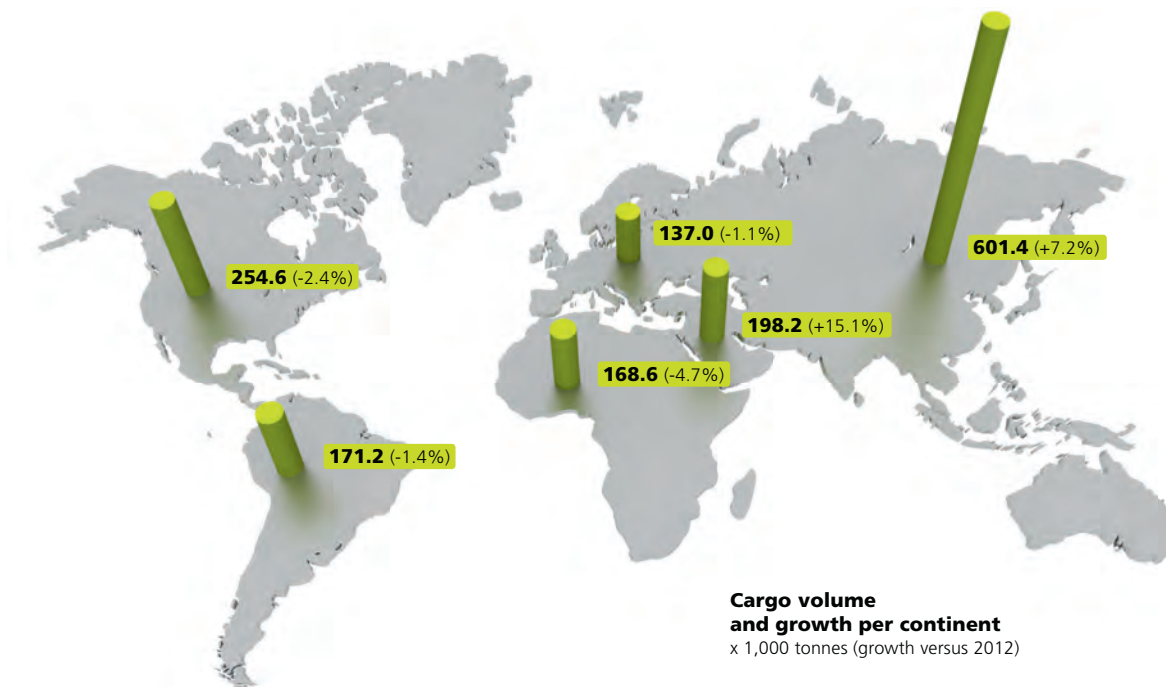


Passengers had a choice of 297 scheduled destinations, four more than last year. The remaining 26 scheduled destinations consisted of unique cargo destinations exclusively serviced by full freighters.

The number of intercontinental destinations remained stable in comparison with 2012, at a total of 139. KLM terminated flights to destinations including Kano and Abuja (Nigeria), while ArkeFly ceased services to Puerto Vallarta (Mexico) and Goa (India). New intercontinental destinations included Fukuoka in Japan and the Moroccan city of Fez.

On balance, the number of European scheduled flight destinations increased by six, reaching a total of 184. Jersey returned to the Schiphol network following the arrival of Blue Islands; KLM added Aalesund (Norway) and Manston (Great Britain) to its network of destinations. Terminated destinations included Rimini in Italy and Pau in France.

The number of carriers operating scheduled flights to Schiphol dropped by 2 to a total of 99, of which 19 are exclusively operated by full freighters. This is partly attributable to the termination of services by Iberia, BMI baby



Cargo volume and growth per continent
x 1,000 tonnes (growth versus 2012)

and Rossiya. Newcomers for 2013 include Blue Islands Airline, Darwin Airline, HOP! and full freighter Yangtze River Express.

Airline Etihad already frequented Schiphol with full freighters, and commenced scheduled passenger flights in close cooperation with KLM in May 2013. Such alliances help to strengthen and further integrate our global network, while creating new growth potential. Etihad was not the only airline to intensify cooperation at Schiphol in 2013; KLM entered into an alliance with Pegasus in June 2013.

Air transport movements

The number of air transport movements has been growing at a considerably lower pace than the number of passengers over the last few years, as a result of larger aircraft and higher load factors. 2013 saw a marginal rise in the number of air transport movements: where numbers increased from 420,249 to 423,407 in 2012, in 2013 they reached a total of 425,565 (+0.5%).

The number of passenger aircraft movements went up by 0.5%, from 407,864 to 409,942. The total number of available seats rose at a slightly higher rate of 1.6%, totalling 64.3 million.

The number of cargo air transport movements also increased in 2013 by 0.5% (-2.4% in 2012) and totalled 15,623. The average maximum take-off weight (MTOW) for cargo aircraft rose from 324.2 tonnes in 2012 to 331.1 tonnes in 2013. On average, cargo flights were operated with larger aircraft.

Economic recovery drives increase in cargo transport

Global cargo transport showed signs of recovery over the course of 2013, a development also reflected at Schiphol. Cargo transport took a positive turn, especially from August onwards. Cargo volumes increased by 3.2% (2012: -2.6%) reaching a total volume of 1.5 million tonnes.

The amount of transport with full freighter aircraft, carrying only cargo, increased by 5.9% (2012: -0.9%), from 874,700 tonnes in 2012 to 926,000 tonnes in 2013. The volume of cargo transported on combined passenger and cargo flights dropped by 0.6% in 2013 (2012: -5.1%), from 608,800 tonnes to 605,000 tonnes.

Developments per continent

Cargo transport to and from Asia showed the most significant growth in absolute terms, from 561,000 tonnes to 601,000 tonnes. This represents a 7.2% increase, compared with a 7.9% decline in 2012. Amongst other factors, this increase can be attributed to growing European demand for Asian goods. Transport volumes to and from North America, the second largest cargo region, dropped by 2.4% from 261,000 tonnes to 255,000 tonnes. This decline is significantly smaller in

Air transport movements

2013

Ranking 2013	Ranking 2012	Airline	Total	Compared to 2012 in %
1	(1)	KLM	215,670	0.9
2	(2)	transavia.com	27,462	1.7
3	(3)	easyJet	25,076	-2.3
4	(4)	Air France	13,517	-7.1
5	(5)	Delta Air Lines	11,353	3.4
6	(6)	British Airways	10,552	-3.6
7	(7)	Lufthansa	10,234	-5.7
8	(8)	ArkeFly	8,482	7.6
9	(13)	Flybe	5,660	57.5
10	(10)	Aer Lingus	4,998	-1.6
11	(11)	SAS	4,885	-2.1
12	(9)	Alitalia	4,722	-23.7
13	(12)	Vueling	4,559	-7.2
14	(15)	Turkish Airlines	3,690	26.7
15	(14)	Martinair	3,090	-12.0
16	(16)	Swiss	2,900	-0.1
17	(17)	United Airlines	2,750	-0.9
18	(18)	Austrian Airlines	2,700	-0.3
19	(19)	TAP Portugal	2,684	3.7
20	(21)	Corendon Dutch Airlines	2,576	27.0
21	(20)	China Southern	2,528	6.7
22	(30)	Pegasus	2,077	39.0
23	(22)	Corendon	1,961	-2.8
24	(23)	LOT Polish Airlines	1,866	1.9
25	(27)	Norwegian	1,860	8.8
26	(26)	Royal Air Maroc	1,620	-5.3
27	(37)	Emirates	1,526	16.3
28	(33)	Estonian Air	1,493	7.6
29	(35)	Air Europa	1,458	7.3
30	(31)	Aeroflot	1,457	0.2
Other airlines			40,159	0.6
Total			425,565	0.5

comparison with 2012 (-7.9%). Cargo transport to Central and South America also declined, with volumes decreasing by 1.4% to a total of 171,000 tonnes. Cargo volumes to and from Africa dropped by 4.7% to a total of 169,000 tonnes. Cargo volumes to and from the Middle East saw the most dramatic growth, in relative terms, increasing by 15.1% (+26,000 tonnes). Cargo transport within Europe decreased by 1.1% to a total of 137,000 tonnes.

New cargo carriers and destinations

The number of unique full freighter destinations, exclusively serviced by cargo carriers, increased by 2 from 24 to 26. The

new destinations are Zaragoza (Spain) and Caracas (Venezuela).

Of the 99 airlines operating scheduled flights at Schiphol, 19 focus exclusively on cargo transport. In addition, we have eight airlines operating both full freighters and passenger aircraft at Schiphol. In 2013 Schiphol also welcomed a new full freighter: Yangtze River Airlines from China.

Competitive position

Passenger market share

Amsterdam Airport Schiphol showed the second-highest relative growth of all Top 10 European hubs, after Istanbul. Schiphol maintained its position as Europe's fourth-largest passenger airport in 2013, following frontrunner London Heathrow, Paris Charles de Gaulle and Frankfurt. Istanbul registered the highest growth (13%) and remained just behind Schiphol in fifth place with a total of 51 million passengers. In view of the current growth at Istanbul, it would be reasonable to assume that the airport will surpass Schiphol in terms of passenger volumes over the course of 2014. Schiphol's market share increased slightly in 2013 compared to last year, from 10.7% to 10.8%.

Cargo market share

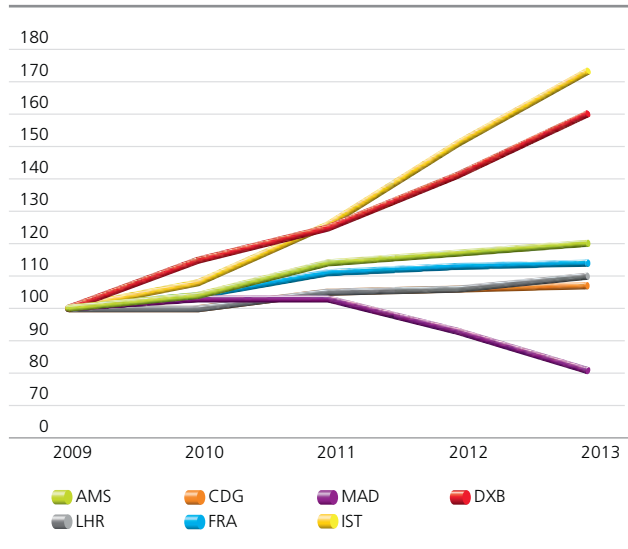
Amsterdam Airport Schiphol was able to maintain its third place in the Top 10 of European cargo airports. Frankfurt and Paris Charles de Gaulle took first and second place, respectively. London Heathrow, which saw cargo volumes decline in 2013, remained in fourth place. Schiphol's market share within the European Top 10 cargo airports increased from 13.9% to 14.6%.

Multi-year development

With the exception of Madrid, the major European airports have all experienced uninterrupted growth since 2009. Madrid has been hit hard by the European economic crisis since 2011.

Istanbul is the fastest growing European airport, breaching the 50-million passenger mark for the first time in 2013. A little further outside Europe, the rapidly expanding airport of Dubai (DXB) is experiencing growth comparable to that at Istanbul. In 2013, Istanbul airport transported 73% more passengers compared to 2009; an increase of almost 25 million passengers. The fast growth recorded at Dubai and Istanbul is attributable to the significant fleet and route expansions by their respective home carriers. Of the major Western European hubs, Schiphol has experienced the most significant growth over the past few years. In 2013, Schiphol transported over 20% more passengers in comparison with 2009 (+9 million passengers).

Development passenger volume at competing airports since 2009



Passengers (excl. transit-direct)*
x 1,000

2013

Compared
to 2012 in %

	1	London Heathrow	LHR	72,333	+ 3.4%
	2	Paris Charles de Gaulle	CDG	61,985	+ 0.8%
	3	Frankfurt	FRA	57,896	+ 1.1%
	4	Amsterdam	AMS	52,528	+ 3.0%
	5	Istanbul	IST	51,385	+ 14.2%
	6	Madrid	MAD	39,664	- 12.1%
	7	Munich	MUC	38,533	+ 0.9%
	8	Rome Fiumicino	FCO	35,938	- 2.2%
	9	London Gatwick	LGW	35,433	+ 3.6%
	10	Barcelona	BCN	35,175	+ 0.2%

*) Top 10 passenger airports in Europe

Cargo volume*
x 1,000 tonnes

2013

Compared
to 2012 in %

	1	Frankfurt	FRA	2,016	+ 1.5%
	2	Paris Charles de Gaulle	CDG	1,877	- 3.7%
	3	Amsterdam	AMS	1,531	+ 3.2%
	4	London Heathrow	LHR	1,423	- 2.8%
	5	Leipzig	LEJ	886	+ 2.6%
	6	Cologne	CGN	717	- 1.8%
	7	Luxembourg	LUX	674	+ 9.5%
	8	Liège	LGG	619	+ 15.0%
	9	Istanbul	IST	561	- 2.7%
	10	Brussels	BRU	422	- 8.1%

*) Top 10 cargo airports in Europe

Air transport movements*
x 1,000

2013

Compared
to 2012 in %

	1	Paris Charles de Gaulle	CDG	472	- 3.9%
	2	London Heathrow	LHR	470	- 0.4%
	3	Frankfurt	FRA	466	- 2.0%
	4	Amsterdam	AMS	426	+ 0.5%
	5	Istanbul	IST	385	+ 12.0%
	6	Munich	MUC	362	- 4.0%
	7	Madrid	MAD	333	- 10.8%
	8	Rome Fiumicino	FCO	298	- 3.7%
	9	Barcelona	BCN	276	- 4.7%
	10	Zurich	ZRH	247	- 2.1%

*) Top 10 airports in Europe in air transport movements



Schiphol & Judith Weijer

KLM Ticket Sales & Service Recovery Team Leader

"Schiphol is our home base and our main transfer hub. It's where 70% of our passengers transfer to KLM's global network of connections. We work with Schiphol to make life as easy as possible for our passengers. Self-service transfers and our check-in and baggage drop-off machines are just a few examples of airport facilities that help our customers travel from A to B as quickly, conveniently and efficiently as possible. Where necessary, we also provide personal assistance. We do everything in our power to offer our passengers an optimal travel experience."

Accessibility

In addition to optimal accessibility by air, Top Connectivity also comprises landside accessibility. Ranking just after the available network of destinations, flight frequencies and ticket prices in terms of importance, the issue of accessibility is key to passengers' decisions to opt for a specific airport. It is also a crucial factor for companies, suppliers and employees. The further improvement of an extensive, reliable and accessible landside network of multi-modal connections has been designated a strategic objective. This will help ensure that the airport remains an attractive work and business location. We have continued our efforts in this area over the course of 2013. In 2012, we ranked sixth in ACI Europe's leading Airport Service Quality benchmark. By mid-2013, we had risen to third place.

Road traffic

The road network around Schiphol has undergone several improvements. The renovated Fokkerweg (offering a direct connection to the A9 motorway) near Schiphol-East was completed. The accessibility of Schiphol-East, Schiphol-Southeast and Schiphol Rijk improved following the relocation of the N201 (offering connections to the A4 motorway) to the south of Schiphol.

Construction work on the A1 and A6 motorways has started to the east of Schiphol. The project should help improve the connection between Schiphol, Amsterdam and Almere. Work to divert the A9 at Badhoevedorp started in late November. As of 2018, the A9 section between the Raasdorp and Badhoevedorp junctions will be routed south of Badhoevedorp rather than through it. This will help improve liveability and spatial planning in Badhoevedorp, while ensuring a better flow of traffic on the A9. The new A9 motorway was funded by and developed in collaboration with the ministry of Infrastructure and the Environment, the Province of North Holland, the municipality of Haarlemmermeer, the municipality of Amsterdam, Amsterdam Metropolitan Region and Schiphol. Schiphol has contributed a total of 30 million euros to the project.

Schiphol is now more easily accessible from the north following completion, in 2013, of the new A5 connection located at the end of the Coentunnel. As a result, traffic to and from The Hague will no longer use the A4 motorway,

easing the flow of traffic around Schiphol. However, there are still a number of bottlenecks on the A7 and A8 due to maintenance work in the Coentunnel. Once this maintenance work has been completed, accessibility from the north should be greatly improved.

Public transport

The number of direct international railway connections decreased in 2013. Following the decommissioning of the Fyra, the Thalys now offers the only remaining connection to Brussels and Paris. Our direct connection with Berlin was also abolished following NS' decision to use Amsterdam Central Station as the terminal station.

We have initiated a joint programme with the ministry of Infrastructure and the Environment, ProRail and NS in order to enhance Schiphol's public transportation accessibility. In 2013, train services at and around Schiphol were hampered by frequent disruptions. ProRail and NS have since taken joint measures in an effort to reduce the number of false fire alarms: for example, the Schiphol Tunnel will be cleaned more frequently and train drivers have been issued new driving instructions. Despite these measures, disruptions are still a common occurrence that inconveniences train passengers. Furthermore, the night-time network has suffered serious disruptions since December as a result of maintenance work. The service between Amsterdam and Schiphol is operated with buses instead of trains an average of three nights a week.

The introduction of the Public Transport Chip Card was completed in 2013. The railway station now has a considerably larger number of check-in/out terminals. Following the placement of additional train ticket vending machines in 2012, the relevant software was also upgraded in 2013. The number of successful transactions at ticket machines has increased, thus reducing the number of people using the NS ticket counters. Satisfaction among travellers about ticket purchasing has risen by 7%.

Construction work on the Schiphol-North public transport hub commenced over the course of 2013. This hub will consist of a bus station for normal and express buses and infrastructure for the accompanying road network, thus strengthening Schiphol's high-quality public transport network.

Passengers' choice of transport (in %)	2013		2012
	2013	2012	2012
Public transport	39.2	38.2	38.2
Dropped off by car	26.6	28.0	28.0
Parked car at airport	13.0	13.1	13.1
Taxi	10.0	9.9	9.9
Group transport	7.9	7.7	7.7
Other	3.3	3.1	3.1

Satisfaction among travellers about the number of railway connections to Schiphol has remained virtually unchanged at 89% (2012: 88%). Train users also remain positive (88%) about arriving on time for their flight (2012: 87%). A growing number of passengers are opting to travel by bus. This growing trend has been observed for several years and can be attributed to the successful introduction of more R-net express buses and more intensive use of a direct bus service to the centre of Amsterdam.

Transportation options

We encourage the use of public and private means of transport, and discourage passengers from being dropped off and picked up by car. We also encourage Schiphol workers to use public transport. The new style of working has also caused a reduction in travel kilometres, since more and more staff can work from home one or more days a week.

The number of passengers travelling to Schiphol by public transport increased slightly in 2013: over 39% of all passengers travelled to Schiphol by train or bus.

Regional airports and international activities

Regional airports

Our regional airports are experiencing healthy growth. The number of passengers using Eindhoven Airport rose by 14%, from 3.0 million in 2012 to 3.4 million in 2013. The number of destinations from Eindhoven Airport increased from 45 to 53. Rotterdam The Hague Airport also saw a rise in passenger numbers: from 1.3 million to 1.6 million; the number of destinations remained stable at 40.

Alders Platform agreements on Mainport Schiphol's future expansion also affect the development of Eindhoven Airport and Lelystad Airport, as these airports will be accommodating part of our non-Mainport related air traffic.

In June, Eindhoven Airport commissioned the new terminal building expansion and completed the new airport hotel. Furthermore, both transavia.com and Ryanair established bases at Eindhoven Airport, with three and one aircraft, respectively.

In 2013 we started a study on the future development of Lelystad Airport in the context of Mainport Schiphol's further expansion. In order to ensure that future commercial air traffic can be accommodated, the runway will have to be lengthened, an air traffic control tower will have to be built and flight routes determined. An environmental impact study to this end was initiated 2013, and is expected to be

completed in 2014. The business case will also be presented in 2014.

Rotterdam The Hague Airport is increasingly developing into a business-oriented airport offering connections to various European industrial centres.

International activities

Our international activities are mainly focused on strengthening the Mainport and the Schiphol Group enterprise. Our international activities allow us to share knowledge and gain experience with different business models, processes and circumstances. Our international participations represent an important contribution to Schiphol Group's results.

Aéroports de Paris

In 2013 Aéroports de Paris (ADP) achieved a major milestone by transporting more than 90 million passengers via the airports of Paris-Charles de Gaulle and Paris-Orly for the first time in its history. The Parisian airports have made investments in the further expansion of capacity and quality over the past few years. This has helped to further improve quality perception and commercial results, including revenues from the duty-free stores. Partly as a result of its international activities, ADP has shown robust growth in terms of traffic volumes and turnover. Schiphol has an 8% interest in ADP, which means that the latter's performance substantially contributes to Schiphol's own results.

The HubLink collaboration between Schiphol Group and ADP mainly centres around joint purchasing and innovation. Schiphol and the Parisian airports have entered into a joint contract for the purchase of signposting features in the landing area and escalators and moving walkways. As a part of our ongoing innovation efforts, we are developing joint pilot projects aimed at improving information services to passengers and upgrading our payment systems. We also apply each other's knowledge across the board and at many different levels. For example, together with ADP we formed a consortium for the bid for Rio de Janeiro international airport in which we closely cooperated with two Brazilian partners.

JFK International Airport Terminal 4

The expansion of Terminal 4 at John F. Kennedy International Airport in New York, conducted in collaboration with Delta Air Lines, has been completed. On 24 May 2013, nine new international gates and additional facilities for baggage, customs and border control were commissioned. The expansion had an immediate impact: in 2013, Terminal 4 saw passenger numbers rise by 36.1%. Preparations for the construction of new gates for domestic carriers also commenced in 2013.



Brisbane Airport

Brisbane Airport, in which Schiphol Group holds an 18.7% stake, remains on track towards becoming an AirportCity and sustained last year's trend by welcoming more passengers in 2013 (+1.4%). This year, Brisbane Airport has started the preparatory activities for a new parallel runway. Dredging and reclamation work on the intended runway site can now commence. As in 2012, Brisbane Airport managed to achieve strong results in 2013, and the participation represents a substantial contribution to Schiphol Group's results.

Incheon

Our collaboration with Incheon Airport centres around the exchange of knowledge on baggage systems, digital cargo flows and the preferences of Asian customers. Several employees took part in an exchange programme and spent some time working at the partner airport. Incheon Airport continues to develop strongly, with passenger numbers showing robust growth. Incheon has repeatedly been voted the world's best airport in recent years.

Excellent Visit Value

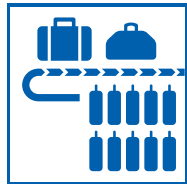
Schiphol Group aims to offer its customers an attractive price-quality ratio. In doing so, we seek to maintain and further strengthen Mainport Schiphol's competitive position. We keep airport charges at a competitive level and offer passengers, visitors and businesses an increasingly broad range of retail outlets and services. We continue to invest in improved travel comfort and offer attractive and inspiring facilities. Over the coming years, we will strive to minimise disruptions as a result of construction work for both passengers and airlines, in order to maintain our high satisfaction ratings.

Transfer



42%

Baggage IR rate



1.7%

Spend



€15.89
per passenger

Attractive and inspiring facilities

Schiphol strives to offer passengers a high-quality range of services and facilities in the area of retail, catering, parking, entertainment and other services at competitive rates. Our Vision on Retail is based around a range of convenience concepts, customer experience and a varied range of products. We strive to surprise passengers with unique retail concepts and brand stores.

The special ambiance that we create for our passengers includes appealing and comfortable lounges, passenger experiences and entertainment. For example, the Rijksmuseum Amsterdam Schiphol features a selection of Dutch art from the Golden Age and other periods, while the Airport Library offers a range of (translated) Dutch literature. We also provide facilities for babies and children, wellness facilities for adults, and an Airport Park designed to offer passengers a green indoor and outdoor waiting environment.

Airside

Over the course of 2013, we relocated and renovated a large portion of the stores and catering establishments in Lounge 1 in preparation for further expansion of the security filter in Departure Hall 1. The year also saw preparations for the renovation of Lounge 2, set to commence in 2014.

Despite the economic crisis and low consumer confidence levels, passengers are continuing to make purchases during their stay at Schiphol. Catering outlets saw the average spend per passenger climb by 1.4% to a total of 3.88 euros. Retail spending dropped by 4.8% in 2013, to an average of 15.89 euros per passenger. Dutch passengers proved especially cautious in the 73 shops with a total surface area of 12,000m², although spending by other nationalities also declined slightly.

We continue to invest in quality and innovation. For example, Pier D welcomed the new Harvest Market, a catering outlet offering fresh local products.

Plaza

Schiphol Plaza, the shopping area before passport control with 38 shops and a total surface area of 5,300m², welcomed a new CupcakesChic outlet and an Ajax Fanshop in 2013. In addition, Capi and Aviflora overhauled their existing locations.

Our catering establishments are also undergoing a renewal. The Délifrance outlet is set to be replaced by a new La Place. As a part of the renovation effort, a new fish store will be added to the range of outlets, while HEMA Food will be expanded and renewed. Arrival Hall 1 has been supplemented with a new concept in the form of the Hello Goodbye Bar: a catering establishment offering a pleasant, home-like atmosphere.

In 2013, the municipality of Haarlemmermeer opened a special civic affairs desk where Dutch citizens living abroad and Haarlemmermeer residents can apply for passports and other official documents.

Parking facilities

Construction work on the P1 car park, one of the car parks near the terminal, was completed in 2013. P1 is now brighter, more colourful and more customer-oriented. A dynamic way-finding system helps customers find free parking spaces at a glance, reducing the amount of time spent driving around the car park. We also introduced our Holiday Valet Parking service during the holiday period. Holiday Valet Parking is a supplementary parking service that enables holidaymakers to leave their car at minimal walking distance from the Schiphol terminal. The total number of parking spaces exceeds 36,000.

Schiphol online

Schiphol is also expanding its online presence. We respond to passengers' needs in various ways, for example by continually updating and expanding the opportunities offered by social media. People who are unable to drop off their friends in person can now say goodbye on Facebook. Social media have become an integral part of our interactions with passengers and visitors.

Schiphol.nl

The online Schiphol Parking reservation module has been updated and the website can now be easily consulted on a range of tablets. This makes it even easier for visitors to choose the parking product that best suits their specific travel duration and destination.

Schiphol App

Amsterdam Airport Schiphol's free Schiphol App has been downloaded over one million times since its launch in 2010. The Schiphol App offers current flight information about arriving and departing flights, plus information about all of

the airport's numerous shops and facilities. Travellers can also reserve a parking space or a taxi using the Schiphol App.

The app was further improved over the course of 2013. It now has a new look and feel and is even more user-friendly than the previous version. Users can create a personal account and specify flights on which they wish to receive updates. Flight information can also be shared through the App via Facebook, Twitter, SMS and email. A new feature of the Schiphol App is the maps of the car parks at the airport.

Social media

We use social media to inform and inspire passengers, and to answer any questions about Schiphol. Social media also play an increasingly crucial role in marketing campaigns. We continually use channels such as Facebook and Twitter as part of a balanced strategy to build long-term relationships with our customers. Relevant content and successful campaigns have helped us to significantly expand our reach. We now have over 240,000 likes on Facebook and 20,000 followers on Twitter.



Schiphol & Jan Willem Hilbron

General Manager of HMS Host Schiphol Airport

“As an enterprising and innovative catering business, HMS Host has been active at Schiphol for many years. We operate in close consultation with the airport. Innovation and sustainability are part of our DNA. The catering concepts in our portfolio have both an international and a Dutch flavour: while offering visitors products such as Fair Trade coffee and chocolate, we also use locally and regionally sourced organic products. Our catering concepts combine travel comfort with sustainability. In our staff policy we stimulate mobility, encouraging employees at Schiphol to develop their potential. In 2014, we will again raise the bar in both hospitality and customer experience. Being able to do so at an international location that is always in motion is something that really inspires us.”

Convenience for travellers

We aim to offer passengers a pleasant and comfortable stay at Schiphol. We strive to facilitate airlines by ensuring a smooth passenger process. Our guiding principle is that passengers continue to opt for Schiphol as a departure and transfer airport.

State-of-the-art baggage system

Efficient baggage handling helps make air travel a comfortable experience. Schiphol leads the industry with its state-of-the-art baggage system 70MB, which was fully commissioned in 2013. Schiphol initiated and implemented the programme in close cooperation with KLM. The project required an investment of approximately 800 million euros.

Baggage handling efficiency has increased significantly since the introduction of 70MB, while working conditions have also improved. The 70MB programme helps us to improve the quality of our services, and over the past few years has reduced the IR rate (the percentage of bags that fail to arrive at a destination at the same time as the passenger).

The percentage of delayed bags would have dropped further in 2013 if we were to discount the system malfunction on 3 May, when the automatic baggage routing system failed following overnight maintenance work. It took some time to resolve the problems, which unfortunately inconvenienced a large number of passengers. The situation was also a source of major inconvenience for the airlines involved. Needless to add, we have taken every possible measure to prevent similar failures and inconvenience for passengers and airlines in the future.

The IR rate for 2013 rose slightly in comparison with 2012, from 1.5% to 1.7%. This means 17 bags for every 1,000 departing passengers did not arrive on time and had to be forwarded.

Simplifying the border passage process

No-Q

Use of our automated No-Q border passage system, introduced at Schiphol in 2012 in cooperation with the government, increased steadily over the course of 2013. This year, over a million passengers used the fully automated passport control system, which incorporates features such as facial recognition. No-Q helps to increase processing speeds at passport control. The use of this innovative border passage system is expected to intensify in the years ahead.

Liquids, Aerosols and Gels

New EU legislation on liquids took effect on 31 January 2014. As a result, transfer passengers carrying liquid items purchased at their airport of departure may now take their purchases on board connecting flights from Schiphol provided the purchases have been inspected. We have set up various central checkpoints in the terminal where passengers can present these liquids for inspection.

Record peaks during summer

In the period from June through September, Amsterdam Airport Schiphol welcomed a record number of passengers. We generally managed to keep operations running smoothly. This success can be attributed to effective cooperation with our partners, the efforts of our own people and office staff, the expansion of the non-Schengen/Schengen filter and the relocation of the Tax Refund office to Departure Hall 3. An intensified focus on staffing at the security filters, the Dutch Border Police (*Koninklijke Marechaussee*) and floor management also helped ensure a smooth passenger process.

Making optimal use of peak capacity

Amsterdam Airport Schiphol's large capacity is thanks to its extensive runway network. The terminal is designed to welcome large numbers of passengers and process large volumes of baggage at peak times, which occur following the arrival of intercontinental flights during the passenger transfer process. We make clever use of the available space before border passage, especially during the early morning and late afternoon peak hours. Facilities designed to speed up the passenger process include self-service check-in, self-service baggage drop-off, self-service transfer kiosks and the automated No-Q border passage system. Nevertheless, on peak days we have less flexibility to accommodate disruptions as a result of poor weather conditions, cancellations or delays. In response, we ask our own (office) staff to pitch in in the terminal to assist passengers. Each year, we work with the various operational departments, KLM Ground Services and SAOC to prepare a special plan outlining the acute measures to be implemented in the event of operational disruptions. All these measures and facilities help to optimise capacity utilisation, increase efficiency levels at all operational parties involved in the daily process and enhance passenger convenience and comfort.



Schiphol & Sylvana van der Vaart

Sergeant, Border Control Brigade, Dutch Border Police
(Koninklijke Marechaussee)

“The Dutch Border Police takes the view that there are no limits to safety. Our theme for 2014 is to ensure ‘safety without borders’. However, at Schiphol we are literally dealing with the national border for both departing and arriving passengers. Together with the airport and the airlines, we aim to make the passport control process as fast and comfortable an experience as possible. No-Q, for automated border passage, is a facility we may be proud of - it is an example of collaboration and innovation. For me, Schiphol is a special place to work: no two days are the same, every passenger is different.”

During the renovation

Limiting inconvenience

In the coming years, Schiphol Group is facing an additional challenge: we want passengers, visitors and other users of the airport to experience as little inconvenience as possible from the extensive renovations being carried out. We must streamline the work as much as possible and closely monitor the effects. Where required, we will take additional measures to reduce any inconvenience.

In Departure Hall 1, in the heart of the passenger process, work was started on the expansion and renovation of the security filter. This involves partial renovation of Lounge 1.

The building work will mean that some gates and aircraft stands will be temporarily withdrawn from service in the coming years. At the same time, the expected growth in air traffic will require additional ground handling capacity, which will increase the pressure on existing aircraft stands. We will make greater use of open aprons for parking stands not connected to a pier or gate.

In 2014, a relatively simple apron area for five wide-body aircraft will be built in the north-west sector (to the east of Runway 18C - 36C). This apron will serve only as an aircraft parking stand. In this way, the same number of aircraft stands in the central area can be used for handling purposes. During a later phase, the new apron can be equipped with de-icing facilities.

Appreciation

Passengers again highly satisfied

The general opinion with regard to the departure and arrival process at Schiphol was again very positive in 2013. Of passengers arriving, 95% rated Schiphol 'good' or 'excellent'. For passengers departing, this percentage rose even further to 96% (in 2012: 95% for both the arrival and the departure process). This is the highest score in years. The Net Promoter Score, a measure of customer satisfaction and loyalty, increased from 27 to 29 in 2012. Factors that contributed to these positive ratings include the shorter waiting times and the friendliness of airport personnel.

Passenger perception of the retail outlets in the area behind Passport Control remained the same: 60% rated the price-quality ratio in the retail outlets 'good' or 'excellent'. The rating of the catering facilities in this area was up: 40% rated these facilities 'good' or 'excellent' (previously 38%). The overall rating of Schiphol Plaza remained high: 90% of passengers/visitors rated it 'good' or 'excellent'.

Schiphol 'Best Airport in Europe'

In 2013, Schiphol again won a number of awards for the quality of the airport and its services.

Passengers

For the second time, the prestigious SKYTRAX survey has chosen Amsterdam Airport Schiphol as Europe's best airport. In the world ranking, we moved up from fourth to third place, behind Incheon International Airport and Singapore Changi Airport. The SKYTRAX award reflects the opinion of twelve million passengers. We regard it as a special token of appreciation for all our partners at Schiphol.

For the twenty-fourth year in a row, British business travellers voted Schiphol the winner of the Business Traveller Award in the Best Airport in Europe category. The sector organisation ACI Europe voted Schiphol the best airport for the fourth time.

Online

Schiphol received the SimpliFlying Award as the world's best airport in the use of social media for communicating with passengers.



12 million passengers voted Schiphol
Europe's Best Airport

Competitive airport charges

In order to sustain the Mainport's position, it is essential that Amsterdam Airport Schiphol maintains competitive charges for use of the airport. The aggregate amount of airport charges that it is allowed to charge is fully regulated, is set each year following extensive consultations with the airlines and is subject to supervision by the Dutch Authority for Consumers and Markets (ACM). This economic regulation is provided for in the Aviation Act. Schiphol's decision-making on infrastructure investments, airport charges and operating costs is based on the principle that the airport's competitive position must be strengthened. To that end the quality of our airport and the added value of the services we provide to the airlines, ground handlers and passengers alike take centre stage. Schiphol consequently chose to moderate the development of the airport charges in the past few years and hence did not apply the level of airport charges allowed under the Aviation Act. This is reflected in the airport charges set for 2013 and 2014 accordingly.

2013 Airport charges

The airport charges were increased by an average of 0.5% with effect from 1 April 2013. Following extensive consultations and after the 2013 airport charges had been set at the end of October 2012, several airlines lodged a complaint with the ACM requesting that it examine whether the airport charges and conditions contravened the laws and regulations. One of KLM's objections concerned a set-off amount relating to the year 2011. As a consequence of the decision rendered by the ACM, Schiphol lowered its charges for security activities by 0.6 million euros. This resulted in the adjustment of the average increase from 0.6% to 0.5% effective 1 April 2013. Following the ACM's decision on an objection lodged by KLM concerning the liability arrangement in the standard terms and conditions, the arrangement was incorporated in the conditions that are subject to consultation.

Another objection submitted to the ACM for examination in 2013 was raised by transavia.com and related to the allocation of Pier H aircraft stands. The take-off and landing fees applicable to this 'no-frills' pier are 20% lower than those of the other piers which provide more facilities. As a consequence of the ACM's decision Schiphol modified its allocation rules, such that in principle all airlines are now eligible to use Pier H. If there is a shortage of aircraft stands on Pier H, however, Schiphol will continue to prioritise flights with the shortest turnaround time.

The ACM rejected the other objections raised by the airlines against the airport charges and conditions applicable from 1 April 2013.

Various areas of Schiphol are monitored by the ACM. In July, the ACM started an investigation related to the Shared Vision Committee and the relationship with KLM.

Constructive 2014 airport charges consultation

At the start of the 2014 airport charges consultation process in early 2013, Schiphol expressed its intention to raise airport charges by 1% plus the effect - which had yet to be determined - of the temporary, additional security measures for screening liquids, aerosols and gels (LAGs), and the possible effect of adjusting the traffic and transport forecast.

In consultation with the airlines it was agreed that the cost increase for the LAG security measures could be reduced. Moreover, additional cost savings were agreed with the airlines. Schiphol also defined substantial cost targets to minimise the overall rise in costs. Combined with the expected favourable development of air traffic and transport in 2014, this resulted in an average airport charges increase of 0.4% effective 1 April 2014.

With the limited increase in airport charges, which is significantly lower than the rate of inflation, Schiphol is confident that it will further improve its competitive position in 2014. According to Schiphol, therefore, the consultation process with the airlines has been extremely constructive. The airlines have expressed their appreciation for the consultation process, which now incorporates an extensive pre-consultation round and a multi-year forecast in anticipation of the expected Aviation Act amendments.

Air passenger tax cancelled

During the 2014 government budget negotiations, in autumn 2013 it became clear that the introduction of an air passenger tax was under consideration by the government. The aviation sector fiercely opposes such a measure due to its negative effects on the sector and the Dutch economy at large.

The air passenger tax had been introduced once before on 1 July 2008 but was abolished a year later. Independent reports, including those commissioned by the government, showed that the introduction of the air passenger tax brings about a substantial economic loss including job losses, and damage to Schiphol's network of destinations. Ten thousand jobs are expected to vanish if the air passenger tax were to be reintroduced.

The KLM, transavia.com, Martinair and Schiphol Group Works Councils organised a protest in The Hague. Thanks in part to the protests initiated by the sector, the air passenger tax has now been removed from the agenda.

Cost development

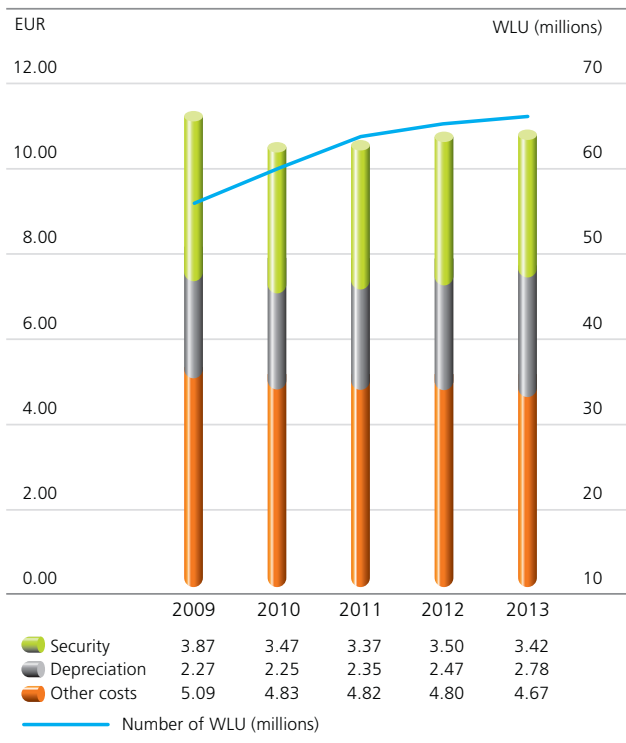
The costs of the existing infrastructure account for almost 50% of the costs of Aviation. We fix the cost level for several years at the time we make investments. The choices we make substantially influence maintenance costs, the costs of daily use and the corresponding energy costs. This has now led us to take an even more critical look at the total cost of ownership of the airport infrastructure in the design phase. The effect of this policy on cost efficiency will become visible over time.

In 2013 cost efficiency remained almost on a par with the 2012 level. Cost efficiency is expressed as the cost per Work Load Unit (WLU). One WLU is equal to one passenger or 100 kilogrammes of cargo. The costs per WLU for Amsterdam Airport Schiphol in 2013 amounted to 10.87 euros (2012: 10.77 euros).

Security costs continue to rise

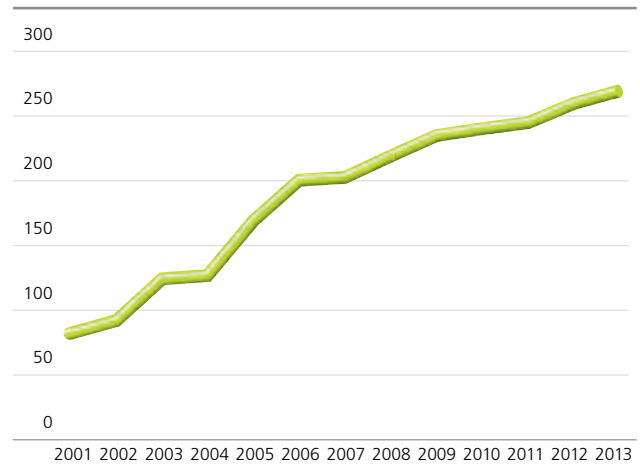
The costs of security continue to rise, and account for a large share of total aviation costs and the associated airport charges. The increase in 2013 is due to passenger volume growth and the substantial numbers of passengers handled at peak periods during the day. Added to that was the effect of new security measures, and the measures we were obliged to put in place in the course of 2012, such as the 100% screening of goods and cargo required for airport operations. As a result of previous investments in security equipment and other related facilities, depreciation and amortisation costs are rising too. The increase over the past 13 years can only be partly explained by the growth of the business, and is due for the most part to new and more stringent security requirements. Schiphol makes every effort to control security costs, but it strongly depends on external factors which tend to push costs up. The implementation of central security in the non-Schengen area is expected to enable us to curb the rising costs of security over time, however we cannot guarantee this.

Cost efficiency: costs per WLU



Security costs

EUR million

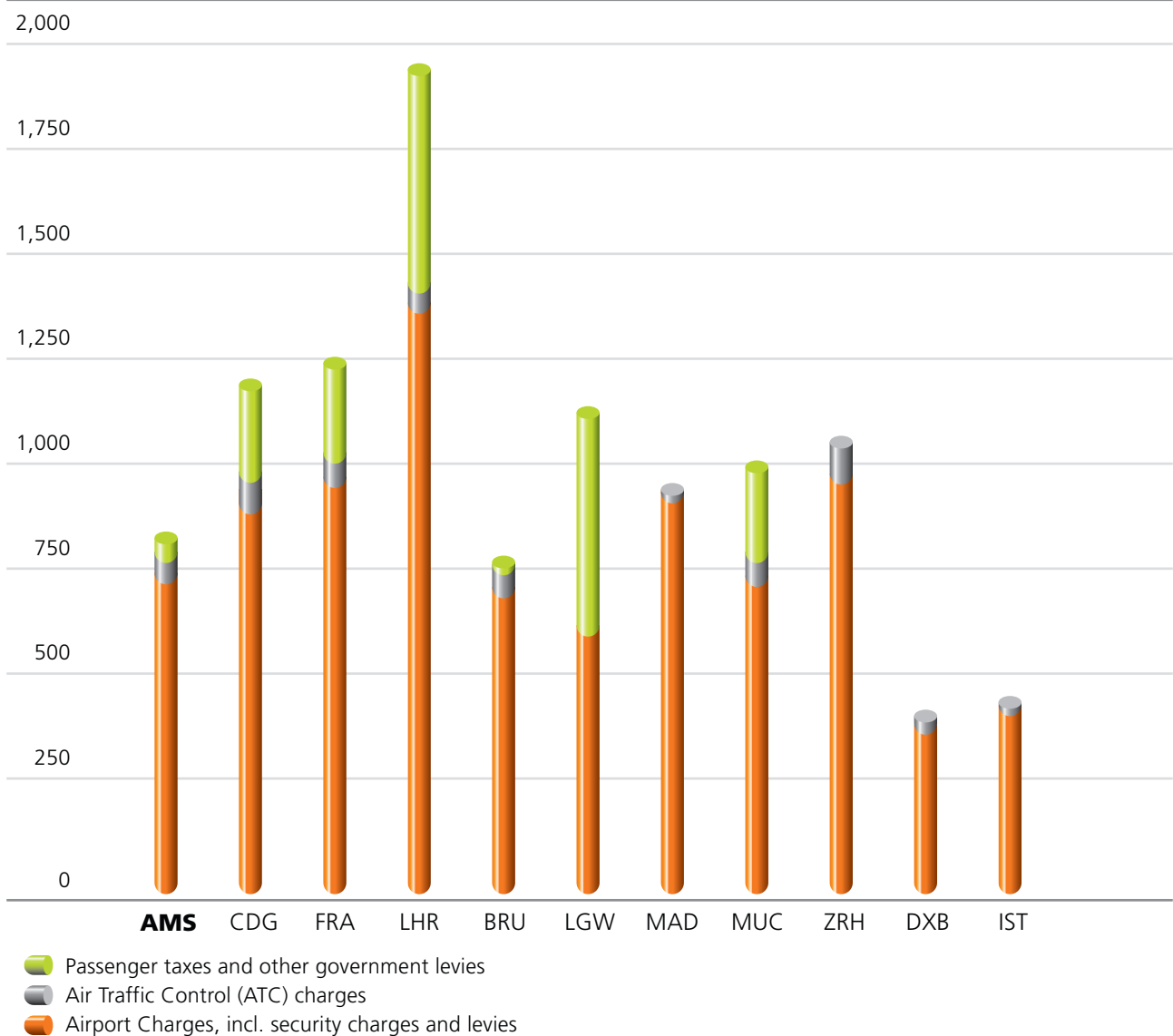


Price-quality ratio and competitors

Schiphol is aware that it is always in direct competition with other hubs. A large number of passengers can also choose to travel via an airport in a neighbouring country. Schiphol Group's price-quality ratio compares favourably with that of its major European competitors. In recent years, however, rival airports have undergone expansion and gained new facilities, enhancing their quality. We are also facing growing competition from the airports of Istanbul and Dubai; the market conditions in this region differ from those in Europe, which means airlines there are able to operate at lower costs while the airports offer a high-quality experience.

Each year, the ministry of Infrastructure and the Environment commissions SEO Economic Research Foundation to perform a benchmark study which looks at both the airport charges and government levies applicable to Schiphol and its key competitors. The results reveal that Schiphol Group has seven more expensive competitors. However, the study has also shown that the gap between Schiphol and the airports of Istanbul and Dubai is considerable.

SEO Benchmark study on airport charges and government levies



Aeronautical revenue (x 1,000,000 euros) for 2013 for the 'Schiphol package' calculated on the basis of charges applicable in Summer 2013.

Source: SEO report 'Benchmark study on airport charges and government levies', February 2014

Competitive Marketplace

For many companies, Amsterdam Airport Schiphol is an attractive location to work, visit and set up a business. The occupancy levels of offices and logistics facilities at Schiphol compare favourably with the rest of the market. However, rental prices are under pressure across the board. Schiphol is a prominent participant in several joint initiatives in the Amsterdam metropolitan area. Schiphol aims to be and remain Europe's Preferred Airport also for cargo. Furthermore, we endeavour to keep the region around the airport attractive for working, living and recreation.

Companies



500

Real Estate



>586,000 m²

Occupancy rate



86%

Aviation makes an important contribution to the Dutch economy and provides many jobs, both directly and indirectly. At the Schiphol location, around 65,000 people work for some 500 companies. Mainport Schiphol is an essential element in efforts to enhance the appeal of the Randstad area and the Amsterdam region in particular as a location for international companies and institutes, with Schiphol Group's real estate activities playing a significant role.

Schiphol must be able to respond quickly and effectively to changing conditions in the real estate market. Supply and demand can fluctuate significantly, especially in economically difficult times. The wishes of tenants are always changing as well. Schiphol responds to this by offering new services and developing new facilities and new buildings that are in keeping with the times. If we fail to invest in quality and capacity, this may erode the Mainport's competitive position in the long term.

Offering added value is therefore key for Schiphol Real Estate. We can strengthen our market profile through factors such as flexibility, good accessibility, a positive experience and value for money. This is essential. If the occupancy level of our real estate comes under pressure, this will push down rental prices and cause a general decrease in the value of the buildings.

Our policy is focused on being and remaining a top-class location. And that is not just a matter of supply and demand, but also of public reputation, taking responsibility and cooperating with our partners and the local community.

Offices, facilities and logistics property

Despite the fact that the property sector in the Netherlands is still suffering severely from the economic crisis and demand for office space remains low, multifunctional prime locations offering good accessibility and vibrant surroundings have maintained their appeal. Amsterdam Airport Schiphol is one such location.

Occupancy rate

Despite our well-filled office portfolio, the office occupancy rate fell from 84.0% in 2012 to 75.8% in 2013. This is attributable to the vacancy levels we ourselves created to enable The Base at Schiphol-Centre to undergo redevelopment. The vacancy rate in the new Cornerstone office building at Rotterdam The Hague Airport is also factored into the occupancy rate. The revenue derived from



Occupancy (in %)	2013	2012
Offices	75.8	84.0
Commercial space	92.9	97.9
Operating property	80.6	91.3
Operating property terminal	90.1	91.4
Total occupancy rate	86.3	91.8

rents and leases remained stable. Rent levels for new contracts are under pressure. The value of our current office portfolio declined marginally in 2013.

Creating Preferred Locations

In 2013 Schiphol Real Estate further developed and implemented its vision for 'Creating Preferred Locations', which enables us to respond to market developments.

Potential tenants choose a location or area first, and then the building. Schiphol's locations are distinctive in the marketplace, due not least to their excellent accessibility, particularly at Schiphol-Centre. Flexible leases have proven to be successful as have our Aerospace Flex Offices, in which we lease furnished spaces for short periods.

Schiphol community

We seek to develop preferred locations that exceed client requirements and expectations, that provide an inspiring work environment and that generate sustainable value. With this in mind, in 2013 we introduced Area Management, a concept that will contribute to the development of a welcoming, well-maintained and efficiently managed area offering customised services. In addition we initiated the development of an online community, underpinned by the philosophy that it is not the buildings that enliven an environment but rather the people who work there. Hence Schiphol offers a platform where people can meet each other and where networks can evolve.

Providing people the opportunity to meet each other plays an equally important role in the revitalisation of The Base office building. To create this complex, which has a pivotal function at Schiphol-Centre, the three separate Triport buildings will be connected by a passageway and a shared atrium. The Base will be more than a functional office building: it will be transformed into an inspiring work and meeting place. Various facilities will be available in The Base, such as food and drinks services, a child day care centre with flexible opening hours, a gym and several shops. The complex is scheduled for completion in mid-2014.

Further community-oriented facilities at Schiphol-Centre are free public transport and Your Schiphol BIKE, the loan bike programme launched in 2013. A new innovative service for passengers and Schiphol workers is the Albert Heijn Supermarket Pick-Up Point, near the P3 car park, opened in mid-2013. Clients can order their groceries online and collect them by car at a drive-through pick-up point.

New Hilton Hotel

The construction of a new five-star, 433-room Hilton Hotel offering a range of conference and meeting facilities plus a ballroom for 600 people is well underway at Schiphol-Centre. The building complies with the sustainability standards specified by Schiphol and incorporates high-quality, sustainable materials and installations. The hotel is scheduled to open in mid-2015.

Logistics property

Although the cargo market is slowly climbing out of recession, conditions remained difficult for most of the year.

Nevertheless our logistics portfolio once again recorded a high occupancy rate, standing at 92,9% at the end of 2013. It is evident, however, that the logistics service providers and ground handlers at Schiphol are under constant pressure due to the difficult conditions in the cargo market. Despite these circumstances, in 2013 we concluded various new long-term agreements with lessees. The value of business accommodation rose slightly as a result.

Operating property

The occupancy rate for the operating property we manage and operate at Schiphol declined in 2013. Operating property consists of the spaces we manage and operate in the terminal, assets under construction or development in the terminal and a number of first-line industrial units at locations intended for future operational use. The Amsterdam Airport Schiphol terminal houses office and business space, desks and lounges which are leased to airlines and companies engaged in airport-related activities.

Rotterdam The Hague Airport

The 12,000m² Cornerstone office building opposite the terminal of Rotterdam The Hague Airport was completed in 2013. Dura Vermeer has leased half of the building; the other half is available to the market. The ground level will consist of a business and meeting centre.

In addition, two subleaseholds were created for new developments. One developer is constructing a 140-room luxury hotel with a restaurant and conference facilities adjacent to the terminal. Construction of the hotel commenced at the end of 2013 and completion is scheduled for spring 2015. The other subleasehold pertains to Brasserie De Waalhaven neighbouring the detention centre at the Bedrijvenhof business park. Completion is scheduled for

autumn 2014. Both development projects will contribute to raising the level of facilities, in turn bolstering the airport's position as a business location.

A 4,000m² office is currently being developed at Bedrijvenhof by the Dutch Border Police (*Koninklijke Marechaussee*) and will be completed in spring 2014.

A number of old buildings were demolished to create space for the expansion of passenger car park P1. The area's appeal has been enhanced with green landscaping.

Eindhoven Airport

The expansion of the terminal and the new Tulip Inn Hotel were completed at Eindhoven Airport in summer 2013. The expansion has been successful both operationally and commercially. The airside departure and arrival areas were enlarged and the logistics functions (check-in facilities, baggage systems, security control and gates) were redesigned to better match the operational processes. The expansion incorporated additional floor space for catering and retail outlets, all of which has resulted in higher concession income. The new Tulip Inn Hotel, with 120 rooms, is integrated with the terminal to maximise the use of the terminal's existing facilities.

International

In consultation with our partner in Avioport Logistics Parks near Milan Malpensa Airport, the decision was taken to limit these real estate activities to the two office buildings and four multi-tenant buildings already in operation. At the same time, various options for the future of Avioport Logistics park are being examined. In view of the current market conditions, Schiphol has decided not to continue the development of the land positions of Villa Carmen, the collaboration that was aimed to develop a business park for this airport, in their present form.



Schiphol & Harry van den Heuvel

Regional Manager at Timing

“In addition to being a place to meet, The Base is also an inspiring building and therefore a very appropriate location to open our concept store. It is an open and bright outlet that is eminently suitable for trying out the latest forms of communication, enabling us to respond to future developments. This fits in perfectly with Schiphol's dynamism and economic appeal.

Our concept store is centred around the experience of our customers and flexworkers. For instance, jobseekers are welcomed on arrival by a virtual host, and there is an interactive window display. We really feel part of the Schiphol Community and are proud that we can help so many people find work at this innovative location.”

Cargo hub

Cargo is an essential factor in the success of Mainport Schiphol. For many airlines, the margins on cargo transport can make the difference between profit and loss. It is therefore crucial that we also offer our customers an attractive marketplace for cargo. This may swing their decision to choose Schiphol as their preferred airport. In addition, cargo transport is closely connected to passenger transport: more than 40% of all cargo passing through Schiphol is carried in the bellies of passenger aircraft.

We continue to develop Schiphol as a cargo hub. We encourage major carriers, forwarders and logistics service providers to use the airport as a link between Europe and the rest of the world. We focus on important markets such as pharmaceuticals and perishable goods. Schiphol creates facilities and opportunities that key in with the wishes of our customers.

Partnerships

Schiphol also collaborates with stakeholders where cargo is concerned. Together with the local authorities, the railways and the seaports, we create multimodal cargo networks which significantly increase Schiphol's range as a cargo airport. Within the Amsterdam Economic Board, we helped realise the first phase of the AirLink project, which removes a variety of obstacles for businesses and facilitates a faster export process. Together with our logistics partners we also conduct an active international promotion policy aimed at persuading service providers and forwarders to route their logistics operations via Schiphol.

Another joint initiative in which Schiphol participates is Amsterdam Connecting Trade (ACT). This area programme focuses on the integral development of three innovative and sustainable business parks in the vicinity of Schiphol: Schiphol-Southeast, Schiphol Logistics Park and A4 Zone West. ACT is being developed in collaboration with Schiphol Area Development Company (SADC), a joint venture between the municipality of Haarlemmermeer, the municipality of Amsterdam, the province of North-Holland and Schiphol Group. The required infrastructure is a key consideration for this project.

The renewed N201 provincial road was completed in 2013, which will benefit transports to and from the Aalsmeer flower auction. Plans have also been drawn up for a Seamless Logistics Link (OLV) between Aalsmeer and the business parks, and for a cargo transshipment station on the high-speed railway line (HST Cargo) at A4 Zone West. The fact that various sites around the airport are available to cargo-related businesses is a major advantage. Schiphol is one of the few large airports in Europe that is able to offer so much new space.



Schiphol & Joep Bruijs

Senior Vice President of the Air Cargo business unit,
DB Schenker Logistics Netherlands

“DB Schenker Logistics Netherlands has experienced significant growth in recent years in both imports and exports. The open manner in which Schiphol collaborates with us is one of the building blocks of this success. Like us, Schiphol is always looking for process improvements and takes an active approach in doing so. The ground handling operations with first-line concepts and the further implementation of Smartgate are specific examples of innovation and efficiency improvement. My colleagues in Frankfurt are full of admiration and respect for Schiphol and the manner in which the cargo community implements innovations such as e-freight. Schiphol facilitates these innovations based on a partnership concept. At DB Schenker Logistics we share this approach.”

Sustainable Performance

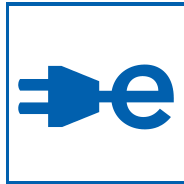
Schiphol Group stands for the creation of sustainable value. We consciously balance the interests of people, planet and profit. For us at Schiphol, how we achieve our business goals is as important as achieving them. Corporate Responsibility means conducting your business with respect for people, the community and the environment.

Employment



65,000
Schiphol workers

CO₂ emissions



= Neutral

Net result



227_m

For Schiphol Group, a leading organisation with a strong sense of social awareness, Corporate Responsibility is about making our own choices for the future of the business, our surroundings and society as a whole. These choices are focused around five socio-economic themes: climate-friendly aviation, accessibility and air quality, commodity shortages, sustainable employment and noise and the local community. In 2013 we started formulating specific targets for 2020, which will be finalised in 2014. Sometimes we are able to achieve targets on our own, while at other times we need to involve other companies or partners.

One of the strategic objectives is to ensure a careful balance between people, planet and profit. To that end, Corporate Responsibility must become an increasingly familiar factor in the business planning process. In approving investments, we weigh up the interests of people, planet and profit. Awareness is key: our aim is for all our employees to consider the effects of what they do on the environment or their immediate surroundings. With this aim in mind, among other initiatives we trained six new CR ambassadors in 2013.

In our day-to-day business operations we are aware of the effects of our actions. The safety of passengers, visitors and employees in our grounds is of paramount importance. Now

that large-scale renovation work is being carried out, special consideration is given to health and safety in the workplace.

Consultation with stakeholders

Schiphol has a large number of socio-economic stakeholders who often have diverging interests. These include travellers, airlines, local residents, public authorities, financial stakeholders, employees, business partners and sector partners. We maintain regular contacts with our stakeholders at several levels and on a wide range of subjects.

The Corporate Development department is responsible for stakeholder management. Under the chairmanship of Corporate Development, those departments which are in frequent contact with stakeholders on the strategic and tactical level meet every two weeks. During these meetings, subjects are discussed from a multidisciplinary perspective and the wishes and queries of the parties involved are identified and grouped. Our stakeholder policy is a standard agenda item at meetings of the Public Affairs & Corporate Responsibility Subcommittee of the Supervisory Board. We

organise stakeholder dialogues around our five socio-economic themes. In 2013 the focus was on sustainable employment and commodity shortages. We ask our stakeholders for feedback on how they would like us to approach these subjects.

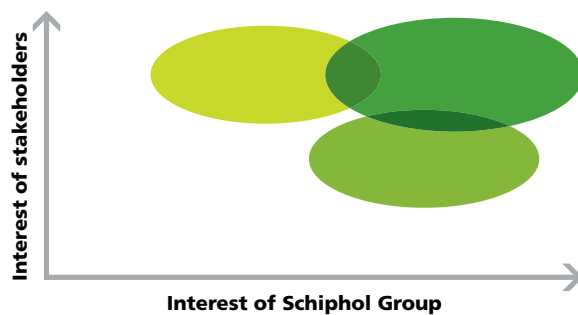
Our activities are closely related to those of airlines and other partners in the chain. We consult with them on a ongoing basis about our business operations. On these occasions, we also talk about changes in laws and regulations, large-scale investments and renovations.

Through regular contacts and dialogue we keep abreast of our stakeholders' concerns. Consultations are also an opportunity for us to inform our stakeholders of the latest developments at Schiphol. We know that stakeholders obtain most of their information on our strategy and targets from direct contacts. In addition, we have other means of communication which we can use depending on the subject and the target group. The target groups of the annual report are, principally, our shareholders, financiers, policy-makers and regulators. The report provides an up-to-date picture of current projects and important developments, which information may also be useful for other stakeholders and for current and future employees or suppliers.

With respect to the 2013 Annual Report, we interviewed various stakeholders about the subjects discussed. The feedback is positive: the interviewees feel that the annual report covers all subjects and that the information offered is relevant and detailed. The only point for improvement is that we could present a more integrated vision of the company's policy and of the developments in the coming years.

All these contacts have produced a materiality matrix. The focus of the annual report is on the subjects which both we and our stakeholders consider important. The ovals emphatically show that there is no difference in the degree of importance that we and our stakeholders attach to these subjects. We intend to have the materiality matrix assessed by our stakeholders in 2014. For each material theme, the table lists our management focus and the partnerships with our stakeholders in the relevant fields.

Schiphol Group Materiality Matrix



- Security
- Spatial planning
- Chain responsibility
- Social engagement

- Internationalisation
- Business climate
- Government policy
- Regulation
- Return and dividend

- Destinations network
- Competitive position
- Economic impact
- Noise and the local community
- Climate-friendly aviation
- Accessibility and air quality
- Commodity shortages
- Sustainable employment
- Safety



Material theme	Control factor	Partnership¹	Results in¹
Destinations network	Number of direct destinations for passengers and cargo	Shared Vision Consultation Account interviews	Top Connectivity
Competitive position	Percentage of passenger market share Percentage of cargo market share Percentage of departing passengers rating Schiphol 'good' or 'excellent' Percentage of arriving passengers rating Schiphol 'good' or 'excellent' Percentage of passengers rating the price-quality ratio of airside retail outlets 'good' or 'excellent' IR rate Costs per WLU Investments	Account interviews Concessionaire consultations	Top Connectivity Excellent Visit Value
Economic impact	Number of persons working at the Schiphol location Number of businesses based at the Schiphol location Real estate occupancy rate Net result	Tenant consultations Amsterdam Economic Board Amsterdam Connecting Trade Amsterdam Region Business Association (ORAM) Schiphol Governance Forum Mainport Amsterdam Schiphol Haarlemmermeer Structural Concept (SMASH) Schiphol Area Development Company (SADC) General Meeting of Shareholders	Top Connectivity Excellent Visit Value Competitive Marketplace Sustainable Performance
Noise and the local community	Number of enforcement point breaches Execution of Alders Platform covenants	Alders Platform Schiphol Regional Consultative Committee Local Community Contact Centre (Bas) Schiphol Quality of Life Foundation The Stichting Mainport en Groen landscaping project Knowledge and Development Center (KDC)	Noise and the local community
Climate-friendly aviation	CO ₂ emissions of own activities CO ₂ emissions reduction Energy efficiency EPBD labels for existing buildings	theGROUNDS Kennis voor Klimaat Airport Carbon Accreditation Scheme Climate KIC Innovative Mainport Alliance (SIM) Knowledge and Development Center (KDC) Biofuels of the future	Climate and the environment
Accessibility and air quality	O&D passengers' choice of transport Aircraft stands modified during the year for FEGP and PCA	theGROUNDS Collaboration programme with Dutch Rail, Prorail and the ministry of Infrastructure and the Environment Innovative Mainport Alliance (SIM) Fuel mix of the future Collaboration Hydrogen economy in the Amsterdam region	Accessibility Climate and the environment
Commodity shortages	Percentage of recycled regular waste Oxygen content of surface water Drinking water consumption at the terminal per passenger	theGROUNDS Innovative Mainport Alliance (SIM)	Climate and the environment
Sustainable employment	KPIs of Schiphol Aviation College Percentage of female SNBV executives Employee engagement Sickness absence rate	Schiphol Aviation College Trade unions Contractors' Job Health and Safety Platform Health & Safety consultations	Sustainable employment
Safety	Number of bird strikes per 10,000 air transport movements Number of runway incursions Execution of integral fire safety tests Number of work-related accidents leading to absenteeism	Schiphol Safety Platform Runway Safety Team Netherlands Control Group for Bird Strikes Schiphol Security and Public Safety Platform	Safety

1) This overview is not exhaustive



Schiphol & Kees van Ojik

Leader of the residents' delegation in the Alders Platform, has worked as a GP in Zwanenburg for 42 years

"I have very mixed feelings about Schiphol. On the one hand I feel admiration for one of the world's best airports, which is of tremendous importance to our national economy. On the other hand, since 1967 I've been dealing with the disadvantages that the airport brings to the local environment. Every night tens of thousands of people are lying awake, hundreds of thousands of local residents feel seriously disadvantaged and over a million people experience inconvenience in one way or another. Over the past seven years the government, local authorities, the aviation sector and local residents have joined in the Alders Platform to ensure that both sides of the Schiphol coin are recognised in covenants and decision-making on future expansion. I am quite convinced that all the participants genuinely want to use this process of trust, innovation and connection as a guide towards the future."

Noise and the local community

We value an open and good relationship with our neighbours. We actively contribute to safeguarding an attractive residential and work environment; we maintain direct contacts with our neighbours and participate in the Alders Platform, a consultative body in which the government, the aviation sector, local authorities and residents make agreements aimed at ensuring the aviation activities at Schiphol and the quality of life in the region remain in equilibrium. Therefore, one of our [strategic objectives](#) is to continue the stakeholder dialogue in the Alders Platform and with the parties involved in the Schiphol Regional Consultative Committee (CROS). In 2014 the Alders Platform and CROS will merge into the newly formed Schiphol Local Community Council [*OmgevingsRaad Schiphol*].

Living and working side by side

Schiphol contributes to providing good job and residential opportunities in the region. The airport is a significant factor: we generate substantial employment in the area. Enjoying good relations with one's neighbours - residents and businesses alike - is in everyone's interests. Schiphol itself organises activities to foster relations with its neighbours, such as the Schiphol Neighbour Days. Other activities are undertaken by Stichting Leefomgeving Schiphol and Stichting Mainport en Groen.

Stichting Leefomgeving Schiphol

This organisation's objective is to improve the quality of life in the Schiphol area by supporting projects to that end. The organisation also provides benefits-in-kind to individual victims of intolerable or unworkable circumstances who fall outside the scope of the existing statutory compensation schemes. The organisation thus implements the agreements set out in the Alders Platform covenant concerning the Quality of the Local Environment. In further support of severely affected areas, the parties represented in the Stichting Leefomgeving Schiphol (Amsterdam Airport Schiphol, the province of North-Holland and the Dutch government) have committed to make a second tranche of another thirty million euros available, ten million euros of which will be contributed by Schiphol.

Stichting Mainport en Groen

Stichting Mainport en Groen makes investments in recreational facilities and green landscaping for local residents and visitors to the Schiphol locality. The organisation has monitored the agreements made on the development of green landscaping set out in the Mainport Schiphol en Groen covenant since 1996. Schiphol contributed eight million euros towards financing the programme. The organisation will be dissolved in 2014 and its activities transferred to the municipality of Haarlemmermeer.

Buitenschot Land Art Park

Buitenschot Land Art Park, a park north of the town of Hoofddorp, opened in October. This park, developed by Schiphol and Stichting Mainport en Groen, distinctively integrates ground noise reduction facilities, recreation and art. The Hoofddorp-North Local Residents Association and the municipality of Haarlemmermeer were closely involved in the design and creation of the park, which features low hills that disperse the ground noise generated by aircraft taking off. The reduction of ground noise is one of the noise mitigation measures agreed in the Alders Platform. Schiphol Group provided two million euros for the Buitenschot project, with Stichting Mainport en Groen contributing one million euros.

Schiphol Neighbour Days

November 2013 saw the conclusion of a series of Schiphol Neighbour Days, during which Schiphol invited local residents to take a behind-the-scenes look at the airport. This allows Schiphol to have face-to-face contact with local residents and helps them gain a better understanding of all the activities carried out at the airport. It is a positive way of explaining what Schiphol is all about and how it adds value to the local community. We received an overwhelming response to our invitation and showed some 500 local residents around the airport. We will continue to host Schiphol Neighbour Days in 2014.

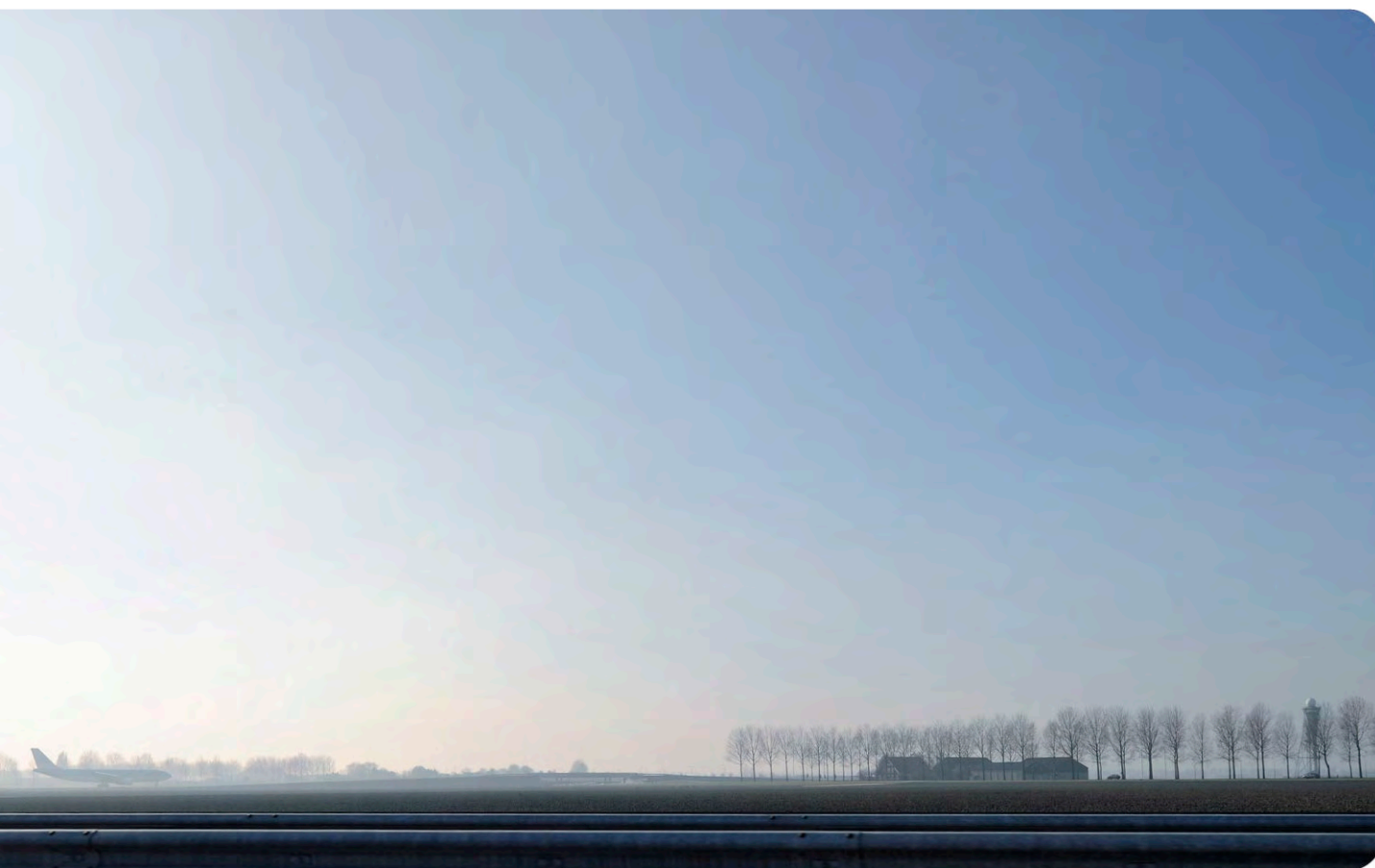
Teaching materials

In association with CROS and Rotterdam The Hague Airport, Schiphol developed teaching materials relating to Schiphol for grade 7 and 8 primary school pupils in 2012. The teaching materials were modified in 2013. In all, five thousand packages of teaching materials were produced, 75% of which were designated for the six hundred primary schools in the CROS region. The other 25% went to primary schools in other parts of the Netherlands. In the teaching material, Schiphol is used as a theme to creatively combine various skills, such as numeracy, language skills and world studies. Children learn about topics such as sustainability, working at the airport and about Schiphol as a transit port.

Alders Platform

Favourable evaluation of covenants

Schiphol implements the Alders Platform covenants in conjunction with the other parties involved. The covenants include the Quality of the Local Environment Covenant, the Noise Mitigation Covenant and the Covenant concerning Maintaining and Strengthening the Mainport Function. Implementation of the respective covenants spans several years, as planned. In 2013 the Alders Platform evaluated the implementation of the covenants for the first time, the outcome of which was favourable. The objective to reduce serious noise disturbance by 5% in 2020 is amply achieved with the number of noise-affected residents declining by



more than 10% compared with the situation without noise mitigation measures. Several local community projects were initiated over the past four years under the Quality of the Local Environment Covenant. Of the 51 applications for compensation for noise-related distress, fifteen have meanwhile been honoured.

Agreement reached on the new environmental standards

In October 2013 the Alders Platform reached agreement on a new system of environmental standards. Under the old system, 35 noise enforcement points proved to be difficult to explain in practice: when the maximum permissible noise levels were reached at these enforcement points, due to the use of preferred runways that caused less widespread nuisance, air traffic was diverted to other runways where the noise hindrance was greater. The new environmental standards are based on preferred rules for runway use and were tested over a two-year period. The new system provides for a preferential order of use of runways ensuring that, depending on weather conditions, the runways which affect the lowest number of people will be used first. Air Traffic Control the Netherlands (LVNL) will at the same time keep the simultaneous use of runways to a minimum.

Hans Alders, a former government minister who chairs the consultation, submitted the recommendation to Ms Mansveld, the State Secretary for Infrastructure and the Environment. The new system was reported in the press in January 2014 because a research agency, commissioned by the municipality of Amstelveen and two Amsterdam urban districts, stated that Runway 09-27 had been used too often. An analysis performed by Air Traffic Control The Netherlands showed that the runway had been deployed in accordance with the rules. The Alders Platform participants subsequently confirmed their commitment to the agreement.

The bill for the new noise system is expected to be submitted to the Lower House before the summer.

Regional airport developments

Following the Recommendation on Lelystad Airport issued by the Alders Platform in 2012, in 2013 Schiphol Group announced its intention to further develop this airport to accommodate non-Mainport-related air traffic, for a maximum capacity of 45,000 air transport movements. In order to apply for the airport traffic ruling, the Scope and Level of Detail Memorandum was drawn up for the purpose of the Environmental Impact Assessment (MER). A number of steps were also taken in respect of adapting airside to

People submitting reports to Bas, and the nature of the reports	2013	2012
Number of people submitting reports	4,624	5,286
Number of specific reports	93,045	84,674
Number of period reports	28,189	42,069
Number of general reports	537	3,861

accommodate the volume of air traffic forecast for Lelystad. This should result in an airport traffic ruling for Lelystad in 2014 plus the corresponding route decree which, from a legal point of view, will enable the development of Lelystad Airport to proceed.

Noise capacity

Under the current system, noise enforcement points are used to calculate the noise impact generated by Schiphol. A statutory, annual maximum noise impact level applies to each noise enforcement point. Measures must be taken if the limit values threaten to be exceeded. There are 35 enforcement points for the full 24 hours and an additional 25 specifically for the night-time period.

In the 2013 operating year there was not a single noise enforcement point where the maximum noise level was exceeded. The noise enforcement points will be abolished when the new system of environmental standards is implemented, but this is not expected to be incorporated into law until 2015.

Point of contact for local residents

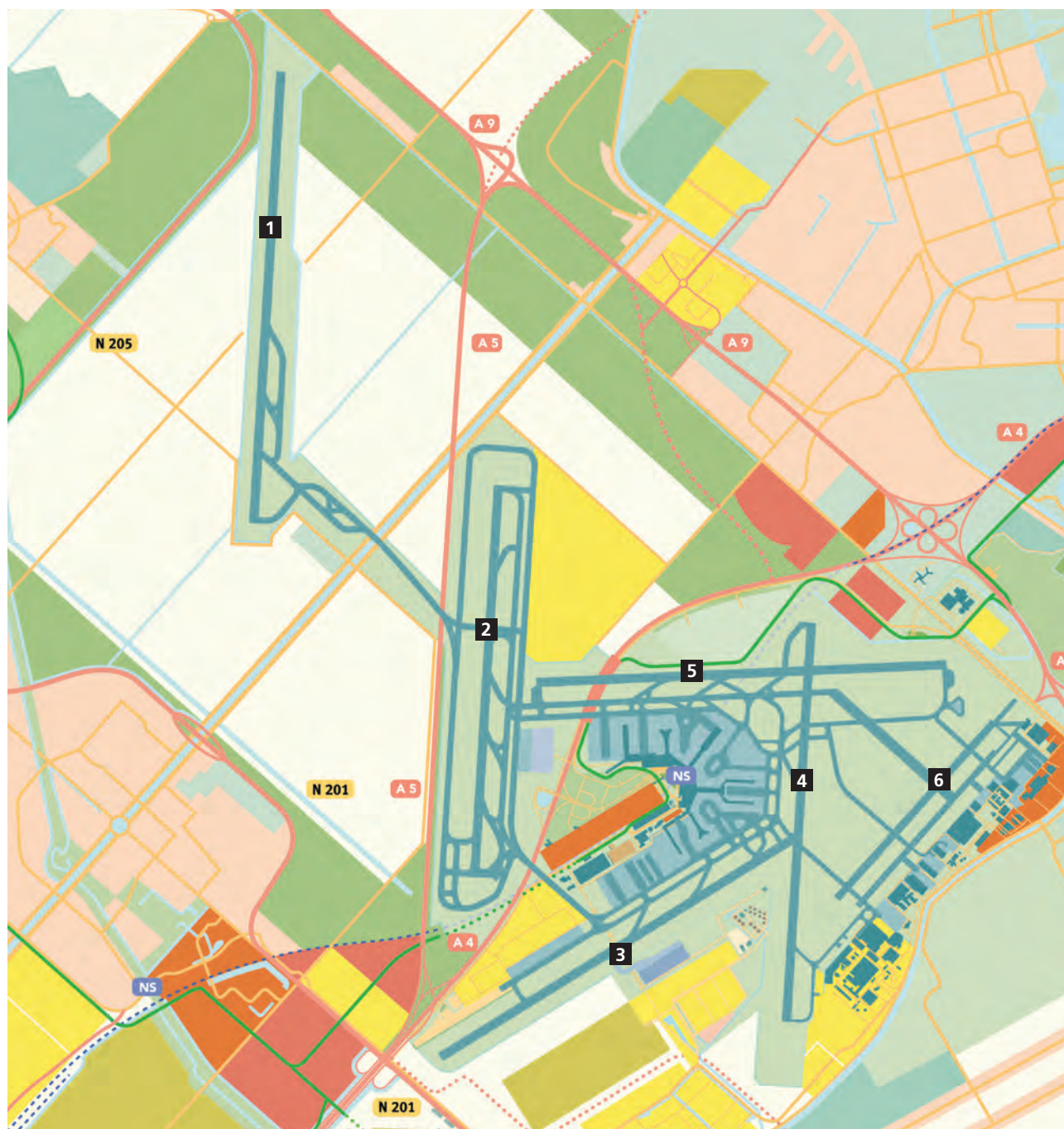
The Local Community Contact Centre (Bas), an organisation formed by Air Traffic Control the Netherlands (LVNL) and Amsterdam Airport Schiphol, provides information on air traffic and living in the Schiphol area. Bas made several improvements to the provision of information. In collaboration with CROS, Bas visits habitual complainers and other local residents who feel seriously affected and are in need of face-to-face contact. Bas organised a meeting for local residents including those representing CROS and the Association of Joint Platforms [*Vereniging Gezamenlijke Platforms*, VGP] to explain the Bas reports and the website.

On the website, local residents can read *Het verslag van de dag* ['The Daily Report'], which has been published since 1 November 2013. The report basically summarises runway use and explains why it was necessary to deploy particular take-off and landing runways. There is also a link to the preferential table under the new system of environmental standards. The report is published in the early evening, contains a review of the past day and provides a forecast for the rest of the day. By publishing The Daily Report, Bas has responded to the desire of local residents to gain a better understanding of runway use at Schiphol. Runway maintenance information is viewed the most on the Bas website. Lastly, the air transport movements in the module *Vliegverkeer InZicht* ['Air Traffic InSight'] can now be followed without a time lag.

People reporting disturbance and reports

In the 2013 operating year, 4,624 people affected by air traffic reported this to Bas on one or more occasions. Of those making the reports, 27 (0.6%) 'habitually' report complaints. They were responsible for 67.8% of all reports made in 2013. In its annual report, Bas concentrates primarily on the group of people who are not habitual complainers. The number of specific reports submitted by the 4,597 people in the focus group declined by 19.3% while the number of period and general reports declined by 30.2% and 9.3% respectively.

Traditionally, July and August are the months in which the most reports are made. This is the holiday period, when the highest number of air transport movements are handled. Because the wind blew from a northerly to easterly direction more often than usual during the 2013 operating year, runway usage in a northerly direction rose. This resulted in fewer period and general reports. The majority of specific reports concern heavy cargo aircraft taking off during the final daily departure peak and relate to noise disturbance.



Runways

Name	Location	Length	Width	% Take-offs*	% Landings*
1 Polder Runway	18R - 36L	3,800 metres	60 metres	30	34
2 Zwanenburg Runway	18C - 36C	3,300 metres	45 metres	10	16
3 Kaag Runway	06 - 24	3,500 metres	45 metres	34	26
4 Aalsmeer Runway	18L - 36R	3,400 metres	45 metres	17	13
5 Buitenveldert Runway	09 - 27	3,453 metres	45 metres	7	8
6 Schiphol East Runway	04 - 22	2,014 metres	45 metres	2	3

* Take-offs and landings in operational year 2013

Climate and the environment

Climate change and commodity shortages are global themes, so too in the aviation industry. Schiphol has chosen to contribute actively to resolving these problems, both in its own business operations and in partner collaborations. We endeavour to influence the behaviour of airport users and employees, in areas such as transport, waste separation, recycling materials or energy efficiency. We address these climate and environment-related topics under the socio-economic themes of Climate-friendly aviation, Accessibility and air quality, and Commodity shortages.

The environmental policy plan is divided into sections on air, energy, water, noise, waste, soil, hazardous substances, and nature and landscape. The objectives, tasks, responsibilities, powers and working agreements relating to environmental risk control are set out in the environmental management system. These activities are pivotal to the tactical environment consultation and the environment incident consultation.

Climate-friendly aviation

Within this theme the efforts we undertake focus on reducing energy consumption, generating our own sustainable energy and increasing the use of electric vehicles.

Reduction of CO₂ emissions by Schiphol

The activities carried out by Schiphol itself at the Schiphol location are CO₂ neutral. The main causes of CO₂ emissions in our own business processes are energy consumption (heating, cooling and lighting) and mobility (the vehicle fleet).

With effect from this reporting year, Amsterdam Airport Schiphol calculates and reports in accordance with the GreenHouse Gas Protocol (GHG Protocol). This is because the Airport Carbon Accreditation benchmark organisation has adopted the CO₂ methodology set out in the above protocol. This method is already in line with the G4 guidelines specified by the Global Reporting Initiative, which we plan to follow in the future.

Reporting in accordance with the GHG Protocol means that we report on scope 1, 2 and 3 emissions instead of on control, guide and influence. The main difference is that in the latter classification, commuter traffic and business travel by air or by car come under the heading of 'control'. Under the new classification they have moved to scope 3. In addition, in 2013

there was a change in the method used to calculate CO₂ emissions for gas consumption. The degree days method has made it possible to standardise consumption, enabling us to identify more precisely whether a particular increase or decrease can be attributed to improved energy efficiency. If 2012 emissions had been calculated according to this method, the volume would have been 1,511 tonnes lower.

We actively reduce our scope 1 and 2 footprint in that we save on energy and fuel consumption, use energy and fuel more efficiently, generate sustainable energy and use biofuel. In addition, we promote the reduction of indirect scope 3 emissions caused by business and commuter traffic. Schiphol is CO₂ neutral for its own operations, thanks to compensation for the emissions related to activities performed in scope 1, scope 2 and partly also scope 3.

Generating our own sustainable energy

By 2020 we aim to generate 20% of our energy requirements by sustainable means. We are already using various sustainable energy generation methods suitable to the airport, including small-scale thermal storage in the soil and in concrete building structures. In association with Watertransportmaatschappij Rijn-Kennemerland we are examining whether they can supply a portion of our cooling requirements using river water. Two small wind turbines were installed on the visitors terrace and preparations were made to install a thermal energy storage system on Pier G. Together with local farmers, businesses and various public authorities we are examining whether we can grow crops that are unattractive to birds and can be used as biomass. In 2013 our own energy-generation potential rose from 1.7% to 2%.

Rotterdam The Hague Airport and Eindhoven Airport installed solar panels on the roof of their airport terminals in 2013. The new hotel at Eindhoven Airport was also provided with solar cells. Rotterdam The Hague Airport insulated the outside walls of the terminal to prepare for the installation of a thermal energy storage system. Tall fescue, a grass species that generates a significant amount of energy during fermentation, was sown at Lelystad Airport.

Curbing energy consumption





2013 saw a further reduction in energy consumption in terms of electricity and natural gas, in both percentage and absolute terms, despite the protracted winter period. The trend seen is a decline in gas consumption whilst electricity consumption is

CO ₂ emissions in tonnes ¹	Caused by	2013	2012
Scope 1	Natural gas and fuel consumption under the SNBV licence	19,309	26,300
Scope 2	Electricity	85,639	83,284
Scope 3	Indirect emissions of own activities	2,746	3,246
	Total CO ₂ emissions	107,694	112,830

1) This relates to emissions during the operating year

Electricity consumption

Amsterdam Airport Schiphol (x1,000 kWh / operating year)

2013		188,217
2012		183,041
2011		183,182
2010		175,565
2009		174,912

Natural gas consumptionAmsterdam Airport Schiphol (x1,000 m³ / operating year)

2013		10,574
2012		12,231
2011		13,804
2010		15,025
2009		14,624

on the rise. This is due in part to the electrification of the ground-handling process, where electric vehicles and fixed electrical ground power equipment are increasingly being used.

In the Multi-Year Agreement with the government (MJA3), Schiphol has committed to allowing energy consumption over the 2005-2020 period to grow by 2% less than what might be expected on the basis of passenger volumes and expansion of the real estate portfolio. This commitment applies to our own operations at the Schiphol location.

In 2012 we achieved a 5.9% energy efficiency, thanks in part to the replacement of all flight information monitors with LED screens and the renovation of the multi-storey P1 car park. A special coating of paint applied in the car park makes it possible to reduce the level of lighting. We began to install cooling lanes in our computer centres to reduce the need for cooling. Almost all climate control systems in the terminal now feature frequency control, which adjusts the volume of air to suit demand so that the systems no longer run at full capacity unnecessarily.

CO₂ benchmark

We take part in the Airport Carbon Accreditation benchmark set up by Airports Council International, an international sector association. In 2013 Eindhoven Airport achieved level 3+. This is the highest level and indicates, firstly, that Eindhoven Airport has reduced CO₂ emissions at the airport and, secondly, that it has managed to compensate for the remaining emissions. Reduction and compensation are carried out in accordance with national and international agreements and mechanisms. Eindhoven Airport is the first airport in the Benelux and the world's 15th airport that has achieved this level. Schiphol is expected to be rewarded with Airport Carbon Accreditation level 3+ in March 2014.

Reduction of CO₂ emissions by customers and partners

Not only do our own business activities cause CO₂ emissions, so too do the activities carried out by our customers and partners, such as aircraft operations and taxi services. Schiphol does not compensate for the emissions generated by these activities. We therefore cannot affirm CO₂ neutrality for the whole airport location. We do, however, aim to encourage our stakeholders who operate at the airport to take measures as well. It is through such initiatives that we aim to reach our 2020 target of reducing CO₂ emissions at the airport location by 30% relative to 1990.

Biokerosine-powered flights

Operating biofuel-powered flights is one measure that airlines can take to reduce their CO₂ emissions. In a joint project with KLM and SkyNRG, Schiphol is working with companies so as to achieve a breakthrough in the use of biokerosine in aviation. By kick-starting the demand for biokerosine and promoting innovation, the parties are jointly endeavouring to boost the market for this fuel. In 2013, front runner KLM operated a weekly flight from New York to Amsterdam for six months with fuel partially composed of waste deep-fryer oil.

Accessibility and air quality

Under the theme of Accessibility and air quality we seek to ensure that the airport is easily accessible and that the quality of the air at and around Schiphol is good. The focus is on clean and less road traffic to, from and at Schiphol. In this section we have only included the 'clean road traffic' measures we have put in place. The activities relating to ensuring Schiphol's accessibility are described under 'Top Connectivity':

[Accessibility](#).



The greening of our vehicle fleet

We have replaced part of our vehicle fleet with cleaner and more fuel-efficient vehicles. Twenty-seven out of the 125 cars that can be driven on natural gas are powered by natural gas. In connection with the biodiesel tests we jointly conducted with KLM, in mid-2013 we purchased 300,000 litres of biodiesel from SkyNRG for the vehicles in our vehicle fleet that cannot operate on electricity. This means that we can add 30% second-generation biodiesel for one year and reduce CO₂ emissions by 24%. Around 10% of our leased vehicle fleet consists of electric cars or plug-in hybrids. Thirty-five electrically powered buses for passenger transport on the aprons have been ordered. Clean buses have been operating services between the P3 car park and the terminal since September.

Greening by customers and partners

An increasing number of electric vehicles are being used on the aprons for ground handling operations. At the end of 2013 around 30% of all ground support equipment used by KLM was electrically-powered. The target is to increase this figure to 60% in the next three years.

The Airport Traffic Ruling stipulates that fewer auxiliary power units and ground power units must be used. Both emit

NO_x, soot and CO₂. In order to remain compliant with the statutory limit values, during the 2010-2013 period 61 aircraft stands (of a total of 93) were equipped with a fixed electrical ground power unit and a preconditioned air supply unit, rendering the use of kerosene and diesel at these aircraft stands redundant. An added benefit is that this reduces CO₂ emissions as well as the noise affecting ground handlers.

We ensure that the number of electric vehicle charging points at the car parks keeps pace with the growing number of electric vehicles used in the Netherlands. These facilities are customised to suit the needs of lessees of buildings and land at Schiphol. The number of charging points at the indoor and outdoor car parks increased in 2013, and electric vehicles can now also be charged at the staff car parks. Motorists do not need to pay for the electricity they use. Measurements show that the parking spaces equipped with charging points are used quite intensively. All parking spaces are regularly occupied by all-electric vehicles or plug-in hybrids. Based on consumption figures we will determine whether or not to expand the number of charging points.

Better Place, a battery exchange station used by three taxi businesses, sadly went bankrupt. We are looking at whether

the building and the surrounding infrastructure can be used for other purposes.

Commodity shortages

Schiphol also fulfils its responsibility when it comes to the availability of natural resources. The depletion rate of resources will be curbed if we use them intelligently or use alternatives.

Recycling materials

Natural resources are becoming increasingly scarce and energy prices continue to rise. Schiphol aims to use natural resources and other materials prudently and therefore undertakes recycling efforts. The numerous construction projects and our own waste policy afford us great opportunities to do so. Each year we replace part of the infrastructure and demolish, renovate and construct buildings. On average, 90% of the construction material used, such as concrete, asphalt, plastics, metal pipelines and cables, is recycled. We reuse the rubble remaining from the previously renovated Pier C in the construction projects that began in 2013.

Schiphol is replacing several passenger bridges that have reached the end of their useful life. The bridges are still too valuable and usable to put them through the shredder for the aluminium smelters. theGrounds has taken the initiative to examine whether they can be recycled.

Vanderlande Industries, Van Gansewinkel and Schiphol are testing baggage belts made of recycled materials. This requires special attention for fire safety, as these belts are not allowed to run under fire hatches and a steel trough has been installed under each belt to prevent fire from spreading. Additional conditions apply to cleaning the baggage belts. The tests have shown that these baggage belts consume 50% less energy than the current baggage belts. We replace and recycle baggage belt covers after one year.

Waste separation at the source

Passengers, businesses at Schiphol and our own employees produce 15,201 tonnes of waste annually. Waste is separated at the source, disposed of and recycled or converted into biofuel.

We recycled 36% of the airport's regular waste during the 2013 operating year (excluding construction and demolition waste, and water containing glycol). In 2013 the focus was on the need to improve waste separation at the source. The separate collection of food leftovers yielded 725 tonnes, compared to 540 tonnes in 2012.

Surface water quality

The quality of surface water is affected by aircraft de-icing operations and de-icing and snow clearance of runways, taxiways and aprons. We put a new, more efficient sprayer into service which de-ices with a single dosage. Fewer ice prevention and control agents enter the surface water as a result. Even though potassium formate and glycol, the ice prevention and control agents used, are biodegradable, they do extract oxygen from the water. This can lead to the death of water flora and fish. The percentage of days on which average oxygen content exceeded 3 mg/l at the three enforcement points was 91.3% in 2013.

The 2012-2013 winter season was extremely cold, recording monthly average temperatures below the multi-year average. January, February and March each recorded more than ten days of snow, which exceeds the multi-year average.

The water quality recovery plan, which is put into operation during the winter season, provides for improving water quality in the water courses and serves to prevent pollution from spreading outside the airport's boundaries. Depending on the quality of the water, which we monitor daily with a measurement system, existing measures are either intensified or reduced.



Schiphol & Paul van Joolingen

Chairman of the Hoofddorp-North residents' association

“Schiphol is a good neighbour. 2013 saw the official opening of the Buitenschot Land Art Park, a project of the municipal and provincial authorities and Schiphol. For us, the airport's neighbours, this is a special project. It is special because all the parties worked together, in a long-term partnership, to find a way to reduce ground noise to an acceptable level. The opening of the Buitenschot Land Art Park marks the completion of the first phase. This year we will implement the follow-up. Schiphol is a trendsetter in its approach to ground noise abatement; I cannot think of any other place in the world where a park has been laid out for that purpose.”

Sustainable employment

The solid economic development of the Mainport is contingent on, and the result of sustainable employment. We create a climate in which people are given the opportunity to develop their full potential. There are around 65,000 Schiphol workers. They are employees of the approximately 500 companies operating at Schiphol and of our own organisation.

Schiphol workers

We promote intersectoral mobility through Schiphol Aviation College [*Luchtvaart College Schiphol*], formerly Schiphol College. The objective is to facilitate job rotation among the employees of businesses located on the airport premises. Network meetings moreover contribute to intercompany employee mobility. We find jobs for individuals who are at a disadvantage on the labour market, in collaboration with the Department for Work and Income (DWI) and Schiphol Aviation College. The latter is also responsible for ensuring a coordinated internship policy at the airport.

Good relations with external parties also contribute to sustainable employment. We work in accordance with the Responsible Market Conduct Commission Code. Schiphol jointly initiated and co-signed the Code in which professionalism, quality and etiquette in the sector is defined as 'responsible market conduct'. Collaboration among contractors, employers, employees and intermediaries is key.

We help fight youth unemployment in conjunction with the Aviation Sector Fund [*Sectorfonds Luchtvaart*]. The fund's objective is to promote schooling, employability and employment mobility for both current and future aviation sector employees.

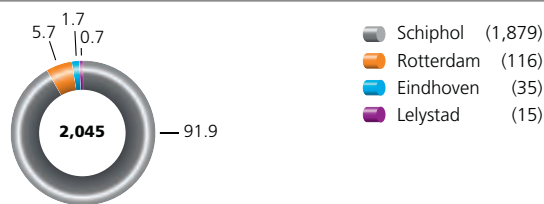
KLM partner in Schiphol Aviation College

KLM became a partner of Schiphol Aviation College on 7 October 2013, joining Schiphol Group and the Regional Training Centre (ROC) Amsterdam. This has given the College more resources and opportunities to develop and organise working and learning programmes for the aviation sector. Schiphol Aviation College combines the strengths of aviation-related businesses, vocational training and government bodies in the region and strengthens the jobs market at Schiphol.

The number of groups that pursued one of the 90 training programmes offered rose to 192 in 2013. In 2012, 59 groups pursued 118 training programmes. The number of groups has increased thanks in part to a sustainable employment budget that was made available to Schiphol Nederland B.V. employees effective 2013. Employees can spend the budget on the training programmes offered.

FTEs Schiphol Group per 31/12/2013

(in % per location)



Schiphol Aviation College provides senior secondary vocational (mbo) study programmes designed specifically for airport-related jobs, with a focus on security and air cargo logistics. In 2013, 528 mbo participants commenced a study programme. This number is lower than in 2012 (795), when the enrolment figure was exceptionally high. The number of student trainees who were granted internships rose to 134 in 2013 (2012: 75). The rise is due to the greater emphasis placed on the importance of student trainees. Furthermore 35 mbo students made use of a new opportunity to take up an unpaid internship to gain work experience in the terminal.

Apprenticeships are intended for people who have not completed their education or are out of work. Working and learning programmes offer these people better opportunities on the labour market. The relevant KPI is measured on the basis of the study success rate. In 2013, 80% of examination candidates pursuing a working and learning programme obtained their diploma (2012: 87.5%).

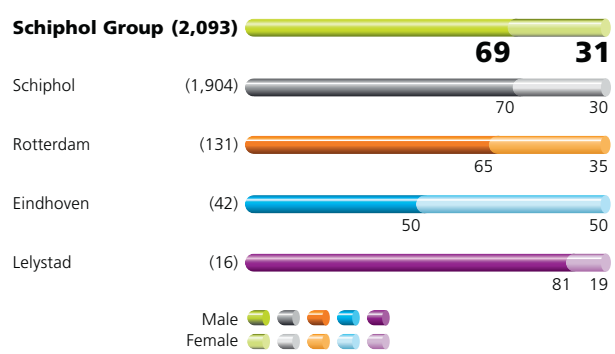
Our own employees

We need engaged and motivated employees who want to contribute to the success of Schiphol Group. Such employees are vital if we are to achieve our strategic ambitions. Schiphol is a loyal employer which invests in its staff and offers them continuous personal development opportunities. This is reflected, for example, in the high level of employee engagement and in the relatively sharp fall in absenteeism, which was achieved in part by the new style of working. We are proud of the official recognition for our policy in the form of the 2013 Randstad Award for the most attractive employer in the Netherlands.

In 2013 we continued to implement the *Multi-Year Safe and Sustainable Employability Plan for 2012-2014*. Sustainable employability encompasses both mobility and vitality and centres on the ability to deliver competent and motivated performance, both now and in the future. Our philosophy is that working and learning are inextricably linked. We raised awareness of sustainable employability in 2013 in several ways, including presentations and workshops.

Gender split Schiphol Group

(% of employees per location)



Schiphol promotes internal mobility. We firmly believe that a change of job or workplace raises workforce productivity. With 15% mobility we exceeded our objective for 2013 (12.5%). Promoting internal mobility was incorporated in the collective labour agreement in 2013. Employees have a personal budget which they may utilise for their own personal development or vitality.

We commenced strategic personnel planning up to 2020, as this will help us anticipate the capacity and quality of the workforce we require in the future. This applies to both our current and future employees.

Diversity

Schiphol Group seeks to be a diverse organisation where all employees feel at home, regardless of their cultural background or sex. We have to date focused on the number of women in leadership positions, with a target of 30% women in the top of the organisation at the end of 2014. We have already achieved our target with the percentage rising to 31% at the end of 2013.

In 2013 we broadened our policy to include Lesbians, Gays, Transgenders and Bisexuals (LGTB), cultural identity and people with a disability, with the main emphasis on creating awareness. The Lucille Werner Foundation (formerly CAP 100) dedicates its efforts to reducing the gap between people with a disability and the business community. The organisation supports Schiphol by recommending talents with a disability. We hired four such people this year, the same number as in 2012.

Age distribution of Schiphol Group employees

(numbers by location)

	<30	30-40	40-50	50-60	60>
Schiphol Group (2,093)	136	505	696	570	186
Schiphol (1,904)	96	453	631	546	178
Rotterdam (131)	35	31	43	16	6
Eindhoven (42)	5	15	17	4	1
Lelystad (16)	-	6	5	4	1

Talent and leadership development

In 2013 we placed particular emphasis on mobility, employability and performance management. Over 50% of Schiphol Nederland B.V.'s managers (educated at higher professional education level or higher) followed a training programme on the Talent and Leadership curriculum. The intensive programme, which ties in with the renewed performance management policy implemented in 2012, covered situational and coaching leadership, focusing on performance agreements between managers and their staff. The aim is to engage in a more active dialogue and to create a more transparent and more effective assessment procedure. Particular attention is paid to making clear performance agreements, talking to staff about sustainable employability and conducting effective appraisal interviews.

We also promote employee development through international partnerships. In 2013 an aviation-oriented strategic training programme was organised in which employees from Schiphol Group, Aéroports de Paris and Incheon International Airport took part. This will lead not only to strengthening our international network but also to a rich exchange of knowledge and expertise. We continued to exchange and second personnel to regional and international airports.

Employees in figures

At the end of 2013 Schiphol Group employed 2,093 people (2012: 2,131), which is equivalent to 2,045 FTEs. The number of FTEs fell slightly compared with 2012 (2,080 FTEs). The number of temporary seasonal workers continued to decline in 2013. Just as in 2011, we conducted an employee engagement survey, the Schiphol Monitor, among all employees in 2013. The results show that our employees are very satisfied with the company. Employee engagement again received a high score of 7.9 (2011: 7.9). The absenteeism rate at Schiphol Nederland B.V. declined further to 3.1% (2012: 3.7%). This means absenteeism is now lower than the Verbaan standard of 3.4%.

Safe employability

Safe employability means that employees and third parties understand the importance of occupational health and safety. Aside from this, it is our duty to ensure we provide a safe environment for airport passengers and visitors. In the reporting year we proceeded to work on several action points

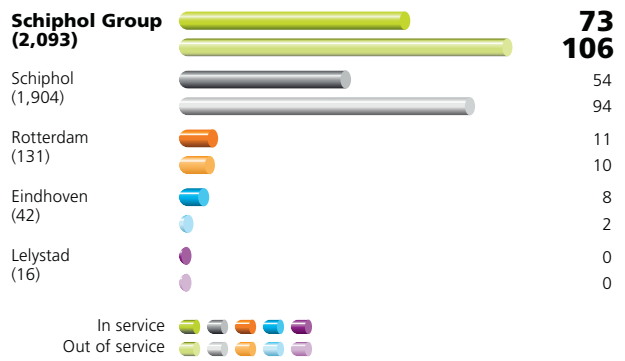
Average age of Schiphol Group employees (years per location)



Average employment length Schiphol Group (years per location)



Staff turnover in number of employees (per location)



highlighted in the Multi-Year Safe and Sustainable Employability Plan for 2012-2014, and a number of action points have since been implemented.

A tragic accident involving a baggage tractor and a pedestrian occurred on airside in 2013. The pedestrian, who worked for a ground handler, died as a result of the injuries sustained. An investigation has meanwhile been carried out into crossings that pose the greatest risk to pedestrians. These locations will be given priority when rolling out the policy for pedestrians formulated in 2013.

To reduce exposure to diesel engine emissions, the decision was taken to allow only EURO 4 engines or above in the storage and transshipment areas in the terminal. The dynamic suction of exhaust directly from vehicle exhaust pipes is being trialled at the airport fire stations.

In April we met with the sector parties and the Social Affairs and Employment Inspectorate (ISZW) to highlight the collaboration and results achieved in improving working conditions in the baggage areas. The joint approach adopted by Schiphol and the sector parties was praised, and held out as an example for Transport and Logistics Nederland, an employers' organisation.

Measuring safety

To measure safety levels, methods have been established for measuring safety at work on airside, in the terminal and for the work carried out by contractors. The measurement methods are similar to those of Lost Time Injury Frequency (LTIF) for work-related accidents. The procedure for reporting accidents and unsafe situations, by both internal and external parties, is now more firmly embedded. In addition to the above an app was developed in 2013 which employees can use

to report unsafe situations digitally. The app will become available in 2014.

Schiphol uses LTIF when registering work-related accidents that result in absenteeism. It enables us to see how we perform compared with other businesses within or outside the sector, and to monitor the situation relative to the preceding years. In 2013 Schiphol Nederland B.V. (excluding the fire service) recorded an LTIF of 0 (2012: 1.6). The fire service recorded a result of 14.2 (2012: 44.4), which is attributable to three sports injuries suffered by fire service personnel while working.

Major construction projects involve risks. The safety of all airport users and employees is a number one priority for Schiphol. In 2013 we launched a special programme to address this issue, 'Improving safety for construction and maintenance work'. Schiphol will make every effort to minimise all safety risks and to ensure that all people are fully protected, on the basis of the twelve golden safety rules. During construction work the number of staff on-site from other (construction) companies is higher than usual, and we also need to make them aware of the safety risks at the airport.

A compulsory Contractor Health, Safety and Environment Checklist (VCA) course was developed for all Schiphol project leaders and clients, incorporating Schiphol-specific information. Our goal is to ensure that all contractors are VCA-certified by 1 January 2015. The Schiphol Project Office will furthermore structure its organisation in line with the VCO (Client Health, Safety and Environment Checklist).

Safety

Safety at Amsterdam Airport Schiphol concerns, above all, aviation safety, fire safety and road safety. Laws and regulations are leading. We use the Airside Safety Management System (ASMS) at airside and the Terminal Safety Management System (TSMS) in the terminal complex. These two systems provide information about relevant business activities, operational risks and the corresponding control measures, and also identify the responsible process owners. Amsterdam Airport Schiphol can assess, analyse and control the safety risks via ASMS and TSMS.

Safety on and around runways

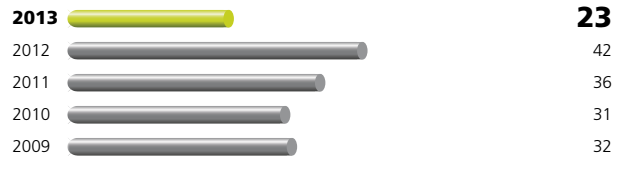
Safety around runways relates to preventing the unauthorised access of aircraft or other vehicles to a runway. Our efforts are aimed at reducing the risk of a runway incursion and at reducing any effects in the event of a runway incursion. In implementing this policy, we work together closely with all the parties within the aviation process, in particular with Air Traffic Control the Netherlands (LVNL).

Most runway incursions resulted from small deviations from procedures, such as passing the stop line instead of stopping in front of it. In 2013, there were 23 runway incursions (42 in 2012), all without any serious threat of danger. The high number recorded for 2012 was due to multiple use on the same day of a runway that had not been cleared for use.

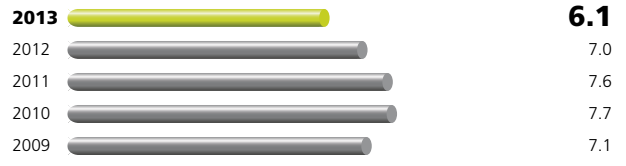
The Schiphol Safety Platform has set up a task force focusing on improving a number of locations where runway incursions occur repeatedly. We now have a clear understanding of what countermeasures can be taken, and we will implement a number of these in 2014.

Construction work on taxiway Tango at the south side of Runway 06-24 continued in 2013. This taxiway connects the Southeast Cargo apron with Schiphol-Centre via the end of Runway 06-24. In the future, Runway 06-24 will mainly be crossed at a different, less dangerous, location. This will reduce the risk of serious runway incursions. The taxiway is scheduled to be completed at the end of 2014.

Number of runway incursions at Schiphol (per year)



Number of bird strikes at Schiphol (per 10,000 air transport movements)



Preventing bird strikes

Birds remain a serious flight safety risk. In order to control this risk, Schiphol employs bird controllers who patrol the landing area 24 hours a day, 7 days a week. The dispersal work has been modernised: the bird controllers record their activities digitally on their 'Birdpads'. All dispersal operations can be supplemented immediately with detailed information, such as the species, the location and the time of the operation.

We have also taken measures to prevent birds from coming to the airport. We are making our grounds as uninviting as possible for birds by planting birches, for example. The activities of the Netherlands Control Group for Bird Strikes have been intensified, resulting in, for example, the faster ploughing in of grain fields around Schiphol: approximately 2,000 hectares of grain fields were ploughed in in 2013, 40% more than in 2012. The effect of this work is less potential food for birds as we saw over the summer when we had fewer geese in the skies above the airport. We have developed a method that allows us to determine in advance how attractive a particular new area in the region will be to birds. This method will be tested and refined in 2014. We are also examining the possibilities offered by automated bird detection by radar in a pilot project.

We request that pilots report each bird strike. In 2013, the number of bird strikes at Schiphol per 10,000 air transport movements amounted to 6.1 (7.0 in 2012).

Chain responsibility

Amsterdam Airport Schiphol is the operator of the airport. The operational requirements, and thus the principal requirements for carrying out our socio-economic function, have been laid down in the Aviation Act. This act stipulates that we promote optimum use of the airport as a high-quality hub of national and international air traffic, taking into account the limits that apply with respect to safety and the environment. Among other things, the act stipulates that Schiphol must provide the facilities needed for the proper handling of air traffic and the associated transport of passengers and goods at the airport.

In our capacity as operator of the airport, we have a coordinating role. We are proud to collaborate with numerous companies and organisations within and outside the airport area that want to play a leading role with respect to sustainability. Together, we have been able to take concrete steps towards increasing the sustainability of the Mainport and improving the appeal of the region. Schiphol is strongly committed to continuing this development together with its partners and suppliers.

We coordinate processes or chains of related activities on many fronts. Our own activities are influenced through direct coordination and control. This includes our own energy consumption, our vehicle fleet, energy consumption in the buildings that we rent out and our employees' commuter traffic.

We have indirect control over the activities of third parties. We can encourage other parties who are active at the airport to increase their sustainability levels. Areas of attention could include the vehicle fleet, energy consumption and commuting. Lastly, we can influence others through partnerships aimed at the sustainable development of Schiphol. Examples include the landing and take-off cycle of aircraft, and traffic (cargo and passengers) to and from the airport.

Responsible procurement

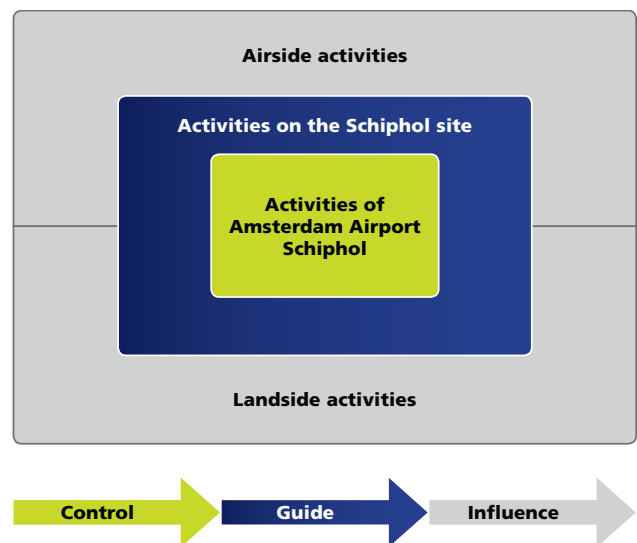
Schiphol requires Corporate Responsibility to be an integral part of the business operations of its suppliers. It is an important criterion in our procurement processes, governed by the five socio-economic themes to which Schiphol seeks to contribute. It is crucial that partners in the chain call each other to account. More information on this topic can be found in the section Consultation with stakeholders.

The central procurement department of Amsterdam Airport Schiphol selects the suppliers from which the business areas may purchase products and services. A key requirement is that current and potential suppliers consciously exercise Corporate Responsibility. This policy is included as a selection criterion in

(European) tenders. The policy describes the framework and rules for procurement activities in areas such as working conditions. The underlying contracts contain specific agreements. If a supplier fails to comply with the agreed framework, the contract may be terminated. One element of the Public Procurement Act is the principle of proportionality. This means that, when it comes to making choices, the requirements and conditions which Schiphol imposes on a supplier in a tendering procedure must be in a reasonable proportion to the nature and scope of the contract to be awarded.

In 2012, we prepared a supplier code for our largest suppliers. This is a group of suppliers from which Schiphol purchases 80% of its products and services. Around 73% of these suppliers have signed the supplier code.

In 2013, 77% of our total procurement volume was obtained from CR-conscious suppliers. In 2012, this figure was 70.7%.



Social involvement

Through various initiatives, as also described in [Noise and the local community](#), we show our commitment to the world around us. We feel strongly about culture. For the last ten years, our terminal has been home to a branch of the Rijksmuseum. We have supported the BosTheater (summer theatre in the Amsterdam Forest) for fifteen years and sponsor the annual Prinsengracht Concert.

Schiphol Fund

In 2012, the Schiphol Fund, which was established in 1994 to express the airport's social involvement, shifted its focus to encouraging physical exercise. Associations and non-profit foundations in the Schiphol area that stimulate physical exercise can submit applications for a donation.

In 2013 the Schiphol Fund's website was renewed. The site also contains photographs and clips shown on SchipholTV of presentation ceremonies and of associations that received donations. Since 2013 the Schiphol Fund has also been active on Twitter: @schipholfonds.

The Schiphol Fund awards two types of donation. The general donations for items such as sports equipment are limited to 15,000 euros per application. In addition, the Schiphol Fund awards large donations of up to 100,000 euros per application. With large donations, the Schiphol Fund seeks to as fully as possible finance projects, activities or equipment aimed at encouraging physical exercise. The Schiphol Fund finds it important to support initiatives relating to exercise for the disabled and to ensure that sustainable materials are used where possible. The target is to honour at least two special applications per year.

Donations

In 2013, the Schiphol Fund awarded donations to 61 organisations with a total value of 448,823 euros. In 2012, a total amount of 326,100 euros was awarded to 46 organisations. In 2013, six large donations were granted to the King's Games in the municipality of Haarlemmermeer, SV DIOS in Nieuw Vennep, Assendelft Tennis Club, FC Aalsmeer football club, Zevenhoven Lawn Tennis Club and FC Altior football club in Langeraar.

The donations awarded by the Schiphol Fund in 2013 covered a wide range of sports activities. The largest of these projects was realised at DIOS football club, which received a donation of 55,761 euros for the construction of a youth training pitch used for the youngest players. The new pitch has enabled DIOS to introduce G-football for disabled children; SV DIOS expects to have as many as three G-teams in 2014. The Assendelft Tennis Club received a donation of 34,140 euros to finance a LED lighting system for two new courts.

UNICEF

Every three years, Schiphol Group enters into a new partnership with a charity. In 2012, we entered such a partnership with UNICEF. Our shared goal is to improve the position of children throughout the world. UNICEF is active in 190 countries. This summer we organised a campaign at the long-term car parks and in the terminal to fund as many malaria nets as possible for Burundi. We organised the campaign in collaboration with our retail business partners. The 'We Aim for 0' campaign was on prominent display in the terminal and at Schiphol Plaza throughout the year. Unsold advertising space is made available to UNICEF at no cost. In addition, in November UNICEF itself launched a campaign at Schiphol Plaza to attract members for their 'Hero for Zero' initiative.

The proceeds from the collection points amounted to approximately 150,000 euros in 2013. A network of ambassadors within Schiphol Group promote UNICEF's work with great enthusiasm. Together with colleagues, the ambassadors organise small-scale and large-scale programmes, thus raising more money for children's healthcare in Burundi. In 2013 these programmes, combined with the retail campaign in the terminal and the parking campaign, generated 43,673 euros. Staff members of the ICT department ensured that old computers and screens were removed and sold or sustainably dismantled by the ITdonations Foundation. This campaign raised 16,227 euros.

Altogether, Schiphol Group raised approximately 210,000 euros in 2013. UNICEF uses this amount for various purposes. One is the improvement of the health of Burundi's children, for example by distributing malaria nets, feeding undernourished babies and vaccinating children. A malaria net costs 3 euros, and the two vaccines necessary to prevent measles cost 0.35 euros. UNICEF also uses the funds for other purposes, such as training healthcare workers.



Schiphol & Suzan van Zutphen

Trainee at Schiphol Group

“Schiphol is one of the Netherlands' most recognisable and familiar enterprises, which makes us feel as if it belongs to all of us. I am proud to be working for such a business. Operating 24/7, the airport is a dynamic environment which energises my colleagues and me every day. My proudest moments are when extraordinary conditions such as snow have a major impact on the operations. In such situations, my colleagues in the office and those in operations all battle the elements together in order to keep the runways open or keep the operations going in other ways. When required, everyone does their part as a matter of course. That proves again that continuity is not just about technology, it's about the power of people.”

Economic regulation

Schiphol Group pursues a sound financial policy in order to ensure the current and future independence of its operations. The company is independently financed, mainly through the capital market. If we are to retain this level of independence, it is crucial that economic regulations continue to offer the necessary leeway.

Dual-till regulation

The rates for Amsterdam Airport Schiphol's aviation activities are regulated: the maximum returns on these activities are periodically determined in accordance with legal provisions. Our non-aviation activities are not regulated. These include all activities in the area of retail, catering establishments, leases, media, real estate development and parking charges. This category also includes our international activities. The revenues from our non-aviation activities allow us to generate economic profit. This is referred to as the dual-till system.

Regulated revenue stream

The airlines are charged take-off and landing fees for each landing and take-off. They are charged a passenger service charge and security service charge for each departing passenger, and pay aircraft parking fees when they park an aircraft at the airport. Schiphol currently sets these charges on an annual basis. This process involves extensive consultations with the airlines, and is conducted under the supervision of the Dutch Authority for Consumers and Markets (ACM).

The procedure for setting airport charges for the Schiphol location is set out in the Aviation Act. The emphasis is on ensuring a cost-related and transparent rate structure. The costs charged on to airport users must be directly related to Schiphol's primary airport operations, infrastructure and security. Attributable costs are not determined on the basis of IFRS. As a result, the costs we charge on are actually lower than Schiphol Group's actual costs. Returns from aviation activities are capped to the regulated average cost of capital of the regulated asset base (the accountable airport infrastructure). If revenue retrospectively proves to exceed or fall short of the permitted level - generally as a result of discrepancies between actual volumes and estimates - this will be factored into the charges for the coming period.

In 2013, a 3.8% regulated weighted average cost of capital (regulated WACC) was applied. Actual returns on aviation activities proved considerably lower, partly due to Schiphol Group's voluntary contributions from non-aviation activities. As a result of the above and other factors, returns from the Aviation business area have been extremely low for several years now, with a 2013 RONA of 2.0% (2012: 2.3%). This is

considerably lower than the average figure for Schiphol Group as a whole, which was 6.1% in 2013.

At the same time, Schiphol Group conducts its business as efficiently as possible in order to minimise operating costs per passenger and to improve the return on its regulated asset base. This helps to keep our rates for airlines at a competitive level.

Non-regulated revenue stream

Schiphol Group also realises substantial revenues from non-regulated activities: retail sales, concession income from shops, catering facilities and services, leases, media, real estate development, parking fees and international activities. Airport charges at regional airports are also non-regulated. Our non-regulated revenue stream substantially contributes to the group's financial results, allowing us to maintain a healthy financial position.

Economic regulation according to the Aviation Act

The Aviation Act, which regulates Amsterdam Airport Schiphol's economic activities, basically prescribes a hybrid dual-till system given that it leads to cross-subsidisation from our non-aviation activities. This is due to the fact that the legislator requires Schiphol to apply accounting rules that diverge from IFRS with respect to the allocation of investments and costs. The legislator also prescribes a regulated average weighted average cost of capital in order to determine a capped return instead of the higher, market-based weighted average cost of capital.

Since the introduction of the regulation in 2006, Schiphol has voluntarily refrained from applying the maximum permitted airport charges in order to further strengthen its competitive position in the long term. In the past years, we have not incorporated the full increase in costs resulting from investments in the 70MB baggage handling programme and in the new security measures in the airport charges, even though it was permitted to do so under the statutory regulations. The total amount of non-realised income from airport charges over the period 2007-2013 is 187 million euros. In view of the challenging circumstances facing the aviation

industry over the past few years, we view this as a logical decision that serves the interests of Dutch aviation. This gradual increase of airport charges can only be sustained if contributions from successful non-aviation activities are used to support the group's return.

The Aviation Act has been evaluated intensively over the past few years, and we expect the Lower House of the Dutch Parliament to reach further decisions on an amended act in 2014.

Future regulation

The evaluation of the Aviation Act will yield several adjustments to the existing regulations. One key change concerns the period for which airport charges will be set. Currently this is one year, but under the amended act this will change to three years. Setting airport charges for a multiple-year period will help ensure more stable and predictable levels, benefiting both the airlines and Schiphol itself.

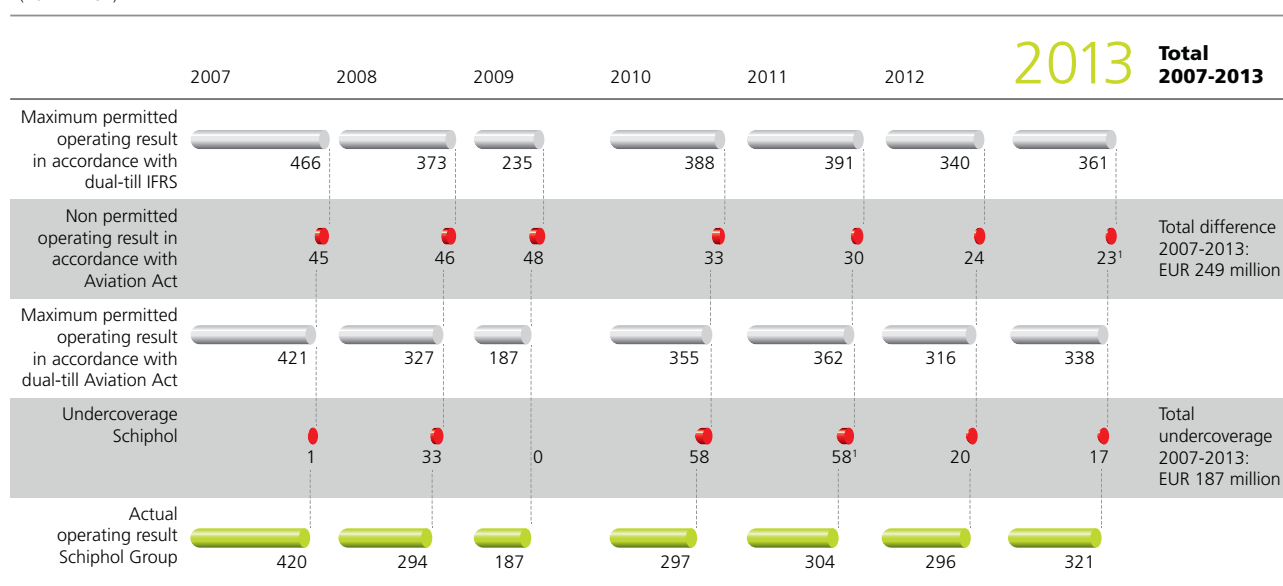
The existing hybrid dual-till system will continue to exist in future. However, a mandatory contribution from non-aviation activities will come to replace the current system of voluntary contributions currently applied by Schiphol. The underlying principle is that Schiphol should be able to achieve a benchmark return over the three-year period, should remain capable of independently funding its own operations at acceptable credit conditions and must retain its current credit rating. In determining the mandatory contribution, aspects such as Schiphol's competitive position and current market conditions will also be taken into account.

An efficiency incentive will also be introduced for major investment projects. In the event of budget overruns during the implementation of a major investment project, additional costs incurred during the rate period concerned will be borne by Schiphol; if the costs of implementation prove to be lower, the resulting cost advantage will be equally distributed between the airlines and Schiphol.

Other amendments to the law relate to improving the consultation process, periodic reporting on quality and efficiency, the procedure for setting off differences in previous years and the way the regulated WACC will be determined.

Operating result in accordance with dual-till regulation

(EUR million)



¹⁾ Amount included in consultation figures. The actual adjustment in accordance with the Aviation Act is formally set in the 2013 Regulatory Accounts, which will be published 31 May 2014 at the latest.

Financial performance

Schiphol Group achieved sound financial results in 2013, mainly due to a further increase in passenger numbers, plus a substantial contribution from international activities. At the same time there was a fall in average passenger spending and market conditions for real estate were challenging, with a reduction in property occupancy rates compared to last year.

Revenue

Our revenue increased by 29 million euros (+2.2%) from 1,353 million euros in 2012 to 1,382 million euros in 2013.

Revenue from airport charges, which made the largest contribution to revenue, increased by 28 million euros (+3.6%) from 788 million euros in 2012 to 816 million euros in 2013. Of this increase, 20 million euros is attributable to Amsterdam Airport Schiphol and was due to a rise in passenger numbers (+3.0%), a slight increase in the number of air transport movements (+0.5%) and a 0.5% increase in airport charges as of 1 April 2013. One third of the airport charges, namely 272 million euros (2012: 267 million euros), relates to Security charges. The three regional airports also realised a combined increase of 9 million euros in revenue from airport charges. This is largely due to a rise in passenger numbers at Eindhoven Airport (+14%) and Rotterdam The Hague Airport (+25%).

The 3 million euro (+2.3%) increase in revenue from concessions, from 136 million euros to 139 million euros, was primarily achieved within the Consumer Products & Services business area. The growth in passenger numbers and the improved average concession percentages more than compensated for the impact of the -4.8% fall in spending at retail outlets after passport control at Amsterdam Airport

Schiphol to 15.89 euros per departing passenger. With the exception of spending by passengers travelling to China, spending came under pressure, particularly in the second half of the year.

Despite the lower property occupancy levels, revenue from rents and leases rose by 3 million euros from 151 million euros to 154 million euros (+2.2%). The increase was mainly due to improved agreements regarding the settlement of service costs.

Despite the growth in passenger numbers, revenue from retail sales in Schiphol Group's own retail outlets fell by 2 million euros (-1.3%) from 87 million euros to 85 million euros in 2013 due to the fall in spending per passenger.

Parking revenue increased by 3 million euros (+2.8%) from 96 million euros in 2012 to 99 million euros in 2013. The increase is primarily attributable to the regional airports as a result of the strong growth in passenger numbers. Amsterdam Airport Schiphol continues to face competition from alternative providers of car parking services in the direct vicinity of the airport.

EUR million	2013	2012	%
Airport charges	816	788	3.6
Concessions	139	136	2.3
Rents and leases	154	151	2.2
Retail sales	85	87	-1.3
Parking fees	99	96	2.8
Advertising	19	20	-0.8
Services and activities on behalf of third parties	18	20	-10.6
Other revenues	51	55	-7.8
Net revenue	1,382	1,353	2.2

Other income from property

The completion of new buildings which are not fully let and the redevelopment of existing buildings reduced the property occupancy level to 86.3% (2012: 91.8%). Unlike the previous year, the fair value gains and losses were slightly positive on balance, because fair value losses, mainly due to property redevelopment, were compensated for by fair value gains on land holdings.

The fair value gains and losses on the property portfolio amounted to a positive 3 million euros in 2013 (2012: 24 million euros negative, mainly related to Italy). There was no result on sales of property in 2013 (2012: result on sales of 12 million euros due to the sale of a number of properties and plots).

Operating expenses

Operating expenses rose by 20 million euros (+2.0%) from 1,044 million euros in 2012 to 1,064 million euros in 2013.

Excluding impairment losses on the property portfolio in both years (17 million euros in 2013 and 32 million euros in 2012, of which 9 million euros was accounted for as other operating expenses), the costs rose by 35 million euros (+3.4%) from 1,012 million euros in 2012 to 1,047 million euros in 2013. This increase is largely due to higher depreciation and maintenance costs as a result of the full commissioning of the 70MB baggage system and accelerated depreciation in connection with renovations related to central security in the non-Schengen area of the terminal.

Operating result

The operating result rose by 25 million euros from 296 million euros in 2012 to 321 million euros in 2013, largely due to a smaller impact from property revaluations, including impairments, partly offset by property sales in 2012.

Financial income and expenditure

The net financial expense rose by 7 million euros to 95 million euros in 2013. Total interest expenses remained virtually unchanged at 99 million euros, while the interest income from our share in Brisbane Airport decreased in 2013 to 5 million euros (10 million euros in 2012).

Share in results of associates

The share in results of associates was 51 million euros in 2013, compared to 45 million euros in 2012. The increase was partly due to our 28 million euros share in the result of Brisbane Airport (11 million euros in 2012), mainly as a result of the higher valuation of derivatives and property.

The share in the result of ADP fell by 12 million euros to 22 million euros, largely due to changes in the value of property and a higher tax burden in 2013.

The results relating to JFK IAT (5 million euros) are not shown under the share in results of associates, but are included in the revenue.

EUR million	2013	2012	%
Outsourcing and other external costs	604	606	-0.4
Employee benefits	186	182	1.9
Depreciation and amortisation	248	215	15.6
Impairments	17	23	-23.4
Other operating expenses	9	18	-51.3
Operating expenses	1,064	1,044	2.0

EUR million	2013	2012	%
Aviation	55	63	-13.5
Consumer Products & Services	182	178	2.0
Real Estate	53	23	133.5
Alliances & Participations	30	32	-4.1
Operating result	321	296	8.2

Corporate income tax

Corporate income tax amounted to 46 million euros in 2013 compared to 57 million euros in 2012. The effective tax burden in 2013 is 16.5% and thus lower than the effective tax burden in 2012 (22.6%) and lower than the nominal corporate income tax rate (25.0%). The lower effective tax rate is caused by a number of one-off effects. A one-time tax benefit of 8 million euros was recorded due to the retroactive application of the participation exemption on RPS dividends received. In addition, the fall is caused by 7 million euros in non-deductible corporate income tax on impairment losses in 2012 in relation to Italy.

Net result

The net result for 2013 amounts to 227 million euros (2012: 199 million euros). In 2013, the return on equity amounted to 7.0% (6.2% in 2012) and RONA after tax amounted to 6.1% (5.7% in 2012).

Balance sheet developments

Schiphol Group's balance sheet total rose by 0.7% to 5,828 million euros as at year-end 2013 (5,787 million euros as at year-end 2012). Shareholders' equity increased by 111 million euros to 3,309 million euros, because of the addition of the net result of 227 million euros for 2013, which was partly offset by the distribution of 109 million euros in dividends and negative movements in the reserves. The movement in reserves was caused primarily by the value movements in the hedge transactions, namely a Japanese yen cross-currency interest rate hedge (21 million euros negative) and two forward-starting swaps (14 million euros positive). Part of the forward-starting swaps was settled in 2013. The balance sheet as at the end of December 2013 includes a remaining current liability regarding the forward-starting swaps of 33 million euros (2012: 106 million euros). The forward-starting swaps were entered into in 2011 in order to fix the interest rate levels at which EMTN loans were to be refinanced and have been refinanced in 2013 and 2014 respectively.

Cash flow developments

The cash flow from operating activities rose by 69 million euros from 399 million euros to 468 million euros in 2013, owing largely to a higher operating result and an improvement in the working capital.

The cash flow from investment activities was 325 million euros negative in 2013 compared with 289 million euros negative in 2012. In 2013, 310 million euros was invested in fixed assets (2012: 298 million euros). The main investments in 2013 were:

- 41 million euros for central security in the non-Schengen area of the terminal;
- 37 million euros for major maintenance;
- 30 million euros contribution towards the roads around Schiphol (A9/A4/N201);

- 27 million euros for the Hilton hotel;
- 18 million euros for ICT;
- 16 million euros for security;
- 12 million euros for a hotel and the terminal in Eindhoven;
- 12 million euros for property redevelopment (The Base);
- 11 million euros for the 70MB baggage programme.

The net cash flow from operating and investing activities – the free cash flow – amounted to 142 million euros in 2013, against 110 million euros in 2012. The cash flow from financing activities was 98 million euros negative in 2013, as opposed to 78 million euros negative in 2012 due to the settlement of the forward-starting swaps. In 2013, 109 million euros was paid out in dividends (2012: 98 million euros). The net cash flow in 2013 amounted to 44 million euros positive (2012: 32 million euros). The net amount of cash balances rose from 445 million euros at year-end 2012 to 489 million euros at year-end 2013.

Financing

The total amount of outstanding loans and lease liabilities rose by 49 million euros in 2013, from 1,943 million euros to 1,992 million euros. Schiphol Group has a loan facility of 350 million euros from the European Investment Bank (EIB), of which the remaining portion of 170 million euros was drawn down in July 2013 for the refinancing of a 176 million euro bond loan that expired. Schiphol Group concluded new agreements in September and October 2013 for loan facilities of 200 million euros with the EIB and 150 million euros with KfW IPEX-Bank. As at 31 December 2013, these facilities were undrawn. Furthermore, in the fourth quarter Schiphol Group issued two private placements under its EMTN programme for a total of 70 million euros with a 12-year term. The above facilities were used to repay a bond loan of 371 million euros in January 2014. In addition, Schiphol Group can draw on a total sum of 400 million euros in bank facilities that have not yet been used. Under three committed bank facilities (two EIB facilities and a facility with Handelsbanken for AREB), Schiphol Group must comply with financial covenants (EIB: own funds/total assets of at least 30%; Handelsbanken: maximum loan to value ratio of 60% and a minimum interest cover ratio of 2 for AREB). There are various financing arrangements that contain a change of control clause, usually in combination with a rating covenant. Schiphol Group remained comfortably within the agreed covenants in 2013.

Loan maturity profile

EUR million

2014		429
2015/2018		389
> 2018		1,132

Ratios

We use a number of financing ratios as part of our financing policy. The 'FFO/total debt' and 'FFO interest coverage ratio' are the most important financing ratios. We aim for instance for a 'FFO/total debt' ratio of at least 20%.

FFO – funds from operations – is the cash flow from operating activities adjusted for working capital. The FFO rose from 475 million euros to 493 million euros in 2013. The rise of FFO was mainly the result of an increase in the operating result adjusted, among other things, for write-downs, impairments, other property results and changes in the provisions.

The FFO/total debt ratio amounted to 24.7% in 2013, a slight increase compared with the 2012 figure of 24.5%. Total debt is the year-end balance of all interest-bearing loans. This amounted to 1,992 million euros as at 31 December 2013 (1,943 million euros as at 31 December 2012). The FFO/interest coverage ratio in 2013 was 5.7x, a marginal improvement in comparison with the 2012 figure of 5.6x. In addition to these two ratios, we look at the leverage ratio (ratio of interest-bearing debt to total equity plus interest-bearing debt). This leverage ratio results from the financing policy in place and remains important inasmuch as the Aviation Act uses an assumed leverage of 40% to calculate the weighted average cost of capital (WACC) for the regulated activities of the Aviation business area. As at year-end, Schiphol Group's leverage was 37.6% (37.8% in 2012).

Rating

Standard & Poor's long-term rating was increased in December 2013 from A to A+ with a stable outlook due to a change in the rating method. Moody's long-term rating, A1 with a negative outlook, remained unchanged in 2013. The short-term ratings are P-1 (Standard & Poor's) and A-1 (Moody's). A good and stable rating enables us to raise financing on relatively favourable conditions, even under difficult market conditions.



Governance

Report of the Supervisory Board

A. Supervision

The Supervisory Board can look back on a dynamic and exciting 2013, a year in which Schiphol's socio-economic function once again took centre stage. It was a year of investment: investment in relationships and in the Mainport. In this report, the Supervisory Board explains how it exercised its supervision and supported the Management Board in an advisory role. The report also examines the major issues that attracted the Board's involvement this year.

Strategy and environs

Amsterdam Airport Schiphol operates in a challenging environment, while the strategic context remains of utmost importance to the airport. First and foremost, the continuing economic crisis has been a new reality for the aviation sector since 2008, with one of the visible effects at Schiphol being low consumer confidence. On top of this, airlines are facing difficult conditions. Several of them were forced to make large-scale cutbacks.

At the same time, the aviation sector is a growth market. It is therefore essential for Schiphol Group to make long-term investments. While this may appear at times to be at odds with short-term circumstances, such as the economic crisis, Schiphol

Group takes a long-term view of its responsibility. For this reason, 2013 saw a lot of hard work on the development of non-Schengen Central Security. This project was dictated in part by the increasingly strict European regulations in relation to security. The Supervisory Board also discussed the progress of the Master Plan, including the development of the area of Pier A. Part of the reason behind these investments was to ensure sufficient investment in quality improvements for passengers and to increase capacity with a view to facilitating the growth in passenger numbers and larger aircraft. The investments were based on the expected growth in aviation, on changes in legislation and on the current infrastructural constraints. By adopting an anticipatory investment strategy, Schiphol Group aims to be and remain Europe's Preferred Airport for its passengers, both now and in the future.

A third important factor for Schiphol is its relationship with airlines. Naturally the financial interests of the airlines are an important factor in the planning process. One of Schiphol Group's key goals is to develop a competitive market place, for both the airport and the Schiphol region. Rising competition from airports in the Middle East and Turkey was also a concern in 2013, and poses a growing threat to Schiphol's future success. The changing world is visible across the sector, with new airlines altering the playing field. Not

Annual Report

The Supervisory Board is pleased to present the annual report, which includes the financial statements for 2013. The financial statements were compiled by the Management Board. PricewaterhouseCoopers Accountants NV have audited the financial statements and issued an unqualified audit opinion. For further details, see 'Other information' under the Financial Statements section of this report. The Audit Committee has discussed the financial statements extensively with the Chief Financial Officer (CFO), her team and the external auditor. The Supervisory Board subsequently discussed the annual report with the Management Board in the presence of the external auditor. These discussions have convinced the Supervisory Board that this annual report meets all relevant regulations and fulfils all governance and transparency requirements and that it provides a sound basis for our Board's supervisory accountability.

The Supervisory Board approves the financial statements and concurs with the Management Board's proposal to distribute a dividend of 135 million euros on the issued share capital. After a withdrawal from the revaluation reserve amounting to 5 million euros and a release from the other statutory reserves of 5 million euros, the remaining portion of 93 million euros will be added to the retained earnings. The financial statements will be put before the General Meeting of Shareholders for adoption on 16 April 2014. The Supervisory Board proposes that the Management Board be granted discharge in respect of the management carried out, that the Supervisory Board be granted discharge for the supervision exercised and that the financial statements be adopted.

only is competition from low-cost airlines increasing, but airlines from the Middle East are increasingly expanding their operations in Europe and with larger and larger aircraft. In 2013, Schiphol drew up a document titled 'Essential Elements of the Mainport', the aim of which was to clearly set out the airport's view of network quality and the importance of its Mainport status.

Finally, the creation of sustainability is a key strategic factor. On the one hand, this means conducting business with respect for people, the community and the environment. Schiphol does this by creating sustainable value for its customers and stakeholders, always with a careful balance between people, planet and profit. Another aspect of achieving long-term sustainability centres on Schiphol Group's international strategy. Schiphol focused on foreign investment in several areas in 2013. In this year the collaboration with Aéroports de Paris was reviewed as successful, and Schiphol worked with Aéroports de Paris and two Brazilian partners to submit a bid for an interest in Galeão International Airport in Rio de Janeiro. The Supervisory Board was closely involved in the preparation of the bid, and regrets that the consortium was not successful. A participating interest in an airport in a growing economy with a rapidly growing middle class would be an excellent way to strengthen the long-term position of the Mainport.

The Supervisory Board concludes that Schiphol's current strategy in this arena is being fully implemented. The Supervisory Board supports the Management Board in the forward-looking positioning of Amsterdam Airport Schiphol. The Supervisory Board will explain the specific developments in 2013 in further detail below.

Principal developments in 2013

In 2012 and 2013, the Shared Vision Commission, chaired by Mr Alders, conducted research into, and produced reports on, various subjects that affect the mainport. These subjects were selectivity policy, the fees that Schiphol charges the airlines, the evaluation of the Aviation Act, as well as competition and Schiphol's plans to expand. Commission members included representatives of the government, KLM and Schiphol. Mr Hazewinkel, Supervisory Board member at Schiphol, represented Schiphol in the commission. The Shared Vision Commission presented its final report to the three commissioning ministries (the ministry of Infrastructure and the Environment, the ministry of Finance and the ministry of Economic Affairs) in May 2013. The Supervisory Board has spoken during various meetings about the developments concerning the Shared Vision Commission and is of the opinion that this commission has ensured a constructive dialogue between the government, KLM and other stakeholders. The Supervisory Board is also pleased that the discussions have led to the basic principles underlying the new Aviation Act. The ministry of Infrastructure and the

Environment and the ministry of Economic Affairs reported their findings in this area to the Lower House in a letter of 5 June 2013. As part of the discussions with the Shared Vision Committee about the public role that Schiphol fulfils, a sentence was added to the objects clause in Schiphol's Articles of Association in 2013 confirming that part of the company's object is to 'contribute to and facilitate the continuity, quality and network development of Amsterdam Airport Schiphol as a key component of the Dutch economy'.

The subject of the Shared Vision Commission's activities is closely related to competition legislation. In July the Dutch Authority for Consumers and Markets (ACM) started an investigation related to the Shared Vision Committee and the relationship with KLM.

In addition to the evaluation of the Aviation Act, the Supervisory Board devoted a great deal of attention to cost control and to the efficient construction and management of Schiphol's infrastructure, as well as to total cost of ownership in 2013. The Supervisory Board believes that these issues play an essential role in maintaining the airport's competitive position. The Supervisory Board is pleased that the Management Board will also place a strong focus on these areas in 2014, also in view of the large number of prospective investments. Schiphol achieved excellent operational results in 2013, together with KLM, other airlines and industry partners. In their role as service assistants, Schiphol office staff once again supported the employees working in the airport terminal. The Supervisory Board is proud of these employees and of the employees who, alongside their usual responsibilities, kept the landing runways free from snow and ice in the cold winter months at the start of 2013.

Other subjects

- The Supervisory Board discussed and approved the five-year *Investment Finance Plan 2014-2018*, in August 2013. The three-year *Tactical Plan 2014-2016*, which includes the 2014 budget and the corresponding *Funding Plan*, was discussed and approved in December. Amongst other things, the budget contained a sensitivity analysis for a number of uncertainties such as passenger numbers and property development.
- Strategic days were held in April and October, during which the Supervisory Board and the Management Board discussed Schiphol Group in a broader context as well as the group's long-term developments. Amongst other things there was a discussion of external market developments in the aviation sector, the Supervisory Board sought advice on developments in European legislation regarding Liquids, Aerosols & Gels, and Schiphol's cargo strategy was addressed. Both meetings also looked at Schiphol's international strategy, particularly with regard to a potential investment in Brazil.

- The minister of Finance published a new Participations Policy memorandum in October 2013. This memorandum was discussed by the Supervisory Board, particularly in relation to governance.
- The Supervisory Board also discussed, through its Audit Committee, Schiphol Group's internal and external risk management systems as well as the major risks that face Schiphol Group. The Supervisory Board endorses and supports the internal risk management system (as described in the Risk Management section of this report). The Supervisory Board also focused on risk management in October. The risk appetite in relation to issues such as foreign activities was discussed, and the potential concurrence and accumulation of various risks was examined along with Schiphol's ability to cope with risks should they materialise. The Management Board and Supervisory Board concluded that the risks posed by rising competition from the Middle East and Turkey have increased. It is the general view of the Supervisory Board that the residual risks remaining after management measures have increased in the last few years. The Supervisory Board concludes that the Management Board has operated within Schiphol's risk appetite.
- Corporate Responsibility is a core aspect of Schiphol's strategy. It therefore follows that Corporate Responsibility was a key point on the Supervisory Board's agenda in 2013. The Supervisory Board is highly positive about the progress that Schiphol is making in relation to CR, both in terms of strategic issues and awareness within the organisation. With regard to noise and the local community, the Supervisory Board has sought advice on the New Standards and Enforcement System.
- The Supervisory Board had several meetings with the Management Board regarding the relationship with the various Schiphol Group shareholders. Topics addressed included matters relating to the Shared Vision Commission, the evaluation of the Aviation Act, required returns, policy on airport charges, remuneration policy and the appointment of new, and re-appointment of current, members of the Management Board.
- The external auditor's Management Letter was discussed with the Audit Committee and the Supervisory Board in December 2013. The quality of the internal control system with respect to financial reporting was deemed to be adequate. Specific financial and non-financial (e.g. in the field of Corporate Responsibility) recommendations were made on certain subjects, which Schiphol Group has followed up (or will follow up).
- The Supervisory Board nominated a new external auditor in December 2013 as required by new legislation concerning the compulsory rotation of audit firms. The General Meeting of Shareholders ratified the appointment of this new auditor in early 2014.
- In addition to the presentations made by the Management Board, the Supervisory Board also received advice from

third parties, for instance with regard to a potential investment in Brazil. The Supervisory Board also held discussions on a variety of subjects with key figures outside of the official meetings.

Financial reporting

Each month, the Supervisory Board received reports from the Management Board that compared actual results with the 2013 budget, estimates for 2013 and the figures for 2012. These reports were also discussed during joint meetings of both Boards. Subjects discussed included the development of the company's operating and commercial results and costs, the development of the traffic and transport figures and its impact on the budget, the development of profitability, and the funding and liquidity position.

In view of the challenging economic conditions, the Supervisory Board has looked closely at the effect that the developments in the results, the balance sheet ratios and the financial position have had on the company's creditworthiness. The Supervisory Board is pleased to note that in 2013 we were again able to retain the credit rating awarded by Moody's, and that Standard & Poor's rating was increased to A+. In 2013, the *Funding Plan* formed the basis for formulating measures to guarantee the financing both now and in the future.

The decision-making process with regard to a bid for Galeão International Airport took into account the dual role of Mr De Romanet de Beaune, who was both a Supervisory Board member at Schiphol and president and CEO of Aéroports de Paris. There were no other transactions during the year involving conflicts of interest on the part of Management Board members, Supervisory Board members, shareholders and/or the external auditor that were of material significance to the company and/or the relevant Management Board members, Supervisory Board members, shareholders and/or external accountant.

Central Works Council (COR)

The topics discussed by the Supervisory Board, the Management Board and the Central Works Council (COR) in 2013 included issues relating to the Shared Vision Commission, the evaluation of the Aviation Act and the long-term investment plan. Members of the Supervisory Board attended two of the five consultative meetings between the management and the COR. Various discussions also took place between the COR and the Supervisory Board member/confidential advisor. The members of the Supervisory Board experienced all of these meetings as constructive and informative. Ms Maas-de Brouwer acted as Supervisory Board member/confidential advisor until standing down in December 2013. Mr Cremers took over this role, and conducted various discussions with the COR in this capacity in 2013.



B. Quality Assurance

Members

At the end of 2013, the Supervisory Board had one female and five male members. The Management Board had one female member and three male members. In the period ahead, the Supervisory Board will continue to work with the Management Board to achieve as much diversity as possible among the seats of both bodies. Schiphol runs a development and leadership programme to ensure that both enough men and women receive the opportunity to develop themselves in preparation for upper-management and executive positions. Further personal details on each member of the Supervisory Board can be found in the next section of this Annual Report.

In making new appointments, the Supervisory Board aims to safeguard the complementary nature of its members, particularly in relation to the fields of knowledge that are relevant to Amsterdam Airport Schiphol; these are listed in the Supervisory Board Profile (Appendix A to the Supervisory Board Regulations). The overview included indicates the knowledge areas represented by each Supervisory Director. The division of knowledge areas as set out below will factor into the filling of any new vacancies that arise.

All the members of the Supervisory Board are independent within the meaning of the Corporate Governance Code, with the exception of Mr De Romanet de Beaune, who is president and CEO of Aéroports de Paris S.A., and Mr Wijn, who is a member of ABN AMRO Bank N.V. Management Board. Mr De Romanet de Beaune is a French national, while the other members are Dutch citizens. Mr De Romanet de Beaune was a Supervisory Board Member at Schiphol Group until 14 October 2013.

Permanent education

As part of the permanent education programme for all Supervisory Board members, in 2013 the Management Board organised a presentation on market developments in the aviation sector in which they were assisted by an external expert. During the Strategic Days, the Supervisory Board also took the opportunity to obtain extensive information on the evaluation of the Aviation Act (*Wet luchtvaart*) and possible improvements to the economic regulations, as well as on the economic and social circumstances that apply to conducting business in Brazil, also with input from external experts. Lastly, the Management Board gave a presentation to the Supervisory Board on winter operations at Schiphol.

Supervisory Board	Year of birth and nationality	Date of first appointment	1. EU / Globalisation	2. Aviation	3. Property	4. Retail / e-Business	5. Finance / accountancy / risk management	6. Corporate Responsibility	7. Marketing / Sales	8. Human resource management	9. Political and social climate Schiphol	10. Corporate governance	11. Expertise on Amsterdam and region
A. Ruys (Chairman)	1947 Dutch	2006	•			•			•			•	
T. Maas-de Brouwer (Vice-Chairperson)*	1946 Dutch	2001						•		•	•	•	
J. Brouwer	1955 Dutch	2011				•		•	•	•			
F. Cremers	1952 Dutch	2006	•		•		•					•	
H. Hazewinkel	1949 Dutch	2009			•		•	•				•	
A. de Romanet de Beaune**	1961 French	2013	•	•	•		•						
M. Scheltema	1954 Dutch	2010	•				•			•		•	
J. Wijn	1969 Dutch	2012	•				•		•		•		•

* Stepped down in December 2013

** Stepped down on October 14, 2013

Evaluation

In 2013, the Supervisory Board conducted a self-evaluation which included a questionnaire. The evaluation was based in part on the recommendations from the external evaluation conducted in 2010, and the resulting action plan. The self-evaluation was discussed both before and after completion of the questionnaire during the closed sections of the Supervisory Board meetings. The Supervisory Board is in favour of this procedure, partly because it provides the opportunity to increase effectiveness.

C. Other matters

(Re)appointments

There were no new appointments or reappointments in the Schiphol Management Board during 2013.

During the General Meeting of Shareholders (AVA) held on April 2013, Mr Hazewinkel was appointed for a second and final four-year term at the nomination of the Supervisory Board and following a positive recommendation by the Central Works Council. Mr Hazewinkel will remain chairman of the Remuneration Committee and a member of the Audit Committee.

December 2013 saw the conclusion of Ms Maas-de Brouwer's third and final term. The Supervisory Board looks back with gratitude on the efforts and contributions made by Ms Maas-de Brouwer for both Schiphol and the Supervisory Board. Not only was Ms Maas-de Brouwer a highly valued member of the Remuneration Committee and the Selection and Appointments Committee, she also played a leading role in the development of the PACR Committee.

In October 2013, Mr De Romanet de Beaune left the Supervisory Board owing to a reorganisation of tasks within the Management Board of Aéroports de Paris. In line with the agreement in force among Schiphol shareholders, the succession procedure was initiated in late 2013. In early 2014 the General Meeting of Shareholders appointed Mr Galzy as member of the Supervisory Board as from February 10 on behalf of Aéroports de Paris.

The changes in Supervisory Board membership have led to changes in the composition of the committees. Please see the overview below for details.

Meetings

The Supervisory Board met eight times in 2013. The Management Board was always present at the meetings of the Supervisory Board. Both prior and subsequent to these meetings, the Supervisory Board held private consultations. Seventeen meetings of the respective subcommittees also took place. For a complete overview of all meetings, as well as the attendance of the relevant members, please see the attached overviews.

In addition to these meetings, the Chairman and other members of the Supervisory Board discussed issues with the Management Board on numerous occasions. The members of the Supervisory Board also had contacts a number of times with stakeholders from both inside and outside the Schiphol Group, of which the aforementioned Shared Vision Committee is an important example.

The Supervisory Board wishes to warmly thank the Management Board and the employees of Schiphol Group for their dedicated commitment in 2013, both in operations and beyond.

Amsterdam Airport Schiphol, 13 February 2014

The Supervisory Board

Anthony Ruys (Chairman)

Jan Brouwer

Frans Cremers

Laurent Galzy

Herman Hazewinkel

Margot Scheltema

Joop Wijn

Division in committees as per ultimo 2013

Supervisory Board	Audit Committee	Remuneration Committee	Selection & Appointments Committee	Public Affairs & Corporate Responsibility Committee
A. Ruys (Chairman)			• (c)	
F. Cremers	• (c)		•	
H. Hazewinkel	•	• (c)		
M. Scheltema		•		•
J. Brouwer	•			•
J. Wijn			•	•
Vacancy 1				
Vacancy 2				

(c) = Chairman

Meetings of the committees of the Supervisory Board

Audit Committee

The Audit Committee met three times in 2013. The Audit Committee spoke at great length with the Management Board and the internal and external auditors about the 2012 financial statements, the 2012 annual report, the 2013 interim report, the associated press releases, the Management Letter and the 2013 internal and external audit plan. The Funding Plan for 2013 and 2014 was discussed and approved by the Supervisory Board.

The Audit Committee devoted attention to Schiphol's international activities, and the policies on insurance and taxes were also discussed. The Audit Committee placed a special focus on risk management and pensions. In February and December 2013, the Audit Committee held discussions with the external auditor (PricewaterhouseCoopers Accountants N.V., PwC) which were not attended by the members of the Management Board and/or the internal auditor. Lastly, in 2013 the Audit Committee was heavily involved in the selection process that led to the nomination of a new external auditor.

Selection and Appointments Committee

The Selection and Appointments Committee met seven times over 2013. Mr Wijn joined the Committee as part of the selection and appointment procedure for the new Supervisory Board members. The selection procedure was implemented with assistance from an external consultant; in December 2013, the Supervisory Board nominated two candidates for appointment during the General Meeting of Shareholders in

2014. The Committee devoted special attention in 2013 to the practical implications of the Management and Supervision (Public and Private Companies) Act (*Wet Bestuur en Toezicht*). Late in 2013, the succession of Mr De Romanet de Beaune was discussed. The Committee maintained regular contact with both the Central Works Council and the shareholders with respect to the above (re)appointments.

The Selection and Appointments Committee also implemented the succession procedure in 2013 for Mr Rutten as COO, as he will be retiring in August 2014. Lastly, the Committee organised the internal Supervisory Board self-evaluation.

Remuneration Committee

The Remuneration Committee met four times in 2013. In 2010 and 2011, consultations were held between the Supervisory Board members and Schiphol shareholders in order to arrive at a new, more moderate remuneration policy for newly appointed Management Board members. In February 2012, it appeared out that not all shareholders were in agreement with the new policy. A decision concerning the matter was therefore postponed at the shareholders' request. In the meantime, the minister of Finance issued a new Holdings Policy in 2013, which also described the ministry of Finance's remuneration policy guidelines for state shareholdings. These guidelines formed the basis for a new draft remuneration policy by the end of 2013. In early 2014, it was submitted for approval during the General Meeting of Shareholders.

Supervisory Board attendance at Supervisory Board meetings in 2013

	A. Ruys	T. Maas-de Brouwer*	F. Cremers	A. de Romanet de Beaune**	H. Hazewinkel	M. Scheltema	J. Brouwer	J. Wijn
Supervisory Board	8	7	7	1 (3***)	8	7	8	7
Audit Committee	N/A	N/A	3	0 (1***)	3	N/A	3	N/A
Remuneration Committee	N/A	3	N/A	N/A	4	3	N/A	N/A
Selection & Appointments Committee	7	6	7	N/A	N/A	N/A	N/A	4 (van 5)
Public Affairs & Corporate Responsibility Committee	N/A	3	N/A	N/A	N/A	2	3	3
Totaal	15	19	17	5	15	12	14	14

* Stepped down in December 2013

** Stepped down on October 14, 2013

*** L. Galzy substitute

Public Affairs & Corporate Responsibility Committee

The Public Affairs & Corporate Responsibility Committee met three times in 2013. The auditor's verification of the Corporate Responsibility reporting in the annual report was discussed, as well as the CR objectives that were set for the Management Board in 2012 and 2013.

In 2013 the Committee took an extended look at the processes and communication surrounding the Shared Vision Committee, and the evaluation of the Aviation Act (*Wet Luchtvaart*). Stakeholder management was also examined by the Committee, including the new standards and enforcement system. The Public Affairs & Corporate Responsibility Committee also devoted a lot of attention to passenger interests at Schiphol in 2013. The Committee was delighted at the enthusiasm with which the CR policy was developed. Lastly, the awareness of Corporate Responsibility within the organisation was also discussed in 2013.

Meetings	Number
Supervisory Board	8
Audit Committee	3
Remuneration Committee	4
Selection & Appointments Committee	7
Public Affairs & Corporate Responsibility Committee	3
Total	25

Supervisory Board



A. Ruys
(1947, Dutch nationality)

Chairman
First appointed in: 2006
Second term expires in 2014

- Member of the Supervisory Board of British American Tobacco PLC
- Member of the Supervisory Board of ITC Ltd
- Member of the Supervisory Board of Janivo Holding B.V.
- Chairman of the Supervisory Board of the Aidsfonds / Stop Aids Now foundations
- Chairman of the Supervisory Board of of the Madurodam Foundation
- Former Chairman of the Board of Management of Heineken N.V.



T.A. Maas - de Brouwer
(1946, Dutch nationality)

Vice-chairperson
First appointed in: 2001
Last term expired in 2013

- Chairperson of the Supervisory Board of Philips Electronics Nederland B.V.
- Member of the Supervisory Board of Arbo Unie
- Chairperson of the Governing Council of Van Leer Group Foundation (until June 2013)
- Chairperson of the Supervisory Board of the Van Gogh Museum
- Member of the Board of Governors of VNO-NCW
- Chairperson of the Utrecht Development Board
- Former President of HayVision Society
- Former Member of the Dutch Upper House (First Chamber)



J.G.B. Brouwer
(1955, Dutch nationality)

First appointed in: 2011
First term expires in 2015

- Chairman of the Management Board of Plus Supermarkten B.V. (as of 1 January 2014)
- Member of the Supervisory Board of RFS Holding/Wehkamp.nl (resigned on 10 September 2013)
- Member of the Supervisory Board of Albron B.V.
- Member of the Supervisory Board of DA Retailgroep B.V.
- Member of the Supervisory Board of Hoogvliet Supermarkten B.V. (resigned on 1 January 2014)
- Member of the Supervisory Board of Kring-apotheek B.V. (Alliance Healthcare Nederland)
- Member of the Supervisory Board of Rabobank Sneek-ZWF
- Member of the Supervisory Board of Optitrade Retailgroep B.V.
- Member of the Management Board of VEDIS Detailhandelsplatform
- Former Chairman of the Management Board of de Boer N.V.
- Former Chairman of the Management Board of C1000 N.V.



F.J.G.M. Cremers
(1952, Dutch nationality)

First appointed in: 2006
Second term expires in 2015

- Vice-Chairman of the Supervisory Board of Royal Imtech N.V.
- Vice-Chairman of the Supervisory Board of N.V. Nederlandse Spoorwegen.
- Vice-Chairman of the Supervisory Board of SBM Offshore N.V.
- Member of the Supervisory Board of Koninklijke Vopak N.V.
- Member of the Supervisory Board of Unibail-Rodamco S.A.
- Member of the Supervisory Board of Parcom Capital Management B.V.
- Member of the Capital Markets Committee of the AFM
- Member of the Philips and Heijmans Boards of the Foundation Preference Shares
- Former CFO and Member of the Management Board of VNU N.V.



H.J. Hazewinkel RA (chartered accountant)
(1949, Dutch nationality)

First appointed in: 2009
Second term expires in 2017

- Chairman of the Supervisory Board of TKH Group N.V.
- Member of the Supervisory Board of Heisterkamp Beheer B.V.
- Vice-Chairman of the Supervisory Board of Koninklijke Boskalis Westminster N.V.
- Chairman of the Supervisory Board of Sociaal Werkvoorzieningschap Centraal Overijssel Soweco N.V.
- Member of the Management Board of Stichting ING Aandelen
- Member of the Supervisory Board of the Netherlands Symphony Orchestra
- Member of the Management Board of Stichting administratiekantoor Slagheek
- Former Chairman of the Management Board of VolkerWessels



A. de Romanet de Beaune
(1961, French nationality)

First appointed in: 2013
Stepped down in 2013

- President and CEO of Aéroports de Paris S.A.
- Director and Vice-Chairman of the Management Board of TAV Havalimanlari Holding A.S (TAV Airports)
- Director and Vice-Chairman of the Management Board of TAV Yatirim Holding A.S. (TAV Investment)
- Director and Vice-Chairman of the Management Board of TAV TEPE AKFEN YATIRIM Insaat Ve Isletme A.S. (TAV Construction)
- Director and Chairman of Média Aéroports de Paris
- Member of the Executive Committee and Management Board of Airports Council International (ACI) Europe
- Director of the Musée du Louvre-Lens



M.A. Scheltema
(1954, Dutch nationality)

First appointed in: 2010
First term expires in 2014

- Member of the Supervisory Board of ASR Nederland N.V.
- Vice-Chairman of the Supervisory Board of Triodos Bank N.V.
- Member of the Supervisory Board of TNT Express N.V.
- Non-executive Director of Lonza Group Plc, Basel
- External Member of the Audit Committee of Stichting Pensioenfonds ABP
- (Deputy) Adviser to the Enterprise Section
- Member of the Supervisory Board of Warmtebedrijf Rotterdam
- Vice-Chairman of the Supervisory Board of the Rijksmuseum Foundation
- Former CFO of Shell Nederland B.V.



J.G. Wijn
(1969, Dutch nationality)

First appointed in: 2012
First term expires in 2016

- Member of the Management Board of ABN AMRO Bank N.V.
- Member of the Supervisory Board of Koninklijke Jaarbeurs Utrecht B.V.
- Member of the Executive Board and Governing Board of the VNO-NCW Confederation of Netherlands Industry and Employers
- Member of the Supervisory Board of Stadsherstel Amsterdam
- Former Minister of Economic Affairs
- Former State Secretary of Finance
- Former State Secretary of Economic Affairs
- Former Chairman of the Board of Oranjefonds

Management Board



J.A. Nijhuis RA (chartered accountant)

(1957, Dutch nationality)

President since 1 January 2009

- Member of the Supervisory Board of SNS Reaal N.V.
- Member of the Board of Directors of Aéroports de Paris S.A.
- Member of the ACI Europe Board and Executive Committee
- Member of the Board of Governors of the Amsterdam Music Theatre
- Member of the Amsterdam Economic Board, Chairman of the Logistics cluster
- Co-Chairman of the Schiphol Security and Public Safety Platform
- Member of the Executive Board and Governing Board of the VNO-NCW Confederation of Netherlands Industry and Employers
- Member of the Supervisory Board of the Schiphol Quality of Life Foundation
- Member of the Supervisory Board of Kids Moving the World



A.P.J.M. Rutten

(1951, Dutch nationality)

Member of the Management Board and COO since 1 September 2005

- Member of the Supervisory Board of Eindhoven Airport N.V.
- Chairman of the Schiphol Security and Public Safety Steering Group

Aviation



E.A. de Groot

(1965, Dutch nationality)

Member of the Management Board and CFO since 1 May 2012

- Member of the Supervisory Board of Beter Bed Holding N.V.
- Member of the Board of Directors of Aéroports de Paris S.A.

Alliances & Participations



M.M. de Groof

(1957, Dutch nationality)

Member of the Management Board and CCO since 1 February 2008

- Member of the Supervisory Board of Eindhoven Airport N.V.

Consumer Products & Services

Real Estate

Key Management

Business areas

Otto Ambagtsheer	Consumer Products & Services business area
André van den Berg	Real Estate business area
Birgit Otto	Aviation; Airport Operations
Ron Louwerse	Aviation; Safety, Security and Environment
Floor Felten	Aviation; Asset Management

Regional and international activities

Roland Wondolleck	Rotterdam The Hague Airport
Joost Meijs	Eindhoven Airport
Erik Lagerweij	Lelystad Airport
Julianne Alroe	Brisbane Airport Corporation
Alain Maca	JFK IAT New York
Peter Steinmetz	Aruba Airport Authority

Staff & support

Frank Janssen	Corporate Affairs
Michel Feldmann	Corporate Audit Services
Coen Reinders	Corporate Control
Peter van Laarhoven	Corporate Development
Jan-Willem Prakke	Corporate Legal, Company Secretary
Miriam Hoekstra-van der Deen	Corporate Procurement
Robert Lenterman	Corporate Treasury & Schiphol International
Heleen Kuijten-Koenen	Human Resources
Kees Jans	Information & Communication Technology
Gerard Geurtjens	Amsterdam Airport Schiphol Project Office

(as of 1 January 2014)

Central Works Council (CWC)

Sandro Broeke	Chairman
Willem Verwoerd	Secretary
Bart-Jan Wielinga	Deputy Committee Member
Paul Groot	
Marc Gusdorf	
Erik Koppedraaijer	
Marjo Loderus-Wijnen	
Rob Schelvis	
Sterre Dubelaar	Schiphol Airport Retail
Jan van Duin	Schiphol Telematics
(vacancy CWC Schiphol Real Estate)	
(vacancy CWC Rotterdam The Hague Airport)	

(as of 1 January 2014)

Corporate Governance

General

N.V. Luchthaven Schiphol (Schiphol Group) is a public limited liability company with a full two-tier board regime. The Dutch government, the municipality of Amsterdam, Aéroports de Paris and the municipality of Rotterdam are joint shareholders. The governance structure is based on Book 2 of the Dutch Civil Code, the Corporate Governance Code, the company's Articles of Association and various internal regulations.

Management Board

The Management Board of Schiphol Group consists of four members and, in principle, meets once a week. Management Board members share responsibility for the management of Schiphol Group and for the general state of affairs both within Schiphol Group and at its group companies. Each member has accepted responsibility for a particular area, as approved by the Supervisory Board.

Supervisory Board

The Supervisory Board of Schiphol Group consists of at least five and at most eight members and meets at least four times a year. At the end of 2013, the Supervisory Board consisted of six members and there were two vacancies. Early in 2014, the General Meeting of Shareholders will be asked to ratify the appointment of two candidates already nominated. Mr L. Galzy has been appointed as member of the Supervisory Board on behalf of Aéroports de Paris S.A. on February 10, 2014. Supervisory Board members are tasked with monitoring the Management Board of Schiphol Group and the general state of affairs. The Supervisory Board also advises the Management Board.

Committees of the Supervisory Board

The Supervisory Board has four subcommittees:

- The Audit Committee's tasks include monitoring the internal risk management and control systems, the annual and half-year reports and financing. Areas such as taxation, treasury policy, insurance policies and pensions also fall within this committee's portfolio.
- The Selection and Appointments Committee carries out preparatory activities connected to procedures for the appointment of Supervisory Board and Management Board members, including drawing up selection criteria.
- The Remuneration Committee is responsible for the remuneration policy and the remuneration of members of the Management Board. It also prepares the Remuneration

Report and, together with the Chairman of the Supervisory Board, carries out periodic performance assessments of individual Management Board members and reports its findings to the Supervisory Board.

- The Public Affairs & Corporate Responsibility Committee has a dual task. On the one hand, it advises the Management Board and Supervisory Board with regard to relationships with shareholders and communication strategy (Public Affairs) while, on the other, it plays an important role in defining the socio-economic aspects of Schiphol Group's business.

Each of these committees is subject to a regulatory code, published on www.schiphol.nl under 'Investor Relations'. The committees meet independently and carry out preparatory work in a number of sub-areas for the Supervisory Board as a whole. The committees report on the outcome of their meetings in a Supervisory Board meeting. The Supervisory Board as a whole takes decisions based on these reports.

Corporate Governance Code

In 2004, Schiphol Group began applying the principles and best practice provisions, wherever possible and/or appropriate, of the Corporate Governance Code drawn up by the Tabaksblat Committee. Schiphol Group has implemented these provisions in its Articles of Association and various internal regulations.

In 2009 these regulations were brought in line – again, where possible and/or appropriate – with the new Corporate Governance Code. During the General Meeting of Shareholders on 15 April 2010, the Code and its consequences for the company were presented to the shareholders, discussed and approved as a separate agenda item. The meeting identified the principles and best practice provisions that are relevant to Schiphol Group and are therefore applied. The provisions regarding options as a component of remuneration, a public response to a private bid for parts of the company and the issue of depositary receipts for shares do not apply. Also, due to the small number of shareholders, the obligatory presence at the General Meeting of Shareholders of the full Supervisory Board, the Management Board and the external accountant is waived.

Since 2012, Schiphol has applied the Code's provisions regarding remuneration in full to all Management Board members. The performance contracts with each of the Management Board members contain a 'claw-back' clause (Corporate Governance Code provision II. 2.11) and the possibility for the Supervisory Board to adjust variable remuneration in retrospect in certain cases (Corporate Governance Code provision II. 2.10). An updated version of Schiphol Group's 'comply or explain' overview was approved by the Supervisory Board in 2013.

In 2013, Mr De Romanet de Beaune was a member of the Supervisory Board. He is not classified as independent within the meaning of the Corporate Governance Code (provision III. 2.1). With the appointment of Mr Wijn as a Supervisory Board member, Schiphol no longer applies the principle that no more than one Supervisory Board member may be exempted from the independence requirement as defined in the Code. Mr Wijn currently serves on the Management Board of ABN AMRO Bank, a business relation of Schiphol Group. At ABN AMRO, Mr Wijn will not take part in discussions and decisions relating to Schiphol Group and vice versa. Schiphol Group is of the opinion that this sufficiently addresses the non-independence of Mr Wijn.

A detailed explanation of the above points, including a 'comply or explain' overview, has been published on www.schiphol.nl under 'Investor Relations'. The site also provides the internal regulations to which Schiphol Group is subject, including the Regulations governing Inside Information and the Holding of Securities and Securities Transactions, the Whistleblower Scheme and the rules governing the Supervisory Board, its committees and the management.

Securities transactions

Despite the fact that Schiphol Group shares are not listed on a stock exchange, the company does have a limited set of Regulations governing Inside Information and the Holding of Securities and Securities Transactions. The company has issued bonds under the EMTN Programme.

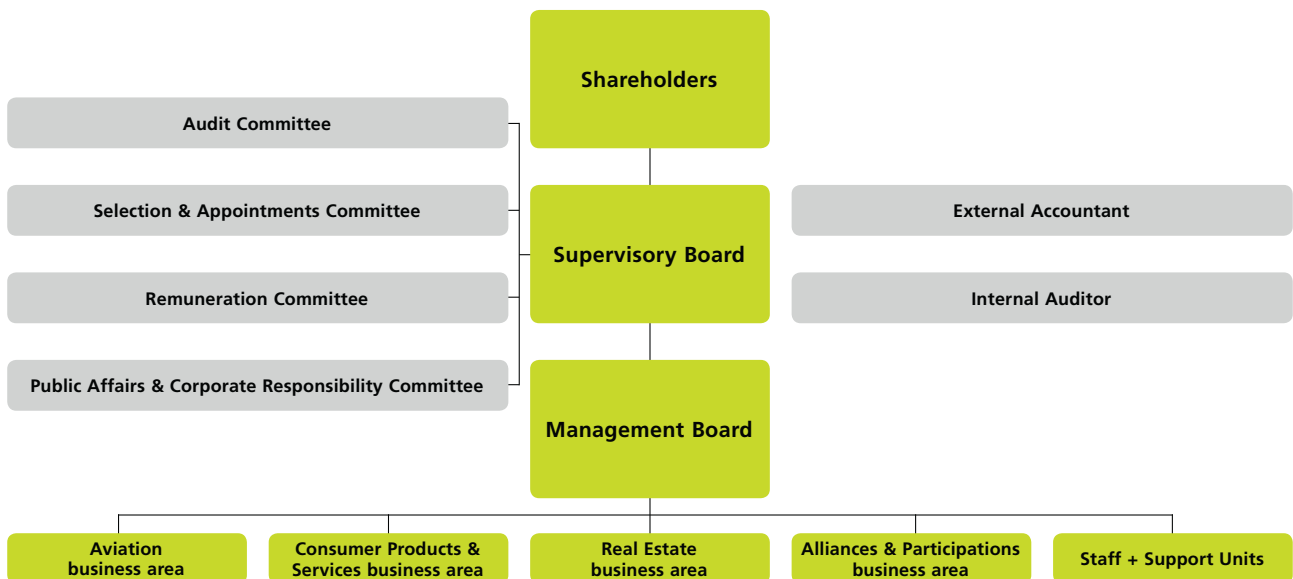
Members of the Management Board and Supervisory Board must refrain from buying and selling these bonds and/or any Aéroports de Paris S.A. shares. Mr Hazewinkel indirectly holds bonds in Schiphol Group, which he already owned at the time of his appointment. His intention is to retain these bonds until the end of their term and not to trade in these bonds in the interim. Mr Nijhuis and Ms de Groot both hold a board position at Aéroports de Paris S.A. In that capacity, they are under an obligation to hold at least one share in the capital of Aéroports de Paris S.A. The director of Corporate Legal is the central officer referred to in the Regulations governing Inside Information and the Holding of Securities and Securities Transactions.

Schiphol, 13 February 2014

The Supervisory Board

The Management Board

Corporate Governance structure Schiphol Group



Organisation of Corporate Responsibility

The President and CEO of Schiphol Group is primarily accountable for Corporate Responsibility. The CFO is responsible for the integrated annual report. The Management Board defines the Corporate Responsibility vision and policy. Its members are assisted by the Management Team and by the Public Affairs & Corporate Responsibility Committee of the Supervisory Board. The achievement of Corporate Responsibility targets is also one of the elements of the remuneration policy.

Theme coordinators are linked to each of the five socio-economic themes to ensure that ambitions that transcend individual business area are realised. Each quarter, the Schiphol Group Management Team discusses the relevant Corporate Responsibility developments, dilemmas and the report on 25 non-financial objectives.

The COO acts as the airport manager. The main task of the airport manager is to ensure that national and European laws and regulations, in particular those relating to safety, security and the environment, are complied with. The laws and regulations that apply at the airport are often unique. On a number of points, we have implemented additional rules aimed at further improving the monitoring of order and security on the airport grounds. These are the Schiphol Rules. The airport manager exercises primary supervision of compliance with the Schiphol Rules and can, to a limited

extent, impose sanctions on people and companies in the event of non-compliance with these rules.

The CR Coordinator is responsible for the integration of Corporate Responsibility within Schiphol and is supported by the CR Advisor. Together they ensure that vision and focus are incorporated in the CR policy of Schiphol and that the ambition level is determined. They make sure that Schiphol's activities are in line with this vision. They stimulate the collaboration with stakeholders, ensure that awareness and implementation are promoted within Schiphol and work on integrating Corporate Responsibility in the thinking and behaviour of Schiphol employees. This is achieved by carefully weighing the interests of people, planet and profit – both with regard to the choices for the future and in day-to-day operations.

Material theme	Final responsibility	Challenges	Concrete actions see ¹
Destinations network	CEO; delegated to Director of Aviation Marketing	Continuation of intensive relationship with stakeholders	Top Connectivity
Competitive position	CEO	Competition of other airports	Top Connectivity Excellent Visit Value Financial performance
Economic impact	CEO	Challenging economic conditions	Top Connectivity Excellent Visit Value Competitive Marketplace Sustainable Performance
Noise and the local community	Strategic Stakeholder Management Manager	Develop action plans for 2014-2020 that address the right themes	Noise and the local community
Climate-friendly aviation	Director of the GROUNDS	Develop action plans for 2014-2020 that address the right themes	Climate and the environment
Accessibility and air quality	CCO ²	Develop action plans for 2014-2020 that address the right themes	Accessibility Climate and the environment
Commodity shortages	Director of Aviation Asset Management	Develop action plans for 2014-2020 that address the right themes	Climate and the environment
Sustainable employment	Director of Human Resources	Develop action plans for 2014-2020 that address the right themes	Sustainable employment
Safety	Director of Aviation Safety, Security & Environment	Ensuring a safe environment	Safety

1) This overview is not exhaustive

2) From January 2014: Director of Corporate Procurement

Remuneration

This remuneration report sets out the remuneration policy applied by the Schiphol Group Management Board in 2013. The remuneration report also briefly outlines the new Management Board remuneration policy which will apply from 2014.

The remuneration policy used by Schiphol Group for higher management is based on the Management Board remuneration policy. Structurally, the terms of employment which form part of the complete remuneration package for senior management are the same as those of the Management Board, but individually they are pitched at a lower level.

General remuneration policy for the Management Board

General

The current remuneration policy for the Management Board, as formulated on the basis of Supervisory Board recommendations and approved by our shareholders on 13 April 2006, sets out the framework for remuneration of Schiphol Group Management Board members. The remuneration policy seeks to ensure market conformity to an extent that will allow us to attract high-quality managers and retain talent for the organisation.

The remuneration policy meets the best-practice provisions on remuneration defined in the Corporate Governance Code, and consists of a fixed portion and a variable portion. The variable section serves to remunerate the attainment of predetermined short and long-term objectives. To this end, the Supervisory Board establishes concrete performance targets at the start of each year for the award of the variable remuneration in consultation with the Management Board members. These targets should be both challenging, measurable and influenceable. In addition to financial and operational aspects, these targets must also emphatically extend to broader social aspects such as Corporate Responsibility and mainport development. At the end of each year, the Supervisory Board will assess the extent to which the Management Board members have met these performance targets, and duly award an appropriate variable remuneration.

Schiphol agreed on divergent terms of employment with Ms De Groot when she entered into service in 2012. This decision was taken in anticipation of the public debate on high-earning senior management staff and the ongoing discussions between the Supervisory Board and shareholders. These deviations from the aforementioned formal remuneration policy were aimed at and resulted in capping the overall remuneration level.

Employment contracts

The General Meeting of Shareholders appoints Schiphol Group directors for a period of four years, in accordance with the Corporate Governance Code. In principle, directors may be reappointed for another four-year period. The table below provides an overview of the term and end date for each Management Board member.

	Position	Term	Term ends on
Jos Nijhuis	CEO	Second	31 December 2016
Ad Rutten	COO	Second	31 August 2014 ¹
Maarten de Groof	CCO	Second	31 January 2016
Els de Groot	CFO	First	30 April 2016

1) The Supervisory Board has extended the original expiry date of Mr Rutten's second term (31 August 2013) by one year. Mr Rutten will retire at the end of this new term.

All Management Board members are employed by N.V. Luchthaven Schiphol on the basis of an open-ended employment contract.

Structure of the remuneration package

Fixed salary

In 2013, the gross fixed salary of the President (CEO) amounted to 384,711 euros. The COO and CCO received a fixed gross salary of 300,512 euros. In anticipation of the new remuneration policy, divergent agreements were reached with the CFO. In 2012, Ms De Groot agreed to a higher fixed salary in exchange for a more limited variable salary. The table

below provides an overview of the fixed salaries for each Management Board member.

In EUR	Position	Total Fixed Salary
Jos Nijhuis	CEO	384,711
Ad Rutten	COO	300,512
Maarten de Groof	CCO	300,512
Els de Groot	CFO	325,000

Despite the (limited) salary increase implemented as a part of this year's CLA negotiations and the fact that the Supervisory Board customarily applies the same wage indexation to Management Board salaries, the Management Board decided - as was the case in 2012 - to waive any further salary increases.

Variable remuneration

The Supervisory Board regards variable remuneration as a key component of the overall remuneration package. Variable remuneration serves as an added impetus to attain predetermined organisational targets and is thus, in the Supervisory Board's view, an effective instrument in ensuring the organisation's controlled, transparent and balanced development.

The objectives defined by the Supervisory Board are benchmarked against the latest developments prior to the end of the first quarter and adjusted where necessary. The Supervisory Board takes these measures in order to ensure that its budgetary and other objectives remain as challenging and realistic as possible.

Short-term variable remuneration

The annual short-term variable remuneration (Short Term Incentive, hereinafter referred to as: 'STI') is determined on the basis of several factors:

1. A financial target
2. Management Agenda targets
3. The Supervisory Board's assessment of the individual's overall performance

The financial target (I) consists of the net result divided by the average total return on equity (ROE), in accordance with the annual budget approved by the Supervisory Board for that year. The Management Agenda (II) targets may vary from year to year and contribute to the progress and achievement of long-term strategic objectives. The Supervisory Board is responsible for assessing overall performance (III), and will take into account the manner in which the individual Management Board member has represented Schiphol, both internally and externally.

Together, the various factors mentioned above jointly determine the STI distribution percentage of the fixed income. The total STI distribution percentage for the Management Board members (with the exception of Ms De Groot) is set at 35% at target. In the case of the CEO, the aforementioned factors underlying the STI percentage do not apply in the same manner. Here, economic targets weigh more heavily than would be the case for other Management Board members in view of the CEO's final responsibility in this area.

In the event that the predetermined economic targets are exceeded by 10% or more, the STI distribution percentage may be increased (swing percentage) by up to 12.5% in the case of the CEO and 10% in the case of the CCO and COO. This means the maximum STI distribution percentage for the CEO may total 47.5% of the fixed annual salary and up to 45% in the case of the CCO and COO. The extent to which the defined (economic) targets have been achieved is determined in part on the basis of the externally audited financial statements.

For reasons outlined above, the CFO is subject to a comparable STI structure with other (lower) percentages. In her case, the on-target value of the STI distribution is set at 19.38% of the fixed annual income and as high as 27.23% in the event that financial and personal targets are exceeded by 20% or more.

The overview below presents the STI in percentages of the fixed salary for each Management Board member:

(in %)	CEO	COO / CCO	CFO
Financial target	20	15	9.69
Personal targets	7.5	15	4.85
Overall performance	7.5	5	4.85
Total (excluding swing)	35	35	19.38
Maximum swing percentage	12.5	10	7.85
Total (including maximum swing)	47.5	45	27.23

Long-term variable pay

In addition to the aforesaid short-term variable pay, the Management Board members are also eligible for a variable pay scheme relating to the operating results over a longer period (Long-Term Incentive, hereafter: 'LTI'). The LTI is measured over a reference period of three years and has an on-target payment level of 35% of the fixed salary.

The LTI is based on the multi-year *Tactical Plan* approved by the Supervisory Board and on the Economic Profit (EP) target laid down in this plan. Payment of the LTI depends on the extent to which the cumulative EP has been achieved over a period of three financial years. If the cumulative EP exceeds the 'budgeted' EP by more than 10%, the payment level may be raised to 52.5% of the fixed salary.

Where the CFO is concerned, the arrangement differs from the existing LTI structure for the reasons explained above, with the on-target value of the LTI payment equalling 17.38% of the fixed salary, up to a maximum of 27.04% if the target is exceeded by 20% or more. In addition, the reference period is extended to four years. This means that the level of the payment is based on a consolidated series of four consecutive EP results and that any payment in connection with these results is also only determined after four years.

This can be summarised as follows:

(in %)	CEO, CCO and COO	CFO
LTI target	35.0	17.38
Maximum swing percentage	17.5	9.66
Total (including maximum swing)	52.5	27.04

STI & LTI

Both types of variable pay are subject to a claw-back clause (Corporate Governance Code provision II.2.11) and the possibility for the Supervisory Board to adjust variable pay (both STI and LTI) retrospectively in certain cases (Corporate Governance Code provision II.2.10).

Payment will only be made if the Management Board member concerned is still employed by the company at the end of the relevant period. If the employment contract is terminated by mutual agreement or due to retirement, a pro rata allocation is made. In that case, it is also possible to determine and pay out the future award in advance.

Pension arrangements

Schiphol Group's pension provision for all its employees, including Management Board members, is administered by the Algemeen Burgerlijk Pensioenfonds (ABP). The defined pension scheme is based on the average earnings scheme

applicable from 1 January 2004, in accordance with the ABP regulations. In derogation from the standard ABP arrangement, the pensionable salary for the Management Board is limited to the fixed salary. The ABP calculates the level of the premium payable towards the pension scheme each year. Schiphol does not require the Management Board members to pay the employee's share of the contribution.

Based on past agreements, supplementary arrangements apply in respect of the following Management Board members:

Mr Rutten

The (earliest possible) date on which Mr Rutten's pension was to start was when he reached the age of 62. Mr Rutten's pension commitment equals 70% of his last-earned fixed salary at the age of 62 (known as a final salary pension). Because Mr Rutten's term of appointment has been extended by one year, this final salary pension will start a year later. This has resulted in a postponement and actuarial recalculation of the final salary pension on the basis of the ABP factors. During the extended appointment period, pension is accrued in accordance with the average earnings scheme rather than on the basis of Mr Rutten's final salary. The ABP calculated that compliance with the final salary scheme at the end of 2013 required an additional allocation to the so-called ABP Extra Pension (AEP). The allocation for 2013 amounted to 97,267 euros.

Mr Nijhuis and Mr de Groof

It has been agreed with Mr Nijhuis and Mr de Groof that their employment contracts will end at age 62 at the latest. As such, it has been arranged that they will annually receive a fixed salary supplement which they can put towards a life-course savings scheme (at present). In the past, the level of the supplement required an actuarial calculation based on the assumption that the retirement age was 62 and the fact that between the ages of 62 and 65 no pension accrual will take place during active employment with N.V. Luchthaven Schiphol.

Other benefits

The secondary benefits comprise appropriate expense allowances, a company car and the use of a telephone. The company has also taken out personal accident insurance and directors' and officers' liability insurance on behalf of the Management Board members. No loans, advances or guarantees were or will be granted to members of the Management Board. A restrictive policy applies with regard to other offices; the acceptance of other offices requires the explicit approval of the Supervisory Board.

New remuneration policy in 2014

Very recently the Supervisory Board, in consultation with the shareholders, developed a new remuneration policy. This

policy is based on the discussions which the Supervisory Board has held with the shareholders over the past years and is compliant with the '2013 Government Participation Policy' issued by the central government. The new remuneration policy applies to Management Board members appointed from 2014 onwards. In derogation from this, it was arranged with the current CFO at the time of her appointment that she would fall under the new remuneration policy as soon as it was definitively adopted.

The new remuneration policy contains a number of radical changes compared with the directors' remuneration policy applied until 2014. The principal change is a further moderation of the total remuneration level and a limited exchange of variable pay for fixed salary. The CEO's remuneration package in the case of a new appointment can be summarised as follows:

New remuneration policy - CEO

(in EUR)	Maximum
Fixed salary	400,000
STI	80,000
- Percentage of fixed salary	20.0%
Total	480,000

With regard to the other Management Board members, the maximum fixed salary is 340,000 euros (85% of the CEO's) while the variable pay percentage is identical (20%).

Another important change (and austerity measure) in the new remuneration policy concerns the pension commitment. Management Board members will have to pay the standard employee's contribution under the ABP scheme. In addition, the variable pay component will remain outside the pension base, which is a derogation from the standard ABP scheme.

In summary, the new remuneration policy therefore involves both a curtailment and a simplification with respect to the policy as applied until now.

Management Board Remuneration for 2013

As mentioned above, the fixed income components for the Management Board members remained the same in 2013. Even though Schiphol granted its employees a moderate pay rise, the Management Board decided not to raise its own members' salaries.

As regards their short-term variable income (STI), Management Board members (with the exception of the CFO) qualify for an STI swing factor of 1.25. The CFO qualifies for a swing factor of 1.15 based on the policy that applies to her. The Supervisory Board has ascertained, advised by the Remuneration Committee, that the Management Board largely achieved the collective, non-financial operational and socio-economic targets for 2013 as included in the 2013 Management Agenda. In this context, the Supervisory Board points out that 2013 was a good year in terms of results, cost control and the relationship with stakeholders. According to the Supervisory Board this is a great achievement in light of the market conditions that prevailed.

The Supervisory Board is positive about the overall performance of the members of the Management Board, bearing in mind that the Management Board made a very considerable effort in 2013 to achieve the strategic objectives, and that good financial results were recorded. The table below presents the total recorded performance for each Management Board member.

The Supervisory Board, advised by the Remuneration Committee, has set the swing factor for the long-term remuneration of Messrs Nijhuis, Rutten and De Groof over the period 2011-2013 at 1.5. Since Ms De Groot has not yet completed a full reference period, no payment of LTI will be effected as yet.

More detailed information on the remuneration of the Management Board for 2013 can be found on pages 214-217 of this annual report.

(in %)	Position	Total of STI
Jos Nijhuis	CEO	40.0%
Ad Rutten	COO	38.8%
Maarten de Groof	CCO	38.8%
Els de Groot	CFO	20.9%

Remuneration of the Supervisory Board

General

The remuneration of the Chairman of the Supervisory Board amounts to 36,500 euros per annum. The ordinary members' remuneration is 24,000 euros per annum. All members of the Supervisory Board also receive an annual expense allowance of 1,600 euros. Members of a Supervisory Board committee are entitled to an additional fee. Each member of the Audit Committee receives 6,000 euros per annum, and each member of one of the other committees is entitled to 5,000 euros per annum.

Remuneration of the Supervisory Board for 2013

Information on the remuneration of the Supervisory Board for 2013 can be found on page 213 of this annual report.

Schiphol, 13 February 2014

Shareholder information

Share capital

The authorised capital of N.V. Luchthaven Schiphol currently amounts to 143 million euros, divided into 300,000 A shares and 14,892 B shares, each with a nominal value of 454 euros. In total, 171,255 of the A shares and 14,892 of the B shares have been issued. The B shares are a special class of shares which have been issued to Aéroports de Paris S.A. and together represent 8% of the overall outstanding share capital. There have not been any changes in the authorised capital or number of shares issued since 31 December 2008.

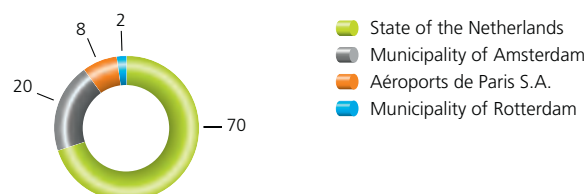
Dividend

The proposed dividend is 135 million euros, which is equivalent to 727 euros per share.

Credit rating

Schiphol Group maintains contractual agreements with Standard & Poor's Rating Services (S&P) and Moody's Investor Services (Moody's) regarding the provision of rating information. Schiphol Group maintains an active dialogue with both rating information providers. In 2013, Standard & Poor's long-term rating was increased from A to A+ with a stable outlook, due to an adjustment of the rating method. Moody's long-term rating of A1 with a negative outlook remained unchanged. The negative outlook assigned by Moody's is the lingering result of a negative outlook assigned for the Dutch State, which has been in place since August 2012. The short-term ratings are P-1 (Standard & Poor's) and A-1 (Moody's).

Schiphol Group Shareholders (in %)



Financial calendar:

General Meeting of Shareholders

16 April 2014

Publication of interim results

29 August 2014

Further information can be obtained from Investor Relations:

Telephone: +31 (0)20 601 2570

Email: investor_relations@schiphol.nl

Internet: www.schiphol.nl

Schiphol Group shareholders

State of the Netherlands	129,880	class A shares	69.77
Municipality of Amsterdam	37,276	class A shares	20.03
Aéroports de Paris S.A.	14,892	class B shares	8.00
Municipality of Rotterdam	4,099	class A shares	2.20

Risk management

Schiphol's socio-economic role and its enterprising business model mean that it is susceptible to a range of strategic, operational, financial and compliance risks. A uniform policy has been developed to manage these risks. Risk management is an integral part of our business operations.

Our policy is based on the following philosophy:

- Board and management are responsible for developing and testing internal risk management and monitoring systems. These systems have been designed to identify significant risks, monitor the achievement of targets and ensure compliance with relevant legislation and regulations;
- Effective risk management and internal monitoring systems will reduce the likelihood of errors, wrong decisions and surprises due to unforeseen circumstances;
- Risk management has been integrated into line-management activities, as well as into the planning and control cycle;
- In order to thrive, an enterprise must take risks. The Management Board is responsible for determining the limits of what is acceptable (referred to as 'risk acceptance').

Risk Acceptance

Taking risks is an integral part of business. The extent to which Schiphol is prepared to take risks to achieve its objectives differs according to each objective and risk category.

Risk acceptance is determined using risk limits as set out in policy documentation, handbooks and company regulations that define the specific limits and tolerances of the various

operational activities. In determining these, we are also paying increased attention to the possible convergence and accumulation of various risks.

Risk management and internal control

We strive to reduce the likelihood of errors, wrong decisions and surprises due to unforeseen circumstances as much as possible. However, there are no guarantees, and we cannot exclude the possibility of being exposed to risks of which we are currently unaware, or which may not yet be considered important at this time. No risk management or internal control system can provide an absolute safeguard against failure to achieve corporate objectives, nor fully prevent any possible loss, fraud or breach of rules and regulations. To name one example, Schiphol is particularly susceptible to adverse weather conditions and other natural phenomena; we simply cannot prevent or influence these. We can, however, ensure that the consequences remain as limited as possible.

Risk Category	Risk Acceptance	Description
Strategic	moderate	Schiphol is prepared to take moderate risks to achieve its objectives. In doing so, we aim to strike a balance between our socio-economic role (low risk acceptance) and our commercial targets (higher risk acceptance).
Operational	very low	Schiphol focuses primarily on ensuring the continuity of aviation activities, regardless of circumstances. We aim to reduce the risks that threaten this continuity as much as possible. Our risk acceptance in this regard is therefore very low. In the area of safety and security, we do all we can to avoid risks that could put passengers, employees, visitors or local residents in danger.
Financial	low	We maintain a solid financial position in order to guarantee access to the financial markets. Schiphol is not prepared to take risks that could jeopardise our (Standard & Poor's) credit rating of at least 'A'.
Compliance	zero	Schiphol strives to comply with all applicable laws and legislation, with a special focus on safety and security, environmental, tendering, competition and privacy/information security compliance.

To ensure effective risk management and internal control, we use a range of coordinated instruments:

- Our risk management system identifies, analyses and monitors strategic, operational, financial and compliance-related risks;
- Line managers (responsible for the implementation of risk management) report on their activities twice a year to their directors, who in turn report to the Risk & Compliance Committee;
- Risk management is a fixed aspect within our monthly planning and control cycle;
- Procedures and accounting policies are described in detail in manuals;
- We use a tax control framework to control fiscal risks;
- Multiple quality management systems, such as environmental and safety management systems;
- Continuous security monitoring by government authorities through audits and inspections, periodic discussion in the Policy and Enforcement consultation, a security company escalation ladder for assessing tasks, as well as overall inspection by the European Union;
- Chaired by the President and CEO, the Schiphol Group Management Team meets four times a year to discuss integral progress and results related to safety, the environment, people and society;
- We impose codes of conduct and have whistle-blower and anti-fraud regulations;
- Periodic consultation takes place between the Chief Financial Officer and the operational and commercial directors and their controllers on the results of audits conducted by external and internal auditors;
- Assessment of risk management procedures by the internal and external auditors;
- Follow-up of the recommendations contained in the external auditor's management letter;
- The business area management teams report to the Management Board at least once a month.

The Management Board reports on and accounts for the risk management and internal control system to the Supervisory Board, following discussion in the Supervisory Board's Audit Committee.

In light of the above, we believe that risk management and internal control systems provide a reasonable degree of assurance concerning financial reporting risks, and that the financial reporting does not contain any material misstatements.

The Management Board declares that, to the best of its knowledge:

- the financial statements give a true and fair view of the financial assets, liabilities, financial position and profits of

Schiphol Group as well as the combined consolidated enterprises;

- the annual report gives a true and fair view of the situation on the balance sheet date and of developments over the course of the financial year; and
- the principal risks facing Schiphol Group are described in this annual report.

Developments in 2013

A discussion of the key risks and control actions again took place during the Supervisory Board meeting in October 2013. Compliance risks have grown since 2012. In addition to noise emission and environmental standards, key risk areas now also include safety and security, environmental, competition, tendering and privacy/information security legislation.

The 'risk resilience' of Schiphol Group was also discussed during this meeting. The ongoing financial crisis has shown us that different risks can occur simultaneously and can actually reinforce each other. Schiphol Group remains aware of this multiplier effect. Our risk management system aims to limit the adverse effects of individual risks at the outset. The relative robustness of our business with respect to temporary disruptions, negative economic developments and emergencies was also discussed. It is the individual or combined risks potentially affecting our business at the system level that form the greatest threat, e.g. in the form of reduced traffic volumes, a drop in prices or consumer spending, reduced occupancy rates in our real estate portfolio, or rising costs. One of the greatest risks in this regard is our dependence on a small number of major users that are of key importance to our destinations network. In addition to actions aimed at preventing risks, Schiphol also has measures in place to mitigate their impact, such as corporate emergency plans, conservative financing, modular investment plans, and flexibility created by outsourcing various business processes. In the event of a structural impact on our business, there are actions that can be taken to minimise the effects, such as cost reductions, rationalisation or cancellation of investments, staff reductions, and the decommissioning of operational assets.

Compliance was a significant risk management topic in 2013. Compliance governance is allocated to the Risk & Compliance Committee, which was expanded in 2013 to include a Corporate Compliance Officer. The objective of our compliance policy is to identify and manage compliance risks, and to integrate compliance into the risk-management process. An internal communication campaign will be launched in 2014, with the aim of raising awareness of compliance, and to emphasise the importance of integrity.

In addition to compliance, there is also a major focus on information security risks relating to the availability, integrity and confidentiality of information used in business processes. In 2013, a study was conducted among the managers responsible for the various business processes in order to assess awareness of information security risks. The results showed that the process owners took too little consideration of these risks in the risk-management process. In 2014, extra attention will be devoted to integrating these risks into the risk-management process among line managers.

Sensitivity analysis

By making our dependencies transparent, we gain insight into the risks that are transferred within the chain. This enables Schiphol Group to anticipate chain reactions at an early stage.

We do this in various ways, for example by integrating sensitivity analyses for key value drivers in our *Tactical Plan 2014-2016* and *Strategic Plan 2013-2017*. This helps us to determine the impact of key risks.

The table below outlines the sensitivity level for several of Schiphol Group's key value drivers, specifying their most important risk factors.

Risks	Value	Baseline value for 2013	Change	Effect	Impact on:	Assumptions
A, B	Number of passengers at Schiphol	52.6 million	+/- 1%	10.7 million euros	Total turnover	Impact on revenues from airport charges and retail and catering sales: based on the assumption of a stable OD/transfer passenger ratio and unchanged passenger spending and costs
A, B, H	Number of flights	425,565	1 day without flights	2.9 million euros	Total turnover	Based on average airport charges and passenger spending in the terminal
A, B, D	Revenue from airport charges	816 million euros	+/- 1%	8.2 million euros	Total turnover	
A, B,	Average spending per departing passenger	15.89 euros	+/- 1%	1.0 million euros	Total turnover	Unchanged passenger numbers
E, H	Operating expenses	798 million euros	+/- 1%	8.0 million euros	Operating result	Baseline value is comprised of total operating expenses, not including impairment losses
C	Net initial yield from offices and industrial buildings, not including land	854 million euros	-10% +10%	78 million euros 94 million euros	Value of real estate	A 10% rise/decline (as at year-end 2013) in the net initial yield from real estate properties, applied to the value of the current real estate portfolio of 854 million euros

Assessment of most important risks

We use a risk matrix to assess and compare our risks, with the risks arranged based on an estimate of the likelihood of the risk arising and an estimate of the impact of the consequences on the achievement of our business objectives. The impact is based not just on the financial consequences but also on the impact on our reputation. We have plotted the ten most important risks in the risk matrix below, following implementation of control measures.

Most important risks

The ten most important risks, according to the COSO-ERM guidelines, are divided into the four categories below:

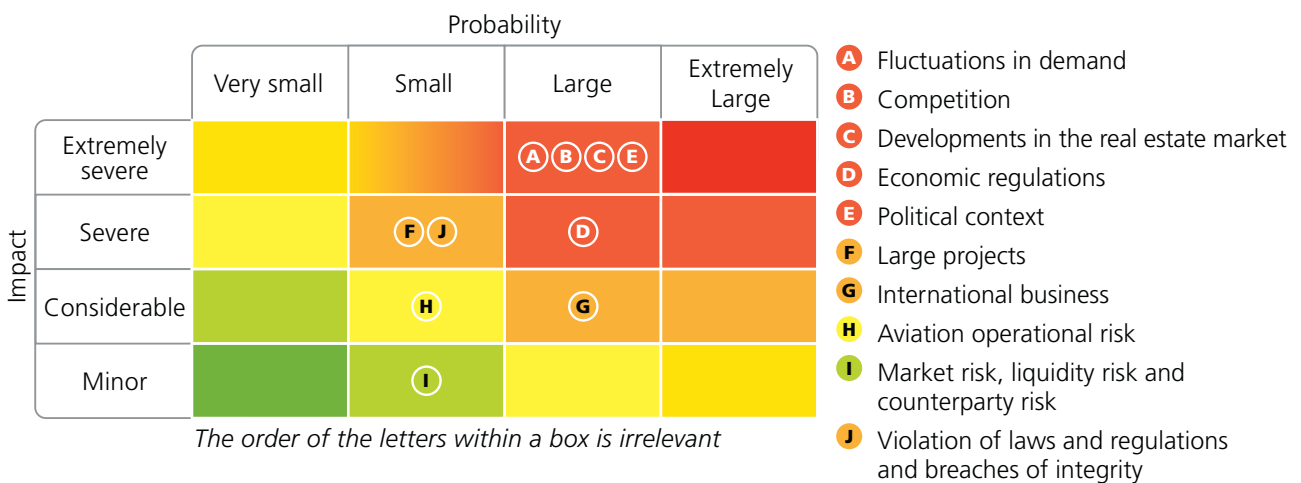
- Strategic
- Operational
- Financial
- Compliance

As well as a description of the risk and the control measures, we indicate whether the risk has decreased or increased, or remained unchanged, relative to 2012. Four of the ten risks either increased or decreased in 2013:

- B. Competitive risk in the area of transfer traffic has risen slightly owing to increased activity by airlines and airports in Turkey and the Middle East
- D. Uncertainty in relation to future economic regulation has decreased as a result of the most recent proposals discussed in the Lower House
- E. The sudden (re)emergence of the Air Passenger Tax as a national policy topic and the many regulatory developments at EU level in 2013 have led to an increased risk in the political context (previously 'changing laws and regulations')
- F. With the start of construction work on two large projects, the new Hilton hotel and non-Schengen Central Security, the risk associated with large projects has increased.

Classification of Schiphol's risks following the implementation of control measures

Risk = Probability x Impact (Impact is both financial impact and impact on reputation)



Most important risks**Developments in 2013**

A > Changes in demand	⊖
B > Competition	⬆️
C > Developments in the real estate market	⊖
D > Economic regulation	⬇️
E > Political context	⬆️
F > Major projects	⬆️
G > International enterprise	⊖
H > Operational risks in aviation	⊖
I > Market risk, liquidity risk, counterparty risk	⊖
J > Violations of laws and regulations, and integrity violations	⊖

Strategic risk**A > Changes in demand**

The risk of unexpected changes in demand, in our case especially the number of air transport movements, passenger numbers and cargo volumes, can lead to a shortage or excess of capacity. In such situations, profitability will increase or decrease proportionally.

The ongoing economic downturn poses a significant risk and may lead to a decline in passenger numbers, lower spending per passenger, decreased airline capacity and changing dynamics in the sector. Other factors that can influence demand can emerge from politics, laws and regulations, technology and competition. Schiphol is sensitive to fluctuations in demand, particularly because of its dependency on a limited number of major users and the fixed nature of its operations and assets.

B > Competition

Insufficient investment in quality and capacity increases our risk of being unable to maintain a healthy competitive position. As regards transfer traffic in particular, competition is increasing from other large hubs in Europe and new hubs in the Middle East, which have made substantial investments in new infrastructure and quality improvements. We are also facing increased competition in O&D traffic within our catchment area. Our non-aviation activities such as parking, retail and real estate, face competition from the area around Schiphol.

Control measures

- Short-term and long-term scenario planning
- Monitoring of external trends and developments
- Improved flexibility as a result of outsourcing activities
- Adjustment of commercial supply to stimulate demand for retail, catering services and parking
- A modular investment plan

Control measures

- Timely investments in infrastructure, in close consultation with airlines
- Competition analyses
- Client Relationship Management
- Widening of retail spectrum, range and facilities

C > Developments in the real estate market

As market conditions change, occupancy levels in our real estate portfolio may fall, rents may drop and we may see an increase in rental incentives, all resulting in lower profits and values. This risk is increased by the high concentration of aviation-specific real estate and our dependence on a number of large customers.

Control measures

- Monitoring of market conditions and current prospects
- Valuations of the real estate portfolio conducted every six months using different surveyors
- Develop projects solely on the basis of minimum pre-sale requirements
- Timely renovation and redevelopment to keep the location and portfolio attractive

D > Economic regulation

Our aviation activities are subject to economic regulation, which means that there is a cap on our investment returns. The evaluation of the Aviation Act is expected to lead to an adjusted system of economic regulation. These changes may affect Schiphol's ability and/or flexibility to make investments in capacity and quality, which in turn would impact Schiphol's competitive position and service levels.

Control measures

- Modular investment plans
- Close contact with the Dutch Authority for Consumers and Markets, which monitors the implementation of aviation charges and terms and conditions at Amsterdam Airport Schiphol
- Participation in discussions with the government on the subject of regulation

E > Political context

Political developments, policy changes and European or national laws and regulations can significantly influence our business, affecting, for example, the sale of consumer products at the airport. Changes in security legislation are another telling example of developments in the political arena that can give rise to major operational changes and escalating security costs.

Control measures

- Participation in various consultation bodies
- Ongoing dialogue with all stakeholders
- Monitoring of regulatory developments
- Monitoring and influencing political and other decision-making processes

F > Major projects

A number of different major projects (Master Plan, Central Security non-Schengen, Departure Lounge 2, Hilton Hotel) are being carried out simultaneously. This involves significant project risks, including delays and budget overruns. The original project objectives might then become redundant, resulting in the project no longer adequately meeting our needs.

Control measures

- Specialised project management department
- External benchmarks for the execution of major projects
- Standardised methods for executing major projects

G > International enterprise

International enterprise opens up opportunities and potential benefits, but also brings specific risks that would not arise in a domestic setting.

Control measures

- Limit risks to local subsidiaries
- Bring in competent local management and expert local advisers
- Maintain good relationships with local airport authorities
- Detailed attention to financial instruments and investment valuations

Operational risks**H > Operational risks in aviation****Safety and security**

Inadequate safety and security measures increase the risk of disruptions to airport operations as well as incidents or accidents that could have serious consequences for passengers, local residents and the employees of companies located at Schiphol.

Control measures

- Safety management systems
- Training and drills
- Investment in innovations such as the security scan, which uses millimetre wave technology
- Random checks to assess the performance of security control
- Operational security training for staff
- Company emergency plans and procedures
- Emergency measures
- Well-trained and prepared staff
- Insurance policies

Unexpected business interruptions

Extreme weather events or natural phenomena, fire, pandemics, aircraft accidents, technical faults or power cuts can all lead to business interruptions. These can significantly impact business processes, results and prospects.

Dependence on third parties

As an airport, we are highly dependent on inputs and materials from third parties, such as governments, statutory bodies, the Dutch Border Police (*Koninklijke Marechaussee*), Customs and partners in the sector such as airlines and ground handlers. Any industrial action, business interruptions or unethical behaviour on the part of these external parties can disrupt our operations, damage our reputation and negatively affect results.

- Ensure that covenants and agreements are in place, and maintain good relationships and contact with external parties
- Screening of external contract parties
- Proper coordination and contract management

Financial risks**I > Market risk, liquidity risk, counterparty risk**

Schiphol Group is exposed to a variety of financial risks, such as currency, price and interest rate risks, liquidity risks and counterparty risks. Maintaining creditworthiness is also of paramount importance: the loss of the A rating can result in reduced access to financing as well as higher financing costs.

Control measures

- Maintain a large degree of liquidity in line with market conditions
- Proactive refinancing strategy
- Balanced distribution of loans and repayments
- Monitor creditworthiness (Standard & Poor's A rating) to ensure easy access to the capital market
- Limit currency and interest rate risks
- Monitor counterparty risk (Standard & Poor's A rating or higher)

Compliance risks**J > Violations of laws and regulations, and integrity violations**

Failure to comply with applicable laws and regulations, particularly in terms of noise and the environment, safety and security, environment, competition, tendering and privacy/information security, can damage our reputation and have negative financial and operational consequences.

Schiphol Regulations and procedures

A lack of integrity and corporate responsibility can damage our reputation and lead to regulatory violations.

Control measures

- Compliance policy including organisational structure with Corporate Compliance Officer and line Compliance Officers
- Compliance awareness training for staff
- Internal compliance procedures and management systems to ensure regulatory compliance
- Legal procedures and standards for contracts, documents management, procurement, power of attorney etc.
- Risk management procedures including a reporting structure
- Cooperation and lobbying with regulatory authorities and implementing bodies
- Sanctions policy and committee, fraud committee and integrity committee
- Mandatory reporting of transgressions, including option of anonymous reporting through an external body



Operational and socio-economic statements

	Description	Amsterdam Airport Schiphol 2013	Amsterdam Airport Schiphol 2012
Performance Indicators			
Top Connectivity			
	Destinations	323	317
	Passenger numbers (incl. transit passengers)	52,569,200	51,035,590
	Air transport movements	425,565	423,407
	Cargo volume	1,531,089 tonnes	1,483,448 tonnes
	Passenger market share (top-10 European airports)	10.8%	10.7%
	Cargo market share (top-10 European airports)	14.6%	13.9%
	O/D passengers	30,515,701	30,100,632
	Transfer passengers	22,011,998	20,874,960
	Arrival punctuality	87.6%	86.1%
	Departure punctuality	81.9%	81.2%
Accessibility and air quality			
	Passenger satisfaction with train services to and from Schiphol	89%; 88%	88%; 87%
	Passengers arriving by public transport	39.2%	38.2%
	Passengers being dropped off or picked up by car	26.6%	28.0%
	Passengers who park their car at Schiphol	13.0%	13.1%
	Passengers arriving by taxi	10.0%	9.9%
	Passengers arriving by collective transport	7.9%	7.7%
	Passengers coming to Schiphol using another form of transport	3.3%	3.1%
Excellent Visit Value			
	Irregularity rate	1.7%	1.5%
	Departing passengers rating Schiphol as good/excellent	96%	95%
	Arriving passengers rating Schiphol as good/excellent	95%	95%
	Price/quality ratio of Retail Airside (passenger satisfaction)	60%	60%
	Spending per departing passenger, Retail Airside (in euro)	15.89	16.69
	Parking revenues per departing Dutch passenger (in euro)	7.96	8.03
	Concession revenues per departing passenger (in euro)	5.52	5.62
	Costs per Work Load Unit (in euro)	10.87	10.77
Competitive Marketplace			
	Companies located on airport grounds	approx. 500	497
	Immediate profit on property investments (before tax)	5.8%	5.0%
	Expiry of lease contracts within one year	5.2%	5.2%
	Occupancy rate of property portfolio	86.3%	91.8%
	Occupancy rate of property for operating activities in airport terminal	90.1%	91.4%
	Occupancy rate of property for operating activities	80.6%	91.3%
	Occupancy rate of offices	75.8%	84.0%
	Occupancy rate of business premises	92.9%	97.9%
	Size of property portfolio (m ²)	586,364	565,899
Sustainable Performance			
Noise and the local community			
	Enforcement point breaches	1	2
	People who filed noise reports with Local Community Contact Centre Schiphol (Bas)	4,624	5,286
	Specific reports	93,045	84,674
	Period reports	28,189	42,069
	Other reports	537	3,861
	Focus-group complainants	4,597	5,253
	Percentage of habitual complainants and their share in total number of reports	0.6% habitual complainants responsible for 67.8% of all reports	0.6% habitual complainants responsible for 59.3% of all reports
Climate-friendly aviation			
	Scope 1 CO ₂ emissions, own activities	2	19,309
	Scope 2 CO ₂ emissions, own activities	2	85,639
	Scope 3 CO ₂ emissions, own activities	2	2,746
	Total CO ₂ emissions	2	107,694
	Self-generated energy (as % of total energy consumption)		2.0%
	Electricity consumption (kWh/operating year)		188,217,265
	Gas consumption (m ³ /operating year)		10,573,963
	Energy efficiency		5.9%
	EPBD labels for existing buildings	3	73.5%
Accessibility and air quality			
	Aircraft stands upgraded to accept FEGP and PCA this year	4	16
Commodity shortages			
	Recycling of regular waste	5	36.0%
	Collected waste		15,201 tonnes
	Oxygen content in surface water	6	91.3%
	Drinking water consumption per passenger in litres	7	13.3
Sustainable employment			
	Schiphol employees on airport premises		approx. 65,000
	Schiphol Aviation College (LCS)		64,061
	LCS: Successful graduates of the work-study programme	8	80.0%
	LCS: Students who started the senior secondary vocational (mbo) programme	8	528
	LCS: Students who commenced an internship	8	134
	LCS: Professional training courses taken by groups	8	90 programmes completed by 192 groups
	FTEs		1,878.9
	Employees		1,904

Description	Amsterdam Airport Schiphol	
	2013	2012
Performance Indicators		
Average employee age	45.8	45.1
Average years of service	15.1	14.5
Proportion of women (women as a % of employees)	30.0%	30.6%
Proportion of female management staff (women as a % of managers)	27.1%	26.8%
Diversity in SNBV top tier management	9	31.0%
Absenteeism rate (due to illness) among SNBV employees	10	27.0%
Employee engagement	11	3.1%
Turnover of staff in service (number of employees)		7.9
Turnover of staff leaving service (number of employees)		2011: 7.9
Average training budget (in euro per employee)		54
Work-related accidents followed by absence: SNBV without fire brigade		94
Work-related accidents followed by absence: Fire Service		117
		1,934
		2,021
		-
		1.6
		14.2
		44.4
Safety		
Runway incursions	13	23
Birdstrike rate per 10,000 air transport movements	14	6.1
Integral fire safety testing	15	96.0%
		95.0%
Other		
Purchasing from responsible suppliers	16	77.0%
Tax deductions at source and social insurance contributions (in euro)		70.7%
Crisis levy (in euro)		59,613,312
Corporate tax (in euro)		not reported
VAT (net received, in euro)		712,327
Dividend tax (in euro)		not reported
Property tax (in euro)		26,576,000
Duties (in euro)		not reported
		48,836,492
		not reported
		14,954,414
		not reported
		11,331,218
		not reported
		3,486,006
		not reported

Description	Rotterdam The Hague Airport	
	2013	2012
Performance Indicators		
Top Connectivity		
Destinations	40	40
Passenger numbers (incl. transit-direct passengers)	1,590,000	1,273,000
Air transport movements	16,923	13,565
Sustainable Performance		
Climate-friendly aviation		
Electricity consumption (kWh)	3,589,264	3,736,504
Gas consumption (m ³)	197,349	171,395
Commodity shortages		
Collected waste	138.8 tonnes	141.2 tonnes
Recycling of regular waste	25%	25%
Drinking water consumption per passenger in litres	9.6	9.4
Sustainable employment		
FTEs	116.1	114.1
Employees	131	130
Average employee age	39.1	38.2
Average years of service	7.9	7.5
Proportion of women (women as a % of employees)	35.1%	33.8%
Proportion of female management staff (women as a % of managers)	25.0%	23.5%
Employee absenteeism rate (due to illness)	2.2%	3.1%
Turnover of staff in service (number of employees)	11	15
Turnover of staff leaving service (number of employees)	10	6
Average training budget (in euro per employee)	1,162	1,518
Other		
Tax deductions at source and social insurance contributions (in euro)	2,467,728	not reported
Crisis levy (in euro)	-	not reported
Corporate tax (in euro)	-	not reported
VAT (net received, in euro)	942,618	not reported

Performance Indicators	Eindhoven Airport 2013	Eindhoven Airport 2012
Top Connectivity		
Destinations	53	45
Passenger numbers (incl. transit-direct passengers)	3,397,000	2,977,000
Air transport movements	26,508	24,265
Sustainable Performance		
Climate-friendly aviation		
Electricity consumption (kWh)	5,403,000	4,632,000
Gas consumption (m ³)	172,000	87,000
Commodity shortages		
Collected waste	294 tonnes	229 tonnes
Recycling of regular waste	19%	16%
Drinking water consumption per passenger in litres	6.1	4.2
Sustainable employment		
FTEs	35	30.2
Employees	42	36
Average employee age	40.5	41.3
Average years of service	7.1	7.4
Proportion of women (women as a % of employees)	50.0%	50.0%
Proportion of female management staff (women as a % of managers)	25.0%	33.3%
Employee absenteeism rate (due to illness)	7.9%	7.1%
Turnover of staff in service (number of employees)	8	5
Turnover of staff leaving service (number of employees)	2	2
Average training budget (in euro per employee)	187	219
Other		
Tax deductions at source and social insurance contributions (in euro)	1,157,493	not reported
Crisis levy (in euro)	8,148	not reported
Corporate tax (in euro)	2,368,948	not reported
VAT (net received, in euro)	4,115,458	not reported

Performance Indicators	Lelystad Airport 2013	Lelystad Airport 2012
Top Connectivity		
Air transport movements	106,080	114,508
Sustainable Performance		
Climate-friendly aviation		
Electricity consumption (kWh)	200,000	220,000
Gas consumption (m ³)	30,000	30,000
Commodity shortages		
Collected waste	5 tonnes	5 tonnes
Recycling of normal waste	20%	20%
Sustainable employment		
FTEs	15.1	15.1
Employees	16	16
Average employee age	45.1	44.1
Average years of service	12.9	11.9
Proportion of women (women as a % of employees)	18.8%	18.8%
Proportion of female management staff (women as a % of managers)	0%	0%
Employee absenteeism rate (due to illness)	2.0%	2.0%
Turnover of staff in service (number of employees)	-	1
Turnover of staff leaving service (number of employees)	-	2
Average training budget (in euro per employee)	86	417
Other		
Tax deductions at source and social insurance contributions (in euro)	420,986	not reported
Crisis levy (in euro)	-	not reported
Corporate tax (in euro)	-	not reported
VAT (in euro)	7,176	not reported

Reporting guidelines

Integrated annual reporting is a growing area of focus around the world. Schiphol Group is one of over 100 international participants in a pilot programme for the integrated annual reporting framework developed by the [International Integrated Reporting Committee](#). Integrated thinking continues to develop within our company, a fact that is clearly visible in the evolution of our annual reporting since 2009.

Annual reports are drawn up with due observation of the relevant international guidelines and best practices, the most important of these being the G3.1 guideline from the Global Reporting Initiative (GRI). The level at which we are currently apply the G3.1 guideline is B+ (on a scale from A to C). The '+' is an indication that the information has been audited externally. The [GRI reference table](#) has been included, which shows where information concerning the indicators that are relevant to our business operations can be found in this

report. The GRI sector supplement for airports has also been applied.

The Dutch ministry of Finance has determined that annual reports of state shareholdings must have at least GRI level C as of 2010. With a B+, Schiphol not only satisfies this requirement but also meets its own targets in this respect. Furthermore, annual reports of state shareholdings are required to be included in a survey of the Transparency Benchmark study group, a benchmark study that was conducted by PwC in 2013 and commissioned by the ministry of Economic Affairs. We have been participating in this study since 2006. A total of 460 organisations submitted their 2012 annual reports for the Transparency Benchmark, in which Schiphol Group's report ranked 30th (47th in 2012).

As a participant in Global Compact, we have compiled a progress report on the ten principles it prescribes. This report is featured in the [Global Compact Communication on Progress](#).

Scope of the report

The results with regard to our financial, operational and social performance are presented in a single annual report. Over 90% of our activities take place at Amsterdam Airport Schiphol. As a result, a large proportion of our operational and social performance relates solely to this particular location. The national and international subsidiaries and participations (airports and other activities) carry out their own initiatives, geared towards their local environment and dovetailing with Schiphol Group's vision. Given the interrelatedness of activities within the aviation sector, the annual report also includes performance details of sector partners, such as the numbers of transported passengers and spending at concessionaires.

Our socio-economic role is to maintain a multi-modal hub that connects the Netherlands with the world's most important cities and centres of activity. Our [strategy](#) is based around four concepts: Top Connectivity, Excellent Visit Value, Competitive Marketplace and Sustainable Performance. During the year under review there were no changes in policy or objectives compared with the preceding reporting period, nor were there any acquisitions or divestments of business units. No economic conditions or developments occurred within the sector or within the value chain that affected the policy pursued.

In addition to this report, information is also available online at schiphol.nl, schiphol.nl/cr and schiphol.nl/sustainability.

PricewaterhouseCoopers Accountants N.V. (PwC) is Schiphol Group's external auditor. The airport requested that PwC conduct an audit with the aim of providing a moderate degree of assurance concerning the reliability of the data on

sixteen performance indicators, which are linked to six of the material themes from the section [Consultation with stakeholders](#). This concerns performance that comes under the airport's direct control at the Schiphol location, unless stated otherwise. The selection of performance indicators to be assessed is expected to change in the future so as to be further aligned with the material themes.

1. Number of enforcement point breaches
2. CO₂ emissions from own activities
3. EPBD labels of existing buildings
4. Number of aircraft stands connected to FEGP and PCA during the year
5. Recycling of regular waste
6. Oxygen content of surface water
7. Drinking water consumption per passenger
8. Schiphol Aviation College
9. Diversity
10. Absenteeism due to illness
11. Employee engagement
12. Work-related accidents followed by absence
13. Runway incursions
14. Bird-strike rate per 10,000 air transport movements
15. Integral fire safety tests carried out
16. Purchasing from CR-conscious suppliers

The auditor performed the audit in compliance with the Netherlands Institute of Chartered Accountants (NBA) N.V. COS3410N guideline 'Assurance engagements concerning Corporate Responsibility reports'. The [assurance report](#) is included in this annual report.

The sixteen performance indicators are reported on as components of existing periodic management information. Eleven of the performance indicators are reported on at least once per quarter, and are discussed by the Management Board with the relevant senior managers. Four of the performance indicators are measured and evaluated at least once a year: CO₂ emissions from own activities, EPBD ratings of existing buildings, drinking water consumption per passenger, and purchasing from CR-conscious suppliers. Employee engagement is measured once every eighteen months.

The information presented here concerns the 2013 calendar year (1 January – 31 December 2013). However, performance on four of the indicators can only be reviewed within the framework of the operating year (1 November 2012 – 31 October 2013), i.e. CO₂ emissions from own activities, enforcement point breaches, waste recycling and drinking water consumption per passenger. The time period applicable to the enforcement points is determined by law, whereas the operational year was chosen for the other three for convenience.

Performance indicators

Overview of externally audited performance indicators

1. Number of enforcement point breaches

- Internal reports: quarterly
- Reporting period: operating year
- Scope: Amsterdam Airport Schiphol
- Registration: Amsterdam Airport Schiphol
- 2013: none (two violations in 2012)

Regional noise impact is measured on the basis of noise enforcement points. The operating year closed without any breaches of the noise limit values.

In October 2013 the Alders Platform reached agreement on a new system of environmental standards. The new environmental standards are based on rules for runway use and were tested over a two-year period. The use of runways is based on a jointly developed order of preference, whereby, depending on weather conditions, the runways that affect the smallest number of people will be used. Air Traffic Control the Netherlands (LVNL) will at the same time keep the simultaneous use of runways to a minimum. The noise enforcement points will be abolished when the new system of environmental standards is implemented; this is expected to be incorporated into law in 2015.

For more information on this issue, see [noise and the local community](#).

2. CO₂ emissions from own activities

- Internal reports: once a year
- Reporting period: operating year
- Scope: Amsterdam Airport Schiphol activities at the Schiphol site
- Registration: Amsterdam Airport Schiphol
- 2013: scope 1: 19,309 tonnes (26,300 tonnes in 2012)
- 2013: scope 2: 85,639 tonnes (83,284 tonnes in 2012)
- 2013: scope 3: 2,746 tonnes (3,246 tonnes in 2012)

Amsterdam Airport Schiphol has been reporting in accordance with the Greenhouse Gas Protocol (GHG Protocol) since this reporting year. This means that we report on scope 1, 2 and 3 emissions instead of on control, guide and influence. The main difference is that in the latter classification, commuter traffic and business travel by air or by car come under the heading of 'control'. Under the new classification they have moved to scope 3.

The method used to calculate CO₂ emissions for gas consumption also changed in 2013. The degree days method is used to standardise consumption. This enables us to establish more precisely whether a particular increase or

decrease is attributable to an energy efficiency improvement. If CO₂ emissions in 2012 had been calculated in accordance with this method, they would have been 1,511 tonnes lower.

We actively reduce scope 1 and 2 emissions in that we save on energy and fuel consumption, use energy and fuel more efficiently, generate sustainable energy and use biofuel. In addition, we promote the reduction of scope 3 emissions from business and commuter travel. In 2013 Schiphol achieved CO₂ neutrality for its own operations caused by compensating for activities carried out in scope 1 and 2 and, in part, scope 3 through the purchase of green electricity certificates (Guarantees of Origin) and CO₂ certificates for the remaining emissions.

Since 2012 we have been applying emission factors based on those of the Foundation for Climate-Friendly Procurement and Business (SKAO). We are striving to further reduce the percentage of emissions requiring compensation for CO₂ neutral operations. Read more about our CO₂ emissions in the section on [climate and the environment](#).

3. EPBD labels of existing buildings

- Internal reports: once a year
- Reporting period: calendar year
- Scope: existing buildings owned by Schiphol Real Estate B.V. (SRE) commercial real estate portfolio, exclusively at the Schiphol location
- Registration: Amsterdam Airport Schiphol
- 2013: 73.5% of the lettable floor area carried a C label or higher (73.4% in 2012)

By the end of 2013, 73.5% of Schiphol Real Estate's lettable office space (not including operational real estate) at the airport was allocated an A, B or C energy label on the basis of the European EPBD-label for building energy performance.

The percentage is calculated on the basis of the lettable floor area (LFA). This performance indicator relates to commercial real estate at the Amsterdam Airport Schiphol location. It does not include operational real estate, commercial real estate at other locations or real estate owned by entities other than SRE. Investment property earmarked for demolition has similarly not been included. Industrial buildings have been excluded since no EPBD label is available for this category of investment property. We aim to achieve further improvements in this area. Read more about our environmental activities in the section on [climate and the environment](#).

4. Number of aircraft stands connected to FGEP and PCA during the year

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Amsterdam Airport Schiphol

- Registration: Amsterdam Airport Schiphol
- 2013: 16 aircraft stands (15 aircraft stands in 2012)

The Airport Traffic Ruling stipulates that fewer auxiliary power units and ground power units are to be used. Over the course of the 2010-2013 period, we equipped 61 aircraft stands with an electric-powered FEGP facility and an electrical connection for PreConditioned air (PCA).

A total of sixteen aircraft stands were converted in this manner over the course of 2013, in accordance with our legal obligations. Read more about our environmental activities in the section on [climate and the environment](#).

5. Recycling of regular waste

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: own normal waste Amsterdam Airport Schiphol
- Registration: Van Gansewinkel and several specialised companies
- 2013: 36.0% (35.0% in 2012)

Van Gansewinkel collects waste at various locations on the Schiphol site, and several specialised companies collect mown grass. The airport is working to raise the recycling rate in respect of its own regular wasteregular waste. The scope of this performance indicator does not correspond entirely to the site environmental permit. This is because as some tenants are free to enter into individual contracts with a waste collection company of their choice. As a result, Van Gansewinkel does not collect waste at all locations within the scope of the site environmental permit.

In 2013, 36.0% of the airport's own regular waste was separated for processing. We aim to further increase the percentage of recycled regular waste in the future. For more information on waste and raw materials, see the section on [climate and the environment](#).

6. Oxygen content of surface water

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: surface water on Amsterdam Airport Schiphol grounds
- Registration: Amsterdam Airport Schiphol
- 2013: 91.3% (98.2% in 2012)

Measures to keep aircraft free of ice - the process of de-icing – and to keep snow and ice off taxiways, take-off and landing runways and aprons have a major impact on the quality of the surface water on and around the airport grounds. The de-icing agents used are biodegradable, but they do extract oxygen from water. Water quality is determined on the basis of oxygen content.

The Rijnland Water Board conducts measurements of the oxygen content at three transfer points. The percentage of days on which average oxygen content exceeded 3 mg/l at the three enforcement points was 91.3% in 2013. This was caused by the fact that January, February and March each recorded more than ten days of snow, which exceeds the multi-year average. We aim to ensure that all three enforcement points meet the standards at all times by 2015. Read more about our environmental activities in the section on [climate and the environment](#).

7. Drinking water consumption per passenger

- Internal reports: twice a year
- Reporting period: operating year
- Scope: drinking water consumption at Amsterdam Airport Schiphol
- Registration: Amsterdam Airport Schiphol
- 2013: 13.3 litres (13.6 litres in 2012)

Amsterdam Airport Schiphol supplies drinking water to buildings at Schiphol. This includes all drinking water used at catering outlets, toilets, drinking fountains and the offices above the lounges. The scope of this performance indicator does not correspond entirely with that indicated in the site environmental permit. This is due in part to the fact that part of drinking water consumption is invoiced to Schiphol Real Estate, which then passes on these charges in the rent.

We calculate this performance indicator on the basis of the amount of drinking water consumed in the Terminal divided by the total number of passengers. Drinking water consumption dropped slightly to 13.3 litres per passenger in 2013. We aim to achieve a further reduction in this area. Read more about our environmental activities in the section on [climate and the environment](#).

8. Schiphol Aviation College

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Schiphol location
- Registration: Schiphol Aviation College
- 2013: apprenticeships - 80% of all examination candidates successfully completed their exams (compared to 87.5% of examination candidates in 2012)
- 2013: 528 senior secondary vocational education (mbo) participants enrolled (compared to 795 participants in 2012)
- 2013: 134 students assigned to trainee positions (compared to 75 in 2012)
- 2013: 90 vocational training programmes completed by 192 groups (2012: 59 training programmes, 118 groups)

Schiphol Aviation College serves as an intermediary for apprenticeships, senior secondary vocational education programmes, internships and professional training

programmes for logistical, security-related, facilities and retail positions at the airport.

Apprenticeships: these are intended for people who have not completed their education or are out of work. Working and learning programmes offer these people basic qualifications and better opportunities on the labour market. The relevant KPI is measured on the basis of the study success rate. In 2013, 80% of examination candidates pursuing a working and learning programme obtained their diploma.

Senior secondary vocational education (mbo) participants: Schiphol Aviation College provides senior secondary vocational (mbo) programmes designed specifically for airport-related jobs, with a focus on security and air cargo logistics. In 2013, 528 mbo participants commenced a study programme. This number is lower compared with 2012, when the enrolment figure was exceptionally high.

Student trainees: the number of student trainees who were granted internships rose to 134 in 2013. The rise is due to the greater emphasis placed internally on the importance of student trainees. A new feature is the possibility to gain (unpaid) work experience in the terminal. In all, 35 mbo students took up this opportunity.

Training programmes: the number of groups that pursued one of the 90 training programmes offered rose to 192 in 2013. The rise was due in part to a sustainable employment budget that was made available to Schiphol Nederland B.V. employees effective 2013. Employees can spend the budget on the training programmes offered.

With economic recovery yet certain, we will strive to maintain the current standard for all these aspects. Further information on Schiphol Aviation College is featured in the section on [sustainable employment](#).

9. Diversity

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Schiphol Nederland B.V.
- 2013: 31.0% (27.0% in 2012)

Schiphol Nederland B.V.'s diversity policy is aimed at promoting talented women to positions in the top of the organisation. At the end of 2013, 31% of all key positions were filled by women. We have thus already achieved our ambition of increasing the percentage to 30% by the end of 2014. Further information on our employment policy is featured in the section on [sustainable employment](#).

10. Absenteeism due to illness

- Internal reports: monthly

- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Schiphol Nederland B.V.
- 2013: 3.1% (3.7% in 2012)

In 2013, the absenteeism percentage for Schiphol Nederland B.V. dropped further to 3.1% and is now below the Verbaan standard. This decline is attributable to training programmes in 2012 designed to help management staff supervise sick colleagues more effectively, and to the new style of working. We will strive to continue this trend. Further information on our employment policy is featured in the section on [sustainable employment](#).

11. Employee engagement

- Internal reports: once every 18 months
- Reporting period: 18 months
- Scope: Schiphol Nederland B.V.
- Registration: MeyerMonitor
- 2013: 7.9 (7.9 in 2011)

Employee engagement is measured on the basis of the results of the Company Monitor carried out by MeyerMonitor, a research and dialogue consultancy company. The monitor determines the difference between the desired and actual situation for seven strategic issues. Based on the identified differences, management can then determine which themes require greater focus in order to achieve the strategic objectives.

The Schiphol Monitor included three new questions regarding satisfaction with current work, pride taken in work and intention to continue working at Amsterdam Airport Schiphol should other options arise. The average of these three scores results in a value representing employee engagement, in this case 7.9. We have successfully maintained a stable commitment level and aim to sustain this trend in future. Further information on our employment policy is featured in the section on [sustainable employment](#).

12. Work-related accidents resulting in absence from work

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Schiphol Nederland B.V.
- 2013: SNBV excluding fire brigade: 0 (1.6 in 2012)
- 2013: Fire Brigade: 14.2 (44.4 in 2012)

Schiphol registers work-related accidents in Lost Time Injury Frequency (LTIF). It enables us to see how we perform compared with other businesses within or outside the sector, and to monitor the situation relative to the preceding years.

Current calculations to determine the number of work-related accidents per million hours worked are based on a distinction between fire service employees and all other Schiphol Nederland B.V. employees. The LTIF for all other employees is 0, while the LTIF for Fire Brigade employees totals 14.2. This is attributable to three sports injuries suffered by fire service personnel while working. We will strive to maintain Schiphol Nederland B.V.'s current 0 LTIF rate and achieve a downward trend at the fire service. Further information on our employment policy is featured in the section on [sustainable employment](#).

13. Runway incursions

- Internal reports: monthly
- Reporting period: calendar year
- Scope: Amsterdam Airport Schiphol airside
- Registration: Air Traffic Control the Netherlands (LVNL) and Amsterdam Airport Schiphol
- 2013: 23 runway incursions (42 in 2012)

Air Traffic Control the Netherlands (LVNL) and Amsterdam Airport Schiphol both register the number of runway incursions. LVNL plays a leading role in this process. The airport reports on this performance indicator but relies on LVNL for compiling a complete notification and incident report. The two parties have formally harmonised the number of runway incursions since 2012. Twenty-three runway incursions involving no serious hazard were registered in 2013. This number is average. The high number recorded for 2012 was due to multiple use on the same day of a runway that had not been cleared for use. We aim to achieve a decrease for this performance indicator. For more information on airside safety, see the section on [safety](#).

14. Bird-strike rate

- Internal reports: monthly
- Reporting period: calendar year
- Scope: airport boundaries
- Registration: KLM and Amsterdam Airport Schiphol
- 2013: 6.1 bird strikes per 10,000 air transport movements (7.0 in 2012)

Home carrier KLM and Amsterdam Airport Schiphol have applied the same bird strike registration procedure since 2005. Amsterdam Airport Schiphol discusses bird strikes with KLM on a monthly basis. The incidents registered by the two parties are discussed every quarter in the Schiphol Bird Strike Committee, which also discusses policy and the various bird dispersal resources and their effectiveness.

In 2013 there were 6.1 bird strikes per 10,000 air transport movements. This figure is down by 0.9 from 2012. In the long term, we aim to achieve a downward trend in terms of the bird strike rate.

The average bird-strike figure was calculated by dividing the total number of bird strikes reported by KLM and the number of bird strikes reported by Amsterdam Airport Schiphol involving KLM aircraft and occurring within the relevant airspace zone by the number of KLM air transport movements. The resulting average figure is thus calculated on the basis of reports covering approximately 50% of the total number of air transport movements.

This approach was applied in view of the fact that the reports provided by home carrier KLM pilots are more reliable than those provided by other airlines. When it comes to the registration of bird strikes, Schiphol largely depends on KLM, which - in turn - depends on its own pilots. For more information on airside safety, see the section on [safety](#).

15. Comprehensive fire safety tests carried out

- Internal reports: monthly
- Reporting period: calendar year
- Scope: Amsterdam Airport Schiphol
- Registration: Amsterdam Airport Schiphol
- 2013: 96.0% of integral tests were carried out in the year concerned (95.0% in 2012)

The airport is responsible for fire safety in the Terminal. In order to ensure fire safety and verify the current operational reliability of the fire safety system, we conduct comprehensive testing of all fire alarm systems, air treatment systems, baggage systems, elevator control systems, roll-down shutters and evacuation systems. A total of 96.0% of all scheduled tests were conducted in 2013 (46 of 48). We aim to maintain this performance level in 2014. For more information on safety, see the section on [safety](#).

16. Purchasing from CR-conscious suppliers

- Internal reports: once a year
- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Amsterdam Airport Schiphol
- 2013: 77.0% of total purchasing volume (70.7% of total purchasing volume in 2012)

We measure this performance indicator on the basis of data from the group of suppliers that provide 80% of all the products and services that we purchase. As a result, the performance indicator score cannot exceed 80%. In 2013, 77.0% of all purchase volumes were procured from CR-conscious suppliers. We aim to continue this upward trend. Our policy on suppliers is featured in the section on [chain responsibility](#).

GRI index

GRI - G3 guidelines for sustainability reporting

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
1 PROFILE				
1.1	CEO statement	Message from the CEO	C	
1.2	Key effects, risks and opportunities of business operations on Corporate Responsibility	Strategy Risk management	C	
2 ORGANISATION PROFILE				
2.1	Name of the organisation	Notes to the consolidated financial statements - general information	C	
2.2	Primary products, and/or services	Profile	C	
2.3	Operational structure	Corporate Governance	C	
2.4	Location of organisation's headquarters	+	C	Evert van de Beekstraat 202, 1118 CP Schiphol; the Netherlands
2.5	Number of countries where the organisation operates	Profile	C	
2.6	Nature of ownership and legal form	Corporate Governance	C	
2.7	Markets served	Profile	C	
2.8	Scale of the organisation	Facts and Figures	C	Amsterdam Airport Schiphol covers 2,787 hectares and has 6 runways
2.9	Significant changes during the reporting period	+	C	No significant changes
2.10	Awards received in the reporting period	Excellent Visit Value	C	
3 REPORTING PARAMETERS				
3.1	Reporting period	+	C	01-01-2012 - 31-12-2012
3.2	Date of most recent previous report (if any)	28-3-2013	C	www.schiphol.nl/SchipholGroup/InvestorRelations/FinancialInformation/AnnualReports.htm
3.3	Reporting cycle	+	C	Annual
3.4	Contact point for questions	+	C	www.schiphol.nl/SchipholGroup/InvestorRelations/IRServicesContact.htm www.schiphol.nl/SchipholGroup/CorporateResponsibility1/FurtherInformationAndContactInfo.htm
3.5	Process for defining report content	Operational and socio-economic statement	C	
3.6	Scope of the report	Operational and socio-economic statement	C	
3.7	State any specific limitations on the scope of the report	Operational and socio-economic statement	C	
3.8	Basis for reporting	Operational and socio-economic statement	C	
3.9	Data measurement techniques and calculation principles	Operational and socio-economic statement	C	Specific GRI indicators were found to be immaterial for Schiphol Group in terms of content. As a result, no measurements or calculations were carried out and no data is available. In other cases, data is not publicly available
3.10	Re-statements of information provided in previous reports	+	C	For the CO ₂ emissions performance indicator (own activities), the data reported over 2012 differs from the data presented in the 2012 Annual Report. The method used to calculate gas emissions has been modified: consumption is now normalised using the degree day method. The GreenHouseGas Protocol guidelines are used to calculate and report on CO ₂ emissions
3.11	Significant changes relative to the previous reporting period	+	C	No significant changes
3.12	GRI table of contents	Operational and socio-economic statement	C	
3.13	Verification report	Operational and socio-economic statement	C	
4 GOVERNANCE STRUCTURE INDICATORS				
4.1	Organisational governance structure	Report of the Supervisory Board Corporate Governance Supervisory Board, Management Board & Key Management	C	
4.2	Relationship between the Chair of the highest governing body and executive position	Corporate Governance Supervisory Board, Management Board & Key Management	C	
4.3	Number of members of the highest governing body that are independent and/or non-executive members	Corporate Governance Supervisory Board, Management Board & Key Management	C	
4.4	Mechanisms available to shareholders and employees for submitting recommendations to, or exercising participation in decision-making	Report of the Supervisory Board Corporate Governance Shareholder information	C	Schiphol has a central works council and a number of local works councils. Employee participation is possible via these organs and via the trade unions
4.5	Link between compensation for members of the highest governing body, top executives and managers and the organisation's performance	Remuneration	C	
4.6	Processes in place for the highest governing body to ensure conflicts of interest are avoided	Corporate Governance	C	See also: www.schiphol.nl/SchipholGroup1/InvestorRelations/CorporateGovernance.htm

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
4.7	Process for determining composition of highest governing body	Report of the Supervisory Board Corporate Governance	C	
4.8	Internally developed mission statements, principles and codes of conduct	Mission and Ambition Sustainable employment	C	The CLA features codes of conduct on inappropriate behaviour, use of e-mail and dealing with external parties. In addition there are anti-fraud regulations and whistleblower regulations
4.9	Procedures for the highest governing body to assess how the organisation identifies and manages Corporate Responsibility, risks and opportunities	Corporate Governance Risk management	C	See also: www.schiphol.nl/SchipholGroup/InvestorRelations/CorporateGovernance.htm
4.10	Processes for evaluating the highest governing body's own performance	Report of the Supervisory Board Remuneration Management agenda	C	
4.11	Precautionary principle	Risk management	C	www.schiphol.nl/SchipholGroup/CorporateResponsibility1.htm
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives	+	C	Global Compact
4.13	Membership of associations (such as industry associations) and/or national/international interest groups	Supervisory Board, Management Board & Key Management Consultation with stakeholders	C	Member of industry association Airports Council International
4.14	List of stakeholder groups engaged by the organisation	Consultation with stakeholders Corporate Governance	C	See also: www.schiphol.nl/SchipholGroup/CorporateResponsibility1/Dialogue.htm
4.15	Basis for identifying and selecting stakeholders with whom to engage	Consultation with stakeholders Corporate Governance	C	
4.16	Method of engaging stakeholders	Consultation with stakeholders Corporate Governance	C	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns	Consultation with stakeholders	C	
5.1 ECONOMIC PERFORMANCE INDICATORS				
	Management approach to economic performance	Financial Performance	C	
EC1	Direct economic values	Financial Statements	C	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	Sustainable Performance Risk management	P	theGROUNDS See also: www.schiphol.nl/SchipholGroup/CorporateResponsibility1/EnvironmentallyFriendlyAviation.htm
EC3	Coverage of the organisation's defined benefit plan obligations	Financial Statements	C	
EC4	Significant financial assistance received from government	+	C	Amsterdam Airport Schiphol did not receive any significant financial assistance
EC6	Policy, practices, and proportion of spending on locally based suppliers	Chain responsibility	C	We cannot stipulate in tenders that we prefer local suppliers. We must comply with the basic principles of EU tendering legislation, which states the tendering process must be fair and that all suppliers should have equal chances
EC7	Procedures for local hiring and proportion of senior management hired from the local community	+	NM	International activities only involve a small number of managers seconded from the Netherlands
EC8	Development and effect of infrastructure investments and services provided primarily for public benefit	Financial Performance	C	In previous years we have invested around 300 million euros per year. This amount will probably increase by 50% in the years ahead, due to large-scale renovations that commenced in 2013. A substantial portion of this will be invested in improving, maintaining and (where necessary) expanding the infrastructure related to the airport. The long-term investments contribute to the quality, accessibility and development of the airport. There are also investments made in improving parking facilities and airport-related property, such as a hotel and office redevelopment
AO1	Number of passengers handled over the course of one year, categorised into international and domestic flights and O&D and transfer passengers, including transit-direct passengers.	+	C	Amsterdam Airport Schiphol <ul style="list-style-type: none"> • Passengers (incl. transit-direct): 52,569,200 • Domestic: 0 • Europe: 35,684,871 • Intercontinental: 16,884,329 • O&D passengers (total): 30,515,701 • O&D Europe: 23,192,069 • O&D Intercontinental: 7,323,632 • Transfer (total): 22,011,998 • Transfer (Europe): 12,479,367 • Transfer (Intercontinental): 9,532,631 • Transit-direct: 41,501

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
AO2	Number of air transport movements over the course of one year, categorised into day and night-time flights, and commercial, non-commercial, cargo and military flights.	+	C	Amsterdam Airport Schiphol <ul style="list-style-type: none"> • Total air transport movements: 425,565 • Cargo flights (commercial): 15,623 • Passenger flights (commercial): 409,942 • General aviation (non-commercial): 14,492 • Military flights (non-commercial): 259 • Other GA flights (non-commercial): 14,233 • Night flights (total): 21,381 • Night flights (commercial): 20,744 • Night flights (non-commercial): 637
AO3	Cargo volume transported	+	C	Amsterdam Airport Schiphol: 1,531,088,548 kg
5.2 ENVIRONMENT PERFORMANCE INDICATORS				
	Management approach of environmental indicators	<u>Climate and the environment</u> <u>Corporate Governance</u>	C	
EN1	Total amount of materials used by weight or volume		NM	In view of the fact that we are a service company, this performance indicator is not materially significant. We only register the purchase of materials, not the amount of materials actually used
EN2	Use of recycled materials		NA	
EN3	Direct energy consumption by primary energy source	<u>Climate and the environment</u>	C	
EN4	Indirect energy consumption by primary source	+	C	The energy consumption recorded concerns the total amount of energy consumed (electricity and gas). No indirect energy is purchased separately. If necessary, Schiphol will itself arrange for the transition from direct to indirect energy consumption
EN5	Energy saved due to conservation and efficiency improvements	<u>Climate and the environment</u>	C	
EN8	Total water draw-off by source	+	C	See also drinking water consumption per passenger in the operational statement performance indicators
AO4	Captured rainwater from the airport grounds. Rainwater may be polluted as a result of airport processes (such as kerosene leakage)		C	Rain water is captured in the rain water drainage system. If it is contaminated, it is cleaned before it is added to the surface water
EN11	Location and size of land owned, leased, managed, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	+	NM	Our business operations do not take place in protected areas or areas adjacent to such areas
EN12	Description of significant effects of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value	+	NM	Our business operations do not take place in protected areas or areas adjacent to such areas
EN16	Total direct and indirect greenhouse gas emissions	<u>Climate and the environment</u>	P	Only CO ₂ emissions available. The other emissions no longer need to be reported to the Province of North-Holland for site environmental permit purposes. Consequently, this information is not available
EN17	Other relevant indirect greenhouse gas emissions	+	P	The focus is on CO ₂ , the most important greenhouse gas. See also EN16
EN18	Initiatives to reduce greenhouse gas emissions	<u>Climate and the environment</u>	C	
EN19	Emissions of ozone-depleting substances	+	NM	The use of cooling agents no longer needs to be reported to the Province of North Holland for environmental permit purposes. Consequently, this information is not available
EN20	NO _x , SO _x , and other significant air emissions	-	NA	The Netherlands Emissions Authority (NEA) has granted Schiphol Nederland BV a licence to emit NO _x and CO ₂ . This licence relates exclusively to direct emissions caused by the use of natural gas and propane in heat/cold storage systems, central heating and steam boilers and emergency power units managed by Schiphol. Emissions for 2013 had not yet been externally determined at the time of publication of the 2013 Annual Report. Since 2006, Amsterdam Airport Schiphol has taken part in the Emission Trading Scheme (ETS), the purpose of which is to reduce emissions (CO ₂ and NO _x) through the application of market instruments. By trading emission allowances, the Dutch government is seeking to achieve cost-effective reductions in greenhouse gas emissions and to meet the Kyoto Protocol targets
AO5	Air quality composition	+	NR	Air quality is monitored by the government through the National Air Quality Cooperation Programme. Additionally, an external party calculates the air composition at Amsterdam Airport Schiphol once a year
EN21	Total water discharge by quality and destination	+	P	All waste water (sanitary and otherwise) is discharged from our buildings to an Evides waste water treatment installation. Water containing glycol and potassium formate is captured in the rain water drainage system and processed externally before it is added to the surface water
EN22	Total weight of waste by type	<u>Climate and the environment</u>	C	
EN23	Total number and volume of significant spills	-	NA	
AO6	Amount of de-icing agent used to de-ice aircraft and remove ice from runways and taxiways	+	C	In 2013, Schiphol used 1.7 million litres of potassium formate to remove ice from runways and taxiways. Aircraft are de-iced by handling agents, which means that there is no exact information available on the volumes of glycol used
EN26	Initiatives to mitigate the environmental impact of products and services	<u>Sustainable Performance</u>	C	
EN27	Packaging materials of products	+	C	0%

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
EN28	Fines and non-monetary sanctions for non-compliance with environmental laws and regulations	+	C	Following an incident in an airline hangar at the airport in July 2008 resulting in the dispersion of extinguishing foam containing perfluorooctanesulfonic acid, Schiphol has contributed to limiting damage to the environment. The Public Prosecution Service (PPS) launched an investigation into possible breach of environmental regulations. In 2013, the PPS and Schiphol agreed on an out-of-court settlement in view of the proportionality, time and money that would have been involved in potential criminal proceedings. Schiphol agreed to a transaction proposal to the amount of 30,000 euros
EN29	Significant environmental impact of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	<u>Climate and the environment</u>	C	
AO7	Number of people living in noise-affected areas	<u>Noise and the local community</u>	C	In 2013, 125,000 people experienced severe noise disturbance at levels of 48 dB(A) Lden or higher. More information is available from the 2014 Usage forecast and 2013 Usage Forecast Evaluation
5.3 WORKING CONDITIONS AND FULL-TIME WORK INDICATORS				
	Management approach of working conditions	<u>Sustainable employment</u> <u>Corporate Governance</u>	C	
LA1	Total workforce by employment type, employment contract, and region	<u>Profile</u> <u>Sustainable employment</u>	P	
LA2	Employee turnover	<u>Operational and socio-economic statement</u>	C	
LA15	Returning after parental leave	-	NA	
LA4	Percentage of employees covered by collective labour agreements	+	C	92,9%
LA5	Minimum notice period(s) regarding operational changes	+	C	No specific agreements were made on notice periods that would apply in the event of operational changes
LA7	Rates of injury, occupational disease, lost days, and absenteeism, and number of work-related fatalities by region	<u>Sustainable employment</u> <u>Operational and socio-economic statement</u>	P	A tragic accident involving a baggage tractor and a pedestrian occurred on airside in 2013. The pedestrian, who worked for a ground handler, died as a result of the injuries sustained
LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members	<u>Operational and socio-economic statement</u>	NR	
LA10	Average hours of training per year per employee, broken down by employee category	<u>Operational and socio-economic statement</u>	G	Only the training budget has been included
LA13	Composition of governing bodies	<u>Sustainable employment</u> <u>Supervisory Board, Management Board & Key Management</u>	C	
LA14	Ratio of basic salary of men to women	+	C	Basic salaries for men and women are the same. This has been set out in the CLA
5.4 HUMAN RIGHTS				
	Management approach of human rights	<u>Sustainable employment</u> <u>Chain responsibility</u> <u>Corporate Governance</u>	C	
HR1	Investment agreements that include human rights clauses	-	NA	
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and action taken	<u>Chain responsibility</u>	P	Schiphol Group has a procurement policy that sets out frameworks and regulations for purchasing activities. Suppliers are not specifically screened for compliance with human rights See also: www.schiphol.nl/SchipholGroup/CorporateResponsibility1/SupplyChainManagement.htm
HR4	Number of incidents of discrimination	+	C	There was one reported case of discrimination in 2013
HR5	Significant suppliers or own activities identified which may violate or pose a significant risk to the right to exercise freedom of association and collective bargaining, and the measures taken to ensure support for these rights		NA	
HR6	Significant suppliers identified as having significant risk for incidents of child labour	+	NM	The majority of our operations take place in the Netherlands. Our suppliers and we comply with Dutch laws and regulations
HR7	Significant suppliers identified as having significant risk for forced or compulsory labour	+	NM	The majority of our operations take place in the Netherlands. Our suppliers and we comply with Dutch laws and regulations
HR10	Percentage of operations screened in terms of their human rights impact		NM	
HR11	Number of complaints regarding human rights received through official channels.		NM	
5.5 SOCIAL PERFORMANCE INDICATORS				
	Management approach of social performance indicators	<u>Noise and the local community</u> <u>Climate and the environment</u> <u>Corporate Governance</u>	C	
SO1	% of activities that affect local community	+	C	100%
SO9	Operational activities with a significant (potentially) negative impact on the local environment	<u>Sustainable Performance</u>	C	The airport surrounds are especially likely to encounter noise disturbance. See also: www.bezoekbas.nl and GRI indicator PR1

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
SO10	Measures taken to minimise (potentially) negative effects on the local environment	Sustainable Performance	C	The airport surrounds are especially likely to encounter noise disturbance. See also: www.bezoekbas.nl and GRI indicator PR1
SO2	% of departments with known possibility of corruption-related risks	+	NA	One study has been carried out into the possibility of corruption-related risks
SO3	% of employees trained in anti-corruption policies and procedures	+	C	In 2013, the Schiphol Group Management Team completed a training course in ethics
SO4	Actions taken in response to incidents of corruption	+	NM	No known cases of corruption have been identified, not even after the above-mentioned investigation
SO5	Positions with regard to public policy, participation in public policy development, and lobbying activities	Consultation with stakeholders	C	Member of industry association Airports Council International
SO8	Fines and non-monetary sanctions for non-compliance with laws and regulations	+	C	In 2013, Luchthaven Schiphol N.V. received a number of small fines for not adjusting and paying payroll tax returns on time
A08	(Estimated) number of people to be voluntarily or involuntarily relocated in connection with the development or expansion of an airport	+	NM	Expansion of the airport in 2013 did not require any relocations

5.6 PRODUCT RESPONSIBILITY

	Management approach to consumer health and safety	Safety Sustainable employment Corporate Governance	C	
PR1	Life cycle stages in which health and safety effects of products and services are assessed	+	C	Our products and services impact on the safety, security and health of Schiphol workers, passengers and local residents. Schiphol workers are provided with a safe and healthy workplace. We ensure safe and secure infrastructure, particularly at specific locations such as the baggage basement and on airside. There are regulations governing the use of ear protection and safety regulations pertaining to clothing. We ensure the safety and health of passengers by actively providing a secure airport location, through constant attention to runway safety and prevention of bird strikes, among other means. Hygiene is important in order to contribute to the health of passengers and Schiphol workers. Amongst other measures aimed at the environment, an up-to-date overview of noise impact levels has been made available via www.bezoekbas.nl
PR3	Type of information on products and services that are mandatory for procedures			
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	+	NM	Our marketing communication policy adheres to generally accepted ethical and cultural values and advertising codes. This renders the deployment of special programmes for compliance with laws and regulations in this field unnecessary
PR9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services	+	C	During the reporting year no fines were imposed on Schiphol Group for failure to provide services, or to provide them in full
A09	Number of animals involved in wildlife strikes per 10,000 air transport movements	Safety Operational and socio-economic statement	C	Bird strikes are an issue of material significance to Amsterdam Airport Schiphol

C = Complete

P = Partial

NM = Not Material

NA = Not Applicable

NR = Not Reported

Global Compact

Global Compact Communication on Progress

Global Compact Communication on Progress

Global Compact principles	Incorporated in	See also: GRI Indicator
Human Rights		
1. Schiphol supports and respects human rights	Codes of Conduct Procurement regulations Integrity Committee	LA4, LA6-9, LA13-14 HR1-9
2. Schiphol is certain that it does not partake in any activity that violates human rights	Codes of Conduct Procurement regulations Integrity Committee	HR1-9
Working conditions		
3. Schiphol allows the freedom association of employees and their right to collective bargaining	Employees are free to join associations. Schiphol makes an annual payment to the trade unions as a contribution and to help cover training costs. Furthermore, employees that are active on behalf of the trade union and/or the Works Council receive a certain amount of free time to conduct these activities.	LA4-5 HR1-3 HR5
4. Schiphol eliminates all forms of forced labour	The type of work, working conditions and working times are set out in the CLA Procurement regulations	HR1-3, HR7
5. Schiphol eliminates child labour	Schiphol does not conclude employment agreements with people under the age of 18. Procurement regulations	HR1-3, HR6
6. Schiphol eliminates discrimination based on profession	Equal remuneration for men and women Code of Conduct on Undesirable Behaviour Integrity Committee Procurement regulations	LA2, LA13-14 HR1-4
Environment		
7. Schiphol focuses on environmental challenges as a precautionary measure	Climate-friendly aviation Accessibility and air quality Commodity shortages theGROUNDS ACI ACA benchmark Climate KIC SIM Innovative Mainport Alliance Knowledge and Development Center (KDC) Procurement regulations	EC2 EN18, EN26, EN30
8. Schiphol takes initiatives to enhance responsibility for the environment	Climate-friendly aviation Accessibility and air quality Commodity shortages theGROUNDS ACI ACA benchmark Climate KIC SIM Innovative Mainport Alliance Knowledge and Development Center (KDC) Schiphol Quality of Life Foundation Stichting Mainport en Groen Local Community Contact Centre Schiphol (Bas) Procurement regulations	EN1-30
9. Schiphol promotes the development and introduction of environmentally friendly technologies	Climate-friendly aviation Accessibility and air quality Commodity shortages theGROUNDS ACI ACA benchmark Climate KIC SIM Innovative Mainport Alliance Knowledge and Development Center (KDC)	EN2, EN5-7, EN18, EN26, EN30
Anticorruption		
10. Schiphol combats all forms of corruption, including bribery and extortion	Code of Conduct Whistle-blower scheme Anti-fraud regulations Procurement regulations Fraud team	SO2-6

Assurance report

Assurance-report from the independent auditor

To the management board of N.V. Luchthaven Schiphol

Engagement and responsibilities

We have reviewed the Corporate Responsibility (hereafter 'CR') information described in the section 'Sustainable Performance' on pages 59 until 78 and in the section 'Operational and socio-economic statements' on pages 115 until 129 in the 2013 annual report of N.V. Luchthaven Schiphol (hereafter 'Schiphol Group')

In these sections of the annual report, Schiphol Group reports on its policy, operational management, events and performance relating to CR (hereafter 'CR information') in the 2013 reporting period.

A review is focused on obtaining limited assurance based on evidence gathering activities which are less exhaustive compared to audit engagements. Consequently, a review engagement provides a lower level of assurance compared to audit engagements.

We do not provide any assurance on the assumptions and feasibility of prospective information relating to CR, such as targets, expectations and ambitions, included in the annual report.

The management board of Schiphol Group is responsible for the preparation of CR information in the annual report. It is our responsibility to provide an assurance-report on the CR information, as explained in the paragraph 'Reporting guidelines' on pages 118 and 119 of the annual report.

Reporting criteria

Schiphol Group developed its reporting criteria based on G3.1 Guidelines of the Global Reporting Initiative (hereafter 'GRI'). The CR information in the annual report is focused on the location Schiphol. The CR information about other entities is partly included in the annual report. Schiphol Group explained the scope of the report in the paragraph 'Reporting Guidelines' on pages 118 and 119 of the annual report. We consider the reporting criteria to be relevant and appropriate for our examination.

Scope and work performed

The CR information in the scope of our review is focused on the location Schiphol and does not cover all entities of Schiphol Group.

Our examination is focused on the review of specific relevant CR information for the main stakeholders of Schiphol group. Schiphol Group adequately explained the scope of our examination in the section 'Operational and socio-economic statements' in the paragraph 'Reporting Guidelines' on pages 118 and 119 in the annual report. We do not provide any assurance on other CR information included in the annual report, as this is outside the scope of our examination. The scope of our examination does not refrain us from concluding on the CR information in the annual report.

We have planned and performed our review in accordance with Dutch Law, including Standard 3410N 'Assurance engagements related to sustainability reports'. Our main review procedures included:

- performing an analysis of Schiphol Group's operating context and obtaining insight into the industry, relevant social issues, relevant laws and regulations as well as the characteristics of the organisation;
- reviewing the acceptability of the reporting policies and their consistent application, such as review of the outcomes of the stakeholder dialogue and the reasonableness of estimates made by management;
- with regard to the CR information in our assurance scope, reviewing the systems and processes for data gathering, internal controls and the aggregation process of data to the CR disclosures as presented in the annual report;
- with regard to the CR information in our assurance scope, reviewing internal and external documentation to determine whether the CR information in the annual report are adequately substantiated;
- evaluating the overall presentation of the CR information in the annual report, in line with Schiphol Group's reporting criteria;

- assessing the consistency of CR information in the annual report with the information the information in the section 'Operational and socio-economic statements'; and
- reviewing the application level according to the G3.1 Guidelines of GRI.

We believe that the evidence obtained from our examination is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our review procedures performed, nothing has come to our attention that would cause us to conclude that, in all material respects, the CR information within the scope of our examination, as explained in paragraph 'Reporting Guidelines' on pages 118 and 119, do not provide a reliable and adequate presentation of the CR policy of Schiphol Group, the related operational management, events and performance in the reporting period, in accordance with Schiphol group's reporting criteria.

Amsterdam, 13 February 2014

PricewaterhouseCoopers Accountants N.V.

Original has been signed by drs. S. Barendregt-Roojers RA

A black and white photograph of an airport terminal. In the foreground, three people are walking across a tiled floor. On the left, a woman in a dark coat walks towards the camera. In the center, a child and an adult man are walking away from the camera, holding hands. The background features large directional signs on a wall, including 'Gates BCD', '15-19 min.', an airplane icon, and a large arrow pointing right. The text 'Financial Statements 2013' is overlaid in the center of the image.

Financial Statements 2013

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Consolidated statement of income for the year ended 31 December 2013

(in thousands of euros)	Note	2013	2012 ¹
Revenue	1	1,382,069	1,352,540
Sales of property		181	28,064
Cost of sales of property		-	16,551
Result on sales of property	2	181	11,513
Fair value gains and losses on property	3	2,545	- 24,021
Other income from property		2,726	- 12,508
Cost of contracted work and other external costs	4	603,582	605,851
Employee benefits	5	185,886	182,359
Depreciation and amortisation	6	248,414	214,897
Impairment	7	17,410	22,741
Other operating expenses	8	8,805	17,690
Total operating expenses		- 1,064,097	- 1,043,538
Operating profit		320,698	296,494
Financial income and expenses	9	- 94,822	- 88,082
Share of results of associates	10	50,553	45,464
Profit before income tax		276,429	253,876
Income tax	11	- 45,645	- 57,438
Profit		230,784	196,438
Attributable to:			
Non-controlling interests	12	3,292	- 2,276
Shareholders (net result)		227,492	198,714
Earnings per share (in euros)	13	1,222	1,068
Diluted earnings per share (in euros)	13	1,222	1,068

1) Comparative figures have been restated as a result of amendments to IAS 19R

Consolidated statement of comprehensive income for the year ended 31 December 2013

(in thousands of euros)

	Note	2013	2012 ¹
Result		230,784	196,438
Translation differences	<u>28</u>	- 18,565	- 646
Changes in fair value on hedge transactions	<u>28</u>	6,596	- 70,661
Share in total result associates after taxes		1,375	- 1,617
Changes in fair value on other financial interests	<u>28</u>	-	914
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		- 10,594	- 72,010
Actuarial gains and losses		- 480	- 2,000
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		- 480	- 2,000
Total comprehensive income		219,710	122,428
Attributable to:			
Non-controlling interests		3,223	- 2,225
Shareholders (net result)		216,487	124,653

1) Comparative figures have been restated as a result of amendments to IAS 19R

Consolidated balance sheet as at 31 December 2013

Assets

(in thousands of euros)	Note	31 December 2013	31 December 2012 ¹	1 January 2012 ¹
Non-current assets				
Intangible assets	<u>14</u>	38,039	37,226	41,395
Assets used for operating activities	<u>15</u>	2,464,538	2,493,218	2,402,813
Assets under construction or development	<u>16</u>	386,470	309,304	397,032
Investment property	<u>17</u>	1,134,987	1,087,158	1,068,872
Deferred tax assets	<u>18</u>	200,139	266,421	255,151
Associates	<u>19</u>	783,357	764,869	725,048
Loans to associates	<u>20</u>	-	80,192	92,141
Other financial interests		-	-	6,141
Other loans	<u>21</u>	6,927	7,540	1,561
Derivative financial instruments	<u>30</u>	1,668	22,851	89,565
Other non-current receivables	<u>22</u>	34,144	37,469	34,381
		5,050,269	5,106,248	5,114,100
Current assets				
Lease receivables		-	-	3,299
Receivables on associates	<u>20</u>	59,543	-	-
Other loans	<u>21</u>	942	936	30
Assets held for sale	<u>23</u>	-	32,664	23,577
Derivative financial instruments	<u>30</u>	13,017	-	-
Trade and other receivables	<u>24</u>	203,464	201,872	177,881
Income tax	<u>35</u>	11,195	-	3,116
Cash and cash equivalents	<u>25</u>	489,263	445,122	413,287
		777,424	680,594	621,190
		5,827,693	5,786,842	5,735,290

1) Comparative figures have been restated as a result of amendments to IAS 19R

Equity and liabilities

(in thousands of euros)	Note	31 December		
		2013	31 December 2012 ¹	1 January 2012 ¹
Share capital and reserves attributable to shareholders				
Issued share capital	26	84,511	84,511	84,511
Share premium	26	362,811	362,811	362,811
Retained profits	27	2,948,497	2,829,370	2,728,149
Other reserves	28	- 111,774	- 100,547	- 26,486
		3,284,045	3,176,145	3,148,985
Non-controlling interests	29	25,221	21,998	24,334
Total equity		3,309,266	3,198,143	3,173,319
Non-current liabilities				
Borrowings	30	1,514,459	1,694,710	1,773,877
Lease liabilities	31	53,963	54,049	52,597
Employee benefits	32	35,474	33,669	34,421
Other provisions	33	10,657	13,509	17,927
Deferred tax liabilities	18	14,441	14,054	11,799
Derivative financial instruments	30	5,827	114,281	63,000
Other non-current liabilities	34	106,692	102,704	89,834
		1,741,513	2,026,976	2,043,455
Current liabilities				
Borrowings	30	420,395	191,510	101,834
Lease liabilities	31	3,182	2,498	5,914
Derivative financial instruments	30	33,429	1,586	6,311
Income tax	35	-	17,257	-
Trade and other payables	36	319,908	348,872	404,457
		776,914	561,723	518,516
		5,827,693	5,786,842	5,735,290

1) Comparative figures have been restated as a result of amendments to IAS 19R

Consolidated statement of changes in equity

(in thousands of euros)

	Note	Attributable to shareholders				Non-	Total
		Issued share capital	Share Premium	Retained profits	Other reserves ¹	controlling interests	
Balance as at 31 December 2011		84,511	362,811	2,728,149	- 25,292	24,334	3,174,513
Adjustment IAS 19R		-	-	-	- 1,194	-	- 1,194
Balance as at 1 January 2012		84,511	362,811	2,728,149	- 26,486	24,334	3,173,319
Profit after income tax		-	-	198,714	-	- 2,276	196,438
Other comprehensive income	<u>28.29</u>	-	-	-	- 74,061	51	- 74,010
Comprehensive income		-	-	198,714	- 74,061	- 2,225	122,428
Dividend paid	<u>27</u>	-	-	- 97,493	-	- 111	- 97,604
Balance as at 31 December 2012		84,511	362,811	2,829,370	- 100,547	21,998	3,198,143
Profit after income tax		-	-	227,492	-	3,292	230,784
Other comprehensive income	<u>28.29</u>	-	-	-	- 11,227	153	- 11,074
Comprehensive income		-	-	227,492	- 11,227	3,444	219,710
Dividend paid	<u>27</u>	-	-	- 108,365	-	- 222	- 108,587
Balance as at 31 December 2013		84,511	362,811	2,948,497	- 111,774	25,221	3,309,266

1) Comparative figures have been restated as a result of amendments to IAS 19R

	dividend for 2012, paid in 2013	dividend for 2011, paid in 2012
Dividend attributable to shareholders (in euros)	108,365,000	97,493,000
Average number of shares in issue during the year	186,147	186,147
Dividend per share (in euros)	582	524

Consolidated statement of cash flow for 2013

(in thousands of euros)	Note	2013	2012
Cash flow from operating activities			
Cash flow from operations	<u>38</u>	564,033	482,171
Income tax paid		- 31,648	- 24,005
Interest paid		- 98,689	- 98,580
Interest received		4,296	6,995
Dividends received		29,608	32,245
Cash flow from operating activities		467,600	398,826
Cash flow from investing activities			
Investment in intangible assets	<u>14</u>	- 12,604	- 9,395
Investment in property, plant and equipment	<u>16</u>	- 313,005	- 302,616
Proceeds from disposals of investment property	<u>2</u>	181	28,064
Proceeds from disposals of property, plant and equipment		280	107
Share capital contributions to associates	<u>19</u>	- 190	- 11,235
Sales of other financial interests		-	7,058
Repayment on other loans	<u>21</u>	131	50
New other loans	<u>21</u>	- 168	- 2,390
Finance lease instalments received		-	1,609
Cash flow from investing activities		- 325,375	- 288,748
Free cash flow		142,225	110,078
Cash flow from financing activities			
New borrowings	<u>30</u>	271,758	126,651
Repayment of borrowings	<u>30</u>	- 191,664	- 94,937
Settlement derivative financial instruments	<u>28</u>	- 62,709	- 8,940
Dividend paid	<u>27</u>	- 108,587	- 97,604
Finance lease investments in property, plant and equipment	<u>31</u>	2,801	4,232
Other non-current liabilities paid	<u>34</u>	- 2,178	1,129
Finance lease instalments paid	<u>31</u>	- 7,356	- 8,363
Cash flow from financing activities		- 97,935	- 77,832
Net cash flow		44,290	32,246
Opening balance of cash and cash equivalents	<u>25</u>	445,122	413,287
Net cash flow		44,290	32,246
Exchange and translation differences	<u>9</u>	- 149	- 411
Closing balance of cash and cash equivalents	<u>25</u>	489,263	445,122

Notes to the consolidated financial statements

General information

N.V. Luchthaven Schiphol is a public limited liability company (two-tier status company) with its registered office in the municipality of Haarlemmermeer at Evert van der Beekstraat 202, 1118 CP Schiphol, Netherlands. N.V. Luchthaven Schiphol trades under the name of Schiphol Group.

Schiphol Group is an airport business, with Amsterdam Airport Schiphol as its main airport. It wishes to create sustainable value for its stakeholders, taking into account the wide range of their interests. The core values of reliability, efficiency, hospitality, inspiration and sustainability play a central role in how it conducts business. Schiphol Group's mission is to link the Netherlands to all the world's major economic, political and cultural cities and centres. Amsterdam Airport Schiphol aims to be and remain Europe's Preferred Airport: an airport that is valued for its quality, capacity and extensive network of destinations and that wishes to serve airlines, handlers and travellers as efficiently as possible, with modern, well-positioned facilities.

On 13 February 2014, the Supervisory Board approved the financial statements as prepared by the Management Board. The Management Board will present the financial statements for adoption to the General Meeting of Shareholders to be held on 16 April 2014.

Accounting policies

Schiphol Group's accounting policies on consolidation, measurement of assets and liabilities and determination of results are set out below. These policies are in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Commission, and are applied consistently to all the information presented unless otherwise indicated. The applicable statutory provisions on annual reporting contained in Part 9, Book 2 of the Netherlands Civil Code have also been complied with. Schiphol Group applies the historical cost convention for measurement, except for land and buildings in the investment property portfolio, derivative financial instruments and other financial interests, which are recognised at fair value.

New and amended standards that are mandatory with effect from 2013

Schiphol Group has applied the following new or amended standards and interpretations, which have a significant influence on the disclosures or financial information in these financial statements, since 1 January 2013:

- IFRS 13 Fair Value Measurement
- IFRS 7 Financial Instruments, amendment
- IAS 1 Presenting Comprehensive Income
- IAS 19 Employee Benefits, amendment
- Amendments from the 2009-2011 Annual improvements project

IFRS 13 Fair Value Measurement requires additional disclosures on the valuation techniques for Schiphol Group's receivables and the measurement of derivatives and financial instruments, including counterparty risk. The valuation techniques for investment property are unchanged. Amendments in IAS 19R Employee Benefits resulted in a restatement of comparative figures.

New and amended standards that are mandatory with effect from 2014 or later

Schiphol Group has not voluntarily applied in advance new or amended standards or interpretations that will not be mandatory until the financial year 2014 or later.

Schiphol Group is currently examining the consequences of the following new or amended standards or interpretations, the application of which is mandatory from the financial year 2014 or later, as stated below:

- IFRS 9 Financial Instruments, Classification and Measurement (not yet adopted)
- IFRS 10 Consolidated Financial Statements and amendments to IAS 27 Consolidated and Separate Financial Statements (mandatory from 1 January 2014)
- IFRS 11 Joint Arrangements and amendments to IAS 28 Investments in Associates and Joint Ventures (mandatory from 1 January 2014)
- IFRS 12 Disclosure of Interests in Other Entities (mandatory from 1 January 2014)
- IAS 32 Financial Instruments: Presentation amendment (mandatory from 1 January 2014)
- IAS 36 Impairment of Assets (mandatory from 1 January 2014)
- IAS 39 Financial Instruments: Recognition and Measurement, amendment (mandatory from 1 January 2014)

- Amendments from the 2010-2012 Annual improvements project (mandatory from 1 January 2014)

See the notes on Joint Ventures and Non-controlling Interests for information on IFRS 10, 11 and 12. The impact of IFRS 11 Joint Arrangements is very limited.

Change in accounting policies

The comparative figures for 2012 have been restated further to the implementation of amended IAS 19 Employee Benefits. The amendment led to the pension obligation for employees of Schiphol Group in the Netherlands being increased by 3.2 million euros at 31 December 2012. It also led to a higher pension liability at foreign subsidiaries at 31 December 2012, requiring an adjustment to associates of 1.6 million euros. Consequently, comprehensive income for 2012 has been restated downwards by 3.6 million euros as the actuarial gains and losses for 2012 changed as a result of the adjustment to the pension liability. Accordingly, the opening balance of equity at 1 January 2012 has been restated by 1.2 million euros.

Subsidiaries, joint ventures and associates

(a) General

Where necessary, the accounting policies of subsidiaries, joint ventures and associates are adjusted to be in line with the Schiphol Group accounting policies.

(b) Subsidiaries

The financial information of N.V. Luchthaven Schiphol and its subsidiaries is fully consolidated. Subsidiaries are those companies where N.V. Luchthaven Schiphol has control of operating and financial policy. The other shareholders' share in consolidated equity and results is presented in the balance sheet as non-controlling interests (part of equity) and in the income statement as profit after income tax attributable to non-controlling interests. The results of subsidiaries acquired in the course of the year are consolidated from the date on which the company gains control. The financial information relating to subsidiaries disposed of in the course of the year continues to be included in the consolidation up to the date on which control ceases.

(c) Joint ventures

The financial information of associates that qualify as joint ventures is consolidated in proportion to the interest. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The results of joint ventures formed in the course of

the year are consolidated from the date on which the company gains joint control over the policy of the joint venture. The financial information relating to joint ventures disposed of in the course of the year continues to be included in the consolidation up to the date on which joint control ceases.

(d) Associates

An associate is an entity over which the company has significant influence. Investments in associates are recognised using the equity method, meaning that the investment is initially recognised at cost and subsequently adjusted for the company's post-acquisition share in the change in the associate's net assets. The carrying amount of these investments in associates includes purchased goodwill. The company's share in the results of associates over which it has significant influence is recognised in the statement of income (share of results of associates). The cumulative movement in the net assets of associates is recognised in proportion to Schiphol Group's interest under the heading of investments in associates. The company ceases to recognise its share of the results of an associate in the income statement and its share in the net asset value of that associate immediately if this would lead to the carrying amount of the investment becoming negative and if the company has not entered into any commitments or made payments on behalf of the associate. Investments in associates are recognised as other financial interests from the date on which the company ceases to have significant influence or control.

(e) Acquisition of subsidiaries, joint ventures and associates

An acquisition of a subsidiary, joint venture or associate is recognised using the purchase method under which the cost of such an acquisition is the sum of the fair values of the assets transferred by the acquirer on the acquisition date, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer and the related transaction costs. The identifiable assets, liabilities and contingent liabilities acquired are initially measured at their fair value at the acquisition date. The excess of the cost of the acquisition over the company's interest in the net fair value of the acquired assets and liabilities is recognised as goodwill in the consolidated financial statements under intangible assets (in the case of subsidiaries and joint ventures) or as part of the carrying amount in the case of associates. If the net fair value exceeds cost, the difference is recognised immediately in the income statement. Costs relating to an acquisition are recognised directly in the income statement.

(f) Eliminations

Transactions between the company and its subsidiaries, associates and joint ventures are eliminated, in the case of joint ventures and associates in proportion to the company's interest in those entities, along with any unrealised gains and assets and liabilities arising out of them. Unrealised losses are also eliminated unless there are indications of impairment of the asset concerned.

Company statement of income

The option of presenting the company statement of income in abridged form pursuant to Section 402 of Book 2 of the Netherlands Civil Code has been exercised.

Cash flow statement

The cash flow statement has been prepared using the indirect method.

Segment information

An operating segment is a clearly identifiable part of a company that engages in business activities with associated revenues, costs and operating results, and about which separate financial information is available that is regularly reviewed by the Management Board in order to assess the performance of the segment and make decisions about the resources to be allocated to it. Schiphol Group identifies fourteen operating segments, which have been combined into nine segments for reporting purposes in view of the size and characteristics of the operating segments. Group overhead costs are allocated to the segments largely on the basis of their relative share in the direct costs of Schiphol Group.

Foreign currency

(a) Functional currency and presentation currency

The primary economic environment of Schiphol Group is the Netherlands and so the euro is both its functional currency and presentation currency. Financial information is presented in thousands of euros unless otherwise indicated.

b) Transactions, assets and liabilities

Transactions (capital expenditure, income and expenses) denominated in foreign currencies are accounted for at the settlement rate of exchange. Monetary assets and liabilities (receivables, payables and cash and cash equivalents) denominated in foreign currencies are translated at the rate prevailing on the reporting date. Exchange differences arising on translation and settlement of these items are recognised in the statement of income in financial income and expenses,

as are the exchange differences on non-monetary assets and liabilities unless these items are recognised directly in equity, in which case the exchange differences are also recognised in equity. An exception to the above concerns exchange differences on financial instruments denominated in foreign currencies against which derivative financial instruments are held with the object of hedging exchange risks on future cash flows. Exchange differences on these financial instruments are recognised directly in equity provided the hedge is determined to be highly effective. The ineffective portion is recognised in the income statement under financial income and expenses.

(c) Subsidiaries, joint ventures and associates

Income and expenses denominated in foreign currencies are translated at average exchange rates. Assets and liabilities are translated at the rate prevailing on the reporting date. Goodwill and changes in fair value arising on the acquisition of investments in associates are treated as assets and liabilities of the entity concerned and are similarly translated at the rate prevailing on the reporting date. Exchange differences arising on the translation of balance sheets and income statements of subsidiaries, joint ventures and associates outside the euro zone are recognised directly in equity under the exchange differences reserve. On disposal of subsidiaries, joint ventures and associates outside the euro zone, the accumulated translation differences initially recognised in the exchange differences reserve are recognised in the income statement as part of the result on disposal.

Total revenue

Many of Schiphol Group's activities generate revenue that qualifies as revenue from the provision of services (airport charges, concession fees, rents and leases and parking charges). This revenue is recognised in proportion to the service supplied at the reporting date, provided that the result can be reliably estimated. Revenue from retail sales is generated by the sales of goods and is recognised when these transactions take place. Total revenue represents the income from the services provided less discounts and tax (VAT and excise duty). Revenue equals total revenue less the revenue from intra-group transactions. Costs are recognised in the income statement in the year in which the related revenue is recognised.

Financial income and expenses

Interest income and expense is recognised on a time-proportionate basis that takes into account the effective yield on the loans granted or liabilities. Royalties are recognised on

an accrual basis. Dividends are recognised when Schiphol Group's right to receive payment is established.

Earnings per share

Undiluted earnings per share are calculated by dividing the profit attributable to holders of ordinary shares by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share are equal to the undiluted earnings per share since there are currently no shares to be issued in connection with options or convertible bonds that could potentially lead to dilution of the earnings per share.

Intangible assets

Intangible assets include the cost of purchased goodwill, contract-related assets and software. Goodwill arising on the acquisition of subsidiaries and interests in joint ventures is recognised in intangible assets. Goodwill arising on the acquisition of associates is recognised in the carrying amount of the associate, using the equity method. Goodwill is initially recognised at cost, being the difference between the cost of acquisition and the company's share in the fair value of the assets and liabilities acquired. The carrying amount of goodwill is subsequently reduced by accumulated impairment losses. Goodwill is not amortised. Goodwill is allocated to the cash-generating unit (subsidiary, joint venture or associate) to which it relates. This allocation is explained in greater detail in the note on intangible assets. Contract-related assets are contracts acquired upon the acquisition of activities from third parties. These contracts are measured at fair value on the acquisition date less accumulated amortisation and impairment. Contracts are amortised over the remaining contract period. Software is software licences and internally-developed automation applications. Internally-developed software is capitalised at the cost of internal and external hours spent on the development and implementation stages of ICT projects as recorded on the time sheets. Time spent in the proposal and definition stages is not capitalised. Software is amortised on a straight-line basis over its useful life.

Assets under construction or development

All capital expenditure except for that relating to intangible assets is initially recognised as assets under construction or development if it is probable that Schiphol Group will derive future economic benefits and the amount can be measured reliably. There are three categories of these assets:

(a) assets under construction or development for future operating activities;

(b) assets under construction or development as future investment property;

(c) assets under construction or development by order of third parties.

Assets under construction or development for future operating activities (category a) are carried at historical cost including:

- interest during construction of all capital projects, i.e. interest payable to third parties on borrowings attributable to the project; and
- time charged at cost to capital projects by Schiphol Group employees during the construction stage.

Assets under construction or development for future operating activities are not depreciated although it may be necessary to recognise impairment losses. The same applies to assets under construction or development as future investment property (category b) until the time that the fair value can be measured reliably. At that time, these assets are recognised at fair value through profit or loss under 'fair value gains and losses on property'. When assets in category a are handed over and ready for use, they are transferred at historical cost to 'assets used for operating activities', which is also when the straight-line depreciation commences. Assets in category b are transferred on completion to 'investment property' at fair value. See the accounting policies for these items for the way in which investment property is subsequently recognised. Assets under construction or development by order of third parties (category c) are recognised using the percentage-of-completion method. Revenues and costs relating to such assets are recognised in the income statement under 'sales of property' and 'cost of sales of property' respectively, in proportion to the completion stage of the project activities on the reporting date.

Assets used for operating activities

Assets used for operating activities include runways, taxiways, aprons, car parks, roads, buildings, installations and other assets. These assets are recognised at historical cost less investment grants received, straight-line depreciation and impairment losses. Subsequent expenditure is added to the carrying amount of these assets if it is probable that Schiphol Group will derive future economic benefits and the amount can be measured reliably. Assets used for operating activities, with the exception of land, are depreciated on a straight-line basis over the useful life of the asset concerned, which

depends on its nature and its components. Useful lives and residual values are re-evaluated each year-end.

The net result on the disposal of assets used for operating activities is recognised in the income statement as revenue from other activities. Day-to day maintenance expenses are recognised in the income statement and planned major maintenance of a long-term nature is capitalised.

Depreciation and amortisation

Intangible assets and assets used for operating activities are amortised and depreciated on a straight-line basis according to the schedule below. Goodwill is not amortised and investment property, assets under construction and land are not depreciated.

Intangible assets

Contract-related assets	5 years
ICT hours charged to application development	5 years
Software licences	5 years

Assets used for operating activities

Runways and taxiways	15-60 years
Aprons	30-60 years
Paved areas etc.:	
- Car parks	30 years
- Roads	30 years
- Tunnels and viaducts	40 years
- Drainage systems	20-40 years
Buildings	20-40 years
Installations	5-30 years
Other assets	5-20 years

Impairment

The carrying amounts of financial and non-current assets are tested periodically against their recoverable amounts if there are indications of impairment. Goodwill is tested annually, regardless of any such indications. The recoverable amount is the higher of an asset's net realisable value and its value in use. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. These tests are performed at cash-generating unit level.

If the recoverable amount is lower than the carrying amount, the difference is recognised as an impairment loss in the

statement of income and the carrying amount of the asset is reduced to the recoverable amount. Where applicable, the straight-line depreciation over the remaining useful life of the asset concerned is adjusted accordingly. If circumstances indicate the need to reverse an impairment loss, the carrying amount of the asset is increased to the recoverable amount. Impairment losses on goodwill purchased on the acquisition of subsidiaries and joint ventures are not reversed.

Investment property

Investment property is recognised at fair value, even while it forms part of the assets under construction or development, provided that the fair value can be measured reliably at that time. If this is not possible, the property is recognised at historical cost. On completion, the property is transferred at fair value to 'investment property'. Any difference between fair value and historical cost is recognised in the income statement under 'fair value gains and losses on property'.

Property purchased from outside Schiphol Group is initially recognised at cost less transaction costs. Expenditure after property has been commissioned is capitalised if it can be measured reliably and it is probable that future economic benefits will flow to Schiphol Group. Other expenditure is recognised immediately in the income statement.

All of the properties in the portfolio are appraised at least once a year by independent valuers. To prevent double counting, the fair value of investment property as presented in the balance sheet takes account of the lease incentives included in the balance sheet. Gross rental revenues from operating leases are recognised on a time-proportionate basis over the period of the lease. Rent holidays, discounts on rent and other lease incentives are recognised as an integral part of the gross rental revenues. Service charges relate to the costs of energy, concierges, maintenance and so forth, which may be passed on to the tenant under the lease. The portion of the service charges not passed on relates chiefly to property investments which have not been let and is recognised in the income statement. The costs and recharges are not presented separately in the income statement.

Land in the investment property portfolio is measured at fair value. Land is appraised by external and in-house valuers. A different part of the land holdings is appraised by independent external valuers each year. The market value of land let on long lease is calculated by discounting the value of the future annual ground rents and the residual value under the contracts concerned (DCF method).

Fair value gains and losses on investment property are recognised in the statement of income in the year in which they arise. Gains or losses realised on disposal of assets, i.e. differences between carrying amount and net selling price, are recognised through the income statement. Investment property is not depreciated.

Income tax

Income tax on the result represents income tax payable and recoverable and deferred tax for the reporting period. These are computed on the basis of applicable tax rates and laws. Income taxes include all taxes based on taxable profits and losses including non-deductible taxes payable by subsidiaries, associates or joint ventures. Income taxes are recognised in the income statement unless they relate to items credited or charged directly to equity, in which case the tax is charged or credited directly to equity. Current tax payable or recoverable in respect of the reporting period is the tax that is expected to be paid on the taxable profit for the reporting period and adjustments to the tax payable for prior periods.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amount of assets and liabilities according to tax rules and the accounting policies used in preparing these financial statements.

Deferred tax assets, including those arising from tax loss carry-forwards, are recognised if it is probable that there will be sufficient future taxable profits against which tax losses can be set off, allowing the assets to be utilised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, joint ventures and associates unless Schiphol Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amounts of deferred tax assets and liabilities are calculated at the tax rates expected to be applicable to the period in which an asset is realised or a liability is settled, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are netted if they relate to the same fiscal unity and the company at the head of this fiscal unity has a legally enforceable right to do so.

Leases

(a) Classification

Assets where the company or one of its subsidiaries has beneficial ownership under a lease contract are classified as finance leases. The company, or a subsidiary, has beneficial ownership if substantially all the risks and rewards incidental to ownership are transferred to it. Leases where beneficial ownership of the asset remains with third parties are classified as operating leases. Whether a lease is a finance lease or an operating lease depends on the economic reality (substance of the transaction rather than the form of the contract).

(b) Schiphol Group as lessee in a finance lease

These assets are recognised as either assets used for operating activities or investment property. The borrowings associated with such lease contracts are accounted for as lease liabilities. The related assets and liabilities are initially recognised at the lower of the fair value of the leased assets and the present value of the minimum lease payments at the inception of the lease. The assets are depreciated, using a method consistent with that used for identical assets owned by the company. The depreciation period may be shorter if the lease term is shorter, if it cannot be extended and if ownership will not be obtained. The lease payments are apportioned between the finance charge and the reduction of the outstanding liability so as to present a constant periodic effective rate of interest on the remaining balance.

(c) Schiphol Group as lessee in an operating lease

Leases where beneficial ownership is held by a third party are only recognised as the lease payments in equal instalments, allowing for lease incentives, as expenses in the income statement.

(d) Schiphol Group as lessor in a finance lease

Assets leased out on a contract that qualifies as a finance lease are recognised in the balance sheet as a lease receivable at the present value of the minimum lease payments receivable at the inception of the lease. The lease payments receivable are apportioned between the finance income and the reduction of the outstanding receivable so as to present a constant periodic effective rate of interest on the remaining balance.

(e) Schiphol Group as lessor in an operating lease

Assets leased out on a contract that qualifies as an operating lease are recognised in the balance sheet and measured according to the type of asset. The lease payments receivable under such leases are recognised as income in equal

instalments, allowing for lease incentives, in the income statement.

Loans to associates and other loans

Loans to associates and other loans are initially recognised at cost, being the fair value of the loans granted less transaction costs, and subsequently measured at amortised cost, with differences between the redemption value and the carrying amount being amortised over the remaining term to maturity using the effective interest method.

Other financial interests

The company has neither control nor significant influence over other financial interests. These are generally interests of less than 20%. Such interests are measured at fair value derived from quoted market prices or, if the entity is not listed, other valuation methods. If it is not possible to determine the fair value of an other investment reliably using valuation methods, owing to a lack of information or up-to-date information, it is carried at cost. Changes in the fair value of these other financial interests are recognised through total comprehensive income in the other financial interests reserve included in equity in the year in which the movement occurs. Dividends received from these interests and, in the event of disposal of such interests, the difference between net selling price and cost are recognised in the income statement under financial income and expenses.

Derivative financial instruments

The company classifies financial instruments in the following categories: receivables and liabilities, at fair value through profit or loss and assets held for sale. The company only uses derivative financial instruments to hedge the risk of changes in future cash flows connected with periodic interest payments and repayments or funding resulting from movements in market interest rates and exchange rates. The instruments used to hedge these risks are interest-rate swaps and currency swaps.

Derivative financial instruments are initially recognised at fair value on the date when the derivative contract is concluded and then at the fair value at each reporting date. The method for recognition of the result depends on whether hedge accounting is applied and if so, if the hedging relationship is effective. If the hedging relationship is effective, hedge accounting is applied to those derivatives.

At the inception of a hedge, the hedging relationship is formally documented. The effectiveness of hedging

transactions is measured periodically to determine whether the hedge has been effective over the preceding period and whether it is probable that it will be effective over the period ahead.

If a hedging instrument expires, is sold, ends, is exercised or ceases to satisfy the hedge accounting criteria, hedge accounting is discontinued immediately. The fair value gains and losses accumulated up to that date continue to be carried in the hedging transactions reserve and are subsequently recognised in the statement of income simultaneously with the realisation of the hedged cash flow.

Other non-current receivables

In the case of prepaid ground rents, the amount paid to buy out the leasehold is included as a lease asset in the balance sheet and recognised as an expense in the statement of income in equal instalments over the lease term.

Assets held for sale

Non-current assets are presented as held for sale if the carrying amount will be recovered through sale and the sale will take place in the short term. Land falling into this category is measured at the lower of cost and fair value less costs to sell. Historical cost also includes the costs associated with acquiring the land and site preparation costs. Assets held for sale are not depreciated.

Trade and other receivables

Trade and other receivables are measured at fair value and subsequently measured at amortised cost less a provision for doubtful debts. Amounts added to and released from this provision are recognised in the statement of income.

Cash and cash equivalents

Cash and cash equivalents comprise current account credit balances with banks and deposits. Bank overdrafts are recognised in trade and other payables. Cash and cash equivalents are carried at fair value, which is normally the same as face value.

Equity

(a) Issued share capital

The issued share capital is the amount paid up on the shares issued, up to their nominal value.

(b) Share premium reserve

The share premium reserve is the amount paid up on the shares issued in excess of their nominal value.

(c) Retained earnings

Retained earnings are the net results (i.e. that part of the result attributable to shareholders) accumulated in previous years.

(d) Other reserves

Other reserves comprise the hedging transactions reserve, the other financial interests reserve and the exchange difference reserve.

The other financial interests reserve is increased or reduced through comprehensive income for changes in the fair value of Schiphol Group's other financial interests. On disposal of an other financial interest, the accumulated fair value gains and losses on that interest are recognised in the income statement as part of the result on disposal.

The policies on the hedging transactions reserve are disclosed in 'derivative financial instruments'. The policies on the exchange difference reserve are disclosed under (c) in the policy on 'foreign currency'.

Borrowings

This item relates to bonds, private placements and amounts owed to credit institutions. Borrowings are initially recognised at fair value less transaction costs, and subsequently measured at amortised cost, with differences between the redemption value and carrying amount being amortised over the remaining term to maturity using the effective interest method.

Borrowings expected to be repaid within a year of the reporting date are recognised as current liabilities.

Employee benefits

There are four categories of employee benefits:

- (a) short-term employee benefits;
- (b) post-employment benefits;
- (c) other long-term employee benefits;
- (d) and termination benefits.

These categories are defined below along with brief descriptions of the Schiphol Group employee benefits falling into them.

(a) Short-term employee benefits

Short-term employee benefits are benefits payable within a year of the end of the year in which the employee rendered the service. At Schiphol Group, this category includes wages and salaries (including holiday pay) and fixed and variable allowances, social security contributions, paid sick leave, profit sharing and variable short-term remuneration. The costs of these employee benefits are recognised in the income statement when the service is rendered or the rights to benefits are accrued (e.g. holiday pay).

(b) Post-employment benefits

These are employee benefits that may be due after completion of employment. They include pensions and other retirement benefits, job-related early retirement benefits, payment of healthcare insurance costs for pensioners and supplementary disability benefits.

Schiphol Group's pension plan is administered by the Algemeen Burgerlijk Pensioenfonds (ABP). The pension plan is regarded as a group scheme involving more than one employer that qualifies as a defined-benefit plan. ABP is not currently in a position to supply Schiphol Group with the information necessary to treat the pension plan as a defined-benefit plan and so it is recognised as a defined-contribution plan.

Accordingly, in measuring the obligations arising from the pension plan, Schiphol Group merely recognises the pension contributions payable as an expense in the income statement. The information needed to recognise the defined-benefit pension plans of certain subsidiaries and joint ventures as such is, however, available. In these cases, a net asset or liability is recognised in the balance sheet, comprising:

1. the present value of the defined-benefit obligation at the reporting date measured using the projected unit credit method, under which the present value of the pension obligations for each member is determined on the basis of the number of active years of service prior to the reporting date, the estimated salary level at the expected date of retirement and the market interest rate
2. less any past service cost not yet recognised. If, owing to changes in the pension plans, the expected obligations based on future salary levels with respect to prior years of service (past service costs) increase, the amount of the increase is not recognised in full in the period in which the rights are granted but is charged to the income statement over the remaining years of service; and
3. less the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The other provisions for employee benefits covering job-related early retirement benefit, payment of healthcare insurance costs for pensioners and supplementary disability benefits are calculated according to actuarial principles and accounted for using the method described in 1–3 above.

(c) Other long-term employee benefits

These are employee benefits which do not fall wholly due within a year of the end of the period in which the employees render the related service. At Schiphol Group, this includes long-term variable remuneration for the members of the Management Board and senior executives in charge of corporate staff departments and the business areas, supplementary income for employees in receipt of disability benefits, long-service awards and paid sabbatical leave.

The long-term variable remuneration is performance-related remuneration which is conditional on the recipient having satisfied certain performance criteria (economic profit) cumulatively over a period of three years (the reference period) from the time of award of the variable remuneration. Payment is only made if the recipient is still employed by the company at the end of that period. If the contract of employment is ended by agreement, the award is made on a pro rata basis. An estimate is made of the variable remuneration payable at the end of the three-year period at each year-end. A proportionate part is charged each year to the result for the relevant year during the reference period.

The expected costs of income supplements for employees in receipt of disability benefits are recognised in full in the statement of income from the date on which an employee is declared disabled. A provision for paid sabbatical leave entitlements is recognised in the balance sheet, the costs being recognised in the year in which the leave entitlements are granted. Obligations for long-service awards are recognised at present value. Other long-term employee benefit obligations are not discounted.

(d) Termination benefits

These are employee benefits payable as a result of either a decision by Schiphol Group to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for such benefits. Benefits under the scheme supplementing the statutory amount of unemployment benefit are an example of a termination benefit. The costs are recognised in full in the income statement as soon as such a

decision is made. Benefits are recognised at the present value of the obligation.

Other provisions

Provisions are made for legally enforceable or constructive obligations existing on the reporting date when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Other provisions are included at the present value of the obligation, if the effect of the time value of money is material and can be measured reliably.

Other non-current liabilities

In the case of surrendered ground rents, the amount paid to buy out the leasehold is included as a lease liability in the balance sheet and recognised as income in the income statement in equal instalments over the lease term.

Trade and other payables

Trade and other payables are carried at fair value and subsequently measured at amortised cost.

Critical judgements and estimates

The preceding pages provide a comprehensive description of Schiphol Group's accounting policies. Management's judgement will be decisive in determining the way in which they are applied in certain situations. Preparation of the financial statements means that judgements, estimates and assumptions by management influence the amounts recognised for assets, liabilities, revenue and expenses.

Judgements

Management's judgements in applying IFRS that have a significant effect on the financial statements concern the classification of associates as subsidiaries, joint ventures or associates and the assessment of investment property.

Estimates

The fair value of the land recognised under 'investment property' is measured annually by external and in-house valuers. A different part of the land holdings is appraised by independent external valuers each year. The best evidence of fair value is the current price of similar investment property and other contracts in an active market. In the absence of such information, Schiphol Group determines the amount within a range of reasonable fair value estimates.

In view of the limited publicly available information, the complexity of the property appraisals and the considerable reliance on independent external valuers, Schiphol Group believes that investment property qualifies as level 3. The table on the next page sets out the elements used in the measurement for the areas Schiphol and Rotterdam.

Other estimates relates particularly to:

- impairment of goodwill and other non-current assets;
- useful life and residual value of assets used for operating activities;
- deferred tax assets;
- actuarial assumptions with regard to employee benefit provisions;
- assets and liabilities with regard to claims and disputes.

Further information is presented in the notes on these items. No other critical assumptions on measurement were made in applying the accounting policies except for those disclosed in the notes to the financial statements. Estimates and the related assumptions are based on management's experience and insights and developments in external factors which can be regarded as reasonable. Judgements and estimates are subject to change as facts and insights change and may be different in another reporting period. The differences in outcome are recognised through the balance sheet or income statement depending on the nature of the item. Actual results could differ from previously reported results based on estimates and assumptions.

	Fair value as at 31 December	Valuation technique	Unobservable inputs	Range (average) in euros
(in thousands of euros)	2013			
Offices	523,409	Capitalised rental value	Net initial yield	5,96%-10,59% (7,75%)
		DCF Method	Gross initial yield	7,10%-14,01%
			Rental value per m ²	(10,55%)
			Management expenses	115-353 (197)
			(% of rental value)	8,59%-12,94%
				(10,21%)
Commercial space	262,253	Capitalised rental value	Net initial yield	6,60%-9,20% (7,28%)
		DCF Method	Gross initial yield	5,22%-12,59% (9,25%)
			Rental value per m ²	70-132 (102)
			Management expenses	8,16%-15,43%
			(% of rental value)	(11,03%)
Land:				
Offices	347,522	Residual land value (developed)	Gross initial yield	6,75%-8,00% (7,42%)
			Construction cost per m ² (gross floor area)	1.000-1.600 (1.267)
			Residual land value per m ² (gross floor area)	296 - 949 (586)
Commercial space	-		Gross initial yield	7,75%-8,25% (8,00%)
			Construction cost per m ² (gross floor area) /ppl	400 - 750 (567)
			Residual land value per m ² (gross floor area)	159 - 500 (335)
Other	1,803		Gross initial yield	6,8%-8,25% (7,67%)
			Construction cost per m ² (gross floor area) /ppl	50 - 1.675 (802)
			Residual land value per m ² (gross floor area)	31 - 650 (272)
Total of property investments	1,134,987			

Management of financial and tax risks

Financial risk factors

Due to the nature of its activities, Schiphol Group faces a variety of risks including market risk, counterparty risk and liquidity risk. The financial risk management programme (which is part of Schiphol Group's overall risk management programme) focuses on the unpredictability of the financial markets and minimising any adverse effects this may have on Schiphol Group's financial results. Schiphol Group uses derivative financial instruments to hedge certain risks. Financial risk management is carried out by the central treasury department (Corporate Treasury) and is part of approved Management Board policy. In addition to drawing up written guidelines for financial risk management, the Management Board determines the policy for specific key areas such as currency risk, interest-rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of temporary liquidity surpluses.

Market risk

Market risk comprises three types of risk: currency risk, price risk and interest-rate risk.

(a) Currency risk

Currency risk arises if future business transactions, assets and liabilities recognised in the balance sheet and net investments in activities outside the euro zone are expressed in a currency other than Schiphol Group's functional currency (the euro). Schiphol Group operates internationally and faces currency risks on several currency positions, in particular in Japanese yen (borrowings) and US and Australian dollars (net investments in activities outside the euro zone).

Schiphol Group manages the currency risk on borrowings by using forward and swap contracts. The financial risk management policy is that virtually all expected cash flows are hedged. At 31 December 2013, 7.3% of group financing had been drawn in foreign currency (one loan with a carrying amount of 137.7 million euros (20 billion Japanese yen) nominal value) compared with 12.1% of total borrowings (one loan with a carrying amount of 174.4 million euros (20 billion Japanese yen) nominal value) a year earlier. In accordance with the policy, this position is fully hedged by means of currency swaps. Consequently, a movement in the exchange rate will not affect the results relating to these borrowings. The effect on equity is temporary (only for the duration of the hedging transaction) and amounted to 27.6 million euros negative in 2013 (after deferred tax).

Schiphol Group has a number of strategic investments in activities outside the euro zone and of these the net investments recognised in the balance sheet under 'associates' and 'loans to associates' are affected by a translation risk. In accordance with the policy, the currency position relating to Schiphol Group's net investments in activities outside the euro zone, totalling 173.5 million euros at 31 December 2013 (180.1 million euros at 31 December 2012), is not hedged, with the exception of the Redeemable Preference Shares which Schiphol Group owns in Brisbane Airport Corporation Holdings Ltd. The currency risk on this receivable and the accrued dividend, which had a carrying amount of 59.5 million euros at 31 December 2013 (80.2 million euros at 31 December 2012), is largely hedged with forward exchange transactions. Consequently, a movement in the exchange rate will have only a minor effect on the results relating to this receivable. Exchange differences on the unhedged position relating to investments in associates are recognised in the exchange difference reserve and do not directly affect the result. The effect on equity in 2013 was 18.4 million euros, which leads to a decrease in the exchange difference reserve from 21.3 million euros at 31 December 2012 to 2.9 million euros at 31 December 2013.

Corporate Treasury is responsible for the management of the net position in individual foreign currencies.

(b) Price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices. Schiphol Group is affected mainly by the price risk on property investments which it recognises at fair value. This fair value is influenced by supply and demand and movements in interest rates and the rate of inflation. An average increase of 10% in the net initial yield on offices and commercial buildings demanded by property investors would reduce the value of those properties by a

total of approximately 94 million euros . A decrease of the NAR of 10% will lead to an increase of approximately 78 million euros. Under the accounting policy, in that situation profitability before tax would fall by the same amount.

Schiphol Group purchases electricity and gas for its own use on long-term contracts. The remaining term of the net obligations under the long-term contracts for electricity and gas was as follows:

(in thousands of euros)	Total 2013	<= 1 year	> 1 year	> 5 years
Obligations relating to gas	3,192	3,192	-	-
Obligations relating to electricity	13,301	7,466	5,835	-
	16,493	10,658	5,835	-

(in thousands of euros)	Total 2012	<= 1 year	> 1 year	> 5 years
Obligations relating to gas	3,404	3,404	-	-
Obligations relating to electricity	14,576	7,723	6,853	-
	17,980	11,127	6,853	-

(c) Interest-rate risk

Interest-rate risk is divided into a fair value interest-rate risk and a cash flow interest-rate risk.

Fair value interest-rate risk

Fair value interest-rate risk is the risk of fluctuations in the value of a financial instrument as a result of movements in the market interest rate. Schiphol Group does not have any significant financial assets that attract a fair value interest-rate risk but is affected by fair value interest-rate risk on its fixed-interest borrowings. If market interest rates fell on average by 1%, this would lead to an increase of 113 million euros (5.3%) in the fair value of borrowings. An average increase of 1% in market interest rates would lead to a fall of 103 million euros (4.9%) in the fair value of borrowings. Schiphol Group's policy is to draw at least 50% of borrowings at fixed interest rates, if necessary by using derivatives. At least 60% of borrowings relating to Airport Real Estate Basisfonds C.V. (AREB C.V.) should be fixed-interest or capped-interest borrowings. At 31 December 2013, 100% of borrowings were fixed-interest, excluding subsidiaries and associates (100% at 31 December 2012).

Cash flow 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 movements in market interest rates. Except for cash and cash equivalents, Schiphol Group has no significant financial assets that attract a cash flow interest-rate risk. If the average interest received on deposits had been 0.4% lower during 2012 (tax rate would be 0%), the interest income relating to deposits would have been 1.3 million euros lower (2012: 1.7 million euros). In addition, Schiphol Group runs a cash flow interest-rate risk in respect of group financing at a variable interest rate. This position is limited by Schiphol Group's policy of not drawing more than 25% of the funds borrowed at a variable interest rate, if necessary by using derivatives. A maximum of 40% applies for AREB C.V. At 31 December 2013, the figures for variable-interest borrowings were 0% for Schiphol Group and 1% for AREB C.V. (0% and 1% respectively at 31 December 2012).

The cash flow interest-rate risk is managed by using interest-rate swaps, under which a variable interest rate can be changed into a fixed interest rate, and interest rate caps, which limit any increase in interest rates. As part of an interest rate swap, Schiphol Group agrees with a counterparty to effect swaps, at predetermined times, of the difference between a fixed contract rate and a variable interest rate. This difference is calculated on the basis of the agreed underlying principal sum. If the average

variable interest rate had been 1% higher during 2013, there would have been no interest expense effect relating to group financing (2012 no effect).

Derivatives were concluded to limit the cash-flow interest-rate risk on long-term loans in the medium term. These fix the rates of interest at which loans maturing in 2014 could be refinanced. The effect of these transactions on equity is temporary (only lasting until refinancing in 2014) and amounted to 54.3 million euros negative (after deferred taxes) at 31 December 2013 (2012: 37.0 million euros negative).

Counterparty risk

Counterparty risk is the risk that one party to a financial instrument fails to fulfil its obligations, causing the other party to suffer a financial loss. Schiphol Group's counterparties in derivative financial instruments and liquidities transactions are restricted to financial institutions with high creditworthiness (a minimum S&P credit rating of A) and the net position for each counterparty may not exceed 200.0 million euros. The maximum net position at 31 December 2013 was 175.5 million euros (161.3 million euros at 31 December 2012).

At 31 December 2013, trade receivables amounted to 102.1 million euros (96.6 million euros at 31 December 2012) after a provision for doubtful debts of 5.4 million euros (EUR 4.6 million euros at 31 December 2012) and including 2.1 million euros in security deposits received (1.6 million euros at 31 December 2012). The provision covers all receivables owed by debtors that are in bankruptcy or have applied for a moratorium on payments, receivables older than one year and larger receivables younger than one year which are expected to be uncollectible.

The movements in the provision were as follows:

(in millions of euros)	2013	2012
Carrying amount 1 January	4.6	5.0
Utilised during the year	- 0.2	- 1.3
Added during the year	1.0	0.9
Carrying amount 31 December	5.4	4.6

102.1 million euros of the trade receivables (which amounted to 108.8 million euros before deduction of the provision for doubtful amounts of 5.4 million euros and security deposits received of 2.1 million euros) were past due but not provided for. It is expected that these amounts will be received as the debtors concerned have no default history. In 2014, of these amounts, 4 million euros have been received.

(in millions of euros)	2013	2012
Less than 60 days	88.0	99.6
Older than 60 days	19.9	1.1
Older than 360 days	0.6	0.9
Bankruptcies	1.1	1.2
	109.6	102.8
Provision for bad debt	- 5.4	- 4.6
Security deposits received	- 2.1	- 1.6
Total Trade receivables	102.1	96.6

Parties using services from Schiphol Group are first assessed for creditworthiness. Depending on the outcome of this assessment, they may be required to provide security in the form of a bank guarantee or deposit to limit the credit risk. At 31 December 2013, Schiphol Group held 45,3 million euros in bank guarantees and security deposits (27.1 million euros at 31 December 2012). Koninklijke Luchtvaartmaatschappij N.V. (KLM) has an individual balance in excess of 10.0 million euros.

Liquidity risk

Liquidity risk is the risk that Schiphol Group will have difficulty in raising the funding required to honour its commitments in the short term. Careful liquidity risk management means that Schiphol Group maintains sufficient liquid resources and has access to sufficient funding in the form of promised (and preferably committed) credit facilities and the EMTN programme. The financing policy is also aimed at reducing the refinancing risk. See note 30 on borrowings for further information on the margin and facilities. In connection with liquidity risk, Corporate Treasury manages the cash pool through which several of the subsidiaries' bank balances are managed and netted for optimum balance management.

The remaining term of the net liabilities relating to financial instruments was as follows:

(in thousands of euros)	Total 2013	Contractual	<= 1 year	> 1 year	> 1 year but	> 5 years
		cash flows			<= 5 years	
Borrowings	1,934,854	2,022,571	420,395	1,514,459	373,113	1,141,346
Finance lease liabilities	57,145	57,145	3,182	53,963	10,702	43,261
Derivative financial instruments	39,256	39,256	33,429	5,827	5,827	-
Trade payables	102,986	102,986	102,986	-	-	-
Liabilities	2,134,241	2,221,958	559,992	1,574,249	389,642	1,184,607
Loans to associates	- 59,543	- 59,543	- 59,543	-	-	-
Other loans	- 7,869	- 7,869	- 942	- 6,927	- 6,927	-
Derivative financial instruments	- 14,685	- 14,685	- 13,017	- 1,668	-	- 1,668
Trade receivables	- 102,091	- 102,091	- 102,091	-	-	-
Cash and cash equivalents	- 489,263	- 489,263	- 489,263	-	-	-
Assets	- 673,451	- 673,451	- 664,856	- 8,595	- 6,927	- 1,668
Total	1,460,790	1,548,507	- 104,864	1,565,654	382,715	1,182,939
(in thousands of euros)	Total 2012	Contractual	<= 1 year	> 1 year	> 1 year but	> 5 years
		cash flows			<= 5 years	
Borrowings	1,886,221	1,919,779	191,510	1,694,711	743,485	951,226
Finance lease liabilities	56,546	56,546	2,498	54,048	9,166	44,882
Derivative financial instruments	115,868	115,868	1,586	114,282	8,453	105,829
Trade payables	108,379	108,379	108,379	-	-	-
Liabilities	2,167,014	2,200,572	303,973	1,863,041	761,104	1,101,937
Loans to associates	- 80,192	- 80,192	-	- 80,192	- 80,192	-
Other loans	- 8,476	- 8,476	- 936	- 7,540	- 7,540	-
Derivative financial instruments	- 22,851	- 22,851	-	- 22,851	-	- 22,851
Trade receivables	- 96,636	- 96,636	- 96,636	-	-	-
Cash and cash equivalents	- 445,122	- 445,122	- 445,122	-	-	-
Assets	- 653,277	- 653,277	- 542,694	- 110,583	- 87,732	- 22,851
Total	1,513,737	1,547,295	- 238,721	1,752,458	673,372	1,079,086

Financial instruments can be classified, according to the measurement policy applied, as follows:

(in thousands of euros)	Total 2013	Amortised cost	Fair value through equity	Fair value through profit and loss
Borrowings	1,934,854	1,934,854	-	-
Finance lease liabilities	57,145	57,145	-	-
Derivative financial instruments	39,256	-	39,256	-
Trade payables	102,986	-	-	102,986
Liabilities	2,134,241	1,991,999	39,256	102,986
Loans to associates	- 59,543	- 59,543	-	-
Other loans	- 7,869	- 7,869	-	-
Derivative financial instruments	- 14,685	-	- 14,685	-
Trade receivables	- 102,091	-	-	- 102,091
Cash and cash equivalents	- 489,263	-	-	- 489,263
Assets	- 673,451	- 67,412	- 14,685	- 591,354
Total	1,460,790	1,924,587	24,571	- 488,368
(in thousands of euros)	Total 2012	Amortised cost	Fair value through equity	Fair value through profit and loss
Borrowings	1,886,221	1,886,221	-	-
Finance lease liabilities	56,546	56,546	-	-
Derivative financial instruments	115,868	-	115,868	-
Trade payables	108,379	-	-	108,379
Liabilities	2,167,014	1,942,767	115,868	108,379
Loans to associates	- 80,192	- 80,192	-	-
Other loans	- 8,476	- 8,476	-	-
Derivative financial instruments	- 22,851	-	- 22,851	-
Trade receivables	- 96,636	-	-	- 96,636
Cash and cash equivalents	- 445,122	-	-	- 445,122
Assets	- 653,277	- 88,668	- 22,851	- 541,758
Total	1,513,737	1,854,099	93,017	- 433,379

All the above items are shown at the amounts at which they are recognised in the balance sheet and with a remaining maturity based on the date of redemption or settlement agreed with the counterparty. Schiphol Group's policy is that no more than 25% of liabilities may have a term of less than one year. At 31 December 2013, this figure was 14.0% (14.0% at 31 December 2012).

Fair value estimates

The table below presents the financial instruments measured at fair value by the method used. Measurement is undertaken for each reporting period.

	Total	Level 1	Level 2	Level 3
	31 December			
(in thousands of euros)	2013			
Derivative financial instruments (assets)	14,685	-	14,685	-
Total assets	14,685	-	14,685	-
Derivative financial instruments (liabilities)	39,256	-	39,256	-
Total liabilities	39,256	-	39,256	-

	Total	Level 1	Level 2	Level 3
	31 December			
(in thousands of euros)	2012			
Derivative financial instruments (assets)	22,851	-	22,851	-
Total assets	22,851	-	22,851	-
Derivative financial instruments (liabilities)	116,407	-	116,407	-
Total liabilities	116,407	-	116,407	-

Level 1. Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2. Quoted prices for similar assets and liabilities in active markets or information based on or supported by observable market inputs;

Level 3. Unobservable inputs used to determine the fair value of an asset or liability.

There have been no transfers between Level 1 and Level 2 measurements. Level 2 measurements are determined using various methods and assumptions based on market conditions on the reporting date. The fair value of these financial instruments is determined on the basis of the present value of the projected future cash flows converted into euros at the relevant exchange rates and the market interest rate applicable to Schiphol Group on the reporting date. Nominal value is assumed to approximate the fair value of loans to associates, trade receivables, cash and cash equivalents and trade payables.

It is assumed that the nominal value, reduced by the estimated adjustments for trade receivables and trade payables, approximates the fair value. For information purposes, the fair value of financial assets and liabilities is estimated by discounting

future contractual cash flows at the market interest rate applicable to Schiphol Group for comparable financial instruments at that time.

The carrying amount of borrowings was 1.9 billion euros and their fair value was 2.1 billion euros. Fair value is estimated by discounting the future contractual cash flows using the market interest rates applicable to the borrower for similar financial instruments at that time.

Capital management

Schiphol Group's long-term capital strategy and dividend policy is geared towards improving shareholder value, facilitating sustainable long-term growth and preserving an appropriate financial structure and sound creditworthiness. With its current shareholder base (public-sector shareholders), Schiphol Group only has access to the debt market and has a continued focus on further optimising its capital structure and cost of capital.

Schiphol Group uses certain financial ratios, including cash flow-based metrics, to capture the dynamics of capital structure, dividend policy and cash flow generation and monitors its capital structure in line with credit rating agencies and comparable best practices. In this context, key financial ratios employed include:

- Funds From Operations (FFO) Interest Cover: the FFO plus interest charges divided by the interest charges.
- Leverage: interest-bearing debt divided by equity plus the interest-bearing debt.
- Funds From Operations (FFO)/Total Debt: the FFO divided by the total debt.

Funds from operations

(in thousands of euros)

	2013	2012
Operating result	320,698	296,494
Depreciation and amortisation	248,414	214,897
Impairment	17,410	22,741
Result from the sale of property, plant and equipment	- 280	- 18
Other income, from property	- 2,726	12,508
Costs related to sales of property	-	- 448
Non-cash movements in receivables	7,114	19,435
Movements in provisions	- 1,543	- 7,171
Income tax paid	- 31,648	- 24,005
Interest paid	- 98,689	- 98,580
Interest received	4,296	6,995
Dividend received	29,608	32,245
Funds From Operations	492,653	475,093

'Funds From Operations' is calculated specifically for the purpose of determining the financial ratios and differs from the cash flow from operations calculated in the consolidated cash flow statement in accordance with the reporting policies.

(in thousands of euros)

	2013	2012
Non-current liabilities		
Borrowings	1,514,459	1,694,711
Lease liabilities	53,963	54,049
Current liabilities		
Borrowings	420,395	191,510
Lease liabilities	3,182	2,498
Total debt	1,991,999	1,942,768

For capital management purposes, debt consists of non-current and current liabilities as shown under 'total debt'.

For capital management purposes, equity is equal to equity in the consolidated balance sheet. At 31 December 2013, equity was 3,362 million euros (3,198 million euros at 31 December 2012).

	2013	2012
FFO / Total debt	24.7%	24.5%
Leverage	37.6%	37.8%

Funds From Operations (FFO) is the cash flow from operating activities adjusted for working capital. During 2013, FFO rose from 475 million euros to 493 million euros, mainly as a result of the increase in the operating result adjusted for depreciation and amortisation, impairment, other income from property and movements in provisions. Total debt rose from 1,943 million euros to 1,992 million euros.

The FFO interest coverage ratio is calculated by dividing the FFO plus the interest charges relating to borrowings and lease liabilities, amounting to 103.8 million euros in 2013 (103.4 million euros in 2012), by those interest charges. As a result, the FFO interest coverage ratio for 2013 was 5.7x (compared with 5.6x for 2012). The ratios at 31 December 2013 are consistent with Schiphol Group's policy of maintaining a single A credit rating (S&P).

Tax risk factors

As a result of its wide range of activities, Schiphol Group is subject to many different types of tax. A general tax risk for Schiphol Group is the timely submission of complete tax returns and the payment of the tax concerned, as well as compliance with all tax laws and regulations and reporting requirements specifically relating to income tax. Activities abroad entail an increased risk because of different local tax laws.

The internal control procedures for these tax risks (also known as the 'tax control framework') are part of Schiphol Group's overall risk management programme. This identifies tax risks and monitors internal control, focusing on mitigating tax risks. Schiphol Group has also developed and implemented a reasoned tax planning framework. Tax risk management is facilitated by the central control department (Corporate Control) and is part of approved Management Board policy. This policy is based on Schiphol Group's aim to be a trustworthy taxpayer through the application of professional tax compliance procedures. On 16 November 2012, Schiphol Group concluded an individual 'Horizontal Supervision' covenant with the Dutch tax authorities. This is a standard covenant that covers all state taxes and their collection.



Segment information

Schiphol Group has identified fourteen operating segments, which have been combined into nine segments for reporting purposes.

The Aviation business area operates at Amsterdam Airport Schiphol and provides services and facilities to airlines, passengers and handling agents. The Aviation business area has been subdivided into two segments: Aviation and Security. Aviation generates most of its revenue from airport charges (charges related to aircraft and passengers) and concession fees (paid by oil companies for the right to provide aircraft refuelling services). The source of revenue for Security consists of airport charges (security-related charges). The Netherlands Competition Authority supervises the charges levied and returns generated.

The activities of the Consumer Products & Services business area consist of granting and managing concessions for shops and food service outlets (Concessions segment, generating revenue from concessions and leasing retail locations), operating car parks (Parking segment, generating revenue from parking charges) and shops, marketing advertising opportunities at Amsterdam Airport Schiphol and operating management contracts at airports outside the Netherlands (Other segment, generating revenue from retail sales, leasing advertising space and management fees respectively).

The Real Estate business area, which is also a segment, develops, manages, operates and invests in property at and around domestic and foreign airports. The greater part of the portfolio, comprising both operations buildings and commercial properties, is located at and around Amsterdam Airport Schiphol. Sources of revenue include income from developing and letting land and buildings. The business area also makes a major contribution to Schiphol Group results with other income from property (sales, fair value gains or losses on property and granting long leases).

The Alliances & Participations business area comprises the Domestic Airports, Foreign Airports and Other Subsidiaries segments. Airport charges and parking charges are the main sources of revenue of the regional airports (Rotterdam The Hague, Eindhoven and Lelystad). Foreign Airports, which holds interests in Aéroports de Paris S.A., Brisbane Airport Corporation Ltd and JFK IAT Member LLC, contributes to Schiphol Group's results with performance fees and dividends as recognised in the share in results of associates, interest and

intellectual property fees. Other Subsidiaries include Schiphol Telematics and Utilities. Schiphol Telematics provides telecom services in and around the airport. Utilities generates revenue from the transmission of electricity and gas and the supply of water.

Information relating to alliances specifically associated with a particular business area is presented under the segments of that business area. Information relating to other alliances is presented under the segments of the Alliances & Participations business area. Group overheads are allocated to the segments largely on the basis of their relative share in the direct costs of Schiphol Group.

The Management Board and Corporate Treasury review liabilities and financial income and expenditure at group level rather than segment level. Transactions between the segments are conducted at arm's length.

Since Schiphol Group's current activities are concentrated almost entirely in the Netherlands (approximately 99% of consolidated revenue in 2013), there is no geographical segmentation. Around 34% of revenue relates to one external customer and is generated primarily in the Aviation and Security segments.

Segment information

2013	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Total revenue	521,172	272,142	164,420	90,197	116,511
Elimination of internal revenue	- 410	- 224	- 31,824	- 1,144	- 314
Revenue	520,762	271,919	132,595	89,054	116,196
Fair value gains and losses on investment property	-	-	-	-	-
Depreciation and amortisation	- 151,963	- 36,837	- 15,413	- 9,638	- 4,446
Impairment	-	-	-	-	-
Operating result	51,880	2,963	122,401	51,874	7,663
Share in results of associates ¹	328	-	-	-	-
Total assets	2,238,830	256,534	135,943	198,799	18,027
Total non-current assets (excl. income tax)	1,863,087	213,479	113,128	165,435	15,002
Investments in associates and other financial interests	3,143	-	-	-	-
Capital expenditure	112,912	47,280	17,456	33,429	3,473
2012	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Total revenue	506,469	267,001	160,513	88,996	116,958
Elimination of internal revenue	- 516	- 318	- 31,475	- 1,155	- 90
Revenue	505,952	266,683	129,038	87,841	116,868
Fair value gains and losses on investment property	-	-	-	-	-
Depreciation and amortisation	- 132,471	- 30,350	- 11,725	- 9,913	- 3,916
Impairment	-	-	-	-	-
Operating result	57,619	5,804	120,929	49,998	7,454
Share in results of associates ¹	-	-	-	-	-
Total assets	2,269,290	254,800	132,481	173,158	18,567
Total non-current assets (excl. income tax)	1,898,025	213,113	110,807	144,829	15,530
Investments in associates and other financial interests	3,174	-	-	-	-

Real Estate	Alliances & Participations			Total
	International airports	Domestic Airports	Other participations	
166,029	9,588	78,630	77,837	1,496,527
- 24,813	- 259	- 418	- 55,054	- 114,459
141,217	9,329	78,213	22,783	1,382,069
2,886	-	- 341	-	2,545
- 17,245	- 13	- 5,872	- 6,988	- 248,414
- 17,410	-	-	-	- 17,410
53,421	5,645	15,227	9,625	320,698
136	56,171	-	- 93	56,541
1,898,915	866,062	132,391	82,795	5,828,296
1,580,219	720,711	110,171	68,900	4,850,131
33,757	720,392	-	26,065	783,357
74,084	5	16,667	4,630	309,935

Real Estate	Alliances & Participations			Total
	International airports	Domestic Airports	Other participations	
169,823	11,267	66,443	80,728	1,468,198
- 24,356	- 472	- 134	- 57,142	- 115,658
145,467	10,795	66,310	23,586	1,352,540
- 23,250	-	- 770	-	- 24,021
- 15,081	- 14	- 4,456	- 6,971	- 214,897
- 22,741	-	-	-	- 22,741
22,874	7,548	13,228	11,040	296,494
260	55,092	-	38	55,947
1,787,319	941,549	119,990	91,305	5,788,459
1,494,906	787,508	100,359	76,367	4,841,444
33,457	703,497	-	26,359	766,486

1) The share in results of associates includes the share in results of associates presented as such in the profit and loss account and the share of interest income and dividends presented as part of financial income and expenses that is attributable to investments in associates, lease receivables and other financial interests.

Notes to the consolidated income statement

1. Revenue

2013	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Airport charges	492,801	270,961	-	-	-
Concessions	12,727	-	145,133	3,798	2,384
Rent and leases	98	-	18,889	371	-
Parking fees	-	-	-	81,899	-
Retail sales	-	-	-	-	85,489
Other activities	15,546	1,181	397	4,130	28,639
Total revenue	521,172	272,142	164,420	90,197	116,511
Elimination of internal revenue	- 410	- 224	- 31,824	- 1,144	- 314
Revenue	520,762	271,919	132,595	89,054	116,196

2012	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Airport charges	478,633	265,723	-	-	-
Concessions	12,263	-	143,030	3,329	2,182
Rent and leases	98	-	16,844	377	-
Parking fees	-	-	-	81,313	-
Retail sales	-	-	-	-	86,649
Other activities	15,476	1,278	639	3,978	28,127
Total revenue	506,469	267,001	160,513	88,996	116,958
Elimination of internal revenue	- 516	- 318	- 31,475	- 1,155	- 90
Revenue	505,952	266,683	129,038	87,841	116,868

Real Estate	Alliances & Participations			
	International		Other	Total
	airports	Domestic airports	participations	
-	-	51,883	-	815,646
1,054	-	4,389	-	169,485
151,811	-	3,408	-	174,577
3,887	-	13,868	-	99,654
-	-	-	-	85,489
9,277	9,588	5,082	77,837	151,677
166,029	9,588	78,630	77,837	1,496,527
- 24,813	- 259	- 418	- 55,054	- 114,459
141,217	9,329	78,213	22,783	1,382,069

Real Estate	Alliances & Participations			
	International		Other	Total
	airports	Domestic Airports	participations	
-	-	43,242	-	787,598
1,295	-	3,737	-	165,836
151,393	-	2,561	-	171,271
3,636	-	12,137	-	97,085
-	-	-	-	86,649
13,500	11,267	4,766	80,728	159,758
169,823	11,267	66,443	80,728	1,468,198
- 24,356	- 472	- 134	- 57,142	- 115,658
145,467	10,795	66,310	23,586	1,352,540

Airport charges

The activities of the Aviation business area (the operation of Amsterdam Airport Schiphol) are regulated, meaning that the annual process of setting the airport charge rates is overseen by the Netherlands Competition Authority and involves consultations with the airlines. When setting the airport charges, the Aviation business area's profitability is also capped at an average weighted cost of capital for regulated assets; both must be determined in compliance with the Aviation Act. Under the Aviation Act, Schiphol Group must settle surpluses and deficits from specified income and expenses with the industry. In principle, settlement takes place after the close of a financial year and the preparation of financial statements of the Aviation and Security segments using the new airport charge rates. In accordance with the accounting policies, surpluses and deficits eligible for settlement in the airport charge rates are not presented as assets and liabilities in the balance sheet. This procedure does not apply to the airport charges at Rotterdam The Hague, Eindhoven and Lelystad airports, which are recognised in the Domestic Airports segment. There was a shortage for the financial year 2012 of 2.3 million euros for the Aviation segment and a surplus of 1.3 million euros for the Security segment. The shortage of 1.0 million euros will be factored into the charges in force from 1 April 2014.

(in thousands of euros)

	2013	2012
Aircraft-related fees	199,018	194,732
Passenger-related fees	311,635	296,952
Security service charges	297,567	287,872
Aircraft parking fees	7,426	8,042
	815,646	787,598

Concessions

Schiphol Group's Concessions segment, which is part of the Consumer Products & Services business area has 99 concession contracts (2012: 100) for a range of commercial activities at Amsterdam Airport Schiphol.

A concession grants the holder non-exclusive rights to operate and manage a commercial activity (outlet) in a specific location designated by Schiphol Group. The concession fees are calculated on a percentage scale of the sales generated by the concession holder. A separate contract is entered into with concession holders for the space, for which a fixed rent is payable. The concessions run for an average of three to five years. At the reporting date, about 65% of the concessions had a remaining term of less than three years (2012 about 62%), 23% had between three and five years to run (2012: 28%) and 12% had more than five years to run (2012: 10%).

Revenue of 12.7 million euros from concessions granted by the Aviation segment (12.3 million euros in 2012) and 3.8 million euros by the Parking segment (3.3 million euros in 2012) related to concession contracts for the third-party supply of aviation fuel and the use of drop-off roads by taxi and car rental services respectively.

Rents and leases

(in thousands of euros)	2013	2012
Investment property: buildings, including service charges	83,509	75,478
Investment property: land	24,952	25,086
Operating property, including service costs	44,359	48,985
Elimination of internal revenue	21,757	21,722
	174,577	171,271

Occupancy in the Real Estate segment was 86.3% at 31 December 2013 (91.8% at 31 December 2012).

Approximately 6% of the leases (measured by income from rents and leases) expire within one year (5% in 2012), 46% between one and five years (50% in 2012) and 48% after more than five years (45% in 2012).

Property management expenses were as follows:

(in thousands of euros)	2013	2012
Occupied buildings	31,464	34,852
Unoccupied buildings	5,287	4,701
	36,751	39,553

Management expenses for buildings that are only partially leased have been apportioned on the basis of floor area.

Parking charges

(in thousands of euros)	2013	2012
Parking at Amsterdam Airport Schiphol:		
Short-stay car park	38,832	39,298
Long-stay car park	24,333	23,997
Other public car parking	4,264	3,053
Business parking	17,440	17,191
	84,869	83,539
Parking at other locations	13,868	12,137
Elimination of internal revenue	917	1,409
	99,654	97,085

Parking at other locations relates to Rotterdam The Hague, Eindhoven and Lelystad airports and the income is reported in the Domestic Airports segment.

Retail sales

Retail sales of 85.5 million euros in 2013 (86.6 million euros in 2012) represented revenue from alcohol, tobacco and chocolate. The related cost of sales of 41.2 million euros (43.7 million euros in 2012) is recognised under operating expenses in 'Cost of contracted work and other external costs'.

Other activities

(in thousands of euros)	2013	2012
Advertising	19,352	19,513
Services and activities on behalf of third parties	17,528	19,611
Electricity, gas and water	7,176	6,885
Other operating income	28,155	28,963
Miscellaneous	16,624	19,311
Elimination of internal revenue	62,842	65,475
	151,677	159,758

2. Sales of property

The 11.5 million euros recognised in 2012 under 'sales of property' related mainly to the contribution of land to A4 Zone West C.V., the purchase and sale of the air traffic control tower and the sale of land to Rijkswaterstaat.

3. Fair value gains and losses on property

(in thousands of euros)	2013
New long leases granted	471
Fair value adjustments: land	19,047
Fair value adjustments: buildings	- 16,973
	2,545

The gains from granting new long leases were connected with the change in measurement of leasehold land from historical cost to fair value upon release. Fair value is calculated by discounting the annual ground rents from the leases concerned (DCF method), using a discount rate based on the interest rate on Dutch government bonds plus a risk premium.

The fair value of all the properties is assessed each year and adjusted as necessary on the basis of in-house and external appraisals taking into account any lease incentives granted. The resulting adjustments to fair value are included in market value adjustments for land and buildings.

The fair value adjustments for land arose from an improvement in the appraisal methods for leaseholds, reflecting the actual development and infrastructure in place.

The fair value adjustments of buildings arose from increased vacancies in existing buildings and investment in buildings undergoing redevelopment.

4. Cost of contracted work and other external costs

(in thousands of euros)	2013	2012
Cleaning	30,615	30,344
Security	191,339	186,684
Maintenance	97,436	89,566
Other subcontracted activities	92,049	93,041
Energy and water	24,586	24,525
Cost of retail sales	41,211	43,742
Contract staff	21,489	22,631
Commercial expenses	26,215	28,136
Insurance	19,822	19,004
Consultancy and audit fees	12,084	13,816
Costs related to investments	6,076	9,360
Other expenses (such as general expenses, rents and leasing)	40,660	45,002
	603,582	605,851

At 31 December 2013, there were commitments (not included in the balance sheet) for long-term contracts for security, maintenance, cleaning, etc. totalling 506.8 million euros (31 December 2012: 422.1 million euros). The total amount also includes commitments for contracted work with respect to central security of 74.9 million euros. The commitments relating to security contracts have a total value of 258.2 million euros, maintenance (42.1 million euros), cleaning (32.5 million euros) and gas and electricity purchases (16.5 million euros). The total liabilities for 2014 amount to 149.7 million euros. There are also maintenance contracts that do not involve a purchase obligation.

The following future lease instalments (not recognised in the balance sheet) are payable under operating leases with Schiphol Group as lessee:

(in thousands of euros)	Total	<= 1 year	> 1 year	> 1 year but < 5 years	> 5 years
Rental and lease contract commitments	36,071	7,415	28,656	17,635	11,021

Auditor's fee

(in thousands of euros)	2013	2012
Audit of the financial statements	755	763
Other audit services	425	478
Tax advisory	243	173
Other non-audit services	25	75
	1,448	1,489

The auditor's fees were for activities carried out at Schiphol Group and the consolidated group companies by the audit firm as meant by Section 1(1) of the Audit Firms Supervision Act and represent the fees charged by the entire network of which this audit firm is part. The fees of PricewaterhouseCoopers Accountants N.V. were 1.2 million euros (2012: 1.3 million euros) while

the activities performed by other members of the PricewaterhouseCoopers Accountants N.V. network amounted to 0.2 million euros (2012: 0.3 million euros).

5. Employee benefits

(in thousands of euros)

	2013	2012
Short-term employee benefits		
Salaries	140,206	143,208
Social security charges	12,890	13,012
Internal hours capitalised	- 10,975	- 10,780
	142,121	145,440
Post-retirement benefits		
Pension charges (defined-contribution plans)	23,261	18,393
Pension charges (defined-benefit plans)	146	664
Early retirement benefits	1,253	1,483
	24,660	20,540
Other long-term employee benefits		
Long-service bonuses	685	591
Long-term management bonuses	1,244	1,260
Other employee benefits	1,698	-
	3,627	1,851
Termination benefits	4,033	2,192
Other staff costs	11,445	12,336
Total employee benefits	185,886	182,359

N.V. Luchthaven Schiphol and its subsidiaries had an average of 2,058 employees, on a full-time equivalent basis (2012: 2,087). Other staff costs included 0.5 million euros (2012: 0.7 million euros) for the crisis levy on higher incomes.

The internal hours capitalised concern production in the form of time charged by staff in the implementation phases of investment projects. Other staff costs include, among other training costs and staff expenses.

See note 32 for further information on post-retirement benefits, other long-term employee benefits and termination benefits.

See the 'Related Party Disclosures' section for details of the remuneration of members of the Supervisory and Management Boards pursuant to Section 2:383c of the Netherlands Civil Code.

6. Depreciation and amortisation

(in thousands of euros)

2013

2012

Intangible assets

ICT development	6,479	6,997
Software licences	4,989	4,321
	11,468	11,318

Assets used for operating activities

Runways, taxiways and aprons	22,234	21,911
Paved areas, roads etc.	11,569	11,293
Plant	43,729	36,813
Installations	118,554	101,959
Other assets	33,881	28,738
	229,967	200,714

Depreciation and amortisation relating to disposals

6,979 2,865

Total depreciation and amortisation

248,414 214,897

7. Impairment

(in thousands of euros)

2013

2012

Intangible assets

Goodwill Villa Carmen B.V.	-	1,392
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Assets under construction or development

Assets under construction for operating activities	349	-
Assets under construction for investment property	17,061	21,349

Total impairment losses

17,410 22,741

The impairment of 17.4 million euros in 2013 related to the write down in the value of land at Rotterdam The Hague Airport (6 million euros) and on land at Schiphol East of 11 million euros. In 2012 the impairment related to the real estate activities near Malpensa airport in Italy.

8. Other operating expenses

Other operating expenses comprised various items. In 2012 an impairment of 8.4 million euros was included with respect to real estate properties.

9. Financial income and expenses

(in thousands of euros)

	2013	2012
Interest expense		
Borrowings	- 99,303	- 99,082
Lease liabilities	- 4,463	- 4,291
Capitalised construction period borrowing costs	2,134	3,798
Interest on tax due	- 319	-
	<u>- 101,951</u>	<u>- 99,575</u>
Interest income		
Cash and cash equivalents	2,048	3,851
Loans to associates	5,848	9,906
Lease receivables	-	391
Interest on tax due	1,492	1,643
Other	558	259
	<u>9,946</u>	<u>16,050</u>
Other financial gains and losses		
Exchange differences on loans to associates	- 925	- 283
Exchange differences on cash and cash equivalents	- 149	- 411
Exchange differences on other assets and liabilities	2,795	597
Derivative financial instruments	- 4,449	- 4,530
Dividends from other financial interests	-	158
Other	- 89	- 88
	<u>- 2,817</u>	<u>- 4,557</u>
Total financial income and expenses	<u>- 94,822</u>	<u>- 88,082</u>

Capitalised construction period borrowing costs are interest charges incurred during the construction phase of large investment projects.

Exchange differences on loans to associates concern the Redeemable Preference Shares of Brisbane Airport Corporation Holdings Ltd held by Schiphol Group. The terms and conditions require repayment of the nominal value to the shareholders within a period of 10 years and therefore the shares are not considered to be part of the net investment in the associate. Consequently, exchange differences should be accounted for in the income statement rather than in the exchange differences reserve. The currency risk relating to this long-term receivable is, however, largely hedged by annual forward transactions which hedge the Australian dollar position against the euro. The hedge transactions are recognised as a cash flow hedge while the associated exchange differences are recognised in the reserve for hedging transactions. The other exchange differences are recognised in the income statement.

10. Share of results of associates

'Share of results of associates' presents the share of the results of non-consolidated associates, including Aéroports de Paris S.A. (ADP) and Brisbane Airport Corporation Holdings Ltd (BACH).

The share of results of associates for 2013 included a contribution of 28.4 million euros from BACH (2012: 11.2 million euros). The result was positively affected in 2013 by movements of 17.3 million euros in BACH's derivatives portfolio caused chiefly by derivative positions taken in connection with an expected extension involving an additional runway. There are no early settlement or early payment obligations for these derivatives.

ADP's contribution to Schiphol Group's financial result for 2013 was an income of 21.7 million euros (income of 34.8 million euros in 2012), including adjustments in connection with differences in the accounting policies mainly relating to investment property.

11. Income tax

The income tax charge in the income statement was computed as follows:

(in thousands of euros)	2013	2012
Profit before income tax	276,429	253,876
Share in result of associates ¹	- 48,910	- 45,630
	227,519	208,246
Standard rate of income tax	25.0%	25.0%
Income tax calculated at the standard tax rate	56,880	52,062
Different rate for foreign subsidiaries	509	1,995
Income tax before extraordinary items	57,389	54,056
Effective rate of income tax before extraordinary items	20.8%	21.3%
Losses for which no deferred tax asset is recognised	-	7,296
Other movements: income tax liabilities	- 11,744	- 1,480
Other movements: deferred tax assets and liabilities	-	- 2,434
Income tax in the income statement	45,645	57,438
To current tax liability (asset)	44,765	60,910
To deferred tax liability	880	- 3,472
Effective rate of income tax after extraordinary items	16.5%	22.6%

1) In calculating the corporate income tax payable, the share in results of associates is deducted because they satisfy the substantial holding privilege tax rule. This does not apply to the results of limited partnerships (C.V.s), which are not independently liable for tax and whose results are included in the result of the N.V. Luchthaven Schiphol fiscal entity.

Excluding non-recurring items, the effective tax rate of 20.8% in 2013 was lower than the 21.3% figure in 2012 and below the nominal income tax rate of 25% because of the relatively higher share of the results of associates which are not subject to Dutch income tax. It can also be explained by an amount of 1.0 million euros regarding a tax charge relating to the result of the associate JFK IAT (2012: 2.0 million euros). The charge regarding other associates with a different tax rate amount to -0.5 million euros.

The lower effective tax rate, including non-recurring effects, of 16.5% (2012: 22.6%) was caused by a number non-recurring items. In 2012, the non-deductible income tax on losses relating to impairment in Italy amounted to EUR million euros (2013: 0 million euros). The other movements in current tax liabilities in 2013 regard to the true up of the tax returns 2011 (1.7 million euros) and 2012 (1.6 million euros) and a one-off tax gain of 8.5 million euros due to the application of the participation exemption on RPS dividends received.

12. Result attributable to non-controlling interests

The result attributable to non-controlling interests includes the share of third parties in the results of the group companies Eindhoven Airport N.V. and Avioport SpA. An abridged income statement for these companies is presented in the 'Related Party Disclosures' section (under 'subsidiaries').

13. Earnings per share

	2013	2012
Result attributable to shareholders (net result in euros)	227,492,275	198,714,000
Average number of shares in issue during the year	186,147	186,147
Earnings per share (in euros)	1,222	1,068

Notes to the consolidated balance sheet

14. Intangible assets

(in thousands of euros)	Goodwill	ICT development	Software licences	Software under development	Total
Analysis as at 31 December 2011					
Cost	7,591	49,247	24,755	9,361	90,954
Accumulated amortisation and impairment	- 5,350	- 30,175	- 13,720	- 314	- 49,559
Carrying amount	2,241	19,072	11,035	9,047	41,395
Movements in 2012					
Additions	-	-	136	9,259	9,395
Completions	-	5,315	7,004	- 12,319	-
Amortisation	-	- 6,997	- 4,321	-	- 11,318
Impairment	- 1,392	-	-	-	- 1,392
Reclassification	-	58	- 58	-	-
Disposals	-	- 543	- 311	-	- 854
Total movements in the year	- 1,392	- 2,167	2,450	- 3,060	- 4,169
Analysis as at 31 December 2012					
Cost	7,591	54,077	31,526	6,301	99,495
Accumulated amortisation and impairment	- 6,742	- 37,172	- 18,041	- 314	- 62,269
Carrying amount	849	16,905	13,485	5,987	37,226
Movements in 2013					
Additions	-	-	-	12,604	12,604
Completions	-	6,967	5,807	- 12,774	-
Amortisation	-	- 6,479	- 4,989	-	- 11,468
Reclassification	-	- 111	-	-	- 111
Disposals	-	- 110	- 102	-	- 212
Total movements in the year	-	267	716	- 170	813
Analysis as at 31 December 2013					
Cost	7,591	60,823	37,231	6,131	111,776
Accumulated amortisation and impairment	- 6,742	- 43,651	- 23,030	- 314	- 73,737
Carrying amount	849	17,172	14,201	5,817	38,039

Goodwill recognised in intangible assets at 31 December 2013 related to Schiphol Telematics B.V.

An impairment test was performed at year-end 2013, comparing its carrying amount with the value in use of the cash-generating unit calculated using information from the 2014-2016 tactical plan at a discount rate of 5.1%. The test did not indicate any need to recognise an impairment loss.

Malpensa Real Estate II B.V. (MRE II B.V., a subsidiary of Schiphol Group) acquired an interest of 47.44% in Villa Carmen B.V. in 2005. The goodwill generated was derived from the surplus value of the land contributed by MRE II B.V. on acquisition of its holding. As a result of the impairment charges in 2012 the goodwill was fully amortised at year end.

ICT application development related to in-house and external hours charged to automation projects in the implementation and completion phases. Software licences and software under development relate to third-party packages.

See note 7 for further information on impairment.

15. Assets used for operating activities

(in thousands of euros)	Runways, taxiways and		Paved areas, roads etc.	Buildings	Installations	Other assets	Total
	aprons						
Analysis as at 31 december 2011							
Cost	676,704	596,948	1,294,474	1,743,438	398,018	4,709,582	
Accumulated depreciation and impairment	- 315,243	- 168,175	- 517,087	- 1,010,648	- 295,616	- 2,306,769	
Carrying amount	361,461	428,773	777,387	732,790	102,402	2,402,813	
Movements in 2012							
Completions	18,953	18,930	37,014	184,190	34,952	294,039	
Depreciation	- 21,911	- 11,293	- 36,813	- 101,959	- 28,738	- 200,714	
Changes in the consolidation	-	-	-	-	- 207	- 207	
Disposals	- 36	-	- 541	- 774	- 660	- 2,011	
Reclassification	-	- 3,005	2,301	2	-	- 702	
Total movements in the year	- 2,994	4,632	1,961	81,459	5,347	90,405	
Analysis as at 31 december 2012							
Cost	695,621	612,873	1,333,248	1,926,856	432,103	5,000,701	
Accumulated depreciation and impairment	- 337,154	- 179,468	- 553,900	- 1,112,607	- 324,354	- 2,507,483	
Carrying amount	358,467	433,405	779,348	814,249	107,749	2,493,218	
Movements in 2013							
Completions	11,293	27,347	58,775	90,473	22,748	210,636	
Depreciation	- 22,234	- 11,569	- 43,729	- 118,554	- 33,881	- 229,967	
Disposals	-	-	- 179	- 5,651	- 937	- 6,767	
Reclassification	-	- 542	- 3,553	1,255	258	- 2,582	
Total movements in the year	- 10,941	15,236	11,314	- 32,477	- 11,812	- 28,680	
Analysis as at 31 december 2013							
Cost	706,914	639,678	1,388,291	2,012,933	454,172	5,201,988	
Accumulated depreciation and impairment	- 359,388	- 191,037	- 597,629	- 1,231,161	- 358,235	- 2,737,450	
Carrying amount	347,526	448,641	790,662	781,772	95,937	2,464,538	

16. Assets under construction or development

(in thousands of euros)	Assets under construction for operating activities	Assets under construction for investment property	Total
Carrying amount as at 31 December 2011	250,937	146,095	397,032
Movements in 2012			
Capital expenditure	253,338	35,244	288,582
Construction period borrowing cost capitalised	3,340	458	3,798
Completed assets and investment property	- 294,040	- 52,762	- 346,802
Impairment	-	- 21,349	- 21,349
Sales	- 89	-	- 89
Reclassification	1,407	- 13,275	- 11,868
Total movements in the year	- 36,044	- 51,684	- 87,728
Carrying amount as at 31 December 2012	214,893	94,411	309,304
Movements in 2013			
Capital expenditure	253,719	59,286	313,005
Construction period borrowing cost capitalised	1,757	378	2,134
Completed assets and investment property	- 210,634	- 48,178	- 258,812
Impairment	- 349	- 17,061	- 17,410
Reclassification	- 1,548	39,796	38,248
Total movements in the year	42,945	34,221	77,166
Carrying amount as at 31 December 2013	257,838	128,632	386,470

The reclassification of assets under construction in 2013 relate, inter alia, to assets held for sale, see section 23 'Assets held for sale'. In 2012, the reclassification of assets under construction for investment property mainly related to prepayments of assets under construction which are recognised as other current receivables.

The capitalisation of borrowing costs during the construction period is calculated by applying a percentage rate determined quarterly according to leverage ratio. In 2013, the rate varied between 2.4% and 2.5% per annum reflecting that ratio. At 31 December 2013, there was no difference between the fair value of assets under construction for investment property and the costprice.

At 31 December 2013, there were capital expenditure obligations for assets under construction or development of 66.3 million euros in property (at 31 December 2012: 125.8 million euros, of which 95.1 million euros in property). A start has been made in 2013 on the Central Security project with a capital expenditure programme of plus minus 350 million euros. It is expected that the Central Security project will be completed in 2015.

See note 7 for further information on impairment.

17. Investment property

(in thousands of euros)

	Buildings	Sites	Total
Carrying amount as at 31 December 2011	751,371	317,501	1,068,872
Movements in 2012			
Completions	42,062	10,700	52,762
Fair value gains and losses	- 24,869	848	- 24,021
Sales	- 11,157	-	- 11,157
Reclassification	702	-	702
Total movements in the year	6,738	11,548	18,286
Carrying amount as at 31 December 2012	758,109	329,049	1,087,158
Movements in 2013			
Completions	47,988	189	48,177
Fair value gains and losses	- 16,994	19,540	2,546
Reclassification	- 3,440	546	- 2,894
Total movements in the year	27,554	20,275	47,829
Carrying amount as at 31 December 2013	785,663	349,324	1,134,987

Airport Real Estate Basisfonds C.V. (AREB C.V.) has granted pledges on 17 of its investment properties in favour of Svenska Handelsbanken A.B. for an amount of 314.0 million euros. The proportionate consolidation of AREB C.V. means that 61.15% of this amount was recognised in the Schiphol Group balance sheet at 31 December 2013.

Buildings included 80.3 million euros (31 December 2012: 82.5 million euros) in respect of the fair value of assets (The Base) where the company has the risks and rewards incidental to ownership but not legal title (finance lease). Land includes sites leased under long-lease contracts.

The calculation of the cash flows (which are a factor in determining the fair value at which investment property is presented in the balance sheet) takes into account the existence of lease incentives. See notes 2 and 3 to the consolidated income statement for details of sales and fair value gains and losses.

Schiphol Group's policy is to let land solely on a long-lease or a ground rent basis except for those sites which management intends to sell. These are sites away from the Schiphol location and they are recognised in the balance sheet as assets held for sale.

18. Deferred tax

Schiphol Group has been subject to corporate income tax since 1 January 2002. On 8 September 2006, Schiphol Group and the tax authorities signed a tax ruling that specified the opening balance sheet for tax purposes and certain other arrangements for determining Schiphol Group's taxable profit. These give rise to the following measurement differences:

- Assets used for operating activities and assets under construction are carried at cost for both reporting and tax purposes but the tax ruling resulted in differences between the cost for reporting and tax purposes of assets held at 1 January 2002. The balance sheet for tax purposes equates cost with the market value at 1 January 2002, whereas the balance sheet for reporting purposes equates cost with the historical cost, which may be lower.
- Property investments, derivative financial instruments and borrowings in foreign currencies are measured at fair value for reporting purposes and at cost for tax purposes.
- Property investments are depreciated for tax purposes (with a residual value of 25%) but not for reporting purposes.
- The Working on Profit Act came into force with effect from the financial year 2007. This Act restricts the depreciation for tax purposes of both commercial and operational buildings to a base value. The base value is 50% of the WOZ value (i.e., the value under the Valuation of Immovable Property Act) for operational buildings and 100% of the WOZ value for commercial buildings.
- Differences in the measurement of employee benefits because of differences in the actuarial assumptions applied.

Deferred tax assets and liabilities are recognised in respect of all these differences and in respect of the deferred tax liability resulting from the expansion of Schiphol Group's interest in JFK IAT LLC in 2010.

The deferred tax assets and liabilities arise from the following balance sheet items:

(in thousands of euros)

	2013	2012
Deferred tax assets (fiscal unity)		
Assets used for operating activities	143,498	171,856
Assets under construction or development	66,052	83,707
Derivative financial instruments and borrowings	10,572	36,944
Employee benefits	3,944	3,056
Investment property	<u>- 23,927</u>	<u>- 29,142</u>
	200,139	266,421
Deferred tax liabilities (outside fiscal unity)		
Investments in associates	- 14,134	- 13,777
Investment property	<u>- 307</u>	<u>- 277</u>
	- 14,441	- 14,054
	<hr/>	<hr/>
Total deferred tax (net asset)	185,698	252,367
Non-current (settlement is not expected)	83,274	83,574
Non-current (expected to be recovered or settled after longer than 1 year)	105,678	168,567
Current (expected to be recovered or settled within 1 year)	<u>- 3,254</u>	<u>226</u>
	185,698	252,367

Under IAS 12, Income Taxes, a deferred tax asset has to be recognised if it is probable that sufficient taxable profit will be available against which the deductible temporary difference can be utilised. However, it is not expected that the deferred tax assets relating to certain operating assets (83.3 million euros) will actually be realised because the difference in the values for reporting and tax purposes will be realised only in the event of a sale (resulting in a lower profit for tax purposes and a lower

corporate income tax liability), impairment (resulting in higher costs for tax purposes and a lower corporate income tax liability) or termination of the aviation activities (resulting in higher costs for tax purposes because compensation will only be obtained up to the carrying amount for reporting purposes). Schiphol Group is not authorised to sell the land for operating activities, forecasts of future cash flows do not suggest that impairment losses will be necessary and it is unlikely that the activities will be terminated.

Deferred tax assets and liabilities are netted if they relate to the same fiscal unity and the company at the head of this fiscal unity has a legally enforceable right to do so.

No deferred tax asset has been recognised for unused tax losses of 3.4 million euros.

The movements in the deferred tax assets and liabilities during the year were as follows:

(in thousands of euros)	Assets used for operating activities	Assets under construction or development
Carrying amount as at 31 December 2011	185,930	78,878
Movements in 2012		
Deferred tax on depreciation for tax purposes on investment property	- 14,074	-
Deferred tax recognised in the income statement	-	4,829
Deferred tax recognised in equity	-	-
Other movements	-	-
Total movements in the year	- 14,074	4,829
Carrying amount as at 31 December 2012	171,856	83,707
Movements in 2013		
Deferred tax on depreciation for tax purposes on investment property	- 20,457	-
Deferred tax recognised in the income statement	-	-
Deferred tax recognised in equity	-	-
Reclassification	- 7,901	- 17,655
Other movements	-	-
Total movements in the year	- 28,358	- 17,655
Carrying amount as at 31 December 2013	143,498	66,052

Investment property	Derivative financial instruments	Employee benefits	Associates	Total
- 26,187	13,236	3,294	- 11,799	243,352
- 2,265	-	-	-	- 16,339
- 1,302	2,587	- 664	- 1,978	3,472
-	21,121	-	-	21,121
335	-	426	-	761
- 3,232	23,708	- 238	- 1,978	9,015
- 29,419	36,944	3,056	- 13,777	252,367
- 18,465	-	-	-	- 38,922
- 1,907	-	1,383	- 357	- 880
-	- 26,395	-	-	- 26,395
25,556	-	-	-	-
-	23	- 495	-	- 472
5,184	- 26,372	888	- 357	- 66,669
- 24,235	10,572	3,944	- 14,134	185,698

19. Associates

(in thousands of euros)

	2013	2012
Carrying amount as at 1 January	764,869	725,048
Movements in the year		
Share of results	50,553	43,847
Dividends	- 18,145	- 14,312
Share capital contributions to associates	190	11,235
Exchange differences	- 14,110	- 949
Total movements in the year	18,488	39,821
Carrying amount as at 31 December	783,357	764,869

The increase in exchange differences is related to development of the euro in comparison with the Australian Dollar in 2013. The 11.2 million euros share capital contributions to associates in 2012 related to Schiphol Area Development Company N.V.

The carrying amount of the associates at 31 December 2013 included 244 million euros of goodwill relating to Aéroports de Paris and 34 million euros relating to Brisbane Airports Corporation Ltd. The annual impairment test on goodwill did not indicate a need to recognise an impairment loss for either investment.

See the 'Related Party Disclosures' section for further information on the associates. See note 10 for further information on the share in the results of associates.

20. Loans to associates

(in thousands of euros)

	2013	2012
Carrying amount as at 1 January	80,192	92,141
Movements in the year		
Accrued interest	5,848	6,771
Amortisation	-	- 318
Exchange differences hedging transactions	- 14,110	- 344
Other exchange differences	- 925	- 283
Dividend received	- 11,462	- 17,775
Total movements in the year	- 20,649	- 11,949
Carrying amount as at 31 December	59,543	80,192

Loans to associates relate exclusively to the Redeemable Preference Shares in Brisbane Airport Corporation Holdings Ltd (BACH) held by Schiphol Group and which carry entitlement to a cumulative dividend. The redemption date for these shares is formally 30 June 2014 but BACH has extended the maturity to 2022. In view of this the redeemable preference shares of AUD 92.6 million (59.5 million euros including accumulated dividend) are classified as a short-term loan to an associate and the dividend on these shares is treated as financial income.

The accrued dividend is the valuation of the Redeemable Preference Shares at amortised cost and part of the dividend for the past three years which the management of BACH decided not to distribute. Given its cumulative preference nature, however, this dividend is still recognised as receivable and as income. BACH paid the remaining undistributed dividend during 2013.

The currency risk relating to the nominal value of this long-term loan and the accrued dividends is hedged by annual forward transactions which hedge the Australian dollar position against euros. The hedge transactions are recognised as a cash flow hedge while the exchange differences relating to part of the loan and the dividend that is not hedged and the period between the successive annual forward transactions are recognised in the income statement. Other exchange differences are recognised in the reserve for hedging transactions through total comprehensive income.

The fair value of the loans to associates at 31 December 2013 was 60.1 million euros (AUD 93.4 million). The effective dividend was approximately 10%. The fair value is estimated by discounting the future contractual cash flows at current market interest rates available to the borrower for similar financial instruments.

21. Loans

(in thousands of euros)	2013	2012
Carrying amount as at 1 January	8,476	1,591
Movements in the year		
Repayments	- 607	- 651
New loans granted	-	7,536
Total movements in the year	- 607	6,885
Carrying amount as at 31 December	7,869	8,476

The current portion of the loans at 31 December 2013, amounting to 0.9 million euros (31 December 2012: 0.1 million euros), is presented under current assets. In 2012 new loans granted includes a loan of 4.3 million euros that was granted to SRE Altaï B.V., a property joint venture with Aéroports de Paris.

22. Other non-current receivables

(in thousands of euros)	2013	2012
Surrender long leases	3,230	3,320
Lease incentives	30,634	33,975
Prepaid assets	280	174
Total other non-current receivables	34,144	37,469

Purchased long leases are the rent instalments which Schiphol Group paid in advance in respect of land acquired on a long lease. Lease incentives are the cost of benefits which Schiphol Group granted tenants at the start of their lease. Both items are charged to the income statement over the term of the underlying contracts. The existence of lease incentives is taken into account in establishing the cash flows underlying the determination of the fair value of property.

23. Assets held for sale

Land which is intended to be sold is presented as assets held for sale. At year-end 2011, this was the A4 zone West, an extensive logistics site adjacent to the A4 motorway to the south of the Amsterdam Airport Schiphol cargo zones. In December 1999 and December 2009, the municipality of Haarlemmermeer, Schiphol Real Estate B.V. and SADC decided in cooperation agreements (SOK I and SOK II respectively) to acquire and allocate plots in the A4 Zone West area.

The land acquired in 1999 is being financed equally by the three partners. A further 6.7 million euros of land will be contributed (including 2.2 million euros by Schiphol Real Estate B.V.).

During 2013, it became apparent that the land held for sale would not be disposed of within a year. Consequently, its classification was changed to commercial construction sites and the land has been included as Paved areas, roads etc. in Assets used for operating activities.

24. Trade and other receivables

(in thousands of euros)

	2013	2012
Trade receivables	102,091	96,636
Accrued income	26,609	23,036
Value-added tax	14,640	11,379
Prepayments	12,920	34,170
Inventories	8,530	5,257
Lease incentives	6,683	6,717
Receivable from shareholders and associates	37	38
Other receivables	31,954	24,639
	203,464	201,872

Prepayments included the assets under construction developed for third parties, where Schiphol Group paid the purchase price in advance.

As in the previous year, other receivables include 19.0 million euros which Schiphol Group paid to Chipshol. See note 33 on other provisions for further information.

25. Cash and cash equivalents

Cash and cash equivalents were 490 million euros at 31 December 2013 (31 December 2012: 445.1 million euros) including deposits of 314.4 million euros with original maturities of between five and nine months (31 December 2012: 370.0 million euros). The average interest rate on these deposits at 31 December 2013 was 0.34% (31 December 2012: 0.52%). The cash is discretionary.

26. Issued share capital

The authorised share capital at 31 December 2013 was EUR 142,960,968 divided into 300,000 A shares and 14,892 B shares, with a nominal value of 454 euros each. 171,255 of the A shares and 14,892 of the B shares have been issued. The shareholders' interests were as follows:

	(in numbers)	(percentage)	(in thousands of euros)
Shareholder:			
State of the Netherlands	129,880	69.77%	58,966
Municipality of Amsterdam	37,276	20.03%	16,923
Aéroports de Paris	14,892	8.00%	6,761
Municipality of Rotterdam	4,099	2.20%	1,861
	186,147	100%	84,511

There were no changes in the issued share capital in 2013.

27. Retained earnings

On a resolution proposed by the Management Board and approved by the Supervisory Board, the General Meeting of Shareholders voted to declare a dividend of 108.4 million euros for 2012. This amount was deducted from retained earnings when paid in 2013. The dividend for 2011, which amounted to 97.5 million euros, was paid out and deducted from retained profits in 2012.

The entire net result for 2013 was added to retained earnings, which, at 31 December 2013, therefore included the proposed dividend distribution for 2013, as detailed in the Other information section.

28. Other reserves

(in thousands of euros)	Exchange	Other	Hedging	Reserve other	Actuarial	Total
	differences	financial	transactions	comprehensiv	gains and	
	reserve	reserve	reserve	e income	losses	
Balance as at 31 December 2011	21,970	- 916	- 46,346	-	- 1,194	- 26,486
Movements in 2012						
Exchange differences	- 646	2	-	-	-	- 644
Fair value movements	-	914	-	-	-	914
Exchange differences on hedged borrowings	-	-	26,186	-	-	26,186
Exchange differences on hedged loans to associates	-	-	- 344	-	-	- 344
Fair value movements on derivative financial instruments	-	-	- 113,267	-	-	- 113,267
Of which are reported through the profit and loss account	-	-	4,530	-	-	4,530
Deferred tax on fair value movements on derivative financial instruments	-	-	27,667	-	-	27,667
Deferred tax on fair value changes borrowings	-	-	- 6,546	-	-	- 6,546
Settlement of hedge transactions	-	-	- 8,940	-	-	- 8,940
Other comprehensive income associates	-	-	-	- 1,617	-	- 1,617
Change in accounting policy	-	-	-	-	- 2,000	- 2,000
Total movements in the year	- 646	916	- 70,714	- 1,617	- 2,000	- 74,061
Balance as at 31 December 2012	21,324	-	- 117,060	- 1,617	- 3,194	- 100,547
Movements in 2013						
Exchange differences	- 18,565	-	-	-	-	- 18,565
Exchange differences on hedged borrowings	-	-	36,763	-	-	36,763
Exchange differences on hedged loans to associates	-	-	- 14,110	-	-	- 14,110
Fair value movements on derivative financial instruments	-	-	68,445	-	-	68,445
Of which are reported through the profit and loss account	-	-	4,449	-	-	4,449
Deferred tax on fair value movements on derivative financial instruments	-	-	- 17,151	-	-	- 17,151
Deferred tax on fair value changes borrowings	-	-	- 9,244	-	-	- 9,244
Settlement of hedge transactions	-	-	- 62,709	-	-	- 62,709
Other comprehensive income associates	-	-	-	1,375	-	1,375
Change in accounting policy	-	-	-	-	- 480	- 480
Total movements in the year	- 18,565	-	6,443	1,375	- 480	- 11,227
Balance as at 31 December 2013	2,759	-	- 110,617	- 242	- 3,674	- 111,774

Exchange differences reserve

The exchange differences reserve recognises exchange differences arising on the translation of the net investments in subsidiaries, joint ventures and associates outside the euro zone.

Other financial interests reserve

This reserve recognises movements in the fair value of Schiphol Group's other financial interests over which it has neither control nor significant influence. In 2012 this related to the financial interest in Vienna, which is been sold.

Hedging transactions reserve

This reserve recognises movements in the fair value of derivative financial instruments used in cash flow hedges, net of deferred tax assets and liabilities. It also includes the differences arising on the translation of loans at closing rates. In both cases, recognition in the hedging transactions reserve requires that the hedge is determined to be highly effective.

The tax effects of the movements recognised directly in equity through total comprehensive income were as follows:

(in thousands of euros)	Before tax	Tax	After tax
Translation differences	- 18,565	-	- 18,565
Changes in fair value on hedge transactions	32,991	- 26,395	6,596
Other comprehensive income associates	1,375	-	1,375
Other Comprehensive income 2013	15,801	- 26,395	- 10,594
Translation differences	- 646	-	- 646
Changes in fair value on hedge transactions	- 91,782	21,121	- 70,661
Changes in fair value on other financial interests	914	-	914
Other comprehensive income associates	- 1,617	-	- 1,617
Other Comprehensive income 2012	- 93,131	21,121	- 72,010

See note 41, Equity for further information on the restrictions on the distribution of reserves.

29. Non-controlling interests

Non-controlling interests at 31 December 2013 represented the shares of third parties in the net assets of the group companies, Eindhoven Airport N.V. and Avioport SpA. An abridged balance sheet for these companies is presented in Related Party Disclosures (under 'subsidiaries').

30. Borrowings

(in thousands of euros)	Year	Interest rate	Currency	Nominal	Hedging	2013	2012
				value			
	redeemable			(X 1000)	reference		
XS0171966269	2013	4.38%	EUR	175,929		-	175,848
XS0399674216	2014	6.63%	EUR	370,704	B	370,634	369,885
XS0495479555	2016	4.46%	EUR	50,000		49,957	49,942
XS0459479472	2016	4.28%	EUR	15,000		14,966	14,953
XS0167622454	2018	5.16%	EUR	30,000		29,969	29,961
XS0459479399	2019	4.94%	EUR	50,000		49,882	49,862
XS0459442710	2019	4.97%	EUR	85,000		84,901	84,884
XS0621167732	2021	4.43%	EUR	438,447		412,136	408,548
XS0378569247	2038	3.16%	JPY	20,000,000	A	137,686	174,439
XS0983151282	2025	3.08%	EUR	40,000		39,921	-
XS0997565436	2025	2.94%	EUR	30,000		29,931	-
EMTN programme						1,219,983	1,358,322
Namensschuld-	2023 (since	5.07%	EUR	25,000		24,643	- 100
verschreibung	2013)						
XF0000NS4ET7	2016	5.38%	EUR	84,000		83,858	83,789
XF0000NS4FH9	2016	5.45%	EUR	40,000		39,963	39,946
XF0000NS4FX6	2016	5.16%	EUR	10,000		9,991	9,987
XF0000NS4DN2	2019	5.75%	EUR	50,000		49,353	49,226
XF0000NS4PP1	2019	5.50%	EUR	11,000		10,843	10,813
Schuldschein						194,008	193,761
2009-0720	2031	3.95%	EUR	180,000		157,500	166,500
2012-0681	2025	2.12%	EUR	170,000		170,000	-
European Investment Bank						327,500	166,500
Handelsbanken	2016	Euribor + opslag	EUR	109,468	D,E,F,I	109,266	109,186
AREB CV loans						109,266	109,186

(in thousands of euros)	Year	Interest rate	Currency	Nominal	Hedging	2013	2012
				value	reference		
	redeemable			(X 1000)			
Avioport phase 2	2014	Euribor +mark-up	EUR	21,750		14,395	14,395
Avioport phase 1	2014	Euribor +mark-up	EUR	28,000		28,000	28,000
Eindhoven Airport				15,000		15,000	-
Other						2,059	16,157
Other borrowings						59,454	58,552
Total borrowings						1,934,854	1,886,220

The current portion of borrowings at 31 December 2013, of 420.4 million euros (31 December 2012: 191.5 million euros), is recognised under current liabilities.

Schiphol Group launched a Euro Medium Term Note (EMTN) programme in 1999, making it possible to raise funds of up to 2.0 billion euros as required, provided the prospectus is updated annually. The prospectus was updated in 2013. At year-end 2013, borrowings under the programme totalled 1,220.0 million euros (31 December 2012: 1,358.3 million euros). Schiphol Group could be obliged to redeem the notes early in the event of specific circumstances commonly stipulated for this type of instrument. There was no obligation for this in 2013.

In June 2008, Schiphol Group launched a Euro Commercial Paper (ECP) programme with a limit of 750 million euros in addition to the existing EMTN programme. On 31 December 2013, no short-term loans were outstanding under the ECP programme.

Schiphol Group has drawn a *Namensschuldverschreibung* (registered bond) that guarantees funding of 25 million euros from 2013 at a fixed rate of interest (5.072%).

Schiphol Group has issued *Schuldschein* notes (fixed-interest loans with terms of 7 and 10 years) with a nominal value of 195 million euros. In principle, the *Schuldschein* documentation includes the same covenants as the EMTN programme and provisions on 'change of control' in combination with a 'downgrade below investment grade' on early redemption.

In 2010, Schiphol Group obtained a facility of 350 million euros from the European Investment Bank. In 2013 a withdrawal of 170 million euros was made, after which the maximum amount of 350 million euros has been drawn from this facility (of which 22.5 million euros has since been repaid). Schiphol Group could be obliged to redemption early if (in addition to the usual circumstances) other loans are repaid early or equity declines below 30% of total assets. Additional collateral will be demanded if the credit rating is BBB or lower (S&P) or Baa2 or lower (Moody's). The loan agreement also contains a 'change of control' clause.

In 2013 Schiphol Group entered into a further agreement with the European Investment Bank for a facility of 200 million euros in addition to its 350 million euros facility with the European Investment Bank. The terms of the loan are similar to those for the 350 million euros European Investment Bank facility. This loan has not been drawn on.

Schiphol Group also entered into an agreement with KfW IPEX-Bank for a facility of 150 million euros. This loan has not been drawn on at year end, however, commitment was entered into to draw 100 million euros in mid-January 2014. Two private placements of 40 million euros and 30 million were made under the EMTM programme, each with a term of 12 years.

Borrowings under the EMTN programme, the ECP programme, the EIB facility and the KfW facility are not subordinate to other liabilities and are eligible for voluntary early redemption.

AREB C.V. has a revolving credit facility of 195 million euros from Svenska Handelsbanken, with a remaining term of two years and six months. To date, 179 million euros have been drawn on this facility (Schiphol Group's proportional share amounted to EUR 109.5 million). The loan is a mortgage and subject to mandatory early repayment if the amount of the loan exceeds 60% of the appraised value of the financed properties. To provide collateral for the repayment, AREB C.V. has granted Svenska Handelsbanken a pledge of the receivables relating to the leasehold and rental rights enjoyed by AREB C.V. vis-à-vis the tenants of the properties in its portfolio at the reporting date. AREB C.V. has also pledged all existing and future rent receivables relating to the property that are already available for pledging. Furthermore, AREB C.V. has pledged all claims and all rights derived from insurance policies with respect to the properties.

Avioport SpA (a 70% subsidiary of Schiphol Group) has a mortgage from Banca Popolare Italiana for a total amount of EUR 49.8 million (EUR 28.0 million for phase 1 and EUR 21.8 million for phase 2) with a term to 30 June 2014. 42.4 million euros of this mortgage had been drawn at 31 December 2013 (28.0 million euros for phase 1 and 14.4 million euros for phase 2). The collateral for phase 1 consists of the buildings, shares and rental income, while the collateral for phase 2 is the entire project.

Schiphol Group has access to a 300 million euros syndicated and committed facility with a term to 2016. This facility has not been drawn on. Schiphol Group also has access to a bilateral committed facility of 100 million euros with a term to 1 January 2015 agreed with Bank Nederlandse Gemeenten. This facility has also not been drawn on.

Of the total loans, 138 million euros have been drawn in Japanese yen (JPY 20 billion). In line with the financial risk management policy, interest rate swaps, currency swaps and in some cases combined cross-currency swaps have been contracted on the loans to hedge the risks inherent in exposure to movements in interest rates and exchange rates. In principle, the transactions concerned correspond to all relevant characteristics of the respective loans, such as maturity and amount and hedge the positions with respect to the euro or to either fixed or capped interest rates or both. All hedging transactions are accounted for as cash flow hedges.

The derivative financial instruments comprise the following contracts, with the references relating to various loans in the analysis of borrowings.

Reference	Counterparty	Type	Interest		Notional	Maturity date	Fair value in thousands of euros		
			rate	Currency	amount (x1000)		31 December		
							2013	31 December 2012	
A	JPMorgan	Currency swap	3.16%	JPY	20,000,000	2038	- 1,668	- 22,851	
	RBS	Rate swap	4.03%	EUR	370,000	2024	-	74,612	
B	RBS	Rate swap	4.03%	EUR	200,000	2024	33,429	-	
	JPMorgan	Rate swap	3.93%	EUR	150,000	2023	-	31,217	
C	SHB	Rate swap	3.02%	EUR	24,461	2017	1,787	2,543	
D	SHB	Rate swap	2.90%	EUR	24,461	2017	1,702	2,429	
E	SHB	Rate swap	3.47%	EUR	24,461	2016	2,115	2,988	
	BPL	Rate swap	4.32%	EUR	21,000	2013	-	682	
F	RBS	Forward	n.a.	AUD	99,200	2014	- 13,017	-	
	JPMorgan	Forward	n.a.	AUD	116,500	2013	-	903	
G	SHB	Rate swap	0.80%	EUR	35,469	2016	223	493	
Total								24,571	93,016
Recognised in the balance sheet under:									
Non-current assets								- 1,668	- 22,851
Current assets								- 13,017	-
Non-current liabilities								5,827	114,281
Current liabilities								33,429	1,586
								24,571	93,016

Schiphol Group's risk in respect of the cross-currency swap (reference A) is mitigated by a cash collateral agreement with JPMorgan which results in a maximum net position for both parties that depends on the parties' credit rating. If the credit rating of either party is reduced, the maximum net position for that party will also decrease. Under the cash collateral agreement, the difference between the market value of the swap and the applicable maximum net position is paid weekly through the bank.

At 31 December 2013, the maximum net position of both parties amounted to 10 million euros (10 million euros at 31 December 2012) while the market value of the swap was approximately 1.67 million euros (22.9 million euros at 31 December 2012) in Schiphol Group's favour. At 31 December 2013 JPMorgan paid Schiphol Group 0 million euros (27.0 million euros at 31 December 2012) by way of collateral.

References B relates to a forward-starting interest-rate swap which principally fix the interest rates at which outstanding EMTN loans can be refinanced in 2014.

In 2013, a forward-starting interest rate swap of EUR 150 million was unwound and the forward-starting interest rate swap in reference B was partly unwound from its original amount of EUR 370 million to 200 million euros.

References C, D, E and G relate to four interest-rate swaps which fix almost all of the interest rates on AREB C.V.'s funding.

Reference H relates to the derivative financial instrument for hedging the translation differences on the Redeemable Preference Shares recognised as loans to associates.

The interest rates shown against the various currency, interest-rate and cross-currency swaps are the fixed rates at which interest is payable to the counterparty, for which interest at the variable (or fixed) rate that Schiphol Group in turn has to pay on the loans concerned is receivable from the counterparty.

The remaining terms of the borrowings at 31 December 2013 are as follows. The portion of the borrowings due within one year is recognised under current liabilities.

(in thousands of euros)	Total	> 1 year but <= 5			
		<= 1 year	> 1 year	years	> 5 years
EMTN programme	1,219,983	366,950	853,033	80,334	772,699
Namenschuldverschreibung	24,643	- 39	24,682	- 155	24,837
Schuldschein	194,008	- 247	194,255	133,275	60,980
European Investment Bank	327,500	9,000	318,500	36,000	282,500
KfW	- 375	- 188	- 187	- 150	- 37
AREB CV borrowings	109,266	-	109,266	109,266	-
Other borrowings	59,829	42,770	17,059	17,210	- 151
Total borrowings	1,934,854	418,246	1,516,608	375,780	1,140,828

The total carrying amount of the borrowings (at amortised cost) has the following fair value analysis:

(in thousands of euros)	Carrying amount as at	Fair value as at
	31 December 2013	31 December 2013
EMTN programme	1,219,983	1,362,652
Namenschuldverschreibung	24,643	29,663
Schuldschein	194,008	219,194
European Investment Bank	327,500	325,107
KfW	- 375	-
AREB CV borrowings	109,266	115,426
Other borrowings	59,829	42,592
Total borrowings	1,934,854	2,094,634

(in thousands of euros)	Carrying amount as at	Fair value as at
	31 December 2012	31 December 2013
EMTN programme	1,358,322	1,557,861
Namenschuldverschreibung	- 100	3,440
Schuldschein	193,761	242,042
European Investment Bank	166,500	204,999

(in thousands of euros)	Carrying amount as at 31 December 2012	Fair value as at 31 December 2013
AREB CV borrowings	109,186	115,282
Other borrowings	58,552	58,552
Total borrowings	1,886,221	2,182,176

Fair value is estimated by discounting the future contractual cash flows using the current market interest rates available to the borrower for similar financial instruments. The movements in borrowings during the year were as follows:

(in thousands of euros)	Borrowings > 1 year	Borrowings <= 1 year	Total
Carrying amount as at 31 December 2011	1,773,877	101,834	1,875,711
Movements in 2012			
New borrowings	126,651	-	126,651
Accrued interest	78	-	78
Transferred to current liabilities	- 184,613	184,613	-
Repayments	-	- 94,937	- 94,937
Exchange differences	- 26,186	-	- 26,186
Other movements	4,904	-	4,904
Total movements in the year	- 79,166	89,676	10,510
Carrying amount as at 31 December 2012	1,694,711	191,510	1,886,221
Movements in 2012			
New borrowings	271,758	-	271,758
Transferred to current liabilities	- 419,802	419,802	-
Repayments	-	- 191,664	- 191,664
Exchange differences	- 36,763	-	- 36,763
Other movements	4,555	747	5,302
Total movements in the year	- 180,252	228,885	48,633
Carrying amount as at 31 December 2013	1,514,459	420,395	1,934,854

Schiphol Group's financial instruments comprise the borrowings and derivative financial instruments described in this note as well as the loans to associates (note 20), loans (note 21), trade and other receivables (note 24), cash and cash equivalents (note 25), a number of items in other non-current liabilities (note 34) and trade and other payables (note 36).

31. Lease liabilities

(in thousands of euros)	Counterparty	Effective interest	Expiry date of	2013	2012
		rate	lease		
The Base	ABP	7.0%	2034	50,396	51,559
Cars	PON	5.3%	2017	6,749	4,148
Other				-	840
Total lease liabilities				57,145	56,547

The current portion of the lease liabilities at 31 December 2013, amounting to 3.2 million euros (31 December 2012: 2.5 million euros), is presented under current liabilities.

The The Base office building lease with ABP runs for 40 years, with options to cancel after 25 years and 30 years. If the lease is cancelled before the end of the 40-year period, Schiphol Group will be liable to pay a lump sum and penalty interest, with the buildings becoming the property of Schiphol Group. The rent is increased annually in line with the consumer price index. The leasehold of the land on which the Triport buildings stand has been granted to ABP for the duration of the lease.

The remaining terms of the lease liabilities at 31 December 2013 were as follows:

(in thousands of euros)	Total	<= 1 year	> 1 year	> 1 year en <= 5 years	> 5 years
	The Base	50,396	1,243	49,153	5,892
Cars	6,749	1,938	4,811	4,811	-
Carrying amount of finance lease liabilities	57,145	3,181	53,964	10,703	43,261

The movements in the lease liabilities during the year were as follows:

(in thousands of euros)	2013	2012
Carrying amount as at 1 January	56,547	58,511
Movements in the year		
Accrued interest on lease liabilities	4,463	4,290
Lease instalments paid	- 7,356	- 8,363
Lease settlement	-	- 2,123
Finance lease-Investments	3,491	4,232
Total movements in the year	598	- 1,964
Carrying amount as at 31 December	57,145	56,547

32. Employee benefits

(in thousands of euros)	Post-employment benefits	Other long-term employee benefits	Termination benefits	Total
Carrying amount as at 31 December 2012				
Present value of benefit obligation	24,438	10,263	1,798	36,499
Fair value of plan assets	2,830	-	-	2,830
Benefit liability in the balance sheet	21,608	10,263	1,798	33,669
Carrying amount as at 31 December 2013				
Present value of benefit obligation	23,211	12,188	3,051	38,450
Fair value of plan assets	2,976	-	-	2,976
Benefit Liability in the balance sheet	20,235	12,188	3,051	35,474

Post-employment benefits consist of pension plans, job-related early retirement benefits, payment of healthcare insurance costs for pensioners and supplementary disability benefits.

Other long-term employee benefits consist of long-service awards, long-term variable pay, paid sabbatical leave and disability benefit supplements.

Termination benefits consist of redundancy pay, special early retirement benefits and unemployment benefit supplements other than those included in the provision relating to the restructuring.

The defined-benefit pension plan which ABP administers on Schiphol Group's behalf is recognised as a defined contribution scheme. See note 37 for further information on this plan.

The pension plans of a number of subsidiaries that qualify as defined-benefit plans are recognised as such. Movements in the value of the benefit obligations and plan assets and the unrecognised actuarial gains and losses on these plans in recent years were:

(in thousands of euros)

	2013	2012	2011	2010	2009
Carrying amount as at 31 December					
Present value of benefit obligation	3,256	3,026	11,964	10,780	18,904
Fair value of plan assets	2,976	2,830	10,475	9,253	14,645
	280	196	1,489	1,527	4,259
Unrecognised actuarial gains and losses	-	-	- 1,527	- 1,615	- 3,139
Liability in the balance sheet	280	196	- 38	- 88	1,120

The Schiphol Telematics pension plan has been administered by ABP since 2012. The various employee benefits gave rise to the following net benefit expense in the year:

(in thousands of euros)	Post-employment benefits	Other long-term employee benefits	Termination benefits	Total
Current service cost	876	1,701	2,105	4,682
Interest cost on benefit obligation	1,418	300	28	1,746
Net actuarial gain/loss recognised in the year	-	-	-	-
Expected return on plan assets	- 88	-	-	- 88
Other costs	-	- 150	-	- 150
Total expense in 2012 recognised in P&L	2,206	1,851	2,133	6,190
Actuarial gains and losses recognised in other comprehensive income	1,985	-	15	2,000
Total net benefit expense in 2012	4,191	1,851	2,148	8,190
Current service cost	758	3,417	4,033	8,208
Interest cost on benefit obligation	622	210	-	832
Other costs	19	-	-	19
Total expense in 2013 recognised in P&L	1,399	3,627	4,033	9,059
Actuarial gains and losses recognised in other comprehensive income	605	- 125	-	480
Total net benefit expense in 2013	2,004	3,502	4,033	9,539

No expense is expected for the defined-benefit pension plans under post-employment benefits for Schiphol Group in 2013. The actual expenses under these plans in 2013 amounted to 0.1 million euros, as explained in note 5 on employee benefits.

The movements in employee benefit liabilities during the year were as follows:

(in thousands of euros)	Post-employment benefits	Other long-term employee benefits	Termination benefits	Total
Carrying amount as at 31 December 2011	22,243	10,229	1,915	34,387
Movements in 2012				
Total net benefit expense for the year	4,191	1,851	2,148	8,190
Benefits paid during the year	- 3,808	- 2,048	- 1,116	- 6,972
Payment of contributions	- 730	-	- 137	- 867
Changes in the consolidation	- 288	-	- 1,020	- 1,308
Other movements	-	231	8	239
Total movements in the year	- 635	34	- 117	- 718
Carrying amount as at 31 December 2012	21,608	10,263	1,798	33,669
Movements in 2013				
Total net benefit expense for the year	2,004	3,502	4,033	9,539
Benefits paid during the year	- 3,236	- 1,308	- 2,773	- 7,317
Payment of contributions	- 141	- 284	-	- 425
Changes in the consolidation	- 70	- 214	- 123	- 407
Other movements	70	229	116	415
Total movements in the year	- 1,373	1,925	1,253	1,805
Carrying amount as at 31 December 2013	20,235	12,188	3,051	35,474

The employee benefit liabilities have been calculated using the following actuarial assumptions and on management estimates:

	31 December 2013	31 December 2012
Discount rate	3.00%	3.25%
Return on plan assets	3.00%	3.25%
Inflation	2.00%	2.00%
General pay increase	2.00%	2.00%
Life expectancy	Forecast table 2062 with adjustment factors geared to the company's average salary level	Forecast table 2062 with adjustment factors geared to the company's average salary level
Individual pay rises, depending on age	4.00% (to age 39), 3.00% (age 40-49), 2.00% (age 50-59), 2.00% (age 60-65)	4.00% (to age 39), 3.00% (age 40-49), 2.00% (age 50-59), 2.00% (age 60-65)
Age difference	Men 3 years older than female partners	Men 3 years older than female partners

	31 December 2013	31 December 2012
Incapacity risk	UKV 2010, based on inflow 2006 to 2011	UKV 2010, based on inflow 2006 to 2009
Termination probability, depending on age	0.10% (age 60) to 4.20% (age 25)	0.10% (age 60) to 4.20% (age 25)
Continued service probability (job-related early retirement scheme)	100%	100%

See the contingent assets and liabilities note for further information on the obligations under the pension plan insured with ABP.

		Change in discount rate		change in inflation		change in survival rate	
						year longer	year shorter
Discount rate	3.00%	3.25%	2.75%	3.00%	3.00%	3.00%	3.00%
Inflation	2.00%	2.00%	2.00%	2.25%	1.75%	2.00%	2.00%
Job-related early retirement scheme Schiphol Group	19,243	18,772	19,739	19,464	19,039	19,216	19,265
Long-service	6,716	6,601	6,835	6,837	6,598	6,700	6,730
Redundancy pay	414	412	416	416	412	414	415
Total	26,373	25,785	26,990	26,717	26,049	26,330	26,410

	Employed	Retired	Total
Job-related early retirement scheme Schiphol Group	11,010	8,233	19,243
Long-service	6,716	-	6,716
Redundancy pay	-	414	414
Total	17,726	8,647	26,373

33. Other provisions

(in thousands of euros)	2013	2012
Carrying amount as at 1 January	13,509	17,927
Movements in the year		
Withdrawals during the year	- 2,003	- 4,418
Total movements in the year	- 2,852	- 4,418
Carrying amount as at 31 December	10,657	13,509

The remaining provision for the 2009 restructuring was 0.6 million euros at 31 December 2013. The movements during 2013 related to this provision.

Schiphol Group faces liabilities in connection with certain other claims and disputes. The overall provision of 10.0 million euros recognised for these claims and disputes was unchanged in 2013, as in 2012. The most significant claims concern the consequences of the ban on the development of the Groenenberg site in place from 19 February 2003 to 28 June 2007.

Based on the insights available in 2003, Chipshol's development of the Groenenberg site could have seriously compromised the use of Runway 18L–36R and consequently, in February 2003, the state secretary for Transport, Public Works and Water Management (now Infrastructure and Environment) prohibited development of this site under the provisions of Section 38 of the old Aviation Act. The prohibition was in effect until 2007. In June 2003, the beneficial owner of the site (Chipshol) filed a claim for compensation.

In its final decision of 30 January 2008, the Court in Haarlem, by virtue of Section 50 of the Aviation Act, set the compensation that Schiphol Group should pay to Chipshol at 16.0 million euros (to be increased by statutory interest). To comply with an interim judgement, Schiphol Group paid Chipshol a sum of 19.0 million euros (16.0 million euros plus interest) by way of an advance payment on the final compensation. To cover the risk of having to refund this amount, Chipshol had to issue a bank guarantee of 21.5 million euros in favour of Schiphol Group. On 19 February 2010, the Supreme Court pronounced judgment on the appeals by both parties, ruling that the final decision of the Court in Haarlem of 30 January 2008 could not be upheld. The correct amount of the compensation would be determined by the Amsterdam Court of Appeal. On 27 December 2011, the Amsterdam Court of Appeal issued an interlocutory ruling in which it more precisely described the instruction of the Supreme Court to further examine the most important outstanding judicial issues and answered a number of questions.

The appeals of the parties in Schiphol's counterclaim against Chipshol (Section 55 of the Aviation Act), judged in parallel with Section 50 of the Aviation Act, were decided by the Supreme Court on 22 February 2013. The Supreme Court ruled in line with its earlier judgement. In brief, the highest court in the land ruled that the dispute on the amount of compensation should be decided in a single case by the Court in Amsterdam. In addition, the complaint that Chipshol submitted to the ACM against Schiphol in 2012 claiming abuse of a dominant market position in the property sector was, after extensive investigation, rejected by the authority. Chipshol's appeal against this rejection in the Court in Rotterdam was also unsuccessful, being dismissed as wholly unfounded on 21 November 2013. Chipshol has since registered an appeal with Trade and Industry Appeals Tribunal.

In the case in the Court in Amsterdam, the court will rule on the following stages of the proceedings. Schiphol Group has received notice from American lawyers acting for Chipshol of possible legal proceedings in the United States of America. Schiphol Group sees no grounds for legal proceedings in the United States of America.

In view of this, the Management Board is of the opinion that no adjustment is required to the estimate it made of Schiphol Group's net liabilities towards Chipshol. The Board does not expect that the remaining amount of the compensation which Schiphol Group will eventually have to pay to Chipshol with regard to the Groenenberg site or other claims will exceed the provision formed for this.

34. Other non-current liabilities

(in thousands of euros)

	2013	2012
Purchased long leases	87,949	89,601
Unrealised profit on contribution in kind Schiphol Logistics Park CV	3,646	3,646
Lease incentives	2,431	2,804
Other movements	12,666	6,653
	106,692	102,704

Long leases received in advance are rent instalments which Schiphol Group has received in advance on land leased out to third parties on a long lease. This item is recognised through profit or loss over the term of the underlying contracts.

In 2006, Schiphol Real Estate B.V. contributed land to Schiphol Logistics Park C.V. and in so doing acquired a 38% interest in this company. The difference between the fair value of the site at the time of its contribution of 23.7 million euros and its total historical cost of 11.7 million euros is 12 million euros. In accordance with the accounting policies, 38% of this profit, representing Schiphol Real Estate B.V.'s share in Schiphol Logistics Park C.V., or 4.6 million euros, should be treated as unrealised. Part of this profit was realised when some of the land was sold in 2009.

Lease incentives are the cost of benefits which Schiphol Group granted tenants at the start of their lease and recognised through profit or loss over the period during which they apply.

35. Income tax

The income tax liability is calculated on the profit for reporting purposes, allowing for permanent differences between the profit as calculated for reporting purposes and for tax purposes. The income tax liability on fair value gains and losses which are not processed immediately in the income tax return is recognised in deferred tax assets and liabilities. The income tax receivable of 11.2 million euros recognised in the balance sheet at 31 December 2013 concerns the income tax receivable in respect of the years 2010 to 2013 net of provisional assessments already paid for those years for the amount of 2.7 million euros. An amount of 8.5 million euros refers to a one-off tax gain, which covers several years and is explained in section 11.

The provisional 2011 income tax return for the N.V. Luchthaven Schiphol fiscal unity has been discussed with the tax inspector and recognised accordingly in these financial statements. The final income tax returns for 2010 and 2011 have been determined and recognised in these financial statements. The income tax returns for 2012 and 2013 have not yet been filed and may potentially result in reclassification of existing short-term income tax liabilities to deferred tax liabilities.

Differences between the income tax paid according to the cash flow statement and the income tax recognised in the income statement concern additions to and withdrawals from deferred tax assets and liabilities, estimation differences between taxable amounts in provisional and final tax assessments and settlements in respect of previous years.

36. Trade and other payables

(in thousands of euros)

	2012	2011
Trade payables	102,986	108,379
Payable in respect of wage tax and social security contributions	5,624	6,859
Payable in respect of pensions	604	2,545
Interest payable	59,070	58,902
Accruals	93,996	86,256
Deferred income	42,769	39,729
Purchased long leases	90	1,801
Lease incentives	6,577	3,974
Other payables	8,192	40,427
	319,908	348,872

The collateral of approximately 27.0 million euros paid up under the cash collateral agreement with JPMorgan was recognised under 'other payables' at 31 December 2012.

Trade and other payables are recognised at fair value, which is usually the face value.

37. Contingent assets and liabilities

Pension plan

Schiphol Group's pension plan is administered by ABP and qualifies as a defined-benefit plan. This means that Schiphol Group should recognise its share of the present value of the defined-benefit obligation, plan assets and income and expenses arising out of the plan and make the related disclosures. ABP is currently not in a position to supply Schiphol Group with the information necessary to treat the pension plan as a defined-benefit plan as there is no consistent and reliable basis for allocating the benefit obligations, plan assets and costs of the ABP plan to individual affiliated employers participating in the plan. Consequently, the plan is recognised as a defined-contribution plan. Schiphol Group recognises the pension contributions payable to ABP as an expense in the income statement.

The ABP pension regulations do not contain provisions on additional contributions to the fund or withdrawals from it in respect of Schiphol Group's share in surpluses or deficits of the pension fund. Consequently, any surpluses and deficits will only result in changes in the amount of the contributions payable by Schiphol Group in the future and these will depend on the actual and expected financial position of the pension fund as reflected in the funding ratio. ABP's funding ratio was 105.9% at 31 December 2013 .

Covenants on the future development of Amsterdam Airport Schiphol

The Alders Platform was created in December 2006 and is a consultative forum presided over by Mr Hans Alders to advise the Government on balancing the requirements of aviation growth at Amsterdam Airport Schiphol, disturbance reduction and local environmental quality in the medium term (to 2020). All relevant parties are represented in the Alders Platform: the State (the ministry of Infrastructure and the Environment), aviation parties (Schiphol Group, Air Traffic Control the Netherlands (LVNL) and KLM), a number of regional and local authorities (the provinces of North-Holland and South-Holland, the municipalities of Haarlemmermeer, Amstelveen, Uitgeest and Amsterdam) which form the Schiphol Regional Airport Governance Group (BRS), residents living in the vicinity of Amsterdam Airport Schiphol via the Schiphol Regional Consultative Committee (CROS), and the Association of Joint Platforms (VGP). The Alders Platform presented its recommendations for the medium term on 1 October 2008 since when the parties involved have been implementing the agreements. Progress is discussed within the Alders Platform at least twice a year. The details have been set out in three covenants 'Local environmental quality in the medium term',

'Disturbance reduction and development of Amsterdam Airport Schiphol in the medium term' and 'Maintaining and strengthening the mainport function and network quality'.

A two-year experiment with a new noise reduction scheme for Amsterdam Airport Schiphol started on 1 November 2010 with the aim of maintaining the network of connections at Amsterdam Airport Schiphol while providing equal or better protection to the local community. In addition, the scheme should not be complicated and be easy to explain. During the experiment, the present scheme of threshold values at measurement points will remain in force.

In October 2013, agreement was reached with the Alders Platform on the new noise reduction scheme for Amsterdam Airport Schiphol and Mr Alders presented his recommendations to the state secretary for Infrastructure and Environment, Wilma Mansveld, on 8 October 2013. The new scheme is based on rules for runway usage:

- an order of preference has been set for which runways to use for landings and takeoffs;
- the runways that cause inconvenience to the fewest people will be used according to weather conditions;
- runways will be used simultaneously as little as possible.

The Alders recommendations of October 2013 also included the first four-year evaluation of the Alders agreements and related covenants.

Covenant on local environmental quality in the medium term

The arrangements to be made under this covenant concern area-specific projects (improvement of the quality of the local environment in particular areas), individual measures (mitigation in individual cases of noise-related distress) and generic arrangements. Schiphol Group provided 10 million euros for the first tranche (charged to the financial year 2006) for the near term to 2010, earmarked exclusively for the funding of individual measures in distress cases. The State and the province of North-Holland also provided 10 million euros each. A second tranche was committed in the Alders recommendations of October 2013 in connection with which Schiphol Group is again making 10 million euros available. It has been agreed that, before this second phase is implemented, the parties will discuss their experiences from the first phase to determine how to enhance the quality of life in the surrounding areas most effectively and the programmes to be deployed. Schiphol's contribution in the second tranche will again focus primarily on cases of distress, but contributions to area-specific projects in the most affected nearby areas are not excluded in advance. Details of the way the second tranche will be used will be developed and set out in a new covenant in 2014.

Covenant on disturbance reduction and development of Amsterdam Airport Schiphol in the medium term

This covenant includes arrangements on subjects such as traffic volume and selectiveness (a maximum of 580,000 air transport movements per annum, of which 70,000 elsewhere), operations and runway usage, and a new system of threshold values and enforcement. With regard to disturbance reduction, Schiphol Group specifically undertakes, on its own or in collaboration with others, to take measures restricting ground-noise levels (noise barriers to the southwest of the Runway 18R-36L), discourage operations with 'bottom Chapter 3' aircraft (marginally conforming aircraft), set objective criteria for prioritising the installation of new NOMOS noise monitoring points and provide insight into the current quality assurance of the NOMOS system, develop an environmental simulator providing insight into ground noise perception, and extend the provision of information via the Local Community Contact Centre Schiphol (Bas). To date, the majority of the arrangements have been complied with and so this covenant will be included in the broader evaluation of the Alders Accord. The Alders Platform decided in October 2012 to vary the details of the Continuous Descent Approach (CDA) arrangements, including a reduction in night flights from 32,000 to 29,000 over a period of three years as a compensating measure until the original ones can be met.

Covenant on maintaining and strengthening the mainport function and network quality

In line with the agreements made in the Alders Platform, the parties are making every effort to ensure that total additional capacity of around 70,000 air transport movements at the regional airports can be used. The Alders Platforms for Eindhoven and Lelystad airports agreed in 2010 and 2012 respectively that the capacity required for this (25,000 movements at Eindhoven Airport and 45,000 at Lelystad Airport) can be created. In 2013, Schiphol Group announced that it wanted to develop Lelystad Airport. A Memorandum on Scope and Level of Detail was prepared for the Environmental Impact Report as part of the application for the airport decree. A number of steps were also taken on airside arrangements for the air traffic foreseen for Lelystad. This should lead to an airport decree and related route decree for Lelystad in 2014, thus creating the legal basis for the further development of Lelystad Airport.

Water remediation plan

To improve the quality of the surface water in the long term, Remediation Plan Part 4 has been drawn up to reduce the harmful effects of liquids used in winter operations (glycol for aircraft de-icing and potassium formate for keeping the runways clear of ice and snow). This plan consists of a programme of measures and investment focusing on source-reducing measures and capital expenditure on sweeping and suction equipment to capture run-off from runways and aircraft stands. Remediation Plan Part 4 has been drawn up over recent years in close co-ordination with the Rijnland Water Board, which gave its final approval in June 2013. The plan will be phased in over the next few years. The current estimate is that Schiphol Group will invest 2 million euros on a range of assets over the next two years.

Nitrogen dioxide offset

The amended Airport Traffic Ruling (Luchtverkeersbesluit, LVB) came into force in 2010. It is geared towards managing the environmental impact of air traffic to and from Amsterdam Airport Schiphol and includes measures which will offset the expected increase in nitrogen dioxide concentrations. The amended ruling requires Schiphol Group to install fixed power points and preconditioned air units at fifteen or sixteen aircraft stands annually from 2010. A total of 61 aircraft stands with an electricity supply have been available since the end of 2013 and so Schiphol has honoured the agreements made in 2010. A further three aircraft stands will be equipped during 2014, bringing the total to 64. The current estimate is that Schiphol Group will have to invest a further 0.7 million euros to install this infrastructure in the coming year.

Airport charges

As a result of incorrect reports and differences in load figures, KLM believes it has suffered an adverse financial effect of 5.5 million euros since 2010, which it is claiming back from Schiphol. Schiphol believes that these differences have been identified and documented several times and it has reported this repeatedly to KLM. Schiphol is of the opinion that a refund of 2.2 million euros is due under the applicable charges, terms and conditions. A liability for this amount has been recognised in the financial statements in 2013 and the remainder of the claim has been rejected by Schiphol. KLM is maintaining its claim.

easyJet submitted a complaint to the Netherlands Competition Authority (NCA) with respect to the differentiation between fees for transfer and O&D passengers in the 2009 charges, terms and conditions. The NCA rejected easyJet's complaint in April 2009. The Court in Rotterdam rejected easyJet's appeal against this. easyJet then appealed to the European Commission which rejected it on the grounds that the NCA had already ruled on the complaint. In July 2013, easyJet appealed against the European Commission's decision at the European Court of Justice. Although Schiphol is not directly involved in the case, it has been permitted to intervene as an interested party.

The possible financial effect cannot be estimated and any financial effect will depend on the outcome of this case. As the case is still pending with no initial indication from the European Court of Justice, its outcome is uncertain.

Charges for 2015

During the consultation process in 2013, Schiphol provided an indication of the charges for 2015. The indication is for an average increase of 1% in charges, to be revised for the effect of and changes in traffic, the additional cost of the liquids aerosols and gels (LAGs) security measures and possible further adjustments to be discussed during the consultations in 2014.

Border Control Reform (No-Q)

In mid-2009, Schiphol Group and the Immigration and Naturalisation Service (IND) of the ministry of Justice decided to launch a joint Border Management Reform programme, as part of their ongoing cooperation in the area of safety and security at Amsterdam Airport Schiphol. The aim of the programme is designed to help increase safety and improve the quality and speed of services by creating an effective and efficient border control process involving the greatest possible use of intelligence-driven action, based on information about passengers and their baggage received in advance, and the application of new automatic border control concepts. Schiphol Group and the IND have committed one-off financial contributions to the programme of up to 16.5 million euros and 10 million euros respectively for the development and application of a new automatic border control concept currently being investigated and developed in the No-Q project. Schiphol Group reached agreement with IND at the end of 2012 for the period from 2012 to 2015 which put all of the initial arrangements into practice.

Contamination by extinguishing water

In July 2008, the Rijnland Water Board collected contaminated extinguishing water released during an incident at a KLM hangar in Schiphol Southeast and stored it in reservoirs made available by Schiphol. The Water Board had been granted a permit for this by the province of North-Holland. Although the contaminated extinguishing water was removed and decontaminated in 2009, it was later discovered that the soil and groundwater around the reservoirs had been contaminated. As the owner of the land concerned, Schiphol Group suffered damage as a result. The Water Board removed the sludge from the reservoirs in 2011, as a result of which no further contamination is taking place through the soil. The Water Board, KLM and Schiphol are now working together to take control measures aimed at preventing the further spread of contamination through groundwater. The contaminated reservoirs will ultimately have to be cleaned up. A study will be carried out in 2013 to determine the method to be used.

The watercourses at Schiphol that were contaminated during this incident will be cleaned up within the framework of the regular dredging programme. The most heavily contaminated locations close to the hangar will be accorded priority. The additional costs incurred on top of the regular dredging programme for the transport and processing of the contaminated material will be charged to KLM. Evides, a water decontamination company, is taking measures in consultation with the municipality of Haarlemmermeer to deal with the technical facilities that were also contaminated by this incident.

Covenant to reduce the risk of bird strikes at Schiphol

On 16 April 2012, Schiphol and the Dutch Airline Pilots Association, Natural Monuments, State Forest and landscape Northern Holland (nature conservancy organisations), the Netherlands Horticultural and Agricultural Organisation, municipality of Haarlemmermeer, provinces of North-Holland, South-Holland and Utrecht, and the State signed a covenant on reducing the risk of bird strikes at Schiphol. The parties committed to implement the covenant and participate in the Netherlands Control Group for Bird Strikes (NRV). The aim of the covenant is to reduce the risk of collisions between birds, especially geese, and aircraft in the area around Schiphol each year. The Control Group has a four-track plan for achieving the aims of the covenant. The four tracks are 1) population management, 2) crop adjustment, 3) adaptation of surrounding wetlands and 4) technology. Working closely with LVNL and KLM, Schiphol Group is responsible for developing the technology track. The cost of the various measures will be allocated fairly and reasonably among the parties. Financing the measures is a joint responsibility. Schiphol will pay the costs of the bird detection system and of monitoring bird strikes and near misses.

Other contingent assets and liabilities

The company is committed to contributing 0.5 million euros to the Schiphol Fund. A bank guarantee amounting to 2.3 million euros relating to payment commitments connected with the 'Storage in Underground Tanks' order has been given to the province of North-Holland.

Schiphol Group had a liability of 8.3 million euros in connection with the cash collateral with JPMorgan, for the difference between the liability in the balance sheet and the amount received as collateral.

Various other claims have been filed against N.V. Luchthaven Schiphol and/or its group companies, and there are disputes which have still to be settled. All claims and disputes are being contested and the company has taken legal advice on them. However, as it is impossible to predict the outcomes with any certainty it is not yet clear whether any of the cases will result in actual liabilities for the company and/or its group companies. Accordingly, no provisions have been recognised in the balance sheet in respect of these claims and disputes.

The company has also brought claims against third parties and has disputes pending in which it is claimant. Since it is not yet clear whether these cases will be resolved in the company's favour, no related receivables have been recognised in the balance sheet.

Notes to the consolidated cash flow statement

38. Cash flow from operations

(in thousands of euros)

	2012	2011
Result	223,819	196,438
Corporate income tax	54,110	57,438
Share in result of associates	- 52,053	- 45,464
Financial income and expenses	94,822	88,082
	96,880	100,056
Operating result	320,698	296,494
Adjustments for:		
Depreciation and amortisation	248,414	214,897
Impairment	17,410	22,741
Result on sales of property	- 181	- 11,513
Costs related to sales of property	-	- 448
Fair value gains and losses on property	- 2,545	24,021
Other non cash changes other receivables and liabilities	7,114	19,435
Result on disposal of assets	- 280	- 18
Change in other provisions and employee benefits	- 1,543	- 7,171
	268,387	261,944
Operating result after adjustments	589,086	558,438
Changes in working capital	- 25,052	- 76,267
Cash flow from operations	564,033	482,171

Events after the balance sheet date

Schiphol Group intends to acquire the remaining shares in AREB C.V. from the other shareholders. This transaction is expected to take place in the first half of 2014.

Related parties

Shareholders

The shareholders are:

State of the Netherlands	69.77%
Municipality of Amsterdam	20.03%
Aéroports de Paris S.A.	8.00%
Municipality of Rotterdam	2.20%

Dividend policy

The dividend is 60% of the net result excluding gains and losses on investment property after tax. This is temporarily increase from the normal payout ratio of 50%.

Related parties

Schiphol Group maintains a significant banking relationship with ABN AMRO N.V. and relationships with joint ventures, associates and the parties involved in the pension plans.

Operation of the airport

In its legislative capacity, the government (State of the Netherlands) is responsible for the legislation governing the operation of Amsterdam Airport Schiphol, which is provided for indefinitely in law in Chapter 8, Part 4 of the Aviation Act and other legislation.

Sections 8.7 and 8.17 of the Aviation Act impose constraints on the development and use of Amsterdam Airport Schiphol. The Airport Traffic Decree lays down rules for airport use and stipulates limits for noise levels, air pollution and risks to public safety. The Airport Planning Decree defines the airport zone and the restrictions governing the use of the area in and around the airport.

Pursuant to Section 8.18 of the Aviation Act, the operator is under obligation to keep the airport open in accordance with the rules laid down in the Airport Traffic Decree. The operator may ignore this requirement if necessary in the interests of safety. The airport operator together with the provider of air traffic services and the airlines is required to promote the smooth operation of air traffic in accordance with the Airport Traffic Decree.

Pursuant to Section 8.25a of the Aviation Act, the operator of Amsterdam Airport Schiphol is under obligation to operate the airport, making such provisions as are necessary for the proper handling of the airport traffic and the associated transport of persons and goods, having due regard to the provisions of Section 8.3 of the Aviation Act with the objective of achieving sustainable growth of Schiphol as a Main Port. This concerns key elements of the services provided by an airport, such as the runway system, baggage system, aircraft parking aprons, terminal building, piers, gates etc.

Airport operation imposes a duty of care on the operator to record threats to public safety and the environmental impact associated with air traffic. In that context, the operator is required to make the measurements and computations necessary in order to maintain such records.

Chapter 3A of the Aviation Act imposes obligations on the operator with regard to airport safety as specified in Section 37b–e.

Chapter 6 of the Aviation Supervision Rules requires the operator to take certain precautions with regard to the safety of the airfield such as marking of obstacles, installation of airfield lighting, provision of fire services and general maintenance of the airfield. In that context, the operator is under obligation to take measures to ensure effective supervision of safety and good order on the airfield. For this purpose, the operator has set up a safety management system which has been certified by the authorities.

Supervision of operation

There are two lines of supervision of the operation of Amsterdam Airport Schiphol.

- One line of supervision concerns preventing of abuse a position of economic strength by the operator. The body responsible for this supervision is the ACM Office of Transport Regulation. The supervision relates to the charges and conditions fixed by the operator pursuant to Section 8.25d of the Aviation Act to be met by the airport users in the forthcoming year. The charges are regulated on the basis of a mandatory annual consultation of users by the operator concerning the proposed charges and conditions for the forthcoming year. When making its proposal, the operator provides the users with a statement of the level of service to be provided as measured by the indicators stipulated in the Amsterdam Airport Schiphol Operation Decree. The ACM Office of Transport Regulation exercises supervision on the basis of complaints from users on whether the charges have been arrived at in accordance with the statutory requirements. By law, the charges for all airport activities have to be transparent. This also applies to the revenue from activities that are directly associated with the aviation activities at the airport that are factored into the charges. For this purpose, the operator is required to keep separate accounts for the airport activities, including subaccounts for the costs of security relating to passengers and their baggage and the revenue generated by security charges. For the income and expenses of these activities, the operator has implemented an industry-standard allocation system that is proportionate and comprehensive. The ACM Office of Transport Regulation, after consulting the airlines, approved the allocation system in 2010.
- The other line of supervision involves the ministry of Infrastructure and the Environment and relates to the operation of Amsterdam Airport Schiphol, for which a licence has been granted pursuant to Section 8.25 of the Aviation Act. The operator reports to the minister on the operation of the airport at least once every three years, with special reference to capital expenditure that is important to the development of the airport. This report was issued for the first time in 2008 and again in 2011. Based on information obtained from the operator, the minister makes an assessment of whether the airport is being mismanaged in a way which could jeopardise its continuity. The ability to foster the mainport status of the airport, to the extent that the operator is able to influence that status, is particularly dependent on the development of the airport infrastructure in the medium and long term.

The Aviation Act also provides for the exchange of information between the two regulators to avoid the need for the operator to provide the same information more than once.

Supervisory Board

The disclosure of the remuneration of members of the Supervisory Board required by Section 2:383c of the Netherlands Civil Code is as follows:

(in euros)	2013	2012
Anthony Ruys	41,500	41,500
Trude A. Maas-de Brouwer	39,000	39,000
Jan G.B. Brouwer	35,000	29,500
Frans J.G.M. Cremers	35,000	35,000
Herman J. Hazewinkel	35,000	35,000
Augustin de Romanet de Beaune	-	-
Margot. A. Scheltema	34,000	31,500
Willem F.C. Stevens	-	12,000
Joop G. Wijn	32,750	15,875
Total	252,250	239,375

The Supervisory Board Chairman's remuneration is 36,500 euros per annum. The other members receive fees of 24,000 euros per annum. In addition to the above remuneration, membership of a Supervisory Board committee confers the right to supplementary remuneration. Audit Committee members receive an additional 6,000 euros per annum, members of the other committees receive 5,000 euros per annum.

All the members of the Supervisory Board also receive expense allowances of 1,600 euros per annum, which have not been included in the above remuneration figures.

Mr Romanet de Beaune has indicated that he does not wish to receive any remuneration or expense allowance with regard to his membership of the Supervisory Board or its committees.

Mr Hazewinkel indirectly holds bonds in Schiphol Group, which he already owned when he was appointed Supervisory Director. He intends to retain these bonds until maturity and not to trade them in the interim.

No shares, options, loans, advances or guarantees have been granted to members of the Supervisory Board.

Management Board

The disclosure of the remuneration of members of the Management Board required by Section 2:383c of the Netherlands Civil Code is as follows.

Regular salary

(in euros)	2013	2012
Jos A. Nijhuis	384,711	384,711
Maarten M. de Groof	300,512	300,512
Els A. de Groot	325,000	243,750
Ad P.J.M. Rutten	300,512	300,512
Pieter M. Verboom	-	175,299
Total	1,310,735	1,404,784

Based on the assessment by the Supervisory Board of the extent to which the targets were achieved, the following short-term incentive (STI) has been charged to the result for 2013 in respect of the STI scheme for 2013. The STI was set at 40.0% of the fixed salary for the CEO, at 38.8% for Mr de Groof and Mr Rutten and at 20.9% for Ms de Groot. The scheme for the CFO, Ms de Groot, is different from the current scheme and anticipates the future remuneration policy.

Variable remuneration (short term)

(in euros)	2013	2012
Jos A. Nijhuis	153,884	115,413
Maarten M. de Groof	116,448	85,145
Els A. de Groot	67,773	39,382
Ad P.J.M. Rutten	116,448	85,145
Pieter M. Verboom	-	61,355
Total	454,554	386,440

An achievement of long-term objectives in the remuneration of the members of the Management Board is in place. The LTI is a conditional component of annual remuneration with an on-target level of 35% of the fixed salary. The final award of this remuneration depends on the cumulative economic profit (EP) realised over periods of three successive years, based on the EP targets set in the medium-term business plan approved by the Supervisory Board. If the company performs exceptionally well (if the agreed performance targets are exceeded by more than 10%), the LTI may be up to 52.5% of the fixed salary. Here too the scheme for the CFO, Ms de Groot, includes an on-target performance of 17.38% of her fixed income with a maximum of 27.04% if the target is exceeded by 20% or more. The time horizon has been extended to four years. This means that the grant is based on a consolidated series of four successive EP results and any grant will not be confirmed for four years.

At the end of each year, an estimate is made of the amount of the LTI payable on conclusion of the three-year period. During the reference period, a proportionate part is charged each year to the result for the relevant year. Payment is only made if the Management Board member is still employed by the company at the end of the three or four-year period. If it is agreed that the contract of employment should be terminated, the award is made pro rata. It is also possible to calculate and pay out future variable remuneration in advance in such cases.

The performance contracts with each member of the Management Board include a claw-back clause (provision II.2.11 of the Netherlands Corporate Governance Code) and permit the Supervisory Board to make retroactive adjustments in certain circumstances (provision II.2.10 of the Code).

In respect of the LTI, the Supervisory Board's assessment of the economic profit has led to a provision for employee remuneration as at 31 December 2013 as follows:

- the full LTI for 2011 (reference period 2011 to 2013), including a swing factor of 1,5;
- two-thirds of the LTI for 2012 (reference period 2012 to 2014), including a swing factor of 1,0; and
- one-third of the LTI for 2013 (reference period 2013 to 2015), including a swing factor of 1,0.

Consequently, the following costs were chargeable to the financial year:

Variable remuneration (long term)

(in euros)	2013	2012
Jos A. Nijhuis	198,977	198,644
Maarten M. de Groof	155,529	155,169
Els A. de Groot	37,917	-
Ad P.J.M. Rutten	155,529	155,169
Pieter M. Verboom	-	165,236
Total	547,951	674,218

The 2010 LTI was paid in 2013. As it had been provided for, the payment did not lead to a charge on the 2013 result. In 2014, payment will be made out of the provisions formed for the 2011 LTI, relating to the economic profit over the three-year period 2011 to 2013.

Mr Verboom will remain associated with Schiphol until 31 December 2014 as an advisor for the activities in Brisbane. He will receive a fee of 100,000 euros for this.

The pension costs presented below concern the payment of regular pension contributions and a refund of contributions unduly withheld.

Pension costs

(in euros)	2013	2012
Jos A. Nijhuis	114,317	108,319
Maarten M. de Groof	88,591	81,638
Els A. de Groot	94,943	67,687
Ad P.J.M. Rutten	88,591	115,248
Pieter M. Verboom	-	91,880
Total	386,442	464,772

Defined-benefit pensions are in line with the average earnings scheme in force since 1 January 2004, in accordance with the standard Algemeen Burgerlijk Pensioenfonds (ABP) rules. The contribution payable to the pension scheme is calculated each year by ABP and paid in full by the company.

Mr Rutten could have retired in 2013 at the age of 62 but decided not to do so. He has defined retirement benefits equalling 70% of his final total fixed salary at the age of 62 (a final salary pension). As Mr Rutten's term of office has been extended by one year, his pension will start a year later, requiring deferral and an actuarial recalculation using ABP factors.

It has been agreed that ABP will accrue the pension between the ages of 62 and 63 on the normal average pay basis rather than on final salary. ABP established that a supplementary contribution of 97,267 euros to the ABP Extra Pension (AEP) was required to meet the final salary pension for 2013.

Mr Nijhuis and Mr de Groof also participate in the ABP average earnings scheme (under which retirement benefits based on full pension accrual are paid from the age of 65). It has been contractually agreed with them that their term of office will end at the age of 62. They are entitled to a fixed annual contribution (representing a percentage of fixed salary) towards a life-course savings scheme in order to compensate for the missing pensionable years between the ages of 62 and 65.

Consequently, the following costs were chargeable to the financial year:

Pension costs (supplementary)

(in euros)	2013	2012
Jos A. Nijhuis	32,700	33,075
Maarten M. de Groof	36,061	36,566
Ad P.J.M. Rutten	97,267	-
Total	166,029	69,641

The other payments concern allowances for healthcare insurance costs and entertainment expenses, the employers' share of social security contributions and various non-recurring benefits.

Other payments

(in euros)

	2013	2012
Jos A. Nijhuis	10,691	11,134
Maarten M. de Groof	10,691	11,134
Els A. de Groot	10,691	8,373
Ad P.J.M. Rutten	10,691	11,134
Pieter M. Verboom	-	31,201
Total	42,763	72,977
Total remuneration to the Management Board charged to profit and loss	2,908,474	3,072,832

A crisis levy imposed by the Dutch government amounts to 227,000 euros in total for the Management Board. This crisis tax levy is payable by the employer and is not included in the total remuneration of the Management Board.

Subsidiaries

	Registered in	Direct / indirect interest in %
Schiphol Nederland B.V. ¹	Schiphol	100.00
Schiphol Australia Pty Ltd	Schiphol	100.00
Schiphol Socrates B.V.	Schiphol	100.00
Schiphol North America Holding Inc.	Delaware	100.00
Eindhoven Airport N.V.	Eindhoven	51.00
Schiphol Asia Sdn. Bhd.	Kuala Lumpur	100.00
N.V. Luchthaven Lelystad	Lelystad	100.00
Luchthaven Lelystad Vastgoed B.V. ¹	Lelystad	100.00
Schiphol USA Inc.	New York	100.00
Rotterdam Airport B.V.	Rotterdam	100.00
Rotterdam Airport Supplies Services B.V. ¹	Rotterdam	100.00
Rotterdam Airport Holding B.V. ¹	Rotterdam	100.00
Rotterdam Airport Vastgoed B.V. ¹	Rotterdam	100.00
Beheer- en beleggingsmaatschappij Balnag B.V. ¹	Schiphol	100.00
Brisbane Airport Real Estate B.V. ¹	Schiphol	100.00
Malpensa Real Estate B.V.	Schiphol	100.00
Malpensa Real Estate II B.V.	Schiphol	100.00
Schiphol International B.V.	Schiphol	100.00
Schiphol Real Estate Badhoevedorp B.V.	Schiphol	100.00
Schiphol Real Estate Participaties A4 Zone West B.V.	Schiphol	100.00
Schiphol Real Estate Logistics Park B.V.	Schiphol	100.00
Schiphol Real Estate B.V. ¹	Schiphol	100.00
Schiphol Real Estate Eindhoven B.V. ¹	Schiphol	100.00
Schiphol Real Estate Eindhoven Finance B.V. ¹	Schiphol	100.00
Schiphol Real Estate Eindhoven II B.V. ¹	Schiphol	100.00
Schiphol Real Estate International B.V. ¹	Schiphol	100.00
HAFOK B.V.	Schiphol	100.00
Schiphol Real Estate World Trade Center B.V. ¹	Schiphol	100.00
Schiphol Real Estate Italy Srl ¹	Lonate Pozzolo	100.00
Airport Real Estate Management B.V.	Schiphol	100.00
Airport Property Management B.V. ¹	Schiphol	100.00
Avioport SpA ¹	Lonate Pozzolo	70.00
Schiphol Telematics B.V.	Schiphol	100.00
Schiphol Consumer Services Holding B.V. ¹	Schiphol	100.00
Schiphol Airport Retail B.V. ¹	Schiphol	100.00
Schiphol Hotel Holding B.V. ¹	Schiphol	100.00
Schiphol Hotel Operational Company B.V.	Schiphol	100.00
Schiphol Hotel Property Company B.V.	Schiphol	100.00
Schiphol Real Estate Services Company B.V.	Schiphol	100.00
Schiphol Real Estate Altaï B.V.	Schiphol	100.00
Schiphol Real Estate Holding Altaï SCI	Parijs	100.00
Schiphol Real Estate TransPort Holding B.V.	Schiphol	100.00
Schiphol Real Estate Transport B.V.	Schiphol	100.00

1) The provisions of Section 403, Book 2, of the Dutch Civil Code apply with respect to these companies

These aforementioned subsidiaries are fully consolidated.

Abridged balance sheet for the minority interests in Eindhoven Airport N.V. and Avioport SpA exclusive of the interests of Schiphol Group:

(in thousands of euros)	2013	2012
Assets		
Non-current assets	50,261	47,170
Current assets	5,667	6,728
	<u>55,928</u>	<u>53,898</u>
Equity and liabilities		
Total equity	25,221	21,998
Non-current liabilities	27,050	27,977
Current liabilities	3,657	3,923
	<u>55,928</u>	<u>53,898</u>

Abridged income statement for these minority interests exclusive of the interests of Schiphol Group:

(in thousands of euros)	2013	2012
Revenue	19,605	17,910
Other income, from property	- 1,505	- 2,790
	<u>18,100</u>	<u>15,120</u>
Total operating expenses	14,207	15,289
	<u>3,893</u>	<u>- 169</u>
Operating result		
Financial income and expenses	246	- 1,297
	<u>4,139</u>	<u>- 1,466</u>
Result before tax		
Corporate income tax	847	810
	<u>3,292</u>	<u>- 2,276</u>
Result		

Joint Ventures

The interests in the following entities are proportionately consolidated:

	Registered in	Direct / indirect interest in %
Airport Real Estate Basisfonds C.V.	Schiphol	61.15
Transport Beheer B.V.	Schiphol	60.00
Transport C.V.	Schiphol	60.00
EnergyGrounds B.V.	Schiphol	51.00
Schiphol Travel Taxi B.V.	Schiphol	50.00
Flight Forum Beheer Venoot B.V.	Eindhoven	50.00
Beheer Personeelsrestaurant Schiphol B.V.	Schiphol	50.00
Pantares Tradeport Asia Ltd	Hong Kong	50.00
GEM Beheer Badhoevedorp B.V.	Schiphol	50.00
Villa Carmen B.V.	Amsterdam	47.44
Villa Carmen Srl	Milaan	47.44
Arlanda Schiphol Development Company AB	Stockholm	40.00
VAI 1 SCI	Parijs	40.00
GEM A4 zone west Beheer B.V.	Schiphol	33.33
GEM A4 zone west C.V.	Schiphol	33.00
GEM Badhoevedorp Zuid C.V.	Schiphol	19.00

As managing partners, the subsidiary Airport Real Estate Management B.V. and joint ventures Flight Forum Beheer B.V. and Flight Square Beheer B.V., bear joint and several liability for the debts of Airport Real Estate Basisfonds C.V., Flight Forum C.V. and Flight Square C.V., respectively.

The group nevertheless exercises joint control over all the above entities and so they are consolidated proportionally. In the contractual arrangements establishing these joint ventures, the venturers have agreed that decisions on key strategic, financial and operational matters require their unanimous consent.

Abridged balance sheet for Schiphol Group's interests in the proportionately consolidated entities:

(in thousands of euros)	2013	2012
Assets		
Non-current assets	264,029	233,998
Current assets	11,863	40,959
	275,892	274,957
Equity and liabilities		
Total equity	133,259	130,498
Non-current liabilities	128,160	131,403
Current liabilities	14,473	13,056
	275,892	274,957

Abridged income statement for Schiphol Group's share in the results of these entities:

(in thousands of euros)	2013	2012
Revenue	26,375	26,492
Other income, from property	- 483	- 9,762
	25,892	16,730
Total operating expenses	10,386	20,225
	15,506	- 3,495
Financial income and expenses	- 4,875	- 4,502
Share in result of associates	248	414
	10,879	- 7,583
Corporate income tax	- 290	485
	10,589	- 7,098

At 31 December 2013, the outstanding loans to joint ventures were 6.9 million euros as a result of transactions with joint ventures.

Associates

	Registered in	Direct / indirect interest in %
JFK IAT Member LLC	Delaware	100.00
Flight Forum C.V.	Eindhoven	49.00
Schiphol Logistics Park B.V.	Schiphol	45.00
Schiphol Logistics Park C.V.	Schiphol	38.08
Cargonaut B.V.	Schiphol	36.93
Mainport Innovation Fund B.V.	Delft	25.00
Schiphol Area Development Company N.V.	Schiphol	25.00
Airport Medical Services B.V.	Haarlemmermeer	20.00
Airport Medical Services C.V.	Haarlemmermeer	20.00
Tradeport Hong Kong Ltd	Hong Kong	18.75
Brisbane Airport Corporation Holdings Ltd	Brisbane	18.72
Aéroports de Paris S.A.	Parijs	8.00

Schiphol Group owns all of the class A shares in JFK IAT Member LLC and accordingly exerts significant influence. This associate is not consolidated. The governance structure is determined by the following agreements:

- Schiphol USA Inc. and Delta Airlines concluded an operating agreement under which Schiphol USA Inc. holds all the class A shares and Delta Airlines holds all the class B shares in JFK IAT Member LLC. This agreement also contains arrangements on the division of the result between the shareholders, the two shareholders' powers in respect of strategic decisions, operational management and the shareholders' further rights and obligations;
- JFK IAT LLC (a subsidiary of JFK IAT Member LLC) and Delta Airlines concluded an anchor tenant agreement under which JFK IAT LLC and Delta Airlines are proportionally represented in a Management Committee and an Operations Advisory Committee, which committees determine the policies in key financial and operational areas;
- JFK IAT LLC and the Port Authority of New York and New Jersey concluded a lease agreement regarding Terminal 4 under which the Port Authority has far-reaching consultation rights and veto rights over key strategic and operational areas;
- Schiphol USA Inc.'s revenues primarily consist of regular revenues resulting from management contracts and depend to a limited extent on the revenues of JFK IAT LLC.

Schiphol Group has an interest of 18.72% in Brisbane Airport Corporation Holdings Ltd which owns the entire share capital of Brisbane Airport Corporation Holdings No. 2 Pty Ltd, which in turn is sole shareholder of Brisbane Airport Corporation Ltd. (BACL). Despite Schiphol Group's interest in Brisbane Airport Corporation Ltd (BACL) being less than 20%, it has significant influence as a result of the following:

- Schiphol Group has a blocking vote with respect to a various important decisions which can only be taken by the shareholders' meeting by a majority in excess of 90%;
- Schiphol Group has the right to appoint three out of the nine members of the Board of Directors, each of whom has equal voting rights, meaning that the members appointed by Schiphol Group represent 33.3% of the votes;
- The existence of a Technical Services Agreement between Schiphol Group and BACL under which Schiphol Group has, for instance, the sole right to put forward candidates for Managing Director (Chief Executive Officer); and
- The existence of an Intellectual Property Agreement between Schiphol Group and BACL under which BACL is able to share Schiphol Group's expertise relating to the operation and development of an airport.

Schiphol Group has an interest of 8% in Aéroports de Paris S.A. (ADP). Despite Schiphol Group's interest in ADP being less than 20%, it has significant influence as a result of the following:

- It is a long-term alliance and a mutual shareholding;
- An Industrial Cooperation Committee (ICC) has been set up which supervises the cooperation between the two parties in eight specified areas of operation. Each company has four representatives on this committee, which is chaired alternately by the Presidents of ADP and Schiphol Group;
- The President (CEO) of Schiphol Group is a member of the ADP strategy committee and as such is able to exert significant influence on strategic decisions of ADP's one-tier board;
- The President (CEO) and Financial Director (CFO) of Schiphol Group have seats on ADP's one-tier board;
- Joint international airport projects will be developed in the future, whereby Schiphol Group will focus on reinforcing the dual hub within the SkyTeam international network.

The fair value of Aéroports de Paris S.A. (ADP), derived from the market price of the share at 31 December 2013, was 8.1 billion euros (31 December 2012: 5.8 billion euros). Schiphol Group's share in this was 653 million euros (31 December 2012: 462 million euros).

The municipality of Amsterdam, the municipality of Haarlemmermeer, Schiphol Group and the province of North-Holland established a land development company Schiphol Area Development Company N.V. (SADC) as a public-private partnership in 1987. SADC's object is to safeguard and enhance the economic position of Amsterdam Airport Schiphol and surrounding areas through the ongoing development of business locations and supporting infrastructure projects. The shareholders decided in cooperation agreements to jointly acquire land and to contribute their existing holdings, so as to be able subsequently to develop this area together. SADC may demand a maximum contribution of 20 million euros from the shareholders for the acquisition of these lands. Since 2010, the four parties referred to above have each held 25% of the shares in SADC.

Financial information relating to Schiphol Group's share of the above associates:

(in thousands of euros)

	2013	2012
Total assets	1,430,163	1,496,007
Total equity	383,042	292,556
Revenue	495,935	441,757
Net result	212,343	179,679

At 31 December 2013, the outstanding loans to joint ventures were 59.5 million euros.

At 31 December 2013, Tradeport Hong Kong had a loan outstanding of 6.4 million euros. The guaranteed part of this loan amounts to 1.9 million euros. On the basis of Schiphol Group's share in Tradeport Hong Kong (18.75%), the amount of the maximum guarantee attributable to Schiphol Group is 0.4 million euros. Schiphol Group has also given guarantees for a maximum of 3.8 million euros in respect of the liabilities of Tradeport Hong Kong relating to land on which the company has a concession for the operation of the logistics centre.

At 30 June 2013, Brisbane Airport Corporation Ltd (BACL) had a contingent liability based on passenger and traffic growth forecasts for capital expenditure at Brisbane Airport totalling 66.2 million euros over several years. Major expansions have been planned in the next few years in the form of a new runway and an extension of the terminals and the infrastructure. On the basis of Schiphol Group's indirect interest of 18.72% in BACL, the associate's contingent liability amounts to 12.4 million euros.

Company income statement for the year ended 31 December 2013

(in thousands of euros)	2013	2012
Result on ordinary activities after tax	19,037	33,081
Results of subsidiaries	208,455	165,633
Result attributable to shareholders (net result)	227,492	198,714

Company balance sheet as at 31 December 2013

Assets	Note	31 December 2013	31 December 2012
(in thousands of euros)			
Non-current assets			
Investments in subsidiaries		2,669,507	2,523,167
Investments in associates	39	611,381	605,719
		3,280,888	3,128,886
Current assets			
Receivables	40	2,435	27,752
Cash and cash equivalents		2,644	21,565
		3,285,967	3,178,203
Equity and liabilities			
(in thousands of euros)			
Issued share capital		84,511	84,511
Share premium		362,811	362,811
Retained profits		2,288,101	2,177,062
Other reserves		- 111,775	- 100,548
Revaluation reserve		412,941	418,911
Other statutory reserves		19,964	34,683
Net result of the year		222,544	198,714
Shareholders' equity	41	3,284,045	3,176,145
Employee benefits	42	954	877
Current liabilities	43	968	1,181
		3,285,967	3,178,203

Notes to the company financial statements

General

The company financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Netherlands Civil Code, exercising the option in Section 2:362(8) of the Netherlands Civil Code to apply the same accounting policies for the company financial statements as have been applied in preparing the consolidated financial statements.

Use has also been made of the provisions of Section 2:402 of the Netherlands Civil Code permitting presentation of an abridged income statement.

Accounting policies

General

The accounting policies for the company financial statements are the same as those for the consolidated financial statements. Where no specific policies are mentioned, see the accounting policies for the consolidated financial statements.

Subsidiaries

Companies over which Schiphol Group is able to exercise control or which Schiphol Group effectively manages are stated at net asset value determined by measuring the assets, provisions and liabilities and results according to the policies applied in preparing the consolidated financial statements.

If the share of losses attributable to Schiphol Group exceeds the carrying amount of a subsidiary, losses over and above that amount are not recognised unless Schiphol Group has given guarantees to the entity concerned or other commitments have been entered into or payments have been made on behalf of that entity. In that case, a provision is made for the consequent liabilities.

Results on transactions with subsidiaries are eliminated in proportion to the interest in the entities concerned, except where the results arise on transactions with third parties. Losses are not eliminated if there are indications of impairment of the assets concerned.

Elements of equity

Various statutory reserves are maintained in the company balance sheet and form part of the retained profits in the consolidated balance sheet. These reserves restrict the ability to distribute equity. They are the reserve for property revaluations and the reserves for intangible assets and for investments in associates, which have been combined under other statutory reserves.

The revaluation reserve (Section 2:390(1) of the Netherlands Civil Code) is maintained for unrealised fair value gains on individual items of investment property (land and buildings) held by companies forming part of Schiphol Group. Additions to this reserve are made through the profit appropriation, after allowing for corporate income tax. On the sale of investment property, the amount of the revaluation reserve for the property in question is transferred to other reserves.

The reserve for intangible assets (Section 2:365(2) of the Netherlands Civil Code) is maintained in connection with research and development costs (software) capitalised by companies forming part of Schiphol Group. The reserve for investments in associates (Section 2:389(6) of the Netherlands Civil Code) is formed for the share in the positive results of the entities concerned and in fair value gains recognised directly in equity. Amounts are not recognised in respect of entities whose cumulative results are not positive. The reserve is reduced by the amount of dividend distributions, fair value losses recognised directly in equity and any distributions which Schiphol Group would be able to effect without restriction.

Equity in the consolidated balance sheet includes an exchange differences reserve, an other financial interests reserve and a hedging transactions reserve. These reserves (recognised collectively in the company financial statements under the heading of 'Other reserves of Schiphol Group') are also presented as part of company equity since they similarly restrict the ability to distribute the reserves.

Notes to the company balance sheet and income statement

Where the notes to the company balance sheet and income statement are not materially different from the notes to the consolidated balance sheet and income statement, they have not been repeated. See the notes to the consolidated balance sheet and income statement for the items concerned.

39. Non-current assets

(in thousands of euros)	Investment in subsidiaries	Investment in associates	Other financial interests	Total
Carrying amount as at 31 December 2011	2,529,596	586,462	6,141	3,122,199
Movements in 2012				
Result for the year	165,633	34,800	-	200,433
Dividend	- 97,500	- 13,933	-	- 111,433
Sales	-	-	- 7,058	- 7,058
Fair value gains and losses	-	-	917	917
Translation differences	- 646	-	-	- 646
Changes in the hedging transactions reserve	- 70,716	-	-	- 70,716
Other movements	- 3,198	- 1,610	-	- 4,808
Total movements in the year	- 6,427	19,257	- 6,141	6,689
Carrying amount as at 31 December 2012	2,523,169	605,719	-	3,128,888
Movements in 2013				
Result for the year	208,455	21,657	-	230,112
Dividend	- 50,500	- 16,388	-	- 66,888
Translation differences	- 18,565	-	-	- 18,565
Changes in the hedging transactions reserve	6,388	-	-	6,388
Other movements	560	393	-	953
Total movements in the year	146,338	5,662	-	152,000

Investments in subsidiaries are the wholly-owned subsidiaries Schiphol Nederland B.V. or Schiphol International B.V. Section 2:403 of the Netherlands Civil Code applies to Schiphol Nederland B.V.

Investments in associates are the 8% interest of N.V. Luchthaven Schiphol in Aéroports de Paris S.A. and other financial interests related to the 1% interest in Flughafen Wien AG.

40. Current assets

(in thousands of euros)	2013	2012
Corporate income tax	2,369	2,436
Group Companies	-	25,269
Other receivables	66	47
	2,435	27,752

41. Shareholders' equity

(in thousands of euros)

	Issued share capital	Share premium	Retained profits
Balance as at 31 December 2011	84,511	362,811	2,078,989
Movements in 2012			
Appropriation of result for previous year	-	-	98,073
Distribution of dividend	-	-	-
Exchange differences	-	-	-
Changes in fair value on hedging transactions	-	-	-
Changes in fair value on other financial interests	-	-	-
Net result	-	-	-
Other comprehensive income associates	-	-	-
Change in accounting policy (employee benefits)	-	-	-
Total movements in the year	-	-	98,073
Balance as at 31 December 2012	84,511	362,811	2,177,062
Movements in 2013			
Appropriation of result for previous year	-	-	111,039
Distribution of dividend	-	-	-
Exchange differences	-	-	-
Changes in fair value on hedging transactions	-	-	-
Net result	-	-	-
Other comprehensive income associates	-	-	-
Change in accounting policy (employee benefits)	-	-	-
Total movements in the year	-	-	111,039
Balance as at 31 December 2013	84,511	362,811	2,288,101

Other reserves	Revaluation reserve	Other statutory reserves	Net Result Financial Year	Total
- 26,486	417,065	37,610	194,485	3,148,985
-	1,846	- 2,927	- 96,992	-
-	-	-	- 97,493	- 97,493
- 646	-	-	-	- 646
- 70,716	-	-	-	- 70,716
918	-	-	-	918
-	-	-	198,714	198,714
- 1,617	-	-	-	- 1,617
- 2,000	-	-	-	- 2,000
- 74,061	1,846	- 2,927	4,229	27,160
- 100,547	418,911	34,683	198,714	3,176,145
-	- 5,970	- 14,719	- 90,350	-
- 108,365	-	-	- 108,365	- 108,365
- 18,565	-	-	-	- 18,565
6,442	-	-	-	6,442
-	-	-	227,492	227,492
1,375	-	-	-	1,375
- 480	-	-	-	- 480
- 11,228	- 5,970	- 14,719	28,777	107,899
- 111,775	412,941	19,964	227,492	3,284,045

The other statutory reserves comprise the reserve for intangible assets and the reserve for investments in associates.

The other reserves comprise the exchange differences reserve, other financial interests reserve and hedging transactions reserve. These reserves are part of the consolidated equity and are also presented as part of company equity since, like the revaluation reserve and the other statutory reserves, they restrict the ability to distribute the reserves. As a consequence, the ability to distribute equity is restricted to retained earnings.

42. Employee benefits

The liabilities for employee benefits relate to the Management Board of N.V. Luchthaven Schiphol and concern the net liabilities in respect of the long-term variable remuneration. See the notes on employee benefits in the consolidated financial statements for further details.

43. Current liabilities

	2012	2011
Group Companies	200	528
Accruals	711	562
Other liabilities	58	90
	969	1,180

See note 4 to the consolidated financial statements for a breakdown of accountant's fees.

Schiphol, 13 February 2014

For the company financial statements for 2013:

Supervisory Board

A. Ruys, Chairman

J.G.B. Brouwer

F.J.G.M. Cremers

L. Galzy

H.J. Hazewinkel RA

M.A. Scheltema

J.G. Wijn

Management Board

J.A. Nijhuis RA
President & Chief Executive Officer

M.M. de Groof
Chief Commercial Officer

E.A. de Groot
Chief Financial Officer

A.P.J.M. Rutten
Chief Operations Officer

Other information

Proposed profit appropriation

Article 25 of the company's Articles of Association contains the following provisions on profit appropriation:

1. Without prejudice to the provisions of Section 2:105 of the Netherlands Civil Code, the profit according to the financial statements prepared by the Management Board shall be added to reserves unless the General Meeting of Shareholders resolves to make profit distributions according to a proposal by the Management Board approved by the Supervisory Board.
2. The General Meeting of Shareholders shall decide the appropriation of the amounts thus reserved according to a proposal by the Management Board approved by the Supervisory Board.

(in thousands of euros)

Result attributable to shareholders	227,492
--	----------------

With due observance of Article 25 of the Articles of Association, it is proposed that the result for the year be appropriated as follows:

Addition to the revaluation reserve (fair value gains and losses on property recognised in the profit and loss account, after adjustment for fair value losses below cost and after deduction of corporate income tax)	- 4,542
Addition to the statutory reserve (sum of the results of associates, less dividend distributions, and investments in research and development less amortisation)	5,057
Dividend distribution (60% of the net result less fair value gains and losses on property after deduction of corporate income tax)	- 135,350

- 134,835

Addition to retained profits	92,657
-------------------------------------	---------------

Events after the balance sheet date

For details of the events after the balance sheet date, reference is made to the notes to the consolidated financial statements on page 210.

Independent Auditor's report

To the General Meeting of Shareholders of N.V. Luchthaven Schiphol

Report on the financial statements

We have audited the accompanying financial statements 2013 of N.V. Luchthaven Schiphol, Amsterdam as set out on pages 132 to 233. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2013, the consolidated profit and loss account, the statements of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at 31 December 2013, the company profit and loss account for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Management Board's responsibility

The Management Board is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of N.V. Luchthaven Schiphol as at 31 December 2013, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of N.V. Luchthaven Schiphol as at 31 December 2013, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Amsterdam, 13 February 2014

PricewaterhouseCoopers Accountants N.V.

S. Barendregt-Roojers RA

Historical summary

(in millions of euros, unless otherwise indicated)

	2013	2012	2011	2010
Profit and loss account				
Revenue	1,382	1,353	1,278	1,180
Fair value gains and losses on property	3	- 24	- 1	22
Own work capitalised	-	-	-	-
Total operating revenue	-	-	-	-
Other income, from property	-	12	1	-
Total operating expenses before depreciation, amortisation and impairment	- 798	- 806	- 766	- 719
EBITDA	587	534	512	483
Depreciation, amortisation and impairment	- 266	- 238	- 208	- 186
Operating result	321	296	304	297
Financial income and expenses	- 95	- 88	- 91	- 115
Taxation, share in operating result of associates and minority interests	5	- 12	- 15	- 10
Result on ordinary activities after tax	231	196	198	172
Minority interests	3	2	- 3	- 3
Net result	227	199	194	169
Balance sheet				
Non-current assets	5,050	5,108	5,106	5,000
Current assets	777	681	681	506
Total assets	5,828	5,788	5,787	5,506
Equity (excl. non-controlling interests)	-	-	-	-
Equity (incl. non-controlling interests)	3,309	3,203	3,175	3,109
Provisions	46	44	51	65
Non-current liabilities (incl. n/c interests)	-	-	-	-
Non-current liabilities (excl. n/c interests)	1,695	1,980	1,980	1,762
Current liabilities	777	562	519	569
Total equity and liabilities	5,828	5,788	5,724	5,506
Operating cash flow¹	468	399	387	351
Ratios				
Operating result as % of revenue	23.2	21.9	23.8	25.1
Return on average equity in % (ROE)	7.0	6.2	6.2	5.6
Return on Net Assets in % ²	7.8	7.4	7.4	7.9
Return on Average Capital Employed in % ³	7.2	7.4	7.5	7.3
FFO / Total debt in % ⁴	24.7	24.5	18.5	17.0
FFO interest coverage ratio ⁵	5.7	5.6	4.5	3.8
Leverage ⁶	37.6	37.8	37.9	37.2
Figures per share				
Earnings per share	1,222	1,068	1,045	908
Operating cash flow per share	2,512	2,143	2,081	1,883
Dividend per share	727	582	524	409
Personnel				
Average effective full-time equivalent employees	2,058	2,087	2,115	2,328

2009	2008	2007	2006	2005	2004	
1,154	1,154	1,146	1,037	948	876	
- 40	19	111	29	13	5	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	3	3	10	10	18	
- 731	- 709	-666	- 598	- 492	- 475	
383	466	594	478	478	424	
- 196	- 172	-175	- 162	- 167	- 160	
187	294	420	316	311	265	
- 91	- 54	-35	- 36	- 34	- 26	
37	- 54	-68	246	- 84	- 78	
133	187	316	527	193	161	
-	-	-	-	-	-	
133	187	316	527	193	161	1) For analysis see the cash flow statement
4,798	4,754	3945	3,681	3,249	3,157	2) Up to and including 2005: Operating result / average non-current assets less deferred taxes. As from 2006: Operating result + result and interest associates / average non-current assets less deferred taxes
729	655	342	483	432	399	
5,527	5,409	4287	4,165	3,681	3,556	
-	-	-	-	-	-	
2,975	2,887	2957	2,722	2,245	2,093	3) Up to and including 2003: operating result / average of equity and liabilities less non-interest bearing short term debt. As from 2004: operating result / average of equity and interest-bearing debt. As from 2006: Operating result + result and interest associates / average of equity and interest-bearing debt
69	50	54	63	84	115	
-	-	-	-	-	-	
2,061	1,747	914	865	1,006	958	
422	725	362	514	346	391	
5,527	5,409	4287	4,165	3,681	3,556	
327	421	313	362	307	327	4) Up to and including 2005: Funds from operations adjusted for working capital / total debt. As from 2006: see calculation FFO / Total debt and FFO/ Interest coverage in the note on Financial Risk Management
16.2	25.5	36.6	30.5	32.8	30.2	
4.5	6.4	11.1	21.2	8.9	7.9	
4.9	7.5	12.3	10.1	9.7	8.6	
4.5	7.3	11.7	9.8	9.9	8.7	
18.5	19.3	34.3	39.0	28.7	33.4	5) As from 2006: see calculation FFO / Total debt and FFO/ Interest coverage in the note on Financial Risk Management. Up to and including 2005: Funds from operating activities adjusted for working capital plus interest income / interest costs
4.4	6.5	7.7	8.3	6.8	7.9	
40.5	38.6	23.5	24.8	29.4	32.0	
710	1,083	1,844	3,077	1,126	939	
1,756	2,439	1,830	2,114	1,754	1,912	
347	371	543	462	323	271	6) Up to and including 2003: interest-bearing debt / total equity and liabilities. As from 2004: Interest-bearing debt / equity plus interest-bearing debt in %
2,496	2,506	2,459	2,293	2,179	2,216	

Glossary

70MB

Investment programme for the baggage system at Schiphol, aimed to create capacity for processing 70 million bags with shorter connection times, increased flexibility, more mechanisation (partly through the use of robots) and enhanced availability, and resulting in lower IR rates

ACI

Airports Council International – international sector association of airports

ACM

Dutch Authority for Consumers and Markets; supervises the establishment of aviation charges and conditions at Amsterdam Airport Schiphol

Aerospace Exchange

Business park at Schiphol-East where Schiphol Real Estate develops real estate for companies in the aviation industry

Airport Carbon Accreditation

Benchmark for the ACI sector association. This benchmark helps provide insight into airports' efforts to reduce CO₂ emissions.

Airport charges

Aircraft, passenger and security related charges

Airport Traffic Ruling

The part of the Dutch Aviation Act (Wet luchtvaart) that governs the use of Amsterdam Airport Schiphol

AirportCity formula

An integrated development concept for aviation and non-aviation activities offering businesses and users a full spectrum of services and facilities. The AirportCity concept comprises the activities of three business areas: Aviation, Consumer Products & Services and Real Estate

Airside

Area where aircraft take off, land and taxi and where ground handling activities are carried out on aircraft

Alders Platform

Consultative body for the aviation sector and regional partners, chaired by former minister and former Queen's Commissioner Hans Alders and concerned with the future of Amsterdam Airport Schiphol

AREB Fund

A real estate fund on the Schiphol site in which Schiphol Real Estate holds a stake of 61.15%, with the other 38.85% being held by institutional investors

Auxiliary Power Unit (APU)

Engine in the tail of an aircraft. Delivers both power and hot and cold air inside the aircraft when the main engines are switched off, for example during the ground handling process

Aviation Act (Wet luchtvaart) governing the operation of Amsterdam Airport Schiphol

Legislation laying down the terms of the operating licence and the sector-specific supervision of charges and conditions for using Amsterdam Airport Schiphol; in force since July 2006

Aviation Act (Wet luchtvaart) governing the organisation and use of Amsterdam Airport Schiphol

Legislation laying down standards for noise, air quality, odour and safety at Amsterdam Airport Schiphol; in force since February 2003

Aviation Policy Document

Vision of developments in and the growth of aviation in the Netherlands, published by the Dutch government

Bas

The Local Community Contact Centre (Bas) is the information and complaints centre to which local residents can address their questions and complaints concerning air traffic at Amsterdam Airport Schiphol. Bas is a joint initiative of Air Traffic Control The Netherlands (LVNL) and Amsterdam Airport Schiphol

Bird strike

Bird strikes are incidents in which dead birds or remains thereof are found on an aircraft or on a runway and in which it can reasonably be assumed that the strike occurred within the airport boundaries. The upper limit is fixed at a height of 200 feet for landing aircraft, and 500 feet for aircraft taking off

Business area

A functional cluster of activities within the organisation of Schiphol Group

Catchment area

The area from which passengers travel to and from Amsterdam Airport Schiphol by road or rail

Commercial traffic

Commercial air traffic (i.e. traffic other than military, police, etc.)

Comprehensive testing

The comprehensive fire-safety testing, under operating conditions, of fire alarm equipment, air treatment plants, baggage systems, lift control equipment, shutters and evacuation systems in the terminal

Concession income

Income from activities for which a concession (i.e. a licence to conduct specific activities) has been granted, usually in the form of a percentage of revenue

Corporate Governance Code

The Corporate Governance Code for listed companies as drawn up in 2003 by the Tabaksblat Committee and renewed by the Frijns Committee

Corporate Responsibility (CR)

Enterprise based on respect for people and the environment

CR-conscious supplier

A supplier that is able to produce a recent Corporate Responsibility policy document, an (integrated) Corporate Responsibility Report, an ISO 14001 or equivalent specific certificate for a product or product group and an EMAS certificate

CROS

The Schiphol Regional Consultative Committee (Commissie Regionaal Overleg luchthaven Schiphol); a discussion platform connecting the aviation sector and the region

Customs

Customs carries out checks on the import, export and transit of goods and is responsible for levying and collecting taxes and duties payable on the import of goods

De-icing

The removal of ice and snow from the body and wings of an aircraft prior to take-off

Dutch Border Police

The Dutch Border Police (Koninklijke Marechaussee) is responsible for passport control, border control and the protection of civil aviation against attacks and hijackings. It is also responsible for issues such as human trafficking

Economic profit

RONA (after tax) minus the WACC, multiplied by average fixed assets

EPBD label

Label issued under the Energy Performance of Buildings Directive (EPBD). The labels range from G to A, with A representing the highest rating

Euro Medium Term Note (EMTN)

An umbrella programme under which investment-grade entities can issue unsecured certificates of debt ('notes')

FFO

FFO – funds from operations – is the cash flow from operating activities before changes in working capital

Fixed Electrical Ground Power

Power supply for on-board aircraft systems on the apron (airside) to replace a GPU

Fte

Full-time-equivalent; a full-time job

Full freighter

An aircraft that transports cargo only

General Aviation

The international designation for private and business flights using aircraft designed for no more than 20 passengers

Global Compact

A United Nations initiative whose participating companies commit to ten ethical and environmental principles

GRI

Global Reporting Initiative – globally accepted guidelines for Corporate Responsibility reporting

Ground handling

The activities required for the arrival and departure of aircraft, passengers and cargo. This includes passenger check-in, loading and unloading baggage and cargo, aircraft cleaning, catering etc.

Ground noise

Ground noise is low-frequency noise producing vibrations that can cause nuisance. Low-frequency noise is noise that is perceived differently from 'regular' noise, and is more often felt than heard. This noise is produced by aircraft taking off on the runway

Ground Power Unit (GPU)

Diesel-powered generator, supplies power when all the engines are switched off during aircraft ground handling processes

Home carrier

Main network carrier at a hub airport

Hub

An important junction for continental and intercontinental flights

IFRS

International Financial Reporting Standards: a set of internationally formulated and acknowledged accounting principles, also applied by Schiphol Group

IR rate

Irregularity Rate; the percentage of bags that do not arrive at the destination at the same time as the passenger

KDC

Knowledge and Development Centre - a joint initiative of Amsterdam Airport Schiphol, KLM and Air Traffic Control the Netherlands (LVNL). The mutual goal of this project is to promote a sustainable and optimum use of airspace

Kennis voor Klimaat

Schiphol Group participates in the national Knowledge for Climate (Kennis voor Klimaat) programme, a platform for investigating climate change. Due in part to its situation four metres below sea level, Amsterdam Airport Schiphol is highly vulnerable to changes in weather and climate

Landside

The landside (publicly accessible) area of the airport or the airport grounds

Lettable floor area

Number of lettable square metres (LFA)

Lost Time Injury Frequency (LTIF)

A measure of the frequency of work-related accidents that resulted in absenteeism (relative to the number of hours worked)

Low-cost carrier

An airline that typically offers relatively cheap tickets in combination with the option for passengers to pay extra for certain additional services

Mainport

A Mainport is a hub of interlinked air, road and rail connections that plays a major role within and contributes significantly to the development of a region and the national economy

Master Plan

Directional plan which, in accordance with our 'Europe's preferred airport' vision, lays down the spatial development of the airport infrastructure and translates that development into an investment programme, drawn up in response to demand for capacity and quality, socio-economic developments and trends in the aviation industry

Material theme

A subject is material if it reflects the significant economic, social or environmental impact of the organisation or substantially influences stakeholders' decisions

MTOW

Maximum Take-Off Weight of an aircraft upon which take-off and landing charges are based

Night-time procedure

Period of the night (from 23:00 to 7:00) during which the use of runways is restricted and incoming aircraft must use silent approaches while departing flights must make use of special night routes

Noise enforcement point

A noise enforcement point subject to a maximum permitted noise limit value set by the central government. There are 35 noise enforcement points for the 24-hour period and 25 noise enforcement points for the night-time period (23:00 to 07:00)

Operating year

The period that runs from 1 November to 31 October inclusive

Passenger Service Charge

A rate charged to each departing passenger for the use of airport facilities

PreConditioned Air (PCA)

Cooled or heated air used as part of the climate control system in the aircraft

Privium

An exclusive, members-only service programme. Privium membership always comes with automated border passage (using iris scan equipment)

Randstad conurbation

The urbanised western region of the Netherlands, encompassing the major cities of Amsterdam, The Hague, Rotterdam and Utrecht

Regular waste

A collective term for all types of waste, except building and demolition waste, waste products and water from de-icing activities. Regular waste includes glass, paper, organic waste and mown grass

Retail Airside

The shops in the area that is only accessible for passengers of Amsterdam Airport Schiphol

ROE

Return on Equity: after-tax result (payable to shareholders) divided by average equity capital

RONA

Return on Net Assets: operating result divided by the average fixed assets, less deferred-tax assets and receivables on derivatives older than one year

Runway incursion

A runway incursion is an incident on a runway involving an aircraft, vehicle or person not authorised to be there at that time

Schengen countries

Countries in Europe that have agreed to allow unrestricted cross-border movement of people and goods (named after the town in Luxembourg where this treaty was signed)

Schiphol Safety Platform

Parties in the aviation sector work together in the Schiphol Safety Platform to guarantee and further improve aviation safety at Schiphol. All the parties that play a role in the aviation process at Schiphol are represented in the Schiphol Safety Platform. In its capacity as airport manager, Amsterdam Airport Schiphol is chairman and is responsible for the programme management

Schiphol Security and Public Safety Platform

The Schiphol Security and Public Safety Platform is a close cooperation between Schiphol and various government parties aimed at bringing security policy components into practice. The platform seeks to resolve security issues by means of public-private cooperation, thereby contributing to finding effective and efficient solutions in the fight against terrorism and crime. This public-private cooperation is crucial for the optimisation of security tasks

Schiphol worker

A staff member of one of the businesses operating at Amsterdam Airport Schiphol

Security scan

The security scan uses millimetre wave technology. The millimetre waves, which are harmless, do not pass through the body; instead, they bounce off the surface of the body and any objects. The scan shows the objects that a person is carrying

Security Service Charge

Charge that departing passengers pay in connection with security measures

See Buy Fly

The shops where traditional tax-free items such as perfume, cosmetics, beverages and tobacco are sold

SIM

Innovative Mainport Partnership (Samenwerking Innovatieve Mainport). Collaboration of Schiphol Group, KLM, Delft University of Technology, TNO and the National Space and Aviation Laboratory. The intention is to improve accessibility and airport processes through innovative developments

Site environmental permit

Operating permit under which we can carry out our activities subject to the environmental conditions included in it

SkyTeam

Worldwide alliance of airlines grouped around Air France-KLM and Delta Airlines

Slot Coordinator

Government-appointed person tasked with allocating available slots (licences to take off and land at specific times) at airports, in accordance with international regulations

Socio-economic theme

Schiphol Group had formulated five Corporate Responsibility themes which it pursues at the strategic level in order to be and remain Europe's Preferred Airport. They are: Noise and the local community, Climate-friendly aviation, Accessibility and air quality, Commodity shortages and Sustainable employment.

theGROUNDS

Knowledge centre of Amsterdam Airport Schiphol, the purpose of which is to work with other companies and knowledge institutions on the development of innovative applications for a sustainable airport. theGROUNDS serves as a driving force, a breeding ground and a centre for experimentation

Top of the organisation

This includes all positions in reporting levels I, II and III with a certain degree of influence on developing strategy, policy and/or decision-making concerning our core activities.

Transfer passenger

A passenger who changes planes at an airport

Transit direct passenger

A passenger who arrives at an airport and continues his or her journey on the same plane

Visit costs

The total costs an airline pays for calling at the airport

WACC

Weighted Average Cost of Capital as based on the capital asset pricing model (CAPM)

Work Load Unit

A term used to measure production; equal to 1 passenger or 100 kg of cargo

Work-related accident

An unintended and sudden event related to work and resulting almost immediately in damage to a person's health. In the case of a work-related accident leading to absenteeism, the absenteeism begins when the employee concerned does not come to work on the shift or day after the accident

WTC

World Trade Centre Schiphol Airport

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