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Executive Board Report on Agenda Item 7 of the Annual General Meeting of Fraport AG on June 1, 2021, Regarding the Exclusion of Subscription Rights for the Issuance of Convertible and/or Warrant-Linked Bonds in Accordance with Section 221(4) sentence 2 in conjunction with Section 186(4) sentence 2 of the German Stock Corporation Act (Aktiengesetz – AktG)

Fraport AG is not currently authorized to issue convertible and/or warrant-linked bonds or conditional capital. In order to expand the company's financing options in addition to the Authorized Capital II to be adopted by resolution under Agenda Item 6, an authorization to issue convertible and/or warrant-linked bonds in connection with conditional capital (**Conditional Capital**) should be adopted by resolution. Agenda Item 7 contains a proposal to the Annual General Meeting to grant authorization to issue convertible and/or warrant-linked bonds or a combination of both instruments (hereinafter referred to jointly as **bonds**; the issuing conditions of these bonds referred to hereinafter as the **issuing conditions**) and to create the associated Conditional Capital. The Executive Board should be authorized to issue convertible and/or warrant-linked bonds or a combination of both instruments up to a total nominal amount of up to EUR 800,000,000.00. This authorization and the creation of the associated Conditional Capital of up to EUR 120,209,310.00 (corresponding to roughly 13% of the company's current share capital) should serve to expand the company's options for financing its activities, which are described in greater detail below, and to grant the Executive Board access to flexible and timely financing in the company's interest with the consent of the Supervisory Board, particularly in the event that favorable market conditions emerge. This authorization should be issued for a period of five years lasting until May 31, 2026. The Conditional Capital to be employed as the instrument backing this authorization, which is permitted by law to have a total volume of up to 50% of the share capital, provides a decisive contribution towards securing this financial flexibility.

Advantages of the financing instrument

Adequate capitalization is a crucial foundation for business development and for a successful market presence of the company. By issuing bonds of the type specified above, the company can take advantage of attractive financing opportunities and conditions depending on the current market situation in order to supply the business with capital at low interest rates. The conversion and/or option premiums generated will benefit the company. The issuance of bonds, potentially in conjunction with other instruments like a capital increase, may also create access to new groups of investors. The opportunity to specify an obligation to exercise conversion/option rights or a right of tender for the issuer as well as the opportunity to satisfy these rights or obligations by providing

treasury shares, paying a cash settlement or providing shares from authorized capital serve to increase flexibility for the configuration of such financing instruments.

Conversion/option price

The conversion/option price for a share may not fall below 80% of the average closing price of the share in trading on Xetra (or a functionally comparable successor system that replaces it) over the last ten trading days of the Frankfurt Stock Exchange before the date of the Executive Board's resolution on the issuance of the convertible/option bonds. In cases where shareholders are entitled to subscription rights regarding the bonds, there will be an alternative option of setting the conversion/option price for a share on the basis of the average closing price of the share in trading on Xetra (or a functionally comparable successor system that replaces it) during the trading days on which the subscription rights are traded on the Frankfurt Stock Exchange, with the exception of the last two trading days of subscription rights trading, whereby the conversion/option price must also be at least 80% of the value determined. In the event of bonds with a conversion/option obligation or a right of tender for the issuer to provide shares, another alternative option regarding the conversion/option price is to base it on the exchange price of the company's share at the time of the determination of the conversion/option price in accordance with the more detailed provisions of the issuing conditions, even if this amount is below the minimum price specified above (80%). However, Section 9(1) AktG and Section 199(2) AktG remain unaffected.

The conversion/option price can be adjusted without prejudice to Section 9(1) AktG and Section 199(2) AktG on the basis of a dilution protection/adjustment clause pursuant to more detailed provisions of the underlying issuing conditions of the bond in question in the event of occurrences during the term of the bonds such as changes to the company's capital, e.g. in the form of a capital increase/decrease or a share split. Furthermore, provisions can be made for dilution protection/adjustments in connection with dividend payments, the issuance of additional convertible/option bonds, company transformation measures and in the case of other events which affect the value of the option/conversion rights that occur during the term of the bonds (e.g. assumption of control by a third party). Provisions can be made for dilution protection/adjustments particularly by granting subscription rights, by amending the conversion/option price and by amending or granting cash components.

Authorized capital, treasury shares, cash settlement, variable configuration of conditions

The issuing conditions may also stipulate or permit the provision of shares from authorized capital to be created or from a portfolio of the company's treasury shares to be acquired in the event of the exercise of conversion/option rights or the fulfillment of corresponding obligations. In order to create an additional degree of flexibility, the issuing conditions may also stipulate or permit that the company fully or partially pay the beneficiaries of conversion/option rights or the corresponding obligors an equivalent amount in cash instead of or in addition to company shares in the event of the exercise of conversion/option rights or in order to fulfill corresponding obligations. Virtual bond instruments of this type enable the company to carry out capital market-adjacent financing without actually requiring capital measures under corporate law. This takes into account the fact that an increase in the share capital may be unwelcome at the time of the exercise of conversion/option rights or the fulfillment of corresponding obligations in the future. Apart from this, the use of the cash payment option protects shareholders from the reduction of their ownership stakes and the dilution of the value of their shares due to the fact that no new shares are issued. In accordance with the more detail provisions of the issuing conditions, the equivalent value to be paid in cash in this context corresponds to the average closing price of the share in trading on Xetra (or a functionally comparable successor system that replaces it) on the Frankfurt Stock Exchange over a period of ten to twenty trading days after the announcement of the cash settlement.

In addition, it may also be specified that the number of shares to be provided in the event of the exercise of conversion/option rights or after the fulfillment of corresponding obligations or any applicable conversion ratio in this regard can be variable and may be rounded up or down to a whole number. Furthermore, it is also permissible to define a supplementary payment to be made in cash or to stipulate that fractional amounts be pooled and/or settled in cash for reasons of practicality.

Subscription rights of shareholders and the exclusion of subscription rights

As a general rule, shareholders shall be entitled to subscription rights in the event that convertible/warrant-linked bonds are issued. In order to simplify processing, the company should make use of the option of issuing the bonds to a bank, a company acting in accordance with Section 53(1) sentence 1 of the German Banking Act (Kreditwesengesetz – **KWG**) or Section 53b(1) sentence 1 or (7) KWG (financial institution) or a consortium of such banks or financial institutions to be appointed by the Executive Board subject to the obligation of offering the bonds to the shareholders in accordance with their subscription rights (indirect subscription rights as defined under Section 186(5) AktG).

However, the Executive Board may exclude subscription rights in analogous application of Section 221(4) sentence 2 in conjunction with Section 186(3) sentence 4 AktG in the following cases.

The Executive Board may exclude the subscription rights of shareholders for fractional amounts that may emerge from the amount of the respective issue volume and the definition of a practical conversion or subscription ratio with the consent of the Supervisory Board. This makes it possible to utilize the requested authorization with round amounts and simplifies the processing of shareholders' subscription rights.

In addition, it should be possible to exclude subscription rights with the consent of the Supervisory Board in order to grant subscription rights to the holders/creditors of conversion/option rights to shares in the company or corresponding conversion/option obligations for the compensation of dilution in the amount to which they would be entitled after the exercise of these rights/fulfillment of these obligations. The exclusion of subscription rights in favor of the holders/creditors of bonds which have already been issued has the advantage of preventing the need to reduce the conversion/option price for bonds which have already been issued and are equipped with their own protection against dilution. This makes it possible for the bonds to be placed more attractively in multiple tranches in favor of a higher inflow of funds.

The Executive Board should also be authorized to exclude subscription rights with the consent of the Supervisory Board in the event that the bonds are issued against cash contributions and the Executive Board concludes on the basis of a review conducted with due professional diligence that the issue price of the bonds is not significantly lower than their theoretical market value as determined in accordance with recognized financial calculation methods.

The exclusion of subscription rights makes it possible for the company to take advantage of favorable stock market situations, even at short notice, and to place a bond on the market with attractive conditions in a rapid and flexible manner. Issuing bonds subject to the provision of subscription rights, on the other hand, is often less attractive in light of the increased volatility of equity markets due to the fact that the issue price needs to be fixed at a very early point in time in order to observe the subscription period, which comes at the expense of optimal exploitation of the stock market situation and the value of the bond. This is because it is generally possible to set conditions which are favorable and as close to the market as possible only when the company is not bound to them for an excessively long offer period. Due to the statutory periods applicable in the context of a subscription rights issue, a significant security discount is normally required. Section 186(2) allows for publication of the subscription price (and thus the conditions of the bond in the

case of convertible and/or warrant-linked bonds) until three days before the end of the subscription period at the latest. Even in this case, however, there is still exposure to market risk for multiple days, which results in security discounts within the framework of the conditions of the bond. Apart from this, subscription rights also complicate the utilization of alternative placement with third parties due to uncertainty or cause additional expense in this regard. Finally, the company is also hindered from responding to changes in market conditions quickly due to the length of the subscription period. This complicates the procurement of capital.

When issuing bonds against cash contributions subject to the exclusion of subscription rights, the interests of shareholders will be protected by the fact that the bonds will be issued at a price which is not significantly lower than the theoretical market value of the bond. In this context, it is particularly important that the theoretical market value be determined in accordance with recognized financial calculation methods. When setting the price, the management will minimize the discount of this market value to the furthest extent possible in consideration of the respective capital market situation. This will serve to reduce the accounting par value of subscription rights for the bond to nearly zero, such that it will be impossible for the exclusion of subscription rights to result in any significant economic disadvantage for shareholders. However, the definition of conditions in line with the market and thus the prevention of any significant dilution can also be ensured, for example, by carrying out a book-building process. In this context, investors are invited to submit purchase requests on the basis of provisional bond conditions while also specifying factors such as the interest rate and/or other economic components they consider to be in line with the market. This serves to determine the total value of the bond in a market-adjacent manner and ensures that the exclusion of subscription rights does not cause any noteworthy dilution of the value of the share. Shareholders who would like to maintain their stake in the company's share capital can accomplish this subject to virtually identical conditions by making additional purchases through the capital market. This serves to provide adequate protection for their interests in regard to assets.

In addition, the shareholders' interests in regard to voting rights will be protected from the disproportionate dilution of their shareholdings by the fact that the calculated portion of the share capital attributable to the shares to be issued on the basis of the bonds to be issued against cash contributions under this authorization may not exceed 10% of the share capital, either as of the time this authorization enters into effect or, if lower, as of the time it is exercised. Shares which are (i) sold or issued during the term of this authorization until the time of its utilization on the basis of other authorizations in direct or equivalent application of Section 186(3) sentence 4 AktG subject to the exclusion of subscription rights or (ii) issued or pending issue as service for bonds with conversion/option rights or conversion obligations/obligations to exercise options, provided the bonds are issued during the term of this authorization until the time of its utilization subject to the exclusion of subscription rights in equivalent application of Section 186(3) sentence 4 AktG, must be counted towards this limit. This will ensure that no bonds subject to the exclusion of shareholders' subscription rights will be issued insofar as this would lead to a situation where shareholders' subscription rights to new shares or treasury shares in the company would be excluded to an extent of more than 10% of shares currently outstanding in consideration of capital increases or specific placements of treasury shares in direct, analogous or equivalent application of Section 186(3) sentence 4 AktG.

As a restriction, the proposed resolution stipulates that any instances where shares are counted towards the limit which occur in accordance with the above provision due to the exercise of authorizations (i) to issue new shares in accordance with Section 203(1) sentence 1, (2) sentence 1 and Section 186(3) sentence 4 AktG and/or (ii) to sell treasury shares in accordance with Section 71(1) no. 8 and Section 186(3) sentence 4 AktG and/or (iii) to issue bonds with conversion and/or option rights/conversion or option obligations in accordance with Section 221(4) sentence 2, Section 186(3) sentence 4 AktG shall be eliminated with effect for the future if and insofar as the respective

authorization(s) which resulted in the instance of counting shares toward the limit as the result of being exercised are reissued by the Annual General Meeting in observance of the applicable statutory provisions. This is because the Annual General Meeting must make a renewed decision on the option of a simplified exclusion of subscription rights in such cases, which serves to eliminate the reason for counting shares towards the limit.

Since the option of excluding subscription rights is already highly restricted in accordance with the above authorization, this additional quantitative restriction which goes beyond the statutory restrictions will serve to keep any inconvenience to shareholders within narrow limits.

The Executive Board will carefully review whether it will make use of the authorization to issue bonds and exclude subscription rights on a case-by-case basis. These options will be utilized only in cases where the Executive Board believes that doing so is manifestly in the best interest of the company and its shareholders and is proportionate.

The Executive Board will report on each utilization of the authorizations issued under Agenda Item 7 of the 2021 Annual General Meeting at the respective subsequent Annual General Meeting.

Conditional Capital

Conditional capital is necessary in order to be able to service the conversion/option rights or equivalent obligations connected with convertible and/or warrant-linked bonds. The issue price in this context corresponds to the conversion/option price.

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