

**MODEL SCHEDULE I**

**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC  
LIMITED COMPANIES**

**DETAILS IDENTIFYING THE ISSUER**

CLOSING DATE OF THE YEAR OF REFERENCE

Company name: AENA, S.M.E., S.A.

Registered office: C / ARTURO SORIA 109

## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

### **A OWNERSHIP STRUCTURE**

A.1 Complete the following table regarding the share capital of the company:

Date of last modification	Share Capital (€)	Number of shares	Number of voting rights
11/02/2015	1,500,000,000	150,000,000	150,000,000

Indicate whether there are different classes of shares with different associated rights:

Yes ☐ No ☒

Class	Number of shares	Nominal value per share	Number of voting rights per share	Different rights

A.2 Breakdown of the direct and indirect holders of significant shareholdings in the company at year end, excluding directors:

Name or company name of shareholder	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct owner of shareholding	Number of voting rights	
ENAIRE	76,500,000			51
HSBC HOLDINGS PLC	4,916,017			3.277
HOHN, CHRISTOPHER ANTONY	0	TALOS CAPITAL DESIGNATED ACTIVITY COMPANY AND TCI LUXEMBOURG SARL	11,571,374	7.714
TALOS CAPITAL DESIGNATED ACTIVITY COMPANY	4,971,374			3.314
TCI LUXEMBOURG, S.A.R.L.	6,600,000			4.400

Indicate the most significant movements in the shareholding structure that have taken place throughout the financial year:

Name or company name of shareholder	Date of operation	Description of operation

A.3 Complete the following tables on the members of the Board of Directors of the company who hold voting rights attached to the company shares:

Name or company name of board	Number of direct voting rights	Indirect voting rights		% of total voting rights
		Direct owner of shareholding	Number of voting rights	
TCI ADVISORY SERVICES LLP	0	TALOS CAPITAL DESIGNATED ACTIVITY COMPANY and TCI LUXEMBOURG, S.A.R.L	11,571,374	7.714

% of total voting rights in the hands of the Board of Directors	7.714
---	-------

Complete the following tables on the members of the Board of Directors of the company who hold rights over company shares:

Name or company name of director	Number of direct rights	Indirect rights		Number of equivalent shares	% of total voting rights
		Direct holder	Number of voting rights		

A.4 Indicate, as the case may be, the relationships of a family, commercial, contractual or corporate nature that exist between the holders of significant shareholdings, to the extent that this is known by the company, unless these are of little relevance or arise from the ordinary course of business:

Name or company name of related body	Type of relationship	Brief description
TCI ADVISORY SERVICES LLP (formerly TCI FUND MANAGEMENT LIMITED), TCI LUXEMBOURG, S.A.R.L., TALOS CAPITAL DESIGNATED ACTIVITY	CONTRACTUAL	TCI ADVISORY SERVICES LLP (formerly TCI FUND MANAGEMENT LIMITED) is the management company of TCI LUXEMBOURG, SARL and TALOS CAPITAL DESIGNATED

COMPANY and CHRISTOPHER ANTONY HOHN		ACTIVITY COMPANY, owners of significant holdings of Aena; with TCI ADVISORY SERVICES LLP being duly controlled by Christopher Anthony Hohn, and as such has notified the Stock Market Commission (hereinafter CNMV) regarding the attribution of the voting rights of said companies.
-------------------------------------	--	---

A.5 Indicate, as the case may be, the relationships of a commercial, contractual or corporate nature that exist between the owners of significant shareholdings, and the company and/or group, unless these are of little relevance or arise from the ordinary course of business:

Name or company name of related body	Type of relationship	Brief description
ENAIRE	CORPORATE	Owner of 51% of Aena shares
	CONTRACTUAL	It is the owner of contracts derived from the Company's ordinary commercial trade and the transfer of the use of the Arturo Soria Building.

A.6 Indicate whether the company has been informed of any shareholders' agreements which might affect it in accordance with what is set forth in articles 530 and 531 of the Capital Companies Act. If any, please provide brief description and list the shareholders affected by the agreement:

Yes ☐ No ☒

Persons involved in shareholders' agreement	% of share capital affected	Brief description of agreement

Indicate whether the company is aware of the existence of concerted actions among its shareholders. If any, please provide brief description:

Yes ☒ No ☐

Persons involved in concerted action	% of share capital affected	Brief description of accord

TCI ADVISORY SERVICES LLP (formerly known as TCI FUND MANAGEMENT LIMITED), TCI LUXEMBOURG, S.A.R.L., and TALOS CAPITAL DESIGNATED ACTIVITY COMPANY	7.714%	TCI ADVISORY SERVICES LLP (formerly known as TCI FUND MANAGEMENT LIMITED) is the managing company of TCI LUXEMBOURG, S.A.R.L., and of TALOS CAPITAL DESIGNATED ACTIVITY COMPANY, owners of significant shareholdings in Aena, and as such the CNMV is informed of the allocation of voting rights to said companies.
--	--------	--

In the event that during the year any modification or breakup of such agreements or accords or concerted action should have taken place, please expressly mention:

A.7 Indicate whether there is any natural or legal person who exercises or may exercise control over the company in accordance with article 5 of the Securities Market Act. If any, please identify:

Yes ☒ No ☐

Name or company name
ENAIRE

Remarks
Owner of 51% of share capital of Aena.

A.8 Complete the following tables on the treasury shares of the company:

**At year end:**

Number of direct shares	Number of indirect shares (*)	% of total share capital

(\*) Via:

Name or company name of the direct owner of the shareholding	Number of direct shares
<b>Total:</b>	

Explain any significant variations, in accordance with what is set forth in Royal Decree 1362/2007, that have taken place over the year:

Explain significant variations

A.9 Provide details of the conditions and term of the current mandate from the shareholders' meeting to the board of directors to issue, repurchase or transfer shareholder equity.

The General Shareholder's Meeting held on 3 June 2015 authorised the derivative purchase of shares in AENA by the Company, or by group companies, in accordance with what is set forth in articles 146 and concordant articles of the Capital Companies Act, meeting the requirements and restrictions set forth in the legislation in force at any given time, all in accordance with the following terms:

- Acquisition modalities: Purchases may be made directly by the Company or indirectly via its group companies, and these may be formalised, once or several times, as a sale, swap or any other lawfully valid legal transaction.
- Maximum number of shares to be purchased: the nominal value of the shares to be purchased added, as the case may be, to those already held, whether directly or indirectly, shall not exceed the maximum percentage that is legally permitted at any given time.
- Maximum and minimum exchange value: The price per share shall be no less than its nominal value and no more than the price listed on the Stock Exchange on the date of acquisition.
- Term of authorisation: This authorisation is granted for a term of five years.

In addition, and for the purposes of what is set forth in the second paragraph of letter a) of article 146.1 of the Capital Companies Act, it is hereby expressly stated that express authorisation is granted for the acquisition of Company shares by any of its subsidiaries, under the same terms as those abovementioned.

The authorisation also includes the purchase of shares which, as the case may be, must be directly delivered to the workers or administrators of the Company or companies in its group, or as a result of the exercise of option rights which they may hold.

A.9 bis Estimated floating capital:

	%
Estimated floating capital	38.01

A.10 Indicate whether there is any restriction on the transferability of securities and/or any restriction on voting rights. In particular, please inform of the existence of any type of restriction which might hinder the acquisition of control over the company by means of the acquisition of its shares in the market.

Yes ☐

No ☒

Description of restrictions

A.11 Indicate whether the General Shareholder's Meeting has agreed to adopt measures of neutralisation against a takeover bid in accordance with what is set forth in Law 6/2007.

Yes ☐

No ☒

If any, please explain the measures approved and the terms under which the restrictions shall be rendered ineffective:

A.12 Indicate whether the company has issued securities that are not traded on a regulated EU market.

Yes ☐

No ☒

If any, please indicate the various classes of shares and, for each class of share, the rights and obligations it carries.

## **B GENERAL SHAREHOLDER'S MEETING**

B.1 Indicate and, as the case may be, provide details, if there are differences between the minimum quorum system set forth in the Capital Companies Act (LSC) and the quorum necessary to hold the General Shareholder's Meeting.

Yes ☐

No ☒

	% of quorum other than that set forth in art. 193 LSC for general situations	% of quorum other than that set forth in art. 194 LSC for special situations of art.
Quorum required at 1st		

<b>summons</b>		
<b>Quorum required at 2nd summons</b>		

<b>Description of differences</b>

B.2 Indicate and, as the case may be, explain if there are differences with the system set forth in the Capital Companies Act (LSC) for the adoption of shareholder agreements:

Yes ☐

No ☒

Describe the differences compared to the system set forth in the LSC.

	<b>Enhanced majority other than that established in article 201.2 LSC for the cases considered in 194.1 LSC</b>	<b>Other cases of enhanced majority</b>
<b>% established for the adoption of agreements</b>		
<b>Describe the differences</b>		

B.3 Indicate the rules applicable to the modification of Company Bylaws. In particular, inform of the majorities required to modify the Company Bylaws, as well as, as the case may be, the rules set forth to protect the rights of the shareholders in the modification of the Company Bylaws.

The modification of the Company Bylaws is regulated in articles 14.(iv), 17.4, 25.5 and 27.2 of the Company Bylaws and 8.(iv), 13.3, 42.2 and 43.3 of the Regulations of the General Shareholder's Meeting. The system contained in these articles replicates that set forth in the Capital Companies Act.

The General Shareholders' Meeting will decide on the matters attributed thereto by the Law, by the Company Bylaws (art. 14) and by the Regulations of the General Shareholder's Meeting (art. 8)

In order to reach a valid agreement on a capital increase or reduction and any other modification of the Company Bylaws, the issue of bonds, the suppression or limitation of the preferential purchase right over new shares, as well as the



transformation, merger, spinoff or global assignment of assets and liabilities and the transfer of the address abroad, if the capital present or represented exceeds fifty percent (50%), an adoption of the agreement by simple majority shall suffice. However, the vote in favour of two thirds (2/3) of the capital present or represented at the General Shareholders' Meeting shall be required in the event of attendance at second summons of shareholders representing twenty-five percent (25%) or more of the subscribed capital with voting rights but under fifty percent (50%) (art. 25.5 of the Company Bylaws and art. 43.3 of the Regulations of the General Shareholder's Meeting).

When the General Shareholders' Meeting must discuss the modification of the Company Bylaws, and as well as the information required by law in each case, the meeting summons shall mention the right of all shareholders to examine at the corporate headquarters the full text of the proposed modification and report thereon and to request the delivery or free posting of such documents (art. 17.4 of Company Bylaws and art. 13.3 of the Regulations of the General Shareholder's Meeting).

In addition, each article or group of articles that are not interdependent must be voted on separately (art. 27.2 of Company Bylaws and 42.2 of the Regulations of the General Shareholders' Meeting).

B.4 Indicate details of attendance to General Shareholder's Meeting held in the year of reference of this report and the previous year:

	Remote data				
Date of General Shareholder’s Meeting	% of physical attendance	% by proxy	% remote votes		Total
			Electronic vote	Other	
25/04/2017	51.92%	30.50%	0%	0%	82.42%
28/06/2016	53.48%	19.41 %	0%	0%	72.89%

B.5 Indicate whether there are any statutory restrictions which establish a minimum number of shares required to attend the General Shareholder's Meeting:

Yes ☐ No ☒

Number of shares required to attend the general meeting	1
---	---

B.6 Paragraph revoked.

B.7 Indicate the address and way to access the company website containing the

information on corporate governance and other information on General Shareholder's Meetings which must be made available to the shareholders via the Company website.

Website: [www.aena.es](http://www.aena.es) – Section “accionistas e inversores” [shareholders and investors]. Subsection on “Corporate Governance”.

Information on corporate governance:

<http://www.aena.es/csee/Satellite/Accionistas/es/Page/1237568522634//Gobierno-corporativo.html>

Information available to shareholders:

<http://www.aena.es/csee/Satellite/Accionistas/en/Page/1237573069075/1237568522634/Junta-General-de-Accionistas.html>

## **C STRUCTURE OF THE ADMINISTRATION OF THE COMPANY**

### **C.1 Board of Directors**

C.1.1 Maximum and minimum number of directors set forth in the Company Bylaws:

<b>Maximum number of directors</b>	<b>15</b>
<b>Minimum number of directors</b>	<b>10</b>

C.1.2 Complete the following table with directors:

<b>Name or company name of director</b>	<b>Representative</b>	<b>Category of director</b>	<b>Office in the Board</b>	<b>Date 1<sup>st</sup> appointment</b>	<b>Date last appointment</b>	<b>Election procedure</b>
Mr JAIME GARCÍA-LEGAZ PONCE		EXECUTIVE	CHAIRMAN-CHIEF EXECUTIVE OFFICER	16/10/2017	16/10/2017	CO-OPTATION
Mr JOSE MARIA ARAÚZO GONZALEZ		PROPRIETARY	DIRECTOR	29/01/2013	16/10/2014	UNIVERSAL EXTRAORDINARY MEETING
Mrs. M <sup>a</sup> JESÚS ROMERO DE ÁVILA TORRIJOS		PROPRIETARY	DIRECTOR	25/04/2017	25/04/2017	GENERAL SHAREHOLDER S' MEETING
Mr FRANCISCO JAVIER MARTÍN RAMIRO		PROPRIETARY	DIRECTOR	25/10/2016	25/10/2016	GENERAL SHAREHOLDER S' MEETING
Mr RODRIGO MADRAZO GARCÍA DE LOMANA		PROPRIETARY	DIRECTOR	24/11/2014	24/11/2014	UNIVERSAL EXTRAORDINARY MEETING
Ms PILAR ARRANZ NOTARIO		PROPRIETARY	DIRECTOR	19/11/2012	16/10/2014	UNIVERSAL EXTRAORDINARY MEETING
Ms TATIANA MARTINEZ RAMOS						UNIVERSAL EXTRAORDINARY MEETING

E IRUELA		PROPRIETARY	DIRECTOR	16/10/2014	16/10/2014	RY MEETING
Mrs. ALICIA SEGOVIA MARCO		PROPRIETARY	DIRECTOR	25/04/2017	25/04/2017	GENERAL SHAREHOLDER S' MEETING
TCI ADVISORY SERVICES LLP	Mr CHRISTOPHER ANTHONY HOHN	PROPRIETARY	DIRECTOR	20/01/2015	20/01/2015	UNIVERSAL EXTRAORDINA RY MEETING
Mr JOSEP PIQUÉ CAMPS		INDEPENDENT	DIRECTOR	13/10/2017	13/10/2017	CO-OPTATION
Mr EDUARDO FERNANDEZ CUESTA LUCA DE TENA		INDEPENDENT	COORDINATOR DIRECTOR	16/10/2014	16/10/2014	UNIVERSAL EXTRAORDINA RY MEETING
Mr JUAN IGNACIO ACHA-ORBEA ECHEVERRÍA		INDEPENDENT	DIRECTOR	03/02/2012	16/10/2014	UNIVERSAL EXTRAORDINA RY MEETING
Mr JAIME TERCEIRO LOMBA		INDEPENDENT	DIRECTOR	03/06/2015	03/06/2015	GENERAL SHAREHOLDER S' MEETING
Mr AMANCIO LÓPEZ SEIJAS		INDEPENDENT	DIRECTOR	03/06/2015	03/06/2015	GENERAL SHAREHOLDER S' MEETING
Mr JOSE LUIS BONET FERRER		INDEPENDENT	DIRECTOR	03/06/2015	03/06/2015	GENERAL SHAREHOLDER S' MEETING

<b>Total number of directors</b>	<b>15</b>
----------------------------------	-----------

Indicate any terminations of office that have taken place during the period of reference:

<b>Name or company name of director</b>	<b>Category of director at time of termination</b>	<b>Date of termination</b>
Ms PILAR FABREGAT ROMERO	PROPRIETARY DIRECTOR	17/03/2017
Mr JUAN MIGUEL BÁSCONES RAMOS	PROPRIETARY DIRECTOR	17/03/2017
Mr SIMÓN PEDRO BARCELÓ VADELL	INDEPENDENT DIRECTOR	18/09/2017
Mr JOSÉ MANUEL VARGAS GÓMEZ	EXECUTIVE DIRECTOR	15/10/2017

C.1.3 Complete the following tables on the board members and their various categories:

### **EXECUTIVE DIRECTORS**

<b>Name or company name of the director</b>	<b>Position in company organisation chart</b>
---	---

Mr JAIME GARCÍA-LEGAZ PONCE	Chairman and Chief Executive Officer
-----------------------------	--------------------------------------

<b>Total number of executive directors</b>	<b>1</b>
<b>% of board membership</b>	<b>6.67 %</b>

### **EXTERNAL PROPRIETARY DIRECTORS**

<b>Name or company name of the director</b>	<b>Name or company name of significant shareholder he/she represents or has proposed his/her appointment</b>
TCI ADVISORY SERVICES LLP (represented by Mr CHRISTOPHER ANTHONY HOHN)	TALOS CAPITAL DESIGNATED ACTIVITY COMPANY and TCI LUXEMBOURG, S.A.R.L
Mrs. Mª JESÚS ROMERO DE ÁVILA TORRIJOS	ENAIRES
Mr RODRIGO MADRAZO GARCÍA DE LOMANA	ENAIRES
Mr FRANCISCO JAVIER MARTÍN RAMIRO	ENAIRES
Ms PILAR ARRANZ NOTARIO	ENAIRES
Mr JOSE MARIA ARAÚZO GONZALEZ	ENAIRES
Ms TATIANA MARTINEZ RAMOS E IRUELA	ENAIRES
Mrs. ALICIA SEGOVIA MARCO	ENAIRES

<b>Total number of proprietary directors</b>	<b>8</b>
<b>% of board membership</b>	<b>53.33%</b>

### **INDEPENDENT EXTERNAL DIRECTORS**

<b>Name or company name of the director</b>	<b>Profile</b>
Mr EDUARDO FERNANDEZ CUESTA LUCA DE TENA	<p>He holds a Law degree from the Universidad Complutense de Madrid, an MBA from the Instituto de Empresa and completed the Advanced Management Program at Harvard University.</p> <p>His professional experience spans 25 years in the real estate sector at C B Richard Ellis, where he began in the Investments and Promotions department, eventually heading the Residential area. In 1998 he was appointed head of the company in Spain. In 2001 he was appointed member of the Executive Committee of C B Richard Ellis for EMEA (Europe, Middle East and Africa). In 2013 he was appointed Chairman in Spain of RICS (Royal Institution of Chartered Surveyors), member of the European Council. Likewise, he has been an independent advisor at Testa Inmobiliaria and Testa Residencial Socimi, SA.</p> <p>In 2015, he joined Grupo Arcano as partner and Head of the Real Estate Division.</p>

	<p>He was appointed director of Aena, on October 16, 2014. He also serves as the coordinator director and chairman of the Appointments and Remuneration Committee</p>
<p>Mr JUAN IGNACIO ACHA-ORBEA ECHEVERRÍA</p>	<p>He holds a degree in Economic Science from the Universidad Complutense de Madrid and completed an MBA at IESE Business School.</p> <p>From 1982 to 1986, he was a senior manager at Chemical Bank in Madrid and New York. From 1986 to 1989, he was head of Equities and Investment Funds at Bankinter. In 1989, and until 2003, he was managing director and Chairman of BBVA Bolsa, SV and assistant general manager of BBVA. He has been a director of the Barcelona Stock Exchange and of IESE Madrid.</p> <p>Whilst at BBVA Bolsa, he was actively involved in almost all of the privatisation, flotation and capital increase operations that took place in Spain between 1989 and 2002.</p> <p>From 2003 to 2006 he has been an independent director of the Board of Directors of the listed company TPI Páginas Amarillas. Since 2007 he has been director and member of the Audit Committee of Fluidra. Since 2012 he is a director and chairman of the Audit Committee of Aena.</p> <p>Since 2003 he has been chairman of the senior management consulting company Equity Contraste Uno.</p> <p>He is also a director of the Spanish Institute of Financial Analysts (IEAF) since 2012.</p> <p>On 3 February 2012, he was appointed director of Aena, (previously Aena Aeropuertos, S.A.) and was reappointed on 16 October 2014. In June 2015, he was appointed chairman of the Audit Committee.</p>
<p>Mr JAIME TERCEIRO LOMBA</p>	<p>He holds a degree in Engineering and a PhD in Aeronautical Engineering, with distinction, from the Universidad Politécnica de Madrid; he also holds a degree in Economic Science, with distinction, from the Universidad Autónoma de Madrid.</p> <p>Assistant professor (1978), associate professor (1978) and full professor (1980) of Econometrics and Statistical Methods in the Faculty of Economic and Business Sciences of the Complutense University. First Vice President of the Complutense University (1980-1981). Registered member of the Royal Academy of Moral and Political Sciences. He was awarded the Rey Juan Carlos Economics Prize (2012).</p> <p>Engineering Diploma from Messerschmitt-Bölkow-Blohm (MBB) (1970-1974). General Manager of Expansion and General Manager of Planning and Investments in Banco Hipotecario de España (1981-1983). CEO of the Caja de Madrid and Chairman of the Board of the Caja de Madrid Foundation (1988-1996).</p> <p>He is currently an independent director of Bankinter and a member of the Board of Trustees of several foundations.</p> <p>He was appointed Director of Aena, on 3 June 2015, and he is a member of the Audit Committee.</p>
<p>Mr AMANCIO LÓPEZ SEIJAS</p>	<p>He studied Business Studies and the PDG (General Business Management Programme) at EADA (Escuela de Senior Management y Administración).</p>

	<p>He is the chairman and CEO of the Group companies headed by Sociedad Hoteles Turísticos Unidos, SA, a company to which he has devoted his entire professional career and has led since its foundation in 1977, which has a hotel operations division with a portfolio of over 140 establishments.</p> <p>He is also the vice president of Exceltur, a member of the Advisory Board Turespaña, a member of the Advisory Board of Patronal Catalana, Foment del Treball, and a member of the Managers' Meeting of the Círculo de Economía and the Board of Directors of CEAL Ibérica, of the Governing Board of the Guild of Hotels of Barcelona, a member of Mesa del Turismo and co-chairman of the AMCHAM Tourism Commission.</p> <p>He was appointed director of Aena on 03 June 2015.</p>
Mr JOSE LUIS BONET FERRER	<p>He holds a Law degree with distinction and is a PhD in Law cum laude from the University of Barcelona, where he was also awarded a distinction.</p> <p>He has been tenured lecturer of Economic Policy and Public Treasury at the Faculty of Law of the University Barcelona for 49 years.</p> <p>He is the chairman and member of the Board of Directors of Grupo Freixenet since 1999 after having been commercial director, general manager and director. He is the chairman and member of the Board of the Chamber of Commerce of Spain, of the Fira Internacional de Barcelona, of Alimentaria, of Vila Universitaria SL and of Hotel Campus, SL.</p> <p>He was co-chairman of the Foro de Marcas Renombradas Españolas [Leading Brands of Spain Forum] from 1999 to 2002 and since then is the chairman of the Association of Marcas Renombradas Españolas and the Foundation Foro de Marcas Renombradas Españolas.</p> <p>He is a member of the Board of Trustees of the Conocimiento y Desarrollo [Knowledge and Development] foundation, the Board of Trustees of the EADA Foundation, the Board of Trustees of the Foundation for Research on Wine and Nutrition (FIVIN) and the Board of Trustees of the Institute of North American Studies, among others.</p> <p>He was appointed director of Aena on 03 June 2015.</p>
Mr JOSEP PIQUÉ CAMPS	<p>PhD in Economics and Business Manager and Graduate in Law. Lecturer in Economic Theory.</p> <p>In the public sphere, he has been Minister of Industry and Energy, Minister Spokesperson of the Government, Minister of Foreign Affairs and Minister of Science and Technology, Deputy and Senator in Parliament and deputy in the Parliament of Catalonia, as well as Executive Secretary of the PP of Catalonia.</p> <p>In the private sphere, he has held the post of chairman of Ercros, Fertiberia and Erkimia, chairman of Vueling Airlines, and deputy chairman and CEO of OHL, amongst other business responsibilities. He is currently a director of SEAT, VW Navarra and Abengoa, chairman of Industria de Turbopropulsores, SA and deputy chairman of Alantra Corporate Finance.</p> <p>He has been chairman of the Círculo de Economía, and, currently holds the post of deputy chairman in the Círculo de Empresarios</p>

	and Spanish Constitutional Foundation, as well as being chairman of the Ibero-American Entrepreneurial Foundation, of the CITPax and of the Spain-Japan Council Foundation. He was appointed director of Aena on October 13, 2017.
--	---

<b>Total number of independent advisors</b>	<b>6</b>
<b>% of total number of board members</b>	<b>40%</b>

Indicate whether any director classified as independent receives from the company, or from its group, any amount or benefit for anything other than director's remuneration, or maintains or has maintained, during the last year, a business relationship with the company or any company in the group, whether in his own name or as a significant shareholder, director or senior manager of an entity that has maintained or could have maintained such a relationship. If any, please include a reasoned statement from the board on the reason why it considers that this director is able to perform his duties as an independent director.

<b>Name or company name of director</b>	<b>Description of relationship</b>	<b>Reasoned statement</b>

### **OTHER EXTERNAL DIRECTORS**

Other external directors must be identified, giving the reasons why they cannot be considered proprietary or independent and their relationships, whether with the company, its senior executives or its shareholders:

<b>Name or company name of the director</b>	<b>Reasons</b>	<b>Company, senior executive or shareholder with whom he has a relationship</b>

<b>Total number of other external directors</b>	
<b>% of total number of board members</b>	

Indicate the variations which, as the case may be, have taken place throughout the period in the category of each director:

<b>Name or company name of director</b>	<b>Date of the change</b>	<b>Previous status</b>	<b>Current status</b>

--	--	--	--

C.1.4 Complete the following table with the information regarding the number of female directors at the close of the last 4 financial years, as well as the category of such female directors:

	Number of female directors				% of total directors in each type			
	Financia l year 2017:	Financia l year 2016:	Financial year 2015:	Financial year 2014:	Financial year 2017:	Financial year 2016:	Financial year 2015:	Financial year 2014:
<b>Executive</b>	0	0	0		0%	0%	0%	
<b>Proprietary</b>	4	3	4		50%	37.5%	50%	
<b>Independent</b>	0	0	0		0%	0%	0%	
<b>Other external directors</b>								
<b>Total:</b>	4	3	4		26.67%	20.00%	26.67%	

C.1.5 Explain the measures which, as the case may be, have been adopted to ensure that the Board of Directors includes a number of women allowing for a balanced presence of men and women.

<b>Explanation of measures</b>
<p>In February 2016, the Director Selection Policy was approved, which ensures, amongst others, that gender diversity is promoted on the Board, and indicates that the particular goal for 2020 is for females to account for at least 30% of the total Board of Directors members.</p> <p>Likewise, section 7.(b) of article 24 of the Regulation of the Board of Directors, establishes, among the powers of the Appointments and Remuneration Committee, that of setting the aim of representation for the less represented sex in the Board of Directors, preparing guidelines on how to achieve said aim and inform the Board about issues of gender diversity.</p> <p>During the year 2017, and due to the vacancies produced in the Board of Directors resulting from the resignation of Mr Juan Miguel Báscones Ramos and Ms Pilar Fabregat Romero, both presented on 17 March 2017, the Board of Directors proposed, with the favourable report of the Appointments and Remuneration Committee, the appointment of Ms Alicia Segovia Marco and Ms Maria Jesús Romero de Ávila Torrijos, as proprietary directors representing the majority shareholder. Both directors were appointed at the General Shareholders' Meeting held on 25 April, thus increasing the percentage of women that existed until then in the Board. These appointments were carried out keeping in mind the diversity aims of the Board, specifically those related to academic training, professional experience as well as gender balance.</p> <p>The current percentage of women in the Board of Directors is 26.67 %, which is above the average in Spanish publicly traded companies and close to the 30 % target that has been set as an aim in the recommendations of the Code of Good Governance for the year 2020.</p> <p>In addition to approaching the target of the percentage set in the Selection Policy for Candidates for Directors and the Recommendation of the Code of Good Governance for the year 2020, in terms of gender diversity, the Appointments and Remuneration Committee and the Board of Directors of Aena</p>



have valued it positively, and will ensure that in the future there continues to be diversity within the Board, both in terms of professional experience and the age of the members of the Board.

Likewise, training has also been taken into account whilst assessing diversity in the Board and, therefore, in the meeting of the Board of Directors held on 24 October 2017, in accordance with article 25.2 of the Regulation of the Board, a programme was proposed for members' attendance to update their knowledge, putting forward a Training Plan for future sessions, which was positively evaluated by all the Directors, agreeing that it must be an open training plan, in which the points are incorporated that are most interesting to the Board at each moment. Likewise, it was suggested and agreed that the training sessions must be held separately from the Board session, on different days and that there be external advisors and internal Directors from the Company.

C.1.6 Explain the measures which, as the case may be, have been agreed upon by the appointments committee to ensure that the selection procedures are not affected by implicit biases that prevent the appointment of female directors, and that the company deliberately seeks out and includes among potential candidates, women who meet the professional profile sought after:

Explanation of measures
Section 7(b) of article 24 of the Regulation of the Board of Directors, establishes, among the powers of the Appointments and Remuneration Committee, that of setting the aim of representation for the less represented sex in the Board of Directors, preparing guidelines on how to achieve said aim and informing the Board about issues of gender diversity.
As we have already mentioned, the Company is close to meeting the 30% recommended target for female directors by 2020 promoted by the Good Governance Code, and it already has a 26.67% of female Directors.

When despite the measures that, as the case may be, have been adopted, the number of female directors is low or nil, please provide reasons to justify this:

Explanation of measures

C.1.6.bis Explain the conclusions reached by the appointments committee on the verification of compliance with the director selection policy. And in particular, how this policy is helping support the target that by 2020, the number of female directors accounts for at least 30% of the total number of members of the Board of Directors.

Aena's Appointments and Remuneration Committee, in its annual report on the verification of compliance with the policy for selecting directors, reports favourably on the selection of directors made during the year 2017 to the extent that it was carried out according to the criteria of the selection of directors

established in the Selection Policy for candidates for directors approved by the Board of Directors on 23 February 2016.

With regard to the target that by 2020 the number of female directors represents at least 30% of the total number of members of the Board of Directors, the Appointments and Remuneration Committee concludes that the current percentage of female directors representing 26.67%, is close to the target of 30% recommended for the year 2020, an aim that includes the aforementioned Selection Policy of candidates for directors that determines that the Commission will ensure, amongst other aspects, that gender diversity is favoured within the Board, also indicating that, in particular, it will be ensured that in 2020 the number of female directors represents at least thirty percent of the total number of members of the Board of Directors. However, efforts will be made to achieve this aim in a timely fashion, and in any event no later than the recommended date.

**C.1.7 Explain the means of representation in the board of shareholders with significant shareholdings.**

- The shareholder ENAIRE is represented by the following director: Mr JOSE MARIA ARAÚZO GONZALEZ, Ms M<sup>a</sup> JESÚS ROMERO DE ÁVILA TORRIJOS, Mr FRANCISCO JAVIER MARTIN RAMIRO, Mr RODRIGO MADRAZO GARCÍA DE LOMANA, Ms PILAR ARRANZ NOTARIO, Ms TATIANA MARTINEZ RAMOS E IRUELA and Ms ALICIA SEGOVIA MARCO.
- The shareholders (i) TALOS CAPITAL DESIGNATED ACTIVITY COMPANY, and (ii) TCI LUXEMBOURG, S.A.R.L. are represented by TCI ADVISORY SERVICES LLP via their representative Mr CHRISTOPHER ANTHONY HOHN.

**C.1.8 Explain, as the case may be, the reasons why proprietary directors have been appointed for shareholders whose shareholding is below 3% of the capital:**

Name or company name of shareholder	Justification

Indicate whether formal requests for presence in the board from shareholders with a shareholding equal or above others, who could have been eligible for appointment of proprietary directors, have been dismissed. If this is the case, explain the reasons why such requests have been ignored:

Yes ☐ No ☒

Name or company name of shareholder	Explanation

C.1.9 Indicate whether any director has terminated his term of office before the end of his mandate, whether this director has explained the reasons why to the board and through what means and, in the event of having done so in writing, please provide at least two of the reasons alleged by the director:

Name of director	Reason for termination
Ms PILAR FABREGAT ROMERO	Resignation submitted in writing for having ceased in the position and scope of responsibilities in the Ministry of Development that justified their presence in the Board of Directors of Aena.
Mr JUAN MIGUEL BÁSCONES RAMOS	Resignation submitted in writing for having ceased from his position held in the Ministry of Development that justified his presence in the Board of Directors of Aena and having joined Renfe Operadora as Financial Director.
Mr SIMÓN PEDRO BARCELÓ VADELL	Resignation submitted in writing for personal reasons.
Mr JOSÉ MANUEL VARGAS GÓMEZ	Resignation personally submitted to the Board of Directors for personal reasons.

C.1.10 State, if any, the powers delegated to the Chief Executive Officer/s:

**Name of Chief Executive Officer**

Mr JAIME GARCÍA-LEGAZ PONCE

All legally and statutorily delegable powers have been delegated to him.

C.1.11 Identify, as the case may be, the directors who hold office as administrators or senior executives in other companies forming part of the listed company:

Name or company name of director	Name of the Group company	Position	Does he/she have executive functions?
Mr JAIME GARCÍA-LEGAZ PONCE	AENA DESARROLLO INTERNACIONAL S.M.E., S.A.	CHAIRMAN OF THE BOARD OF DIRECTORS	NO

C.1.12 Provide details, as the case may be, of the directors of your company who are members of the boards of other companies traded on official securities markets other than your group, which have been reported to the company:

Name or company name of director	Name of listed company	Position
M JUAN IGNACIO ACHA-ORBEA	FLUIDRA	DIRECTOR AND MEMBER OF AUDIT COMMITTEE

Mr JAIME TERCEIRO LOMBA	BANKINTER	DIRECTOR
Mr JOSEP PIQUÉ CAMPS	ABENGOA, S.A.	DIRECTOR

C.1.13 Indicate and, as the case may be, explain, whether the board regulations establish rules on the maximum number of company directors who may be included in the board:

Yes ☒ No ☐

Explanation of the rules
Article 26.3 of the Board Regulations establishes that Directors may not form part of more than three Boards of Management of other companies whose shares are traded on national or foreign stock exchanges.

C.1.14 Paragraph revoked.

C.1.15 Indicate the global remuneration of the Board of Directors:

Remuneration of the Board of Directors (thousands of euros)	288
Amount of rights accumulated by current directors by way of pensions (thousands of euros)	0
Amount of rights accumulated by previous directors by way of pensions (thousands of euros)	0

C.1.16 Identify the senior executives who are also executive directors, and indicate the total remuneration accrued by each during the year:

Name or company name	Position/s
Mr JAVIER MARÍN SAN ANDRÉS	MANAGING DIRECTOR OF REGULATED BUSINESS LINE
Mr JOSÉ LEO VIZCAÍNO	CHIEF FINANCIAL OFFICER
Ms BEGOÑA GOSÁLVEZ MAYORDOMO	HEAD OF ORGANISATION AND HUMAN RESOURCES
Mr FÉLIX MADERO VILLAREJO	HEAD OF COMMUNICATION AND INSTITUTIONAL RELATIONS
Mr ROBERTO ANGEL RAMÍREZ GARCÍA	HEAD OF INTERNAL AUDITING
Ms MATILDE GARCIA DUARTE	HEAD OF LEGAL ADVICE AND EQUITY MANAGEMENT
Mr JUAN JOSÉ ÁLVAREZ GALLEGO	HEAD OF AENA INTERNACIONAL
Mr JOSÉ MANUEL FERNÁNDEZ BOSCH	MANAGING DIRECTOR OF NON-

	REGULATED BUSINESS LINE
--	-------------------------

<b>Total senior management remuneration (in thousands of euros)</b>	1,054
---	-------

C.1.17 Indicate, as the case may be, the identity of the directors who are, at the same time, members of the board of companies belonging to significant shareholders and/or group entities:

Name or company name of director	Company name of significant shareholder	Position

State, as the case may be, the relevant relationships other than those considered in the previous section, of the board members with significant shareholders and/or entities of the group:

Name or company name of related director	Name or company name of the related significant shareholder	Description of relationship
<b>TCI ADVISORY SERVICES LLP</b>	<b>TCI LUXEMBOURG S.A.R.L.</b>	<b>TCI ADVISORY SERVICES LLP is the management company of TCI LUXEMBOURG S.A.R.L.</b>
<b>TCI ADVISORY SERVICES LLP</b>	<b>TALOS CAPITAL DESIGNATED ACTIVITY COMPANY</b>	<b>TCI ADVISORY SERVICES LLP is the management company of TALOS CAPITAL DESIGNATED ACTIVITY COMPANY</b>

C.1.18 Indicate whether any modification in the board regulations has taken place during the year:

Yes ☒ No ☐

Description of modifications
<p>On 21 March 2017, the Board of Directors of the Company approved the modification of the Regulation of the Board of Directors, in order to adapt its denomination to the requirements of article 111.2 of Law 40/2015 of 1 October, on the Legal Regime of the Public Sector, which states that: <i>"In the denomination of the mercantile trading companies that have the condition of state-run, it must necessarily appear the indication "state-run mercantile trading company" or its abbreviation in Spanish 'SME'."</i></p> <p>Therefore, Article 1 was modified (Object, scope of application and validity)</p> <p>In Section 1 of Article 1 of the Board's Regulation, which explains the object of the</p>

Company, the name of the Company was included, such as "Aena," and the name is now modified to read "Aena, SME, SA. "

At the General Shareholders' Meeting held on 25 April 2017, this change was reported.

C.1.19 Indicate the procedures for selection, appointment, re-election, assessment and removal of directors. Mention competent bodies, procedures to be followed and criteria to be applied in each of the procedures.

In its Board of Directors meeting on 23 February 2016, the Company approved a Director Selection Policy.

In addition, the procedures of selection and re-election of directors are regulated in articles 31, 33 and 34 of the Company Bylaws and Articles 9, 10, 11, 12, 13 and 14 of the Board Regulations.

The procedure must be carried out in application of the principle of balanced composition of the Board in terms of classes of Directors as considered in article 8.4 of the Board Regulations.

The Members of the Board of Directors of the Company shall be appointed by the General Shareholders' Meeting or, in the event of an early vacancy, by the Board of Directors itself by co-optation.

Thus, the Board Regulations establish:

Article 9 - Selection of candidates: 1. The Board of Directors shall work towards ensuring that: (a) the selection policy of the directors (i) is specific and verifiable (ii) ensures that the proposals for appointment or re-election are based on a previous analysis of the needs of the Board of Directors; and (iii) supports the diversity of knowledge, experience and gender in the Board of Directors; and (b) the result of the preliminary analysis of the needs of the Board is reflected in the explanatory report of the Appointments Committee to be published at the summons of the General Shareholders' Meeting that must ratify the appointment or re-election of each director. The Board of Directors – and the Appointments and Remuneration Committee within the scope of its powers- shall endeavour to ensure that the proposals for candidates made to the General Shareholders' Meeting for appointment or re-election as Directors, and the appointments made directly to cover vacancies in the exercise of its co-optation powers, are made of honourable and suitable persons of recognised solvency, competence, experience, qualification, training, availability and commitment to their duty. It shall also strive to ensure that the selection of candidates achieves the right balance of the Board of Directors as a whole, which enriches the decision making process and contributes plural perspectives to the discussion of matters of its competence. 3.

In the case of a Director that is a legal person, the natural person representing it in the exercise of the duties inherent to the office of Director shall be subject to the same criteria set forth in the previous paragraph. Any incompatibilities that may be applicable and any duties enforceable for Directors as set forth in the Company Bylaws and these Regulations shall be equally applicable to the representative on a personal level.

Article 10 - Appointment: 1.The Directors shall be appointed by the General Shareholder's Meeting by agreement or, in the event of co-optation, by the Board of Directors, with the provisions set forth in the law and in the Company Bylaws.2. The proposals for appointment and re-election of Directors that the Board of Directors submits to the General Shareholder's Meeting, and the appointment decisions that are adopted by the Board of Directors, by virtue of the powers of co-optation legally attributed thereto, must be preceded by:(i) the pertaining proposal from the Appointments and Remunerations Committee in the case of Independent directors, which must go hand in hand with an explanatory report evaluating the competency, experience and merit of the proposed candidate; or (ii) the Appointments and Remuneration Committee report in the case of other Directors, with assignment of the new Director to one of the categories considered in these Regulations.3.The proposals and reports from the Appointments and Remuneration Committee must expressly value the honourability, suitability, solvency, competency, experience, qualification, training, availability and commitment to duty of the candidates.4.When the Board of Directors should choose to act contrary to any of the proposals or reports from the Appointments and Remuneration Committee it shall explain the reasons for its action and record it in a document.5.The appointment of Directors by co-optation must respect the rules of appointment of Directors set forth in the law, in the Company Bylaws and in these Board of Directors Regulations. In the event of a vacancy arising after the General Shareholder's Meeting, has already been called and prior to it being held, the Board of Directors may designate a Director until the holding of the following General Shareholder's Meeting.

Article 11 – Term of office: 1. Directors shall hold their office for a period of four (4) years unless the General Shareholders' Meeting should agree their dismissal or they should resign before the end of this term. 2.Directors may be re-elected once or several times for periods of four (4) years, although in the case of Independent Directors the maximum term of office shall be of twelve (12) years for this category.3.The vacancies that might arise may be covered by the Board of Directors in accordance with the law, the Company Bylaws and these Regulations, until the following General Shareholders' Meeting is held, which will then either confirm the appointments or elect the persons who must replace the non-ratified Directors, unless elimination of the vacancies should be decided.

Article 12.- Re-election 1.The proposals for re-election of Directors that the Board of Directors should decide to submit to the General Shareholders' Meeting must follow a procedure which will necessarily include a proposal (in the case of Independent Directors) or a report (in the case of remaining Directors) issued by the Appointments and Remuneration Committee, which will evaluate the quality of the work and the dedication to office of the Directors proposed during the previous term of office as well as, and expressly, the honourability, suitability, solvency, competency, availability and commitment to duty thereof.2.To this end, the Directors who form part of the Appointments and Remuneration Committee shall be evaluated by this Committee, using whatever internal and external means are deemed necessary, and each one shall have to leave the meetings when the deliberations and voting affecting each one take place. The Chairman, the Deputy Chairmen (if any), the Independent Directors especially empowered and, in the event that they are Directors, the Secretary and the Deputy Secretaries (if any) of the Board of Directors that are re-elected as members of the Board of Directors by agreement of the General Shareholder's Meeting shall continue to hold the offices they have held hitherto within the Board of Directors, with no need for a new appointment, and all notwithstanding the power of revocation in regard to such offices held by the Board of Directors itself.

Article 13.- Resignation, dismissal and termination: 1. The Directors shall terminate their term of office when the term for which they were appointed has elapsed or when so decided by the General Shareholder's Meeting exercising the powers attributed thereto. 2. The Board of Directors will not propose the removal of any independent director prior to the fulfilment of the term of their appointment, unless there is just cause appreciated by the Board of Directors, following a report from the Appointments and Remuneration Committee. In particular, just cause will be deemed to exist when the director goes on to occupy new positions or undertakes new obligations that prevent them from devoting the necessary time to the tasks inherent to the role of director, should fail to the duties inherent to their office or found to be involved in any of the circumstances that cause them to lose their status as independent, in accordance with what is set forth in applicable legislation. This termination may also be proposed as a result of public takeover bids, mergers or any other similar corporate operations that lead to change in the capital structure of the company. 3. Directors must present their resignation to the Board of Directors and formalise said resignation in the following cases: (i) When for unexpected circumstances they should be subject to the situations of incompatibility or prohibition set forth in general provisions, in the Company Bylaws or in these Regulations. (ii) When as a result of actions or conducts attributable to the Director serious damage should have been caused to the assets or reputation of the Company or the Company should be at risk of criminal liability. (iii) When they should lose the honourability, suitability, solvency, competency, availability or commitment to duty necessary to be a Director of the Company.



(iv) When their permanence in the Board of Directors might endanger, for any reason, and directly, indirectly or via parties related to him (in accordance with the definition of this term contained in these Regulations), the fair and diligent performance of his duties in accordance with social interest. (v) When the reasons for which he was appointed should no longer exist and, in particular, in the case of Proprietary Directors, when the shareholder they represent has fully or partially sold his shareholding, thus losing the qualification thereof as significant or sufficient to justify the appointment. The number of Proprietary Directors proposed by a shareholder must be reduced in accordance with its reduction of its shareholding in the share capital of the Company. (vi) When an Independent Director should unexpectedly become involved in any of the circumstances he is barred from as set forth in article 8.5 of these Regulations. 4. In any of the cases set forth in the foregoing paragraph, the Board of Directors shall ask the Director to resign from office and, as the case may be, shall propose dismissal thereof at the General Shareholder's Meeting. 5. Exceptionally, the foregoing shall not be of application in the event of resignation considered in paragraphs (v) and (vi) above then the Board of Directors should consider that there are causes to justify the permanence of the Director, following a report from the Appointments and Remuneration Committee, notwithstanding the incidence that the new circumstances may have on the qualification of the Director. 6. In the case of a natural person representing a legal person that is a Director being involved in any of the abovementioned situations, said person shall be rendered invalid to carry out that representation. 7. In the event of resignation or termination of a Director prior to the end of his term of office, the Director must explain the reasons for this resignation/termination in a letter addressed to all members of the Board of Directors. In any event, the reason for the termination must be included in the annual corporate governance report of the Company.

Article 14.- Deliberation and voting on appointment and termination of Directors. 1. The Directors affected by appointment, re-election or termination proposals shall abstain from intervening in the deliberations and votes that affect them. 2. All votes of the Board of Directors on the appointment, re-election or termination of Directors shall be secret, notwithstanding the right of any Director to disclose the content of his vote.

C.1.20 Explain to what extent the annual assessment of the board has led to important changes in its internal organisation and of the procedures applicable to its activities:

Description of modifications

The Board of Directors of the Company, as a result of the Board's evaluation and after extensive debate, unanimously approved the reports made by the Audit Committee and

the Appointments and Remuneration Committee and agreed, as points of improvement, the following:

- 1) Submission of documentation relating to the Board meetings on Fridays before 12:00 (Friday before the Board Meeting to be held on Tuesdays) except for justified reasons.
- 2) Establishment of times for each item on the agenda; encourage their debate; indicate whether the items on the agenda are for debate, information or decision; Session Start Times from 10 am (until 2 pm).
- 3) Preparation and approval of the Company's Strategic Plan.
- 4) Proposed regulatory change; Remuneration for assistance to Board Committees in accordance with the Public Remuneration Policy.
- 5) That the Audit Committee should adapt as far as possible to the recommendations of the Technical Guide of the CNMV.

C.1.20.bis Describe the appraisal process and the areas assessed by the Board of Directors with the assistance, as the case may be, of an external consultant, in regard to the diversity of its composition and powers, their operation and the composition of their committees, the performance of the chairman of the Board of Directors and the chief executive of the company, along with the performance and contribution of each director.

The Secretariat of the Board of Directors, drafted in 2016 a self-assessment questionnaire, which has been reviewed in the Appointments and Remuneration Committee held in September 2017 without any changes being proposed. Subsequently, it was reported to the Board of Directors on the same day and distributed to the Directors. The purpose of this questionnaire is to provide the Board and the Committees with the necessary mechanisms to evaluate the diversity in the composition of the Board of Directors and its powers, the functioning and composition of its Committees, the performance of the Chairman of the Board of Directors and the chief executive of the company, along with the performance and contribution of each director.

In accordance with article 19.8 of the Regulation of the Board of Directors, the evaluation of the different committees begins with the report that they submit to the Board of Directors, and the evaluation of the Board of Directors begins with the report submitted by the Appointments and Remuneration Committee.

With regard to the evaluation of the Board of Directors and the committees, the Chairman of the Board of Directors meets with the Chairmen of the committees and with the remaining directors to inform them of the results of these evaluations.

With respect to the performance of the Chairman of the Board of Directors and the chief executive of the Company, the Regulation of the Board establish that the latter cannot be present while discussing said matter. However, due to the resignation of the Chairman of the Board of Directors in September 2017, as the new Chairman joined the Company in October 2017, The Secretary made it clear that the Directors evaluated the performance of former Chairman Jose Manuel Vargas, considering that the work of the current Chairman could not yet be assessed.

After a lengthy debate, the Board of Directors unanimously approved the Reports submitted by the Audit Committee and the Appointments and Remuneration Committee and agreed on a series of points of improvement and an action plan to correct the shortcomings detected.

C.1.20.ter List, as the case may be, the business relations that the consultant or any company of its group maintain with the company or any group company.

Not applicable

C.1.21 Indicate the cases in which directors are obliged to resign.

In addition to the case of incompatibility or prohibition legally established, article 13 of the Board Regulations sets forth:

...3. Directors must present their resignation to the Board of Directors and formalise said resignation in the following cases:

- (i) When for unexpected circumstances they should be subject to the situations of incompatibility or prohibition set forth in general provisions, in the Company Bylaws or in these Regulations.
- (ii) When as a result of actions or conducts attributable to the Director serious damage should have been caused to the assets or reputation of the Company or the Company should be at risk of criminal liability.
- (iii) When they should lose the honourability, suitability, solvency, competency, availability or commitment to duty necessary to be a Director of the Company.
- (iv) When their permanence in the Board of Directors might endanger, for any reason, and directly, indirectly or via parties related to him (in accordance with the definition of this term contained in these Regulations), the fair and diligent performance of his duties in accordance with social interest.
- (v) When the reasons for which he was appointed should no longer exist and, in particular, in the case of Proprietary Directors, when the shareholder they represent has fully or partially sold his shareholding, thus losing the qualification thereof as significant or sufficient to justify the appointment.

The number of Proprietary Directors proposed by a shareholder must be reduced in accordance with its reduction of its shareholding in the share capital of the Company.

- (vi) When an Independent Director should unexpectedly become involved in any of the circumstances he is barred from as set forth in article 8.5 of these Regulations.

4. In any of the cases set forth in the foregoing paragraph, the Board of Directors shall ask the Director to resign from office and, as the case may be, shall propose dismissal thereof at the General Shareholder's Meeting.

5. Exceptionally, the foregoing shall not be of application in the event of resignation considered in paragraphs (v) and (vi) above then the Board of Directors should consider that there are causes to justify the permanence of the Director, following a report from the Appointments and Remuneration Committee, notwithstanding the incidence that the new circumstances may have on the qualification of the Director.

6. In the case of a natural person representing a legal person that is a Director being involved in any of the abovementioned situations, said person shall be rendered invalid to carry out that representation.

7. In the event of resignation or termination of a Director prior to the end of his term of office, the Director must explain the reasons for this resignation/termination in a letter addressed to all members of the Board of Directors. In any event, the reason for the termination must be included in the annual corporate governance report of the Company.

C.1.22 Paragraph revoked.

C.1.23 Are enhanced majorities, other than the legal ones, required in any type of decision?

Yes ☐

No ☒

If any, please describe the differences.

Description of differences

C.1.24 Explain whether there are specific criteria, other than those relating to the directors, to be appointed chairman of the Board of Directors.

Yes ☒

No ☐

Description of requirements
Article 15.5 of the Regulations on the Board of Directors establishes that the Chairman of the Board of Directors shall be in any event the chief executive.
In addition, article 15.2 of the Board Regulations sets forth that the Chairman shall hold the position of Chief Executive Officer of the Company, whose appointment will require the vote in favour of two thirds of the members of the Board of Directors.

C.1.25 Indicate whether the chairman has a casting vote:

Yes ☐

No X

Matters where a casting vote exists

C.1.26 Indicate whether the Company Bylaws or the board regulations set forth an age limit for directors:

Yes ☐

No X

Chairman's age limit ☐

Chief executive officer's age limit ☐ Director's age limit ☐

C.1.27 Indicate whether the Company Bylaws or the board regulations establish a limited number of terms of office for independent directors, different to that established in the legislation:

Yes

No X

Maximum number of terms of office	

C.1.28 Indicate whether the Company Bylaws or the board regulations establish specific rules on proxy voting in the board, the way to do this and, in particular, the maximum number of proxy votes which a director may have, as well as whether there is any limitation in place in terms of the categories for proxy voting, beyond the limits imposed by the legislation. If any, please briefly provide details of such rules.

Article 20.2 of the Board Regulations establishes that when directors exceptionally are unable to personally attend the meetings of the Board of Directors, they shall endeavour to transfer their representation to another member of the Board holding his same status, including giving the most accurate appropriate instructions. External Directors may only delegate their

vote to another External Director. Proxy voting must be granted in writing and shall be special for each meeting.

- C.1.29 Indicate the number of meetings held by the Board of Directors throughout the year. Additionally, mention, as the case may be, the times that the board has met without the attendance of the chairman. Any representations made by specific instructions will be considered in the calculation.

<b>Number of board meetings</b>	<b>12</b>
<b>Number of board meetings without attendance of the chairman</b>	<b>0</b>

If the chairman is the chief executive, please state number of meetings held without the attendance or representation of any executive director and under the chairmanship of the coordinator director

<b>Number of meetings</b>	<b>0</b>
---------------------------	----------

Indicate the number of meetings held throughout the year by the various board committees:

<b>Number of meetings of the executive or delegated committee</b>	<b>2</b>
<b>Number of meetings of the audit committee</b>	<b>5</b>
<b>Number of meetings of the appointments and remuneration committee</b>	<b>8</b>
<b>Number of meetings of the appointments committee</b>	
<b>Number of meetings of the remuneration committee</b>	
<b>Number of meetings of the ____ committee</b>	

- C.1.30 Indicate the number of meetings that the Board of Directors has held during the year with the attendance of all its members. Representations made by specific instruction shall be considered attendances:

<b>Number of meetings with the attendances of all directors</b>	<b>10</b>
<b>% attendance on total votes throughout the year</b>	<b>98.28 %</b>

- C.1.31 Indicate whether the individual and consolidated financial statements presented for approval to the board have been previously certified:

**Yes X                      No**

Identify, as the case may be, the person/s who has/have certified the individual and consolidated financial statements for presentation by the board:

<b>Name</b>	<b>Position</b>
Mr JAIME GARCÍA-LEGAZ PONCE	CHAIRMAN-CHIEF EXECUTIVE OFFICER
Mr JOSÉ LEO VIZCAÍNO	CHIEF FINANCIAL OFFICER

- C.1.32 Explain, if any, the mechanisms established by the Board of Directors to prevent the individual and consolidated financial statements it has prepared from being presented at the General Shareholder's Meeting with qualifications in the audit report.

The Audit Committee, in accordance with article 23.7 of the Regulations of the Board of Directors ensures that the Board of Directors presents the accounts to the General Shareholder's Meeting with no limitations or qualifications in the audit report and that, in the event of existence of qualifications, both the chairman of the audit committee and the auditors clearly explain to the shareholders the content and scope of said limitations or qualifications.

- C.1.33 Is the secretary of the board a director?

Yes ☐

No ☒

If the secretary is not a director, please complete the following table:

<b>Name or company name of secretary</b>	<b>Representative</b>
Ms MATILDE GARCIA DUARTE	

- C.1.34 Paragraph revoked.

- C.1.35 Indicate, if any, the specific mechanisms established by the company to preserve the Independence of the external auditors, of the financial analysis, of the investment banks and of the rating agencies.

In accordance with article 23.9 of the Board Regulations, the Audit Committee is in charge of the following functions:

- (i) Ensuring and preserving the independence of the external auditor in the exercise of its functions and, to that end:
  - Ensuring that the Company communicates to the National Securities Market Commission, as an important event, the change of external auditor and attaches a declaration on the possible existence of disagreements with the outgoing auditor and, if there were such, their content.

- Ensuring that the Company and the external auditor respect the current rules on the supply of services other than those of auditing, the limits on the concentration of the external auditor's business and, in general, other standards established to ensure the independence of the auditors.
  - In the event of the external auditor's resignation, examining the circumstances causing it.
  - Watching to see that the remuneration to the external auditor for the work does not compromise quality or independence.
- (ii) Establishing the appropriate relations with the auditors of accounts or audit companies in order to receive information on those questions which may constitute a threat to their independence for their examination by the Audit Committee, and any others related with the procedure of the audit of accounts and, when necessary, the authorisation of services other than those prohibited, in the terms set out in articles 5, section 4, and 6.2.b) of Regulation (EU) No 537/2014, of 16 April, and the terms of section 3 of chapter IV, title I of Law 22/2015, of 20 July, on the Auditing of Accounts, on the regime of independence, as well as those other communications provided for in the legislation on accounts auditing and in the audit standards. In every case, they must receive annually from the external auditors a declaration of their independence in relation to the Company or companies linked to it directly or indirectly, and detailed and individualised information on additional services of any kind supplied and the relevant fees received from these companies by the external auditor or by persons or entities linked to it in accordance with the terms set out in the regulations governing the activity of auditing accounts.
- (iii) The annual issue, prior to the issue of the audit report, of a report in which an opinion is expressed on whether the independence of the auditors of accounts or audit companies has been compromised. This report must contain, in every case, a reasoned assessment of each and every one of the additional services referred to in the preceding section, considered individually and as a whole, other than the legal audit and in relation with the regime of independence or with the regulations governing the activity of auditing accounts.
- (iv) Where applicable, being in favour of the group auditor taking on responsibility for the audits of the group companies.
- (v) Supervising that the Company communicates to the CNMV as a relevant event any change of auditor and attaches a declaration on the possible existence of disagreements with the outgoing auditor and, if there are such, their content.
- (vi) Ensuring that the external auditor has an annual meeting with the Board of



Directors in plenary session to report on the work done and on the progress of the accounting situation and risks affecting the Company.

- (vii) Ensuring that the Company and the external auditor respect the rules in force on the supply of services other than those of audit, the limits on the concentration of the auditor's business and, in general, other standards on the independence of the auditors.

In the first months of financial year 2017, and in any event prior to the issue of the accounts auditing report, the Audit Committee shall prepare the report on the independence of the accounts auditors or auditing firms in accordance with article 23.9 of the Regulations of the Board of Directors.

The Financial Department coordinates the relations with financial analysts, investment banks, institutional and retail investors and rating agencies, managing requests for information as well requests from institutional or private investors on the basis of the principles of transparency, non-discrimination, veracity and reliability of the information provided.

To this end, Aena has several communication channels, such as the publication of the information on quarterly results and other events such as those related to the presentation of results or to corporate operations, and direct communication with the department of investor relations via an electronic email and a contact telephone number.

C.1.36 Indicate whether during the year the Company has changed external auditor. If this is the case, identify outgoing and incoming auditor:

Yes ☒

No

Outgoing Auditor	Incoming Auditor
PwC (PricewaterhouseCoopers, S.L.)	KPMG Auditores S.L.

In the event of disagreements having arisen with the outgoing auditor, explain the content thereof:

Yes ☐

No ☒

Explanation of disagreements

C.1.37 Indicate whether the auditing firm carries out other work for the company

and/or its group other than auditing work and, if this is the case, state the amount of the fees received for such work and the percentage thereof of the fees billed to the company and/or its group:

Yes ☒ No ☐

	Company	Group	Total
Amount for work other than auditing work (thousands of euros)	113	52	165
Amount for work other than auditing work/Total amount billed by auditing firm (in %)	40.50%	40%	40.34%

C.1.38 Indicate whether the audit report on the financial statements of the previous year contains reservations or qualifications. If any, please indicate the reasons provided by the chairman of the audit committee on the content and scope of said reservations and qualifications.

Yes ☐ No ☒

Explanation of reasons

C.1.39 State the number of financial years during which the current auditing firm has uninterruptedly been performing the auditing of the financial statements of the company and/or the group. In addition, state the percentage represented by the number of financial years audited by the current firm of the total number of financial years that have been audited:

	Company	Group
Number of uninterrupted financial years	1	1

	Company	Group
Number of financial years audited by the current auditing firm/number of financial years in which the company has been audited (in %)	14.29%	14.29%

C.1.40 Indicate and, as the case may be, provide details of whether there is a

procedure in place for directors to have external advice:

Yes X

No ☐

Details of procedure
As set forth in article 25 of the Board Regulations, in order to be assisted in the exercise of their duties, External Directors may request the engagement at the expense of the Company of advisers and experts. The engagements must relate to specific problems of a certain significance or complexity.
The decision to engage such services must be communicated to the Chairman and shall be carried out via the Secretary of the Board of Directors, unless the Board of Directors should consider that the engagement is not necessary or convenient.

C.1.41 Indicate and, as the case may be, provided details, of whether there is a procedure in place for directors to have the necessary information to prepare the meetings of the administration bodies with sufficient time:

Yes X

No ☐

Details of procedure
Article 19.4 of the Regulations of the Board of Directors and 36 of the Company Bylaws set forth that the Chairman shall call the ordinary meetings of the board. This will be done by letter, electronic mail or other telematic means of communication that ensure receipt thereof, sufficiently in advance for Directors to have access to it and no later than the third day before the date the Board Meeting is to be held. The summons shall include the Agenda of the meeting and relevant written information for decision making, clearly indicating those points on which the Board of Directors must adopt a decision or agreement so that the Directors are able to study or compile, prior to the meeting, the information required to make the decision.

C.1.42 Indicate and, as the case may be, provide details as to whether the company has established rules obliging the directors to inform and, as the case may be, to resign, in cases that might be detrimental to the credibility and reputation of the company:

Yes X

No ☐

Explain the rules
In accordance with article 13.2 of the Board Regulations, the Directors must resign from the Board of Directors and formalise their resignation when:(i) for actions or conducts attributable to the Director that have caused serious harm to the assets or

reputation of the Company or put the Company at risk of criminal liability; and (ii) when their permanence in the Board of Directors might endanger in any way and in a direct or indirect way or via related parties (in accordance with the definition of this term contained herein), the fair and diligence exercise of their duties in accordance with the social interest.

C.1.43 Indicate whether any member of the Board of Directors has informed the company that he has been prosecuted or that an order for the commencement of an oral trial has been issued against him, for any of the crimes set forth in article 213 of the Capital Companies Act:

Yes ☐ No ☒

Name of director	Criminal case	Remarks

Indicate whether the Board of Directors has analysed the case. If the answer is yes, provide a reasonable explanation on the decision made on whether or not the director must continue in office or, as the case may be, explain the actions taken by the Board of Directors up to the date of this report or that it plans to execute.

Yes ☐ No ☐

Decision made/action taken	Reasoned explanation

C.1.44 List the significant agreements entered into by the company and which come into force, are modified or terminate in the event of a change of control of the company as a result of a takeover bid and its effects.

C.1.45 Identify in aggregate form and indicate, in detail, the agreements between the company and its management or senior executive employees or workers subject to compensation, guarantee or indemnity clauses, when these should resign or are wrongfully dismissed or if the contractual relationship should terminate as a result of a takeover bid or any other type of operation.

Number of beneficiaries	
Type of beneficiary	Description of agreement

Indicate whether these contracts must be reported and/or approved by the company or the group bodies:

	<b>Board of Directors</b>	<b>General Shareholder's Meeting</b>
<b>Body authorising the clauses</b>		

	<b>Yes</b>	<b>No</b>
<b>Is the General Shareholder's Meeting informed of the clauses?</b>		

## C.2 Committees of the Board of Directors

C.2.1 List all the committees of the Board of Directors, their members and the proportion of executive, proprietary, independent directors and other external members within them:

### **DELEGATED OR EXECUTIVE COMMITTEE**

<b>Name</b>	<b>Position</b>	<b>Type</b>
Mr JAIME GARCÍA-LEGAZ PONCE	CHAIRMAN	EXECUTIVE
Mr JOSEP PIQUE CAMPS	MEMBER	INDEPENDENT
Ms JESUS ROMERO DE ÁVILA TORRIJOS	MEMBER	PROPRIETARY
Ms ALICIA SEGOVIA MARCO	MEMBER	PROPRIETARY
TCI ADVISORY SERVICES, LLP. Represented by Mr CHRISTOPHER ANTHONY HOHN	MEMBER	PROPRIETARY

<b>% of executive directors</b>	20%
<b>% of proprietary directors</b>	60%
<b>% of independent directors</b>	20%
<b>% of other external members</b>	

Explain the functions of this committee, describe the procedures and rules for organisation and operation thereof and summarise its most important actions during the year.

Functions, organisation and operation:(Article 22 of the Board Regulations)

[...]

(ii) Competencies

5. Without prejudice to the delegation of powers to the Chairman of the Board of Directors and, as applicable, the Managing Director and the Vice-Chairman of the Board of Directors, the Executive Committee will have the capacity of decision in the general ambit and, consequently, will have express delegation of all the powers which correspond to the Board of Directors except those which are not able to be delegated in virtue of the Law, regulations applicable in matters of corporate government, the Company Bylaws and this Regulation.

(iii) Operation

6. The Executive Committee will meet with the necessary frequency, in the judgment of the Chairman or when requested by three of its members.
7. The Executive Committee will be validly formed when the meeting is attended, in person or represented, by more than half of its members.
8. Resolutions will be adopted by absolute majority of the Directors attending the meeting (in person or represented), the Chairman having a casting vote in the event of a tie.

(iv) Relations with the Board of Directors

9. The Board of Directors will be advised of the matters dealt with and the decisions adopted by the Executive Committee and all its members will receive copies of the minutes of Executive Committee meetings.

1. The Executive Committee has met twice this year; once to analyse the participation of Aena Desarrollo Internacional, SA (at present, Aena Desarrollo Internacional SME, SA) in the Public Tender (Leilão 01/2016) for the Concession of the extension, maintenance and operation of the airports of Porto Alegre (Salgado Filho), Salvador (Deputado Luís Eduardo Magalhaes), Florianópolis (Hercílio Luz) and Fortaleza (Pinto Martins) and in the second meeting to address the financial and industrial viability of a corporate operation.

Indicate whether the composition of the delegated or executive committee reflects the participation in the Board of the various directors in regard to category:

Yes ☐

No ☒

**If the reply is no, please explain the composition of your delegated or executive committee**

Composition (art 22 (i) of Board Regulations)

[...]

3. The Executive Committee will be comprised of the Chairman of the Board of

Directors, three (3) Proprietary Directors, and one (1) Independent Director.

This composition is the result of the privatisation process of the Aena, whose privatisation commission approved the abovementioned composition and which appears in the prospectus of admission to trading.

### AUDIT COMMITTEE

Name	Position	Type
Mr JUAN IGNACIO ACHA-ORBEA ECHEVERRÍA	CHAIRMAN	INDEPENDENT
Mr RODRIGO MADRAZO GARCIA DE LOMANA	MEMBER	PROPRIETARY
Ms JESUS ROMERO DE ÁVILA TORRIJOS	MEMBER	PROPRIETARY
Mr JAIME TERCEIRO LOMBA	MEMBER	INDEPENDENT
Mr JOSE LUIS BONET FERRER	MEMBER	INDEPENDENT

<b>% of proprietary directors</b>	40 %
<b>% of independent directors</b>	60%
<b>% of other external members</b>	

Explain the functions of this committee, describe the procedures and rules for organisation and operation thereof and summarise its most important actions during the year.

Functions, organisation and operation:(Article 23 of the Board Regulations)

(i) Composition

1. The Board of Directors will set up a permanent Audit Committee comprising five (5) members, who must be External Directors.
2. The Audit Committee is formed as an internal body of an informative and consultative character, with no executive functions, with powers of information, advice and proposal within its scope of action.
3. The members of the Audit Committee, and particularly its Chairman, will be appointed taking into account their knowledge and experience in matters of accounting and auditing or both. As a group, the Committee members will have the relevant technical knowledge in relation with the Company's sector of activity. Most of these members shall be Independent Directors.
4. The Chairman of the Audit Committee will be appointed from among the Independent Directors who are its members and must be replaced every four years, being able to be re-elected after a gap of one year from the date of cessation.

5. The appointment of the members of the Audit Committee, as well as the appointment of its Chairman and Secretary, will be made by the Board of Directors by absolute majority. Its renewal shall be made in the time, form and number as decided by the Board of Directors of the Company.
6. The Secretary of the Audit Committee can be one of its members or the Secretary or Vice-Secretary of the Board of Directors. In the case of the latter, the Secretary may not have status as a member of the Audit Committee.

(ii) Competencies

7. Without prejudice to any other task that may be assigned to it by the Board of Directors or which is established in this Regulation, the primary function of the Audit Committee will be that of providing support to the Board of Directors in its functions of supervision and, specifically, it will have as a minimum the competence to report to the General Meeting of Shareholders on questions raised in relation with those matters which are in the competence of the Audit Committee and, in particular, on the results of the audit, explaining how this has contributed to the integrity of the financial information and the function that the committee has undertaken in this process. In this sense, the Audit Committee will see that the Board of Directors endeavours to present the financial statements to the General Meeting of Shareholders without limitations or reservations in the audit report and that, in the exceptional circumstances that there should be reservations, both the Chairman of the Audit Committee and the auditors explain with clarity to the shareholders the content and scope of such limitations or reservations.
8. In relation with information and internal control systems, the Audit Committee will have the following functions:
  - (a) Supervising the process of preparation, presentation and integrity of the essential financial information relating to the Company and, where applicable, the group, presenting to the administration body recommendations or proposals intended to safeguard its integrity, reviewing compliance with regulatory requirements, the adequate definition of the perimeter of consolidation and the correct application of accounting criteria.
  - (b) Regularly review the internal control and risk management systems in order to identify, manage and properly inform of the main risks.
  - (c) Evaluating everything relative to non-financial risks in the company –including those operational, technological, legal, social, environmental, political and reputational.
  - (d) Supervising the effectiveness of internal control in the Company, the internal audit and systems of risk management, discussing with the auditor of accounts any significant weaknesses in the internal control system detected during the audit, all this without impairing its independence. To these ends, and where applicable, it can make recommendations or proposals to the administration body and the relevant period for their follow-up.
  - (e) Establish and supervise a mechanism that enables employees to report in a confidential manner and, if possible and appropriate, anonymously, any irregularities of potential importance, particularly financial and accounting, that they may have detected within the company.
  - (f) Watching over the independence of the unit which takes on the function of internal audit; proposing the selection, appointment, re-election and cessation of the internal audit service manager; proposing the budget for this service; approving the orientation and working plans, ensuring that its activity is focused principally towards the company's relevant risks; receiving information regularly on its activities; and verifying that the top management takes into account the conclusions and recommendations of its reports.
9. In relation with the external auditor:
  - (a) Presenting to the Board of Directors, for submission to the General Meeting of



Shareholders, proposals for the selection, appointment, re-election and replacement of the auditors of accounts, taking responsibility for the selection process, in accordance with the terms of articles 16, sections 2, 3 and 5, and 17.5 of Regulation (EU) No 537/2014, of 16 April, and the conditions of their contracting.

- (b) Receiving regularly from the external auditor information on the audit plan and the results of its workings, and seeing to it that the senior management takes its recommendations into account.
- (c) Ensuring and preserving the independence of the external auditor in the exercise of its functions and, to that end:
  - Ensuring that the Company communicates to the National Securities Market Commission, as an important event, the change of external auditor and attaches a declaration on the possible existence of disagreements with the outgoing auditor and, if there were such, their content.
  - Ensuring that the Company and the external auditor respect the current rules on the supply of services other than those of auditing, the limits on the concentration of the external auditor's business and, in general, other standards established to ensure the independence of the auditors.
  - In the event of the external auditor's resignation, examining the circumstances causing it.
  - Watching to see that the remuneration to the external auditor for the work does not compromise quality or independence.
- (d) Establishing the appropriate relations with the auditors of accounts or audit companies in order to receive information on those questions which may constitute a threat to their independence for their examination by the Audit Committee, and any others related with the procedure of the audit of accounts and, when necessary, the authorisation of services other than those prohibited, in the terms set out in articles 5, section 4, and 6.2.b) of Regulation (EU) No 537/2014, of 16 April, and the terms of section 3 of chapter IV, title I of Law 22/2015, of 20 July, on the Auditing of Accounts, on the regime of independence, as well as those other communications provided for in the legislation on accounts auditing and in the audit standards. In every case, they must receive annually from the external auditors a declaration of their independence in relation to the Company or companies linked to it directly or indirectly, and detailed and individualised information on additional services of any kind supplied and the relevant fees received from these companies by the external auditor or by persons or entities linked to it in accordance with the terms set out in the regulations governing the activity of auditing accounts.
- (e) The annual issue, prior to the issue of the audit report, of a report in which an opinion is expressed on whether the independence of the auditors of accounts or audit companies has been compromised. This report must contain, in every case, a reasoned assessment of each and every one of the additional services referred to in the preceding section, considered individually and as a whole, other than the legal audit and in relation with the regime of independence or with the regulations governing the activity of auditing accounts.
- (f) Where applicable, being in favour of the group auditor taking on responsibility for the audits of the group companies.
- (g) Supervising that the Company communicates to the CNMV as a relevant event any change of auditor and attaches a declaration on the possible existence of disagreements with the outgoing auditor and, if there are such, their content.
- (h) Ensuring that the external auditor has an annual meeting with the Board of Directors in plenary session to report on the work done and on the progress of the accounting situation and risks affecting the Company.

- (i) Ensuring that the Company and the external auditor respect the rules in force on the supply of services other than those of audit, the limits on the concentration of the auditor's business and, in general, other standards on the independence of the auditors.
- 10. Reporting to the Board of Directors, prior to its adoption of the relevant decisions reserved to the Board of Directors, on the following subjects:
  - (a) The financial information that, due to its status as quoted, the Company must regularly make public. The Audit Committee must ensure that the intermediate accounts are prepared according to the same accounting criteria as the annual accounts and, to this end, consider the advisability of a limited review of the external auditor.
  - (b) The prospectuses on the issue, admission and all other documentation relating to share issues or admissions
  - (c) The creation or acquisition of stocks in special purpose vehicles or based in countries or territories considered tax havens, as well as any other transaction or operation of a similar nature which, due to its complexity, might undermine the transparency of the group.
  - (d) The related-party transactions.
- 11. In relation to the internal audit:
  - (a) The Company shall have a unit that will be responsible for the internal auditing role which, under the supervision of the Audit Committee, shall ensure the good working order of the information and internal control systems and which will functionally report to the Chairman of the Audit Committee.
  - (b) The head of the unit that assumes the internal audit functions shall present its annual work plan to the Committee; will inform the committee directly of any incidents arising in the performance thereof; and shall present an activities report at the end of each financial year.
  - (c) The Audit Committee shall ensure the Independence and efficacy of the internal audit function; shall propose the selection, appointment, re-election and termination of the head of the internal audit department; shall propose the budget for this service; will receive regular information on its activities; and will verify that senior management takes the conclusions and recommendations of its reports into account.
- 12. In relation with the risk control and management policy:
  - (a) The Audit Committee must identify:
    - The various types of risk, financial and non-financial (among others, those operational, technological, legal, social, environmental, political and reputational), to which the Company is subject, including among those financial and economic, contingent liabilities and other risks outside the balance sheet.
    - Fixing the level of risk that the Company considers acceptable.
    - The measures in place to mitigate the impact of identified risks, in the event that they should materialise.
    - The information and internal control systems that will be used to manage said risks, including contingent liabilities and off-balance sheet risks.
  - (b) Under the direct supervision of the Audit Committee, the Company will have a unit which carries out the internal function of risk control and management, and which will carry out the following functions:
    - Ensuring the good functioning of the risk control and management systems and, in particular, that they identify, manage and adequately quantify all the important risks affecting the Company.
    - Participating actively in the preparation of the risk strategy and in important decisions on its management.
    - Seeing that the risk control and management systems mitigate the risks adequately in the framework of the policy defined by the Board of Directors.

13. The Audit Committee will supervise the strategy of communication and relations with shareholders and investors, including small and medium shareholders.
14. The Audit Committee must be informed on operations of structural and corporate amendments which the Company intends to carry out, for their analysis and prior report to the Board of Directors, on their economic conditions and accounting impact and, particularly, where applicable, on the proposed equation for exchange.

(iii) Operation

15. The Audit Committee will meet at least once a quarter and whenever it is found appropriate, being summoned by its Chairman, on his own decision or in response to a request by two (2) of its members, by the Chairman of the Board of Directors, the Executive Committee or, where applicable, the Managing Director.
16. Notwithstanding the above, the Audit Committee will meet whenever the Board of Directors asks for a report or approval of proposals in the ambit of its competence and always when, in the judgment of the committee Chairman, it is seen as appropriate to the good progress of its purposes.
17. The Audit Committee will be validly constituted when the meeting is attended, in person or represented, by more than half of its members.
18. Resolutions will be adopted by absolute majority of the Directors attending the meeting (in person or represented), the Chairman having a casting vote in the event of a tie.
19. The Audit Committee may call for attendance at its meetings of the Company's auditor of accounts and the internal audit manager. In addition, the Audit Committee may call any employee or senior manager of the Company and even ask attendance of an employee without the presence of any senior manager.
20. The Audit Committee will prepare an annual memorandum containing an account of its activities.

(iv) Relations with the Board of Directors

21. The Board of Directors will be informed of the matters dealt with and the decisions adopted by the Audit Committee and all its members will receive copies of the minutes of the Audit meetings.

The most important actions that the Audit Committee undertook in 2017 were:

-Review of the individual and consolidated annual accounts from financial year 2016 and forwarding them to the Board of Directors so they can formulate them, and subsequently sending them to the CNMV and approval by the General Shareholder's Meeting.

-Review for its approval by the Board of Directors of the Annual Corporate Governance Report for the year 2016.

-Report on the Independence of the auditors

Review of the auditor's report on additional services rendered and fees received

-Approval of the Activity Report of the Audit Committee during 2016.

-Review of quarterly and half-yearly results, and those of 3 quarters closed to 30 September 2017, for approval by the Board of Directors and subsequent referral to the CNMV.

- Review of reports on associated operations to be forwarded to the Company's Board of Directors.

- Analysis of the effects of the new Accounting Audit Law for the year 2017

-Study and measures to be adopted in relation to the Technical Guide on Audit Commissions of entities of public interest of the CNMV.

-Proposals for its passing and approval by the Board of Directors of the Fiscal Policy.

-Proposal of approval of the procedure of related operations.

- Approval of the report by the Committee on the annual evaluation of operations and Composition of the

Audit Committee, which was later forwarded to the Board of Directors, which approved it.

- Report on reimbursable expenses (Reimbursable Expenses Regulation).
- Supervision of the functioning of the Reporting Channel during 2017.
- Proposals of approval of the annex of actions for 2018 of the INECO Protocol and of the annual extension of the Collaboration Agreement with ISDEFE.
- Supervision of the actions undertaken by the Internal Audit Department:
  - ✓ Presentation of internal audit activities performed in 2016.
  - ✓ Risk map for 2017.
  - ✓ Tracking incidents in audit reports awaiting resolution.
  - ✓ Presentation of actions by the Internal Audit Department during the first half of 2017.
  - ✓ Approval of the 2017 targets on the part of the Audit Director.
  - ✓ Information on activity in the Complaints Channel during financial year 2017.
  - ✓ Presentation of the 2018 Audit Plan.

Identify the director who is a member of the audit committee who has been appointed taking into consideration his knowledge and experience in accounting, auditing or both and report on the number of years the Chairman of the Committee has held his office.

<b>Name of the director with experience</b>	Mr Rodrigo Madrazo García de Lomana
<b>Name of the director with experience</b>	Mr Juan Ignacio Acha-Orbea Echeverría
<b>Name of the director with experience</b>	Mrs. M <sup>a</sup> Jesús Romero de Ávila Torrijos
<b>Name of the director with experience</b>	Mr Jaime Terceiro Lomba
<b>Name of the director with experience</b>	Mr José Luis Bonet Ferrer
<b>Number of years of chairman in office</b>	3

## APPOINTMENTS AND REMUNERATION COMMITTEE

<b>Name</b>	<b>Position</b>	<b>Type</b>
Mr EDUARDO FERNANDEZ CUESTA LUCA DE TENA	CHAIRMAN	INDEPENDENT
JOSEP PIQUE CAMPS	MEMBER	INDEPENDENT
Mr JOSE M <sup>a</sup> ARAÚZO GONZÁLEZ	MEMBER	PROPRIETARY
TCI ADVISORY SERVICES LLP	MEMBER	PROPRIETARY
Mr AMANCIO LÓPEZ SEIJAS	MEMBER	INDEPENDENT

<b>% of proprietary directors</b>	40%
<b>% of independent directors</b>	60%
<b>% of other external members</b>	

Explain the functions of this committee, describe the procedures and rules for

organisation and operation thereof and summarise its most important actions during the year.

The main rules of organisation and operation of the Appointments and Remuneration Committee are defined in article 24 of the Regulations of the Board of Directors. Notwithstanding any other duty that may be entrusted by the Board of Directors, the Appointments and Remuneration Committee shall have the following competencies:

1. Evaluating the competence, knowledge and experience necessary for the Board of Directors, defining, in consequence, the functions and aptitudes necessary for the candidates to fill each vacancy, and evaluating the time and dedication required for them to undertake their tasks properly.
2. Establishing an objective for representation of the sex less present on the Board of Directors, preparing orientation on how to achieve this objective and reporting to the Board on questions of gender diversity.
3. Submitting to the Board of Directors proposals for the nomination of Independent Directors for their appointment by co-option or for submission to the decision of the General Meeting of Shareholders, and proposals for the re-election or dismissal of these Directors by the General Meeting of Shareholders.
4. Reporting on proposals of appointment of other Directors for their nomination by co-option or for submission to the decision of the General Meeting of Shareholders, and proposals for their re-election or dismissal by the General Meeting of Shareholders.
5. Annual verification of compliance with the policy of selection of directors by the Board of Directors, reporting on this in the annual report on corporate government.
6. Ensuring that the non-executive directors have sufficient time available for the correct undertaking of their functions.
7. Reporting the proposals of nomination and dismissal of senior executives and proposing to the Board of Directors the basic conditions of their contracts.
8. Examining and organising the succession of the Chairman of the Board of Directors and the chief executive of the company and, where applicable, making proposals to the Board of Directors so that this succession takes place in an ordered and planned manner.
9. Periodically review the remuneration policy applied to the Directors and senior executives, including share remuneration packages and their application, as well as guarantee that their individual remuneration is in line with that paid to other Directors and senior executives of the Company.
10. Consulting the Chairman and chief executive of the Company, especially when dealing with matters relative to the executive directors and senior executives.
11. Checking on observance of the remuneration policy established by the Company.
12. Determine the complementary remuneration system of the Chairman and the Chief Executive Officer. The basic remuneration, which is the obligatory minimum remuneration, shall be established by the Ministry of the Treasury and Public Administrations.

13. Reporting on incentive plans.
14. Making an annual examination of the remuneration policy for the Directors and senior executives.
15. Preparing and checking on information on remuneration of the Directors and senior executives contained in the various corporate documents, including the annual report on corporate government and the annual report on Directors' remuneration.
16. Proposing the appropriate amendments of this Regulation to the Board of Directors.
17. Examining compliance with internal regulations (including the internal codes of conduct) and the rules of corporate government and making the necessary proposals of improvement.
18. Regularly evaluating the suitability of the company's corporate government system, with the aim that it complies with its purpose of promoting the company interests and taking into account, as appropriate, the legitimate interests of the other interest groups.
19. Seeing to it that any possible conflicts of interests do not compromise the independence of the external advice given to the Committee.
20. Reviewing the Company's corporate social responsibility policy, seeing that it is orientated to the creation of value.
21. Carrying out the follow-up of the strategy and practices of corporate social responsibility and evaluating the degree of compliance.
22. Supervising and evaluating the processes of relations with the various interest groups.
23. Coordinating the process of reporting of non-financial information and on diversity, in accordance with the regulations applicable and international standards of reference.

The Appointments and Remuneration Committee shall meet as often as deemed necessary in the opinion of its Chairman for the exercise of its duties. It will also meet when requested by, at least, two (2) of its members. The Chairman of the Board of Directors and the Chief Executive Officer may request information meetings from the Appointments and Remuneration Committee, as an exception.

Notwithstanding the above, the Appointments and Remuneration Committee will meet whenever the Board of Directors asks for the issue of a report or approval of proposals in the field of its competences and whenever, in the judgment of the Chairman of this committee, it is appropriate for the good development of its purposes.

The Appointments and Remuneration Committee will be validly met when the majority of its members are present at the meeting, in person or represented.

Resolutions will be adopted by absolute majority of the Directors attending the meeting (in person or represented), the Chairman having a casting vote in the event of a tie.

Also any Company Director may ask the Appointments and Remuneration Committee to take into consideration, if they could be considered suitable, potential candidates to fill vacancies for Directors.

The Board of Directors will be informed of the matters dealt with and the decisions adopted by the Appointments and Remuneration Committee and all its members will receive copies of the minutes of

the meetings of the Appointments and Remuneration Committee

Regarding the most important matters undertaken by the Committee during financial year 2017, we should mention the following:

- The follow-up report was approved on the "Selection Policy for Candidates for Directors", which was subsequently submitted to the Board of Directors.
- The Committee examined and approved the Annual Director Remuneration Report and the Annual Corporate Governance Report.
- Review of the Non-Financial Information Statement annexed to the Management Report.
- As a result of the resignation as proprietary directors of Mr Juan Miguel Báscones Ramos and Ms Pilar Fabregat Romero, in order to fill vacancies in the Board of Directors, the explanatory reports were prepared and approved by the Committee, proposing the appointment of Ms Maria Romero de Ávila Torrijos and Ms Alicia Segovia Marco, as new directors with proprietary status, pending their approval or ratification reserved at the first General Shareholders' Meeting. Likewise, and since the outgoing directors were part of the Audit Committee and the Executive Committee (Mr Báscones) and of the Executive Commission (Ms Fabregat), it proposed Maria Jesús Romero de Ávila Torrijos as a new member of the Audit Committee and the Executive Committee of the Company, and Ms Alicia Segovia Marco as a new member of the Executive Committee. At the same meeting of the Committee, the proposal to ratify the appointment of the proprietary director Mr Francisco Javier Martín Ramiro was favourably reported. Said Director had been appointed by co-option by the Board of Directors in October 2016 as a result of the resignation of the proprietary director María Victoria Cabero Marcos.
- The Commission reported positively on the new management organisation to adapt it to the new regulatory requirements by creating two large, well differentiated Business Units: two General Directorates, one for the Regulated Business Line and another for the Non-Regulated Business Line.
- Upon the resignation presented by the independent director, Simón Pedro Barceló Vadell, member in turn of the Appointments and Remuneration and Executive Committees, with the purpose of filling vacancies in the Board of Directors, in view of the proposals of the Board of Directors, the Headhunter company appointed for the selection of independent directors (Talengo), an explanatory report was prepared and approved by the Commission to propose to the Board the appointment of Mr Josep Piqué Camps. He was also appointed member of the Executive and Appointments and Remuneration Committees.
- Mr José Manuel Vargas Gómez also presented his resignation as Executive Director, Chairman and Chief Executive Officer. The Commission, after analysing the report made by the Headhunter company, as well as the curriculum vitae of Mr Jaime García-Legaz Ponce, concluded that the candidate has the requirements of suitability, competence, experience, training, availability, merits and commitment necessary to be part of the Board of Directors of the Company and the Commission approved the report on the appointment of Mr Jaime García-Legaz Ponce as an executive director.
- The Committee approved the planning of the Company and the Senior Management in the area of the Aena Performance System for 2017, and at the end of the financial year the interim results for that year were approved.

- Following the recommendations of the Code of Good Governance, it evaluated the performance of the Chairmen of both the Appointments and Remuneration Committee and the Board of Directors.

- Having analysed and approved the creation of the Corporate General Secretariat and the Directorate of Public Policies and Relations with Europe, informing favourably for its agreement by the Board of Directors regarding the nomination proposals of Mr Juan Carlos Alfonso Rubio as Director of the Corporate General Secretariat, and Mr Oscar Arizcuren Pola as Director of Public Policies and Relations, with Europe with effects 9 January 2018 and 1 January 2018 respectively.

Likewise, in view of the appointment of Mr Juan Carlos Alfonso Rubio as Director of the Corporate General Secretariat, the Committee informed favourably and proposed to the Board the appointment of Mr Juan Carlos Alfonso as Secretary of the Board of Directors with effects 15 January 2018. Also, the cessation as Secretary of the Board of Ms Matilde García Duarte was put forward, and her appointment as Deputy Secretary of the Board of Directors with the same effective date.

### APPOINTMENTS COMMITTEE

Name	Position	Type

% of proprietary directors	
% of independent directors	
% of other external members	

Explain the functions of this committee, describe the procedures and rules for organisation and operation thereof and summarise its most important actions during the year.

--

### REMUNERATION COMMITTEE

Name	Position	Type

--	--



% of proprietary directors	
% of independent directors	
% of other external members	

Explain the functions of this committee, describe the procedures and rules for organisation and operation thereof and summarise its most important actions during the year.

--

### COMMITTEE OF \_\_\_\_\_

Name	Position	Type

% of executive directors	
% of proprietary directors	
% of independent directors	
% of other external members	

Explain the functions of this committee, describe the procedures and rules for organisation and operation thereof and summarise its most important actions during the year.

--

C.2.2 Complete the following table with the information on the number of female directors in the committees of the Board of Directors at the end of the last four financial years:

	Number of female directors				
	FY 2017 Number %	FY 2016 Number %	FY 2015 Number %	FY 2014 Number %	FY 2013 Number %
Executive committee	40	20	20		
Audit Committee	20	0	0		
Appointments and	0	0	0		

remuneration committee					
Appointments committee					
Remuneration committee					
Committee of ____					

C.2.3 Paragraph revoked.

C.2.4 Paragraph revoked.

C.2.5 Indicate, as the case may be, the existence of regulation of the board committees, the place where these are available for consultation and the modifications that may have been made throughout the year. In addition, please indicate whether any kind of annual report on the activities of each committee has been voluntarily prepared.

**The regulation of the board committees is contained in the following precepts:**

- Executive Committee: Article 22 of the Regulations of the Board of Directors and article 42 of the Company Bylaws
- Audit Committee: Article 23 of the Regulations of the Board of Directors and article 43 of the Company Bylaws
- Appointments and Remuneration Committee: Article 24 of the Regulations of the Board of Directors and article 44 of the Company Bylaws

**The place where these regulations can be found is:**

<http://www.aena.es/csee/Satellite/Accionistas/es/Page/1237572367889//Informacion-general.html>

<http://www.aena.es/csee/Satellite/Accionistas/es/Page/1237568522634//Gobierno-corporativo.html>

There have been no changes in the regulation of the Board's commissions throughout the year 2017.

The Audit Committee and the Appointments and Remuneration Committee have prepared an annual report on the activities of the committees during

the year 2017, which has been published on the company's website.

C.2.6 Paragraph revoked.

## **D RELATED-PARTY AND INTRA-GROUP TRANSACTIONS**

D.1 Explain, as the case maybe, the procedure for approval of related party and intra-group transactions.

<b>Procedure for the approval of related transactions</b>
<p>Article 5.4. (xx) of the Regulations of the Board of Directors reserves for the Board of Directors the competency to approve, after a report by the Audit Committee, the transactions that the Company or the companies within its group perform with directors or shareholders, either individually or in conjunction with others, involving a significant share, including shareholders represented by the Board of Directors of the Company or other companies that are part of the same group, or with individuals linked to them. The Directors affected or who represent or are linked to the affected shareholders must abstain from participating in the deliberation and voting of the agreement in question. Only transactions which meet all three of the characteristics listed below shall be exempted from this approval:</p> <ul style="list-style-type: none"><li>a) That they are performed by virtue of contracts whose conditions are essentially standard and are applied en masse to a large number of clients.</li><li>b) That are performed at prices or fees that are generally established by whoever operates as a supplier of the good or service in question, and</li><li>c) That the amount involved does not exceed one percent of the Company's annual receipts.</li></ul> <p>In turn, article 38 of the Regulations of the Board of Directors sets forth that:</p> <p>1. The Board of Directors will be informed of transactions that the Company carries out, directly or indirectly, with directors, with significant shareholders or with representation on the board or with persons linked to them. These operations or transactions will require the authorisation of the Board of Directors, following a favourable report by the Audit Committee, which must be approved with the favourable vote of at least eighty percent (80%) of the Directors attending, in person or represented, the meeting referred to.</p> <p>Directors who are affected by the aforesaid transactions, in addition to being unable to exercise or delegate their voting right, must absent themselves from the meeting room while the Board of Directors discusses and votes on the matter.</p> <p>2. The authorisation envisaged in the preceding section will not be required, however, when referring to transactions which simultaneously meet the following three conditions:</p> <ul style="list-style-type: none"><li>(i) That they are carried out pursuant to contracts that are basically standardised and</li></ul>

which are habitually used with customers who contract the type of product or service in question.

(ii) Which are carried out at prices or rates that are generally set by whoever acts as the supplier of the good or service in question or when the transactions refer to goods or services for which there are no set rates, under usual market conditions, similar to those applied to commercial relations with customers of similar characteristics.

(iii) Whose value does not exceed one per cent (1%) of the annual income of the Company.

If these conditions are met, the Directors affected will not be obliged to report these transactions or to apply to the Board for their authorisation as a precaution.

3. The transactions referred to will be assessed from the viewpoint of equality of treatment and market conditions, and will be set out in the annual report on corporate government and in the information made public regularly in the terms envisaged in the regulations applicable.

4. Exceptionally, for reasons of urgency, related transactions may be authorised by the Executive Committee, with subsequent ratification by the Board of Directors.

In addition to the provisions of the Board's regulation, an "Internal procedure for the approval of related-party transactions" has been drafted, which was reviewed favourably by the Audit Committee and subsequently approved by the Board of Directors at its meeting of 24 October 2017.

D.2 Provide details of the significant transactions due to amount or matter carried out between the company or entities of its group and the significant shareholders of the company:

Name or company name of the significant shareholder	Name or company name of the company or group entity	Nature of the relationship	Type of operation	Amount (thousands of euros)
ENAIRE	AENA SME,S.A	Contractual	Provision of services	305
ENAIRE	AENA SME, S.A	Contractual	Receipt of services	-139,872
ENAIRE	AENA SME, S.A	Contractual	Guarantees/hedging instruments	-183
ENAIRE	AENA SME, S.A	Contractual	Financing agreements: Interest	-64,197
ENAIRE	AENA SME, S.A	Corporate	Financial income	867

- D.3 Breakdown of the significant transactions by amount or matter carried out between the company or group entities and the directors or senior executives of the company:

<b>Name or company name of the directors or senior executives</b>	<b>Name or company name of the related party</b>	<b>Nature of the relationship</b>	<b>Amount (thousands of euros)</b>

No member of the Board of Directors, no other member of the senior management of the company, no person represented by a director or member of senior management, nor any company in which such persons or persons with whom they have a concerted action or act via intermediaries therein are either directors, members of senior management or significant shareholders, have carried out unusual or relevant transactions with the company.

- D.4 Report on significant transactions carried out by the company with other entities belonging to the same group, provided these are not eliminated in the preparation of the consolidated financial statements and do not form part of the usual traffic of the company in relation to its purpose and conditions.

In any event, provide information on any intra-group transaction carried out with entities based in countries or territories considered as tax havens:

<b>Company name of the group entity</b>	<b>Brief description of transaction</b>	<b>Amount (thousands of euros)</b>

Not applicable

- D.5 Indicate the value of the transactions carried out with other related parties.

The total amount of transactions carried out with other related parties amounted to 34,655 thousand euros in 2017, as detailed in the annual accounts.

- D.6 Provide details on the mechanisms in place to detect, determine and solve possible conflicts of interest between the company and/or its group, senior executives or significant shareholders.

For the purposes of what has been set forth in this paragraph, related parties is understood to mean the persons referred to in article 231 of the Consolidated Text of the Capital Companies Act.

**DIRECTORS.** The situations involving conflict of interest which may affect the Company directors are regulated in article 29 of the Regulations of the Board of Directors.

Of them, we should stress the following obligations: Directors may not perform transactions with the Company except ordinary transactions conducted in standard conditions for clients and minor transactions operations, meaning those whose information is not necessary to express the faithful image of the Company's assets, financial situation and results.

No Director or any individual related to them may perform activities on their own account or on behalf of others that may entail effective competition, either actual or potential, with the Company or which in any other way situates them in ongoing conflict with the Company's interests.

Directors should refrain from participating in the deliberation and vote on agreements or decisions in which they or a person linked to them has a conflict of interest, either direct or indirect, except for agreements or decisions which affect them in their capacity as an administrator, such as their appointment or revocation for posts on the Board of Directors or other comparable posts.

No director or person associated with a director may either directly or indirectly perform professional or commercial operations or transactions with the Company or with any of the companies within its group when these operations do not simultaneously meet the conditions stipulated in article 38 of the Regulations of the Board of Directors regarding related transactions, unless the Board of Directors is informed in advance and approves the transaction in conformance with the provisions of article 5.4 (xx) of the Regulations of the Board of Directors.

The directors are obliged to inform the Board of Directors of any situation of conflict of interest, whether direct or indirect, which they might have in regard to company interests. In the event of conflict, the affected Director shall refrain from carrying out the transaction involving said conflict.

Notwithstanding the foregoing, the Company may lift the bans set forth in the previous paragraphs in specific cases, authorising the performance by a Director or a related party of a certain transaction with the Company, the use of certain company assets, the use of a specific business opportunity, the obtaining of a benefit or remuneration from a third party. The authorization must be necessarily agreed by the General Shareholder's Meeting when seeking to lift the ban on obtaining a benefit or remuneration from a third party, or when it affects a transaction whose value exceeds ten (10) per cent of the company assets. In all other cases, the authorisation may also be granted by the Board of Directors provided the independence of the Directors granting the authorisation is guaranteed in regard to the authorised Director, and it will be necessary to

ensure the harmlessness of the authorised transaction for the company assets or, as the case may be, its performance under market conditions and the transparency of the process.

The obligation to not compete with the Company may only be subject to dispensation in the event that no harm is to be expected for the Company or that it may be compensated by the benefit expected from such a dispensation. This dispensation shall be granted by express and separate agreement of the General Shareholder's Meeting.

**MECHANISMS OF IDENTIFICATION AND RESOLUTION OF CONFLICTS.** The aforementioned article 29 of the Regulations of the Board of Directors states that the Directors must inform the Company, via the Appointments and Remuneration Committee, of all jobs performed and activities carried out in other companies or entities, of any significant changes in their professional situation, any court or administrative proceedings or those of any other nature which in light of their importance might seriously affect the reputation of the Company and, in general, of any event or situation which may be relevant for their action as directors of the Company.

Directors may not, unless expressly authorised by the Board of Directors, and following a report from the Appointments and Remuneration Committee, form part of more than five (5) Board Committees, excluding (i) the Boards of Management of companies belonging to the same group as the Company; (ii) the Boards of Management of family businesses or estates of the Directors or their relatives; and (iii) the Boards to which they belong as a result of their professional relationship.

Given that no Director, nor person related thereto, may directly or indirectly carry out professional or commercial transactions with the Company or with any of the companies in the group when such transactions do not simultaneously meet the abovementioned conditions, the mechanism requires that the Director previously informs the Board of Directors of the professional or commercial transaction he wishes to carry out.

If the Board of Directors has been informed of or detected the existence of a related transaction, the article 23(ii)10(d) of the Regulation of the Board of Directors assigns the Audit Committee the competency to inform it of the related transactions, and this information must be sent prior to the Board's decision.

D.7 Is more than one company from the Group listed in Spain?

Yes ☐

No ☒

Identify the subsidiary companies listed in Spain:

<b>Listed subsidiary companies</b>

Indicate whether the respective areas of activity and potential business relationships between them have been publicly and accurately defined, as well as those between the listed subsidiary and the other group companies:

Yes ☐ No ☐

<b>Define the potential business relationships between the parent company and the listed subsidiary, and between the latter and the other group companies</b>

Identify the mechanisms in place to solve potential conflicts of interest between the listed subsidiary and other group companies:

<b>Mechanisms to solve potential conflicts of interest</b>

## **E RISK CONTROL AND MANAGEMENT SYSTEMS**

- E.1 Explain the extent of the Risk Management System of the company, including tax risk.

Aena has implemented a Risk Management System that identifies strategic, operational, financial, compliance (including with tax legislation), information and reputational risks, and classified them on the basis of their potential impact and probability. This System develops the principles defined in the Control and Risk Management Policy approved by the Board of Directors, whose ultimate aim is to ensure a suitable overall framework of management of threats and uncertainties that are inherent to the strategy, business processes and the environment in which the Company operates.

All the risks identified by the System are added and classified in the corporate Risk Map. Each risk is managed at least by one Corporate Management Department, which documents its management in accordance with parameters defined and approved in the Risk Control and Management Policy, focusing on:



- Protecting the financial solidity and sustainability of Aena.
- Defending the rights of the shareholders and any other significant stakeholder of Aena.
- Assisting in the development of transactions by providing the security and quality required.
- Protecting the reputation of Aena.

The corporate Risk Map is updated periodically by the Management Committee based on the information provided by the Corporate Management Departments and approved by the Audit Committee.

The Aena Risk Management System therefore works in an integral and continuous way, focusing its management on the various corporate business and support areas, and consolidating this information for the Company.

The risks inherent to the international development of Aena form an integral part of its Risk Management System. In addition, the dependent company London Luton Airport Operations Ltd. (LLAOL) has a specific business risk management process adapted to its size and economic reality. The fundamental principles of the risk management in LLAOL are in line with those contained in the Risk Management Policy of Aena.

E.2 Identify the bodies in the company responsible for the development and execution of the Risk Management System, including tax risk.

The roles and responsibilities of the areas involved in risk management are set forth in the Risk Control and Management Policy as follows:

- The Board of Directors defines, updates and approved the Risk Control and Management Policy of Aena, and sets the acceptable level of risk from time to time.
- The Audit and Control Committee supervises the internal control and risk management systems, making sure that the main risks are identified, managed and kept at planned levels, specifically:
  - The various types of risks Aena is exposed to;
  - That the level of risk is kept at variables defined as acceptable;
  - The measures in place to mitigate the impact of identified risks and their effectiveness;
  - The systems of internal information and control used to control and manage said risks.
- The Corporate Management Areas identify and assess the risks in their areas of responsibility; they propose and report the indicators for monitoring; they propose and carry out action plans for mitigation of risk, informing on the efficacy of such plans.
- The Internal Audit Management Area coordinates the activities defined in the Risk Control and Management Policy of Aena; supervising the proper operation of the Risk Management System; standardising and consolidating the information on risk identification and assessment and pertaining monitoring actions, prepared by the corporate and operational areas; and reporting to the Management Committee of Aena and the Audit Committee.

- E.3 State the main risks, including tax risk, which might affect the achievement of the business objectives.

The business objectives of Aena may be affected by a variety of risks inherent to its activity, the environment in which it operates and its regulatory framework, as well as by certain financial risks. Below are the main risks:

**Risks related to Aena and its business:**

- The business of Aena is directly related to levels of passenger traffic and airline operations.
- Aena can be affected by negative developments (financial and economic) in Spain and in other countries.
- Following the outcome of the referendum in the UK for its departure from the European Union (Brexit) the following risks have been considered, whose final specification is subject to the negotiation process that the British government has developed with the European Union to determine the final terms of its departure:
  - Lack of agreements that would allow the movement of aircraft between the European Union and the United Kingdom.
  - Depreciation of the pound against the euro that implies a loss of purchasing power of British passengers.
  - Adverse economic development of the United Kingdom that reduces tourism originating in that country and/or the activity of Luton Airport.
  - Investments, expenses and operational difficulties caused by the reconfiguration of passenger flows at airports.
- Aena operates in a competitive environment both in terms of other airports, and in terms of other means of transport that can affect its income.
- Aena faces risks arising from the concentration of airlines and depends on the income of its two main airports.
- Aena is exposed to certain risks related to the commercial activity as a result of its income being linked to sales generated by the retail activity.
- Aena depends on the services provided by third parties in the operations at its airports, which may have an impact on the activity of Aena.

- Labour conflicts may have an impact on the activities of Aena.
- Aena depends on information technology and communications and the systems and infrastructures face certain risks, including those inherent to cyber security.
- Aena is exposed to risks related to the airport operations (operational and physical security).
- Events such as terrorist attacks, wars or global epidemics could have a negative impact on international air traffic.
- Aena is exposed to the risk of an important aviation accident.
- Natural disasters and weather conditions can negatively affect business.
- Insurance coverage may be insufficient.
- The international activity of Aena is subject to risks associated with the development of operations in third countries and the fact that returns may not be as expected.
- The profitability of Aena could be affected if it not able to keep up its current efficiency levels.
- Aena will foreseeably abandon the operation of the air base open to civil traffic in Murcia-San Javier.
- Aena is exposed to risks related to its indebtedness, and its obligations may limit the activity of Aena and the chance of accessing funding, distributing dividends or making investments, among others.
- Aena is exposed to risks of loss in the judicial or administrative procedures in which it is held liable. Additional information on these procedures can be found in Note 23 of the consolidated financial statements.
- Changes in tax legislation could result in additional taxes or other forms of curtailment to the fiscal situation of Aena.

**Risks related with the regulation of the business of Aena:**

- Aena operates in a regulated sector and changes or future

developments in the applicable legislation may have a negative impact on the income, operating profit and financial position of Aena. In particular, this regulation affects:

- The management of the network of airports based on public service criteria.
  - System of airport tariffs.
  - Airport security measures (*security*).
  - Operating safety (*safety*).
  - Allocation of time slots (*slots*).
- The Airport Regulation Document for the period 2017-2021, in accordance with Law 18/2014, establishes the following obligations whose non-compliance may result in penalties for the Maximum Annual Income per Passenger:
    - Service quality standards.
    - Service start-up dates of strategic investments.
  - The European Commission has initiated an infringement procedure to the Kingdom of Spain to assess whether there has been an incorrect transposition of Directive 2009/12/EC, or an incorrect application of Regulation (EC) No. 1008/2008, on common rules for the running and development of air services in the Community. The resolution of said procedure could lead to changes in the regulatory framework applicable to airport charges.
  - The Generalitat of Catalonia requested that the European Commission rule on the adequacy or otherwise to EU law of the airport system set forth in Law 18/2014.
  - The environmental protection legislation might limit the activities or growth in the Aena airports, and/or require important financial outlays.
  - Aena is state-owned company and, as such, its management capacity may be conditioned.
  - The senior management of Aena, given its characteristics as a state-owned company, is subject to the public remuneration system.

**Risks related with the shareholding structure of Aena:**

- The main shareholder of Aena is a company that belongs to the Spanish State. The Spanish State will continue to have control over the

operations of Aena and its interests may differ from those of the other shareholders.

**Financial risks:**

As well as what has been mentioned in this regard in previous sections, Aena is exposed to market financial risks (currency rate and interest rate fluctuations), credit and liquidity risk. Additional information in this regard can be found in Note 3 of the consolidated financial statements.

E.4 Identify whether the company has a level of tolerance to risk, including tax risk.

The Management Committee periodically identifies the risks that threaten achievement of the business targets and carries out an assessment of criticality based on impact and expected probability, these being understood as:

- Impact: Damage that would be caused to the strategic and operating targets of Aena that the risk would materialise in an actual event.
- Probability: Likelihood that the risk will materialise in an actual event once the controls in place to mitigate the risk have been considered.

In order to assess the risks identified, different types of possible impacts are considered for each risk, quantitative and qualitative.

- Economic: via the loss of profit or damage to property.
- Operations: via the temporary difficulty or impossibility of carrying out activities in certain areas, airports or being able to provide certain services to the customers.
- Reputation: via the potential loss of prestige regarding the stakeholders, mainly those who have a significant influence on the business such as customers, regulators, employees, financial entities and investors.

This assessment is supervised and approved by the Audit Committee of Aena.

Critical risks are those whose impact and probability are placed at the highest level of assessment. The Risk Policy establishes that in any event, for risks classified as critical, plans of action designed to maintain the impact or probability at levels defined as acceptable by the Board of Directors must be drawn up.

In addition, the Aena Risk Model establishes that every risk, including tax risk,

must have key monitoring indicators, for which tolerance thresholds are established according to what is considered an acceptable risk exposure. When such thresholds are surpassed, the need to design and execute specific action plans must be considered.

E.5 Indicate what risks, including tax risk, have materialised throughout the year.

The risks identified in the corporate Risk Map are to a large extent inherent to the activities of Aena and the applicable regulatory framework. For this reason, such risks are likely to materialise to a certain extent in each financial year.

Below we highlight the most relevant risks that have materialised:

Tariff regulation

The Council of Ministers of 27 January 2017 approved the Airport Regulation Document (DORA) for the five-year period 2017-2021, proclaiming, amongst other aspects, that Aena's charges would undergo an annual decrease of 2.22% during this period.

The charges with this reduction came into effect on 1 March 2017, which has had an accumulated impact on revenues and EBITDA of 50.8 million euros as of 31 December 2017.

Coordination of operations

The workers of the company awarded the tender for security and access control service at the Barcelona-El Prat Airport were involved in an industrial dispute that led to partial work stoppages and affected the operations at said airport, mainly in August 2017, which led to the passengers experiencing significant delays in security controls.

Regulations applicable to safety and security

On 7 April 2017, Regulation (EU) 2017/458 came into effect, by which Regulation (EU) 2016/399 is modified with regard to the reinforcement of controls by checking in the relevant databases at external borders. This regulation requires Member States to carry out systematic checks on passengers crossing the external borders of the Union. This has meant:

- Waiting times much higher than usual in the control of passports carried out by the National Police to passengers crossing a Schengen border, in several airports of the network, especially during the period

May-August 2017.

- In order to maintain the levels of operability and quality of service, it has been necessary to incur additional operating expenses, and to undertake investments in equipment for the automated control of passports. It is estimated that these investments will amount to 107.5 million euros in the 2018-2021 period, of which the majority will be carried out in 2018 and 2019.

No tax risk has materialised during the financial year.

E.6 Explain the response and supervision plans for the main risks for the entity, including tax risk.

The Aena Risk Management System incorporates response plans to the risk identifying mitigatory activities, actions plans and contingency plans of the risks contained in the Risk Map, based on their valuation or level of criticality, in order to ensure the management of risk within established tolerance parameters.

The mitigatory activities vary according to type of risk and include, among others:

- Operational Security Management System.
- Airport certification under EU Regulation no. 139/2014.
- External airport safety and security audits.
- Management Centres for Airport Incidents.
- Self-protection plans and contingency, preparation and response procedures to emergencies.
- Existence of airport security clauses in agreements entered with companies and Aena to carry out their activities at the Company's airports and heliports.
- Organisational Model and information security Policy.
- Disaster Recovery Plans (DRPs).
- ICT security checks under ISO norm 27002:2013.
- Participation in working groups on regulatory review, including tax regulations.
- Hearing procedures regarding the modification of certain legislation.
- Action procedures to ensure the correct management of plans and projects with an environmental impact.



- Integrated Quality and Environmental Management System, certified by an accredited external entity in accordance with the UNE-EN ISO 9001 and UNE EN-ISO 14.001 standards.
- Management of noise pollution of surrounding towns: preparation of strategic noise maps, noise monitoring systems and flight routes, sound insulation plans.
- Internal Regulations and contracting control systems.
- Investment planning and monitoring procedure.
- Crime prevention model.
- Occupational Risk Prevention System.
- Internal Control System for Financial Information.

In addition, Aena carries out an insurance approach designed to reduce, prevent and transfer existing risks in the airport network and possible complaints that might arise in the performance of its activity, for which Aena has taken out the usual policies for its activity, including:

- Civil liability policy as operator of airports + civil liability for war and terrorism.
- All risk policy for material damage, loss of profit and breakdown of machinery + franchise excess of the Consortium for terrorism.

Likewise, to limit Aena's responsibility for the accidents of any company that operates inside airports (handling agents, airlines, suppliers, tenants, etc.), Aena requires these companies to take out different civil liability policies.

**F INTERNAL SYSTEMS OF RISK MANAGEMENT AND CONTROL  
RELATED TO ENTITY'S FINANCIAL INFORMATION CONTROL SYSTEM  
(Internal Control System).**

Describe the mechanisms that make up the risk management and control systems in relation to your entity's internal financial information control system (Internal Control System)

**F.1 Entity's control environment**

A report, including main characteristics, on at least:

F.1.1. Which bodies and/or functions are responsible for:(i) the existence and maintenance of an adequate and effective Internal Control System; (ii) its implementation; and (iii) its supervision.

The Internal Financial Information Control System (hereinafter Internal Control System) in AENA is a process designed to provide a reasonable security in regard to the reliability of the financial information, and, specifically, of the Financial Statements in accordance with generally accepted accounting principles.

The model of responsibilities of this system is articulated via the following bodies and functions which perform, maintain and supervise the process of generating financial information:

- Board of Directors:

The Board of Directors has in force a Regulation that has been revised and modified, such changes being approved in the Board of 21 March 2017, being duly ratified in the Shareholders Meeting of 25 April 2017.

As stipulated in these Regulations, the Board is entrusted with the following functions, among others:

- The monitoring of the effective operation of the committees it incorporates and of the actions of the delegated bodies and of the managers it appoints.
- The presentation of the Financial Statements, the management report and the proposal for application of Company profit, as well as the consolidated Financial Statements and management report, and presentation thereof to the General Shareholder's Meeting.
- Determining the risk control and management policy, including policies related to taxation, and supervising the internal information and control systems.
- The approval of the financial information that the Company must periodically disseminate publicly.
- The determination of fiscal strategy.

- Audit Committee:

The Board of Directors shall establish a permanent Audit Committee made up of five External Directors, as the internal informative and consultative body, to which it shall assign the following functions in relation to the information and internal control systems:

- Supervising the process of preparation, presentation and integrity of the essential financial information relating to the Company and, where applicable, the group, presenting to the administration body recommendations or proposals intended to safeguard its integrity, reviewing compliance with regulatory requirements, the adequate definition of the perimeter of consolidation and the correct application of accounting criteria.
- Regularly review the internal control and risk management systems, so that the main risks are identified, managed and properly revealed.
- Evaluating everything relative to non-financial risks in the company –including those operational, technological, legal, social, environmental, political and reputational.
- Supervising the effectiveness of internal control in the Company, the Internal Audit and systems of risk management, discussing with the auditor of accounts any significant weaknesses in the Internal Control System detected during the Audit, all this without impairing its independence. To these ends, and where applicable, it can make recommendations or proposals to the administration body and the relevant period for their follow-up.
- Establish and supervise a mechanism that enables employees to report in a confidential manner and, if possible and appropriate, anonymously, any irregularities of potential importance, particularly financial and accounting, that they may have detected within the company.
- Ensure the independence of the unit carrying out the role of Internal Auditing; propose the selection, appointment, re-election and dismissal of the head of the Internal Audit service; propose the budget for this service; approve the approach and work plans, ensuring the activity is mainly geared towards the relevant risks of the company; receive regular information on its activities; and verify that senior management takes into account the conclusions and recommendations contained in the reports.

- Finance Department:

The Finance Department ensures the design and operation of the internal control and guarantees compliance with the targets set to ensure the reliability of the financial information regularly prepared.

In the performance of its responsibilities, the Financial Department relies on the Internal Control area, whose functions are the following:

- Maintain and update the *Internal Control System Compliance Handbook*.

- Receive and respond to all consultations regarding the operation of the Internal Control System, either directly or with the assistance of the most appropriate experts in each case.
- Identify, together with the functional management unit or the corresponding airport, the necessary changes in the Internal Control System due to changes in risks, in the processes, in the systems or in the consolidation perimeter, and as a consequence, update risk and control matrices, and their corresponding flowcharts.
- Ensure the homogeneity of the Internal Control System at the various levels in the Group, via continuous or sporadic assessments.
- Verify that the controls are operational and the scheduled assessments are being carried out.
- Identify training needs in internal control and provide necessary training.
- Report to the Internal Audit Department on any change in the risks, controls and evidence in the risk and control matrices, flow charts and the *Internal Control System Compliance Handbook* for its consideration for the purpose of updating its review programmes, as well as to report any other change that affects its configuration and definition
- Inform the Internal Audit Department of any notifications and instructions which are compulsory in relation to the Internal Control System.

The people in charge of processes and airports participate in the design, review and updating of the Internal Control System in the part that is applicable to them, such that their involvement, the task of the Internal Control Department and the supervision by the Internal Audit Department, enables the Finance Department to evaluate the efficiency and quality of internal control of the financial information.

- Internal Audit:

Aena has an Internal Audit Department which reports to the Chairman of the Board of Directors of Aena and functionally reports to the Audit Committee.

The Internal Audit Statute, approved in March 2014, states that this Office's mission is to provide the Company's Chairman and the Board of Directors, through the Audit Committee, with the analysis, evaluation and effective oversight of the internal control systems and relevant risk management of the Company.

Amongst its functions are oversight of the reliability and integrity of financial information, both accounting and management; the procedures for its registration; information systems; accounting and data processing; and the procedures used to communicate said information; and, in particular, evaluate the reliability of the regulated financial information that the Company must periodically provide in compliance with the applicable regulations, as well as those established through the Internal Control System.

F.1.2. Whether, in the process of preparation of the financial information, the following elements exist:

- Departments and/or mechanisms responsible for: (i) the design and review of the organisational structure; (ii) clearly defining the lines of responsibility and authority, with a proper distribution of tasks and functions; and (iii) that sufficient procedures exist for correct dissemination thereof in the entity.

The responsibility for the establishment of the bases of corporate organization, in order to guarantee the highest efficiency thereof, pertains to the Board of Directors.

The Appointments and Remuneration Committee is made up of five External Directors and in charge of presenting the proposals for appointment and dismissal of senior executives and for proposing to the Board of Directors the basic terms of their contracts.

The Department of Organisation and Human Resources is responsible for analysing, designing and developing the organisational structure of Aena, guaranteeing it is aligned with the company's strategic targets.

The lines of responsibility, hierarchical levels and functions of each of the posts are defined in the Organisational Handbooks of each Department, where organisational charts reflect the existing hierarchical structure and the job descriptions outline the objectives, functions and jobs of each of the managerial and responsible posts in the company. All Company employees may access both the organisational chart and the directory of it via the Intranet.

In order to comply with the obligations of openness, access to public information and good governance, public access is established through the website to information regarding the organisational structure, management team profile, retributions of senior executives, etc., presented in a clear, free and structured way.

In accordance with these lines of responsibility and authority, the Finance Department is in charge of the process of drawing up the financial information and ensuring that there are sufficient procedures to disseminate this information within the entity.

- Code of conduct, approval body, extent of dissemination and instruction, principles and values included (indicating whether there are specific mentions to the recording of transactions and the preparation of financial information), body responsible for analysing defaults and proposing corrective actions and penalties.

On 30 June 2015 the Board of Directors of Aena approved the Regulatory Compliance Policy, along with the *Code of Conduct* and the Compliance Control and Supervision Body.

At this Board Meeting, the Directors highlighted the importance not only that the employees are aware of this policy and code of conduct, but that the appropriate

information is provided. To do so, periodic online training programmes have been offered for all employees and Directors of the company, which consist in taking a course which is accessible via the corporate Intranet whose goals are to prevent or mitigate the risk of committing criminal acts in Aena and to share the Code of Conduct and the Company's Complaints Channel.

The Compliance Control and Supervision Body, reporting to the Board of Directors, was created with autonomous initiative and control powers over all departments in the Company, in order to allow it to carry out the tasks of surveillance and supervision of the Crime Prevention Model, with full powers to:

- Request and obtain whatsoever information and documentation it may need to carry out its supervision and control functions on the compliance with the policies and procedures established in the Company, with special emphasis on crime prevention.
- Establish, update and modify in all areas of the Company, whatsoever monitoring and control measures it should deem appropriate, to prevent or mitigate the risk that crimes may be committed in Aena, both by the Company itself and its executives, and by their subordinated personnel.
- Review and certify the *Crime Prevention Model* of Aena.

The purpose of the *Code of Conduct* is to establish Aena's principles and values of ethics, integrity, legality and transparency, which should guide the conduct of everyone included within its scope of application, both among themselves and in their relations with clients, partners, suppliers and, in general, any individual and organisation, either public or private, with which they interact in the performance of their professional activity.

The section in this *Code* on "*General behaviour guidelines*" distinguishes between those related to the environs, the stakeholders and the image of Aena. Specifically, point 4.9 states that the Company's relations with clients, suppliers and partner companies must be based on respect, transparency and trust in order to obtain mutual benefit. Likewise, relations with investors and shareholders, as contained in point 4.10, should be based on transparency, trust and sustainable reciprocal benefit, and that to ensure this the principle of official channel of communication through the corporate website ([www.aena.es](http://www.aena.es)) is established, which shall publish all the information that may be of interest to these third parties. Regarding relations with the authorities and public administrations, point 4.11 indicates that they should be guided by institutional respect and transparency. And regarding the image and corporate reputation of Aena, point 4.14 states that everyone subjected to the *Code* must use it correctly and adequately.

Compliance with the *Code* is compulsory and applicable to members of the administrative body and to all Aena employees, without exception and regardless of their post, responsibility, occupation or geographic location. They must be familiar with and comply with both the spirit and the meaning of the *Code*. The document is available on the corporate Intranet, and on Aena's public website.

With regard to financial information, point 4.19 of the *Code of Conduct* sets forth:

*“All the accounting and financial information of Aena must be prepared with reliability and rigour, ensuring at all times that the information of an economic nature that Aena might present to its shareholders and investors, the securities markets or any Administration or public or private supervisory body, is true and complete.*

*In this regard, the Persons Affected by the Code of Conduct responsible for preparing the financial information of Aena must ensure that all the information reflects all of the transactions, events, rights and obligations affecting Aena, and that these have been recorded, classified and valued at the right time and in accordance with the applicable legislation, thus making sure that this information offers a true image of the equity, the financial situation, the profit and loss and cash flows of Aena.*

*Likewise, the persons in charge of preparing the financial information must follow all internal and external control procedures established by Aena in order to guarantee the proper accounting of the transactions and their correct reflection in the financial information published by Aena.*

*The Audit Committee shall supervise the process of presentation of the financial information and the efficacy of the internal control, the Internal and external Audit and the risk management systems”.*

In addition to Aena’s *Code of Conduct*, mentioned above, the Company also has an *Internal Code of Conduct of Securities Markets* which is accessible to everyone via the corporate website. It is applicable within the Company and within the companies that are part of the Group, and it is used to set the rules for the management, control and transparent communication of insider information, as well as to impose certain obligations, limitations and prohibitions on the individuals affected and those with insider information. The overarching purpose is to protect the interests of the investors in the shares of the Company and its Group and to prevent and avoid any situation of abuse, in addition to fostering and facilitating its administrators’ and employees’ shares in the Company’s capital within the strictest respect for the laws in force.

- A Complaints Channel that enables the reporting to the Audit Committee of any irregularities of a financial and accounting nature, as well as possible infringements of the code of conduct and irregular activities in the organization, reporting, as the case may be, if it is of a confidential nature.

Aena has a confidential *Complaints Channel*, where one can check and report on irregularities or failures to comply with the *Code of Conduct*.

According to the *Complaints Channel Management Procedure* with the purpose of establishing a confidential channel of communication to receive reports related to conducts that may entail the commission of an act that runs counter to the law or the

Company's policies or procedures, or to the rules of action contained in Aena's *Code of Conduct*.

The *Complaints Channel* is managed by the Management Committee, which depends on the Compliance Control and Supervision Body and is made up of five members on behalf of the Airport Network Department, the Commercial Services and Real Estate Management Department, Legal Advice and Property Management Department, the Internal Audit Department and the Organisation and Human Resources Department. It ensures that all the reports received are analysed independently and guarantees the confidentiality of the identity of the whistleblower and of the accused party(s), informing only the individuals who are strictly necessary in the process. The Management Committee evaluates the complaints received, deciding on whether they meet the conditions to be accepted for processing; and entrusting the investigation of the complaint to the most appropriate Directorate of its members. The Committee follows up and concludes on the complaints presented, based on the information provided by the Directorate that carried out the investigation.

In fiscal year 2017, 25 complaints were received, of which the 24 that fulfilled the minimum requirements included in the Management Procedure were investigated. None of the complaints referred to fraud or errors in financial information. The Management Committee held 6 meetings during fiscal year 2017.

The purpose of the Compliance Control and Supervision Body is to ensure the proper management and functioning of Aena's *Complaints Channel*.

- Training and regular refresher programmes for the personnel involved in the preparation and review of the financial information, as well as the assessment of the Internal Control System which at least covers accounting rules, auditing, internal control and risk management.

For the Departments involved in the preparation and review of the financial information, as well as the assessment of the Internal Control System, specific training actions on accounting rules, auditing, internal control and risk management have been carried out, to enable the persons responsible to carry out their duties correctly.

Aena also has a training plan whose main mission is to become a key factor in the achievement of strategic objectives and personal and professional development of its workers, covering both the training required for job performance and that designed for the development of the skills required to perform jobs of greater responsibilities. This includes special master's type training programmes, languages, skills development, workshops and training forums with professionals from the corresponding sectors, amongst others.

380 staff members have received professional training, performing 4,407 hours of training, mainly in matters of risk management and insurance; prevention, detection and



investigation of fraud; international accounting regulations; business taxation and, in particular, on tax developments, transfer pricing, best practices with the Internal Revenue Service (IRS) and the taxation between Spain and Mexico; as well as training on the System of Compliance and the Internal Code of Conduct in the Securities Markets.

In addition, training has been provided in the commercial field, internal audit, digital transformation, information security management and planning and economic control.

Furthermore, as mentioned in the second section of point F.1.2. above, all workers are given courses on legal content regarding the *Crime Prevention Model* which encompasses the implementation of the *Code of Conduct* and the establishment of the *Complaints Channel*. Thus, all those people who joined the workforce or were still awaiting incorporation in 2017, were summoned to attend, that is, fifty-eight employees with structure charge and graduates of grades A and B, for a total of one hundred and sixteen hours, and, additionally, four hundred and eighty-nine employees of grades C and F, with nine hundred and seventy-eight hours, having reached out to ninety-eight percent of the workers trained. During 2018, the remaining employees will be trained to complete the remainder of the workforce.

It is also worth noting that during 2017, training itineraries have been introduced for improving financial, contracting and legal advice of certain qualified personnel, interns and structural posts.

## **F.2 Financial information risk assessment**

Provide information on at least the following:

F.2.1. What are the main characteristics of the risk identification process, including detection of error and fraud, regarding:

- Whether the process exists and is documented.

As explained in Chapter E of this report and in the Consolidated Annual Accounts of the Aena Group, the objectives of its business may be affected by a variety of risks inherent in its activity, the environment in which it works and its regulatory framework, as well as by certain financial risks, and specifically market risk (including the exchange rate risk and the risk of reasonable value by interest rate), credit risk and liquidity risk.

All of these risks are identified by the Company's Risk Management System and are categorised on the corporate Risk Map, which was updated in February and July 2017.

Aena has documented all the Internal Control System processes related to transactions, the accountancy matters and any other financial information associated with risks that may involve a material error.

To this end, in order to determine the scope of the Internal Control System, we consider the calculation of the materiality of the Consolidated Annual Accounts of Aena and its subsidiaries, applying both quantitative risk factors and factors inherent to the business (growth trends, unusual transactions, possible corporate transactions, processes that

generate provisions, depreciations, estimates or calculations based on subjective criteria, and processes with the risk of fraud). As a result, a total of 15 processes with an impact on the financial information have been identified, which encompass both the operational and support activities.

These processes describe the relevant control activities that enable an adequate sufficiently in advance response to the risks associated with the reliability and integrity of the financial information.

According to the closed financial statements of the previous year, all the fiscal years are reviewed in terms of materiality, to ensure the coverage of the model, and the pertinent modifications are made. In the review carried out in 2017, no changes were detected that would occur in the processes to be controlled, although it has been considered to expand the airports affected in some of the processes.

- Whether the process covers all of the objectives of financial information (existence and occurrence; integrity; assessment; presentation, breakdown and comparability; and rights and obligations) and whether it is updated and how frequently.

All financial information preparation processes developed in Aena aim at recording all of the economic transactions, valuing the assets and liabilities in accordance with applicable legislation and break down the information in accordance with the requirements of regulators and needs of the market.

Aena analyses each of these material processes in order to ensure that the risks are reasonably covered by the Internal Control System and that this system operates efficiently. It is updated when significant changes in processes occur or as the outcome of the periodic revisions that are performed throughout the financial year.

In each of the process matrices, among other control data, the objectives of the financial information are clearly marked (existence and occurrence; integrity; assessment; presentation, breakdown and comparability; and rights and obligations) covered by each one.

In line with the above, in 2017 Aena reviewed the theoretical documentation of the model, and the flowcharts and descriptions of the processes of the control system were updated.

Likewise, it analysed its control environment, defining all the applicable controls and the documentation that should be evidenced for each one of them in the matrix of the *Entity Level Control* designed for that purpose.

This year's project highlights the design and determination of the Internal Control System for Financial Information (SCIIF) for the Luton Airport, in accordance with the assessment of financial risks in the Centre, and meeting the standards of the Aena model. This system will become operational as of January 2018.

- The existence of a process of identification of the consolidation perimeter, taking into account, among other aspects, the possible existence of complex corporate structures, instrumental entities or special purpose vehicles.

The Group encompasses all of the entities that comprise the consolidation perimeter.

To identify the entities that should be part of the consolidation perimeter, a procedure is implemented as part of the Internal Control System reporting and consolidation process which is essentially controlled by Aena's Division of Consolidation and Accounting Regulation and Legal Advice Department of Aena Desarrollo Internacional SME, SA, a subsidiary which currently holds the shares of companies in the group and associates which comprise Aena Group's consolidation perimeter.

This procedure allows for the identification of not only those entities over which the Group is able to gain control via the voting rights granted by the direct or indirect participation in the capital thereof, but also of those other entities over which control is exercised by other means. This procedure enables the analysis of whether the Group controls the entity, has rights there over or is exposed to the variable returns thereof, and whether it has the capacity to use its power to influence the amount of the returns. If, after this analysis it is concluded that the Group has control, the entity is incorporated into the perimeter, which is revised quarterly, and consolidated by the global integration method. If this is not the case, it will be examined whether significant influence or joint control exist. If this is the case, the entity is also added to consolidation perimeter and is valued according to the equity method.

- Whether the process takes into account the effects of other types of risks (operational, technological, financial, legal, tax, reputational, environmental, etc.) insofar as these might affect the financial statements.

As was mentioned earlier in Chapter E, Aena has implemented a Risk Management System which identifies strategic, operational, financial, compliance, information and reputational risk. All risks identified are added and classified in the corporate Risk Map.

In line with the above, the financial information internal control model is applied not only to the processes of preparation of the aforementioned information, but also for all those of an operational or technical nature which may have a relevant impact on the accounting or management figures.

- Which governance body in the company supervises the process.

The supervision of the efficacy of the Internal Control System is the responsibility of the Audit Committee. This function must include the risks on Aena financial information targets and the controls set forth by the Management to mitigate such risks.

This supervision is carried out by the Audit Committee on three levels:

- ✓ Supervision of risks: the risks that affect the reliability of financial information are evaluated and supervised.
- ✓ Supervision of the quality and reliability: supervision of the effectiveness of the internal control of the financial information and the preparation of the financial statements.

- ✓ Supervision of Auditing activities: supervision of the work of internal auditors and establishment of the appropriate relations with the external auditors within the framework of their accounts auditing task.

The purposes of the Management Committee and the Audit Committee in the general process of identifying Aena's risks are described in greater detail in Chapter E above.

### F.3 Control activities

Indicate, mentioning main characteristics, if your entity at least has:

F.3.1. Procedures for review and authorisation of financial information and description of the Internal Control System, for publication in the securities markets, indicating persons responsible, as well as documentation describing the flows of activities and controls (including those relating to fraud risk) of the various types of transactions that might materially affect the closing of the accounts and the specific review of the relevant judgements, estimates, valuations and projections.

The Company has a *Manual of Accounting Policies*, issued in 2015, and whose update is expected to be approved in 2018 by the Management Committee. These Guidelines are distributed to the finance departments of the subsidiaries along with duly updated instructions on closing and reporting. Based on this *Handbook*, the economic-financial information is developed on an individual basis in each of these Group subsidiaries on a monthly basis and is reviewed by the persons in charge of the closing of the accounts in each of them.

On a quarterly basis, in accordance with the securities markets publication schedule, information on the close of each quarter is supervised in accordance with the following procedure:

- Once the quarterly closure has been carried out and verified in each of the units of the Group, in accordance with the closing instructions issued by the Financial Department, the information is sent to the Division of Consolidation and Accounting Regulation, which is responsible for verifying it to then prepare the consolidated information of the Group in accordance with International Financial Reporting Standards (IFRS).
- The Financial Department, following review and supervision, presents it to the Management Committee for approval.
- Once approved, it is sent to the Audit Committee, which supervises the preparation, presentation and integrity of the mandatory financial information, compliance with regulatory requirements, proper demarcation of the consolidation perimeter and the correct application of accounting criteria. It also contains the report on procedures agreed upon regarding the revision of certain consolidated financial information of the Group developed by its external auditors.

In the closing of the accounts which come at the end of the six-month period, the Audit Committee also gathers the conclusions of the limited revision by the Group's external auditors.

Likewise, the Audit Committee must inform the Board of Directors, prior to the adoption by the Board of the pertaining decisions on the financial information which, in light of its listed status, the Company must regularly make public.

- For the closing of the year, the plenary of the Board of Directors approves the formulation of the Annual Accounts, the management report and the proposed application of the Company's results, as well as the consolidated accounts and management report, and their submission to the General Shareholder's Meeting. Additionally, for the closing of the quarterly and biannual accounts, it reserves the competency to approve the financial information that the Company should periodically make public.
- Lastly, the information is published in the markets and other public bodies.

The preparation of the financial statements uses estimates made by the Directors of the Company to value some of the assets, liabilities, income, expenses and commitments that are contained therein. Basically these estimates refer to:

- Possible impairment of intangible assets, tangible fixed assets and investment property.
- Useful life of PPE.
- Evaluation of litigation, provisions, commitments, assets and contingent liabilities at closing date.
- Fair value of derivative financial instruments.
- Hypotheses used in the determination of liabilities for commitments to pensions and other commitments to the personnel.

Some of these accounting policies require the application of a significant degree of judgement by Management in selecting the appropriate assumptions to calculate these estimates. These assumptions and estimates are based on their historical experience, the advice of external experts, forecasts and other circumstances and expectations at the close of the period in questions. The valuation of the Management is considered in relation to the global economic situation of the industry of the Group, taking into account the future development of the business. By nature, these judgements are subject to an inherent degree of uncertainty and, therefore, actual results may materially differ from the estimates and assumptions used. In such cases, the values of assets and liabilities would be adjusted.

As was already mentioned in section F.2.1., in its internal control model, Aena has documented all the process that is considers carries a risk of material impact in the preparation of the financial information. In particular, the main processes related to generating economic information are: closing of the accounts, reporting and consolidation, budgeting and taxes, which are complemented by fixed assets, aeronautic

income, commercial income, car parks, contracts, legal, personnel/payroll, financing, treasury, charges and payments and information systems.

Each Internal Control System process and sub-process has a person in charge of the analysis and control of each of the risks associated with the area. In addition, each identified control area has two persons responsible for the evaluation of the efficacy, who carry out the functions of documentation and supervision, in accordance with the established systematic frequency.

These processes are shown via risk and control matrices, as well as flow charts, which describe the relevant control activities that enable an adequate sufficiently in advance response to the risks associated with the reliability and integrity of the financial information.

As indicated earlier in this chapter, Aena conducts periodic reviews with the support of the different functional management units to ensure that these descriptions are consistent with the actual operation of the processes.

The managers of the Internal Control System request evidence that the controls are being made by the units involved in it, in accordance with the frequency stipulated in each case. This assessment allows, if possible, the identification and information of weaknesses and necessary action plans.

To ensure proper control of the management of the Internal Control System, the SAP application GRC Process Control is used to comprehensively manage the system; all the risks and processes are documented in it, and all evaluations of controls are also managed there.

There is also a *Financial Information Internal Control System (SCIIF) Compliance Handbook*, created in 2014. It is currently being updated for approval in 2018.

F.3.2. Internal control policies and procedures on information systems (among them, on access security, control of changes, operation thereof, operational continuity and segregation of functions), which support the relevant processes in the entity in regards to the preparation and publication of financial information.

In the area of Information Systems Aena has the necessary policies and procedures to cover the risks that might affect the process of preparation of financial information, and gain security as to the operation of the Internal Control System.

To facilitate control of those risks, Aena has implemented a solution which entails comprehensive management of the control and compliance process through the development of a matrix defined for the Information Systems process. It includes all the controls needed to mitigate the existing risks in this area. This solution is coordinated by the Company's Department of Information and Communication Technologies.

Below we describe the main policies and procedures associated with the Company's information systems.

By executing an Annual Plan of Security Audits of Information Systems based on information security requirements, results from past audits and legal or regulatory requirements, the aim is to verify the situation of security of the systems and communications in production, as well as detect potential technical vulnerabilities. On the other hand, Information Security Policies and other Information Systems regulations have been implemented which establish mechanisms of system access control, and there are also operational procedures which define the security requirements of infrastructures and developments.

Continuous monitoring is carried out on the operating systems, databases and applications, in order to detect possible security incidents. In addition, security procedures and configurations of items associated with telecommunications networks (firewalls, routers, etc.) are reviewed, as well as response mechanisms to a potential cyber-attack or incident arising from malware infection. On the other hand, tools are available to regulate the control of access to the Company's network and improve protection against advanced persistent threats, and the implementation of a system for the management of events and security information is underway.

A User Applications Management Standard has been defined and implemented, which considers the various movements that may form part of the life cycle of an entity in Aena, and guarantees that only users who have been duly authorised by their superiors may access the applications and have the right profile for the performance of their functions. An identity management tool is being implemented that will improve the quality of services and reduce security risks.

Through the monitoring carried out on the users accessing with administration permits or privileges to platforms and systems which support the business units, one can control that only authorised users are using the system. To facilitate monitoring, a tool for the management of privileged accounts is being finalised. On the other hand, in order to restrict the access at physical security level, an Access Procedure to the CPDs of Aena is applied.

There is also a Disaster Recovery Plan designed to ensure recover of information systems considered as critical by the business areas. In addition, procedures are in place to carry out the monitoring of systems and applications (system availability, storage, network capacity, etc.) as well as the performance of security backups.

In the area of development and management of changes, methodologies based on ITIL good practices are used. It also uses a Secure Development Rule, a Change Management Policy and a Procedure of Applications Deployment to ensure the quality of the software produced, as well as an adequate methodology when performing the maintenance and the implementation of new infrastructures (networks, servers, base software, etc.).

Finally, in order to be informed of the situation of the systems at any time, Aena has an updated Systems Operational Plan, with the information on the inventory of systems and actions planned thereon.

In addition to the foregoing, and in order to complete the current security measures of the information systems, Aena has a Cybersecurity Plan approved by the Board of Directors for the next 4 years, which has involved the tendering of the following files, which are in the contracting phase and its coming into force is expected in 2018:

- ICT Security Management Service. Improvement of the ICT Security Office to cover the actions foreseen in the Cybersecurity Plan.
- Automation of the management of the infrastructure of CPD. Tools for the management and automation of ICT processes with the aim of enhancing efficiency and improving safety.
- Prevention of information loss and management of mobile devices. Tools to reduce risks of information loss and improve security on mobile devices.
- Antivirus add-ons. New Antivirus features (Advanced Protection, Response, Remediation and White Lists).

F.3.3. Internal control policies and procedures designed to supervise the management of third party subcontracted activities, as well as those aspects of the evaluation, calculation or appraisal entrusted to independent third parties that might material affect the financial statements.

Generally speaking, Aena does not outsource any activity regarded as relevant and/or significant that could materially affect financial information.

During 2017, activities in this area referred only to the valuation of pension liabilities in a subsidiary, to the valuation of the Group's real estate portfolio, to the estimate of the provision necessary to meet industrial commitments and similar obligations, to support work for the inventory review of fixed assets in some airports, and the preparation of the Transfer Pricing Dossier in which the transactions carried out with the companies considered as linked to Aena are analysed and valued.

In all cases, Aena assures the competency and technical and legal qualifications of the professionals hired in accordance with the evaluation and technical solvency criteria established in Aena's General Rules on Internal Contracting.

#### **F.4 Information and communication**

Indicate, mentioning main characteristics, if your entity at least has:

F.4.1. A specific functions in charge of defining, keeping updated the accounting policies (area or department of accounting policies) and solve doubts or conflicts arising from their interpretation, maintaining fluid communication with the heads of the operations in the organisation, as well as an accounting policy handbook that is updated and has been passed to the units in the entity.



The Consolidation and Accounting Regulation Division, which is part of the Financial Department, is responsible for the preparation, implementation, communication and update of the Group's accounting policies.

It is also responsible for permanently keeping the handbook of accounting policies of the Group updated and to ensure proper dissemination thereof.

To do so, the Division of Consolidation and Accounting Regulation analyses whether the accounting novelties affect the accounting policies of the Group, as well as the date of entry into force of each of the rules. When it is deemed that the new regulations or interpretations thereof have an effect on the accounting policies of the Group, these are added to the handbook, also communicating this fact to the persons responsible for preparing the financial information of the Group via appropriate instructions.

In this sense, as described in section F.3.1, this Manual of Accounting Policies of the Group is being updated and its approval is expected in 2018.

F.4.2. Mechanisms to capture and prepare the financial information with homogeneous formats for use by all the units in the entity or the group, which support the main financial statements and the notes, as well as the information provided on the Internal Control System.

The process of consolidation and preparation of the financial information is carried out in a centralised manner coordinated by the Division of Consolidation and Accounting Regulations, supervised by the Financial Department.

For the purposes of the preparation of the annual, six-monthly, quarterly and monthly financial information, the Group has a procedure that works in the following way to obtain the information required for the preparation:

- The financial information obtained on a six-monthly basis from each individual entity is reviewed and supervised by the managers of these companies. It is homogenised centrally at Group level and reviewed by a series of established controls. This homogenised information is added via consolidation procedures and the necessary adjustments are made to obtain the consolidated financial statements of the Group.
- In order to prepare the consolidated financial statements, annual and six-monthly, quarterly and monthly, there is a homogeneous reporting package that has been developed internally that allows all the information to be centrally added in relation to the breakdowns required by international regulations.

Specific controls are carried out to validate the information received at centralised level and on the resulting consolidated financial information. These controls are designed to validate equity items, significant variations and other verifications that the Consolidation Division deems necessary to ensure that the financial information has been properly captured and processed.

Every year the reporting package is updated with the regulatory modifications that might take place and require information to be received from the Group subsidiaries.

The financial information reported to the National Securities Market Commission (CNMV) is prepared on the basis of consolidated financial statements, as well as certain additional information reported by the subsidiaries, required for the preparation of the annual and/or six-monthly report. In parallel, specific controls are carried out to validate that information.

## **F.5 Supervision the operation of the system**

Indicate, stating main characteristics, at least in regarding:

F.5.1. The Internal Control System supervision activities carried out by the Audit Committee as well as whether the entity has an Internal Audit function whose duties include providing support to the Committee in its task of supervision the internal control system, including the Internal Control System. Also indicate the extent of the evaluation of the Internal Control System carried out in the year and the procedure used by the person carrying out the evaluation informs of the results, whether the entity has an action plan with a list of potential corrective measures and whether its impact on the financial information has been considered.

The Audit Committee has carried out, among others, the following activities during the year in regard to the Internal Control System supervision activities:

- It has reviewed the Consolidated Financial Statements of the Group and the regular financial information – quarterly and six-monthly- that must be provided to the markets and to the regulator, ensuring compliance with regulatory requirements and the proper application in the preparation of generally accepted accounting principles.
- It has reviewed the scope of the professional mandate of the external auditors, supervising compliance with their contract and with independence requirements and periodically evaluation their results.
- It has approved the annual report on activities of the Internal Audit Department, the budget and the annual audit plan.
- It has analysed the annual audit plan of the external auditors which includes the audit objectives based on the assessment of financial information risks, as well as the main areas of interest or significant transactions subject to review in the year.
- It has reviewed along with the external auditors and Internal Audit the recommendations for improvement of the Internal Control System detected, as the case may be, in the course of the various auditing and review tasks, finding out about the proposed actions plans designed for solution thereof.

Aena has an Internal Audit Department which reports to the Chairman of the Board of Directors of Aena and functionally reports to the Audit Committee.

The mission of the Internal Audit Department is to provide to the Chairman of the Company and to the Board of Directors, via the Audit Committee, the analysis, evaluation and efficient supervision of the internal control systems and management of relevant risks of the Company. This mission is carried out by exercising an independent and objective activity of assurance and advice, designed to add value and improve the transactions in the organisation, contributing towards good corporate governance and reducing the impact of the risks in the achievement of Aena targets to reasonable levels.

Among the functions of the Audit Committee that affect Internal Audit are the proposal of the appointment and dismissal of the head of the division, propose the budget for the unit and approve the approach and work places, making sure the activity is focused on relevant risks.

The Internal Audit team leads the development of its functions with support from outside companies in certain jobs.

The scope of action of Internal Audit includes all companies that belong to the Aena Group. It is therefore a centralised function of a corporate scope, which carries out its work in any company, process, area or system, national or international, managed by Aena or the subsidiaries it controls.

The purposes of Internal Audit include supervision of the reliability and integrity of the financial information, both accounting and management; the procedures to record them; the information systems; the accounting and data processing; and the procedures used to share this information; and in particular to evaluate the reliability of the Internal Control System established.

Internal Audit drafts a pluri-annual plan for regular review of the Internal Control System that is submitted for the approval of the Audit Committee once a year. This pluri-annual plan involves the performance of reviews of the Internal Control System to the significant processes and components of the financial statements of the Group, establishing review priorities according to risks identified and the materiality of balances and transactions affected.

In particular, the following are reviewed: the design, effective operation and adequate documentation of key transactional and supervision codes and the general controls of the main software applications involved in the preparation of the financial information. In order to carry out its tasks, Internal Audit uses different auditing techniques, mainly interviews, analytical reviews, specific control tests and substantive tests.

The results of the work, along with the corrective measures proposed, if any, are reported to the Financial Department and to the units responsible for the audited process or centre. The implementation of these measures is subject to subsequent monitoring by Internal Audit.

During financial year 2016, Internal Audit reviewed four of the 15 corporate processes identified in Aena's Internal Control System, and it reviewed Internal Control System's controls applicable in four of the airports in the network, including Adolfo Suárez Madrid-Barajas. Likewise, a detailed follow-up of the reviews carried out in previous years was carried out.

F.5.2. Whether the company has a discussion procedure whereby the accounts auditor (in accordance with what is set forth in the NTAs), the Internal Audit staff and other experts are able to inform senior management or company directors of the significant weaknesses in internal control identified during the processes of review of financial statements or any others entrusted to them. In addition, inform whether there is an action plan to try to correct or mitigate any observed weaknesses.

The Board of Directors Regulations of Aena established that among the competencies of the Audit Committee are the following:

- Regularly receive from external auditors information on the results of the execution of the audit plan and verify that Senior Management takes its recommendations into account.
- Establish the appropriate relations with the accounts auditor to receive information on the issues related to the accounts auditing process, as well as the communications set forth in the legislation on accounts auditing and auditing regulations.
- Discuss with the accounts auditor any significant weaknesses of the Internal Control System detected in the course of the audit.
- Ensure that the Board of Directors presents the Financial Statements to the General Shareholder's Meeting without limitations or qualifications in the audit report.

In accordance with what is set forth in said Regulations, in the meetings prior to the preparation of the financial information held between the Audit Committee and the external auditors, any existence discrepancy in criteria must be discussed. In turn, the external auditors report, as the case may be, on the main aspects for improvement of the internal control that they have identified in the course of their work.

In this regard, the Audit Committee has welcomed the external auditor in 2017 in four of its sessions.

In addition, the Senior management reports on the degree of implementation of the various plans of actions established to correct or mitigate the aspects identified.

On the other hand, the Regulations of the Board of Directors of Aena establishes that among the functions of the Audit Committee is to receive regular information on Internal Audit activities, and verify that the Senior Management takes its conclusions and recommendations into account.

Internal Audit regularly monitors the incidents and recommendations included in their reports, with the affected departments/units.

Subsequently it informs both the Management Committee and the Audit Committee of the status of the main points outstanding and the evolution of the associated action plans.

## **F.6 Other relevant information**

No other relevant information.

## **F.7 External auditor report**

Indicate whether:

F.7.1. The Internal Control System information sent to the markets has been reviewed by the external auditor, in which case the entity should include the pertaining report as an appendix. If this is not the case, it should explain why.

Aena has deemed it appropriate to request from the External Auditor the issue of a report on the information regarding the Financial Information Internal Control System (Internal Control System), in accordance with the Action Guide on the Auditor's Report referring to the Information on the Internal Control System on Financial Information of listed companies, published by the National Securities Market Commission on its website.

## **G EXTENT TO WHICH THE CORPORATE GOVERNANCE RECOMMENDATIONS ARE FOLLOWED**

Indicate extent to which the company has followed the recommendations of the Code of Good Governance of listed companies.

In the event that any recommendation is not followed or is only followed in part, a detailed explanation of the reasons must be provided so that the shareholders, the investors and the market in general have enough information to judge the decision of the company. General explanations shall not be acceptable.

- 1. That the Company Bylaws of the listed companies do not exceed the maximum number of votes that one same shareholder may cast, nor contain other restrictions which prevent taking control of the company by means of acquisition of the shares in the market.**

Meets ☒ Explain ☐

- 2. That when a parent company and a dependent company are both listed, that they both accurately and publicly define:**
  - a) Their respective areas of activity and potential business relationships between them, as well as those of the listed dependent company with other group companies.**
  - b) The mechanisms in place to solve potential conflicts of interest which might arise.**

Meets ☐ Partially meets ☐ Explain ☐ Not applicable X

3. That during the holding of the ordinary General Shareholder's Meeting, as an addition to the dissemination in writing of the annual corporate governance report, the chairman of the Board of Directors should verbally inform the shareholders, in sufficient detail, of the most relevant aspects of the corporate governance of the company and, in particular:

- a) Of the changes that have occurred since the last ordinary general meeting.
- b) Of the specific reasons why the company does not follow some of the recommendations of the Code of Corporate Governance and, if any, the alternative rules applied to this matter

Meets X Partially meets ☐ Explain ☐

4. That the company should define and promote a policy of communication and contacts with shareholders, institutional investors and voting advisers that is fully respectful of the rules against market abuse and affords the same treatment to shareholders in the same position.

And that the company should make this policy public via its website, including information on the way it has been put in practice and identifying the interlocutors or persons responsible for carrying this out.

Meets X Partially meets ☐ Explain ☐

5. That the Board of Directors does not refer to the meeting a proposal of delegation of powers to issue shares or convertible securities excluding the right to preferential purchase, for an amount above 20% of the capital at the time of delegation.

And that when the Board of Directors approves any issue of shares or convertible securities with exclusion of the preferential right of purchase, the company should immediately publish on its website the reports on this exclusion referred to in the mercantile legislation.

Meets X Partially meets ☐ Explain ☐

6. That the listed companies prepare the reports shown below, whether mandatorily or voluntarily, publish them in their website sufficiently in advance of the ordinary general meeting, even if publication is not obligatory:

- a) **Report on auditor's independence.**
- b) **Reports on the operation of the audit and appointments and remuneration committees.**
- c) **Report from the audit committee on RELATED PARTY TRANSACTIONS.**
- d) **Report on the corporate social responsibility.**

Meets X                      Partially meets ☐                      Explain ☐

7. **That the company broadcasts live, via its website, the general shareholders' meetings.**

Meets X                      Explain ☐

8. **That the audit committee ensures that the Board of Directors presents accounts to the General Shareholder's Meeting without limitations or qualifications in the audit report and that, in the exceptional event that qualifications should exist, both the chairman of the audit committee and the auditors clearly explain to the shareholders the content and extent of said limitations or qualifications.**

Meets X                      Partially meets ☐                      Explain ☐

9. **That the company publishes on its website, on a permanent basis, the requirements it will accept as proof of share ownership, the right to attend the General Shareholder's Meeting and delegation of voting rights.**

**And that such requirements and procedures should favour the attendance and exercise of their rights for the shareholders and that these are applied in a non-discriminatory way.**

Meets X                      Partially meets ☐                      Explain ☐

10. **That when a legitimate shareholder has exercised, prior to the holding of the General Shareholder's Meeting, the right to complete the agenda or make new proposals, the company:**

- a) **Immediately disseminates the additional items and new agreement proposals.**
- b) **Makes public the attendance card or proxy vote form with the notifications required to vote on the new items on the agenda and alternative agreement proposal under the same terms as those proposed by the Board of Directors.**

- c) **Submits all such points and alternative proposals to voting and applies the same voting rules as to those made by the Board of Directors including, in particular, the presumptions or deductions on the vote outcome.**
- d) **Subsequently to the General Shareholder's Meeting, it should disclose the breakdown of the vote on such additional points or proposals.**

Meets X      Partially meets ☐      Explain ☐      Not applicable ☐

11. **That, in the event that the company plans to pay attendance bonuses for the general shareholders meeting, it establishes, previously, a policy regarding such bonuses and that this policy is stable.**

Meets ☐      Partially meets ☐      Explain ☐      Not applicable X

12. **That the Board of Directors performs its duties with a single purpose and independent judgement, treats all shareholders in the same position equally and is moved by social interest, understood as the pursuit of a profitable and sustainable business in the long term that promotes continuity and maximisation of the economic value of the company.**

**And that in the pursuit of the social interest, as well as respect for the laws and regulations and a conduct based on good faith, ethics and respect for generally accepted customs and good practices, it endeavours to reconcile the social interest with, as the case may be, the legitimate interests of its employees, suppliers, customers and other stakeholders who may be affected, as well as the impact of the activities of the company in the community at large and the environment.**

Meets X      Partially meets ☐      Explain ☐

13. **That the Board of Directors has the right size to achieve a good and participative operation, recommending it has between five and fifteen members.**

Meets X      Explain ☐

14. **That the Board of Directors approves a director selection policy that:**

- a) **Is specific and verifiable.**
- b) **Ensures that the proposals for appointment or re-election are based on a prior analysis of the needs of the Board of Directors.**
- c) **Encourages the diversity of knowledge, experience and gender.**



**That the result of the prior analysis of the Board of Directors is contained in the explanatory report from the appointments committee that is published at the summons of the General Shareholder's Meeting at which the ratification, appointment or re-election of each director is to be made.**

**And that the director selection policy promotes the target that by 2020 the number of women directors accounts for at least 30% of total directors of the board.**

**The appointments commission shall annually verify the compliance with the policy of director selection and shall report thereon in the annual corporate governance report**

Meets ☒ X

Partially meets

Explain

- 15. That the proprietary and independent directors are a large majority of the Board of Directors and that the number of executive directors is kept at the lowest, taking into account the complexity of corporate group and the percentage participation of the executive directors in the capital of the company.**

Meets ☒ X

Partially meets ☐

Explain ☐

- 16. That the percentage of proprietary directors over the total non-executive directors is not larger than the proportion between the capital of the company represented by such directors and the rest of the capital.**

**This criterion may be attenuated:**

- a) In highly capitalised companies where there are few shareholdings that can be legally considered significant.**
- b) In the event of companies in which there is a plurality of shareholders represented in the board and who are not related parties.**

Meets ☒ X

Explain ☐

- 17. That the number of independent directors accounts for at least half of the total number of directors.**

**That, however, when the company is not highly capitalized or, even if it is, has one shareholder or several shareholders acting in concert, who control more than 30% of the share capital, the number of independent directors represents, at least, one third of the total number of directors.**

Meets ☒ X

Explain ☐

**18. That the companies disclose publicly, and keep up to date, the following information on their directors:**

- a) Professional and biographical profile.**
- b) Other Board of Directors they belong to, whether or not they are listed companies, as well as other remunerated activities carried out irrespective of nature.**
- c) Indication of the category of director to which they belong, indicating, in the case of proprietary directors, the shareholder they represent or to which they are related.**
- d) Date of first appointment as director of the company, as well as subsequent re-elections.**
- e) Company shares and options thereon which they own.**

Meets X

Partially meets ☐

Explain ☐

**19. That in the annual corporate governance report, following verification by the appointments committee, reasons are provided why proprietary directors have been appointed at the request of shareholders whose shareholding is less than 3% of the capital; and that they explain why they have not attended, as the case maybe, formal requests for presence in the board from shareholders whose shareholding is the same or higher than those at whose request proprietary directors have been appointed.**

Meets ☐

Partially meets ☐

Explain ☐

Not applicable X

**20. That the proprietary directors present their resignation when the shareholder they represent fully transfers his shareholding. And that this is also done, in the appropriate proportion, when this shareholder should reduce his shareholding to a level that calls for a reduction in the number of proprietary directors.**

Meets ☐

Partially meets ☐

Explain ☐

Not applicable X

**21. That the Board of Directors does not propose any dismissal of any independent director before the end of the term for which he has been appointed, except in the event of a just cause, in the judgement of the Board of Directors following a report from the appointments committee. In particular, just cause is deemed to exist when the director goes on to occupy new positions or undertakes new obligations that prevent him from dedicating the necessary time to the tasks inherent to the role of director,**

should fail to the duties inherent to his office or should be involved in any of the circumstances that cause him to lose his status as independent, in accordance with what is set forth in applicable legislation.

The dismissal of independent directors may also be proposed as a result of takeover bids or similar corporate operations which bring about a change in the company's capital structure, when such changes in the Board of Directors are brought about by the proportionality criterion mentioned in recommendation 16.

Meets X

Explain ☐

22. That the companies set forth rules that oblige the directors to inform and, as the case may be, resign in cases that might harm the credibility or reputation of the company and in particular, they should be obliged to inform the Board of Directors of any criminal proceedings in which they are indicted, as well as any subsequent prosecution events.

And that if a director is prosecuted and oral hearing proceedings should be commenced against him for any of the crimes listed in corporate legislation, the board of directors must examine the case as soon as possible and, in light of the specific circumstances, decide whether or not the director should continue in office. And the Board of Directors shall provide a reasoned explanation thereof in the annual corporate governance report.

Meets X

Partially meets ☐

Explain ☐

23. That all directors should clearly state their opposition when they consider that a proposal for consideration may be contrary to the social interest. And that this is also done especially by the independent and other directors not affected by the potential conflict of interest, in the event of decisions that may harm the shareholders that are not represented in the Board of Directors.

And that when the Board of Directors adopts significant or reiterated decisions regarding which the director has made serious objections, the director should act accordingly and, if he should decide to resign, he must explain the reasons in the letter mentioned in the following recommendation.

This recommendation is also applicable to the secretary of the Board of Directors, even if not a director.

Meets X

Partially meets ☐

Explain ☐

Not applicable ☐

24. That when whether due to resignation or another reason, a director should terminate his office prior to the end of his term, he must explain the reasons in a letter addressed to all members of the Board of Directors. And

**notwithstanding that this termination is reported as relevant event, the reason for the termination must be mentioned in the annual corporate governance report.**

Meets X      Partially meets ☐      Explain ☐      Not applicable ☐

- 25. That the appointments committee ensures that the non-executive directors have sufficient availability of time to properly carry out his functions.**

**And that the board regulations establish the maximum number of company boards of which its directors may be members.**

Meets X      Partially meets ☐      Explain ☐

- 26. That the Board of Directors meets with the necessary frequency to perform its duties efficiently and, at least, eight times a year, according to the schedule of dates and matters established at the start of the year, each director being able to individually propose other points in the agenda additional to those initially established.**

Meets X      Partially meets ☐      Explain ☐

- 27. That the lack of attendance by directors is reduced to unavoidable cases and that they are quantified in the annual corporate governance report. And when they must occur, proxies are appointed with instructions.**

Meets X      Partially meets ☐      Explain ☐

- 28. That when one of the directors or the secretary should voice a concern about any proposal or, in the case of the directors, on the performance of the company and such concerns are not solved in the Board of Directors meeting, at the request of whoever has raised them, this is recorded in the minutes.**

Meets X      Partially meets ☐      Explain ☐      Not applicable ☐

- 29. That the company establishes the appropriate channels for directors to take the advice required to carry out their duties including, if required by the circumstances, external advice at the expense of the company.**

Meets X      Partially meets ☐      Explain ☐

- 30. That, irrespective of the knowledge required from directors to perform their duties, the companies must also offer their directors knowledge refresher programmes when called for.**

Meets X      Partially meets ☐      Explain ☐

31. That on the agenda of the meetings the points on which the board must make a decision or agreement is clearly marked, so that the directors may study or gather, prior to the meeting, information thereon.

When exceptionally for reasons of urgency the chairman should wish to submit to the board decisions or agreements not contained in the agenda, the prior and express consent of the majority of attending directors will be necessary, and will be duly recorded in the minutes.

Meets X Partially meets ☐ Explain ☐

32. That the directors are regularly informed of the movements in the shareholding and of the opinion that significant shareholders, investors and rating agencies have of the company and the group.

Meets X Partially meets ☐ Explain ☐

33. That the chairman, as the person responsible for the efficient operation of the Board of Directors, as well as exercising the functions legally and statutorily attributed to him, should prepare and submit to the board, a programme of dates and matters to discuss; organise and coordinate the periodical evaluation of the board, as well as that of the first executive of the company, as the case may be; should be responsible for the management of the board and its efficiency; should ensure that sufficient time is dedicated to discussion of strategic matters; and should agree and review the knowledge refresher programmes for each director, when called for.

Meets X Partially meets ☐ Explain ☐

34. That when the figure of the director coordinator exists, the Company Bylaws or the regulations of the Board of Directors, as well as the powers legally attributed to him, grant him the following: chair the meeting in the absence of the chairman and the deputy chairmen, if any; voice the concerns of non-executive directors; maintain contacts with investors and shareholders to find out their points of view and get an idea of their concerns, in particular, in regard to the corporate governance report of the company; and coordinate the chairman's succession plan.

Meets X Partially meets ☐ Explain ☐ Not applicable ☐

35. That the secretary of the Board of Directors should particularly ensure that in its actions and decisions the Board of Directors applies the good governance recommendations contained in this Code of good governance that may be of application to the company.

Meets X Explain ☐

**36. That the Board of Directors once a year evaluates and adopts an action plan to correct the deficiencies detected regarding:**

- a) The quality and efficiency of the operation of the Board of Directors.**
- b) The operation and composition of its committees.**
- c) The diversity in composition and competencies in the Board of Directors.**
- d) The performance of the chairman of the board and of the first executive of the company.**
- e) The performance and contribution of each director, paying special attention to the heads of the various board committees.**

**In order to evaluate the various commissions, the reports presented at the board meeting shall be used and in regard to board itself, that presented by the appointments committee.**

**Every three years the Board of Directors shall be assisted in the evaluation by an external consultant, whose independence shall be verified by the appointments committee.**

**The business relations that the consultant or any company in his group has with the company or any company in its group must be detailed in the annual corporate governance report.**

**The process and areas evaluated shall be described in the annual corporate governance report.**

Meets ☒ Partially meets ☐ Explain ☐

**37. That when there is an executive committee, the structure of participation of the various categories of directors should be similar to that of the board itself, and that the secretary is included in this committee.**

Meets ☐ Partially meets ☒ Explain ☐ Not applicable ☐

The chairman and his secretary are the same as on the Board of Directors, but the participation structure is not the same as that of the Board itself, since art. 42.4. of the Company Bylaws and 22 (i) 3 of the Regulations of the Board of Directors, establish:

*“The Executive Committee shall be formed by the Chairman of the Board of*

*Directors, three (3) Proprietary Directors and one (1) Independent Director”*

This composition is the result of the privatisation process of the Aena, whose privatisation commission approved the abovementioned composition and which appears in the prospectus of admission to trading.

- 38. That the Board of Directors is always aware of the matters discussed and decisions made by the executive committee and that all the members of the board receive a copy of the minutes of the executive committee meetings.**

Meets X      Partially meets ☐      Explain ☐      Not applicable ☐

- 39. That the members of the audit committee and especially its chairman are appointed taking into account their knowledge and experience in accounting, auditing or risk management, and that most of these members are independent directors.**

Meets X      Partially meets ☐      Explain ☐

- 40. That under the supervision of the audit committee, a unit is set up to assume the internal audit function to ensure the good working order of the information systems and internal control and that it reports to the non-executive chairman of the board or that of the audit committee.**

Meets X      Partially meets ☐      Explain ☐

- 41. That the head of the unit assuming the internal audit function presents to the audit committee its annual work place, directly reports any incidents in the development thereof and submits an activity report at the end of each year.**

Meets X      Partially meets ☐      Explain ☐      Not applicable ☐

- 42. That, in addition to those set forth in the law, the audit committee should have the following functions:**

**1. In relation to information and internal control systems:**

- a) Supervise the process of preparation and the integrity of the financial information of the company and, as the case may be, of the group, reviewing compliance with regulatory requirements, the proper demarcation of the consolidation perimeter and the correct application of accounting criteria.**
- b) Watching over the independence of the unit which takes on the function of internal audit; proposing the selection, appointment, re-election and cessation of the internal audit service manager; proposing the budget for this service; approving the orientation**

and working plans, ensuring that its activity is focused principally towards the company's relevant risks; receiving information regularly on its activities; and verifying that the top management takes into account the conclusions and recommendations of its reports.

- c) Establish and supervise a mechanism that enables employees to report in a confidential manner and, if possible and appropriate, anonymously, any irregularities of potential importance, particularly financial and accounting, that they may have detected within the company.

**2. In relation with the external auditor:**

- a) In the event of the external auditor's resignation, examining the circumstances causing it.
- b) Ensure that the remuneration of the external auditor for his work does not compromise its quality or independence.
- c) Ensure that the company reports the change of auditor as a relevant event to the CNMV along with a declaration on the potential existence of disagreements between the outgoing and the incoming auditor and, if any, the content thereof.
- d) Ensure that the outgoing auditor annually holds a meeting with the Board of Directors to inform it of the work done and the evolution of the accounting situation and risks of the company.
- e) Ensure that the company and the external auditor respect the rules in force on provision of services other than auditing, the limits on the concentration of the auditor's business and, in general, all other rules on the independence of the auditors.

Meets X

Partially meets ☐

Explain ☐

- 43. That the Audit Committee may call any employee or executive of the company, and even decide that they appear without the presence of any other executives.**

Meets X

Partially meets ☐

Explain ☐

- 44. That the audit committee is informed of operations of structural and corporate modification that the company plans to carry out, for previous analysis and a report for the Board of Directors on the economic conditions and accounting impact and, especially, as the case may be, on the exchange ratio proposed.**



Meets ☐ Partially meets ☐ Explain ☐ Not applicable X

**45. That the risk control and management policy identifies at least:**

- a) The different types of risk, financial and non-financial (including operational, technological, legal, social, environmental, political and reputational) to which the company is exposed, where financial and economic risks include contingent liabilities and other off-balance sheet risks.
- b) The setting of the level of risk that the company deems acceptable.
- c) The measures in place to mitigate the impact of identified risks, in the event that they should materialise.
- d) The information and internal control systems that will be used to manage said risks, including contingent liabilities and off-balance sheet risks.

Meets X Partially meets ☐ Explain ☐

**46. That under the direct supervision of the audit committee or, as the case may be, a specialist committee of the Board of Directors, an internal risk control and management function is carried out by an internal department or unit of the company that has been expressly attributed the following functions:**

- a) Ensure the good working order of the risk control and management systems and, in particular, that all the important risks affecting the company are identified, managed and quantified.
- b) Participating actively in the preparation of the risk strategy and in important decisions on its management.
- c) Ensure that the risk control and management systems adequately mitigate the risks within the framework of the policy defined by the Board of Directors.

Meets X Partially meets ☐ Explain ☐

**47. That the members of the appointments and remuneration committee- or the appointments committee and the remuneration committee, if separate – are appointed ensuring that they have the knowledge, aptitudes and experience required for the functions they must perform and that the majority of such members are independent directors.**

Meets X Partially meets ☐ Explain ☐

**48. That the highly capitalised companies have separate appointments committee and remuneration committee.**

Meets ☐ Explain ☒ Not applicable ☐

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

Therefore, it is understood that unfolding in two different commissions the Appointments and Remunerations Committee lacks practicality and is totally ineffective, as competition in compensation matters is established by the Ministry of Finance and Public Administration, in accordance with the above rules.

**49. That the appointments committee consults the chairman of the Board of Directors and the first executive of the company particularly when dealing with matters related to the executive directors.**

**And that any director is able to request from the appointments committee to take into consideration, if deemed suitable, potential candidates to cover director vacancies.**

Meets ☒ Partially meets ☐ Explain ☐

**50. That the remuneration committee performs its duties with independence and that, as well as the functions attributed by law, it has the following:**

- a) Propose to the Board of Directors the basic terms of the contracts of senior executives**
- b) Verify compliance with the remuneration policy established by the company.**
- c) Periodically review the remuneration policy applied to the directors and senior executives, including share remuneration packages and their application, as well as guarantee that their individual remuneration is in line with that paid to other directors and senior executives of the company.**

- d) **Ensure that potential conflicts of interest do not harm the independence of the external advice provided to the committee.**
- e) **Verify the information on remuneration of directors and senior executives contained in the various corporate documents, included the annual director remuneration report.**

Meets ☐ Partially meets X Explain ☐

The functions mentioned in this Recommendation are included in art. 24 of the Regulations of the Board of Directors, which regulates the competencies of the Appointments and Remuneration Committee, although it cannot fulfil some of them or act independently in matters involving remuneration as it is subjected to the prevailing public regulations.

- 51. That the remuneration committee consults the chairman and first executive of the company, particularly when involving matters regarding executive directors and senior executives.**

Meets ☐ Partially meets ☐ Explain X

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

The remuneration of the directors is predetermined by public legislation, which prevails over the capital companies legislation, set forth by the Ministry of the Treasury and Public Administrations of 8 January 2013, and therefore the appointments and remunerations committee is not able to consult the chairman and first executive of the company on matters relating to remuneration.

- 52. That the rules of composition and operation of the supervisory and control committees are included in the regulations of the Board of Directors and that they are in line with those applicable to legally obligatory committees in line with the above recommendations, including:**

- a) **That they are exclusively made up of non-executive directors, with a majority of independent directors.**

- b) That their chairmen are independent directors.
- c) That the Board of Directors designates members of these committees taking into consideration knowledge, aptitudes and experience of the directors and the tasks of each committee, that it first deliberates about its proposals and reports; and that it reports in the first board meeting held after their meetings, reporting on activity and work performed.
- d) That the committees are able to call in external help when deemed necessary for the exercise of their functions.
- e) That minutes are drawn up of their meetings, made available to all directors.

Meets X      Partially meets ☐      Explain ☐      Not applicable ☐

**53. That the supervision of the rules of corporate governance, of the internal codes of conduct and the corporate social responsibility policy is attributed to one or several committees of the Board of Directors, which may be the audit committee, the appointments committee, the corporate social responsibility committee, if any, or a specialist committee that the Board of Directors, in the exercise of its powers of self-organisation, decides to create for this purpose, to which the following minimum functions are specifically attributed:**

- a) The supervision of the compliance with internal codes of conduct and corporate governance rules of the company.
- b) The supervision of the communication strategy and relationship with investors and shareholders, including small and medium shareholders.
- c) The periodically evaluation of the adequacy of the corporate governance system of the company, in order to ensure it fulfils its purpose of promoting social interest and takes into account, as the case may be, the legitimate interests of all other stakeholders.
- d) The review of the corporate social responsibility policy of the company, ensuring that this is focused on creation of value.
- e) The follow up of the strategy and corporate social responsibility and the evaluation of degree of compliance.
- f) The supervision and evaluation of the processes in relation to the various stakeholders.
- g) The evaluation of everything related to non-financial risk of the company – including operational, technological, legal, social environmental, political and reputational risks.
- h) The coordination of the reporting process of non-financial information and on diversity, in accordance with the applicable legislation and

**international standards of reference.**

Meets X      Partially meets ☐      Explain ☐

**54. That the corporate social responsibility includes the principles or commitments assumed by the company voluntarily in its relationship with the various stakeholders, and identifies at least:**

- a) The objectives of the corporate social responsibility and the development of support instruments.**
- b) The corporate strategy related to sustainability, the environment and social issues.**
- c) Specific practices related to: shareholders, employees, customers, suppliers, social issues, environment, diversity, fiscal responsibility, respect for human rights and prevention of unlawful conducts.**
- d) The methods or systems to monitor results of the application of specific practices mentioned in the previous point, associated risks and management thereof.**
- e) The supervision mechanisms of non-financial risk, ethics and business conduct.**
- f) The channels for communication, participation and dialogue with the stakeholders.**
- g) Practices of responsible communication avoiding manipulation of information and protect honour and integrity.**

Meets X      Partially meets ☐      Explain ☐

**55. That the company reports, in a separate document or in the management report, on the matters concerning corporate social responsibility, using some of the internationally accepted methodologies for this purpose.**

Meets X      Partially meets ☐      Explain ☐

**56. That the remuneration of the directors is the correct one to attract and retain the directors of the required profile and to remunerate the dedication, qualification and responsibility demanded by the job, but not so high as to compromise the independence of criterion of non-executive directors.**

Meets ☐      Explain X

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

Therefore, the remuneration of directors is predetermined by the public legislation, which prevails over the legislation of capital companies, and therefore the Company cannot change such remuneration to adapt it to the requirements contained in this recommendation.

- 57. That executive directors should receive a variable remuneration linked to the results of the company and personal performance, as well as remuneration by way of shares, options or rights on shares or instruments linked to the value of the shares and long term savings systems such as pension plans, retirement schemes and other pension systems.**

**The delivery of shares may be considered as remuneration for non-executive directors when it is subject to these being held until termination as directors. This shall not be of application to the shares that the director may need to sell, as the case may be, to pay for the costs related with their purchase.**

Meets ☐ Partially meets ☐ Explain X

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

The remuneration of executive directors, including the variable remuneration, is predetermined by the public legislation, which prevails over the legislation of capital companies, and therefore the Company cannot modify it.

- 58. That in the event of variable remunerations, the remuneration policies should include the limits and precise technical cautions to ensure that such remuneration is in line with the professional performance of its beneficiaries and do not only arise from the general evolution of the markets or the company's sector or any other similar circumstances.**

**And, in particular, that the variable components of the remuneration:**

- a) Are linked to performance criteria that have been pre-established and measurable and that these criteria consider the risk assumed for the obtaining of a result.**
- b) Promote the sustainability of the company and include non-financial criteria that are suitable for the creation of value in the long term, like compliance with the rules and internal procedures of the company and its risk management and control policies.**
- c) Are configured on the basis of a balance between the fulfilment of goals in the short, medium and long term that enable remuneration of continued performance over a sufficiently long time to observe the contribution to the sustainable creation of value, so that the measurement elements of this performance do not only depend on specific, occasional or extraordinary events.**

Meets ☐ Partially meets ☐ Explain X Not applicable ☐

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

Therefore, the remuneration of directors, which does not include variable remuneration for executive directors, is predetermined by the public legislation, which prevails over the legislation of capital companies, and therefore the Company cannot change such remuneration to adapt it to the requirements contained in this recommendation.

- 59. That the payment of a relevant part of the variable components of the remuneration is deferred for a minimum period of time that is sufficient to**

**verify that performance conditions previously established have been met.**

Meets ☐ Partially meets ☐ Explain X Not applicable ☐

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

Therefore, the remuneration of directors only includes variable remuneration for the executive director and is predetermined by the public legislation, which prevails over the legislation of capital companies, and therefore the Company cannot change the payment conditions of this remuneration to adapt it to the requirements contained in this recommendation.

**60. That the remuneration related to company results takes into account any potential qualifications included in the audit report of the external auditor and that might reduce these results.**

Meets ☐ Partially meets ☐ Explain X Not applicable ☐

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

Therefore, the remuneration of directors is predetermined by public legislation, which prevails over capital companies legislation, and therefore the Company does not have the power to take into account the potential qualifications which might be contained in the external auditor's report in regard to the remuneration



linked to results of the company when such qualifications reduce the results.

- 61. That a relevant percentage of the variable remuneration paid to executive directors is linked to the delivery of shares or financial instruments linked to their value.**

Meets ☐ Partially meets ☐ Explain X Not applicable ☒

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

Therefore, the remuneration of directors only includes variable remuneration for the executive director and is predetermined by the public legislation, which prevails over the legislation of capital companies, and therefore the Company has no power to adapt it to the requirements contained in this recommendation.

- 62. That once the shares or options or rights on shares have been attributed to the remuneration systems, the directors are not allowed to transfer the ownership of a number of shares equal to twice their annual fixed salary, nor can exercise the options or rights until a period of at least three years has lapsed since their allocation.**

**This shall not be of application to the shares that the director may need to sell, as the case may be, to pay for the costs related with their purchase.**

Meets ☐ Partially meets ☐ Explain X Not applicable ☒

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree

451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

Therefore, the remuneration of directors, including the variable remuneration, is predetermined by the public legislation, which prevails over the legislation of capital companies, and therefore the Company has no power to adapt it to the requirements contained in this recommendation.

- 63. That the contractual agreements include a clause that allows the company to claim the reimbursement of variable components of the remuneration when the payment has not been in line with performance conditions or when they have been paid on the basis of data that has subsequently been proven to be inaccurate.**

Meets ☐ Partially meets ☐ Explain X Not applicable ☐

Aena, SA, is a listed State limited company which, in accordance with the Report by the Attorney General dated 15 February 2016, is subject to the applicable regulations governing the public sector, which prevail over Private Law regulations, given the imperative and special character of the public regulations.

Specifically, in terms of remuneration, Aena, S.M.E., S.A. is subject to the public remuneration policy, mainly set forth in Royal Decree-Law 3/2012 of 10 February on urgent measures relating to the remuneration for the heads and executives of the public sector, and its implementing legislation, in particular Royal Decree 451/2012 of 5 March and the Order from the Ministry of the Treasury and Public Administrations of 8 January 2013.

As a result of the foregoing, both the remuneration of the directors and the contractual clauses related thereto, have been predetermined by the public legislation, which prevails over the legislation of capital companies, and therefore the Company has no power to adapt it to the requirements contained in this recommendation.

- 64. That the payments for contract termination do not exceed an established amount equal to two years of total annual remuneration and that this is not paid until the company has been able to verify that the director has met with all previously established performance criteria.**

Meets x Partially meets ☐ Explain ☐ Not applicable ☐

## **H OTHER INFORMATION OF INTEREST**

1. If there is any relevant aspect in terms of corporate governance of the company or the group entities that has not been included in this report, but must be included in order to show more complete and reasoned information

on the structure and practices of governance in the company or its group, please provide brief details.

Events post year end:

Effective 15 January 2018, Mr Juan Carlos Alfonso Rubio has been appointed non-Member Secretary of the Board of Directors and of the Executive Committee. With that same effective date, Ms Matilde Garcia Duarte ceased her role as Secretary of the Board of Directors and of the aforementioned Committee, and was appointed non-member deputy secretary of the Board of Directors.

Likewise, director Mr José M<sup>a</sup> Araúzo González presented on 8 January 2018, by letter sent to the Board of Directors, his resignation as a member of the Board of Directors and the Appointments and Remuneration Committee, on the occasion of his recent retirement.

As a result of this resignation, and to fill the vacancy produced within the Board of Directors and the Appointments and Remuneration Committee, at the meeting of the Board of Directors held on 25 January 2018, it was unanimously agreed to appoint Mr Angel Luis Arias Serrano by co-option, as a director of the Company, with the qualification of proprietary director, for the term established in the Company Bylaws, following a report from the Appointments and Remuneration Committee and subject to approval or ratification during the first meeting of the General Shareholders' Meeting of the Company.

Also, at that meeting, the Board of Directors agreed to appoint Mr Angel Luis Arias Serrano as a new member of the Appointments and Remuneration Committee of the Company.

Both the resignation of Mr José María Araúzo González and the termination of Ms Matilde García Duarte, and the appointment of Mr Angel Luis Arias Serrano and Mr Juan Carlos Alfonso Rubio were notified of through the Price-sensitive Information documents to the CNMV.

2. Within this section, any other information, clarification or meaning related with the foregoing sections of the report may be included here provided they are relevant and not reiterative.

Specifically, indicate whether the company is subject to legislation other than that of Spain in matters of corporate governance and, as the case may be, include the information that you are obliged to supply and that is different to that required in this report.

“Meets” has been indicated in the recommendation 46 of section G of this report due to the following:

As is described in paragraph E of this Annual Corporate Governance Report, among the responsibilities of the Internal Audit Department of Aena is the coordination of the activities defined in the Risk Control and Management Policy; the supervision of the proper operation of the Risk Management System; the homogenisation and consolidation of the information regarding risk identification and assessment, and its pertaining monitoring areas, prepared by the corporate and operational areas.

In addition, within the framework of its independent assurance activity, Internal Audit carries out regular audits of certain risks, analysing the risk management strategy and making the recommendations for improvement deemed appropriate.

3. The company may also indicate whether it has voluntarily supported other codes of ethical principles or good practices, international, sectorial or other. As the case may be, the code in question and date of adhesion shall be identified. In particular, it shall mention whether it has adhered to the Code of Good Taxation Practices of 20 July 2010.

At the meeting of the Board of Directors held on 21 February 2017, the Company adopted the decision of adhesion to the Code of Good Tax Practices developed by the Tax Agency and the Large Companies Forum and informed upon to said Agency on 11 April 2017. The purpose of this Code is to strengthen openness and cooperation in the Company's taxation practices, as well as to increase legal certainty in the interpretation of tax regulations.

This annual corporate governance report has been approved by the Board of Directors of the company in its meeting held on February 27, 2018.

Indicate if there were directors who voted against or abstained in relation with approval of this Report.

Yes ☐ No ☒

Name of company name of the director who has not voted in favour of the approval of this Report	Reasons (against, abstaining, not attending)	Explain the reasons