



General Shareholders' Meeting

Aena's chairman and CEO, Maurici Lucena, confirms the company's commitment to sustainability, a key strand in economic recovery

- The Shareholders' Meeting endorses Aena's Climate Action Plan by more than 95.6% in favour in a pioneering vote in Spain
- On the impact of COVID-19, Lucena underscored the company's enormous capacity for adaptation and resilience which has enabled it to cope with a very challenging year in 2020
- Looking ahead, Lucena expects that progress in the vaccination process will make a significant contribution to the pace of air traffic growth
- "One of our priorities continues to be to work closely with all the stakeholders involved in the air transport value chain"
- The DORA II proposal is a balanced proposition featuring realistic traffic forecasts

27 April 2021

Aena's Shareholders' Meeting today endorsed Aena's Climate Action Plan 2021-2030, which for the first time has been submitted to a consultative vote after having been permanently included as a separate item on the agenda of the annual meetings. Aena thus becomes the first Spanish company and one of the first in the world to report to its shareholders each year on its climate action performance.

"The battle against climate change and in particular fostering more environmentally friendly technologies is a priority for Aena," said Chairman and CEO Maurici Lucena.

The achievement of this Plan, which sets ambitious targets that are more demanding than the ones envisaged in the national and international framework, will involve **investment of close to 550 million euros** and further confirm the company's position as a world leader in sustainability.

The Plan is made up of three strategic programmes: **carbon neutrality**, laying the foundations to reach Net Zero Carbon by 2040; **sustainable aviation**, geared towards Aena's role as a driver for other players in the aviation industry to fast-track its decarbonisation; and **community and sustainable value chain** to enhance the sustainability of its surroundings by working closely with suppliers, tenants, air carriers and the community.

Impact of COVID-19 and measures taken

In terms of traffic performance, Aena's chairman pointed out that "over these months of the pandemic the reality has always been worse than the forecasts of the main international aeronautical organisations, mainly the ICAO, IATA and ACI", have predicted due to the upturn in the transmission of the disease and the resulting restrictions on travel. In the case of Aena in Spain, the fall in passenger traffic stood at 72% in 2020. This drop is very similar to the one seen by the leading airport managers in Europe.

Against this backdrop, the chairman pointed out that there are still many unknowns which mean that forecasts for the coming months must continue to be very cautious. However, there are some good signs that we are nearing the beginning of the end of the acute situation generated by the virus in the air transport industry. Progress in the vaccination process will contribute significantly to the recovery of passenger confidence in air transport and therefore to the rate of traffic growth. This will also be helped by the implementation of measures such as what are called vaccine passports.

Lucena noted that "the main European airlines are confident that there will be a rise in demand in the second part of the summer season." In this situation, "the most sought-after destinations will be sun and beach ones. Here Spain is highly valued as a result of its tourist services and first-rate health system", something which the market has already clearly demonstrated when restrictions have eased.

In terms of traffic forecasts, the leading aeronautical organisations agree that pre-pandemic levels will not be attained until the period 2024-2027.

The main **operational measures** implemented by Aena include **tailoring the capacity of infrastructures and services** to operational needs, putting in place measures to **safeguard the health of employees and passengers** and starting up an **Operational Recovery Plan** based on the guidelines of the European Union Aviation Safety Agency (EASA) and the

European Centre for Disease Prevention and Control (ECDC), which in Spain have been passed into law.

In addition, since 2020 Aena has been working with the Ministry of Health and the Spanish regions to carry out health checks at airports, while this year it has also set up diagnostic testing clinics at 15 airports in its network and earned international “COVID-safe” airport accreditation at its main airport infrastructures. On this point, the chairman stressed that “the health checks in place at our airports and the measures implemented in this area fully comply with national and European legislation at all times and operate to the same high standards as in the rest of European Union countries.” As for the health protocols implemented in Spain, he also commented that they go beyond the recommendations of the European Centre for Disease Prevention and Control (ECDC).

“The Centre’s studies show that in the current health circumstances, **the numbers of cases imported by air travel are minimal** and in any case **do not have a significant impact on the evolution of the epidemiological situation in the country**,” pointed out Lucena. He concluded with a call “for no more demagoguery about the quality of health checks at Adolfo Suárez Madrid-Barajas Airport. This only **harms, unfairly and without any foundation, the reputation and public image of one of the main companies in this country, Aena**, which has a leading role to play in the future development of the Spanish economy.”

Financial measures

Aena has also brought in economic and financial measures to reduce cash outflows and safeguard the company’s financial soundness. Some of these measures picked out by Aena’s chairman included the implementation of a **Cost Savings Plan with the aim of reducing cash outflows of 840 million euros; ramping up the company’s financial position** in order to have sufficient liquidity over the short and medium term and ensure the proper operation of our services through loans taken out with various financial institutions; and **not distributing the dividend for the 2019 financial year**.

Aena currently has cash and credit facilities amounting to 2,254 million euros in addition to the option of issuing up to 900 million euros through the Euro Commercial Paper (ECP) programme, of which 845 million euros is available.

Commitment to recovery, the industry and society

During his speech, Maurici Lucena also stressed that the company is mindful of its key role in air transport, tourism and the economy. He pointed out that “one of our priorities since the onset of the health crisis has been, and continues to be, to collaborate and cooperate closely with all the

stakeholders involved in the value chain of the air transport and tourism industry to turn around the current situation, seeking **solutions that are beneficial for all sides while also always safeguarding Aena's corporate interest.**"

For all these reasons, the company has put in place a number of **support measures**. In particular he noted maintaining **very competitive airport charges**, the lowest in Europe, **new incentives to promote the recovery of traffic for the summer season** (from 1 April to 31 October) and payment deferrals, discounts on rents and renegotiation of contracts.

As for **commercial activity and the renegotiation of commercial contracts**, the chairman pointed out that from the beginning "Aena has been firmly **committed to reaching agreements** right from the outset."

On this basis, Aena made a general proposal for the financial restructuring of contracts, taking as a point of reference the provisions of Royal Decree Act 35/2020 on emergency measures to support the tourism sector, the hospitality and retail industry and in tax issues, as well as other regional decrees covering the same issues. The discounts are worth more than 800 million euros.

In this respect, he stated that "our **proposal is proportional, fair and balanced for all sides**, bearing in mind that the discount policy and the payment facilities offered **ensure the continuity of the contracts and with it the viability of the companies** which are carrying out commercial operations in our infrastructures."

With this in mind, Maurici Lucena stressed that more than two thirds of the commercial tenants have accepted the proposal, especially the smaller ones. He further argued that "Aena's proposal is fair and frankly very generous, which is why we will defend our position in cases where commercial tenants take the dispute to court."

He concluded that one of the main arguments put forward to advocate higher discount rates from Aena is that we are a part government-owned enterprise, an argument we cannot accept: Aena's shareholders, both private and public - I would remind you that the Spanish taxpayer owns 51% of the company - do not deserve any worse treatment than our commercial tenants.

Results 2020

In 2020, the Aena airport network in Spain and the 23 airports in which the company has a stake abroad handled 120 million passengers, compared to

the 367 million passengers recorded in 2019 (-67%). In Spain, the decline came to 72%, with 76 million passengers in 2020 compared to 275 million passengers recorded in 2019. Meanwhile, internationally the downturn in traffic stood at 52%, with 44 million passengers compared to 92 million in 2019. This trend continued in the first quarter of 2021 with a drop of 84.4% compared to 2019.

As for the company's key financial figures and in terms of turnover, **total income** amounted to 2,243 million euros, a decrease of 50.2% compared to 2019.

With respect to **management efficiency and cost containment** as a result of the implementation of the Cost Savings Plan, operating expenses in 2020 were cut by 369 million euros (-21.7% compared to 2019).

Furthermore, it should be noted that the **investment commitments set out in the current regulatory framework have been met** in such adverse circumstances.

Aena's **gross operating profit** (EBITDA) in this period stood at 714.6 million euros, down by 74.2% on 2019, while **cash flow** came to 146 million euros compared to 2,114 million euros in 2019 (-93.1%).

As a result, Aena made a loss in 2020 for the first time since 2012 amounting to 127 million euros, compared to a record net profit in 2019 standing at 1,442 million euros.

In view of these results, the chairman made it clear that "although unfortunately our shareholders will not be able to receive a return on their shares in 2020, this situation will be reversed in the coming years and that shareholders will be remunerated as they deserve."

The chairman also welcomed the rating awarded to Aena by the credit rating agencies in such a challenging situation as at present: "The agencies have maintained Aena's credit rating, albeit reflecting the risks surrounding the uncertainty of traffic recovery."

As for share performance, the impact of the spread of the pandemic has also been seen in the company's stock price which has fared similarly to the IBEX 35, to close the year at 142.20 euros. In this respect the chairman pointed out that "Aena's stock has done better than that of other companies in the transport and tourism industry."

Future Challenges: sustainability, innovation, DORA II and the new Strategic Plan

Turning to the future, Maurici Lucena noted the main challenges that will be shaped in the regulatory framework and in a new Strategic Plan for the company.

Speaking about the proposed **Airport Regulation Document for the period 2022-2026 (DORA II)**, Lucena argued that “it is a balanced proposal featuring realistic traffic forecasts” coupled with a moderate investment proposal. In terms of **charges**, Aena is continuing to pursue the path of stability as shown by the fact that **ten years on they will stay at the same level**. “This containment of charges is unmistakable evidence of Aena’s efforts to help the air transport and tourism industry to get back on their feet.” Charges will remain significantly below comparable European levels while delivering high quality and safe and secure services.

As for the **current DORA (2017-2021)**, Aena has approved the **application for the rebalancing** of its preliminary conditions with the **competent** supervisory authorities as a result of the pandemic, which constitutes a supervening cause.

The regulatory framework governing Aena’s operations provides for the option of asking for a rebalancing on exceptional grounds. “In order to minimise the impact on airlines, recovery of the amount that is finally decided should begin in 2027, when traffic has recovered.”

In addition to Aena’s sustainability challenge, another of the cornerstones that will play a prominent role in the company’s management is **innovation and digital transformation**. On this point, the company’s chairman noted that “our ambition is to substantially enhance the passenger experience and Aena’s efficiency based on a **Strategic Innovation Plan** which will be brought in this year and will have a five-year timeframe.”

Here Aena’s Chairman also referred to one of the projects which the company is most proud of: **the setting up of the start-up accelerator** Aena Ventures which has received 263 business proposals, five of which are already being implemented at the facilities hosted by Josep Tarradellas Barcelona-El Prat Airport.

At the end of his speech, Aena’s Chairman and CEO restated his confidence in the future: “I honestly believe that there are grounds for optimism. The progress of the vaccination will allow us to achieve the sought-after herd immunity, and this will help to bring about a resurgence in air traffic and in our main financial figures.”

He also underlined that “we are fortunate to have a team of professionals whose dedication, professionalism and talent will allow us to continue delivering service of the highest quality and safety and security to our users and customers.” Finally, he thanked the other players in the airline industry for their support and cooperation in coping with this exceptional crisis along with Aena’s shareholders, the government agencies involved and Spanish society in general.

Appointments of Directors

At the Meeting, the appointment of Juan Río Cortés as an Independent Director was endorsed. The chairman thanked Jordi Hereu Boher, who is ending his term of office, for his efforts and contributions.