

BASE PROSPECTUS



(incorporated as a public limited liability company under the laws of the Kingdom of Spain)

EUR 3,000,000,000 Euro Medium Term Note Programme

This Base Prospectus of AENA S.M.E., S.A. ("**Aena**" or the "**Issuer**", and together with the companies that are part of its corporate group for commercial regulations purposes, the "**Group**") has been approved by the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (the "**CNMV**") as competent authority under Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**") as a base prospectus issued in compliance with Article 8(1) of the EU Prospectus Regulation for the purpose of giving information with regard to the issue of notes (the "**Notes**") under the Euro Medium Term Note Programme (the "**Programme**") described in this Base Prospectus during the period of twelve months after the date hereof.

This Base Prospectus has been prepared in accordance with, and including the information required by Annexes 7 and 15 for wholesale non equity securities of Delegated Regulation (EU) 2019/980 of 14 March 2019. The CNMV has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes. The CNMV assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. This Base Prospectus (as supplemented from time to time) is valid for a period of twelve months from the date of approval. Applications may be made for such Notes to be admitted during the period of twelve months after the date hereof to listing on the Spanish AIAF Fixed Income Market (*AIAF Mercado de Renta Fija*) ("**AIAF**"). AIAF is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "**EU MiFID II**"). The Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant dealers. No unlisted Notes may be issued under the Programme.

The Notes under this Programme will be issued in uncertified, dematerialised book-entry form (*anotaciones en cuenta*) and will be registered with Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("**Iberclear**") as managing entity of the central registry of the Spanish settlement system (the "**Spanish Central Registry**"). Consequently, no global certificates will be issued in respect of the Notes. Clearing and settlement relating to the Notes, as well as payment of interest and redemption of principal amounts, will be performed within Iberclear's book-entry system.

The Programme has been rated "A-" by Fitch Ratings España, S.A.U. ("**Fitch**") and "A3" by Moody's Investors Service España S.A. ("**Moody's**"). On 1 June 2023, Fitch also confirmed the Issuer's long-term credit rating "A-" (stable outlook). Fitch also confirmed the short-term rating at "F2". On 7 July 2022, Moody's confirmed the Issuer's long-term credit rating at "A3" (stable outlook). Each of Fitch and Moody's is established in the European Economic Area ("**EEA**") and registered under Regulation (EC) No 1060/2009, on credit rating agencies (as amended) (the "**EU CRA Regulation**"). Each of Fitch and Moody's appears on the latest update of the list of registered credit rating agencies (as of the date of this Base Prospectus) on the ESMA website <http://www.esma.europa.eu>.

The Notes issued under the Programme may be unrated or rated by any one or more rating agencies. Where a Tranche of Notes is rated, such rating will be disclosed in the relevant Final Terms and will not necessarily be the same as the rating(s) assigned to the Notes already issued. Whether or not each credit rating applied

for in relation to a relevant Tranche of Notes will, among others, be issued or endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation, will be disclosed in the relevant Final Terms.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes are complex financial instruments and are not a suitable or appropriate investment for all investors. Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own circumstances and financial condition.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its respective obligations under the Notes are discussed under "Risk Factors" below.

No Notes may be issued under the Programme with a denomination of less than €100,000 (or equivalent amount in another currency).

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), except in certain transactions exempt from the registration requirements of the Securities Act.

For the purpose of Article 21 of the EU Prospectus Regulation, this Base Prospectus and any Final Terms issued under the Programme will be published on the Issuer's website (<https://www.aena.es/es/accionistas-e-inversores/informacion-economico-financiera/renta-fija.html>). Unless specifically incorporated by reference in this Base Prospectus, information contained in that website or in any websites mentioned throughout this Base Prospectus does not form part of this Base Prospectus and has not been examined or approved by the CNMV.

This Base Prospectus is valid for twelve months from its date of approval and for the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus after the end of its twelve-month validity period. This Base Prospectus is valid from 27 July 2023 (inclusive) and will expire on 27 July 2024.

Arrangers

BBVA

BNP PARIBAS

Dealers

BANKINTER

BANCO SABADELL

BBVA

BNP PARIBAS

CAIXABANK

CRÉDIT AGRICOLE CIB

DEUTSCHE BANK

HSBC

IMI – INTESA SANPAOLO

MEDIOBANCA

SANTANDER CORPORATE &
INVESTMENT BANKING

SMBC

SOCIÉTÉ GÉNÉRALE CORPORATE
& INVESTMENT BANKING

27 July 2023

CONTENTS

	Page
IMPORTANT NOTICES.....	4
OVERVIEW.....	9
RISK FACTORS.....	13
INFORMATION INCORPORATED BY REFERENCE	35
SUMMARY OF CLEARANCE AND SETTLEMENT PROCEDURES APPLICABLE TO BOOK-ENTRY NOTES.....	37
TERMS AND CONDITIONS OF THE NOTES	39
FORM OF FINAL TERMS.....	87
USE OF PROCEEDS	101
DESCRIPTION OF THE ISSUER.....	102
REGULATORY FRAMEWORK	130
TAXATION	143
SUBSCRIPTION AND SALE	154
GENERAL INFORMATION	158
SIGNATURES	161

IMPORTANT NOTICES

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed by a document specific to such Tranche called final terms (the "**Final Terms**"). Copies of Final Terms in relation to Notes to be listed on AIAF will also be published on the website of the CNMV on <https://www.cnmv.es>.

The Issuer has confirmed to the Dealers named under "*Subscription and Sale*" below that this Base Prospectus contains all information which is (in the context of the Programme, the issue and the offering and sale of the Notes) material with respect to the Issuer, the Group and the Notes; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue and the offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to ascertain such facts and to verify the accuracy of the foregoing.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

The Dealers have not independently verified the information contained herein or incorporated by reference in this Base Prospectus. Accordingly, neither the Dealers nor any of its affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty, express or implied, or accepts any responsibility as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Notes are complex instruments and may not be a suitable investment for all investors. Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. A potential investor should not invest in Notes unless it has the expertise (either alone or with its financial and other professional advisers) to evaluate how the relevant Notes will perform under changing conditions, the resulting effects on the value of the relevant Notes and the impact this investment will have on the potential investor's overall portfolio.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) the relevant Notes are legal investments for it; (b) the relevant Notes can be used as collateral for various types of borrowing; and (c) other restrictions apply to its purchase or pledge of any of the relevant Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the relevant under any applicable risk-based capital or similar rules.

Other relevant information

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.

The Issuer confirms that any information from third party sources has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Restrictions on distribution

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*".

In particular, the Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes are subject to U.S. tax law requirements. The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

Product Governance under Directive 2014/65/EU (as amended)

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

The Final Terms in respect of any Notes may include a legend entitled "EU MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**EU MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

Product Governance under UK MiFIR

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking

its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

EU Benchmarks Regulation

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the EU Benchmarks Regulation. Transitional provisions in the EU Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the EU Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

Programme limit

The maximum aggregate principal amount of Notes outstanding under the Programme will not exceed EUR 3,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into EUR at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement)). The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "*Subscription and Sale*".

Credit ratings

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market and additional factors that may affect the value of the Notes and as such should not be relied upon by investors when making an investment decision. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA that is certified under the EU CRA Regulation. Likewise, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") or (2) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation. Certain information with respect to the credit rating agencies and ratings will be disclosed in the relevant Final Terms.

Certain definitions

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the EEA, references to "**U.S.\$**", "**U.S. dollars**" or "**dollars**" are to United States dollars, references to "**EUR**", "**€**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended and references to "**R\$**" or "**BRL**" are to Brazilian Real. References to "billions" are to thousands of millions.

Roundings

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Alternative performance measures

This Base Prospectus includes non-IFRS financial measures which the Group regards as alternative performance measures as defined in Commission Delegated Regulation (EU) 2019/979 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal and in the guidelines issued by the European Securities and Markets Authority on 5 October 2015 on alternative performance measures (the "**ESMA Guidelines**" and the "**APMs**", respectively). The Issuer believes that the presentation of the APMs included herein complies with the ESMA Guidelines.

The Issuer uses APMs, which are financial measures derived from, or based on, its accounting records, to evaluate period to period changes that are not required by, or presented in accordance with, IFRS-EU. These APMs are not measures of the Group's financial performance under IFRS-EU, are not audited or reviewed by any auditors or independent expert, and should not be considered as substitutes to any balance sheet, income statement or cash flow statement item.

Many of these measures are based on various sources of information derived from the Group's internal management systems and the Group's reporting systems, as the case may be. These management measures, as defined and calculated by the Group, have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of the Group's operating result as reported under IFRS. In addition, they may not be comparable to other similarly titled measures used by other companies. As a result, these management measures should not be considered in isolation, as alternatives to the information calculated in accordance with IFRS-EU, as indications of operating performance or as measures of the Group's profitability or liquidity. Such financial information must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS-EU.

Forward-Looking Statements

This Base Prospectus contains certain forward-looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "targets", "aims", "estimate", "project", "will", "would", "may", "could",

"continue" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the financial position, business strategy, management plans and objectives for future operations of the Issuer or of the Group are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Issuer's actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Issuer or of the Group and the environment in which it expects to operate in the future. Important factors that could cause the Issuer's or the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other factors described in this Base Prospectus: (i) the Issuer's or the Group's ability to integrate our newly-acquired operations and any future expansion of its business; (ii) the Issuer's or the Group's ability to realise the benefits it expects from existing and future investments in its existing operations and pending expansion and development projects; (iii) the Issuer's or the Group's ability to obtain requisite governmental or regulatory approvals to undertake planned or proposed investments; (iv) the Issuer's or the Group's ability to maintain sufficient capital to fund its existing and future operations; (v) changes in political, social, legal or economic conditions in the markets in which the Issuer or the Group and its customers operate; (vi) changes in the competitive environment in which the Issuer or the Group and its customers operate; and (vii) failure to comply with regulations applicable to the business of the Issuer or the Group. Many of these factors may be more likely to occur, or more pronounced, as a result of catastrophic events, including weather-related catastrophic events, pandemics events or terrorist-related incidents.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*". Any forward-looking statements made by or on behalf of the Issuer speak only as at the date they are made. The Issuer does not undertake to update forward-looking statements to reflect any changes in their expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that the Issuer has made or may make in documents the Issuer has filed or may file with the CNMV.

Stabilisation

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

OVERVIEW

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a new Base Prospectus will be published.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this overview.

The Issuer:	AENA S.M.E., S.A.
Arrangers:	Banco Bilbao Vizcaya Argentaria, S.A. and BNP Paribas
Dealers:	Banco Bilbao Vizcaya Argentaria, S.A., Banco de Sabadell, S.A., Banco Santander, S.A., Bankinter S.A., BNP Paribas, CaixaBank, S.A., Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe, Intesa Sanpaolo S.p.A., Mediobanca – Banca di Credito Finanziario S.p.A., SMBC Bank EU AG, Société Générale and any other Dealers appointed in accordance with the Dealer Agreement
Paying Agent:	CaixaBank, S.A.
Description:	Euro Medium Term Note Programme
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see " <i>Subscription and Sale</i> ") including the following restrictions applicable at the date of this Base Prospectus. Notes having a maturity of less than one year Notes having a maturity of less than one year will constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 (the " FSMA ") unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see " <i>Subscription and Sale</i> ".
Programme Size:	Up to EUR 3,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will also be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

Currencies:	Notes may be denominated in any currency or currencies agreed between the Issuer and the relevant Dealer, subject to any applicable legal or regulatory restrictions.
Maturities:	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued at an issue price which is at par or at a discount to, or premium over, par.
Interest:	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or a combination thereof and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms)) as published by the International Swaps and Derivatives Association, Inc. ("ISDA") or the latest version of ISDA 2021 Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), as specified in the relevant Final Terms, as published by ISDA on its website (http://www.isda.org), as at the Issue Date of the first Tranche of the Notes of the relevant Series; or (b) on the basis of a reference rate appearing on the agreed screen page of a quotation service. <p>The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p> <p>Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.</p>
Zero Coupon Notes:	Zero Coupon Notes will be offered and sold at a discount to their principal amount and will not bear interest.
Redemption:	The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such

Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer and specified in the relevant Final Terms.

Notes having a maturity of less than one year are subject to restrictions on their denomination and distribution, see "*Certain Restrictions – Selling Restrictions Addressing Additional United Kingdom Securities Laws*".

Denomination of Notes:

No Notes may be issued under the Programme with a denomination of less than €100,000 (or equivalent amount in another currency).

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see "*Subscription and Sale - Other UK regulatory restrictions*".

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Tax Jurisdiction as provided in Condition 7 (*Taxation*). In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 7 (*Taxation*), be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:

The terms of the Notes will contain a negative pledge provision as further described in Condition 3 (*Negative Pledge*).

Cross Default:

The terms of the Notes will contain a cross default provision as further described in Condition 8 (*Events of Default*).

Listing and admission to trading:

This Base Prospectus has been approved by the CNMV as competent authority under the EU Prospectus Regulation. Application may be made for Notes issued under the Programme to be listed on AIAF.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets (either Spanish, European or non-European, including regulated markets, multilateral trading facilities or any other organised markets) agreed between the Issuer and the relevant Dealer in relation to the Series. No unlisted Notes may be issued under the Programme.

The relevant Final Terms will state on which stock exchanges and/or markets the relevant Notes are to be listed and/or admitted to trading.

Selling Restrictions:

See "Subscription and Sale"

Status:

The Notes constitute direct, general, unconditional, unsubordinated and (subject to the provisions of Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer and upon the insolvency (*concurso*) of the Issuer (and unless they qualify as subordinated claims (*créditos subordinados*) under Article 281 of the restated text of the Spanish insolvency law, approved by the Royal Legislative Decree 1/2020 of 5 May 2020 (the "**Insolvency Law**") or equivalent legal provision which replaces it in the future and subject to any legal and statutory exceptions and to any other ranking that may apply as a result of any mandatory provision of law (or otherwise)) will

qualify as ordinary claims (*créditos ordinarios*) as defined in the Insolvency Law and will rank (i) *pari passu* without any preference among themselves and with all other outstanding unsecured and unsubordinated claims against the Issuer, present and future; (ii) below claims against the insolvency estate (*créditos contra la masa*) and claims with special privilege (*créditos con privilegio especial*) or general privilege (*créditos con privilegio general*); and (iii) above subordinated claims (*créditos subordinados*) and the rights of shareholders.

Form: The Notes will be issued in uncertificated, dematerialised book-entry form (*anotaciones en cuenta*).

Programme ratings: The Programme has been rated "A-" by Fitch and "A3" by Moody's.

The Notes issued under the Programme may be unrated or rated by any one or more rating agencies.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA but which is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (3) provided by a credit rating agency not established in the EEA but which is certified under the EU CRA Regulation.

Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK but which is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK but which is certified under the UK CRA Regulation.

Governing Law: The Notes, the Dealer Agreement, the Deed of Covenant and any non-contractual obligations arising out of or in connection therewith, will be governed by English law. The provisions relating to form, title and transfer of the Notes as described in Condition 1 (*Form, Denomination(s), Title, Clearing and Transfer*) and Condition 2 (*Status*) are governed by, and shall be construed in accordance with, Spanish law (*legislación común española*).

Clearing Systems: Iberclear.

Selling Restrictions: See "*Subscription and Sale*".

Risk Factors: Investing in the Notes involves risks. See "*Risk Factors*".

Use of proceeds: The net proceeds from each issue of Notes will be used for the general financing purposes of the Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

RISK FACTORS

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and the industry in which it operates together with all other information contained in this Base Prospectus, including, in particular the risk factors described below.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.

In addition, the following risks have not been updated with data as of, and for the six-month period ended on 30 June 2023, as the Issuer believes that the data included therein is sufficient for an investor to make an informed assessment of the risks therein described.

RISKS RELATING TO THE ISSUER AND TO THE GROUP

Macro-economic, political, country and other risks outside of the Issuer's control

The Group may be adversely affected by negative economic, financial or other developments in Spain and other countries (such as those deriving from the war in Ukraine)

The business of the Group is particularly sensitive to economic, financial or other developments in Spain (where most of its assets are located and operated) and to the economies of other countries from which its revenue originates (given the level of inbound traffic originating from such countries), such as the United Kingdom and Germany. The traffic recovery observed during 2022 at the airports managed by the Group may be affected as a result of uncertainty surrounding the macroeconomic environment, including a combination of lingering pandemic-related effects, rising interest rates and geopolitical risks.

As at the date of this Base Prospectus, a number of economies were slowing down or experiencing recession, including in Europe. Growth in the euro area slowed from 5.4% in 2021 to 3.5% in 2022, and is forecast to slow further to 0.8% in 2023 but to pick up again to 1.4% in 2024, according to the latest IMF update (*source*: International Monetary Fund, *World Economic Outlook*, April 2023).

More than a year after Russia's invasion of Ukraine, the war continues to leave a mark in the region and internationally. In addition to financial and technological sanctions aimed at exerting pressure on Russia to cease hostilities, the European Union has implemented blockades on seaborne oil imports from the end of 2022 and a ban on maritime insurance. The reduction in exports from Russia, especially gas, has also affected trade in fossil fuels, with the flow of Russian gas to Europe falling (*source*: World Economic Forum).

The war is having serious economic repercussions in Europe, with energy price rises during 2022, weakening consumer confidence and slower manufacturing as a result of persistent supply chain disruptions and rising input costs (*source*: European Central Bank).

Notwithstanding the foregoing, air traffic volumes in Spain have been performing better than in the rest of Europe, not only because of the recovery of tourism and pent-up demand, but also because of the effect of Spain as a "safe destination" (*source*: EUROSTAT). Both IATA and ACI data indicate that air passenger traffic recovery in 2022 in Europe was in the order of 82% (IATA) and 79% (ACI), compared to 2019 levels. The Group's recovery of air passenger traffic was 88.1% in 2022 compared to 2019 levels.

However, macro-economic and geo-political events contribute to the following risks for the Group:

- *Energy price increases:* Russia is one of Europe's leading oil and gas suppliers. The restrictions and sanctions imposed on trade with Russia create strong inflationary pressure not only on the prices of these two sources of energy, but also on the prices of products and services associated with the intensive use of such energy sources, on the price of electricity and on the price of shipping and transportation. The pricing of raw materials can also be affected.

The main economic impact for the Group in 2022 has an increase in energy costs, and in particular the cost of electricity. The Group's electricity expenses in 2022 amounted to €273 million in 2022, compared with €130.7 million in 2021.

Aviation fuel tends to be the main operating cost of airlines, so in the medium and long term, an increase in the price of aviation fuel could affect the availability of some flights.

- *Impact on air traffic:* The volume of air passenger traffic to and from the affected countries could decrease as a direct consequence of the conflict and sanctions imposed on airlines.
- *Supply chain:* There is a possibility of widespread disruptions in the supply chain with a consequent decrease or temporary shutdown of production and increased procurement or delivery costs and even non-fulfilment of product delivery commitments. This situation could affect the pace of execution of the Group's investments by causing delays in the execution of works.
- *Reduced international trade:* Worsening trade relations with and among the warring countries has meant the need to modify the supply of raw materials, the destination of some exports and even trade routes. This can entail having to take longer alternative routes, which, together with a contraction in consumption, could impact the projections and growth levels that the Group had been managing.
- *Confidence:* There is a risk of widespread slowdown in travel and flight bookings in Europe, especially in areas near the conflict zone. Spain as a tourism destination has been less affected, however.
- *Economic impact:* The war in Ukraine has, and may continue to have, an impact on global economic growth. Widespread price rises could leave households with less disposable income. Lower disposable income for households can, in turn, result in reduced spending on non-essential expenses, such as tourism.
- *Cybersecurity:* The conflict can lead to an increase in the number and sophistication of cyberattacks.

Other than in relation to the energy price increases, none of the risks referred to above resulting from macro-economic and geo-political events had a significant operational impact on the airports managed by the Group during 2022.

The deterioration of economic, financial or other conditions in Spain or these other countries, over which the Group does not have control, may reduce passenger air traffic levels and aircraft operations in its airport network, which could materially and adversely affect its business, financial condition and results of operations.

The Group's aeronautical income could decline as a result of a reduction in flights, passengers or other factors outside the Group's control

The Group generates aeronautical income from airport fees and traffic charges. These charges are regulated and may not be increased unilaterally by the Issuer. As a result, any decrease in the levels of aircraft and air traffic operations at the Group's airports could lead to a loss of revenue for the Group. The Issuer's aeronautical income represented 56.6% and 52.9% of the Group's total ordinary revenue in 2022 and in 2021, respectively.

Decisions by, legal disputes with, financial difficulties at, or the failure of, a significant airline customer, or the withdrawal of their landing rights, could lead to a reduction in flights and passenger numbers and/or failure or delay in recovering airport fees or landing charges. The effect of decisions by or events at airline groups that have a major presence at the Group's airports (in particular, Adolfo Suárez Madrid-Barajas and Josep Tarradellas Barcelona-El Prat), such as International Airlines Group ("IAG") and Ryanair (which

in 2022 accounted for approximately 29.7% and approximately 21.4%, respectively, of total passengers using the Group's Spanish airports), could have a material adverse effect on the Group.

In addition, an epidemic, or the threat of one, could also have a negative effect on passenger air traffic, in particular if travel advisories are in place recommending passengers to avoid travel to the affected regions. In particular, due to the Covid-19 pandemic the Group recorded 270.7 million passengers in 2022, a decrease of 11.9% of the traffic volume of the same period in 2019.

The number of passengers using the Group's airports may also be affected by a number of other factors. These are:

- domestic and global macroeconomic developments, demographic developments, socio-economic developments (such as increasing nationalism, protectionism and populism), political tensions, wars and other military conflicts;
- shocks to the macroeconomic environment (including changes in fuel prices and currency exchange rates, inflation, interest rate rises, employment and public and private spending trends);
- an increase or decrease in competition from airports operated by other entities and/or competition from alternative modes of travel (such as high speed rail);
- political and social factors, such as riots, industrial action (including strikes by personnel at certain of the Group's suppliers, such as security control personnel), health scares, epidemics or pandemics;
- airline bankruptcies;
- decisions by airlines regarding the number, type and capacity of aircraft (including the mix of premium and economy seats), the routes on which particular aircraft are utilised, and the fares charged for such routes;
- disruptions caused by natural disasters or acts of terrorism;
- changes in domestic or international regulation; and
- the quality of services and facilities, including the impact of construction projects.

Although the Group, where possible, seeks to anticipate the effects of the events noted above in its operations and also maintains contingency plans to minimize disruption and passenger inconvenience, there can be no assurances that the Group's contingency plans would be effective. Any one or more of the factors noted above could disrupt the Group's operations, negatively impact on its reputation and result in a decrease in the number of passengers using the Group's airports, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's income derived from non-aeronautical activities is dependent on factors outside the Group's control

The Group's principal sources of non-aeronautical income include car parking income, property rental income and income from the provision of operational facilities and utilities. The Issuer's non-aeronautical income represented 31.5% and 39.8% of the Group's total ordinary revenue in 2022 and in 2021, respectively.

The remainder of the Group's total ordinary revenue, which represented 11.9% of the Group's total ordinary revenue in 2022 and 7.3% in 2021, corresponds to the international development activity through its subsidiaries and AIRM's total activities.

Levels of retail income may be affected by changes in the mix of long- and short-haul and transfer and origin and destination passengers; economic factors, including exchange rates and changes in duty free or VAT reclaim regimes; retail tenant failures; lower retail yields on rental re-negotiations; redevelopments or reconfigurations of retail facilities at the Group's airports; reduced competitiveness of the airport retail offering; stricter hand luggage and other carry-on restrictions; and reduced shopping time as a result of more rigorous and time consuming security procedures. Car parking income could be reduced as a result

of increased competition from other modes of transport to the Group's airports, such as buses and trains, as well as increased competition from off-site car parks. Other non-aeronautical income could be reduced as a result of a decrease in demand from airport users, such as car rental operators and airlines leasing check-in counters or other facilities.

Property rental income are driven by passenger numbers and propensity of passengers to spend in the shops at the Group's airports. As noted above, there are a variety of factors which could adversely affect the number of passengers using the Group's airports. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks related to the withdrawal of the United Kingdom from the European Union

While the main risks of aviation connectivity and border entry have been addressed in the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (the treaty governing the terms of the United Kingdom's withdrawal from the European Union), since the majority of the Group's income is derived from its operations in the UK and the EU, the Group's business, financial condition and results of operations could be impacted by certain risks related to Brexit. For example:

- macro-economic factors, including lower economic growth in the UK and/or the EU, greater volatility in the currency markets, and the introduction of new trade barriers, which may have a negative impact on London Luton Airport's traffic, traffic at the Issuer's other airports (in particular, in Spain, where in 2022 15.2% of passengers of the Issuer's airport network were passengers on flights with their origin or destination in the UK), operations and the cost of travel, and in turn the demand for air travel; and
- access to skills and labour.

The occurrence of any, some or all of these factors, restrictions and outcomes relating to or arising as a result of the Brexit process could have a material adverse effect on the Group's business, financial condition and results of operations.

From an operational point of view, a particular risk is European legislation setting minimum EU ownership and control requirements for airlines operating from the countries of the European Union. If the European ownership of airlines is challenged, their ability to operate within the EU and from the EU to third countries could be affected. Any loss of its EU operating license by EasyJet, British Airways, Iberia or Vueling could reduce air traffic flows to and from the airports that the Issuer operates in the UK and the EU and, accordingly, could reduce the amount of airport fees, traffic charges and other income generated by such airports for the Group. IAG (which includes the Iberia, British Airways and Vueling brands) represented 29.7% of total air passenger traffic through the Group's airport network in Spain in 2022 (32.7% in 2021), while easyJet accounted for 5.6% in 2022 (4.1% in 2021).

Risks from business concentration and competition

The Group faces risks related to the concentration of its customer in both aeronautical and commercial activities and its dependence on the revenue from its two main airports

Aeronautical activity

A significant portion of the Group's business depends on a reduced number of customer airlines and on the revenue from its two main airports (Adolfo Suárez Madrid-Barajas and Josep Tarradellas Barcelona-El Prat).

- ***Airline dependence:*** In light of increasing competition, most flagship airlines have formed alliances that create a network of routes in various locations around the world. These alliances allow airlines to maximize sales, offering passengers a broad range of services and destinations and eliminating the need for passengers to deal with non-alliance airlines in the different portions of their travels. In addition, airlines that have formed alliances benefit from increased bargaining power, and a change in their strategy may have a significant impact on the airports operated by the Group.

The Group's main customer airlines are all either subsidiaries of IAG (in particular, Iberia, Iberia Express, Vueling, British Airways, British Airways City Flyer, Aer Lingus and the Level brand), or low-cost airlines that are not members of IAG (such as Ryanair).

The Group's dependence on IAG affects primarily the Adolfo Suárez Madrid-Barajas and Josep Tarradellas Barcelona-El Prat airports. IAG is the main operator in both the Adolfo Suárez Madrid-Barajas Airport (Iberia's main hub), with 42.1% of the total passenger air traffic volume in 2022, and the Josep Tarradellas Barcelona-El Prat Airport, with 47.3% of the total passenger air traffic volume in the same year (most of which originated from Vueling).

Low-cost airlines such as Ryanair also have a significant impact on the Group's business. In 2022, 21.4% of the total passenger air traffic volume in the Group's network was served by Ryanair (19.5% in 2021). Overall, low-cost airlines, including Vueling and Iberia Express, accounted for 58.1% of total passenger air traffic in the Group's network during 2021 and 60.7% during 2022. Some low-cost airlines operate without consolidated business models. In a context of cost increases, a margin reduction or an oversupply, these companies may no longer be profitable and cease to operate. None of these airlines are obligated to continue to operate in the Group's airports, and there can be no assurances that, if any of these airlines reduced their use of the Group's airports, the Group would be able to replace any lost revenue with revenue from other airlines. In addition, any factors affecting these airlines or alliances, such as changes in their strategy (particularly the continued use of the Adolfo Suárez Madrid-Barajas and Josep Tarradellas Barcelona-El Prat airports as hubs), financial difficulties (including insolvency or liquidation), closing of routes or relocation of routes to airports outside of the Group's network and other factors that may affect such airlines or the alliances to which they belong, could adversely affect the levels of passenger traffic and aircraft operations at the Group's airports and, as a result, could materially adversely affect the Group's business, financial condition and results of operations.

- *Dependence on two main airports:* In 2022, 20.8% of total passenger air traffic volume was handled by Adolfo Suárez Madrid-Barajas Airport and 17.1% by Josep Tarradellas Barcelona-El Prat Airport (20.1% and 15.7%, respectively, in 2021). The Group is therefore dependent on these two airports for a substantial portion of its total revenue.

If either or both of these airports should suffer any further disruption in its operations due to shocks or events (such as natural disasters, terrorist attacks, aircraft accidents and/or infrastructure failure), macroeconomic or political factors (such as a deterioration in the Spanish economy and/or another pandemic), adverse business developments (for example, if Iberia moved its centre of operations away from Adolfo Suárez Madrid-Barajas Airport) and/or competition (whether from other airports or from alternative modes of transportation, such as the high-speed rail connection between Madrid and Barcelona), the total revenue generated by either or both of these airports could be materially and adversely affected. This in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

Commercial activity

A substantial portion of the Group's total ordinary revenue (29.4% in 2022) is derived from the Issuer's commercial activities, particularly from fees paid by companies providing commercial services in its airports. Pursuant to the commercial services agreements entered into with these companies, these fees are typically dependent on a variable component, determined by the amount of sales made by these companies, and subject to a minimum annual guaranteed rent ("**MAGR**"), which does not depend on the amount of sales made.

The Group's revenue from commercial activities is closely linked to the sales generated by these companies. This revenue is highly concentrated in a limited number of clients and depends on a variety of factors outside the Group's control.

A substantial portion of the Group's total revenue from its commercial activities (43.3% in 2022) originates from three companies that are the Group's main or only customers in their respective lines of business: Dufry AG ("**Dufry**") in the duty-free shops business line, Areas S.A.U ("**Areas**") and Select Service Partner ("**SSP**") in the food services business line.

Dufry generated 100.0% of the Group's revenue from duty-free shops (representing 27.1% of the revenue from the Group's commercial activities in 2022).

The food and beverage business line comprised 19.8% of the Group's revenue from commercial activities in 2022, of which Areas generated 44.9% and SSP 22.8%. As a percentage of the Group's revenue from commercial activities, Areas accounted for 8.9% in 2022, whereas SSP accounted for 4.5%.

From November 2021, commercial agreements between the Issuer and the companies providing commercial activities in the airports include a clause relating to extraordinary circumstances. That means that in the event of any extraordinary circumstance, such as (i) extraordinary events as referred in Article 1.1 of Royal Decree 300/2005, of 20 February, which approves the Extraordinary Risk Insurance Regulations, (ii) the declaration of the states of alarm, exception or siege, or (iii) crisis situations or medical or health emergencies, such as epidemic outbreaks, epidemics or pandemics declared by the competent government authority, that affects the commercial balance between the parties, any of these companies could request the revision of their respective agreements to further reduce their MAGRs by up to 50%.

Notwithstanding the foregoing, some commercial agreements may not include the aforementioned clause. Consequently, such companies, in the event of any of the aforementioned extraordinary circumstances, may request the revision of their respective agreements to further reduce or eliminate the MAGRs or the early termination provisions of such agreements (as happened in 2020 and 2021 during the COVID-19 pandemic).

The Group operates in a competitive environment

As at the date of this Base Prospectus, competition among airports is increasing. Depending on the type and location of the Group's airports, the Group faces competition for origin/destination passengers from other airports in their catchment areas, and for transfer passengers and cargo from both European airports and airports in other countries and regions. In addition, air transport competes against other means of transportation, particularly high-speed trains operating routes of less than three hours.

The competitive environment in which the Group operates affects both its aeronautical and commercial revenue.

In particular:

- *Airport hubs:* Competition in the airport hub market primarily affects the Adolfo Suárez Madrid-Barajas and the Josep Tarradellas Barcelona-El Prat airports. These airports compete directly with other European airports that are hubs to intercontinental routes or intra-European connections, such as London-Heathrow, Paris-Charles de Gaulle, Frankfurt-am-Main and Amsterdam-Schiphol, and may be adversely affected by an expansion in the capacity of these and other competing airports or the construction of new airports in the future. Failure by the Group to maintain the Adolfo Suárez Madrid-Barajas and the Josep Tarradellas Barcelona-El Prat airports as competitive airport hubs (or changes in the strategy of the airlines operating in these airports) could have a material adverse effect on the Group's business, financial condition and results of operations.
- *Tourist destinations:* Other airports in the Group's network, in particular the airports located in the Canary Islands, the Balearic Islands and on the Mediterranean coast, compete primarily with airports located in other tourist destinations, and, accordingly, the Group is highly dependent on the level of domestic and, particularly, international tourism in the areas served by these airports, over which the Group has no control. The Group's passenger air traffic volume may be adversely affected by the appeal and convenience of competing tourist destinations, particularly in Southern Europe and Northern Africa, especially if the perception that travellers have of those locations as to their political stability, safety and tourism development improves. The operations of low-cost airlines (which have become key players in the passenger air traffic market in Europe) may also adversely affect the Group's passenger traffic volume in these locations. If the volume of tourists traveling to the tourist destinations where the Group's airports are located decreases, its business, financial condition and results of operations could be materially adversely affected.
- *Competition with high-speed trains:* Increased competition from alternative means of transportation, particularly from the Spanish high-speed rail ("HSR") network (including the AVE, Avlo, OUIGO and Iryo high-speed rail service providers) for routes of less than three hours, may adversely affect the Group's domestic (Spain origin and destination) passenger traffic volumes at the Adolfo Suárez Madrid-Barajas, Josep Tarradellas Barcelona-El Prat, Sevilla, Valencia,

Málaga-Costa del Sol, Alicante-Elche and Granada airports. A passenger's choice between HSR and air travel on routes of less than three hours generally depends on train ticket prices, convenience and the frequency of HSR operations. If HSR ticket prices remain competitive and the frequency of HSR operations is equal to or greater than that of the Group's airline customers, travellers may choose to use HSR instead of flying. Additionally, the liberalisation of commercial passenger high-speed services could increase the offer and thus have an impact on the price of the tickets. Any reduction in passenger traffic volumes at the Group's airports due to competition from HSR could have a material adverse effect on the aeronautical and commercial revenues generated by the affected airports. This, in turn, could have a material adverse effect on the Group's business, financial condition and results of operations.

Most of the Issuer's traffic is international (69% with 2019 data), 19% is island traffic and only 12% is domestic peninsular traffic. Within that 12% peninsular, only 5% is traffic on routes where there is currently direct HSR service. Of that 5%, there is a significant percentage of passengers on connecting flights. While the recovery of domestic traffic on the network in 2022 stood at 96%, that of air routes with HSR alternative was 78%. Notwithstanding this data, any increase of the preferences towards HSR could have a material adverse effect on the Group's business, financial condition and results of operations.

- Sales made at the Group's commercial premises depend on passenger air traffic volumes. A decrease of passenger air traffic volumes may have an adverse effect on sales and on the Group's ability to maintain the current terms of commercial agreements with third parties operating in its commercial premises. Among other factors, sales made at the commercial premises located in the Group's airports may be adversely affected by competition from commercial premises located at or near the origin or destination airports of passengers traveling through the Group's network, as well as from competition from shopping malls in the vicinity of the Group's airports. This may also have an adverse impact on off-terminal services, such as the operation of parking lots.

Operational Risks

The Group is dependent on information and communication technology, and its systems and infrastructures face certain risks, including cybersecurity risks and information security incidents

The operation of complex infrastructures such as airports and the coordination of the many actors, including third party service providers, involved in its operation require the use of several highly specialised information systems, such as systems that monitor the Group's operations or the status of its facilities, communication systems to inform the public, access control systems and closed circuit television security systems, infrastructure monitoring systems, air navigation systems, passenger ticketing and boarding, automated baggage handling, points of sale, terminals and radio and voice communication systems used by the Group's personnel. In addition, the Group's accounting and fixed assets, payroll, budgeting, human resources, supplier and commercial, hiring, payments and billing systems and its website are key to the functioning of its airports. The proper functioning of these systems is critical to the operations and business management. These systems may, from time to time, require modifications or improvements as a result of changes in technology, the growth of the Group's business and the functioning of each of these systems.

While the Group has contingency plans, backup systems, information and redundancy in its communications systems, testing and certification procedures and information technology auditing systems, among others, these information systems cannot be completely protected to ensure confidentiality, integrity, availability, authentication access control and audit. Information systems can be affected due to certain events such as natural disasters, fraud, software attacks, cyberattacks, hacking, data loss (purposely leaked or unintentional), social engineering, communication failures, equipment breakdown, software errors and other technical problems.

Pursuant to the applicable legislation, the Group has implemented continuity measures and technology disaster recovery plans, to mitigate the damage from such incidents and in the future may incur in significant costs to protect against security threats or to alleviate problems caused by failures of or breaches to its systems. However, there can be no assurances that these measures will be adequate to prevent disruptions in all cases, the occurrence of which could significantly disrupt the Group's operations, resulting in increased costs, a decline in revenue and significant harm to the Group's business (including its reputation) in general.

The Group's airport operations depend on services provided by third parties

The operation of the Group's airports is largely dependent on the services of third-party providers, such as air traffic services, airlines and ground handling companies. For example, E.P.E. ENAIRE (the current principal shareholder of the Issuer, "ENAIRE") provides air traffic control services to 21 of the Group's airports. The Group also depends on companies that provide electric power and companies that supply fuel to aircraft. Furthermore, the Group relies on the Spanish state security forces (*Fuerzas y Cuerpos de Seguridad del Estado*) to provide immigration and customs services for the Group's international passengers and other security services at the Group's airports in Spain. The Group outsources many operations, including the maintenance of most of the Group's facilities, security, cleaning and animal control. Additionally, the disruption of bus, rail, metro or taxi services connecting the Group's airports with nearby urban centres may also affect operations.

The Group is not responsible for the actions of third parties, and their actions are outside its control. Changes in the terms of existing contracts that are less favourable to the Group, the cancellation of such contracts, failures by these third parties to perform their contractual obligations, whether due to negligence, labour disputes or otherwise, as well as the mismanagement by such third parties of the airport infrastructure that they have been engaged to operate (air traffic control services in particular) may affect the quality of the Group's services, disrupt its activities or affect the performance by the Group of its own contractual and/or legal obligations.

Moreover, the Group uses certain unique equipment that is critical to the operation of its airports, such as automated baggage handling system ("SATE") and the Automated People Mover or "light-metro" that connects Terminal T4 and Terminal T4S of the Adolfo Suárez Madrid-Barajas Airport. The Group depends on the manufacturers of such equipment for the supply of spare parts, maintenance, renovation and/or improvement. The inability of these manufacturers to supply spare parts or support services (due to financial difficulties, changes in production strategy, technical difficulties or otherwise) or to fulfil their contractual obligations in a timely manner could adversely affect the Group's operations and result in adverse economic consequences.

An interruption of the services rendered by third parties or any delay in finding alternative service providers or suppliers for the Group's equipment, could adversely affect its business, financial condition and results of operations and reduce the useful life and return of assets.

The Group is subject to the risk of labour disputes

Although the Group enjoys good relations with its employees, it may however experience strikes, lockouts or other significant work stoppages in the future. The Group's insurance policies may not cover labour unrest, and the Group may not carry business interruption insurance to cover any operating losses it may experience, such as reduced revenue, resulting from work stoppages, strikes or similar industrial actions. In addition, the Group may also be affected by work stoppages of third parties' employees, such as pilots and crew of Spanish or international airlines, air traffic control staff, public emergency workers or the Group's subcontractors' workers. Labour unrest involving its own employees and those of third parties could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group is subject to risks associated with its fixed costs that are incurred regardless of air traffic volumes

A significant portion of the costs incurred by the Group are fixed and not directly linked to the level of air traffic volumes. These fixed costs include operating expenses relating to employees, maintenance, cleaning and depreciation/amortisation that do not fluctuate significantly with air traffic volumes. As a result, the Group has limited flexibility in dealing with any unforeseen shortfall in revenues, related to periods of lower air traffic volumes, which therefore could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks derived from climate change

The Group is exposed to the effects of climate change and environmental sustainability is a key strategy for the Group. The associated risks – as differentiated according to the recommendations of the Task Force

on Climate-Related Financial Disclosures regarding physical or transitional risks – can lead to a number of economic, operational and reputational impacts:

- Physical risks resulting from extreme weather conditions and natural disasters such as increased temperatures, frequency of heat waves, extreme precipitation, increased sea levels and the risk of river or coastal flooding, among others. These risks may have a direct impact on the infrastructures and operations of airports and, consequently, may involve the need to undertake actions of adapting airports in the medium to long term, among other aspects. As a result, an increase in climate control expenses (operational expense) may be required, as well as the need to incur investments to extend runways at some airports that avoid operational restrictions or to protect the facilities from extreme precipitation or sea level rises (capital expense), among others;
- Transitional risks, including technology risks, mainly as a consequence of the replacement of older aircraft with new technologies (existing products and services with lower emission options). This has resulted in the Group participating in Sustainable Aviation Fuels ("SAF") production projects, the reduction of emissions in airport operations (costs of transitioning to low-emission technology) and the adaptation of airport infrastructures to new requirements in sustainability;
- Market risks caused, among other things, by the effects of a possible economic recession arising from the energy crisis or the loss of attractiveness to visitors;
- Reputational risks, as a result of industry stigmatisation and changes in consumer preferences and behaviours, ESG (Environmental, Social and Governance) investments, or failure to meet Company commitments on decarbonisation (for example, net zero carbon emissions by 2040);
- Regulatory risks as a result:
- Firstly, the potential implications of the provisions of the European Union's regulatory package "Fit for 55" that seeks a 55% reduction in greenhouse gases by 2030, such as:
 - extension of the coverage and duration of the European Union Emissions Trading System, tightening the carbon market and phasing out free allowances allocated to aviation operators until free allowances are completely eliminated by 2026;
 - a possible change in the taxation of fuels by introducing a tax on energy derived from kerosene used in aviation (amendment of the EU's Energy Taxation Directive), with the possible removal of the exemptions in air transportation (tax duties on kerosene); and
 - the ReFuelEU Aviation regulation for sustainable aviation fuels, which forces airlines to consume an increasingly higher percentage of sustainable fuels (SAF).

Secondly, application of new taxes on airline tickets or the restriction of domestic flights on routes served by high-speed rail networks, which would significantly limit medium and long-haul connectivity and the development of hubs of major airports.

Thirdly, potential impacts arising from the approval of uncoordinated national and regional climate frameworks, policies and regulations, as well as partial or total limitations on the operations, capacity and necessary development of airports originating as a result of non-compliance with existing or future environmental regulations.

The impact of these risks, mainly regulatory risks, on air traffic will depend on the conditions under which the new measures are applied. At the date of this Base Prospectus not all the regulations included in the legislative package at environmental level have been approved, so there is still uncertainty on the scope and time frame for their implementation.

Security and Safety Risks

Airport infrastructure is uniquely exposed to acts of violence and destruction arising from wars, civil strife, terrorism, vandalism, theft and other security risks, any one of which can result in material human and economic damage, interruption of service and loss of reputation for the Group as well as significant litigation

The Group is required to maintain security systems for the protection of airport passengers and flights to reduce the risk of incidents and accidents. These measures include the inspection of all ticketed luggage and random inspections of passengers and hand luggage, among others.

The Group is also required to perform specific tasks to comply with safety standards on its premises, such as management of rescue services, aircraft firefighting assistance, snow and ice removal and related activities, animal control (birds can cause serious damage to aircrafts and thus affect aircraft safety), friction monitoring on runways and any other activities required to mitigate any risks associated with the operation of an aircraft.

Failure to adequately maintain such systems and perform such tasks may expose the Group to liabilities, such as compensation for damages and penalties, as well as reputational damage and the disruption of the Group's operations.

The Group has in the past been and may in the future be exposed to risks arising from acts of terrorism. If an act of terrorism or threat thereof were to occur in Spain or elsewhere, the perception of security by airport users could decrease, and, consequently, there could be a reduction in passenger air traffic for an indefinite period of time, which could adversely affect the Group's business, financial condition and results of operations.

Moreover, if a terrorist attack affected one of the airports the Group operates, the airport in question would be closed, in whole or in part, for the time needed to care for victims, investigate the circumstances of the attack, rebuild any damaged areas or otherwise, with a subsequent decrease in the revenue and increase in costs for the reconstruction of the affected areas (to the extent these are not covered by insurance policies or by the *Consortio de Compensación de Seguros*, a compulsory catastrophic risk insurance program run by the Spanish government). In addition, the Group might face the risks that victims demand compensation from it for damages suffered.

The Group's business may also be affected by the outbreak of wars or armed conflicts in any region of the world. Wars can lead to increased prices of fuel, supplies and interest rates for aircraft leases, which could, in turn, lead to increased prices of airline tickets and a decline in demand for air transportation in general. Likewise, the occurrence of armed conflicts or terrorist attacks could result, as has previously occurred, in increased security measures, thereby increasing security costs.

Accidents caused by natural hazards, human error and other unintentional incidents can also result in material human and economic damage, interruption of service and loss of reputation for the Group as well as significant litigation

A major accident of any aircraft operating at the Group's airports could result in the need for significant repairs of affected facilities, temporary interruptions in airport operations or significant potential claims of affected passengers or third parties. To the extent that the incident could be attributed to the Group's error or negligence, the Group could also suffer significant reputational damage, sanctions or fines.

Natural disasters, both in Spain and in other countries, may lead to suspension of passenger air traffic in various areas of the world, impede the Group's operations, damage infrastructure necessary for the operation of its airports or adversely affect the destinations served by such airports. Any of these events could reduce the volume of passengers.

Adverse weather conditions, such as extreme or unusual weather events, can also lead to the closure of facilities or the interruption of operations.

An epidemic (such as the Covid-19 pandemic), or the threat of one, could also have a negative effect on passenger air traffic, in particular if travel advisories are in place recommending passengers to avoid travel to the affected regions.

The occurrence of any of the foregoing could materially adversely affect the Group's business, financial condition and results of operations.

Risks related to the regulation of the Issuer's business

Rates that the Issuer charges to airlines are subject to EU Directive 2009/12/EC of the European Parliament and of the council of 11 March 2009 on airport charges, Act 14/2018 and to DORA, that prevent the Issuer from increasing the maximum income per passenger until 2025

The general framework applicable to regulated aeronautical rates ("**Rates**") that the Issuer can charge in Spain consists of the following: European Directive 2009/12/EC of the European Parliament and of the Council of 11 March 2009 on airport charges and Act 18/2014, 15 October, on urgent measures intended for the growth, competitiveness and efficiency (*Ley 18/2014, de 15 de octubre, de aprobación de medidas urgentes para el crecimiento, la competitividad y la eficiencia*) ("**Act 18/2014**"), pursuant to which the dual-till regime introduced in 2011 was fully implemented in 2018 and establishes the "**DORA**" (*Documento de Regulación Aeroportuaria*). The dual-till regime is based on a model that aims to ensure that revenue generated from the Issuer's regulated aeronautical-related activities (deemed efficient by the authorities) covers all costs and expenditures related to such activities and provide a return on the regulated asset base. Said legislation impacts the Rates that the Issuer may charge for its regulated aeronautical activities, which accounted for 54.8% of the Group's total ordinary revenue during 2022 (50.8% during 2021).

Act 18/2014 and DORA establish the general framework for the establishment of the Rates that the Issuer charges airlines based on the concept of maximum income per passenger or ("**IMAP**"). DORA is a regulatory instrument applicable for five-year periods (current DORA ends on 31 December 2026) that will provide minimum conditions necessary to guarantee accessibility, sufficiency and suitability of the Aena's airports network and the proper provision of regulated aviation services of the Group's networks of airports. In this sense, DORA establishes the maximum IMAP, ensuring the regulated revenues needed in order to cover the cost of the basic airport services during the period referred.

Under Act 18/2014 (in relation to Act 21/2003, of 7 July, of Aviation Security ("**Act 21/2003**")) the Issuer may be subject to a decrease of the Rates if, for example, the quality of service is not acceptable or if there are delays in the execution of planned investments as established by DORA. In addition, under Act 21/2003, the Issuer, as an airport operator, is subject to a number of legal obligations that may involve sanctions in case of default. The sanctions to be imposed pursuant to Act 21/2003 could be, amongst others, fines amounting to up to €4,500,000 or, in the event of serious or very serious infringements, up to two or three times the gross benefit from the infringement - if it is higher than the amount of the fine to be imposed or the obligation to indemnify damages and losses caused.

As at the date of this Base Prospectus no material sanctions have been applied to Aena and there has not been a material Rate decrease due to quality standards nor to investment commitments.

In addition to introducing the DORA framework, the Act 18/2014 establishes a series of conditions and limitations to ensure efficiency at Aena's airports network during the period between 2015 and 2025 (both years inclusive), so that the Rates that the Issuer charges could not be increased during such period above the IMAP_i as defined in Annex 8 under the Act 18/2014.

The maximum increase during 2015 to 2025 in the IMAP calculations could be 0% in each year during this period.

These limitations could lead to a deficit if operational costs increase above certain thresholds, if the volume of passenger air traffic is not sufficient to cover costs or if unpredictable or urgent regulatory changes or mandatory changes of EU or international legislation are adopted require the Issuer to make investments exceeding €450 million per year on average.

In any case, Aena has the right to recover through the aeronautical charges any additional and non-expected Capital Expenditure in order to comply with these additional mandatory changes.

For further detail on these efficiency conditions and its implications see "*Regulatory Framework*".

The Group may be subject to onerous requirements in order to maintain all of its airport certifications in accordance with Regulation EU 139/2014

All of the airports owned by the Issuer that are required to be certified in accordance with Regulation EU 139/2014 have obtained the corresponding certificates of compliance with the safety standards of international civil aviation. However, one consequence of such certification is that the Group may be subject to investment requirements by "AESA" (*Agencia Estatal de Seguridad Aérea*) at certain of its airports. In order to comply with any such requirements, the Group may have to reduce or temporarily suspend operations at the affected airport, as well as incur in significant expenditures. Should one or more of these circumstances arise, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks deriving from the inherent conflicts between public law and private law that can impact on the management and/or governance of the Issuer and the Group

The Issuer's principal shareholder is a state-owned company. The Spanish State Administration has, and will continue to have, a significant influence on the Issuer's operations and the interests of the Spanish State Administration may differ from the interests of the Issuer's other shareholders

The Spanish State Administration indirectly controls (through ENAIRE, the Issuer's principal shareholder) 51% of the Issuer's outstanding capital stock. As a result, and pursuant to the Act 33/2003, 3 November, of Assets of Public Administrations (*Ley 33/2003, de 3 de noviembre, de Patrimonio de las Administraciones Públicas*) ("**Act 33/2003**") and the Spanish Public Sector Act (*Ley 40/2015, de 1 de Octubre, de Régimen Jurídico del Sector Público*) ("**Public Sector Act**"), the Spanish State Administration is able to exert a substantial influence on the declaration of dividends, the election of directors and management, changes in the Issuer's issued capital stock, investments and disinvestments, the adoption of amendments to the Issuer's bylaws, and, in general terms, any other decision to be taken by the Issuer's Board of Directors, except for the contracting of debt where no authorisation from the Spanish State Administration or by law of the Spanish Parliament is required, although it is subject to financial prudential guidelines (*principios de prudencia financiera*) to be established by the Delegated Commission of the Government for Economic Affairs (principles that for listed companies belonging to the Spanish public sector will at least include maximum financing costs of the relevant credit transactions and restrictions to the use of derivatives). The Issuer is also subject to on-going supervision and efficiency controls by the Spanish State Administration. See "*Regulatory Framework—Regulations Applicable to Aena as a State-Owned Entity*".

The interests of the Spanish State Administration may differ substantially from the interests of the Issuer's other shareholders. In addition, the Spanish State Administration may delay or prevent a change of control and make it difficult or impossible to conduct certain of the Issuer's operations if some of these operations require its consent.

The Issuer's flexibility in managing its activities may be limited

The Issuer is a state-owned company and will remain so for as long as the Spanish State Administration holds, directly or indirectly through ENAIRE, more than 50% of the Issuer's shares. Its incorporation was established by Royal Decree-Law 13/2010, 3 December, on measures of tax, labour and liberalisation nature to promote investment and employment. This legislation establishes the primary aspects of the Issuer's legal regime as state-owned company. In particular, it states that it is subject to private law except for certain aspects related to budget, procurement, assets, accounting and auditing, in addition to the limitations and restrictions resulting from being a state-owned company and therefore belonging to the Spanish public sector. With respect to these matters, the Issuer is subject to the applicable legislation for public sector entities. See "*Regulatory Framework—Regulations Applicable to Aena as a State-Owned Entity*".

Moreover, if the Issuer acquires more than 50% of the capital stock of any company, such company would be considered a state-owned company and therefore subject to some provisions applicable to state-owned companies, as well as to regulations imposing limits to the remuneration that can be paid to its management members.

As a result of the regulatory framework applicable to the Issuer as a state-owned company, the Issuer is subject to certain limitations that may not necessarily be applicable to its competitors, in particular those

that apply to the Issuer solely as a result of it being a state-owned company belonging to the Spanish public sector (for example, the procurement rules or rules regarding compensation of senior management). This legislation establishes controls, processes, limitations and restrictions that may restrict the Issuer's operational agility and strategic decision-making, which could materially and adversely affect its business, financial condition and results of operations of the Group.

RISKS RELATING TO THE NOTES

Risks related to the Notes generally

Credit Risk of the Issuer

As contemplated in Condition 2 (*Status*), the obligations of the Issuer in respect of the Notes and any interest payable under the Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer. However, an investment in the Notes involves taking credit risk on the Issuer. If the credit worthiness of the Issuer deteriorates and notwithstanding Condition 8 (*Events of Default*), it may not be able to fulfil all or part of its payment obligations under the Notes, and investors may lose all or part of their investment.

The Notes will not benefit from the protection granted by the Spanish Deposit Guarantee Fund (*Fondo de Garantía de Depósitos*).

Limited financial covenants

The Notes do not restrict the Issuer or its subsidiaries from incurring additional debt. Condition 3 (*Negative Pledge*) of the Notes contains a negative pledge that prohibits the Issuer and any Material Subsidiary, in certain circumstances and above a certain threshold, from creating security over assets. Condition 3 (*Negative Pledge*) does not contain any other covenants restricting the operations of the Issuer or any Material Subsidiaries.

Furthermore, the Issuer's subsidiaries are not bound by the obligations of the Issuer under the Notes and are not guarantors of the Notes.

These limited financial covenants may not provide sufficient protection for investors in the Notes which could materially and negatively impact the Noteholders and increase the risk of losing all or part of their investment in the Notes.

Modification and waiver

The Conditions contain provisions for resolutions of Noteholders to consider matters affecting their interests generally to be adopted either through a general meeting or by consent following a written resolution. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend or were not represented and vote at the relevant meeting or did not consent to the written resolution and Noteholders who voted in a manner contrary to the majority. Noteholders may through such resolutions deliberate on proposals relating to the modification of the Conditions subject to the limitation provided by applicable law and the Conditions. The modification of the Conditions adopted by a majority of Noteholders, may have a negative impact on the market value of the Notes and hence Noteholders may lose part of their investment in the Notes.

Further it should be noted that, the Notes do not give the Noteholders the right to vote at meetings of the shareholders of the Issuer.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

It is difficult to anticipate future market volatility in interest rates, but any such volatility may have a significant adverse effect on the value and marketability of the Notes and Noteholders could lose part of their investment.

Risks Relating to Spanish Insolvency Law

Risks relating to the Insolvency Law and other restructuring regimes

The restated text of the Insolvency Law approved by Royal Legislative Decree 1/2020, of 5 May (*Texto refundido de la Ley Concursal*) ("**Insolvency Law**") (which has been amended to implement the restructuring framework required by Directive (EU) 2019/1023 of the European Parliament and of the Council and other important changes to the insolvency proceedings in Spain) regulates pre-insolvency and court insolvency proceedings, as opposed to out-of-court liquidation, which is only available when the debtor has sufficient assets to meet its liabilities.

The Insolvency Law provides, among other things, that: (i) any claim may become subordinated (among other reasons) if it is not reported to the insolvency administrators (*administradores concursales*) within one month from the last official publication of the court order declaring the insolvency in the Spanish Official Gazette, (ii) provisions in a contract granting one party the right to suspend, modify or terminate by reason only of the other's insolvency declaration or the filing of a pre-insolvency communication (as stated in Article 585 of the Insolvency Law), or opening of the liquidation phase, will not be enforceable, and (iii) accrual of unsecured interest (whether ordinary or default interest) shall be suspended from the date of the declaration of insolvency and any amount of interest accrued up to such date shall become subordinated. In the case of secured ordinary interests, (i) these shall be deemed as specially privileged up to the value effectively covered by the relevant security, and (ii) interests shall keep accruing after the declaration of insolvency up to the lower of (i) the secured amount and (ii) the value effectively covered by the relevant security and only if a contingent credit for secured ordinary interests that may accrue after the declaration of insolvency is included in the statement of claim to be sent to the insolvency administrator (as per the Supreme Court judgment dated 20 February 2019). In the case of secured default interests, (i) those accrued prior to the insolvency declaration shall be deemed as specially privileged up to the value effectively covered by the relevant security, and (ii) they shall not accrue after the declaration of insolvency, in accordance with Article 152.2 of the Insolvency Law.

The Insolvency Law, in certain instances, also has the effect of modifying or impairing creditors' rights even if the creditor, either secured or unsecured, does not consent to the amendment. Secured and unsecured dissenting creditors may, among others, be written down or stayed (for up to 10 years in case of composition proposals), converted into (among others) a different financial instrument, or equity or convertible obligations of the refinanced or insolvent debtor as well as any other company, converted into participating loans (*préstamos participativos*), exchanged for assets or rights of the insolvent or refinanced debtor, deprived from security interests or corporate guarantees guaranteeing them (the latter pursuant to a restructuring plan) and even the applicable law to the relevant claims may be changed, not only once the insolvency has been declared by the judge as a result of the approval of a creditors' agreement (*convenio concursal*), but also as a result of a restructuring plan that has been judicially sanctioned (*homologado*) without insolvency proceedings having been previously opened (e.g., restructuring plans which satisfy certain requirements and are validated by the judge), in both scenarios (i) to the extent that certain qualified majorities are achieved and (ii) unless some exceptions in relation to the kind of claims or creditor apply (which would not be the case for the Notes). Any payments of unsecured interest in respect of debt securities will be subject to the subordination provisions of Article 281.1.3 of the Insolvency Law.

The Insolvency Law contains great flexibility in terms of measures that can be imposed as a consequence of the judicial sanction of a restructuring plan. It allows, among others, (i) for the cross-class cram-down of creditors (i.e. a restructuring plan that has not been approved by all classes of creditors can eventually bind dissenting creditors provided that certain conditions are met); (ii) a cram-down for dissenting equity holders if certain conditions are met; or (iii) a discharge or amendment of security interests or corporate guarantees granted by third parties belonging to the same corporate group as the debtor (provided that certain particular conditions are met). Once a restructuring plan is judicially sanctioned, it may also allow, among others, to terminate certain contracts with reciprocal pending obligations in the interest of the restructuring with the possibility of the termination claim being also subject to the effects of the restructuring.

The majorities regime envisaged for the purposes of approving a composition agreement with creditors or a restructuring plan also depends on (i) under composition agreements, the type of any intensity of the specific measure which is intended to be imposed (e.g., extensions, debt reductions, debt for equity swaps, etc.), and (ii) both under composition agreements and restructuring plans on the part of claims to be affected (i.e. secured or unsecured, depending on the value of the collateral as calculated pursuant to the rules

established in the Insolvency Law). On top of that, it must be noted that when voting the approval of a restructuring plan, affected creditors are grouped in classes of creditors (i.e. creditors with the same ranking which are deemed to share a common interest in the context of an eventual restructuring).

In no case shall subordinated creditors be entitled to vote upon a creditors' agreement during insolvency proceedings, and accordingly, they shall be always subject to the measures contained therein, if passed by the relevant majorities. For these purposes, ordinary and privileged claims acquired by those creditors considered specially related persons (*personas especialmente relacionadas*) with the insolvent debtor after the declaration of insolvency would not be taken into account when calculating the majorities required for the approval of a composition agreement.

On the other hand, all creditors (including subordinated creditors) that could be affected by a restructuring plan would be entitled to vote it, grouped in classes of creditors sharing a common interests towards the Restructuring and subject to the fact that cross-class cram-down is now available under the Insolvency Law provided that certain conditions are met in the context of the restructuring.

In the event of insolvency of the Issuer, under the Insolvency Law, claims relating to the Notes will be ordinary credits (*créditos ordinarios*) as defined by the Insolvency Law, unless they qualify as subordinated credits (*créditos subordinados*) in the limited circumstances set out in Article 281 of the Insolvency Law. Ordinary credits rank below credits against the insolvency state (*créditos contra la masa*) and privileged credits (*créditos privilegiados*).

As such, certain provisions of the Insolvency Law could affect the ranking of the Notes or claims relating to the Notes on an insolvency of the Issuer or in case of approval of a restructuring plan.

The right to receive payments on the Notes will be effectively subordinated to the rights of the Group's existing and future secured creditors to the extent of the value of the asset subject to the security and structurally subordinated to claims against the Group's subsidiaries that do not guarantee the Notes

Without prejudice to the provisions of Condition 3 (*Negative Pledge*), the Notes issued under the Programme will be general unsecured obligations of the Issuer and will not be guaranteed by any subsidiary of the Issuer. Obligees of the Issuer's secured obligations, if any, will have claims that are prior to the claims of the Noteholders to the extent of the value of the asset securing those other obligations. In the event of any distribution of assets or payment in any foreclosure, dissolution, winding up, liquidation, reorganisation, or other bankruptcy proceeding of the Issuer, the assets securing the claims of secured creditors will be used to satisfy the claims of those creditors, if any, before they are available to unsecured creditors, including the Noteholders. In any of the foregoing events, there is no assurance to Noteholders that there will be sufficient assets to pay amounts due under the Notes.

In addition, the Issuer's subsidiaries will have no obligation, contingent or otherwise, to pay amounts due under the Notes or to make any funds available to pay those amounts, whether by dividend, distribution, loan or other payment. The Notes will be structurally subordinated to all indebtedness and other obligations of any subsidiary even if such obligations do not constitute senior indebtedness, such that, in the event of insolvency, liquidation, reorganisation, dissolution or other winding up of any subsidiary, all of such subsidiary's creditors (including trade creditors and preferred stockholders, if any) would be entitled to payment in full out of such subsidiary's assets before the Issuer would be entitled to any payment.

Risks relating to the early redemption of the Notes

Notes may be redeemed prior to maturity by the Issuer

In the event that the Issuer would be obliged to pay additional amounts in respect of any Notes due to any withholding as provided in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction) and such obligation cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may redeem all of the Notes then outstanding in accordance with Condition 5(f) (*Redemption for Tax Reasons*).

In addition, the Issuer has the option, to redeem the Notes under (i) a call option as provided in Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*), if so specified in the relevant Final Terms, (ii) a make-whole call option as provided in Condition 5(c) (*Make-Whole Redemption by the Issuer*), if so specified in the relevant Final Terms, (iii) a residual maturity call option as provided in Condition 5(d) (*Residual Maturity Call Option*), if so specified in the relevant Final Terms or (iv) a Substantial Purchase Event as provided in Condition 5(e) (*Substantial Purchase Event*), if so specified in the relevant Final Terms.

The Redemption at the Option of the Issuer provided in Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*) and the Make-Whole Redemption by the Issuer provided in Condition 5(c) (*Make-Whole Redemption by the Issuer*) are exercisable in whole or in part. Depending on the proportion of the principal amount of all of the Notes so reduced or the number of Notes redeemed, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid. In addition, the consequence of such partial redemption may be materially adverse for the Noteholders that may lose part of their expected proceeds from the sale of such Notes.

In addition, if (i) both the Make-Whole Redemption by the Issuer (as provided in Condition 5(c) (*Make-Whole Redemption by the Issuer*)) and the Residual Maturity Call Option (as described in Condition 5(d) (*Residual Maturity Call Option*)) are specified in the relevant Final Terms as being applicable, and (ii) the Issuer decides to redeem the Notes pursuant to the Make-Whole Redemption before the Call Option Date pursuant to Condition 5(d) (*Residual Maturity Call Option*), the Optional Redemption Amount in respect of the Make-Whole Redemption will be calculated taking into account such Call Option Date pursuant to Condition 5(d) (*Residual Maturity Call Option*) and not the Maturity Date. As a result, the Noteholders will receive a lower redemption amount than they would otherwise receive if the Make-Whole Redemption Price was calculated up to the Maturity Date.

In addition, with respect to the right to redeem as a result of a Substantial Purchase Event, there is no obligation under the Conditions for the Issuer to inform investors if and when the threshold of 25% or less of the initial aggregate principal amount a particular Series of Notes remaining outstanding has been reached or is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Substantial Purchase Event redemption right, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. As a consequence, the yields received upon redemption may be lower than expected. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Exercise of optional redemption features by the Noteholders may affect the liquidity of the Notes

A redemption of certain Notes only in the event of such Change of Control Put Event (as more fully described in Condition 5(g) (*Redemption or Purchase at the option of Noteholders following a Change of Control Put Event*)), if such option is set applicable in the relevant Final Terms, may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised.

Depending on the number of Notes of the same Series in respect of which the option provided in the relevant Final Terms is exercised, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid. As a result, Noteholders holding remaining Notes for which such option has not been exercised may not be able to sell such Notes on the market and lose part of their investments in such Notes.

Noteholders who exercise a put option may not reinvest the money that they receive upon redemption in equally favourable terms

Noteholders having exercised a put option may not be able to reinvest the moneys they receive upon such early redemption in securities with the same yield as the redeemed Notes, which may have a negative impact on the Noteholders and reduce the profits anticipated by the investors at the time of the issue.

A Change of Control will not always necessarily lead to a Change of Control Put Event

In the event of a Change of Control Put Event (as more fully described in Condition 5(g) (*Redemption or Purchase at the option of Noteholders following a Change of Control Put Event*) and if such option is set applicable in the relevant Final Terms), each Noteholder will have the right to request the Issuer to redeem or, at the Issuer's option, to purchase (or procure the purchase of) all or part of its Notes at their principal amount together with any accrued interest. Investors shall be aware that the exercise of the put option is dependent on the credit rating assigned to the Issuer following the occurrence of a Change of Control and that even if a withdrawal, downgrade or reduction of such credit rating occurs in respect of such Change of Control, such put option could not be exercised if, within the Change of Control Period, the credit rating previously assigned to the Issuer is reinstated or upgraded.

Risks relating to the interest payable on the Notes

Floating Rate Notes

As contemplated by Condition 4(c) (*Interest on Floating Rate Notes*), investment in Notes which bear interest at a floating rate comprise (i) a reference rate and (ii) a margin to be added or subtracted, as the case may be, from such base rate. Typically, the relevant margin will not change throughout the life of the Notes but there will be a periodic adjustment (as specified in the relevant Final Terms) of the reference rate (e.g., every three (3) months or six (6) months) which itself will change in accordance with general market conditions. Accordingly, the market value of Floating Rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate and Noteholders could lose part of their investment due to a lower or no return on such investment and therefore their interests may be negatively altered.

Please also see "*Impact of interest rates and inflation on the price and yield of the Notes*" below.

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated as further described in Condition 4(c) (*Interest on Floating Rate Notes*). Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the Conditions provide for frequent interest payment dates, investors are exposed to reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, the Issuer's ability to also issue Fixed Rate Notes may affect the market value and the secondary market (if any) of the Floating Rate Notes, as applicable (and *vice versa*) and Noteholders could lose part of their investment due to a lower or the absence of return on such investment.

Fixed/Floating Rate Notes

As contemplated by Condition 4(f) (*Fixed/Floating Rate Notes*), the Issuer could issue Fixed/Floating Rate Notes that initially bear interest at a rate that will convert automatically on the date set out in the Final Terms from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The conversion of the interest rate will affect the secondary market and the market value of the Notes since the conversion may lead to a lower overall cost of borrowing. If a fixed rate is converted to a floating rate, the spread on the fixed to floating rate Notes may be less favourable than then prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the rate is automatically converted from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Investors should refer to risk factors set out in the risk factors entitled "*Floating Rate Notes*" and "*Impact of interest rates and inflation on the price and yield of the Notes*".

Zero Coupon Notes

As contemplated by Condition 4(g) (*Zero Coupon Notes*) and the relevant Final Terms, the Issuer may issue Zero Coupon Notes which will not bear interest and no coupon will be payable prior to the Maturity Date. The prices at which Zero Coupon Notes, as well as other Notes issued at a substantial discount from their principal amount payable at maturity, trade in the secondary market tend to fluctuate more in relation to general changes in interest rates than do the prices for conventional interest-bearing securities of comparable maturities and Noteholders may, as a result, lose part of their investment in the Notes.

Impact of interest rates and inflation on the price and yield of the Notes

The Notes (specially Fixed Rate Notes) are affected by the expectations in an inflationary market and a tight monetary policy (i.e., expectations of interest rate increases). The value of the Notes (specially Fixed Rate Notes) will be adversely affected if inflation and/or market interest rates subsequently increase above the rate paid on the Notes and the yield of the Notes could drop below other available fixed-income investments. In addition, if market interest rates increase above the rate paid on the Notes (or even if there are expectations of increases in inflation levels), investors will demand higher yields on their fixed income investments such as the Notes and, in turn, this will lead to declines in the market prices of the Notes already issued, which could result in losses to investors who sell their Notes prior to maturity.

Investors should be aware that inflation and/or movements of the interest rate can adversely affect the yield and price of the Notes and can lead to losses for the Holders if they sell the Notes.

Dual Currency Notes

As contemplated by Condition 4(h) (*Dual Currency Notes*), the Issuer may issue Fixed Rate Notes and/or Floating Rate Notes with principal or interest payable in one or more currencies which may be different from the currency in which such Notes are denominated.

An investment in Dual Currency Notes entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. The Issuer believes that Dual Currency Notes should only be purchased by investors who are, or who are purchasing under the guidance of, financial institutions or other professional investors that are in a position to understand the special risks that an investment in these instruments involves.

These risks include, among other things, that:

- (i) the market price of such Notes may be volatile as fluctuations in exchange rates of the relevant currency may affect the value of such Notes;
- (ii) payment of principal or interest may occur in a different currency than expected as the Issuer may have the right under the relevant Notes to make payment in more than one currency; and
- (iii) the investors may be exposed to significant fluctuations in currency exchange rates and such fluctuations may not correlate with changes in interest rates or other indices and the timing of changes in the exchange rates may affect the actual yield to Noteholders, even if the average level is consistent with their expectations. Currency values related to exchange rates may be affected by complex political and economic factors, including governmental action to fix or support the value of currency/currencies, regardless of other market forces.

As a result of the above-mentioned risks, the Noteholders could lose all or part of their investments and the Notes may become illiquid.

The regulation and reform of "benchmarks" may adversely affect the value of Floating Rate Notes linked to or referencing such "benchmarks"

The Euro Interbank Offered Rate ("EURIBOR") and other indices which are deemed to be "benchmarks" are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a "benchmark".

Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

In particular, the EU Benchmarks Regulation and Regulation (EU) 2016/1011 as it forms part of UK domestic law by virtue of the EUWA, as amended (the "**UK Benchmarks Regulation**") apply to "contributors", "administrators" and "users" of "benchmarks" in the EU and the UK, respectively, and, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU or non-UK-based, to be subject to an equivalent regime or otherwise recognised) and to comply with extensive requirements in relation to the administration of "benchmarks" (or, if non-EU or non-UK-based, to be subject to equivalent requirements) and (ii) prevents certain uses by EU or UK supervised entities of "benchmarks" of unauthorised administrators. The EU Benchmarks Regulation and the UK Benchmarks Regulation could have a material impact on any Notes linked to EURIBOR, or another "benchmark" rate or index, in particular, if the methodology or other terms of a "benchmark" are changed in order to comply with the requirements of the EU Benchmarks Regulation or the UK Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing the volatility of the published rate or level of the benchmark.

In addition, any other international, national or other proposals for reform or the general increased regulatory scrutiny of "benchmarks" could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks".

The Conditions provide for certain fallback arrangements in the event that a published benchmark, such as EURIBOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable, unlawful or unrepresentative, including the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective. Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used.

This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser (as defined in the Conditions), the relevant fallback provisions may not operate as intended at the relevant time.

Any of the above changes could have a material adverse effect on the value of, and return on, any Notes linked to a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation reforms or possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The market continues to develop in relation to risk-free rates (including overnight rates) which are possible reference rates for Floating Rate Notes

Investors should be aware that the market continues to develop in relation to risk-free rates, such as SONIA, SOFR and €STR as reference rates in the capital markets for sterling, U.S dollar and euro bonds respectively and their adoption as alternatives to the relevant interbank offered rates. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and

trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted. In particular, market participants and relevant working groups are exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. For example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Compounded Index and on 3 August 2020, the Bank of England, as administrator of SONIA, began publishing the SONIA Compounded Index.

The use of risk-free rates as reference rates for Eurobonds is subject to change and development, in terms of the methodology used to calculate such rates, the development of rates based on risk-free rates and the development and adoption of market infrastructure for the issuance and trading of bonds referencing risk-free rates. In particular, investors should be aware that several different methodologies have been used in notes linked to such risk-free rates issued to date and no assurance can be given that any particular methodology, including the compounding formula in the Conditions of the Notes, will gain widespread market acceptance. In addition, the methodology for determining any overnight rate index used to determine the Rate of Interest in respect of certain Notes could change during the life of such Notes.

The market or a significant part thereof may adopt an application of SONIA, SOFR or €STR that differs significantly from that set out in the Conditions as applicable to the Notes. Furthermore, the Issuer may in future issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index, €STR or the €STR Compounded Index that differ materially in terms of interest determination when compared with any previous SONIA, SONIA Compounded Index, SOFR, SOFR Compounded Index, €STR or €STR Compounded Index referenced Notes issued by it under this Base Prospectus. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Base Prospectus from time to time. In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Noteholders should carefully consider how any mismatch between the adoption of such reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

Certain administrators of risk-free rates have published hypothetical and actual historical performance data. Hypothetical data inherently includes assumptions, estimates and approximations and actual historical performance data may be limited in the case of certain risk-free rates. Investors should not rely on hypothetical or actual historical performance data as an indicator of the future performance of such risk-free rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index, €STR or the €STR Compounded Index.

Risk-free rates differ from interbank offered rates in a number of material respects

Risk-free rates differ from interbank offered rates in a number of material respects, including (without limitation) that a risk-free rate is a backwards-looking, compounded, risk-free overnight rate, whereas an interbank offered rate is expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that risk-free rates and interbank offered rates may behave materially differently as interest reference rates for the Notes.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for Noteholders to reliably estimate the amount of interest which will be payable on such Notes and some investors may be unable or unwilling to trade such Notes without changes to their IT systems both of which factors could

adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking SONIA, SOFR or €STR become due and payable as a result of an Event of Default under Condition 8 (*Events of Default*) or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

Taxation risks

Risks in Relation to Spanish Taxation

Under Spanish Law 10/2014, of 26 June and Royal Decree 1065/2007, as amended by Royal Decree 1145/2011, income payments in respect of the Notes will be made without withholding tax in Spain, provided that the Issuer provides, pursuant to Spanish law, certain information at the relevant time in the Spanish language regarding the Notes to the Spanish tax authorities. The Issuer will withhold Spanish withholding tax from any payment under the Notes (as applicable) as to which the required information has not been provided at the relevant time and will not gross up payments in respect of any such withholding tax. None of the Issuer, the Arrangers, the Dealers, the paying agent, Iberclear and its participating entities assumes any responsibility therefor. See "*Taxation — Spanish tax considerations*".

Notwithstanding the above, in the case of Notes held by Spanish resident individuals, payments in respect of such Notes may be subject to withholding by such depositary or custodian at the current rate of 19%.

Risks relating to the market generally

No trading market or secondary market for the Notes

Although applications may be made for the Notes issued under the Programme to be admitted to trading on AIAF, there is no assurance that such application will be accepted rapidly or that an active trading market nor a secondary market will develop. If a Tranche of Notes is issued to a single investor or a limited number of investors, this may result in an even more illiquid or volatile market in such Notes. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes. In addition there is not a trading history of notes of the Issuer in AIAF.

The development or continued liquidity of any secondary market for the Notes will be affected by a number of factors such as general economic conditions, the financial condition and/or, the creditworthiness of the Issuer, and the value of any applicable reference rate, as well as other factors such as the complexity and volatility of the reference rate, the method of calculating the return to be paid in respect of such Notes, the time remaining to the maturity of the Notes, the outstanding amount of the Notes, any redemption features of the Notes selected on pricing of the Notes as specified in Condition 5 (*Redemption, Purchase and Options*), the performance of other instruments linked to the reference rates and the level, direction and volatility of interest rates generally. Such factors also will affect the market value of the Notes. In addition, certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities.

Investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Notes unless the investor understands and is able to bear the risk that certain Notes will not be readily sellable, that the value of Notes will fluctuate over time and that such fluctuations will be significant.

These risk factors could materially and adversely affect the market value of the Notes and, as a consequence, Noteholders may lose all or part of their investment in the Notes.

Exchange rate risks and exchange controls

The Programme allows for Notes to be issued in a range of currencies (each, a "**Specified Currency**" as defined in Condition 4(a) (*Definitions*)). The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An

appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. If this risk ever materialises, the Noteholders may receive less interest or principal than expected, or no interest or principal.

INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

1. the unaudited interim consolidated financial statements of the Issuer as at and for the six month period ended 30 June 2023 (the "**2023 H1 Financial Information**"), available at:
<https://www.aena.es/sites/Satellite?blobcol=urldata&blobkey=id&blobtable=MungoBlobs&blobwhere=1576863964349&ssbinary=true>;
2. the audited consolidated annual accounts (including the independent auditors' report thereon and notes thereto) of the Issuer in respect of the year ended 31 December 2022 (the "**2022 Consolidated Annual Accounts**"), available at:
<https://www.aena.es/sites/Satellite?blobcol=urldata&blobkey=id&blobtable=MungoBlobs&blobwhere=1576862265417&ssbinary=true>; and
3. the audited consolidated annual accounts (including the independent auditors' report thereon and notes thereto) of the Issuer in respect of the year 31 December 2021 (the "**2021 Consolidated Annual Accounts**") available for viewing at:
<https://www.aena.es/sites/Satellite?blobcol=urldata&blobkey=id&blobtable=MungoBlobs&blobwhere=1576859253846&ssbinary=true>.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, at <https://www.aena.es/es/accionistas-e-inversores.html> and <https://www.cnmv.es>. Any information contained in or incorporated by reference in any of the documents specified above which is not in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this base prospectus, information contained on the website does not form part of this Base Prospectus. Unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

English translations

English translations of the 2023 H1 Financial Information, the 2022 Consolidated Annual Accounts and the 2021 Consolidated Annual Accounts are available on Aena's website at:

<https://www.aena.es/sites/Satellite?blobcol=urldata&blobkey=id&blobtable=MungoBlobs&blobwhere=1576863964381&ssbinary=true>

<https://www.aena.es/sites/Satellite?blobcol=urldata&blobkey=id&blobtable=MungoBlobs&blobwhere=1576862265720&ssbinary=true>; and

<https://www.aena.es/sites/Satellite?blobcol=urldata&blobkey=id&blobtable=MungoBlobs&blobwhere=1576859253861&ssbinary=true>

The referred English translations are for information purposes only. In the event of a discrepancy, the original Spanish-language versions prevail.

Supplements

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the CNMV in accordance with Article 23 of the EU Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to supersede statements contained in this Base Prospectus (or any earlier supplement) or in a document which is incorporated by reference in this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes,

prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

SUMMARY OF CLEARANCE AND SETTLEMENT PROCEDURES APPLICABLE TO BOOK-ENTRY NOTES

Below is a brief summary of the Spanish clearance and settlement procedures applicable to book-entry securities admitted to trading on AIAF such as the Notes.

The Spanish clearing, settlement and recording system of securities transactions allows the connection of the post-trading Spanish systems to the European system T2 Securities.

Iberclear

Iberclear is the Spanish central securities depository in charge of both the register of securities held in book-entry form, and the settlement of all the trades from AIAF. To achieve this, Iberclear uses the technical platform named ARCO.

Iberclear is owned by *Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A.*, a holding company, which fully owns each of the Spanish official secondary markets and settlement systems. The corporate address of Iberclear is Plaza de la Lealtad 1, 28014, Madrid, Spain.

Iberclear Securities Registration System

The securities recording system of Iberclear is a two tier level registry: the keeping of the central record corresponds to Iberclear and the keeping of the detail records correspond to the participating entities (*entidades participantes*) in Iberclear.

Access to become a participating entity is restricted to (i) credit institutions, (ii) investment services companies which are authorised to render custody and administration of financial instruments, (iii) the Bank of Spain, (iv) the Spanish Public Administration and the Spanish General Treasury of the Social Security, (v) other duly authorised central securities depositories and central clearing counterparties and (vi) other public institutions and private entities when expressly authorised to become a participating entity in central securities depositories.

The central registry managed by Iberclear reflects (i) one or several proprietary accounts which show the balances of the participating entities' proprietary accounts; (ii) one or several general third-party accounts that will show the overall balances that the participating entities hold for third parties; and (iii) individual accounts opened in the name of the owner, either individual or legal person. Each participating entity, in turn, maintains the detail records of the owners of the securities or the shares held in their general third-party accounts.

According to the above, Spanish law considers the owner of the securities to be:

- (i) the participating entity appearing in the records of Iberclear as holding the relevant securities in its own name;
- (ii) the investor appearing in the records of the participating entity as holding the securities;
- (iii) the investor appearing in the records of Iberclear as holding securities in a segregated individual account; or
- (iv) the entity authorised to render custody services in Spain when records show that securities are being held on behalf of its clients.

The settlement and book-entry registration platform managed by Iberclear, which operates under the trade name of ARCO, operates under a T+2 settlement standard, by which any transactions must be settled within two business days following the date on which the transaction was completed.

To evidence title to securities, at the owner's request the relevant participating entity must issue a legitimisation certificate (*certificado de legitimación*). If the owner is a participating entity or a person holding securities in a segregated individual account, Iberclear is in charge of the issuance of the certificate regarding the securities held in their name.

Iberclear Settlement of securities traded on the AIAF

Iberclear and the participating entities (*entidades participantes*) in Iberclear have the function of keeping the book-entry register of securities traded on the AIAF.

Securities traded on the AIAF are fixed income securities, including corporate bonds (for example, medium term notes and mortgage bonds) and bonds issued by the Kingdom of Spain and Spanish regions, represented in a dematerialised form.

In the AIAF settlement system, transactions may be settled spot, forward (settlement date more than five days after the relevant trade date), with a repurchase agreement on a fixed date and double or simultaneous transactions (two trades in opposite directions with different settlement dates).

The settlement system used for securities admitted for trading on the AIAF is the Model 1 delivery versus payment system, as per the classification of the Bank for International Settlements: that is, it is a "transaction-to-transaction" cash and securities settlement system with simultaneity in its finality.

Transactions are settled on the stock-exchange business day agreed by participants at the moment of the trade.

Euroclear and Clearstream

Investors who do not have, directly or indirectly through their custodians, a participating account with Iberclear may hold their investment in the Notes through bridge accounts maintained by each of Euroclear and Clearstream, Luxembourg with participating entities (*entidades participantes*) in Iberclear.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion in accordance with the provisions of the relevant Final Terms, shall be applicable to the Notes representing each Series. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Final Terms. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by Aena S.M.E., S.A. (the "**Issuer**") and are subject to an agency agreement dated 27 July 2023 agreed between the Issuer and CaixaBank, S.A. as issuing and paying agent (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the "**Deed of Covenant**") dated 27 July 2023 executed by the Issuer in relation to the Notes, by virtue of which the Issuer covenants in favour of each account holder shown in (a) the central registry maintained by the Spanish Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("**Iberclear**") and (b) the registries maintained by each of the participant entities of Iberclear (the "**Iberclear Participants**") as being a holder of the Notes, that it will duly perform and comply with the obligations expressed to be undertaken by it in terms and conditions (the "**Conditions**") and the relevant Final Terms.

The issuing and paying agent and other paying agents (if any) are referred to below respectively as the "**Issuing and Paying Agent**" and the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent).

"**Calculation Agent**" shall mean the entity or entities so specified in the Final Terms.

As used in these Conditions, "**Tranche**" means Notes which are identical in all respects.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents.

1 Form, Denomination(s), Title, Clearing and Transfer

- (a) **Form:** The Notes are issued in uncertified, dematerialised book-entry form (*anotaciones en cuenta*) in each case in the Specified Denomination(s) shown in the relevant Final Terms.
- (b) **Denomination(s):** Notes shall be issued in such denomination(s) as may be specified in the relevant Final Terms as may be agreed between the Issuer and the relevant Dealer(s) (the "**Specified Denomination(s)**").
- (c) **Registration, Clearing and Settlement:** The Notes will be registered with Iberclear, the Spanish central securities depository, with its registered office at Plaza de la Lealtad, 1, 28014, Madrid, Spain, and with the Iberclear Participants. Holders of a beneficial interest in the Notes who do not have, directly or indirectly through their custodians, a securities account with an Iberclear Participant may hold the Notes through bridge accounts maintained by each of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") with Iberclear.

Iberclear and the relevant Iberclear Participants will manage the settlement of the Notes, notwithstanding the Issuer's commitment to assist, when appropriate, with the settlement of the Notes through Euroclear and Clearstream, Luxembourg.

If the Notes are admitted to trading on AIAF in any other Specified Currency other than euro and, if it is operationally possible, the entity through which the registration, clearing and settlement of the Notes will be carried out, will be an entity with an agreement with AIAF which will be specified in the relevant Final Terms.

- (d) **Title and Transfer:** Title to the Notes will be evidenced by book-entries and each person shown in the central registry managed by Iberclear (the "**Spanish Central Registry**") and in the registries maintained by the respective Iberclear Participants as being the holder of the Notes shall be (except as otherwise required by Spanish law) considered the holder of the nominal amount of the Notes recorded therein. In these Conditions, the "**Noteholder**" means the person in whose name such Note is for the time being registered in the Spanish Central Registry or, as the case may be, the relevant Iberclear Participant's accounting book.

One or more certificates (each, a "**Certificate**") attesting the holding of the Notes by the relevant Noteholder in the relevant registry will be delivered by the relevant Iberclear Participant or, where the Noteholder is itself an Iberclear Participant, by Iberclear (in each case, in accordance with the requirements of Spanish law and the relevant Iberclear Participant's or, as the case may be, Iberclear's procedures) to such Noteholder upon such Noteholder's request.

The Notes will be issued without any restrictions on their free transferability. Consequently, the Notes may be transferred and title to the Notes may pass (subject to Spanish law and to compliance with all applicable rules, restrictions and requirements of Iberclear or, as the case may be, the relevant Iberclear Participant) upon registration in the relevant book-entry registry of each Iberclear and/or the relevant Iberclear Participant, as applicable. Each Noteholder will be (except as otherwise required by Spanish law) treated as the absolute owner of the relevant Notes for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the Noteholder.

2 Status

The payment obligations of the Issuer pursuant to the Notes constitute direct, general, unconditional, unsubordinated and (subject to the provisions of Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer and upon the insolvency (*concurso*) of the Issuer (and unless they qualify as subordinated claims (*créditos subordinados*) under Article 281 of the restated text of the Spanish insolvency law, approved by Royal Legislative Decree 1/2020 of 5 May 2020 (the "**Insolvency Law**") or equivalent legal provision which replaces it in the future and subject to any legal and statutory exceptions and to any other ranking that may apply as a result of any mandatory provision of law (or otherwise)) will qualify as ordinary claims (*créditos ordinarios*) as defined in the Insolvency Law and will rank (i) *pari passu* without any preference among themselves and with all other outstanding unsecured and unsubordinated claims against the Issuer, present and future; (ii) below claims against the insolvency estate (*créditos contra la masa*) and claims with special privilege (*créditos con privilegio especial*) or general privilege (*créditos con privilegio general*); and (iii) above subordinated claims (*créditos subordinados*) and the rights of shareholders.

Interest on the Notes accrued but unpaid as at the commencement of any insolvency proceeding (concurso) relating to the Issuer under the Insolvency Law shall thereupon constitute subordinated obligations (créditos subordinados) of the Issuer ranking below its unsecured and unsubordinated obligations. Under the Insolvency Law, accrual of interest on the Notes shall be suspended from the date of any declaration of insolvency.

3 Negative Pledge

So long as any Note remains outstanding, the Issuer will not create or have outstanding, and will ensure that none of its Material Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**") upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any

Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, unless in any such case:

- (a) before or at the same time as the creation of the Security Interest, any and all action necessary shall have been taken to ensure that:
 - (i) all amounts payable by the Issuer under the Notes are secured equally and rateably with such Relevant Indebtedness or guarantee or indemnity, as the case may be; or
 - (ii) such other Security Interest or guarantee or other arrangement (whether or not including the giving of a Security Interest) is provided in respect of all amounts payable by the Issuer under the Notes as shall be approved by an Extraordinary Resolution of the Noteholders;
- (b) the Security Interest is to secure any Relevant Indebtedness (or any guarantee or indemnity in respect of such Relevant Indebtedness) of a Subsidiary that became a Subsidiary after the Issue Date of the most recent Tranche of the Notes, so long as:
 - (i) such Security Interest was outstanding on the date on which such Subsidiary became a Subsidiary and was not created in contemplation of such Subsidiary becoming a Subsidiary; and
 - (ii) the principal amount of such Relevant Indebtedness (or any guarantee or indemnity in respect of such Relevant Indebtedness) is not increased after the date that such Subsidiary became a Subsidiary; or
- (c) the Security Interest does not fall within paragraphs (a) or (b) above and secures Relevant Indebtedness which, when aggregated with Relevant Indebtedness secured by all other Security Interests permitted under this paragraph, does not exceed 15% of the consolidated assets of the Group as calculated by reference to the then latest audited consolidated annual accounts of the Issuer.

For the purposes of these Conditions:

"Entity" means any individual, company, corporation, firm, partnership, joint venture, association, foundation, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Group" means the Issuer and its consolidated Subsidiaries;

"outstanding" means, in relation to the Notes of any Series, all the Notes issued other than (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such Notes to the date for such redemption and any interest payable after such date) have been duly paid to the Issuing and Paying Agent as provided in the Agency Agreement and remain available for payment, (c) those which have become void or in respect of which claims have become prescribed and (d) those which have been purchased and cancelled as provided in these Conditions; provided that, for the purposes of (i) ascertaining the right to attend and vote at any meeting of Noteholders and (ii) the determination of how many Notes are outstanding for the purposes of Conditions 9 and 10, those Notes that are beneficially held by, or are held on behalf of, the Issuer, or any of its Subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding;

"Material Subsidiary" means, at any relevant time, a Subsidiary of the Issuer:

- (i) whose total net assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 15 per cent. of the consolidated total net assets of the Issuer and its

Subsidiaries taken as a whole, all as calculated respectively by reference to the latest financial statements (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated financial statements of the Issuer; provided that in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer relate for the purpose of applying the foregoing test, the reference to the Issuer's latest audited consolidated financial statements shall be deemed to be a reference to such financial statements as if such Subsidiary had been shown therein by reference to its then latest relevant financial statements, adjusted as deemed appropriate by the auditors of the Issuer for the time being after consultation with the Issuer; or

- (ii) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon (a) in the case of a transfer by a Material Subsidiary, the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary and (b) the transferee Subsidiary shall immediately become a Material Subsidiary, provided that on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of sub-paragraph (i) above.

A certificate signed by two directors of the Issuer that in their opinion (making such adjustments (if any) as they shall deem appropriate) a Subsidiary of the Issuer is or is not, or was or was not, at any particular time or during any particular period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer and the Noteholders;

"Project" means any project carried out, directly and/or indirectly, by an Entity pursuant to one or more contracts for (a) the ownership, acquisition (in each case, in whole or in part), development, design, construction, upgrading, operation and/or maintenance of any asset(s) (including, without limitation, concessions granted by public entities and authorities), infrastructure or businesses reasonably related thereto, incidental thereto or in furtherance thereof and/or (b) the ownership and/or acquisition (in each case, in whole or in part) of any interest or equity participations in, or shareholder loans to, one or more Entities, directly and/or indirectly, holding and/or managing such assets, infrastructure or concessions and/or operating such businesses, where any member of the Group has an interest in the Entity (whether alone or together with other partners) and any member of the Group finances and/or refinances the investment required in the Project with Project Finance Indebtedness, shareholder loans and/or its share capital or other equity contributions;

"Project Finance Indebtedness" means indebtedness where the recourse of the creditors thereof is limited to any or all of (a) the relevant Project (including, for the avoidance of doubt, the concession(s) or assets related thereto and the cash flows arising therefrom), (b) the share capital of, or other equity contribution to, the Entity or Entities developing, financing or otherwise directly or indirectly involved in the relevant Project, (c) the proceeds deriving from the enforcement of any security taken over all or any part of the assets relating to the Project (including, for the avoidance of doubt, any interest or equity participations in the relevant Entity or Entities holding, directly and/or indirectly, the relevant assets or concessions and/or operating the relevant business) and (d) other credit support (including, without limitation, completion guarantees and contingent equity obligations) customarily provided in support of such indebtedness;

"Relevant Indebtedness" means any present or future indebtedness (whether being principal, interest or other amounts), in the form of or evidenced by notes, bonds, debentures, loan stock or other similar debt instruments, whether issued for cash or in whole or in part for a consideration other than cash, and which are, or are capable of being (with the consent of the Issuer), quoted, listed or ordinarily

dealt in or traded on any regulated or unregulated stock exchange, over-the-counter or other securities market, excluding in all circumstances Project Finance Indebtedness; and

a "**Subsidiary**" means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer.

4 Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions as amended, supplemented or updated as at the Issue Date of the first Tranche of the Notes of the relevant Series, as published by the International Swaps and Derivatives Association, Inc. (copies of which may be obtained at www.isda.org).

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of the Notes of the relevant Series, as published by the International Swaps and Derivatives Association, Inc. (copies of which may be obtained at www.isda.org).

"**Business Day**" means:

- (i) in the case of euro, a day on which the real time gross settlement system operated by the Eurosystem, or any successor system ("**T2**") is operating (a "**T2 Business Day**");
- (ii) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (iii) in the case of a currency and/or one or more Business Centre(s), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centre(s).

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the "**Calculation Period**"):

- (i) if "**Actual/Actual**" or "**Actual/Actual - ISDA**" is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).
- (ii) if "**Actual/Actual-ICMA**" is specified in the relevant Final Terms:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"Determination Date" means the date specified in the relevant Final Terms or, if none is specified, the Interest Payment Date.

- (iii) if **"Actual/365 (Fixed)"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (iv) if **"Actual/360"** is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (v) if **"30/360"** or **"360/360"** or **"(Bond Basis)"** is specified in the relevant Final Terms, the number of days in the Calculation Period by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30.

- (vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the relevant Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the relevant Final Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the relevant Final Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Final Terms or, if none is so specified, (i) the day falling two T2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Final Terms for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro.

"**Interest Payment Date**" means the date(s) specified in the relevant Final Terms.

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Interest Period Date" means each Interest Payment Date or such other date(s) specified in the relevant Final Terms.

"ISDA Definitions" means the 2006 ISDA Definitions or the 2021 ISDA Definitions, as specified in the relevant Final Terms.

"Rate of Interest" means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Final Terms.

"Reference Banks" means in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market or, if otherwise, the principal offices of five major banks in the Relevant Inter-Bank Market, in each case selected by the Issuer or as specified in the relevant Final Terms.

"Reference Rate" means the rate specified as such in the relevant Final Terms (e.g. EURIBOR, SONIA, SOFR or €STR), or any Successor Rate or Alternative Reference Rate.

"Relevant Inter-Bank Market" means such inter-bank market as may be specified in the relevant Final Terms.

"Relevant Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified in the relevant Final Terms (or any successor or replacement page, section, caption, column or other part of a particular information service).

"Relevant Screen Page Time" means such relevant Screen Page Time as may be specified in the relevant Final Terms.

"Specified Currency" means the currency specified as such in the relevant Final Terms or, if none is specified, the currency in which the Notes are denominated.

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate *per annum* (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(i) (*Accrual of Interest*) and Condition 4(j) (*Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding*).

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Final Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Final Terms.

- (c) **Interest on Floating Rate Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate *per annum* (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Final Terms) on each Interest Payment Date. The amount of interest payable shall be determined in

accordance with Condition 4(i) (*Accrual of Interest*) and Condition 4(j) (*Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding*). Such Interest Payment Date(s) is/are either shown in the relevant Final Terms as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Final Terms, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Final Terms and the provisions below relating to ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Final Terms.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (B), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) If the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:
 - (I) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
 - (II) the Designated Maturity (as defined in the ISDA Definitions), if applicable, is a period specified in the relevant Final Terms;
 - (III) the relevant Reset Date (as defined in the ISDA Definitions) unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions;

- (IV) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Compounding is specified to be applicable in the relevant Final Terms and:
- a) Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms;
 - b) Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or
 - c) Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms;
- (V) if the specified Floating Rate Option is an Overnight Floating Rate Option (as defined in the ISDA Definitions), Averaging is specified to be applicable in the relevant Final Terms and:
- a) Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms, Lookback is the number of Applicable Business Days (as defined in the ISDA Definitions) as specified in relevant Final Terms;
 - b) Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Observation Period Shift Additional Business Days (as defined in the ISDA Definitions), if applicable, are the days specified in the relevant Final Terms; or
 - c) Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms, (a) Lockout is the number of Lockout Period Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms, and (b) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms; and
- (VI) if the specified Floating Rate Option is an Index Floating Rate Option (as defined in the ISDA Definitions) and Index Provisions are specified to be applicable in the relevant Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days (as defined in the ISDA Definitions) specified in the relevant Final Terms and (b) Observation Period Shift Additional Business Days (as defined in the

ISDA Definitions), if applicable, are the days specified in the relevant Final Terms.

- (ii) in connection with any Compounding Method, Averaging Method or Index Method specified in the relevant Final Terms, references in the ISDA Definitions to:
 - (a) "Confirmation" shall be references to the relevant Final Terms;
 - (b) "Calculation Period" shall be references to the relevant Interest Period;
 - (c) "Termination Date" shall be references to the Maturity Date; and
 - (d) "Effective Date" shall be references to the Interest Commencement Date.
- (iii) if the Final Terms specify "2021 ISDA Definitions" as the applicable ISDA Definitions,
 - (a) "Administrator/ Benchmark Event" shall be disapplied; and
 - (b) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication– Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

In the applicable Final Terms, when the paragraph "Floating Rate Option" specifies that the rate is determined by linear interpolation, in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Floating Rate Option, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period, and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate in accordance with the process specified in sub-paragraph (C) below as if such rate(s) were the Reference Rate.

For the purposes of this sub-paragraph (B), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

- (B) Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR or €STR
 - (I) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate *per annum*) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either (i) 11.00 a.m. (Brussels time in the case of EURIBOR) or (ii) if otherwise, the Relevant Screen Page Time on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

- (II) if the Relevant Screen Page is not available or, if sub-paragraph (C)(I)(1) applies and no such offered quotation appears on the Relevant Screen Page or, if sub-paragraph (C)(I)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, (i) if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or (ii) if otherwise, each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (III) if paragraph (II) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates *per annum* (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if otherwise, at the Relevant Screen Page Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, or, if otherwise, the Relevant Inter-Bank Market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or, if otherwise,

at the Relevant Screen Page Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro zone inter-bank market, or, if otherwise, the Relevant Inter-Bank Market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR or €STR

(I) Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined, it is specified in the relevant Final Terms that the Reference Rate is SONIA, SOFR or €STR and Index Determination is specified in the relevant Final Terms as not applicable:

1. where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being Compounded Daily, the Rate of Interest applicable to the Notes for each Interest Accrual Period will (subject to Condition 4(d) (*Benchmark Replacement*) or Condition 4(e) (*Effect of Benchmark Transition Event*), as the case may be, and subject as provided below) be the Compounded Daily Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards; and
2. where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms as being Weighted Average, the Rate of Interest applicable to the Notes for each Interest Accrual Period will (subject to Condition 4(d) (*Benchmark Replacement*) or Condition 4(e) (*Effect of Benchmark Transition Event*), as the case may be, and subject as provided below) be the Weighted Average Reference Rate plus or minus (as indicated in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

(II) Where SONIA is specified as the Reference Rate in the relevant Final Terms, subject to Condition 4(d) (*Benchmark Replacement*), if, in respect of any Business Day, the Calculation Agent determines that the SONIA

rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be:

1. the sum of (x) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day; plus (y) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
2. if the Bank Rate is not published by the Bank of England at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day, (x) the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (y) if this is more recent, the latest determined rate under (1),

and, in each case, "r" shall be interpreted accordingly.

Notwithstanding the paragraph above, and without prejudice to Condition 4(d) (*Benchmark Replacement*), in the event of the Bank of England publishing guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation Agent shall, in accordance with the instructions of the Issuer, follow such guidance to the extent practicable and to the extent such guidance does not increase obligations or duties of the Calculation Agent in order to determine the SONIA rate, for purposes of the Notes, for so long as the SONIA rate is not available or has not been published by the authorised distributors.

- (III) Where SOFR is specified as the Reference Rate in the relevant Final Terms, subject to Condition 4(e) (*Effect of Benchmark Transition Event*), if, in respect of any Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the SOFR for the first preceding Business Day on which the SOFR was published on the Relevant Screen Page (and "r" shall be interpreted accordingly).
- (IV) Where €STR is specified as the Reference Rate in the relevant Final Terms, subject to Condition 4(d) (*Benchmark Replacement*), if, in respect of any Business Day, the Calculation Agent determines that the Reference Rate does not appear on the Relevant Screen Page, such Reference Rate shall be the €STR for the first preceding Business Day on which the €STR was published on the Relevant Screen Page (and "r" shall be interpreted accordingly).
- (V) In the event that the Rate of Interest for the relevant Interest Accrual Period cannot be determined in accordance with the foregoing provisions by the Calculation Agent, subject to Condition 4(d) (*Benchmark*

Replacement) or 5(e), as the case may be, the Rate of Interest for such Interest Accrual Period shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period), (ii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is the first Interest Accrual Period for the Notes, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum or Minimum Rate of Interest applicable to the first Interest Accrual Period) or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is not the first Interest Accrual Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Accrual Period.

(VI) If the relevant Notes become due and payable in accordance with Condition 8 (*Events of Default*), the last Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(VII) For the purposes of this Condition 4(c)(iii)(C):

If "**Payment Delay**" is specified in the relevant Final Terms as being applicable, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as reference to interest on the Notes being payable on an Effective Interest Payment Date instead.

"Applicable Period" means,

- (i) where Lag, Lock-out or Payment Delay is specified as the Observation Method in the relevant Final Terms, the Interest Accrual Period; and
- (ii) where Observation Shift is specified as the Observation Method in the relevant Final Terms, the Observation Period.

"Business Day" or **"BD"**, means, (i) where SONIA is specified as the Reference Rate, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London; (ii) where SOFR is specified as the Reference Rate, any day which is a U.S. Government Securities Business Day and is not a legal holiday in New York and is not a date on which banking institutions in those cities are authorised or required by law or regulation

to be closed; and (iii) where €STR is specified as the Reference Rate, a T2 Settlement Day.

"Compounded Daily Reference Rate" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent as at the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{r_i - p_{BD} \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"D" is the number specified in the relevant Final Terms.

"d" means, for the relevant Applicable Period, the number of calendar days in such Applicable Period.

"d_o" means, for the relevant Applicable Period, the number of Business Days in such Applicable Period.

"€STR" means, in respect of any Business Day, a reference rate equal to the daily euro short-term rate for such euro Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank as at the date of this Base Prospectus at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the **"ECB's Website"**) in each case, on or before 9:00 a.m. (Central European Time) on the Business Day immediately following such Business Day.

"i" means, for the relevant Applicable Period, a series of whole numbers from one to d_o, each representing the relevant Business Day in chronological order from, and including, the first Business Day in such Applicable Period.

"Lock-out Period" means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date.

"n_i", for any Business Day "i" in the Applicable Period, means the number of calendar days from, and including, such Business Day "i" up to but excluding the following Business Day.

"New York Federal Reserve's Website" means the website of the Federal Reserve Bank of New York as at the date of this Base Prospectus at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York.

"Observation Period" means, in respect of the relevant Interest Accrual Period, the period from, and including, the date falling "p" Business Days

prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "p" Business Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling "p" Business Days prior to such earlier date, if any, on which the Notes become due and payable).

"p" means, for any Interest Accrual Period:

- (i) where Lag is specified as the Observation Method in the relevant Final Terms, the number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified five Business Days);
- (ii) where Lock-out is specified as the Observation Method in the relevant Final Terms, zero; and
- (iii) where Observation Shift is specified as the Observation Method in the relevant Final Terms, the number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms (or, if no such number is specified, five Business Days).

"r" means:

- (i) where in the relevant Final Terms SONIA is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day;
- (ii) where in the relevant Final Terms SOFR is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day;
- (iii) where in the relevant Final Terms €STR is specified as the Reference Rate and either Lag or Observation Shift is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day;
- (iv) where in the relevant Final Terms SONIA is specified as the Reference Rate and Lock-out is specified as the Observation Method:
 - (x) in respect of any Business Day "i" that is a Reference Day, the SONIA rate in respect of the Business Day immediately preceding such Reference Day, and
 - (y) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SONIA rate in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date);

- (v) where in the relevant Final Terms SOFR is specified as the Reference Rate and Lock-out is specified as the Observation Method:
 - (x) in respect of any Business Day "i" that is a Reference Day, the SOFR in respect of the Business Day immediately preceding such Reference Day; and
 - (y) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SOFR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date);
- (vi) where in the relevant Final Terms €STR is specified as the Reference Rate and Lock-out is specified as the Observation Method:
 - (x) in respect of any Business Day "i" that is a Reference Day, the €STR in respect of the Business Day immediately preceding such Reference Day; and
 - (y) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the €STR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date);
- (vii) where in the relevant Final Terms SONIA is specified as the Reference Rate and Payment Delay is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day, provided however that, in the case of the last Interest Accrual Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SONIA rate in respect of the Rate Cut-off Date;
- (viii) where in the relevant Final Terms SOFR is specified as the Reference Rate and Payment Delay is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day, provided however that, in the case of the last Interest Accrual Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SOFR in respect of the Rate Cut-off Date; and
- (ix) where in the relevant Final Terms €STR is specified as the Reference Rate and Payment Delay is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day, provided however that, in the case of the last Interest Accrual Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but

excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the €STR in respect of the Rate Cut-off Date.

"Reference Day" means each Business Day in the relevant Interest Accrual Period, other than any Business Day in the Lock-out Period.

"r_{i-pBD}" means the applicable Reference Rate as set out in the definition of "r" above for, (i) where, in the relevant Final Terms, Lag is specified as the Observation Method, the Business Day (being a Business Day falling in the relevant Observation Period) falling "p" Business Days prior to the relevant Business Day "i" or, (ii) otherwise, the relevant Business Day "i".

"SOFR" means, in respect of any Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Federal Reserve's Website, in each case on or about 5.00 p.m. (New York City Time) (the **"SOFR Determination Time"**) on the Business Day immediately following such Business Day.

"SONIA" means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors in each case on the Business Day immediately following such Business Day.

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

"Effective Interest Payment Date" means any date or dates specified as such in the relevant Final Terms.

"Rate Cut-off Date" has the meaning given in the relevant Final Terms.

"T2 Settlement Day" means any day on which T2 is open for the settlement of payments in euro.

"Weighted Average Reference Rate" means:

- (i) where Lag is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect

for the Business Day immediately preceding such calendar day;
and

- (ii) where Lock-out is specified as the Observation Method in the relevant Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Accrual Period, provided however that for any calendar day of such Interest Accrual Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.

(D) Index Determination

Where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and Index Determination is specified in the relevant Final Terms as being applicable, the Rate of Interest applicable to the Notes for each Interest Accrual Period will be the compounded daily reference rate for the relevant Interest Accrual Period, calculated in accordance with the following formula and to the Relevant Decimal Place, all as determined and calculated by the Calculation Agent on the relevant Interest Determination Date plus or minus (as indicated in the relevant Final Terms) the Margin:

$$\left(\frac{\text{Compounded Index End}}{\text{Compounded Index Start}} - 1 \right) \times \frac{\text{Numerator}}{d}$$

where:

"**Compounded Index**" shall mean either SONIA Compounded Index, SOFR Compounded Index or €STR Compounded Index, as specified in the relevant Final Terms.

"**Compounded Index End**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Accrual Period, or such other date on which the relevant payment of interest falls due (but which, by its definition or the operation of the relevant provisions, is excluded from such Interest Accrual Period).

"**Compounded Index Start**" means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Accrual Period.

"d" is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined.

"**€STR Compounded Index**" means the compounded daily €STR rate as published at 9:15 a.m. (Central European Time) by the European Central Bank (or a successor administrator of €STR) on the European Central Bank's Market Information Dissemination (MID) platform and Statistical Data Warehouse, or any successor source.

"**Index Days**" means, in the case of the SONIA Compounded Index, London Banking Days, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days and in the case of the €STR Compounded Index, T2 Settlement Days.

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

"**Numerator**" shall, unless otherwise specified in the relevant Final Terms, be 365 in the case of the SONIA Compounded Index, 360 in the case of the SOFR Compounded Index and the €STR Compounded Index.

"**Relevant Decimal Place**" shall, unless otherwise specified in the relevant Final Terms, be the fifth decimal place in the case of the SONIA Compounded Index and €STR Compounded Index, and the seventh decimal place in the case of the SOFR Compounded Index, in each case rounded up or down, if necessary (with 0.000005 or, as the case may be, 0.0000005 being rounded upwards);

"**Relevant Number**" shall, unless otherwise specified in the relevant Final Terms, be five in the case of the SONIA Compounded Index and €STR Compounded Index, and two in the case of the SOFR Compounded Index.

"**SOFR Compounded Index**" means the compounded daily SOFR rate, as published at 3:00 p.m. (New York time) by the Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source.

"**SONIA Compounded Index**" means the compounded daily SONIA rate as published at 10:00 a.m. (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source.

Provided that a Benchmark Event has not occurred in respect of SONIA or €STR or a Benchmark Transition Event and its related Benchmark Replacement Date has not occurred in respect of SOFR, as the case may be, if, with respect to any Interest Accrual Period, the relevant Compounded Index Start and/or Compounded Index End is not published by the administrator, the Calculation Agent shall calculate the Rate of Interest for that Interest Accrual Period in accordance with Condition 4(c)(iii)(C) as if Index Determination was not specified in the relevant Final Terms as being applicable. For these purposes, (i) the Reference Rate shall be deemed to be SONIA in the case of SONIA Compounded Index, €STR in the case of €STR Compounded Index and SOFR in the case of SOFR Compounded Index, (ii) the Calculation Method shall be deemed to be Compounded Daily, (iii) the Observation Method shall be deemed to be Observation Shift, (iv) the Observation Look-back Period shall be deemed to be the Relevant Number, (v) D shall be deemed to be the Numerator and (vi) in the case of SONIA, the Relevant Screen Page will be determined by the Issuer

in consultation with the Calculation Agent. If a Benchmark Event has occurred in respect of SONIA or €STR, the provisions of Condition 4(d) (*Benchmark Replacement*) shall apply *mutatis mutandis* in respect of this Condition 4(c)(iii)(D) or if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, the provision of Condition 4(e) (*Effect of Benchmark Transition Event*) shall apply *mutatis mutandis* in respect of this Condition 4(c)(iii)(D), as applicable.

(d) **Benchmark Replacement:** Notwithstanding the provisions above in this Condition 4 (*Interest and other Calculations*), where Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate of Interest is to be determined and where the relevant Reference Rate applicable to the Notes is not SOFR (nor the then-current Benchmark which has replaced SOFR) and if the Issuer (to the extent practicable, in consultation with the Calculation Agent) determines that a Benchmark Event has occurred, then the following provisions shall apply:

- (i) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine (acting in good faith and in a commercially reasonable manner) no later than three Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate and, in either case, an Adjustment Spread and any Benchmark Amendments for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;
- (ii) if (A) the Issuer is unable to appoint an Independent Adviser, or (B) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if there is no Successor Rate, an Alternative Reference Rate. If the Issuer is unable to determine a Successor Rate or, failing which, an Alternative Reference Rate prior to the IA Determination Cut-off Date, the Reference Rate applicable to the relevant Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate applicable to the first Interest Period;
- (iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, an Adjustment Spread, is determined in accordance with the preceding provisions, such Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, any Adjustment Spread, shall be the Reference Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(d) (*Benchmark Replacement*)); provided, however, that if sub-paragraph (ii) above applies and the Issuer is unable to or does not determine a Successor Rate or an Alternative Reference Rate, prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the preceding Interest Period (subject, where applicable, to substituting the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest that applied to such preceding Interest Period for the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest that is to be applied to the relevant Interest Period) or, alternatively, if there has not been a first Interest Payment Date, the rate of interest shall

be the Rate of Interest for the initial Interest Period; for the avoidance of doubt, the proviso in this sub-paragraph (iii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(d) (*Benchmark Replacement*);

- (iv) if the Independent Adviser or the Issuer determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) and, in each case, an Adjustment Spread, in accordance with the above provisions, the Independent Adviser or the Issuer (as applicable), may also specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Day, Interest Determination Date, and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Reference Rate (as applicable);
- (v) if a Successor Rate or Alternative Reference Rate is determined in accordance with this Condition 4(d) (*Benchmark Replacement*) and the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines the specified quantum or a formula or methodology for determining the applicable Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Reference Rate (as applicable), subject to any further operation and adjustment as provided in this Condition 4(d) (*Benchmark Replacement*);
- (vi) for the avoidance of doubt, the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread and to give effect to this Condition 4(d) (*Benchmark Replacement*) (such amendments, the "**Benchmark Amendments**"). Consent of the holders of the relevant Notes shall not be required in connection with effecting the Successor Rate, Alternative Reference Rate (as applicable) or Adjustment Spread or such other changes set out in this Condition 4(d) (*Benchmark Replacement*), including for the execution of any documents or other steps by the Issuing and Paying Agent (if required);
- (vii) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and, in each case, an Adjustment Spread, give notice thereof to the Calculation Agent, the Issuing and Paying Agent and the Noteholders, which shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable) and any consequential changes made to these Conditions;
- (viii) No later than notifying the Issuing and Paying Agent of the same, the Issuer shall deliver to the Issuing and Paying Agent a certificate signed by two authorised signatories of the Issuer:
 - (A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Reference Rate and, (z), in each case, the relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 4(d) (*Benchmark Replacement*); and

- (B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate or Alternative Reference Rate and Adjustment Spread.
- (ix) The Successor Rate or Alternative Reference Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Reference Rate and such Adjustment Spread and such Benchmark Amendments (if any)), and without prejudice to the Calculation Agent's or the Paying Agent's ability to rely on such certificate as aforesaid, be binding on the Issuer, the Issuing and Paying Agent, the Calculation Agent, the Paying Agents and the Noteholders.

"Adjustment Spread" means a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable), determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines is customarily applied to the relevant Successor Rate or Alternative Reference Rate (as applicable) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or
- (iii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Issuer) or the Issuer (as applicable) determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable).

"Alternative Reference Rate" means the rate that the Independent Adviser or the Issuer (as applicable) determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Issuer (as applicable) determines in its discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Reference Rate.

"Benchmark Event" means:

- (i) the Reference Rate has ceased to be published on the Relevant Screen Page as a result of such Reference Rate ceasing to be calculated or administered; or
- (ii) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased or will cease, by a specified

future date (the "Specified Future Date"), publishing such Reference Rate permanently or indefinitely; or

- (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "Specified Future Date"), be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Reference Rate that means that such Reference Rate will, by a specified future date (the "Specified Future Date"), be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes;
- (v) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, (i) such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), no longer representative of an underlying market or (ii) the methodology to calculate such Reference Rate has materially changed; or
- (vi) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable);

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (ii), (iii), (iv) or (v) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date.

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"Successor Rate" means the rate that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

"Relevant Nominating Body" means, in respect of a reference rate:

- (i) the central bank for the currency to which the reference rate relates, any central bank which is responsible for supervising the administrator of the reference rate, or any other relevant supervisory or regulatory authority or national legislative body of the country for the currency to which the reference rate relates; or
 - (ii) any working group or committee sponsored by, chaired or co-chaired by, or constituted at the request of (A) the central bank for the currency to which the reference rate relates, (B) any central bank which is responsible for supervising the administrator of the reference rate, (C) any other relevant supervisory or regulatory authority or national legislative body of the country for the currency to which the reference rate relates, (D) a group of the aforementioned central banks or other authorities, or (E) the Financial Stability Board or any part thereof.
- (e) **Effect of Benchmark Transition Event:** Where the relevant Reference Rate applicable to the Notes is SOFR (or the then-current Benchmark which has replaced SOFR), in addition and

notwithstanding the provisions above in Condition 4(d) (*Benchmark Replacement*), as applicable, this Condition 4(e) (*Effect of Benchmark Transition Event*) shall apply.

- (i) **Benchmark Replacement:** If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.
- (ii) **Benchmark Replacement Conforming Changes:** In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time.
- (iii) **Decisions and Determinations:** Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(e) (*Effect of Benchmark Transition Event*), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, will be made in the sole discretion of the Issuer or its designee, as applicable, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Noteholders or any other party. None of the Issuing and Paying Agent, the Calculation Agent nor any Paying Agents will have any liability for any determination made by or on behalf of Issuer or its designee in connection with a Benchmark Transition Event or a Benchmark Replacement.

In no event shall the Issuing and Paying Agent, the Calculation Agent nor any Paying Agents be responsible for determining if a Benchmark Transition Event has occurred or any substitute for SOFR, or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Issuing and Paying Agent, the Calculation Agent and each Paying Agent will be entitled to conclusively rely on any determinations made by Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

In the event that the Rate of Interest for the relevant Interest Accrual Period, as applicable, cannot be determined in accordance with the foregoing provisions by the Issuer or its designee, the Rate of Interest for such Interest Accrual Period shall be (i) that determined as at the immediately preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest (as specified in the relevant Final Terms) is to be applied to the relevant Interest Accrual Period from that which applied to the immediately preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that immediately preceding Interest Accrual Period), or (ii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is the first Interest Accrual Period for the Notes, the initial Rate of Interest which would have been applicable to such Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum or Minimum Rate of Interest applicable to the first Interest Accrual Period), or (iii) if there is no such preceding Interest Determination Date and the relevant Interest Accrual Period is not

the first Interest Accrual Period for the Notes, the Rate of Interest which applied to the immediately preceding Interest Accrual Period.

For the purposes of this Condition 4(e) (*Effect of Benchmark Transition Event*):

"Benchmark" means, initially, SOFR; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date.

- (i) the sum of: (I) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (II) the Benchmark Replacement Adjustment;
- (ii) the sum of: (I) the ISDA Fallback Rate and (II) the Benchmark Replacement Adjustment; or
- (iii) the sum of: (I) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. Dollar-denominated floating rate notes at such time and (II) the Benchmark Replacement Adjustment.

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar-denominated floating rate notes at such time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decide that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determine is reasonably necessary).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) in the case of sub-paragraph (i) or (ii) of the definition of Benchmark Transition Event, the later of (x) the date of the public statement or publication of information referenced therein and (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of sub-paragraph (iii) of the definition of Benchmark Transition Event, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component);
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"designee" means a designee as selected and separately appointed by the Issuer as designee for the Notes in writing.

"ISDA Fallback Adjustment" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark.

"ISDA Fallback Rate" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"Reference Time" with respect to any determination of the Benchmark means (I) if the Benchmark is SOFR, the SOFR Determination Time, and (II) if the Benchmark is not SOFR, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(f) **Fixed/Floating Rate Notes**

Fixed/Floating Rate Notes may bear interest at a rate that will automatically change from a Fixed Rate to a Floating Rate, or from a Floating Rate to a Fixed Rate on the date set out in the Final Terms.

- (g) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(j)(i) (*Zero Coupon Notes*)).

(h) **Dual Currency Notes**

In the case of Dual Currency Notes, the Issuer may issue Fixed Rate Notes or Floating Rate Notes with interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. In such case, the relevant Final Terms will specify the relevant currency(ies) in which interest is/are payable and the applicable Rate(s) of Exchange or a method of calculating Rate(s) of Exchange.

- (i) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 (*Interest and other Calculations*) to the Relevant Date (as defined in Condition 7 (*Taxation*)).

(j) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding:**

- (i) If any Margin is specified in the relevant Final Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified in the relevant Final Terms, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded

to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.

- (k) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the relevant Final Terms and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (l) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts and Early Redemption Amounts:** The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount or Early Redemption Amount to be notified to the Issuing and Paying Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the applicable rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(c)(ii) (*Business Day Convention*), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 8 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (m) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the relevant Final Terms and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are listed on any stock exchange and the rules applicable to that stock exchange so require, notice of any change of Calculation Agent shall be given in accordance with Condition 12 (*Notices*).

5 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount).
- (b) **Redemption at the Option of the Issuer and Partial Redemption:** If a Call Option is specified as applicable in the relevant Final Terms, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice in accordance with Condition 12 (*Notices*) to the Noteholders (or such other notice period as may be specified in the relevant Final Terms) redeem all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified in the relevant Final Terms (which may be the Make-Whole Redemption Price (as described in Condition 5(c) (*Make-Whole Redemption by the Issuer*)) below or the Early Redemption Amount (as described in Condition 5(j) (*Early Redemption of Zero Coupon Notes*)) below) together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

If the Notes are to be redeemed in part only, each Note shall be redeemed in part in the proportion which the nominal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date bears to the Aggregate Nominal Amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount shall in no event be greater than the maximum or be less than the minimum so specified.

- (c) **Make-Whole Redemption by the Issuer:** If Make-Whole Redemption by the Issuer is specified as applicable in the relevant Final Terms, in respect of any issue of Notes, the Issuer may, in accordance with Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*), redeem the Notes at their Optional Redemption Amount, which shall be the Make-Whole Redemption Price.

For the purposes of these Conditions:

"Make-Whole Redemption Price" means, in respect of each Note, an amount determined by the Determination Agent after consultation with the Issuer and will be the greater of (x) 100 per cent. of the nominal amount of the Notes so redeemed and, (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (excluding any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the relevant Optional Redemption Date on an annual basis (based on the relevant day count basis) at the Reference Dealer Rate plus a Redemption Margin (as specified in the relevant Final Terms), plus in the case of either (x) or (y) above, any interest accrued on the Notes to, but excluding, the Optional Redemption Date.

If a Residual Maturity Call Option is specified as applicable in the relevant Final Terms and if the Issuer decides to redeem the Notes pursuant to the Make-Whole Redemption by the Issuer before the Call Option Date (as specified in the relevant Final Terms) pursuant to Condition 5(d) (*Residual Maturity Call Option*), the Optional Redemption Amount in respect of the Make-Whole Redemption by the Issuer will be calculated by reference to the Call Option Date pursuant to Condition 5(d) (*Residual Maturity Call Option*) and not by reference to the Maturity Date;

"Determination Agent" means a financial adviser or bank which is independent of the Issuer, appointed by the Issuer for the purpose of determining the Make-Whole Redemption Price;

"Reference Dealers" means five credit institutions or financial services institutions that regularly deal in bonds and other debt securities as selected by Determination Agent after consultation with the Issuer;

"Reference Dealer Rate" means with respect to the Reference Dealers and the Optional Redemption Date (i) the arithmetic average of the five quotations of the mid-market annual yield to maturity of the Reference Security at 11.00 a.m. Central European time on the third (3rd) business day in Madrid, Spain preceding the Optional Redemption Date quoted in writing to the Determination Agent after consultation with the Issuer by the Reference Dealers after excluding the highest and lowest of such quotations; or (ii) if the Determination Agent obtains fewer than five quotations, the arithmetic average of all quotations obtained;

"Reference Security" means the security specified in the relevant Final Terms;

If the Reference Security is no longer outstanding, a similar security will be chosen by the Determination Agent after prior consultation with the Issuer if practicable under the circumstances at 11.00 a.m. (Central European time (CET)) on the third (3rd) business day in Madrid, Spain preceding the Optional Redemption Date, quoted in writing by the Determination Agent to the Issuer and notified in accordance with Condition 12 (*Notices*); and

The Reference Dealer Rate will be notified by the Paying Agents in accordance with Condition 12 (*Notices*).

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Determination Agent shall (in the absence of wilful default, bad faith or manifest error) be final and binding upon all parties.

The Determination Agent shall act as an independent expert and not as agent for the Issuer or the Noteholders.

- (d) **Residual Maturity Call Option:** If Residual Maturity Call Option by the Issuer is specified as applicable in the relevant Final Terms, the Issuer may, on giving not less than fifteen (15) nor more than thirty (30) calendar days' irrevocable notice (which notice shall specify the date fixed for redemption) in accordance with Condition 12 (*Notices*) to the Noteholders redeem

the Notes (or such other notice period as may be specified in the relevant Final Terms), in whole but not in part, at par together with interest accrued to, but excluding, the date fixed for redemption, at any time as from the Call Option Date (included and as specified in the Final Terms), which shall be no earlier than (i) one (1) month before the Maturity Date in respect of Notes having a maturity of less than five years or (ii) three (3) months before the Maturity Date in respect of Notes having a maturity of five years or more.

For the purpose of the preceding paragraph, the maturity of not more than five years or the maturity of more than five years (or such shorter maturity as may be specified in the Final Terms) shall be determined as from the Issue Date of the first Tranche of the relevant Series of Notes.

- (e) **Substantial Purchase Event:** If Substantial Purchase Event is specified as applicable in the relevant Final Terms, in the event that 25 per cent. or less of the initial aggregate nominal amount of a particular Series of Notes (including any further Notes issued pursuant to Condition 11 (*Further Issues*)) remains outstanding, the Issuer may, at its option but subject to having given not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Noteholders (which notice shall specify the date fixed for redemption) in accordance with Condition 12 (*Notices*) redeem all, but not some only, of the outstanding Notes in that Series at their Substantial Purchase Event Redemption Amount together with any interest accrued to the date set for redemption, provided that those Notes of such Series that are no longer outstanding have not been redeemed (and subsequently cancelled) by the Issuer at the option of the Issuer pursuant to Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*) or Condition 5(c) (*Make-Whole Redemption by the Issuer*), in each case, at an amount exceeding the Substantial Purchase Event Redemption Amount.

"**Substantial Purchase Redemption Amount**" means the principal amount of each Note or, if higher, such other amount as may be specified in the relevant Final Terms.

- (f) **Redemption for Tax Reasons:** The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time, (if this Note is not a Floating Rate Note), on giving not less than fifteen (15) nor more than thirty (30) calendar days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount, together with interest accrued to the date fixed for redemption, if:
- (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the Issue Date of the most recent Tranche of the Notes; and
 - (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than ninety (90) calendar days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Issuing and Paying Agent:

- (A) a certificate signed by two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and
 - (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.
- (g) **Redemption or Purchase at the option of Noteholders following a Change of Control Put Event:** If a Change of Control Put Option is specified as applicable in the relevant Final Terms and at any time while any Note remains outstanding a Change of Control occurs, and during the Change of Control Period there is a Rating Event (a "**Change of Control Put Event**") each Noteholder will have the option (the "**Change of Control Put Option**") (unless, before the giving of the Change of Control Put Option Notice (as defined below), the Issuer shall have given notice of its intention to redeem the Notes under this Condition 5 (*Redemption, Purchase and Options*)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note at the nominal amount of such Note, together with (or, where purchased, together with an amount equal to) interest accrued to, but excluding, the Change of Control Put Date (as defined below).

If a Change of Control Put Event occurs, then, within fourteen (14) calendar days of the occurrence of the Change of Control Put Event, the Issuer shall give notice (a "**Change of Control Put Option Notice**") to the Noteholders in accordance with Condition 12 (*Notices*) specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option contained in this Condition 5(g).

To exercise the Change of Control Put Option a Noteholder must, during the period commencing on the occurrence of a Change of Control Put Event and ending sixty (60) calendar days after such occurrence or, if later, sixty (60) calendar days after the date on which the Change of Control Put Option Notice is given to Noteholders as required by this Condition 5(g) (the "**Change of Control Put Period**") give written notice to the Issuer through Iberclear or the relevant Iberclear Participant (a "**Change of Control Put Option Notice**"). No duly completed Change of Control Put Option Notice, once delivered in accordance with this Condition 5(g), may be withdrawn without the prior consent of the Issuer and provided that such withdrawal is permitted by the procedures of Iberclear.

The Issuer shall redeem or, at its option, purchase or procure the purchase of the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above (the "**Change of Control Put Date**") which is seven (7) calendar days after the expiration of the Change of Control Put Period unless previously redeemed or purchased and cancelled. Payment in respect of any Note so transferred will be made on the Change of Control Put Date in accordance with the procedures of Iberclear.

For the purposes of these Conditions:

A "**Change of Control**" shall be deemed to have occurred each time (whether or not approved by the board of directors of the Issuer) that any person or persons acting in concert or any person acting on behalf of such person(s) (other than a holding company whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer) shall acquire or control (i) more than 50 per cent. of the Voting Rights or (ii) the right to appoint and/or remove all or the majority of the members of the Issuer's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share

capital, the possession of Voting Rights, contract or otherwise. References to acquiring, having or ceasing to have "**control**" in these Conditions shall be interpreted accordingly;

"Change of Control Period" means the period commencing on the date that is the earlier of: (i) the date of the occurrence of a Change of Control; and (ii) the date of the first Potential Change of Control Announcement (if any), and ending ninety (90) calendar days after the Change of Control (or such longer period for which any Notes are under consideration (such consideration having been announced publicly within the period ending ninety (90) calendar days after the Change of Control) for Rating review or, as the case may be, Rating by a Rating Agency, such period not to exceed sixty (60) calendar days after the public announcement of such consideration);

"Investment Grade Rating" means, any Rating which is (i) with respect to S&P, within any of the categories from and including AAA to and including BBB- (or equivalent successor categories), (ii) with respect to Moody's, within any of the categories from and including Aaa to and including Baa3 (or equivalent successor categories) or (iii) with respect to Fitch Ratings, within any of the categories from and including AAA to and including BBB- (or equivalent successor categories);

"Potential Change of Control Announcement" means any public announcement or public statement by the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control;

"Rating" means a long term credit rating assigned to the Issuer and/or any Notes by a Rating Agency which has been solicited by, or assigned with the cooperation of, the Issuer;

"Rating Agency" means any of the following: (a) S&P Global Ratings Europe Limited ("**S&P**"); (b) Moody's Investors Service España S.A. ("**Moody's**"); or (c) Fitch Ratings Ireland Limited ("**Fitch Ratings**"), and, in each case, their respective successors and affiliates;

A "**Rating Event**" shall be deemed to have occurred in respect of a Change of Control if:

- (i) there is a Rating by any Rating Agency at the time the Change of Control Period begins and within the Change of Control Period the Rating by any Rating Agency is: (1) withdrawn (and is not, during the Change of Control Period, subsequently reinstated); (2) ceases to be an Investment Grade Rating (and is not, during the Change of Control Period, subsequently upgraded to an Investment Grade Rating); or (3) if the Rating assigned to the Issuer and/or any Notes by any Rating Agency which is current at the time the Change of Control Period begins is below an Investment Grade Rating, that Rating is lowered one full rating notch by any Rating Agency (for example, BB+ to BB by S&P) (and is not, during the Change of Control Period, subsequently upgraded to its previous rating level), *provided that* a Rating Event shall be deemed not to have occurred in respect of a particular Change of Control if the relevant Rating Agency, despite withdrawing or lowering the ratings does not publicly announce or confirm in writing to the Issuer that the reduction or withdrawal was the result, in whole or part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Change of Control; or
- (ii) there is no Rating by any Rating Agency at the time the Change of Control Period begins and by the time the Change of Control Period ends (A) there is still no Rating by any Rating Agency, or (B) there is a Rating by any Rating Agency but that Rating is not an Investment Grade Rating,

save that no Rating Event shall be deemed to have occurred in respect of a Change of Control if, on the last day of the Change of Control Period, there is a Rating by any Rating Agency that is an Investment Grade Rating; and

"Voting Rights" means the right generally to vote at a general meeting of shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

- (h) **Redemption of Dual Currency Notes:** The Issuer may issue Fixed Rate Notes or Floating Rate Notes with principal payable in one or more currencies which may be different from the currency in which the Notes are denominated. In such case, the relevant Final Terms will specify the relevant currency(ies) in which principal is payable and the applicable Rate(s) of Exchange.

- (i) **Early Redemption of Zero Coupon Notes:**

- (i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*), Condition 5(d) (*Residual Maturity Call Option*), Condition 5(e) (*Substantial Purchase Event*), Condition 5(f) (*Redemption for Tax Reasons*), Condition 5(g) (*Redemption or Purchase at the option of Noteholders following a Change of Control Put Event*) or upon it becoming due and payable as provided in Condition 8 (*Events of Default*) shall be the Amortised Nominal Amount (calculated as provided below) of such Note.

- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate *per annum* (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Final Terms, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*), Condition 5(c) (*Make-Whole Redemption by the Issuer*), Condition 5(d) (*Residual Maturity Call Option*), Condition 5(e) (*Substantial Purchase Event*), Condition 5(f) (*Redemption for Tax Reasons*), Condition 5(g) (*Redemption or Purchase at the option of Noteholders following a Change of Control Put Event*) or upon it becoming due and payable as provided in Condition 8 (*Events of Default*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(g) (*Zero Coupon Notes*). Where such calculation is to be made for a period of less than one

(1) year, it shall be made on the basis of the Day Count Fraction shown in the relevant Final Terms.

(ii) Other Notes:

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(b) (*Redemption at the Option of the Issuer and Partial Redemption*), Condition 5(c) (*Make-Whole Redemption by the Issuer*), Condition 5(d) (*Residual Maturity Call Option*), Condition 5(e) (*Substantial Purchase Event*), Condition 5(f) (*Redemption for Tax Reasons*), Condition 5(g) (*Redemption or Purchase at the option of Noteholders following a Change of Control Put Event*) or upon it becoming due and payable as provided in Condition 8 (*Events of Default*) shall be the Final Redemption Amount, unless otherwise specified in the applicable Final Terms.

- (j) **Purchases:** The Issuer and its Subsidiaries shall have the right at all times to purchase Notes in the open market or otherwise at any price subject to the applicable laws and/or regulations.
- (k) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries shall, together with all Notes redeemed by the Issuer, be cancelled forthwith. Any Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

6 Payments

- (a) **Principal and Interest:** Payments in respect of the Notes in euro (in terms of both principal and interest) shall be made by transfer to the registered account of the relevant Noteholder maintained by or on behalf of it with a bank that processes payments in a city in which banks have access to T2, details of which appear in the records of Iberclear or, as the case may be, the relevant Iberclear Participant at close of business on the day immediately preceding the Business Day on which the payment of principal or interest, as the case may be, falls due. In respect of payments in any currency, Noteholders must rely on the procedures of Iberclear or, as the case may be, the relevant Iberclear Participant to receive payments under the relevant Notes. None of the Issuer or, if applicable, any Dealer(s) will have any responsibility or liability for the records relating to payments made in respect of the Notes.
- (b) **Payments Subject to Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders in respect of such payments.
- (c) **Appointment of Agents:** The Issuing and Paying Agent and any Paying Agents act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each such case, do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) one or more Calculation Agent(s) where the Conditions so

require, (iii) such Paying Agent(s) or other agents as may be required by the applicable rules of any other stock exchange on which the Notes may be listed, quoted and/or admitted to trading.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 12 (*Notices*).

- (d) **Non-Business Days:** If any date for payment in respect of any Note is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) (A) in such jurisdictions as shall be specified as "**Financial Centres**" in the relevant Final Terms and (B) (i) (in the case of a payment in a currency other than euro), where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in euro), which is a T2 Business Day.

7 Taxation

- (a) All payments in respect of the Notes by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed ("**Taxes**") in the Kingdom of Spain or any political subdivision thereof or taxing authority therein ("**Tax Jurisdiction**"). If the Issuer is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable in respect of any Note:
- (i) to, or to a third party on behalf of, a Noteholder who is liable for such taxes or duties in respect of such Notes by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note; or
 - (ii) to, or to a third party on behalf of, a Noteholder in respect of whom withholding is to be levied as a consequence of the Issuer having not received, within the time period established by applicable law, the relevant duly executed and completed certificate required in order to comply with the Spanish Law 10/2014 as well as Royal Decree 1065/2007 (each, as amended from time to time), and any other implementing legislation or regulation; or
 - (iii) to, or to a third party on behalf of, a Noteholder in respect of whose Notes the Issuer (or an agent acting on behalf of the Issuer) has not received information as may be necessary to allow payments on such Note to be made free and clear of withholding tax or deduction on account of any taxes imposed by a Tax Jurisdiction, including when the Issuer (or an agent acting on behalf of the Issuer) does not receive such information concerning such Noteholder's identity and tax residence as may be required in order to comply with the procedures that may be implemented provided that the Issuer has informed the Noteholders of the relevant information procedures in advance; or
 - (iv) related to (a) any estate, inheritance, gift, sales, transfer, personal property or similar taxes imposed by a Tax Jurisdiction; or (b) solely due to the appointment by an investor

in the Notes, or any person through which an investor holds Notes, of a custodian, collection agent, person or entity acting on behalf of the investor of the Notes or similar person in relation to such Notes; or

- (v) presented for payment more than thirty (30) calendar days after the Relevant Date except to the extent that the holder of such Note would have been entitled to such additional amounts on presenting such Note for payment on the last day of such period of thirty (30) days.
- (b) As used in these Conditions, "**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition.
- (c) Notwithstanding any other provision of these Conditions, any amounts to be paid by or on behalf of the Issuer on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a "**FATCA Withholding Tax**"), and neither the Issuer nor any other person will be required to pay additional amounts on account of any FATCA Withholding Tax.
- (d) If the Issuer becomes subject at any time to any taxing jurisdiction other than the Kingdom of Spain, references in these Conditions to the Kingdom of Spain shall be construed as references to the Kingdom of Spain and/or such other jurisdiction.

8 Events of Default

If any of the following events (each an "**Event of Default**" and together "**Events of Default**") occurs and is continuing, any Noteholder may give written notice to the Issuer and Issuing and Paying Agent at its specified office that each of its Notes is immediately repayable, whereupon the Early Redemption Amount of such Notes together (if applicable) with accrued interest to the date of payment shall become immediately due and payable without further action or formality:

- (a) **Non-payment:** the Issuer fails to pay any amount of principal in respect of the Notes within seven (7) calendar days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within fourteen (14) calendar days of the due date for payment thereof; or
- (b) **Breach of other obligations:** the Issuer does not perform or comply with any of its other obligations under or in respect of the Notes which default is incapable of remedy or is not remedied within thirty (30) calendar days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Issuing and Paying Agent; or

(c) **Cross default of Issuer or Material Subsidiary:**

- (i) any present or future indebtedness (other than Project Finance Indebtedness) of the Issuer or any of its Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;
- (ii) any such indebtedness (other than Project Finance Indebtedness) becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or
- (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any guarantee for, or indemnity in respect of, any indebtedness (other than Project Finance Indebtedness),

provided that the amount of indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any guarantee or indemnity referred to in sub-paragraph (iii) above equals or exceeds, in the aggregate, €150,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates); or

- (d) **Insolvency, etc:** the Issuer or any of its Material Subsidiaries is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or substantially all of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of its debts generally or a moratorium is agreed or declared in respect of or affecting all or substantially all of the debts of the Issuer or any of its Material Subsidiaries, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) while solvent or (ii) otherwise on terms approved by an Extraordinary Resolution of the Noteholders; or
- (e) **Winding up:** an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries, or the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) while solvent or (ii) otherwise on terms approved by an Extraordinary Resolution of the Noteholders; or
- (f) **Enforcement Proceedings:** a distress, attachment, execution or other legal process for an amount equal to or in excess of €150,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates) is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries (other than any distress, attachment, execution or other legal process under or in connection with any Project Finance Indebtedness) and is not discharged or stayed within thirty (30) calendar days; or
- (g) **Enforcement of charges:** any mortgage, charge, pledge, lien or other encumbrance (other than any mortgage, charge, pledge, lien or other encumbrance securing Project Finance Indebtedness) present or future securing an amount equal to or in excess of €150,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates), created or assumed by the Issuer or any of its Material Subsidiaries becomes enforceable or any step is taken to enforce it (including by the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person); or

- (h) **Illegality:** it is or becomes unlawful for the Issuer to perform or comply with any one or more of its obligations under or in respect of any of the Notes; or
- (i) **Analogous event:** any event occurs has a similar effect to any of the events referred to in paragraphs (d), (e), (f) and (g) above.

Insolvency Law provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrator (administrador concursal) within one month from the announcement of the insolvency declaration in the Spanish Official Gazette (Boletín Oficial del Estado), (ii) actions deemed detrimental for the insolvent estate of the insolvency debtor carried out during the two year period preceding the date of its declaration of insolvency may be subject to claw-back, (iii) provisions in a contract granting one party the right to terminate by reason only of the other's insolvency may not be enforceable, and (iv) accrual of interest (other than (i) legal interests in respect of wage credits in favour of employees and (ii) ordinary interest –i.e. not default interests- accruing under secured liabilities, reported to the insolvency administrator (administrador concursal) as contingent credits, which will accrue up to the lower of the value of the asset subject to the security or the maximum secured liabilities under the relevant security interests) shall be suspended from the date of the declaration of insolvency and any amount of interest accrued up to such date and unpaid (other than ordinary interest –i.e. not default interests- accruing under secured liabilities, reported to the insolvency administrator (administrador concursal) as contingent credits, which will accrue up to the lower of the value of the asset subject to the security or the maximum secured liabilities under the relevant security interests) shall become subordinated.

9 Prescription

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Meeting of Noteholders and Modifications

- (a) **Powers of meetings:** A meeting shall, subject to these Conditions, have power by Extraordinary Resolution:
 - (i) to sanction any proposal by the Issuer or any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer whether or not those rights arise under the Notes;
 - (ii) to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity;
 - (iii) to assent to any modification of these Conditions proposed by the Issuer;
 - (iv) to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
 - (v) to give any authority, direction or sanction required to be given by Extraordinary Resolution; and
 - (vi) to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution,

provided that the special quorum provisions in Condition 10(h) (*Quorum and Adjournment*) shall apply to any Extraordinary Resolution (a "**Reserved Matter**") for the purpose of making a modification to the Notes which would have the effect of:

- (1) amending the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes;
 - (2) reducing or cancelling the nominal amount of or any premium payable on redemption of, the Notes;
 - (3) reducing the rate or rates of interest in respect of the Notes or varying the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes;
 - (4) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, reducing any such Minimum and/or Maximum;
 - (5) varying any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Nominal Amount;
 - (6) varying the currency or currencies of payment or denomination of the Notes;
 - (7) modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution; or
 - (8) amending this proviso.
- (b) **Convening a meeting:** The Issuer may at any time convene a meeting. If it receives a written request by Noteholders holding at least 10 per cent in nominal amount of the Notes for the time being outstanding and is indemnified to its satisfaction against all costs and expenses, the Issuer shall convene a meeting of the Noteholders (which may be a physical, virtual or hybrid meeting).
- (c) **Notice of meeting:** At least 21 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) shall be given to the Noteholders. A copy of the notice shall be given by the party convening the meeting to the other parties. The notice shall specify the day, time and place of meeting (or the details of the electronic platform to be used in the case of a virtual meeting or a hybrid meeting) and the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives and the details of the time limits applicable. With respect to a virtual meeting, each such notice shall set out such other and further details as are required under Condition 10(h) (*Additional provisions applicable to Virtual Meetings and/or Hybrid Meetings*).
- (d) **Cancellation of meeting:** A meeting that has been validly convened in accordance with Condition 10(b) (*Convening a meeting*) above, may be cancelled by the person who convened such meeting by giving at least 7 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the meeting) to the Noteholders. Any meeting cancelled in accordance with this Condition 10(d) shall be deemed not to have been convened.
- (e) **Appointment of Proxy or Representative:** A proxy or representative may be appointed in the following circumstances:
- (i) **Proxy:** A Noteholder may, by an instrument in writing in the English language (a "**form of proxy**") signed by the Noteholder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the specified office of the Issuing and Paying Agent not less than 48 hours before the time fixed for the relevant meeting, appoint one or more persons (each a "**proxy**") to act on their or its behalf in connection with any meeting of the Noteholders and any adjourned such meeting.

- (ii) *Representative:* A Noteholders which is a corporation may, by delivering to the Issuing and Paying Agent not later than 48 hours before the time fixed for any meeting a resolution of its directors or other governing body, authorise any person to act as its representative (a "**representative**") in connection with any meeting of the Noteholders and any adjourned such meeting.
- (iii) Any proxy appointed or representative appointed pursuant to this Condition shall, so long as such appointment remains in full force, be deemed, for all purposes in connection with the relevant meeting or adjourned meeting of the Noteholders, to be the Noteholder to which such appointment relates and the holder of the Notes shall be deemed for such purposes not to be the holder or owner, respectively. A proxy or representative need not be a Noteholder.
- (f) **Chairperson:** The chairperson of a meeting shall be such person as the Issuer may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairperson, failing which the Issuer may appoint a chairperson. The chairperson need not be a Noteholder or agent. The chairperson of an adjourned meeting need not be the same person as the chairperson of the original meeting.
- (g) **Attendance:** The following may attend and speak at a meeting:
 - (i) Noteholders and agents;
 - (ii) the chairperson;
 - (iii) the Issuer and the Issuing and Paying Agent (through their respective representatives) and their respective financial and legal advisers; and
 - (iv) any Dealer(s) and their advisers.

No-one else may attend or speak.

(h) **Quorum and Adjournment**

- (i) No business (except choosing a chairperson) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairperson may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- (ii) The quorum:
 - (A) to pass a Reserved Matter, shall be Noteholders representing 75 per cent of the Notes, except in respect of a meeting convened for such purpose previously adjourned through want to quorum where it shall be Noteholders representing 25 per cent of the Notes; and
 - (B) to pass any other Extraordinary Resolution, shall be Noteholders representing 50 per cent of the Notes, except in respect of a meeting convened for such purpose previously adjourned through want to quorum where it shall be two or more Noteholders whatever the proportion of the Notes which they represent.
- (iii) The chairperson may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place. Only business which could have

been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this Condition 10(h) (*Quorum and Adjournment*).

- (iv) At least 10 days' notice (exclusive of the day on which the notice is given or deemed to be given and of the day of the adjourned meeting) of a meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. No notice need, however, otherwise be given of an adjourned meeting.

(i) **Voting**

- (i) At a meeting which is held only as a physical meeting, each question submitted to such meeting shall be decided by a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairperson, the Issuer or one or more persons representing not less than 2 per cent of the Notes.
 - (ii) Unless a poll is demanded a declaration by the chairperson that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
 - (iii) If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairperson directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
 - (iv) A poll demanded on the election of a chairperson or on a question of adjournment shall be taken at once.
 - (v) On a show of hands every person who is a proxy or representative has one vote. On a poll every such person has one vote in respect of each integral currency unit of the Specified Currency of the Notes for which they are a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.
 - (vi) In case of equality of votes the chairperson shall both on a show of hands and on a poll have a casting vote in addition to any other votes which they may have.
 - (vii) At a virtual meeting or a hybrid meeting, a resolution put to the vote of the meeting shall be decided on a poll in accordance with Condition 10(i)(v), and any such poll will be deemed to have been validly demanded at the time fixed for holding the meeting to which it relates.
- (j) **Effect and Publication of an Extraordinary Resolution:** An Extraordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Extraordinary Resolution to Noteholders within 14 days but failure to do so shall not invalidate the resolution.
- (k) **Minutes:** Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairperson of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened

and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

(l) **Additional provisions applicable to Virtual Meetings and/or Hybrid Meetings**

- (i) The Issuer may decide to hold a virtual meeting or a hybrid meeting and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to attend and participate in the meeting, including the electronic platform to be used.
- (ii) The Issuer or the chairperson may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the security of the electronic platform. All documentation that is required to be passed between persons present at the virtual meeting or hybrid meeting (in whatever capacity) shall be communicated by email.
- (iii) All resolutions put to a virtual meeting or hybrid meeting shall be voted on by a poll in accordance with Condition 10(i) (*Voting*) above and such poll votes may be cast by such means as the Issuer considers appropriate for the purposes of the virtual meeting or hybrid meeting.
- (iv) Persons seeking to attend or participate in a virtual meeting or hybrid meeting shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so.
- (v) In determining whether persons are attending or participating in a virtual meeting or hybrid meeting, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other.
- (vi) Two or more persons who are not in the same physical location as each other attend a virtual meeting or hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.
- (vii) The Issuer may make whatever arrangements they consider appropriate to enable those attending a virtual meeting or hybrid meeting to exercise their rights to speak or vote at it.
- (viii) A person is able to exercise the right to speak at a virtual meeting or hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Condition 10 (*Meeting of Noteholders and Modifications*).
- (ix) A person is able to exercise the right to vote at a virtual meeting or hybrid meeting when:
 - (A) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (B) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting who are entitled to vote at such meeting.

- (m) **Modification:** These Conditions may be amended without the consent of the Noteholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify

any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

- (n) For the purposes of this Condition 10 (*Meeting of Noteholders and Modifications*):

references to a meeting are to a physical meeting, a virtual meeting or a hybrid meeting of Noteholders of a single Series of Notes and include, unless the context otherwise requires, any adjournment;

references to "**Notes**" and "**Noteholders**" are only to the Notes of the Series in respect of which a meeting has been, or is to be, called and to the Noteholders of such Series, respectively;

"**agent**" means a proxy for, or representative of, a Noteholder;

"**electronic platform**" means any form of telephony or electronic platform or facility and includes, without limitation, telephone and video conference call and application technology systems;

"**Extraordinary Resolution**" means a resolution passed at (a) a meeting duly convened and held in accordance with these Conditions by a majority of the votes cast, or (b) by Written Resolution;

"**hybrid meeting**" means a combined physical meeting and virtual meeting convened pursuant to this Condition 10 (*Meeting of Noteholders and Modifications*) by the Issuer at which persons may attend either at the physical location specified in the notice of such meeting or via an electronic platform;

"**meeting**" means a meeting convened pursuant to this Condition 10 (*Meeting of Noteholders and Modifications*) by the Issuer and whether held as a physical meeting or as a virtual meeting or as a hybrid meeting;

"**physical meeting**" means any meeting attended by persons present in person at the physical location specified in the notice of such meeting;

"**present**" means physically present in person at a physical meeting or a hybrid meeting, or able to participate in a virtual meeting or a hybrid meeting via an electronic platform;

"**virtual meeting**" means any meeting held via an electronic platform;

"**Written Resolution**" means a resolution in writing signed by the holders of not less than 75 per cent. in nominal amount of the Notes outstanding. A Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders; and

references to persons representing a proportion of the Notes are to Noteholders or agents holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding.

11 Further Issues

The Issuer may from time to time without the consent of the Noteholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to "Issue Date" shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly.

12 Notices

Notices to the Noteholders will be published in the official bulletin of AIAF (*Boletín Diario de AIAF Mercado de Renta Fija*) and, where applicable, through the filing by the Issuer of an inside information notice or other relevant information notice (*comunicación de información privilegiada* or *comunicación de otra información relevante*) with the CNMV. So long as the Notes are listed and/or admitted to trading, notices required to be given to the Noteholders pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading.

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Issuer may approve.

In addition, all notices to Noteholders shall be made through Iberclear (and any additional clearing entity specified in the Final Terms) for on transmission to its (or their respective) accountholders.

13 Currency Indemnity

If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Issuing and Paying Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

14 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

15 Governing Law and Jurisdiction

- (a) **Governing law:** Except with respect to the provisions in Condition 1 (*Form, denomination, title and transfer*) relating to form, title and transfer of the Notes as described and in Condition 2 (*Status*), the Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, English law. The provisions relating to form, title and transfer of the Notes as described in Condition 1 (*Form, denomination, title and transfer*) and Condition 2 (*Status*) are governed by, and shall be construed in accordance with, Spanish law (*legislación común española*).

- (b) **English courts:** The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute regarding any non-contractual obligation arising out of or in connection with the Notes).
- (c) **Appropriate forum:** The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) **Rights of the Noteholders to take proceedings outside England:** Notwithstanding Condition 15(b) (*English courts*), any Noteholder may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) **Service of Process:** The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the attention of the London Luton Airport Operations Limited, Att. Legal Department, Percival House, 134 Percival Way, London Luton Airport, Luton, LU2 9NU, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

FORM OF FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (the "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

EU MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in EU MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of UK domestic law by virtue of the [European Union (Withdrawal) Act 2018][EUWA] ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for

undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (as modified or amended from time to time, the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["*prescribed capital markets products*"/["*capital markets products other than prescribed capital markets products*"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).]

Final Terms dated [•]

Aena S.M.E., S.A.

Legal entity identifier (LEI): 959800R7QMXKF0NFMT29

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

under the

Euro 3,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 27 July 2023 [and the supplement(s) to it dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of [Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**")]/[the EU Prospectus Regulation]. This document constitutes the Final Terms of the Notes described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated [•] [and the supplement(s) to it dated [•]] which are incorporated by reference in the Base Prospectus dated 27 July 2023. This document constitutes the Final Terms of the Notes described herein for the purposes of [Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**")]/[the EU Prospectus Regulation] and must be read in conjunction with the Base Prospectus dated 27 July 2023 [and the supplement(s) to it dated [•]], which [together] constitute[s] a base prospectus for the purposes of the EU Prospectus Regulation (the "**Base Prospectus**") in order to obtain all the relevant information, save in respect of the Conditions which are extracted from the Base Prospectus dated [[•] [and the supplement(s) to it dated [•]].]

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and these Final Terms are available for viewing during normal business hours at, and copies may be obtained from CaixaBank, S.A. at [Calle Pintor Sorolla 2-4, 46002 Valencia, Spain]. The Base Prospectus has been published on the website of the CNMV and will be available at: <https://www.cnmv.es> and on the website of the Issuer at [•].

(Where listing is not on an EU regulated market, references to the EU Prospectus Regulation in the Final Terms should be removed.)

(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.)

- | | | |
|------|---|--|
| (1) | Issuer: | Aena S.M.E., S.A. |
| (2) | (i) Series Number: | [•] |
| | (ii) Tranche Number: | [•] |
| | (iii) [Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the <i>[insert description of the Series]</i> on <i>[insert date/the Issue Date]</i> .] |
| (3) | Specified Currency or Currencies: | [•] <i>(in the case of Dual Currency Notes, specify the currency in which the Notes are denominated and the currency in which principal and/or interest are payable)</i> |
| (4) | Aggregate Nominal Amount: | [•] |
| | (i) Series: | [•] |
| | (ii) Tranche: | [•] |
| (5) | Issue Price: | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from <i>[insert date]</i> <i>(in the case of fungible issues only, if applicable)</i>] |
| (6) | (i) Specified Denomination(s): | [•] |
| | (ii) Calculation Amount: | [•] |
| | (iii) [Number of Notes | [•]] |
| (7) | (i) Issue Date: | [•] |
| | (ii) Interest Commencement Date: | [Specify/Issue Date/Not Applicable] |
| (8) | Maturity Date: | [[•] <i>specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]</i> |
| (9) | Interest Basis: | [[•] per cent. Fixed Rate]
[EURIBOR/SONIA/SOFR/€STR] +/- [•] per cent. Floating Rate]
[Zero Coupon]]
(further particulars specified below) |
| (10) | Redemption Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. of their nominal amount. |
| (11) | Change of Interest Basis: | [Applicable/Not Applicable]
<i>[Specify the date when any fixed to floating rate or floating to fixed rate change occurs or refer to paragraphs 14 and 15 below and identify there]</i> |
| (12) | Put/Call Options: | [Investor Put]
[Issuer Call [(Make-Whole Redemption by the |

	Issuer)]
	[Residual Maturity Call Option]
	[Substantial Purchase Event]
	[Change of Control Put Option]
	[(further particulars specified below)]
(13)	Dates of the corporate authorisations for issuance of Notes obtained:
	[[•] [and [•]] deciding the issue of the Notes]
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE	
(14)	Fixed Rate Note Provisions
	[In respect of Fixed/Floating Rate Notes: from (and including) [•] to (but excluding) [•]:] [Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Rate [(s)] of Interest:
	[•] per cent. per annum [payable annually/semi-annually/quarterly/monthly/other (<i>specify</i>) in arrear on each Interest Payment Date]
(ii)	Interest Payment Date(s):
	[•] in each year
(iii)	Fixed Coupon Amount [(s)]:
	[•] per Calculation Amount
(iv)	Broken Amounts:
	[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]
(v)	Day Count Fraction:
	[Actual/Actual / Actual/Actual-ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis]
(vi)	Determination Dates:
	[[•] in each year] [Not Applicable] <i>(insert regular Interest Payment Dates, ignoring Issue Date or Maturity Date in the case of a long or short first or last Coupon. N.B. only relevant where Day Count Fraction is Actual/Actual-ICMA)]</i>
(15)	Floating Rate Provisions
	[In respect to Fixed/Floating Rate Notes: from (and including) [•] to (but excluding) [•]:] [Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph).</i>
(i)	Interest Period(s):
	[•] [subject to adjustment in accordance with the Business Day Convention set out in (v) below]
(ii)	Specified Interest Payment Dates:
	[•] in each year [subject to adjustment in accordance with the Business Day Convention set out in (v) below]
(iii)	Interest Period Date:
	[Not Applicable] [[•] in each year] [subject to adjustment in accordance with the Business Day Convention set out in (v) below] <i>(Not Applicable unless different from Interest Payment Date)</i>
(iv)	First Interest Payment Date:
	[•]
(v)	Business Day Convention:
	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following

	Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(vi) Business Centre(s):	[•]
(vii) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ ISDA Determination]
(viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent):	[•]
(ix) Screen Rate Determination:	[Applicable/Not Applicable]
- Index Determination:	[Applicable/Not Applicable]
<i>Insert only if Index Determination is not applicable:</i>	
- Reference Rate:	[EURIBOR/SONIA/SOFR/€STR] [Not Applicable] (if the Rate of Interest is determined by linear interpolation in respect of an interest period, insert the relevant interest period(s) and the relevant two rates used for such determination)
- Relevant Inter-Bank Market:	[•]
- Relevant Screen Page Time:	[•]
- Interest Determination Date(s):	[•] [The date falling [•] Business Days prior to the first day of each Interest Accrual Period]/ [First day of each Interest Accrual Period]/[The [first, second, third etc.] Business Day immediately preceding the Interest Payment Date for each Interest Accrual Period (or immediately preceding such earlier date, if any, on which the Notes are due and payable).][provide details][The Interest Payment Date at the end of each Interest Accrual Period; provided that the Interest Determination Date with respect to the last Interest Accrual Period prior to the Maturity Date or the date fixed for redemption will be the Rate Cut-off Date (Include this wording for Payment Delay only)] (To be at least 5 Business Days before the relevant Interest Payment Date where the Reference Rate is SONIA, SOFR or €STR, without the prior agreement of the Issuing and Paying Agent.) (In the case of SONIA, SOFR or €STR) [[•] London Banking Days prior to the Interest Payment Date for the relevant Interest Period]
- Effective Interest Payment Date:	[The date falling [•] Business Days following each Interest Payment Date, provided that the Effective Interest Payment Date with respect to the last Interest

Period will be the Maturity Date or, if the Issuer elects to redeem the Notes before the Maturity Date, the date fixed for redemption (*include for Payment Delay only*))/[Not Applicable]

(Effective Interest Payment Dates should be at least 5 Business Days after the Interest Payment Dates, unless otherwise agreed with the Issuing and Paying Agent.)

- p: [•]
 - Relevant Screen Page: [•]/[Bloomberg Page SONIO/N Index]/[New York Federal Reserve's Website]/[ECB's Website]
 - Calculation Method: [Weighted Average/Compounded Daily/Not Applicable]
 - Observation Method: [Lag/Lock-out/Observation Shift/Payment Delay/Not Applicable]
 - Observation Look-back Period: [•]/[Not Applicable]
(The Observation Look-back Period should be at least as many Business Days before the Interest Payment Date as the Interest Determination Date. "Observation Look-back Period" is only applicable where "Lag" or "Observation Shift" is selected as the Observation Method; otherwise, select "Not Applicable".)
 - D: [365/360/[•]/[Not Applicable]]
 - Rate Cut-off Date: [The date falling [•] Business Days prior to the Maturity Date or the date fixed for redemption, as applicable (*include for Payment Delay only*))/[Not Applicable]
(The Rate Cut-off Date should be at least 5 Business Days prior to the Maturity Date or the date fixed for redemption, unless otherwise agreed with the Issuing and Paying Agent.)
 - Reference Banks (*when the Relevant Screen Page is not available*): [•]
 - [Reference Currency: [•]]
 - [Relevant Swap Rate: [•]]
 - [Relevant Financial Centre: [•]]
 - [Designated Maturity: [•]]
 - [Specified Time: [•]]
- Insert only if Index Determination is applicable:*

- SONIA Compounded Index:	[Applicable/Not Applicable]
- SOFR Compounded Index:	[Applicable/Not Applicable]
- €STR Compounded Index:	[Applicable/Not Applicable]
- Interest Determination Date:	[•]/[The day falling the Relevant Number of Index Days prior to the relevant Interest Payment Date, or such other date on which the relevant payment of interest falls due (but which, by its definition or the operation of the relevant provisions, is excluded from the relevant Interest Accrual Period)]
- Relevant Decimal Place:	[•]/[As per the Conditions] <i>(Relevant Decimal Place should be a number that is five or greater where Compounded Daily SONIA or Compounded Daily €STR is applicable and two or greater where Compounded Daily SOFR is applicable.)</i>
- Relevant Number:	[•]/[As per the Conditions]
- Numerator:	[•]/[As per the Conditions]
(x) ISDA Determination:	[Applicable/Not Applicable] <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>
ISDA Definitions:	[2006 ISDA Definitions / 2021 ISDA Definitions]
- Floating Rate Option:	[•] [Overnight Floating Rate Option] [Index Floating Rate Option] <i>(if the Rate of Interest is determined by linear interpolation in respect of an interest period, insert the relevant interest period(s) and the relevant two rates used for such determination)</i>
- Designated Maturity:	[•]
- Reset Date:	[•]
- Compounding	[Applicable/Not Applicable] <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>
- [Compounding Method	[Compounding with Lookback Lookback: [•] Applicable Business Days [Compounding with Observation Period Shift Observation Period Shift: [•] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [•]/[Not Applicable]] [Compounding with Lockout Lockout: [•] Lockout Period Business Days Lockout Period Business Days: [•]/[Applicable Business Days]]
- Averaging	[Applicable/Not Applicable] <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>

- [Averaging Method:	[Averaging with Lookback Lookback: [•] Applicable Business Days]
	[Averaging with Observation Period Shift Observation Period Shift: [•] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [•]/[Not Applicable]]
	[Averaging with Lockout Lockout: [•] Lockout Period Business Days Lockout Period Business Days: [•]/[Applicable Business Days]]
- Index Provisions	[Applicable/Not Applicable] <i>(If not applicable delete the remaining sub-paragraphs of this paragraph)</i>
- [Index Method	Compounded Index Method with Observation Period Shift Observation Period Shift: [•] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [•]/[Not Applicable]]
(xi) Linear interpolation:	[Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (<i>specify for each short or long interest period</i>)/Not Applicable]
(xii) Margin(s):	[+/-] [•] per cent. <i>per annum</i>
(xiii) Minimum Rate of Interest:	[•] per cent. <i>per annum</i>
(xiv) Maximum Rate of Interest:	[•] per cent. <i>per annum</i> /[Not Applicable]
(xv) Day Count Fraction:	[Actual/Actual / Actual/Actual-ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis]
(16) Zero Coupon Note Provisions	[Applicable/Not Applicable] <i>(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Amortisation Yield:	[•] per cent. <i>per annum</i>
(ii) Day Count Fraction:	[Actual/Actual / Actual/Actual-ISDA / Actual/Actual-ICMA / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 (Bond Basis) / 30E/360 / Eurobond Basis]
(17) Dual Currency Note Provisions	[Applicable/Not Applicable] <i>(If applicable, details in paragraphs 14 or 15 shall also be specified on the applicable interest basis. If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (i) Rate of Exchange: [Give details]
- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent): [•] (give name and address)

PROVISIONS RELATING TO REDEMPTION

- (18) Call Option [Applicable/Not Applicable] *(If Not Applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note: [•] per Note [of [•] Calculation Amount] [Make-Whole Redemption Price] [Condition 5(j) applies]
 - (iii) If redeemable in part: [•]
 - Minimum Redemption Amount: [[•] per Calculation Amount]/[Not Applicable]
 - Maximum Redemption Amount: [[•] per Calculation Amount]/[Not Applicable]
 - (iv) Notice period: [As per the Conditions]/ [•]
- (19) Make-Whole Redemption by the Issuer [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (i) Reference Security: [•]
 - (ii) Redemption Margin: [•]
 - (iii) Reference Dealers: [[•]/ As per Conditions]
 - (iv) Notice period: [As per the Conditions]/ [•]
- (20) Residual Maturity Call Option [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (i) Call Option Date: [•]
 - (ii) Notice period: [As per the Conditions]/ [•]
 - (iii) Time period: [As per the Conditions]/ [•]
- (21) Substantial Purchase Event [Applicable/Not Applicable]
 - (i) Substantial Purchase Event Redemption Amount [•] per Note [of [•] Specified Denomination]
- (22) Change of Control Put Option [Applicable/Not Applicable]
- (23) Dual Currency Notes [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - Rate of Exchange: [Give details]
 - Party, if any, responsible for calculating the principal and/or interest due (if not the Calculation Agent): [•] (give name and address)

- (24) Final Redemption Amount of each Note [[•] per Note [of [•] Calculation Amount]]
- (25) Early Redemption Amount
Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption: [[•] per Note [of [•] Calculation Amount]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- (26) Financial Centre(s): [Not Applicable/Give details]. *(Note that this paragraph relates to the date of payment, and not the dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 15(v) relate)*

THIRD PARTY INFORMATION

[(*Relevant third party information*) has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Aena S.M.E., S.A.:

Duly authorised by:

Date:

PART B – OTHER INFORMATION

ADMISSION TO TRADING

- (i) Admission to trading: [Application [has been/will be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on AIAF [within 30 days following the Issue Date/[*other time period*]/ with effect from [•].] [Not Applicable.]
(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)
- (ii) Estimate of total expenses related to admission to trading: [•]

RATINGS

- Ratings: [The Notes to be issued [have been/are expected to be] rated/The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]: [•.]
[Fitch Ratings: [•]]
[Moody's: [•]]
[S&P: [•]]
[Other: [•]]
(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)
[Insert one (or more) of the following options, as applicable:
[[*Insert credit rating agency/ies*] [is/are] established in the European Union and [has/have each] applied for registration under Regulation (EC) No 1060/2009 (as amended) (the "**EU CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]
[[*Insert credit rating agency/ies*] [is/are] established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) (the "**EU CRA Regulation**"). As such, [*Insert credit rating agency/ies*][is/are] included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with EU CRA Regulation.]
[[*Insert credit rating agency/ies*] [is/are] not established in the European Union and [has/have each] not applied for registration under Regulation (EC) No 1060/2009 (as amended) (the "**EU CRA Regulation**").].]

[[*Insert credit rating agency/ies*] is not established in the European Union but the rating it has given to the Notes is endorsed by [*insert credit rating agency*], which is established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) (the "**EU CRA Regulation**").]

[[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EU but is certified under (EC) No 1060/2009 (as amended) (the "**EU CRA Regulation**").]

[[The rating [*insert legal name of credit rating agency*] has given to the Notes is endorsed by a credit agency which is established in the UK and registered under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

[[*Insert legal name of credit rating agency*] has been certified under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

[[*Insert legal name of credit rating agency*] has not been certified under Regulation (EU) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]

[Include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the [issue/offer], detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

[Save for any fees payable to the [Managers/Dealers] so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.]

[The [Managers/Dealers] and their affiliates have engaged and may in the future engage in investment banking and/or commercial banking transactions with, and may perform other activities for, the Issuer and its affiliates in the ordinary course of business.]

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the EU Prospectus Regulation.)]

REASONS FOR THE OFFER, ESTIMATED TOTAL EXPENSES

[(i)] Reasons for the offer:	[[•]] [[[See " <i>Use of Proceeds</i> " wording in Base Prospectus] – if reasons for offer different from what is disclosed in the Base Prospectus, will need to give details here.]]
[(ii)] Estimated total expenses:	[•]

[Fixed Rate Notes only – YIELD]

Indication of yield:	[•]% <i>per annum</i> The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]
----------------------	---

OPERATIONAL INFORMATION

Trade Date:	[•]
[Subscription and Payment]:	[The Notes have been subscribed and paid up on [•]]
ISIN:	[•]
Common Code:	[•]
Registration, clearing and settlement:	[Ibclear/[Other]]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any):	[•]
Relevant Benchmark[s]:	[[•] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (<i>Register of administrators and benchmarks</i>) of the EU Benchmarks Regulation]/[As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the EU Benchmarks Regulation]/[As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that [name of administrator] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence)]/[Not Applicable].

DISTRIBUTION

(i) Method of distribution:	[Syndicated/Non-syndicated]
(ii) If syndicated:	
(A) Names of Managers:	[Not Applicable/give names]

- | | |
|--|---|
| (B) Stabilisation Manager(s) if any: | [Not Applicable/ <i>give name</i>] |
| (iii) If non-syndicated, name of Dealer: | [Not Applicable/ <i>give name</i>] |
| (iv) US Selling Restrictions (Categories of potential investors to which the Notes are offered): | Reg. S Compliance Category [1/2] applies to the Notes |
| (v) Additional Selling Restrictions | [•] |

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used for the general corporate purposes of the Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

DESCRIPTION OF THE ISSUER

The data in this section has not been updated with data as of, and for the six-month period ended on, 30 June 2023 as the Issuer believes that the data included herein is sufficient for an accurate description of the Issuer.

Aena S.M.E., S.A. (the "**Issuer**" or "**Aena**", and together with its consolidated subsidiaries, the "**Group**") is legally incorporated as a Spanish state mercantile company (*sociedad mercantil estatal*) with public limited form (*sociedad anónima*) in accordance with articles 166 of Act 33/2003, of 3 November, on Public Administration Assets (*Ley 33/2003, de 3 de noviembre, del Patrimonio de las Administraciones Públicas*) and 111 of the Public Sector Act (*Ley 40/2015, de 1 de octubre, de Régimen Jurídico del Sector Público*).

The Issuer's registered office is located at Calle Peonías, 12, 28042, Madrid, Spain, the telephone number of its registered office is "+34 91-321-10-00" and its corporate website is www.aena.es (unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus). The Issuer holds Tax Identification Code number A-86212420. The Issuer was incorporated on 31 May 2011 for an indefinite period of time and the Issuer's shares began trading on the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia) on 15 October 2014.

The Issuer is governed by the Legislative Royal Decree 1/2010, of 2 July 2010, approving the revised Capital Companies Law and, where applicable, by Public Authorities Property Law 33/2003 of 3 November 2003, by General State Budget Law 47/2003 of 26 November 2003, by Royal Decree-Law 13/2010 of 3 December 2010 on tax, employment and deregulation measures to promote investment and the creation of employment, by Title VI of the Air Safety Law as amended by the Law adopting the State Operational Safety Program and amending Law 21/2001, and by the other general legal provisions applicable to it.

As at the date of this Base Prospectus, the share capital of the Issuer is represented by 150,000,000 ordinary shares with a nominal value of 10 euros each, which are fully subscribed and paid up. All of the Issuer's shares are ordinary shares and have identical rights.

On 1 June 2023, Fitch Ratings España, S.A.U confirmed the long-term credit rating of Aena at 'A-', maintaining the stable outlook. It also confirmed the short-term rating at 'F2'. The long-term credit rating from Moody's Investors Service España S.A., updated on 7 July 2022, remained at 'A3' with stable outlook.

The Issuer's commercial name is Aena and its legal entity identifier ("**LEI**") is 959800R7QMXKF0NFMT29.

Overview

The Issuer is an airport operator which, as at the date of this Base Prospectus, operates 46 airports (32 wholly-owned, eight part-owned and in joint use with the Spanish Ministry of Defense (*Ministerio de Defensa*, the "**Ministry of Defense**"). The Issuer is also an airport operator with regards to five military air bases in Talavera la Real (Bajadoz), Matacán (Salamanca), Villanubla (Valladolid), León and Albacete which are wholly-owned by the Ministry of Defense but which are open to civilian use. The Issuer also is an airport operator with regards to the concession of the Región de Murcia International Airport ("**AIRM**") and two heliports (both concessions), all of which are located in Spain. In addition, through the Issuer's subsidiary Aena Desarrollo Internacional S.M.E., S.A. ("**Aena Internacional**"), the Group operates an airport in the United Kingdom and has equity stakes in companies operating twelve airports in Mexico, two in Jamaica and two in Colombia. In addition, since the first quarter of 2020, the Group has operated six airports in the North East of Brazil through the subsidiary Aeroportos do Nordeste do Brasil S.A. ("**ANB**") and from the fourth quarter of 2023, eleven Brazilian airports are expected to be operated through the recently established subsidiary Bloco de Onze Aeroportos do Brasil S.A. ("**BOAB**"), following Aena Internacional's successful bid for the concession awarded on 18 August 2022 (ANB and BOAB are hereinafter referred to collectively as "**Aena Brasil**").

The Issuer served 270.7 million passengers for the year ended 31 December 2022 (243.7 million in the Spanish network, 13.1 million in London Luton airport and 13.9 million in Aena Brasil airports¹). It operates two of the ten largest airports in the European Union in terms of passenger volume (the Adolfo Suárez Madrid-Barajas Airport, which is the fifth largest airport in the European Union (*source*: Airport Council International ("**ACI**") Europe, April 2023) with 50.6 million passengers in 2022, and the Josep

¹ Figures are in respect only of the number of passengers in the North East Brazilian airports, since BOAB (the concession Company established for this purpose) has not begun to operate the airports yet.

Tarradellas Barcelona El Prat Airport, which is the seventh largest airport in the European Union (*source*: ACI Europe, April 2023) with 41.6 million passengers in 2022). In addition, five of the airports that the Group owns and operates in Spain (Palma de Mallorca, Málaga-Costa del Sol, Alicante-Elche, Gran Canaria, and Tenerife Sur) serviced over 83.5 million passengers in 2022.

On 28 February 2023, Aena communicated the upward revision of the 2023 traffic estimation scenarios across Spain's airport network, with passenger volume recovering between 94% and 104% compared to pre-pandemic levels in 2019.

The Group's airport network in Spain consists of three main airports, Adolfo Suárez Madrid-Barajas, Josep Tarradellas Barcelona-El Prat and Palma de Mallorca, and a range of other airports, divided into four categories: the Canary Islands Group, composed of the eight airports on the Canary Islands; Group I Airports, composed of airports with a volume of more than two million passengers per year; Group II Airports, composed of airports with a volume of between half a million and two million passengers per year; and Group III Airports, composed of airports with a volume of less than half a million passengers per year.

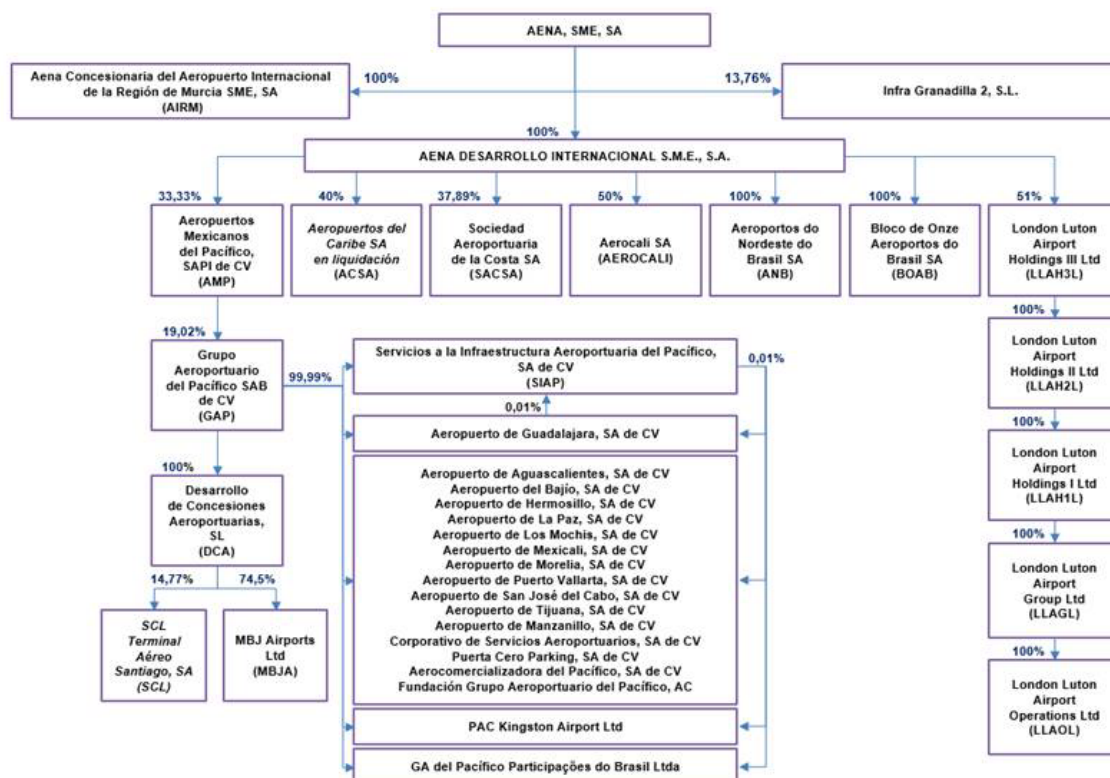
Outside of Spain, the Group operates, through majority-owned subsidiaries of Aena Internacional, London Luton Airport in the United Kingdom and the following 6 airports located in Brazil: Recife/Guararapes – Gilberto Freyre, Maceió – Zumbi dos Palmares, Aracajú - Santa Maria, Campina Grande – Presidente João Suassuna, João Pessoa – Presidente Castro Pinto and Juazeiro do Norte – Orlando Bezerra Menezes. From the fourth quarter of 2023, the following 11 Brazilian airports are expected to be operated through the recently established subsidiary BOAB: Congonhas, Campo Grande, Uberlândia, Santarém, Marabá, Montes Claros, Carajás, Altamira, Uberaba, Corumbá and Ponta Porã. In addition, Aena Internacional has equity stakes in companies operating Alfonso Bonilla Aragón Airport (Cali) and Rafael Núñez Airport (Cartagena de Indias) in Colombia; the airports of Montego Bay and Kingston in Jamaica and the airports of Aguascalientes, Bajío, Hermosillo, Guadalajara, La Paz, Los Mochis, Manzanillo, Mexicali, Morelia, Puerto Vallarta, San José del Cabo and Tijuana in Mexico.

London Luton, the six Brazilian airports (ANB) and the eleven newly-awarded Brazilian airports (BOAB) are accounted by the full consolidation method. The rest (AMP, Aerocali and SACSA) are accounted by the equity method.

Group Structure

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

The organisational structure of the Group with its holding companies and their significant subsidiaries as at the date of this Base Prospectus is summarised in the following diagram. The Issuer is the Group's parent company.



On 4 February 2022, Aena increased its shareholding in INFRA GRANADILLA 2, S.L., to a stake of 13.76%. The activity of this company consists in the production, sale, storage and marketing of renewable electricity and thermal energy, as well as the exploitation and development of projects related to renewable energy: wind, photovoltaic and any other type.

History

- Prior to the Issuer's incorporation in 2011, the operation of Spanish airports was entrusted to the Issuer's majority shareholder, ENAIRE, a state-owned entity incorporated by means of Law 4/1990, of 29 June.
- Aena Internacional began its activities in 1998 as a vehicle for the Issuer for its business development objectives outside of Spain; the Issuer holds 100% of its share capital.
- Between 2000 and 2010, additional terminals were inaugurated in Adolfo Suárez Madrid-Barajas and Josep Tarradellas Barcelona-El Prat, and the airports of Alicante-Elche and Valencia were renovated.
- In February 2015, the Issuer carried out an initial public offering whereby its main shareholder ENAIRE disposed of 49% of the Issuer's share capital and the Issuer's shares were listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges.

Impacts of the Covid-19 pandemic

The Issuer's activity was significantly affected during the years 2020 and 2021 by the circumstances surrounding the COVID-19 pandemic, namely due to global restrictions on mobility. In this context, the aviation sector, and specifically, the airports managed by the Issuer, suffered a historically unprecedented reduction in operations and passenger traffic following the onset of the pandemic. Nonetheless, as of 2022, the Group's traffic levels recovered close to pre-pandemic levels.

Financial Information

Consolidated income statement for the years ended 31 December 2022 and 31 December 2021:

Thousands of euros	31 December 2022	31 December 2021 ^(*)
Continuing operations		
Ordinary revenue	4,182,169	2,428,019
Other operating revenue	8,969	21,034
Works carried out by the company for its assets	6,951	6,464
Supplies/Subcontracted work and other supplies	(163,029)	(158,481)
Staff costs	(514,588)	(459,799)
Losses, impairment and change in trading provisions/provisions for commercial operations	(19,308)	(28,379)
Write-off of financial assets	(17,445)	(663,145)
Other operating expenses	(1,413,113)	(876,517)
Depreciation and amortisation of fixed assets	(795,175)	(796,619)
Allocation of non-financial and other fixed asset grants	34,466	35,525
Provision surpluses	4,942	11,489
Impairment of intangible assets, property, plant and equipment and investment property	36,972	(99,459)
Profit from disposals of fixed assets	(11,154)	(13,190)
Other profit/(losses) - net	(56,979)	(112,598)
Operating profit/(loss)	1,283,678	(705,656)
Finance income	16,457	57,319
Finance expenses	(113,982)	(102,793)
Other net finance income/(expenses)	(51,609)	6,056
Net finance income/(expenses)/Finance expenses - net	(149,134)	(39,418)
Profit/(loss) and impairment of equity-accounted investees/Share in profit or loss of affiliates	35,065	22,733
Profit/(loss) before tax	1,169,609	(722,341)
Corporate Income tax	(263,261)	217,350
Consolidated profit/(loss) for the period	906,348	(504,991)
Profit/(loss) for the period attributable to non-controlling interests	4,849	(29,543)
Profit/(loss) for the fiscal year attributable to shareholders of the parent company	901,499	(475,448)
Earnings per share (euros per share)		
Basic earnings per share for the fiscal year result	6.01	(3.17)
Diluted earnings per share for the fiscal year result	6.01	(3.17)

(*) Restated figures.

Consolidated statement of financial position as at 31 December 2022 and 31 December 2021:

Thousands of euros	31 December 2022	31 December 2021 ^(*)
ASSETS		
Non-current assets	13,564,105	13,701,959
Property, plant and equipment	12,096,201	12,372,965
Intangible assets	806,687	637,251
Real estate investments	133,853	136,728
Right-of-use assets	29,135	33,691
Investments in associates and joint ventures	72,699	56,976
Derivative financial instruments	77,080	-
Other financial assets	101,691	88,466
Other non-current assets	8,168	6,342
Deferred tax assets	238,591	369,540
Current assets	2,285,093	2,172,098
Inventories	6,540	6,175
Trade and other receivables	673,516	699,126
Derivative financial instruments	31,514	-
Cash and cash equivalents	1,573,523	1,466,797
Total assets	15,849,198	15,874,057

EQUITY AND LIABILITIES

Equity/Net equity	6,642,475	5,560,420
Ordinary shares	1,500,000	1,500,000
Share premium	1,100,868	1,100,868
Retained earnings/(losses)	4,190,452	3,293,758
Cumulative currency translation differences	(136,730)	(175,624)
Other reserves/other comprehensive income	63,032	(70,462)
Non-controlling interests	(75,147)	(88,120)
<hr/>		
Liabilities		
Non-current liabilities	7,660,656	7,823,898
Financial debt	7,158,001	7,191,948
Derivative financial instruments	—	45,999
Grants	364,599	391,933
Employee benefits	6,769	20,479
Provisions for other liabilities and expenses	66,748	104,809
Deferred tax liabilities	51,354	53,909
Other non-current liabilities	13,185	14,821
<hr/>		
Current liabilities	1,546,067	2,489,739
Financial debt	658,437	1,721,196
Derivative financial instruments	50,240	27,607
Suppliers and other accounts payable	749,676	669,997
Current tax liabilities	1,061	1,470
Grants	31,122	33,448
Provision for other liabilities and expenses	55,531	36,021
<hr/>		
Total liabilities	9,206,723	10,313,637
<hr/>		
Total equity and liabilities	15,849,198	15,874,057

(*) Restated figures.

Business Segments

The following tables shows the ordinary revenue, the total revenue, the depreciation and amortization, the total expenses and EBITDA ² by segments:

<i>Thousands of euros</i>	FY 2022⁽¹⁾	% Total 2022	FY 2021^{(1)*}	% Total 2021	2022 Vs. 2021
Total ordinary revenue	4,182,169	100.0%	2,428,019	100.0%	72.2%
Airport Segment	3,597,919	86.0%	2,176,276	89.6%	65.3%
Aeronautical	2,367,379	56.6%	1,283,395	52.9%	84.5%
Commercial	1,230,540	29.4%	892,881	36.8%	37.8%
Real estate services	86,584	2.1%	74,217	3.1%	16.7%
AIRM	11,942	0.3%	4,435	0.2%	169.3%
International	485,950	11.6%	174,257	7.2%	178.9%
Adjustments ⁽²⁾	(226)	(0.0%)	(1,166)	(0.0%)	(80.6%)
Total EBITDA	2,078,853	49.7%	90,963	3.7%	2,185.4%
Airport Segment	1,837,042	43.9%	88,511	3.6%	1,975.5%
Aeronautical	906,081	21.7%	64,028	2.6%	1,315.1%
Commercial	930,961	22.3%	24,483	1.0%	3,702.5%
Real estate services	59,885	1.4%	53,332	2.2%	12.3%
AIRM	533	0.0%	(4,469)	(0.2%)	(111.9%)
International	181,397	4.3%	(46,396)	(1.9%)	(491.0%)
Adjustments ⁽²⁾	(4)	(0.0%)	(15)	(0.0%)	(73.3%)

(1) Source: 2022 Consolidated Annual Accounts.

(2) The adjustments line item primarily includes consolidation adjustments.

(*) Restated figures.

The breakdown of the EBITDA by segments is an APM. This indicator is calculated by means of the following formula: Total revenue + Depreciation and Amortisation - Total expenses.

<i>Thousands of euros</i>	Aeronautical	Commercial	Real estate services	AIRM	International	Adjustments⁽²⁾	Total consolidated
FY 2022⁽¹⁾							
Total revenue	2,412,213	1,239,324	89,722	11,994	486,058	(1,814)	4,237,497
Total expenses	(2,112,501)	(407,582)	(46,755)	(11,696)	(377,095)	1,810	(2,953,819)
Depreciation and Amortisation	606,369	99,219	16,918	235	72,434	0	795,175
EBITDA	906,081	930,961	59,885	533	181,397	(4)	2,078,853

(1) Source: 2022 Consolidated Annual Accounts.

(2) The adjustments line item primarily includes consolidation adjustments.

² All APMs used in this document are defined at Section 5.4 of the 2022 Consolidated Annual Accounts, which are incorporated by reference.

<i>Thousands of euros</i>	Aeronautical	Commercial	Real estate services	AIRM	International	Adjustments⁽²⁾	Total consolidated
FY 2021⁽¹⁾							
Total revenue	1,328,079	902,320	81,071	6,560	186,860	(2,359)	2,502,531
Total expenses	(1,869,823)	(974,788)	(44,142)	(11,036)	(310,742)	2,344	(3,208,187)
Depreciation and Amortisation	605,772	96,951	16,403	7	77,486	0	796,619
EBITDA	64,028	24,483	53,332	(4,469)	(46,396)	(15)	90,963

(1) Source: 2022 Consolidated Annual Accounts.

(2) The adjustments line item primarily includes consolidation adjustments.

Airports

The airports segment is divided into two business lines, aeronautical activities and commercial activities.

Aeronautical activities

The aeronautical activities business line is divided into two sub-categories, regulated activities and non-regulated activities.

Aeronautical Business Line (Million)

	Year Ended 31 December ⁽¹⁾		Year Ended
	2022	2021	2022 vs. 2021
Ordinary revenue	2,367.4	1,283.4	84.5%
Other operating revenue	44.8	44.7	0.2%
Total revenue	2,412.2	1,328.1	81.6%
Total expenses	(2,112.5)	(1,869.8)	13.0%
EBITDA	906.1	64.0	1,315.8%

(1) Source: 2022 Consolidated Annual Accounts.

Aeronautical Business Line (Million)

	For the Year Ended 31 December ⁽¹⁾		Year Ended
	2022	2021	2022 vs. 2021
Landings	598.5	340.3	75.9%
Parking facilities	43.5	61.2	(28.9%)
Passengers	952.4	512.1	86.0%
Boarding airbridges	77.1	59.2	30.2%
Security	338.8	179.3	89.0%
Handling	93.8	59.7	57.1%
Fuel	25.3	15.8	60.1%
Catering	8.5	5.2	63.5%
Recovery of COVID-19 costs, Act 2/2021	155.7	-	-
Other airport services	73.9	50.5	46.3%
Ordinary revenue	2,367.4	1,283.4	84.5%

(1) Source: 2022 Consolidated Annual Accounts.

(a) Regulated activities

Regulated activities are those that revenues generated by them are considered as public patrimonial benefits with rates which are fixed through a procedure set by Act 18/2014 and Directive 2009/12/EC. These services are included in Act 21/2003 and included, but are not limited to, landing and aerodrome services, aircraft parking, passengers' use of airport facilities, security, ground handling services, the variable portion of the fees relating to the supply of fuel and lubricant and catering. For additional information on the rates the Group can charge for the Group's regulated activities, see the section entitled "*Regulatory Framework*" in this Base Prospectus.

Landings. Fees charged for landings represented 25.3% of the ordinary revenue generated from aeronautical activities during the period ended 31 December 2022. Landings include all services related to the use of runways by aircrafts, other than the use of personnel for servicing aircraft, handling cargo and all services related to air traffic provided by the airport operator. It is determined according to the maximum takeoff weight and varies depending on the type, class of flight, and the noise level of the aircraft.

Parking facilities. Fees charged for stands represented 1.8% of the ordinary revenue generated from aeronautical activities during the period ended 31 December 2022. Fees for stands are charged for the time aircrafts are not parked next to a telescopic boarding gate or at a hangar. Fees are also charged for the time planes are parked with wheel chocks in the runways. The Group does not charge stand fees between 12:00 a.m. and 6:00 a.m.

Passengers. Fees charged to passengers for the use of airport facilities represented 40.2% of the ordinary revenue generated from aeronautical activities during the period ended 31 December 2022. These fees include fees charged to passengers for the use of terminals, waiting areas, gates and other areas required to access the aircraft and they vary depending on the type of flight (domestic, EEA and non-EEA).

Boarding airbridges. Fees charged for the use of telescopic boarding gates represented 3.3% of the ordinary revenue generated from aeronautical activities during the period ended 31 December 2022. Fees are charged to airlines for the use of telescopic boarding gates for boarding or disembarking and for the time the aircraft is parked next to a telescopic boarding gate even if no boarding or disembarking is taking place.

Security. Fees charged for security services represented 14.3% of the ordinary revenue generated from aeronautical activities during the period ended 31 December 2022. These services include the inspection and control of passengers and their luggage and all technological equipment used for security surveillance at the terminal, access areas and runways, among others.

Handling. Fees charged for the use of infrastructure for the provision of ground handling services represented 4.0% of the ordinary revenue generated from aeronautical activities during the period ended 31 December 2022. These services include all activities related to the cleaning and maintenance of the aircraft, luggage handling and apron operations. The Group has awarded a concession to provide ground handling services business to third parties including, among others Iberia, Groundforce, Ryanair, Acciona, Aviapartner, Easyjet, and Swissport.

Fuel. The variable portion of fees charged for the supply of fuel represented 1.1% of the revenue generated from aeronautical activities during the period ended 31 December 2022. These fees are charged for the transportation and supply of fuel within the Group's airports.

Catering. Fees charged for catering represented 0.4% of the ordinary revenue generated from aeronautical activities during the period ended 31 December 2022. On-board catering includes the unloading of consumed food and drink from the aircraft, the loading of fresh food and drink for passengers and crew and the use of airline service trolleys.

Recovery of COVID-19 costs, Act 2/2021. The recovery of these costs corresponds to those recognised in the Resolution on the supervision of health and operational costs incurred by Aena as a result of the health crisis caused by COVID-19 in the period from October 2021 to March 2022.

(b) Non-regulated Activities

Non-regulated activities are those activities for which the Group can decide the amount of fees or rates it charges to its airline customers. These activities include the use of the 400 Hz power system, use of ticket counters, intercompany servicing agreements, the fixed portion of the fees relating to the supply of fuel, fast-track access and certain other airport activities. The Group's non-regulated activities represented 3.1% of the ordinary revenue generated from its aeronautical activities during the period ended 31 December 2022.

(c) Airport Network

The Group's airport network consists of three main airports (Adolfo Suárez Madrid-Barajas, Josep Tarradellas Barcelona-El Prat and Palma de Mallorca) and a variety of other airports divided into four categories: (i) Canary Islands Group, composed of the eight airports of the Canary Islands, (ii) Group I Airports, composed of airports with a volume of more than two million passengers per year, (iii) Group II Airports, composed of airports with a volume of between half a million and two million passengers per year, and (iv) Group III Airports, composed of airports with a volume of less than half a million passengers per year.

The following table sets forth the passenger volume, number of aircraft operations and amount of cargo transported in the various groups of the Aena's Spanish airport network in 2022.

	Passengers		Operations		Cargo	
Airports and Airport Groups	Million	2022 vs. 2021	Thousand	2022 vs. 2021	Tonnes	2022 vs. 2021
Adolfo Suárez Madrid-Barajas	50.6	109.8%	352	61.8%	566,373	8.2%
Josep Tarradellas Barcelona-El Prat	41.6	120.6%	283	73.1%	155,600	14.3%
Palma de Mallorca	28.6	97.1%	221	56.3%	7,592	12.4%
Canary Islands Group	43.5	89.2%	407	48.3%	31,197	5.3%
Group I	65.1	101.4%	551	51.0%	33,335	11.8%
Group II	12.6	106.4%	182	30.6%	132,604	-33.8%
Group III	1.7	61.3%	221	1.2%	73,656	1.5%
Subtotal Spanish Airport Network	243.7	103.1%	2,216	45.9%	1,000,356	0.2%

Adolfo Suárez Madrid-Barajas

Adolfo Suárez Madrid-Barajas is the fifth largest airport in Europe in terms of passenger volume and one of the 30 largest airports in the world (*source*: ACI). In 2022, Adolfo Suárez Madrid-Barajas served 50.6 million passengers. Adolfo Suárez Madrid-Barajas is also the largest airport of the network in terms of passenger volume, aircraft operations (351,906 in 2022) and tonnes of cargo handled (566,373 tonnes in 2022) (*source*: ACI and Aena).

As at the date of this Base Prospectus, Adolfo Suárez Madrid-Barajas has a large infrastructure capacity with four runways that allow for up to 120 (93 declared capacity) aircraft operations per hour; four commercial terminals (T1, T2, T3 and T4), a satellite building with one terminal (T4S) with a combined estimated capacity of up to approximately 70 million passengers per year; a private corporate terminal; more than 23,917 in operation and 30,032 existing parking spaces; a specially devoted cargo area (Centro de Carga Aérea) of over 43,500 square metres open 24 hours a day, seven days a week; and a large commercial area (of approximately 53,000 square metres) that includes, among other things, specialty shops (including luxury boutiques), restaurants and food locations, children's areas, banks, currency exchange locations, VIP lounges, ATMs, chapels and business centers. Adolfo Suárez Madrid-Barajas also has the capability to operate large aircraft such as the Airbus A380.

Josep Tarradellas Barcelona-El Prat Airport

Josep Tarradellas Barcelona-El Prat is the seventh largest airport in Europe and is one of the top 40 airports in the world in terms of passenger volume (41.6 million in 2022), airport operations (283,394 airport operations in 2022) and tonnes of cargo handled (155,600 tonnes in 2022) (*source*: ACI and Aena).

As at the date of this Base Prospectus, Josep Tarradellas Barcelona-El Prat has three runways that allow for up to 90 airport operations per hour; two terminals (T1 which opened in June 2009, and T2) with a combined capacity of up to 55 million passengers; a business terminal for private flights; 18,646 in operation and 35,000 existing parking spaces; an maintenance, repair and operations ("MRO") center with a surface of 16,000 square metres; and a specially devoted cargo area (*Centro de Carga Aérea*) open 24 hours a day, seven days a week and an area of 471,000 square metres. Josep Tarradellas Barcelona-El Prat also has a commercial and catering area which exceeds 40,000 square metres that offers, among other things, specialty shops (including luxury boutiques), restaurants and food locations, banks, currency exchange locations, VIP lounges, ATMs, chapels and business centers. Josep Tarradellas Barcelona-El Prat also has the capacity

to operate large aircraft such as the Airbus 380, which is used by the airline Emirates for its flights between Barcelona and Dubai.

Palma de Mallorca Airport

The Palma de Mallorca Airport is the third largest airport in Spain in terms of passenger volume and is the eleventh largest airport in Europe in terms of passengers per year (ahead of Manchester, Milan and Oslo). In 2022, Palma de Mallorca served 28.6 million passengers (*source: ACI and Aena*).

The Palma de Mallorca Airport has two runways and a terminal building divided into four areas that can be used independently, with capacity of up to 34 million passengers per year; a business terminal for private flights; approximately 9,536 parking spaces; and three maintenance and repairing centers for a total surface of 19,000 square metres. In addition, it also offers retail and commercial areas (of approximately 19,900 square metres) that were renovated in 2018. The Palma de Mallorca Airport has two aircraft maintenance hangars operated by Globalia Mantenimiento Aeroaúatico S.L.U. and Sistemas Especiales de Metalización S.A.U. each with an extension of 8,600 square metres and 2,900 square metres, respectively.

Canary Islands Group

The Canary Islands Group consists of the eight airports in the Canary Islands: Gran Canaria, Tenerife Sur, Tenerife Norte-C La Laguna, Lanzarote-César Manrique, Fuerteventura, La Palma, el Hierro and La Gomera, with an aggregate passenger capacity of 58.7 million. The airports of the Canary Island Group served 43.5 million passengers in 2022, conducted 406,696 operations and handled 31,197 tonnes of cargo. In 2022, passenger traffic of the airports of the Canary Islands Group represented 17.8% of all passenger traffic in the network.

Airport	2022 Passengers	2022 Operations	2022 Cargo (kg)
Gran Canaria	12,417,699	119,530	15,794,712
Tenerife-Sur	10,821,703	75,605	894,527
Lanzarote-César Manrique	7,350,451	63,764	589,136
Tenerife Norte-C La Laguna	5,566,243	68,958	13,165,640
Fuerteventura	5,641,500	48,690	389,536
La Palma	1,306,947	21,237	297,810
El Hierro	273,687	5,814	60,926
La Gomera	95,163	3,098	4,565

Group I Airports

Group I Airports are those with passenger volumes of two million or more passengers per year. Group I Airports include: Málaga-Costa del Sol, Alicante-Elche, Ibiza, Valencia, Bilbao, Sevilla, Menorca, Santiago-Rosalía de Castro and Región de Murcia International Airport ("**AIRM**"), with an aggregate passenger capacity of 88.8 million.

In 2022, Group I Airports served 65.1 million passengers, conducted 551,064 aircraft operations, and handled 33,335 tonnes of cargo. In 2021, passenger traffic of Group I Airports represented 26.7% of all passenger traffic in the network.

In 2022, AIRM served 0.8 million passengers and conducted 6,663 aircraft operations. AIRM concession's expiration date is in 2044.

Group II Airports

Group II Airports are those with passenger volumes of between half a million and two million passengers per year. This group currently includes the ten airports described below, with an aggregate passenger capacity of 22.9 million.

In broad terms, Group II Airports can be classified into three categories based on type of passengers or operations:

- Tourist traffic: Reus, Almería, Girona-Costa Brava, and Jerez de la Frontera, which have seasonal traffic.
- Personal and business travel (and some tourist traffic): A Coruña, Vigo, Asturias, SB-Santander and FGL Granada-Jaén.

- **Cargo:** Zaragoza, which is the third largest airport in the Issuer's network in terms of cargo volume.

In 2022, Group II Airports served 12.6 million passengers, conducted 181,720 aircraft operations and handled 132,604 tonnes of cargo. In 2022, passenger traffic of Group II Airports represented 5.2% of all passenger traffic in the network.

Group III Airports

Group III Airports are those with passenger volumes of less than 500,000. This group currently includes two heliports located in Algeciras and Ceuta (both concessions last until 2035 and 2034, respectively), five general aviation airports³ (Sabadell, Córdoba, Huesca-Pirineos, Madrid-Cuatro Vientos and Son Bonet), one cargo airport located in Vitoria and ten regional airports⁴ (Albacete, Badajoz, Burgos, Logroño-Agoncillo, León, Melilla, Pamplona, Salamanca, San Sebastián and Valladolid). Group III Airports have an aggregate passenger capacity of 5.9 million passengers.

Madrid-Cuatro Vientos and Son Bonet airports are in joint use with the Ministry of Defense. Albacete, Badajoz, León, Salamanca and Valladolid airports are military air bases open to civilian use in joint use with the Ministry of Defense.

Group III Airports play an important role in the Aena's network as they help airport connectivity with large airport hubs and provide social cohesion.

In general terms, Group III Airports can be classified as follows:

- *Discharge airports:* airports that reduce passenger traffic levels of Aena's larger airports by absorbing general aviation operations (private flights, training schools, etc.) and therefore allow larger airports to focus on commercial aviation preventing disturbances to commercial airlines and unnecessary delays.
- *Capacity reserve airports:* these airports have a certain level of commercial air traffic, but they also provide reserve capacity. If in the coming years there is an air traffic increase that is higher than forecasted, these airports could provide capacity and absorb unprojected demand increases without the need to make any investment in the short term.
- *Remote location airports:* airports located in remote places that provide mobility to inhabitants of such places.

Commercial Activities

The Group's main commercial activities involve the renting of commercial premises to clients following a public bidding process. The commercial activities provided at the Group's airports include duty-free shops, speciality shops, food and beverage, leases, car parks, car rentals, advertising and other commercial activities such as VIP lounges, banking services, travel agencies, vending machines and commercial supplies, among others.

The Group enters into commercial services agreements with companies that provide services for the Group's airports. These agreements vary depending on the service provided and are typically dependent on a variable component, determined by the number of sales made by these companies, and subject to a Minimum Annual Guaranteed Rents ("**MAGR**"), which does not depend on the amount of sales made. MAGRs are fixed in each agreement for each lot and for each year of such agreement and are subject to change only in limited circumstances set forth in the relevant agreement (e.g., in circumstances where significant portions of the leased area pursuant to the agreements become unusable for a specified period of time due to airport construction) or subject to the relevant agreement being terminated in accordance with the terms set forth therein. Agreements entered in connection with duty free shops, speciality shops, food and beverage, advertising and other commercial activities include MAGRs. Agreements entered into in connection with leases, VIP lounges, car parks and car rentals do not include MAGRs.

The COVID-19 pandemic reduced passenger traffic and income from tenants, whose stores were closed during the pandemic. On 3 October 2021, the Spanish Government brought into effect a law which states that the MAGRs specified in contracts to be due from 15 March 2020 until 20 June 2020 cannot be claimed.

³ General aviation airports are in those that take place civil aviation operations, except regular air services (commercial air transport) and non-regular operations of air transport by remuneration or leasing (operations for specialised services, such as agriculture, photography, construction, patrol of searches and rescues, etc.).

⁴ In regional airports there is commercial traffic for a small or sparsely populated area.

Furthermore, the new law states that from 21 June 2020 the MAGR fixed in contracts will be automatically reduced in proportion to passenger volume compared to 2019. As a result, the Issuer has estimated the new law could lead to a reduction in commercial revenue collections during the 2020-2025 period.

The duration of the contracts is not uniform across each line of business, although the terms tend to range between three and seven years.

However, on 28 February 2023, Aena communicated the upward revision of the 2023 traffic estimation scenarios across Spain's airport network, with passenger volume recovering between 94% and 104% compared to 2019 (pre-pandemic levels).

As explained in the consolidated annual accounts for the financial year ending on 31 December 2022, the Group changed the accounting policy applied in recording the impact of the reductions in MAGRs, whether these are a consequence of the 7th Final Provision of Act 13/2021 (hereinafter, "**DF7**"), of court decisions or of agreements reached with the lessees.

In the consolidated annual accounts for the financial year ending on 31 December 2021, the impact of these rent reductions on revenue and on the results was distributed on a straight-line basis throughout the remaining life of the affected lease agreements, in accordance with the provisions of IFRS 16 (Leases).

The Agenda Decision of the IFRS Interpretations Committee on the forgiveness of lease payments by the lessor (IFRS 9 and IFRS 16) was published on 20 October 2022. In application of this interpretation, the Group changed the accounting policy applied to these reductions in rents. The new accounting treatment assumes that the impact thereof is fully recorded at the time of approval of the DF7, of the court orders or of the commercial agreement that gave rise to such reductions.

The application of this change of accounting policy retroactively led to the restatement of the consolidated annual accounts for the financial year ending on 31 December 2021.

The effect of the accounting policy change resulted in the increase of the losses for the financial year ending on 31 December 2021, amounting to €415.4 million and of the losses for the financial year ending on 31 December 2020 amounting to €36.1 million. Taken together, this represents an impact of €451.6 million in the equity of the Group as at 31 December 2021.

The restatement had no effect on the cash flow generation.

The following table highlights key financial data for the Group's commercial activities for each of the periods set forth below.

Commercial Business Line (Million)	Year Ended 31 December ⁽¹⁾		Year Ended 2022 vs. 2021
	2022	2021	
Ordinary revenue	1,230.5	892.9	37.8%
Other operating revenue	8.8	9.4	(6.4%)
Total revenue	1,239.3	902.3	37.2%
Total expenses	(407.6)	(974.8)	(58.2%)
EBITDA	931.0	24.5	3,700.0%

(1) Source: 2022 Consolidated Annual Accounts.

The following table sets forth the ordinary revenue generated by each of the Group's commercial activities for each of the periods below.

Commercial Business Line (Million)

	Year Ended 31 December ⁽¹⁾		Year Ended
	2022	2021	2022 vs. 2021
Duty-free shops	332.9	304.7	9.3%
Specialty shops	90.6	4.2	2,057.1%
Food and Beverages	243.6	201.6	20.8%
Car Rental	148.4	129.5	14.6%
Car Parks	146.4	76.0	92.6%
VIP services	82.8	29.7	178.8%
Advertising	23.7	22.1	7.2%
Leases	34.6	31.3	10.5%
Other commercial revenue	127.5	93.8	35.9%
Ordinary revenue	1,230.5	892.9	37.8%

(1) Source: 2022 Consolidated Annual Accounts.

Duty-free shops. Fees originated from duty-free shops represented 27.1% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. There are approximately 85 duty-free shops in the Group's airports, offering a variety of products such as alcoholic beverages, cigarettes, cosmetic products and others. Most of the duty-free shops are located in Adolfo Suárez Madrid-Barajas and Josep Tarradellas Barcelona-El Prat and in both cases they are located post-security checks. These shops have been operated by World Duty Free Group S.A.U ("**Dufry**") pursuant to an agreement entered into in December 2012.

On 14 June 2023, the start of a new bidding process was approved by the Board of Directors of the Issuer for the duty-free shops located in Adolfo Suárez Madrid-Barajas and Josep Tarradellas Barcelona-El Prat and bids were received by the Issuer up until 10 July 2023. On 25 July 2023, the Board of Directors approved the awarding to Dufry.

Speciality shops. Fees originated from retail stores represented 7.4% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. The Group generally charges food providers a variable fee and a MAGR.

Food & Beverage. Fees originated from food providers represented 19.8% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. The Group generally charges food providers a variable fee and a MAGR.

Car rental. Fees originated from car rental providers represented 12.1% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. The Group allows third parties to render car rental services in its facilities in exchange for a monthly fee composed of a fixed fee, a variable fee (equal to 8.0% of the amount of sales made (car rental agreements entered into by the third-party entity)) and another fee for the rental of real estate used outside its airports, offices and parking lots.

Car Parks. Parking lots represented 11.9% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. The Group typically outsources the operation and maintenance of its parking lots to third parties through long-term contracts (typically five years plus a one-time two-year extension), but the Group retains the right (*gestión propia*) to determine all matters related to pricing and marketing of its parking lots. Since 2020, the Group has outsourced the operation and maintenance of its parking lots in 32 of its airports to UTE EAS (composed by Estacionamientos y Servicios S.A.U. -Eysa-, Ace Parking Management Inc. and Setex Aparqui).

Advertising. Advertising represented 1.9% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. The Group's revenue is generated from the use by third parties of the various advertising locations offered throughout its network.

Leases. Leases represented 2.8% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. Revenue is generated from the rents the Group generally charges for the leasing of offices, commercial locations, ticket counters and any other space used by airlines, cleaning

companies and ground handling companies, among others, in its airport facilities. Lease agreements are typically entered for one-year periods. Rents under these agreements are paid on a monthly basis.

Other commercial revenue. Other commercial revenue represented 10.4% of the ordinary revenue generated from commercial activities during the period ended 31 December 2022. The Group's airport network offers 34 VIP lounges in 18 airports, business centers and a variety of services, including, among others, banking services (bank branches, ATMs, currency exchanges and VAT refund locations), travel agencies, vending machines and commercial supplies.

Real estate service

The Group's real estate services segment includes the operation and management of real estate and land, warehouses and hangars and cargo. During the period ended 31 December 2022, the Group's real estate services segment generated €86.6 million in ordinary revenue, representing 4.2% of the Group's consolidated EBITDA for the year ended 31 December 2022.

The fair value of the real estate investments (current values in thousands of euros at the dates presented) is as follows:

Thousands of euros	31 December 2022	31 December 2021
Land	388,677	344,263
Buildings	544,486	518,920
Total	933,163	863,183

The following table highlights key financial data for the Group's real estate services for each of the periods set forth below.

Real Estate Services Segment (Million)

	Year Ended 31 December ⁽¹⁾		Year Ended
	2022	2021	2022 vs. 2021
Ordinary revenue	86.6	74.2	16.7%
Other operating revenue	3.1	6.9	(55.1%)
Total revenue	89.7	81.1	10.6%
Total expenses	(46.8)	(44.1)	6.1%
EBITDA	59.9	53.3	12.4%

(1) Source: 2022 Consolidated Annual Accounts.

The following table sets forth the ordinary revenue generated by each of the Group's real estate services segment for the periods set forth below.

Real Estate Services Segment (Million)

	Year Ended 31 December ⁽¹⁾		Year Ended
	2022	2021	2022 vs. 2021
Land	27.5	19.6	40.3%
Cargo logistics centres	21.6	18.7	15.5%
Leases	17.3	14.7	17.7%
Hangars	6.5	7.6	(14.5%)
Real estate operations	13.6	13.6	0.0%
Ordinary revenue	86.6	74.2	16.7%

(1) Source: 2022 Consolidated Annual Accounts.

Land. Land represented 31.8% of the ordinary revenue generated from real estate during the period ended 31 December 2022. The Group leases real estate, paved ways (not available for building) and land it owns near its airports to third parties who build at their own cost facilities such as hangars, paved ways and warehouses.

Cargo logistic centres. The Group's activities at cargo logistic centers represented 24.9% of the ordinary revenue generated from real estate during the period ended 31 December 2022.

Hangars. Fees charged for the use of warehouses and hangars represented 7.5% of the ordinary revenue generated from real estate during the period ended 31 December 2022.

International

International Business Segment (Million)

	Year Ended 31 December ⁽¹⁾		Year Ended
	2022	2021	2022 vs. 2021
Ordinary revenue	486.0	174.3	178.8%
Other operating revenue	0.1	12.6	(99.2%)
Total revenue	486.1	186.9	160.1%
Total expenses	(377.1)	(310.7)	21.4%
EBITDA	181.4	(46.4)	(490.9%)

(1) Source: 2022 Consolidated Annual Accounts.

Through the subsidiaries of Aena Internacional, the Group operates an airport in the United Kingdom and six airports in the North East of Brazil, and has equity stakes in companies operating twelve airports in Mexico, two in Jamaica and two in Colombia. On 5 June 2023 the Concession Contract related to eleven Brazilian airports entered into force. In addition, on 1 June 2023 Aena Internacional sold its stake (16.67%) in the French company European Satellite Service Provider, SAS (ESSP).

In addition to the aforementioned revenue during 2022, the subsidiary Aena Internacional has collected dividends from associates and with joint control amounting to €25.6 million.

Aena Internacional's expansion is developed through the participation in airports' concession bidding processes and in processes for the acquisition of airports' concessionaires. The Group technically assists Aena Internacional through these processes and provides the affiliates with technical and technological assistance on an ongoing basis.

The following table sets forth a list of Aena Internacional's affiliates, the airport or airports where each of these affiliates operate, the number of passengers served by these airports in 2022, the term of the concession granted to these affiliates and the ownership participation of Aena Internacional in each of these affiliates as at the date of this Base Prospectus.

Passengers 2022

Name of Affiliate	International Airport(s) Operated	(millions)	Term of Concession	Ownership (%)
Aeropuertos Mexicanos del Pacífico, SAPI de CV (AMP) (which is Strategic Shareholder of Grupo Aeroportuario del Pacífico, SAB de CV (GAP))	(Mexico): Aguascalientes, Bajío, Hermosillo, Guadalajara, La Paz, Los Mochis, Manzanillo, Mexicali, Morelia, Puerto Vallarta, San José del Cabo, Tijuana	50.8	Expiration 2048 (50 years, may be extended)	33.33 in AMP (6.34 in GAP through AMP)
	(Jamaica): Kingston, Montego Bay	5.9	Expiration Kingston 2044 (25 years, possible extension by five years), Montego Bay 2033	6.34 in Kingston through GAP 4.72 in Montego Bay through GAP

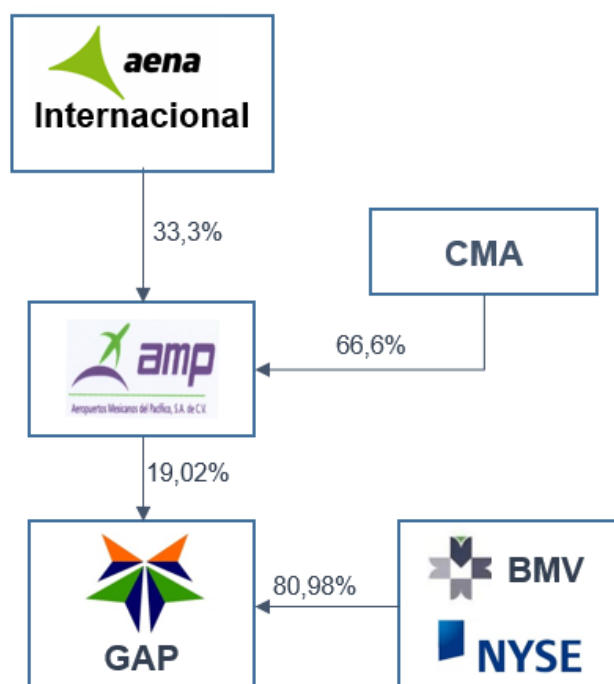
London Luton Airport Holdings III, Ltd. (which indirectly holds 100% of the shares of London Luton Airport Operations Limited)	Luton (United Kingdom)	13.1	Expiration 2032	51.0
Aerocali S.A.	Alfonso Bonilla Aragón (Cali, Colombia)	7.4	Expiration 2023 (Ongoing negotiations to extend term)	50.0
Sociedad Aeroportuaria de la Costa S.A.	Rafael Núñez (Cartagena de Indias, Colombia)	7.2	Expiration 2023 (Ongoing negotiations to extend term)	37.89
Aeroportos do Nordeste do Brasil S.A. (ANB)	Recife, Maceió, Aracaju, Campina Grande, João Pessoa, Juazeiro do Norte	13.9	Expiration 2049 (30 years, may be extended by five years)	100
Bloco do Onze Aeroportos do Brasil S.A. (BOAB)	Congonhas, Campo Grande, Uberlândia, Santarém, Marabá, Montes Claros, Carajás, Altamira, Uberaba, Corumbá, Ponta Porã	21.7 ⁵	Expiration 2053 (30 years, may be extended by five years)	100

Aeropuertos Mexicanos del Pacífico SAPI de CV and Grupo Aeroportuario del Pacífico SAB de CV

Aena Internacional owns 33.33% of the shares of Aeropuertos Mexicanos de Pacífico, SAPI de CV ("AMP"), which in turn owns 19.02% of the shares of Grupo Aeroportuario del Pacífico, SAB de CV ("GAP"), the holder of fourteen airport concessions, twelve of them located in the Pacific coast of Mexico and two in Jamaica. Aena Internacional is also AMP's operating partner, providing experience and know-how in the operation and management of AMP's airport business. The remaining 66.7% shareholding of AMP is held by CMA (Controladora Mexicana de Aeropuertos, S.A. de C.V., a Mexican partner).

⁵ BOAB (the concession company established for this purpose) is expected to start operating the airports during the fourth quarter of 2023.

The following chart shows forth the organisational chart of GAP as at the date of this Base Prospectus:



AMP's holds a 19.02% interest in GAP, through a 15% interest in GAP's Series BB shares purchased in a public international tender, and a 4.02% interest in GAP's Series B shares purchased by AMP in the stock market or resulting from the cancellation of GAP shares approved during the period from 2021 to 2023. The Series BB shares give AMP special rights for the designation of four of eleven members of GAP's board of directors and the chief executive officer and veto power in key decisions, such as budget approvals, business plans and changes to GAP's by-laws. AMP also provides GAP with technical and technological services through a Technical Services and Transfer of Technology Contract, with a fee of 5% of GAP's EBITDA.

GAP was incorporated in 1998 as part of the Mexican federal government program to open the Mexican national airport system to private investment. GAP currently owns the concession companies of twelve airports located on the Pacific coast of Mexico and of two airports in Jamaica. The concession agreements for the operation of the twelve Mexican airports were entered into in 1998 and have terms of 50 years that may be extended by the parties for an additional 50 years. The twelve Mexican airports operated by GAP are Aguascalientes, Bajío, Hermosillo, Guadalajara, La Paz, Los Mochis, Manzanillo, Mexicali, Morelia, Puerto Vallarta, San José del Cabo and Tijuana. GAP's airports are located in nine of the 32 states of Mexico serving a population of approximately 28.2 million inhabitants. All of GAP's airports are international and five of them are within the ten principal airports of Mexico in terms of passenger air traffic volume. GAP also owns 100% of the company Desarrollo de Concesiones Aeroportuarias, S.L., which has a 74.5% shareholding in MBJ Airports Limited, the concessionaire of Montego Bay Airport, Jamaica. This concession will expire in April 2033. From October 2019, GAP took control of the operation and administration of the Norman Manley International Airport of Kingston (Jamaica) after obtaining the concession by the Government of Jamaica for a period of 25 years.

London Luton Airport Operations Limited

Aena Internacional owns 51% shareholding in London Luton Airport Holdings III Limited ("LLAHIII"), the wholly-owning holding company of London Luton Airport Holdings II Limited, ("LLAHII"), which is the wholly-owning holding company of London Luton Airport Holdings I Limited ("LLAHI"), which is the wholly-owning holding company of London Luton Airport Group Limited ("LLAGL"), which is the wholly-owning holding company of London Luton Airport Operations Limited ("LLAOL"), concessionaire of London Luton Airport. The remaining 49% of LLAHIII is held by Capital Investors Crown Bidco Limited.

LLAOL was granted the concession of London Luton Airport in 1998, the fourth largest airport in London and the fifth largest in the United Kingdom in terms of passenger air traffic, serving 13.1 million passengers for the period ended 31 December 2022. London Luton Airport's concession agreement will terminate in 2032. London Luton Airport is not subject to the regulatory framework of the British Civil Aviation Authority, which allows for more flexibility in terms of investments.

Aerocali, S.A.

Aena Internacional owns 50.0% of the shares of Aerocali, S.A. ("**Aerocali**"), the concessionary entity in charge of operating and managing the Alfonso Bonilla Aragón International Airport in Cali, Colombia, which is the third largest airport in Colombia in terms of passenger volume in 2022. The remaining 50.0% of the shares of Aerocali are owned by Corporación Financiera de Colombia S.A., an entity that is part of one of the most important financial conglomerates in Colombia. Aena Internacional also provides technical assistance to Aerocali on an ongoing basis in accordance with a technical assistance, operation and management agreement.

Aerocali's concession agreement was entered in 2000 and had an initial term of 20 years and six months. The concession term has been extended and is deemed to finalise in 2023, although Aerocali is currently negotiating an extension of the concession. Under the concession agreement, fees are charged for airport and aeronautical activities and are adjusted on an annual basis in accordance with inflation. The main market of the Alfonso Bonilla Aragón International Airport is the domestic market, which represents approximately 80.8% of the total amount of passenger air traffic. Aerocali pays a concession fee of over 54.5% of its total revenue plus a fixed amount.

Sociedad Aeroportuaria de la Costa S.A.

Aena Internacional owns 37.89% of the shares of Sociedad Aeroportuaria de la Costa S.A. ("**SACSA**") (acquired in 1998), the concessionary entity in charge of operating and managing the Rafael Núñez International Airport in Cartagena de Indias, Colombia. The remaining 62.1% of SACSA shares are owned by Concecol S.A.S. (11.6%), Organización Terpel S.A. (10.1%) and other local investors (40.5%). Aena Internacional also provides technical assistance to SACSA on an ongoing basis in accordance with a technical assistance, operation and management agreement.

SACSA's concession agreement was entered in 1996 with an initial term of fifteen years, successively extended in 2011 until 2020 due to the COVID-19 pandemic until 31 August 2023. SACSA is currently negotiating another extension of the Concession. Under the concession agreement, fees are charged for airport and aeronautical activities and are adjusted on an annual basis in accordance with inflation and the nominal exchange rate of the U.S. dollar as it relates to the Colombian peso. The main market of the Rafael Núñez Airport is the domestic market.

Notwithstanding the foregoing, negotiations are ongoing with the Colombian National Infrastructure Agency (ANI) for the development of two public-private partnerships ("**PPP**") for the airports of Cali and Cartagena, the objective being to sign a new concession contract for each airport.

Concession of the North-eastern Brazil airports

The Group, through its subsidiary Aena Internacional, won the concession for the operation and maintenance of Recife, Maceió, Aracaju, Campina Grande, João Pessoa and Juazeiro do Norte airports, which together form the Northeast Brazil Airport Group (Aeroportos do Nordeste do Brasil, SA, "**ANB**"), as part of the auction held on 15 March 2019.

In 2022, ANB registered traffic levels of 13.9 million passengers:

Millions of passengers	2022
Recife	8.7
Maceió	2.3
Joao Pessoa	1.2
Aracaju	1.0
Juazeiro do Norte	0.5
Campina Grande	0.1
TOTAL	13.9

On 30 May 2019, Aeroportos do Nordeste do Brasil, S.A., a new Brazilian company, was incorporated as a wholly owned subsidiary of Aena Internacional with a share capital of R\$2,389,000 and the specific and exclusive corporate object to execute of the above-mentioned concession contract. This was signed on the 5 September 2019 and Aeroportos do Nordeste do Brasil, S.A. began to operate the airports in the first quarter of 2020.

The concession, which has a term of 30 years is of BOT (Build, Operate and Transfer) type, does not include ATC (Air Traffic Control) services and follows a Dual-Till model, in which aeronautical revenues are established in the concession agreement and indexed to local inflation (the maximum income is established based on an agreement with the airlines for the rest of the airports) and commercial activity is not regulated.

According to the tender specifications, the Issuer estimated a preliminary investment amount of R\$2,153 million (equivalent to €381.8 million at the closing exchange rate of 2022).

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

Concession of eleven airports in Brazil

The Group, through its subsidiary Aena Internacional, won the concession for the operation and maintenance of Congonhas, Campo Grande, Uberlândia, Santarém, Marabá, Montes Claros, Carajás, Altamira, Uberaba, Corumbá and Ponta Porã airports in the auction held on 18 August 2022. Congonhas Airport is the most important airport of the group with 21.7 million passengers in 2022, representing 84% of these eleven airports in total.

The eleven newly-awarded Brazilian airports have joined the six North-Eastern airports managed by Aena since 2020 (ANB).

On 16 November 2022, Bloco do Onze Aeroportos do Brasil, S.A. (BOAB), a new Brazilian company, was incorporated as a wholly owned subsidiary of Aena Internacional, with a disbursed share capital of R\$1,639,249,656.14 and its specific and exclusive corporate object is the execution of the new concession contract relating to the eleven newly-awarded Brazilian airports. The concession contract was signed on 28 March 2023 with entry into force on 5 June 2023 and the Issuer expects that BOAB will take full control of the airports during the fourth quarter of 2023. The initial concession fee of R\$2,516,802,110.55 was already paid on 6 April 2023 and on 5 June 2023.

The concession, which has a term of 30 years is of BOT (Build, Operate and Transfer) type, does not include ATC (Air Traffic Control) services and follows a Dual-Till model, in which aeronautical revenues are established in the concession agreement and indexed to local inflation (the maximum income is established based on an agreement with the airlines for the rest of the airports) and commercial activity is not regulated.

According to the tender specifications, the Issuer estimated a preliminary investment amount of R\$5,000 million (equivalent to €886.7 million at the closing exchange rate of 2022).

The variable financial consideration is set at 3.23% of gross income, with an initial four-year grace period and a progressive rate, which would begin at 3.23% and gradually increase to 16.15% in subsequent years.

AIRM

Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia, S.M.E., S.A. ("**AIRM**") was incorporated in Spain on 25 January 2018 as a public limited company owned by the Issuer. The sole purpose of AIRM is to exercise the rights and fulfil the obligations arising from the Administrative Concession for the Management, Operation and Maintenance of the Región de Murcia Airport.

The following table highlights key financial data for AIRM for each of the periods set forth below:

AIRM Business Line (Million)	Year Ended 31 December ⁽¹⁾		Year Ended 2022 vs. 2021
	2022	2021	
Ordinary revenue	11.9	4.4	170.5%
Other operating revenue	0.1	2.1	(95.2%)
Total revenue	12.0	6.6	81.8%
Total expenses	(11.7)	(11.0)	6.4%
EBITDA	0.5	(4.5)	(111.1%)

(1) Source: 2022 Consolidated Annual Accounts.

FINANCIAL INDEBTEDNESS

As at 31 December 2022, the Group's recorded Net Financial Debt⁶ amounted to €6,242.9 million.

The Issuer manages interest rate risk through interest rate swaps. As a result, as of 31 December 2022, 80% of the Issuer's debt was at a fixed interest rate (compared to 59% as at 31 December 2021).

At the time of the Issuer's incorporation, both Aena and its parent company (ENAI), became co-borrowers of the existing debt. As at December 2022, this represents 47% of the Group's total debt.

The Issuer's available cash, loans and revolving credit facilities amounted €3,539.9 million as at 31 December 2022 (€2,651.9 million as at 31 December 2021). In addition, the Issuer has the possibility of issuing debt through its €900 million Euro Commercial Paper (ECP) programme, the full amount of which is available as at the date of this Base Prospectus.

June 2023 Refinancing of financial indebtedness

Aena has signed in June 2023 a sustainable syndicated credit line (sustainability-linked revolving credit facility) for €2 billion, which proves its commitment to the environment, social responsibility and good corporate governance. The financing has been granted by 14 national and international financial institutions. The Issuer has canceled the previous revolving credit facilities of €1.45 billion due in 2024 and 2025.

With this financing, Aena extends the term of its financing for general corporate needs up to five years (with a possible extension for up to two years) with very favourable financial conditions.

The most relevant feature of this transaction is that the interest rate is based not only on the credit rating but also on the fulfilment of an objective to reduce CO₂ emissions. The degree of compliance with the reduction, as well as the offsetting, of direct and indirect CO₂ emissions (Scope 1 and 2) is made by reference to the sustainability targets set by Aena for 2019. If the reduction is equal to or greater than the sustainability target for that year, the applicable margin will be reduced by 0.025%. If, on the other hand, the reduction is less than the sustainability target or there is a breach of sustainability, the margin will increase by 0.025%. The sustainability targets are as follows:

Year	Sustainability Objective (% reduction and offset of CO ₂ emissions with respect to 2019)
2023	69%
2024	70%
2025	80%
2026	100%
2027	100%
2028	100%

This new revolving credit facility agreement has no financial covenants to be met.

In addition, in June 2023 a bilateral loan of €250 million has been repaid and a new loan of €300 million has been signed in order to extend the maturity date, from 2024 to 2027.

⁶ APM. Please see Section 5.4 of the 2022 Consolidated Annual Accounts, which are incorporated by reference.

Moreover, €660 million of long term debt, with a 15 years average maturity, has been disbursed out of available facilities. An amount of €560 million out of these €660 million includes the obligation to meet the following financial covenants:

- Net Financial Debt/EBITDA must be less than or equal to 7.0x.
- EBITDA/Finance expenses must be higher than or equal to 3.0x.

The amortisation schedule before and after this refinancing and the new debt disbursed in 2023 is shown in the following table:

<i>€ million</i>	as of 31/12/2022	as of 30/06/2023
2024	1,996	1,746
2025	1,177	1,177
2026	783	783
2027	492	892
≥2028	1,965	2,524

As of 30 of June 2023, the average interest rate of the Issuer's long term debt after this refinancing and the new debt disbursed is 1.90%.

MANAGEMENT

Board of Directors

Spanish corporate law provides that a company's board of directors is responsible for its management, administration and representation in all matters concerning the business of a company, subject to the provisions of such company's bylaws (*estatutos sociales*). The Issuer's Board of Directors is responsible for the management and establishes the strategic, accounting, organisational and financing policies. The Issuer's Board of Directors may delegate permanently certain of its powers to the Executive Committee or the Chief Executive Officer.

The Issuer's bylaws provide that the Board of Directors will be composed of a minimum of ten and a maximum of fifteen members. The Board of Directors is currently composed of fifteen members. Members of the Board of Directors are elected by the general shareholders' meeting to serve for a term of four years and may be re-elected indefinitely, except for those members that are appointed as independent members, which may serve as such for no longer than three terms for a total duration of twelve years.

The Board of Directors is in charge of appointing a Chairman and may appoint one or more Deputy Chairmen who will act as Chairman in the Chairman's absence. The Board of Directors may also appoint a Secretary and a Deputy Secretary, neither of whom needs to be a member of the Board of Directors. The Deputy Secretary will act as Secretary upon the Secretary's absence.

The shareholders determine the remuneration payable to the members and Secretary of the Board of Directors in accordance with the bylaws and RD 451/2012 of 5 March 2012. The members of the Board of Directors and the Secretary may be reimbursed for travel expenses or costs related to their participation in the meetings.

The Board of Directors shall meet periodically and at least eight times in a calendar year. The Board of Directors may also be required to meet by one-third of its members or by the lead independent director (*Consejero Coordinador*). All of the decisions of the Board of Directors must be adopted by the majority of the participating members. The Board of Directors is also governed by its internal regulation. Based on the bylaws of the Issuer, this regulation provides clear guidelines as to the regulation and operation of the Board of Directors, rights and duties of its members and standards of conduct to be followed, among other things.

Directors

The following table sets forth the name, position, date of first appointment, type of appointment and significant activities outside the Issuer of each member of the Board of Directors as of the date of this Base Prospectus:

<u>Name</u>	<u>Position</u>	<u>Date of First Appointment</u>	<u>Date of Last Appointment</u>	<u>Type of Appointment</u>	<u>Significant activities</u>
Maurici Lucena Betriu	CEO/ Chairman	16 July 2018	30 June 2022	Executive	Chairman of de Board of Director of Aena Internacional
Jaime Terceiro Lomba	First Deputy Chairman	3 June 2015	29 October 2020	Lead Independent Director (<i>Consejero Coordinador</i>)	Advisor to the Board and Committees of Bankinter S.A.
Francisco Javier Marín San Andrés	Second Deputy Chairman	29 October 2020	-	Executive	CEO of Aena Internacional and Chairman of de Board of Director of ANB. and BOAB
Pilar Arranz Notario	Member	19 November 2012	20 April 2023	Proprietary*	Advisor to the Minister for Transport, Mobility and Urban Agenda
María Isabel Badía Gamarra	Member	20 June 2023	-	Proprietary*	Chief of staff of the State Secretariat for Transport, Mobility and Urban Agenda
María Carmen Corral Escribano	Member	20 April 2023	-	Proprietary*	Assistant Director-General of Planning, the Trans-European Network and Logistics of the Ministry of Transport, Mobility and Urban Agenda
Manuel David Delacampagne Crespo	Member	28 October 2021	31 March 2022	Proprietary*	Deputy Director of Sectoral Analysis in the Directorate-General for Economic Policy at the Ministry of Economic Affairs and Digital Transformation
Ángela Paloma Martín Fernández	Member	20 June 2023	-	Proprietary*	Chief of staff of the Ministry for Industry, Commerce and Tourism
Angélica Martínez Ortega	Member	16 July 2018	20 April 2023	Proprietary*	General Technical Secretary of the Ministry of Transport, Mobility and Urban Agenda
Irene Cano Piquero	Member	29 October 2020	-	Independent	Managing Director of Meta Spain and Portugal

<u>Name</u>	<u>Position</u>	<u>Date of First Appointment</u>	<u>Date of Last Appointment</u>	<u>Type of Appointment</u>	<u>Significant activities</u>
María del Coriseo González-Izquierdo Revilla	Member	30 June 2022	20 April 2023	Independent	Director of Planning and Corporate Management (CFO) at the Iberian Electricity Market Operator (OMIE)
Leticia Iglesias Herraiz	Member	9 April 2019	20 April 2023	Independent	Independent Director of ABANCA Corporación Bancaria, S.A., Acerinox, S.A., LAR España Real State SOCIMI S.A., and Imantia Capital SGIC
Amancio López Seijas	Member	3 June 2015	29 October 2020	Independent	Chairman and CEO of HOTUSA Group's companies
Juan Rio Cortes	Member	22 December 2020	27 April 2021	Independent	Senior Managing Director of FTI Consulting INC and Chairman of DELTA PATNERS CORP
Tomás Varela Muiña	Member	29 November 2022	20 April 2023	Independent	Independent Director of JULIUS BAER and Independent Director and Advisor of FINALBION S.L.U.

* All proprietary directors have been appointed following the proposal of the current main shareholder of the Issuer, ENAIRE.

On 27 February 2023, Jaime Terceiro Lomba and Francisco Javier Marín San Andrés were appointed as First and Second Deputy Chairman, respectively, of the Board of Directors.

The business address for each member of the Board of Directors listed below is: Calle Peonías, 12, 28042, Madrid, Spain.

Board Committees

The Board of Directors has four committees: an Executive Committee, an Audit Committee, an Appointments, Remunerations and Corporate Governance Committee and a Sustainability and Climate Change Committee.

Executive Committee

The Executive Committee is composed by five members: the Chairman of the Board of Directors who shall serve as President of the Executive Committee, three proprietary directors and one independent member of the Board of Directors.

The Executive Committee has general decision-making powers, and therefore, expressly delegate all of the powers corresponding to the Board of Directors, except those that are non-delegable under current legislation, the applicable corporate governance regulations, the Articles of Association or the regulations governing the Board of Directors.

The current members of the Executive Committee are: Maurici Lucena Betriu (President), Pilar Arranz Notario, María Isabel Badía Gamarra, Angélica Martínez Ortega and Jaime Terceiro Lomba.

Audit Committee

The Audit Committee is composed of five non-executive Directors, the majority of whom shall be independent members of the Board of Directors. The Audit Committee is required to meet at least quarterly each fiscal year. The current members of the Audit Committee are: Tomás Varela Muiña (President), Leticia Iglesias Herraiz, Manuel David Delacampage Crespo, Angélica Martínez Ortega and Jaime Terceiro Lomba.

The Audit Committee is responsible for reviewing and overseeing the economic and financial information of the Issuer and the Board of Directors and any other information that the Board of Directors deems relevant. In particular, the Audit Committee has, among others, the following responsibilities:

- oversee all procedures related to the preparation and presentation of the financial statements presented to the Board of Directors;
- review internal control and risk management procedures;
- establish procedures that allow employees to communicate any irregularities;
- propose the designation of external accountants and the conditions for their hiring process;
- receive information about audits and verify that senior management comply with recommendations made by external auditors;
- ensure the independence of the external auditor by, among others, communicating as relevant to the CNMV any change of external auditors;
- determine the economic and financial information that the Issuer needs to disclose to the public in order to comply with its obligations under applicable laws and oversee the Issuer's compliance with such disclosure obligations; and
- disclose to the Board of Directors any information in connection with the issuance of shares, the incorporation or acquisition of any legal entities in any non-cooperative jurisdictions, or any similar transactions that may negatively impact the Issuer; and any related party transactions.

Appointments, Remunerations and Corporate Governance Committee

The Appointments, Remunerations and Corporate Governance Committee is composed of five non-executive Directors, the majority of whom shall be independent members of the Board of Directors. The Appointments, Remunerations and Corporate Governance Committee shall meet whenever necessary, according to its Chairman to the exercise its powers. It will also meet at the request of, at a minimum, two of its members. The current members of the Appointments, Remunerations and Corporate Governance Committee are: Amancio López Seijas (President), Irene Cano Piquero, Maria Carmen Corral Escribano, Maria del Coriseo González-Izquierdo Revilla and Tomás Varela Muiña.

The Appointments, Remunerations and Corporate Governance Committee has, among others, the following responsibilities:

- evaluate the skills, knowledge and experience needed in the Board of Directors, and define functions and skills in candidates to fill each vacancy;
- establish objectives for balanced gender representation, develop guidelines for the achievement of such objectives and report to the board on gender diversity issues;
- raise and inform the Board of Directors the proposals for the appointment of independent directors for their designation or submission to the decision of the shareholders meeting;
- make proposals for appointment or separation of senior managers and the basic terms of their contracts;
- propose a policy of compensation of directors and general managers or employees who perform managerial functions under the direct authority of the Board of Directors, to the Board of Directors, the Executive Committee or the CEO;
- ensure the observance of the compensation policy established by the Issuer;

- establish the status of additional remuneration of the Chairman and CEO. The basic fee, which constitutes the compulsory minimum fee, shall be fixed by the Minister of Finance and Civil Service (*Ministro de Hacienda y Función Pública*);
- design the incentive schemes and plans of the Issuer;
- perform an annual review on the compensation policy for directors and senior management;
- supervise the annual corporate governance report and the annual report on remuneration of Directors;
- propose appropriate amendments to the rules applicable to the Board of Directors; and
- examine compliance with the internal regulations and the rules of corporate governance.

Sustainability and Climate Action Committee

The Sustainability and Climate Action Committee is composed of non-executive Directors, the majority of whom shall be independent members of the Board of Directors. The Sustainability and Climate Action Committee will meet as many times as deemed necessary by its Chairman for the exercise of its powers and, at least, four times a year. It will also meet when requested by, at least, two of its members. The current members of the Sustainability and Climate Action Committee are Irene Cano Piquero (President), Pilar Arranz Notario, M^a del Coriseo González-Izquierdo Revilla, Leticia Iglesias Herraiz y Juan Río Cortés.

The Sustainability and Climate Action Committee is responsible for the evaluation and control in matters of sustainability and Climate Action Plan. In particular, the Sustainability and Climate Action Committee has, among others, the following responsibilities:

- To take cognizance of, promote and supervise the Issuer's objectives, action plans and policies, strategies and practices in environmental and social matters;
- Evaluate and verify performance and compliance with the strategy and practices in environmental and social matters, to ensure that they focus on achieving greater sustainability, promote social interest and the creation of long-term value and take account of the legitimate interests of other stakeholders, and report on it to the Board of Directors;
- Supervise the Issuer's practices in environmental and social matters to ensure that they comply with the strategy and policies set;
- Support and monitor Aena's contribution to the achievement of the Sustainable Development Goals (SDG) approved by the United Nations;
- Promote a coordinated strategy for social action, sponsorship and patronage consistent with the Issuer's policies; and
- Review, prior to its approval by the Board of Directors and, subsequently, supervise compliance with the Issuer's Climate Action Plan, which includes actions to mitigate the effects of climate change, as well as monitoring the indicators established for the fulfilment of the decarbonisation objective.

Management Team

The following is the Group's current senior management team and their respective positions in the Issuer:

<u>Name</u>	<u>Position</u>
Maurici Lucena Betriu	Chairman and Chief Executive Officer
Javier Marín San Andrés	Executive Vice-President
María José Cuenda Chamorro	Director of Commercial and Real Estate
Elena Mayoral Corcuera	Airports Managing Director
Amparo Brea Álvarez	Director of Innovation, Sustainability and Client Experience
Ángel Luis Sanz Sanz	Director of the Chairman & CEO's Office, Strategy and Public Policies
Elena Roldán Centeno	Secretary of the Board of Directors and General Secretary
José Leo Vizcaíno	Economic-Financial Officer (CFO)
Begoña Gosálvez Mayordomo	Director of Organisation and People
María Gómez Rodríguez	Director of Communications

Francisco Javier Marín San Andrés, the former Airports Operations Director, was appointed as Executive Vice-President on 27 February 2023, and Elena Mayoral Corcuera was appointed as the new Airports Operations Director on the same date.

The business address for each of the persons listed below is: Calle Peonías, 12, 28042, Madrid, Spain.

Conflicts of Interest

As of the date of this Base Prospectus, there are no conflicts of interest in relation to members of the Board of Directors or to members of its management team between any duties owed to the Issuer and their private interests and other duties.

PRINCIPAL SHAREHOLDERS

As at the date of this Base Prospectus, the significant holding of shares communicated to the CNMV are the following:

Name	% Direct Shareholding	% Indirect Shareholding	% held through financial instruments	% Total Vote Shareholding
ENAIRES	51.000	-	-	51.000
Hohn, Christopher Anthony	-	2.841 ⁽¹⁾	3.416 ⁽²⁾	6.257
The Children's Investment Master Fund	-	-	3.416 ⁽³⁾	3.416
Veritas Asset Management LLP	-	3.024 ⁽⁴⁾	-	3.024
Blackrock Inc.	-	3.016 ⁽⁵⁾	0.055 ⁽⁵⁾	3.071

⁽¹⁾ Mr Christopher Anthony Hohn holds 2.071% of his indirect stake through TCI Luxembourg, S.Á.R.L. and 0.769% through CIFC CAPITAL UK LP.

⁽²⁾ Equity swaps (CFDS).

⁽³⁾ The Children's Investment Master Fund holds its stake through equity swaps (CFDS).

⁽⁴⁾ Veritas Asset Management LLP is an UK-based asset management firm and its indirect stake is held by entities managed by it.

⁽⁵⁾ The shares and financial instruments referred to in this sections correspond to funds, accounts and portfolios managed by investment managers under the control of Blackrock Inc.

The Spanish State Administration indirectly controls (through ENAIRES, the Issuer's principal shareholder) 51% of the Issuer's outstanding capital stock.

Conflicts of Interest

As the main shareholder of the Issuer, ENAIRES is considered a related party under Spanish law. Therefore, relations are subject to Spanish laws and the Issuer's by-laws, and the Issuer has in place procedures to comply with the Spanish laws governing related party transactions. The Issuer has a related party transactions procedure according to which every transaction with a related party must be reviewed by the Issuer's legal department, the Issuer's financial department and the Executive Management Committee before its approval.

With regard to the bodies competent to approve related-party transactions, as mentioned above, all related party transactions shall be submitted to the Issuer's Executive Management Committee for prior approval. Following the approval of the Executive Management Committee, the Issuer's General Shareholders'

Meeting shall be able to approve, subject to a favourable report from the Issuer's Audit Committee, transactions with a value of over 10% of the Issuer's assets, whereas the Issuer's Board of Directors shall be competent, also subject to a favourable report from the Audit Committee, to approve the remaining related party transactions. However, the Board of Directors may delegate the approval of certain transactions in compliance with the procedure and the Spanish laws governing related party transactions.

LEGAL AND OTHER PROCEEDINGS

The Group is routinely involved in legal proceedings arising in the ordinary course of its business, including for cost overruns. An outline of the Group's significant legal and other proceedings is provided below.

Proceedings brought by CEMUSA

In 2020, CEMUSA, Corporación Europea de Mobiliario Urbano, S.A. (fully owned by JCDECAUX EUROPE HOLDING) ("CEMUSA") commenced proceedings against the Issuer claiming €55 million by reference to the '*rebus sic stantibus*' clause in the surface renting contract it had entered with the Issuer for the commercial management of advertising and promotional activity in the Aena airport network. CEMUSA invoked the '*rebus sic stantibus*' clause to support its annulment of the contract, alleging the 2008 global financial crisis had led to a fundamental change in the circumstances that motivated the contract and that such changes prevented the performance of the contract. As such, CEMUSA's claim is not related to COVID-19. On 21 June 2022, the trial hearing was held and, by means of a judgement dated 16 September 2022, the Madrid Court of First Instance No. 50 dismissed CEMUSA's claim in its entirety and ordered the plaintiff to pay the costs. This judgement is however not final and CEMUSA has filed an appeal against it. Management of the Issuer considers that the risk of an unfavorable judgment is remote.

Proceedings related to the impact of COVID-19 on rent collection

In addition, as a consequence of the health crisis caused by COVID-19, some lessees filed claims based on the legal doctrine of the clause '*rebus sic stantibus*' in their contracts with Aena, requesting that the Courts consider the need to adopt an injunctive relief with the purpose of ensuring that Aena refrain from invoicing the rents agreed in the contracts and, amongst other requests, suspend Aena's right to execute the guarantees available in the event of any non-payment.

From the beginning of the legal disputes in December, 2020, to the date of the Base Prospectus, 88 claims have been notified to Aena and 45 judgements have been handed down: 37 partially upholding the plaintiffs' claims, 3 dismissing the plaintiffs' claims and 5 fully upholding the plaintiffs' claims.

On 3 October 2021, the DF7 provision entered into force. The DF7 provision contains a regulation whereby business premise leases or assignment agreements are automatically and retroactively modified in order to rebalance the current agreements in light of COVID-19. The DF7 provision, therefore, is a rule applicable to most of the lease agreements which are the subject of the above-mentioned ongoing judicial proceedings which must necessarily be considered by the different judicial bodies. However, the Issuer, after consulting with qualified legal professionals, believes that the DF7 provision is unconstitutional and should therefore not be applied by judges and courts to resolve legal disputes.

As the Issuer has no standing to file an appeal for unconstitutionality against the DF7 provision, it may only assert its unconstitutionality through the corresponding questions of unconstitutionality issued within the framework of the judicial proceedings in which its application has been decisive for the ruling.

As a result of the foregoing and with respect to the litigation in progress, the Issuer has requested that the judicial body, prior to issuing a ruling on the matter under discussion, raise a question of unconstitutionality under Art. 35 Organic Law of the Constitutional Court. So far, such requests have been made by Aena in 63 proceedings. However, in the resolutions that have been notified in this regard up to this date, no judicial body has yet raised the issue of unconstitutionality to the Constitutional Court, although the request may be raised again in subsequent applications.

In any case, it should be taken into account that the judgments estimating the claims of the lessees would not entail contingencies for a significant amount for the Issuer, since the resolutions that end the procedures at most could recognise that the MAGR from the lease agreements should be adjusted as established in the DF7 provision. According to the Issuer's calculations, such claims could amount to a maximum figure of between €10 million and €20 million.

The Spanish Association of Commercial Operators of Airports, Ports and Stations has challenged before the courts the bidding specifications of the tenders issued by the Issuer, in respect of the food and beverage businesses at the Adolfo Suárez Madrid-Barajas Airport, as well as the tender related to the bidding of the lease agreements for the spaces destined for duty-free shops at the airports of the Aena network.

In both cases, the appeals are in the referral phase of the administrative enquiry, without the claim having been finalised and, therefore, since the content of the counterclaims is unknown, the Group is currently unable to qualify and quantify for the risk derived from such proceedings at such an early phase of the process. However, management of the Issuer believes that the risk of a final decision adverse to the Issuer is remote.

RECENT DEVELOPMENTS

On 22 December 2022, the Issuer published the bid for the world's largest duty-free shop tender in terms of volume of business. On 11 May 2023, the Issuer received bids for the following lots, amounting to 56% of the total amount of the MAGR for 2024 (calculated on the basis for the tender by the Issuer):

- Lot 2 Andalusia – Levante Airports – Dufry submitted the highest financial bid, 30% above the minimum rents tendered by the Issuer.
- Lot 3 Canary Islands Airports – Dufry submitted the highest financial bid, 5% above the minimum rents tendered by the Issuer.
- Lot 5 Balearic Islands Airports - Dufry submitted the highest financial bid, 20% above the minimum rents tendered by the Issuer.
- Lot 6 Northern Spain Airports. Lagardère Travel Retail, S.A.U. (Lagardère) submitted the highest financial bid, 4% above the minimum rents tendered by the Issuer.

On the other hand, no bid was received for Lot 1, Madrid Airport, nor for Lot 4, Cataluña Airports, whose joint MAGR for 2024 amounted to the remaining 44% of all lots tendered (calculated on the basis for the tender by Aena).

As a consequence of the above, on 14 June 2023, the start of a new bidding process was approved by the Board of Directors of the Issuer for Lots 1 and 4. On 25 July 2023, the Board of Directors approved the awarding to Dufry. In total, the bids received for all the Lots (1, 2, 3, 4, 5 and 6) for 2024 are 16.3% higher over RMGAs for 2023.

REGULATORY FRAMEWORK

The Issuer is subject to the laws and regulations governing state-owned entities and companies set forth under Spanish law. In addition, its airport management and operating activities are regulated by specific international, European and Spanish laws and regulations, and decisions by Spanish, European and international courts, and regulatory authorities, with jurisdiction over airports and airport transportation.

Through affiliates of Aena Internacional, the Issuer operates an airport in the United Kingdom and six in Brazil⁷ and has equity stakes in companies operating twelve airports in Mexico, two in Colombia and two in Jamaica and therefore the Issuer is also subject to laws and regulations applicable to entities operating in the United Kingdom, Mexico, Colombia, Jamaica and Brazil.

Regulations Applicable to Aena as a State-owned company

The Issuer is incorporated as a state-owned company. This means that its majority shareholder (ENAIRES) is a state-owned entity that is part of the Spanish State Administration. Its incorporation was established by Royal Decree-Law 13/2010, of 3 December, on measures of tax, labour and liberalization nature to promote investment and employment (*Real Decreto ley 13/2010, de 3 de diciembre, de Actuaciones en el ámbito fiscal, laboral y liberalizadoras para fomentar la inversión y la creación de empleo*). This legislation establishes the primary aspects of its legal regime as state-owned company. At present, as state-owned company the Issuer is also subject to Act 40/2015, of 1 October, on legal regime applicable to the Spanish Public Sector (*Ley 40/2015, de 1 de octubre, de Régimen Jurídico del Sector Público*) ("**Public Sector Act**").

According to Royal Decree-Law 13/2010, the Issuer is governed by specific laws, rules and regulations, applicable only to Spanish state-owned companies, but it is also subject to the Restated Text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010, of 2 July (*Texto Refundido de la Ley de Sociedades de Capital, aprobado por Real Decreto Legislativo 1/2010, de 2 de julio*) applicable to all Spanish corporations. The Issuer's is considered a private company belonging to the Spanish public sector (because the Spanish State Administration indirectly holds more than 50.0% of its share capital) for the purposes of the Royal Decree-Law 1/2010, but some exceptions apply with respect to, amongst others, its budget, asset management, accounting procedures, financial controls and contracting provisions, as results from Royal Decree-Law 13/2010 and the Public Sector Act.

In this regard, the Issuer is subject to the provisions of the Act 47/2003, of 26 November, General on Budget (*Ley 47/2003, de 26 de noviembre, General Presupuestaria*) ("**State Budget Act**"), and its implementing regulations relating to state-owned companies, which regulate all matters related to the Issuer's accounting, budget and financial planning. Pursuant to the State Budget Act, its majority shareholder is required to annually prepare a budget, an explanatory memorandum regarding its budget and a multi-year plan, each of which becomes part of the Spanish State's general budget, which is subjected to the approval of the Spanish Parliament, and is available to the public. These budgets are prepared by ENAIRES on a consolidated basis with the Issuer since both entities form part of the same corporate group. Furthermore, the Issuer is also subject to the public auditing and accounting control from the Comptroller General of the Spanish State Administration (*Intervención General de la Administración del Estado*) and the Accounts Tribunal (*Tribunal de Cuentas*). According to the State Budget Act, its debt is only subject to the approval of the shareholders meeting (without the need to obtain any specific authorisation from any administrative body or the approval of a law authorising the debt).

In addition, the Issuer is subject to Spanish laws and regulations generally applicable to state-owned companies, mainly the Public Sector Act and the Act 33/2003, of 3 November, on Assets of Public Administrations (*Ley 33/2003, de 3 de noviembre, de Patrimonio de las Administraciones Públicas*) ("**Act 33/2003**"). This Act and its implementing regulations govern matters related to the Issuer's asset management and provide specific procedures to be followed when entering into certain transactions. According to this Act, the management of its assets is subject to private law without prejudice to the provisions of the Act 33/2003 that are applicable to the Issuer. It also establishes the powers held by the Spanish Council of Ministers and the Ministry of Economic Affairs and Digital Transformation with respect

⁷ From the fourth quarter of 2023, eleven Brazilian airports will be operated together with the aforementioned six Brazilian airports, following Aena Internacional's successful bid for the concession (ANB and BOAB hereinafter referred to collectively as "Aena Brasil"), awarded on 18 August 2022

to public sector companies. Authorization from the Spanish Council of Ministers is required for the following actions, amongst others, each of which may be relevant to the Issuer:

- the amendment of a company's corporate purpose;
- the incorporation, conversion, merger, division and winding up of state-owned companies (majority owned);
- any transaction that implies the acquisition or loss of the state-owned company status;
- agreements with other shareholders related to voting rights of shares; and
- the acquisition or sale of shares owned by the Spanish State Administration where the price of such transaction exceeds €10 million;

Additionally, the Ministry of the Treasury also holds certain powers related to state-owned companies.

Further, as a state-owned entity, the Issuer is subject to specific regulations that limit the compensation of the Group's directors and the maximum and minimum number of members that can be elected to its Board of Directors. In this regard, the Issuer is required to adhere to certain rules regarding the compensation of senior management at state-owned companies. These rules may be more restrictive than those applicable to companies in the private sector, whether airport operators or others. If the Issuer is unable to offer a senior management compensation regime to key personnel that is at least competitive with the compensation packages of alternative employers, it may be unable to hire, develop or retain senior management with the necessary talent and capabilities.

Taking into account the legal nature of the Issuer as state-owned company, its contracting procedures are mainly governed by Act 9/2017, of 8 November, on general public procurement (Ley 9/2017, de 8 de noviembre, de Contratos del Sector Público) and Royal Decree-law 3/2020, of 4 February, on procurement by entities operating in the water, energy, transport and postal services sectors (*Real Decreto-ley 3/2020, de 4 de febrero, de medidas urgentes por el que se incorporan al ordenamiento jurídico español diversas directivas de la Unión Europea en el ámbito de la contratación pública en determinados sectores; de seguros privados; de planes y fondos de pensiones; del ámbito tributario y de litigios fiscales*), in the terms established in said laws for state-owned companies. Amongst others, this legislation promotes publicity, transparency and concurrence in all contracting processes conducted by the Issuer.

Finally, pursuant to the Public Sector Act the Issuer is subject to on-going control of efficiency by the Ministry of Transportation, Mobility and Urban Agenda and supervision by the Ministry of Economic Affairs and Digital Transformation, through the Comptroller General of the Spanish State Administration.

Regulations Applicable to Aena as a Company that Provides a Service of General Economic Interest

The Issuer is subject to specific laws and regulations and limitations due to the nature of its activities. Act 18/2014 is the primary legislation establishing the airports regulation and the Issuer is subject to its provisions. This Act establishes that the network of airports of general interest managed by the Issuer is considered a service of general economic interest that guarantees citizen mobility, economic, social and territorial cohesion state-wide and the needs of aeronautical transportation in the territory of Spain. Act 18/2014 also states that the Issuer should ensure accessibility, sufficiency and suitability of the Issuer's infrastructure, economic sustainability of the network and the continuity and appropriate rendering of basic airport services in due condition of quality, regularity and safety, being those the goals of the Act 18/2014. DORA (the Document of Aviation Regulation, approved by the Spanish Council of Ministers), within the framework of the current legislation governing the activities of the Issuer as airport manager and operator, defines the economic regime of the Issuer with respect to its aeronautical regulated activities, including, amongst others, minimum conditions necessary to guarantee accessibility, sufficiency and suitability of the Issuer's airports and the proper provision of regulated aviation services of the Issuer's networks of airports (See "*DORA and Rates Regime*" below).

The above notwithstanding, the Spanish State Administration assumes the direct management of the airports of general interest belonging to the Issuer's network with respect to certain powers, including, amongst others:

- the regulation and supervision of all services related to air traffic or any other related services;

- the establishment of the type of services that must be rendered in the event of work stoppages or strikes;
- the preparation, approval and monitoring of general master plans for the operation of Spanish airports in accordance with Act 18/2014;
- the regulation, approval and supervision of the DORA or any other document or plan that establishes the criteria for operation of airports of general interest; and
- the imposition of fines and penalties.

The Issuer is required to maintain its general interest airport network and may not close or dispose of any of its airports or assets required to operate the airports (whether totally or partially) without the express authorization of the Spanish Council of Ministers, following a report by the Delegated Commission of the Government for Economic Affairs (when the closure or asset disposition is equal to or exceeds €20 million) or the prior authorization of the Spanish Secretary of State for Transportation, Mobility and Urban Agenda (when the closure or asset disposition is below €20 million) and, in both cases, it is a requirement to obtain a report from the National Commission for the Markets and Competition (*Comisión Nacional de los Mercados y la Competencia*) ("CNMC") (the Spanish competition authority). This authorisation will only be granted (i) if the transfer or closing of assets proposed by the Issuer allows the maintenance of a network of airports of general interest sufficient to guarantee the goals of general interest required to the Issuer as providers of a service of general economic interest (the network of general interest airports managed by the Issuer); and (ii) if it does not affect the economic sustainability of the network.

Regulations Applicable to Aena as an Airport Manager and Operator

The Issuer operates in a regulated business environment and is subject to laws and regulations that, amongst others, determine the scope and quality of its airport services, impose conditions on the regulated basic airport services charges ("**Rates**") that it applies to its regulated aeronautical activities, establish which governmental authorities are in charge of supervising its activities, and determine its obligations as an airport manager and operator.

General Framework applicable to the Group's Regulated Aeronautical Activities

As an airport manager and operator, the Issuer is mainly subject to Act 18/2014 and to Act 21/2003, of 7 July, on Aviation Safety (*Ley 21/2003, de 7 de julio, de Seguridad Aérea*) ("**Aviation Safety Act**").

Act 18/2014 governs regulated aeronautical activities, defining them as those identified by the Aviation Safety Act, including activities related to: landing; air traffic services; meteorology services; security services; usage of airport facilities and other infrastructures by passengers; general mobility of passengers and assistance to passengers with limited mobility; aircraft parking services; telescopic boarding gate services; use of airport facilities for the transportation and supply of fuel; and ground transportation services.

The main features of Act 18/2014 are:

- *Operative Standards*: Sets forth operational parameters as to the quality of the Issuer's services and infrastructure capacity, to be determined in the DORA to be approved by the Council of Ministers on a five-year basis;
- *Long-Term Visibility and Transparency*: Provides transparency guidelines for the Rates the Issuer can charge throughout a five-year period, that result in greater visibility as to a long-term evolution of Rates especially since the new regime provides that the maximum annual income per passenger ("**IMAP_t**", as defined in Annex 8 under the Act 18/2014), which is the parameter that determines the Issuer's maximum income cannot increase, except under very limited circumstances -though they could decrease, for example, in the event of non-compliance with certain conditions of quality of service or investment- until 2025, inclusive, taking into account the recovery of deficit and other variables, imposing an obligation to provide information on Rates to the public and the General Directorate for Civil Aviation of the Ministry of Transportation, Mobility and Urban Agenda ("**DGAC**") and the CNMC;

- *Price Cap Calculation*: Establishes the IMAPt and which can be adjusted depending on different criteria (see "*— IMAP and IMAAJ Calculations and Applicable Rates*" below). Taking into account the expected traffic in the relevant year, Rates applied to regulated aeronautical services cannot exceed the adjusted IMAP as defined by Act 18/2014;
- *Dual-till Regime*: Applies a dual-till regime (see "*DORA and Rates Regime*" below) and aims to guarantee a return on the Group's regulatory asset base;
- *Efficiencies*: As established in DORA, promotes efficiencies in the management of regulated aeronautical activities, by encouraging the Group to maintain low levels of operational expenses by benchmarking the costs to the average of the five main listed airports in Europe;
- *Airline Participation*: Promotes participation of airlines with respect to the determination of Rates and quality levels of service. During this process, the Issuer is obliged to provide certain information to airlines, including, infrastructure standards, operating expenses, and investments; and
- *Supervision*: Defines which authorities are responsible for supervising the Issuer's activities and imposing sanctions on us and distributes such responsibilities among the Council of Ministers, the Ministry of Transportation, Mobility and Urban Agenda through the DGAC, AESA and the CNMC.

DORA and Rates Regime

The general legal framework applicable to Rates in Spain consists of the following: European Directive 2009/12/EC of the European Parliament and of the Council of 11 March 2009 on airport charges, the Safety Aviation Act 21/2003 and Act 18/2014, pursuant to which the dual-till regime introduced in 2011 was fully implemented in 2018 and establishes the DORA.

Dual-till Regime

Prior to 2013, rates were set annually based on a variety of factors and were not based on a single or dual-till regime. In 2013, the regulatory framework applicable to the Issuer's Spanish airports was based on an adjusted single-till model, whereby revenue and charges relating to both regulated aeronautical and commercial activities were taken into account in determining its rates structure for its regulated aeronautical activities, with non-regulated aeronautical activities and real estate services not being taken into account. This adjusted single-till regime has been progressively replaced with a dual-till regime. Under the dual-till regime, regulated costs are recovered only by regulated revenues. In addition, under this model, the rate structure for the Issuer's regulated aeronautical activities per passenger will be calculated for the whole airport network by dividing the sum of the operating costs of its regulated aeronautical activities plus a return on its regulatory asset base plus regulatory depreciation and amortization of that asset base, by passenger forecasts, subject to a price cap per passenger.

In a dual-till regime, rates for regulated aeronautical activities are established without taking into account revenue from non-regulated activities. In a single-till regime, however, the rate structure for the regulated aeronautical activities is also based on the revenue and expenditures generated by the non-regulated aeronautical or commercial activities rendered in the airport, resulting in a cross-subsidization between the non-regulated activities and the regulated activities.

In 2013, the Issuer operated under an adjusted single-till regime. From 2014 through 2017, the Issuer operated under a hybrid regime. In 2014, 80% of its margin from unregulated activities was taken into account in calculating regulated rates. This percentage declined to 60% in 2015, 40% in 2016, and 20% in 2017. In 2018, the dual till regime was fully implemented.

DORA

Act 18/2014 sets the general guidelines that will apply to the determination of the Rates from the moment the first DORA is approved. The first DORA for the period 2017-2021 (ending on 31 December 2021) was approved by the Council of Ministers on 20 February 2017, published in the Spanish Official Gazette on 27 February 2017 ("**DORA I**"). The second DORA for the period 2022-2026 (from 1 January 2022 to 31 December 2026) was approved by the Council of Ministers on 28 September 2021, published in the Spanish Official Gazette on 30 September 2021 ("**DORA II**").

DORA establishes the general framework for the establishment of the Rates that the issuer charges airlines based on the concept of maximum income per passenger. DORA is a regulatory instrument applicable for five-year periods that will provide minimum conditions necessary to guarantee accessibility, sufficiency and suitability of the Issuer's airports and the proper provision of regulated aviation services of its networks of airports, including, among other things: detailed programs on investments in each airport; infrastructure capacity and minimum conditions of infrastructure services; air traffic forecasts; information on the goals and objectives on each of its airports for the five-year period; performance indicators related to the quality levels and service conditions of each airport; maximum revenue per passenger that may be charged; guidelines on operating, capital costs; incentives and penalties and commercial incentive schemes.

The principles of this regulatory framework are the following:

- Regulation is approved on a five-year basis covering aeronautical regulated services (DORA does not govern commercial services).
- The economic scheme is based on the return of expected costs (including operating costs) and a proper remuneration of the assets associated to the provision of regulated aeronautical services (through capital costs). Expected costs are those considered efficient by the regulator.
- It establishes a dual-till system, as described above.
- Expected costs together with the return on the BAR (*Base de Activos Regulados – Regulated Asset Base*) calculated to the WACC and the expected demand determine the rates path that the Issuer will have to apply each of the five years covered by DORA.
- Forecasted costs and revenues are discounted to present value at a weighted average cost of capital (WACC) before taxes. The sum of these discounted costs are the total costs to be recovered through the discounted revenues for the Issuer's aeronautical regulated services within the five-year period.
- The rates path may be modulated by quality levels provided by the Issuer and by compliance with strategic investments.
- Investments related to regulated aeronautical services must be those necessary and feasible and are limited to an annual average investment volume of €450 million. Although Act 18/2014 establishes that the Council of Ministers could increase this threshold when approving DORA II on the basis of exceptional reasons, DORA II does not provide for a higher annual average investment volume.
- Generally, risks associated to effective deviations in costs and in demand shall be borne by the Issuer.

Once approved, no changes may be made to a DORA during the five-year period, except under limited circumstances set forth by Act 18/2014 in the article 27, which must be unforeseeable at the time the DORA is approved, cannot be attributable to the Issuer's actions, and must have a certain material adverse effect on the financial condition of the Group's airport network including, amongst others, a decrease of more than 10% in passenger air traffic volumes in its airport network caused by natural disasters, terrorism actions or war situation. As a result, any variations from expected conditions (for example, any deviations from the operating expenses or air traffic versus those forecasted in the DORA to calculate the Rates for the relevant five-year period or investments additional to those foreseen by DORA necessary to adjust the capacity of the Issuer's infrastructure to real demand) are at its own risk. The amendment of the DORA due to said unforeseeable circumstances can be started *ex officio* by the DGAC, or at the Issuer's instance.

The approval of a new DORA for a new regulatory period must follow the procedure established in Act 18/2014. The approval process of DORA will initiate with a preparation of a proposal by the Issuer that is submitted to representative associations of users, as defined by Act 18/2014. The Issuer will then open a consulting period for the representative associations of users to provide comments on its proposal. The minimum duration of such consulting period will be two months. During this period, the Issuer will provide the representatives associations of users with the necessary information to evaluate the proposed DORA, including financial data for its network as a whole, individualized financial data for airports with annual passenger air traffic exceeding five million passengers, a proposed return on its regulatory asset base and information that the CNMC may decide that the Issuer should disclose. Its DORA proposal will also be submitted (at the same time it is submitted to the representative associations of users) to the DGAC.

After the consultation period, the proposed DORA (as modified by the recommendations of the representative associations of users) will be submitted again to the DGAC and the CNMC. Once the proposed DORA and corresponding documentation is received, the DGAC will have to review it, and to prepare a final DORA and present it to the corresponding authorities of the Ministry of Transportation, Mobility and Urban Agenda, for its subsequent approval by the Council of Ministers.

IMAP_t and IMAAJ Calculations and Applicable Rates

The structure and amount of the Rates that the Issuer applies for the provision of its regulated aeronautical services is set forth in the Aviation Safety Act. The amount of Rates established in the Aviation Safety Act must be updated in the terms of Act 18/2014, which follows the IMAP calculation revenue model (similar to the one followed by the British Airports Authority although adjusted to account for the progressive introduction of the dual-till regime) and the provisions of DORA for the relevant five-year period. With respect to the period 2022-2026, DORA II establishes a stable framework for the evolution of Rates for this period in order to secure the sufficiency of income on the basis of efficient costs for the provision of regulated aeronautical services. DORA II establishes an initial maximum annual income per passenger equal to 9,89€ ("**IMAP**" as defined under DORA II) that, duly adjusted in the terms of the Annex 8 of the Act 18/2014 and its implementing regulations and DORA, must allow the Issuer to recover costs foreseen for the five-year period covered by DORA II (determined by the regulator on an efficient basis according to the criteria established in Act 18/2014). DORA II limits the annual income per passenger that the Issuer can obtain from the Rates that it applies for the provision of regulated aeronautical services, after the relevant adjustments. Save by limited exceptions, risks resulting from traffic forecast and costs deviations will have to be borne by the Issuer. The Issuer will have to adjust the IMAAJ on an annual basis taking into account different criteria and following the relevant procedure. This adjustment must be subject to a transparency procedure with representative associations of users and to the supervision of the CNMC. The Issuer's income will be determined by compliance with the IMAAJ, as defined below. The IMAP_t calculation revenue model allows for recovery of all forecasted costs arising from its regulated aeronautical activities (deemed efficient, transparent, non-discriminatory and objective by the authorities) in each year of the five-year period covered by the DORA. The IMAP is calculated for all the Issuer's airports as a network and is based on the following main variables: forecasted passenger air traffic, operating expenditures, depreciation and amortization, return on the Issuer's regulatory asset base, capital expenditures and investments made and approved in accordance with DORA. Rates subsidies (*bonificaciones*) provided for the public interest are taken into account when calculating the IMAP, but commercial incentives (e.g., temporary decreases in the fees the Issuer charges) are not.

The IMAP_t is also adjusted taking into account the annual variation of prices of inputs out of the Group's control (the so called "P Index" to be approved by the CNMC prior Aena's proposal).

Additionally, the IMAP_t can be adjusted upwards or downwards based on the Issuer's performance as an airport operator, in accordance with the following factors:

- incentives/penalties for service quality (the maximum range of adjustment is between +2% to -2% of the IMAP);
- penalties for delays in the execution of strategic investments (the maximum penalty amount may not be greater than 2% of the annual program of investments);
- adjustment of the maximum revenue per passenger in the two preceding years; and
- deviations from investments and exceptional operating costs.

These adjustments/corrections are made on an annual basis based on historic performance from the prior two-year periods.

Once adjusted the IMAP_t, the result will be maximum annual revenue adjusted per passenger ("**IMAAJ**") (i.e., the annual price cap per passenger) and, therefore, the maximum income that the Issuer is entitled to obtain.

Rates are generally updated by calendar years. The update of Rates will be carried out by applying to each Rate the percentage that results from the variation of the IMAAJ corresponding to the relevant year with respect to the IMAAJ corresponding to the preceding year. If the application of IMAAJ to the Issuer's Rates

makes the estimated adjusted revenue to be recovered greater than the estimated recoverable costs, the relevant Rates will only increase by the percentage that allows the maximum recovery of such costs.

Using the IMAAJ, the Issuer will adjust the Rates it charges for its regulated aeronautical services each year and in the aggregate, they cannot exceed the IMAAJ per the relevant year. The new Rates resulting from the IMAAJ adjustment will be approved by the Board of Directors of Aena in accordance with Act 18/2014, after the relevant transparency and consultancy procedure with representative associations of users, and will be notified to the CNMC, the DGAC and to the representative associations of users. The CNMC will verify that both the procedure to establish the Rates that the Issuer has followed, and the Rates approved are in line with the provisions of Act 18/2014 and DORA in this regard.

On 24 November 2022, the CNMC decided, although Aena had duly adjusted the IMAAJ for year 2023, the CNMC, to make an adjustment that implies an increase from €9.75 to €9.77 per passenger, which implies a Rate increase of 6.6% over the previous year.

In addition, said resolution stated that the final IMAAJ to be applied from 1 March 2023 was €9.95 per passenger after including €0.18 per passenger to recover the costs recognised by the CNMC in relation to the safety and hygiene measures adopted by Aena in response to COVID-19, which implies a 0% change in the Rates compared to those for 2022.

Efficiency Guidelines

In addition to introducing the DORA framework, the Act 18/2014 establishes a series of conditions to ensure efficiency at the Issuer's airports during the period between 2015 and 2025 (both years inclusive).

Pursuant to Act 18/2014, the first approved DORA and the second DORA will be subject to the following main efficiency conditions: (i) a cap of €450 million capital expenditures (on average) per year which may not be increased except for unforeseen and urgent changes in applicable legislation or as a consequence of mandatory EU or international law (although Act 18/2014 provides that during the second DORA the Council of Ministers was be entitled to exceptionally authorise investments exceeding this cap, DORA II does not foresee investments exceeding this cap); (ii) deficits accumulated by the end of the first and second DORA may not be rolled over into the following DORA; and (iii) Rates charged may not be increased during this period, except if authorized by the Council of Ministers upon the occurrence of certain circumstances set forth in Act 18/2014.

Furthermore, for the purposes of calculating the IMAAJ, until 2025, the ratio that results from dividing all regulated costs (without including amortization or capital expenditures) by unit of air traffic ATU, which is a ratio resulting from adding the total number of passengers, tons of cargo (multiplied by 10), and number of aircraft operations (multiplied by 100) cannot be greater than the ratio registered during 2014.

The Issuer cannot assure that the transition to a dual-till regime (after having operated historically under a single-till regime) as well as the implementation of the DORA framework (in which the Rates for its regulated aeronautical activities will be determined on a five-year basis rather than on an annual basis) will not adversely affect its business, financial condition and results of operations. The Issuer cannot assure that any such elaborations, or that future changes in the regulatory regime applicable to its regulated aeronautical activities, including DORA, will not adversely affect its business, financial condition and results of operations.

Law 2/2021, of 29 March, on urgent measures of prevention, containment and coordination to deal with the health crisis caused by Covid-19

In accordance with the first additional provision of Law 2/2021, of 29 March, on urgent measures of prevention, containment and coordination to deal with the health crisis caused by Covid-19, Aena, as manager of the network of airports of general interest, must temporarily provide the central and peripheral services of Foreign Health with the necessary human, health and support resources. The objective is to ensure health screenings for passengers entry the country via international flights at the airports under its management. To facilitate this collaboration, Aena and the Ministry of Health will establish a formal agreement that will outline the required resources, the airports where the resources will be made available, coordination procedures, as well as the rights, obligations and liabilities of both parties involved.

Following the aforementioned additional provision, an agreement was signed between the Ministry of Health and Aena, on the 28 of June 2020⁸. The agreement specifically addressed the sanitary control of passengers from international flights at airports managed by Aena. Its main objective was to establish the terms and conditions under which Aena would collaborate in responding to public health emergencies of international concern related to Covid-19. This agreement was valid until the 28 of June 2022.

However, considering that the purpose of the aforementioned agreement remained relevant, a new Agreement was signed on the same date, 28 June 2022, between the same parties and with the same objective. The new Agreement remained in effect until 28 June 2023 when the global health emergency caused by Covid-19 was officially declared over.

Aena will be entitled to recover, in the framework of DORA, the costs actually incurred for collaborating in carrying out health checks in the airport environment and the operational health and safety measures adopted and the other operational health and safety measures to be adopted as a result of the Covid-19 pandemic, discounting any subsidies or other financial assistance it may receive for carrying out these activities.

If these costs could not be recovered within the framework of DORA I, with a view to minimising the impact of their application on the sector, they could be recovered, duly capitalised, in any of the subsequent DORAs. In the latter case, certain of the efficiency guidelines set forth in Act 18/2014 would not apply to the costs that are transferred to subsequent DORAs (in particular, the ratios to calculate the IMAJ until 2025 and the prohibition to roll over deficits accumulated by the end of the first and second DORA to the following DORA) See "*Efficiency Guidelines*" above. According to DORA II in order to establish IMAJ per the relevant year the CNMC will have to analyze and monitor the costs incurred as a consequence of undertaking the above referred health measures and define the methodology to recover them. These costs incurred and audited by the CNMC are added to the IMAJ. As of the date of this Base Prospectus, € 51.5 million of costs incurred are pending to recovery.

Sanctions

Failure to comply with the provisions of Act 18/2014 will be considered infringements of the same. The sanctions to be imposed on the Issuer for these infringements will be fines of up to €4,500,000 or up to two or three times the amount of the gross benefit obtained by the commission of the relevant infringement (depending on whether it is serious or very serious), if the amount of gross benefit is higher than the amount of the fine to be imposed. In addition to the fines, the Issuer may be required to restore things to previous status and to indemnify damages and losses caused.

Supervising Authorities

As an airport manager and operator in Spain, the Issuer is subject to the supervision and control of various authorities, including, amongst others, the Councils of Ministers, the Ministry of Transportation, Mobility and Urban Agenda, AESA and CNMC.

Amongst others, the Council of Ministers is in charge of approving the DORA and authorising the transfer or closing of airports of general interest in certain cases.

The Ministry of Transportation, Mobility and Urban Agenda, through the DGAC, is mainly responsible for preparing and amending the DORA and submitting it to the Council of Ministers for its approval, prior report from the Delegated Commission of the Government for Economic Affairs. It also monitors the management of the Issuer's airports, amongst others, in order to obtain the necessary information to prepare the DORA.

Amongst others, the DGAC is in charge of monitoring the Issuer's compliance with the DORA through reports prepared by AESA and CNMC and is also responsible for the filing of reports before the Secretary

⁸ The Law 2/2021, of 29 March, which addresses the urgent measures required to prevent, contain and coordinate efforts in response to the health crisis caused by Covid-19, is the result of validating the Royal Decree-law 21/2020, of 9 June, on urgent prevention, containment, and coordination measures to address the health crisis caused by COVID-19, which came into effect on June 11th, 2020. Therefore, the first Agreement was entered into under the provisions of the additional first provision of the Royal Decree-law 21/2020, dated 9 June, with identical terms to the additional first provision of the Law 2/2021, dated 29 March.

of State for Transportation, Mobility and Urban Agenda describing positive or negative deviations from the DORA, as the case may be.

AESA, amongst others, is also in charge of monitoring the Issuer's compliance with minimum service quality standards and investment programs, and of issuing the relevant reports on investments carried out in the precedent fiscal years, operational expenses and compliance with infrastructure capacity standards. It also supervises compliance by the Issuer with passenger air traffic safety legislation.

CNMC is also in charge of supervising and monitoring the procedures for consulting and transparency performed by the Issuer and adopting binding resolutions in relation thereto; verifying that Rates are properly adjusted in accordance with IMAAJ and that such Rates are not applied in a discriminatory fashion; resolving any Rates conflicts between its customers and the Issuer, with the power to include Rates changes in their decisions; and publishing an annual report of its activities as a supervisory authority with respect to airport Rates. The CNMC is also in charge of reviewing and approving the closure or deposition of any of the Issuer's airports or assets in Spain and of issuing the relevant report in the process intended to approve the DORA.

Obligations as Airport Operator

Pursuant to the Aviation Safety Act, the Issuer is required to:

- provide adequate security conditions through its airport network;
- comply with all security standards related to the design, construction, use and operation of its airports and related infrastructures;
- establish emergency plans; and
- provide training to its personnel with regards to security and civil aviation.

In addition, pursuant to EU Directive EC 96/67, of 15 October, 1996, on access to the ground handling market at Community airports the Issuer is required to select ground-handling agents through a public bidding process. In particular, ground-handling agents have the obligation to collaborate, if required by the Issuer, the relevant airport's local safety office or the State Police Forces and to apply any proceedings intended to minimize issues that might affect airport's safety. Amongst the different types of ground-handling agents those who could be more affected to collaborate on safety matters are those in charge of assisting passengers and those in charge of overseeing luggage.

With respect to the granting of slots allocated to airlines and other operators in the Issuer's airport network in Spain, it is carried out by the Spanish Association on Allocation and Coordination of Airport Slots (*Asociación Española para la Coordinación y Facilitación de Franjas Horarias*) in accordance with the Council Regulation (EEC) No 95/1993 of 18 January (related to general regulations for the allocation of slots), which is also applicable to the rest of the Group's airports located in the EU and Royal Decree Law 1/2014, of 24 January (with respect to amendments relating to infrastructure, transportation and other economic measures). As a result, the Issuer has no control with respect to the allocation of such slots, which limits its ability to select those entities it believes are better suited to operate in its airport network.

Other Regulatory Aspects

Other Regulations

The Issuer is also subject to a variety of regulations both domestically and internationally, particularly with respect to security and environmental compliance.

Airport Security Regulations and Certification

Spain is signatory to the International Civil Aviation Treaty of 7 December 1944 (also known as the Chicago Convention), which provides for general security standards to be followed by all airports located in a signatory state. As a result, the Issuer is subject to a variety of laws and regulations that seek to guarantee minimum security standards in all airports in Spain, including EU Regulation 300/2008 of the European Parliament and of the Council of 11 March 2008 on common rules in the field of civil aviation security and repealing Regulation (EC) No 2320/2002 and Commission implementing Regulation

EU 2015/1998 of 5 November 2015 laying down detailed measures for the implementation of the common basic standards on aviation security. Amongst other issues, these EU Regulations impose the obligation on the Issuer to monitor 100% of luggage aircraft hold and 100% of passengers and their hand and cabin luggage using different methods identified in the same. Compliance with these obligations is verified both by AESA and by audits at EU level.

One of the most salient laws is the Aviation Safety Act which imposes an obligation to provide adequate security conditions throughout the Issuer's airport network and to comply with all security standards with respect to the design, construction, use and operation of its airports and related facilities. It further requires the Issuer to have emergency plans and to constantly train its personnel in connection with operational security and civil aviation.

The Spanish State Administration determines the security policies that the Issuer needs to follow in its Spanish airports, as does the UK government in respect of the corresponding policies at London Luton Airport. Increasingly strict rules could be adopted by EU and/or Spanish authorities, particularly in response to serious political events, epidemics or as part of a heightened drive to eliminate terrorism, which could lead to more demanding operational requirements, the implementation of programs to upgrade facilities or an increase in the inconvenience to passengers caused by the various security measures. Any of these measures may increase the Issuer's expenses and investments and may decrease air travel demand.

In addition, pursuant to EU Regulation 139/2014 of the European Commission, the majority of the Issuer's airports (34 of the total of 46 airports) must obtain (subject to certain exceptions due to lack of viability to obtain those certifications in already built airports) a certification as to their compliance with the safety standards of international civil aviation. EU Regulation 139/2014 established a transition period until 31 December 2017 for the certification of those airports where additional works were required. The Issuer has obtained the certification for the 34 airports within the transition period.

Finally, the Issuer is also subject to the National Program for security in civil aviation originally approved by the Spanish Council of Ministers in 2006, amended in several occasions, being the last one adopted in July 2021. The purpose of this Program is to establish the organization, methodology and procedures necessary to secure protection and safeguard of passengers, crew, public, ground personnel, aircrafts, airports and their installations against illegal interferences.

Environmental Regulations

Due to the Issuer's activity, it is subject to a large number of European and Spanish environmental laws and regulations. The primary are those identified below.

Environmental Impact Assessment

Act 21/2013, of 9 December, on Environmental Assessment (*Ley 21/2013, de 9 de diciembre, de Evaluación Ambiental*) ("**Act 21/2013**") establishes the general framework on the assessment of the effects of certain plans, programmes and projects on the environment. It also implements Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment, as amended, and 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment, as amended.

In general terms, Act 21/2013 requires the Issuer to assess and evaluate the environmental impact of any zoning plan or zoning programme (such as the relevant Director Zoning Plan for each of Aena's airports) and of any project done in its airport network. Amongst others, the assessment analyzes the effects on the spaces included in the Natura 2000 European Network and, specifically for projects, the expected adverse effects on the environment deriving from the vulnerability of the project to risks of major accidents and/or disasters, which are relevant to the project concerned.

This evaluation includes measures to avoid, prevent, reduce or, if possible, compensate any identified significant adverse effects on the environment and should cover both the implementation and operational phases. These measures typically include, amongst others, the development and implementation of acoustic insulation plants (if necessary).

Natural heritage and biodiversity protection

The Issuer's airport activity must also respect the provisions of Act 42/2007, of 13 December, on Natural Heritage and Biodiversity (*Ley 42/2007, de 13 de diciembre, del Patrimonio Natural y de la Biodiversidad*). This Act establishes the general framework for the conservation, sustainable use, improvement and restoration of Spain's natural heritage and biodiversity. The principles of this Act are focused on the maintenance of essential ecological process and of basic vital systems, the preservation of biologic, genetic, people and species diversity, variety, singularity and beauty of natural ecosystems and geological diversity and the diversity of landscape.

Environmental Responsibility

The Issuer is subject to Act 26/2007, of 23 October, on Environmental Responsibility (*Ley 26/2007, de 23 de octubre, de Responsabilidad Medioambiental*), implementing Directive 2004/35/CE of the European Parliament and of the Council of 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental damage. This piece of legislation introduces a new administrative regime on environmental responsibility under which operators that cause environmental damage must take the necessary measures to prevent further damage and restore natural resources. It is a regime based on objective and unlimited responsibility and on the principles of prevention, repair and "polluter pays".

Soil Quality

Law 7/2022, of 8 April, on Waste and Soil Pollution for a Circular Economy (*Ley 7/2022, de 8 de abril, de residuos y suelos contaminados para una economía circular*) and Royal Decree 9/2005, of 14 January, establishing the list of activities potentially polluting the soil and the criteria and standards for the declaration of polluted soil (*Real Decreto 9/2005, de 14 de enero, por el que se establece la relación de actividades potencialmente contaminantes del suelo y los criterios y estándares para la declaración de suelos contaminados*) establish the general framework for treatment of polluted soils and for determining potential polluting activities of the soil. Pursuant to such regulation, the Issuer is required to provide preliminary assessment reports on the status of its soils to each Autonomous Community (*Comunidad Autónoma*) where the Issuer operates. Based on these reports, the Autonomous Communities will assess the need for environmental intervention of the Issuer's soils and, if needed, will set forth the terms and conditions of such recovery. Autonomous Communities have the right to request periodic updates of soil reports. Autonomous Communities are currently reviewing the reports for most of the Group's airports.

On this matter, Act 26/2007 is relevant because it establishes that the pollutant is the entity responsible for undertaking the relevant measures to depollute and recover polluted soils.

Noise pollution

Generally, on noise pollution issues, the Issuer is subject to Directive 2002/49/EC of the European Parliament and of the Council of 25 June 2002 relating to the assessment and management of environmental noise and the State and regional laws and regulations, implementing it (mainly, in Spain, at State level, Act 37/2003, of 17 November, on Noise -*Ley 37/2003, de 17 de noviembre, del Ruido*). However, where a noise problem has been identified, the Issuer is also subject to EU Regulation 598/2014 from the European Parliament and the European Council, dated 16 April 2014, establishing rules and procedures related to noise control at EU airports. Based on these rules and procedures, the Issuer has adopted the "Balanced Approach" method followed by the International Civil Aviation Organization.

The 598/2014 EU Regulation lays down, where a noise problem has been identified, rules on the process to be followed for the introduction of noise-related operating restrictions in a consistent manner on an airport-by-airport basis, so as to help improve the noise climate and to limit or reduce the number of people significantly affected by potentially harmful effects of aircraft noise, in accordance with the "Balanced Approach". The objectives of this Regulation are:

- (a) to facilitate the achievement of specific noise abatement objectives, including health aspects, at the level of individual airports, while respecting relevant Union rules, in particular those laid down in Directive 2002/49/EC, and the legislation within each Member State;
- (b) to enable the use of operating restrictions in accordance with the Balanced Approach so as to achieve the sustainable development of the airport and air traffic management network capacity from a gate-to-gate perspective.

The Balanced Approach method establishes the procedures and steps to identify and reduce noise pollution in the Group's network. This method is implemented by taking any of the following measures: (i) reduction of noise and source of noise; (ii) planning and managing the use of land; (iii) operational procedures for noise reduction; and (iv) restrictions on the operations of aircraft to limit access to certain types of aircraft at the airport.

The Issuer has also carried out noise-pollution valuations and tests to determine the noise pollution associated with aircraft operations and related activities. The Issuer uses various instruments for noise valuation such as the implementation of noise maps that can calculate the specific noise impact arising from the largest airports in its network, acoustic easements (Lan Use Plans *servidumbres acústicas*), to achieve the compatibility of the functioning or development of transport infrastructure with the land-use, activities, facilities or buildings establishes in the area affected. Each acoustics easement includes an action plan with corrective measures in accordance with the "Balanced Approach", including soundproofing of dwellings.

Aena also implements noise-monitoring systems in main airports (Adolfo Suárez Madrid-Barajas, Josep Tarradellas Barcelona-El Prat, Palma de Mallorca, Valencia, Alicante, Málaga-Costa del Sol, Bilbao, Gran Canaria, Tenerife Norte, Tenerife Sur and Sevilla). The Issuer has obtained the ENAC certification for the for the noise-monitoring systems of these airports, in compliance with ISO 20.906, to guarantee the veracity of data and to improve confidence in noise data published, giving credibility to municipalities and communities.

The Issuer has introduced certain operation restrictions at its Adolfo Suárez Madrid-Barajas and Barcelona-El Prat and Palma de Mallorca airports including restrictions on certain aircrafts that produce acoustic pollution and limitations on the usage of certain runways between specified hours.

The Issuer is currently conducting sound tests in most of its airports and have initiated acoustic isolation procedures in its A Coruña, Alicante-Elche, Josep Tarradellas Barcelona-El Prat, Bilbao, Gran Canaria, Ibiza, La Palma, Adolfo Suárez Madrid-Barajas, César Manrique – Lanzarote, Málaga-Costa del Sol, Melilla, Menorca, Palma de Mallorca, Pamplona, Santiago de Compostela, Sevilla, Tenerife Norte, Tenerife Sur, Valencia and Vigo airports.

Air pollution

The Issuer is mainly subject to Law 34/2007, of 15 November, on the protection of the atmosphere and air quality (*Ley 34/2007, de 15 de noviembre, de Calidad del Aire y Protección de la Atmósfera*); Royal Decree 100/2011, of 28 January, which provides an updated catalogue of potentially polluting activities of the atmosphere (*Real Decreto 100/2011, de 28 de enero, por el que se Actualiza el catálogo de actividades potencialmente contaminadoras de la atmósfera y se establecen las disposiciones básicas para su aplicación*); and Law 1/2005, of 9 March, which regulates greenhouse gas emissions (*Ley 1/2005, de 9 de marzo, que regula el régimen del comercio de derechos de emisión de gases de efecto invernadero*). The Issuer is currently obtaining the necessary authorizations and registrations of potential polluting activities so that it can comply with all applicable air pollution requirements.

Climate Change

The European Union's regulatory package 'Fit for 55' that seeks a 55% reduction in greenhouse gases by 2030 has significant implications for Aena, such as:

- Extension of the coverage and duration of the European Union Emissions Trading System (EU ETS), tightening the carbon market and phasing out free allowances allocated to aviation operators until free allowances are completely eliminated by 2026.
- A possible change in the taxation of fuels by introducing a tax on energy derived from kerosene used in aviation (amendment of the Energy Taxation Directive, ETD), with the possible removal of the exemptions in air transportation (tax duties on kerosene).
- ReFuelEU Aviation regulation for sustainable aviation fuels, which forces airlines to consume an increasingly higher percentage of sustainable fuels (SAF).
- Possibility of application of new taxes on airline tickets or the restriction of domestic flights on routes served by high-speed rail networks, which would significantly limit medium and long-haul connectivity and the development of *hubs* of major airports.

In addition to regulatory compliance, Aena has developed a strategy to combat Climate Change that includes a battery of measures to decrease CO₂ emissions caused by its activity through the following areas of action: energy efficiency, energy supplied from renewable sources, reduced emissions from fuel and reduced emissions from third parties.

Commercial activities carried out by Aena in the Spanish airports

Commercial activities carried out by Aena are not subject to the regulations applicable to Aena as Airport Manager and Operator and, therefore, they are not subject to the Rates Regime described above.

Amongst others, commercial activities carried out by Aena include, the offer of spaces for shops, restaurants, gas stations, car rental, ATM machines, VIP areas, supermarket and duty free areas; surface rights to build facilities for handling or autohandling, store, transportation and distribution of cargo or supermarkets and publicity spaces.

In accordance with Act 9/2017, of 8 November, on general public procurement, commercial agreements are out of the scope of that Act, and will be governed by special rules (but applying the principles of that Act to solve interpretation doubts). To ensure compliance with those principles and as required by Royal Decree-Law 13/2010, of 3 December, Aena has internal rules on commercial contracting. Accordingly, commercial agreements are governed by the referred internal rules, Act 33/2003 as applicable (that sets out certain general principles that should be applicable to entities as Aena), the Spanish Civil Code and private law, in light of the nature of the relevant contract to be entered into. Act 40/2015 also sets out certain principles that should be applicable. Amongst others, this legislation promotes efficiency, publicity, transparency and concurrence in all contracting processes conducted by the Issuer. Generally, Aena's model for the development of commercial activities in its Spanish airports is based on a commercial leasing model.

Within the framework of the aforementioned regulation, Aena enters into commercial services agreements with companies that provide services for the airport network. These agreements vary depending on the service provided and are typically dependent on a variable component, determined by the number of sales made by these companies, and subject to a MAGR, which does not depend on the amount of sales made (*please, see Description of the Issuer – Commercial Activities*).

Due to the decrease in passenger traffic and income from tenants as consequence of Covid-19 pandemic, the DF7 provision under the Act 13/2021 contains a regulation whereby business premise leases or assignment agreements are automatically and retroactively modified in order to rebalance the current agreements in light of Covid-19. The DF7 provision, therefore, states that the MAGRs specified in commercial agreements to be due from 15 March 2020 until 20 June 2020 cannot be claimed and from 21 June 2020 the MAGR fixed in agreements will be automatically reduced in proportion to passenger volume compared to 2019.

TAXATION

The following is a general description of certain Spanish tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes whether in those countries or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Spain of acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Also investors should note that the appointment by an investor in the Notes, or any person through which an investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

Spanish tax considerations

The following summary describes the main Spanish tax implications arising in connection with the acquisition and holding of the Notes by individuals or entities who are the beneficial owners of the Notes. The information provided below does not purport to be a complete analysis of the tax law and practice currently applicable in Spain, and it is not intended to be, nor should it be construed to be, legal or tax advice, and does not address all the tax consequences applicable to all categories of investors, some of which (such as look through entities or Holders by reason of employment) may be subject to special rules.

All the tax consequences described in this section are based on the general assumption that the Notes are initially registered for clearance and settlement in Iberclear.

Prospective purchasers of the Notes should consult their own tax advisers as to the tax consequences, including those under the tax laws of the country of which they are resident, of purchasing, owning and disposing of the Notes.

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this Base Prospectus:

- (a) of general application, the First Additional Provision of Law 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions (the "**Law 10/2014**"), as well as Royal Decree 1065/2007, of 27 July, approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes, as amended by Royal Decree 1145/2011 of 29 July ("**Royal Decree 1065/2007**");
- (b) for individuals resident for tax purposes in Spain who are personal income tax ("**PIT**") taxpayers, Law 35/2006, of 28 November, on the PIT and on the partial amendment of the Corporate Income Tax Law, Non-Resident Income Tax Law and Wealth Tax Law, as amended (the "**PIT Law**"), and Royal Decree 439/2007, of 30 March, approving the PIT Regulations, as amended (the "**PIT Regulations**") by Royal Decree 633/2015, of 10 July, along with Law 19/1991, of 6 June, on Wealth Tax, as amended, Law 29/1987, of 18 December, on Inheritance and Gift Tax, as amended and Law 38/2022, for the establishment of temporary levies on energy and on financial credit institutions and introducing a temporary solidarity tax on large fortunes, as amended;
- (c) for legal entities resident for tax purposes in Spain which are Corporate Income Tax ("**CIT**") taxpayers, the Law 27/2014 of 27 November (the "**CIT Law**"), and Royal Decree 634/2015, of 10 July, promulgating the CIT Regulations, as amended (the "**CIT Regulations**"); and
- (d) for individuals and entities who are not resident for tax purposes in Spain which are Non-Resident Income Tax ("**NRIT**") taxpayers, Royal Legislative Decree 5/2004, of 5 March, promulgating the Consolidated Text of the NRIT Law, as amended ("**NRIT Law**") Royal Decree 1776/2004, of 30 July, promulgating the NRIT Regulations, as amended ("**NRIT Regulations**") along with Law 19/1991, of 6 June, on Wealth Tax as amended and Law 29/1987, of 18 December, on Inheritance and Gift Tax, as amended and Law 38/2022, for the establishment of temporary levies on energy and on financial credit institutions and introducing a temporary solidarity tax on large fortunes, as amended.

Tax treatment of the Notes

Indirect taxation

Whatever the nature and residence of the Holder, the acquisition and transfer of Notes will be exempt from indirect taxes in Spain, i.e., exempt from Transfer Tax and Stamp Duty, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, dated 24 September 1993 and exempt from Value Added Tax, in accordance with Law 37/1992, dated 28 December 1992 regulating such tax.

The Issuer understands that the Notes should be deemed as financial assets with an explicit yield for Spanish tax purposes, according to Article 91 of the PIT Regulations and Article 63 of the CIT Regulations.

Direct taxation

(a) Individuals with tax residency in Spain

Personal Income Tax (Impuesto sobre la Renta de las Personas Físicas)

Both interest periodically received and income derived from the transfer, redemption or repayment of the Notes constitute a return on investment obtained from the transfer of own capital to third parties in accordance with the provisions of Section 25.2 of the PIT Law, and must be included in each investor's savings income and taxed at the tax rate applicable from time to time, currently 19% for taxable income up to €6,000; 21% for taxable income between €6,000.01 and €50,000; 23% for taxable income between €50,000.01 and €200,000; 27% for taxable income between €200,000.01 up to €300,000; and 28% for taxable income exceeding €300,000.

Income from the transfer of the Notes is computed as the difference between their transfer value and their acquisition or subscription value. Also, ancillary acquisition and disposal charges are taken into account, insofar as adequately evidenced, in calculating the income.

Negative income derived from the transfer of the Notes, in the event that the investor had acquired other homogeneous securities within the two months prior or subsequent to such transfer or exchange, shall be included in his or her PIT base as and when the remaining homogeneous securities are transferred.

When calculating the net income, expenses related to the management and deposit of the Notes will be deductible, excluding those pertaining to discretionary or individual portfolio management.

A (current) 19% withholding on account of PIT will be imposed by the Issuer on interest payments as well as on income derived from the redemption or repayment of the Notes, by individual investors subject to PIT.

However, income derived from the transfer of the Notes should not be subject to withholding on account of PIT provided that the Notes are:

- (i) registered by way of book entries; and
- (ii) negotiated in a Spanish official secondary market (*mercado secundario oficial*), such as AIAF.

Notwithstanding the above, 19% withholding tax shall apply on the part of the transfer price that corresponds to the accrued interest when the transfer of the Notes takes place within the 30-day period prior to the moment in which such interest is due when the following requirements are fulfilled:

- (i) the acquirer would be a non-resident or a CIT taxpayer;
- (ii) the explicit yield derived from the Notes being transferred is exempt from withholding tax.

In any event, the individual holder may credit the withholding tax applied by the Issuer against his or her final PIT liability for the relevant tax year.

Reporting Obligations

The Issuer will comply with the reporting obligations set forth in the Spanish tax laws with respect to beneficial owners of the Notes that are individuals resident in Spain for tax purposes.

Wealth Tax (*Impuesto sobre el Patrimonio*)

According to Wealth Tax regulations (subject to any exceptions provided under relevant legislation in each autonomous region (*Comunidad Autónoma*), individuals with tax residency in Spain would be subject to Wealth Tax to the extent that their net worth exceeds €700,000 (subject to any exceptions provided under relevant legislation in an autonomous region (*Comunidad Autónoma*). Therefore, they should take into account the value of the Notes which they hold as of 31 December in each year, the applicable rates ranging between 0.2% and 3.5% although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

Notwithstanding the above, the so-called "solidarity tax" was approved in December 2022, which is a two-year direct wealth tax that, in general terms, applies, under certain conditions, to all tax resident individuals. The amount payable for this tax could be reduced by the amount paid for Wealth Tax.

The rates of the "Solidarity Tax" are the following:

Taxable base up to (Euros)	Tax due (Euros)	Rest of taxable base (Euros)	Rate
0.00	0.00	3,000,000.00	0%
3,000,000.00	0.00	2,347,998.03	1.7%
5,347,998.03	39,915,97	5,347,998.03	2.1%
10,695,996.06	152,223,93	Any excess	3.5%

Note that the regulation lays down a minimum exempt amount of €700,000 which means that its effective impact, in general, will occur when the net wealth, not tax exempt, is greater than €3,700,000.

Prospective investors are advised to seek their own professional advice in this regard.

Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals with tax residency in Spain who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to inheritance and gift tax in accordance with the applicable Spanish regional or state rules. The applicable rates range between 7.65% and 81.6%, although the final tax rate may vary depending on any applicable regional tax laws. Some tax benefits could reduce the effective tax rate.

(b) *Spanish tax resident legal entities*

Corporate Income Tax (*Impuesto sobre Sociedades*)

Both interest periodically received and income derived from the transfer, redemption or repayment of the Notes are subject to CIT at the current general flat tax rate of 25%.

However, this general rate will not be applicable to all CIT taxpayers and, for instance, it will not apply to banking institutions (which will be taxed at the rate of 30%).

No withholding on account of CIT will be imposed on interest payments or on income derived from the redemption or repayment of the Notes, by Spanish CIT taxpayers provided that certain requirements are met (including that the Iberclear Members that have the Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, provide the Issuer, in a timely manner,

with a duly executed and completed Payment Statement, as defined below). See "*Compliance with Certain Requirements in Connection with Income Payments*".

With regard to income derived from the transfer of the Notes, in accordance with Article 61.q of the CIT Regulations, there is no obligation to withhold on income derived from the Notes obtained by Spanish CIT taxpayers (which include Spanish tax resident investment funds and Spanish tax resident pension funds) provided that the Notes are:

- (i) registered by way of book entries; and
- (i) negotiated in a Spanish official secondary market, such as AIAF.

Reporting Obligations

The Issuer will comply with the reporting obligations set forth in the Spanish tax laws with respect to beneficial owners of the Notes that are legal persons or entities resident in Spain for tax purposes.

Wealth Tax (*Impuesto sobre el Patrimonio*)

Legal entities resident in Spain for tax purposes that acquire ownership or other rights over the Notes are not subject to Spanish Wealth Tax.

Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Legal entities resident in Spain for tax purposes that acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Inheritance and Gift Tax but generally must include the market value of the Notes in their taxable income for CIT purposes.

(c) Individuals and legal entities that are not tax resident in Spain

- (i) Investors that are not resident in Spain for tax purposes, acting in respect of the Notes through a permanent establishment in Spain

Non-resident Income Tax (*Impuesto sobre la Renta de no Residentes*)

If the Notes form part of the assets affected to a permanent establishment in Spain of a person or legal entity that is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Notes are, generally, the same as those set forth above for Spanish CIT taxpayers. See "*Spanish tax resident legal entities—Corporate Income Tax (*Impuesto sobre Sociedades*)*".

Ownership of the Notes by investors who are not resident in Spain for tax purposes will not in itself create the existence of a permanent establishment in Spain.

Reporting Obligations

The Issuer will comply with the reporting obligations set forth under Spanish tax laws with respect to beneficial owners of the Notes that are individuals or legal entities not resident in Spain for tax purposes and that act with respect to the Notes through a permanent establishment in Spain.

- (ii) Investors that are not resident in Spain for tax purposes, not acting in respect of the Notes through a permanent establishment in Spain

Non-resident Income Tax (*Impuesto sobre la Renta de no Residentes*)

Both interest payments periodically received under the Notes and income derived from the transfer, redemption or repayment of the Notes, obtained by individuals or entities who are not resident in Spain for tax purposes and who do not act, with respect to the Notes, through a permanent establishment in Spain, are exempt from NRIT and therefore no withholding on account of NRIT will be levied on such income provided certain requirements are met. See "*Compliance with Certain Requirements in Connection with Income Payments*".

In order to be eligible for the exemption from NRIT, certain requirements must be met (including that, in respect of interest payments from the Notes carried out by the Issuer, the Iberclear Members that have the Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, provide the Issuer, in a timely manner, with a duly executed and completed Payment Statement, as defined below), as set forth in Article 44 of Royal Decree 1065/2007. *See "—Compliance with Certain Requirements in Connection with Income Payments".*

If the Iberclear Members fail or for any reason are unable to deliver a duly executed and completed Payment Statement to the Issuer in a timely manner in respect of a payment of interest under the Notes, the Issuer will withhold Spanish withholding tax at the applicable rate (currently 19%) on such payment of income on the Notes and the Issuer will not pay additional amounts with respect to any such withholding.

A beneficial owner who is not resident in Spain for tax purposes and entitled to exemption from NRIT, but to whom payment was not exempt from Spanish withholding tax due to a failure on the delivery of a duly executed and completed Payment Statement to the Issuer, will receive a refund of the amount withheld, with no need for action on the beneficial owner's part, if the Issuer receives a duly executed and completed Payment Statement no later than the tenth calendar day of the month immediately following the relevant payment date.

In addition, beneficial owners of the Notes may apply directly to the Spanish tax authorities for any refund to which they may be entitled, according to the procedures set forth in the NRIT Law and its regulations.

Wealth Tax (*Impuesto sobre el Patrimonio*)

According to Wealth Tax regulations, non-Spanish resident individuals whose properties and rights located in Spain, or that can be exercised within the Spanish territory exceed €700,000 would be subject to Wealth Tax, the applicable rates ranging between 0.2% and 3.5% although some reductions may apply.

However, non-Spanish resident individuals will be exempt from Wealth Tax in respect of the Notes which income is exempt from NRIT as described above.

Individuals resident in a country with which Spain has entered into a double tax treaty in relation to the Wealth Tax would generally not be subject to such tax.

Individuals that are not resident in Spain for tax purposes may apply the rules approved by the autonomous region where the assets and rights with more value (i) are located, (ii) can be exercised or (iii) must be fulfilled.

Notwithstanding the above, the so-called "solidarity tax" was approved in December 2022, which is a two-year direct wealth tax that applies, in general terms and under certain conditions, to those Non-Spanish tax resident individuals whose properties and rights are located in Spain, or that can be exercised within the Spanish territory. The amount payable for this tax could be reduced by the amount paid for Wealth Tax.

The rates of the "Solidarity Tax" are the following:

Taxable base up to (Euros)	Tax due (Euros)	Rest of taxable base (Euros)	Rate
0.00	0.00	3,000,000.00	0%
3,000,000.00	0.00	2,347,998.03	1.7%
5,347,998.03	39,915.97	5,347,998.03	2.1%
10,695,996.06	152,223.93	Any excess	3.5%

Note that the regulation lays down a minimum exempt amount of €700,000 which means that its effective impact, in general, will occur when the net wealth, not tax exempt, is greater than €3,700,000.

Prospective investors are advised to seek their own professional advice in this regard.

Non-Spanish resident legal entities are not subject to the Wealth Tax nor the so-called "solidarity tax".

Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals who do not have tax residency in Spain who acquire ownership or other rights over the Notes by inheritance, gift or legacy, and who reside in a country with which Spain has entered into a double tax treaty in relation to inheritance and gift tax will be subject to the relevant double tax treaty.

If no treaty for the avoidance of double taxation in relation to Inheritance and Gift Tax applies, applicable Inheritance and Gift Tax rates would range between 7.65% and 81.6%, depending on relevant factors.

Generally, non-Spanish tax resident individuals are subject to Inheritance and Gift Tax according to the rules set forth in the Spanish state level or relevant autonomous region law. As such, prospective investors should consult their tax advisers.

Non-Spanish resident legal entities which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to inheritance and gift tax. They will be subject to NRIT. If the legal entity is resident in a country with which Spain has entered into a double tax treaty, the provisions of such treaty will apply. In general, double-tax treaties provide for the taxation of this type of income in the country of residence of the beneficiary.

(d) Compliance with certain requirements in connection with income payments

As described under "*Spanish tax resident legal entities—Corporate Income Tax (Impuesto sobre Sociedades)*", "*—Individuals and legal entities that are not tax resident in Spain*", provided the conditions set forth in Law 10/2014 are met, income payments made by the Issuer in respect of the Notes for the benefit of Spanish CIT taxpayers, or for the benefit of non-Spanish tax resident investors will not be subject to Spanish withholding tax, provided that the Iberclear Members that have the Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, if applicable, provide the Issuer, in a timely manner, with a duly executed and completed statement (a "**Payment Statement**") (which is attached as Annex I), in accordance with section 4 of Article 44 of Royal Decree 1065/2007 containing the following information:

- (i) Identification of the Notes.
- (ii) Total amount of the income paid by the Issuer.
- (iii) Amount of the income corresponding to individual residents in Spain that are PIT taxpayers.
- (iv) Amount of the income that must be paid on a gross basis.

If the Iberclear Members fail or for any reason are unable to deliver a duly executed and completed Payment Statement to the Issuer in a timely manner in respect of a payment of income made by the Issuer under the Notes, such payment will be made net of Spanish withholding tax, currently at the rate of 19%. If this were to occur, affected beneficial owners will receive a refund of the amount withheld, with no need for action on their part, if the Iberclear Members submit a duly executed and completed Payment Statement to the Issuer no later than the tenth calendar day of the month immediately following the relevant payment date. In addition, beneficial owners may apply directly to the Spanish tax authorities for any refund to which they may be entitled, according to the procedures set forth in the Spanish NRIT Law.

In the case of Zero Coupon Notes with a maturity of 12 months or less, the information obligations established in Article 44 of Royal Decree 1065/2007 (see above) will have to be complied with upon the redemption or repayment of the Zero Coupon Notes.

In respect of Zero Coupon Notes with a longer term than 12 months, if the Spanish tax authorities consider that the information obligations established in Article 44 of Royal Decree 1065/2007 must also be complied with for, or that the holder of such notes shall provide the Issuer with a legally required certificate issued by the Spanish financial institution or established in Spain that intervenes in their reimbursement (accrediting the prior acquisition of the notes and the corresponding acquisition price) or a certificate of tax residence issued by the tax authorities of the country of its tax residence if the holder of such notes is non-Spanish resident (such certificates currently being valid for a period of one year since the date of issuance), the Issuer will, prior to the redemption or repayment of such notes, adopt the necessary measures with the Clearing Systems in order to ensure its compliance with such information obligations as may be required by the Spanish tax authorities from time to time. Prospective investors should consult their own tax advisers as to the tax consequences and, in particular, the withholding tax obligations set forth under the Spanish regulations in relation to the Zero Coupon Notes (including, among others, its acquisition, tenancy, repayment, redemption and disposition).

Prospective investors should note that the Issuer does not accept any responsibility relating to the lack of delivery of a duly executed and completed Payment Statement by the Iberclear Members in connection with each payment of income under the Securities. Accordingly, the Issuer will not be liable for any damage or loss suffered by any beneficial owner who would otherwise be entitled to an exemption from Spanish withholding tax but whose income payments are nonetheless paid net of Spanish withholding tax because the Payment Statement was not duly delivered to the Issuer. Moreover, the Issuer will not pay any additional amounts with respect to any such withholding tax.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has ceased to participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and participating Member States may decide not to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Spanish FTT

The FTT Law was published in the Spanish Official Gazette (*Boletín Oficial del Estado*) on 16 October 2020. The Spanish FTT came into force three months after the publication of the FTT Law in the Spanish Official Gazette (that is, on 16 January 2021).

Spanish FTT will charge a 0.2% rate on specific acquisitions of listed shares issued by Spanish companies whose market capitalization exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved in the transaction.

For the purposes of transactions closed during 2023, the Spanish tax authorities issued a list of entities whose market capitalization exceeded €1 billion as of 1 December 2022, that will fall within the scope of the Spanish FTT. The Issuer was included in such list.

This being said, the Spanish FTT would not apply in relation to the Notes since (i) the Spanish FTT only applies on the acquisition of shares of certain Spanish companies, so while the Notes are not affected by such tax; and (ii) transactions in the primary market and initial public offerings are exempt from the Spanish FTT. However, it may subject other transactions involving the transfer of ordinary shares in the future depending on the market capitalization of the Issuer and other factors.

As such, prospective investors should consult their tax advisers in relation to the Spanish FTT.

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the jurisdiction of the Issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign passthru payment". Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Set out below is Annex I. Sections in English have been translated from the original Spanish and such translations constitute direct and accurate translations of the Spanish language text. In the event of any discrepancy between the Spanish language version of the certificate contained in Annex I and the corresponding English translation, the Spanish tax authorities will give effect to the Spanish language version of the relevant certificate only.

The language of the Base Prospectus is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of this Base Prospectus.

ANNEX I

Anexo al Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por Real Decreto 1065/2007

Modelo de declaración a que se refieren los apartados 3, 4 y 5 del artículo 44 del Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos

Annex to Royal Decree 1065/2007, of 27 July, approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Declaration form referred to in paragraphs 3, 4 and 5 of Article 44 of the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Don (nombre), con número de identificación fiscal () (1), en nombre y representación de (entidad declarante), con número de identificación fiscal () (1) y domicilio en () en calidad de (marcar la letra que proceda):

Mr. (name), with tax identification number () (1), in the name and on behalf of (entity), with tax identification number () (1) and address in () as (function – mark as applicable):

(a) Entidad Gestora del Mercado de Deuda Pública en Anotaciones.

(a) Management Entity of the Public Debt Market in book-entry form.

(b) Entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero.

(b) Entity that manages the clearing and settlement system of securities resident in a foreign country.

(c) Otras entidades que mantienen valores por cuenta de terceros en entidades de compensación y liquidación de valores domiciliadas en territorio español.

(c) Other entities that hold securities on behalf of third parties within clearing and settlement systems domiciled in the Spanish territory.

(d) Agente de pagos designado por el emisor.

(d) Issuing and Paying Agent appointed by the Issuer.

Formula la siguiente declaración, de acuerdo con lo que consta en sus propios registros:

Makes the following statement, according to its own records:

1. En relación con los apartados 3 y 4 del artículo 44:

1. In relation to paragraphs 3 and 4 of Article 44:

1.1 Identificación de los valores

1.1 Identification of the securities

1.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)

1.2 Income payment date (or refund if the securities are issued at discount or are segregated)

1.3 Importe total de los rendimientos (o importe total a reembolsar, en todo caso, si son valores emitidos al descuento o segregados)

- 1.3 Total amount of income (or total amount to be refunded, in any case, if the securities are issued at discount or are segregated)
- 1.4 **Importe de los rendimientos correspondiente a contribuyentes del Impuesto sobre la Renta de las Personas Físicas, excepto cupones segregados y principales segregados en cuyo reembolso intervenga una Entidad Gestora**
- 1.4 Amount of income corresponding to Personal Income Tax taxpayers, except segregated coupons and segregated principals for which reimbursement an intermediary entity is involved
- 1.5 **Importe de los rendimientos que conforme al apartado 2 del artículo 44 debe abonarse por su importe íntegro (o importe total a reembolsar si son valores emitidos al descuento o segregados).**
- 1.5 Amount of income which according to paragraph 2 of Article 44 must be paid gross (or total amount to be refunded if the securities are issued at discount or are segregated).
- 2 **En relación con el apartado 5 del artículo 44.**
- 2 In relation to paragraph 5 of Article 44.
- 2.1 **Identificación de los valores**
- 2.1 Identification of the securities
- 2.2 **Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)**
- 2.2 Income payment date (or refund if the securities are issued at discount or are segregated)
- 2.3 **Importe total de los rendimientos (o importe total a reembolsar si son valores emitidos al descuento o segregados)**
- 2.3 Total amount of income (or total amount to be refunded if the securities are issued at discount or are segregated)
- 2.4 **Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero A.**
- 2.4 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country A.
- 2.5 **Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero B.**
- 2.5 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country B.
- 2.6 **Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero C.**
- 2.6 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country C.

Lo que declaro en.....a ... de.....de ...

I declare the above in on the ... of of ...

- (1) **En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia**

- (1) In case of non-residents (individuals or corporations) without permanent establishment in Spain it shall be included the number or identification code which corresponds according to their country of residence.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Banco Bilbao Vizcaya Argentaria, S.A., Banco de Sabadell, S.A., Banco Santander, S.A., Bankinter S.A., BNP Paribas, CaixaBank, S.A., Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe, Intesa Sanpaolo S.p.A., Mediobanca - Banca di Credito Finanziario S.p.A., SMBC Bank EU AG and Société Générale (the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and subscribed by, Dealers are set out in a Dealer Agreement dated 27 July 2023 (the "**Dealer Agreement**") and made between the Issuer and the Dealers. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and a single Dealer for that Tranche to be issued by the Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Final Terms as "Non-Syndicated" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Final Terms. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Final Terms as "Syndicated", the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers (including whether any of those Dealers has also been appointed to act as Stabilisation Manager in relation to that Tranche) will be set out in the relevant Final Terms.

Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. Each new Dealer so appointed will be required to represent, warrant and undertake to the following selling restrictions as part of its appointment.

The relevant Dealers will be entitled in certain circumstances to be released and discharged from their obligations in respect of a proposed issue of Notes under or pursuant to the Dealer Agreement prior to the closing of the issue of such Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on or before the issue date of such Notes. In this situation, the issuance of such Notes may not be completed. Investors will have no rights against the Issuer or the relevant Dealers in respect of any expense incurred or loss suffered in these circumstances.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Dealer Agreement will be required to agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by

this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or
 - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.

United Kingdom

Prohibition of sales to UK Retail Investors

Each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms thereto in relation thereto to any retail investor in the UK. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Other UK regulatory restrictions

Each Dealer has represented and agreed that:

- (a) ***No deposit-taking:*** in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) ***Financial promotion:*** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) ***General compliance:*** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Kingdom of Spain

Each Dealer has represented and agreed, and each further Dealer appointed under the Dealer Agreement will be required to represent and agree, that the offers of the Notes in Spain will be directed specifically at or made to professional clients (*clientes profesionales*) as this term is defined in Article 194 of the Spanish Law 6/2023, of 17 March, on the Securities Markets and the Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (as amended or replaced from time to time, the "**Spanish Securities Markets and Investment Services Law**"), and Article 58 of Royal Decree 217/2008, of 15 February (as amended or replaced from time to time), and eligible counterparties (*contrapartes elegibles*) as defined in Article 196 of the Spanish Securities Markets and Investment Services Law.

Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to any Notes be distributed in Italy, except, in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or delivered, and will not offer, sell or deliver any Notes or distribute any copy of this Base Prospectus or any other document relating to the Notes in Italy except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree no. 58 of 24 February 1998 (the "**Financial Services Act**") and Italian CONSOB regulations, all as amended from time to time; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation and Article 34-ter of CONSOB regulation No. 11971 of 14 May 1999 (the "**Issuers Regulation**"), as amended from time to time, and applicable Italian laws.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in Italy under paragraphs (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the "**Banking Act**") and CONSOB Regulation No. 20307 of 15 February 2018 (implementing Legislative Decree 58 of 24 February 1998), all as amended from time to time;
- (ii) in compliance with Article 129 of the Banking Act, as amended from time to time, and the implementing guidelines of the Bank of Italy, as amended from time to time; and
- (iii) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB or the Bank of Italy or other competent authority.

General

Each Dealer has represented and agreed, and each further Dealer appointed under the Dealer Agreement will be required to represent and agree, that to the best of its knowledge and belief, it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer,

sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

GENERAL INFORMATION

Responsibility statement

1. Aena and the undersigned, Mr. José Leo Vizcaíno, Economic-Financial Officer (CFO) of Aena, and Ms. Elena Roldan Centeno, Secretary of the Board of Directors and General Secretary of Aena, acting under a special power of attorney granted by the resolutions of the Board of Directors of Aena passed on 25 July 2023, accept responsibility for the information in this Base Prospectus and declare, to the best of their knowledge, that the information in this Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omissions likely to affect its import.

Authorisation

2. The establishment of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on 25 July 2023, on the basis of an authorisation granted by the General Shareholders' Meeting held on 31 March 2022. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Listing

3. Application may be made for Notes issued under the Programme to be listed on AIAF. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets (either Spanish, European or non-European, including regulated markets, multilateral trading facilities or any other organised markets) agreed between the Issuer and the relevant dealers in relation to the Series. The relevant Final Terms will state on which stock exchanges and/or markets the relevant Notes are to be listed and/or admitted to trading. No unlisted Notes may be issued under the Programme.
4. The Issuer shall procure the admission to trading of the Notes issued under the Programme within a maximum period of 30 days from the issue date of the relevant issuance.

Legal and Arbitration Proceedings

5. Save as disclosed in "*Description of the Issuer – Legal and Other Proceedings*", there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Group.

Significant/Material Change

6. Since 31 December 2022, there has been no material adverse change in the prospects of the Issuer.
7. Since 30 June 2023, there has been no significant change in the financial position or financial performance of the Group.

Independent auditors

8. The Spanish language original consolidated annual accounts of the Issuer and its subsidiaries as at and for each of the years ended 31 December 2022 and 31 December 2021 have been audited and the respective reports have been issued, without qualification, by KPMG Auditores, S.L.

The Spanish language original unaudited consolidated interim financial statements of the Issuer and its subsidiaries as at and for the six-month period ended 30 June 2023, have been subject to a limited review by KPMG Auditores, S.L.

KPMG Auditores, S.L.'s offices are at Paseo de la Castellana, 259 C 28046 Madrid. KPMG Auditores, S.L. is registered with the Madrid Commercial Register under volume 11,961 and sheet M-188007 and with the Official Registry of Accounting Auditors (ROAC) under number S0702 (*Registro Oficial de Auditores de Cuentas*). KPMG Auditores, S.L. is a member of the *Instituto de Censores Jurados de Cuentas de España*.

Certain information on the financial information

9. The 2022 Consolidated Annual Accounts were approved by the General Shareholders' Meeting of Aena held on 20 April 2023.
10. The 2021 Consolidated Annual Accounts were approved by the General Shareholders' Meeting of Aena held on 31 March 2022.

Third party information

11. Information included in this Base Prospectus sourced from a third party has been accurately reproduced, and so far as Aena is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Documents on Display

12. Copies of the following documents (together with English translations thereof) may be inspected on the Issuer's website (<https://www.aena.es/es/accionistas-e-inversores.html>) for the 12 months from the date of this Base Prospectus:
 - (a) the bylaws of the Issuer (as the same may be updated from time to time);
 - (b) the audited consolidated financial statements of the Issuer for the years ended 31 December 2022 and 31 December 2021 and the unaudited consolidated financial statements of the Issuer for the six months ended 30 June 2023;
 - (c) the Deed of Covenant; and
 - (d) the relevant Final Terms.

For the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

This Base Prospectus will be available, in electronic format, on the website of CNMV (<https://www.cnmv.es>).

Material Contracts

13. There are no material contracts that are not entered into in the ordinary course of Aena's business which could result in any member of the Group being under an obligation or entitlement that is material to Aena's ability to meet its obligations in respect of the Notes.

Issue Price and Yield

14. Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the applicable Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the applicable Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

Paying agency

15. For Notes listed on AIAF, all payments under the Conditions of the Notes will be carried out through Iberclear. The corporate address of Iberclear is Plaza de la Lealtad 1, 28014 Madrid, Spain.

Unless otherwise stated in the relevant Final Terms, CaixaBank, S.A. will be the paying agent for the Notes.

Stabilisation

16. In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

Conflicts of Interest

17. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and its affiliates. Certain of the Dealers of their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer and its affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In addition, the relevant Final Terms will contain information on the interests of natural and legal persons involved in the issuances.

Legal Entity Identifier (LEI)

18. The Legal Entity Identifier (LEI) of the Issuer is 959800R7QMXKF0NFMT29.

Issuer website

19. The Issuer's website is www.aena.es. Unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

Validity of prospectus and prospectus supplements

20. For the avoidance of doubt, the Issuer shall have no obligation to supplement this base prospectus after the end of its 12-month validity period.

SIGNATURES

In witness to its knowledge and approval of the contents of this Base Prospectus drawn up according to Annexes 7 and 15 of Delegated Regulation (EU) 2019/980 of 14 March 2019, it is hereby signed by Mr. José Leo Vizcaíno and Ms. Elena Roldan Centeno, acting in the name and on behalf of AENA S.M.E., S.A. pursuant to the resolutions of the Board of Directors of AENA S.M.E., S.A. passed on 25 July 2023 in their capacity as authorised signatories of AENA S.M.E., S.A., in Madrid, on 27 July 2023.

AENA S.M.E., S.A.

AENA S.M.E., S.A.

REGISTERED OFFICE OF THE ISSUER

AENA S.M.E., S.A.
Calle Peonías, 12
28042 Madrid
Spain

ARRANGERS

Banco Bilbao Vizcaya Argentaria, S.A.
Calle Saucedo 28
Edificio Asia
28050 Madrid
Spain

BNP Paribas
16, boulevard des Italiens
75009 Paris
France

DEALERS

Banco de Sabadell, S.A.
Avenida Óscar Esplá 37
03007 Alicante
Spain

Banco Santander, S.A.
Ciudad Grupo Santander
Avenida de Cantabria s/n
Edificio Encinar
28660, Boadilla del Monte,
Madrid
Spain

Bankinter S.A.
Paseo de la Castellana 29
28046 Madrid
Spain

CaixaBank, S.A.
Pintor Sorolla, 2-4,
46002 Valencia,
Spain

**Crédit Agricole Corporate and Investment
Bank**
12 place des Etats-Unis
CS 70052 92 547
Montrouge Cedex
France

Deutsche Bank Aktiengesellschaft
Mainzer Landstrasse 11-17
60329 Frankfurt am Main
Germany

HSBC Continental Europe
38, avenue Kléber
75116 Paris
France

**Intesa Sanpaolo S.p.A.
Divisione IMI Corporate & Investment
Banking**
Via Manzoni 4
20121 Milan
Italy

**Mediobanca - Banca di Credito
Finanziario S.p.A.**
Piazzetta Enrico Cuccia, 1
20121 Milan
Italy

SMBC Bank EU AG
Neue Mainzer Straße 52-58
60311 Frankfurt
Germany

Société Générale
29 boulevard Haussmann
75009 Paris
France

PAYING AGENT

CaixaBank, S.A.
Calle Pintor Sorolla 2-4,
46002 Valencia
Spain

LEGAL ADVISERS

*To the Issuer
as to English and Spanish law:*

Clifford Chance, S.L.P.
Paseo de la Castellana, 110
28046 Madrid
Spain

*To the Dealers
as to English and Spanish law:*

Linklaters, S.L.P.
Calle Almagro, 40
28010 Madrid
Spain

AUDITORS TO THE ISSUER

KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid
Spain