PROPOSAL AND REPORT DRAWN UP BY THE BOARD OF DIRECTORS OF AENA, S.M.E, S.A. IN RELATION TO THE RE-ELECTION OF MS PILAR ARRANZ NOTARIO AS A PROPRIETARY DIRECTOR BY THE GENERAL SHAREHOLDERS' MEETING CALLED FOR 9 APRIL AND 10 APRIL 2019 ON FIRST AND SECOND CALL RESPECTIVELY

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1. Introduction

The Board of Directors of Aena, S.M.E., S.A. (the "**Company**") has prepared this explanatory report concerning the re-election of Ms Pilar Arranz Notario as a proprietary director of the Company (the "**Report**") by the General Shareholders' Meeting pursuant to Sections 4 and 5 of Article 529.10 of the Corporate Enterprises Act (the "**LSC**" in its Spanish acronym).

In compliance with the provisions of the above Article, any proposal for the appointment or re-election of the members of the Board of Directors who do not have the status of independent directors (as is the case here) is the responsibility of the Board of Directors. Such proposal must be accompanied by an explanatory report from the Board of Directors that assesses (i) the competence, (ii) the experience and (iii) the merits of the proposed candidate and will be preceded by a report from the Appointments and Remuneration Committee.

2. Purpose of the Report

In the light of the foregoing, this Report is drawn up by the Board of Directors of the Company for the purpose of:

(i) justifying the proposal to re-elect Ms Pilar Arranz Notario as a proprietary director of the Company by the General Shareholders' Meeting of the Company called for 9 April and 10 April 2019 on first and second call respectively; and

(ii) assessing the competence, experience and merits of the candidate proposed as a proprietary director.

All of the foregoing in the terms of Section 5 of Article 529.10 of the LSC.

In the light of the foregoing and in accordance with the provisions of Section 6 of Article 529.10 of the LSC, the Appointments and Remuneration Committee has reported favourably on the re-election of Ms Pilar Arranz Notario as a proprietary director of the Company. This report is attached as **Appendix 1** for better identification.

3. Report of the Appointments and Remuneration Committee

The re-election of Ms Pilar Arranz Notario has been submitted to the Appointments and Remunerations Committee for a prior report. This committee has considered and positively assessed the advisability of re-electing Ms Pilar Arranz Notario as a proprietary director of the Company by the General Shareholders' Meeting. Among other factors, the Appointments and Remunerations Committee considered the following:

(i) Ms Pilar Arranz Notario has extensive experience in the public sector, and a highly qualified and suitable professional profile for the performance of the duties of a director of the Company, in terms of both her extensive experience and her merits in the relevant sectors, and because of her in-depth knowledge of the company, given that she has held the position of proprietary director for the last four years;

(ii) the favourable opinions received from the other directors regarding her re-election as a director;

(iii) her excellent performance in the exercise of her position, ever since taking possession thereof;

(iv) her close links with the business due to both her previous experience, focusing on the public sector in recent years, and her current responsibility as an adviser to the Ministry for Public Works, shows that her continued membership of the Board of Directors will provide significant advantages for that governing body; and

(v) she has adequate knowledge of the obligations incumbent on her as a director of the Company, and a particular sensitivity to the issues related to the good governance of a listed company;

All of the foregoing shows that her retention on the Board of Directors and the re-election as a proprietary director will bring significant advantages to this administrative body.

4. Rationale for the proposal of the Board of Directors

The Board of Directors believes that in order for a director to be able to effectively exercise their supervisory and control role in the Company they must satisfactorily combine sufficient capabilities and competences including in the following areas:

(i) knowledge of the sectors in which the Company operates;

(ii) experience in and knowledge of economic and financial aspects;

(iii) experience in and knowledge of the Company's most important geographical markets; and

(iv) experience in and knowledge of business management, leadership and strategy.

Ms Pilar Arranz Notario's curriculum vitae confirms her competence and merits for the post of director. Her extensive experience in sectors relevant to the Company and her in-depth knowledge of various business fields ensure the contribution of plural points of view to the discussion of issues in the Board of Directors.

The foregoing, as well as the reasons given by the Appointments and Remunerations Committee for this re-election (which this body endorses), means that the Board of Directors considers that the re-election of Ms Pilar Arranz Notario as a director of the Company is justified and advisable, in the belief that such re-election contributes a valuable profile to the Board of Directors with a view to the performance of the Company's business operations.

5. Assessment of the competence, experience and merits of the candidate

The competence, experience and merits of Ms Pilar Arranz Notario can be seen from her curriculum vitae, which demonstrates her abilities for the re-election a director. By way of summary, it should be noted that:

(i) She is a graduate in Modern and Contemporary History from the Autonomous University of Madrid. She received a Master's Degree in General Management (PDG) from the IESE.

(i) She has belonged to the Senior Corps of Civil State Administrators since 1992.

(ii) She was director of the National Public Administration Institute (INAP)

from May 2008 to 2010. From December 2000 to May 2008, she held the position of Director of Air Navigation Training and Studies at SENASA.

(iii) She held various positions at several Ministries from 1991 to 2000. She was an advisory member of the State Department for Infrastructure, Transport and Housing of the Ministry of Public Works until July 2016, and since then she has been an advisor to the Ministry of Public Works.

(iv) She was appointed a Director of Aena in November 2012, and was re-elected on 16 October 2014.

In short, in the view of the Board of Directors the candidate meets the essential competence, experience and merits requirements in order to continue to form part of the Board of Directors of the Company.

6. Conclusions of the Board of Directors

In light of the above the Board of Directors considers that the candidate has (i) the competence, (ii) the experience and (iii) the merits required to be a member of the Board of Directors, and it is therefore warranted that Ms Pilar Arranz Notario should be re-elected as a director of the Board.

Accordingly, it proposes re-election by the General Shareholders' Meeting of the Company as a director of the Company.

7. Category of director to which she belongs or should be appointed

The candidate would have the status of proprietary director of the Company for representing the majority shareholder. It has been confirmed with the candidate that she has sufficient time availability to perform the duties of his post.

8. Proposed resolution to be adopted by the General Shareholders' Meeting

In view of the foregoing it is agreed to propose the adoption of the following resolution to the General Shareholders' Meeting of the Company:

"***Re-election of Ms Pilar Arranz Notario as a proprietary director.***

In accordance with the proposal of the Board of Directors, and following a report from its Appointments and Remuneration Committee, to re-elect Ms Pilar Arranz Notario, whose personal details are recorded in the Company Register, for the statutory period, as a proprietary director."

In Madrid on 26 February 2019