

# Aena

## Response to Request for Qualifications

St. Louis Lambert International Airport

Public-Private Partnership

November 1, 2019

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EVALUATION CRITERIA	REFERENCE
1. Experience in managing airport(s) similar in scope, scale, and complexity to St. Louis within the past seven years, including relevant examples of aeronautical and non-aeronautical improvements.	4. + 8.
2. Experience in delivering material capital improvement programs for material maintenance and upkeep programs, terminal expansion, and/or new construction and the size of the capital programs managed.	4.a.ii + 8.
3. Successful leadership of public infrastructure transactions of greater than \$1 billion.	5.a.ii + 8.
4. Experience in developing airport or other infrastructure-adjacent real estate for airport and nonairport purposes.	4.a.i + 8.
5. Management of public infrastructure in a manner that served the objectives of stakeholders, including local constituents and infrastructure users.	4.
6. Financial information indicating success in raising equity and debt capital to support similar projects of this nature and the ability to do so for a potential St. Louis transaction.	5. + 8.b + 8.c
7. Acknowledgements of City priorities	All the RFQ 9.a., Cover Page & Executive summary
8. Acknowledgement of City-Related Commitments	9.b.

**Figure 1: Evaluation criteria referenced to RFQ contents**

**NOTICE:**

The data on pages of this proposal identified by an asterisk (\*) contains technical or financial information constituting trade secrets. The proposer requests that such information be used only for the evaluation of the proposal, but understands that any disclosure will be limited to the extent that the City considers proper under the law. If the City enters into an agreement with this proposer, the City shall have the right to use or disclose such information as provided in the agreement, unless otherwise obligated by law.

## 1. COVER PAGE

I am delighted to present this response to your Request for Qualifications for the potential public-private partnership involving the St. Louis Lambert International Airport. This response is submitted by Aena Desarrollo Internacional S.M.E., S.A., a company incorporated under the laws of Spain, with registered offices in Madrid, Spain, at Peonías Street, number 12, 28042, (hereinafter, Aena Internacional).

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Aena Internacional is involved in the management of airport infrastructures at airports internationally. Aena Group currently has 53 majority-stake, 16 minority-stake airports (forty-six in Spain, twelve in Mexico, six in Brazil, two in Colombia, two in Jamaica and one in the United Kingdom) and 2 heliports. The group's international expansion, participating in key opportunities, is one of the main strategic lines of the company.

Aena Internacional finished 2018 not only with extraordinary results, but also with a new roadmap, embodied in the group's Strategic Plan 2018-2021, aimed at tackling the important challenges that await all of us in the coming years, with the highest level of commitment: an increase in air traffic, a growing demand from passengers and customers, and the need to guarantee a sustainable future for the generations to come, and all this, in an environment of strong competition where efficiency and profitability will continue to be decisive.

In this context, corporate responsibility is a fundamental component. Our interest in providing value and generating a framework of co-responsibility with society means that, for the first time, we have effectively materialized this commitment in our Strategic Plan, establishing clear corporate responsibility objectives, capable of responding to all stakeholders' needs, guaranteeing a solid, long-term framework for action, and providing it with adequate funding.

This document focuses on presenting our proven competences: operational and management capabilities, financial muscle, strong relationships with stakeholders, and a proven track record of successfully managed similar challenges. Aena Internacional has a clear commitment to improve our airports for the benefit of all stakeholders, fostering the economic growth and the community development in the corresponding areas of influence.

Within these pages, we offer a complete vision of these capabilities, based on a robust business model and business environment. We are proud of our efficient organization and structure, our management policies that take into account the impact with regard to social, labor and environmental impact on everything we do, and our commitments concerned with the equality, diversity, and inclusion of women and minorities, as well as our performance in terms of sustainability. These are part of our core values, fully aligned with our public nature.

I would like to express my gratitude to the City of Saint Louis for their trust in Aena Internacional and for affording us the opportunity to present our company as your long-term partner for the development of St. Louis Airport, the City of St. Louis and its region.

Sincerely yours,



Maria José Cuenda  
Chief Executive Officer  
Aena Desarrollo Internacional S.M.E., S.A.

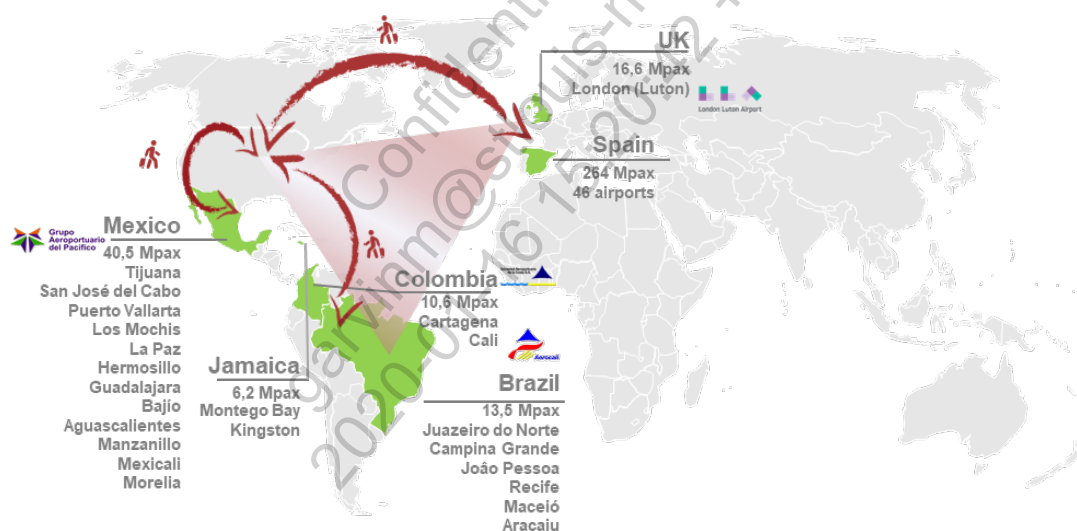
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## 2. EXECUTIVE SUMMARY AND STRATEGIC RATIONALE

Aena Internacional warmly welcomes the opportunity to establish a partnership with the City of St. Louis, to design the potential public-private partnership involving the St. Louis Lambert International Airport.

Our **vision** for St. Louis Lambert International Airport is to position it as one of the main Midwest hubs in the United States of America, and a gateway to international destinations. Our **strategy** will be to upgrade the infrastructure and procedures to compete in an efficient way with best-in-class international airports on passenger and cargo services. We firmly believe this goal to be achievable through the implementation of a long-term partnership combining the experience of Aena Internacional, a long-established investor and manager of international airports with a philosophy of proactive management and strong partnership with stakeholders, with Aena's world-leading sector expertise, as the largest airport operator in the world.

The strong presence of Aena Internacional and its sole shareholder Aena, SME, SA (hereinafter, Aena; and jointly Aena Group) in Spain, UK, Mexico, Brazil, Colombia and the Caribbean region is a clear opportunity to reinforce this vision. St. Louis Airport could connect North America with Aena Group's network, the single most important airport network in the world, fully deploying its optimal geographical location and its development potential. Our potential partnership will reinforce the consolidation of an efficient and effectively managed airport that provides outstanding service to customers and passengers and demonstrates leadership in the creation, adoption and implementation of international best practices in the sector.



**Figure 2: Strategic rationale**

We truly believe Aena Internacional is the best partner for the City of St. Louis to achieve this vision, given the match between our experience and the City's three primary objectives:

1. Improvement of the airport for all stakeholders, including incremental uses of the airport's significant excess capacity.

Aena Group has a demonstrated transformative approach that has been put into practice in its 53 majority-stake, 16 minority-stake airports and 2 heliports, ranging from less than 1 to more than 55 million passengers in touristic, regional, hubs and/or cargo. This has made Aena Group the largest operator in the world by number of passengers and the 2<sup>nd</sup> largest by market capitalization, satisfactorily improving its airports for all the stakeholders, highlighting:

- **Improving passenger satisfaction:** Aena Group has optimized its existing terminal and airfield spaces with capital improvement programs that total more than €19.5 billion invested in the last 19 years, enabling Aena Group to handle its more than 353 million passengers (including Brazil) with the highest international standards regarding airport operational and management capabilities.
- **Strengthening the businesses community and the cities where it operates:** During the last years, Aena Group has redeveloped the airport's retail and concession offering, reaching more than 200,000 sqm of commercial surface area and more than 800 shops. This has positively impacted Aena Group's commercial revenues, which have grown 9% since 2017 to reach €1.2 billion



- **Airlines:** Aena Group has one of the most competitive airport charges in the world at both touristic and hub airports (between 30% and 50% below international average) and has demonstrated consistency in meeting the diverse requirements of the more than 160 airlines that operate at Aena Group airports.
- **Productive relationships with government agencies and authorities:** Aena, as a listed, state-owned company (51% owned by the public entity ENAIRE), focuses its stakeholder management strategy on public agencies, local authorities and local communities. It's showcased by the 17 Airport Coordination Committees that guarantee the participation in the airport management of public administrations and the main economic and social agents. Aena's Quality Management Policy is to promote constant cooperation with all relevant stakeholders.

## 2. Net cash proceeds to the City, up front and/or over time for non-airport purposes.

Aena Group is one of the most profitable operators of the world, with a strong track record of disbursing net cash proceeds to its stakeholders and the Government, as well as a demonstrated commitment of meeting annual payments to the corresponding Granting Authorities of its investees Grupo Aeroportuario del Pacífico SAB de CV (GAP), London Luton Airport, and the Northeast Brazil Airport Group.

- After its partial privatization in February 2015, Aena is today a €25bn market-cap publicly listed Company, subject to capital market discipline and transparency obligations, and has gained a reputation as a reliable, efficient airport operator with worldwide brand recognition.
- As a result of the restructuring started in 2011, Aena undertook one of the largest turnarounds in the airport industry, shifting from a 36% EBITDA margin in 2011 (€883 million) to a 61% EBITDA margin in 2018 (€2,657 million), implying a 17% CAGR. This is driven by among other factors, Aena's excellence in operating costs, (€4.2/passenger vs. €6.6/passenger world average). This transformation was achieved while maintaining employee satisfaction and turnover.
- This profitability is transferred as an annual dividend of €496 million to the Spanish Government in 2018, in addition to the annual payment of more than £40 million to Luton Borough Council in 2018, the annual fee paid by GAP of 5% of total revenues for the use of the infrastructure, and the variable financial annual payment that will reach 8.16% of gross income from Brazil's airports to the Brazilian Government, demonstrating Aena's broad experience combining payments to meet the City's requirements based on the Airport's revenues.

## 3. Community and economic development in the St. Louis region.

Aena Internacional strategy is to revert a significant share of the benefits generated to the communities where it operates. Aena Internacional will assume its responsibility as an agent and force for change, as a key element for collaborating and improving the lives of people in the St. Louis region. This strategy will be implemented while respecting the values embraced by Aena Internacional.

- Aena Group has made an enormous contribution to the air transport industry, especially in Spain, where it has become a key enabler to economic activity, representing almost 5.9% of the GDP in 2018. Aena has played an essential role in airport investment to increase the number of tourists by 50% since 2011, increasing the attractiveness to private sector investment and favorably impacting economic potential, job creation and public resource generation.
- Aena Group has implemented community development strategies with respect to job and career development, with more than €2.5 million invested in training programs increasing the productivity in a 3.3% in 2018. In the field of employment, it provides more than direct 8,500 jobs and indirectly supports more than 450,000 jobs in Spain, and in economic terms, it's highly committed to community development, as demonstrated by the company's payment of €2,956 million materialized into €538 million in taxes and duties, €416 million for salaries, €973 million in dividends and €1,023 million in the acquisition of goods and services in 2018.
- Aena Group has developed strong multi-modal transport initiatives, seamlessly integrating its airports with high-speed rail, subway, railway, shuttle bus, private cars, and rental car/ride hailing, and is participating on innovative projects such as the Direct Air Rail Transit of London Luton Airport, or the consolidation of El Prat Airport and Girona-Costa Brava Airport into a single airport system.
- Aena has transformed the airfield of several airports into large cargo hubs, exceeding one million cargo tons transported in 2018 and highlighting four key cargo hubs: Madrid, Barcelona, Zaragoza and Vitoria, with Zaragoza being the third largest in Spain, growing at a 17.3% in 2018.

### 3. DESCRIPTION OF RESPONDENT

This Request for Qualifications is submitted by Aena Desarrollo Internacional S.M.E., S.A., a company incorporated under the laws of Spain, with registered offices in Madrid, Spain, at Calle Peonías, number 12, 28042, (hereinafter Aena Internacional).

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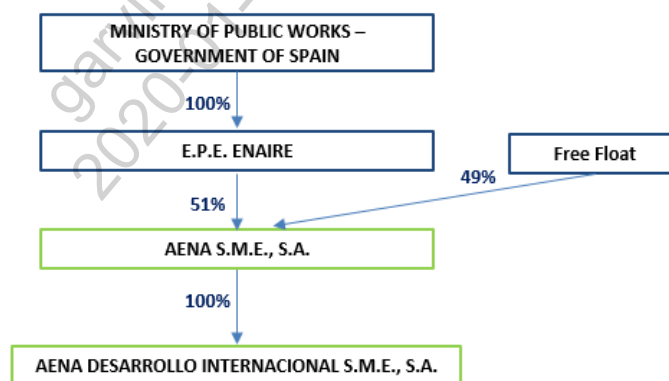
Aena Internacional is a whole-owned subsidiary of Aena, S.M.E., S.A. (Aena) and is involved in the management of airport infrastructures in airports located outside Spain.

Aena is a Spanish company with registered offices in Madrid, at Calle Peonías, number 12, 28042, Spain and tax identification number A86212420. Aena provides airport infrastructure services in Spain to airlines through its ownership and operation of a network of 45 airports and 2 heliports and through a concession contract of one airport, all located in Spain.

Fifty-one percent (51%) of the shares of Aena are owned by the statutory corporation "Entidad Pública Empresarial ENAIRE" (Enaire) and 49% of the shares are admitted to official trading on the four Spanish stock exchanges: Madrid, Barcelona, Valencia and Bilbao, and on the Spanish Stock Market Interconnection System (Mercado Continuo), with the identification code (ISIN): ES0105046009.

Enaire is a public law entity or statutory corporation (*Entidad Pública Empresarial*) attached to the Spanish Ministry of Public Works and has its own legal personality independent from that of the Spanish Government. Its registered offices are in Madrid, at Parque Empresarial Las Mercedes - Avda de Aragón s/n, Bloque 330, Portal 2, 28022, Spain and tax identification number Q2822001J. Enaire conducts its business activity within the framework of the Spanish Administration's general transport policy.

The following chart shows the ultimate beneficial owner of Aena Internacional:



**Figure 3: Aena Internacional ultimate beneficial owner chart**

This Request for Qualifications is submitted by Aena Internacional, relying on the capabilities of its parent company Aena. If, during the current Qualification Process or in the Post-RFQ Selection Process, there could be a possibility for Aena Internacional to team up with an additional company that could further reinforce its value proposition, it would follow the corresponding terms and conditions for the modification of the team established in each process stage.



## 4. OPERATIONAL AND MANAGEMENT CAPABILITY

### 4.a.i. Operations and Maintenance Expertise

#### 4.a.i.1 Experience in managing and improving commercial airports

With more than 335.9 million passengers served in 2018 (excluding Brazil), Aena Group is the leading airport operator in the world by number of passengers. Experience, competitiveness, safety and quality go hand in hand with its facilities to give all users the best service. The historic passenger evolution shows a solid annual growth of more than 9% from 2014 to 2018, while international airports benefit from 13% annual growth.

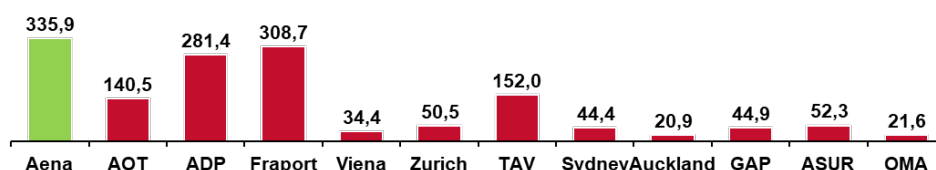


Figure 4: Airports' operators benchmark by number of passengers (MPax) (Source: Airport organization's websites at 31/12/2018)

PASSENGERS (MPax)	2014	2015	2016	2017	2018	CAGR 14-18
Spanish airports' traffic	196	207	230	249	264	8%
International airports' traffic	44	54	63	68	72	13%
TOTAL TRAFFIC	240	261	293	317	336	9%

Figure 5: Aena Group traffic evolution of Spanish vs. International airports (MPax; 2014-2018)

Aena Group manages 46 airports and 2 heliports in Spain, and 7 airports in UK and Brazil. It also participates in the management of 16 other airports in Latin America. Among the airports directly managed is the London-Luton Airport, in which Aena holds a 51% stake.

Aena's leading positioning was made possible by the transformation program undertaken since 2011 to prepare for its partial privatization in 2015. During this period, Aena undertook successfully one of the largest turnarounds in the airport industry in last years, reaching a 61% EBITDA margin in 2018 (€2,657 million) having grown at a 17% CAGR since 2011. As a result, Aena is today a €25 billion, market-cap public listed company, subject to capital market discipline and transparency obligations, and has gained a reputation as a reliable, efficient airport operator with worldwide brand recognition.

For the year ended 31 December 2018, Aena's revenue totaled €4,320 million. The aeronautical segment generated €2,853 million revenue and the commercial and real estate activities generated €1,231 million during the year ended 31 December 2018. The international segment contributed with €238 million revenue in 2018. Aena's operational and management capabilities have enabled 9% annual growth in revenue between 2011 and 2018; particularly noteworthy are the 12% CAGR in commercial revenue and the 63% CAGR in international revenue.

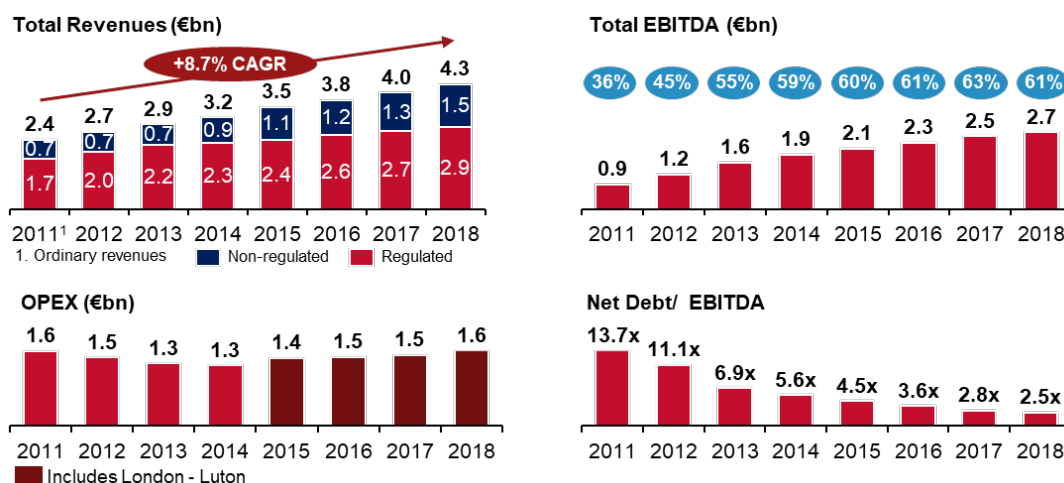


Figure 6: Aena's key financial figures evolution (2011-2018)

Aena is not only the largest airport operator in terms of passengers, but also one of the most efficient ones, with an average operating cost of €5.13/passenger vs. the €8.06/passenger world average and the €9.89/passenger European average (2019 Leigh Fisher SDR/EUR = 1.2216). Moreover, Aena has one of the most competitive airport charges, ranging between -30% and -50% for touristic airports and from -38% to -54% for hub airports compared to international airports in both the European Economic Area and International airports' tariffs.

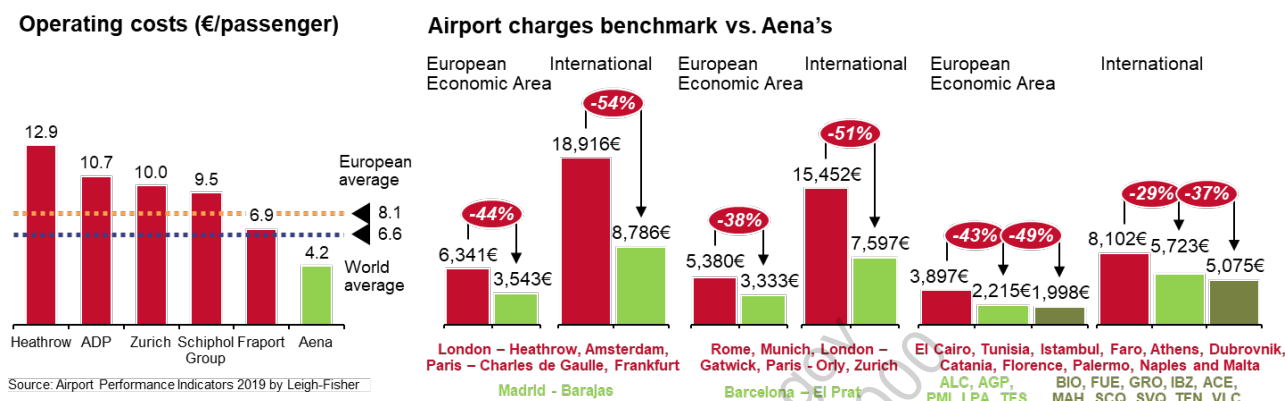


Figure 7: Operating costs and airport charges benchmark vs. Aena's

Aena has certified 42 airports under ICAO Annex 14 in Spain. Each of these certificates guarantees compliance with the highest international standards in airport operations and management, attesting to Aena's expertise as an operator, the optimum design of airport infrastructures and the associated facility maintenance. Once certified, Aena is subject to a permanent supervisory process by the Spanish Aviation Safety and Security Agency for each airport, which included to a total of 76 successful audits in the last year.

Aena conducts business in different areas of airport services management to offer its customers an excellent all-round service: on the one hand, the aeronautical activity regulated by national legislation (as the Airport Regulation in Spain, DORA); and, on the other, the unregulated business, which Aena conducts directly or indirectly.

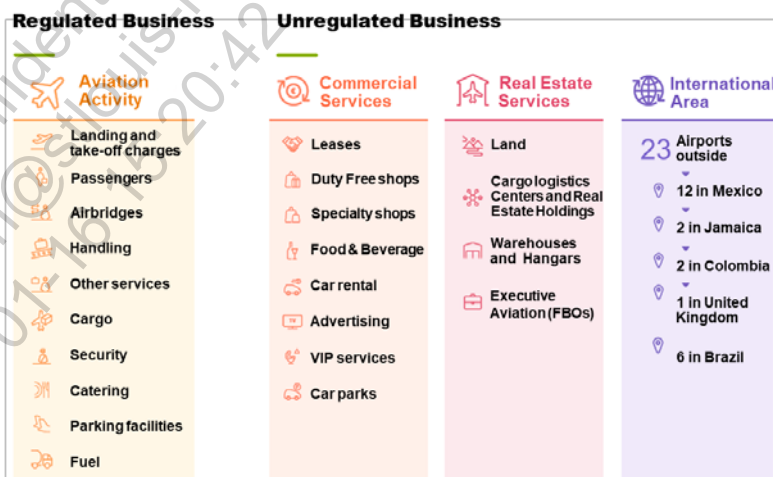


Figure 8: Aena's areas of activities

Aena Group has proven experience managing airports ranging from fewer than 1 million passengers to more than 50 million passengers and of different types (hub, touristic, regional and cargo). Among all the airports operated by Aena Group, we highlight below those airports that are similar to St. Louis Lambert International Airport in terms of passengers, traffic profile or real estate development needs. The detail is included in chapter 8.

AIRPORTS (MPax)	2014	2015	2016	2017	2018	CAGR %
Madrid – Barajas	41.8	46.8	50.4	53.4	57.9	8.5%
Barcelona – El Prat	37.6	39.7	44.2	47.3	50.2	7.5%
Palma de Mallorca	23.1	23.7	26.3	28.0	29.1	5.9%
Málaga	13.7	14.4	16.7	18.6	19.0	8.5%
London – Luton (51% Aena)	10.5	12.3	14.6	15.8	16.6	12.1%
GAP (5.8% Aena share)	24.5	27.6	32.6	36.5	40.5	13.4%

Figure 9: Aena Group airports similar to St. Louis Lambert International Airport (Mpx)

Regarding the experience in Cargo, Aena broke the barrier of one million tons transported in 2018, highlighting four key cargo hub airports: Madrid, Barcelona, Zaragoza and Vitoria. Zaragoza and Vitoria have evolved to become the logistics hubs of Inditex and DHL respectively.

Zaragoza has grown from a 1.44% market share in 2004 to dispute Barcelona's second place in the Spanish airport ranking by cargo tons moved, currently holding a 16.5% share and a 17.3% growth in 2018, leveraged on Inditex. A similar evolution has taken Vitoria to fourth place in the classification, thanks, in this case, to DHL, and it has broad experience in living and perishable goods' transportation.

In the near future, the infrastructures for air cargo and logistics are a cornerstone of the Master Plan for real estate development that Aena is preparing to Madrid and Barcelona. In Madrid, a third of the total investment will be allocated to cargo and logistics: €1,096 million and 257 hectares of land.

Aena Group's excellence in airport management has been internationally recognized in recent years:

- **2019** - The Airport Council International (ACI) awards **Best Airport in Europe Prize** to Bilbao Airport in the category of aerodromes with an annual passenger volume of between 5 and 10 million, and the **Eco-Innovation Prize** to Menorca Airport for its environmental work.
- **2018** - The Airport Council International (ACI) awards **Best Airport in Europe Prize** to Seville Airport in the category of aerodromes with an annual passenger volume of between 5 and 10 million.
- **2018** - Avion Revue Internacional magazine awards its 2018 **Excellence Award** in the airport category to Adolfo Suárez Madrid-Barajas for its continued growth.
- **2017** - The Adolfo Suárez Madrid-Barajas and Alicante-Elche airports receive the **best airports in Europe** award in their category (best airport with over 25 million passengers for Madrid-Barajas, and best airport in the 10 to 25 million passenger category in the case of Alicante-Elche) in the 13th edition of the **ACI Europe prizes 2017**.

Additional awards based on passengers' survey are detailed in the Chapter 4.a.ii.2.

#### 4.a.i.2 Experience in facility maintenance / repair and procurement of related materials

Aena Group have implemented an Asset Management strategy that covers all its facilities, for a current total value of its asset base that totals €11,000 million:

FACILITIES (1/2)	CURRENT (€mn)	VALUE	FACILITIES (2/2)	CURRENT (€mn)	VALUE
Land		3,500.0	Electromechanics		53.4
Airfield		2,225.6	Gateways		53.2
Buildings (terminals)		3,209.0	Energy & airside lighting system		632.3
HVAC facilities		274.7	Information and communication (ICT), firefighting equipment, security equipment and furniture, and others		720.5
Fire protection		88.9			
Baggage handling systems		242.4			
<b>TOTAL FACILITIES</b>					<b>11,000.0</b>

**Figure 10: Current value of Aena Group asset base (€mn)**

As part of its overall Asset Management strategy, Aena Group has a high level of expertise in managing facilities maintenance, including:

- 55 runways
- 4 million sqm in terminal buildings
- 365 boarding bridges
- 1,221 elevators
- 333 escalators
- 312 moving sidewalks and hallways
- 3,102 automated doors
- 6 BHS (automated baggage handling system)
- 226 MW total contracted power

Aena also manages a people mover that connects the T4 and the Satellite terminals at Madrid-Barajas airport. Additionally, Aena Internacional has a Flight Calibration Unit, which uses especially technical planes to perform navigation aids maintenance/calibration in Europe, Africa and Middle East. In order to perform the REPEX, Aena manages 750 contracts with suppliers for a total amount of more than €133 million per year.

#### 4.a.i.3 Familiarity with FAA regulations and procedures, airport operations, construction and maintenance standards

As part of its international activities, Aena Internacional owned a 10% stake in the company ACDL (Airport Concessions and Development Limited) from 2005 through 2018. ACDL was the sole proprietor of the British airport operator TBI Group.

TBI Group (TBI), and hence Aena Group, has had extensive interaction with the FAA as it was involved in the management and operation of six airports in the USA: a concession contract in Orlando-Sanford (FL), and five management contracts: Atlanta Hartsfield-Jackson's Concourse E (GA), Raleigh-Durham (NC), Hollywood-Burbank (CA), Middle Georgia Regional (GA), and Macon Downtown (GA). These airports cover a wide spectrum of typologies and thus mirror Aena's widespread global airport portfolio, from small general aviation airports to intercontinental hubs.

In addition to cooperating in the day-to-day operation and management of those US airports, Aena Group and the FAA have also share a record of extensive cooperation in relevant international organizations related to Air Transport and the Aviation Industry, such as CANSO (Civil Air Navigation Services Organization), in areas like: promoting and supporting international legislation, regulations and agreements; liaising with other transport industry stakeholders (particularly airlines, industry suppliers and airports), and maintaining an international forum for developing and exchanging ideas on air traffic management-related issues.

#### 4.a.i.4 Experience with facilitating airport passenger growth via route development and marketing

Aena Group has years of experience in managing a network of 69 airports globally. This means that it enjoys unique economies of scales and advantages in core competencies required to proactively develop new international routes. It has a specialized in-house industry marketing team that is focused entirely on maintaining and developing relationships with all airline carriers worldwide and continuously monitoring their performance, aircraft purchasing/leasing behavior and growth ambitions. This important know-how is gathered from long-term ongoing corporate relationships, public and specialized media and the many industry fairs and conferences held throughout the year in which Aena participates. This information is used to design and offer attractive tailor-made business cases leading directly to new routes and increasing passenger traffic.

Additionally, to support the establishment of new routes and to promote traffic increase at its airports, Aena Group has comprehensive incentive schemes that includes both discounts on airport charges and public relations' actions.

This work is reinforced through the collaboration with other stakeholders in the community including national, regional and local governments, tourism authorities, hotel and hospitality providers, chambers of commerce, and other business organizations. In several cases, this cooperation has been coordinated through the establishment of Route Development Committees in which all parties are represented. The experience of Aena in implementing and actively participating in these Committees has shown that their role is a fundamental pillar to foster airport growth.



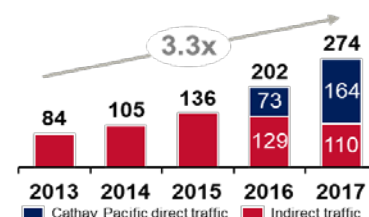
**Figure 11: Norwegian new US-Madrid routes launch**

This proactive approach to customer engagement and route development has produced solid results both in the Spanish national network and at the airports managed through Aena Internacional. During 2018, Aena Group sent more than 900 business cases to airlines to promote traffic at its airports, and held more than 440 meetings, opening over 340 new routes, 20 of which were long haul.

### RELEVANT EXAMPLES IN AIRPORT DEVELOPMENT

Aena Group has several successful histories with increases in demand and capacity at its existing airports. The growth achieved at our city airports such as Valencia (+15.2% in 2018), Bilbao (+10%) or Seville (+24.9%) are excellent recent examples.

Also, worth noting is the huge surge in traffic from Asia (where traffic has tripled in three years) thanks to the opening of new routes from Madrid to Hong Kong, Shanghai, Shenzhen, Hangzhou, Chengdu, Seoul, Tokyo and Delhi, among others. A specific case that clearly shows this success is the strategy developed by Aena to achieve the new route to Hong Kong. The Spain-Hong Kong market was analyzed in detail and then intensively promoted by Aena's marketing team due to its high potential. After multiple contacts with Cathay Pacific, during which a deep business case was developed and presented, the airline decided to launch the Madrid-Hong Kong route in June 2016 with 4 weekly frequencies. Cathay Pacific experienced the huge



**Figure 12: Aena traffic growth through active marketing**

potential of the opportunity presented, and during July 2017, it also developed a new route from Barcelona with four weekly frequencies and introduced a daily flight from Madrid to Hong Kong in 2019.

Another example of good results in terms of passenger growth that shows how Aena Internacional could significantly develop St. Louis Lambert International Airport, is the case of Seville Airport, which has experienced a 125% growth in international traffic over the past five years (from 1.4 million round-trip passengers in 2013 to 3.2 million in 2018), and has doubled the number of international destinations served (from 28 in 2013 to 56 in 2018). This was recognized by ACI Europe (2018 Award in the 5-10 million passengers' category), which cited Aena's "active policy to promote its connectivity".

To conclude, Aena Internacional's success in passenger growth in its international airports is clearly seen at London Luton Airport, which experienced a robust CAGR of 11.3% between 2013 and 2018. The growth was supported by the expansion of the infrastructure and a marketing development policy.

#### 4.a.ii. Capital improvement experience

Spain currently has one of the world's best airport networks, with sufficient capacity to reliably deal with the growth anticipated in the coming years, with outstanding conditions of quality, efficiency and accessibility. This situation has been achieved thanks to the great investment effort realized by Aena Group during the decade 2000 -2010, when more than €15 billion were invested in Spanish airports and major expansion plans for Madrid, Barcelona, Malaga and Alicante were completed. After 2010, annual maintenance and improvement investments have continued although at smaller volumes, due to the already available capacity at the largest airports and the worldwide crisis, which forced traffic down in subsequent years. In any case, the annual average investment has been around €400 million since then.



Figure 13: Largest CAPEX investments managed by Aena Group

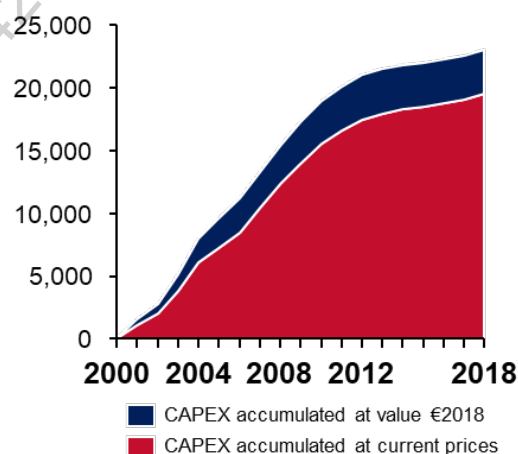


Figure 14: CAPEX accumulated (2000-2018; €mn)

Aena Group has broad experience delivering meaningful capital improvement programs on time and within budget, and this experience has guided the preparation of Spanish airport regulation, summarized in the Airport Regulation in Spain (DORA). DORA is the instrument that, over a five-year period, ensures the correct development of airport infrastructure and the adequate provision of basic airport services in the airports network of Aena, which will be ultimately responsible for airport management.

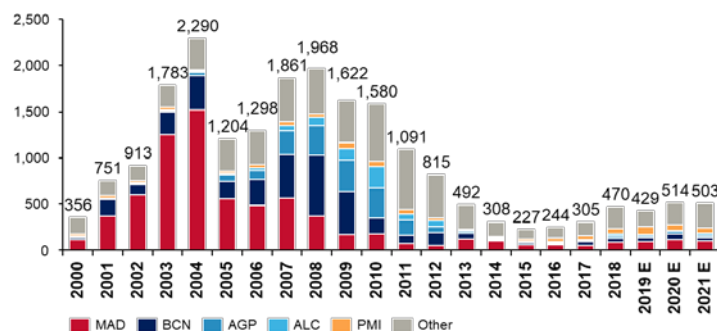


Figure 15: Real investment on Aena's Spanish network (€million) and that included on DORA Airport Regulation 2017/21

Note: Minor deviations in 2017-18, with planned investment in the DORA Airport Regulation due to the payment execution date criterion.



DORA framework sets out the conditions that bind, in terms of infrastructure capacity, investment, quality, and conditions in the provision of basic airport services. Furthermore, as an instrument for economic regulation, it establishes the direction for change in maximum annual revenue units (i.e. per passenger) that the operator is permitted, in order to ensure economic sufficiency in the service, while maintaining a continued improvement in the competitiveness of airport tariffs, increasing the attractiveness of Spanish airports and stimulating growth and thereby strengthening air transport in Spain in general. Specifically, in terms of investment, DORA sets the main works and amounts for every airport, and the performance on time is linked to quality of service KPIs and airport charges. The KPIs are constantly audited by the Spanish Supervisory Authority (AESA). A failure to comply in time would affect the airport charges, and an expenditure higher than the amount committed would be unrecoverable. Working within this framework, Aena's excellent economic performance is proof that both requirements are met consistently.

The current DORA Airport Regulation plan amounts to a total of €2,185 million in the period 2017/21, with an annual average of €437 million (Amounts refer only to Spanish airports). Investment will be focused on maintenance and conservation (€775.5 million), baggage transport (€482.8 million), security (€278.2 million), terminal building (€278.2 million), airfield (€141.4 million), intermodality and environment (€75.2 million), and air navigation (€52.9 million), emphasizing expansion works to be performed in Madrid, Palma de Mallorca and Barcelona.

ESTIMATED INVESTMENT	CAPEX	2017	2018	2019	2020	2021	Total Period	Annual average
TOTAL		365.6	373.0	429.2	514.3	503.3	2,185.4	437.1

**Figure 16: Total annual recognized investment for each year in the five-year period (2017-2021; €mn)**

The details of the six largest expansion plans undertaken by Aena in recent years, and Luton airport expansion, are specified in the appendix to chapter 8, including project name, investment amount and date, airport highlights, works nature and planned works.

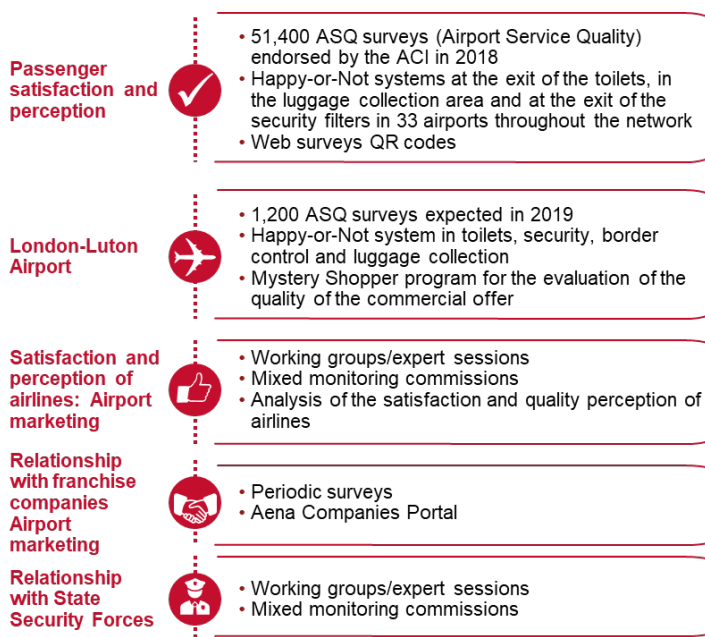
Similarly, to St. Louis Airport, Aena Group also has several airport terminals designed by renowned architects, and therefore has hands-on experience in evolving those buildings to accommodate new user needs, while respecting the intrinsic value of the architectural designs. Aena Group strongly recognizes the value of M. Yamasaki's timeless design, who also signed one of the skyscrapers of the Madrid's skyline.

#### 4.a.iii. Customer Service

Aena, as a leader in providing air transport services within a framework of quality, environmental respect and efficient management, reinforces its firm commitment to excellence in managing the services that it offers to promote the safe, efficient and sustainable growth of air transport, and to obtain lasting and outstanding results for the organization's stakeholders.

In keeping with this commitment, Aena is devoted to implementing and maintaining an Integrated Quality and Environmental Management System based on established international guidelines that result in the certification of said system in line with international, federal, state and local laws (ISO-9001 and 14001).

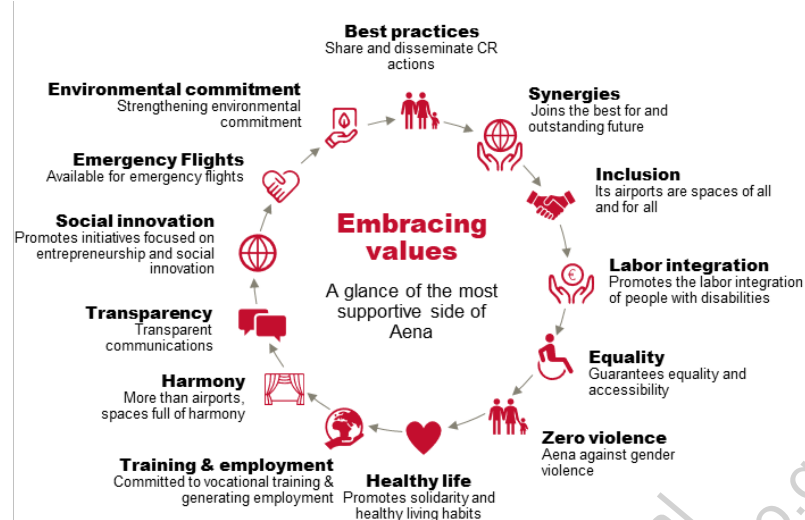
One of the principles that serve as a guide and reference for the conduct of Aena's activity is to periodically evaluate the sustainable performance of the organization and our clients' perception of us in order to achieve the constant improvement of our management and services, and to define the main areas of action based on the results obtained. This control and monitoring extend to our supply chain to be able to respond to the expectations of all users.



**Figure 17: Aena's Quality indicators from ASQ program from ACI**



Aena's Corporate Responsibility Policy establishes clear objectives to respond to the demands of its stakeholders and guarantee the stability of its actions in this area. The responsibility plan is now consolidated as one of the pillars of value creation in the company. Its main goals are:



**Figure 18: Aena's Corporate Responsibility Policy Values**

Aena Group has implemented community development strategies with respect to job and career development, with more than €2.5 million invested in training programs increasing the productivity in a 3.3% in 2018. In the field of employment, Aena provides more than direct 8,500 jobs and indirectly supports more than 450,000 jobs. In economic terms, Aena is highly committed to community development, as demonstrated by the company's payment of €2,956 million materialized into €538 million in taxes and duties, €416 million for salaries, €973 million in dividends and €1,023 million in the acquisition of goods and services in 2018.

#### 4.a.iii.1 Productive ongoing relationships with government entities (similar to the relationship with the City)

Aena, as a listed, state-owned company (51% owned by the public entity ENAIRE), focuses its stakeholder management strategy on public agencies, regional/local authorities and local communities. A principle established in the Aena's Quality Management Policy is to promote constant cooperation and partnerships with stakeholders in a way that is transparent to satisfy their needs and expectations concerning our activity.

The relationship of Aena International with the public institutions that own the concession-managed airports is fluid and productive in order to guarantee optimum economic and operational performance of the assets.

On a national level, Aena Group maintains continuous contact with Civil Aviation regulatory and supervisory authorities, air traffic services providers, etc. and collaborates with them in formal and informal fora. Within this framework, Aena Group has constant relationships with:

- Spain: Ministry of Transport, National Supervisory Agency
- Mexico: SCT (Ministry of Transport)
- Colombia: ANI (National Infrastructure Agency) and Aerocivil (Regulatory Agency and ATC/CNS Service Provider)
- UK: CAA (Regulatory Agency)
- Brazil: ANAC (National Civil Aviation Agency) and SAC (Ministry of Transport)

Additionally, in each region, Aena Group works closely with local authorities and economic and social organizations. As an example, London Luton Airport Consultative Committee (LLACC) was established as an advisory body in accordance with the Civil Aviation Act 1982. The Committee's terms of reference and purpose are to enable aerodrome operators, communities in the vicinity of the aerodrome, local authorities, local business representatives, aerodrome users and other interested parties to exchange information and ideas; to allow the concerns of interested parties to be raised and taken into account by the aerodrome operators with a genuine desire on all sides to resolve any issues that may emerge; and to complement the legal framework within which the aerodrome operates.

In Spain, since 2013, 17 Airport Coordination Committees have been constituted to guarantee the participation in airport management of national, regional and local government and the main economic and social agents as a result of the partial privatization of Aena. Their main objective is to ensure the quality of airport services and boost air traffic in the region.

The bodies represented in these committees are the Ministry of Transport (which holds the chair), local government, the regional Chamber of commerce, a representative of economic and social organizations in the region and Aena.

#### 4.a.iii.2 Excellent customer service to the travelling public

Aena continually monitors and consequently carries out actions in the terminal buildings and other common areas to improve the passenger experience at its airports and undertakes 52,000 service quality surveys per year. Special care is taken in the usual pain points of the customer journey such as security controls, cleaning services, assistance services for persons with reduced mobility (PRM) and passenger information.

The result of this effort is reflected year after year in the awards received by the airports, some of them based on passengers' surveys and/or voting.

- 2019 - London-Luton Airport has been chosen as **the fourth best airport in the United Kingdom** in the Conde Nast Travelers Readers' Choice Awards, given by the magazine's readers.
- 2019 - The Tenerife North Airport is among the 10 best in the world and the best in Spain in the **annual ranking of AirHelp Score**, the company that specializes in air passenger rights.
- 2019 - Adolfo Suárez Madrid-Barajas Airport was chosen by users as the **Best Airport in Southern Europe** at the World Airport Awards 2019, managed by Skytrax, an airport research and studies consultancy firm.
- 2019 - Alicante-Elche Airport was awarded the **Airport Service Quality Award by Airports Council International (ACI)** for service quality in the category of aerodromes with between 5 and 15 million passengers. The airports of Almeria, Girona-Costa Brava, Melilla and Zaragoza were also recognized in the category of fewer than 2 million passengers/year in Europe.
- 2018 - The online travel agency eDreams placed the **Adolfo Suárez Madrid-Barajas Airport among the ten best in the world** in its study "Best airports 2018", in which more than 50,000 travelers commented on the characteristics and services of aerodromes across the world. The people surveyed considered the Madrid-Barajas airport as the third best in the world in terms of its food and drinks establishments.
- 2018 - For the third time overall and second year in a row, Murcia-San Javier Airport obtained the **Best European Airport in the fewer than two million passengers' category** at the Airport Service Quality (ASQ) awards, which are awarded by the Airports Council International (ACI).
- 2017 - Santiago Airport was chosen as the **best European technical stopover** by the airlines Lufthansa and EasyJet, in July and September, respectively.
- 2017 - The Tenerife Sur Airport gained recognition from the **Premio Solidario ONCE Canarias (ONCE Canarias Charity Prize)**, under the Public Administration Level category, for offering an appropriate quality of service to people with reduced mobility.
- 2017 - Adolfo Suárez Madrid-Barajas Airport was chosen by users as the **Best Airport in Southern Europe** at the World Airport Awards 2017, managed by Skytrax, an airport research and studies consultancy firm. Barcelona-El Prat airport held second place in the general ranking.

#### 4.a.iii.3 Safe and efficient operating conditions to airlines

More than 160 airlines operate at airports in Aena's network with very different and varied needs. Concerning distribution of passenger traffic by type of airline company, low-cost carriers are continuing to increase their share and account for 55.4% of the total (54.3% in 2017) while the remaining 44.6% are legacy carriers (45.7% in 2017).

The degree of concentration is moderate, which implies adapting each aerodrome to flexibly dispose of its facilities so that the needs of each type of operation are met safely and efficiently. To this end, Aena strives year after year to improve procedures and services supported by the latest technologies in a way that guarantees quality levels without affecting cost.

Some of the improvements made in 2018, include the introduction of self-bag drop to enhance passenger handling efficiency for those airlines that have requested it; the completion of a bidding process for the fuel services that will

improve quality while limiting prices; and the integration of some airports with the A-CDM (Airport-Collaborative Decision Making) and Advanced Tower programs promoted by Eurocontrol (Pan European aviation organization).

On a yearly basis, Aena sends a quick questionnaire to airlines operating at each airport that includes general questions about the different areas of airport activity, with the purpose of measuring the levels of quality perceived by airlines, evaluating the results and their evolution and acting to improve the quality of service offered.

#### 4.a.iii.4 Active public relations functions targeted at travelers, taxpayers and airport tenants

The company has active two-way communication mechanisms with its stakeholders to enable dialogue, collaboration, accountability and, at the same time, help evaluate and permanently reinforce its commitment. Through these channels, Aena confirms the growing interest in the corporate responsibility initiatives it develops, consolidates its position and encourages external discussion.

The corporate website, social media, the telematics services portal, the environmental care office, electronic mail and the customer service telephone line also stand as communication channels available to the general public. Furthermore, each stakeholder group has its own specific means of communication.



Figure 19: Aena's communication channels with stakeholders

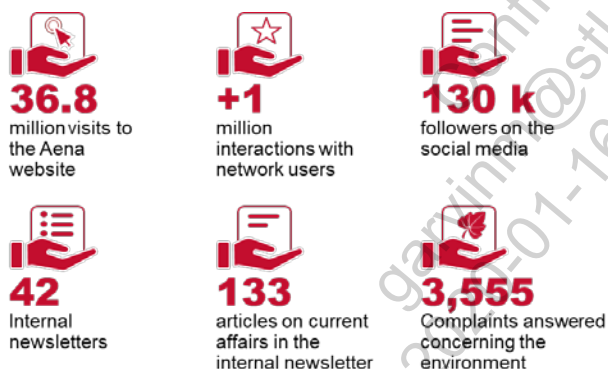


Figure 21: Aena's highlights in stakeholders' communication



Figure 20: Aena's Twitter account

#### 4.a.iv. Safety and Security

##### 4.a.iv.1 Airport safety and security management and methodologies, including TSA security plan approval process

Aena Group has demonstrated full competence and experience regarding airport operation and in particular towards maintaining the highest safety standards and security levels.

In Spain, Aena has 42 airports certified by the Spanish aeronautical authority AESA (State Air Safety Agency). This certificate guarantees compliance with the standards derived from Amendment 4 (2003) of ICAO's Annex 14, which has been transposed, both to national regulations through Royal Decree RD 862/2008, and to European regulations through CE 216/2008 and RE 139/2014.

This certification includes, among others, the following aspects:

- Airport operator competence
- Aeronautical infrastructures
- Airport procedures
- Aerodrome manual
- Safety Management System (SMS)
- Emergency plan
- Relationships and agreements with local authorities and third parties (air navigation service providers, MET, MIL, etc.)

It should be noted that strict compliance with the terms of each airport's certificate is monitored continuously through an exhaustive program of internal supervision and inspections by the aeronautical authority. As a reference, in 2018 alone a total of 76 inspections and supervisions were carried out.

On the other hand, our international airports also comply with ICAO operational standards. London Luton Airport was certified by the United Kingdom Civil Aviation Authority in May 2016. In June 2017, Cali Airport was the first aerodrome to be certified by ICAO standards in Colombia. A year later, in June 2018, Cartagena de Indias Airport was the second to achieve the certification.

In Mexico, our affiliate GAP (Grupo Aeroportuario del Pacífico) was the first operator awarded with a Safety Management Systems (SMS) certification in 2015 according to ICAO standard. Since 2017, all our 12 airports in Mexico are certified by the Ministry of Communications and Transportation through the General Directorate of Civil Aeronautics.

In relation to security procedures, Aena is fully aware of TSA security management and methodologies and, as an example, has hands-on experience in applying the Emergency Amendments (EA) and the Security Directive (SD) in many of its international airports (Madrid, Barcelona, Valencia, Tenerife Norte, Málaga, etc.). In 2018, direct two-way traffic between the U.S. and Spain amounted to 4.4 million passengers.

What is more, Aena and the TSA have an extensive cooperation record over the past years, to the extent of hosting a TSA technical office in Madrid to jointly work in security issues as well as organizing joint security audits.

Within this framework, one of the tasks carried out by Aena was the preparation of Adolfo Suárez Madrid-Barajas Airport as CBP (Customer and Border Protection). There were different meetings in Barajas with TSA and the CBP responsible to adapt the airport. This airport has been qualified as a potential CBP airport after being visited by the CBP responsible and his team since 2015.

#### 4.a.iv.2 Emergency response support

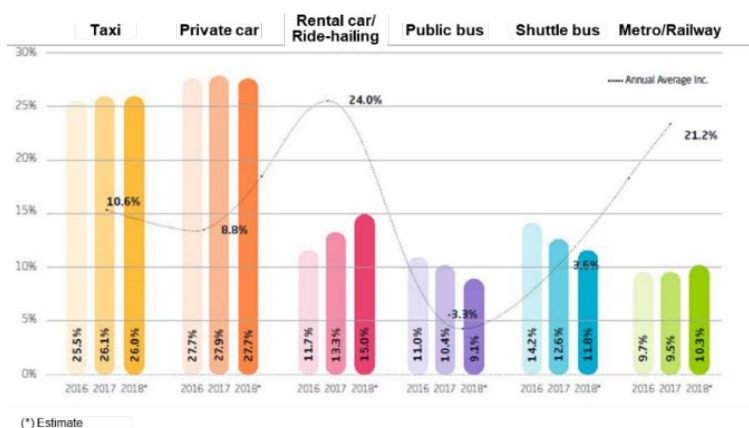
As stated earlier, Aena has a specific emergency plan for each airport. As part of the certification process, these plans need to be audited in real conditions, through mandatory emergency simulations, with the participation of local and national police, public safety authorities (hospital and rescue services), fire departments (local, regional and airport), harbor patrols, military, etc., and including airlines, airport service providers, air navigation service providers and airport personnel.

#### 4.a.iv.3 Traffic engineering standards, specifications, policies, practices, and processes

Aena Group has developed strong multi-modal transport initiatives, seamlessly integrating its airports with high-speed rail, subway, railway, shuttle bus, private cars, and rental car/ride hailing.

Due to the different kind of airports that Aena Group manages, the company has an extensive background in landside traffic engineering, including its adaptation to the different national standards. Several actions are carried out to ensure cohesion and optimize the airport's connectivity with the environment. In collaboration with other public sector administrations and institutions, and in accordance with the development policy of trans-European transport networks, Aena Group works to integrate on infrastructures with other modes of transport by improving road access, operating in tandem with the rail network and urban planning in the airport environment.

Similarly, Aena Group works on mobility plans to integrate the access and transport infrastructures of the cities (car parks, bus and taxi stop areas, etc.), with those of the airport itself and properly including new mobility solutions (ride-hailing, car sharing...). In the last two years, studies on comprehensive accessibility have been carried for the airports in Ibiza, Alicante, Tenerife North and Valencia. For this planning, periodic mobility (EMMA, for its Spanish acronym) are carried out in various airports to better understand passengers' profiles, modes of access and point of origin.



**Figure 22: Modes of transport for accessing the main airports of Spanish Network (% on exit passengers of land access)**



Also, worth mentioning are the traffic reorganization projects at our airports in Madrid, Barcelona, Palma de Mallorca, Malaga, A Coruña, Santiago and Vigo. In these projects, the main objective was to increase traffic capacity while also increasing operational safety and security levels. With these projects, Aena has hands-on experience in reorganizing traffic to properly serve the different airport users' needs in terms of access to airport facilities. As an example, Madrid Barajas T123 and T4 manage a total of more than 8,600 vehicles/hour at peak time taking into account incoming and outgoing vehicles, and Barcelona T1 and T2 manage a total of more than 7,000 vehicles/hour at peak time.

On the other hand, Spain occupies the second position in the world ranking of countries with the most high-speed railways, with over 3,100 km. Due to this fact, Aena Group has significant experience in designing its airports to seamlessly integrate with both the high-speed and conventional railway network.

Experiences worth mentioning include:

- The new Master Plan of the Barcelona-El Prat Airport guarantees the increase in the capacity of the facilities to serve up to 70 million passengers, through the consolidation the El Prat Airport and Girona-Costa Brava Airport into a single airport system, using Girona as a complementary airport. This consolidation will be possible thanks to the promotion of intermodality in order to improve access by public transport, and the interconnection of both airports. One of the pillars will be the construction of the airport's high-speed train station, thus guaranteeing its connection with Barcelona.
- Aena Internacional actively cooperates with Luton Borough Council in the London Luton Airport transformation through intermodality, with the start of the Direct Air Rail Transit (DART) link between the Airport Parkway Station and the terminal, with a state-of-the-art £225 million system. The project, scheduled to open in 2021, will provide a step-change in how passengers get to and from the airport, and is being funded and delivered by Luton Council's airport company, London Luton Airport Ltd (LLAL).

#### 4.a.iv.4 Environmental management expertise

Spain is the country with largest number of biosphere reserves, with 49 regions recognized by UNESCO, and therefore for Aena Group the environment has always been a major concern in business development and has been included in the action plans of the organization. In order to become an ecofriendly enterprise, Aena has carried out several actions in recent years, highlighting our commitment to provide the new generations with a better world.

### SUSTAINABLE COEXISTENCE WITH THE ENVIRONMENT

Harmonizing the management of our airports with respect of the environment that surrounds them is very important to us. Therefore, Aena Group applies an action model based on an Integrated Quality, Environment and Energy Efficiency Management Policy, aiming to guarantee a sustainable coexistence both with local communities and with the natural environment.

Convinced of the importance of the private sector in achieving these objectives, Aena Group has aligned our business model with the new United Nations Agenda for Sustainable Development. Aena Group contributes to achieve objectives 5, 7, 8, 11, 12, 13, 16 and 17 through specific initiatives set out in our Action Plan, which emphasizes the role of tourism in the following key areas:

**Environmental protection:** efficient use of resources and the fight against climate change. Aena works to encourage sustainable coexistence models in the areas where Aena Group operates. In addition, diverse initiatives are being carried out to reduce noise impact, improve energy efficiency, improve the use of renewable energy and monitor air quality.

**Sustainable economic growth:** To manage its relationship with the environment, Aena Group has a certification system pursuant to ISO 14001, integrated with quality management, which covers 100% of the company's activity, and has implemented a Compliance System with the objective of guaranteeing alignment with applicable regulations in environmental matters.

**Diversity and social inclusion:** Aena Group favors diversity and universal accessibility by promoting the exchange of cultural values, encouraging community participation and contributing to social welfare. In 2018, Aena received the 'Women & Aeronautics' award, granted by the magazine Fly News, for being the company with the greatest proportion of women in management positions.

Aena Group also guarantees different types of sustainable consumption, providing safe, quality services to safeguard the health and protection of all of our users and employees.

## ACOUSTIC IMPACT

Regarding monitoring systems, Aena provides monitoring information from some of its airports by means of a control system that detects, measures and compiles the noise produced by aircraft that fly over microphones installed in strategic locations in the surrounding areas. This system detects, measures and associates the noise produced by aircraft in the area surrounding Adolfo Suárez Madrid-Barajas, Alicante-Elche, Bilbao, Gran Canaria, Josep Tarradellas Barcelona-El Prat, Málaga-Costa del Sol, Palma de Mallorca, Tenerife Norte, Tenerife Sur and Valencia. The system receives information of flight plans and radar paths, correlating them with the measurements taken by the Noise Monitoring Terminals (TMR), allowing the system to evaluate the data from around the general airport system. The TMR is publicly accessible and real time. In this way, the characteristics of each sound event and all the data related to the aircraft responsible for said event are recorded: airplane identifier, position, altitude, airline, destination, etc. Noise monitoring is not limited to aircraft in flight, the noise of aircraft on land, particularly during the night, is also monitored in areas of the aircraft aprons close to towns bordering the airport.

With the aim of mitigating the effects of noise and, at the same time, respond to the concerns of interested parties, Aena Group dedicates significant efforts to the continuous improvement of the measurement, control and minimization programs of the acoustic impact in the airport environment. Sound insulation plans are being executed in housing and sensitive use buildings (education, healthcare and cultural uses requiring special protection from noise pollution) in the surrounding areas of our different airports to minimize noise for take-offs and landings, taxiing, engine testing and operations. Sound insulation plans include a broad variety of actions and include the active participation of the interested parties and of the governments nearest to the area.

## ENERGY AND CLIMATE CHANGE

As a sign of Aena's commitment to the problems generated by climate change, in 2018 Aena approved its Strategy Against Climate Change, with the main objective of achieving progressively lower CO<sub>2</sub> emissions, mainly through greater energy efficiency and the use of renewable energy source.

The measures carried out in this regard are very diverse. They include technological improvement measures in lighting and air conditioning, adapting energy consumption to the actual operation of the airport, exercising greater control of electricity consumption and fossil fuels and promoting and raising awareness among Aena personnel.

Among the actions in 2018, it is worth highlighting the project that will provide Adolfo Suárez Madrid - Barajas Airport with an energy management platform that will increase energy efficiency and reduce greenhouse gas emissions by establishing an energy baseline based on the most significant energy consumption measurements of terminals T123, T4 and T4S.

The implementation of various energy efficiency measures in airports, together with awareness raising and outreach activities, have made it possible, despite the growth of passengers and the uniqueness of the weather in 2018, for energy consumption to decrease by more than 5% compared to 2017.

In the field of renewable energy implementation, Aena has continued investing in technologies to reduce energy consumption and increase self-supply from renewable energy sources, avoiding the emission of 1,062 tons of CO<sub>2</sub> equivalent. Aena has deep experience in developing the airports' significant potential for renewable energy, due to their unique conditions and infrastructure. Thus, the challenge is to integrate the renewable energy systems that are increasingly important in energy provision. Many applications can be covered by renewable energy in airports, giving them an ever-greater degree of sustainability. Aena is actively studying the implementation, integration and development of renewable energy systems for its airports. In this regard it is worth pointing out, to date, the presence of two wind turbines in La Palma Airport, world pioneer in international civil aviation in the use of wind energy as primary energy source, and the thermal solar panels installed on the terrace of Palma de Mallorca Airport, supplying hot water to this building in summer, and in winter connected to the heating circuit that provides central heating to the terminal.

In 2019, the international organization Carbon Disclosure Project (CDP) recognized Aena for its commitment to combating climate change, after an evaluation that assessed its climate change strategy and the actions carried out in that area.

## OTHER ENVIRONMENTAL ASPECTS

Efficient resource and environmental conservation management are part of the daily management of operations and are essential pillars of operational quality.

To ensure the efficient supply of water to Aena employees, passengers and other users who transit the airport facilities every day, consumption must be rigorously controlled, linked mostly to human consumption, irrigation of green areas, cleaning, fire service and construction projects.



In airports with water scarcity, waste waters are reutilized through a purification system that makes them suitable to irrigate green areas and avoid extra consumption of water from the network.

Regarding air quality, thanks to the measurement stations located at several airports managed by Aena, air quality controls are being performed to enable compliance with the established ranges.

In the area of managing the solid waste produced at airport facilities, efforts have been focused on promoting value and the need for separation at source in the facilities, seeking the active role of employees and different concessionaires as well as users of the different airports.

Last but not least, due to the large number of airports in the Aena network, the diversity and typology of the ecosystems that can be found varies greatly. Therefore, depending on the characteristics of the area in which it is located, each airport may have different habitats that have been preserved and maintained over time. Several actions are carried out that make natural heritage conservation compatible with the airport's operations and with the functionality and development of the infrastructures.

Within the framework of operational safety, wildlife management has also been developed by Aena to make the protection of the natural heritage compatible with maintaining the safety and quality standards inherent to aeronautical operation. In this context, studies of fauna and their habitats are carried out periodically in each center, validating the results with the collaboration of local and regional authorities, together with the State Agency for Air Safety. With the aim of balancing the competition for air space between birds and aircraft, falconry has been applied at Spanish airports for more than 40 years, as one of the existing measures to prevent the risks that birds may pose to the air traffic.

All these procedures grant Aena to be a responsible enterprise, worried about our planet and committed to its future, becoming the best eco-friendly partner in airport business development.

## 5. FINANCIAL CAPABILITY

### 5.a.i. How the Respondent intends to finance this transaction

Notwithstanding that one possibility is to form a consortium and grant a minority stake to potential financial and local partners, Aena International will make an equity investment using its available resources. In the event that Aena Internacional considers that there is no need to form a consortium, our intention will be to present the offer as a sole partner, considering our capacity to generate the necessary resources internally, or if necessary, increase our debt ratios.

In principle, Aena Group has sufficient capacity to finance the transaction without debt on an all-equity basis. The cash flow from operating activities was €1,948 million during 2018, and at September 30th, 2019 the available lines add up to €1,436 million, as detailed in 5.a.ii.1. Nevertheless, in case of financing with debt, Aena can leverage on its 2.4x DEBT/EBITDA ratio, below comparable peers that average a 4.4x DEBT/EBITDA ratio, and hence showing a 2.0x potential to increase. As EBITDA for 2018 was €2,657 million, there is €5,314 million debt potential to cover this transaction by simply aligning Aena's DEBT/EBITDA ratio with that of comparable peers.

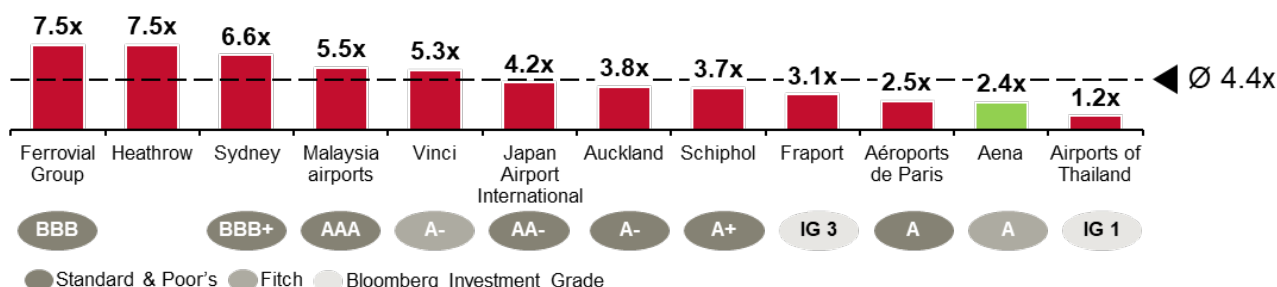


Figure 23: DEBT/EBITDA benchmark of operators (Sources: Companies' websites, CapitalIQ, Fitch, S&P, Bloomberg; 2018 data)

## 5.a.ii. Equity ownership and arrangements

Within the framework of the 2018-2021 Strategic Plan, Aena's Board of Directors approved a shareholder remuneration policy consisting of the distribution as dividends of an amount equivalent to 80% of the annual net profit of the parent company Aena, excluding extraordinary items. This policy will be applied to the distribution of profits for 2018, 2019 and 2020. However, the Board of Directors may modify these numbers if exceptional circumstances arise, in the terms detailed in the policy itself. In this context, the main outflows of financing in 2018 corresponded to the payment of dividends, the repayment of the principal of the debt in compliance with the payment schedule established under the contract, and the early repayment of the debt with DEPFA Bank. Dividends paid totaled €993.4 million, of which €975.0 million were paid to the shareholders of Aena and the rest to the minority shareholders of LLAH III (Luton Airport).

The Group operates as a diversified group, both in terms of its geographic reach and the nature of its activities.

The organizational structure of the Group with its holding companies and their significant subsidiaries as of the date of this document is summarized in the following diagram:

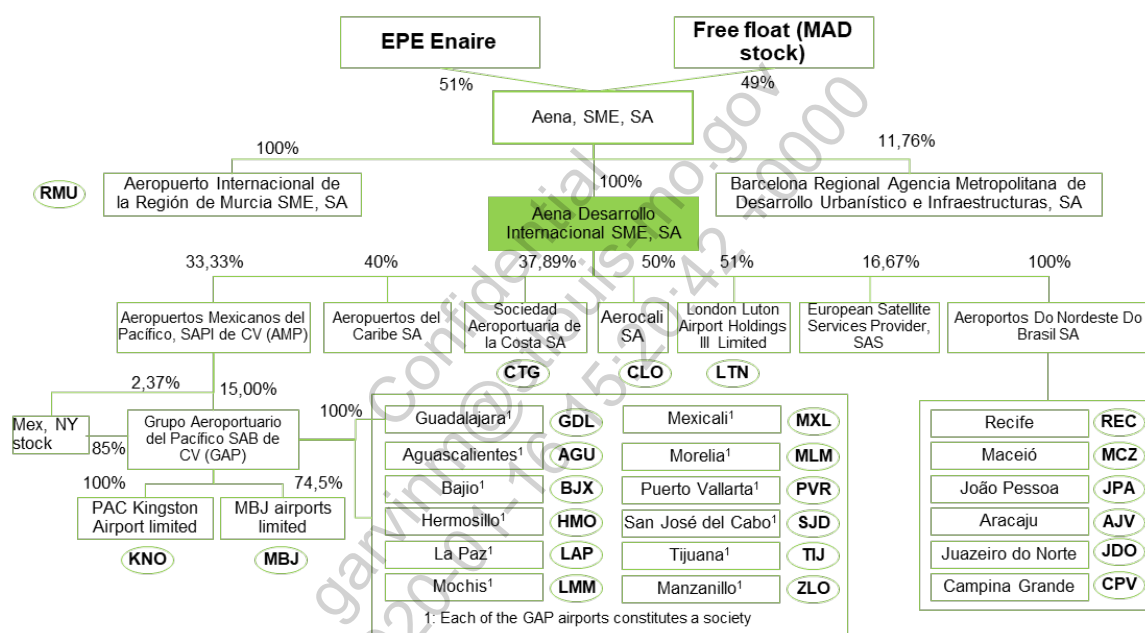


Figure 24: Aena Internacional Organization structure

### 5.a.ii.1 Adequacy and availability of liquid equity

#### CASH GENERATION

Aena's financing needs and the payment of the dividend of €975 million were covered during 2018 by cash flows from operating operations (€1,947.7 million) and by the reduction in the cash balance to €651.4 million, from the initial €855.0 million. These financial needs included the financing of the non-financial fixed asset investment program (€524.6 million), the amortization of the debt according to the established schedule (€632.0 million) and the early amortization corresponding to the debt with DEPFA Bank (€166.1 million).

CASH (€M)	9M 2019	9M 2018	% VARIATION
Net cash provided by operating activities	1,913.9	1,772.7	8,0%
Net cash used in investing activities	-873.3	-385.2	-126,7%
Net cash provided/(used) in financing activities	-1,502.7	-1,578.6	4,8%
Cash and cash equivalents at beginning of year	651.4	855.0	-23,8%
Effect of changes in exchange rates	1.6	0.1	-973,2%
Cash and cash equivalents at end of year	190.9	664.0	-71,3%

Figure 25: Summary of Consolidated Statement of Cash Flows

## AVAILABLE LINES

Aena had at September 30<sup>th</sup> available lines for a total value of €1,436 million. Aena had available a full €800 million sustainable syndicated credit facility ("ESG-linked RCF"), as well as €636 million corresponding to three loans of €150 million, €400 million and €86 million each, with dates for the end of the drawdown period being December 31, 2019, December 1, 2019 (being extended until December 31, 2021) and April 16, 2021, respectively.

### 5.a.ii.2 Debt, capitalization, and credit worthiness

#### DEBT

The consolidated net financial debt of Aena Group (calculated as current financial debt plus non-current financial debt less cash and cash equivalents) stood at €6,708.2 million at September 30, 2019 (including €445.2 million from the consolidation of Luton airport debt and €41.6 million from AIRM) compared to €6,654.1 million at December 31<sup>st</sup>, 2018, reducing the associated ratio:

	9M 2019 (€mn)	2018 (€mn)
Accounting Gross Financial Debt	6,899.03	7,306.51
Cash and cash equivalents	191.88	651.38
Accounting Net Financial Debt	6,708.15	6,654.13
Net Financial Debt / EBITDA	2,4x	2,5x

Figure 26: Aena's Net financial debt

ORIGIN (€mn)	ENTITY	Outstanding debt	Outstanding debt fixed	Outstanding debt variable	% FIXED	% VARIABLE
EBI		3,260.21	2,089.31	1,170.90	64%	36%
ICO		1,653.91	132.86	1,521.05	8%	92%
FMS		569.40		569.40		100%
ENAIRES		43.76		43.76		100%
BBVA		250.00	250.00		100%	
UNICAJA		150.00	150.00		100%	
BNP		50.00	50.00		100%	
ING		50.00	50.00		100%	
KUTXABAN K		50.00	50.00		100%	
POPULAR		50.00	50.00		100%	
BANKINTER		25.00	25.00		100%	
SABADELL		25.00	25.00		100%	
<b>TOTAL</b>		<b>6,177.27</b>	<b>5,436.00</b>	<b>741.27</b>	<b>88%</b>	<b>12%</b>

Figure 27: Detail of Aena's Net financial debt

#### CAPITALIZATION

In February 2015, Aena carried out an initial public offering whereby its main shareholder ENAIRES disposed of 49% of its share capital and the Issuer's shares were listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges

As of May 31<sup>st</sup> 2019, Aena was the second operator in the world by market capitalization with a value of €24,735 million.

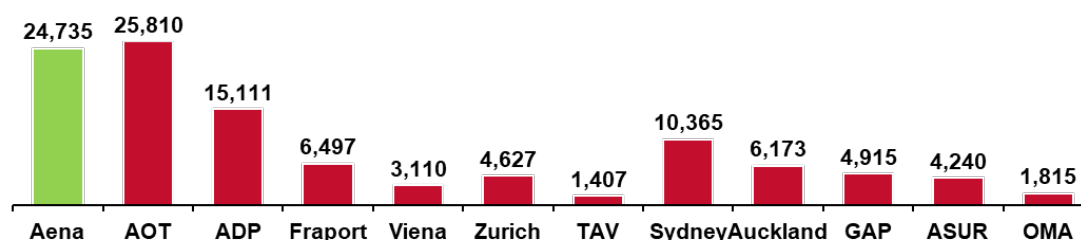


Figure 28: Airports' operators benchmark by market capitalization (€mn) (Source: Airport organization's websites at 31/05/2019)

## CREDIT WORTHINESS

Credit rating agencies Moody's Investors Service and Fitch Ratings have assigned the following Long-Term Issuer Default Rating (IDR):

DATE	AGENCY	RATING
26 July 2019	Moody's Investors Service	A3 with Stable Outlook
9 May 2019	Fitch Ratings	A with Stable Outlook

**Figure 29: Credit rating assigned to Aena (L/T)**

These ratings positively reflect Aena's strong position in the market as owners and operators of a network of airports that serve all Spain's needs; a base of diversified airlines, with a large volume of departure and arrival traffic, and international passengers; airports that have already undergone investment and have enough capacity to minimize the needs of expansion investments in the medium term; competitive rates and a high EBITDA margin that places it at the higher end of world airport operators, reflecting the Company's efficient management.

### 5.a.ii.3 Demands from other projects / investments.

Participation in these projects is usually financed through equity, although a recent example of our ability to manage financing would be the refinancing of London Luton Airport (LLA).

In 2017, LLA completed the full refinancing and upsize of existing loan facilities. The new package totals £390 million of commitments as detailed below (£485 million including shareholder's loan) and comprises one of the largest ever UK airport Private Placements to date (via 2-tranches, bullet and amortizing) and a highly customized bank package that included a 3-tranche Term Loan (two amortizing tranches and one bullet tranche with extension options) as well as an RCF.

The transaction established a platform that enables LLA to raise new debt upon a concession extension through a new-to-market concept that was carefully refined and successfully introduced to investors, prudently balancing company flexibility and lender protection. It provides for a significant tenor extension of the company's funding structure to over 10 years of Weighted Average Life, achieved in part through an extension of the existing bank deal and a mix of long-term amortizing Term Loan and Private Placement tranches that feature tailored repayment profiles and a balanced tail to concession-end.

The cost of debt was considerably reduced versus the previous debt package to an all-in weighted cost of drawn debt of around 3%, driven in part by a supportive market environment and in part by an attentive lender education process, including a targeted roadshow. The achieved pricing is attractive, and an outstanding result compared to other UK airports. In addition, the new financing structure was delivered at a highly efficient upfront cost structure. The refinancing exercise concluded a successful close-out and re-entry into new bespoke interest rate hedging, reflecting the tenor and amortizing nature of the debt structure, and achieved highly attractive rates via a competitive process. The refinancing was carried in 2017, with bank debt replaced by the following:

ORIGIN ENTITY	ENTITY	AMOUNT (£mn)
	Voya	40
	Guardian	35
	Standard Life	25
	Mutual Omaha	10
Private Placement £230 mn	Aviva	120
Term Loan £40 mn	ICO	40
Term Loan £10 mn	DBJ	10
	Avenir	10
	Mediobanca	0.1
Bank Term Loan £30 mn	CBA	20
	RBS	23
	Barclays	23
	RBC	22
RCF £80 mn	Mediobanca	12
SH Loan £94,7 mn	Aena/AMP	95
<b>TOTAL</b>		<b>485</b>

**Figure 30: Replacement of the debt with the refinancing carried out in 2017**

#### 5.a.ii.4 Track record of raising equity and debt for infrastructure projects of this size

Since 2000, Aena has obtained external financing for a total of €11,000 million, mostly devoted to projects to increase airport capacity during the decade 2000/2010. This financing was applied to major construction works such as Plan Barajas, Barcelona, Málaga or Plan Levante, as explained in 4.a.ii and detailed in the appendix chapter 8, being used to build airport infrastructures such as terminal buildings, airfields (runways, taxiways and apron), airport access by train or road, parking, ancillary services such as electric substations Power houses or water processing facilities, or impact mitigation.

Main lenders are the European Bank of Investment (EBI), the Spanish Instituto de Crédito Oficial (ICO), DEPFA Bank, FMS or BBVA. The credits signed with the European Bank of Investment are allocated to specific projects as detailed below:

PROJETCS	DATE	AMOUNT (€mn)
Adolfo Suarez Madrid Barajas	1999-2004	2,549.1
Barcelona El Prat	2005-2007	1,100.0
Málaga y Alicante	2008	750.0
Fuerteventura y Tenerife N	2009	80.0
Baleares (PMI, MAH, IBZ)	2010-2011	400.0
Gran Canaria	2011	200.0
Galicia (LCG, VGO)	2012	50.0
Safety Infrastructure	2012	172.3
<b>TOTAL</b>		<b>5,301.4</b>

**Figure 31: Project allocation of the credits signed with the European Bank of Investment**

Resources obtained from other lenders are not allocated to a specific project or airport, so their credits are part of the annual investment plan of Aena.

In addition to the previous detail, a new credit line has been approved by EBI for a new credit line for a total value of €486 million, allocated to upgrade the baggage security equipment and improving energy efficiency, reducing carbon emissions and migrating to renewable energy sources (photovoltaics, etc.).

#### 5.a.ii.5 Size of project sponsor equity requirement in relation to past financings

Regarding the size of project sponsor equity requirement in relation to past financings, in 2013, when Aena Internacional acquired TBI's stake in London Luton Airport in collaboration with Ardian (previously AXA Private Equity) for €502 million. In addition, LLAOL as the concessionaire maintains its commitment to pay Luton Borough Council an annual concession fee, as detailed in chapter 8.

Another example is the recent award to Aena Internacional of the concession of six airports in Brazil, with a total payment of €540 million (€437.5 million upfront payment and rest in equity), plus an estimated investment amount of €480 million divided between mandatory capital expenditure, non-mandatory discretionary capital expenditure, and the maintenance of infrastructure. Moreover, a variable concession fee is set as explained the Chapter 8.

## 6. CONTACTS AND ADVISORS

### 6.a. Contact person

Aena Internacional designates as its primary contact person:

Name: Iñaki Ascacibar Martínez

E-mail address: [jiascacibar@aena.es](mailto:jiascacibar@aena.es)

Phone number: +34 913212950



### 6.b. Expected advisors

Following the City's review, and Aena Internacional be selected to participate in the Post-RFQ Selection Process, it intends to appoint qualified legal, financial and technical advisors to support conducting the due diligence, as well as to assist in preparing the necessary offers. These advisors will be chosen according to Aena Internacional's internal procedures, which are based on the principles of transparency and fair competition.

Due to the scope of the project, we foresee that Aena International will make use of several advisors with specific experience in the US market, with solid professional prestige.

Currently, Aena Internacional is using the services provided by A.T. Kearney for the initial analysis of the investment opportunity.

## 7. DISCLOSURE OF CONFLICTS

### 7.a. The City, its employees and elected representatives

Aena Internacional does not have any known association, current or prior dealings, relationships, and /or existing contracts with the City of St. Louis, its employees and elected representatives.

For the sake of transparency, Aena Internacional would like to state the following:

- Squire Patton Boggs has been providing and is currently providing services to London Luton Airport, for matters unrelated to St. Louis Airport.
- Taull & Chequer Advogados, in association with Mayer Brown, has provided services to Aena Internacional for matters unrelated with St. Louis Airport.

### 7.b. Airlines operating the Airport, current lessees or individuals doing business

With regard to the airlines operating at the St. Louis Airport, Aena Internacional might have relationships with some of them, to the extent that they are or have been operating in some of the airports of the Aena group, or to the extent that they might have been contacted through our marketing processes to promote their operation in the group airport network. Notwithstanding the above, Aena Internacional does not have, nor has it had in the past, any specific discussion with any of these airlines regarding St. Louis Airport.

With regard to relationships with current lessees, individuals and suppliers of goods and services doing business or operating at the St. Louis Airport, Aena Internacional would require a detailed list to be provided in order to analyze any potential conflict. To the best of our knowledge, Aena Internacional and Aena are limiting their discussions on any matter related to the STL Transaction, as defined in the RFQ documentation, with their advisors, as referred to in 6.b, and potential partners.



## 8. COMPARABLE PROJECTS

In addition to the abovementioned comparable projects, this chapter provides details on Aena Group's comparable projects to St. Louis regarding experience in managing and improving airports similar to St. Louis, delivering material capital improvement programs, successfully leading public transactions of greater than \$1 billion, and developing airport or other infrastructure-adjacent real estate.

### 8.a. Experience in managing airports similar in scope

#### 8.a.i. Managing and improving similar commercial airports

Among all the airports operated by Aena, below are detailed those airports similar to St. Louis in terms of passengers, traffic profile or real estate development needs, introduced in the chapter 4.a.i.

- **Adolfo Suárez Madrid-Barajas Airport** is the leading airport of the Aena Group's network in terms of passenger traffic, aircraft and freight; its 57.9 million passengers account for 21.9% of the total number of passengers in the Spanish network. In 2018, the number of passengers increased by 8.4% in comparison with the same period of last year (+7.4% domestic traffic and +8.8% international traffic). In terms of aircraft movements, a total of 409,832 flights operated out of this airport, 5.7% up on the same period of 2017. Freight, which accounts for more than half of the total volume passing through the network, increased by 9.9% to 518,859 metric tons transported.
- At **Barcelona-El Prat Airport**, passenger traffic grew by 6.1% (domestic by +5.7% and international by +6.2%) to 50.2 million. There were 335,651 movements, a year-on-year increase of 3.7%, while freight maintained its significant growth trend with a 10.8% increase in volume to 172,940 metric tons (17.1% of the total freight handled in the network).
- **Málaga Airport** reached 19.0 million passengers, with an increase of 2.1% versus 2017 traffic. The airport handled 141,313 flight operations and 2,768 tons of cargo. Most of the traffic handled by the airport is from the European Union, with London Gatwick as the destination with the highest volume of passengers.
- **London Luton Airport** saw its passenger traffic increase by 5.0%. This growth reflects the active policies of Aena Internacional management in order to recover traffic. At the end of 2018, the airport had 149 destinations (6 more than the previous year). At operational level, traffic at London Luton Airport shows an increase in passengers of 5.0%, to 16.6 million which, together with the positive evolution of commercial revenue, places revenue for the period at €227.5 million, 11.1% up on the same period of 2017 (€204.9 million). In 2018, the airport celebrated its 80th anniversary and a new business record: London Luton Airport's revenues have grown in the period to £201.3 million (12.1% vs. 2017) driven by healthy commercial revenues. Aeronautical revenue grew by 8.6% measured in GBP, and commercial revenue by 15.1%. The EBITDA in GBP is up 40.2% on 2017 and has reached £73.4 million. The EBITDA margin for the period was 34.6% compared to 28.6% in 2017.

During last four years, passengers have grown to 158% (12% CAGR) and non-aeronautical revenues to 163% (13% CAGR) from 2014 figures:

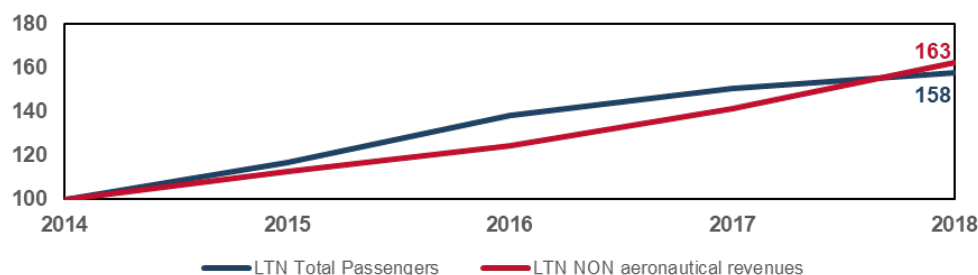


Figure 32: London Luton performance evolution (Base 100; 2014-2018)

- GAP's ("Grupo Aeroportuario del Pacífico") total passenger traffic grew by a significant 10.4% in 2018, with traffic performing particularly well at the group's main Mexican airport Guadalajara. In addition, it is worth mentioning that on 10 October 2018, GAP closed the agreement with the Jamaican Government to operate, modernize and expand the Norman Manley International Airport in the city of Kingston by signing a 25-year Concession Agreement with a possible extension of five years. With this operation, GAP now operates the two commercial airports of Jamaica (Montego Bay and Kingston), which manage and process 99% of the country's traffic.

During last four years, passengers have grown to 182% (16% CAGR) and non-aeronautical revenues to 252% (26% CAGR) from 2014 figures:

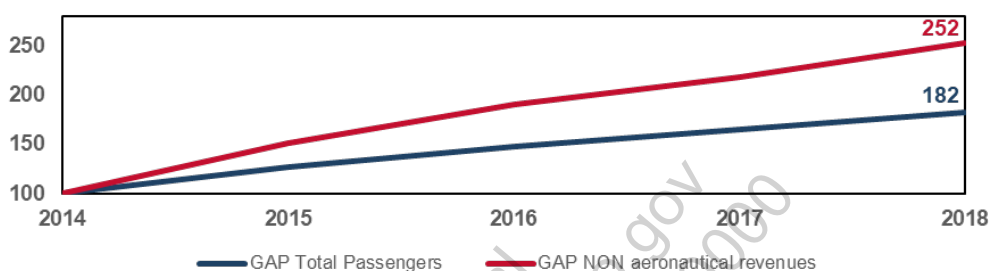


Figure 33: GAP performance evolution (Base 100; 2014-2018)

### 8.a.ii. Commercial activity and areas inside and outside the terminals

In a constant effort to adjust the offer to the level of demand, the Division of Commercial Services and Real Estate Management plans, designs, and manages the commercial areas in the terminal buildings and airport grounds. Additionally, is it responsible for planning public bidding processes to hire companies that carry out their commercial activity in the airports and provide services that are complementary to transport, such as:

- Commercial services inside the terminal: Shops, duty free, restaurants, entertainment and personal care services, business centers and VIP lounges, regulated services (lotteries, pharmacies and tobacco shops), financial services (currency exchange, cash machines, etc.), advertising, WiFi, vehicle rental, car parks, etc. Aena's network has more than 200,000 sqm of commercial surface area and more than 800 shops.
- Commercial services managed by Aena: all car parks and the majority of VIP lounges at airports are managed directly by Aena (strategies, commercialization, pricing, marketing, etc.). There are 168 car parks with over 113,000 spaces in 32 airports, and 27 VIP lounges covering more than 22,000 sqm in 17 airports designed for comfort and work (there is also the possibility of signing commercial agreements with airlines, travel agencies, tour operators and companies).
- Real Estate Management from two perspectives: renting facilities for logistical and support uses (offices and warehouses inside and outside of terminals; paved surfaces, hangars, and loading bays that support airport operations); and, on the other hand, managing facilities for other businesses outside of the terminals (gas stations and corporate aviation FBOs). There are more than 650,000 sqm of offices and warehouses, 250,000 sqm of hangars, 380,000 sqm of loading bays, 25 service stations and 5 FBOs.

Different projects were conducted every time that a new terminal building came into operation, (e.g. new area 36.000 sqm in MAD new terminal or 22.000 sqm in BCN) and the last example would be London Luton Airport and the opening of the terminal expansion and new pier including a new commercial area (new and refurbished spaces) of 11,000 sqm.

But commercial development is not only done when new spaces are built, but also an ongoing effort to improve and adapt the offer to passengers' interests. Therefore, retailers and F&B renovation, area refurbishment and reorientation of the products and services is regularly conducted at Aena's airports, as a non-stop and iterative process to always provide an attractive scenario. But this effort comprises not only the infrastructure but also an active marketing strategy, including in-situ activities focused on specific groups of interest, or digital marketing campaigns using our proprietary app to publicize and extend the use of our commercial offer.



Figure 34: Aena APP

## 8.b. Experience in delivering material capital improvement programs

Aena Group has demonstrated experience improving airports. Dealing with high annual growth rates, Aena Group has carried out numerous successful programs to increase airports' capacity. This chapter summarizes the main actions carried out in airports similar to St. Louis Lambert International Airport; detailed information can be found in the Appendix 11.a.

AIRPORT	TOTAL INVESTMENT
Adolfo Suárez Madrid Barajas	€ 6,300 mn
Barcelona El Prat	€ 3,000 mn
Málaga	€1,600 mn
Alicante	€650 mn
Gran Canaria	€ 330 mn
London – Luton	£ 160 mn

**Figure 35: Largest CAPEX investments managed by Aena Group similar to St. Louis Lambert International Airport**

- Plan Barajas** is a program carried out between 2000 and 2006 with the main goal of increasing Adolfo Suárez Madrid – Barajas Airport capacity to 70 million passengers a year. The Plan was completed with the opening of the new terminal which included the current T4 and its satellite building T4S, with a surface area of over 750,000 sqm and capacity for 35 million passengers a year, enhancing Madrid-Barajas's standing as a world hub airport. During the current five-year investment plan 2017-21, Aena expects to make an additional investment in excess of €440m, to increase apron capacity and to refurbish and modernize of the original T123 building to modernize the infrastructure with the latest technology and new operation standards.
- Barcelona – El Prat Airport's Master Plan** included a set of actions to modernize and increase the airport capacity, where the most emblematic project was the construction of the Terminal T1, conceived as the large logistical operations and services center. T1 is 500,000 sqm in size, with an investment exceeding €1,200 million and a capacity of 33 million users per year, which provides the airport with the infrastructure and capacity required to make it the definitive reference airport for the Mediterranean region.
- The Malaga Plan** was an ambitious project which included building a new terminal, T3, and a new car park, and enlarging the airfield, in response to a sharp upturn in passenger numbers, mainly due to rapidly growing tourism on the Costa del Sol. The new Terminal T3 joins the existing T1 and T2 to form a single passenger terminal area that can handle more than 9,000 passengers an hour at peak times. Opened in March 2010, its most important elements include 12 airbridges for direct boarding, 84 check-in desks, 2 desks for special baggage and 11 baggage reclaim carousels, plus one carousel for special baggage.
- Plan Levante** in Alicante Airport was carried out as part of the project to expand the capacity of tourist airports in Spain. A new Terminal Area and a parking building were built to modernize the airport, improve service quality and increase capacity up to 20 million passengers. The new terminal building, which entered into operation in March 2011, is designed with a capacity of 6,600 passengers per hour, including a processor and pier with a total area of 333,500 m².
- Palma de Mallorca** has experienced annual growth of 5.9% over the past five years. In order to meet this demand, actions have been carried out since 2007 to expand the capacity and modernize its facilities, including the expansion of the C terminal module and the construction of a new apron. Currently new works are underway to expand the terminal building, the apron and real estate development around the airport, in order to improve customer service quality.
- To deal with Gran Canaria** capacity restriction, the development of this airport was an important project, part of the Canary Island Airport Infrastructure Plan of the Ministry of Public Works, which planned an investment of €3,000 million during the period 2006-2020 to improve Aena's airport network in the Canary Islands.
- Project Curium** is the London Luton Airport expansion plan, where LLA has invested over £160 million to transform the airport and increase capacity from 12 to 18 million passengers per year. The project is aimed at improving the travel experience of its passengers. The investment was the largest project in the airport's history and included redesigning the terminal building to make it easier to navigate and opening more than 40 new shops and restaurants for passengers.

## 8.c. Successful leadership of public infrastructure transactions

Our experience participating in international tenders and operating international airports is key for our long-term vision as airport operators. In this chapter we provide a detailed description of the most recent similar transactions in both value and airport size to STL. Each of these transactions exceeded \$1 billion between upfront payment and concession annual fees.

### 8.c.i. Grupo Aeroportuario del Pacífico (GAP)

Grupo Aeroportuario del Pacífico was established in 1998 as part of the Mexican Federal Government's program for the opening of the nation's airport system to private investment. Through subsidiary companies, GAP has 12 concessions to operate, maintain and develop 12 international airports in the Central and Pacific region of Mexico. In 1999, the Federal Government promoted a public tender and sold 15% of the company to AMP (Aeropuertos Mexicanos del Pacífico, SAPI de CV), where Aena International participates with a 33,33% share. The remaining 85% of GAP's share capital consists of Series B shares, which were placed in February 2006 on the Mexican and New York Stock Exchanges. The concession will last for 50 years and includes the possibility to renew it for a similar period.

AMP paid an upfront amount of MXN 2,453.4 million (\$255 million in 1999). In addition, GAP has committed an annual fee of 5% of the total revenues for the duration of the concession, (both aeronautical and non-aeronautical), as compensation for the use of the infrastructure.

Aena Internacional has been the Airport Operator Shareholder since then, and despite the expiration of the original obligations, Aena Internacional maintains its position with the aim to transfer technology and airport management know how.

The airport portfolio includes different airport characteristics. **Guadalajara** and **Tijuana** serve two important metropolitan areas. Guadalajara is the second largest city in Mexico, with a population of more than 5 million people. Tijuana is the fifth largest city in Mexico, with a population of 1.6 million, located next to the border between Mexico and the United States of America, being a habitual destination for Mexicans traveling to or returning from the USA. Four airports, **Puerto Vallarta**, **Los Cabos**, **La Paz** and **Manzanillo** are located in very popular tourist destinations, and the remaining six serve medium-sized cities with various economic or agricultural activities. They are **Hermosillo**, **León-Guanajuato**, **Morelia**, **Aguascalientes**, **Mexicali** and **Los Mochis**. **Montego Bay** Airport was added in 2015 to the airports managed by GAP, and **Kingston** Airport in 2019, both located in Jamaica.

Today, GAP is the largest private airport operator in Mexico, with 44.9 million passengers in 2018, 1,337 employees, revenues of MXN 12.7 billion and EBITDA of MXN 8.8 billion (69% margin), and a clear vision for continuous improvement during the coming years.

AIRPORT (1/2)	Mpax 2018	% VARIATION	AIRPORT (2/2)	Mpax 2018	% VARIATION
Guadalajara	14.35	12.1%	Mexicali	1.14	41.6%
Tijuana	7.84	10.3%	La Paz	0.93	9.2%
Los Cabos	5.25	6.9%	Aguascalientes	0.87	15.2%
Puerto Vallarta	4.77	5.4%	Morelia	0.73	17.9%
Montego Bay	4.48	6.1%	Los Mochis	0.35	-1.1%
Guanajuato	2.34	19.6%	Manzanillo	0.17	-5.2%
Hermosillo	1.74	7.1%			
<b>TOTAL</b>	<b>44.96</b>	<b>10.4%</b>			

Figure 36: GAP airports (MPax; 2017-2018)

### 8.c.ii. London Luton Airport (LLA)

Aena Internacional has been present with a minority stake as a shareholder of the concessionaire of London Luton Airport (LLA) since 2005, after the purchase of the British operator TBI. In 2013 it participated in the purchase of the 100% of the concessionaire of LLA, becoming now the controlling shareholder with 51% of the capital.

LLAOL as the concessionaire maintains its commitment to pay Luton Borough Council an annual concession, which has been over £40 million during last years, and complete the investment plan of £160 million to increase airport capacity up to 18 MPax.

London Luton Airport is located 45 km north of London, and with over 16.6 million passengers passing through the airport in 2018, it's the fifth busiest airport in the UK. The airport serves as a base for EasyJet, and Wizz Air is the second airline by passenger numbers. Most of the traffic and routes served are within Europe.

Over the past five years, LLA has seen a sustainable growth in passengers (CAGR 2013/18 over 10%), capacity (new terminal 20.000 sqm), service quality and commercial offer (48 new shops and restaurants). Improving the environment and social programs are conducted regularly on a yearly basis to integrate the airport community, in its aim to collaborate with the economic and social development of the city of Luton.

### 8.c.iii. Northeast Brazil Airport Group

The last incorporation of airports to Aena Group portfolio are the six airports in the Northeast Brazil bundle that was tendered for a term of 30 years with the possibility of another five by the Brazilian Government in March 2019. **Recife, Maceió, Aracajú, Campina Grande, João Pessoa and Juazeiro do Norte** airports account for 6.5% of traffic in Brazil, with a total of 13 million passengers. Specifically, Recife airport is eighth in Brazil by total passenger traffic and fifth by international passenger traffic.

The price of the award comes to 1,900 million Brazilian Reals, approximately €437.5 million, and is the outcome of the public auction conducted on March 15th, on the Sao Paulo stock exchange. The concession is BOT (Build, Operate and Transfer), does not include ATC (Air Traffic Control) services and follows a Dual-Till model, in which aeronautical revenues are regulated (the maximum income per passenger for airports with more than one million passengers is approximately €8 and the maximum income is established based on an agreement with the airlines for the rest of the airports) and commercial activity is not regulated.

In the tender specifications, the National Civil Aviation Agency (ANAC) estimated an investment amount of 2,153 million Brazilian Real (equivalent to €480 million) divided between mandatory capital expenditure aimed at bringing infrastructure up to standard for the traffic, non-mandatory discretionary capital expenditure, mainly aimed at commercial areas, and the maintenance of infrastructure, runways and equipment. Additional investment to increase airport capacity could be necessary in the future in accordance with the requirements of the demand.

The variable financial consideration is set at 8.16% of gross income, with an initial five-year grace period and five years of a progressive rate, which would begin in 2025 at 1.63% and gradually increase to 3.26% in 2026, 4.90% in 2027 and 6.53% in 2028, reaching the 8.16% contractual rate applicable in 2029 and subsequent years.

Aena Internacional has completed all the administrative procedures required to formalize the concession and begin the transition period envisaged in the bidding documents. Thus, Northeast airports will begin to be managed at the beginning of 2020 by the concession company Aeroportos do Nordeste do Brasil, SA, that has been set up for this purpose, and that is entirely owned by Aena Internacional as a sole shareholder.



## 8.d. Experience in developing real estate for airport and nonairport purposes

Notwithstanding that Real Estate development has been performed continuously at Aena's airports even since operations began, specific plans for Madrid and Barcelona have been prepared to analyze the opportunities and maximize the efficiency of the available space. Other plans for smaller airports are currently in progress.

### 8.d.i. Real Estate Master Plan Madrid-Barajas Airport

Madrid airport is located 15 km Northwest from Madrid city center, on a convenient location easily accessible by road or light rail. To take advantage of available area around the aeronautical infrastructures, a Master Plan was prepared to guide the future development toward a new airport city.

A detailed summary can be found in appendix 11.b., but the main figures include a cumulative gross floor area development of 2.7 million sqm with an investment of €3.0 billion, to be completed in three stages over the next 40 years.



Figure 37: Madrid Real Estate Master Plan

### 8.d.ii. Real Estate Master Plan Barcelona-El Prat Airport

The second Spanish airport by volume, Barcelona, also enjoys a convenient location due to its proximity to the center of the city, easy connections and a highly dynamic environment with an important industrial presence focused on innovation.

Close to the sea, the Barcelona Airport project contemplates the integration of the airport with an environment of great natural wealth that must be preserved and while seeking for new opportunities to take advantage for the enjoyment of the people. Key points of this work focus on digitalization, ecommerce and sustainable business development.

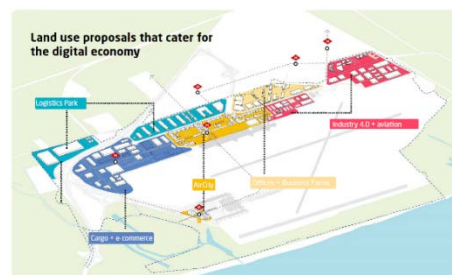


Figure 38: Barcelona Real Estate Master

A detailed summary can be found in Appendix 11.b., but the main figures include a cumulative gross floor area development of 1.8 million sqm with an investment of €1,3 billion, to be completed in three stages over the next 20 years.

In 2018, the European Council of Spatial Planners recognized the Barcelona-El Prat airport's Master Property Development Plan with a special mention at the 12th edition of the European Urban and Regional Planning Awards.



## **9. ACKNOWLEDGMENTS, CONFIRMATION, AND ATTESTATION**

### **9.a. Acknowledgement of the City's priorities**

Aena Internacional hereby confirms its acknowledgement of the City's priorities, as defined in the following document:

Request for Qualifications

St. Louis Lambert International Airport

Public-Private Partnership

Dated October 4, 2019.

### **9.b. Acknowledgement of Additional Requirements**

Aena Internacional hereby confirms its acknowledgement of Additional Requirements, as defined in 9.b. in the following document:

Request for Qualifications

St. Louis Lambert International Airport

Public-Private Partnership

Dated October 4, 2019.

### **9.c. Confirmations and Attestations**

#### **9.c.i. Lenders**

Aena Internacional hereby confirms the lenders requirement as defined in 9.c.i in the following document:

Request for Qualifications

St. Louis Lambert International Airport

Public-Private Partnership

Dated October 4, 2019.

#### **9.c.ii. Certification of Conflict of Interest**

Please refer to Appendix A

## 10. CLAIMS

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



## 11. APPENDICES

### 11.a. Appendix A: Conflict of interest policy

#### APPENDIX A: CONFLICT OF INTEREST POLICY

As part of responding to a Request for Qualifications ("RFQ") and a Request for Proposal ("RFP") for a Transaction, each Respondent must certify in writing that the Respondent:

- 1) Has not retained after October 2, 2019, nor will it retain at any time during which this prohibition is effective, any City Advisor in connection with a possible Transaction.
- 2) Has not hired or retained after October 2, 2019, nor will it hire or retain at any time during which this prohibition is effective, in connection with a possible Transaction:
  - i. Any of the individuals who have been employed or retained by or through any of the City Advisors;
  - ii. Any member, shareholder, or partner in any of the City Advisors; or
  - iii. Any principal representative of an Organization;

Where such individual was doing such work on or after June 13, 2018, unless:

- a. Such hiring or retention is disclosed to the City; and
- b. The individual that is hired or retained is isolated from the Respondent's activities by an appropriate screen (i.e., the individual does not work on the Respondent's activities in connection with, or have access to information concerning, any Transaction).

All of these prohibitions terminate at the earliest of (1) a Respondent not being selected to proceed to the RFP stage; (2) a Respondent not submitting a response to the RFP and terminating its pursuit of a Transaction; (3) the City rejecting Respondent's RFP response or terminating negotiations with a Respondent; (4) a termination by the City of the pursuit of a Transaction; or (5) the closing of a Transaction.

For purposes of this policy:

- 1) "Transaction" means a Transaction as defined pursuant to Section 1.a.ii. of the Consultant Agreement dated June 13, 2018, between the City of St. Louis, Moelis & Company, LLC, McKenna & Associates, LLC, and Grow Missouri, Inc.
- 2) "Respondent" means any (i) joint venture or entity responding to an RFQ or RFP, (ii) joint venturer, partner, or member of a joint venture or entity described in clause (i), or (iii) advisor, consultant, agent, or representative retained by a joint venture or entity described in clause (i) to perform material or professional work in connection with a possible Transaction.
- 3) "City Advisor" means any entity and the principal representatives of each entity that have advised the City on a Transaction. The initial list of City Advisors and principal representatives is provided in Section VI of the RFQ.
- 4) "Organization" means any entity which has directly or indirectly provided material professional services to the City or a City Advisor in connection with a possible Transaction in the fields of law, accounting, taxation, engineering, architecture, finance, environmental services, or management.





Respondents (and potential Respondents) are encouraged to seek written guidance from the City Counselor's Office as to whether specific circumstances could present conflicts of interest, including before submitting any response to an RFQ or RFP. The City, acting through the City Counselor's Office in consultation with and with the approval of the Working Group, reserves the right to make determinations on a case-by-case basis.

Any Respondent who fails to certify or violates the terms of any certification, shall be subject to adverse consequences, including but not limited to a determination that such Respondent's response to a RFQ and/or RFP is nonresponsive or a rejection of such Respondent's responses to a RFQ and/or a RFP.

The City places a high priority on the integrity of any bidding process and avoiding the occurrence or appearance of conflicts of interest. The City expects any Respondent to be compliant with any and all laws pertaining to conflicts of interest particularly as they may relate to current or former officials or employees; this includes but is not limited to Section 105.454 RS Mo. which prohibits acts by certain elected and appointed public officials and employees and particularly paragraph 6 of section 1 of said section which states a prohibition to "Perform any service for any consideration for any person, firm or corporation after termination of his or her office of employment in relation to any case, decision, proceeding or application with respect to which he or she was directly concerned or in which he or she personally participated during the period of his or her service or employment."

## ATTESTATION

On behalf of Aena Desarrollo Internacional S.M.E., S.A., I hereby certify and attest that Aena Desarrollo Internacional S.M.E., S.A. has reviewed this Conflict of Interest Policy - Respondent's Side, understands all the terms contained herein and agrees to comply with the terms and conditions herein.

By: Aena Desarrollo Internacional S.M.E., S.A.

Date: October 29<sup>th</sup> 2019

Name: María José Cuenda Chamorro

Position: Chief Executive Officer





## 11.b. Appendix B: Detail of experience in delivering material capital improvement programs

Expansion of Adolfo Suárez Madrid – Barajas airport with a total investment of €6,300 million (1995-2006)	
<b>Airport Characterization</b>	
<p>Adolfo Suárez Madrid-Barajas Airport plays a very important role in the economies of Madrid and Spain as a whole, since it drives the regional economy and fosters business growth and tourism.</p> <p>The new expansion projects have consolidated Adolfo Suárez Madrid-Barajas as a "hub" airport where airlines can increase connectivity between Latin American, domestic and European markets.</p> <p>The airport is now a symbol of modernity and progress and has consolidated its leading position among world airports, being the fifth in Europe in number of passengers. Its innovative and attractive facilities, equipped with the latest technology to offer passengers greater mobility, efficiency and speed, with modern baggage handling systems, shopping areas and a greater number of flights make Madrid one of the airport capitals of the 21st century.</p> <p>In 2018 it handled 57,891,340 passengers, about 158,000 a day, 409,832 flight operations and 518,859 tons of cargo.</p>	
<b>Relevant investments</b>	
<p>In 2000, to increase the airport's capacity to 70 million passengers a year, the so-called Plan Barajas was put into effect.</p> <p>Two new runways, parallel to the existing ones and available for independent operation, and a new control tower were constructed. A complete rearrangement of the airside was designed, with new taxiways and ancillary service to raise the capacity up to 120 flights per hour.</p>	
<p>The whole project was completed on 4 February 2006 with the opening of the new terminal which included the current T4 and its satellite building T4S, with a surface area of over 750,000 m<sup>2</sup> and capacity for 35 million passengers a year, enhancing Madrid-Barajas's standing as a world hub airport.</p> <p>The new infrastructure was designed to operate 174 check-in counters and 86 boarding gates with 64 boarding bridges. A service tunnel under the runways connects the terminal and the satellite buildings, to facilitate the movement of passengers with an Automated People Mover, baggage and supply vehicles run through this tunnel.</p> <p>To deal with the ever-increasing demand in Madrid Airport, the current five-year investment plan 2017-21 it contemplates an additional investment of more than €440m to increase apron capacity and refurbish the original T123 building to modernize its infrastructure with the latest technology and implement new operation standards. This plan will continue to transform the airport by applying an innovative concept that aims to turn its facilities into a sustainable airport city and a large hub for southern Europe.</p> <p>In parallel, an ambitious real estate Master Plan has been designed and presented to stakeholders, to develop airport city facilities around Madrid-Barajas airport. It is located in a strategic location, integrated in and connected with Madrid, next to the main economic activity corridors. The plan includes 562 hectares in new land developed and a €2,997 million investment distributed between aeronautical activities, logistics hub, airport city, leisure and retail center and additional uses.</p>	



## Expansion of Josep Tarradellas Barcelona – El Prat airport with a total investment of €3,000 million (2004-2009)

### Airport Characterization

Josep Tarradellas Barcelona-El Prat Airport is now consolidated as a strategic point of reference in the Euro-Mediterranean airspace. Having modernized its facilities, Barcelona-El Prat can offer quality services for passengers and an airfield worthy of a top-level airport, suitable for use by large commercial planes.

The increase in passenger traffic at the airport is an accurate indicator of the advances made over the last decade. Passenger numbers have gone from 11,727,814 in 1995 to 50,172,457 in 2018, 6.1% more than the previous year and one of the highest average growth rates among Europe's leading airports, as well as 335,651 operations and 172,940 tons of cargo.

The construction and introduction of the third runway in September 2004 and the extension of the primary runway were decisive steps to increase the airport's capacity, and it can now handle 90 operations an hour.



### Relevant investments



The Master Plan included the coordination of more than 100 projects, with a set of actions to modernize and increase airport capacity, where the most emblematic project was the construction of Terminal T1, located between runways. A singular building of great architectural value, it was conceived as a large logistical operations and services center. It came into operation in June 2009. T1 is 500,000 sqm in size, with an investment exceeding €1,200 million, and a capacity of 33 million users per year, thus providing the airport with the infrastructure and capacity required to make it the

definitive reference airport for the Mediterranean region. T1 has 101 boarding gates, 166 check-in desks, 12,000 parking spaces and more than 20,000 sqm of shopping areas, making this terminal a real city within a city.

Work on this building was followed by the remodeling of Terminal T2 and the expansion and remodeling of the shopping areas in both terminals. New shops, new concepts, and new brands were introduced to adapt the offer to the passengers who use the airport facilities.

The new airfield was operated in September 2004 and brought the third runway, parallel to the main runway, into service. This new infrastructure is equipped with the runway lighting facilities of maximum category.

This plan will continue to transform the airport by applying an innovative concept that aims to turn its facilities into a sustainable airport city and a large air traffic distribution center for southern Europe.

Other projects included in the Master Plan are the urbanization of over 300 hectares as a service area for the industrial and commercial development of the airport; the creation of a 90-hectare aeronautic park for installing maintenance hangars; and the construction of a city with office buildings and hotels, totaling an investment of €1,260 million.

## Expansion of Málaga - Costa del Sol airport with a total investment of €1,600 million (2004-2011)

### Airport Characterization

Malaga-Costa del Sol Airport is located 8 km from the city center with excellent connections to the entire Costa del Sol. Most of the traffic handled by the airport is from the European Union.

In 2018, it handled 19,021,704 passengers, 141,313 flight operations and 2,768 tons of cargo.



### Relevant investments

The Malaga Plan was an ambitious project that included building a new terminal and a new car park, and enlarging the airfield, in response to a sharp upturn in passenger numbers, mainly due to rapidly growing tourism on the Costa del Sol.



The new Terminal T3 joins the existing T1 and T2 to form a single passenger terminal area that can handle more than 9,000 passengers an hour at peak times. Opened in March 2010, its most important elements include 12 airbridges for direct boarding, 84 check-in desks, 2 desks for special baggage and 11 baggage reclaim carousels, plus one carousel for special baggage.

Attached to the new terminal area, there is a car park with capacity for more than 2,500 vehicles, and a bus parking lot in the basement of Terminal T3 for 50 buses; and a new railway station was also built to link the airport to the Málaga-Fuengirola line.

The new airfield consists of a 3,090-meters maximum length runway for take-offs; a parallel taxiway; four rapid exit taxiways; and more than 150,000 sqm of aircraft parking, enabling a total of 125 positions.

Expansion of Alicante - Elche airport with a total investment of €650 million (2004-2011)

Airport Characterization

Alicante-Elche Airport is situated 9 kilometers southwest of Alicante, in the municipality of Elche, in one of the most dynamic, up-and-coming business and economic zones on the Mediterranean coast. The essential role played by tourism is reflected in the percentage of international passenger flights that this airport handles, and which make up around 90 percent of the total.



In 2018, Alicante-Elche Airport handled 13,981,320 passengers, 96,734 flight operations and 4,013 tons of cargo.

Relevant investments



As part of the project to expand the capacity of tourist airports in Spain, Plan Levante carried out important works at the airports of Alicante and Valencia. Specifically, in Alicante, a New Terminal Area was built to modernize the airport, improve service quality and increase capacity up to 20 million passengers. The new terminal building, which entered into operation in March 2011, is designed to handle 6,600 passengers per hour, including a processor and pier with a total area of 333,500 sqm.

In parallel, a parking garage was built with an area of 122,500 m² and capacity for 4,200 vehicles. The apron was also expanded, increasing parking spaces to 46 with 15 contact positions and the extension of the taxiways to reach an airside capacity of 39 movements per hour.

## Expansion of Palma de Mallorca Airport with a total investment of €500 million (2007-2019)

### Airport Characterization

Palma de Mallorca is an island airport, handling mostly tourist and intra-European traffic. Airport traffic is primarily international and reaches its greatest during the summer season.

Over the past five years, Palma Airport passenger traffic has grown at an average annual rate of 5.9%. To meet this demand, a series of actions have been carried out since 2007 to expand the capacity and modernize its facilities, including the expansion of the C terminal module and the construction of a new apron. The refurbishing and rearrangement of the arrivals hall was also carried out to improve the flow of passengers and expand the commercial areas. As a result of these actions, the airport currently is able to handle 12,300 passengers and 79 movements per hour.



In 2018, Palma de Mallorca Airport closed the year with a total of 29,081,787 passengers, 220,329 operations and 10,018 tons of cargo

### Relevant investments



Throughout this period, several remodeling and airfield adaptation projects have been carried out, such as the reconstruction of aprons B and C to accommodate 97 aircraft parking positions, 35 of them with airbridges, the regeneration of the pavement of both runways, as well as several actions in the connecting corridor, to improve the operation and safety in the movement area and providing a higher level of service for airlines and passengers.

Additional works are currently underway to expand the terminal building, the apron and real estate development around the airport, in order to increase passenger comfort and quality of service, with an expected investment of €300 million over the next five years.



## Expansion of Gran Canaria Airport with a total investment of €330 million (2006-2014)

### Airport Characterization

Gran Canaria Airport, located on the coast of Grand Canary Island, is the gateway for the millions of tourists who visit the island every year.

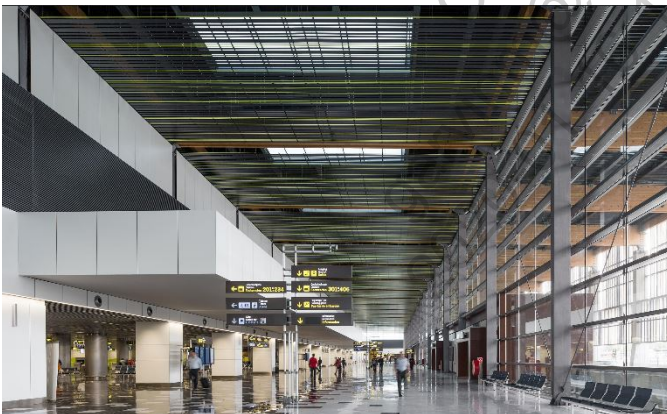
Thanks to its ideal weather conditions, Gran Canaria Airport has excellent operating conditions and is open 24 hours a day every day of the year. This represents a guarantee for the airline companies, which can carry out their operations without the problems arising from adverse weather conditions.

In 2018, the airport handled 13,573,304 passengers, 131,027 flight operations and 19,174 tons of cargo.



### Relevant investments

In 1980 the second runway was opened, which made it possible to significantly increase passenger traffic, which then caused the terminal building, dated from 1973, to become progressively congested. To deal with the capacity restriction, the development of Gran Canaria Airport was an important project, part of the Canary Island Airport Infrastructure Plan of the Ministry of Public Works, which plans an investment of €3,000 million during the period 2006-2020 in improving Aena's airport network in the Canary Islands.



The refurbishment of the terminal building included an extension of the check-in, arrivals and departures gates, for a total area of 163.000 sqm and 14 boarding airbridges, with a total capacity of 7.750 passengers per hour. The new terminal has a functional, sustainable design that guarantees efficient resource management and ensures that the building blends in with its surroundings. The expansion significantly increases the airport's capacity, enabling it to cater to more than 15 million passengers a year.

Apron and aircraft stands were also rearranged to fit with the new infrastructure, as well as the access roads leading to the airport and the car park, with additional capacity for 750 cars and 32 buses.



Expansion of London Luton Airport (51% Aena Desarrollo Internacional SME, S.A. 49% AMP Capital) with a total investment of £160 million (2015-2020)

## Airport Characterization

In 1998, London Luton Airport Operations Limited (LLAOL) entered into a Concession Agreement for the management, operation and development of the airport with the local authority - Luton Borough Council (LBC). Aena Desarrollo Internacional SME, S.A. until then with a minority stake, became main shareholder of the concessionaire in September 2014. The concession agreement lasts until 2031 and LLAOL are wholly responsible for the airport during this time.

Luton is the fourth airport in London area, and the fifth in the UK. It's the base of EasyJet, which contributes 44% to the operation, and Wizz Air is the second operator (38%). Due to the lack of airport capacity, and future congestion in Heathrow and Gatwick airports, Luton will be an important player in air traffic growth for the coming years.

During 2018 it handled 16,581,850 passengers, 136,270 flight operations and 27,096 tons of cargo



## Relevant investments

LLA has invested over £160 million to transform the airport and increase capacity to 18 million passengers per year by 2020. The expansion plan, known as Project Curium, affects every area of the airport infrastructure, except the runway, acting on land side works (access and internal road network, Multi store parking garage with 1,700 spaces, new drop-off area, bus interchange and taxi rank), terminal building (expansion (20,000 sqm) and renovation of existing areas (10,000 sqm), including a complete redesign of the terminal, bringing in 12 new boarding gates and more than 40 new shops and restaurants), and air side works (increase 20% capacity on apron (12 new aircraft parking stands), and two new taxiways).



The ambitious transformation project aimed at improving the travel experience of its passengers. The investment is the largest project in the airport's history and includes redesigning the terminal building to make it easier to navigate and opening more than 40 new shops and restaurants for passengers.

As a result of these works and the relentless focus on quality of service, London Luton Airport (LLA) has been named among the UK's best airports in the 2019 Conde Nast Traveller Readers' Choice Awards.

Surface access is being improved through the construction of a new Direct Air-Rail Transit (DART) system, which is being delivered by Luton Borough Council and will replace the current shuttle bus between Luton Airport Parkway Station and the terminal building. Once in operation, the DART will be capable of operating 24 hours a day, seven days a week, and will significantly reduce the journey time from central London to the airport terminal to about 30 minutes, using the fastest train from St Pancras International.

## 11.c. Appendix C: Detail of experience in developing real estate

### Real Estate Plan – Adolfo Suárez Madrid – Barajas Airport (2017)

Adolfo Suárez Madrid – Barajas is the landmark airport of Aena's Spanish network and the leading one in terms of traffic, aircraft and freight. With 59.0 million of passengers in 2018 it represents a 21.9% of the total number of passengers. In terms of aircraft movements, a total of 409,832 flights operated out of this airport, 5.7% up on the same period of 2017. Freight, which accounts for more than half of the total volume passing through the network, increased by 9.9% to 518,859 metric tons transported.



The airport has a strategic location in Madrid, a cosmopolitan city and the economic capital of southern Europe. When the Master Plan was developed, the airport accounted in a 9.3% of the GDP in Spain's capital region, becoming a key enabler of economic activity of the city.

The airport is completely integrated and connected with Madrid, next to the main economic activity corridors in the city, making it a unique metropolitan development opportunity for Madrid.

The Master Plan is based on three development areas: logistics center, passenger service and global business hub; and is designed on accordance with principles of sustainability and innovation criteria.

Madrid airport overview of land had 920 hectares of marketable land, 562 hectares of gross developed land, 2.7 million sqm gross floor area and 140 hectares of green areas. A total of €2,997 million were invested in the Master Plan, with four main proposed uses:

- Aeronautical activities**, making sure the airport remains a leading airport maintenance center.
- Logistics hub**, developing the largest logistics hub in Spain with direct access to the main communication routes.
- Airport city**, turning the airport into the main global hub for business development thanks to an innovative and sustainable urban design.
- Leisure and retail center**, becoming a hotspot for Madrid and its airport.

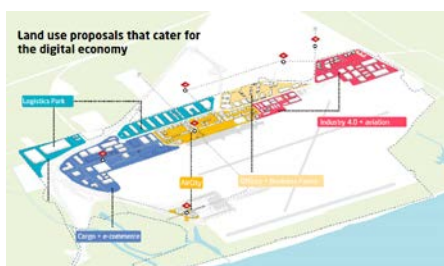


Work under the Master Plan has begun in 2019 and will cover a period of 40 years, divided in three stages:

0	8 years	16 years	40 years
Stage 1	Stage 2	Stage 3	
<b>Launch</b>	<b>Development</b>	<b>Consolidation</b>	
€ 953 million Initial investment	€1,692 million Cumulative investment	€ 2,997 million Cumulative investment	
557,000 m <sup>2</sup> Initial gross floor area	1,478,000 m <sup>2</sup> Cumulative gross floor area	2,680,000 m <sup>2</sup> Cumulative gross floor area	
Upgrading current entrances	Enabling additional development	Upgrading and improving the land	

## Real Estate Plan – Barcelona – El Prat Airport (2017)

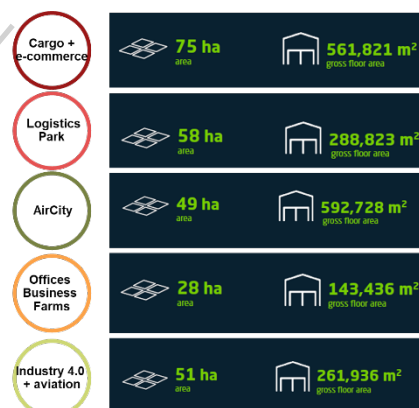
Barcelona-El Prat Airport reached a passenger traffic of 50.2 million in 2018, up 6.1% over 2017. There were 335,651 movements, a year-on-year increase of 3.7%, while freight maintained its significant growth trend with a 10.8% increase in volume to 172,940 metric tons (17.1% of the total freight handled in the network).



The Master Plan is designed and developed within a regional opportunity framework for the creation of facilities, digital economy services, manufacturing and outreach complexes. The airport land at is conformed of 1,553.54 hectares of airport land, 543 hectares of unoccupied land, 215 hectares of land set aside for environmental assets and 328 hectares of marketable land.

A total of €1.26 billion will be invested in the Master Plan from vision to implementation, with five main land use proposals that cater for the digital economy:

- **Cargo + ecommerce**, creating the conditions for implementing European business and e-commerce eco-systems
- **Logistics Park**, designed to be a model of environmental sustainability
- **AirCity**, reinventing the terminal's landside
- **Offices and Business Farms** with quality of life and wellbeing at the core of the design
- **Industry 4.0 + aviation**, technological platform (research + manufacturing + marketing)



Construction under the Barcelona Master Plan has begun in 2019 and covers a 20-year period, divided into three stages:

0			5 years			10 years			20 years		
Stage 1			Stage 2			Stage 3					
<b>Launch</b>			<b>Development</b>			<b>Consolidation</b>					
€ 386 million Initial investment			€708 million Cumulative investment			€ 1.26 billion Cumulative investment					
726,000 m <sup>2</sup> Initial gross floor area			1,245,185 m <sup>2</sup> Cumulative gross floor area			1,848,744 m <sup>2</sup> Cumulative gross floor area					
Improving public transport			Improving utility infrastructures			Improving accesses and getting ready for autonomous mobility					