The attached External Auditor’s Report, Consolidated Annual Accounts and Consolidated Management Report for the fiscal year ended 31 December 2020, have been originally issued in Spanish. The English version is not considered official or regulated financial information In the event of discrepancy, the Spanish-language version prevails.

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Audit Report on Aena S.M.E., S.A. and subsidiaries

(Together with the Consolidated Annual Accounts and Consolidated directors' report of Aena S.M.E., S.A. for the year ended 31 December 2020)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Paseo de la Castellana, 259C
28046 Madrid

Independent Auditor's Report on the Consolidated Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the shareholders of Aena S.M.E., S.A.:

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of Aena S.M.E., S.A. (the "Parent") and subsidiaries (together the "Group"), which comprise the consolidated statement of financial position at 31 December 2020, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at 31 December 2020 and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of aeronautical revenues

See notes 2.21, 4 and 5 to the consolidated annual accounts

Key audit matter	*How the matter was addressed in our audit*
Aeronautical revenues, regulated by the Airport Regulation Document (abbreviated to DORA in Spanish) approved on 27 January 2017, totalled Euros 899,269 thousand in 2020. These revenues are mostly generated from the use of the airport infrastructure by airlines and passengers, and they are net of any rebates and incentives. Due to the significance of the aeronautical revenues, as well as the large number of transactions of different types and amounts that give rise to the aeronautical revenues in very diverse airports, they have been considered a key audit matter.	Our audit procedures included the following: – evaluating the criteria, standards and policies used by the Group to recognise the aeronautical revenues regulated by the DORA. – assessing, with the help of our IT specialists, the design and implementation of the most relevant controls established by Group management for the recognition of these aeronautical revenues and for the cash IT system that processes and records the collection of revenues. We also tested the operating effectiveness of these controls. – As part of our substantive procedures: – we carried out a test using computer-assisted audit techniques enabling us to assess the existence and accuracy of a large volume of sales transactions during the year, associating individually the revenues with the related amounts collected. – we performed tests of detail on the transactions that generated revenues from aeronautical services to confirm whether revenues had been adequately recognised in the correct period based on their accrual. – we performed tests of detail to analyse the reasonableness of the criteria and assumptions used to calculate rebates or incentives. We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

<table>
<tr><th colspan="2">Recoverable amount of non-current non-financial assets
See notes 2.8, 4, 6.1 and 7 to the consolidated annual accounts</th></tr>
<tr><td>Key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>At 31 December 2020 the AENA Group presents property plant and equipment amounting to Euros 12,331,677 thousand and intangible assets of Euros 702,306 thousand in its consolidated statement of financial position. These assets are allocated to the cash-generating units (CGU) corresponding to the national airports network, Región de Murcia International Airport, Northeast Brazil Airports and London Luton Airport.

Company management assesses its property, plant and equipment and intangible assets annually for indications of impairment, for the purpose of determining their recoverable amount. The epidemiological situation caused by the expansion of the COVID-19 virus has caused a drastic reduction in airport activity and therefore, indications of impairment have been identified in the Group's aforementioned cash-generating units.

These recoverable amounts, estimated by calculating value in use, are obtained on the basis of projections by applying valuation techniques that require the exercising of judgement by Group management and the use of estimates, inter alia, of passengers, investments and discount and growth rates.

The London Luton Airport CGU corresponds to the London Airport Holdings III Limited and subsidiaries subgroup, an affiliate of the subsidiary Aena Desarrollo Internacional, S.A., whose activity is the operating of the Luton Airport concession in the United Kingdom. As detailed in note 3.1 it is probable that in the next 12 months this subgroup will breach the ratios included in some of the financing agreements in force. For this reason it is in the process of negotiating with these entities to obtain a waiver which, at the date these annual accounts are authorised for issue, has still not been granted by the financial institutions. This situation leads to the existence of material uncertainty for the London Luton Airport Holdings III Limited and subsidiaries subgroup, which could cast significant doubts as to its ability to continue as a going concern.

Due to the complexity inherent to calculating the recoverable amount, the high level of judgement when estimating the key assumptions, the aforementioned uncertainties associated therewith, as well as the significance of the carrying amount of the non-current assets, the process of measuring the aforementioned assets has been considered a key audit matter.</td><td>Our audit procedures included the following:

– assessing the design and implementation of the most relevant controls established by Group management with respect to the process of estimating the recoverable amount of the non-current assets,

– evaluating the criteria used by Group management in identifying indications of impairment,

– assessing, with the support of our valuation specialists, the methodology and assumptions used by Group management in estimating the recoverable amount and reviewed by an independent third party expert engaged by the Group,

– contrasting the key assumptions, such as air traffic forecasts, with data from external sources and the Group's own historical data,

– evaluating the analysis of sensitivity of the estimated recoverable amount to changes, considered as reasonable by the Group, in the relevant assumptions and judgements, such as the discount rate, the expected future growth rate and passenger volumes.

– analysing the ratio compliance commitments in the financing agreements of the London Luton Airport Holdings III Limited and subsidiaries subgroup, as well as the guarantees associated with these financing agreements.

– We also analysed the Group's payment commitments and its capacity to generate cash based on cash forecasts.

We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.</td></tr>
</table>

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Other Information: Consolidated Directors’ Report

Other information solely comprises the 2020 consolidated directors' report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated directors' report. Our responsibility regarding the information contained in the consolidated directors’ report is defined in the legislation regulating the audit of accounts, as follows:

a) Determine, solely, whether the consolidated non-financial information statement and certain information included in the Annual Corporate Governance Report, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.

b) Assess and report on the consistency of the rest of the information included in the consolidated directors’ report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts. Also, assess and report on whether the content and presentation of this part of the consolidated directors’ report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the consolidated directors' report is consistent with that disclosed in the consolidated annual accounts for 2020, and that the content and presentation of the report are in accordance with applicable legislation.

Directors' and Audit Committee's Responsibility for the Consolidated Annual Accounts

The Parent's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent's Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's audit committee is responsible for overseeing the preparation and presentation of the consolidated annual accounts.

Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Directors.

- Conclude on the appropriateness of the Parent's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's audit committee with a statement that we have complied with the applicable ethical requirements, including those regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee of the Parent, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European Single Electronic Format

We have examined the digital files of Aena S.M.E., S.A. and its subsidiaries for 2020 in European Single Electronic Format (ESEF), which comprise the XHTML file that includes the consolidated annual accounts for the aforementioned year and the XBRL files tagged by the Parent, which will form part of the annual financial report.

The Directors of Aena, S.M.E., S.A. are responsible for the presentation of the 2020 annual financial report in accordance with the format and mark-up requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the “ESEF Regulation”).

Our responsibility consists of examining the digital files prepared by the Directors of the Parent, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the consolidated annual accounts included in the aforementioned digital files fully corresponds to the consolidated annual accounts we have audited, and whether the consolidated annual accounts and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital files examined fully correspond to the audited consolidated annual accounts, and these are presented and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

Additional Report to the Audit Committee of the Parent

The opinion expressed in this report is consistent with our additional report to the Parent's audit committee dated 23 February 2021.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Contract Period

We were appointed as auditor of the Group by the shareholders at the ordinary general meeting on 14 March 2019 for a period of three years, beginning after the year ended 31 December 2020.

Previously, we had been appointed for a period of three years, by consensus of the shareholders at their general meeting, and have been auditing the annual accounts since the year ended 31 December 2017.

KPMG Auditores, S.L.
On the Spanish Official Register of
Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Manuel Martín Barbón

On the Spanish Official Register of Auditors ("ROAC") with No. 16239

23 February 2021

AENA S.M.E., S.A. AND SUBSIDIARIES

Consolidated Annual Accounts and Consolidated Management Report for the fiscal year ended 31 December 2020.

(Amounts in thousands of euros unless otherwise stated)

Consolidated statement of financial position at 31 December 2020

	Note	2020	2019
ASSETS			
Non-current assets			
Property, plant and equipment	6.1	12,331,677	12,670,706
Intangible assets	7	702,306	1,009,244
Investment properties	6.3	139,176	140,928
Right-of-use assets	6.2	35,029	61,725
Investments in associates and joint ventures	9	57,220	63,783
Other financial assets	10	90,986	80,123
Other non-current assets	13	24,043	4,363
Deferred tax assets	21	156,563	106,929
		13,537,000	**14,137,801**
Current assets			
Inventories	14	6,516	6,841
Customers and other current assets	13	894,693	505,304
Cash and cash equivalents	15	1,224,878	240,597
		2,126,087	**752,742**
Total assets		**15,663,087**	**14,890,543**
EQUITY AND LIABILITIES			
Equity			
Ordinary shares	16	1,500,000	1,500,000
Share premium	16	1,100,868	1,100,868
Retained earnings/(losses)	17	3,811,411	3,938,336
Cumulative currency translation differences	18	(181,671)	(21,575)
Other reserves	18	(111,595)	(111,827)
Non-controlling interests	18	(54,030)	(23,926)
		6,064,983	**6,381,876**
Liabilities			
Non-current liabilities			
Financial debt	20	7,116,554	5,675,036
Derivative financial instruments	12	101,656	95,672
Grants	24	425,917	461,690
Employee benefits	22	35,943	44,639
Provisions for other liabilities and expenses	23	69,796	77,267
Deferred tax liabilities	21	54,975	58,386
Other long-term liabilities	25	14,927	15,462
		7,819,768	**6,428,152**
Current liabilities			
Financial debt	20	1,139,248	1,238,403
Derivative financial instruments	12	31,645	31,662
Suppliers and other accounts payable	19	517,855	679,879
Current tax liabilities	19	217	10,165
Grants	24	34,711	35,652
Provisions for other liabilities and expenses	23	54,660	84,754
		1,778,336	**2,080,515**
Total liabilities		**9,598,104**	**8,508,667**
Total equity and liabilities		**15,663,087**	**14,890,543**

The accompanying Notes form an integral part of these consolidated annual accounts.

(Amounts in thousands of euros unless otherwise stated)

Consolidated income statement for the fiscal year ended 31 December 2020

	Note	2020	2019
Continuing operations			
Ordinary revenue	5	2,180,616	4,443,560
Other operating revenue	29	9,662	10,067
Work performed by the company for its assets		5,285	5,261
Supplies	30.a	(153,987)	(170,542)
Staff costs	28	(456,876)	(456,173)
Losses, impairment and change in provisions for commercial operations	13	(22,649)	(13,809)
Other operating expenses	30.b	(722,427)	(1,075,321)
Depreciation and amortisation of fixed assets	6,7	(806,863)	(788,969)
Allocation of non-financial and other fixed asset grants	24	36,746	39,655
Surplus provisions		10,465	4,710
Impairment of fixed assets	8	(108,809)	-
Profit from disposals of fixed assets	6,7	(5,115)	(9,396)
Other profit / (loss) – net	27	(58,340)	(11,764)
Operating profit/(loss)		**(92,292)**	**1,977,279**
Finance income	31	2,006	4,569
Finance expenses	31	(116,239)	(124,786)
Other net finance income/(expenses)	31	(7,178)	3,341
Financial expenses – net	31	**(121,411)**	**(116,876)**
Share in income of affiliates	9	1,070	22,446
Profit/(loss) before tax		**(212,633)**	**1,882,849**
Corporate income tax	32	51,885	(437,174)
Consolidated profit/(loss) for the period		**(160,748)**	**1,445,675**
Profit/(loss) for the period attributable to non-controlling interests		**(33,962)**	**3,653**
Profit/(loss) for the fiscal year attributable to shareholders of the parent company	33	**(126,786)**	**1,442,022**
Earnings per share (euros per share)			
Basic earnings per share for the fiscal year result	33	(0.85)	9.61
Diluted earnings per share for the fiscal year result	33	(0.85)	9.61

The accompanying Notes form an integral part of these consolidated annual accounts.

(Amounts in thousands of euros unless otherwise stated)

Consolidated other comprehensive income statement for the fiscal year ended 31 December 2020

	Note	2020	2019
Profit/(loss) for the fiscal year		**(160,748)**	**1,445,675**
Other comprehensive income - Items that are not reclassified as income for the period		**6,541**	**(6,517)**
- Actuarial gains and losses and other adjustments	32	8,120	(7,848)
- Share in other comprehensive income recognised for investments in joint businesses and associates	9	(39)	(4)
- Tax effect	32	(1,540)	1,335
Other comprehensive income - Items that may be reclassified at a later time to the result of the period		**(162,547)**	**(31,036)**
Cash flow hedges	32	**(5,301)**	**(38,375)**
-Profit/(Loss) on measurement		(37,160)	(72,074)
- Amounts transferred to the profit and loss account		31,859	33,699
Currency translation differences		**(158,480)**	**(2,104)**
-Profit/(Loss) on measurement	18.c	(158,480)	(2,104)
Tax effect	32	**1,234**	**9,443**
Total other comprehensive income for the fiscal year		**(316,754)**	**1,408,122**
- Attributed to the parent company		**(286,650)**	**1,409,254**
- Attributed to non-controlling interests		**(30,104)**	**(1,132)**

The accompanying Notes form an integral part of these consolidated annual accounts.

(Amounts in thousands of euros unless otherwise stated)

Consolidated statement of changes in equity for the fiscal year ended 31 December 2020

					Other reserves					
	Share capital (Note 16)	Share premium (Note 16)	Retained earnings (Note 17)	Cumulative currency translation differences (Note 18.b)	Hedging derivatives (Note 18.b)	Actuarial Gains and Losses (Note 18.b)	Share in other comprehensive income of associates (Note 18.b)	Total	Non-controlling interests (Note 18.a)	Total equity
Balance at 31 December 2018	**1,500,000**	**1,100,868**	**3,534,635**	**(20,301)**	**(68,265)**	**(12,091)**	23	**6,034,869**	**(11,064)**	**6,023,805**
Profit/(loss) for the period	-	-	1,442,022	-	-	-	-	1,442,022	3,653	1,445,675
Other comprehensive income for the period	-	-	-	(1,274)	(28,166)	(3,324)	(4)	(32,768)	(4,785)	(37,553)
Total other comprehensive income for the fiscal year	**-**	**-**	**1,442,022**	**(1,274)**	**(28,166)**	**(3,324)**	**(4)**	**1,409,254**	**(1,132)**	**1,408,122**
Distribution of dividends	-	-	(1,039,500)	-	-	-	-	(1,039,500)	(11,730)	**(1,051,230)**
Other movements	-	-	1,179	-	-	-	-	1,179	-	**1,179**
Total contributions by and distributions to shareholders, recognised directly in equity	**-**	**-**	**(1,038,321)**	**-**	**-**	**-**	**-**	**(1,038,321)**	**(11,730)**	**(1,050,051)**
Balance at 31 December 2019	**1,500,000**	**1,100,868**	**3,938,336**	**(21,575)**	**(96,431)**	**(15,415)**	19	**6,405,802**	**(23,926)**	**6,381,876**
Profit/(loss) for the period	-	-	(126,786)	-	-	-	-	(126,786)	(33,962)	(160,748)
Other comprehensive income for the period	-	-	-	(160,096)	(3,067)	3,338	(39)	(159,864)	3,858	(156,006)
Total other comprehensive income for the period	**-**	**-**	**(126,786)**	**(160,096)**	**(3,067)**	**3,338**	**(39)**	**(286,650)**	**(30,104)**	**(316,754)**
Other movements	-	-	(139)	-	-	-	-	(139)	-	(139)
Total contributions by and distributions to shareholders, recognised directly in equity	**-**	**-**	**(139)**	**-**	**-**	**-**	**-**	**(139)**	**-**	**(139)**
Balance at 31 December 2020	**1,500,000**	**1,100,868**	**3,811,411**	**(181,671)**	**(99,498)**	**(12,077)**	**(20)**	**6,119,013**	**(54,030)**	**6,064,983**

The accompanying Notes form an integral part of these consolidated annual accounts.

(Amounts in thousands of euros unless otherwise stated)

Consolidated statement of cash flows for the fiscal year ended 31 December 2020

	Note	2020	2019
Profit/(loss) before tax		**(212,633)**	**1,882,849**
Adjustments for:		**1,035,340**	**909,616**
- Depreciation and amortisation	6,7	806,863	788,969
- Value corrections for impairment of trade credit		22,649	13,809
- Changes in provisions		13,056	47,202
- Impairment of fixed assets	8	108,809	-
- Allocation of grants	24	(36,746)	(39,655)
- (Profit)/loss on derecognition of fixed assets		5,115	9,396
- (Profit)/loss on derecognition of financial instruments		(42)	-
- Valuation adjustments for impairment of trade receivables	31	1,357	(863)
- Finance income	31	(2,006)	(4,569)
- Finance expenses	31	84,380	91,087
- Exchange differences	31	5,863	(2,478)
- Finance expenses for financial derivatives settlement	31	31,859	33,699
- Other revenue and expenses		(4,747)	(4,535)
- Share in profit (loss) of companies consolidated through the equity method		(1,070)	(22,446)
Changes in working capital:		**(561,888)**	**(140,604)**
- Inventories		288	450
- Trade and other receivables		(383,543)	(64,320)
- Other current assets		(23,576)	6,292
- Trade and other payables		(121,643)	(18,702)
- Other current liabilities		(31,846)	(62,974)
- Other non-current liabilities and assets		(1,568)	(1,350)
Other cash from operating activities		**(114,576)**	**(537,518)**
Interest paid		(94,742)	(102,266)
Interest received		692	1,418
Taxes paid		(20,076)	(437,470)
Other receipts (payments)		(450)	800
Net cash from operating activities		**146,243**	**2,114,343**

(Amounts in thousands of euros unless otherwise stated)

Consolidated statement of cash flows for the fiscal years ended 31 December 2020 and 31 December 2019

	Note	2020	2019
Cash flows from investing activities			
Acquisitions of property, plant and equipment		(469,776)	(480,335)
Acquisitions of intangible assets		(33,346)	(544,421)
Acquisitions of real estate		(76)	(7,660)
Payments for acquisitions of other financial assets		(34,867)	(8,561)
Proceeds from divestment of/loans to Group companies and associates	2.2.	-	5,658
Proceeds from property, plant and equipment divestment		-	347
Proceeds from disposals of intangible assets		469	-
Proceeds from other financial assets		2,478	2,149
Dividends received	2.2, 34	417	23,245
Net cash used in investing activities		**(534,701)**	**(1,009,578)**
Cash flows from financing activities			
Income from grants	24	192	6,453
Debt issuance	20	2,877,837	801,139
Other income	20	14,085	61,314
Repayment of similar obligations and securities	20	(104,000)	-
Repayment of bank borrowings	20	(741,000)	(650,000)
Repayment of Group financing	20	(633,619)	(633,744)
Lease liability payments		(5,807)	(7,178)
Dividends paid		-	(1,051,230)
Other payments	20	(26,077)	(41,380)
Net cash from/(used in) financing activities		**1,381,611**	**(1,514,626)**
Effect of foreign exchange rate fluctuations		**(8,872)**	**(922)**
Net increase/(decrease) in cash and cash equivalents		984,281	(410,783)
Cash and cash equivalents at the beginning of the period		**240,597**	**651,380**
Cash and cash equivalents at the end of the period		**1,224,878**	**240,597**

The accompanying Notes form an integral part of these consolidated Annual accounts.

Notes to the consolidated Annual accounts for the fiscal year 2020

1. General information

Aena S.M.E., S.A. ("the Company", or "Aena") is the Parent of a group of companies (the "Group") which at the end of the fiscal year 2020 consisted of eight subsidiaries and four associates. Aena S.M.E, S.A. was incorporated in Spain as an independent legal entity pursuant to Article 7 of Royal Decree-Law 13/2010, of 3 December, through which the Council of Ministers was empowered to incorporate the Company. The authorisation for the effective incorporation took place on 25 February 2011 in the agreement of the Council of Ministers of the said date, in which the incorporation of the state trading company Aena Aeropuertos, S.A. was authorised, in accordance with the provisions of Article 166 of Act 33/2003, of 3 November, on Public Administration Assets (LPAP [Ley del Patrimonio de las Administraciones Públicas]).

On 5 July 2014, pursuant to Article 18 of Royal Decree-Law 8/2014 (ratified subsequent to Act 18/2014), the name of Aena Aeropuertos, S.A. was changed to Aena, S.A. and the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" was renamed as ENAIRE ("Ultimate parent" or "controlling company").

In accordance with the provisions of Act 40/2015, of 1 October, on the Legal Regime of the Public Sector, at the General Shareholders' Meeting held on 25 April 2017, the Company's corporate name was changed to "Aena S.M.E., S.A.". During the fiscal year, there has been no change in the name of the parent entity or other forms of identification since the end of the preceding reporting fiscal year.

Before the incorporation of the Company, the economic activity relating to the management and operation of the airport services, and the subsidiaries and associates that are part of AENA's consolidation scope, were part of the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea", its single shareholder and controlling entity at that time. The state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" was established pursuant to Article 82 of Act 4/1990, of 29 June, on the General State Budget for 1990. It was effectively incorporated on 19 June 1991, once its Statute entered into force, as approved by Royal Decree 905/1991, of 14 June.

The Company was incorporated through the issuance of 61 fully subscribed and paid-up shares with a par value of €1,000 by the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea". The state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" will maintain, in any event, the majority of the Aena Aeropuertos, S.A. share capital pursuant to the terms of Article 7.1, paragraph two of Royal Decree-Law 13/2010, of 3 December, and may dispose of the remainder in accordance with the provisions of Act 33/2003, of 3 November, on Public Administration Assets.

The registration in the Commercial Registry of the Company's incorporation was made based on the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" Board of Directors' Resolution dated 23 May 2011. In this resolution, the contribution of activities to the Company (total assets, rights, debt and obligations associated with the implementation of airport and commercial activities, and other state services related to airport management, including air traffic services, hereinafter, the "Activity") and its valuation were approved. The valuation of the contributed activities was approved by the said Board in accordance with the completed valuation report, resulting in an amount of €2,600,807,000. This valuation was performed using the equity value of the contributed line of activity at 31 May 2011 as a reference, in accordance with the accounting standards in force and in particular the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November, subsequently amended by Royal Decree 1159/2010, of 17 September, and it complied with the requirements of Article 114 of the LPAP.

Subsequently, by means of the Agreement of the Council of Ministers dated 3 June 2011, in order to give substance to the Company's activity and in accordance with Article 9 of Royal Decree-Law 13/2010, of 3 December, an increase in the capital of the Company was approved. This capital increase was carried out through the contribution of non-monetary capital from the transferred line of activity.

Thus, all the assets and liabilities included in the non-monetary contribution were at net book value, except for the assets relating to investments in the equity of group, multi-group and associated companies, which were incorporated into the value of the consolidated Aena Group at 8 June 2011, the effective date of the transaction. Likewise, in accordance with valuation standards 4a and 4b, the assets corresponding to fixed assets were shown at their net book value at the time of the transaction, as broken down in the notes for intangible assets and property, plant and equipment.

The contributed property, plant and equipment relates to rights of any type on the land, buildings and equipment at the airports managed or used by the activity, corresponding to the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea". It also includes the use of rights on certain land located at airports, military airfields and air bases, corresponding to the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea". The contributed rights refer to the following airports, airfields and air bases:

- Airports for own use: A Coruña Airport, Alicante-Elche Airport, Almería Airport, Asturias Airport, Barcelona-El Prat Josep Tarradellas Airport, Bilbao Airport, Burgos Airport, Córdoba Airport, El Hierro Airport, Fuerteventura Airport, Girona-Costa Brava Airport, F.G.L. Granada-Jaén Airport, Huesca-Pirineos Airport, Ibiza Airport, Jerez Airport, La Gomera Airport, La Palma Airport, Logroño-Agoncillo Airport, Adolfo Suárez Madrid-Barajas Airport, Melilla Airport, Menorca Airport, Son Bonet Airport, Pamplona Airport, Reus Airport, Sabadell Airport, San Sebastián Airport, Seve Ballesteros-Santander Airport, Sevilla Airport, Tenerife Sur Airport, Valencia Airport, Vigo Airport and Vitoria Airport.
- Civil part of joint-use airports with the Ministry of Defence: Gran Canaria Airport, César Manrique-Lanzarote Airport, Tenerife Norte-Ciudad de La Laguna Airport, Madrid-Cuatro Vientos Airport, Málaga-Costa del Sol Airport, Palma de Mallorca Airport, Santiago-Rosalía de Castro Airport and Zaragoza Airport.
- Air bases and military airfields open for civil use: Badajoz Airport, Salamanca Airport, Murcia-San Javier Airport, Valladolid Airport, Albacete Airport, and León Airport.
- Heliports: Ceuta Heliport and Algeciras Heliport.

The functional ownership of the Company falls to the Ministry of Transport, Mobility and Urban Agenda, as well as the authority to propose the appointment of one-third of the members of the Board of Directors.

AENA S.M.E., S.A., is established as the beneficiary of expropriations associated with the infrastructure it manages.

However, on 15 January 2019, the Región de Murcia International Airport (AIRM) was inaugurated. The commencement of its operations meant the closure of the civilian part of Murcia-San Javier Airport, which is now exclusively used by military aviation.

The Company's corporate purpose is, in accordance with its articles of association, the following:

- The organisation, direction, co-ordination, operation, maintenance, administration and management of public interest, state-owned airports, heliports and associated services.
- The co-ordination, operation, maintenance, administration and management of the civil areas of air bases open to civil aviation traffic and joint-use airports.
- The design and preparation of projects, execution, management and control of investments in the infrastructure and facilities referred to in the previous paragraphs, and in assets intended for the provision of services.
- The needs assessment and, if appropriate, proposal for planning new airport infrastructure and the obstacle limitation surfaces and acoustics easements associated with the airports, and services that the company is responsible for managing.
- The performance of public order and security services at the airport facilities it manages, without prejudice to the authority assigned to the Ministry of the Interior in this respect.
- Training in areas relating to air traffic, including the training of aeronautical professionals who require licences, certificates, authorisations or qualifications, and the promotion, disclosure or development of aeronautical or airport activities.

The main activity of the Group is the management of airports. In addition, the company may engage in all commercial activities that are directly or indirectly related to its corporate purpose, including the management of airport facilities outside of the territory of Spain and any other ancillary and complementary activities that enable return on investment.

The corporate purpose may be carried out by the company directly or through the creation of trading companies and, specifically, the individualised management of airports may be carried out through subsidiary companies or through service concessions.

The registered office of AENA S.M.E., S.A. is located in Madrid (Spain), calle Peonías, 12, after the change thereof was adopted by its Board of Directors on 30 October 2018. The head office address is also located in Madrid (Spain), calle Peonías, 12.

The Group's main activity centre is also located in Madrid (Spain), calle Peonías, 12.

Moreover, in the Council of Ministers' meeting of 11 July 2014, the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" was authorised to initiate procedures for the sale process of the share capital of AENA S.M.E., S.A. and to dispose up to 49% of its capital. This process culminated in the public flotation of AENA S.M.E., S.A.

The shares of AENA S.M.E., S.A. are admitted for listing on the four Spanish stock exchanges, and are listed on the continuous market as of 11 February 2015.

It was first listed on the Madrid stock exchange after the said Initial Public Offering for 49% of its capital, with an offering price of €58 per share. Subsequently, in June 2015, Aena joined the Ibex 35, an index that includes the top 35 Spanish companies listed on the stock exchange. As of 31 December 2020, the listed share price was €142 per share.

2. Summary of the significant accounting policies

The significant accounting policies adopted in preparing these Consolidated Annual Accounts are described below. These policies have been consistently applied to all the presented years, unless otherwise stated.

2.1 Basis of presentation

As described in Note 1 above, Aena Aeropuertos, S.A. was incorporated as an independent legal entity and as a group during the fiscal year 2011 (23 May 2011 and 31 May 2011, respectively), pursuant to Royal Decree-Law 13/2010, by the effect of the non-monetary contribution of all the assets and liabilities associated with the airport activity. Prior to the creation of Aena Aeropuertos, S.A., the airport services management and operation economic activity carried out by the Company, and its subsidiaries and associates were part of the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea".

In the preparation of the consolidated annual accounts for the fiscal years ended 31 December 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012 and 2011 in accordance with the EU-IFRS, and taking into account the airport activity reorganisation framework provided in the above-mentioned Royal Decree-Law 13/2010, the Company accounted for the non-monetary contribution as a corporate reorganisation within the scope of its shareholder, the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea". This accounting record relates to the analysis and consideration of several factors by the Company Management, taking into account that this type of transaction is not regulated within the IFRS regulatory framework, and specifically in the framework of IFRS 3, "Business Combinations". As a result, the Company developed an accounting policy for the said transaction that reflects its substance and its underlying transactions. In this context, the Company considered that the combination of a recently created new entity (Aena Aeropuertos, S.A. incorporated on 23 May 2011) with a pre-existing reporting unit does not constitute a business combination, due to it not being the newly created entity nor the purchaser nor a business acquired by the pre-existing reporting unit.

In the development of the accounting policy adopted by the Company for this transaction, it has been taken into account that the airport operations previously included in the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea", which were reported in the financial information of the latter as a separate business segment, maintained their accounting records separately and constituted an independent reporting unit. These operations were subject to an applicable specific regulatory framework, although integrated into ENAIRE and not into a separate legal entity, which enabled the various assets to be reliably allocated to the new entity. This conclusion relates to the spirit of Royal Decree-Law 13/2010, the purpose of which was to provide a separate legal form, hitherto lacking, to the set of roles and responsibilities previously exercised by ENAIRE with regard to the management and operation of airport services of a historical nature. As has been indicated, this is to establish an independent economic unit capable of engaging in independent business activity, in the course of business succession, configured as an operating unit and therefore a separate and determinable reporting unit from a historical financial information point of view. Its management has been carried out in the same manner before and after the non-monetary contribution, maintaining continuity in the key management positions of Aena Aeropuertos, S.A.

In this context, the Company also considered that taking into account the legal form of the transaction for the purposes of the presentation of its historical information would have substantially altered the presentation of the airport operations, which were carried out in the same manner before and after the non-monetary contribution. Thus, the presentation for the fiscal year 2011 as of the transaction date would not have reflected the fundamental economic reality of the Aena Aeropuertos, S.A. business when the described legal event was conducted exclusively, as has been indicated, with the aim of providing separate legal form to a pre-existing reporting unit.

Therefore, considering that Aena Aeropuertos, S. A. was an existing single reporting unit before and after the non-monetary contribution, this was accounted for as a corporate reorganisation in the scope of the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea". Consequently, the financial information for the fiscal year 2011 was presented for the full 12-month fiscal year, at its historical book values, considering the existence of Aena Aeropuertos, S.A. as a separate reporting unit, irrespective of its legal establishment in the course of the fiscal year 2011.

The Group's consolidated annual accounts have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU, hereinafter the "IFRS") and the IFRIC interpretations in force at 31 December 2020, as well as the commercial legislation applicable to companies that prepare financial information in accordance with the IFRS to show fair presentation of the consolidated equity and consolidated financial position of the Group at 31 December 2020, the consolidated results from its operations, consolidated changes in equity and consolidated cash flows for the fiscal year ended on that date.

The figures contained in the documents comprising the consolidated annual accounts, the consolidated statement of financial position, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flow and the notes, are expressed in thousands of euros, which is the functional and presentation currency of the Parent Company, unless otherwise indicated and rounded to the nearest thousand. The use of rounded figures may in certain cases lead to a negligible rounding difference in the totals or in the differences.

The preparation of annual accounts under the IFRS requires the use of certain critical accounting estimates. The management is also required to exercise its judgement in the process of applying the Group's accounting policies. Note 4 sets out the areas that involve a higher level of judgement or greater degree of complexity, or the areas where assumptions and estimates are significant for the consolidated annual accounts.

These consolidated annual accounts were prepared by the Board of Directors on 23 February 2021, and will be presented for its approval by the General Shareholders' Meeting.

Changes in accounting policies

a) Standards, interpretations and amendments to the existing standards approved by the European Union applied for the first time in 2020

The accounting policies used in the preparation of these consolidated annual accounts for the fiscal year ended 31 December 2020 are the same as those applied in the consolidated annual accounts of 31 December 2019.

During 2020, the European Union adopted the following interpretations and amendments, which have not had an impact on the Group's consolidated financial statements on the initial application date:

(Amounts in thousands of euros unless otherwise stated)

Area	Subject/Issue	Effective date
Amendment of the references to the conceptual framework in the IFRS	Some references to the conceptual framework in the IFRS standards are updated, in order to facilitate the users of the standards in using the new items of the conceptual framework.	1 January 2020
Amendments to IAS 1 and IAS 8: Definition of Material or materiality	Minor amendments to IAS 1 and IAS 8 to clarify the definition of "material or materiality".	1 January 2020
Amendments to IFRS 3 "Business combinations"	Clarifies the definition of "business", with the objective of helping entities determine if a transaction should be accounted for as a "business combination".	1 January 2020
Amendments to IFRS 9, IAS 39 and IFRS 7 Amendment of Interest Rate Benchmarks	Amendments to IFRS 9, IAS 39 and IFRS 7 in view of the Interest Rate Benchmark Reform.	1 January 2020
Amendments to IFRS 16 Rent concessions related to COVID-19	Amendments to IFRS 16 to allow lessees to not assess whether specific rental concessions related to COVID-19 are lease modifications, without changes for lessors.	1 June 2020

None of these standards has had a significant impact on the Group's Consolidated Annual Accounts. The most relevant aspects related to the application of some of the aforementioned standards are indicated below.

Amendments to IFRS 9, IAS 39 and IFRS 7: amendment of Interest Rate Benchmarks

The Amendments to IFRS 9, IAS 39 and IFRS 7 on the amendment of Interest Rate Benchmarks were applied by the Group in advance in the Consolidated Annual Accounts for the fiscal year ended 31 December 2019, as detailed in Note 2.1.2.3 to the said Annual Accounts. The Group's exposure and the affected hedging relationships are also indicated in the said Note. The transition programme, the action plans and the relationship with the financial institutions, Arrangers of the current debt affected by the reform, are monitored to respond in time and form to the reforms that are being carried out.

The early application for the fiscal year ended 31 December 2019 has enabled the Group to continue to apply hedge accounting during the period of uncertainty arising from the interest rate benchmark reform.

Amendments to IFRS 16

On 28 May 2019, the CNIC has modified IFRS 16, incorporating a practical simplification applicable to fiscal years beginning on or after 1 June 2020, for the accounting treatment of modifications to lease agreements arising from COVID-19, whereby a lessee may elect not to assess whether concessions arising from COVID-19 are a lease modification. A lessee making such an election must account for any changes in the payments arising from the COVID-19 concessions in a manner consistent with any changes that are not a modification to contracts with similar characteristics and circumstances.

The practical simplification solely applies to concessions occurring as a direct consequence of COVID-19 and only if the following conditions are met:

a) The change in lease payments results in a revised lease consideration that is substantially equivalent to, or less than, the lease consideration prior to the change. A change that implies a non-unsubstantial increase in total lease payments may not be derived exclusively from a concession related to COVID-19, except if the increase reflects the time value of money;

b) Any reduction in lease payments only affects payments that originally expired on or before 30 June 2021. That is, a concession would meet the conditions if it resulted in reduced payments in 2020 or 2021, and increased in 2020 or subsequent periods; and

c) There is no substantial change to other clauses and terms of the lease.

If the practical simplification is applied and a reduction in payments occurs, the lessee recognises the change in payments as a negative variable payment in the period in which the event or condition that generates the payments occurs.

(Amounts in thousands of euros unless otherwise stated)

In conclusion, the proposed practical simplification allows lessees, under certain premises, to elect not to carry out an assessment to decide whether a received lease concession related to COVID-19 is a modification to the lease agreement. The lessee would then account for the lease concession as if the change was not a modification to the lease agreement.

This amendment to IFRS 16 has no impact on the Aena Group, given that this practical simplification is only applicable in the capacity as a lessee. The IASB has not issued any provisions for lessors when concessions are made in lease agreements as a result of the pandemic.

In the case of AENA as a lessee, only IFRS 16's practical solution on COVID-19 has been used in the case of the rental concession received in respect of passenger transport buses at Luton Airport, so it has not had a significant impact.

b) Standards, interpretations and amendments to existing standards that have not been adopted by the EU, or while being adopted by the EU are inapplicable until subsequent fiscal years

At the preparation date of these consolidated Annual Accounts, the Group had not adopted, in advance, any other standard, interpretation or amendment that is yet to enter into force.

In addition, at the preparation date of these consolidated Annual Accounts, the IASB and the IFRIC had published a series of standards, amendments and interpretations which have not been adopted by the European Union or, while being adopted by the European Union, are not applicable until subsequent fiscal years. These are summarised below:

Area	Subject/Issue	Effective date
Amendments to IAS 1 Presentation of financial statements	Classifications of liabilities as current or non-current	Issued on 23 January 2020, this Standard has not yet been adopted by the EU.
Amendments to IFRS 3 Business combinations	Updating of references of the Amendments to the Conceptual Framework without changing the accounting recognition criteria.	Issued on 14 May 2020, this Standard has not yet been adopted by the EU.
Amendments to IAS 16 Property, plant and equipment	Accounting for revenue received prior to bringing an asset into use.	Issued on 14 May 2020, this Standard has not yet been adopted by the EU.
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Costs of fulfilling a contract to be included when assessing whether a contract is onerous.	Issued on 14 May 2020, this Standard has not yet been adopted by the EU.
Annual improvements to the IFRS Standards, 2018–20 cycle	Minor amendments to IFRS 1, IFRS 9, IFRS 41 and illustrative examples of leases.	This Standard, which was issued on 14 May 2020, has not yet been adopted by the EU
Amendments to IFRS 9, IAS 39, IFRS 16 and IFRS 7 Amendment of Interest Rate Benchmarks - Phase II	Amendments to IFRS 9, IAS 39, IFRS 16 and IFRS 7 in view of the Interest Rate Benchmark Reform.	Issued on 27 August 2020, it has been adopted by the EU on 1 January 2021.

Based on the analyses conducted to date, the Group believes that the application of these standards and amendments will not have a significant impact on the consolidated financial statements in the initial period of application.

2.2 Consolidation and changes in scope

a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to direct financial and operating policies, generally accompanied by a shareholding of more than one half of the voting rights. When assessing whether the Group controls a company, the existence and effects of potential voting rights that are currently exercisable or convertible are taken into account. The Group also assesses the existence of control when it does not possess more than 50% of the voting rights but it is capable of directing the financial and operating policies.

Subsidiaries are consolidated from the date on which control is transferred to the Group and no longer consolidated from the date on which such control ceases.

The acquisition method is applied for the accounting of the Group's business combinations. The consideration paid for the acquisition of a subsidiary consists of the fair value of the transferred assets, the liabilities incurred with the former owners of the acquired company and the shares in equity issued by the Group. The paid consideration includes the fair value of any asset or liability that originates from a contingent consideration arrangement.

Any contingent consideration to be transferred by the Group is recognised at its fair value on the acquisition date. Subsequent changes in the fair value of a contingent consideration, that is considered as an asset or a liability, are recognised in the results or as a change in other comprehensive income in accordance with IFRS 9. Contingent consideration that is classified as equity is not remeasured and its subsequent payment is accounted within equity. The costs relating to the acquisition are recognised as an expense in the fiscal year in which they are incurred.

Identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value on the acquisition date.

If the business combination is executed in phases, the book value on the acquisition date of the shareholding in the acquiree's equity previously held by the acquirer is remeasured at fair value on the acquisition date, and any gain or loss arising from this new measurement is recognised in the result for the fiscal year.

The goodwill is initially measured as the amount by which the total consideration paid exceeds the identifiable acquired net assets and assumed liabilities. If the consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the results. For each business combination, the Group may elect to recognise any non-controlling interests in the acquiree at fair value or the proportional part of the non-controlling interests in the recognised amount of the acquiree's identifiable net assets.

A business combination between entities or businesses under common control is a business combination in which all the entities or businesses being combined are ultimately controlled by the same party or parties, both before and after the combination takes place and this control is not transitory in nature.

When the Group is involved in a business combination under common control, the acquired assets and liabilities are accounted for at the same book value at which they were previously recorded and are not measured at fair value. No goodwill relating to the transaction is recognised. Any difference between the acquisition price and the net book value of the net acquired assets is recognised under equity.

During the consolidation process, intra-group revenue and expense transactions are eliminated together with any credit and debit balances between the Group entities. Losses and gains that arise from intra-group transactions are also eliminated. The accounting policies of the subsidiaries have been standardised where necessary to ensure uniformity with the policies adopted by the Group.

The breakdown of the Group's subsidiaries at 31 December 2020 and 2019, all consolidated using the consolidation method, is as follows:

Subsidiaries	Address	Activity	%		Share holder
			Direct	Indirect	
Aena, Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E. ("SCAIRM") (1)	Avenida España 101, Valladolises y Lo Jurado (Murcia)	Company holding the operating concession for Región de Murcia International Airport.	100	-	AENA, S.M.E. S.A.
Aena Desarrollo Internacional S.M.E., S.A. ("ADI") (1)	Calle Peonías, 12 Madrid	Operation, maintenance, management and administration of airport infrastructure, as well as complementary services.	100	-	AENA, S.M.E. S.A.

(Amounts in thousands of euros unless otherwise stated)

Subsidiaries	Address	Activity	% Direct	% Indirect	Share holder
London Luton Airport Holdings III Limited ("LLAH III") (2)	Percival House 134 Percival Way London Luton Airport Luton Bedfordshire LU2 9NU	Holding of shares in the company that holds the concession for the operation of London-Luton Airport.	-	51	Aena Desarrollo Internacional S.M.E., S.A.
London Luton Airport Holdings II Limited ("LLAH II") (2)	Percival House 134 Percival Way London Luton Airport Luton Bedfordshire LU2 9NU	Holding of shares in the company that holds the concession for the operation of London-Luton Airport.	-	51	London Luton Airport Holdings III Limited (LLAH III)
London Luton Airport Holdings I Limited ("LLAH I") (2)	Percival House 134 Percival Way London Luton Airport Luton Bedfordshire LU2 9NU	Holding of shares in the company that holds the concession for the operation of London-Luton Airport.	-	51	London Luton Airport Holdings II Limited (LLAH II)
London Luton Airport Group Limited ("LLAGL") (2)	Percival House 134 Percival Way London Luton Airport Luton Bedfordshire LU2 9NU	Guarantor company for the acquisition of the concession for the operation of London-Luton Airport.	-	51	London Luton Airport Holdings I Limited (LLAH I)
London Luton Airport Operations Limited ("LLAOL") (2)	Percival House 134 Percival Way London Luton Airport Luton Bedfordshire LU2 9NU	Company holding the concession for the operation of London-Luton Airport.	-	51	London Luton Airport Group Limited ("LLAGL")
Aeroportos do Nordeste do Brasil S.A. (Aena Brasil) (2)	Rua Barão de Souza Leão, 425, 19º andar, Boa Viagem, CEP: 51.030-300, Recife, Pernambuco (Brazil)	Provision of public services for the expansion, maintenance and operation of airport infrastructure in the airport complexes comprising the Northeast of Brazil block.	-	100	Aena Desarrollo Internacional S.M.E., S.A.

(1) Companies audited by KPMG Auditores, S.L.
(2) Companies audited by the KPMG network

At 31 December 2020 and 2019, none of the subsidiaries are listed on a stock exchange and all end their fiscal year on 31 December. In compliance with Article 155 of the Corporate Enterprises Act, the Group has notified all these companies that it holds more than 10% of the capital, either directly or through another subsidiary.

There have been no transactions carried out by the Group in the fiscal year 2020 that have led to changes in the scope related to that existing at 31 December 2019. In the fiscal year 2019, only the inclusion of the company Aeroportos do Nordeste do Brasil S.A. (Aena Brasil) occurred.

- Aeroportos do Nordeste do Brasil S.A. (Aena Brasil)

Within the scope of the 2018-21 Strategic Plan objectives, on 15 March 2019, Aena was declared the winner by the Brazilian National Civil Aviation Agency (ANAC [Agencia Nacional de Aviación Civil Brasileña]) of the auction held in connection with the operation and maintenance concession for Aeroporto Internacional Recife/Guararapes - Gilberto Freyre, Aeroporto Internacional de Maceió - Zumbi dos Palmares, Aeroporto Internacional de Aracaju - Santa Maria, Aeroporto de Campina Grande - Presidente João Suassuna, Aeroporto Internacional de Joao Pessoa - Presidente Castro Pinto and Aeroporto de Juazeiro do Norte - Orlando Bezerra de Menezes in Brazil. These airports are grouped within the Northeast of Brazil Airports Group.

In accordance with Act 40/2015, of 1 October, on the Legal Regime of the Public Sector, at its meeting on 12 April 2019, the Council of Ministers agreed to authorise Aena Desarrollo Internacional, S.M.E., S.A. to create the state trading company Aeroportos do Nordeste do Brasil S.A. (hereinafter referred to as "Aena Brasil") as the concession holder for airport management of the aforementioned airports. On 30 May 2019, the new Brazilian company was incorporated, wholly owned by Aena Desarrollo Internacional S.M.E. S.A., with a share capital of R$10,000 and with the specific and exclusive corporate purpose of providing public services for the expansion, maintenance and operation of the infrastructure of the airport complexes that make up the Northeast of Brazil block. At its meeting held on 1 July 2019, the Board of Directors of the Brazilian company approved a share capital increase of R$2,388.99 million (approximately €537.8 million at the insured exchange rate of EUR/BRL 4.4425), fully subscribed by its sole shareholder. The form and the term for making this disbursement was as follows:

- On 18 July 2019: R$488,894,033 (€110.1 million at the above-mentioned insured exchange rate) corresponding to the contribution stipulated by the Government of Brazil for concession expenses payable to Infraero (advisers, auction expenses and severance plan for Infraero workers) and remaining cash.
- On 26 August 2019: R$1,900,000,000 (€427.7 million at the above-mentioned insured exchange rate) corresponding to the offer amount.

During the month of January 2020, Aena Brasil commenced operations of the Aeroporto de Juazeiro do Norte - Orlando Bezerra de Menezes and Aeroporto de Campina Grande - Presidente Joao Suassuna airports. In the following weeks, the aforementioned concession company proceeded to manage the rest of the airports.

Given the characteristics of the bid specifications, it is possible to qualify this contract as a public services management contract in the form of a concession, and its successful tenderer must provide all services corresponding to an airport manager, although not including ATC (*Air Traffic Control*) services. The main summarised points of this agreement are the following:

- The concession, which has a period of 30 years that may be extended for 5 additional years, is a *BOT* (build, operate and transfer) concession. Once the total term of the concession has ended, the full and unlimited possession of the land and the entirety of the existing facilities (including the useful expenses made by the concessionaire and the improvements that may have been incorporated by it) will revert to the Brazilian National Civil Aviation Agency without any right to compensation in favour of the Concessionaire.
- Revenue from aeronautical activity is regulated under a dual till model.
- The new Concession Company will have the right to receive remuneration for the price of the use of the facilities and for the provision of services linked to the management of the airport.
- For its part, the Administration receives a fixed fee of R$1,900 million (approximately €427.7 million) on the date of signing the contract and a variable fee from the fifth year based on the gross revenue of the concession agreement. The variable financial consideration is set at 8.16% of gross revenue, with an initial grace period of 5 years and 5 progressive years. This would commence at 1.63% in 2025 and gradually increase to 3.26% in 2026, 4.90% in 2027, 6.53% in 2028, reaching the applicable contractual rate of 8.16% in 2029 and in successive years.
- The National Civil Aviation Agency (ANAC) estimated an investment amount of R$2,153 million in the bid specifications (equivalent to €486.6 million at an EUR/BRL exchange rate 4.4239) distributed among investments aimed at: adapting the infrastructure to traffic (25.6% of the total estimated by the Brazilian authority); non-mandatory discretionary investments that are mainly intended for commercial areas (31.7%); and infrastructure, runways and equipment maintenance (42.7%).

The concession agreement for the Northeast of Brazil airports falls within the scope of IFRIC 12 *Service Concession Arrangements* in accordance with the intangible asset model.

Aena Desarrollo Internacional S.M.E., S.A. ("ADI")

In the fiscal years 2020 and 2019, Aena Desarrollo Internacional, S.M.E., S.A. ("ADI") has not distributed dividends.

The Company has control of London Luton Airport Holding III Limited (hereinafter "LLAH III") and its investees through Aena Desarrollo Internacional, S.M.E., S.A. The key amounts of capital, equity, income and book value, expressed in local currency and under local accounting principles, relating to this company and its investees at the end of the fiscal years 2020 and 2019 are as follows (expressed in thousands of Pounds sterling):

31 December 2020

Name / Address / Activity	Share %	Capital	Profit/(loss) for the fiscal year	Other equity	Total equity
		£ thousands	£ thousands	£ thousands	£ thousands
London Luton Airport Holdings III Limited (*) (1)	51.0%	986	(61,184)	(38,456)	(98,654)
London Luton Airport Holdings II Limited (*) (1)	51.0%	986	(57,443)	(69,303)	(125,760)
London Luton Airport Holdings I Limited (*) (1)	51.0%	1,930	(49,636)	24,975	(22,731)
London Luton Airport Group Limited (*) (1)	51.0%	5,274	(13,047)	98,363	90,590
London Luton Airport Operations Limited (**) (1)	51.0%	5,274	(13,047)	98,363	90,590

(*) Data obtained from the consolidated annual accounts at 31 December 2020.
(**) Data obtained from the individual annual accounts as of 31 December 2020.
(1) Company audited by the KPMG network.

31 December 2019

Name / Address / Activity	Share %	Capital	Profit/(loss) for the fiscal year	Other equity	Total equity
		£ thousands	£ thousands	£ thousands	£ thousands
London Luton Airport Holdings III Limited (*) (1)	51.0%	986	6,547	(49,074)	(41,541)
London Luton Airport Holdings II Limited (*) (1)	51.0%	986	9,499	(82,873)	(72,388)
London Luton Airport Holdings I Limited (*) (1)	51.0%	1,930	17,074	3,830	22,834
London Luton Airport Group Limited (*) (1)	51.0%	5,274	47,061	50,415	102,750
London Luton Airport Operations Limited (**) (1)	51.0%	5,274	47,061	50,415	102,750

(*) Data obtained from the consolidated annual accounts at 31 December 2019.
(**) Data obtained from the individual annual accounts at 31 December 2019.
(2) Company audited by the KPMG network.

<u>Aena, Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E., S.A. (“SCAIRM”)</u>

Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia, S.M.E., S.A. was incorporated in Spain on 25 January 2018 as a public limited company with a share capital of €8.5 million, 100% owned by Aena S.M.E., S.A. (hereinafter, AENA) and, therefore, a State Commercial Company. It was authorised by the Cabinet on 29 December 2017. Its registered office and tax residence is located at calle Avenida España número 101, 30154, Valladolises y Lo Jurado (Murcia). The duration of the Company is indefinite and all its activities are carried out only in Spain.

As a result of the processing of the appropriate contracting file, by Order of the Department of the Presidency and Public Works of the Region of Murcia dated 15 January 2018, the contract for the operation, maintenance and running of the Región de Murcia International Airport (AIRM [Aeropuerto Internacional de la Región de Murcia]) to AENA was awarded, with a concession duration of 25 years.

The Company was incorporated in order to comply with clause 33 of the Specific Terms and Conditions of the tender for the aforementioned concession, which was subject to a public tendering process, having been published in 2017 the tender documents related to the “Management, Operation, Maintenance and Conservation of the Región de Murcia International Airport”.

The sole purpose of the Company 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.

(Amounts in thousands of euros unless otherwise stated)

b) Joint ventures and associates

Joint control is the contractual agreement to share control over a joint business and will only exist when decisions about the relevant activities of that business require the unanimous consent of all the partners that share control.

Associates are all the entities over which the Group exercises significant influence but not control, generally accompanied by a shareholding of between 20% and 50% of voting rights. Investments in associates are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost and the book value is increased or decreased to recognise the investor's share in the results of the associate after the acquisition date. The Group's investment in associates includes the goodwill identified in the acquisition.

The Group's interest in gains or losses subsequent to the acquisition of associate companies is recognised in the income statement. Its share in other comprehensive income movements subsequent to the acquisition is recognised in other comprehensive income by making the relevant adjustment to the book value of the investment. When the Group's share in the losses of an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

If the share in an associate is reduced but significant influence is maintained, only the proportional share in the previously recognised amounts in other comprehensive income is reclassified as income.

On each financial information reporting date, the Group determines if there is any objective evidence of impairment affecting the value of the investment in the associate. If there is, the Group calculates the amount of the impairment loss as the difference between the recoverable amount for the associate and its book value, and this amount is recognised in the income statement.

Losses and gains resulting from upward and downward transactions between the Group and its associates are recognised in the Group's annual accounts, only to the extent that they relate to the shares held by other investors in associates unrelated to the investor. Unrealised losses are eliminated unless the transaction provides evidence of an impairment to the value of the transferred asset. The accounting policies of associates are changed where necessary to ensure uniformity with the Group's accounting policies.

The breakdown of joint ventures and associates as of 31 December 2020 and 2019 is as follows:

Associate companies: Company and Registered Office	Activity	%		Value of investments in associates (Note 9)		Share holder	Consolidation Method
		Direct	Indirect	31.12.20	31.12.19		
Aeropuertos Mexicanos del Pacífico, S.A. de CV (AMP) Mexico City (1)	Shareholding in the operator of Grupo Aeroportuario del Pacífico (GAP).	-	33,33	54,270	56,178	Aena Desarrollo Internacional S.M.E., S.A.	Equity method
Sociedad Aeroportuaria de la Costa S.A. (SACSA) Rafael Núñez Cartagena de Indias Airport – Colombia (1)	Operation of Cartagena de Indias Airport.	-	37,89	2,398	3,922	Aena Desarrollo Internacional S.M.E., S.A.	Equity method
Aeropuertos del Caribe, S.A. (ACSA) Ernesto Cortissoz Barranquilla Airport - Colombia (2)	No activity (*).	-	40	-	-	Aena Desarrollo Internacional S.M.E., S.A.	Equity method
Aerocali, S.A. Alfonso Bonilla Aragón Cali Airport - Colombia (2)	Operation of Cali Airport.	-	50	552	3,683	Aena Desarrollo Internacional S.M.E., S.A.	Equity method

(1) Companies audited by the KPMG network.
(2) Companies audited by other auditors.
(*)The Barranquilla airport concession ended in 2012.

At 31 December 2020 and 2019, none of the associates were listed on a stock exchange. All the associates close their fiscal year on 31 December.

In compliance with Article 155 of the Corporate Enterprises Act, the Group has notified all these companies that it holds more than 10% of the capital, either directly or through another subsidiary.

During the fiscal year 2020, the subsidiary Aena Desarrollo Internacional S.M.E., S.A. has not collected dividends from the associates and joint ventures (2019: €22.828 million).

- <u>Aerocali, S.A.</u>

On 29 May 2014, the subsidiary Aena Desarrollo Internacional, S.M.E., S.A. purchased 63 thousand Aerocali, S.A. ordinary shares. As a result of this acquisition, the Group came to hold a 50% shareholding in this company. The amount paid for this acquisition was €2.036 million. In accordance with the analysis conducted by Group Management, it would not obtain control of the investee by this acquisition due to the existence of joint control. Thus in the fiscal years 2020 and 2019, it continued to use the equity method with the change in the share percentage since the acquisition of the new shares.

On 1 September 2020, the concession of the Cali Airport, which was managed by Sociedad Aerocali S.A., ended. Likewise, on 26 September 2020, the concession of the Cartagena de Indias airport, which was managed by Sociedad Aeroportuaria de la Costa S.A., ended. Both concession agreements have been extended for a duration of six months, with the new scheduled termination dates being 1 March 2021 for the Cali Airport and 25 March 2021 for the Cartagena de Indias airport. The companies Aerocali S.A. and Sociedad Aeroportuaria de la Costa S.A. are negotiating with the granting authorities for additional duration extensions to the concession agreements, which compensate for the effects of the COVID-19 pandemic.

- <u>Aeropuertos Mexicanos del Pacífico, S.A. de CV (AMP)</u>

On 24 February 2006, Grupo Aeroportuario del Pacífico, S.A. (a company invested in by AMP) was listed on the Mexican and New York stock exchanges through an IPO conducted by the Mexican Government (former owner of the remaining 85% of capital). In addition, Aeropuertos Mexicanos del Pacífico acquired 2.296% of Grupo Aeroportuario del Pacífico, S.A. on the stock exchange for Mex$286,297,895, increasing its stake to 17.296% of its capital. In May 2008, 640,000 shares were acquired on the stock exchange for an amount of Mex$26,229,376, increasing from 0.11396% to 17.40996% of Grupo Aeroportuario del Pacífico, S.A. On 19 December 2019, in compliance with the board determination, AMP sold 250,000 series B shares representing 1.85% of the 2.41% held in these shares, and therefore having sold 0.04% and maintaining 17.4% (17.36996% vs. 17.40996%) of GAP with an income of Mex$29.6 million.

The average acquisition price for the shares held by Aeropuertos Mexicanos del Pacífico in Grupo Aeroportuario del Pacífico is Mex$23.12, while the share price at 31 December 2020 was Mex$222.14 (2019: Mex$224.67).

On 7 January 2019, at the General Shareholders' Meeting of the investee company Aeropuertos Mexicanos del Pacífico, S.A.P.I. de C.V., the reduction of 60 million shares from the variable portion of its share capital was approved, establishing a total of Mex$1,608.4 million. As a result of this transaction, the Group recognised a cash inflow of €919,000, reduced its shareholding in the associate by €917,000 and recorded the difference resulting from this transaction into equity. Likewise, on 14 May 2019, at the General Shareholders' Meeting of the investee company Aeropuertos Mexicanos del Pacífico, S.A.P.I. de C.V., the reduction of 302 million shares from the variable portion of its share capital was approved, establishing a total of Mex$1,306.4 million. As a result of this transaction, the Group recognised a cash inflow of €4.716 million, reduced its shareholding in the associate by €4.313 million and recorded the difference resulting from this transaction into equity. These transactions did not generate changes in the share percentage.

Likewise, the Group estimates the recoverable amount of the said investment in AMP by reference to the listed share price of Grupo Aeroportuario del Pacífico, S.A.B. de C.V. (GAP), the primary asset of AMP, as well as the revenue derived from the management contracts between both companies. In this sense, a recoverable amount is obtained that exceeds the cost recorded by the Group. In the fiscal years 2020 and 2019, the latter performed a sensitivity analysis on the recoverable amount calculation according to changes in the key assumptions and compared the obtained results against recent transaction amounts for sales and purchases of airports. On the basis of the foregoing, the Group's management considers that the calculated recoverable amount, at 31 December 2020 and 2019, is higher than the acquisition cost of the aforementioned investment in AMP.

2.3 Comparative information

During the fiscal year ended 31 December 2020, there were no significant changes in accounting criteria in comparison to the criteria applied in the 2019 fiscal year.

2.4 Transactions denominated in foreign currency

a) Functional and presentation currency

The items included in the consolidated annual accounts of each of the Group's entities are measured using the currency of the primary economic environment in which the company operates ("functional currency"). The consolidated annual accounts are presented in thousands of euros. The euro is the functional and presentation currency of AENA S.M.E., S.A.

b) Transactions and balances

Transactions in foreign currency are translated to the functional currency using the prevailing foreign exchange rates on the transaction dates. Foreign currency gains and losses, which result from the settlement of these transactions and the translation of the closing foreign exchange rates of monetary assets and liabilities denominated in foreign currency, are recognised in the income statement, except if deferred in other comprehensive income as cash flow hedges or net investment hedges. Gains and losses from exchange differences relating to loans, and cash and cash equivalents are presented in the consolidated income statement under the "Other net finance income/(expenses)" line. All other gains or losses from exchange differences are presented in the same heading.

The translation to the presentation currency, for company results obtained by applying the equity method, is done by converting all the assets, rights and obligations using the prevailing foreign exchange on the closing date of the consolidated annual accounts. The consolidated income statement items for each foreign company are translated to the presentation currency using the annual average exchange rate, which is calculated as the mathematical average of the average exchange rate for each of the 12 months of the year, which does not differ significantly from the prevailing exchange rate on the transaction date. The difference between the amount of equity converted using the historic exchange rate, including the calculated income as indicated in the preceding point, and the equity position resulting from the conversion of assets, rights and obligations, is recognised as a positive or negative figure, as applicable, in equity under the "Currency translation differences" heading.

c) Group Entities

The results and financial position of all the Group's entities (none of which have the currency of a hyperinflationary economy), where the functional currency differs to the presentation currency, are translated into the presentation currency as follows:

(i) The assets and liabilities of each presented statement of financial position are converted at the closing exchange rate on the statement of financial position date;

(ii) The revenue and expenses for each income statement are converted at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the actual rates on the transaction dates, in which case the revenue and expenses are converted on the transaction date); and

(iii) All the resulting currency translation differences are recognised in other comprehensive income.

Adjustments to goodwill and fair value that arise from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and converted at the closing exchange rate. The arising exchange differences are recognised in other comprehensive income.

(Amounts in thousands of euros unless otherwise stated)

2.5 Property, plant and equipment

Land and buildings primarily relate to airport infrastructure. Property, plant and equipment are recognised at their acquisition or production cost, adjusted for accumulated depreciation and impairment losses, if any. Historic cost includes the expenses directly attributable to the acquisition of property, plant and equipment items.

The Group capitalises the initial estimate of the refurbishing cost for the site on which it is located as an increase in fixed assets, when these constitute obligations incurred as a result of using the item. Thus, all the projected obligations for carrying out sound insulation and soundproofing for residential areas, in compliance with the current regulations on noise generated by airport infrastructure, are capitalised as a value increase in the airport assets (see Note 23 with regard to the provision for noise insulation).

Subsequent costs are included in the asset's book value or recognised as a separate asset, as applicable, only when it is probable that the future economic benefits associated with the asset will flow to the Group and the item's cost may be reliably determined. The book value of the replaced component is derecognised. All other repair and maintenance expenses are charged to the income statement of the financial year in which they are incurred. Work carried out by the Group on its own fixed assets is measured at its production cost and stated as an ordinary revenue item in the income statement.

Land is not depreciated. The depreciation of other property, plant and equipment items is calculated on a straight-line basis during their estimated useful lives, as indicated below:

▪ Buildings	12-51 years
▪ Technical facilities	4-22 years
▪ Machinery	5-20 years
▪ Other installations	6-12 years
▪ Furniture and tools	4-13 years
▪ Other fixed assets	5-7 years

Fixed assets relating to airports are depreciated on a useful life basis, as specified below:

▪ Passenger and cargo terminals	32-40 years
▪ Airport civil engineering works	25-44 years
▪ Terminal equipment	4-22 years
▪ Passenger transport between terminals	15-50 years
▪ Airport civil engineering equipment	15 years

The useful lives of the assets are reviewed, and adjusted if need be, on each statement of financial position date.

When an asset's book value is higher than its recoverable amount, its book value is immediately written down to its recoverable amount (Note 2.8).

Gains and losses on the sale of property, plant and equipment are calculated by comparing the obtained revenue with the book value of such property, plant and equipment. These are recognised in the income statement under impairment and gains/(losses) on disposal of fixed assets.

2.6 Intangible assets

a) Goodwill

Goodwill arises from the acquisition of subsidiaries and represents the surplus on the transferred consideration, the amount of any non-controlling interests in the acquiree and the fair value on the acquisition date of any prior shareholding in the equity of the acquiree over the fair value of the identifiable acquired net assets. If the total of the transferred consideration, recognised non-controlling interests and previously held shareholding measured at fair value is less than the fair value of the net assets of the acquired subsidiary, in the case of an acquisition on very favourable terms, the difference is recognised directly in the income statement.

In order to carry out the tests for impairment losses, the goodwill acquired in a business combination is allocated to each of the cash generating units, or groups of cash generating units, which are expected to benefit from the synergies of the combination. Each unit or group of units to which goodwill is allocated represents the lowest level within the entity for which goodwill is controlled for internal management purposes. Goodwill is controlled at the operating segment level.

Reviews of impairment losses in goodwill value are conducted annually or more frequently if events or changes in circumstances indicate a potential impairment loss. The book value of a CGU that includes goodwill is compared with the recoverable amount, which is the value in use or the fair value minus selling costs, whichever amount is higher. Any impairment loss is recognised immediately as an expense and is not subsequently reversed.

b) Software

This heading contains the amounts paid with respect to the acquisition and development of software.

Acquired software licences are capitalised based on the incurred acquisition costs and the costs arising from installing the specific software to become ready for use. Development expenses directly attributable to the design and testing of software which are identifiable, original and controllable by the Group are recognised as intangible assets when the following conditions are met:

- It is technically possible to complete the production of the intangible asset so that it may be available for use or sale;
- The Group intends to complete the intangible asset in question, to use or to sell it;
- The Group has the capacity to use or to sell the intangible asset;
- The way in which the intangible asset will generate probable profits in the future can be demonstrated;
- Adequate technical, financial or other types of resources are available to complete the development of, and to use or sell, the intangible asset; and
- Disbursements attributable to the intangible asset during its development may be reliably measured.

Directly attributable costs that are capitalised as part of software include the employee expenses for developing such software and an appropriate percentage of the relevant general expenses.

Expenses that do not meet these criteria are recognised as expenses at the time when they are incurred. Disbursements for an intangible asset initially recognised as expenses for the year are not subsequently recognised as intangible assets.

Software is amortised over its estimated useful life, which does not normally exceed six years.

Costs associated with maintaining software are recognised as expenses as they are incurred.

c) Development expenses

Development expenses are individualised by projects and are capitalised based on studies that support their feasibility and financial profitability. They are reviewed annually during the development period of the project when they meet the following criteria:

- It is probable that the project will be successful (taking into consideration its technical and commercial feasibility) such that the project will be available for use or sale.
- It is probable that the project will generate future profits in terms of both external and internal sales.

- The Group has the intention of completing the project in order to use or sell it.
- The Group has the capacity to use or to sell the intangible asset.
- Adequate technical, financial or other types of resources are available to complete the development of, and to use or sell, the intangible asset; and
- Its costs may be reliably estimated.

In the event of any change in the circumstances that enabled a project to be capitalised, the accumulated cost is allocated to the income statement. Capitalised development expenses are amortised over their useful life, which is estimated to be 4 years. Research costs are recognised as expenses of the fiscal year in which they are incurred.

d) LLAH III administrative concession

The Administrative Concession Agreement for London-Luton Airport (owned by Luton Borough Council) is not subject to IFRIC 12, as this airport's charges are not subject to regulated prices. Such an agreement is accounted for as a lease, in accordance with IFRS 16. The related intangible asset is amortised on a straight-line basis throughout its remaining useful life. The remaining useful life of this intangible asset is calculated based on the expiration date of this service concession arrangement in 2031.

e) Service concessions

See Note 2.24.

f) Other intangible assets

The Group mainly capitalises the airports' Master Plans and their associated studies as other intangible assets, which are amortised over a period of 8 years.

2.7 Investment properties

Investment properties consists of land, buildings, other structures and areas outside the Group's airport terminals, that are held to obtain long-term income and are not occupied by the Group. The items included under this heading are measured at their acquisition cost, less the corresponding accumulated depreciation and any impairment losses.

In order to calculate the depreciation of investment property, the straight-line method is used based on the estimated useful life of the asset.

	Years
Buildings and warehouses	32-51
Technical facilities	15

2.8 Impairment losses of non-financial assets

Assets that have an indefinite useful life and intangible assets that are not in usable condition are not subject to amortisation and are tested annually for impairment. Property, plant and equipment and intangible assets subject to depreciation/amortisation are submitted to potential impairment reviews provided that some event or change in circumstances that indicates that their book value may not be recoverable, that is, when circumstantial evidence is identified that could reveal a potential impairment. Impairment losses are recognised for asset book values that exceed their recoverable amount. The recoverable amount is determined as the fair value less selling costs or value in use, whichever is higher.

The calculation of the asset's value in use is carried out based on the expected future cash flows that will arise from the use of the asset, the expectations with regard to possible variations in the amount or temporal distribution of the flows, the temporary value of money, the price to be paid for bearing the uncertainty related to the asset and other factors that market participants would consider in the evaluation of future cash flows related to the asset.

AENA S.M.E., S.A. views all its assets as cash flow generators. For the purpose of evaluating impairment losses, the recoverable value must be calculated for an individual asset, unless the asset does not generate cash inflows that are largely independent from those corresponding to other assets or groups of assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit (CGU) it belongs to. In this sense, over time, the determination of cash generating units has been influenced by the applicable regulations in each period and the mechanisms for establishing the airport charges associated with the assets included in these cash generating units.

As of the fiscal year 2011, the legislation applicable to airport charges has been Act 1/2011 which regulates the determination of the airport charges associated with the assets related to airport activity, establishing the single till principle for the recovery of assets. In the calculation of airport charges, the Law exclusively considers the investments and costs of the airport network as a whole, including commercial activities within airport terminals, although excluding car parks and other off-terminal services.

This initial regulatory framework was amended in *Royal Decree-Law 20/2012, of 13 July, on measures to ensure budgetary stability and foster competitiveness*, in which Title VI amends the formula for updating the airport charges received by Aena Aeropuertos, S.A., so that the revenue, expenses and investments arising from commercial services and activities that are not strictly aeronautical are not included for the purpose of determining airport charges. This Royal Decree was established as a substantial change in the progressive decoupling of commercial activities from the determination of airport charges through the application of a corrective coefficient (2014: 80%, 2015: 60%, 2016: 40%, 2017: 20%, 2018: 0: As a result, the dual till system will be fully applied from 2018.

Until the fiscal year 2015, the management of the Parent Company had identified cash generating units in the individual assets comprising the off-terminal services segment (which is mainly composed of each of the real estate assets and the car parks considered as a whole), in financial investments and in the airport network for the Airports segment (which consists of the infrastructure related to aeronautical activity and the commercial areas included within it).

The establishment of the "progressive dual till" with Royal Decree-Law 20/2012, of 13 July, on measures to ensure budgetary stability and foster competitiveness, and the above-mentioned Act 18/2014 (see Note 1) break the connection between commercial activities within the terminal and the setting of airport charges. This is particularly the case as of 2016, in which most (60%) of the commercial costs and revenue of such activities are not included in the calculation of airport charges. As a result, the value judgement that underpinned all airports, including commercial areas, being treated as a single cash generating unit due to the interrelationship of the cash flows from both activities had to be reconsidered as of 2016. This legislative development does not affect the consideration of financial investments in subsidiaries and associates as independent cash generating units.

The analysis carried out for this purpose concluded that commercial activity within the terminal should continue as part of the airport network cash generating unit together with aeronautical activity. This is because of, among other reasons, the high interdependence of revenue between both activities and the existence of a single asset shared by both activities due to the legal impossibility of disposing, selling or splitting airport assets. For the same reasons, it is also concluded that as of the fiscal year 2016, the activity corresponding to the "car park network", which was included in the "Off-terminal services" cash generating unit and segment until the fiscal year 2015, should become part of the "airport network" cash generating unit and segment, within the "Commercial" sub-segment. This is because it was not included in the single till. Consequently, in 2016 the "Off-terminal services" segment was renamed as "Real estate services" as it is exclusively constituted by each of the real estate assets. Likewise, each of the real estate assets is considered a cash-generating unit.

In conclusion, as of 31 December 2020, the airport network, made up of all the Spanish airports managed by the Group except the one belonging to AIRM, is considered a single cash-generating unit, which includes both the revenue derived from the aeronautical activity and the commercial activity at the airports. Moreover, the LLAH III (Luton) subgroup is considered a cash-generating unit. And the state trading company Aeroportos do Nordeste do Brasil S.A., (Aena Brasil) incorporated into the scope of consolidation in 2019 (see Note 2.2), is also considered as a single cash generating unit on its own, as it is the case with the assets linked to the subsidiary AIRM.
In relation to the recoverable value calculation, the procedure implemented by the Group's management to perform impairment tests at the cash generating unit level, where appropriate, is as follows:

- Management prepares a business plan on an annual basis that generally covers a time period of five fiscal years, including the current fiscal year. The main components of this plan, upon which the impairment *tests* are based, are as follows:

    - Projected results.
    - Projected investments and working capital.

These forecasts take into account the financial forecasts included in the Airport Regulation Document (DORA [Documento de Regulación Aeroportuaria]) for the 2017-21 period (see Note 3).

- Other variables that influence the recoverable value calculation are:

    - The discount rate to be applied, understood as the weighted average cost of capital. The main variables that influence its calculation are the cost of liabilities and the specific asset risks.
    - The cash flow growth rate used to extrapolate the cash flow forecasts beyond the period covered by the budgets or forecasts.

In that regard, when deemed necessary, the Group models different reasonably possible scenarios when estimating cash flows. Alternatively, when calculating value in use, it also adjusts the rate for the effect of the uncertainty in the estimate, to the extent that the flows have not been adjusted for the said uncertainty.

In the event that an impairment loss must be recognised, the Parent Company will reduce the assets of the cash generating unit in proportion to their book value down to the recoverable value. The impairment is charged against the income statement.

The potential reversal of impairment losses affecting the value of non-financial assets is reviewed at all dates on which financial information is presented. When an impairment loss is subsequently reversed, the book value of the cash generating unit is increased up to the limit of the book value that the unit's assets would have had at that time if the impairment had not been recognised. This reversal is classified in the same line in which the impairment loss was originally recognised.

2.9 Interest costs

The borrowing costs incurred for the construction of any qualifying asset are capitalised over the period of time needed to complete and prepare the asset for its intended use. Other borrowing costs are recorded under the expenses of the fiscal year in which they are incurred.

2.10 Financial instruments

Financial instruments are classified at the time of their initial recognition as a financial asset, financial liability or equity instrument, in accordance with the economic substance of the contractual agreement and with the definitions of financial assets, financial liabilities or equity instruments contained in IAS 32 "Financial Instruments: Presentation".

Financial instruments are recognised when the Group becomes an obligated party of the legal contract or business in accordance with its provisions.

For valuation purposes, the Group classifies its financial instruments into the following categories: 1) Financial assets and liabilities at amortised cost, 2) Financial assets and liabilities at fair value through profit or loss, separating those originally designated as such from those held for trading or mandatorily valued at fair value through profit or loss, 3) Financial assets and liabilities at fair value through other comprehensive income, separating the equity instruments designated as such from the rest of the financial assets. The classification criteria will depend on how an entity manages its financial instruments (its business model) and the existence and characteristics of the contractual cash flows of the financial assets.

The Group classifies a financial asset or liability as held for trading if:

- It is acquired or incurred mainly for the purpose of selling it or repurchasing it in the immediate future;
- The initial recognition is part of a portfolio of identified financial instruments, which are jointly managed and for which there is evidence of a recent pattern of obtaining short-term benefits;
- It is a derivative, except a derivative that has been designated as a hedging instrument and meets the conditions to be effective and a derivative that is a financial guarantee contract; or
- It is an obligation to deliver financial assets obtained in loan that are not owned.

Likewise, the financial asset will be measured at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss, in the following manner:

- If the objective of the business model is to maintain a financial asset in order to collect contractual cash flows and, according to the terms of the contract, the cash flows are received on specific dates that exclusively constitute payments of principal and interest on the outstanding principal amount, the financial asset will be measured at amortised cost.
- If the business model is aimed both at obtaining contractual cash flows and its sale and, according to the terms of the contract, the cash flows are received on specific dates that exclusively constitute payments of the principal plus interest upon this principal, the financial assets will be measured at fair value through other comprehensive income (equity).
- Outside of these scenarios, the remaining assets will be valued at fair value through profit or loss. All equity instruments (for example, shares) are valued by default in this category. This is because their contractual flows do not meet the characteristic of being solely principal and interest payments. Financial derivatives are also classified as financial assets at fair value through profit or loss, unless they are designated as hedging instruments.

Notwithstanding the foregoing, there are two irrevocable designation options in the initial recognition:

- An equity instrument, provided it is not held for trading purposes, may be designated to be measured at fair value through other comprehensive income (equity). Subsequently, in the sale of the instrument, the reclassification of the amounts recognised in equity into the income statement is not allowed and only the dividends are recorded in the results.
- A financial asset may also be designated to be measured at fair value through profit or loss if this reduces or eliminates a measurement or recognition inconsistency (see pages B4.1.29 to B4.1.32, IFRS 9).

The business model is determined by the key personnel of the Group and at a level that reflects the way in which they jointly manage groups of financial assets in order to achieve a specific business objective. The Group's business model represents the way in which it manages its financial assets to generate cash flows.

Financial assets that are part of a business model where the objective is to hold assets to receive contractual cash flows are managed to generate cash flows in the form of contractual collections during the life of the instrument. The Group manages the assets held in the portfolio to receive these specific contractual cash flows. In order to determine whether cash flows are obtained through the collection of contractual cash flows from financial assets, the Group considers the frequency, value and timing of sales in prior years, the reasons for those sales and expectations in relation to the future sales activity. However, the sales themselves do not determine the business model and, therefore, may not be considered in isolation. Instead, it is the information on past sales and future sales expectations that offer indicative data on how to achieve the Group's stated objective with respect to the management of financial assets and, more specifically, the way in which cash flows are obtained. The Group considers the information on past sales in the context of the reasons for these sales and the conditions existing at that time in comparison with the current. For these purposes, the Group considers that trade and other receivables which are going to be transferred to third parties and will not lead to their derecognition, remain in this business model.

Although the objective of the Group's business model is to maintain financial assets to receive contractual cash flows, the Group does not hold all the instruments until maturity. Therefore, the Group has the holding of financial assets to receive contractual cash flows as a business model, even if these assets have been sold or are expected to be sold in the future. The Group understands this requirement as met, provided that the sales are due to an increase in the credit risk of the financial assets. In all other cases, at individual and aggregate levels, sales shall be insignificant, even if they are frequent or infrequent, even if they are significant.

Financial assets that are part of a business model where the objective is to hold assets to receive contractual cash flows and sell them, are managed to generate cash flows in the form of contractual collections and sell them according to the varying needs of the Group. In this type of business model, the key personnel of the Group's management have made the decision that, in order to meet this objective, it is essential to both obtain contractual cash flows and sell financial assets. To achieve this objective, the Group obtains contractual cash flows, as well as selling financial assets. Compared to the previous business model, the Group usually conducts more frequent and higher-valued asset sales in this business model.

Contractual cash flows that are solely payments of principal and interest on the outstanding principal amount are consistent with a basic loan agreement. In a basic loan agreement, the most significant interest elements are generally consideration for the time value of money and credit risk. However, in an agreement of this type, the interest also includes consideration for other risks, such as liquidity and costs, and the administrative aspects of a basic loan associated with the maintenance of the financial asset for a certain period. In addition, the interest may include a profit margin that is consistent with a basic loan agreement.

When there is an implicit derivative in a main contract that is a financial asset within the scope of IFRS 9, the implicit derivative is not separated and the classification rules apply to the hybrid instrument as a whole.

Assets are initially recognised at approximate fair value, in the case of a financial asset that is not accounted for at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or the issue of a financial asset or financial liability. Notwithstanding the foregoing, at the time of initial recognition, an entity will measure trade receivables that do not have a significant financial component (determined in accordance with IFRS 15) at their transaction price.

For records subsequent to the initial recognition of the financial assets, the following accounting policies apply:

Financial assets at amortised cost	These assets are recorded subsequent to their initial recognition at their amortised cost in accordance with the effective interest rate method. The said amortised cost will be reduced by any impairment loss. Gains or losses will be recognised in the result of the period when the financial asset is derecognised or has been impaired, or due to exchange differences. Interest calculated using the effective interest rate method is recognised in the income statement under the "finance income" heading.
Financial assets at fair value through profit or loss	Financial assets at fair value through profit and loss are initially and subsequently recognised at fair value, excluding transaction costs, which are charged to the income statement. Gains and losses arising from changes in fair value are presented in the income statement under "other net finance income/(expense)" in the period in which they arise. Any dividend or interest is also recorded in the financial results.
Debt instruments at fair value through other comprehensive income	These are subsequently accounted for at fair value, recognising the changes in fair value in "Other comprehensive income". Interest income, impairment losses and exchange differences are recognised in the income statement. When sold or derecognised, the cumulative fair value adjustments recognised in "Other comprehensive income" are included in the income statement as "Other net finance income/(expenses)".
Equity instruments at fair value through other comprehensive income	Their subsequent measurement is at fair value. Dividends are only recorded in results, unless these dividends clearly represent a recovery of investment cost. Other gains or losses are recorded in "Other comprehensive income" and are never reclassified into results.

The Group classifies liabilities held for trading at fair value through profit or loss.
The Group initially designates a financial liability at fair value through profit or loss, if doing so eliminates or significantly reduces any inconsistency in measurement or recognition that would otherwise arise. This will be designated if: the measurement of the assets or liabilities or the recognition of their results is carried out on different bases; or, a group of financial liabilities or financial assets and financial liabilities is managed and its performance is assessed based on fair value in accordance with a documented investment or risk management strategy, and information relating to the said group is provided internally on that same basis to key personnel of the Group's management.

The Group classifies the following as financial liabilities at amortised cost; the remaining financial liabilities other than financial guarantee contracts, commitments to grant a loan at a lower interest rate than the market rate and financial liabilities resulting from a transfer of financial assets that does not meet the requirements for their derecognition or that is accounted for using the continuing involvement approach, .

Impairment

Financial assets at amortised cost include the "Trade and other receivables" heading (which includes accounts receivable and other contractual assets within the scope of IFRS 15 "Revenue from contracts with customers" and accounts receivable for leases within the scope of IFRS 16), "Cash and cash equivalents" and "Other financial assets" (in the Group, bonds and deposits).

On each financial information reporting date, the Group applies the IFRS 9 impairment requirements for the recognition and measurement of a value adjustment for losses on financial assets that are measured at amortised cost or at fair value through other comprehensive income. A financial asset is credit-impaired when one or more events have occurred that have a detrimental impact on the estimated future cash flows of that financial asset. Evidence that a financial asset is credit-impaired includes, among others, observable information relating to the following events:

a. Significant financial difficulties of the issuer or the borrower;
b. A contract infringement, such as a breach or event of default;
c. It is becoming probable that the borrower will file for bankruptcy or otherwise undergo a financial reorganisation.

Trade and other commercial receivables and leases

For the trade receivables and lease accounts, whether or not they have a significant financial component, the Group has elected as its accounting policy to measure the value correction for impairment at an amount equal to the expected credit losses throughout the life of the asset following the simplified approach of page 5.5.15 of IFRS 9. IFRS 9 defines expected credit loss as the weighted average of credit losses, using the respective risks of default as weights. Credit losses are measured as the difference between all the contractual cash flows it is entitled to in accordance with the contract and all the cash flows that the entity expects to receive (that is, all cash deficits) discounted at the original effective interest rate.

From the definition of expected loss as an expected average, it follows that the application of judgement and an important exercise in making estimates will be necessary.

To determine whether a financial asset has experienced a significant worsening in its credit risk since its initial recognition, or to estimate the expected credit losses during the entire life of the asset, the Group considers all relevant, reasonable and sustainable information that is available without disproportionate effort or cost. This includes both quantitative and qualitative information, based on the experience of the Group or other entities regarding historical credit losses, and observable market information on the credit risk of the specific financial instrument or similar financial instruments.

The Group assumes that the credit risk of a financial asset has increased significantly if the arrears is greater than 30 days. Likewise, it adopts the presumption of non-payment for a financial asset that is in arrears for more than 90 days, unless there is reasonable and well-founded information that demonstrates the recoverability of the credit.

On each year-end, the Group measures the valuation correction as an amount equal to the expected credit loss in the following 12 months, for financial assets for which the credit risk has not significantly increased from the date of initial recognition or when it considers that the credit risk of a financial asset has not significantly increased. If an instrument or a group of instruments has experienced a significant increase in credit risk since its initial recognition, the expected credit loss covers the expected life of the instrument.

The Group has determined the impairment of cash and cash equivalents due to expected credit losses over the following 12 months. The Group considers that cash and cash equivalents have low credit risk in accordance with the credit ratings of the financial institutions at which the cash or deposits are deposited.

The Group considers that a debt instrument has a low risk when its credit rating, from at least one rating agency between Moody's, S&P and Fitch, is "investment grade".

The maximum period over which the expected credit losses must be estimated is the maximum contractual period over which the entity is exposed to the credit risk.

Provisions for impairment of financial assets measured at amortised cost are deducted from the gross book value of the said assets.

For debt instruments at fair value through other comprehensive income, the value correction for losses must be recognised in other comprehensive income and will not reduce the book value of the financial asset in the statement of financial position.

Impairment losses related to trade credits and other accounts receivable are presented separately in the income statement, including, where appropriate, contractual assets under IFRS 15.

Other financial assets (guarantees and provided bonds)

This heading mainly contains deposits consigned by legal mandate in different Autonomous Communities public institutions, relating to bonds previously received from lessees of the commercial spaces of AENA S.M.E, S.A., in compliance with Act 29/1994, of 24 November, on Urban Leases. The maturities can be in the very long term.

To the extent that it entails low risk in the aforementioned Autonomous Communities, a probability of default of one year is applied. An investment grade rating from at least one rating agency between Moody's, S&P and Fitch is considered as low risk. In the case of low risk, the default data or the German bond spread over Spain's one-year debt is applied in the Autonomous Community, independent of the maturity dates of the guarantees.

It is considered as high risk when the counterparty has a rating, and the risk is not assessed as low. In this case, the probability of default with a duration equivalent to the average maturity of the bonds is applied. It is determined by default that bonds without maturity will have a maximum duration of 30 years.

Impairment losses on other financial assets are included in the "other net finance income/(expenses)" heading and are not presented separately in the income statement due to their immateriality.

Derecognition, modification and cancellation of financial assets

The Group applies the financial asset derecognition criteria to part of a financial asset or to part of a group of similar financial assets, or to a financial asset or a group of similar financial assets.

Financial assets are derecognised when the rights to receive cash flows related to them have expired or have been transferred and the Group has substantially transferred the risks and benefits arising from their ownership. Likewise, the derecognition of financial assets, in circumstances where the Group retains contractual rights to receive cash flows, only occurs when contractual obligations have been assumed which determine the payment of such flows to one or more recipients and the following requirements are met:

- The payment of cash flows is conditional upon their prior collection;
- The Group may not sell or pledge the financial asset; and

- The cash flows collected on behalf of the eventual recipients are remitted without significant delay, and the Group is not capable of reinvesting the cash flows. The application of these criteria is exempted from investments in cash or cash equivalents made by the Group during the settlement period between the collection date and remittance date agreed with the eventual recipients, provided that the accrued interest is attributed to the eventual recipients.

In cases where the Group assigns a financial asset in its entirety but retains the right to manage the financial asset in exchange for a commission, an asset or liability corresponding to the provision of this service is recognised. If the received consideration is less than the expenses to be incurred as a result of providing the service, a liability is recognised at an amount equivalent to the contracted obligations valued at fair value. If the consideration for the service is higher than what would result from applying adequate remuneration, an asset is recognised for the administration rights.

In transactions recording the derecognition of a financial asset in its entirety, the obtained financial assets or financial liabilities, including the liabilities corresponding to the incurred management services, are recorded at fair value.

In transactions recording the partial derecognition of a financial asset, the entire book value of the financial asset is allocated to the sold portion and the kept portion, including the assets corresponding to administration services, in proportion to their respective relative fair value.

The derecognition of a financial asset in its entirety involves the income recognition of the difference between its book value and the sum of the received consideration. This derecognition is net of transaction expenses, including the obtained assets or assumed liabilities and any deferred profit or loss in other comprehensive income, except for equity instruments designated at fair value through other comprehensive income.

The recognition criteria for the derecognition of financial assets in transactions where the Group neither assigns nor substantially retains the risks and benefits inherent to their ownership are based on the analysis of the degree of maintained control. In this way:

- If the Group has not retained control, the financial asset is derecognised and any rights or obligations created or retained as a result of the assignment are recognised separately as assets or liabilities.
- If control has been retained, the financial asset continues to be recognised at the Group's ongoing commitment and an associated liability is recorded. The ongoing commitment in the financial asset is determined by the amount of its exposure to changes in the value of this asset. The asset and associated liability are measured based on the rights and obligations recognised by the Group. The associated liability is recognised such that the book value of the asset and the associated liability is equal to the amortised cost of the rights and obligations retained by the Group. When the asset is valued at amortised cost or the fair value of the rights and obligations maintained by the Group, the asset is measured at fair value. The Group continues to recognise income arising from the asset to the extent of its ongoing commitment and expenses arising from the associated liability. The variations in the fair value of the asset and the associated liability are consistently recognised in income or equity, following the general recognition criteria set out above and should not be offset.

Transactions in which the Group substantially retains all the risks and benefits inherent to the ownership of an assigned financial asset are recorded by recognising the received consideration in the liability accounts. Transaction expenses are recognised in income by applying the effective interest rate method.

The Group applies the weighted average price method to measure and derecognise the cost of equity instruments that are part of homogeneous portfolios and that have the same rights, unless the sold instruments and their individualised cost can be clearly identified. For debt instruments, the cost is determined at an individual or collective level, consistent with the unit of account used to determine the impairment.

If the Group modifies the contractual flows of a financial asset, as long as the modification does not result in its derecognition, the book value is recalculated as the present value of the flows modified at the effective interest rate or effective interest rate adjusted for the original credit risk. The difference is recognised in the results. The book value of the financial asset is adjusted by the costs and fees invoiced by the Group and these are amortised during the residual term of the modified financial asset.

Derecognition and modifications of financial liabilities

The Group derecognises a financial liability or a portion thereof when it fulfils the obligation contained in the liability or if it is legally exempted from the main liability contained in the liability, by virtue of either a judicial process or the creditor.

The exchange of debt instruments between the Group and a counterparty, or the substantial modification of initially recognised liabilities, is accounted for as a cancellation of the original financial liability and the recognition of a new financial liability, provided that the instruments have substantially different conditions.

The Group considers that the conditions are substantially different if the present value of the discounted cash flows under the new conditions while using the original effective interest rate for discounting, including any commission paid net of any commission received, differs by at least 10% from the discounted present value of the cash flows still remaining from the original financial liability.

If the exchange is recorded as a cancellation of the original financial liability, the costs or commissions are recognised in the results as part of the income of the exchange. Otherwise, the modified flows are discounted at the original effective interest rate, recognising any difference with the previous book value in the results. Likewise, the book value of the financial liability is adjusted by the costs or commissions and these are amortised using the amortised cost method during the remaining life of the modified liability.

The Group recognises the difference between the book value of a financial liability or a part thereof that is cancelled or assigned to a third party and the consideration paid, including any assigned asset other than cash or an assumed liability, in the results.

2.11 Derivative financial instruments and hedging activities

The Aena Group uses derivative financial instruments to fundamentally hedge against changes in interest rates. Derivative financial instruments are initially recognised at fair value on the date of signing the contract. Subsequent to the initial recognition, they are measured again at fair value. The method for recognising the resulting gain or loss from changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Aena Group designates certain derivatives as hedges for a specific risk associated with a recognised asset or liability or a highly likely expected transaction (cash flow hedges).

At the beginning of the transaction, AENA formally documents the hedging relationship between the hedging instruments and the hedged items. This includes an analysis of the sources of inefficiency of the hedge, as well as its risk management objectives and strategy for undertaking various hedge transactions.

AENA also documents its assessment, both at the start and on an ongoing basis, of:

1. The economic relationship between the hedged item and the hedging instrument, that is, whether the derivatives used in the hedging transactions are highly effective in offsetting changes in the cash flows of the hedged items. This means that it is expected that changes in the hedged item's cash flows will be almost completely offset by changes in the hedging instrument.
2. That the credit risk effect does not predominate over the changes in value resulting from that economic relationship.
3. The coverage ratio of the hedging relationship is the same as that of the amount of the hedged item that the entity actually covers and the amount of the hedging instrument that the entity actually uses to cover that amount of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement under other net finance income/(expenses).

The accumulated amounts in equity are reclassified to the income statement in the same period or periods during which the expected hedged future cash flows affect the result of the period (for example, in periods when the interest income or interest expense is recognised or when a planned sale takes place). The gain or loss on the effective part of interest rate swaps that covers variable interest rate loans is recognised in the income statement under other net finance income/(expenses). However, when the planned hedged transaction results in the recognition of a non-financial asset, the previously deferred gains and losses in equity are transferred from equity and included in the initial measurement of the cost of the asset.

When a hedging instrument expires or is sold, or when the requirements for hedge accounting are no longer met, any accumulated gain or loss in equity up to that time will be accounted for in the following manner:

a) If it is expected that the covered future cash flows will still occur, that amount will be maintained in the cash flow hedge reserve until the future cash flows occur. When the future cash flows occur, they are recognised in the income statement.
b) If the future hedged cash flows are no longer expected to occur, that amount will be immediately reclassified from the cash flow hedge reserve to the result of the period as a reclassification adjustment, under other net finance income/(expenses).

2.12 Inventories

Inventories mainly include spare parts and sundry materials located at the Parent Company's central warehouses and logistical support depot. Inventories are measured at cost or their net realisable value, whichever is lower. The cost is determined using the weighted average cost method. The acquisition cost is determined based on the historical price of the items identified in the purchase orders. The net realisable value is the estimated sale price in the ordinary course of business, less the applicable variable selling costs.

Greenhouse gas emission allowances

The greenhouse gas emission allowances received free of charge in accordance with the corresponding allocation plans have been recorded under the *"Inventories"* heading of the attached statement of financial position, as established in the first additional provision of Royal Decree 602/2016, of 2 December. Their valuation is carried out at the prevailing market price at the start of the period for which they are granted, and they are recorded as a grant balancing entry within the *"Grants, donations and legacies received"* heading of Equity. The allocation to results is made based on the effective consumption of the emission allowances. Following the latest applicable provisions, the greenhouse gas emission allowances acquired from third parties are recorded in inventories. The allowances are initially valued at the acquisition price, and assessed at the end of the fiscal year on whether the market value is below their book value for the purpose of determining whether there is evidence of impairment. If applicable, it is determined whether those rights will be used in the production process or intended for sale, in which case, the appropriate valuation corrections would be made. Such corrections will be voided to the extent that the causes underlying the emission allowances' value correction cease to exist.

Expenses derived from the consumption of greenhouse gas emission allowances are recorded in the "Other operating expenses" heading of the income statement, based on its accrual as the greenhouse gases are being emitted. As a balancing entry, a provision for risks and expenses is recorded. This provision will be maintained until the time the Company effectively delivers to the National Emissions Trading Registry (RENADE [Registro Nacional de Derechos de Emisión]).

Note 26.a of this report includes detailed information about the emission allowances received and consumed in the current fiscal year.

2.13 Trade receivables

"Trade receivables" are amounts owed by customers for the sale of goods or services rendered during the normal course of operations. If the debt is expected to be collected within one year or less, it is classified under current assets. Otherwise, they are presented as non-current assets.

"Trade receivables" are initially recognised at their fair value and subsequently measured at their amortised cost in accordance with the effective interest rate method, less the impairment loss allowance (see Note 2.10).

2.14 Cash and cash equivalents

"Cash and cash equivalents" include cash, demand deposits at credit institutions, other current highly liquid short-term investments with an original maturity of three months or less, and bank overdrafts. Bank overdrafts are classified as borrowings in current liabilities in the statement of financial position.

2.15 Share capital

The Company's ordinary shares are classified as equity (Note 16).

Incremental costs directly attributable to the issue of new shares or options are presented in equity as a deduction from the obtained income, net of taxes.

When a Group company acquires Company shares (treasury shares), the consideration paid, including any directly attributable incremental cost (net of income tax), is deducted from equity attributable to the Company's equity holders until their redemption, reissue or disposal. When these shares are subsequently reissued, any amount received, net of any incremental cost of the transaction which is directly attributable and the corresponding income tax effects, is included in equity attributable to the Company's equity holders.

2.16 Trade payables

"Trade payables" are payment obligations for assets or services that have been acquired from suppliers during the normal course of operations. "Trade payables" are classified as current liabilities if the payments are due within one year or less. Otherwise, they are presented as non-current liabilities.

Trade payables are initially recognised at their value and are subsequently measured at their amortised cost using the effective interest rate method.

Prepayments received from customers are recognised at fair value as liabilities under the "Prepayments from customers" heading. Those with maturities greater than one year are presented as non-current liabilities under the "Other non-current liabilities" heading.

2.17 Borrowings

Borrowings are initially recognised at fair value, net of incurred transaction costs. Subsequently, borrowings are measured at their amortised cost. Any differences between the obtained funds (net of costs required to obtain them) and their repayment value are recognised in the income statement over the life of the loan using the effective interest rate method.

Any commissions paid for obtaining lines of credit are recognised as loan transaction costs provided that it is likely that part or all of the line of credit will be drawn down. In these cases, the commissions are deferred until the line of credit is drawn down. Insofar as it is not likely that the line of credit will be drawn down in whole or part, the commission is capitalised as an advance payment for liquidity services and amortised over the period during which the line of credit is available.

Financial debts are classified as current liabilities unless there is an unconditional right to defer settlement for at least 12 months as from the consolidated statement of financial position date.

- *Confirming*

The Group has contracted confirming operations with various financial institutions to make payments to suppliers. The commercial liabilities whose settlement is managed by the financial institutions are included in the heading "Trade and other payables" of the statement of financial position up to the moment in which their settlement, cancellation or expiry has occurred.

In those cases in which the payment period of the debts initially held with the commercial creditors is postponed, they are cancelled on the original maturity date and a financial liability is recognised in the "Financial debt" line of the statement of financial position.

2.18 Current and deferred taxes

Income tax expense for the year consists of current and deferred taxes. Tax is recognised in the results, except to the extent that it relates to items that are recognised in other comprehensive income or directly in equity. In this case, tax is also recognised under other comprehensive income or directly in equity, respectively.

Current tax is the amount that the Company pays as a result of the tax returns it files for income tax for a particular fiscal year. Current tax expense is calculated based on the laws that have been enacted or are about to be enacted at the statement of financial position date. Tax deductions and other tax benefits applicable to the tax due, excluding withholding, prepayments and tax losses carried forward from previous fiscal years applied in the current year, result in a lower amount of current tax.

Management regularly assesses the positions taken in tax returns related to situations in which the applicable tax legislation is open to interpretation, and where necessary it establishes provisions based on the amounts that are expected to be paid to the tax authorities.

Deferred tax is recognised according to the balance sheet method for temporary differences arising between the tax bases of assets and liabilities and their book values in the consolidated annual accounts. However, deferred taxes are not accounted for if they arise from the initial recognition of an asset or liability in a transaction, other than a business combination, which at the time of the transaction has no effect on the accounting result nor on the tax gain or loss. Deferred tax is determined using tax rates that have been enacted or are about to be enacted at the statement of financial position date, and that are expected to be applicable when the corresponding deferred tax asset is realised or the deferred tax liability is paid.

Deferred tax assets are recognised only when it is likely that future tax benefits will arise, against which temporary differences may be offset. Recorded deferred tax assets are reassessed at the end of each reporting period. Appropriate adjustments are made to these assets to the extent that there are doubts about their future recoverability. Likewise, deferred tax assets that are not recorded in the statement of financial position are also assessed at the end of each reporting period, and are recognised to the extent that their recovery through future tax benefits becomes probable.

Deferred tax is recognised on temporary differences arising from investments in subsidiaries and associates, except for those deferred tax liabilities where the Group may control the timing of the reversal of the temporary differences and it is probable that they will not be reversed in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if, and only if, there is a legally recognised right to offset current tax assets against current tax liabilities, as well as when the deferred tax assets and deferred tax liabilities derive from income tax relating to the same tax authority and affect the same entity or taxpayer or different entities or taxpayers that intend to settle current tax assets and liabilities at their net amount.

2.19 Provisions for employee benefits (Note 22)

The Group has post-employment commitments (pension plans) and other long-term defined contribution and defined benefit compensation commitments with the employees:

a) Long-term employment commitments

- **Defined contribution plans**

  A post-employment defined contribution commitment is an obligation under which the Group makes fixed contributions to a fund and does not have any legal or constructive obligation to make additional contributions if the fund does not have sufficient assets to pay all employees the benefits for services rendered in the current fiscal year and previous fiscal years. For defined contribution commitments, the Group pays contributions to publicly or privately managed pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Pension plans

Under the Collective Bargaining Agreement, the Group must maintain a defined contribution pension plan. However, for the fiscal years 2017, 2016, 2015, 2014 and 2013, the Company has not made these contributions due to the abolition established in Act 3/2017, of 27 June, Act 48/2015, of 29 October, Act 36/2014, of 26 December, Act 22/2013, of 23 December and Royal Decree-Law 17/2012, of 27 December, respectively, which established that public enterprises may not make contributions to pension plans for employees or collective insurance contracts that include the coverage of retirement contingencies.

During 2020, as in 2019, extraordinary contributions have been made to the Pension Plan (See Note 22.c).

Defined benefit plans

An employee defined benefit commitment is a commitment that establishes the amount of the benefit that will be received by an employee at the time of retirement, normally on the basis of one or more factors such as age, years of service or compensation.

The liability recognised in the statement of financial position with respect to defined benefit commitments is the present value of the defined benefit obligation at the statement of financial position date, less the fair value of the plan's assets. Defined benefit obligations are calculated on an annual basis by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using the interest rates of high quality corporate bonds, which are denominated in the currency in which such benefits are to be paid and have similar maturities to those of the corresponding defined benefit obligation.

For post-employment plans, actuarial gains and losses that arise from adjustments due to experience and changes in actuarial assumptions are recognised in equity under other comprehensive income in the period in which they arise. Past service costs are recognised immediately in the results.

The expected cost for other long-term benefits, that are not post-employment, accrues over the employment term of the employees using the same accounting method that is used for defined benefit pension plans. Actuarial gains and losses that arise from adjustments due to experience and changes in actuarial assumptions are charged or credited in the consolidated income statement in the period in which they arise. These obligations are measured on an annual basis by qualified independent actuaries. Specifically, the Group has the following long-term employment commitments:

Long service awards

Article 138 of the First Collective Bargaining Agreement of the Aena Group of Companies (the state-owned enterprise Enaire, AENA S.M.E., S.A., and Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia, S.M.E, S.A.) establishes long service awards for services actually performed during a period of 25, 30 or more years.

The Group establishes a provision at the present value of the best possible estimation of the future committed obligations of Aena and AIRM, based on an actuarial calculation.

(Amounts in thousands of euros unless otherwise stated)

The most relevant assumptions taken into account to obtain the actuarial calculation are as follows:

Year	2020	2019
Technical interest rate:	0.15%	0.50%
Long-term salary growth:	0.90% in 2021 and 2% in the following years	3.85% in 2020 and 2% in the following years
Defined Contribution Fund Yield:	-	4.00 %
Mortality table:	PER2020_Col_1er order	PERM/F 2000 P
Financial system used:	Individual capitalisation	Individual capitalisation
Accrual method:	Projected credit unit	Projected credit unit
Retirement age:	65 years	65 years
Disability tables	Ministerial Order 1977	Ministerial Order 1977

Early retirement awards

Article 154 of the First Collective Bargaining Agreement of the Group of Companies establishes that any worker between the ages of 60 and 64 who, in accordance with the current provisions, has the right to voluntarily retire early may receive a termination payment that, added to the consolidated rights in the pension plans at the time of the contract termination, is equivalent to four monthly salary payments from the calculation base and the seniority supplement for each year remaining before the worker turns 64, or the corresponding proportional part.

The Company makes a provision for the present value of the best possible estimate of future commitment obligations based on an actuarial calculation discounting the value of the assets affected. However, at present, there are no employees insured through Group Life Insurance policies that were taken out with Mapfre Vida in 2004.

The main actuarial assumptions used are as follows:

Year	2020	2019
Technical interest rate:	0.15%	0.50%
Long-term salary growth:	0.90% in 2021 and 2% in the following years	3.85% in 2020 and 2% in the following years
Defined Contribution Fund Yield:	-	4.00 %
Mortality table:	PER2020_Col_1er order	PERM/F 2000 P
Financial system used:	Individual capitalisation	Individual capitalisation
Accrual method:	Projected credit unit	Projected credit unit
Retirement age:	63 years	63 years

It can be seen that the discount rate used in the valuation at 31 December 2020 was 0.15%, a rate that is much lower than that used in the valuation relating to the fiscal year 2019, which was 0.5% for long service awards and early retirement.

This lower discount rate is due to a drop in interest rates that continued throughout 2020. The rate of 0.15% used in the valuation is the rate derived from the highest credit quality (AA) corporate debt curve for the term of 10 years, being the financial duration of 10.63 years for the commitments subject to valuation.

The reduction of the discount rate involves an increase in the present value of the accrued obligation.

London Luton Airport Operations Limited (LLAOL) pension plans

Until 31 January 2017, LLAOL maintained a defined benefit pension plan, the London-Luton Airport Pension Scheme or LLAPS pension plan, the assets of which are owned and managed by legally separate LLAOL funds. On that date, the accrual of the future benefits of this defined benefit pension plan was closed. It was replaced as of 1 February 2017 by a defined contribution pension plan. (See Note 22.d).

(Amounts in thousands of euros unless otherwise stated)

The main actuarial assumptions used in the valuations are as follows:

	31-12-2020	31-12-2019
Technical interest rate:	1.25%	2.00%
Inflation	2.60%	2.85*
Pension growth rate	2.50%	2.75%
Accrual method:	Projected Unit Credit	Projected Unit Credit
Retirement age	65 years	65 years

In accordance with the IAS 19 requirements, the used 1.25% discount rate is based on the market interest rate of high-quality corporate bonds with maturity years consistent with the expected maturity of the post-employment obligations.

The discount rate used in 2020 (1.25%) was significantly lower than that used in the previous fiscal year (2.00%) due to the reduction in corporate bond yields. The drop in the discount rate implies a greater present value of the accrued obligation.

Life expectancy at 65 years of age for current pensioners (years):

- Men: 21.2 (2019: 21.7)
- Women: 23.5 (2019: 24.1)

Life expectancy at 65 years of age for future pensioners, currently 45 years of age (years):

- Men: 22.1 (2019: 23.1)
- Women: 24.8 (2019: 25.6)

b) Termination benefits

Termination benefits are paid to employees as a consequence of the Group deciding to terminate their employment contract before the normal pension age or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises these benefits on the first of the following dates: (a) when the Group can no longer withdraw the offer of such redundancies; or (b) when the entity recognises the costs of a restructuring within the scope of IAS 37 and this entails the payment of termination benefits. When an offer is made to encourage voluntary redundancy, the termination benefits are determined based on the number of employees that are expected to accept the offer. Benefits that will not be paid within 12 months from the statement of financial position date are discounted to their present value.

2.20 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation, whether legal or constructive, as a result of a past event; it is likely that there will be an outflow of resources which include the future economic benefits for settling the obligation, and the amount of the obligation can be reliably estimated.

The amounts recognised in the consolidated statement of financial position relate to the best estimate of the disbursements necessary to meet the present obligation at the closing date. These amounts are recognised once the company has considered the risks and uncertainties related to the provision and, if significant, the financial effect produced by the discount, provided that the disbursements to be made in each period can be reliably determined. The discount rate is determined before tax, considering the time value of money and the specific risks that have not been considered in the future flows related to the provision at each closing date. The increase in the provision due to the passage of time is recognised as an interest expense.
Provisions are not recognised for future operating losses.

When there is a number of similar obligations, the probability of requiring an outflow to settle the obligation is determined by considering the class of obligations as a whole. A provision is recognised even if the probability of an outflow with respect to any item included in the same class of obligations may be regarded as remote.

In accordance with the accounting policy described in Note 2.5, the corresponding environmental provisions are made (in particular the provision for sound insulation), with the balancing entry of an increase in fixed assets, by the amount of the initial estimate of the rehabilitation costs of the site on which the fixed asset items are located, when they constitute obligations incurred by the Group as a result of using these items. Similarly, the provision for expropriations records the best estimate of the amount relating to the difference between the prices paid in the expropriations of the acquired land in expanding the airports, and the estimates of the prices that the Company would have to pay considering that it is likely that certain legal claims in progress regarding some of the prices paid will be successful for the claimants (see Note 23).

In accordance with the provisions of IFRIC 12 *Service concession arrangements*, and as detailed in note 2.24 of this report, the Group systematically makes a provision for actions related to infrastructure subject to the service concession arrangements executed by group entities.

Contingent liabilities represent potential obligations to third parties and existing obligations that are not recognised, given that it is not likely that a financial outflow of cash will be required to satisfy that obligation or, where applicable, the amount cannot be reasonably estimated. Contingent liabilities are not recognised in the consolidated statement of financial position unless they have been acquired in return for payment as part of a business combination.

2.21 Revenue recognition

a) Recognition of revenue from contracts with customers

Aena Group applies the five-step model established by IFRS 15 in accounting for revenue from contracts with customers:

Step 1: Identify the contract (or contracts) with the customer
Step 2: Identify performance obligations in the contract
Step 3: Determine the price of the transaction
Step 4: Allocate the transaction price between the performance obligations of the contract

Step 5: Recognise revenue from ordinary activities when (or as) the entity satisfies a performance obligation

Under IFRS 15, the Group will recognise revenue at the time of the customer obtaining control of provided goods or services. The revenue will be recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for the transfer of such goods or services. The determination of the time at which such control is transferred (at a point in time or over a period of time) requires judgements to be made by the Group.

The majority of the Group's income is from airport services rendered, which primarily relate to the use of airport infrastructure by airlines and passengers (including airport charges and private prices). For this type of revenue, under IFRS 15, customers are considered to be airlines with whom there are no long-term contracts and to whom the regulated charges approved by law in accordance with the current regulatory framework are applied as the infrastructure is used. Hence, the revenue is recognised at that time of provision of the airport service.

- Provision of Aeronautical services (public airport charges and other non-regulated services)

Airport charges are set pursuant to Act 1/2011, of 4 March, which establishes the National Operational Safety Programme for Civil Aviation and amends Act 21/2003, of 7 July, on Aviation Safety. Furthermore, Article 68 of Act 21/2003 defines the following items as airport charges:

- Use of runways at civil and joint-use airports and air bases open to civil aircraft traffic, and the provision of services required for such use, other than ground handling of aircraft, passengers and goods.
- Airport air traffic services provided by the airport operator, regardless of whether such services are provided through duly certified air traffic service providers that have been contracted by the airport operator and appointed for this purpose by the Ministry of Public Works.
- Meteorological services provided by the airport operator, regardless of whether such services are provided through duly certified meteorological service suppliers and, moreover, appointed for this purpose by the Ministry of the Environment and Rural and Marine Affairs.
- Inspection and screening services for passengers and luggage on airport premises as well as the resources, facilities and equipment required for the provision of services for controlling and monitoring in aircraft

movement areas, open access areas, controlled access areas and restricted security areas on the entire airport premises connected to airport charges.

- Airport facilities made available to passengers, and which are not accessible to visitors, in terminals, on aprons and runways which are required to perform the air transport contract.

- Services that allow the general mobility of passengers and necessary assistance to persons with reduced mobility (PRMs) to allow them to travel between the point of arrival at the airport to the aircraft, or from the aircraft to the exit, including boarding and disembarkation from the aircraft.

- Use of aircraft stand areas equipped for this purpose at airports.

- Use of airport facilities to facilitate passenger boarding and disembarkation for airlines using airbridges or the mere use of an apron position that impedes the use of the airbridge by other users.

- Use of airport premises for the transport and supply of fuels and lubricants, regardless of the means of transport or supply.

- Use of airport premises to provide ground assistance services that are not subject to any other specific consideration.

On 5 July 2014, Royal Decree-Law 8/2014, of 4 July, was published in the Spanish Official State Gazette (BOE [Boletín Oficial del Estado]) and subsequently confirmed by Act 18/2014, of 15 October, on enacting urgent measures for growth, competitiveness and efficiency. This regulation sets out:

- The public interest airport network regime as a general economic interest service with the objective of guaranteeing the mobility of the public and economic, social and territorial cohesion. This regime also seeks to ensure the accessibility, adequacy and suitability of airport infrastructure capacity, the financial sustainability of the network and the continuity and appropriate provision of basic airport services. On the other hand, network management ensures the financial sustainability of the airports included in the network by allowing support for loss-making infrastructure under the conditions of transparency, objectivity and non-discrimination.

- The closure or disposal of all or part of any airport facilities or infrastructure required for maintaining the provision of airport services is prohibited, unless it is authorised by either the Council of Ministers or the Secretary of State for Infrastructure, Transport and Housing. (As applicable by amount.)

- A procedure may be legally implemented to make it possible to close or sell any of the airport facilities or infrastructure. Such a regulatory implementation may also provide for transfers to the State of capital gains generated during the disposal process.

- The Airport Regulation Document (DORA) is created with a five-year validity and will determine Aena's maximum revenue per passenger during the period, quality conditions for the provision of services, the capacity of the facilities and the investments to be made.

- The revenue of the airport operator in relation to basic airport services is considered to be airport charges. Its regulation complies with the legal provisions created by Act 21/2003, on Aviation Safety, as amended by Act 1/2011, and in the determination of their essential components. Non-essential airport services as well as the commercial management of infrastructure and their development operation are subject to the free market.

- In accordance with Law 18/2014, the Directorate General of Civil Aviation (DGAC [Dirección General de Aviación Civil]) is responsible for drafting the Airport Regulation Document (DORA) and presenting it to the relevant bodies in the Ministry of Public Works for its subsequent approval by the Council of Ministers.

- The airport operator's income associated with basic airport services will be subject to compliance with a annual maximum revenue per passenger (IMAP [Ingreso Máximo Anual por Pasajero]) determined on the basis of the efficient cost recovery as recognised by the regulator, along with traffic forecasts. The annual maximum revenue per passenger contained in the DORA will be adjusted annually in line with a series of incentives or penalties based on the degree of compliance with service quality levels and penalties for any delay in the execution of strategic investments. Aena considers that it has met the required quality levels in 2019 and has executed the planned strategic investments. Thus, it does not expect the annual maximum revenue per passenger to be penalised for these reasons.

- For the 2015-25 period, the maximum increase in charges will be zero. Charges may only be increased above this maximum increment if the annual average investment is increased above the approved amount subject to the prior agreement of the Council of Ministers, during the period of the second Airport Regulation Document (DORA) and for exceptional reasons such as unforeseen and non-deferrable regulatory investments. For the first DORA, it is established that the cumulative tariff deficit upon completion, together with that corresponding to previous years, may not be transferred to the next DORA.

On 27 January 2017, the Council of Ministers approved the Airport Regulation Document (DORA) for the 2017-21 period. This document establishes an annual reduction of 2.2% in the Annual Maximum Revenue per Passenger (IMAP) for this period (see Note 5).

In accordance with the Airport Regulation Document (DORA) for the 2017-21 period, on 1 March 2018, the 2.22% reduction in airport charges came into force upon the prevailing charges at that time, which affected the months of January and February 2019.

On 1 March 2019, the 2019 airport charges came into force, which were based on freezing the adjusted annual maximum revenue per passenger (known by its acronym in Spanish as IMAAJ) of 2019 at the level of the 2018 IMAAJ.

On 28 January 2020, the Board of Directors approved the charges corresponding to 2020, which came into force on 1 March 2020. In accordance with the criteria set by the CNMC (Comisión Nacional de los Mercados y la Competencia [National Markets and Competition Commission), the IMAAJ that must be applied to the 2020 charges is €10.27 per passenger. This charge represents an average reduction of -1.44% on the prevailing Aena charges in the 2019 charges year.

On the other hand, it should be noted that Royal Decree 162/2020, of 22 March, was published on 10 April 2019, which regulates the P index calculation mechanism for updating airport charges. The P index includes the annual price variations of inputs outside of the operator's control (staff, air navigation services, security, repairs, cleaning, services for persons with reduced mobility (PRM), intensive labour services, electricity, local taxes, etc.) but which affect its activity, in accordance with the principles of economic efficiency and good business management. The value of the P index is not specified in the DORA because its amount is determined annually during the process of establishing the airport charges for the following year. The mentioned Royal Decree establishes the P index calculation mechanism using a formula that depends on specific indexes applicable for the review of the airport operator's costs and that is defined in its text, as well as the procedure for determining its annual value.

The CNMC is the body responsible for approving the P index value in accordance with current regulations. On 7 November 2019, the CNMC approved the Resolution on the P index applicable to the Aena S.M.E., S.A. airport charges in the fiscal year 2020, setting it at 0.8%.

On 19 November 2020, the CNMC approved the Resolution on the P index applicable to the airport rates of Aena S.M.E., S.A. in the fiscal year 2021, setting it at 0.72%.

Taking this into consideration, on 22 December 2020 the Board of Directors approved the charges corresponding to 2021, which will enter into force on 1 March 2021. The corresponding charges were based on freezing the 2021 adjusted annual maximum revenue per passenger (IMAAJ) relative to the 2020 adjusted annual maximum revenue per passenger (IMAAJ), which was established at €10.27 per passenger.

A CNMC Resolution is anticipated on the supervision of Aena's airport charges and its proposal for update, given that Aena is obligated to postpone the start of the consultation process until October 2020 as a result of the circumstances arising from the current health crisis.

All these new regulations have not led to any change in the Company's revenue recognition policy, which continues to be subject to the explanations at the beginning of this Note. In particular, the regulated revenue in the DORA period has been recognised in 2020 according to the same criteria as in previous periods, when the service is provided, based on the approved regulated charges.

For AENA S.M.E., S.A.'s remaining non-regulated airport services, and for the airport services provided by the rest of the group companies, the same principle applies; revenue is recognised at the time of their provision, at the applicable prices and charges in each case.

A reimbursement liability will be recognised if consideration is received from a customer and it is expected that all or part of the consideration will be reimbursed. A reimbursement liability is measured by the consideration amount received (or pending receipt) to which the entity does not expect to be entitled (that is, the amounts not included in the transaction price). The reimbursement liability (and the corresponding change in the transaction price and hence the contract liability) will be updated at the end of each presentation period to take into account the changes in circumstances.

Therefore, for any amount received (or pending receipt) to which the entity does not expect to be entitled, the entity does not recognise revenue from ordinary activities when transferring the products to customers, but recognises such amounts received (or pending receipt) as a reimbursement liability. Subsequently, at the end of each presentation period, the entity will update its assessment of the amounts to which it expects to be entitled in exchange for the transferred products and will make the corresponding change in the transaction price and, therefore, in the amount of revenue from recognised ordinary activities.

- Revenue recognition for goods and services for which control is transferred to the customer over time.

IFRS 15 requires the use of a homogeneous revenue recognition method for contracts and performance obligations with similar characteristics (IFRS 15, page 40). The method chosen by the Group as the preferred method for measuring the value of goods and services for which control is transferred to the customer over time, is the output method. This is provided that the contract and its execution allow measurement of the progress of the work executed. The output methods recognise revenue from ordinary activities based on direct measurements of the value for the customer of the goods or services transferred to date in relation to the outstanding, committed goods or services in the contract. In different highly interrelated contracts for goods and services to produce a combined product, the applicable output method will be the measurement for the performed work ("Surveys of performance" within the "output methods"). On the other hand, in routine services contracts in which the goods and services are substantially similar and are transferred using the same consumption pattern, in such a way that the customer benefits from them as they are provided by the company, the revenue recognition method selected by the Group is based on the time elapsed ("time elapsed" within the "output methods"), while the costs are recorded according to the accrual principle. Based on the above, the degree of progress in costs (the input method) will only be applied in cases where the progress of the work cannot be reliably measured.

b) Recognition of revenue from commercial contracts.

Income from the rental of commercial areas located within the airport infrastructure is recognised on a straight-line basis, provided that no other method better reflects the economic substance of the lease agreements concluded with the counterparties. The contingent part of the lease income relating to the variable levels of income generated by the commercial areas is recognised as revenue in the period in which it is accrued. Car park revenue is recognised as the services are provided.

As the lessor, the Company accounts for the modification of an operating lease as a new lease from the effective date of the modification, and considers that any lease payment already made or accrued in relation to the original lease is part of the new lease payments.

c) Real estate services.

Real estate services revenue relates to the rental of land, warehouses and hangars, and the management and operation of cargo centres. Revenue from rental contracts is recognised on a straight-line basis in accordance with the lease agreements concluded with the counterparties. The conditional part of rental revenue is recognised as revenue in the period in which it is accrued.

d) Interest and dividends

- Interest revenue is recognised using the effective interest method.

- Dividend revenue is recognised when the right to receive the dividend payment is established and it is probable that the entity will receive the economic benefits associated with the dividend.

2.22 Leases

Lessee

In accordance with IFRS 16, the Group assesses whether or not a contract contains a lease, at the start of a contract. A contract is or contains a lease, if it grants the right to control the use of an identified asset during a period of time in exchange for consideration. The period of time during which the Group uses an asset includes consecutive and non-consecutive periods of time. The Group only reassesses the conditions when there is an amendment to the contract.

When Aena Group acts as lessee, it recognises the assets and liabilities arising from all the lease agreements in the statement of financial position (except for short-term lease agreements and those intended for low-value assets).

Right-of-use assets are measured at cost on the contract start date, which includes:

- the initial valuation amount of the lease liability;
- any lease payment made on or before the start date, less any received lease incentive;
- any initial direct cost payable as a result of the lease agreement; and
- an estimate of the costs that the Group is obligated to assume in its capacity as lessee by dismantling and eliminating the underlying asset, rehabilitating the place where the asset is located or returning the asset to the condition required under the terms and conditions of the lease; when the obligation to pay these costs arises from the contract start date or as a result of having used the underlying asset during a determined period.

For subsequent measurements of the right-of-use asset, the Group applies the cost model. It discounts the asset cost value by accumulated depreciation and impairments, if applicable, adjusting its valuation to reflect any new valuation of the lease liability.

Lease liabilities are valued on the contract start date as the present value of the lease payments that have not been paid at that date. Lease payments are discounted using the implicit interest rate in the lease or, when it is not possible to easily obtain this rate, the incremental borrowing interest rate of the Group entity that executes the lease agreement.

It should be noted that within the future payments of the lease (for the purpose of calculating the initial value of the liability), variable payments that do not depend on an index (such as the CPI or an applicable lease price index) or a rate (such as the Euribor) are not included. These essentially include: fixed payments, the exercise price of purchase options (if it is reasonably certain they will be exercised), guaranteed residual values, penalties in cancellation options (if it is reasonably certain they will be exercised) and variable payments referenced to an index or rate (to the CPI, Euribor or which are updated to reflect the new market price of the leases). In the initial recognition, such payments are measured using the said index or rate at the start date (without estimating changes in the index or rate during the remaining term of the lease).

Subsequently, the lease liability is increased by accrued finance expenses and decreased by the amount of the lease payments made. The value of the liability is recalculated when changes occur to the lease term, in the valuation of the purchase option, in the amounts expected to be paid under the residual value guarantee or when future lease payments are modified as a result of changes in the indices or rates used for their calculation.

After the commencement date, a lessee shall recognise in profit or loss variable lease payments not included in the measurement of the lease liability in the period in which the event or condition that triggers those payments occurs.

If the contract transfers ownership of the asset to the Group at the end of the lease term, or the right-of-use asset includes the purchase option price; the depreciation method indicated in the property, plant and equipment section is applied from the start date of the lease until the end of the asset's useful life. Otherwise, the Group depreciates the right-of-use asset from the start date until the date of the right's useful life or the end of the lease term, whichever is earlier.

The lease period begins when the lessor makes the underlying asset available to the lessee for use. This includes payment-free periods.

The lease period used in the measurement is the non-cancellable lease period, in addition to:

- renewable option periods if the lessee is reasonably certain of extending it; and
- periods after a cancellation option date if the lessee is reasonably certain of not cancelling early.

Early cancellation options held solely by the lessor are not considered in the determination of the lease period. Therefore, the determination of the lease period requires the application of judgement by the Group's management and significantly impacts the measurement of right-of-use assets and lease liabilities.

In the case of short-term lease agreements and contracts in which the underlying asset is low value, the Group recognises the lease payments corresponding to these contracts as line expenses during the lease term.

Lessor

At the start of a contract in which Aena Group acts as the lessor, the contracts are analysed on whether they are considered as finance or operating leases as follows:

- leases where all risks and benefits inherent in the ownership of the underlying asset are substantially transferred are finance leases; and
- all other leases are operating leases.

In leases classified as "finance leases", the Aena Group, as lessor, records a collection right in its assets (with the asset derecognised from the balance sheet) as well as the finance income from the interest corresponding to the said right in the income statement.

In operating leases, Aena Group keeps the asset within its assets and simply records the lease revenue (excluding the asset's depreciation or impairment expense).

When the Group leases assets under operating lease agreements to third parties, the asset is included in the statement of financial position in accordance with the asset type. Revenue from leases is recognised during the term of the lease on a straight-line basis, provided that no other method better reflects the economic substance of the lease agreements concluded with the counterparties.

Modifications to lease agreements

A lease modification is a change in the scope of the lease or the consideration for the lease, which was not part of the original clauses and terms of the agreement.

The accounting requirement for changes in lease payments, if material, requires the application of judgement and depends on a number of factors, including whether those changes are part of the original clauses and terms of the lease. The Group treats a change in lease payments in the same way irrespective of whether the change arises from a change in the contract or from a change in the applicable legislation or regulations. Changes in lease payments directly or indirectly arising from the agreement are accounted as re-estimations of the liability or as variable payments. If not, they should be treated as modifications and any lease payments already made or accrued in relation to the original lease should be considered as part of the new lease payments.

When assessing whether there has been a change in the scope of a lease, the entity considers whether there has been a change in the right of use granted to the lessee, e.g. adding or cancelling the right of use of one or more of the underlying assets or extending or reducing the contractual term.

The lessee records a modification as a separate lease if the modification increases the scope of the lease by adding one or more underlying assets, and the consideration increases by an amount equivalent to the sale price of the increase in scope and any appropriate price adjustment to reflect the circumstances of a particular contract.

For a lease modification that is not accounted as a separate lease, at the effective date of modification, the lessee must; allocate the consideration of the modified contract, determine the modified lease term and re-estimate the liability by discounting the revised payments and applying a revised rate. The effective date of the modification is the date on which both parties agree to the modification.

If it is not accounted for as a separate lease, the lessee must reduce the book value of the asset to reflect the partial or total cancellation of the lease when the scope is reduced and recognise in income any loss or profit linked to the partial or total cancellation.

For the remaining modifications, the lessee must make the corresponding adjustment to the right-of-use asset. In the latter cases, the original lease is not cancelled because there is no decrease in the scope. The lessee continues to have the right to use the original asset.

For modifications that increase the scope of a lease, the adjustment represents the cost of the additional right from the modification. For modifications that change the paid consideration, the adjustment represents a change in the cost of the right arising from the modification. The use of a revised rate reflects the existence of a modification in the implicit interest rate.

Likewise, as indicated in note 2.1, the CNIC has incorporated a practical simplification applicable to the annual fiscal years beginning on or after 1 June 2020, for the accounting treatment of the modifications to lease contracts derived from COVID-19. However, said modification is not applicable from the lessor's perspective. And from the point of view of the Group as a lessee, it has had no material effect.

2.23 Government grants

Capital grants that do not have to be repaid are recognised at fair value when it is considered that there is reasonable certainty that the grant will be collected and that the conditions established for the grant by the relevant authority will be adequately met.

Operating grants are deferred and recognised under other operating income in the income statement over the period required to match them to the costs which they are intended to offset.

Government grants related to the acquisition of property, plant and equipment are included in non-current liabilities as deferred government grants and credited to the income statement on a straight-line basis over the expected lives of the corresponding assets.

2.24 Service concession arrangements

Service concession arrangements are public-private arrangements in which the public sector controls or regulates the services which the concessionaire intends to provide with the infrastructure, who must provide such services and at what price. In these arrangements, the public sector has contractual control over any significant residual share in the infrastructure at the end of the arrangement term. The infrastructure recorded by the Group as concessions refers to:

- The AIRM concession. The duration of the concession is 25 years.
- The concession for the operation and maintenance of Aeroporto Internacional Recife/Guararapes - Gilberto Freyre, Aeroporto Internacional de Maceió - Zumbi dos Palmares, Aeroporto Internacional de Aracaju - Santa Maria, Aeroporto de Campina Grande - Presidente João Suassuna, Aeroporto Internacional de Joao Pessoa - Presidente Castro Pinto and Aeroporto de Juazeiro do Norte - Orlando Bezerra de Menezes in Brazil. These airports are grouped within the Northeast of Brazil Airport Group (see Note 2.2.a). The duration of the concession is 30 years, extendable for an additional 5 years.
- The Ceuta Heliport and Algeciras Heliport. The duration of the two concessions is 30 years and 25 years respectively, and they will end in 2033 and 2034 respectively.

The infrastructure used in a concession may be classified as an intangible asset or a financial asset, depending on the nature of the payment rights established in the arrangement.

The Group recognises an intangible asset insofar as it is entitled to receive payments from end customers for the use of the infrastructure. This intangible asset is amortised on a straight-line basis over the term of the concession.

The above-mentioned concession arrangements have been classified as belonging to the Intangible Assets model in IFRIC 12, and there are no concession arrangements that qualify as financial assets.

The most significant accounting policies applied by the Group with respect to the service concession arrangements and in compliance with IFRIC 12 are as follows:

- ordinary revenue from the charges received from users of the infrastructure are recognised in each period;
- operating and maintenance expenses that do not lead to an extension of the useful life of the assets are charged to the income statement in the fiscal year in which they are incurred;

- intangible assets are amortised on a straight-line basis over the term of the concession;
- any finance expenses accrued during the construction period of the asset are capitalised as an increase in the asset's value and are recognised as expenses subsequent to the asset coming into service;
- the total construction or acquisition cost is recognised as an intangible asset and the benefits attributed to the construction phase of the infrastructure are recognised by applying the percentage of completion method, based on the fair value assigned to the construction phase and the concession phase.
- The signed concession agreement includes, during its term, infrastructure replacement actions that are carried out with respect to periods of use greater than one year and which are required to maintain the infrastructure in a state which allows for the adequate provision of services. These actions, insofar as they reveal infrastructure wear and tear, bring with them the provision of a systematic supply until such a time as these actions are to be carried out. The allocation of this provision results in an expense being recognised in the income statement.
- The provision for replacement includes the allocation by use, calculated at present value, of the projected replacements for the concession. The Group makes the provision in each cycle corresponding to the replacements accrued within each period. The year-on-year differences of present value are included as finance expenses by updating the provisions in the corresponding income statement.

2.25 Activities that impact the environment

Any operation with the primary aim of preventing, reducing or repairing damage to the environment is treated as an environmental activity.

Investments arising from environmental activities are measured at their acquisition cost and capitalised as a cost increase for the fixed asset in the year in which they are incurred.

Costs incurred to protect and improve the environment are allocated to the income statement in the fiscal year in which they are accrued, irrespective of when the related monetary or financial flow takes place.

Provisions for probable or certain liability, litigation in progress and outstanding compensation or obligations of an indeterminate amount related to environmental issues are constituted at the time when the liability or obligation determining the compensation arises.

2.26 Jointly controlled assets (Note 6)

The Company maintains interests in assets controlled jointly with the Ministry of Defence to operate Air Bases Open to Civilian Traffic (known by its acronym in Spanish as BAATC) via an Agreement with the Ministry of Defence that stipulates the cost allocation and compensation criteria for civilian aircraft using the BAATCs in Valladolid Airport, León Airport, Albacete Airport, Salamanca Airport, Badajoz Airport and Murcia-San Javier Airport, and the joint-use airfield at Zaragoza Airport. This Agreement is grounded upon the application of Royal Decree 1167/1995, of 7 July, on the system of using airfields jointly used by an air base and an airport and on air bases open to civilian traffic.

The Group's interests in these assets are recognised by its portion of the jointly controlled assets, which are classified according to their nature and any liability they may have incurred; its share of the liabilities which they have jointly incurred with the other shareholders in relation to the joint business; any income through the sale or use of its share in the production of the joint business, along with its share of any expense incurred by the joint business; and any expense incurred in relation to its shareholding in the joint business.

Given that the assets, liabilities, expenses and revenue of the joint business are already recognised in the Company's annual accounts, no adjustments nor other consolidation procedures are needed for these items when preparing and presenting the consolidated annual accounts.

The air bases open to civilian traffic included in the agreement with the Ministry of Defence are those at Valladolid Airport, León Airport, Albacete Airport, Salamanca Airport, Badajoz Airport and Murcia-San Javier Airport, along with the joint-use airfield for civilian aircraft at Zaragoza Airport. This Agreement is grounded upon the application of Royal Decree 1167/1995, of 7 July, on the system of using airfields jointly used by an air base and an airport and on air bases open to civilian traffic. This Agreement had an initial duration of five years with annual extensions related to the validity of Royal Decree 1167/1995 and any subsequent provisions which may serve as its continuation.

2.27 Related-party transactions

As a company that belongs to the public business sector, Aena is exempt from including the information contained in the section of the report on related-party transactions when the other company is also controlled or significantly influenced by the same Public Administration, provided that there are no signs of influence between them, or when the transactions are insignificant in terms of their size. This influence is understood to exist when, inter-alia, the transactions are not conducted under normal market conditions (unless these conditions are imposed by a specific regulation).

The Parent Company conducts all its related-party transactions at market values. Additionally, the transfer prices are properly supported, thus the Company administrators believe that there are no significant risks in this respect which could arise from any liabilities that may exist in the future.

Generally speaking, transactions between the group companies are initially accounted for at fair value. Where applicable, if the agreed price differs from its fair value, the difference is recorded considering the economic reality of the transaction. The subsequent valuation is performed in line with the provisions of the corresponding regulations. Despite this, in transactions of mergers, spin-offs or non-monetary contributions of a company, the constituent elements of the acquired business are valued by their corresponding amounts once the transaction has been completed, in the consolidated annual accounts of the group or subgroup.

When the parent company of the group or subgroup, and its subsidiary, is not involved, the annual accounts to be considered for these purposes will be those of the largest group or subgroup with a Spanish Parent Company to which the assets belong.

In these cases, the difference that may be found between the net value of the assets and liabilities of the acquired company, adjusted by the balance of the groupings of received grants, donations and legacies and adjustments for changes in value, and, if applicable, any amount of the capital and share premium issued by the absorbing company, are recorded in the reserves.

3. Operational and financial risk management

3.1 Description of the main operational risks

a) Risks arising from the COVID-19 pandemic

The appearance of COVID-19 in China and its rapid expansion to a large number of countries in the early months of 2020 led to the viral outbreak being classified as a pandemic by the World Health Organisation on 11 March. The consequences of this health crisis and the containment measures taken in much of the world to contain the spread of infections caused by SARSCoV2 have significantly affected the global economy, with a very negative impact on businesses in the tourism and air transport sector as a result of radical restrictions on air operations and the mobility of people during the containment stages of the epidemic.

In this context, the Company's management has adopted a series of measures that it considers necessary to deal with the largely unpredictable consequences of this unprecedented situation in order to cover the most significant risks that have been identified, which are detailed below.

- Operational and business risk

The impact of the health crisis on the Group's airports began to be felt at the end of February, with the cancellation of flights connecting the main countries affected by the pandemic at that time.

On 14 March, the Government of Spain decreed a State of Emergency which limited the free movement of people, introduced restrictive measures upon transport and suspended the public operation of retail shops and establishments; with the exception of, among others, businesses selling groceries and essential items, and pharmacies.

In compliance with these measures, with respect to the opening of essential businesses in order to address the essential needs of workers, suppliers and passengers in the air-side area of the facilities; from 15 March, only certain shop and food services remained open at the main network airports: convenience shops, tobacconists, pharmacies, some food services and vending machines.

On 17 March, the member countries of the European Union announced the general closure of external land borders and the prohibition of entry to citizens of third countries in all but exceptional circumstances.

The State of Emergency in Spain ended on 21 June, allowing for unrestricted mobility within Spanish territory, and, on 30 June, the Government of Spain lifted travel restrictions with Schengen area countries, and other European Union Member States. This measure was accompanied by the elimination of the quarantine period that had to be observed by all travellers arriving in Spain from abroad.

On 2 July, the Government of Spain amended the temporary restriction criteria for non-essential travel from third countries to the European Union and Schengen area countries, and adopted the Recommendation of the Council of the European Union on third countries and categories of persons exempt from travel restrictions, regardless of their place of origin.

Following this Recommendation, EU Member States began to gradually reopen their borders in July, both to non-EU foreign nationals and to European Union citizens themselves.

The worsening of the epidemiological situation and the emergence of outbreaks during the summer months, have led the governments of various European countries to tighten mobility restrictions from August. The review by the EU of the list of third countries for which travel restrictions should be lifted, the closure of so-called safe tourist corridors established between European destinations, the recommendation of countries to which travel is not recommended and quarantine requirements, have negatively affected the evolution of traffic.

In Spain, outbreaks of the disease and the aforementioned measures have particularly affected the evolution of traffic with countries such as the United Kingdom and Germany since mid-August, cutting short the recovery that began in July and causing traffic behaviour in the summer of 2020 to differ from what would have been the reasonable expectation. In July, passenger traffic was 23.8% of the corresponding amount in the same month of 2019, recovering to 30.4% in August and a modest 20.1% in September.

In Spain, as in most European and American countries, the arrival of Autumn translated to an upward trend in the number of cases. This has necessitated the implementation of a series of new restrictions on mobility, covered by a new state of emergency declaration via Royal Decree 926/2020, of 25 October, which declared a state of emergency to contain the spread of SARS-CoV-2 infections.

The European Commission is currently coordinating the management of vaccine availability for all Member States of the European Union (EU) through the “COVID-19 vaccination plan”. Within this framework, in which Spain actively participates, advance procurement agreements (APAs) for vaccines with several pharmaceutical companies are being signed.

Notwithstanding the foregoing, the current circumstances show no signs of short-term traffic recovery. This means that it is not possible to forecast when the recovery will begin.

At airports managed by the parent Company, passenger traffic of 75.8 million (275.2 million in 2019) was recorded in 2020, representing a year-on-year decline of 72.3%.

The behaviour of London-Luton Airport and the airports in Brazil has been similar, although the development of traffic has been different depending on the regions and their type of operations. The London-Luton Airport has been slightly less affected than other London airports since it is a traditional low-cost airport (it lost 12.5 million passengers in 2020, representing year-on-year fall of 69.6%). With regard to airports in Brazil, located in the eastern part of the continent, although they were seriously affected at the start of the pandemic (they lost 6.3 million passengers in 2020, reflecting a year-on-year drop of 45.7%), they have been favoured by the good performance of domestic traffic.

As described, the decline in activity became apparent at the end of March and, in response to this, Aena acted quickly to adjust the capacity of its airports to the specific operational needs and the mobility measures adopted by the different Governments.

In relation to the commercial business, commercial activity in the network airports has gradually resumed from 21 June. Alongside the reopening, Aena has implemented various measures in the network airports that are aimed at facilitating passengers safely passing through commercial areas, shops and food and beverage establishments. These measures comply at all times with the health guidelines set out by the authorities. These measures include the following:

- Coordinating with the commercial lessees on staggered openings, adapted to passenger traffic, maximum capacity and social distancing measures.
- Coordinating health and safety measures for customers and employees, and supervising maximum capacity restrictions in walk-through and traditional shops.
- Adapting VIP lounges to the new operating environment. Establishing which rooms to open, opening hours, service levels, maximum capacities, as well as new social distancing layouts.
- Advertising campaigns to reactivate VIP lounge and car park marketing.
- In terms of car rental activity, the lessees in question, in collaboration with Aena, have developed and implemented safety, cleaning and hygiene protocols aimed at increasing the level of service associated with the reactivation of traffic.

As a consequence of the health crisis caused by COVID-19 and the measures adopted by public authorities to deal with it, Aena S.M.E., S.A. began negotiations with the commercial activity tenants to agree on changes in the contractual conditions, including the fixed rent and the minimum annual guaranteed rent (MAGR, hereinafter).

These negotiations, in which the Company has made different commercial proposals based on the evolution of the activity and always under the legal framework existing at each moment in time, have been affected by the continued deterioration of expectations regarding the recovery of air traffic.

Following the entry into force on 24 December 2020 of Royal Decree-Law 35/2020 on urgent measures to support the tourism, hospitality and commerce sector and in tax matters, this negotiation process has culminated in the proposal made by the Company on 18 January 2021 to the commercial operators of duty-free shops, specialty shops, food and beverage establishments, commercial operations, financial services and advertising in relation to the MAGRs:

- For the period between 1 January 2020 and 14 March 2020 (both inclusive) the rent will be applied in accordance with the provisions of the original contracts, that is, a prorated MAGR for 74 days.
- The MAGR will not be applied for the period between 15 March 2020 and 20 June 2020 (both inclusive).
- For the period between 21 June 2020 and 31 December 2020 (both included) an MAGR resulting from applying a 50% reduction on the MAGR provided for in the contract, prorated over the 194 days of this period, will be applied. Except for advertising, where an MAGR per passenger will be applied.
- For the period between 1 January 2021 and 8 September 2021 (both inclusive) a percentage of 50% of the prorated MAGR will be applied on the days accrued in this period. Except for advertising, where an MAGR per passenger will be applied.
- As of 9 September 2021 (included) and until the end of the contract, the conditions provided for in the original wording thereof will resume.
- If the Company, in order to comply with the measures imposed by the health authorities, has been forced to close some airport areas, it is willing, if so requested and within the framework of the agreement reached, to reduce up to 100% of the MAGR corresponding to the number of days of each annuity in which the area in which the premises are located has not been operational.

However, until the agreements have been closed with those commercial operators that are affected by the mentioned proposal and in application of IFRS 16 "Leases", revenue has been recognised from the Minimum Annual Guaranteed Rent (MAGR) from duty-free shops, speciality shops, food and beverage establishments, commercial operations, financial services and advertising corresponding to 2020, This amounts to €6620.3 million, including rent corresponding to the State of Emergency period amounting to €198.6 million, given that Aena has a contractual right to receive these rents. In the event of such contracts undergoing changes in the future as a result of the aforementioned negotiations, their effect will be recorded in accordance with the provisions of these regulations regarding contractual amendments. Therefore, the incentives and granted concessions that directly arise from the adverse situation caused by COVID-19 will be treated as a prospective change of estimates, from the effective date of the contractual amendment, reducing the lease revenue for the remaining periods of the contract through a linear distribution system (see Note 13).

In activities not subject to MAGR, revenue for the fiscal year 2020 reflects the measures adopted by Aena in order to collaborate with companies that provide services at the airports, customers and tenants, in view of the situation caused by COVID-19:

- The partial exemption of fixed rents to operators of vehicle rental during the State of Emergency period, for the amount of €18.6 million. Through the linearisation explained above, a total of €4.2 million has been allocated as lower revenue in 2020.
- On 29 and 30 December, the novation of most of the existing contracts with the vehicle rental operators was signed. This novation mainly establishes that, for the period between 21 June 2020 and 31 December 2021 (both inclusive), the system for calculating the monthly fixed rent stipulated in the previous contract is replaced by a variable rent system linked to the number of Airport passengers. These fixed rent variability conditions will remain until 31 December 2021 or until 95% of the passengers declared in 2019 have been reached, whichever comes first, at which time the monthly fixed rent conditions of the contract will resume. This contractual amendment entails a €28.6 million reduction in rent for the period from 21 June 2020 to 31 December 2020, according to the accounting method explained previously, this amount shall remain in the balance sheet attached as accrual accounts on 31 December 2020. This balance will be paid by reducing, through a straight-line distribution system, the lease revenue for the remaining period of the agreement, until 22 October 2022.
- The partial monthly fixed rent exemptions that took effect during the state of emergency, from 15 March to 20 June, corresponding to real estate services, have amounted to €6.8 million. This measure involved a 75% discount for the majority of agreements signed by airlines and handling agents and companies that managed offices, warehouses, and commercial counters (including commercial counters of tour operators and transport companies). Through the straight-line method explained above, in 2020, a revenue shortfall of €1.4 million was recorded.
- In addition to this, at the end of April, Aena approved an extraordinary six-month postponement on collections, subject to certain conditions; applicable to the amounts invoiced from the date the State of Emergency was decreed, 14 March 2020, and for a period of three months, which ended on 14 June 2020. As for commercial operators, this measure has benefited them by €19.5 million.

The operational areas in the London-Luton Airport terminal building were closed based on the level of demand. Between 22 April and 1 May, the passenger terminal was closed, although the airport remained open for cargo and general aviation flights.

Since the second quarter at the Brazilian airports managed by Aena Brasil, the operating hours were reduced as well as the scope of outsourced service agreements (maintenance, security and surveillance, firefighting services, cleaning and handling, among others).

Valuation of assets

The risks of material misstatement related to the recoverable amount of assets, provisions for credit losses or fair values, among others, have increased due to the higher level of uncertainty in the estimates resulting from the current economic situation.

Whenever there is an indication that these assets could have suffered impairment, the Group checks whether goodwill, intangible assets, property, plant and equipment, investment property and equity-accounted financial investments have undergone any impairment loss. This is conducted in accordance with the accounting policy described in Note 4, which describes how management identifies the cash generating units (CGUs) and the methodology used to subject their allocated assets to impairment tests.

The measures adopted in each country to halt the spread of the coronavirus have led to an extraordinary reduction in the activity and revenue of all the Aena network airports (Note 5), translating to a sharp decline in operating cash flows. These circumstances are considered as indicators of impairment for the purposes mentioned in the foregoing paragraph.

Consequently, these impairment tests have been carried out.

The key assumptions and other parameters used to determine, during the period, the recoverable amount of the cash generating units and the conclusions reached from the analysis performed are detailed in Note 8 to the financial statements.

Liquidity risk

As a result of the exceptional situation caused by the pandemic, the Group's cash flows have been drastically reduced in 2020.

In order to ensure liquidity in the face of the severity and uncertainty surrounding the progress of the pandemic, the Group has deployed a plan to strengthen liquidity, making use of available credit lines and signing new financing operations.

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

Between April and May, in order to strengthen the liquidity of the Parent Company, Aena S.M.E., S.A. signed loans with various financial institutions for a combined amount of €2,325.6 million. Due to this, it considers that the objective of its liquidity strengthening plan in response to the effects deriving from the spread of COVID-19 has been reached.

On 1 December 2020, the Parent Company obtained temporary compliance waivers, until at least June 2022, of the financial leverage ratios and finance expense of all existing debt at 31 December 2020.

Closely related to the capacity adjustment carried out at airports, Aena implemented a cost saving plan to protect Aena's financial situation. This plan was based on the renegotiation of operational services agreements, the elimination of expenses and the halting of new non-essential contracts. The reduction in average monthly cash outflows on operating expenses was estimated at around €43 million.

The adjustment of capacity, the cost cutting and, therefore, the decrease in monthly operating cash outflow has been adjusted to the evolution of traffic, in accordance with which Aena is reopening terminals, and operational spaces at airports in which the capacity was adapted to meet the specific needs of the operation. The accumulated savings obtained during the period April–December amounted to €404.7 million.

Likewise, Aena temporarily suspended the investment programme, estimating a monthly reduction in average cash outflows of approximately €52 million. In June, the 2020 investment plan was resumed.

As indicated in note 17 of this report, the Board of Directors of AENA S.M.E., S.A., at its meeting on 30 June 2020, resolved to replace the proposed profit distribution for the fiscal year 2019 included in the annual accounts prepared on 25 February 2020. This meant cancelling the planned dividend distribution in order to strengthen the Group's solvency and safeguard its liquidity as much as possible in the current circumstances, which do not enable assessment of the future impact of the COVID-19 health crisis on the markets in which the Group operates.

The capacity adjustment, cost-cutting and hence the decrease in monthly operating cash outflows are modulated based on the evolution of the level of traffic.

The parent Company also has a cash balance of €1,141.265 million as of 31 December 2020. In addition, the Company has €124.37 million available (undrawn) financing relating to loans with the EIB; €800 million available in a syndicated line of credit with long-term maturity (Note 20). This availability of cash and credit facilities of the Company at 31 December 2020 amounts to a total of €2,065 million, to which is added the possibility of issuing debt through the Euro Commercial Paper (ECP) programme of up to €900 million, of which, at the end of the year, €845 million are available. Together with the implementation of specific plans for the efficient management of the Opex and Capex, this will allow future liquidity tensions to be faced.

- Luton

In the case of London-Luton Airport, in order to alleviate the significant reduction in activity, a contingency plan was drawn up with the objective of ensuring liquidity. The actions carried out have been:

- Closure of operational areas in the terminal building based on the level of demand, as mentioned above. Between 22 April and 1 May, the passenger terminal was closed, although the airport remained open for cargo and general aviation flights.
- Staff adjustments were made to take advantage of, among other measures, the programmes established by the British government to protect employment.

- Review of service agreements and other operating expenses. Between March and December, spending was reduced by more than £31.4 million, which represents a 44% saving.
- Postponement of the implementation of non-essential CAPEX investment, reducing the investment by £10.7 million in 2020.
- Suspension of payment of the dividend to the shareholders, and delay in the payment of interest on the shareholder loan.
- Delayed payment to the pension fund expected in March (£11.8 million) until December, which has been accepted by the Trustee.

As a consequence of the exceptional situation caused by COVID-19 and its impact on EBITDA, as of June 2020, the Luton subgroup exceeded the financial ratios it had undertaken to comply with under the financing contracts. However, it obtained temporary exemptions (waivers) from the financial institutions regarding the fulfilment of the ratios as of 31 December 31 2020.

It is likely that in the next twelve months the Luton subgroup will fail to comply with the aforementioned financial ratios. Therefore, it has continued to negotiate, with the financial institutions in question, for the extension of these exemptions until 30 June 2021 and 31 December 2021.

In the event that the extension of this exemptions was not finally obtained, a breach of the contractual obligations would be clear that could lead to the financial institutions having the right to enforce the guarantees associated with the financing agreements, among which are the pledge on the shares of the airport concessionaire.

In response to this process, and with the objective of strengthening Luton's liquidity, on 31 July 2020, a credit policy was formalised according to which Luton's shareholders (Aena and AMP) undertake to facilitate liquidity to Luton in the amount of up to £55 million. At the close of the fiscal year, it has not drawn down any amount from this policy.

Failure to comply with the aforementioned obligations would not entail any additional liability on the part of the shareholders.

In any case, Luton's Management expects that, as a result of the negotiation underway with the financial institutions, the exemption will be extended successively for the immediately following semester.

Likewise, it should be noted that the Company requested the activation of the Special Force Majeure procedure provided for in the concession agreement, which recognises the right of the concession company to financial rebalancing of the concession. The procedure is suspended while discussions are being held with Luton Borough Council (LBC) regarding its application. (Note 23.b)

- <u>Aena Brasil</u>

Also, in order to ensure liquidity, the Brazilian subsidiary Aena Brasil implemented a contingency plan and has carried out the following actions:

- Significantly reducing opening hours for five of the airports, in coordination with airlines and regulatory authorities.
- Revision of external service contracts, which are largely outsourced (maintenance, security and surveillance, firefighting services, cleaning, handling, among others).
- Investment activity was also halted until 23 November 2020, suspending the contractual obligations and deadlines granted by the regulator, Agencia Nacional de Aviaçao Civil (ANAC).
- Aena Brasil has supported the recovery of activity with commercial policies that have fostered the sustainability of its customers' operations while helping to ensure continuity in the flow of collections.
- In order to strengthen liquidity against the possible effects of the COVID-19 pandemic on the company, Aena Brasil made a drawdown on a loan on 30 December 2020 for an amount of R$70 million (€10.983 million at the closing exchange rate) with a maturity of 18 months. This amount is maintained in cash, placing the cash balance on 31 December 2020 at R$69.579 million (€10.917 million) (Note 20) and in temporary financial investments for the amount of R$122.239 million (€19.179 million).

Considering the way the concession agreement treats events of force majeure, the interpretations made by the Brazilian authorities on the COVID-19 pandemic, and the applicable legislation; in December 2020, the Aena Brasil management prepared a request for an extraordinary review to restore the economic-financial balance of the concession agreement, which is under review by the regulator.

These measures have made it possible to maintain continuity in the Aena Brasil collection flow and have contributed to the sustainability of the operations of its main customers.

In this regard, the AENA Group's cash position as of 31 December 2020 increased to a total of €1,225 million which, together with the implementation of specific plans for efficient OpEx and CapEx management, and the aforementioned credit facilities, will enable it to handle future pressure.

Health risk

Collaborating with measures designed to prevent the spread of COVID-19 and protecting the health of its workers, suppliers, external personnel and passengers are priorities for the Group. Since the beginning of the health crisis, AENA has created Operational Recovery Groups (also known by its Spanish acronym GROs) in order to identify and implement measures to ensure that airports operate safely and generate confidence in passengers and workers. The measures envisaged have been coordinated with other players in the air transport sector (airlines through their main associations ALA and IATA, handling operators, commercial concessionaires, etc) and with the Ministries of Transport and Health of the Government of Spain and the European Commission. In addition to this, Aena is an active member of the ACI Europe (Airports Council International Europe) "Off the Ground" project.

Regarding health and operational controls at airports managed by Aena, in accordance with the first additional provision of Royal Decree-Law 21/2020, of 9 June, on urgent prevention, containment and coordination measures to deal with the health crisis caused by COVID-19, Aena, as manager of the public interest airport network, must temporarily make available to the central and peripheral services of the Foreign Health sub-directorate of the Spanish Ministry of Health, the human, healthcare and support resources necessary to ensure health checks on passengers arriving on international flights entering the country at the airports it manages. This is why, in collaboration with the Ministry of Health, Aena is currently managing the human and material resources that carry out primary checks on all passengers arriving in Spain from any other country, consisting of taking the temperature of passengers with thermal imaging cameras, collecting data for locating passengers and a visual inspection, as well as a secondary check on passengers with symptoms. In addition, the Government of Spain announced the requirement in airports, as of 23 November, for a PCR test at origin for passengers from countries where the epidemiological situation may be risky. In order to comply with this decision, Aena will collaborate with the Ministry of Health, providing the technical and human means necessary for this new function.

Aena will be entitled to recover, as part of the Airport Regulation Document (DORA) framework, the costs actually incurred for collaborating in carrying out health checks at airports, and the operational health and safety measures adopted, discounting any grants or other financial assistance it may receive for carrying out these activities under the first additional provision of Royal Decree-Law 21/2020, of 9 June, and the other operational health and safety measures to be adopted as a result of the COVID-19 pandemic.

The proposed measures affecting workers have been developed locally in each of the workplaces. Following the declarations of the pandemic and the State of Emergency in Spain, different measures and procedures, as far as possible taking into account the requirements of the different services, have been implemented, such as: teleworking, preventive measures related to cleaning, information and training, organisational measures, guidelines for the gradual return to face-to-face activity, protection equipment, diagnostic tests, risk assessments, etc. This was done in order to try and preserve the health of employees and, in order to do so, each job position had to be looked at individually when deciding which measures to take.

With regard to the investment plan, during the State of Emergency period, from 14 March 2020, when the country's activity was paralysed, Aena temporarily suspended, for reasons of health safety and strategic prudence, the execution of its contracts for construction projects and technical assistance work associated with the plan. Airport projects require the direct and continuous participation of a multidisciplinary group of professionals from different companies and organisations, whose work was not compatible with compliance with the recommendations of the health authorities or with the legislation passed. In view of the new context, Aena carried out an exhaustive analysis and review of all ongoing and planned investments, in order to adapt its investment plan to the different, more realistic scenarios, based on meeting needs as they arise. It was therefore necessary to stop and rationally assess the projects that would be associated with such investments.

As part of the activity resumption process, the London Luton airport is implementing all the health safety guidelines issued by the UK government, which include the strengthening of cleaning services, disinfection measures, among others, such as the installation of specific signage and protection measures.

With the resumption of activity, Aena Brasil has implemented measures at all its airports, in coordination with ANAC and the health authorities. These measures are intended to guarantee the operational recovery of activity under optimal safety conditions, such as: carrying out tests on its employees, strengthening the cleaning and maintenance services for air conditioning systems, disinfection measures and the installation of specific signage.

As a result of the measures taken for the control, containment and foreseeability of the pandemic in 2020, the Group incurred exceptional expenses, both in airport facilities, as well as in personal and health protection, to the reported amount of €53 million, recorded under the heading of "Other results" in the Income Statement. In addition, investments have been made in fixed assets amounting to €10.25 million.

The Royal Decree-Law 21/2020, of 9 June, states that under the framework of DORA, Aena will have the right to recover the costs incurred as a consequence of collaborating with the health authorities and of the remaining operational safety and hygiene measures that must be adopted as a consequence of the COVID-19 pandemic.

Legal and regulatory risk:

This risk is related to uncertainty on the interpretation of legislation in the context of the current crisis and adherence to new and ongoing legal requirements, which could lead to an increase in litigation arising from conflicts with operators, suppliers and customers.

b) Risks related to Brexit

Following the result of the referendum in the United Kingdom in favour of its departure from the European Union (Brexit) and its materialisation as of 31 January 2020 through the withdrawal agreement reached by both parties, the Company considers the following risks, whose final realisation is subject to the regulatory developments that both the United Kingdom and the European Union may carry out as of 1 January 2021:

- In 2020, 10.9% (16.3% in 2019) of the passengers of the Aena S.M.E., S.A. airport network in Spain, had their origin/destination in the United Kingdom, closing with a drop of 81.6% compared to 2019. Macroeconomic factors such as lower economic growth in the United Kingdom and/or the European Union, greater volatility in currency markets or the introduction of new trade barriers may affect passenger volume.

- From an operational point of view, the risk focuses on European legislation that prevents airlines from operating among the countries of the European Union if the majority ownership and control is not in European hands, so the European ownership of, among others, Iberia, Vueling, Iberia Express and easyJet to operate in Spain could be questioned, both on domestic and European routes. The IAG group represented 31.4% of total traffic in the airport network in Spain in 2020 (28.7% in 2019), while easyJet accounted for 4.0% in 2020 (6.5% in 2019). The aforementioned airlines have taken different measures aimed at meeting these criteria that have been ratified by different national regulators. In addition, the UK's withdrawal agreement from the European Union covers the analysis of these ownership and control requirements as the result of a possible reciprocal liberalisation thereof.

- As for the fare framework, the United Kingdom's departure from the European Union could affect the stability of flight fares with the United Kingdom, as they would no longer be considered flights to the European Economic Area (E.E.A.) and the rate for a passenger boarding with an international destination would apply, which could mean an increase of around 25%. In this regard, the General Budgets Act of 2021 foresees a measure that allows these flights to continue to have the same consideration as regards the passenger departure fare, until 28 February 2022.

- From the standpoint of commercial revenue, the depreciation of the pound compared to the euro means a loss in purchasing power for British passengers, which is affecting the sales of the retail concessions in the airports, and therefore Aena S.M.E., S.A.’s revenues, although much of Aena S.M.E., S.A.’s commercial activity is ensured by the Annual Guaranteed Minimums. In addition, British passengers would switch from Duty Paid to Duty Free.

- Investments, expenses and operational difficulties caused by the reconfiguration of passenger flows at airports.

The Group has evaluated possible scenarios arising from Brexit, and concluded that the likelihood of impairment arising from the materialisation of the aforementioned risks is remote.

The Company's management bodies have implemented mechanisms aimed at identifying, quantifying and covering risk situations. Regardless of the above, situations that can entail a major risk are closely tracked, as are the measures taken in this regard.

c) Regulatory risks

AENA S.M.E., S.A. operates in a regulated sector and changes or future developments in the applicable regulations may have a negative impact on the income, operating profit/(loss) and financial position of Aena. In particular, the said regulations affect:

- Management of the airport network with public service criteria.
- The airport charges regime.
- Airport security measures (*security*).
- Operational safety (*safety*).
- Allocation of slots.

The Airport Regulation Document for the 2017-21 period, in accordance with Act 18/2014, establishes obligations regarding the service quality standards and commissioning of strategic investments. Non-compliance with this document may lead to penalties to the Annual Maximum Revenue per Passenger.

Act 18/2014 introduces the mechanism governing the determination of airport charges for the first Airport Regulation Document (“DORA”).

On 27 January 2017, the Council of Ministers approved the DORA for the 2017-21 period, in which they established the minimum service conditions that will be in force in airports in the Aena network for said period, providing a foreseeable regulatory framework in the medium-term that will has enabled improved levels of efficiency and competitiveness in terms of airport operations.

The DORA was prepared by the Directorate General of Civil Aviation (DGAC), following the proposal submitted by AENA and approved by its Board of Directors on 8 March 2016, duly adjusted to the conditions and principles set out in Act 18/2014, of 15 October. It contains AENA’s obligations for said five-year period, establishing, amongst other aspects, the following:

- The tariff path, with the establishment of a maximum annual revenue per passenger (IMAP) that allows AENA to recover costs associated with the provision of basic airport services, costs that also respond to efficiency criteria set forth by the regulator. AENA’S IMAP will undergo an annual decrease of 2,22% over the period 2017–21, starting from 1 March 2017.

- The investments that AENA must carry out and that have to meet the standards of capacity and service levels, must also remain in line with traffic forecasts. Regulated investment related to airport services amounts to €2,185 million for the five years (€437.1 million on average per year). Furthermore, a series of strategic investment projects have been drawn up, although any delay in their execution entails a penalty in the IMAP.

- The levels of service quality, as well as a system of incentives and penalties to ensure compliance with them. The penalty/maximum annual bonus applicable to AENA for this item would be ±2% of the IMAP.

- The amount of operating costs recognised in DORA 2017-21 were prospectively estimated without price effects and must be updated through the P index. Thus, any unexceptional deviation, such as current inflationary pressure which may be transferred to service providers, is considered to be an operator risk.

In an unexceptional situation, AENA assumes the risk arising from air traffic. However, in accordance with Article 27 of Act 18/2014, the Airport Regulation Document (DORA) may be reviewed for exceptional reasons during its validity period. This article considers exceptional reasons to be “anything not attributable to Aena, S.A., that is unforeseeable when approving the Airport Regulation Document (DORA), whenever there is a certain and substantial effect on the financial viability of the Aena, S.A. airport network. This includes, among others, annual reductions in passenger traffic above 10% throughout the network caused by natural disasters, terrorist acts or warfare."

In 2012, the European Commission initiated an infringement procedure against the Kingdom of Spain to assess whether there has been an incorrect transposition of Directive 2009/12/EC, or an incorrect application of Regulation (EC) No. 1008/2008, on common rules for the operation of air services in the Community. The resolution of these proceedings could lead to changes in the regulatory framework applicable to airport charges.

The consultation process of the new Airport Regulation Document for the 2022-2026 period (DORA II) is being developed, which could involve changes in its rates and impacts derived from the new regulatory context. It is expected that this consultation process will take place until 15 March 2021, the date on which Aena S.M.E., S.A. will send its final proposal for DORA II. Then, the General Directorate of Civil Aviation (DGAC), as the regulatory body, will request the corresponding mandatory reports from both the National Commission of Markets and Competition (economic aspects of the proposal), the State Agency for Air Security (technical and operational aspects) and the General Directorate of Economic Policy of the Ministry of Economic Affairs and Digital Transformation. The Act establishes that the deadline for final approval by the Council of Ministers is 30 September 2021.

In addition, AENA's activity is regulated by both domestic and international regulations relating to personal, property and environmental operational safety, which could limit the activities or growth of AENA's airports and/or require significant outlays. AENA is a state trading company and, as such, its management capacity may be subject to regulatory conditions.

The main shareholder of AENA is a company belonging to the Spanish State. The Spanish State will continue to have control of AENA's operations, and its interests may differ from those of the other shareholders.

d) Operational risks

The Group's activity is directly related to the levels of passenger traffic and air operations in its airports; thus it could be affected by the following factors:

- The Group's business is directly related to the levels of passenger traffic and air operations. In this regard, and aggravated by the effects of the COVID-19 pandemic, the Group may be affected by macroeconomic, political or other factors with a negative impact in Spain and other countries. This relates to countries that are both the origin/destination of traffic and others that are competing tourist destinations. These external factors that impact the aeronautical business include the risks derived from dependence upon airlines, possible bankruptcies and airline mergers in a crisis context, as well as competition from new means of transportation or alternative airports.
- The Group is exposed to risks related to airport operations (operational and physical safety). The negative impacts on personal and property safety, due to incidents, accidents and unlawful interference (including terrorism) arising from operations that could expose the Company to potential liability that may involve compensation and damages, as well as reputational loss or interruption of operations.
- Risk of losing competitiveness through not developing policies on innovation and technological development that are appropriate to the business needs.
- Failure to adhere to the health safety requirements and its impact on the service quality perceived by passengers and in relation to other airports. This could affect Aena's reputation or entail breaches.
- The Group depends on information and communications technologies. The systems and infrastructure face certain risks, including cybersecurity risks, results from threats and the exploitation of vulnerabilities as a result of cyberattacks.
- Aena, the Group's parent company, is a listed state trading company. As such, its management capacity in certain areas (international expansion, hiring of personnel and suppliers, among others) is affected by the application of public and private law regulations.
- The Group depends on the services provided by third parties at its airports. Matters such as labour disputes and breaches of service levels by these providers could impact upon operations.
- The Group's international activity is subject to risks associated with the planning and subsequent development of operations in third countries and the fact that profitability prospects may not be as

expected. In particular, the investment made by the Group in Brazil requires continuous analysis of its recovery and the evolution of its main indicators, which may be affected by the market/country in which it operates.

- Risk of the Group suffering sanctions, financial losses or reputational damage, or being held liable on the grounds of non-compliance or defective compliance with the legal regulations, rules of conduct and other required standards in its operations.
- Changes in the tax legislation could result in additional taxes or other detriments to the Group's tax position.
- The Group is and will in the future continue to be exposed to the risk of loss from legal or administrative proceedings in which it is involved.
- The Group is exposed to risks specifically related to its commercial activity. Commercial revenue is affected by both passenger volume and passengers' higher or lower spending capacity. In addition, changes in consumption trends that affect the sector and passenger mix, aggravated by the reduction in air traffic, have caused a worsening of the commercial business at the airports. These changes have led to higher commercial operator concentration, non-payment risk and the abandonment of contracts.
- Insurance coverage may be insufficient.
- The Group is exposed to risks related to its borrowings. These debt obligations may, among others, limit AENA's activity and the possibility of accessing financing, distributing dividends or making investments.
- The Group is exposed to the effects of climate change. This risk entails economic, operational and reputational impacts arising from the following matters:
    - Regulatory changes that could result in an increase in carbon emission prices or a reduction in demand.
    - Implementation of measures related to climate action and sustainability in the Network's airports, in a context of increasing pressure from investors and society as a whole.
    - Resilience of airport infrastructure and operations in facing events associated with climate change, natural disasters and extreme weather conditions, and the need to undertake adaptation actions in airports in the medium to long term. The regulations for environmental protection could limit the activities or growth of Aena's airports and/or require significant outlays.

2020 began in a climate emergency context and, a few weeks later, the health crisis linked to the COVID-19 pandemic broke out, which has lasted throughout the year and affected all sectors, including tourism and aviation, and in general, the mobility of citizens around the world.

The urgency to address the health crisis has not diverted the global concern for climate change and its consequences, and key institutions are advocating economic recovery that allows the negative consequences of both situations to be addressed at the same time: the pandemic and the fight against climate change. The achievements reached before the start of the pandemic, with the presentation of the "European Green Deal" in the EU, the "Energy and Climate Framework" or the "Climate Emergency Declaration" in Spain, are reinforced months later with the focus placed on the "new normal" phase. This can be seen, for example, in Spanish initiatives such as the Draft of the "Climate Change and Energy Transition Act" and the "National Integrated Energy and Climate Plan" (PNIEC [Plan Nacional Integrado de Energía y Clima]) and the already ratified "Hydrogen Roadmap". Challenges that the business world has very actively joined.

In line with this trend, for Aena, the situation created by COVID-19 has not hindered its commitment to sustainability, rather it has reinforced it by bringing forward and expanding the milestones related to its decarbonisation. The Company has defined its new roadmap fully aware that the recovery can only be green and is committed to sustainability, protecting the environment, decarbonisation and the climate emergency as key issues in its management.

As stated in section 2.1 Sustainable environmental management model of the Non-financial information statement chapter of the 2020 Integrated Management Report, in 2020, taking things one step further, the General Shareholders' Meeting approved the principles of Aena's Climate Action Plan, which includes actions to mitigate the effects of climate change, as well as the follow-up of the indicators established for compliance with the decarbonisation objectives. Its evolution and the level of progress of its measures will be approved annually. By doing this, the Company has become the first company in the world to submit its Action Plan on Climate Change to a vote at the Shareholders' Meeting each year. This Climate Action Plan consists of a multiannual plan, aligned with:

• The "climate change sustainability objectives" based on regulatory requirements at the European and national level, as well as the objectives of the Paris Agreement.
• The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
• Act 11/2018 on non-financial information and diversity and the guidelines derived from the European Commission's climate information supplement, included in Directive 2014/95/EU of the European Parliament and of the Council, which establishes a description of the policies, results and risks related to environmental issues.

The Group's management bodies have implemented mechanisms aimed at identifying, quantifying and covering risk situations. Regardless of the above, situations that could entail significant risk and the measures taken in this regard are closely monitored.

3.2 Description of the main financial risks

The Aena Group's operations expose it to various financial risks: market risk (including exchange rate risk and fair value interest rate risk), credit risk and liquidity risk. The Group's global risk management programme focuses on the uncertainty of the financial markets and aims to minimise potential adverse effects on the Group's financial profitability. In certain cases, the Group uses derivative financial instruments to hedge certain risk exposures.

The Board of Directors issues policies to manage comprehensive risk, as well as specific areas such as exchange rate risk, interest rate risk, liquidity risk, the use of derivatives and investment of surplus liquidity.

There is a financial debt acknowledgement agreement between AENA S.M.E., S.A. and its parent company ENAIRE, which originated from the non-monetary contribution that led to the creation of Aena Aeropuertos, S.A. (see Note 1). Through this agreement, 94.9% of the parent company's bank debt was initially taken on. On 29 July 2014, this contract was novated as explained in Note 20.

The main financial risks are described below:

a) Market risk

i. Exchange rate risk

The Group is exposed to exchange rate fluctuations that can affect its sales, results, equity and cash flows, primarily arising from:

1. Investments in foreign countries (mainly the United Kingdom, Brazil, Mexico and Colombia) (see Note 2.2).
2. Transactions conducted by associates and other related parties that operate in countries with currencies other than the euro (mainly the United Kingdom, Brazil, Mexico and Colombia).
3. Loans granted in foreign currency. In relation to the loan granted to LLAHL II in Pounds sterling, the Company regularly tracks the exchange rate evolution and, where appropriate, will consider the contracting of hedges that avoid fluctuations of the Pound Sterling against the euro.

In the fiscal year 2020, a gain of €1.350 million has been recorded (2019: gain of €2.774 million) for exchange differences associated with a loan between group companies denominated in Pounds sterling (Notes 20 and 31).

In the initial investment made for the incorporation of the Brazilian company Aeroportos do Nordeste do Brasil S.A. ("Aena Brasil"), currency forward "NDF" contracts were concluded as a fair value hedge on the foreign exchange rate risk in firm commitments to acquire a business in certain countries.

The exchange rate risk over the net assets of the Group's transactions abroad are primarily managed using external resources denominated in the corresponding foreign currencies. In particular, with respect to the operation of London-Luton Airport, its business is hedged as its operating receipts and payments are in Pounds sterling.

ii. Interest rate risk on cash flows and fair value

The Group's interest rate risk arises from borrowings. Loans issued at variable rates expose the Group to interest rate risk on its cash flows. Fixed interest rate loans expose the Group to fair value interest rate risk.

Finance expenses are mainly due to borrowings recognised with the parent company. The Group also has finance expenses arising from debt with financial institutions (see Note 20).

The Group's goal when managing interest rates is to optimise finance expenses within the established risk limits. The risk variables are the three months and six months Euribor, the main benchmark for long-term debt.

In addition, the value of the finance expenses risk over the time horizon of the forecasts is calculated and rate trend scenarios are established for the considered period.

The Group manages the interest rate risk in cash flows through floating-to-fixed interest rate swaps (see Note 12). On 10 June 2015, the Parent Company contracted a floating-to-fixed interest rate hedging transaction at a notional amount of €4,195.9 million to cover part of its exposure to this debt with the parent company ENAIRE. The average spread of these loans over three and six months Euribor is 1.0379%. The execution fixed rate was 1.9780%. The objective of the transaction was to provide a stable framework of interest rates in the 2017-21 DORA period. At 31 December 2020, the total amount of the liability for these interest rate swaps amounts to €128.479 million (2019: €125.777 million) (Note 12).

The Group, through its subsidiary LLAAH III, is exposed in its hedging relationships to debt denominated in Pounds sterling and referenced to the LIBOR. These are subject to interest rate reform. The entire debt referenced to the GBP LIBOR is covered by interest rate swaps (SWAPS), the notional amount of which reached £80 million (see Notes 12 and 20).

The Group has carefully monitored the market and the work of the various groups in the industry that are managing the transition to the new benchmark interest rates. This includes announcements made by LIBOR regulatory agencies (including the Financial Conduct Authority (FCA) and the US Commodity Futures Trading Commission) regarding the transition from the LIBOR (including the GBP LIBOR, USD LIBOR and JPY LIBOR) to the Sterling Overnight Index Average Rate (SONIA), the Secured Overnight Financing Rate (SOFR), and the Tokyo Overnight Average Rate (TONA), respectively.

In response to these announcements, the Group has established a transition programme in which the Treasury and Finance department is involved under the supervision of the Chief Financial Officer. The objective of the programme is to define which business areas have exposures to the LIBOR, and to prepare and present an action plan allowing a smooth transition to alternative benchmark rates. The Group will end the transition to the SONIA rate during 2021.

None of the Group's current contracts referenced to the GBP LIBOR includes solid and adequate alternative provisions for the disruption to the referenced interest rates. The different working groups in the industry are working on alternative language for different instruments and various rates, which the Group is closely monitoring. Such alternative language will be applied, if applicable.

The Group maintains a continuous relationship with the Arranger Financial Institutions of the current debt to manage the bank liabilities associated with the GBP LIBOR rate.

At 31 December 2020, if the variable interest rate loans had increased or decreased by 20 basis points, with the rest of the variables remaining constant, the profit before tax for the year would have been €4.409 million higher and €4.409 million lower respectively (in 2019: €1.473 million higher and €1.473 million lower respectively).

As a result of all this, the debt composition by rates at 31 December 2020 is held at 70% fixed-rate debt compared to 30% variable-rate debt (at 31 December 2019: 87% fixed and 13% variable), if the effect from the contracted interest rate swaps is considered.

b) Credit risk

The Group's credit risk originates from cash and cash equivalents, derivative financial instruments and bank and other financial institution deposits, as well as the exposure to the credit of trade receivables and agreed transactions.

Credit risk relating to trade accounts is reduced, given that the main customers are airlines and the accounts are usually collected in cash or in advance. As for retail customers that have leased premises in the various airports, their risk is managed by obtaining guarantees and bonds. At 31 December 2020, the Group has guarantees and other collateral related to the normal course of the aeronautical business amounting to €221.900 million, and the normal course of the commercial business amounting to €543.720 million, which amounts to €765.620 million (€504.496 million at the end of the previous fiscal year). This is in addition to the bonds and other cash collateral contained in the Balance Sheet.

On 5 March 2011, the BOE published Act 1/2011, of 4 March, which amends Act 21/2003, of 7 July, on Aviation Security. This act enacted that in the management, settlement and payment of all the public airport charges of AENA or its subsidiaries, debt collection proceedings may be used to effect payment, which shall be managed by the collection bodies of the Spanish Tax Agency.

The credit limits have not been exceeded during the fiscal year and the management does not expect any losses that were not provisioned for, as a result of default by these counterparties.

c) Liquidity risk

The main risk variables are: limitations in the financial markets, variations in planned investment and reductions in cash flow generation.

The credit risk policy described in the previous section leads to reduced average collection periods. Additionally, as reflected in point 3.1 of this note, as a result of the exceptional situation caused by the pandemic, the Group's cash flows have drastically reduced in 2020. In order to ensure available liquidity in the face of the severity and uncertainty from the development of the pandemic, the Company has deployed a plan to strengthen liquidity, making use of available lines of credit and signing new financing transactions. This situation, together with the substantial reduction of costs and investments, has had a positive effect on the Group's generation of cash. At 31 December 2020, the Group presents positive working capital of €347.751 million (negative in 2019: €1,327.773 million) and EBITDA of €714.571 million (2019: €2,766.248 million), calculated as operating profit/(loss) less fixed asset depreciation and amortisation. It is considered that there is no risk in meeting its short-term commitments given the positive operating cash flows and that the Company anticipates them to remain positive in the short term. The Company tracks cash flow generation to ensure that it is capable of meeting its financial commitments.

The parent Company also has a cash balance of €1,141.265 million as of 31 December 2020. In addition, the Company has €124.37 million available (undrawn) financing relating to loans with the EIB; €800 million available in a syndicated line of credit with long-term maturity (Note 20c). This availability of cash and credit facilities of the Company at 31 December 2020 amounts to a total of €2,065 million, to which is added the possibility of issuing debt through the Euro Commercial Paper (ECP) programme of up to €900 million, of which, at the end of the year, €845 million are available. Together with the implementation of specific plans for the efficient management of the Opex and Capex, this will allow future liquidity tensions to be faced.

At 31 December 2019, Aena S.M.E., S.A. has €409 million available in a syndicated line of credit with long-term maturity (Note 20c); €741 million available from its short-term Promissory Note Programme (ECP) issued on 30 October 2019; €400 million and €86.460 million of available financing (undrawn) corresponding to EIB loans and €150 million of available financing with Unicaja. Moreover, the Company had a cash balance of €149.375 million at 31 December 2019.

The LLAH III subsidiary subgroup disposed of the entire line of credit in 2020 (2019: £36 million, undrawn).

The table below includes an analysis of the cash flows corresponding to the expected cash outflows due to the financial liabilities and other receivables associated with the Group and by the financial liabilities related to the loan with ENAIRE. The classification of debt with financial institutions has been made and complies with the maturity schedules and clauses included in the respective financing agreements with these institutions based on the events that could affect each agreement.

(Amounts in thousands of euros unless otherwise stated)

At 31 December 2020	2021	2022	2023	2024	2025	Subsequent	Total
ENAIRE loan (Note 20)	546,349	535,836	514,364	512,641	649,777	1,949,894	**4,708,861**
Outstanding interest accrued on loans from ENAIRE (Note 34.f)	11,656	-	-	-	-	-	**11,656**
Aena loans from credit institutions (Note 20.b)	50,000	530,000	480,000	255,000	555,000	855,630	**2,725,630**
Interest accrued pending payment on Aena loans from credit institutions (Note 20.b)	3,370	-	-	-	-	-	**3,370**
Aena ECP programme (Note 20.b)	55,000	-	-	-	-	-	**55,000**
LLAH III Loans (Note 20.b) (**)	3,680	-	-	122,354	20,022	291,425	**437,481**
Aena Brasil loans from credit institutions (Note 20.b)	7,241	3,620	-	-	-	-	**10,861**
Public creditors for the AIRM concession (Note 20)		-	-	-	-	48,756	**48,756**
Aena lease liabilities (Note 20)	5,257	5,552	5,726	2,164	1,881	-	**20,580**
LLAH III lease liabilities (Note 20)	676	264	435	505	583	18,797	**21,260**
Aena Brasil lease liabilities (Note 20)	171	122		-	-	-	**293**
Loans from LLAH III shareholders (Note 20.b)		-	55,815	-	-	-	**55,815**
Interest accrued on LLAH III shareholder loan (Note 20)	428	-	-	-	-	-	**428**
Other financial liabilities (Note 20)	23,934	35,239	16,607	10,361	42,588	33,927	**162,656**
Trade and other payables (excluding customer prepayments and tax liabilities) (Notes 10, 19)	406,747	-	-	-	-	-	**406,747**
Interest on AENA S.M.E., S.A. debt (*)	76,047	67,313	57,724	46,861	36,857	114,349	**399,151**
Interest on LLAH III bank debt	16,918	16,918	16,918	15,138	11,854	24,629	**102,375**
Interest on LLAH III shareholder loan	4,465	4,465	4,013	-	-	-	**12,943**

(*) Estimated interest calculation on the average annual debt of each period calculated using the average interest rate of the January-December 2020 period.

(**) The contractual maturities of the liabilities for the Luton loans have been detailed, classified in the balance sheet as current liabilities given that the covenants established in the financing contracts are currently being negotiated, having obtained a temporary waiver of them (Note 20.b).

At 31 December 2019	2020	2021	2022	2023	2024	Subsequent	Total
ENAIRE loan (Note 20)	633,619	546,349	535,836	514,364	512,641	2,599,670	**5,342,479**
Outstanding interest accrued on loans from ENAIRE (Note 34.f)	13,162	-	-	-	-	-	**13,162**
Aena loans from credit institutions (Note 20.b)	391,000	-	50,000	50,000	50,000	100,000	**641,000**
Interest accrued pending payment on Aena loans from credit institutions (Note 20.b)	40	-	-	-	-	-	**40**
Aena ECP programme (Note 20.b)	159,000	-	-	-	-	-	**159,000**
LLAH III Loans (Note 20.b)	3,543	-	-	-	86,977	326,715	**417,235**
Public creditors for the AIRM concession (Note 20)	-	-	-	-	-	47,222	**47,222**
Aena lease liabilities (Note 20)	5,056	5,293	5,521	5,694	2,161	1,913	**25,638**
LLAH III lease liabilities (Note 20)	4,764	3,264	3,253	3,565	3,782	23,222	**41,850**
Aena Brasil lease liabilities (Note 20)	134	134	-	-	-	-	**268**
Loans from LLAH III shareholders (Note 20.b)	-	-	-	54,518	-	-	**54,518**
Interest accrued on LLAH III shareholder loan (Note 20)	418	-	-	-	-	-	**418**
Other financial liabilities (Note 20)	28,318	21,736	19,386	16,382	10,776	77,919	**174,517**
Trade and other payables (excluding customer prepayments and tax liabilities) (Notes 10, 19)	526,943	-	-	-	-	-	**526,943**
Interest on AENA S.M.E., S.A. debt (*)	70,581	62,617	55,490	47,716	40,030	120,352	**396,786**
Interest on LLAH III bank debt	17,151	16,549	16,549	16,549	15,307	39,709	**121,814**
Interest on LLAH III shareholder loan	4,631	4,631	4,631	3,907	-	-	**17,800**

(*) Estimated interest calculation on the average annual debt of each period calculated using the average interest rate of the January-December 2019 period.

The breakdown of the AENA S.M.E., S.A. loans by applicable interest rate and annual average interest rate at 31 December 2020 and 31 December 2019, taking into account the hedging resulting from the contracted interest rate swaps (see Note 12), is the following:

(Amounts in thousands of euros unless otherwise stated)

Thousands of euros	31 December 2020		31 December 2019	
	Balance	Average rate	Balance	Average rate
Variable	2,204,557	0.37	736,602	0.21
Fixed	5,229,933	1.32	4,855,878	1.40
TOTAL	**7,434,490**	**1.07**	**5,592,480**	**1.25**

3.3 Capital management

The Group's objectives when managing capital are to safeguard its capacity to continue as a going concern in order to provide shareholder returns and maintain an optimal capital structure in order to lower the cost of capital.

The Group tracks the capital structure based on the debt ratio (see Note 20).

In addition, and in the framework of the Strategic Plan 2018-21, AENA's Board of Directors approved a shareholder remuneration policy consisting of the distribution as dividends of an amount equivalent to 80% of the annual individual net income, excluding extraordinary items. This policy was approved for the distribution of profits of the fiscal years 2018, 2019 and 2020. However, the Board of Directors may modify this policy if there are exceptional circumstances, in the terms outlined in its own policy. This occurred in the Board meeting of AENA S.M.E., S.A. on 30 June 2020, which resolved to replace the proposed profit distribution for the fiscal year 2019 included in the annual accounts prepared on 25 February 2020. This meant cancelling the planned dividend distribution in order to strengthen the Group's solvency and safeguard its liquidity as much as possible in the current circumstances, which do not enable assessment of the future impact of the COVID-19 health crisis on the markets in which the Group operates (Notes 3.1 and 17).

4. Accounting estimates and judgements

The preparation of the consolidated annual accounts under IFRS requires making assumptions and estimates that have an impact on the recognised amount of assets, liabilities, income, expenses and related breakdowns. The estimates and hypotheses made are based on, among others, past experience and other factors, including forecast future events that are considered reasonable in view of the facts and circumstances considered on the statement of financial position date. Actual results may differ from the estimates.

Understanding the accounting policies for these items is important in order to understand the consolidated annual accounts. There is further information below on the estimates and assumptions used for these items in accordance with the IFRS, which should be considered in conjunction with the notes to the consolidated annual accounts.

The most critical accounting policies, which reflect significant management assumptions and estimates in determining the amounts in the consolidated annual accounts, are the following:

a) Impairment of non-current assets

Every year, the Group checks whether the intangible assets, property, plant and equipment and real estate have undergone any impairment loss, in accordance with the accounting policy described in Note 2.8. This note describes how management identifies the cash generating units (CGUs) and the methodology used to subject their allocated assets to impairment tests. The identification and grouping of CGUs are based on the generation of revenue and identifiable cash flows for these groups of assets, as well as on certain other assumptions based on how the management manages these assets and the regulatory framework applicable to them. Likewise, the recoverable amounts of the CGUs have been determined based on calculations of the value in use and are obtained through forecast by applying valuation techniques that require the exercise of judgement by the Group's Management and the use of estimates of, among others, profit, investment and working capital forecasts, discount rates and growth rates. Changes and variations in one or more of these assumptions could affect the identification of CGUs and the estimated recoverable amount used for the purpose of impairment testing. In conclusion, there is a high level of complexity in conducting impairment tests, a high degree of judgement in estimating the key assumptions, as well as some uncertainty associated with them.

b) Useful lives of property, plant and equipment

The accounting for investments in property, plant and equipment involves the application of estimates to determine the useful life of the property, plant and equipment items, for depreciation purposes. The determination of useful lives is associated with estimates relating to the level of use of the assets and their expected technological developments. The assumptions relating to the level of use, technological framework and future developments imply a significant degree of judgement, taking into account that these aspects are very difficult to foresee. Changes in the usage level of the assets or changes in their technological development could result in revisions to their useful lives and their consequent depreciation.

c) Evaluation of litigation, provisions, commitments, assets and contingent liabilities

Provisions are recognised when it is probable that a present obligation, resulting from past events, will require an outflow of resources and when the amount of the obligation may be reliably estimated. The Group estimates the amounts to be paid in the future with respect to employment, expropriation, pending litigation, tax, environmental action and other liability commitments. Those estimates are subject to interpretations of current and future events and circumstances, and the relevant estimates of the financial impact of those events and circumstances.

d) Fair value of derivative financial instruments

The Group uses derivative financial instruments to mitigate risks primarily stemming from variations in the interest rates associated with its financing. Derivative financial instruments are recognised at their fair value at the beginning of the contract. That value is subsequently adjusted at each year-end.

The data used to calculate the fair value of derivative financial instruments are based on available observable market data, whether based on quoted market prices or through the application of valuation techniques (Level 2). The valuation techniques used to calculate the fair value of derivative financial instruments include the discounting of their associated future cash flows using assumptions based on market conditions at the measurement date or the use of established prices for similar instruments, among other methods. These estimates are based on available market information and adequate valuation techniques. The use of different market assumptions and/or estimation techniques could have a significant effect on the calculated fair values.

e) Provisions for employee obligations

The calculation of pension expenses and other expenses for post-retirement benefits requires the application of several assumptions. At each year-end, Aena Group estimates the provision needed to cover the commitments for pensions and similar obligations in accordance with the advice of independent actuaries. The changes affecting such assumptions may result in the recording of different amounts of expenses and liabilities. The most important assumptions are inflation, retirement age and the used discount rate. Changes in these assumptions will have an impact on the future expenses and liabilities for pensions.

f) Recognition criteria for regulated income during the DORA period.

In accordance with the criteria indicated in Note 2.21, this income is recognised at the time of provision of the airport service for the amount corresponding to the applicable regulated airport charge under DORA.

Some of these accounting policies require the application of a significant judgement by the management in selecting the appropriate assumptions for calculating these estimates. These assumptions and estimates are based on past experience, advice from expert consultants, forecasts and other circumstances and expectations at the end of the fiscal year. The management's assessment is considered with respect to the overall economic situation of the industry in which the Group operates, taking into account the future development of the business. By their nature, these judgements are subject to an inherent degree of uncertainty and, therefore, actual results could differ materially from the estimates and assumptions used. This is especially the case when taking into account the added difficulties relating to the impacts derived from the health crisis caused by the COVID-19 pandemic. In such cases, the values of the assets and liabilities would be adjusted.

Although these estimates were made based on the best information available at the end of each fiscal year upon the analysed events, future events may require these estimates to be modified. This would be done in accordance with the provisions of IAS 8 on a prospective basis, recognising the effects of the change in the estimate in the corresponding consolidated income statement. The Group's most significant accounting policies are described in more detail in Note 2.

- *Uncertainty related to the evolution of the pandemic caused by COVID-19.*

The Group's activity has been drastically affected by this health crisis. The spread of the pandemic worldwide, especially in Europe during the final months of 2020, has forced the establishment of new restrictions on mobility that have exacerbated the fall in air transport activity. The main international aviation bodies (ICAO, IATA and ACI) confirm that the collapse in global passenger volume in the sector is without historical precedent. In the medium to long-term, these bodies estimate that Europe will not recover the 2019 activity levels until some point in the broad period between 2024-2027.

Among the latest advances in the fight against this pandemic at the date of preparing these consolidated annual accounts, it is worth noting the following: greater efficacy of the measures taken to control the spread of the virus based on a greater knowledge of the circumstances in which it is transmitted; the improvement in therapeutic treatments to combat this disease; and, in particular, the commencement of vaccination campaigns in several countries.

Notwithstanding the foregoing, the current circumstances show no signs of short-term traffic recovery. This means that it is not possible to forecast when the recovery will begin.

In the current scenario, the Parent Company directors consider that although there is strong uncertainty about the consequences of this exceptional process that could more or less significantly impact the Group's financial/equity position, under no circumstance will the principle of the company continuing as a going concern be put at risk. This is due to its financial solvency and other conditions, as well as the measures described in note 3 that were adopted for the purpose of making a solid operational and economic adjustment, that other measures that could be adopted in the future if circumstances require it.

5. Financial information by segments

The Group carries out its business activities based on the following classification: Airports, Real Estate Services, International and SCAIRM.

The Airports segment substantially includes the Group's operations as an airport operator, as described in Note 1, which are identified within the Aviation activity. In addition, the Airports segment includes management activities for commercial spaces in airport terminals and the car park network. These activities are identified in Commercial activity, in accordance with the criteria explained in Note 2.21 of the consolidated Annual Accounts.

The Real estate services segment essentially includes the Group's operation of the industrial and real estate assets that are not included in the airport terminals.

The operations of the subsidiary Aena Desarrollo Internacional S.M.E., S.A. correspond to the Group's international development activity, which consists of investments in other airport operators, mainly in the United Kingdom, Brazil, Mexico and Colombia (see Note 2.2).

Traditionally, international information has been broken down as a single segment since no international component contributed a volume greater than 10% of ordinary revenue, profit or loss and assets in the consolidated annual accounts. In the fiscal year 2020, the companies of the LLAH III Group (United Kingdom) and Aena Brasil (Brazil) have exceeded this threshold so that it has been deemed necessary to report on the operations of said companies in differentiated segments. In conclusion, the data that was included in the 2019 fiscal year in International, has been broken down in greater detail in the 2020 fiscal year.

The SCAIRM segment relates to the activity of the Company "Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E., S.A." which is in itself also considered as a single cash generating unit.

The Chairman and CEO are the maximum authority in making operational decisions. The Group has determined the operating segments based on information reviewed by the Chairman and CEO for the purposes of allocating resources and evaluating performance.

The President and CEO evaluate the performance of the operating segments according to the EBITDA (defined as earnings before financial results, income tax, depreciation and amortisation, i.e. calculated as the sum of the operating profit and fixed asset depreciation). During the fiscal years 2020 and 2019, the EBITDA calculated in the manner explained above has been adjusted for the fixed asset impairment and derecognition.

The financial information by segment submitted to the highest decision-making authority for the fiscal years 2020 and 2019 was obtained from the Group management's accounting information systems. This information has been assessed in accordance with criteria in line with those applied in these consolidated annual accounts. The financial information by segment is presented as it is currently analysed by the highest decision-making authority.

The group's analytical accounting is based on the ABC (*Activity Based Costing*) cost methodology for determining the cost of the services provided, both for airports and commercial services.

This methodology establishes the allocation of expenses based on their nature to the different activities defined in the model, both operating and support, under the premise that the services consume activities which, in turn, consume resources.

Given the ABC philosophy, the technical and administrative support activities essentially comprise all the indirect or general expenses which are needed for the operational functioning of the airports. The support activities put their costs into the operating activities, and these in turn divide their costs into provided services via objective and causal allocation criteria.

Costs are allocated through cause-effect relationships throughout the entire model, so that the obtained result is a faithful reflection of the operating reality and management of the organisation.

On the other hand, the expenses of the corporate unit are allocated according to the same ABC methodology. The activities defined in the corporate model are the reflection of the group's organisational chart and thus those activities are defined as resource-consuming units. Each manager assigns their own expenses (staff, current expenses, depreciation and amortisation, etc.) depending on their nature to the different defined activities, thus establishing the consumption of resources by activity.

Once the cost by activity is obtained, the model establishes cause-effect relationships between the activities and the ultimate purpose of the costs using different allocation criteria. This attributes the consumption of resources to the services provided and ultimately to the business segments.

In the financial information by segment at 31 December 2020, the costs have been adjusted in accordance with the DORA Resolution of 27 January 2017. In accordance with the said document and for regulatory purposes, the airport activity costs were reduced by €38.4 million (including a cost of capital at 6.98%) with the following breakdown: Staff costs €1.7 million; Depreciation and amortisation €11.4 million; Other Operating Expenses €12 million and Cost of Capital €13.3 million. We have therefore reduced the cost of the aeronautical activity in the 2020 annual data by €21.9 million of operating expenses through the aforementioned reallocation of costs, transferring these expenses to the services subject to private prices included in the "Commercial" activity.

In the financial information by segment at 31 December 2019, the costs have been adjusted in accordance with the DORA Resolution of 27 January 2017. In accordance with the said document and for regulatory purposes, the airport activity costs were reduced by €38.5 million (including a cost of capital at 6.98%) with the following breakdown: Staff €1.6 million; Depreciation and amortisation €11.4 million; Other operating expenses €12 million and Cost of capital €13.5 million. We have therefore reduced the cost of the aeronautical activity in the 2019 annual data by €23.5 million of operating expenses through the aforementioned reallocation of costs, transferring these expenses to the services subject to private prices included in the "Commercial" activity.

The reconciliation of EBITDA and adjusted EBITDA with the Profit/(loss) for the fiscal years ended 31 December 2020 and 31 December 2019 is as follows:

(Amounts in thousands of euros unless otherwise stated)

Item	31 December 2020	31 December 2019
Total adjusted EBITDA	**828,495**	**2,775,644**
Fixed asset impairment and disposals	(113,924)	(9,396)
Total segment EBITDA	**714,571**	**2,766,248**
Depreciation and amortisation of fixed assets	(806,863)	(788,969)
Operating profit/(loss)	**(92,292)**	**1,977,279**
Net finance expenses	(121,411)	(116,876)
Share in income of affiliates	1,070	22,446
Corporate income tax	51,885	(437,174)
Profit/(loss) for the fiscal year	**(160,748)**	**1,445,675**
Profit/(loss) attributable to external partners	(33,962)	3,653
Profit/(loss) for the fiscal year attributable to the parent company shareholder	**(126,786)**	**1,442,022**

The financial information by segment for the fiscal years 2020 and 2019 is as follows (in thousands of euros):

	Airports					International					
31 December 2020	**Aeronautical**	**Commercial**	**Real estate services**	**Subtotal**	**AIRM**	**Aena Brasil**	**LLAH III**	**Other international**	**International subtotal**	**Adjustments (*)**	**Total consolidated**
Ordinary revenue-	935,760	1,030,180	76,243	2,042,183	5,552	24,890	102,526	6,908	134,324	(1,443)	2,180,616
External customers	*935,759*	*1,030,151*	*76,243*	*2,042,153*	*5,552*	24,890	*102,526*	*5,495*	*132,911*		*2,180,616*
Intersegments	1	*29*	-	30	-	-	-	*1,413*	*1,413*	*(1,443)*	
Other operating revenue	48,091	13,424	1,683	63,198	102	-	-	191	191	(1,333)	62,158
Total revenue	**983,851**	**1,043,604**	**77,926**	**2,105,381**	**5,654**	24,890	**102,526**	**7,099**	**134,515**	**(2,776)**	**2,242,774**
Supplies	(153,831)	-	-	(153,831)	(1,463)	-	-	-	-	1,307	(153,987)
Staff	(359,070)	(42,975)	(10,755)	(412,800)	(4,231)	(7,408)	(30,554)	(1,883)	(39,845)	-	(456,876)
Other operating expenses	(527,312)	(124,086)	(16,032)	(667,430)	(6,598)	(19,653)	(49,211)	(3,690)	(72,554)	1,506	(745,076)
Depreciation and amortisation	(610,700)	(98,025)	(16,216)	(724,941)	(1,078)	(11,366)	(69,139)	(339)	(80,844)	-	(806,863)
Impairment of fixed asset	-	-	1,117	1,117	(45,279)	(64,647)	-	-	(64,647)	-	(108,809)
Fixed asset disposals	(4,473)	(494)	(84)	(5,051)	-	-	(47)	-	(47)	(17)	(5,115)
Other profit/(loss)	(51,698)	(1,807)	(4,555)	(58,060)	(280)	-	-	(2)	(2)	2	(58,340)
Total expenses	**(1,707,084)**	**(267,387)**	**(46,525)**	**(2,020,996)**	**(58,929)**	**(103,074)**	**(148,951)**	**(5,914)**	**(257,939)**	**2,798**	**(2,335,066)**
EBITDA	**(112,533)**	**874,242**	**47,617**	**809,326**	**(52,197)**	**(66,818)**	**22,714**	**1,524**	**(42,580)**	**22**	**714,571**
Fixed asset impairment and disposals	4,473	494	(1,033)	3,934	45,279	64,647	47	-	64,694	17	113,924
Adjusted EBITDA	**(108,060)**	**874,736**	**46,584**	**813,260**	**(6,918)**	**(2,171)**	**22,761**	**1,524**	**22,114**	**39**	**828,495**
Operating profit/(loss)	**(723,233)**	**776,217**	**31,401**	**84,385**	**(53,275)**	**(78,184)**	**(46,425)**	**1,185**	**(123,424)**	**22**	**(92,292)**
Financial result	(82,135)	(22,326)	(3,169)	(107,630)	(1,590)	(1,334)	(24,229)	(2,790)	(28,353)	16,162	(121,411)
Share in income of affiliates	-	-	-	-	-	-	-	1,070	1,070	-	1,070
Profit/(loss) before tax	**(805,368)**	**753,891**	**28,232**	**(23,245)**	**(54,865)**	**(79,518)**	**(70,654)**	**(535)**	**(150,707)**	**16,184**	**(212,633)**
Total assets	-	-	-	15,145,977	25,073	-	-	-	1,031,360	(539,323)	15,663,087
Total liabilities	-	-	-	8,883,278	54,396	-	-	-	1,034,530	(374,100)	9,598,104

(*) The adjustments column primarily includes consolidation adjustments.

(Amounts in thousands of euros unless otherwise stated)

31 December 2019	Airports							
	Aeronautical	Commercial	Real estate services	Subtotal	AIRM	International	Adjustments (*)	Total consolidated
Ordinary revenue-	2,843,947	1,236,939	78,659	4,159,545	15,209	270,208	(1,402)	4,443,560
External customers	*2,843,843*	*126,939*	*78,659*	*3,049,441*	*15,209*	*268,910*	-	*3,333,560*
Intersegments	104	-	-	104	-	*1,298*	*(1,402)*	-
Other operating revenue	49,248	10,852	1,462	61,562	61	204	(2,134)	59,693
Total revenue	**2,893,195**	**1,247,791**	**80,121**	**4,221,107**	**15,270**	**270,412**	**(3,536)**	**4,503,253**
Supplies	(170,206)	-	-	(170,206)	(1,467)	-	1,131	(170,542)
Staff	(352,579)	(41,056)	(9,245)	(402,880)	(4,199)	(49,094)	-	(456,173)
Other operating expenses	(753,687)	(175,270)	(26,032)	(954,989)	(12,178)	(124,363)	2,400	(1,089,130)
Depreciation and amortisation	(605,112)	(99,668)	(15,776)	(720,556)	(2,037)	(66,376)	-	(788,969)
Fixed asset impairment and disposals	(7,643)	(1,541)	(155)	(9,339)	-	(57)	-	(9,396)
Other profit/(loss)	1,154	483	(13,403)	(11,766)	2	-	-	(11,764)
Total expenses	**(1,888,073)**	**(317,052)**	**(64,611)**	**(2,269,736)**	**(19,879)**	**(239,890)**	**3,531**	**(2,525,974)**
EBITDA	**1,610,234**	**1,030,407**	**31,286**	**2,671,927**	**(2,572)**	**96,898**	**(5)**	**2,766,248**
Fixed asset impairment and disposals	7,643	1,541	155	9,339	-	57	-	**9,396**
Adjusted EBITDA	**1,617,877**	**1,031,948**	**31,441**	**2,681,266**	**(2,572)**	**96,955**	**(5)**	**2,775,644**
Operating profit/(loss)	**1,005,122**	**930,739**	**15,510**	**1,951,371**	**(4,609)**	**30,522**	**(5)**	**1,977,279**
Financial result	(69,263)	(19,489)	(2,795)	(91,547)	(1,462)	(23,867)		(116,876)
Share in income of associates	-	-	-	**-**	-	(22,446)	-	(22,446)
Profit/(loss) before tax	**935,859**	**911,250**	**12,715**	**1,859,824**	**(6,071)**	**29,101**	**(5)**	**1,882,849**
Total assets	-	-	-	14,043,052	59,438	1,337,541	(549,488)	14,890,543
Total liabilities	-	-	-	7,761,801	52,400	1,067,133	(372,667)	8,508,667

(*) The adjustments column primarily includes consolidation adjustments.

(Amounts in thousands of euros unless otherwise stated)

Breakdown of ordinary revenue

The breakdown of the current revenues of the Subtotal included in the financial information by segments (excluding International, Región de Murcia International Airport and adjustments) by type of services provided is as follows:

	2020	2019
Airport services	**935,760**	**2,843,947**
Aeronautical - Airport Charges	**899,269**	**2,768,380**
Landings	263,139	743,409
Parking facilities	70,504	44,696
Passengers	349,985	1,284,742
Boarding airbridges	45,199	101,183
Security	115,030	440,930
Handling	40,555	108,591
Fuel	11,360	32,980
Catering	3,497	11,849
Other airport services (1)	**36,491**	**75,567**
Commercial services	**1,030,180**	**1,236,939**
Leases	33,699	34,452
Shops	104,340	114,805
Duty Free Shops	382,888	343,755
Food and beverages	224,894	224,344
Rent a car	100,493	154,362
Car parks	50,684	158,489
Advertising	20,975	26,043
VIP services (2)	20,570	78,834
Other commercial revenue (3)	91,637	101,855
Real estate services	**76,243**	**78,659**
Leases	15,122	14,672
Land	24,882	29,908
Hangars	8,742	8,092
Cargo logistics centres	19,912	17,412
Real Estate Operations	7,585	8,575

1) Includes 400 Hz counters, fire extinguishing services, left luggage and other revenue.
2) Includes VIP lounge rental, VIP packages, other lounges, fast-track and fast-lane.
3) Includes commercial operations (banking services, baggage wrapping machines, telecommunications, vending machines, etc), commercial utilities, and filming and recording.

The Group carries out its operations in Spain, except for the activity of its main investments in the United Kingdom, Brazil, Mexico and Colombia.

Approximate ordinary revenue amounts of €154.868 million, €148.619 million and €148.200 million for the fiscal year 2020 relate to three customers respectively (three customers for the fiscal year 2019: €444.448 million, €426.367 million and €373.513 million respectively). These figures correspond to the Airports segment.

(Amounts in thousands of euros unless otherwise stated)

Geographical information

Ordinary revenue from external customers is distributed geographically as follows:

Country	2020	2019
Spain	2,048,659	4,175,651
Brazil	24,890	401
United Kingdom	102,526	258,466
Luxembourg	-	284
United States	-	28
Mexico	518	7,272
Colombia	4,023	1,458
TOTAL	**2,180,616**	**4,443,560**

The Property, plant and equipment, Intangible assets and Investment property headings, within the non-current assets of the accompanying statement of financial position, are valued at net book value and identified as follows:

		Fiscal year 2020		
Country	Property, plant and equipment	Intangible assets	Investment property	TOTAL
Spain	12,112,684	120,096	139,176	12,371,956
Brazil	208	282,224	-	282,432
United Kingdom	218,785	299,986	-	518,771
Total	**12,331,677**	**702,306**	**139,176**	**13,173,159**

		Fiscal year 2019		
Country	Property, plant and equipment	Intangible assets	Investment property	TOTAL
Spain	12,409,696	159,471	140,928	12,710,095
Brazil	103	502,155	-	502,258
United Kingdom	260,907	347,618	-	608,525
Total	**12,670,706**	**1,009,244**	**140,928**	**13,820,878**

(Amounts in thousands of euros unless otherwise stated)

The activity in the United Kingdom comes from the subsidiary subgroup LLAH III, from which the following information is presented prior to inter-company eliminations:

Thousands of euros	**31 December 2020**	**31 December 2019**
Non-current assets	533,199	644,617
Current assets	56,369	53,652
Non-current liabilities	220,965	657,643
Current liabilities	478,874	89,452

	31 December 2020	**31 December 2019**
Revenue	102,526	258,466
Operating profit/(loss)	(46,425)	33,568
EBITDA	22,714	99,587
Financial result	(24,229)	(24,733)
Profit/(loss)	(69,311)	7,458
Other comprehensive income for the period	(64,735)	(614)
Cash flows from operating activities	(16,149)	52,627
Cash flows from investing activities	(10,609)	(28,916)
Cash flows from financing activities	40,169	(22,993)

The activity in Brasil comes from the subsidiary Aeroportos do Nordeste do Brasil (Aena Brasil), from which the following information is presented prior to inter-company eliminations:

Thousands of euros	**31 December 2020**	**31 December 2019**
Non-current assets	310,467	504,196
Current assets	35,438	28,624
Non-current liabilities	3,744	134
Current liabilities	21,178	6,914

	31 December 2020	**31 December 2019**
Revenue	22,909	-
Operating profit/(loss)	(78,184)	(6,179)
EBITDA	(66,818)	(6,173)
Financial result	(1,334)	1,222
Profit/(loss)	(50,798)	(3,272)
Other comprehensive income for the period	(50,798)	(3,272)
Cash flows from operating activities	581	(1,568)
Cash flows from investing activities	(22,112)	(510,876)
Cash flows from financing activities	11,655	542,986

(Amounts in thousands of euros unless otherwise stated)

6. Property, Plant and Equipment, Use Rights Assets and Real Estate

6.1. Property, plant and equipment

a) Detail of the movements in the fiscal year

	Land and buildings	Plant and machinery	Other facilities, tools and furnishings	Other fixed assets	Property, plant and equipment under construction	Total
At 1 January 2020						
Cost or valuation	17,139,617	1,427,062	4,703,833	143,438	493,194	23,907,144
Accumulated Amortisation	(6,604,988)	(994,048)	(3,498,582)	(138,664)	-	(11,236,282)
Impairment	(109)	(37)	(10)	-	-	(156)
Net book value at 1 January 2020	**10,534,520**	**432,977**	**1,205,241**	**4,774**	**493,194**	**12,670,706**
Additions	53,845	14,311	51,681	749	299.495	420.081
Derecognitions	(45,809)	(51,453)	(65,202)	(620)	(3,955)	(167,039)
Transfers (Notes 7 and 6.3)	98,997	37,242	100,546	249	(239,702)	(2,668)
Difference in cost conversion	(14,271)	(3,121)	(47)	-	(354)	(17,793)
Allocation to depreciation	(406,321)	(80,520)	(243,507)	(1,213)	-	(731,561)
Accumulated amortisation derecognition	40,777	49,908	63,714	620	-	155,019
Transfers (Notes 7 and 6.3)	1,723	1,706	(2,400)	-	-	1,029
Difference in depreciation conversion	3,515	529	5	-	-	4,049
Impairment provision (Note 8)	-	(30)	(116)	-	-	(146)
Net book value at 31 December 2020	**10,266,976**	**401,549**	**1,109,915**	**4,559**	**548,678**	**12,331,677**
At 31 December 2020						
Cost or valuation	17,232,379	1,424,041	4,790,811	143,816	548,678	24,139,725
Accumulated Amortisation	(6,965,294)	(1,022,425)	(3,680,770)	(139,257)	-	(11,807,746)
Impairment	(109)	(67)	(126)	-	-	(302)
Net book value at 31 December 2020	**10,266,976**	**401,549**	**1,109,915**	**4,559**	**548,678**	**12,331,677**

	Land and buildings	Plant and machinery	Other facilities, tools and furnishings	Other fixed assets	Property, plant and equipment under construction	Total
At 1 January 2019						
Cost or valuation	17,004,412	1,382,052	4,676,197	143,004	414,410	23,620,075
IFRS 16 transition (cost)	(17,829)	(8,636)	-	-	-	(26,465)
Accumulated Amortisation	(6,270,233)	(966,842)	(3,325,654)	(138,560)	-	(10,701,289)
IFRS 16 transition (depreciation)	7,429	4,176	-	-	-	11,605
Impairment	(41,792)	(2,434)	(1,418)	-	(361)	(46,005)
Net book value at 1 January 2019	**10,681,987**	**408,316**	**1,349,125**	**4,444**	**414,049**	**12,857,921**
Additions	94,573	35,453	49,904	1,258	375,157	556,345
Derecognitions	(129,614)	(48,389)	(71,616)	(1,080)	(4,381)	(255,080)
Transfers (Notes 7 and 6.3)	175,962	64,897	49,348	256	(293,387)	(2,924)
Difference in cost conversion	12,113	1,685	-	-	1,395	15,193
Allocation to depreciation	(402,357)	(76,222)	(244,149)	(1,187)	-	(723,915)
Accumulated amortisation derecognition	66,722	44,146	67,489	1,075	-	179,432
Transfers (Notes 7 and 6.3)	(3,683)	638	3,732	8	-	695
Difference in depreciation conversion	(2,866)	56	-	-	-	(2,810)
Application of impairment	41,683	2,397	1,408	-	361	45,849
Net book value at 31 December 2019	**10,534,520**	**432,977**	**1,205,241**	**4,774**	**493,194**	**12,670,706**
At 31 December 2019						
Cost or valuation	17,139,617	1,427,062	4,703,833	143,438	493,194	23,907,144
Accumulated Amortisation	(6,604,988)	(994,048)	(3,498,582)	(138,664)	-	(11,236,282)
Impairment	(109)	(37)	(10)	-	-	(156)
Net book value at 31 December 2019	**10,534,520**	**432,977**	**1,205,241**	**4,774**	**493,194**	**12,670,706**

The main additions recorded in fiscal years 2020 and 2019 are described below:

(Amounts in thousands of euros unless otherwise stated)

b) Land and buildings

The fall of €339 million in the "Property, plant and equipment" segment, is mainly explained by trends in capital expenditure in the Spanish network and the London-Luton airport, as a result of which fixed asset additions for the period were less than the depreciation recognised. This above effect has been amplified by the investment reduction plans in the first half of 2020 put in place to mitigate the effects of the crisis caused by COVID-19.

During the 2020 fiscal year, the main additions in the period were the works related to connecting the apron with the parallel taxiway and the rapid exit taxiways, the refurbishment of the paving of the apron and runway thresholds, and the strips and taxiways at Ibiza airport. The expansion of the terminal building at London Luton Airport, which will become the most sustainable airport in the UK through its development plans, has been delayed on account of the coronavirus pandemic until next year.

The most important actions put into service were: the adaptation of the Reus terminal building to the new functional design; the resurfacing of the runway at Sevilla Airport; the marking actions at Málaga-Costa del Sol Airport to comply with the technical standards; the thermal insulation work on the terminal building and modules, and the new flooring in the terminal building at Palma de Mallorca Airport; and the renovation work on the T1, A2, A3, A4 and A5 taxiways, as well as the expansion of the commercial aircraft apron at Zaragoza airport.

The main additions of the fiscal year 2019 were the "Rehabilitation of runway 32R-14L" at Adolfo Suárez Madrid-Barajas Airport, the "New flooring in the terminal building" at Palma de Mallorca Airport, the "Improvement and adaptation of civil works and facilities in VIP lounges" at Barcelona-El Prat Josep Tarradellas Airport, the work to adapt the apron and taxiways for air taxis at London Luton airport, the planned actions related to the "Sound insulation plans" at the Gran Canaria Airport and Tenerife Norte-Ciudad de La Laguna Airport, and the "Refurbishment of the general aviation apron" at Ibiza Airport.

The most significant implementations were the "Refurbishment of the apron" at Tenerife Sur Airport, the "Refurbishment of the apron paving" at Girona-Costa Brava Airport, the "Supply and installation of airbridges and aircraft assistance equipment for terminal 2 phase II" at Málaga-Costa del Sol Airport, the "Resurfacing of runway 12-30" at Bilbao Airport and the "Extension of the C-module air conditioning ring" at Palma de Mallorca Airport.

The Group owns properties whose net value, separately from land and buildings, at the end of the 2020 and 2019 fiscal years, is as follows.

	2020	2019
Land	3,535,875	3,537,030
Buildings	6,731,101	6,997,490
Total	**10,266,976**	**10,534,520**

c) Technical facilities, machinery, furniture and other fixed assets

In the 2020 fiscal year, the most important additions were:

- Acquisitions of explosives detection systems (EDS) adapted to comply with Standard 3 integrated into the baggage handling system at various network airports.
- The transfer of central services from the Data Processing Centre to Terminal 4 at Adolfo Suárez Madrid-Barajas Airport.
- The implementation of automatic passport control systems at various airports.
- The investment in hyperconverged infrastructure equipment and the remodelling of cloud-oriented server infrastructure for airports and central services.
- And the supply and installation of boarding airbridges at Barcelona-El Prat Josep Tarradellas Airport.

In 2019, the additions in this item of property, plant and equipment amounted to €86.615 million, highlighting the following:

- 6X6 fire-fighting vehicles 10000L at the airports of Gran Canaria Airport, Málaga-Costa del Sol Airport, Tenerife Norte-Ciudad de La Laguna Airport and Zaragoza Airport, among others.
- Actions related to the marking of the airfield at Ibiza airport.
- Unmanned passport checkpoints at the Bilbao Airport, César Manrique-Lanzarote Airport, Fuerteventura Airport and Gran Canaria Airport.

d) Property, plant and equipment under construction

In terms of actions underway, it is worth highlighting the investments in the works “Remodelling and expansion of the building in the south pier” at Barcelona-El Prat Josep Tarradellas Airport, the works related to the “T4S remote apron” at Adolfo Suárez Madrid-Barajas Airport, the “Extension of the baggage handling system” (SATE [Sistema Automatizado de Tratamiento de Equipajes]) at Palma de Mallorca Airport, those related to the “Functional improvements of the terminal building” at Tenerife Sur Airport, and, notably, the acquisitions of “Explosives detection systems (EDS) adapted to comply with Standard 3 integrated into the baggage handling system” at various airports in the network.

In addition to those indicated in the previous paragraph, the main actions that are being carried out as of 31 December 2020 are: “Improvements in the Terminal Building” according to a new functional design at Sevilla Airport, the “Regeneration of runway 06L-24R and new rapid exit taxiways” at Palma de Mallorca Airport. And at Luton airport, investments in the Curium Project, the development of which has been postponed due to the crisis caused by COVID-19.

During the 2019 fiscal year, the main fixed assets under construction additions corresponded to the works related to the “Remodelling and expansion of the ‘dique sur’ building” at Barcelona-El Prat Josep Tarradellas Airport, the “Adaptation of the Hold Baggage Inspection System to the new standard 3 EDS” at several airports in the network, the “Runway resurfacing” at Sevilla Airport, and the “Functional improvements to the terminal building” at Tenerife Sur Airport.

In addition to those indicated in the previous paragraph, the main actions that were underway as of 31 December 2019 are: “SICA Systems” (Integrated Access Control Systems) in several of the network’s airports, the “Marking actions to comply with technical standards” and the “Remodelling of the Picasso T-2 terminal building” at Málaga-Costa del Sol Airport. And at Luton airport, investments in the Curium Project, which was progressing significantly in all its areas.

e) Disposals of non-financial fixed assets

Property, plant and equipment assets with an acquisition cost of €167.039 million were derecognised during the 2020 fiscal year (during the 2019 fiscal year: €255.080 million). The most significant derecognitions were due to the replacement of various installations and items of equipment at several network airports and central services, demolitions to replace airport infrastructure, and derecognitions related to payments from suppliers of fixed assets in respect of amounts capitalised in previous fiscal years.

The derecognitions of property, plant and equipment that occurred during the 2020 fiscal year, with allocation to results, have led to a total negative result of €5.112 million (€1.124 million of profits from asset sales need to be added to the negative result of €6.326 million of the net value of the derecognitions). Moreover, the following items that have not generated any result in the profit and loss account are included within derecognitions:

- Reversals of provisions recorded in previous fiscal years for fair value differences arising primarily from land expropriations and estimated environmental investments to comply with current legislation, and for litigation related to works, which have been charged to the provisions for risks and expenses accounts (see Note 23) amounted to a total of €880,000.
- Payments to suppliers of fixed assets in relation to amounts activated in previous fiscal years, amounted to €4.83 million.

During the 2019 fiscal year, the permanent derecognition occurred of the elements of the Murcia-San Javier airport that had not been assigned to the Murcia-Corvera airport, also operated by the Aena Group through the company Aeropuerto Internacional de la Región de Murcia (AIRM, S.M.E, S.A.) for a net book value of €46.223 million, corresponding to an impairment, recorded in 2018, of €45.849 million, applied in the year. In addition, derecognitions were also applied due to the replacement of assets in their renovation, such as the renovation work of runway 32R-14L at Adolfo Suárez Madrid-Barajas Airport, the resurfacing of the runways at Tenerife Norte-Ciudad de La Laguna Airport and Tenerife Sur Airport, and the multi-service network at Menorca Airport.

The derecognitions of property, plant and equipment that occurred during the 2019 fiscal year, with allocation to results, led to a total negative result of €9.329 million (the negative result of €9.396 million listed in the attached profit and loss account also included -€67,000 of losses in derecognitions of real estate investments). Moreover, the following items that have not generated any result in the profit and loss account are included within derecognitions:

- Reversals of provisions recorded in previous fiscal years for fair value differences arising primarily from land expropriations and estimated environmental investments to comply with current legislation, and for litigation related to works, which have been charged to the provisions for risks and expenses accounts (see Note 23) amounted to a total of €13.090 million.
- Payments to suppliers of fixed assets in relation to amounts activated in previous fiscal years, amounted to €7.034 million.

f) Capitalised interest costs

During the year, the Group had activated costs for interest for an amount of €618,000 corresponding to the financing of fixed assets under construction (2019: €458,000) (Note 31).

g) Impairment of property, plant and equipment

The test of the impairment of intangible assets, property, plant and equipment and real estate carried out as of 31 December 2020 and 2019 has been conducted in accordance with the procedure described in Note 8 of this consolidated report.

h) Jointly controlled assets

The Group has an agreement with the Ministry of Defence to establish the rules on the assignment and compensation criteria for the use by civilian aircraft of Air Bases Open to Civilian Traffic in Valladolid Airport, León Airport, Albacete Airport, Salamanca Airport, Talavera and San Javier, and the joint-use airfield at Zaragoza Airport. This Agreement is based on the application of Royal Decree 1167/1995, of 7 July, on the system for using airports both as an airbase and an airport, and the airbases open to civilian traffic.

(Amounts in thousands of euros unless otherwise stated)

The following amounts represent the Group's stake in the assets and liabilities, and the sales and profits of the joint operations, which have been included in the statement of financial position and the income statement:

	31 December	
	2020	**2019**
- Non-current assets	178,119	187,022
- Non-current/current liabilities	-	-
Net assets	**178,119**	**187,022**

	2020	**2019**
- Revenue	9,893	14,541
- Expenses	(36,265)	(35,680)
Profit/(loss) after taxes	**(26,372)**	**(21,139)**

There are no contingent liabilities corresponding to the Group's interest in the joint operations or contingent liabilities in the joint operations itself.

i) Property, plant and equipment subject to guarantees

The assets of London Luton Airport Holdings I Limited ("LLAH I"), of London Luton Airport Group Limited ("LLAGL") and of London Luton Airport Operations Limited ("LLAOL"), for an amount of 218,785 thousand euros at 31 December 2020, guarantee the bank borrowings of the London Luton Airport Holdings III Limited Group ("LLAH III") (Note 5).

j) Limitations

The land and buildings that are the object of the non-monetary contribution indicated in Note 1 have lost their capacity as public domain property due to the reversal carried out by article 9 of Royal Decree-Law 13/2010, of 3 December, which establishes that all state public domain properties assigned to the public business entity "Aeropuertos Españoles y Navegación Aérea" that are not used for air navigation services, including those destined for air traffic services, will cease to have the nature of public domain property and the expropriatory purpose is understood as unchanged. Therefore, their reversion will not take place.

There are certain restrictions on the sale of airport assets, agreed in the novation which amends but does not extinguish the financing agreements signed by AENA and ENAIRE with the lending entities, dated 29 July 2014 (see Note 20.a).

6.2. Right-of-use assets

The Group has concluded lease agreements on various assets such as land and buildings for the business at Luton airport in the United Kingdom (see Note 7), various facilities and transport vehicles at the airports and the headquarters of the business in Spain (Edificio Piovera in Madrid), among others.

Until the entry into force of IFRS 16, the Group classified these contracts as financial or operating leasing contracts depending on whether or not all the risks and benefits inherent to the ownership of the asset under the contract were substantially transferred or not.

The valuation of these rights is presented in the attached statement of financial position as of 31 December 2020 under the heading "*Right-of-use assets*". The breakdown of its composition is as follows:

Assets in use (IFRS 16)	**Land and buildings**	**Plant and machinery**	**Total**
Cost			
Balance at 1 January 2020	**72,404**	**9,989**	**82,393**
Additions	229	-	229
Derecognitions	(17,617)	-	(17,617)
Conversion difference	(1,851)	(536)	(2,387)
Balance at 31 December 2020	**53,165**	**9,453**	**62,618**
Amortisation			

Balance at 1 January 2020	**(15,381)**	**(5,287)**	**(20,668)**
Allocation	(6,939)	(454)	(7,393)
Conversion difference	184	288	472
Balance at 31 December 2020	**(22,136)**	**(5,453)**	**(27,589)**
Net book value at 31 December 2020	**31,029**	**4,000**	**35,029**

The valuation of these rights is presented in the attached Statement of financial position as of 31 December 2019 under the heading "*Assets for right of* use". The breakdown of its composition is as follows:

Assets in use (IFRS 16)	Land and buildings	Plant and machinery	Total
Cost			
Balance as of 1 January 2019 - IFRS 16 Transition	**67,265**	**8,636**	**75,901**
Additions	3,508	-	3,508
Conversion difference	1,631	1,353	2,984
Balance at 31 December 2019	**72,404**	**9,989**	**82,393**
Amortisation			
Balance as of 1 January 2019 - IFRS 16 Transition	**(7,429)**	**(4,176)**	**(11,605)**
Allocation	(7,865)	(459)	(8,324)
Conversion difference	(87)	(652)	(739)
Balance at 31 December 2019	**(15,381)**	**(5,287)**	**(20,668)**
Net book value at 31 December 2019	**57,023**	**4,702**	**61,725**

The Group has lease agreements accounted for under IFRS 16 as lessee, including the concession agreement for the London-Luton airport and the lease agreement for passenger buses. In both contracts, there has been a change in the amounts of the rents to be paid as a result of COVID-19. The minimum lease payments under the concession contract are £3 million per annum; however, when the Special Force Majeure (SFM) clause is applied in the original contract, there is no longer a fixed minimum payable and the amounts to be paid become 100% variable. Given that the FME clause was set out in the original concession contract and therefore, there has been no "amendment" to the contract that meets the criteria in IFRS 16, this has been considered to constitute a "revaluation" of the lease. Management has determined that the application of the clause will be extended until 31 March 2027, the date on which the Group is expected to repay the entire concession commission, which is consistent with the hypothesis applied in the forecasts used both in the evaluation of the ongoing concern assumption and in the impairment review of the corresponding cash-generating unit.

The effect resulting from this revaluation is a decrease in the lease liability by £15.6 million, with the corresponding decrease in the right-of-use asset. The effect on the income statement refers to a revised interest expense based on the new lease liability and a revised amortisation expense based on the new asset for the right of use (Note 20).

In the case of the concession of the rental received with regard to the passenger buses at the airports, it was accounted for using the practical solution of IFRS 16 on COVID-19, resulting in no adjustment.

The test of the impairment of intangible assets, property, plant and equipment and real estate carried out as of 31 December 2020 and 2019 has been conducted in accordance with the procedure described in Note 8 of this consolidated report.

The current value of the lease liabilities, recorded under the heading "Financial debt" of the consolidated statement of financial position, is as follows:

	31 December 2020	31 December 2019
- Less than one year	6,104	9,954
- Between 1 and 5 years	17,233	35,575
- More than 5 years	18,795	22,227
Total	**42,132**	**67,756**

(Amounts in thousands of euros unless otherwise stated)

6.3. Real estate investments

Real estate investment movements during the 2020 and 2019 fiscal years is shown below:

	2020		
	Land and buildings	Technical installations and other fixed assets	Total
Cost:			
Opening balance	185,437	3,359	188,796
Additions	75	-	75
Transfers (Notes 6.1 and 7)	3,753	148	3,901
Closing balance	**189,265**	**3,507**	**192,772**
Amortisation:			
Opening balance	(38,397)	(3,228)	(41,625)
Allocation	(4,983)	(104)	(5,087)
Transfers (Notes 6,1 and 7)	(1,708)	(50)	(1,758)
Closing balance	**(45,088)**	**(3,382)**	**(48,470)**
Impairment:			
Opening balance	(6,243)	-	(6,243)
Allocation	(724)	-	(724)
Reversal	1,841	-	1,841
Closing balance	**(5,126)**	**-**	**(5,126)**
Net:	**139,051**	**125**	**139,176**

	2019		
	Land and buildings	Technical installations and other fixed assets	Total
Cost:			
Opening balance	180,415	3,359	183,774
Additions	7,660	-	7,660
Derecognitions	(75)	-	(75)
Transfers (Notes 6,1 and 7)	(2,563)	-	(2,563)
Closing balance	**185,437**	**3,359**	**188,796**
Amortisation:			
Opening balance	(36,157)	(3,191)	(39,348)
Allocation	(5,195)	(37)	(5,232)
Derecognitions	9	-	9
Transfers (Notes 6,1 and 7)	2,946	-	2,946
Closing balance	**(38,397)**	**(3,228)**	**(41,625)**
Impairment:			
Opening and closing balance	**(6,243)**	**-**	**(6,243)**
Net:	**140,797**	**131**	**140,928**

This section mainly includes real estate assets used for leasing operations (land, offices, hangars and warehouses). In the cases in which these properties are composed of one part that generates rent and another part that is used in the production or supply of goods or services, or for administrative purposes, such properties are considered real estate investments when only an insignificant portion of them is used for the production or supply of goods or services, or for administrative purposes.

At the end of the 2020 and 2019 fiscal years, there were no real estate investments subject to guarantees.

(Amounts in thousands of euros unless otherwise stated)

The Group's policy is to obtain insurance policies to cover possible risks that could affect its real estate investments. At the end of the 2020 and 2019 fiscal years, the Group had reasonably covered these risks.

In the 2020 fiscal year, the main additions in real estate investments correspond to improvements made in real estate constructions, and the transfers are caused by the change of use of various buildings.

In the 2019 fiscal year, the additions in real estate investments corresponded to two hangars at Santiago-Rosalía de Castro Airport built by a third party and delivered at the beginning of the contract for the amount of €7,112,000, €154,000 derived from reversals at the end of the contract of assets built by third parties on leased plots, and €393,000 to the investment in refurbishment works to various buildings.

In 2020, no Company in the Group did not acquired real estate constructions from other companies in the group or related companies, nor did it in 2019.

At 31 December 2020 and 2019, there are real estate investments that are fully amortised and still in use, according to the following details.

	2020	2019
Real estate buildings	14,007	13,878
Real estate facilities	2,832	2,767
Total	**16,839**	**16,645**

(*) *These amounts refer to the original cost of the assets (the non-monetary contribution was made at net book value).*

The revenue deriving from rent and direct operating expenses (including repairs and maintenance) of real estate are as follows:

	2020	2019
Rent derivative revenue	76,242	78,656
Direct operating expenses	(39,870)	(58,694)

The fair value of the real estate investments, taking into account the present values as of the dates presented, are as follows:

	2020	2019
Land	331,874	303,476
Buildings	499,580	588,807
Total	**831,454**	**892,283**

As reported in Note 8, the Group has commissioned an independent valuation company (Gloval Valuation, S.A.U.) to review and assess the real estate portfolio as of 31 December 2020.

The test of the impairment of intangible assets, property, plant and equipment and real estate carried out as of 31 December 2020 and 2019 has been conducted in accordance with the procedure described in Note 8 of this consolidated report.

(Amounts in thousands of euros unless otherwise stated)

7. Intangible assets

The movements of this heading during 2020 have been as follows:

	Service concessions	Concession infrastructure works and facilities	Software	Goodwill	LLAH III concession	Other intangible assets	Intangible assets in progress	Total
At 1 January 2020								
Cost	563,831	6,576	296,799	1,872	507,094	94,650	57,240	1,528,062
Accumulated amortisation and impairment losses	(9,827)	(473)	(254,417)	-	(161,348)	(92,753)	-	(518,818)
Net book value at 1 January 2020	**554,004**	**6,103**	**42,382**	**1,872**	**345,746**	**1,897**	**57,240**	**1,009,244**
Additions	51	219	10,520	-	-	3	22,310	33,103
Derecognitions	(426)	(3)	(1,675)	-	-	(650)	(23)	(2,777)
Reclassification of financial assets	(2,592)	-	-	-	-	-	-	(2,592)
Transfers (Notes 6.1 and 6.3)	31	(308)	5,599	-	-	1,312	(7,867)	(1,233)
Exchange difference	(146,224)	(93)	-	-	(27,203)	-	(172)	(173,692)
Allocation to amortisation	(12,813)	(133)	(20,048)	-	(29,389)	(439)	-	(62,822)
Accumulated amortisation derecognition	-	-	1,675	-	-	650	-	2,325
Amortisation transfers (Notes 6.1 and 6.3)	-	-	74	-	-	655	-	729
Difference in amortisation conversion	841	-	-	-	8,960	-	-	9,801
Impairment provision (Note 8)	(103,994)	(5,785)	(1)	-	-	-	-	(109,780)
Net book value at 31 December 2020	**288,878**	**-**	**38,526**	**1,872**	**298,114**	**3,428**	**71,488**	**702,306**
At 31 December 2020								
Cost	414,671	6,391	311,243	1,872	479,891	95,315	71,488	1,380,871
Accumulated Amortisation	(21,799)	(606)	(272,716)	-	(181,777)	(91,887)	-	(568,785)
Accumulated impairment losses	(103,994)	(5,785)	(1)	-	-	-	-	(109,780)
Net book value at 31 December 2020	**288,878**	**-**	**38,526**	**1,872**	**298,114**	**3,428**	**71,488**	**702,306**

(Amounts in thousands of euros unless otherwise stated)

The movements of this heading during 2019 have been as follows:

	Service concessions	Concession infrastructure works and facilities	Software	Goodwill	LLAH III concession	Other intangible assets	Intangible assets in progress	Total
At 1 January 2019								
Cost	63,873	1,290	272,609	1,872	482,305	94,451	48,298	964,698
Accumulated amortisation and impairment losses	(7,366)	-	(232,922)	-	(124,230)	(93,184)	-	(457,702)
Net book value at 1 January 2019	**56,507**	**1,290**	**39,687**	**1,872**	**358,075**	**1,267**	**48,298**	**506,996**
Additions	510,391	3,534	16,018	-	-	5	15,375	545,323
Derecognitions	-	-	(552)	-	-	(562)	(679)	(1,793)
Adjustments	(1,824)	-	-	-	-	-	-	(1,824)
Transfers (Notes 6.1 and 6.3)	5	1,755	8,724	-	-	756	(5,754)	5,486
Exchange difference	(8,614)	(3)	-	-	24,789	-	-	16,172
Allocation to amortisation	(2,461)	(233)	(18,562)	-	(29,789)	(453)	-	(51,498)
Accumulated amortisation derecognition	-	-	547	-	-	805	-	1,352
Amortisation transfers (Notes 6.1 and 6.3)	-	(240)	(3,480)	-	-	79	-	(3,641)
Difference in amortisation conversion	-	-	-	-	(7,329)	-	-	(7,329)
Net book value at 31 December 2019	**554,004**	**6,103**	**42,382**	**1,872**	**345,746**	**1,897**	**57,240**	**1,009,244**
At 31 December 2019								
Cost	563,831	6,576	296,799	1,872	507,094	94,650	57,240	1,528,062
Accumulated amortisation and impairment losses	(9,827)	(473)	(254,417)	-	(161,348)	(92,753)	-	(518,818)
Net book value at 31 December 2019	**554,004**	**6,103**	**42,382**	**1,872**	**345,746**	**1,897**	**57,240**	**1,009,244**

The Intangible Assets decreased by €306.9 million, mainly as a result of a dual effect: 1) Negative currency translation differences amounting to €163.9 million associated with unfavourable movements of the Brazilian real (€145.6 million) and pound sterling (€18.2 million) in the valuation of the concessions of the Northeast Brazil Airport Group and of Luton Airport 2) As reported in Note 8, the Group has carried out the appropriate impairment tests on all its CGUs, recognising an impairment of its intangible assets for a net amount of €109.8 million.

The main additions of the 2020 and 2019 fiscal years in the "Software" and "Intangible fixed assets underway" headings correspond to acquisitions, as well as improvements and developments, of new software technologies related to airports and central services.

The "Other intangible fixed assets" heading mainly includes the Master Plans for airports.

The most important additions in fiscal year 2019 corresponded to the administrative concession related to the Aeropuertos del Nordeste de Brasil Group (Aena Brasil) (See Note 2.2). The amount activated as an intangible asset referred to R$1,900 million corresponding to the amount of the offer, as well as R$334,026,771 for concession expenses payable to Infraero (advisers, auction expenses and severance plan for Infraero workers), on account of the necessary costs to obtain the contract. In addition, the above amounts were increased by R$14,601,360 corresponding to the assumption by Aena Desarrollo Internacional S.M.E., S.A. of tender expenses arising from obtaining the concession registered in Aena Brasil which were considered as a contribution of the parent company's own funds with a counterparty in the intangible asset. Said amounts at the average exchange rate considered for the period yielded the aforementioned figure of €505.504 million.

In 2018 the Group concluded a contract for the management of public services with a concession modality with the Autonomous Community of the Region of Murcia, for the management, operation, maintenance and conservation of

Murcia International Airport. The duration of the concession will be 25 years under the terms thereof from the conclusion of the contract.

In both cases, the Group has rated the consideration received as intangible fixed assets, given that such consideration consists of the right to charge the corresponding rates based on the degree of utilisation of the public service provided, assuming the demand risk. Thus, the intangible asset derived from the concession agreement has been valued for the consideration paid or payable, without taking into account the contingency payments associated with the operation, that is, at the present value of the minimum guaranteed fees.

During the period between 14 March and 30 June 2020, both inclusive, it was impossible to partially perform the concession contract of the Region de Murcia International Airport as a result of the factual situation created by COVID-19 and the measures adopted by public administrations to fight it. AIRM submitted a request to rebalance the contract under article 34.4 of Royal Decree-Law 8/2020, of 17 March, calculating that the amount to be compensated for this period amounted to €2.592 million. The payment of this compensation, in accordance with the provisions of the addendum to the concession contract concluded on 30 December 2020, has been implemented through a direct concession grant published in the Official Gazette of the Region of Murcia, Decree No. 224/2020, of 23 December, establishing the special rules governing said subsidy, as a compensation mechanism for the restoration of economic balance due to the impact that the COVID-19 crisis has had on the management, operation, maintenance and conservation contract of the Region of Murcia International Airport during the period of time indicated above.

This grant was not initially provided for in the aforementioned concession contract and implies a change in the nature of the consideration to cover the operating deficit. Therefore, in the fiscal year 2020, the amount of compensation has been reclassified by reducing the intangible asset contained in the concession contract and recording a financial asset for an amount of €2.592 million (Note 13). The actual collection of the compensation has occurred on 1 February 2021.

During the fiscal year 2020, several investments have been made in improvements to the infrastructure in the amount of €2.2 million (2019: €3.534 million).

There are no other individually significant intangible assets.

At the end of the 2020 and 2019 fiscal years, there were no intangible fixed assets subject to guarantees.

Of the total costs activated at 31 December 2020 and 2019 in the different kinds of intangible fixed assets, these include assets underway in accordance with the following breakdown (in thousands of euros):

	2020	2019
Works and facilities in the infrastructure	2,117	-
Software	32,873	19,533
Other intangible assets	36,498	37,707
Total	**71,488**	**57,240**

During the fiscal year 2020, a total of €8,000 of finance expenses associated with intangible fixed assets have been capitalised (2019: €28,000) (Note 31).

Service concessions

The Group operates the London Luton airport, the airports in the Northeast of Brazil (Recife, Maceió, Aracajú, Campina Grande, João Pessoa and Juazeiro do Norte airports), the Region de Murcia International Airport and the Ceuta Heliport and Algeciras Heliport under administrative concession contracts, the main conditions of which are described below:

- Ceuta Heliport:

The Group operates the civilian-use Ceuta heliport with all its services under a service concession agreement with the Port Authority of Ceuta. This concession started on 28 March 2003 and lasts for 30 years. The Company pays an annual fee of €39,000 for the occupancy of the public port. Likewise, in accordance with article 69 bis of Act 27/92, the Company pays a fee amounting to €0.823386 per passenger to the Port Authority, depending on volume of passengers.

- Algeciras Heliport:

The Group has an administrative concession agreement with the Port of Algeciras Bay for the use of the facilities that will be used for installation and operation activities of the publicly owned heliport at the Port of Algeciras. This concession started on 3 February 2009 and lasts for 25 years. The agreement establishes an occupancy rate for the exclusive use of the public port area of €82,000 per annum and a rate of special use of the public space of €1 per passenger loaded or unloaded at the facility.

- London Luton

In the Group's perimeter consolidation, the accounts of the Company London Luton Airport Holdings III Limited (LLAH III) have been wholly integrated since 16 October 2014 (see Note 2.2); it was created with the objective, through its 100% subsidiary London Luton Airport Holdings II Limited (LLAH II), which in turn owns 100% of London Luton Airport Holdings I Limited (LLAH I), to carry out the acquisition of London Luton Airport Group Limited on 27 November 2013, the manager and concessionaire of the Luton Airport in the United Kingdom. Luton Airport is managed, as a concession, by the company LLAOL. The concession contract was signed on 20 August 1998 and ends on 31 March 2031. The concession contract contemplates the existence of the company London Luton Airport Group Limited ("LLAGL") as a guarantee of the operator. The concession of the Luton airport does not meet the requirements of the IFRIC 12 as a service concession (see Note 2.24), but is instead accounted for as a lease (see Note 2.22 and 30).

- Region de Murcia International Airport

The consolidation perimeter of the group globally integrates as of 1 January 2018 the accounts of the group of the company Región de Murcia International Airport, S.M.E, S.A, created with the objective of managing the Region de Murcia International Airport under concession. The summarised main lines of the concession agreement are:

- Once the total term of the concession has ended, the full and unlimited possession of the land and the entirety of the existing facilities (including the useful expenses made by the concessionaire and the improvements that may have been incorporated by it) will revert to the Autonomous Community of the Region of Murcia without any right to compensation in favour of the Concessionaire.

- Obligation to operate, maintain and preserve the Región de Murcia International Airport.

- Right to receive remuneration for the use of the facilities and for the provision of services and activities related to traffic and air transport (landing fees, economic exploitation of the terminal and passenger services, goods and air transport companies) or linked to airport management, as well as related activities.

- Before the commissioning of the Airport, the Concessionaire will propose to the granting Administration for its approval the maximum rates to be applied for the airport services, as well as for any other service and activity that it carries out at the Airport. Likewise, before the start of each calendar year, it must propose the updated rates for their approval.

- For its part, the Administration receives an operating fee for passenger traffic, which will be the result of applying a certain amount in concept of rate per passenger/year to the volume of traffic that is reflected in the Annual Traffic Act. The Financial Bid establishes the Traffic Threshold of one million passengers, from which the Company will remunerate the passenger traffic, from the first thereof. The Administration will also have the right to receive a guaranteed minimum fee and to participate in the revenue derived from the traffic of goods.

(Amounts in thousands of euros unless otherwise stated)

- Aena Brasil Group (Brazil)

As mentioned in Note 2.2, the group's consolidation perimeter includes globally the group accounts of the company "*Aeroportos do Nordeste do Brasil, S.A.*", Created with the objective of managing the airports of Recife, Maceió, Aracajú, Campina Grande, João Pessoa and Juazeiro do Norte, which the Group was awarded on 15 March 2019. The summarised main lines of the concession agreement are:

- The concession, which has a period of 30 years that may be extended for 5 additional years, is a BOT (build, operate and transfer) concession, does not include ATC (Air Traffic Control) services and follows a Dual-Till model, in which revenues of aeronautical activity are regulated (the maximum revenue per passenger for airports with more than 1 million passengers is approximately €8 and for the rest of airports they are established by agreement with the airlines) and commercial activity is not regulated.

- The National Civil Aviation Agency (ANAC) estimated an investment amount of R$2,153 million in the bid specifications (equivalent to €486.6 million at an 4.4239 EUR/BRL exchange rate) distributed among obligatory investments aimed at: adapting the infrastructure to traffic (25.6% of the total estimated by the Brazilian authority to be executed in the first 3-4 years); non-mandatory discretionary investments that are mainly intended for commercial areas (31.7%); and infrastructure, runways and equipment maintenance (42.7%).

- The variable financial consideration is set at 8.16% of gross revenue, with an initial grace period of 5 years and 5 progressive years. This would commence at 1.63% in 2025 and gradually increase to 3.26% in 2026, 4.90% in 2027, 6.53% in 2028, reaching the applicable contractual rate of 8.16% in 2029 and in successive years.

- The offer made by Aena represents R$141 per passenger (€31.9), and the amount of the investment per passenger stands at R$159 per passenger (€35.9).

As of 31 December 2020, the Group operates all of the airports under the concession.

Impairment of the intangible fixed assets

The movement in the fiscal year 2020 has been the following:

	31 December 2019	Allocation	Application	31 December 2020
Service concessions	-	(103,994)	-	(103,994)
Concession infrastructure works and facilities	-	(5,785)	-	(5,785)
Software	-	(1)	-	(1)
Total	**-**	**(109,780)**	**-**	**(109,780)**

As of 31 December 2020, the Group's management has conducted the impairment test of intangible assets, property, plant and equipment, and real estate carried out in accordance with the procedure described in Note 8 of this consolidated report.

8. Impairment of intangible assets, property, plant and equipment, and investment property

At 31 December 2019, Group management reviewed the 2019 results to assess whether there were significant changes that could lead to the impairment of intangible assets, property, plant and equipment, and investment property. It concluded that there were no indications of impairment. Nevertheless, in accordance with the procedure described in Notes 2.8 and 6, and for the cash generating units (hereinafter referred to as CGUs) also described in that Note, the Group performed an impairment test with the assumptions and variables described in the said notes. No impact on the consolidated financial statements at 31 December 2019 was identified, even after applying sensitivities to the variables used.

With respect to the fiscal year ended 31 December 2020 and as described in Note 3 on the effects of the COVID-19 pandemic, the measures to halt the spread of the coronavirus have led to an extraordinary reduction in the activity and revenue of all Aena Group companies. These measures have caused a sharp reduction in operating cash flows and may be considered as impairment indicators in accordance with the accounting standards. Consequently, at the end of the fiscal year 2020, the Group carried out appropriate impairment tests on all its CGUs, obtaining the following results (in thousands of euros):

CGU	Impairment	Recoverable amount
Airport network	-	
Real estate services	(1,117)	831,454
SCAIRM	45,279	(1,440)
Aena Brasil	64,647	274,297
LLAH III Group	-	
Financial investments	-	
Total	**108,809**	

The reasonableness of the key assumptions made, as well as of the sensitivity analyses carried out, the results and the conclusions reached on the impairment tests carried out, have been favourably reviewed by independent professional experts from Ernst & Young.

a) "Aena airport network" CGU

The year 2020 saw a sharp fall in passenger traffic (72.33%) and operations (53.32%), when compared with the same period of the previous fiscal year. The sales revenue of Aena S.M.E., S.A decreased by 50.9% while EBITDA (€809,326 million) decreased by 69.71% compared to 2019.

The aforementioned decreases were not contemplated in the scenario used in the impairment test performed at the end of 2019 for the airport network comprising the Airports segment. Accordingly, the Group carried out an updated impairment test for that fiscal year at the end of the six-month period ended 30 June 2020. However, no significant impacts have been identified in the Annual Accounts for the fiscal year ended 31 December 2020, even after applying sensitivities to the variables used. The main premises used for this impairment test were the following:

Traffic

According to EUROCONTROL forecasts from January 2021 related to number of operations, a maximum of 51% of the 2019 European traffic volume will be recovered throughout 2021, accelerating from the summer onwards. Considering that the current changing environment makes it extremely difficult to make estimates, Aena has considered, to perform these impairment tests, the most pessimistic sensitivity based on the recovery of traffic levels from 2019 to 2027, with a traffic level for 2021 of -65 % compared to 2019.

Financial forecasts

The Company carried out the calculations of the recoverable amount as the value in use at 31 December 2020 based on the financial forecasts approved by Management for the period ranging from 2020 to 2027.

Traditionally, the Company uses a forecast period of four years, however, considering the existing uncertain environment, it was considered more appropriate to extend the forecast period to 2027.

The cash flow forecasts from the eighth year have been calculated using a constant expected growth rate of 1.5%.

The key assumptions that mainly affect the cash flows of the airport network's Cash Generating Unit are:

- Passenger traffic, in which the scenario mentioned above has been contemplated.
- The variation in airport service charges in the base scenario:
  In 2021, the approved charge is considered (0% variation).
- Investment level.
- Efficiencies in operational expenses (OPEX). The inflation percentages used are:

(Amounts in thousands of euros unless otherwise stated)

OPEX PLAN	2020	2021	2022	2023	2024	2025	2026	2027
CPI		0%	1%	2%	2%	2%	2%	2%

During the 2021–27 period, operating expenses grew slightly above inflation, due to some variability in traffic increases.

- The revenue from airport services has been calculated based on the variations in traffic and charges, and commercial incentives to support the recovery of traffic have been considered.
- For commercial revenue, conservative scenarios have been considered that reflect the reduction of lease payments derived from ongoing negotiations with lessees (see Note 5).

Long-term discount and growth rates

	31 December 2020
Perpetual growth rate	1.50%
Pre-tax discount rate	8.5 %
Post-tax discount rate	6.34%

The discount rate applied to cash flow forecasts is the Weighted Average Cost of Capital before taxes (WACCBT), estimated according to the Capital Asset Pricing Model (*CAPM*)) methodology, and is determined by the weighted average cost of equity, and cost of debt capital. It has been revised upwards for the year 2019, in order to reflect the impact of the health crisis and the measures taken to control it on its various components: risk-free rate, country risk, market risk premium, cost of debt and the risk inherent to the asset itself.

Sensitivity analysis

Additionally, the Group performed a sensitivity analysis of the impairment calculation, using reasonable variations of the main financial assumptions considered in the calculation, assuming the following increases or decreases, expressed in percentage points (p.p.):

- Discount rate (-1 p.p./+1 p.p.)
- Perpetuity growth rates (+1 p.p./-1 p.p.)

As well as the following changes in the key hypotheses:

- Passenger traffic, in which a more optimistic scenario than the base scenario mentioned above has been considered, according to which traffic recovery to 2019 levels would occur around 2025, and traffic in 2021 would be -50% compared to 2019.
- The variation in airport service charges: In 2021, the approved change is considered (0% variation). For the second DORA, a variation of -2% of the charge is foreseen.
- Investment level. In correlation with the foreseen level of traffic.

The result of these sensitivity analyses, performed at the close of the fiscal year ended 31 December 2020, show that there are no significant risks associated with reasonably possible changes to the assumptions, considered on an individual basis. That is, management believes that, within the above ranges, no corrections for impairment will be necessary.

In 2019, the Company detected no signs of impairment of fixed assets. However, at the end of the 2019 fiscal year, the Company carried out the impairment test in accordance with the procedure described in Note '4a)' for the cash generating units also described in this note, not identifying any impairment even after applying sensitivities to the variables used. The main assumptions used in 2019 were:

(Amounts in thousands of euros unless otherwise stated)

	2019
Growth rate	1.50%
Pre-tax discount rate	5.40 %
After-tax discount rate	4.05 %

b) Real estate services

The Group has engaged an independent appraisal company (Gloval Valuation, S.A.U.) to review and appraise the real estate portfolio as of 31 December 2020, as it also did for 30 June 2020 and 31 December 2019. The purpose is to determine the fair value of its real estate investments, with particular attention to the significant changes and market conditions derived from the COVID-19 pandemic. In particular, the report states: "*This means that we are facing a set of circumstances with a remarkable degree of uncertainty and unprecedented volatility in the various productive sectors and financial markets on which to base a judgment. Therefore, the valuation may contemplate a higher degree of uncertainty and a higher level of caution with respect to normalised stable conditions. Given the unknown future impact that COVID-19 may have on the real estate market, it is recommended to review these more frequently. Given this lack of normality in the market, a series of additional measures have been adopted to assist in obtaining values that reasonably reflect the current market situation and are indicated in the report.*"

The valuation has been performed using a capitalisation approach, which provides an indication of value by converting future cash flows into a single present capital value. This approach, which is similar to a Discounted Cash Flow (DCF) model, is generally used to estimate the value of cash-generating operating units, explicitly recognising the time value of cash flows that the asset itself will generate.

The comparison between the fair value as of 31 December 2020 and the book value of the various CGUs included in the Real estate segment resulted in an impairment provision for four buildings with a total of €724,000 and a partial reversal of the impairment for land occupied by the golf courses at Barcelona-El Prat Josep Tarradellas Airport and Valencia Airport totalling €1.841 million. Thus, a net positive result of €1.117 million was obtained. At the end of the fiscal year 2019, it was considered that there were no additional impairments to those already recognised (Note 6.3).

In the fiscal year 2019, the Company engaged an independent appraisal company (CBRE Valuation Advisory S.A.) to review and appraise the real estate portfolio as of 30 June 2019. The purpose was to determine the fair value of its investment property. During the second half of 2019, it was considered that there were no significant changes in the market conditions or appraised assets that could invalidate the performed valuations.

c) CGU comprised of the Concession Company of the Region de Murcia International Airport

On 24 February 2018, the Region of Murcia Autonomous Community, owner of the AIRM facilities, and the Company, which is responsible for all actions relating to the management, operation, maintenance and conservation of the Región de Murcia International Airport, signed a public services management agreement in the form of a concession. The duration of the concession will be 25 years from the signing date.

The Company values the intangible asset derived from the concession agreement, for the consideration paid or payable, without taking into account the contingency payments associated with the operation, that is, at the present value of the minimum guaranteed fees.

The Group estimates the recoverable amount of the said investment as the value in use as of 31 December 2020, based on the financial projections prepared by management for the entire concession period.

These calculations use cash flow estimates based on the projections of the Financial Economic Plan presented in the Economic Bid for the Concession Contract, updated in accordance with the latest Management estimates for the entire period of the concession.

The main assumptions used in the calculation of the value in use as of 31 December 2020 are the following:

- The contractual conditions and obligations reflected in the Aena offer (investments, minimum insured fees) are maintained.

- Traffic:

The recovery of the 2019 traffic levels by 2025, with an air traffic level for 2021 down by -41% compared to 2019, was used as the base scenario, with growths for 2022, 2023 and 2024 of 20%, 21% and 16% respectively.

The proposed traffic scenario has been built by directly postponing the original assumptions behind the Bid by eight years:

- Compound annual growth rate (CAGR) 2024-2025: Bid growth for 2017 (+9.1%) is applied.
- CAGR 2025-2033: The same CAGRs of the Bid for 2017–25 (+5.9%) are applied.
- CAGR 2033–38: The same CAGRs of the Bid for 2025–30 (+5.7%) are applied.
- CAGR 2038–43: The same CAGRs of the Bid for 2030-2035 (+4%) are applied. Based on these assumptions, about 3 million passengers would be reached in 2042, compared with just over 4 million in the Bid for that same year.
- These assumptions foresee a decrease of 18.7 million passengers during the concession period when compared with estimated passenger numbers in the Economic Bid (42.7 million passengers compared to 61.4 million passengers in the Bid, -31% fewer).

- Financial projections

- The operating revenues contemplated in the described base scenario amount to €473.5 million during the entire period of the concession (2018-2043). The decrease in total revenue, concerning the revenue foreseen in the Bid, is about €373 million.
- Operating expenses: the variation in expenses regarding the Bid is relatively small (€50 million lower), due to a high component of fixed expenses which are independent of traffic.
- Rate level: 2021-2027: 0%; From 2027: (1)
- Discount rate:

  Pre-tax discount rate 11%

  After-tax discount rate 8.24%

  The discount rate applied to cash flow projections is the Weighted Average Cost of Capital before taxes (WACCBT), estimated according to the Capital Asset Pricing Model (CAPM) methodology, and is determined by the weighted average cost of equity, and cost of debt capital. It has been revised upwards with respect to 2019, in order to reflect the impact of the health crisis and the measures taken to control it on its various components: risk-free rate, country risk, market risk premium, cost of debt and the asset's own risk.

- Economic rebalancing mechanisms

The effects derived from the economic rebalancing mechanism of Article 34.4 of Royal Decree-Law 8/2020, have been taken into account for the amount of €2.6 million (see Note 7) corresponding to the period between 14 March and 30 June 2020.

On the other hand, the actual duration of the situation created by the COVID-19 health crisis is currently unknown. This situation may leave a future traffic scenario that substantially alters the balance of the basic economic assumptions of the awarding of the contract. In this scenario, it is believed that an additional rebalancing would be applicable to the previous one, based on Article 282 of the Consolidated Text of the Public Sector Contracts Act (TRLCSP [Texto Refundido de la Ley de Contratos del Sector Público]), which is currently being negotiated with the awarding Administration. However, no rebalancing hypothesis has been considered given that, to date, the potential for rebalancing is not substantiated on additional specific actions and there is uncertainty as to how it will be executed, as it is impossible to reliably estimate its potential impact on the recoverable amount of the fixed assets.

- Conclusions and sensitivity analysis

The test carried out on the base scenario revealed the need to recognise a value correction for the entire book value of the intangible assets and property, plant, and equipment subject to the concession, which amounted to €45.279 million as of 31 December 2020. This amount appears in the "Impairment of fixed assets" item in the attached Profit and Loss Account. Of this figure, €45.133 million corresponded to intangible assets, and the rest to property, plant and equipment (technical facilities, machinery, information processing equipment and furniture).

(Amounts in thousands of euros unless otherwise stated)

The Company performed a sensitivity analysis of the impairment calculation, using reasonable variations in the main financial assumptions considered in the calculation, assuming the following increases or decreases in percentage points (pp):

- Discount rate (-1 p.p./+1 p.p.)

- Rate level: the same ones estimated by the Aena parent company are considered in line with what has been done in the past, based on the DORA: 2020* -1.44%; 2021-2027: 0%; From 2027: +2 p.p.

As a result of the sensitivity analysis performed, the impairment would also have amounted to €45,279 million, even using the most optimistic values possible (discount rate -1 p.p; rate level +2 p.p as of 2027).

As of 31 December 2019, Company management reviewed the 2019 results to assess whether there were significant changes that could lead to the impairment of intangible assets and fixed assets. It concluded that there were no indications of impairment to that date, event after applying sensitivity to the used variables. The main assumptions used in the calculation of the value in use in the 2019 fiscal year are as follows:

- **Traffic:** Based on the 2020 Operational Plan scenario, the year-on-year growth rates foreseen in the Bid are projected.
- **Discount rate:**

Pre-tax discount rate	8.70%
After-tax discount rate	6.86%

d) CGU composed of the state trading company Aeroportos do Nordeste do Brasil S.A. (Aena Brasil)

On 15 March 2019, Aena was declared the winner by the Brazilian National Civil Aviation Agency (ANAC) of the auction held in connection with the operation and maintenance concession for Aeroporto Internacional Recife/Guararapes - Gilberto Freyre, Aeroporto Internacional de Maceió - Zumbi dos Palmares, Aeroporto Internacional de Aracaju - Santa Maria, Aeroporto de Campina Grande - Presidente João Suassuna, Aeroporto Internacional de Joao Pessoa - Presidente Castro Pinto and Aeroporto de Juazeiro do Norte - Orlando Bezerra de Menezes in Brazil. These airports are grouped within the Northeast of Brazil Airports Group.

In accordance with Act 40/2015, of 1 October, on the Legal Regime of the Public Sector, at its meeting on 12 April 2019, the Council of Ministers agreed to authorise Aena Desarrollo Internacional, S.M.E., S.A. to create the state trading company Aeroportos do Nordeste do Brasil S.A. (hereinafter referred to as “Aena Brasil”) as the concession holder for airport management of the aforementioned airports. On 30 May 2019, the new Brazilian company was incorporated, wholly owned by Aena Desarrollo Internacional S.M.E. S.A., with a share capital of R$10,000 and with the specific and exclusive corporate purpose of providing public services for the expansion, maintenance and operation of the infrastructure of the airport complexes that make up the Northeast of Brazil block. At its meeting held on 1 July 2019, the Board of Directors of the Brazilian company approved a share capital increase of R$2,388.99 million (approximately €537.8 million at the insured exchange rate of EUR/BRL 4.4425), which was fully subscribed by its sole shareholder.

The concession agreement for the Northeast of Brazil airports falls within the scope of IFRIC 12 *Service Concession Arrangements* and was reflected in the Group’s consolidated annual accounts for the fiscal year ended 31 December 2019, in accordance with the intangible asset model.

As regards fixed assets and property, plant and equipment derived from this agreement, the Group estimates the recoverable amount of said investment as the value in use as of 31 December 2020, based on the financial projections prepared by an independent consultant and approved by its Board of Directors for the entire concession period, until 2049. These future cash flows were estimated using the currency in which they would be generated (the Brazilian real). AENA converted the present value by applying the spot exchange rate on the calculation date for value in use (closing exchange rate as of 31 December 2020: 6.3735). The most significant hypotheses of this estimate are detailed below.

(Amounts in thousands of euros unless otherwise stated)

As regards traffic, this base scenario foresees 833 million passengers throughout the concession period, a decrease of 26% in the number of passengers envisaged in the bid (1,123 million), in turn causing a decrease of 31% in operating revenue with respect to the figure initially considered.

The discount rate applied to cash flow projections has been 12% and corresponds to the Weighted Average Cost of Capital Before Taxes (WACCBT), estimated according to the Capital Asset Pricing Model (CAPM) methodology, and is determined by the weighted average cost of equity, and cost of debt capital. This rate includes a downward adjustment to consider the effect of the positive flows resulting from the economic-financial rebalancing of the concession (note 1), an adjustment that has been calculated by weighting the probability of obtaining the rebalancing, taking into account the uncertainties associated with its calculation and its possible approval by the awarding Entity.

In addition to the discount rate, the main assumptions that affect the Company's cash flows are: passenger demand curve, rate variation, sales revenues, level of investment and operating costs.

The test carried out on the base scenario revealed the need to recognise a value correction amounting to €64.647 million as of 31 December 2020, which has been allocated to the intangible asset derived from the concession agreement. This amount appears in the “Impairment of fixed assets” item in the attached consolidated Income Statement.

The Group has conducted a sensitivity analysis of the calculation of the impairment of the CGU constituted by the company Aena Brasil through reasonable variations of the main financial hypotheses considered in that calculation (WACC and passenger traffic recovery curve), obtaining the following results:

	WACC		
Traffic recovery (PAX) 2021 - 2025	11.0%	12.0%	13.0%
“V” Recovery Curve (+7.1%)	-	(48,419)	(92,512)
“U” Recovery Curve - Base	(12,767)	(64,647)	(107,917)
“L” Recovery Curve (-14.2%)	(25,322)	(77,586)	(121,159)

e) CGU composed of the LLAH III Group

Regarding the intangible fixed assets and property, plant, and equipment from the acquisition of the Company LLAH III, the Group estimates the recoverable amount of this investment as the value in use as of 31 December 2020, based on the financial projections approved by Management for the entire concession period. These future cash flows were estimated using the currency in which they would be generated (Pounds sterling). AENA converted the present value by applying the spot exchange rate on the calculation date for the value in use (closing exchange rates as of 31 December 2020: 0.89903; 2019: 0.85080). The most important hypotheses of this estimate were:

- **Financial projections**

These were made using the estimates contained in the Business Plan approved by said Company's Board of Directors, which extend to the year 2032, the year when the concession contract legally expires, given that the Concession Agreement with Luton Borough Council gives the Company the right to operate the airport infrastructure until said year.

These projections include the current outlook of the subgroup's management on the adverse effects caused by the COVID-19 pandemic, which significantly reduce passenger traffic and operating cash flows during the 2019–2023 period with respect to the Business Plans approved in 2019.

The key hypotheses for the determination of the value in use are the discount rate of 7.92% (2019: 7.75%) and the long-term growth rate of approximately 3.0% (2019: 2.5%), used to extrapolate cash flows beyond the 5-year business plan period.

Likewise, given that the concession agreement establishes a rebalancing right based on the existence of a pandemic as a cause of special force majeure (SFM, hereinafter), the amount of the concession fee to be paid included in the

forecasts has been based on the amounts that would be paid under the special force majeure clause included in the Concession Agreement. Given that the procedure is suspended while discussions are being held with the Municipality of Luton about its application, the weighting in the forecasts of the occurrence probability of various scenarios has been considered adequate. On the other hand, after approval by the Company's Board of Directors, the presentation to the Municipality of Luton of the request to expand the airport's capacity to 19 million passengers has been formalised. Therefore, the occurrence probability of this variable has also been weighted in the forecasts based on several scenarios. Other key hypotheses affecting the Company's operating flows are traffic, rates, commercial revenues, level of investment and operating costs.
For the two key assumptions, number of passengers and concession fee, the probability of occurrence of the foreseen scenarios has been weighted in the forecasts, reaching a figure of 18.5 million passengers for traffic and 85% for the amount of the SFM. This percentage has been considered due to the effect of the fee reduction resulting from the economic-financial rebalancing of the concession based on force majeure to which the Company is entitled under the concession agreement weighted by the degree of probability in obtaining it, taking into account the uncertainties associated with its calculation and its possible future approval by the awarding entity.

as of 31 December 2020, in the base scenario and in all the other traffic scenarios envisaged, a sensitivity analysis of the impairment calculation was performed using reasonable variations in the main financial assumptions used in the calculation, assuming the following increases or decreases in percentage points (pp), keeping all other assumptions constant:

- If the discount rate is 50 bps higher, the value in use would decrease by €15.3 million (2019: €21.5 million).
- If the discount rate is 50 bps lower, the value in use would increase by €16 million (2019: €21.5 million).
- If the growth rate is 100 bps higher, the value in use would increase by €30.1 million (2019: €66.8 million).
- If the number of passengers were limited to 18 million, the value in use would decrease by €6.9 million.

In all these scenarios, the book value is less than the value in use and no impairment is required.

If the Special Force Majeure procedure is finally not applicable or the economic adjustment provided for in accordance with said procedure is less than expected, the amounts to be paid would increase with a consequent effect on the value in use of the CGU. If the total concession rate for the period 2021-2027 had to be paid, the value in use would decrease by approximately €105.2 million and, therefore, the amount of the impairment would amount to about €20.6 million, although Group management considers the occurrence probability of this scenario to be remote.

This sensitivity analysis showed that there are no significant risks associated with reasonably possible changes in the assumptions, considered on an individual basis. That is, management believes that, within the above ranges, no corrections for impairment will be necessary.

Based on the previous, the Group management considers that the recoverable amount calculated as of 31 December 2020 is greater than the book value of the fixed assets mentioned.

f) <u>CGUs comprised of investments in associates and joint ventures</u>

The impairment calculation is determined by comparing the book value of the investment with its recoverable amount, understood as the greater of value in use or fair value less selling costs. In this regard, value in use is calculated based on the Company's share in the present value of the estimated cash flows from ordinary activities and the final disposal, or of the estimated flows from the expected distribution of dividends and final disposal of the investment. The test results show that the recoverable value of the investment is greater than the book value for all investments in associates. Thus, no impairment calculation is applicable.

9. Investments in the equity of associates and joint ventures

The breakdown and movements of this heading in the fiscal years 2020 and 2019 are as follows (in thousands of euros):

	Balance as of 1 January 2020	*Additions/Derecognitions (Capital reduction)* (Note 2.2)	*Impairment of equity-accounted shareholdings*	*Profit/(loss) contribution for the fiscal year*	*Approved dividends*	*Currency translation differences* (Note 18.b)	*Share in other comprehensive income of associates* (Note 18.c)	*Others*	Balance as of 31 December 2020
SACSA	3,922	-	-	(931)	-	(460)	-	(133)	2,398
AMP(*)	56,179	-	-	4,672	-	(6,548)	(39)	6	54,270
AEROCALI (**)	3,683	-	-	(2,671)	-	(460)	-	-	552
Total	**63,784**	**-**	**-**	**1,070**	**-**	**(7,468)**	**(39)**	**(127)**	**57,220**

2019

	Balance as of 1 January 2019	Additions/Derecognitions (Capital reduction) (Note 2.2)	Profit/(loss) contribution for the fiscal year	Approved dividends	Currency translation differences (Note 18.b)	Share in other comprehensive income of associates (Note 18.c)	Others	Balance as of 31 December 2019
SACSA	3,339	-	5,350	(4,570)	81	-	(278)	3,922
AMP (*)	56,809	(5,230)	14,417	(12,703)	1,741	(4)	1,148	56,178
AEROCALI (**)	5,285	-	2,679	(4,391)	110	-	-	3,683
Total	**65,433**	**(5,230)**	**22,446**	**(21,664)**	**1,932**	**(4)**	**870**	**63,783**

(*) The impact that the capital reduction in AMP had in 2019, explained in Note 2.2, on retained earnings, was (€350,000). The impact that this operation has had on the AMP investment value is reflected in the "Others" heading.

(**) Investment with joint control (see Note 2.2). As a result of the acquisition of shares in this company and obtaining a 50% shareholding, the Group has evaluated the rights therein and concluded that there is joint control since decisions are made unanimously by the partners. The articles of association of the company, which set out the rights of partners, are not amended by this acquisition; in addition, no agreement was made between the partners during this period. There are no contingent liabilities relating to the Group's shareholding in the joint business. This company operates the Barranquilla Airport.

AMP has a 17.37% shareholding in Grupo Aeroportuario del Pacífico (GAP), which acquired Sociedad Desarrollo de Concesiones Aeroportuarias, S.L. ("DCA") from Abertis on 20 April 2015 for US$190.8 million.

DCA has a 74.5% shareholding in the company MBJ Airports Limited ("MBJA"), the company operating Sangster International Airport ("MBJ") in the city of Montego Bay in Jamaica. MBJ Airports Limited has a concession to operate, maintain and develop the airport for a period of 30 years, from 3 April 2003. DCA also has a 14.77% stake in the company SCL Terminal Aéreo Santiago, S.A. ("SCL"), the operator of the international terminal of Santiago-Rosalía de Castro Airport until 30 September 2015.

Sangster International Airport is the main airport in Jamaica, located in the city of Montego Bay, right in the centre of the tourist corridor that runs from Negril to Ocho Rios, where 90% of the hotel capacity of the island is concentrated.

The audited information expressed in accordance with the IFRS relating to associates and joint ventures as of 31 December 2020 and 2019, measured in euros at the prevailing exchange rate at the end of each fiscal year, is as follows:

Name	Associate / joint venture	Country of incorporation	Assets	Liabilities	Operating revenue	Profit/ (Loss)	% shareholding
31 December 2020:							
- SACSA	Associate	Colombia	11,468	5,141	13,801	(2,456)	37.89%
- AMP	Associate	Mexico	163,317	6,867	11,793	14,015	33.33%
- AEROCALI	Joint venture	Colombia	11,930	10,827	14,570	(5,341)	50.00%

Name	Associate / joint venture	Country of incorporation	Assets	Liabilities	Operating revenue	Profit/ (Loss)	% shareholding
31 December 2019:							
- SACSA	Associate	Colombia	23,451	13,103	49,484	14,118	37.89%
- AMP	Associate	Mexico	178,849	16,674	21,407	43,257	33.33%
- AEROCALI	Joint venture	Colombia	21,192	13,826	44,183	5,357	50.00%

The breakdown of the assets, liabilities, revenue and results expressed in thousands of euros of the main associate (AMP) is as follows:

	2020	2019
Non-current assets	155,710	161,484
Current assets	7,607	17,366
Non-current liabilities	6,867	(182)
Current liabilities	-	16,856
Current revenue	11,793	21,407
Profit/(loss) of the fiscal year from ongoing operations	14,015	43,257
Total other comprehensive income	14,015	43,257

(Amounts in thousands of euros unless otherwise stated)

10. Financial instruments

a) Financial instruments by category

	31 December 2020			
	Financial assets at amortised cost	Hedging derivatives	Assets at fair value through profit or loss	Total
Assets				
Other financial assets	90,819	-	167	**90,986**
Trade and other receivables (excluding prepayments and non-financial assets) (Note 13)	836,561	-	-	**836,561**
Cash and cash equivalents (Note 15)	1,224,878	-	-	**1,224,878**
Total	**2,152,258**	**-**	**167**	**2,152,425**

	31 December 2020			
	Financial liabilities at amortised cost	Hedging derivatives	Other financial liabilities at amortised cost	Total
Liabilities in the statement of financial position				
Financial debt (excluding finance lease liabilities) (Note 20)	-	-	8,213,670	**8,213,670**
Finance lease liabilities (Note 20)	-	-	42,132	**42,132**
Derivative financial instruments (Note 12)	-	133,301	-	**133,301**
Trade and other payables (excluding non-financial liabilities) (Note 19)	-	-	407,432	**407,432**
Total	**-**	**133,301**	**8,663,234**	**8,796,535**

	31 December 2019			
	Financial assets at amortised cost	Hedging derivatives	Assets at fair value through profit or loss	Total
Assets				
Other financial assets	79,776	-	347	**80,123**
Trade and other receivables (excluding prepayments and non-financial assets) (Note 13)	501,543	-	-	**501,543**
Cash and cash equivalents (Note 15)	240,597	-	-	**240,597**
Total	**821,916**	**-**	**347**	**822,263**

	31 December 2019			
	Financial liabilities at amortised cost	Hedging derivatives	Other financial liabilities at amortised cost	Total
Liabilities				
Financial debt (excluding finance lease liabilities) (Note 20)	6,845,683	-	-	**6,845,683**
Lease liabilities (Note 6.2)	67,756	-	-	**67,756**
Derivative financial instruments (Note 12)	-	127,334	-	**127,334**
Trade and other payables (excluding non-financial liabilities) (Note 19)	526,943	-	-	**526,943**
Total	**7,440,382**	**127,334**	**-**	**7,567,716**

In the fiscal years 2020 and 2019, other financial assets mainly consisted of deposits consigned by legal mandate with various public institutions of the Autonomous Communities. These corresponded to bonds previously received from lessees of Aena S.M.E., S.A. commercial spaces, in compliance with Act 29/1994, of 24 November, on Urban Leases

b) Credit quality of financial assets

The credit quality of the financial assets that have not yet matured nor suffered impairment losses can be assessed based on the credit rating granted by agencies outside the Group or through the bad debt historical record:

(In millions of euros)	31 December	
CUSTOMERS	**2020**	**2019**
Customers with external credit ratings *(Source: Bloomberg)*		
BBB	6.8	-113.9
BB+	13.5	134.4
B	2.8	0.6
Clients without an external credit rating		
Group 1	1.7	1.8
Group 2	80.3	197.9
Group 3	-	-

- Group 1 – New customers / related parties (less than 6 months)
- Group 2 – Existing customers / related parties (more than 6 months) without delinquency in the past.
- Group 3 – Existing customers / related parties (more than 6 months) with some delinquency in the past. All arrears were fully recovered.

None of the loans to related parties has matured or suffered impairment.

c) Concentration of credit risk

Based on the provisions in paragraph B5.5.35 of IFRS 9. accounting standards allow for the use of practical solutions to measure the expected credit losses of trade receivables, using a provisions matrix based on the experience of actual historical credit losses and adjusting said historical loss information with current observable (forward looking) information.

In this context, the Group has developed a provision matrix based on the historical behaviour of collections and non-payments based on historical billing series and their collection sequence over time. The forward-looking adjustment is generally based on the economic environment in which the Group operates, as well as on its principal business lines. The socioeconomic variables that may be most suitable for this estimation are generally used to obtain this forward-looking adjustment.

Considering the current extraordinary circumstances, due to the COVID-19 pandemic, the main procedures carried out to estimate the expected loss of trade receivables as of 31 December 2020 have been the following:

- In a first step, the historical loss matrix is obtained based on the provisions of paragraph B5.5.35 of IFRS 9. Based on historical behaviour, the historical loss rate is estimated for each temporary bucket of trade receivables in effect on the closing date:

	Current	**<30**	**30-60**	**60-90**	**90-120**	**>120**
Loss rate (%)	0.452%	25.693%	47.507%	67.169%	82.959%	100%

- According to the historical loss analysis, out of the balance of all current receivables, it is expected that 0.452% will not be collected, from the balance of receivables overdue up to 30 days, 25.69% are not expected to be collected, etc.
- Under normal circumstances, the historical loss is a fairly good representation of the expected loss in future periods but, due to the current COVID-19 circumstances, as of 31 December 2020, the historically observed loss is not sufficiently representative to estimate the expected loss.

  Therefore, the approach for estimating the expected loss of trade receivables as of 31 December 2020 has been reconsidered and adapted and observable market information has been considered to estimate the expected loss.

(Amounts in thousands of euros unless otherwise stated)

- A relevant portion of the counterparties of the Group's trade receivables belong directly or indirectly to the aviation sector. For this sector, as of 31 December 2020, based on the CDS the probability of default for BBB ratings is 0.56% and for BB is 2.36%.
- Assuming that the impact of COVID will result in a generalised drop in credit ratings, it is considered more appropriate to take the data observed for the BB rating as a reference, that is, 2.36%.
- For the following temporary buckets, a multiplier of 4 is assumed (which corresponds approximately to the multiplier for the probability of default observed when moving from a BBB to BB rating).
- Based on the observable market data as of 31 December 2020 and assuming an impairment in credit quality for non-current temporary buckets, the following expected loss rate matrix is estimated.

	Current	**<30**	**30-60**	**60-90**	**90-120**	**>120**
Loss rate (%)	0.452%	25.693%	47.507%	67.169%	82.959%	100%
Loss rate (%) adjusted *forward looking* (%)	2.36%	25.69%	47.507%	67.75%	100%	100%

- In the current balance, the PD of 2.36% corresponds to the value observed as of 31 December 2020 for the aviation sector with BB Rating.
- Subsequently, said initial PD is increased by the 4 multiplier until reaching 100% depending on the maturity of the balances pending collection. The buckets are adjusted only if the historical PD turns out to be lower. The applied 4 multiplier is approximately the multiplier observed for the PD of the aviation sector when moving from a BBB Rating to BB Rating.

With respect to the analysis of the credit risk impairment of accrued and uncollected balances for the Guaranteed Minimum Rents of the lease agreements, the Group considers that these are valid balance receivables and payable for 100% of the amount and therefore subject to counterparty credit risk. For approximately 98% of the exposure, the following have been analysed individually:

- If there is a quoted CDS or Rating for the counterparty. If this is the case, the PD has been obtained based on the CDS or according to the Rating.
- If there is no CDS or Rating, the sector and country to which the counterparty belongs have been analysed and a sector/country PD has been assigned for a BB rating. In these cases, the analysis has been done through other sources of information (Reuters, Bloomberg and/or Internet) if there are indications that the counterparty is in significant financial problems. If such indications have been identified, the Rating is adjusted to B or CCC as appropriate.

In cases in which the impairment loss is considered to have been incurred, the impairment has been estimated based on the best available information with respect to the recoverable amount.

Considering the described procedure, the Group has determined that the application of the impairment requirements of IFRS 9 to the existing financial assets has resulted in the following variation in the provision for impairment during the fiscal years 2020 and 2019:

(in thousands of euros)

	Trade and other receivables	*Other financial assets and treasury*	*Total*
Provision for impairment balance as of 1 January 2019 under IFRS 9	**108,071**	**1,847**	**109,918**
Change in the provision during 2019:			
Change in provision for impairment of trade and other receivables	13,045	-	13,045
Impairment (Reversal) of other financial assets	-	(857)	(857)
Cash and cash equivalents	-	(6)	(6)
Provision for impairment balance as of 31 December 2019 under IFRS 9	**121,116**	**984**	**122,100**
Change in the provision during 2020:			
Change in provision for impairment of trade and other receivables	22,122	-	22,122
Impairment of other financial assets	-	1,357	1,357
Cash and cash equivalents	-	-	-
Provision for impairment balance as of 31 December 2020 under IFRS 9	**143,238**	**2,341**	**145,579**

The following analysis provides additional information on the calculation of expected credit losses by financial asset category:

- Trade and other commercial receivables and leases (see Note 13)

Out of the €22.122 million change in the provision for impairment of trade and other receivables (2019: allocation of €13.045 million), €9.379 million of the allocation (2019: reversal of €786 million) would not have arisen under the previous IAS 39 standard.

- Other financial assets (guarantees and provided bonds)

The main impact is due to the high-risk position for some bonds, which has led to calculating the expected loss for the whole of its remaining average life (3 years). The estimated total expected loss for this heading as of 31 December 2020 amounts to €2.341 million (2019: €984,000); resulting in provisions for €1.357 million in the period (2019: €857,000 provision).

11. Other financial assets

In particular, the Group includes the minority shares that it holds in companies within this category, as outlined below:

Name and address	Activity	Proportion of capital 2020	Proportion of capital 2019	Shareholder
Agencia Barcelona Regional Edificio Centreservei, Zona Franca Carrer 60, 25-27 Barcelona	Performance of analyses and surveys of urban planning, territorial and environmental aspects. Projection, promotion, management, development, direction, consulting, execution and operation of all types of construction works, buildings, infrastructure and urban systems in the metropolitan area.	-	11.76	AENA, S.M.E. S.A.
European Satellite Service Provider, SAS (ESSP SAS) Toulouse – France	Operation of the satellite navigation system.	16.67	16.67	Aena Desarrollo Internacional S.M.E., S.A.

The value of the shareholdings as of 31 December 2020 and 2019 is the following (in thousands of euros):

	Shareholding amount	
Name and address	**2020**	**2019**
Agencia Barcelona Regional. Edificio Centreservei, Zona Franca Carrer 60, 25-27 Barcelona	-	180
European Satellite Service Provider, SAS (ESSP SAS) Toulouse – France	167	167
	167	**347**

None of these companies is listed on a stock exchange.

In October 2020, Aena proceeded to sell its shareholding in the Agencia Barcelona Regional company to the City Council of Barcelona, obtaining a profit of €42,000 recorded under the "Result of disposals and others" heading. This heading is, in turn, contained in "Other net finance revenue/(expenses)" from the profit and loss account (Note 31).

In the fiscal year 2020, the Group received a dividend from European Satellite Services Provider SAS (ESSP SAS) in the amount of €417,000 (2019: €417,000).

As of 31 December 2020 and 2019, it was not possible to reliably estimate their fair value. For this reason, these shareholdings were measured at cost, after having determined the applicable value adjustment as the difference between their book value in Pounds sterling and their recoverable value.

These financial assets are denominated in euros as of 31 December 2020 and 2019, and include the representative values of debt and equity instruments of other companies in which the Group has no control nor significant influence in their decision-making.

12. Derivative financial instruments

The breakdown of the fair value of derivative financial instruments as of 31 December 2020 and 31 December 2019 is shown in the following table:

	31 December 2020		31 December 2019	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Aena, S.A. interest rate swaps - cash flow hedges	-	128,479	-	125,777
LLAH III Interest rate swaps - cash flow hedges	-	4,822	-	1,557
Total	**-**	**133,301**	**-**	**127,334**
Current portion	**-**	31,645	**-**	**31,662**
Non-current portion	**-**	**101,656**	**-**	**95,672**

The total fair value of a hedging derivative is classified as a non-current asset or liability if the remaining validity of the hedged item is more than 12 months, and as current asset or liability if the remaining validity of the hedged item is less than 12 months.

During the periods ended 31 December 2020 and 31 December 2019, the hedging derivatives are 100% effective and meet all the requirements needed to apply hedge accounting, such that there is no ineffectiveness recorded in the profit and loss account.

The fair value of the interest swaps has been obtained by updating the net expected cash flows during the contractual period, using the discount factors obtained from the zero-coupon curve at each valuation time. In order to calculate the variable cash flows, the forward rates or implied rates obtained from the zero-coupon interest rates existing on the market at the time of the valuation of the interest swap are used. The fair value thus obtained is adjusted for credit risk, understanding credit risk as both the counterparty credit risk and own credit risk, as necessary. In order to quantify the credit risk of a financial agent, there are three commonly accepted methodologies in the market. These methodologies are applied in the following order of priority:

(Amounts in thousands of euros unless otherwise stated)

1) Whenever there is a Credit Default Swap (CDS) quoted on the market, the credit risk is quantified based on its market price.

2) Whenever there are debt issues accepted for listing in the different financial markets, the quantification of credit risk can be obtained as the differential between the internal rate of return (yield) of the bonds and the risk-free rate.

3) If it is not possible to quantify the risk by following the two previous methodologies, the use of comparables is generally accepted, i.e. taking as a reference companies or bonds of companies from the same sector as the one being analyse.

Interest rate swaps

- **AENA S.M.E., S.A. derivatives**

As explained in Note 3, on 10 June 2015 Aena signed a floating-to-fixed hedging transaction amounting to €4,195.9 million with financial institutions that have a credit rating equal to or higher than BBB (Standard & Poor's), in order to avoid the risk of interest rate fluctuations on various credits.

Their main characteristics are as follows:

	Classification	Type	Contracted amount (thousands of euros)	Pending notional amount 31/12/2020	Agreement date	Derivative start date	Maturity	Hedge designation date
Interest rate swap	Cash flow hedge	Fixed interest rate swap at 0.144% against variable interest rate (Eur6M)	290,000	-	27-06-2015	29-06-2015	15-12-2020	27-06-2015
Interest rate swap	Cash flow hedge	Fixed interest rate swap at 1.1735% against variable interest rate (Eur6M)	854,100	569,400	15-06-2015	15-06-2015	15-12-2026	15-06-2015
Interest rate swap	Cash flow hedge	Fixed interest rate swap at 0.9384% against variable interest rate (Eur3M)	3,041,833	1,553,333	15-06-2015	15-06-2015	15-12-2026	15-06-2015
		TOTAL	**4,185,933**	**2,122,733**				

(*) Initially contracted for €300 million.

The outstanding notional principal sums in these interest rate swap agreements amounts to €2,122.733 million as of 31 December 2020 (31 December 2019: €2,436.726 million).

The balance recognised in the equity hedge reserve for interest rate swap agreements as of 31 December 2020 will be continuously transferred to the income statement until the bank loans are repaid. During the fiscal year 2020, €31.859 million were allocated to the profit and loss account as finance expenses for the settlement of hedging instruments (in 2019: €33.699 million).

The fair value of these derivatives amounts to €128.479 million as of 31 December 2020 (31 December 2019: €125.777 million), and its breakdown between the current and non-current portions is the following:

Fair value recorded in "Non-current liabilities" as of 31 December 2020 (in thousands of euros)	Fair value recorded in "Current liabilities" as of 31 December 2020 (in thousands of euros)
96,834	31,645
Fair value recorded in "Non-current liabilities" as of 31 December 2019 (in thousands of euros)	Fair value recorded in "Current liabilities" as of 31 December 2019 (in thousands of euros)
94,115	31,662

As of 31 December 2020, if the interest rate had increased or decreased by 20 basis points, with the rest of the variables remaining constant, the liability for the said derivatives would have been €18.162 million lower and €18.384 million higher respectively (31 December 2019: €22.610 million lower and €22.923 million higher respectively).

As of 31 December 2020 and 2019, the hedging derivatives were effective and met the requirements needed to apply hedge accounting (see Note 2.11), such that there is no ineffectiveness recorded in the income statement.

- **LLAH III group derivatives**

The characteristics of these derivatives are the following:

	Classification	**Contracted amount (thousands of euros)**	**Agreement date**	**Derivative start date**	**Maturity**	**Hedge designation date**
Interest rate swap	Cash flow hedge	40,000	17-08-2017	17-08-2017	17-08-2029	17-08-2017
Interest rate swap	Cash flow hedge	10,000	17-08-2017	17-08-2017	17-08-2027	17-08-2017
Interest rate swap	Cash flow hedge	30,000	17-08-2017	17-08-2017	17-08-2024	17-08-2017
	TOTAL	**80,000**				

These swaps cover 100% of the variable-rate loans (notional principal of £80 million) (see note 20) and have maturities between 7 and 12 years and an average fixed interest rate of 1,09% against the variable interest rate used as the benchmark (three month or six month LIBOR). Its recognised value in long-term liabilities as of 31 December 2020 amounts to €4.822 million at the closing exchange rate of 2020 (31 December 2019: long-term asset of €1.557 million at the closing exchange rate of 2019).

As of 31 December 2020 and 2019, the hedging derivatives were effective and met the requirements needed to apply hedge accounting (see Note 2.11), such that there is no ineffectiveness recorded in the income statement.

(Amounts in thousands of euros unless otherwise stated)

13. Customers and other current and non-current assets

	Thousands of euros	
	2020	**2019**
Customers by sales and services rendered	887,276	578,123
Credit right to receive real estate	5,255	4,363
Less: impairment loss allowance for receivables	(143,238)	(121,116)
Net customers by sales and services rendered	749,293	461,370
Related-party customers (Note 34)	3,148	14,113
Other receivables from related parties	7	-
Sundry debtors and other assets	83,453	9,516
Accruals for prepaid expenses	-	15,763
Staff	660	781
Current tax asset	9,319	9
Other loans with Public Administrations	72,856	8,115
Total	**918,736**	**509,667**
Less non-current portion	**24,043**	**4,363**
Current portion	**894,693**	**505,304**

The fair value of Trade and other receivables is similar to their book value.

As of 31 December 2020, there is €46.243 million in foreign currency under this heading, of which €19.732 million is denominated in Pounds sterling and €24.522 million is denominated in Brazilian reals (2019: €35.936 million in foreign currency, of which €30.466 million is denominated in Pounds sterling).

The "Credit right to receive real estate" heading includes the Group's right to receive an asset that the tenant company builds on a site assigned to it, at the end of the land assignment contract, as long as the property constructed on the site constitutes additional consideration in the lease agreement. The non-current amount of this right is €5.255 million as of 31 December 2020 (€4.363 million as of 31 December 2019).

The "Sundry debtors" heading mainly includes an outstanding collection balance amounting to €7.422 million relating to the incident involving an incursion onto the runway at Barcelona-El Prat Josep Tarradellas Airport on 28 July 2006. The Group has made a provision for this item. Likewise, taxes and deposits with a maturity of less than 12 months but longer than three months are also included, of which €19.180 million in Brazilian Reals are worth noting.

As we indicated in Note 7, in fiscal year 2020, a grant has been received as consideration to cover the exploitation deficit generated by the impact of the pandemic on the Región de Murcia International Airport. This grant was not initially foreseen in the aforementioned concession agreement and implies a change in the nature of the consideration to cover the operating deficit. Therefore, at the end of the fiscal year 2020, the amount of the compensation has been reclassified by reducing the intangible asset included in the concession agreement and recording a financial asset for an amount of €2.592 million that is included under the heading "Miscellaneous debtors and other receivables". The actual collection of the compensation has occurred on 1 February 2021.

As of 31 December 2020, the "Other loans with Public Administrations" heading includes an amount of €1.153 million relating to accounts receivable for grants awarded to the Company (2019: €1.345). As of 31 December 2020 and 2019, the remainder of the heading includes debit balances related to indirect taxes. The increase in the balance of other credits with Public Administrations by €64.8 million is, mainly, due to the increase the debit balance for indirect taxes with the Public Treasury, as a result of the reduction in billing due to the decrease in activity and due to the fact that the minimum annual guaranteed rent was not invoiced at the end of the fiscal year.

Likewise, out of the customer balance of €749.293 million as of 31 December 2020, there are non-provisioned current accounts receivable amounting to €690.674 million (2019: €436.942 million). There are also non-provisioned outstanding accounts receivable amounting to €58.619 million (2019: €24.428 million), since they relate to settlements and invoices that were in management as of 31 December of each fiscal year and have already been paid.

The ageing analysis for these accounts at the end of each fiscal year is the following:

(Amounts in thousands of euros unless otherwise stated)

	Thousands of euros	
	2020	**2019**
Up to 3 months	43,480	14,128
Between 3 and 6 months	8,552	3,586
More than 6 months	6,587	6,714
	58,619	**24,428**

The trade receivables which have experienced an impairment essentially relate to airlines and companies that are undergoing insolvency proceedings. The total amount is provisioned at the end of each fiscal year. The ageing analysis for these accounts is the following:

	Thousands of euros	
	2020	**2019**
Less than 3 months	361	32
Between 3 and 6 months	222	93
More than 6 months	142,655	120,991
	143,238	**121,116**

Movements in the provision for the impairment of the Group's trade and other receivables are presented below:

	Thousands of euros	
	2020	**2019**
Opening balance	121,116	108,071
Change in the provision for impairment of receivables	21,954	12,970
Other movements	168	75
As of 31 December	**143,238**	**121,116**

The allocation and application of the provision for accounts receivable impaired in 2020 and 2019 has been included in the "Losses, impairment and change of provisions for commercial transactions" line item in accordance with the provisions of IFRS 9. The amounts charged against the provision account are usually derecognised when there is no expectation of receiving additional cash.

During fiscal year 2020, in addition to the €21.954 million net allocation to the provision (2019: net allocation of €12.970 million), losses of €695,000 (2019: €839,000) have been recorded in the "Losses, impairment and change of provisions for operations" heading of the profit and loss account. due to definitive write-offs given by the Spanish Tax Agency for debts remitted to enforcement proceedings. As a result, a negative amount of €22.649 million appears in this heading (2019: negative €13.809 million).

The rest of the accounts included in trade and other receivables do not contain assets that have suffered impairment.

The maximum exposure to credit risk at the statement of financial position date is the book value for each category of the aforementioned receivables. The Group does not maintain any collateral as payment surety.

At the close of the fiscal year, other current and non-current assets corresponding to adjustments for accrual have been recorded according to the following detail:

	Thousands of euros	
	2020	**2019**
Non-current accrual adjustments	18,788	-
Current accrual adjustments	33,018	15,763
Total adjustments for accrual	**51,806**	**15,763**

As of 31 December 2020. the balance for asset accruals corresponds, mainly, to reductions to lease payments for commercial premises negotiated with the lessees as a result of COVID-19, which have been considered as an incentive to be distributed on a straight-line basis over the estimated term of the lease contract, reducing net rental income for the corresponding period. Consequently, at the end of the 2020 fiscal year, the amount of incentives pending allocation to results amounted to €41.871 million, of which €23.083 million are short-term and €18.788 million are long-term.

(Amounts in thousands of euros unless otherwise stated)

This heading also records anticipated expenses for various items such as advance payments of insurance premiums that amount to €5.252 million (2019: €4.882 million), accruals of commissions for opening credit lines that amount to €488,000 (2019: €557,000) (see Note 15), as well as other sundry anticipated expenses.

14. Inventories

	Thousands of euros	
	2020	**2019**
Raw materials and other supplies	6,516	6,841
Total inventories	**6,516**	**6,841**

The raw materials and other supplies balance primarily includes materials and spare parts used in the airport operations.

15. Cash and cash equivalents

	Thousands of euros	
	2020	**2019**
Cash and bank deposits	469,878	212,305
Short-term deposits in institutions	755,000	28,292
Cash and cash equivalents	**1,224,878**	**240,597**

As of 31 December 2020 and 2019, there are no cash and cash equivalents balances that are not available for use. As of 31 December 2020 and 2019, the Group does not have any bank overdrafts.

The breakdown of cash and cash equivalents in currencies other than the euro is as follows:

	2020	**2019**
Cash and bank deposits in Brazilian reals (BRL)	10,916	28,302
Cash and bank deposits in Pounds sterling (£)	35,766	22,492

16. Share capital and share premium

The number of shares and the amount of Share capital and Share premium of the parent Company in each of the fiscal years 2020 and 2019 are as follows:

	Thousands of euros		
No. of shares	**Share capital**	**Share premium**	**Total**
150,000,000	1,500,000	1,100,868	**2,600,868**

The Parent Company was created on 31 May 2011 with an initial capital of 61 shares, each with a par value of €1,000, fully subscribed by the state-owned enterprise Aeropuertos Españoles y Navegación Aérea.

On 6 June 2011, the Company's single shareholder at the time adopted the following resolutions:

- To reduce the par value of the Company's €1,000 shares, by dividing the 61 outstanding shares into 6,100 new shares, in the proportion of 100 new shares for each old share, without changing the amount of the Share capital of the Company. As a result, the Company's Share capital at that date was represented by 6,100 shares with a par value of €10 each.

(Amounts in thousands of euros unless otherwise stated)

- To increase the share capital to €1.500 million by issuing 149,993,900 new shares with a par value of €10 each, with the same rights and obligations as the previously existing shares. The shares were issued with a Share premium of €1,100.868 million. Therefore, the amount payable for Share capital and Share premium amounted to €2,600.807 million. This capital increase was fully subscribed and paid by the single shareholder at the time through a non-monetary contribution for the airport line of activity described in Note 1 to these consolidated Annual Accounts.

On 23 January 2015, the Council of Ministers approved the sale of 49% of the Aena entity through an Initial Public Offer, registering the IPO prospectus with the CNMV (Comisión Nacional del Mercado de Valores [National Securities Market Commission]) on 23 January 2015. Trading in AENA S.M.E., S.A. shares opened on the Continuous Market, in the four Spanish stock exchanges, on 11 February 2015.

The listing of the Company on the stock exchange, as explained above, via the IPO of 49% of AENA S.M.E., S.A.'s capital, meant that the ENAIRE entity's shareholding in AENA S.M.E., S.A. fell to 51%, compared to its previous 100%.

On 31 December 2020 and 2019, the share capital of AENA S.M.E., S.A. was represented by 150,000,000 ordinary shares with a par value of €10 each, which have been fully paid. These shares have equal voting and economic rights. As of December 2020, there are no capital increases in progress nor authorisations to trade in own shares. Its share price on the Stock Exchange amounted to €142.2 on 31 December 2020.

According to the information available as of 31 December 2020 and 2019, the shareholdings exceeding 10% are the following:

ENAIRE	51.00 %

17. Retained earnings/(losses)

	Legal reserve	Capitalisation reserve	Other reserves	Total
As of January 2019	**300,000**	**113,626**	**3,121,009**	**3,534,635**
Profit for the fiscal year	-	-	1,442,022	1,442,022
Capitalisation reserve allocation	-	20,088	(20,088)	-
Dividend distribution	-	-	(1,039,500)	(1,039,500)
Other movements	-	-	1,179	1,179
As of 31 December 2019	**300,000**	**133,714**	**3,504,622**	**3,938,336**
Profit for the fiscal year	-	-	(126,786)	(126,786)
Capitalisation reserve allocation	-	26,163	(26,163)	-
Dividend distribution	-	-	-	-
Other movements	-	-	(139)	(139)
As of 31 December 2020	**300,000**	**159,877**	**3,351,534**	**3,811,411**

As of 31 December 2020, the "Other movements" heading includes, among others, an impact of (€15,000) when accounting for the market value of the services provided to the ultimate parent company ENAIRE for employee parking.

This heading also includes an amount of €159.877 million (2019: €133.714 million) for the Capitalisation reserve that has been allocated in accordance with Articles 25 and 62 of the Corporation Tax Act. This Act establishes that the reserve shall be allocated the amount of the right of reduction of the tax group's tax base for the fiscal year. The right of reduction of the tax base of the tax group amounts to 10% of the increase of the tax group's equity, as defined in this article, without in any case exceeding 10% of the positive tax base of the tax group for the tax year prior to the reduction and integration as referred to in section 12 of Article 11 of the Act and the offsetting of negative tax bases. However, in the event of an insufficient tax base of the tax group for applying the reduction, the pending amounts may be applied in the tax years ending in the two years immediately following the end of the tax year in which the right to the reduction was generated, together with the reduction that may correspond in that year and at the indicated limit. The reserve is restricted and conditional upon maintaining the equity increase of the tax group for a period of 5 years from the end of the tax year to which the reduction corresponds, except for the existence of accounting losses.

(Amounts in thousands of euros unless otherwise stated)

Proposed distribution of profits

The distribution of profits of the fiscal year 2020, proposed by the Board of Directors of the Parent Company AENA S.M.E., S.A. under the General Accounting Plan approved by Royal Decree 1514/2007 in the General Shareholders' Meeting, is the following:

	Thousands of euros
Distribution basis:	
Profit/(loss) for the year	(5,290)
Distribution:	
Negative results from previous fiscal years	(5,290)

As indicated in Note 3.1, under Royal Decree-Law 8/2020, of 17 March, on extraordinary urgent measures to address the economic and social impact of COVID-19, the Board of Directors of the parent company AENA S.M.E., S.A., in its meeting held on 24 March 2020, resolved to call off the Ordinary General Shareholders' Meeting scheduled for 31 March 2020 and 1 April 2020, in the first and second calls respectively. This resulted in the suspension of the proposal for the distribution of Aena's profits from the fiscal year 2019 under the General Accounting Plan approved by Royal Decree 1514/2007, and included in the annual accounts prepared on 25 February 2020.

The Board of Directors of AENA S.M.E., S.A., in its meeting of 30 June 2020, agreed to replace the proposal for the distribution of profit for the fiscal year 2019, included in the annual accounts prepared on 25 February 2020, with the following:

	Thousands of euros
Distribution basis:	
Profit for the fiscal year	1,421,326
Distribution:	
Capitalisation reserve (Act 27/2014)	26,163
Voluntary reserve	1,395,163

The modification of the proposal to apply results for the 2019 fiscal year was approved by the General Shareholders' Meeting held on 29 October 2020. Its objective has been to strengthen the Company's solvency in the current circumstances, which do not allow the future impact of the COVID-19 health crisis on the economy of the markets in which the Group operates to be assessed. For this reason, the resolutions passed by the Board of Directors of the Parent Company are aimed at safeguarding the Group's liquidity as much as possible and, in this regard, they do not reduce the Company's equity to a greater extent than would have occurred if the proposal for the distribution of profits had been approved.

During the fiscal year 2019, dividends amounting to €1,039.5 million were paid as a result of the distribution of profits for the fiscal year 2018.

In 2019, the Board of Directors also proposed to the General Shareholders' Meeting a reclassification from the voluntary reserves to the capitalisation reserve, amounting to €4.299 million. This reclassification results from the criteria of the Spanish Tax Agency (AEAT [Agencia Estatal de Administración Tributaria]) on the manner of calculating the equity increase in order to apply the capitalisation reserve reduction in the Corporation Tax for the fiscal year 2018, once this possibility has been consulted with AEAT within the framework of the Code of Best Tax Practices.

The Company reserves that are designated as unrestricted, as well as the profit for the fiscal year, are nonetheless subject to limitations for their distribution only, if the value of the equity is not, or as a result of the distribution, is not lower than the share capital.

The legal reserve must be allocated in accordance with article 274 of the Corporate Enterprises Act. This article requires that, in any event, a figure equal to 10% of the profits for the fiscal year is earmarked for the legal reserve, until its amount reaches at least 20% of the share capital.

(Amounts in thousands of euros unless otherwise stated)

The legal reserve, as long as it does not exceed the amount indicated above, may only be used to offset losses if no other reserves are available for this purpose.

At the end of the fiscal year 2020, the legal reserve amounts to €300 million (31 December 2019: €300 million), reaching the minimum limit legally established in accordance with Article 274 of the Corporate Enterprises Act.

18. Non-controlling interests and Other reserves

a) Non-controlling interests

The composition of non-controlling interests is as follows:

	Segment	Country	Minority interest	2020	2019
LLAH III (Note 2.2)	International	United Kingdom	51%	(54,030)	(23,926)
				(54,030)	**(23,926)**

The movements of these minority interests in 2020 and 2019 were as follows:

	LLAH III
As of January 2019	**(11,064)**
Dividend distribution	(11,730)
Total contributions by and distributions to shareholders, recognised in equity	**(11,730)**
Profit/(loss) for the period	3,653
Other comprehensive income for the fiscal year	(4,785)
Total other comprehensive income for the fiscal year	**(1,132)**
As of 31 December 2019	**(23,926)**
Dividend distribution	-
Total contributions by and distributions to shareholders, recognised in equity	**-**
Profit/(loss) for the period	(33,962)
Other comprehensive income for the fiscal year	3,858
Total other comprehensive income for the fiscal year	**(30,104)**
As of 31 December 2020	**(54,030)**

(Amounts in thousands of euros unless otherwise stated)

b) Currency translation differences and other Reserves

	Note	Hedging derivatives	Actuarial gains and losses	Currency translation differences	Income of associates	Total
As of January 2019		**(68,265)**	**(12,091)**	**(20,301)**	23	**(100,634)**
Cash flow hedges		(71,152)	-	-	-	(71,152)
Actuarial gains and losses		-	(4,006)	-	-	(4,006)
Tax effect		17,712	682	-	-	18,394
Transfers to the income statement		33,699	-	-	-	33,699
Tax effect		(8,425)	-	-	-	(8,425)
Share in other comprehensive income of associates	9	-	-	-	(4)	(4)
Currency translation differences - associates	9	-	-	1,932	-	1,932
Currency translation differences - group		-	-	(3,206)	-	(3,206)
As of 31 December 2019		**(96,431)**	**(15,415)**	**(21,575)**	19	**(133,402)**
Cash flow hedges		(35,887)	-	-	-	(35,887)
Actuarial gains and losses		-	4,116	-	-	4,116
Tax effect		8,925	(778)	-	-	8,147
Transfers to the income statement		31,859	-	-	-	31,859
Tax effect		(7,964)	-	-	-	(7,964)
Share in other comprehensive income of associates	9	-	-	-	(39)	(39)
Currency translation differences - associates	9	-	-	(7,469)	-	(7,469)
Currency translation differences - group		-	-	(152,627)	-	(152,627)
As of 31 December 2020		**(99,498)**	**(12,077)**	**(181,671)**	**(20)**	**(293,266)**

During the fiscal year, a negative conversion difference of €154 million has been recorded as a result of the integration of Aena Brasil and variations in the exchange rate of the Brazilian Real (2020: 6.3735 BRL/Euro: 2019: 4.4824 BRL/Euro).

c) Other comprehensive income, net of taxes

	Other reserves attributable to the Parent Company	Other reserves attributable to minority interests	Total other comprehensive income
31 December 2020			
Items which may be reclassified subsequent to the results:			
Cash flow hedge (Note 32)	(3,067)	(1,000)	(4,067)
Share in other comprehensive income of associates	(39)	-	(39)
Currency translation differences	(160,096)	1,616	(158,480)
Actuarial Gains and Losses (Note 32)	3,338	3,242	6,580
Total	**(159,864)**	**3,858**	**(156,006)**
31 December 2019			
Items which may be reclassified subsequent to the results:			
Cash flow hedge (Note 32)	(28,166)	(766)	(28,932)
Share in other comprehensive income of associates	(4)	-	(4)
Currency translation differences	(1,273)	(830)	(2,103)
Actuarial Gains and Losses (Note 32)	(3,324)	(3,189)	(6,513)
Total	**(32,767)**	**(4,785)**	**(37,552)**

(Amounts in thousands of euros unless otherwise stated)

19. Trade and other payables

	31 December	
	2020	**2019**
Suppliers	1,683	484
Trade creditors	134,296	206,967
Related party creditors (Note 34)	25,402	31,259
Fixed asset suppliers	203,972	251,781
Related party fixed asset suppliers (Note 34)	2,830	5,328
Staff	39,249	31,124
Current tax liabilities	217	10,165
Social Security and other taxes	25,333	26,560
Prepayments from World Duty Free Group (DUFRY)	19,373	38,251
Other prepayments from customers	65,717	88,125
	518,072	**690,044**

In fiscal year 2020 this heading includes €33.195 million that were originally expressed in Pounds sterling (2019: €79.894 million) and €13.765 million that were originally expressed in Brazilian reals (2019: €3.547 million).

The nominal value of trade and other payables approximates their fair value given that the effect of the financial discount is not significant.

During the 2020 and 2019 financial year, the parent company contracted a line of confirming with Bankinter for a maximum amount of 15,000 thousand euros. As of December 31, 2020, the Company has not requested the postponement of the period of payment of trade balances initially agreed with commercial creditors.

On 14 February 2013, in relation to the "Prepayments from World Duty Free Group" heading, AENA S.M.E., S.A signed three contracts with World Duty Free Group España, S.A. (DUFRY) for the lease of commercial spaces for *Duty free* and *Duty paid* shops in the entire airport network in Spain. These contracts were valid until 31 October 2020 and included a prepayment of €332.442 million, which is periodically offset against invoices. In this respect, as of 31 December 2020, all prepayments are classified as short-term and amounts to €19.373 million (2019: €38.251 million).

Information on deferrals of payments made to suppliers

The information on the average payment term of AENA S.M.E., S.A., Aena Desarrollo Internacional, S.M.E., S.A. and Aena, Sociedad Concesionaria del Aeropuertos Internacional de la Región de Murcia, S.M.E., S.A. is as follows:

	2020	**2019**
	Days	**Days**
Average payment period to suppliers	42	46
Ratio of paid transactions	46	50
Ratio of outstanding transactions	23	15

These parameters were calculated in accordance with Article 5 of the Resolution *dated 29 January 2015, of the Accounting and Auditing Institute, on the information to be included in the annual accounts report in relation to the average payment period to suppliers in commercial transactions,* as follows:

1. Average payment period to suppliers = (Ratio of paid transactions x total value of payments made + Ratio of outstanding transactions x total amount of outstanding payments) / (total amount of payments made + total amount of outstanding payments).

2. Ratio of paid transactions = Σ (number of payment days x amount of paid transactions) / Total amount of payments made.

   Number of payment days means the calendar days that have elapsed since the date the calculation begins until the actual payment of the transaction.

3. Ratio of outstanding transactions = Σ (Days payable outstanding x amount of outstanding transactions) / Total amount of outstanding payments.

Days payable outstanding means the calendar days that have elapsed since the date the calculation begins until the last day of the period referred to in the annual accounts.

4. For the calculation of both the number of payment days as well as the days payable outstanding, the company calculates the term as of the date of provision of the services. However, given the lack of reliable information on the time that this has taken place, the invoice receipt date is used.

This balance refers to suppliers that, given their nature, are suppliers of goods and services. Accordingly, it includes data related to "Trade creditors" items in the statement of financial position.

	2020	2019
	Amount (thousands of euros)	**Amount (thousands of euros)**
Total payments made	1,282,568	991,786
Total outstanding payments	257,799	127,010

In the 2020 fiscal year, the average payment terms adhered to the terms set out by Act 15/2010. In those cases where a payment has been made outside of the maximum legal term, this is due mainly to reasons not attributable to the Company: invoices not received on time, expired AEAT certificates, lack of documentary evidence of supplier bank accounts, among others.

The weighted average price is calculated based on the outstanding invoices received and endorsed. The accounting balance of "Trade creditors" is greater than that of "outstanding payments", since it includes the balances from invoices pending receipt and/or endorsement, in addition to the balances from the LLAH III subgroup.

(Amounts in thousands of euros unless otherwise stated)

20. Financial debt

The financial debt components as of 31 December 2020 and 2019 are the following:

	31 December	
	2020	**2019**
Non-current		
Loans from ENAIRE	4,159,882	4,705,603
Aena loans from credit institutions	2,673,731	250,000
Other LLAH III Loans	-	413,692
Loans from LLAH III shareholders	55,815	54,518
Aena Brasil loans from credit institutions	3,620	-
Aena lease liabilities	15,323	20,582
LLAH III lease liabilities	20,583	37,086
Aena Brasil lease liabilities	122	134
Public Entity creditor for the AIRM concession	48,756	47,222
Other financial liabilities	138,722	146,199
	7,116,554	**5,675,036**
Current		
Loans from ENAIRE	557,689	646,130
Interest accrued on Aena loans from credit institutions	3,370	40
Aena loans from credit institutions	50,000	-
Aena credit institution policies	-	391,000
Aena ECP programme	55,000	159,000
Other LLAH III Loans	435,482	3,543
Loans from LLAH III shareholders	428	418
Aena Brasil loans from credit institutions	7,241	-
Aena lease liabilities	5,257	5,056
LLAH III lease liabilities	676	4,764
Aena Brasil lease liabilities	171	134
Public Entity creditor for the AIRM concession	-	916
Other financial liabilities	23,934	27,402
	1,139,248	**1,238,403**
Total current and non-current	**8,255,802**	**6,913,439**

(Amounts in thousands of euros unless otherwise stated)

The reconciliation between the opening and closing balances of financial debt components for the fiscal year 2020 in the statement of financial position is the following:

	31 December 2019	Cash flows: Financing activities Collections	Cash flows: Financing activities Payments	Cash flows: Operating activities Interest payments	Transfers from short to long term	Adjustments	Accrued interest	Additions	Exchange differences	31 December 2020
Non-current										
ENAIRE loan (Note 23)	4,705,603	-	-	-	(546,306)	-	585	-	-	4,159,882
Aena loans from credit institutions (Note 15.b)	250,000	2,275,630	-	(2,837)	150,000	-	938	-	-	2,673,731
Other LLAH III loans (Note 15.b)	413,692	-	-	-	(395,801)	-	197	-	(18,088)	-
Loans from LLAH III shareholders	54,518	-	-	-	4,265	-	-	-	(2,968)	55,815
Aena Brasil loans from credit institutions (Note 15.b)	-	11,744	-	-	(7,241)	-	-	-	(883)	3,620
Aena lease liabilities	20,582	-	-	-	(5,259)	-	-	-	-	15,323
LLAH III lease liabilities	37,086	-	-	-	(1,117)	(14,168)	-	-	(1,218)	20,583
Aena Brasil lease liabilities	134	-	-	-	(121)	-		151	(42)	122
Public Entity creditor for the AIRM concession	47,222	-	-	-	-	-	1,534	-	-	48,756
Other financial liabilities	146,199	14,085	(21,350)	-	(343)	-	131	-	-	138,722
Total non-current	**5,675,036**	**2,301,459**	**(21,350)**	**(2,837)**	**(801,923)**	**(14,168)**	**3,385**	**151**	**(23,199)**	**7,116,554**
Current										
ENAIRE loan (Note 23)	646,130	-	(633,619)	(38,525)	546,306	-	37,397	-	-	557,689
Interest accrued on credit institution loans Aena	40	-	-	(5,171)	-	-	8,501	-	-	3,370
Aena loans from credit institutions (Note 15.b)	-	550,000	(350,000)	-	(150,000)	-	-	-	-	50,000
Aena policies from credit institutions (Note 15.b)	391,000	-	(391,000)	-	-	-	-	-	-	-
Aena ECP programme	159,000	-	(104,000)	-	-	-	-	-	-	55,000
Other LLAH III Loans	3,543	40,463	-	(12,555)	395,801	-	12,952	-	(4,722)	435,482
Loans from LLAH III shareholders	418	-	-	-	(4,265)	-	4,299	-	(24)	428
Aena Brasil loans from credit institutions (Note 15.b)	-	-	-	-	7,241	-	-	-	-	7,241
Aena lease liabilities	5,056	-	(5,058)	(527)	5,259	-	527	-	-	5,257
LLAH III lease liabilities	4,764	-	(641)	(1,424)	1,117	(4,525)	1,424	-	(39)	676
Aena Brasil lease liabilities	134	-	(108)	(19)	121	-	19	66	(42)	171
Public Entity creditor for the AIRM concession	916	-	(916)	-	-	-	-	-	-	-
Other financial liabilities	27,402	-	(3,811)	-	343	-	-	-	-	23,934
Total current	**1,238,403**	**590,463**	**(1,489,153)**	**(58,221)**	**801,923**	**(4,525)**	**65,119**	**66**	**(4,827)**	**1,139,248**
Total financial debt	**6,913,439**	**2,891,922**	**(1,510,503)**	**(61,058)**	**-**	**(18,693)**	**68,504**	**217**	**(28,026)**	**8,255,802**

(Amounts in thousands of euros unless otherwise stated)

The reconciliation between the opening and closing balances of financial debt components for the fiscal year 2019 in the statement of financial position is the following:

		Cash flows									
	31 December 2018	Financing activities Collections	Financing activities Payments	Operating activities Interest payments	Opening balance adjustments for entry into force of IFRS 16 (Note 2)	Transfers from short to long term	Adjustments	Accrued interest	Additions	Exchange differences	31 December 2019
Non-current											
Loan from ENAIRE	5,338,222	-	-	-	-	(633,282)	-	663	-	-	4,705,603
AENA loans from credit institutions	649,913	250,000	(650,000)	-	-	20	-	67	-	-	250,000
Other LLAH III Loans	344,019	-	-	-	-	50,127	-	267	-	19,279	413,692
Loans from LLAH III shareholders	51,854	-	-	-	-	-	-	-	-	2,664	54,518
Aena lease liabilities	10,697	-	-	-	14,909	(5,024)	-	-	-	-	20,582
LLAH III lease liabilities	7,262	-	-	-	29,227	(4,123)	-	-	2,885	1,835	37,086
Aena Brasil lease liabilities	-	-	-	-	-	-	-	-	134	-	134
Public Entity creditor for the AIRM concession	47,590	-	-	-	-	-	(1,825)	1,457	-	-	47,222
Other financial liabilities	123,521	61,314	(39,534)	-	-	(378)	-	1,276	-	-	146,199
Total non-current	**6,573,078**	**311,314**	**(689,534)**	**-**	**44,136**	**(592,660)**	**(1,825)**	**3,730**	**3,019**	**23,778**	**5,675,036**
Current											
Loan from ENAIRE	647,654	-	(633,744)	(43,851)	-	633,282	-	42,789	-	-	646,130
Interest accrued on credit institution loans Aena	1,841	-	-	(6,280)	-	-	-	4,479	-	-	40
Loans from Aena entities	-	391,000	-	-	-	-	-	-	-	-	391,000
Aena ECP programme	-	159,000	-	-	-	-	-	-	-	-	159,000
Other LLAH III Loans	51,419	1,139	-	(12,462)	-	(50,127)	-	12,484	-	1,090	3,543
Loans from LLAH III shareholders	398	-	-	(4,229)	-	-	-	4,228	-	21	418
Aena lease liabilities	1,655	-	(4,844)	(638)	3,222	5,024	-	637	-	-	5,056
LLAH III lease liabilities	591	-	(2,334)	(2,241)	2,079	4,123	-	2,125	256	165	4,764
Aena Brasil lease liabilities	-	-	-	-	-	-	-	-	134	-	134
Other financial liabilities	28,870	-	(1,846)	-	-	378	-	-	916	-	28,318
Total current	**732,428**	**551,139**	**(642,768)**	**(69,701)**	**(5,301)**	**592,680**	**-**	**66,742**	**1,306**	**1,276**	**1,238,403**
Total financial debt	**7,305,506**	**862,453**	**(1,332,302)**	**(69,701)**	**49,437**	**20**	**(1,825)**	**70,472**	**4,325**	**25,054**	**6,913,439**

As can be seen, in 2020, the variations in the ENAIRE loan balance were mainly related to principal amortisations amounting to €633.619 million (Note 20.a). The variation in the "Loans with credit institutions" heading is due to the contracting of new financing based on the plan deployed by the Group to ensure the strengthening of its liquidity given the severity and uncertainty of the progress of the pandemic (Note 3.1). The variations in the finance lease liabilities corresponded to payments made in the period and fluctuations in the euro/Pound sterling exchange rate. The variation in the "Loans from LLAH III shareholders" item was due to the long-term transfer of the financial burden accrued by the debt as well as fluctuations in the Pound sterling/euro exchange rate. The other financial liabilities item varied as a result of bond collections and payments at AENA S.M.E., S.A.

Since June 2020, the amount of long-term financial debt of the London Luton subsidiary has been transferred to short term, in accordance with IAS 1 for non-compliance with the limits of the Net Debt/EBITDA ratio included in its financing agreements (see Note 3.1.a). The net amount of long-term financial debt that has been transferred in the short term amounts to €431.8 million. There was previously an inverse movement (from short- to long-term) of €36.7 million. In August, said subsidiary obtained a waiver from the financial entities for compliance with the ratios as of 31 December 2020 established in their financing agreements and a flexibility of the conditions for 30 June 2021. Currently, they are negotiating obtaining an extension valid for June 2021 and December 2021.

On the other hand, as indicated in Note 6.2. the Group has lease agreements accounted for under IFRS 16 as lessee, including the concession agreement for the London-Luton airport and the lease agreement for passenger buses. In both agreements, there has been a modification of the amounts of the rents to be paid as a result of the COVID-19 pandemic. The minimum lease payments under the concession agreement are 3 million pounds sterling per year; however, upon applying the Special Force Majeure (SFM) clause in the original agreement there is no longer a payable set minimum, and the amounts to be paid become 100% variable (Note 23.b). It has been considered that, since the SFM clause was in the original concession agreement and, therefore, there has been no "modification" of the agreement that meets the criteria of IFRS 16, this constitutes a "revaluation" of the lease. Management has determined that the application of the clause will be extended until 31 March 2027, the date on which the Group is expected to repay the entire concession commission, which is consistent with the hypothesis applied in the forecasts used both in the evaluation of the going concern hypothesis and in the review of the value impairment. The resulting effect of this revaluation is a decrease in the liability for leases of 15.6 million pounds, with the corresponding decrease in the right-of-use asset. (Note 6.2).

With respect to the fiscal year 2019, the variations in the ENAIRE loan balance primarily corresponded to principal amortisation amounting to €633.774 million (Note 20.a). The variation for the "Loans with credit institutions" heading is due to the early repayment of bilateral loans of €650 million which were partially replaced by other new bilateral loans for €250 million under improved interest rate conditions. The variation in the "Other loans with credit institutions" heading is mainly due to drawdowns of the credit lines and Aena promissory notes programme amounting to €391 million and €159 million respectively. The net drawdowns of the credit lines of the subgroup formed by LLAH III and its subsidiaries amounts to €1.175 million. The variations in the finance lease liabilities corresponded to payments made in the period and fluctuations in the euro/Pound sterling exchange rate. The variation in the "Loans from LLAH III shareholders" item was exclusively due to fluctuations in the euro/Pound sterling exchange rate. The other financial liabilities item varied as a result of bond collections and payments at AENA S.M.E., S.A.

(Amounts in thousands of euros unless otherwise stated)

The book values and fair values of non-current external funds are the following:

	Book value		Fair value	
	31 December		31 December	
	2020	2019	2020	2019
Financial debt from the Group (Note 34)	4,159,882	4,705,603	4,125,923	4,882,783
AENA S.M.E., SA loans from credit institutions	2,673,731	250,000	2,610,335	251,302
Other LLAH III Loans	-	413,692	-	413,692
Loans from LLAH III shareholders	55,815	54,518	55,815	54,518
Aena Brasil loans from credit institutions	3,620	-	3,620	-
Finance lease liabilities	36,028	57,802	36,028	57,802
Public Entity creditor for the AIRM concession	48,756	47,222	48,756	47,222
Other financial liabilities	138,722	146,199	138,722	146,199
Total	**7,116,554**	**5,675,036**	**7,019,199**	**5,853,518**

The fair value of current external funds is equal to their book value, as the impact from applying the discount is insignificant. The fair values for debt with a term longer than one year is based on the cash flows discounted at the risk-free rates (OIS curve) plus a spread equal to AENA's CDS (146 bps) (2019: Euribor 12M swap curve plus a spread (46 bps)) and are at Level 2 in the fair value hierarchy.

(a) ENAIRE loan (Note 34)

	31 December	
	2020	2019
Non-current		
AENA S.M.E., S.A. loan from ENAIRE	4,162,512	4,708,860
Adjustment of the loan from the Company balance using the effective cost criteria	(2,630)	(3,257)
Subtotal AENA, S.M.E., S.A. long-term debt with ENAIRE	**(4,159,882)**	**4,705,603**
Current		
Loan from ENAIRE	546,349	633,619
IFRS 9 adjustment	-	(293)
Adjustment of the loan from ENAIRE balance using the effective cost criteria	(316)	(358)
Interest accrued on loans from the Company	11,656	13,162
Subtotal of AENA, S.M.E., S.A. short-term debt with ENAIRE	**557,689**	**646,130**
	4,717,571	**5,351,733**

Due to the non-monetary contribution described in Note 1, the Company and its sole shareholder at that time signed a financing agreement whereby the debts corresponding to the branch of activity contributed in the capital increase described in said Note 3 were transferred from the public business entity "Aeropuertos Españoles y Navegación Aérea" to the Company AENA S.M.E., S.A. In this agreement between both parties, the initial debt and the future cancellation conditions of this debt were recognised, as well as the procedure to settle the interest and repayment of the debt. It also specified that the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" is the borrower as regards the lending financial institutions. However, it also recognised that AENA S.M.E., S.A. was obligated to pay the percentage of the active balance of the debt of the public entity Aena attributable to the airport line of business at the time of contribution of any payments that the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" is required to pay to the financial institutions, in accordance with the financial conditions and the other terms and conditions provided in the Financing Agreements. The average rate of this debt during 2020 was 1.34% (2019: 1.32%).

Moreover, in the Council of Ministers' meeting of 11 July 2014, the state-owned enterprise "Aeropuertos Españoles y Navegación Aérea" was authorised to initiate the sale process for the share capital of AENA S.M.E., S.A. and to dispose up to 49% of its capital.

On 29 July 2014, in the context of offering the Company's share capital to private investors, and in order to ensure that the process was compatible with the financing agreements (long and short-term borrowings) and the hedging agreements signed with all the financial institutions, the state-owned enterprise "ENAIRE", AENA S.M.E., S.A. and the respective financial institutions agreed to a novation amending, but not extinguishing, the corresponding financial agreements. This novation amends the contract signed on 1 July 2011, through which all the assets, rights, debts and obligations of the state-owned enterprise “ENAIRE” that are associated with the development of airport and commercial activities, and other state services related to airport management were contributed to AENA S.M.E. S.A. This contribution, which included the activities and services associated with air traffic services, amounts to €11,672.857 million.

(Amounts in thousands of euros unless otherwise stated)

By virtue of this novation, the Parties agreed to amend certain aspects of the debt acknowledgement agreements with merely novation effects, and under no circumstances extinguishing effects, for the purposes of stipulating inter-alia: i) the updated amount of the acknowledged debt, ii) the regulation of the payment by the state-owned enterprise “ENAIRE” and AENA S.M.E., S.A. of the amounts due under the financing agreements, iii) the co-creditors’ exercise of powers based on these financing agreements, iv) AENA S.M.E., S.A.’s obligation to comply with the same financial ratios, as outlined in the financial agreement novations, v) the commitment to constitute a future pledge on the credit rights (the amount corresponding to one year of debt service payable under the financing agreements) by the Company in favour of the state-owned enterprise “ENAIRE” in the event of breach of its obligations under the debt acknowledgement agreement or loss of the majority share capital of AENA S.M.E., S.A. by the state-owned enterprise “ENAIRE”.

In the debt novation process, the parties expressly agreed that, notwithstanding their status as co-debtors and their joint liability for complying with the obligations provided in the financing agreements, the payments that must be made for any item based on these financing agreements shall be made by the state-owned enterprise “ENAIRE”. This accordingly maintains the contractual relationship between AENA S.M.E, S.A. and the state-owned enterprise “ENAIRE” through the debt acknowledgement agreement.

Notwithstanding the joint liability and principal that AENA S.M.E., S.A. and the state-owned enterprise “ENAIRE” accept with the financial institutions under the financing agreements, the payments made by AENA S.M.E., S.A. will proportionally lower its payment obligations to the state-owned enterprise “ENAIRE” that arise from the earlier contribution.

In any event, the failure of AENA S.M.E., S.A. to pay its obligations arising from the debt acknowledgement agreement will not release the state-owned enterprise “ENAIRE” from fulfilling its payment commitments by virtue of the provisions in the financing agreements.

These novations did not alter the financial terms of the loan transactions granted at the time to the state-owned enterprise “ENAIRE”, nor those outlined in the mirror loans signed with AENA, S.M.E., S.A. (among others: principal amortisation, maturity dates, interest rate regime, repayment terms, etc.).

For all these reasons, the amendments agreed to in the financing agreements with banks and the state-owned enterprise “ENAIRE” did not change the accounting treatment of the Company’s financial debt with the Ultimate parent company, the state-owned enterprise “ENAIRE”.

The main clauses that were amended are summarised below:

- The joint capacity of the lenders, the state-owned enterprise “ENAIRE” and AENA S.M.E., S.A., which are jointly and severally obligated to each other before the bank. This relates to the obligation to repay the loan amount drawn down by either party and to pay the interest, commissions, costs, expenses and any other amount payable by either of them directly to the bank pursuant to the contracts. The banks expressly recognise that the payment effectively received for any item by any of the lenders in accordance with the contractual stipulations will have full release effects for that item and amount.
- The elimination of the clauses that imposed limitations on the transfer of AENA S.M.E., S.A. shares and the sale of a share percentage greater than 49%.
- The obligation to comply with certain financial ratios based on the Aena Group consolidated annual accounts, which shall be certified by the delivery of a certificate accrediting compliance with these ratios on a semi-annual and annual basis, with the following limits:

Ratio	2019	2020	2020	2021	2022 and subsequent
Net financial debt/EBITDA Less than or equal to:	7.00x	7.00x	7.00x	7.00x	7.00x
EBITDA / Finance expenses Greater than or equal to:	3.00x	3.00x	3.00x	3.00x	3.00x

- With regard to the possibility of granting charges and liens, a more favourable framework is established compared to what had been provided in the initial financing agreements. Certain real collateral on international assets may now be granted in international financing transactions without recourse to AENA S.M.E., S.A. or the state-owned enterprise "ENAIRE", as opposed to the prohibition existing in many of the initial contracts which often hindered commercial expansion.
- Unification of the clauses that restrict the disposal of assets: AENA S.M.E., S.A. will directly or indirectly retain the ownership of all the airport assets and will not dispose of them in a single transaction or series of transactions, whether or not these transactions are related, with certain exceptions relating to airport assets located outside Spain.
- Certain clauses were unified in order to clarify the events in which the financing agreements may be subject to early termination, as a result of payment defaults arising from the commercial relationships of AENA S.M.E., S.A.

The financing agreements include the following ground for early termination, stated in ordinary market terms:

a) Breach of any payment obligations arising from each financing agreement.
b) Breach of payment obligations arising from other financing agreements.
c) Breach of any payment obligation arising from usual commercial relationships in the ordinary course of business of AENA S.M.E., S.A., unless it has judicially or extrajudicially opposed the corresponding claim for payment arising from this breach, or has filed or is going to file corresponding legal actions that AENA S.M.E., S.A. is entitled to file provided that it has not received an unfavourable decision against it.
d) General embargoes on the assets of AENA S.M.E., S.A. and/or ENAIRE.
e) The creation by ENAIRE and/or by the Companies and entities of the ENAIRE group (with the exception of AENA S.M.E., S.A. and the Companies in its group, which are governed by the limitation indicated in the following point) of any real right, charge, lien or privilege over any present or future assets or rights.
f) The creation by AENA S.M.E., S.A. and the Companies in its group of any real right, charge, lien or privilege over any assets or rights existing in its balance sheet, with the exception of any real right, charge, lien or privilege created over assets located outside Spain (included in this exception are shares or participations in companies located in Spain as long as all their operating assets are located outside Spain), exclusively as collateral for financing or other obligations without recourse to Aena S.M.E., S.A. that are contracted by subsidiaries and/or other companies in the Aena group.
g) Unless the bank has given its written authorisation: Aena will directly and indirectly maintain the ownership of all its airport assets and will not dispose of them, in either a single transaction or series of related or unrelated transactions, for disposals up to a joint aggregate amount during the entire lifetime of the contract that does not exceed 20% of Aena's consolidated assets. The value of both the consolidated assets and transferred assets will be determined at all times by reference to the values accounted in Aena's consolidated statement of financial position corresponding as of 31 December of the last fiscal year prior to the time of signing the asset transfer contract. There is an exception exclusively relating to airport assets located outside Spain that are directly or indirectly owned by Aena. For the purposes of this clause, "Airport Assets" means any assets that are part of the airport activity included in Aena's consolidated property, plant and equipment.
h) The change in the risk weighting of ENAIRE or the loans or credits granted through financing agreements.

Only the occurrence of these grounds for early termination may ultimately authorise the financial institutions, in accordance with the specific terms and conditions of their respective agreements, to declare early termination of their respective financing agreements. This is without prejudice to the need for good faith and the essential nature of the cited grounds.

In the event of a breach by AENA S.M.E., S.A. of its obligations under the debt acknowledgement agreement:

- AENA S.M.E., S.A. agrees to create a first-ranking pledge agreement on certain credit rights (amount corresponding to one year of debt service accrued under the financing agreements) in favour of ENAIRE (this obligation also arises in the event of loss of control of AENA S.M.E., S.A. by ENAIRE).
- The amounts unpaid by AENA S.M.E., S.A. will accrue late payment interest.
- In the event of ENAIRE having to pay any amount to the financial institutions that should have been paid by AENA S.M.E., S.A. according to the debt acknowledgement agreement, ENAIRE will be subrogated the creditor rights and guarantees with AENA S.M.E., S.A. and the debt recognised in the debt acknowledgement agreement will be automatically increased by the amount paid by ENAIRE.

- Likewise, in the case of early maturity of one or several financing contracts and a claim for the effective payment of any amount, as a result of the breach of an obligation by AENA S.M.E., S.A. under the financing contracts, AENA S.M.E., S.A. must pay ENAIRE a penalty equivalent to 3% of the total overdue principal of the respective breached financing agreement. This provision shall also be applied in the event of the party in breach being ENAIRE, in which case it must pay the aforementioned penalty to AENA S.M.E., S.A.

The breakdown of the "**Financial debt where the Company acts as joint creditor with ENAIRE**" (hereinafter referred to as "Co-borrower debt") with financial institutions on 31 December 2020 is the following (in thousands of euros):

Financial institutions	Amount
EIB	2,869,923
ICO	1,329,975
FMS	506,133
TOTAL Co-borrower	**4,706,031**

Of the above €4,706.031 million, AENA S.M.E., S.A. owes the public entity "ENAIRE" the debt arising from the contribution of the airport activity, which on 31 December 2020 amounts to €4,674.316 million (2019: €5,303.393 million), 99% of the total borrowed debt. In addition, AENA S.M.E., S.A. owes the public entity "ENAIRE" in relation to other loans of €34.544 million (2019: 39.086 million). The maturity schedules for both items at end of the fiscal year is detailed further on.

Regarding the grounds for declaring early termination, ENAIRE, as the holder of the financing agreements, does not breach any of the early termination conditions. Thus, this does not affect the Group's statement of financial position as of 31 December 2020 and 31 December 2019.

As a result of the exceptional situation caused by COVID-19 and its impact on EBITDA, as of 31 December 2020, the Net Financial Debt/EBITDA ratio of Aena SME SA has been 8.1x, which is in breach of the maximum ratio of 7.0x allowed in some financing agreements.

In view of the forecast of this rupture, Aena SME SA obtained on 1 December 2020 exemptions from compliance with the financial ratios of all the affected Financial Entities. These dispensations have a term of, until at least, 30 June 2022. In accordance with the established terms, the entities waive the right to declare their early maturity in the event of the possible breach of the aforementioned ratio.

The repayment schedule for the principal of the short and long-term debt with ENAIRE for financing airports (Note 3.2.c) at the end of the 2020 fiscal year is as follows:

Installations with Maturity	Thousands of euros 2020
2021	546,349
2022	535,836
2023	514,364
2024	512,641
2025	649,777
Subsequent	1,949,894
Total	**4,708,861**

The variations in the loan from ENAIRE balance which occurred in the fiscal year 2020 primarily relate to the principal amortisation of €633.619 million, as previously indicated.

(Amounts in thousands of euros unless otherwise stated)

The reconciliation between the opening and closing balances of the Financial debt components with the parent company in the statement of financial position is the following:

		Cash flows					
	31 December 2019	**Financing activities Collections**	**Financing activities Payments**	**Operating activities Interest payments**	**Transfers from short to long term**	**Accrued interest**	**31 December 2020**
Non-current							
AENA S.M.E., S.A. loan from ENAIRE	4,708,860	-	-	-	(546,348)	-	4,162,512
Adjustment of the loan from ENAIRE balance using the effective cost criteria	(3,257)	-	-	-	42	585	(2,630)
Subtotal AENA, S.M.E., S.A. long-term debt with ENAIRE	**4,705,603**	**-**	**-**	**-**	**(546,306)**	**585**	**4,159,882**
Current							
Loan from ENAIRE	633,326	-	(633,619)	-	546,348	294	546,349
Adjustment of the loan from ENAIRE balance using the effective cost criteria	(358)	-	-	-	(42)	84	(316)
Interest accrued on loans from ENAIRE	13,162	-	-	(38,525)	-	37,019	11,656
Subtotal of AENA, S.M.E., S.A. short-term debt with ENAIRE	**646,130**	**-**	**(633,619)**	**(38,525)**	**546,306**	**37,397**	**557,689**
Total	**5,351,733**	**-**	**(633,619)**	**(38,525)**	**-**	**37,982**	**4,717,571**

The variations in the loan from ENAIRE balance which occurred in the fiscal year 2019, primarily relate to the principal amortisation amounting to €633.744 million, as previously indicated.

The reconciliation between the opening and closing balances of the Financial debt components with the parent company in the statement of financial position is the following:

		Cash flows					
	31 December 2018	**Financing activities Collections**	**Financing activities Payments**	**Operating activities Interest payments**	**Transfers from short to long term**	**Accrued interest**	**31 December 2019**
Non-current							
AENA S.M.E., S.A. loan from ENAIRE	5,342,187	-	-	-	(633,327)	-	4,708,860
Adjustment of the loan from ENAIRE balance using the effective cost criteria	(3,965)	-	-	-	45	663	(3,257)
Subtotal AENA, S.M.E., S.A. long-term debt with ENAIRE	**5,338,222**	**-**	**-**	**-**	**(633,282)**	**663**	**4,705,603**
Current							
Loan from ENAIRE	633,159	-	(633,744)	-	633,327	584	633,326
Adjustment of the loan from ENAIRE balance using the effective cost criteria	(401)	-	-	-	(45)	88	(358)
Interest accrued on loans from ENAIRE	14,896	-	-	(43,851)	-	42,117	13,162
Subtotal of AENA, S.M.E., S.A. short-term debt with ENAIRE	**647,654**	**-**	**(633,744)**	**(43,851)**	**633,282**	**42,789**	**646,130**
Total	**5,985,876**	**-**	**(633,744)**	**(43,851)**	**-**	**43,452**	**5,351,733**

(b) Loans from credit institutions, Other LAHIII loans and Loans from LLAH III shareholders

As of 31 December 2020, AENA S.M.E., S.A. has long-term debt with credit institutions of €2,673.731 million and short-term debt of €53.370 million. Additionally, the other LLAH III loans amounts to €435.482 million. Since June 2020, the amount of long-term financial debt of the London Luton subsidiary has been transferred to short term, in accordance with IAS 1 for non-compliance with the limits of the Net Debt/EBITDA ratio included in its financing agreements (see Note 3.1.a).

The Brazilian subsidiary, Aena Brasil, has signed loans with credit institutions in 2020, the balance of which amounts to €3.620 million of non-current debt and €7.241 million of current debt at the end of the fiscal year.

(Amounts in thousands of euros unless otherwise stated)

As of 31 December 2019, the LLAH III Debts from credit institutions amounts to €417.235 million, of which €413.692 million is non-current debt and €3.543 million is current debt. Additionally, AENA S.M.E., S.A. had a long-term debt on that date with credit institutions of €250 million and short-term debt of €391.040 million.

The book values of the Group's debt with credit institutions are denominated in the following currencies:

	31 December	
	2020	**2019**
Thousands of euros (AENA)	2,723,731	641,040
Thousands of Pounds sterling (LLAH III)	391,511	354,983
Thousands of Brazilian reals (Aena Brasil)	69,225	-

In turn, the book value of the loan from LLAH III shareholders is also fully denominated in Pounds sterling at an amount of £50.564 million, €56.243 million at the exchange rate at the end of 2020 (2019: £46.740 million, €54.936 million at the exchange rate at the end of 2019).

i. Loans from credit institutions of the parent Company AENA S.M.E., S.A.

The Aena S.M.E., S.A. long-term debts with credit institutions balance amounts to €2,673.731 million as of 31 December 2020 (31 December 2019: €250 million) and its breakdown is the following:

Financial institution	2020	2019
EIB	475,630	-
CAIXABANK	400,000	-
UNICAJA	350,000	150,000
ICO	300,000	-
BANKIA	250,000	-
CAJAMAR	250,000	-
CREDIT AGRICOLE-CIB	200,000	-
KUTXABANK	200,000	100,000
ABANCA	100,000	-
BANKINTER	75,000	-
SABADELL	75,000	-
TOTAL	**2,675,630**	**250,000**

Of the above amount, the balances corresponding to UNICAJA, BEI, and ICO are subject to the same covenants established for the loan with ENAIRE. As indicated in Note 3.1., dated December 1, 2020, the Dominant Company has obtained temporary waivers until at least June 2022 of the financial leverage and financial expense ratios of all existing debt as of December 31, 2020.

As of 31 December 2020, the amount of commissions associated with these loans, which are accounted for at their lower value and pending allocation to the results, amounts to €1.899 million (2019: €0).

The AENA S.M.E., S.A. short-term debts with credit institutions balance as of 31 December 2020 amounts to €53.370 million (31 December 2019: €391 million), of which €3.370 million corresponds to outstanding accrued interest (31 December 2019: €40,000 from outstanding accrued interest).

(Amounts in thousands of euros unless otherwise stated)

ii. Credit facilities

1.The Sustainable Syndicated Line of Credit (ESG-linked RCF) for an amount of €800 million has the following breakdown by entities:

BANKING ENTITY	AMOUNT (thousands of euros)
BBVA	190,000
SANTANDER	160,000
BANKINTER	100,000
SABADELL	100,000
UNICAJA	100,000
KUTXA	100,000
IBERCAJA	50,000
TOTAL	**800,000**

This line matures in December 2025. There is no drawn balance as of 31 December 2020 (€391 million as of 31 December 2019). The interest rate is variable, with an initial spread (0.275% annual) over the Euribor at 1/3/6 months.

The initial spread is reviewed annually based on the following two variables:

a) Moody's and/or Fitch's credit assessment of AENA according to the following table:

CREDIT RATING	Applicable margin
A+/A1 or higher	0.225%
A/A2	0.250%
A-/A3	0.300%
BBB+/Baa1	0.350%
BBB/Baa2	0.400%
BBB-/Baa3 or lower	0.550%

b) The evolution of Aena's sustainability parameters in environmental, social and good governance issues (ESG "Environmental, Social and Governance" rating) assessed by the ESG rating provider selected by AENA (Sustainalytics), is such that if the score increases or decreases by five or more points with respect to the initial score, the resulting applicable margin will be reduced by 0.025% in the first case and will increase in the second.

2. As referred to in Note 3, the Company has €124.370 million of financing available (not drawn down) corresponding to loans with the EIB. The availability period is 24 months from the date the agreements are signed. Specifically, the end date of the availability of both loans is 30 November2022.

(Amounts in thousands of euros unless otherwise stated)

iii. LLAH III Loans

The financing, totalling £390 million, consists of:

- Five-year bullet loan (extendable by two additional years) for £30 million
- Loan payable in 12 years of £40 million,
- Loan payable in 10 years of £10 million,
- Private placement of 10-year bullet bonds amounting to £40 million,
- Private placement of bonds payable in 12 years amounting to £190 million,
- Five-year line of credit for £80 million (extendable by two additional years) for corporate and working capital needs.

The main characteristics of the financing are the following:

Credit facilities	£80m bank loans £230m private placement of bonds £80m line of credit
Maturity term	10-year average life
Benchmark rate differential (3 month or 6 month GBP LIBOR)	For the £30 million bullet loan and line of credit: Year 1: 135 bps Year 2: 140 bps Year 3: 150 bps Year 4: 160 bps Year 5: 175 bps Year 6: 190 bps Year 7: 240 bps For the £40 million and £10 million repayable loans: Year 1 to maturity: 185 bps
Net debt/EBITDA covenant	2017: 7.5x 2018: 7.5x 2019: 7.0x 2020: 7.0x 2021: 6.5x 2022: 6.0x 2023: 6.0x 2024: 5.0x 2025: 4.5x 2026: 4.0x 2027: 3.5x 2028: 2.5x 2029: 2.5x
Interest coverage ratio covenant: EBITDA/Net finance expenses	From 2017 to 2029: 2.00x

To mitigate the significant reduction in activity, Luton has drawn up a contingency plan with the objective of ensuring liquidity, as well as avoiding the consequences of non-compliance with the financial covenants in effect before the crisis. Among the actions developed, they have obtained a temporary waiver of compliance as of 31 December 2020, with the ratios established in their financial institution financing agreements. Currently, the Group is in negotiations with the financial institutions to obtain additional waivers of compliance as of 30 June 2021 and 31 December 2021. (Note 3.1.a).

On 31 December 2020, there is a drawn balance of £80 million from the working capital credit facility.

On 31 December 2019, there is a drawn balance of £44 million from the working capital credit facility.

iv. Loans from LLAH III shareholders

As indicated in Note 2.2.a), once the required authorisation from the Council of Ministers was obtained, Aena Desarrollo Internacional, S.M.E., S.A. exercised its right of purchase over the 11% of capital of LLAH III on 16 October 2014. The total amount that the Group paid for the transaction was £62 million (€77.8 million), which was broken down as follows:

- For the 11% option: £13.7 million (€17.2 million).
- For 51% of the shareholder loan previously held by Aerofi in its entirety: £48.3 million (€61.3 million). This amount is eliminated in the consolidation, thus the amount shown in this "Loans from LLAH III shareholders" heading solely relates to the LLAH III debt with AMP.

This heading only had a variation of €1.297 million during 2019 (2019: €2.664 million). In 2020, this was caused by the increase in the loan balance due to the capitalisation of unpaid interest and fluctuations in the euro/Pound sterling exchange rate. In 2019, the variation was caused by fluctuations in the euro/Pound sterling exchange rate (Note 31).

v. Aena Brasil loans from credit institutions

In order to strengthen liquidity for dealing with the potential effects of the COVID-19 pandemic on the company, Aena Brasil made a loan drawdown on 30 December 2020 amounting to R$70 million (€10.983 million at the closing exchange rate) with a maturity term of 18 months (Note 3.1.a).

(c) Promissory note programme (ECP)

On 30 October 2019, the Parent Company registered a Promissory Note Programme (Euro Commercial Paper) with the CNMV for €900 million for the maximum balance in the Fixed Income Market of BME. With this new instrument, Aena can flexibly place promissory notes with minimum unit nominal amounts of €500,000 and maturities between three and 364 days. This programme matured on 30 October 2020.

On 24 November 2020, AENA S.M.E., S.A. registered a new Promissory Note Programme (Euro Commercial Paper) with the CNMV for the same amount (€900 million) for the maximum balance in the Fixed Income Market of BME and under the same conditions as the previous one.

As of 31 December 2020, the paper issued under this programme amounts to €55 million (2019: €159 million).

(d) Other financial liabilities

This item corresponds mainly to bonds received from tenants of the commercial spaces of AENA S.M.E., S.A., in guarantee of compliance with their contracts, as well as bonds required in the contracts that it enters into with successful tenderers of works and services.

(Amounts in thousands of euros unless otherwise stated)

21. Deferred taxes

The analysis of the deferred tax assets and liabilities is as follows:

	31 December	
	2020	**2019**
Deferred tax assets:		
–Deferred tax assets to be recovered in more than 12 months	116,888	77,376
–Deferred tax assets to be recovered within 12 months	39,675	29,553
	156,563	**106,929**
Deferred tax liabilities:		
–Deferred tax liabilities to be recovered in more than 12 months	49,876	50,574
–Deferred tax liabilities to be recovered within 12 months	5,099	7,812
	54,975	**58,386**
Deferred tax assets (net)	**101,588**	**48,543**

Gross movement in the deferred taxes account was the following:

	2020	**2019**
As of 1 January	**48,543**	**53,949**
Tax charged/(credited) in the income statement (Note 32)	41,466	(11,309)
Tax charged/(credited) relating to other comprehensive income components (Note 32)	(306)	10,778
New credits with tax group companies	3,820	-
Use of credits	-	(2,335)
New negative taxable base credits and deductions pending application	10,661	-
Adjustment for variation in tax rates in England against results (Note 32)	(5,706)	30
Reclassifications	751	761
Exchange differences	456	(2,975)
Others	1,903	(356)
As of 31 December	**101,588**	**48,543**

(Amounts in thousands of euros unless otherwise stated)

Movements in deferred tax assets and liabilities during the fiscal year have been as follows:

Deferred tax liabilities	**Depreciation**	**Pension plans**	**Derivatives**	**Others**	**Total**
1 January 2019	**70,115**	**-**	**-**	**880**	**70,995**
Reclassifications	(761)	-	-	-	(761)
Charged/(credited) to the income statement	(7,571)	-	-	-	(7,571)
Charged/(credited) to the profit and loss account from changes of rates in England	270	-	-	-	270
Charged/(credited) to the profit and loss account for previous year adjustments	(262)	-	-	-	(262)
Reclassification of Deferred tax assets (***)	-	(6,824)	(561)	(19)	(7,404)
Exchange differences	3,119	-	-	-	3,119
As of 31 December 2019	**64,910**	**(6,824)**	**(561)**	**861**	**58,386**
To 1 January 2020	**64,910**	**(6,824)**	**(561)**	**861**	**58,386**
Reclassifications	(751)	-	-	-	(751)
Charged/(credited) to the income statement	(6,807)	365	-	-	(6,442)
Charged/(credited) to other comprehensive income	-	1,552	(559)	-	993
Charged/(credited) to the profit and loss account from changes of rates in England (Note 32)	6,498	(792)	-	-	(5,706)
Charged/(credited) to the profit and loss account for previous year adjustments	188	-	-	-	188
Exchange differences	(3,507)	365	37	-	(3,105)
As of 31 December 2020	**60,531**	**(5,334)**	**(1,083)**	**861**	**54,975**

(Amounts in thousands of euros unless otherwise stated)

Deferred tax assets	Depreciation (*)	Credit impairment losses	Derivatives	Fixed asset impairment	Pension plans	Credits due to Negative Taxable Base	Credits for rights pending application	Others	Total
As of January 2019	**68,006**	**(1,367)**	**23,540**	**11,562**	**-**	**-**	**-**	**23,203**	**124,944**
Charged/(credited) to the income statement	(6,413)	1,447	-	(11,551)	(2,846)	-	-	482	(18,881)
Charged/(credited) to other comprehensive income	-	-	9,482	-	-	-	-	1,491	10,973
Use of credits	(2,335)	-	-	-	-	-	-	-	(2,335)
Charged to the income statement from changes in tax rates in England (Note 32)	-	-	-	-	-	-	-	300	300
Charged to equity Net change in rates in England (Note 32)	-	-	(38)	-	-	-	-	(157)	(195)
Others (**)	(195)	(122)	-	-	-	-	-	(300)	(617)
Reclassifications to Deferred tax liabilities (***)	-	-	(561)	-	(6,824)	-	-	(19)	(7,404)
Exchange differences	-	-	5	-	-	-	-	139	144
As of 31 December 2019	**59,063**	**(42)**	**32,428**	**11**	**(9,670)**	**-**	**-**	**25,139**	**106,929**
Charged/(credited) to the income statement	(6,967)	1,283	-	35,535	231	3,332	7,329	4,942	45,685
Charged/(credited) to other comprehensive income	-	-	675	-	-	-	-	13	688
Parent Company Tax Group Companies	-	-	-	-	-	3,131	689	-	3,820
Others (**)	407	1,700	-	-	-	-	-	(17)	2,090
Exchange differences	20	(31)	-	(1,771)	-	-	-	(867)	(2,649)
As of 31 December 2020	**52,523**	**2,910**	**33,103**	**33,775**	**(9,439)**	**6,463**	**8,018**	**29,210**	**156,563**

(*) The "Amortisation" heading includes €11.671 million (2019: €11.671 million) of the outstanding balance of the credit initially recognised, in application of the right of deduction established by Act 27/2014, for the amount of €21.944 million, once the €0 used during 2020 (2019: €2.335 million) had been considered (see deductions table below).
(**) Primarily shows the effect of the final settlement of the Corporate Tax in 2019 and 2018 submitted in 2020 and 2019.
(***) These reclassifications are related to offsetting of taxes on profits corresponding to the same tax authority.

In fiscal year 2020, the following deductions, generated during the fiscal year, have not been applied in the payment of the Corporate Tax as a negative tax base was obtained, so they remain as amounts pending use in future fiscal years as of the closure:

	Year generated (1)	Year Due (2)	Amount pending as of 31/12/2019	Amount recognised in 2020	Amount applied	Amount pending as of 31/12/2020
Deductions in the Canary Islands for investments in fixed assets	**2020**	**2035**	-	7,191	-	7,191
R&D&I Deduction	**2020**	**2038**	-	135	-	135
Deduction for donations	**2020**	**2030**		3	-	3
Deduction for double international taxation	**2020**	**-**	-	689	-	689
Subtotal (Note 32)				**8,018**	**-**	**8,018**
Recovery of 30% not deductible (3)	**2020**	**-**	-	2,335	-	2,335
Total			**-**	**10,353**	**-**	**10,353**

In financial year 2019, the following deductions were applied in the payment of the Corporate Tax, without any deductions remaining pending upon closure of the year:

	Year generated (1)	Year Due (2)	Amount pending as of 31/12/2018	Amount recognised in 2019	Amount applied	Amount pending as of 31/12/2019
Deductions in the Canary Islands for investments in fixed assets	**2019**	**2034**	-	18,499	(18,499)	-
R&D&I Deduction	**2019**	**2037**	-	78	(78)	-
Deduction for double international taxation	**2019**	**-**	-	744	(744)	-
Subtotal (Note 32)				**19,321**	**(19,321)**	-
Recovery of 30% not deductible (3)	**2019**	**-**	-	2,335	(2,335)	-
Total			**-**	**21,656**	**(21,656)**	**-**

(1) The year of generation responds to the period in which the assets or personnel who qualified for the generation thereof were associated with the branch of airport activity.

(2) Deduction in the Canaries for investment in fixed assets: Royal Decree Law 15/2014. Fourth Transitional Provision, establishes a period of use of 15 years; Deduction recoverable at 30% adjusted for depreciation on Corporation Tax, Thirty-seventh Transitional Provision and Deduction to avoid International Double Taxation, Art. 31.6 of the Corporation Tax Act, does not set any limit on its use. A deduction for R&D&I is established in Article 39 of Corporation Tax Act 27/2014, which establishes an 18-year use period. Deduction for Donations (10 years)

(3) The €2.335 million of this deduction, recognised and not applied to taxation in 2020 and applied in 2019, do not reduce the expense for tax in that period given that they were recognised in 2015 (see Note 32).

The Group has not recorded as a deferred tax liability any amount relating to the taxation of potential future dividends since it has the ability to control the time of receipt of them and the sale of dependent companies is unlikely for the foreseeable future.

22. Employee benefits

The following table shows where the amounts for post-employment benefits have been included in the Group's consolidated annual accounts:

	31 December	
	2020	**2019**
Obligations in the statement of financial position for:		
- Long service awards	8,973	8,925
- Early retirement awards	796	714
- LLAOL defined benefit pension plans	26,174	35,000
Liabilities for employee benefits	**35,943**	**44,639**
- Defined contribution pension plans (Other accounts payable)	-	-
- Defined benefit pension plans	-	-
Total liabilities in the statement of financial position	**35,943**	**44,639**
Charges in the income statement included in operating profit/(loss) (Note 28):		
- Long service awards	680	636
- Early retirement awards	38	30
- Defined contribution pension plans	4,661	3,105
- LLAOL defined benefit pension plans	908	804
	6,287	**4,575**
Recalculation of valuations for:		
- Long service awards (Note 22.a)	43	(10)
- LLAOL defined benefit pension plans (Note 22.d)	(8,211)	7,668
- Early retirement awards (Note 22.b)	40	4
	(8,128)	**7,662**

a) Long service awards

The Collective bargaining agreement of the Aena Group of companies (state-owned enterprise "ENAIRE" and AENA S.M.E., S.A.) stipulates long service awards for services effectively provided during a period of 25, 30 or more years. The Company makes a provision for the present value of the best possible estimate of future commitment obligations based on an actuarial calculation.

The amounts reported in the statement of financial position were determined as follows:

	2020	**2019**
Present value of the financed obligations	-	-
Fair value of the assets associated with the plan	-	-
Financing deficit of plans	-	-
Present value of the non-financed obligations	8,973	8,925
Total deficit of defined benefit pension plans	8,973	8,925
Impact of the minimum financing / asset limit requirement	-	-
Liabilities recognised in the statement of financial position	**8,973**	**8,925**

Long service awards are non-financed defined benefits plans, thus no assets associated with the plan are recorded.

	Present value of the obligation
As of January 2019	**8,725**
Interest expense/(income)	127
Past service cost and gains and losses on settlements	646
	773
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	(10)
	(10)
- Plan payments:	
- Benefit payments	(563)
As of 31 December 2019	**8,925**
Interest expense/(income)	46
Past service cost and gains and losses on settlements	637
	683
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	43
	43
- Plan payments:	
- Benefit payments	(678)
As of 31 December 2020	**8,973**

The estimated accounting expense related to the long service awards for the fiscal year ended 31 December 2020 amounts to €726,000 (2019: €763,000). The amount of the expected accounting expenses corresponding to these awards throughout 2021 amounts to €646,000.

The weighted average duration of the defined benefit obligations is 17.03 years.

b) Early retirement awards

The Collective bargaining agreement establishes that any worker between the ages of 60 and 64 who, in accordance with the prevailing provisions, has the right to voluntarily retire early may receive a termination payment that, added to the consolidated rights in the Pension Plan at the time their contract terminates, is equivalent to four monthly salary payments from the base of calculation and the seniority complement for each year which remains before this person turns 64, or the corresponding proportional part.

In the fiscal year 2004, the early retirement awards were outsourced by contracting a single payment life insurance policy with Mapfre Vida on 25 March 2004. The value of the plan assets was determined as the value of the mathematical provision of the associated insurance policies.

The movements of the obligation for benefits defined during the year was the following:

	Present value of the obligation
As of 31 December 2019	**714**
Interest expense/(income)	4
Expected yield on associated funds	-
Past service cost and gains and losses on settlements	38
	(42)
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	40
	40
Rebates (Premiums)	
• Rebates	-
Plan payments:	
- Benefit payments	-
As of 31 December 2020	**796**

The movements of the obligation for benefits defined during 2019 was the following:

	Present value of the obligation
As of 31 December 2018	**670**
Interest expense/(income)	10
Expected yield on associated funds	-
Past service cost and gains and losses on settlements	30
	40
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	4
	4
Rebates (Premiums)	
• Rebates	-
Plan payments:	
- Benefit payments	-
As of 31 December 2019	**714**

c) Defined contribution pension plans

The collective bargaining agreement stipulates that any worker who can prove a minimum of 360 calendar days of recognised service in any of the entities and/or companies headquartered in Spain that constitute the Aena Group may participate in the Joint Promotion Pension Plan for the Aena Group entities. The Pension Plan covers the contingencies of retirement, incapacity (in its degrees of total permanent, absolute and major disability) and death, in accordance with the criteria contained in the minutes of the Negotiating Committee of the 3rd Aena Collective Bargaining Agreement dated 16 December 2002 on the characteristics of the new provision system for workers in the Aena Group, through which the aforementioned Pension Plan was established. This is notwithstanding the provisions in the minutes of the Aena Group Pension Plan Monitoring Committee dated 15 February 2005 and, if applicable, other subsequent instruments on the regulating specifications, which implement and supplement the previous one.

For this benefit, the Group has made definite contributions to the fund during the years prior to 2013. However, for the fiscal years 2017, 2016, 2015, 2014 and 2013, the Company has not made these contributions due to the abolition established in Act 3/2017, of 27 June, Act 48/2015, of 29 October, Act 36/2014, of 26 December, Act 22/2013, of 23 December, and Royal Decree-Law 17/2012, of 27 December, respectively, which established that public enterprises may not make contributions to pension plans for employees or collective insurance contracts that include coverage of retirement contingencies.

For the 2018, 2019 and 2020 fiscal years, extraordinary contributions were made to the Pension Plan based on the application of the last paragraph of art. 18.2 of the 2019 State General Budget Act (LPGE [Ley de Presupuestos Generales del Estado]), art. 3.2 of RD-Law 24/2019, and the final paragraph of article 3 Two of Royal Decree-Law 2/2020, for the amounts of €498,000, €650,000 and €2,444,000, respectively.

d) LLAOL defined benefit and defined contribution pension plans

On 31 January 2017. London Luton Airport Operations Limited (LLAOL), with the agreement of the Company's employees and the trustees of the plan, closed the accrual of future profits for its defined benefit pension plan (London Luton Airport Pension Scheme or LLAPS). It has been replaced from 1 February 2017 by a defined contribution pension plan.

At the LLAPS closing date, active members of the plan became deferred members of the plan and ceased to accumulate benefits for services rendered to the employer (LLAOL). Likewise, as from that date, contributions for services rendered by both LLAOL and the plan members ceased. LLAOL only retains the obligation to make contributions which, according to the periodic valuations of the plan, are deemed necessary to guarantee the payment of benefits for services rendered accrued prior as of 31 January 2017, restated annually in accordance with the terms set out in the LLAPS rules.

This defined contribution pension plan is managed by a third party selected for this purpose. The Plan’s assets are held in individual savings funds, separated from the assets of the group. Employees make contributions to these individual funds of up to a maximum of 6% of their basic salary. Employees can decide the amount of their contribution and how to invest it. The group makes contributions in a 2:1 ratio, up to a maximum of 12% of the basic salary. The cost of contributions by the group to the Defined contribution plan throughout fiscal year 2020 was €2.217 million (2019: €2.455 million).

The defined benefit commitments of the LLAH III group recognised in the consolidated statement of financial position, as well as changes to the present value of the obligations and the fair value of the plan’s assets, are the following:

	Present value of the obligations
As of 31 December 2019	**186,358**
Interest expense/(income)	3,514
Past service cost and gains and losses on settlements	-
	3,514
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	4,265
- Impact of the minimum financing / asset limit requirement	4,023
	8,288
Currency translation differences	(10,036)
Plan contributions by the company (*)	-
Plan payments	
- Benefit payments	(5,047)
- Administration expenses	908
As of 31 December 2020	**183,985**

(*) For administration costs

	Fair value of the Plan assets
As of 31 December 2019	**(151,358)**
Interest expense/(income)	(2,864)
Yield on associated funds	(16,499)
	(19,363)
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	-
Currency translation differences	8,274
Plan contributions by the company	(405)
Plan payments	
- Benefit payments	4,133
- Administration expenses	908
As of 31 December 2020	**(157,811)**
Provisions for pensions and similar obligations	**26,174**

The defined benefit commitments recognised in the consolidated statement of financial position in 2019, as well as changes to the present value of the obligations and the fair value of the plan's assets, were the following:

	Present value of the obligations
As of 31 December 2018	**163,898**
Interest expense/(income)	4,417
Past service cost and gains and losses on settlements	-
	4,417
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	21,492
- Impact of the minimum financing / asset limit requirement	(5,866)
	15,626
Currency translation differences	9,191
Plan contributions by the company (*)	804
Plan payments	
- Benefit payments	(6,774)
- Administration expenses	(804)
As of 31 December 2019	**186,358**

(*) For administration costs

	Fair value of the Plan assets
As of 31 December 2018	**(126,671)**
Interest expense/(income)	(3,532)
Yield on associated funds	(7,958)
	(11,490)
Recalculation of valuations:	
- (Gains)/losses due to changes in actuarial assumptions	-
Currency translation differences	(7,069)
Plan contributions by the company	(13,699)
Plan payments	
- Benefit payments	6,767
- Administration expenses	804
As of 31 December 2019	**(151,358)**
Provisions for pensions and similar obligations	**35,000**

The amounts recognised in the Profit and Loss Account are the following:

Allocations to results	2020	2019
Interest expense/(income)	650	885
Past service cost and gains and losses on settlements	908	804
Total charge in the profit and loss account	**1,558**	**1,689**

The assets of the plan, expressed as a percentage of the total fair value of the assets, are the following:

Plan assets	2020	2019
Shares	6%	4%
Fixed income in investment grade bonds	7%	4%
Investment funds	78%	67%
Cash	9%	26%

- (Gains)/losses due to changes in actuarial assumptions

The reported variation in the assets corresponds to the actuarial gains and losses due to changes in:

	2020	2019
Profitability of associated assets exceeding expected profitability	(16,499)	(7,958)
Financial assumptions	18,609	22,237
Changes in demographic hypotheses	(14,190)	(1,214)
Experience	(154)	469
Impact of the minimum financing / asset limit requirement	4,023	(5,866)
As of 31 December	**(8,211)**	**7,668**

The net liability has been reduced during 2020 from a deficit of €35 million to a deficit of €26.174 million, mainly as a result of the changes in demographic assumptions, as well as a higher than expected return on assets. However, these effects were largely offset by changes in the financial assumptions used in the calculation of the liabilities, especially due to the decrease in the used discount rate (from 2.0% in 2019 to 1.25% in 2020), and the impact of the adjustment derived from the minimum financing requirement.

The net liability was reduced during 2019 from a deficit of €37.227 million to a deficit of €35 million, mainly as a result of the contribution made by the company during the period, as well as a higher than expected return on assets and the impact of the adjustment derived from the minimum financing requirement. However, these effects were largely offset by changes in the financial assumptions used in the calculation of the liabilities, especially due to the decrease in the used discount rate (from 2.8% in 2018 to 2.0% in 2019).

The Group has conducted a sensitivity analysis of the main actuarial hypotheses, as well as the market conditions to which the fund is highly sensitive:

	Impact on the present value of the defined benefit obligations (thousands of euros)		
	Change in assumptions	Increase	Reduction
Discount rate	0.5	(17,516)	19,893
Inflation rate	0.5	14,905	(15,481)
		One year younger than assumed	One year older than assumed
Life expectancy	1 year	7,258	(7,131)

Moreover, to eliminate the Plan's deficit, LLAOL agreed to make contributions to the Plan until 31 March 2023. In addition, the Company will make contributions of £240,000 per year to cover the administration costs of the Plan (although, since July 2020, this amount was increased to £480,000 per year). Given the situation caused by the COVID-19 pandemic, the company and the Plan's trustees are in the process of agreeing on a review of the contributions plan detailed above.

The Contributions Plan for deficit compensation is reviewed every three years with each formal actuarial valuation. The next three-year assessment of the Pension Plan is set for 31 March 2020.

23. Provisions and contingencies

a) Provisions

The movements in this heading for fiscal years 2020 and 2019 are shown below:

	Environmental actions	Liabilities	Taxes	Expropriations and default interest	Other operating provisions	Infrastructure-related provisions	Total
Balance as of 1 January 2020	**72,301**	**37,443**	**8,527**	**8,012**	**34,230**	**1,508**	**162,021**
Allocations	2,766	6,940	2,494	75	30,327	1,572	44,174
Reversals/Excess	(294)	(10,462)	(1,089)	(314)	(9,796)	-	(21,955)
Applications	(2,430)	(16,078)	(1,779)	(115)	(39,190)	(26)	(59,618)
Currency translation differences	(63)	(13)	-	-	(90)	-	(166)
As of 31 December 2020	**72,280**	**17,830**	**8,153**	**7,658**	**15,481**	**3,054**	**124,456**

	Environmental actions	Liabilities	Taxes	Expropriations and default interest	Other operating provisions	Infrastructure-related provisions	Total
Balance as of 1 January 2020	**71,961**	**21,698**	**10,577**	**13,251**	**27,382**	**-**	**144,869**
Allocations	16,147	19,034	952	3,104	35,148	1,698	76,083
Reversals/Excess	(8,470)	(2,332)	(2,878)	(7,251)	(2,720)	-	(23,651)
Applications	(7,398)	(968)	(124)	(1,092)	(25,580)	(190)	(35,352)
Currency translation differences	61	11	-	-	-	-	72
As of 31 December 2020	**72,301**	**37,443**	**8,527**	**8,012**	**34,230**	**1,508**	**162,021**

Analysis of total provisions:

	31 December 2020	31 December 2019
Non-current	69,796	77,267
Current	54,660	84,754
Total	**124,456**	**162,021**

Provisions for environmental actions

Within this heading, provisions amounting to €69.539 million (31 December 2019: €69.700 million) were recognised in relation to the projected obligations for carrying out sound insulation and soundproofing works in residential areas to comply with the prevailing regulations on noise generated by airport infrastructures.

In addition, an environmental provision of €1.400 million (2019: €1.400 million) is recognised in relation to the additional measures contemplated in the Resolution of 9 April 2015, of the Secretary of State for the Environment. This resolution amends the ninth condition of the Environmental Impact Declaration for the Adolfo Suárez Madrid-Barajas Airport, of 30 November 2001, and makes provision for actions on the Arganda gravel pit, wildlife corridors and the Jarama river. The 2020 provision also includes the greenhouse gas emission allowances acquired by Aena for its consumption, for an amount of €301,000. This corresponds to the best estimate of the allowances consumed during 2020, based on the emissions actually produced during 2020 (see Note 27).

In the fiscal year ended 31 December 2020, €2.279 million has been provided for updating the noise footprints of certain Insulation Plans, which has resulted in the increase of dwellings that could require sound insulation. The estimate of unit prices used for 2019 has been maintained in the provision calculation. The balancing entry for these provisions is included under "Property, plant and equipment".

The allocation of €16.148 million to the provision for environmental actions during the fiscal year 2019 was due to, mainly, updating the noise footprints of certain insulation plans. In the Annual accounts for the fiscal year 2019, an average unit cost of €8,943/house was used (except for the Adolfo Suárez Madrid-Barajas airport, for which a cost of €15,311 was estimated due to the type of houses and buildings pending insulation at this airport, and for four other airports, for which the estimated average amount was €4,880/house). This reversal was made against the value of the fixed asset for which the provision was originally made.

The reversal that occurred during the fiscal year 2019, amounting to €8.372 million, was fundamentally related to a decrease in the average estimated insulation cost amount per house. In the Annual accounts for the fiscal year 2018, an average unit cost of €8,956/house was used (except for the Adolfo Suárez Madrid-Barajas airport, for which a cost of €16,743 was estimated due to the type of houses and buildings pending insulation at this airport, and for another three airports, for which the estimated average amount was €5,567/house).

The environmental assessment legislation (currently Act 21/2013) requires that certain AENA S.M.E., S.A. projects are submitted to an environmental impact assessment (particularly runway extensions exceeding 2,100 metres) and are finalised by the formulation of the corresponding environmental impact statements by the Ministry for Environmental Transition. Such statements contain the obligation to develop and execute Sound Insulation Plans (SIP).

In terms of noise, Act 5/2010, of 17 March, amending Act 48/1960, of 21 July, on Air Navigation, mandates the adoption of action plans, which contain corresponding corrective measures, when acoustic easements are established to meet acoustic quality objectives in relation to building exteriors, flight paths, flight frequencies and associated environmental impacts at airports with more than 50,000 flights/year.

The Group will recognise the corresponding provisions at the time when the obligation to insulate homes arises, that is, either when a new noise footprint is approved with importance in terms of sound insulation, an easement and its action plan (via Royal Decree), or through the approval of a new Environmental Impact Statement as a result of the environmental assessment of projects that require it. These published standards must be considered when making provisions, regardless of whether the insulation actions on the affected buildings are executed later, which leads to a time difference between the provision and execution of the works. The Company's directors do not expect there to be any significant liabilities or additional contingencies for this reason.

Provisions for liabilities

This heading mainly records provisions made, based on the best estimates available to the Company directors, to cover risks related to litigation, claims and commitments in progress that are known at the end of the fiscal year and for which it is expected that an outflow of resources in the medium or long-term is likely. As of 31 December 2020 and 2019, the Provision balances were primarily related to unfavourable judgements in claims made by lessees, and labour claims and other claims made by contractors and airlines

The provisions made by the Group during the fiscal year 2020, totalling €6.940 million, were mainly related to claims made by commercial lessees of €5.425 million and labour claims of €1.340 million.

The provisions made by the Group during the fiscal year 2019, totalling €19.034 million, were mainly related to unfavourable judgments in claims by land tenants (€14.436 million) and labour claims (€2.345 million).

During the fiscal year 2020, the reversals, amounting to €10.462 million, were mainly related to rulings on labour disputes that were favourable to the Group and other risks. These were paid into the profit and loss account, primarily under the "Excess provisions" heading.

During the fiscal year 2019, the reversals, amounting to €2.332 million, were mainly related to rulings on labour disputes that were favourable to the Company that amounted to €1.114 million. Out of this total of €2.332 million, €2.222 million was paid into the profit and loss account under the "Excess provisions" heading or applied to decrease staff costs based on the aforementioned obtained favourable labour judgments. The remaining €110,000 was paid to the value of the fixed assets against which the provisions were allocated.

The Group's directors do not view that, from all the liability proceedings underway, additional liabilities that could significantly affect these annual accounts could emerge.

Provisions for taxes

This heading mainly records provisions allocated with respect to appeals filed by the Group due to its disagreement with the proposed settlements received from the Tax Authorities regarding certain local taxes associated with airport assets which are pending final decisions. From these, it is expected that cash outflows are likely, the definitive amounts and the definitive settlement dates of which are uncertain on the preparation date of these annual accounts.

The amount of the reversals, fully paid in the profit and loss account under the "Excess provisions" heading, is mainly related to the favourable resolution to settlements in dispute or statutes of limitation for such tax settlements in favour of the Group.

Provisions for expropriations and default interest

The provision for expropriations and default interest records the best estimate of the amount relating to the difference between the prices paid for the expropriation of land required for the expansion of airports and the estimates of the prices that the Company would have to pay, considering that it is likely that certain legal claims in progress regarding some of the prices paid will be successful for the claimants. When estimating the amount of the differences affecting these prices, the Company has taken into account the default interest using the prevailing legal cash interest rate for each year as the basis of calculation.

As of 31 December 2020, there are provisions that mainly correspond to disputes related to expropriations of land at Vigo Airport and Adolfo Suárez Madrid-Barajas Airport. All these proceedings gave rise to a provision amounting to €7.658 million as of 31 December 2020, of which €6.360 million corresponded to price differences, for which the balancing entry was a higher value for land, and €1.298 million of accrued default interest as of 31 December 2020, for which the balancing entry was interest expense for expropriation delays (31 December 2019: €8.012 million, of which €6.630 million corresponded to price differences, for which the balancing entry was a higher value for land, and €1.382 million of accrued default interest as of 31 December 2019, the balancing entry for which was interest expense for expropriation delays).

The reversals indicated in the movements of the provision during the fiscal year 2019 were mainly a consequence of a Supreme Court Ordinance agreeing to the inadmissibility of a cassation appeal filed by the expropriated party. Of the €7.251 million reversed in 2019, €4.607 million was credited to the value of the fixed assets against which they were originally recorded and the remaining €2.644 million was credited to income (at the time they were allocated against interest expense for expropriation delays).

The finance expense of expropriations interest as of 31 December 2020, once the aforementioned reversals are taken into account, amounted to €30,000 (31 December 2019: income of €2.270 million).

Other operating provisions

This section records the provision for discounts applicable to landing and passenger-departure airport charges, accrued by airlines operating during certain days of the week at airports located in the Canary Islands. Also, the General State Budgets Act for the fiscal year 2016 established incentives in the public service benefits for passenger traffic, for growth in passenger numbers on the routes operated in the Aena network.

Furthermore, in accordance with section 3.9.2 of the Airport Regulation Document (DORA) 2017-21, which states that Aena may establish a scheme of incentives, which, being compatible with Act 18/2014, has a positive effect on demand and promotes, among other things, the establishment of new routes or strengthens existing ones; on 22 February 2017, Aena approved a new commercial incentive scheme for the DORA period, in order to continue promoting the opening of new routes, increasing long-haul passenger traffic, encouraging traffic at airports with lower traffic volumes and reducing the seasonality of airports with a strong seasonal component.

The impact of COVID-19 on airport activity resulted in these incentives being rendered ineffective, so, in order to contribute to the reactivation of air traffic in Spain, Aena offered a commercial incentive that promoted the scheduling of operations by airlines, regardless of the number of passengers. As of 1 July 2020, the incentive was applied to the percentage of recovery of operations in comparison with the same month of 2019, providing certain thresholds are met. Each airline could obtain a discount of 75% or 100% on the average monthly landing charge, for all those monthly operations carried out at network airports that exceed the recovery levels set.

Subsequently, and for the winter season, the Board of Directors approved a new incentive. This measure, applicable between November 2020 and March 2021, provides incentives for all movements operated and not only those above a certain threshold, provided the airline achieves at least a 20% recovery compared to the same month of the previous winter season. At the same time, this measure also cancels the incentive for opening routes to new destinations and the growth incentive, which will cease to be in effect as of the beginning of the 2020 winter season (25 October 2020).

The effect of traffic incentives amounted to a charge of €11,909,000 during the 2020 fiscal year (a net amount originating from the reversal of €9,777,000 of provisions from previous years) compared with €32,395,000 corresponding to the same period in 2019 (a net amount originating from the reversal of €2,720,000 of provisions from previous years). The above figures reflect the adjustment made in 2020 of the provision for growth incentives because, as a result of the drastic decrease in passenger traffic, many airlines have stopped meeting the necessary requirements to accrue them.

The applications received amount to €39,177,000 against this provision during the period (2019: €25,433,000).

As of 31 December 2020, the sum of the amount provisioned for all these items amounted to a balance of €6,929,000 (31 December 2019: €34,197,000).

This heading also includes a provision established in 2020 for the amount of €8,638 million to cover possible contingencies derived from the contractual modifications that the subsidiary LLAH III is currently negotiating with some of its clients as a result of the impact of COVID-19.

Provisions for actions related to infrastructure

This provision corresponds, in full, to the Concession Company for the Región de Murcia International Airport (AIRM) (see Note 2.2). The signed concession agreement includes, during its term, infrastructure replacement actions that are carried out with respect to periods of use greater than one year and which are required to maintain the infrastructure in a state which allows for the adequate provision of services.
These actions, insofar as they reveal infrastructure wear and tear, bring with them the provision of a systematic supply until such a time as these actions are to be carried out. The allocation of this provision results in an expense being recognised in the profit and loss account.

b) Contingent liabilities

At the end of fiscal years 2020 and 2019, the Group was involved in claims and legal disputes against it which arose during the normal course of its business, and for which Management considers it unlikely that there will be an outflow of resources.

Commercial activities

As of 31 December 2020, it is worth noting first the claim filed by CEMUSA, Corporación Europea de Mobiliario Urbano, S.A. (fully owned by JCDECAUX EUROPE HOLDING) in which the amount of €55.215 million is claimed based on the clause "rebus sic stantibus", with this claim not being related to COVID-19. This clause is invoked to support the claim of annulment of the contract, alleging that due to the 2008 crisis there was a fundamental change in the circumstances that motivated the contract and that it therefore prevents its compliance. Once the reply to the claim has been submitted, the previous hearing is pending without having been indicated so far. The General Secretariat considers that the risk is remote.

In addition, as of 31 December 2020, judicial proceedings are being conducted with different tenants of the Aena network. At the end of 2020, the tenants began some of these procedures, essentially requesting the suspension by AENA of the billing of the annual guaranteed minimum rent, as well as the suspension of the execution of the guarantees, all motivated by the health crisis derived from COVID-19. Up to that date, Aena has been summoned to the Courts as a result of seven lawsuits filed by three lessees, who are: ZEA RETAIL, S.L., AIRFOODS RESTAURACION Y CATERING, S.L. and BENICOCHES, S.L. The aggregate set of these contingencies amounts to €3,069,044.75.

Construction company claims

In addition to the above, as of 31 December 2020 and 31 December 2019 there are claims that have been filed against the parent Company by several construction companies arising from the execution of various construction contracts relating to the airport network. The Company management does not consider that significant economic consequences against it may arise from such claims.

Activation of the Special Force Majeure procedure in the concession agreement of Luton airport

Due to the effects of the COVID-19 pandemic, the Group requested the activation of the Special Force Majeure procedure provided for in the Luton Airport Concession Agreement, which recognises the right of the concession company to the financial rebalancing of the concession (Note 3.1). In accordance with the provisions of this procedure, the Group has not paid the Concession fees since 1 April 2020 (Note 20). As of the date these consolidated annual accounts were prepared, the procedure is suspended while discussions are being held with Luton Borough Council (LBC) on the conditions for the application thereof (Note 8.e). If it is determined that the special force majeure clause is not applicable, the unpaid concession rights would amount to £9.0 million (approximately €10.01 million).

c) Contingent assets

a) Contentious-administrative appeals of Aena against the CNMC Agreement of 10 December 2018.

1. *(PO 215/2019)* The purpose of this contentious-administrative appeal is the Resolution of the Regulatory Supervision Chamber of the National Commission of Markets and Competition of 10 December 2018 of the airport charges applicable by Aena, S.M.E., S.A. (Aena), in fiscal year 2019.

   The Contested Decision is part of the Agreement of Aena's Board of Directors, dated 24 July 2018. By means of the aforementioned Agreement, Aena approved the update of the airport charges for 2019 in application of the Airport Regulation Document 2017-21 (DORA) and in accordance with the provisions of Act 18/2014, of 15 October, on the approval of urgent measures for growth, competitiveness and efficiency.

   In this Resolution, the CNMC corrects Parameters K, B and D determined in the Agreement of 24 July to set the IMAAJ corresponding to 2019 from the IMAP provided for in the DORA; it aims to impose a series of criteria for the application of the IMAAJ formula – relating to Parameter K, B and D– which are contrary to the criteria established in Act 18/2014 –and, in addition, corrects and disables the instruments for determining variables and remunerative parameters such as DORA 2017-21 (in terms of estimated or expected traffic) and in the 2017 AESA (Spanish aviation safety and security agency) Technical Supervision Report –in terms of Parameters B and D–.

   On 16 May 2019, Aena proceeded to file the claim that has been answered by the State Attorney on 29 July 2019.

   This procedure is currently pending voting and ruling.

2. *(PO 490/2019)* This Appeal is directed against the Resolution of the Regulatory Supervision Chamber of the CNMC of 10 December 2018 for the accumulated conflicts presented by ALA, IATA and ACETA against the Resolution of the Board of Directors of AENA, S.M.E., S.A., dated 24 July 2018, in which the airport charges for the fiscal year 2020 are set.

   The purpose of the Contested Decision is to resolve the charge disputes presented by certain representative associations of the airlines, –i.e. ALA, IATA and ACETA- which are a result of the Agreement of Aena's Board of Directors dated 24 July 2018.

   In accordance with these criteria, and in contravention of the legal criteria for the determination of the charges of Act 18/2014, the Contested Decision corrects Parameters k and b set forth in the Resolution of 24 July to set the IMAAJ corresponding to 2019 from the IMAP provided for in the DORA; for which reason it must be nullified.

   In this way, it fully accepts the claims of the Associations - as it also did in the Oversight Report - even when they go against the provisions of Act 18/2014; since it is required that, in order to determine Parameters k and b, the provisions of the DORA and the Annual Technical Oversight Report (approved by the Spanish aviation safety and security agency) be taken into account. However, as has been observed, the Contested Decision applies a series of criteria to set the IMAAJ that are openly and directly separated from Act 18/2014; which makes its correction necessary, to avoid the incorrect application of the Act and distortions for future fiscal years that could derive from the application of the (arbitrary) CNMC criteria.

   On 4 July 2019, Aena proceeded to file the claim that has been corroborated by the State Legal Service on 17 January 2020.

   This procedure is currently pending voting and ruling.

b) Appeals against the CNMC Resolutions of 11 December 2019.

On 7 February 2020, Aena filed two administrative contentious appeals against two CNMC Decisions. Both Decisions are dated 11 December 2019.

1. PO 121/2020: This appeal was filed against the Supervision Resolution of the airport charges applicable by Aena, S.M.E., S.A. in fiscal year 2019. The purpose of this Decision is to oversee the transparency and consultation procedure in relation to the updating of airport charges for 2019. Aena's resources are focused on the calculation of the K parameter of the IMAAJ – and, in particular, the determination of the traffic estimate or Qt– and on the competition that has been impugned by the CNMC to determine a different traffic estimate or forecast, and based on its own sources, which appears in the DORA.

   On 10 November 2020 Aena filed the lawsuit, thus today the response to the lawsuit of the State Legal Service is pending.

2. PO 119/2020: This appeal was filed against the Decision of the accumulated disputes presented by ALA, IATA, ACETA and Norwegian entity against the Resolution of the Board of Directors of Aena, S.M.E., S.A. dated 30 July 2019 in which the airport charges for the fiscal year 2019 are set. The purpose of the appeal is similar to that arising from the contesting of the Oversight Decision, that is, contesting the scope of the CNMC's jurisdiction. Aena considers that the Commission, on the occasion of this Decision, is crossing the line by applying different traffic estimates, without prejudice to the result being the same: the modification of the charge update established by AENA.

   On 12 January 2021, the State Legal Service submitted the reply to the claim, on the same date the co-defendant was notified so that it could respond to the claim within twenty days.

24. Grants

The breakdown and movements of this heading as of 31 December 2020 and 2019 was as follows (in thousands of euros):

Capital grants from official European bodies	**2020**	**2019**
1 January	**497,342**	**530,811**
Additions	32	6,186
Allocations to results	(36,746)	(39,655)
31 December	**460,628**	**497,342**

The breakdown of this balance between the current and non-current portions is as follows:

	31 December 2020	**31 December 2019**
Non-current	425,917	461,690
Current	34,711	35,652
Total	**460,628**	**497,342**

The grants primarily come from resources granted by the European Regional Development Fund (ERDF) for the development of airport infrastructure.

The breakdown of the gross grants by operative programmes which were earned in the fiscal years 2020 and 2019 is as follows, in thousands of euros:

	Thousands of euros	
	2020	**2019**
Valencian Operative Programme	-	529
Region of Murcia Operative Programme	-	1,051
Canary Islands Operative Programme	-	4,687
Knowledge Economy Operative Programme	-	(7)
Total ERDF Funds earned	**-**	**6,260**
Menorca Airport wastewater treatment plant grant	192	193
Total	**192**	**6,453**

At the end of the fiscal year 2020, the Company believes that all the conditions needed to receive and enjoy the grants listed above have been met.

25. Other long-term liabilities

	Long-term liabilities	
	2020	**2019**
Bonds and others	14,927	15,462
Total	**14,927**	**15,462**

26. Commitments

a) Environmental commitments

The Group's management, faithful to its commitment to preserve the environment and to the quality of life around it, has been making investments in this area, which allow it to minimise the environmental impact of its actions, and protect and improve the environment.

As of 31 December 2020, property, plant and equipment included environmental investments totalling €553.6 million, with accumulated depreciation of €275.9 million (2019: investments of €545.4 million and depreciation of €259.1 million).

The environmental investments made by the Group in the fiscal year 2020, which encompass the elements included in the Company's assets with the goal of their being used in a lasting way in its activity, and whose main purpose is to minimise the environmental impact and to protect and improve the environment, including control, prevention, reduction or elimination of future pollution caused by operations performed by the Company, are detailed, by airport, below:

	Thousands of euros	
	2020	**2019**
Madrid/Barajas	3,732	4,161
Alicante	1,671	5,398
Palma Mallorca	981	3,967
Lanzarote	879	3,048
Málaga	692	2,364
Barcelona	557	159
Tenerife Norte	451	1,539
Ibiza	403	444
Bilbao	311	5,768
Tenerife Sur	193	1,287
Fuerteventura	135	1,022
Sevilla	118	1,820
Valencia	103	1,605
A Coruña	80	1,668
Gran Canaria	68	1,093
Other airports	603	1,892
Total	**10,977**	**37,235**

The profit and loss accounts of the fiscal years 2020 and 2019 include the following environmental expenses, broken down by category:

	Thousands of euros	
	2020	**2019**
Repairs and maintenance	(6,193)	(8,534)
Independent professional services	(2,319)	(2,795)
Other environmental services	(1,893)	(3,122)
Total	**(10,405)**	**(14,451)**

The environmental provisions and contingencies are outlined in Note 23. The environmental assessment legislation (currently Act 21/2013) requires that certain AENA S.M.E., S.A. projects are submitted to an environmental impact assessment (particularly runway extensions exceeding 2,100 metres), and are finalised by the formulation of the corresponding environmental impact statements by the Ministry for Environmental Transition. Such statements contain the obligation to develop and execute Sound Insulation Plans (SIP).

As of 31 December 2020, a total of 24,526 houses and buildings have been soundproofed in application of the Sound Insulation Plans (2019: 24,395 houses). This highlights 12,917 houses in the surroundings of the Adolfo Suárez Madrid-Barajas airport (2019: 12,909 houses), 2,993 at Alicante-Elche Airport (2019: 2,992 houses), 1,967 houses at Valencia Airport (2019: 1,963 houses), 1,572 at Bilbao Airport (2019: 1,562), 925 at Palma de Mallorca Airport (2019: 925), 977 at Tenerife Norte-Ciudad de La Laguna Airport (2019: 890 houses) and 811 at Málaga-Costa del Sol Airport (2019: 811 houses).

Likewise, in accordance with the resolutions of the Ministry for Environmental Transition for which environmental impact statements are formulated for AENA's airports, the preventative, corrective and compensatory measures cited in the preventative environmental impact studies and in the aforementioned Environmental Impact Statements are being carried out, thus fulfilling a series of conditions primarily with the protection of the hydrological and hydrogeological system; soil protection and conservation; air quality protection; acoustic protection; protection of the flora, fauna and natural habitats; protection of the cultural heritage, service restoration and livestock trails, location of cliffs, loan zones, landfills and auxiliary facilities.

a) Commitments to acquire fixed assets

The commitments for investments pending execution as of 31 December 2020 amounts to €1,355.70 million (2019: €1,302.6 million), among which are the awarded investments pending contractual formalisation and the firm investments pending execution.

b) Minimum future payments to be received for operating leases

The Company AENA S.M.E., S.A, rents out several speciality shops and stores under non-cancellable operating lease contracts. These contracts last between five and ten years, and most of them can be renewed upon expiration under market conditions. The total minimum fees for the next 5 years, for non-cancellable operating leases, are the following:

	2020	2019
Less than 1 year	701,756	797,758
Between 1 and 5 years	2,514,572	3,197,262
More than five years	25,777	80,108
Total	**3,242,105**	**4,075,128**

27. Other net profit/(loss)

	2020	2019
Other losses	(61,425)	(13,790)
Other earnings	3,085	2,026
Total other net profit/(loss)	**(58,340)**	**(11,764)**

In fiscal year 2020, the increase in the expense recorded in this heading is due to the exceptional expenses incurred by the group as a result of the measures taken for the control, containment and forecasting of the pandemic, during 2020, both in airport facilities, as well as in staff and health protection (Note 3.1.a).
This heading also includes seizure of guarantees and bonds, as well as collection of surcharges for delays and constraints; the losses mainly include indemnities and allocations to provisions for risks.

28. Expenses for provisions for employee benefits

	2020	2019
Salaries and wages, including other compensation for dismissal	(328,095)	(329,054)
Security social costs	(108,399)	(103,762)
Costs for pensions (Note 22)	(5,569)	(3,909)
Cost of premiums for retirement and tenure (Note 22)	(718)	(666)
Other social expenses	(14,095)	(18,782)
Total staff costs	**(456,876)**	**(456,173)**

During 2020, contributions have been made to the Pension Plan, as foreseen in article 18. Two and Three of the LGPE for the amount of €2.444 million in 2020 (2019: €650,000).

The number of employees at the end of the year by category and gender at the fully consolidated companies forming part of the Group was as follows:

	31-12-2020			31-12-2019		
Job category	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Senior Management	7	5	12	8	4	12
Executives and graduates	1,104	866	1,970	1,075	832	1,907
Coordinators	905	350	1,255	830	339	1,169
Technicians	3,019	1,437	4,456	3,110	1,524	4,634
Support staff	571	507	1,078	604	552	1,156
Total	**5,606**	**3,165**	**8,771**	**5,627**	**3,251**	**8,878**

The figures above include temporary employees, which at the end of the fiscal year 2020 totalled 501 (2019: 807).

The average staff of the financial year by category was the following:

Job category	2020	2019
Senior Management	12	11
Executives and Graduates	1,970	1,793
Coordinators	1,256	1,162
Technicians	4,534	4,574
Support staff	1,189	1,155
Total	**8,961**	**8,695**

The above figures include temporary employees, which, at the close of the fiscal year 2020, totalled 584 (2019: 833).

As for the Board of Directors of the parent company, it consisted of 15 members (10 men and 5 women) as of 31 December 2020 (2019: 11 men and 4 women).

As of 31 December 2020, an average of 122 employees had a disability (2019: 115).

29. Other operating revenue

The breakdown of Other operating revenue for fiscal years 2020 and 2019 is as follows:

	2020	2019
Miscellaneous income and other current management income	9,013	8,950
Operating grants incorporated into profit/(loss) for the fiscal year	649	1,117
Other operating revenue	**9,662**	**10,067**

30. Supplies and other operating expenses

a) Supplies

The breakdown of the “Supplies” heading for the fiscal years 2020 and 2019 is as follows (in thousands of euros):

	2020	2019
Purchases of other supplies	(930)	(1,218)
Works performed by other companies	(153,057)	(169,324)
Total	**(153,987)**	**(170,542)**

The work carried out by other companies corresponds, mainly, to communications, navigation and surveillance (CNS), air traffic (ATM) and aeronautical information (AIS) services provided by ENAIRE (Note 34) amounting to €113.368 million (2019: €131.232 million). This section also includes expenses arising from the agreement with the State Meteorological Agency (AEMET) for the provision of meteorological services to the airport network managed by AENA and SCAIRM (Note 34), amounting to €11.033 million (2019: €10.183 million), and the services provided by the Ministry of Defence, arising from the agreement signed with the Ministry, amounting to €6.241 million (2019: €5.064 million (Note 34)).

b) Other operating expenses

The breakdown of Other operating expenses for the fiscal years 2020 and 2019 is as follows:

	2020	2019
Leases and royalties	1,496	2,364
Repairs and maintenance	201,886	279,063
Independent professional services	45,331	62,001
Bank services	1,770	806
Public Relations	3,202	7,045
Utilities	66,069	106,810
Other services	112,453	201,761
Surveillance and security services	113,706	191,858
Taxes	161,536	158,128
Other current management expenses	12,778	61,954
Construction expenses (IFRIC 12)	2,200	3,531
Other operating expenses	**722,427**	**1,075,321**

The heading of “Repairs and maintenance” primarily includes expenses for the repair of airport infrastructure, maintenance of the SATE system (automatic baggage handling system) and cleaning the buildings and passenger terminals. “Utilities” relates mainly to lighting, water and telephone costs. “Other services” relate mainly to car park management services, the cost of services to assist passengers with reduced mobility, insurance premiums and public information services. The balance in Taxes primarily corresponds to the amounts paid in relation to local taxes, primarily property tax (IBI) and Economic Activity Tax (IAE), by the Parent Company. The “Other current management expenses” heading mainly includes the concession fee of the LLAH III Administrative Concession, for the amount of €9.925 million (2019: €59.075 million).

The decrease in spending is in line with the exceptional situation that occurred in 2020 as a result of the pandemic, which has entailed an extraordinary reduction in airport activity together with the implementation of a cost savings plan in order to protect the financial position of the Company.

31. Finance income and expenses

The details of Net finance expenses for the fiscal years 2020 and 2019 were as follows:

	2020	2019
Finance expenses:		
Finance expenses on debts with third parties	(46,976)	(47,982)
Finance expenses on loans from ENAIRE	(37,981)	(43,453)
Finance expenses for settlement of derivatives (Note 12)	(31,859)	(33,699)
Updating of provisions	(49)	(138)
Less: finance expenses capitalised in qualified assets (Notes 6 and 7)	626	486
Total finance expenses	**(116,239)**	**(124,786)**

	2020	2019
Finance income:		
Finance income from shares in equity instruments (Note 34)	417	417
Finance income from interest from expropriations	-	2,270
Other finance income	1,589	1,882
Total finance income	**2,006**	**4,569**

	2020	2019
Other net finance income/(expenses):		
Net translation differences	(5,863)	(2,478)
Gains or losses on disposals and others (Note 11)	42	-
Impairment of financial instruments	(1,357)	863
Other net finance income/(expenses)	**(7,178)**	**3,341**
Net finance expenses	**(121,411)**	**(116,876)**

In this chapter, the main variations in the fiscal year 2020 compared to 2019 are the following:

- The decrease in the "Finance expenses on loans from ENAIRE" heading occurs as a result of a decrease in average debt and interest rates.

- The variation in the exchange differences heading has been, mainly, caused by unfavourable changes in the exchange rates of the currencies with which the group operates (see Note 3).

32. Corporate Income tax

The Income tax heading of the attached consolidated income statement consists of:

	2020	2019
Current tax:		
Current income tax for the period	869	(447,234)
Credit to offset losses during the fiscal year	6,374	-
Change in tax rates in the United Kingdom (Note 21)	(5,706)	30
Adjustments from previous fiscal years and others	864	2,018
Total current taxes	**2,401**	**(445,186)**
Deferred tax (Note 21)	41,466	(11,309)
Deductions generated (Note 21)	8,018	19,321
Corporate income tax	**51,885**	**(437,174)**

The "Adjustments from previous financial years and others" item corresponds mainly to the regularisation between the estimate made at the close of the fiscal year and the presentation of corporate tax in the following year. In fiscal year 2019, the main difference was due to the new criteria of the State Tax Administration Agency (AEAT) regarding how to calculate the increase of equity in order to apply the capitalisation reserve reduction to the Corporate Tax for the 2018 fiscal year.

The main permanent differences for the 2020 fiscal year correspond to non-deductible expenses. In 2019, they were, fundamentally, the reduction of the Taxable Base derived from the adjustment for capitalisation reserve established in Article 25 of Act 27/2014 on Corporate Tax and non-deductible expenses. As regards the main timing differences for fiscal year 2020, these correspond to the impairment of the fixed assets (see Note 8), the difference between the fiscal and accounting amortisation, the endowment to the provision of insolvencies, and provisions for risks and staff costs.

The general tax rate of the Corporate Tax for financial years 2020 and 2019 was 25% for companies in the group located in Spain. For the LLAH III subgroup, the tax address of which is in the United Kingdom, it has been 19% in 2020 (2019: 19%), while for the subsidiary Aeroportos do Nordeste do Brasil S.A. it has been 34% (2019: 34%).

In fiscal year 2020, in force on 1 April 2020, a reduction of the tax rate to 17% in the United Kingdom's Corporate Tax was approved. However, on 11 March 2020, the proposal for the General Budgets Act for 2020 was presented to the British Parliament, which establishes maintaining the tax rate at 19%, thus eliminating the aforementioned reduction, which has made it necessary to re-evaluate the deferred tax assets and liabilities. This has produced an increase in Corporate Tax expenditure of €5.706 million (See Note 21).

With regard to 2019, as a result of the approval in 2018 of a decrease in tax rates in the United Kingdom, the assets and liabilities for deferred taxes were reassessed based on their estimated period of reversal in subsidiary LLAH III, recording the following impacts:

- Lower spending in the "Expenses on the profit tax" heading from the income statement in the amount of €30,000, of which an amount of €270,000 was charged, increasing them, to liabilities due to timing differences ("Deferred tax liabilities" heading of Non-current liabilities on the statement of financial position), while on the other hand, an amount of €300,000 was charged, increasing them, to assets due to timing differences ("Deferred tax assets" heading of Non-current assets in the statement of financial position) (see Note 21).

- A decrease in the "Deferred tax assets" heading for the amount of €195,000 with a balancing entry in Equity (Note 21).

The Group's income tax differs from the theoretical amount that would have been obtained had the average weighted tax rate applicable to the consolidated companies' profits been used as follows:

	2020	2019
Profit/(loss) before tax	**(212,633)**	**1,882,849**
Tax calculated at national applicable rate	53,158	(470,712)
Tax effects of:	-	
- Income from associates, net of taxes	268	5,612
- Effect of lower rate applicable to LLAH III	(4,002)	770
- Non-deductible expenses for tax purposes	(7,712)	(1,171)
- Capitalisation reserve	-	7,535
- Use of tax deductions not previously recognised	-	19,321
- Tax deductions recorded in the fiscal year with the tax group	8,018	-
- Tax adjustments in England (Note 21)	(5,706)	30
- Effect of higher rates applicable to Aena Brasil	7,125	446
- Adjustment for previous fiscal years	1,445	2,618
- Negative tax adjustments	(452)	(1,361)
- Reversal of deferred tax liability derived from LLAH III acquisition	(129)	761
- Others	(128)	(1,023)
Tax (expense)/ profit	**51,885**	**(437,174)**

The charge/credit for taxes relating to the components of other comprehensive income is as follows:

	2020			2019		
	Before taxes	**Tax (charge)/credit**	**After taxes**	**Before taxes**	**Tax (charge)/credit**	**After taxes**
Cash flow hedge	(5,301)	1,234	(4,067)	(38,375)	9,443	(28,932)
Actuarial gains and losses	8,120	(1,540)	6,580	(7,848)	1,335	(6,513)
Other comprehensive income	**2,819**	**(306)**	**2,513**	**(46,223)**	**10,778**	**(35,445)**
Current tax	-	-	-	-	-	-
Deferred tax (Note 21)		(306)			10,778	
		(306)			**10,778**	

Other issues

As established by current legislation, taxes may not be considered to be definitively settled until the relevant returns have been inspected by the tax authorities or until four years have elapsed since filing. In this regard, the companies comprising the AENA Tax Group have the fiscal year 2016 and subsequent years open for the tax inspection; in the case of Sociedad Concesionaria del Aeropuerto Internacional de Murcia SME., S.A., the first fiscal year open for tax inspection is 2018, the year of its incorporation into the group.

However, at the end of the fiscal year 2020, no Group company has any tax inspection procedure open.

The directors of Aena consider that the tax settlements have been properly carried out and, therefore, even if discrepancies were to arise in the interpretation of current legislation as a result of the tax treatment given to the transactions, any resulting liabilities, if any, would not have a material effect on the accompanying consolidated annual accounts.

The taxes for the last six years of the United Kingdom companies making up the LLAH III group are open to inspection by their taxation authority.

The taxes for the last two years of the Brazil company are open to inspection by their taxation authority.

33. Earnings per share

Basic earnings per share are calculated by dividing the profit/loss for the fiscal year attributable to the Company's shareholders by the weighted average number of outstanding ordinary shares during the fiscal year.

	31 December 2020	31 December 2019
Profit/(loss) for the fiscal year (thousands of euros)	(126,786)	1,442,022
Weighted average number of outstanding ordinary shares	150,000,000	150,000,000
Basic earnings per share (euros per share)	(0.85)	9.61

Diluted earnings per share are calculated by dividing the results for the period by the average weighted number of outstanding ordinary shares during the year, taking into account the diluting effects inherent in ordinary shares potentially outstanding during the year. As of 31 December 2020 and 2019, there were no diluting factors that change the amount of the basic earnings per share and therefore the figures are the same as those for diluted earnings per share.

34. Related party transactions and balances

The Group is controlled by the state-owned enterprise "ENAIRE", which holds 51% of the shares in the Share Capital of AENA S.M.E., S.A.

All related-party transactions are conducted at market values. Additionally, the transfer prices are properly supported, thus the Group's administrators believe that there are no significant risks in this respect which could arise from any liabilities that may exist in the future.

Within the section on related parties, those in which the government of Spain has a controlling position are not broken down. There is no significant balance or transaction with these parties.

The transactions carried out with related parties are set out below:

a) Sales of goods and services

Rendering of services:	2020	2019
-Ultimate company	**1,431**	**1,480**
ENAIRE	1,431	1,480
-Associates	**4,541**	**8,730**
SACSA	347	1,034
AMP	4,023	7,272
AEROCALI	171	424
- Related companies	**5,458**	**9,799**
Other related parties	5,264	9,548
SENASA	194	236
INECO	-	13
AEMET	-	-
ISDEFE	-	2
Total	**11,430**	**20,009**

b) Purchases of goods and services

	2020	2019
Services received:		
– Ultimate company	**113,639**	**131,684**
ENAIRE	113,639	131,684
–Associates	**562**	**604**
AMP	-	7
AEROCALI	562	597
–Related companies	**26,903**	**30,096**
Other related parties	8,367	7,687
SENASA	1,210	1,145
INECO	4,723	8,916
AEMET	11,033	10,183
ISDEFE	1,570	2,165
Total	**141,104**	**162,384**

Acquisition of assets (fixed assets)		
-Group companies	**91**	**533**
ENAIRE	-	371
ADI	91	162
–Related companies	**6,765**	**11,084**
Other related parties	3,347	5,778
INECO	1,319	2,943
ISDEFE	2,099	2,363
Total	**6,856**	**11,617**

The amount of the services received from ENAIRE corresponds mainly to services received from airfield air traffic control. To this end, the appropriate Service Agreement between the airport operator and the air traffic service provider has been concluded in order to determine the corresponding consideration to be paid for such services (ATM and CNS services). The cost of these services is recognised under “Supplies” in the accompanying consolidated income statement (Note 30).

Main contracts

The following are the contracts entered into by the Company with its majority shareholder, the public entity

- **ENAIRE**

On 20 December 2016, the Board of Directors of Aena S.M.E, S.A. approved the ATM (Air Traffic Management) and CNS (Communication, Navigation, Surveillance) Agreement, “Agreement to provide air navigation services between ENAIRE and AENA”, which was also approved by the Board of Management of ENAIRE on 23 December 2016. This agreement extends through the 2017-21 period for a total amount of €662.367 million. On 26 May 2020, the Aena Board of Directors approved an addendum to the “Agreement to provide air navigation services between ENAIRE and Aena” which involves a reduction of the annual amount by €12 million in the total amounts of ATM and CNS aerodrome services distributed between May and December 2020.

On 31 October 2017, Aena and ENAIRE signed a service provision agreement for the car parks of the Aena network, for the free use of the car park 15 days a year for ENAIRE employees. As a result of this agreement, the financial benefits between the parties during 2020 amounted to €37,000 (2019: €104,000) recorded at market value, although the amount paid by ENAIRE amounts to €9,000 (2019: €26,000).

- **INECO**

Additionally, there is a cooperation agreement with Ingeniería y Economía del Transporte, S.A. (INECO) to draw up and revise projects, supervise construction and provide technical monitoring assistance, engineering for certification, maintenance and operation of facilities and airport processes, planning, airport and environmental development, commercial airport development and logistics designs and studies in terminal buildings to improve operating efficiency and reduce costs even further. Its appendix of actions is renewed every year.

- **ISDEFE**

The related company ISDEFE has been providing AENA with a series of services, which fall within one of the activities of its corporate purpose. Among these are the following activities in accordance with the contract signed in December 2016 and which replaced the contract previously in force from 8 November 2013. Its appendix of actions is renewed every year:

- General coordination of Information and Communication Technologies, henceforth ICT.
- Definition of ICT systems and infrastructures.

- Lifecycle management of software.
- Office management of ICT projects.
- IT applications and infrastructure quality and tests.
- Integration of systems and support for operations.

- **AEMET**

The State Meteorological Agency (AEMET), in its capacity as the meteorological authority of the state and as the supplier of certificate services, is the sole officially designated organisation in Spain to provide meteorological services for aeronautical activities. In order for more suppliers of this service to be designated, regulations must previously be developed. AEMET also provides meteorological services to the rest of Spanish airports that are not managed by AENA S.M.E., S.A.

Additionally, AEMET is the owner of facilities and basic equipment to manage the meteorological services for air navigation.

As a result of the need for these services, Aena and AEMET signed an Agreement regulating this rendering of services covering the period from 30 December 2014 to 29 December 2016, signing a new contract with entry into force on 30 December 2016 for a period of one year, counted from the previous date. It is extendable by mutual agreement of the parties year by year, up to a maximum of two additional years, and has been renewed for the 2020–24 period for a total amount of €60.2 million.

Aena, since 2014, has paid for the services provided by AEMET at an initial payment of €7.5 million for the March-November period of 2014. Monthly payments of €833,000 have been paid since then until June 2020, the date on which the monthly payment increases to €953,000.

c) Income from shares in related companies

	2020	2019
-**Related companies**		
ESSP SAS	417	417
Total (Note 31)	**417**	**417**

In the fiscal year 2020, the Group received a dividend from European Satellite Services Provider SAS (ESSP SAS) in the amount of €417,000 (31 December 2019: €417,000).

As indicated in Note 9, in the 2020 fiscal year, there has been no revenue from approved dividends from associate companies.

d) Remuneration of key management personnel

See Note 35, Other information.

e) Year-end balances arising from sales/purchases of goods/services

	2020	2019
Receivables from related parties:		
-Associates	**1,989**	**5,147**
SACSA	45	139
AMP	1,933	4,951
AEROCALI	11	57
- Related parties	**717**	**8,679**
Other related parties	458	8,654
INECO	-	-
SENASA	258	24
AEMET	1	1
ISDEFE	-	-
- Ultimate parent entity	**442**	**287**
ENAIRE	442	287
Total receivables from related parties (Note 13)	**3,148**	**14,113**

	2020	2019
Payables to related parties:		
-Associates	**1,941**	**1,379**
AEROCALI	1,941	1,379
- Related parties	**6,565**	**11,313**
Other related parties	3,310	5,228
SENASA	84	73
INECO	1,413	4,312
AEMET	1,172	1,027
ISDEFE	586	673
- Ultimate parent entity	**19,726**	**23,895**
ENAIRE	19,726	23,895
Total payables to related parties (Note 19)	**28,232**	**36,587**

Receivables from related parties arise, primarily, from transactions involving the sale and purchase services. The receivables are not secured due to their nature and do not accrue interest. There is no provision for accounts receivable from related parties.

Accounts payable to related companies arise, primarily, from transactions involving the purchase of fixed assets and the provision of ATM and CNS services mentioned in heading a). The above balances are included under the "Related party creditors" and "Related party suppliers of fixed assets" headings (see Note 19). Payables do not pay interest.

f) Loans and derivatives with related parties (Note 20)

	31 December	
	2020	**2019**
Non-current		
AENA S.M.E., S.A. loan from ENAIRE	4,162,512	4,708,860
IFRS 9 adjustment	-	-
Adjustment of the loan from the Company balance using the effective cost criteria	(2,630)	(3,257)
Subtotal AENA, S.M.E., S.A. long-term debt with ENAIRE	**4,159,882**	**4,705,603**
Current		
Loan from ENAIRE	546,349	633,619
IFRS 9 adjustment	-	(293)
Adjustment of the loan from ENAIRE balance using the effective cost criteria	(316)	(358)
Interest accrued on loans from the Company	11,656	13,162
Subtotal of AENA, S.M.E., S.A. short-term debt with ENAIRE	**557,689**	**646,130**
	4,717,571	**5,351,733**

The book and fair values of the loans with the State-owned Enterprise "ENAIRE" are broken down in Note 20.

35. Other information

Audit fees

The auditing company of the Group's annual accounts, KPMG Auditores, S.L., has charged professional fees and expenses during the fiscal years 2020 and 2019 according to the following breakdown:

Item	2020	2019
Audit services	249	201
Other verification services	11	17
Other services	92	90
Total	**352**	**308**

Other verification services and other services correspond to assurance services on regulatory compliance, and services of procedures agreed on financial information provided by KPMG Auditores, S.L. to Aena and its subsidiaries during the fiscal years ended 31 December 2020 and 31 December 2019.

The amounts included in the above table include all the fees for services rendered during the fiscal years 2020 and 2019, regardless of when they were invoiced.

In addition, other entities affiliated to KPMG International have invoiced the Group during the fiscal years 2020 and 2019 for fees and expenses for professional services, with the following breakdown:

Item	2020	2019
Audit services	168	77
Other verification services	13	10
Other services	6	7
Total	**187**	**94**

Remuneration of Senior Management and the Directors

The remuneration received during the fiscal years 2020 and 2019 by the senior management and directors of the parent Company, classified by item, was as follows (thousands of euros):

	2020			2019		
Item	**Senior Management**	**Board of Directors**	**Total**	**Senior Management**	**Board of Directors**	**Total**
Salaries	1,412	-	**1,412**	1,328	-	**1,328**
Allowances	8	119	**127**	37	115	152
Pension plans	7	-	7	-	-	**-**
Insurance premiums	7	-	7	7	-	7
Total	**1,434**	**119**	**1,553**	**1,372**	**115**	**1,487**

The compensations received during the 2020 fiscal year correspond to the compensations received by AENA S.M.E., S.A. amounting to €1.434 million for 10 senior management positions and the Chairman-CEO (2019: €1.372 million).

In addition, the Directors and Senior Management have not been granted advances or credits, nor have obligations been assumed on their behalf as collateral, nor have civil liability insurance premiums been paid for damages caused by acts or omissions in exercising the position. Likewise, the Company has no obligations concerning pensions and life insurance with respect to former or current Directors or Senior Management.

Transactions unrelated to ordinary traffic or in non-market conditions carried out by the Company's Directors

During fiscal years 2020 and 2019, the Directors did not carry out transactions with the Group nor with Group companies outside of the ordinary course of business or under conditions other than market conditions.

Shareholdings and positions held and activities carried out by members of the Board of Directors in other similar companies

During the fiscal years 2020 and 2019, the members of the Board of Directors did not hold any ownership interests in the capital of companies that directly engage in activities that are identical, similar or complementary in nature to the corporate purpose of the Company. In addition, no activities that are the same, similar or complementary to the activities constituting the Company's corporate purpose have been carried out or are currently being carried out.

As of 31 December 2020 and 2019, there are no members of the Board of Directors that hold directorship or executive positions at other Group companies.

None of the persons related to the members of the Board of Directors hold any shareholding in the share capital of Companies, and hold no position and exercise no function within any Company that has the same, similar or complementary corporate purpose as the Company.

Situations of conflicts of interest concerning the Directors

In order to avoid situations of conflict with the interests of the Company, during the fiscal year, Directors who have held positions on the Board of Directors have complied with the obligations set out in Article 228 of the Consolidated Text of the Corporate Enterprises Act. Similarly, these persons and those related to them, have refrained from engaging in any conflict-of-interest situations mentioned in Article 229 of that Act, except where the relevant authorisation has been granted.

Sureties and guarantees

The bank guarantees provided to various Institutions as of 31 December 2020 amounts to €29.846 million (31 December 2019: €10.280 million).

The Directors do not expect significant additional liabilities to arise as a result of the said guarantees.

36. Events subsequent to the reporting period

1. As a consequence of the health crisis caused by COVID-19 and the measures adopted by public authorities to deal with it, Aena S.M.E., S.A. began negotiations with the commercial activity tenants to agree on changes in the contractual conditions, including the fixed rent and the minimum annual guaranteed rent (MAGR, hereinafter).

These negotiations, in which the Company has made different commercial proposals based on the evolution of the activity and always under the legal framework existing at each moment in time, have been affected by the continued deterioration of expectations regarding the recovery of air traffic.

Following the entry into force on 24 December 2020 of Royal Decree-Law 35/2020 on urgent measures to support the tourism, hospitality and commerce sector and in tax matters, this negotiation process has culminated in the proposal made by the Company on 18 January 2021 to the commercial operators of duty free shops, specialty shops, food and beverage establishments, commercial operations, vending machines, financial services and advertising in relation to the MAGRs:

-For the period between 1 January 2020 and 14 March 2020 (both inclusive) the rent will be applied in accordance with the provisions of the original contracts, that is, a prorated MAGR for 74 days.

-The MAGR will not be applied for the period between 15 March 2020 and 20 June 2020 (both inclusive).

-For the period between 21 June 2020 and 31 December 2020 (both included) an MAGR resulting from applying a 50% reduction on the MAGR provided for in the contract, prorated over the 194 days of this period, will be applied. Except for advertising, where an MAGR per passenger will be applied.

-For the period between 1 January 2021 and 8 September 2021 (both inclusive) a percentage of 50% of the prorated MAGR will be applied on the days accrued in this period. Except for advertising, where an MAGR per passenger will be applied.

-As of 9 September 2021 (included) and until the end of the contract, the conditions provided for in the original wording thereof will resume.

-If the Company, in order to comply with the measures imposed by the health authorities, has been forced to close some airport areas, it is willing, if so requested and within the framework of the agreement reached, to reduce up to 100% of the MAGR corresponding to the number of days of each annuity in which the area in which the premises are located has not been operational.

The rest of the contractual conditions will remain in force, including the variable income and the obligation to pay the property tax, the expenses for supplies and other taxes and items that can be passed on.

As communicated in said letter, the commercial proposal that Aena offers is global and indivisible and requires the formalisation of the appropriate contractual document amending the corresponding contracts. In the same way, each lessee is informed that in the event that they do not agree to the conditions offered or do not respond within the period granted to that effect, Aena will proceed to invoice the MAGR for the year 2020 and the other corresponding concepts as of that date in accordance with the contracts in force.

The latest information available indicates that 72 commercial operators have accepted this proposal, which represents 52.9% of the total affected contracts and 13.2% of the affected MAGRs.

2.On 12 February 2021, the CNMC issued its Resolution on the supervision of Aena's airport fares in fiscal year 2021. In the aforementioned Resolution, the CNMC declares the rate update approved by Aena applicable, given that the 2021 IMAAJ is €10.27 per passenger, which implies a rate variation of 0%.

aena

Consolidated Management Report | 2020

Contents

Document approach

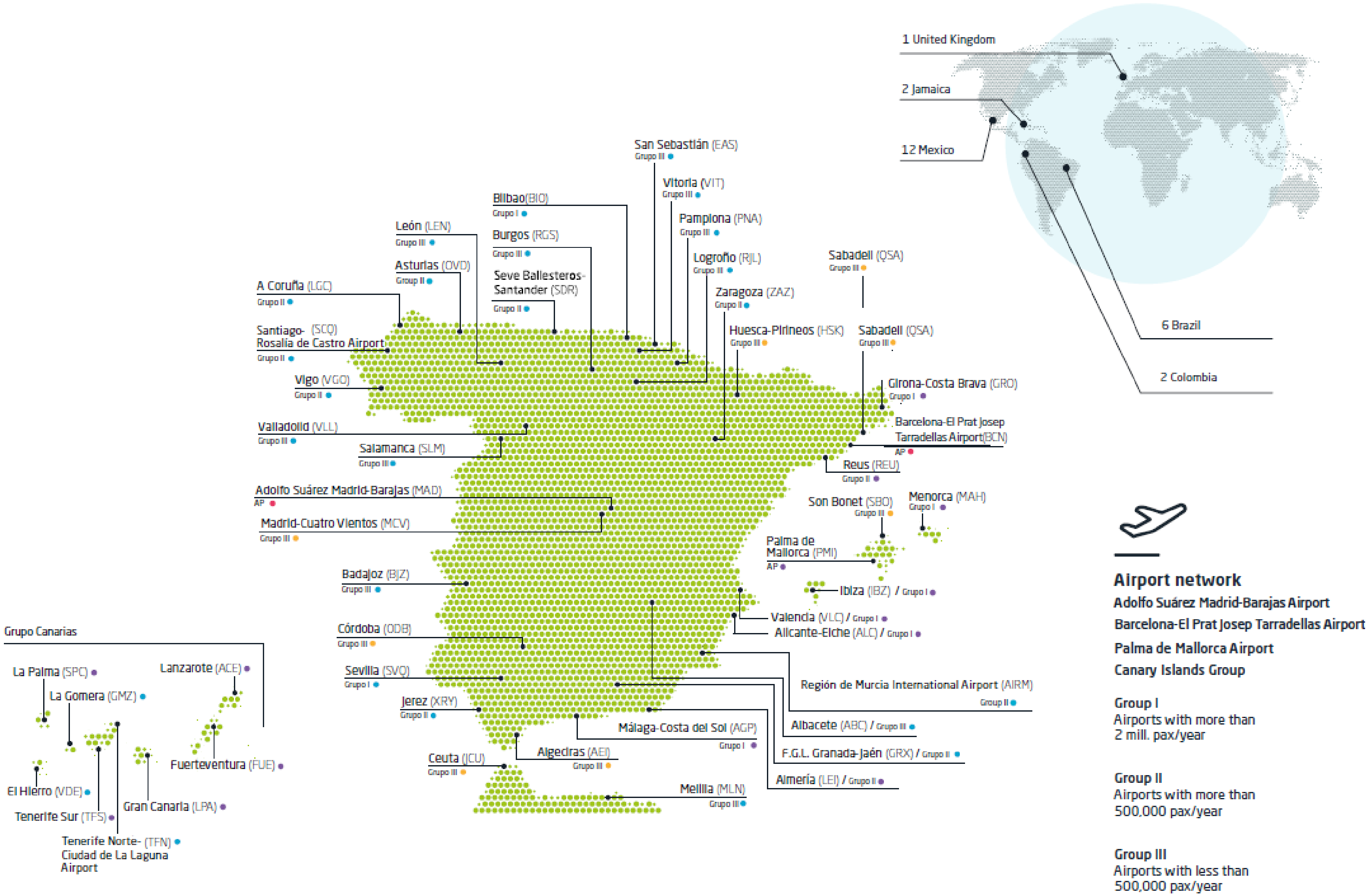
The Consolidated Management Report presents information related to the activity of the Aena Group during the 2020 fiscal year, and must be understood in the context of said fiscal year, taking into account the characteristics of the same and as a response to stakeholder expectations of receiving relevant information.

The health situation that has arisen as a result of the COVID-19 pandemic is a globally relevant event of such magnitude that, in line with Aena's commitment to transparency, it makes necessary detailed reflection and an analysis on its effects on the Company's activity. Despite the difficulty of predicting its evolution and the current uncertainty, this Aena Report seeks to demonstrate how the Company creates value in the short, medium and long term. To present this information in a truthful, relevant and accurate manner, in accordance with the most recognised reporting practices, the Company's economic and financial information is complemented with a Non-financial Information Statement and a Corporate Governance Report for the 2020 fiscal year. The company's website (www.aena.es) offers additional detailed information on different aspects, which are relevant to the different stakeholders.

As detailed in Note 5 of the Consolidated Annual Accounts, the Group conducts its business activities centred on the following segments: Airports, Real Estate Services, International and SCAIRM. The Airports segment encompasses the Group's operations as a manager of its airport network in Spain, and In the financial information by segments of the Consolidated Annual Accounts, they are identified in the activity called aeronautics. Likewise, the Airports segment includes the activity of managing the commercial spaces in the airport terminals and the network of parking lots, which are identified under the activity called Commercial. The Real estate services segment essentially includes the Group's operation of the industrial and real estate assets that are not included in the airport terminals. The Internacional segment relates to the Group's international development, which coincides with the operations carried out by the subsidiary Aena Desarrollo Internacional, S.A., and consists in investments in other airport operators, mainly in the United Kingdom, Brazil, Mexico and Colombia. The SCAIRM segment corresponds to the activity of the Company "Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E., S.A.", which is also considered a single cash generating unit itself. For analytical purposes and with the aim of offering a better understanding of the results of the Group's management of the airports that it operates in Spain, the operational information as well as the financial data of the Company "Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E., S.A." are integrated with those of the network by presenting the evolution of the aeronautical, commercial and real estate services activity in this Consolidated Management Report.

Aena airport network

The Aena group is made up of Aena, Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia (the concession company of the Región de Murcia International Airport, “SCAIRM”), Aena Internacional, the companies of the London Luton Airport Group, as well as the Concession Company Aeroportos do Nordeste do Brasil, S.A. (the concession company of the Northeast Brazil airport group, “Aena Brasil”).



Airport types Heliport Regional Tourist Hubs and general aviation **MA** Major Airports

The evolution of the Group's business is explained in the Consolidated Management Report, the exposure of which analyses in detail the operational data of the aeronautical activity, as well as the results of the business areas developed by the Group. With regard to data on the aeronautical operations, sections 2.1 and 2.2 of the chapter Economic and Financial Information include a comprehensive description of the evolution of traffic at the airports of the network in Spain, and section 2.3 includes the evolution of operations corresponding to airports where the Group has an international presence. For their part, the financial results of the business areas are analysed by segment in section 3. For these analytical purposes and with the aim of offering a better understanding of the results of the Group's management of the airports that it operates in Spain, the operational information as well as the financial data of the Company "Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E., S.A." are integrated with those of the network by presenting the evolution of the aeronautical, commercial and real estate services activity in the Consolidated Management Report.

Consolidated Management Report 2020

Last year, the structure of the Consolidated Management Report was improved to provide both the financial and non-financial information in a single document: Consolidated Annual Accounts and Consolidated Management Report, which, in Section 14, includes the Non-Financial Information Statement. The Annual Corporate Governance Report (document that followed the CNMV [the Spanish Securities Market Commission] format) and the Corporate Responsibility Report were also published.

In 2020, this information is grouped into a single document, as sections of the Consolidated Management Report, available in the following sections:

- **'*2020: an unprecedented challenge*',** which offers a cross-sectional view of the impact of the COVID-19 pandemic on air transport and airports managed by Aena, risks and risk management.
- Block A: ***'Economic and financial information'***
- Block B: **'*Non-financial Information Statement*' (NFIS),** which includes the information required by Act 11/2018 concerning non-financial information and diversity, along with the most relevant information contained in the traditional Corporate Responsibility Report.

  To address some of the issues included within the scope of the NFIS (Non-Financial Information Statement) and to avoid duplications on aspects detailed in other sections (in particular, this chapter, as well as in **"*2020: an unprecedented challenge*"**), the correspondence table includes a brief mention of these issues as well as reference to the chapter in which they are explored.
- **"Corporate Governance": Executive Summary,** which offers a general overview of the content detailed in the Annual Corporate Governance Report.
- **Appendices**
  - Consolidated Financial Statements.
  - Summary of communications with the National Securities Market Commission.
  - Annual Corporate Governance Report (document following CNMV format).

This format presents the information more clearly, and integrates financial information and that related to environmental, social and corporate governance activities (known as ESG), with the aim of facilitating its understanding, avoiding repetition and, at the same time, improving and expanding upon the level of disclosure and transparency.

Level of review by external auditors

The content of the 2020 Consolidated Management Report has been submitted, as required by current legislation, to different levels of review by external auditors and verifiers with their corresponding degrees of assurance. The different levels of review can be summarised as follows:

- KPMG, Auditores, S.L. has verified that the Consolidated Non-financial Information Statement and certain information included in the Annual Corporate Governance Report, referred to in the Auditing of Accounts Act, has been provided in the manner as set out in the applicable regulations. It has also evaluated and informed about the consistency of the rest of the information included in the Consolidated Management Report with the Consolidated Annual Accounts, as well as whether the content and presentation of this part of the Consolidated Management Report are in accordance with the applicable regulations. See 'Other information: 'Consolidated Management Report' in the 'Audit Report', under 'Audit Report and Consolidated Annual Accounts'.
- KPMG, Auditores, S.L. has issued an Independent Reasonable Assurance Report on the Internal Control System on the financial information of Aena S.M.E., S.A. and subsidiaries as of 31 December 2020, which is in-

cluded as an appendix to section F of the Annual Corporate Governance Report of Aena S.M.E., S.A. of 31 December 2020.

- Deloitte, S.L. has issued a verification report with a limited scope of review of the contents in terms of non-financial information and diversity required by Act 11/2018 and included in this consolidated management report. This Report is included as an 'Independent Verification Report' within the 'B. Non-financial Information Statement' section.

With regard to forecasts and estimates, it is currently difficult to anticipate when the recovery in traffic will be seen. The content of the 2020 consolidated Management Report does not collect forecasts in terms of passengers or results estimates.

As a sample of Aena's commitment to the regular rotation of external auditors, and in compliance with Article 52 of its Corporate Bylaws, the account auditors will be appointed by the General Shareholders' Meeting before the end of the fiscal year to be audited, for a certain initial period of time, which may not be less than three (3) years or greater than nine (9), from the date on which the first fiscal year to be audited begins, being able to be re-elected by the General Shareholders' Meeting under the terms provided by law once the initial period has ended. Additionally, for its contracting, Aena is subject to comply with Act 9/2017, of 8 November, on Public Sector Contracts, which transposes into the Spanish legal system the Directives of the European Parliament and of the Council 2014/23/EU and 2014/24/EU, of 26 February 2014.

Materiality

The 2020 materiality analysis involves an update of the issues identified in the previous fiscal year, achieved through an analysis of the presence of Aena in external sources, the identification and characterisation of the stakeholders involved, and the preparation of a "material thermometer" —taking the Mitchell model as a reference[1], assessing the relevance of the groups based on their power, legitimacy and the urgency of claims—, and proceeded to a reformulation with the aim of adapting it to the 2020 context.

From an external perspective, the following have been reviewed:

- Public sources and international reference bodies to identify the main trends and challenges affecting the sector (the Spanish Congress of Deputies, CNMV, European Parliament, European Commission, ACI and CEOE [Spanish Confederation of Business Organisations], articles of the Elcano Royal Institute, World Economic Forum, Forética, APD and Edelman Trust Barometer).

- Trends and main aspects evaluated by investors and ESG rating agencies in financial and extra-financial matters, including the most recognised reporting standards (mainly GRI, SASB, Global Compact and the United Nations Sustainable Development Goals).

- Reports on the Company's presence on social networks; complaints appearing on Twitter and Facebook in 2020; information published by reference public organisation bodies: BlackRock letters to managers, companies and CEOs (2020); Aena 2020 Shareholders' Meeting; and press releases and news about the company published in digital newspapers.

From an internal perspective, the results of the analysis carried out in 2019 on different areas of the Company have been considered in terms of their perception on the relevance of the different trends recognised, and the identification of the main risks, adapting them to the context of the COVID-19 pandemic and their relevance to the different issues based on the strengths of the Group, and the impact on management that these may have.

In conclusion, the list of relevant topics in 2019 has been updated, adapting them to the 2020 context and incorporating the following issues:

- Reinforcement, in all definitions, of the most transversal issues: being customer-focused; sustainability and environmental considerations; talent management; safety culture from a broader perspective, incorporating the context of a health emergency; the exposure of the business to the risks of the technological environment (cybersecurity); and the presence of innovation and technology in all processes.

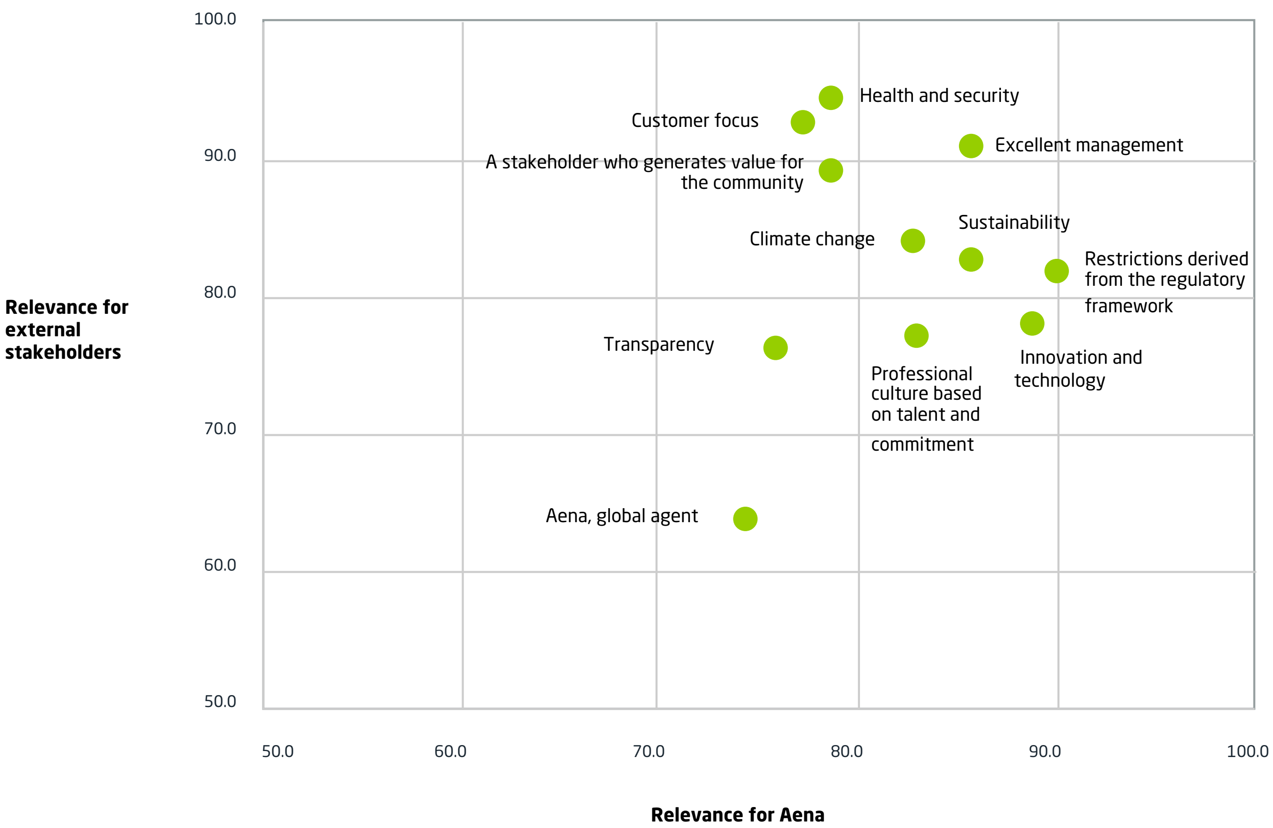
- Inclusion of the SDG perspective and social contribution in the context of the health emergency at all levels: risk or opportunity management, government, alliances, security, solidarity, etc.

To compile the chart of material issues, which is presented below, we have taken the scores attributed to the different issues covered in the analysis for the year 2019, which was derived from consultations with the Aena business units.

[1] R. K. Mitchell, B. A. Agle & D. J. Wood, 1997. 'Toward a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts'.

These scores have been updated with the analysis of external sources carried out in 2020. The information that appears in the sources consulted has initially been grouped by topics, associating each piece with a specific topic and stakeholder. This results in a classification of the topics according to their frequency and importance (medium, high or very high) that each stakeholder concerned represents for the company. This relationship has subsequently been refined to improve its consistency with global trends at the end of 2020, increasing the score of the topics mentioned in the Global Risk Report of the World Economic Forum, the Forética Report on post-COVID-19 scenarios, the Edelman 2021 Trust Barometer and the APD Observatory No. 2 on Sustainable Transformation.

As a result of the process, some of the issues have been renamed and grouped with respect to 2019, resulting in the following chart of material issues:



Material issuess for Aena

Aena material aspect	Why is it material?	Examples of issues taken into account
Customer focus	Aena's search for excellence implicitly involves delivering all services with the highest level of quality, excellence and innovation. The Company focuses on the customer, so that their journey through our airports is a positive experience, where the maximum quality and safety requirements are combined with the most advanced methods and technologies to reduce waiting times and improve conditions.	• Future trends • Geopolitical factors • Economic Situation • Customer health and safety • Suppliers • Business model • Complaint mechanisms
Health and security	Safety and security are priorities in airports around the world. In order to prevent risky situations from occurring, possible contingencies that may affect the normal performance of activities must be continuously evaluated, while mechanisms, measures, and human and material resources aimed at guaranteeing airport, operational and information security must exist and be made available, in line with applicable national and international regulations. In addition, increasing process digitisation exposes the Company to emerging cybersecurity risks. Strengthening computer security mechanisms and protocols is essential for a company such as Aena, for which the comprehensive protection of all (employees, external companies, general users, etc) takes precedence. In 2020, as a result of the health emergency, the concept of Health Safety is also particularly relevant, focused on minimising the risk of contagion, promoting and preserving the health of the whole of society.	• Geopolitical factors • Regulatory factors • Business model • Risk management • Relationship with stakeholders • Customer health and safety
Climate change	The urgency to address the health crisis has not diverted the global concern for climate change and its consequences, and key institutions are advocating economic recovery that allows the negative consequences of both situations to be addressed at the same time: the pandemic and the fight against climate change. Aena is defining its new roadmap in the full knowledge that the recovery must be a green recovery, and is committed to sustainability, protecting the environment, decarbonisation and the climate emergency as key issues within its management. The group seeks to establish measures for all groups with which it has a relationship in order to make progress in this area and multiply the impact of its decisions by involving customers, suppliers and collaborators. The Company develops and implements policies, strategies and procedures, using as a reference, among others, the Sustainable Development Goals, the TCFD recommendations, the Principles of the Global Compact, and the environmental objectives set at national and international level.	• Fight against climate change • Energy consumption
Sustainability	The Sustainable Development Goals, the Principles of the Global Compact, and the environmental goals set at national and international level also define Aena's roadmap to ensure that sustainability is fully integrated into the business model and ensure the creation of shared value in the environment in which it operates and society as a whole.	• Impact on local communities • Relationship with stakeholders • Efficient consumption of resources • Biodiversity • Human resources and talent management
Innovation and technology	The management of airports is directly related to the use of cutting-edge technologies and the development of specific solutions for all the challenges that Aena faces when carrying out its activity, both in terms of internal management and in areas related to customers and shareholders. The company continuously works to improve processes and tools, and is open to collaboration with internal and external stakeholders, thus ensuring a safe and quality service.	• Relationship with stakeholders • Efficient consumption of resources

Material issuess for Aena

Aena material aspect	Why is it material?	Examples of issues taken into account
Excellent management	The company's survival is based on obtaining sufficient profitability thresholds to meet its operational needs and the interests of all its owners, both public institutions and private shareholders. The Company makes every effort to guarantee the best services, while ensuring the best financial results. Aena sees trust as an essential pillar for maintaining the business, based on efficiency, quality and transparency, aimed at all stakeholders. To achieve this, the Company makes various communication channels available to them that are treated with the utmost seriousness and are open to dialogue.	• Geopolitical factors • Economic situation • Suppliers • Business model • Risk management • Regulatory factors • Relationship with stakeholders
Professional culture based on talent and commitment	The social and economic relevance of the activities carried out by Aena requires the best talent, and relies on teams that are motivated and committed to a shared project, built with the contributions of all and supported by the vocation of public service. Given the severity of the crisis caused by the pandemic, the Company has focused its efforts on ensuring the health and safety —both physical and emotional— of workers; promoting equality, conciliation, and minimising the impact of the pandemic on all its professionals. Management of "talent" has also been a priority, and a basic pillar for the management and performance of the organisation in which the well-being of employees has been a priority.	• Equality • Talent management • Training • Employment • Organisation of work • Social dialogue • Human rights and labour rights
A stakeholder who generates value for the community	Large infrastructures are designed to improve people's lives. Their optimal management involves considering, in addition to operational factors, the implications for sustainable development and the expectations of external groups, as well as promoting synergies and alliances that multiply the positive impacts of operations and contribute to building the trust that stakeholders place in the Company.	• Dialogue with stakeholders • Relationship with local communities • Social action • Suppliers • Human rights
Restrictions derived from the regulatory framework	Aena, as a state trading company configured as a public limited company, may be exposed to certain limitations due to its legal status (for example, in the hiring of personnel, in bidding processes, or organisational development), which could represent a competitive disadvantage compared to other private listed companies, making it difficult to respond to new challenges and opportunities. Nevertheless, Aena maintains strict and timely compliance with the growing regulations regarding its activities and characteristics, optimally complying with mandates received from its shareholders, and collaborating with different authorities in the design and operation of resilient, and effective, infrastructures.	• Business model • Regulatory context • Risk management
Transparency	We view transparency as an essential pillar of the trust that all our stakeholders place in us. To achieve this, we make various communication channels available to them that are treated with the utmost seriousness and are open to dialogue.	• Regulatory factors • Relationship with stakeholders • Suppliers • Business model • Risk management
Aena, global agent	Aena's vocation to expand its operational excellence model finds its natural scope in airports located outside of Spain, with other business guidelines and, often, at different times in the business cycle. The Company thus diversifies risks and makes the most of opportunities in its management capabilities, based on participation in each entity, without circumventing its responsibilities as an active and relevant member of the different communities.	• Economic situation • Geopolitical factors • Relationship with stakeholders • Business model • Risk management

Relationships and dialogue with stakeholders

Understanding the expectations of stakeholders is critical for Aena, and is an essential element for setting goals, creating long-term value and contributing to the Sustainable Development Goals.

Aena builds relationships with its stakeholders on the basis of transparency, dialogue, the generation of trust and creation of shared value

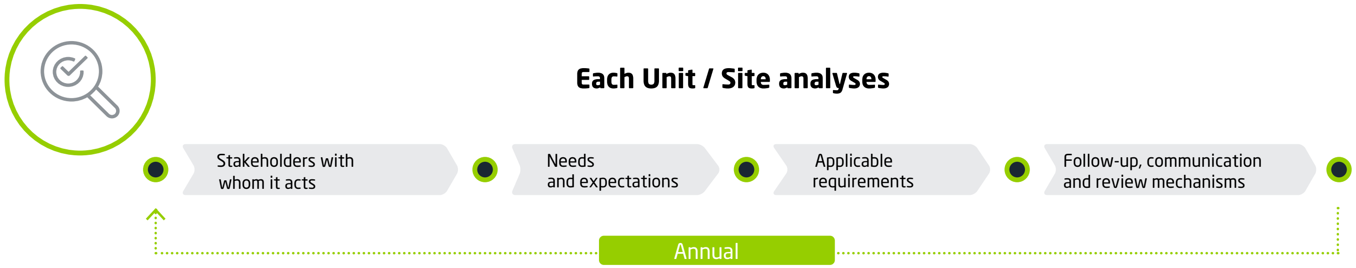
The principles on which the Company bases its relationship with its stakeholders are formalised through the Corporate Responsibility Policy, the Code of Conduct and the Communication Policy, which reflect the importance of applying mechanisms that contribute to establishing and maintaining effective channels of communication, participation and dialogue, basing commitments on values such as transparency, opportunity, relevance and co-responsibility.

The Integrated Management System (IMS) includes the process to follow in order to understand the needs and expectations of stakeholders, as well as the materialisation of requirements and the use of tools for assessing compliance. Each Aena unit/site is involved in this process, conducting a specific analysis of the stakeholders with whom it interacts, and of the methods established for follow-up and review.

On an annual basis, the Management Review of the IMS analyses the possible changes that may exist in the needs and expectations of the stakeholders, and evaluates the degree of satisfaction in order to improve the services provided and adapt them accordingly.

In the most recent review of stakeholder parent companies, audited by Aenor within the framework of ISO 9001:2015, the Company has identified 26 different groups that can influence it, or that affect Aena's decisions. For the purposes of this report, these groups have been placed into 10 categories.

The stakeholder participation process in the Company comprises a series of active and two-way communication tools and mechanisms, which facilitate dialogue, collaboration and continuous accountability, while helping to evaluate and permanently reinforce Aena's commitment



Communication from Aena with its stakeholders

Major stakeholders	Communication tools	Expectations
Passengers (low cost, seniors, business, family, leisure, etc.)	• Complaints, suggestions and compliments tracking and management • Periodic analysis of ASQ surveys • EMMA surveys • Monitoring of process indicators • DORA indicators • "HappyorNot" devices	• Absence of supervening costs • Good quality/price ratio • Excellence in service • Commercial and catering offer • Efficiency, attention and friendliness of staff • Service advantages • Minimum wait times • Comfortable and clean facilities • Charging points, Wi-Fi • Competitive prices and discounts
Airlines (low cost and traditional)	• Surveys to companies • Direct contact/meetings • Indicators associated with company processes • Attendance at specialised forums and conferences • User committee • Work groups	• Efficient and coordinated work procedures • Quality of service • Active collaboration • Operational and analytical information of potential markets • Incentives and discounts • Operational priorities • Help with passenger mobility • Biometric boarding • Baggage tracking • Facilities and initiatives
Employees and other units	• Suggestion box/Intranet • Training surveys • HR management process indicators • Performance management system • Regulatory compliance system • Meetings with union representatives • Internal satisfaction surveys • Internal meetings • Internal and external audits	• Acknowledgement • Professional development • Transparency and ethics • Ease of providing ideas • Social contribution • Clear guidelines for action • Proactivity
Public Administration, Regulatory bodies and other bodies (Enaire, Aemet)	• Public noise information and consultations • Regulatory compliance system • Specialised committees • Internal and external audits • Evaluation of compliance with legal requirements • Meetings/contacts • Work groups • Inspections • Presentations	• Interministerial Commission for Defence and Development • Site-specific meetings/committees • National Security Committee • Simulations • AESA and internal audits • Emergency Committee
Ministry of Defence, security forces and bodies, civil protection and other emergency services	• Specialised committee (emergency, national security, simulations, etc) • Meetings • AESA and internal audit committees • Interministerial Commission for Defence and Development meetings	• Interministerial Commission for Defence and Development • Site-specific meetings/committees • National Security Committee • Simulations • AESA and internal audits • Emergency Committee

Web

Networks

Press

Alliances

Common

Communication from Aena with its stakeholders

Major stakeholders	Communication tools	Expectations
Society, Local Communities/ Nearby Companies/ NGOs/ Associations	• Commissions and committees • Public information • Complaints, suggestions and compliments tracking and management • Meetings • Work groups • Intersectoral committees	• Sound Insulation Plan Commissions • Public information on plans, projects, strategic noise maps • Complaints, suggestions and compliments tracking and management • Meetings with companies and associations • Work groups • Consultations, and public information on plans and projects • Intersectoral committees
Investors and shareholders	• Meetings • General meeting • Public information • Communications to the CNMV • Contact Channels for Relations with Investors	• Meetings of the Board of Directors • Annual shareholders' meeting • Publication of results • Internal Control over Financial Reporting System (ICFR) • Risk management system • Internal and external audits
Communication media	• Meetings • Complaints, suggestions and compliments tracking and management • Follow-up of news in the media	• Meetings with the media • Media complaints, suggestions and compliments tracking and management • Follow-up of news in the media
Suppliers **Service-providing partners and other leaseholders** **Cargo companies** **Tour operators**	• Direct contacts and meetings with contractors; leaseholders; handling agents; user committees; complaints, suggestions and compliments management; • Indicators • Follow-ups and analysis • Work groups • Analysis of results of the service rendered • VIP room surveys, parking and commercial services, companies • Specialised forums and conferences	• Meetings with contractors, user committees • Contractor follow-up/service provided • Work groups • Complaints, suggestions and compliments tracking and management • DORA, technical specifications, process-related indicators • Company and operator surveys • Direct contact/meetings • Attendance at specialised forums and conferences • Direct contact/meetings • Cargo facilitation committees
General aviation	• User committee • Direct contact/meetings • Work groups	• User committee • Direct contact/meetings • Work groups

NFIS and other reports

Dialogue

Appointments and remuneration committee

Board of Directors

Common

Communication and transparency

To ensure effective two-way communication, the Company makes a series of communication channels available to all its stakeholders. These include the Company's website and social networks.

The commercial services that Aena provides to its different users, both passengers as well as travel companions and employees, are adapted to their profiles. This commercial offer presents varied and attractive types of concepts, both locally and internationally.

According to the survey conducted to analyse the workers' general perception of internal communication during confinement, more than half of the respondents considered that Aena has reported sufficiently, and 71% feels that the transparency was sufficient or considerable.

Corporate website and intranet

Using the **online services** portal, available on the Company's website, stakeholders can **make suggestions for improvements or report any reason for dissatisfaction online.** This information is essential for the continuous improvement of the Company's performance.

Main reflection of the Company's commitment to information, dialogue and transparency.

The website includes all information for general users, as well as details concerning the business and its progress. Likewise, it responds to the different stakeholders and contains specific sections in which more detailed information can be found according to the needs raised. Including:

Some specific sections

- **Shareholders and investors portal,** with detailed information on the company's financial development and sustainable corporate governance.
- **Corporate information.**
- **A corporate and environmental responsibility section,** specifying key data and management mechanisms concerning Aena's ESG performance.
- **Contracting and companies,** with basic information and links to redirect to contracting portals.
- **Information for users and airlines** in general.
- **Employment portal,** with details of the recruitment processes.
- **Online services portal** for the electronic processing of any suggestion for improvement, complaint or claim by stakeholders.

COVID-19: communication and transparency

As a result of COVID-19, the Company has made a **significant effort in communication and transparency,** adapting its website to provide useful information at all times to airport users, including passengers, airlines, commercial operators, leaseholders, employees, etc.

External

Likewise, specific landing pages have been created to detail Aena's response to COVID-19 with the specific measures adopted, information for users to take into account before traveling and during their journey through the airport, updated details of the status of Aena airports, etc.

Internal

This effort has also been made internally, increasing the frequency of communication with the organisation's employees and using new channels to do so (newsletters, management team meetings, emails, intranet, etc).

Almost **17 million** visits to the Aena website (Spain and Brazil).

65 internal publications (Aena 360°) during the state of emergency period alone, which were assessed in the employee perception survey with a score greater than 4 out of 5 by nearly 75% of employees.

Approximately **200** questions received during the virtual meeting with the President and the HR manager, open to all employees, which received a rating of more than 4 out of 5 from almost 67% of employees in the employee perception survey.

Almost **Ten** direct communications to employees (letters) from the Chairman informing them about the situation of the Company and the conditions of the health emergency.

Social media

Almost **440,000** interactions with network users.

More than **1.4 million** views on YouTube.

Almost **100,000** followers on social media.

They allow the Company to receive continuous feedback from its stakeholders and promote those aspects that are of greater interest to users.

The Company makes an ever-increasing effort to promote its presence on digital media and social networks, by offering periodic information about its activities and sharing actions, proposals and initiatives relating to innovation and sustainable development with stakeholders.

In 2020, social networks have become a fundamental tool for Aena, reporting on the status of airports in real time, and acting as speakers for the needs of stakeholders, thus responding to all issues in real time:

During the first state of emergency (March-June), on Twitter, which was Aena's main communication channel, the were more than **5.2 million views** and more than 14,800 clicks **on links,** alongside more than **4,800 retweets** and more than **12,700 likes.**

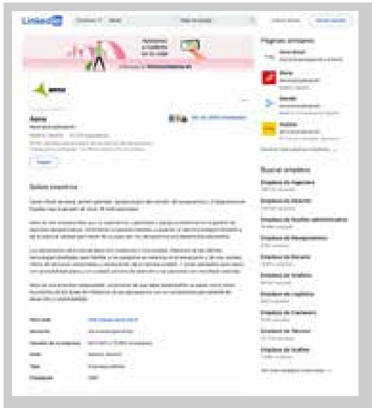
Aena Profiles

↗ Aena Facebook

↗ Enjoy Aena Facebook

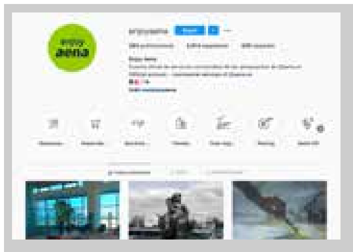
↗ Twitter

↗ Linkedin



↗ Instagram

↗ Enjoy Aena Instagram



↗ YouTube

2020: An unprecedented challenge

Milestones

JANUARY

- Start of Aena's operations at the Juazeiro do Norte-Orlando Bezerra de Menezes and Campina Grande-President João Suassuna airports.
- Aena launches the third call for the Innova awards among its employees.

FEBRUARY

- The Company launches a new employee portal.
- The Company presents the results for 2019, with the best record in its history, a total of:

275M PASSENGERS

MARCH

- Aena successfully concludes the beginning of the management **6** AIRPORTS IN BRAZIL
- On 1 March 2020, the airport charges applicable for 2020 came into force.
- The health crisis erupts due to the outbreak of COVID-19 and one of the strictest lockdowns in Europe begins in Spain. Many of the Company's employees start working from home.
- Aena reinforces communication channels with its employees.

APRIL

- Aena becomes an essential party in the transportation of goods.
- The Company donates **€2** MILLION to the CSIC for COVID-19 research.
- Aena launches the "SUPPORTIVE PAYROLL" INITIATIVE to raise funds for the CSIC. More than 100,000 euros are collected, in more than 2,500 contributions.
- The GRO (Operational Recovery Group) is created to identify safe airport processes.

MAY

- Aena strengthens its LIQUIDITY to address the COVID-19 crisis (€2,000 million).
- Aena assumes the cost of the airport charges for aircraft that have transported medical supplies.
- Aena joins the Vueling and Iberia initiative, taking charge of the 25,000 double-ticket airport charges that airlines give to healthcare personnel.

JUNE

- Aena launches 'DESPEGANDO RECURSOS' (Deploying Resources), with the aim of caring for emotional well-being.
- The Aena Board of Directors decides to cancel the proposal for the application of results for the 2019 fiscal year and postpones the Shareholders' Meeting.
- The Minister of Health, the Minister of Transport, Mobility and Urban Agenda, the CEO of Aena and the Director of the Adolfo Suárez Madrid-Barajas Airport supervise security measures before the opening of borders and the arrival of the first flights.

JULY

- Aena launches AENA VENTURES, an accelerator in search of startups

SEPTEMBER

- Aena launches Aena Maps, a guided platform for the inside of its airports.
- Aena voluntarily provides its workers with various COVID-19 diagnostic tests, that can be taken on a voluntary basis, in order to contribute to the return to work with maximum safety.

OCTOBER

- Aena holds its General Shareholders' Meeting remotely.
- During the months of October to December, the consultation process on the 2021 airport charges is carried out.

NOVEMBER

- Vocento rewards Aena for its commitment to gender DIVERSITY AND EQUALITY.
- Recife Airport receives the Secure Tourism Seal of the Ministry of Tourism of Pernambuco, for its efforts to comply with the COVID-19 safety protocols in recent months.

DECEMBER

- The year ends with: **+72%** FALL IN TRAFFIC
- On 22 December, the first meeting takes place starting the DORA 2022-2026 consultation process.

2019 was an excellent year for Aena, with record results in terms of both finance and activity. The financial solvency, the soundness of the main economic indicators and the consolidation of the Company's privileged position in the global airport sector achieved up to that point have been outweighed by the difficult situation resulting from the worldwide COVID-19 health emergency beginning in March. The global impact of the pandemic on tourism and air transport activities, closely linked to each other, its development and the geographic spread of the coronavirus epidemic has caused a pronounced decline in economic activity that has seriously affected practically all sectors of activity, and has led to a drop in the main economic indicators worldwide.

In 2020, the activity of the Aena Group's companies and the evolution of their businesses was affected by the mobility restrictions in force since March both in Spain and in the rest of the world to avoid the spread of COVID-19.

Impact of COVID-19 on air transport and airports managed by Aena

There has been no historical precedent for the situation caused by coronavirus and its profound impact on the worldwide aviation sector, not only in Spain, since World War II. Air traffic has always experienced a growing trend (doubling every 15-20 years), despite different events that have temporarily affected its behaviour to a greater or lesser extent, such as 9/11 or the financial crisis of 2008, and even other pandemics such as the 2003 SARS outbreak or bird flu, the impact of which, in this sector, was more geographically limited than the current disease.

However, the main international aviation bodies (mainly the ICAO, IATA and ACI) warn that the short- and medium-term impact on global air traffic due to the COVID-19 pandemic will cause a drop in global passenger traffic on a scale never seen before. According to EUROCONTROL projections from January 2021 related to number of operations, only up to 51% of the 2019 European traffic volume will be recovered throughout 2021, accelerating from the summer onwards. Traffic would only return to 92% of 2019 levels in 2024, and figures would recover completely in 2026. Moreover, ACI Europe, also in January 2021, has lowered its passenger traffic forecast at European airports for 2021 to -56% of the 2019 level (base case) compared to -43% in its previous forecast.

In the long term, there is a lot of uncertainty regarding the return of traffic to levels recorded in 2019, which these bodies do not predict for Europe will be reached before 2026. The duration of this recovery will depend mainly on the degree of disease transmission and the ability to control it (other factors that affect the recovery of traffic worth mentioning are the availability and scope of the vaccine, and the restrictions on mobility that directly affect the recovery of traffic). While under normal conditions the main driver to assess air traffic trends is economic development and, therefore, GDP growth, this paradigm has now changed. The pandemic has become the fundamental element that will condition the sector's level of recovery.

This same situation applies to the growth of the Spanish economy in 2020. Its weakening has been fundamentally due to a worsening of internal consumption and the structure of the economy itself, with its great dependence on the services and tourism sector, precisely the ones most hit by the current health crisis.

Incidence of the pandemic

- The current situation caused by the coronavirus has no historical precedents
- There is a lot of uncertainty about its future evolution
- The essential factor for the containment of the pandemic will be the availability of a vaccine or effective treatment that allows passengers to regain confidence
- Prudence in the estimates of traffic changes
- Air transport is very resilient to the crisis

This has caused the air transport sector, a strategic sector for Spain due to its economic and social impact, as well as its close relationship with tourism, to suffer significantly.

The main macroeconomic indicators point to a slower recovery than initially expected. Thus, the latest estimates of the Spanish Government indicate that 2020 has seen a fall in GDP of 11.2% (in 2019, GDP grew by 2.0%).

In terms of tourism, according to data from January to August 2020, only 15.7 million international tourists arrived in Spain, compared to 58.1 million in the same period the previous year (73% fewer), of which 75.3% did so using our airports. This circumstance is not exclusive to Spain and has affected all countries in our sector in a very similar way (for example, it has happened in Mediterranean countries that compete to attract tourism such as Greece, Portugal, Turkey, Tunisia and Italy, which have registered similar levels of activity).

The behaviour of London-Luton Airport and the airports in Brazil has been similar, although the development of traffic has been different depending on the regions and their type of operations. The London-Luton Airport has lost 12.5 million passengers in 2020, representing a year-on-year drop of 69.6%. With regard to Aena Brasil, located in the eastern part of the continent, although they were seriously affected at the start of the pandemic (they lost 6.1 million passengers in 2020, reflecting a year-on-year drop of 44.0%), they have been favoured by the activity of domestic traffic.

Given this situation, during 2020, the priority has been to enhance its public service activity, facing the challenges posed by COVID-19 with the utmost strength and stability.

Aena (the Spanish airport network) affected by the fall in tourism.

Measures implemented at Aena

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

With the declaration of the state of emergency in March, a period of inactivity began that caused an almost total collapse in traffic levels. With the aim of adapting to this sudden decline in activity, the Company adopted a series of operational, economic and financial measures that would allow for a more efficient management of the business, including the following in particular:

- **Adjusting the capacity and services to the specific needs of current operations** (adaptation of schedules, on-demand operation, temporary closure of spaces and terminals, adaptation of services, etc.). These measures, which can be modified in accordance with the changes in the pandemic and the levels of traffic, were supplemented by a cost saving plan. The main objective of this plan was to protect cash flow, via the renegotiation of service contracts (safety, cleaning, maintenance, etc.), the elimination of expenses and a freeze on new non-essential contracts. The reduction in average monthly cash outflows on operating expenses was estimated at around €43 million. The accumulated savings obtained during the period April–December amounted to €404.7 million. Likewise, the investment programme was also temporarily halted, estimating a monthly reduction in average cash outflows of approximately €52 million. Since June, the 2020 investment plan has been reimplemented and, as a consequence of the temporary suspension, the amount of investment carried out amounted to €435.7 million.
- **Regarding financing,** with the aim of strengthening the Company's liquidity, Aena proceeded to sign loans with various financial entities between April and May, for a combined amount of €2,325.6 million. Thanks to these loans, Aena increased the availability of cash and credit facilities at 31 December 2020 to a total of €2,065 million; while also having the possibility of issuing, through the Euro Commercial Paper (ECP) programme, up to €900 million in debt, of which, at the end of the financial year, €845 million were available.

  On 1 December 2020 the Company obtained waivers until at least June 2022 for the covenants established in the current financing agreements with the European Investment Bank (EIB), Instituto de Crédito Oficial (ICO Official Credit Institution), FMS Wertmanagement AöR (FMS) and Unicaja.

  In order to strengthen the Company's solvency at a time when the future impact of the COVID-19 health crisis on the economy of the markets in which it operates cannot be assessed, the General Shareholders' Meeting agreed not to pay out the dividend corresponding to the results of the 2019 financial year and to add it to reserves.
- **Health protection**: The COVID-19 crisis has shown how a pandemic can affect air traffic and force a review of all airport security protocols. Aena reorganised its facilities to adapt to the decline in activity and the requirements arising from the health emergency. Aena network airports, considered to be infrastructure of public interest, have played a fundamental role here. They have guaranteed, at all times, not only the necessary commercial aviation services, but other types of aviation such as air cargo (supplies for the general public and healthcare related goods) and essential services such as police, Civil Guard, sea rescue, organ transplants, etc. They have also played a fundamental role in the return of Spanish citizens and the departure of foreign citizens as quickly and safely as possible, right from the early stages of the epidemic.
- **To ensure the health of workers, subcontracted personnel and passengers**: adoption of sanitary measures aimed at preventing the spread of COVID-19 and protecting the health of workers, suppliers and external personnel. To this end, remote work and partial attendance have been facilitated when possible, reorganising shifts and following all recommendations of the health authorities —minimum safety distance, disinfection of facilities, reduction of crowds of people, etc.

  The experience of teleworking, implemented over a short period of time, and applied to a high percentage of the workforce with different positions and profiles, while guaranteeing the provision of services, has been a truly unprecedented challenge successfully overcome.

AENOR has granted Aena the **Certification for Action Protocols against COVID-19 in the Aena workplaces**. This certificate is the result of the work carried out in implementing all the measures and protocols put forth in the Operational Recovery Plans (ORPs) of each work centre, their alignment with the recommendations of the Ministry of Health and their effectiveness. It corroborates the Company's efforts to adapt workplaces to new circumstances and to create a safe working environment for its employees.

- **Commitment to suppliers, customers and society in general:** Collaboration and close cooperation with all stakeholders in the air transport value chain (airlines, handling agents, tour operators, and supervisors etc.), seeking balanced solutions compatible with the sustainability of the Company and its ability to reverse a situation such as the current one. Measures include: implementing an incentive scheme for airline companies to recover traffic, the the extraordinary six-month postponement on collections for customers and lessees, exemption of fixed rents during the period of the State of Emergency for car hire and ATM operators, as well as partial exemptions of monthly fixed rent to leases applicable for most contracts signed by airlines, agents and handling companies for offices, warehouses and commercial counters (including the commercial counters of tour operators and carriers).

To address the effects of the crisis derived from covid-19 on commercial activity, Aena has analysed from its beginnings its effects on the different contracts negotiating and agreeing, where appropriate, the necessary contractual modifications.

The ultimate purpose of negotiations on commercial contracts is the continuity of operators in airports. To this end, Aena has analysed in detail the evolution of each of its airports, the particularities of each contract, as well as the state and regional legislative developments that, where appropriate, are applicable. With regard to the legal provisions on 24 December 2020, Royal Decree Law 35/2020 entered into force on urgent measures to support the tourism, the hotel industry and commerce sectors and in tax matters, which has established, with respect to certain SMEs (small and medium-sized enterprises) and autonomous companies, a legal option to modify lease agreements and which, with respect to large companies, can be modulated based on the commercial agreements reached. Following its analysis, Aena redirected its negotiations in line with what the legislator established for the benefit of entrepreneurs in a situation of financial weakness, improving the limits provided in the standard both in terms of income and term. In addition, by virtue of the principle of equality, Aena has extrapolated the essential terms to all its commercial operators, regardless of the volume of its business, although without prejudice to attending to the particularities of each one. As of the date of this report, approximately half of the lessees have given their consent to this last proposal.

For its part, the negotiations carried out with all the vehicle rental operators have allowed the parties to agree on the modification of the contracts, in essence, in terms of rent. This amendment is effective between 15 March 2020 and 31 December 2021. The modification to the contracts has led to reduced rent for the period from 21 June 2020 to 31 December 2020 of €28.6 million. As of the date of this report, all vehicle rental operators have signed the addendum in the proposed terms.

Exemption of air traffic and landing fees during the state of emergency period for those aircraft transporting health equipment for the pandemic:

Extraordinary postponement on collections of aircraft parking fees from airlines for a period of 6 months, interest-free. The total amount postponed amounted to **€101.7 million, from which commercial operators benefited to the extent of €19.5 million and airlines to the extent of €82.2 million**.

The partial exemption of rents applied to leases from 15 March to 20 June amounted to **€6.8 million**.

The exemption of fixed rents during the state of emergency period to operators of car rental activities and cash machines resulted in **€18.4 million.**

Measures taken at London-Luton Airport

To mitigate the significant reduction in activity, the London-Luton Airport drew up a contingency plan with the objective of ensuring liquidity, as well as avoiding the consequences of non-compliance with the financial covenants in effect before the crisis. The actions carried out have been:

- Closure of operational areas in the terminal building based on the level of demand. Between 22 April and 1 May, the passenger terminal was closed, although the airport remained open for cargo and general aviation flights.
- Staff adjustments were made to take advantage of, among other measures, the programmes established by the British government to protect employment.
- Review of service agreements and other operating expenses. Between March and December, spending was reduced by more than £31.4 million, which represented a 44% saving.
- Postponement of the implementation of non-essential CAPEX investment, reducing the investment by £10.7 million in 2020.
- Suspension of payment of the dividend to the shareholders, and delay in the payment of interest on the shareholder loan.
- Obtaining a temporary waiver from the covenants established in the financing agreements from financial institutions, the extension of which is being negotiated.
- Strengthening of liquidity by establishing a credit line with its shareholders, which has not required a disposal at the end of the year.
- Likewise, it should be noted that the Company requested the activation of the Special Force Majeure procedure, provided for in the concession agreement, which recognises the right of the concession company to financial rebalancing of the concession. The procedure is suspended while discussions are being held with Luton Borough Council (LBC) regarding its application.

As part of the activity resumption process, the London-Luton Airport is implementing all the health safety guidelines issued by the UK government, which include the strengthening of cleaning services, disinfection measures, among others, such as the installation of specific signage and protection measures.

Measures adopted at Aeroportos do Nordeste do Brasil

Aeroportos do Nordeste do Brasil (hereinafter, Aena Brasil) drew up a contingency plan with the aim of minimising the effects of the crisis and preserving its liquidity, adapting the measures to the recovery of activity. Thus, from the second quarter, the operating hours of airports were reduced, as was the scope of outsourced service agreements (maintenance, security and surveillance, firefighting service, cleaning and handling, among others).

Investment activity was also halted until 23 November 2020, suspending the contractual obligations and deadlines granted by the regulator, Agencia Nacional de Aviaçao Civil (hereinafter, ANAC).

Aena Brasil has supported the recovery of activity with commercial policies that have fostered the sustainability of its customers' operations while helping to ensure continuity in the flow of collections.

The initial capitalisation —resulting from the requirements of the concession agreement— together with the effects of the aforementioned measures, allowed Aena Brasil to meet its commitments while maintaining a sufficient level of cash in hand throughout the year. Additionally, in the month of December, the Company's liquidity was strengthened by obtaining an 18-month loan of $R70 million.

Considering the way the concession agreement treats events of force majeure, the interpretations made by the Brazilian authorities on the COVID-19 pandemic, and the applicable legislation; in December 2020, the Aena Brasil management prepared a request for an extraordinary review to restore the economic-financial balance of the concession agreement, which is under review by the regulator.

Finally, it must be pointed out that, with the resumption of activity, Aena Brasil has implemented measures at all its airports, in coordination with ANAC and the health authorities, in order to guarantee the operational recovery of activity under optimal safety conditions, such as: carrying out tests on its employees, reinforcing the cleaning and maintenance services of air conditioning systems, disinfection measures and the installation of specific signage.

Operational recovery plan

Since the beginning of the health crisis, Aena has worked on identifying safe and coordinated airport processes so that all airports in its network can safely resume operations and build passenger trust.

The progressive reopening of facilities and adaptation of the necessary operational services (cleaning, security, PRM facilities, stores, catering, etc) has proceeded alongside the development of traffic, as has the resumption of the investment plan that had been suspended, which has resulted in a gradual increase in the volume of expenditure and investment, although this has taken place under strict efficiency and cost savings parameters.

The Company maintains its cost saving plan and, in the last quarter, obtained savings of €120.3 million, added to the €157.1 million and €127.3 million achieved during the second and third quarters of 2020 respectively.

Since June, the 2020 investment plan has been reimplemented and, as a consequence of the temporary suspension, the amount of investment estimated to have been carried out in 2020 has amounted to €435.7 million.

The measures identified in the Operational Recovery Plan implemented at Spanish airports include those indicated by the European Air Safety Agency (EASA) and the European Centre for Disease Prevention and Control (ECDC), to safely resume operations at European airports, once mobility restrictions have been lifted. In particular:

- Increased cleaning and disinfection of facilities.
- Maintaining social distancing measures.
- Acquiring protective equipment.
- The adequacy of signage and information (eg messages on information posters and digital screens, etc).
- Increasing communication with passengers.
- Adapting airport processes (billing, shipping, etc), and infrastructure and facilities of Aena network airports (eg hydroalcoholic gel dispensers, protective screens, floor markings and social distancing signs).
- The mandatory use of masks by passengers and the limitation of access to facilities for people who are not travelling, such as those accompanying travellers.

With regard to the implementation of health controls in the airport network, Aena and the Ministry of Health signed an agreement via which the Company agrees to make available to the Ministry the human, healthcare and support resources necessary to ensure controls on the entry of passengers on international flights at airports managed by Aena.

The London-Luton Airport has been equipped with facilities to perform COVID-19 tests since 22 December.

At the same time, in order to control the arrival of foreign passengers, the guidelines of the European Commission and the European Air Safety Agency (EASA) established in collaboration with the European Centre for Disease Control and Prevention (ECDC) are followed at all times. These guidelines have also been coordinated with Member States and with the international airport (ACI) and airline (IATA) associations.

With regard to the recovery of the costs concerning the health and operational checks implemented by Aena, it should be pointed out that Royal Decree-Law 21/2020, of 9 June, establishes that Aena will temporarily make available to the central and peripheral services of the Foreign Health sub-directorate of the Ministry of Health; the human, healthcare, and support resources needed to ensure health checks on incoming passengers on international flights at airports managed by Aena, on such terms as may, by common agreement, be arranged between Aena and the Ministry of Health.

Aena will have the right to recover the costs incurred as a consequence of collaborating with the health authorities, and of the remaining operational safety and hygiene measures that must be adopted as a consequence of the COVID-19 pandemic. These costs will be recovered within the DORA framework.

If these costs cannot be recovered within the framework of DORA 2017–21, they may be recovered, duly capitalised, in any of the subsequent DORAs. In this case, the rate will not be subject to the airport charges review cap of 0%, the accumulated deficit in DORA 2017–21 may be transferred to DORA 2022–26, and the accumulated deficit in DORA 2022–26 may be transferred to the following five-year period.

Future challenges: adapting to the new context

The measures adopted in the short term have been necessary to alleviate, as far as possible, the negative effects of COVID-19 on business. While the expectations for the development of traffic are difficult to quantify, due to the complexity of the context, and in the belief that the situation will improve in the future, the Company is immersed in a constant development process, which is critical to adapting to the demands of the environment, and ensuring the continued creation of value for all stakeholders.

This transformation process is adapted to the main trends that reaffirm the Company's strategic vision: to continue being the world leader in the management of airport infrastructure.

The main future challenges to be faced in the coming years, and that will mark the path of recovery of the business, will be recovering the confidence of passengers in safe sanitary conditions.

Adapting to the New Context

- Recovery of passenger confidence.
- Coexistence of coordinated approaches and common European criteria in the establishment of health and transport authority measures.
- Close coordination with airlines.
- Need to face other challenges: environmental, regulatory requirements and service outage.
- The departure of the coronavirus economic crisis must reinforce the foundations of an economy focused on digitisation and decarbonisation.

To achieve this, the following is essential:

- Harmonising measures to be adopted by the different governments of the European Union in the event of possible outbreaks of the disease, including common, coordinated actions based on clear epidemiological criteria for all Member States.
- Maintaining a close relationship with the airlines and other companies that carry out their activity in network airports, and other stakeholders.
- Responding to the new challenges associated with the aviation sector:
    - Society's growing concern for the environment.
    - More demanding regulatory requirements, esp ecially in terms of safety, environment and passenger rights, along with the new health requirements imposed by COVID-19.
    - The greater level of demand from passengers in terms of quality of service.

In line with the commitment to continue on the path to sustainability, Aena has adhered to the Declaration for a sustainable recovery (Manifiesto por una recuperación sostenible), an initiative supported by companies, NGOs, scientists, academics and citizens in general, that urges the government to make sure that the exit from the economic crisis, caused by the coronavirus, builds the foundations of a transformation to a more sustainable and robust economy.

Strategic Prioritisation

Strategic priorities already assumed before the crisis

Environmental sustainability Aena's Climate Action Plan

Innovation based on the development of digital solutions

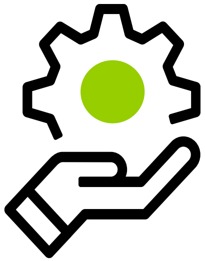
DORA 2022-2066 New Airport Regulation Document

This is based on three fundamental pillars: digitisation, decarbonisation and
resilience, while understanding that competitiveness and the environment go hand in hand, because without environmental sustainability there can be no economic or social sustainability.

In this regard, in the coming years, Aena will continue to focus on the strategic priorities already assumed before the health crisis, which will be the levers or driving tools for recovery, and to promote the generation of value for shareholders and the company as a whole, these are: sustainability, innovation + digitisation and the next regulatory period DORA 2022-2026. DORA is the instrument that establishes, by five-year periods, the specific obligations derived from the current legal airport framework, which will end with the approval of the Council of Ministers planned during the third quarter of 2021.

Risks and risk management

Aena is exposed to a diversity of risk factors related to its activity, business and regulation. Since 2020, the impact of COVID-19 has been added to the mix, which directly affects all levels, and involves significant changes in management.



Risk management
A key pillar for creating value and achieving the Company's strategic objectives

RISKS RELATED TO AENA'S ACTIVITY

RELATED TO THE GROUP'S BUSINESS AND OPERATIONS / COVID-19

IMPACTS OF COVID-19

The global economy has been extraordinarily affected by the pandemic, especially the tourism and transport sectors, and, in particular, aviation, as a result of restrictions on mobility and air operations, which has had severe effects on operations and financing conditions at Aena.

- Drastic reduction in air activity, there is also significant uncertainty surrounding the recovery of short-term traffic, which is linked to the spread of the pandemic and the availability of an effective vaccine, accompanied by the cessation of part of the commercial business in the airport network. To address this situation, the most significant risks identified and their consequences, which are to a great extent unpredictable, the Group's management has adopted a series of measures. These include the renegotiation of commercial agreements or the approval of extraordinary incentives for the recovery of operations for airlines, under the Air Traffic Recovery Plan.
- Reduction of cash flows and, in general, liquidity problems, as well as the possible contraction of the credit market. In light of this, a plan has been put in place aimed at safeguarding the Company's liquidity to the maximum extent possible, making use of credit lines and considering new financing options. In addition, the proposed allocation of profit for the 2019 financial year was cancelled and the amount was transferred to voluntary and recapitalisation reserves.
- Possibility of non-compliance with covenants and therefore breach of the obligation to comply with certain financial ratios relating to operating results and debt. In view of this, the Company has achieved a temporary exemption from compliance with said ratios.
- At the end of 2020, the Group has carried out the appropriate impairment tests in all its Cash Generating Units, resulting in an adjustment in the amount of €108.8 million that has been recognised in the consolidated Income Statement.
- Reduced airport capacity and the need to deal with exceptional expenses aimed at protecting the health and safety of employees and other users. Closely connected to the capacity adjustments carried out at airports, Aena has developed a cost-saving plan based on the renegotiation of service agreements, the reduction of expenses, a stop on new hiring of non-essential personnel and stopping the investment plan. In addition, its status as a state-owned commercial company allows it to be exempted from the obligation to indemnify those contractors who have been forced to suspend their public service and supply contracts due to the pandemic. Finally, Aena will have the right to recover the cost of those expenses incurred for cooperating in the performance of health checks and for the adoption of operational health and safety measures in connection with COVID-19.

However, the development of the health crisis may have a material effect on the Group's business, and on its outlook, finances, condition and results of operations.

For its part, in order to accelerate the recovery of Member States, the European Union has launched a Recovery Plan that aims to take advantage of the full potential of a reinforced budget and the creation of the extraordinary instrument Next Generation EU, aimed at promoting projects related to the European Green Compact. In line with the basic points of this Plan, the Spanish Government has presented its Recovery, Transformation and Resilience Plan for the Spanish economy.

RISKS RELATED TO AENA'S ACTIVITY

MACROECONOMIC, POLITICAL, DOMESTIC AND OTHERS

BREXIT

The signing and ratification of the UK withdrawal agreement from the European Union and the end of the transitional period has given way to a new relationship framework. The risks associated with Brexit have been greatly reduced and can be summarised into four main categories:

- Operational: the various measures adopted allow the new operational requirements to be addressed, minimising their impact on airport activity.
- Fares: the General Budget Act for 2021 has included a provision whereby, until 28 February 2022, the amounts per passenger for passengers to the European Economic Area will be applied for travel to an airport in the United Kingdom.
- Traffic: this risk has been diluted in the current context caused by the COVID-19 pandemic.
- Ownership and control regulations: affected airlines have taken different measures to comply with these regulations. In any case, the withdrawal agreement plans for this to be reviewed.

CONCENTRATION AND COMPETITION

Aena faces risks related to the concentration of clients in activities, both aeronautical and commercial, and its income is especially dependent on its two main airports (Adolfo Suárez Madrid-Barajas and Barcelona-El Prat Josep Tarradellas).

- With regard to aeronautical activity:
  - Dependence on airlines. Especially the subsidiaries of the IAG Group, and some low-cost ones such as Ryanair, any reduction in their activity at the group's airports, changes in their strategies, etc., may result in a decrease in revenue, in addition to the difficulty of guaranteeing their replacement. The development of the pandemic may involve a change in this concentration.
  - Dependence on the two main airports of the network. Any disruption in their operations (due to shocks, events, macroeconomic or political factors, etc.), may affect the revenue generated by these airports and, therefore, that of the Group.
- Commercial activity.
  - Changes in consumption trends that, aggravated by the reduction in air traffic, cause a worsening of commercial business at airports, leading to a greater concentration of commercial operators, risks of non-payment and abandonment of agreements, as well as other effects derived from the worsening of their financial situation and the passenger mix.

The Group operates in a competitive environment, in which both location and type of airport play a fundamental role. In addition, the Company faces the rise of other means of transport, such as high-speed trains (for example, AVE with high passenger volume hubs). All this can affect aeronautical and commercial revenue.

OPERATIONAL: CYBERSECURITY

Aena depends on information and communication technologies to carry out multiple procedures and processes, in all its areas of activity, and its systems and infrastructure have to stand up to certain risks, such as cybersecurity or Information security. This has been particularly relevant with the health crisis and the consequent boost in digital transformation in many sectors, thanks to which significant advances have been made, but with new threats and vulnerabilities to cyberattacks.

Consequently, the proper functioning of these systems, exposed to continuous changes, is critical to operations and business. While Aena has a set of tools and contingency plans, including carrying out testing, audits, certifications, etc.; and promoting innovation and technology, as well as being committed to accelerating start-ups; these systems cannot be fully protected to ensure confidentiality, integrity, availability, authentication and access control. Any problem could disturb the Group's operations, in addition to causing reputational damage.

RISKS RELATED TO AENA'S ACTIVITY

OPERATIONAL: THIRD-PARTY DEPENDENCY	THIRD-PARTY DEPENDENCY Failures in relevant operations carried out by third parties at the airport or under its coordination, and that may compromise the correct execution of services (controllers, handling companies, airlines, security, health controls, etc), including labour disputes with critical service providers or air traffic management that negatively impact the capacity of infrastructure. The Group's operations are highly dependent on service providers, such as airlines, handling companies, etc. In addition, Aena subcontracts some security, cleaning and animal control operations, among others.
OPERATIONAL AND PHYSICAL SECURITY	The physical or operational security risks derived from terrorist attacks, wars or aviation accidents, the probability of which has not decreased and may evolve into new scenarios, have coexisted since 2020 with an unprecedented health emergency situation that has forced all airport security protocols to be reviewed. Aena has an advanced Operational Security Management System and collaborates with security forces in strengthening security controls, while putting special effort into innovation that allows a combination of high quality service and maximum security. The airports have contingency plans adapted to various situations, which include protocols for action in the event of reduced personnel at their facilities, as has happened in Spain during the declaration of the state of emergency.
AERIAL REGULATION	Airline rates are subject to current national and European regulations, and to the provisions of the DORA, which has limited the increase in maximum revenue per passenger until 2025. These limitations can generate a deficit if operating costs increase above certain thresholds, if the volume of passenger air traffic is insufficient to cover expenses or if there are unpredictable or urgent regulatory changes that require investments greater than €450 million. In any case, Aena reserves the right to recover, through aeronautical rates, any additional and unforeseen capital expenses to comply with these possible legislative changes. The Group may be subject to costly obligations to maintain all its airport certifications in accordance with EU Regulation 139/2014. The consultation process of the new Airport Regulation Document for the 2022-2026 period (DORA II) is being developed, which could involve changes in its rates and impacts derived from the new regulatory context.

RISKS RELATED TO AENA'S ACTIVITY

SUSTAINABILITY, CLIMATE CHANGE AND ENERGY TRANSITION	Environmental regulatory restrictions could limit the Group's commercial activities, hinder the growth of the Group or require substantial expenses. Despite the fact that the interruption of activity on a global scale has forced a substantial decrease in oil prices, plans to activate the transition to a decarbonized economy have also been advanced. Environmental awareness continues to grow among the general public, businesses and governments, where collaborative models are emerging to exploit synergies and foster cascade effects, while the increase in teleworking in many sectors has reduced or modified passenger transport patterns. In January, the Spanish government made a Declaration on the Climate and Environmental Emergency in Spain. The consequences of climate change (adverse and extreme climatic events) can affect the operational capacity, safety and efficiency of airports. In addition, the growing social sensitivity on the use of fossil fuels can affect the demands of airport customers and users. In this sense, Aena has a Climate Change Strategy and in 2020 it approved the Principles of Action against climate change and the governance of environmental matters, which serve as the basis for the future Climate Action Plan, while continuing to implement various energy efficiency and renewable energy measures at its facilities. Awareness raising actions among employees, suppliers, customers and other stakeholders were also carried out. The Company maintains its presence in ESG indexes, such as FTSE4good, participates in international initiatives (ACA Program, Net Zero Carbon), publishes its environmental data by reporting to the Carbon Disclosure Project (CDP), and carries out collaborative work with airlines and handling agents to reduce emissions.
TAX COMPLIANCE AND TRANSPARENCY	A good governance model allows the generation of short, medium and long-term value for shareholders, customers, suppliers and other stakeholders, and strengthens the company's control environment, reputation and credibility vis-à-vis third parties. Aena operates in a highly regulated sector, which guarantees that the management of the airport network is carried out with public service criteria. It also establishes a regime of airport charges and requires various airport security measures to be guaranteed. Together with these obligations, determined by its unique nature as a private company of public interest, the Company has its own Regulatory Compliance System, which includes procedures and policies to fight corruption and fraud, as well as different corporate policies that are periodically reviewed.
INVOLVEMENT OF STAKEHOLDERS	The way in which customers, suppliers, administrations, employees, shareholders, etc, are involved in the management of the companies has evolved towards a more digital profile, one that is more aware of environmental protection and health, more participatory and willing to be heard. The companies must provide, in a transparent manner, sufficient information about their sustainability policies, development, implementation and results. Need to supervise the process of preparing financial and non-financial information as well as its integrity.
DIGITAL TRANSFORMATION AND INNOVATION RISK	Risk of losing competitiveness by not developing innovation and technological development policies that are appropriate to the needs of the business, and which are aimed at improving passenger experience, strengthening airport security and improving operational efficiency.

Structure, control and risk management[1]

Aena has a risk management and control model aimed at guaranteeing the achievement of the Company's objectives in a predictable manner, in a globalised competitive environment and with a complex context. This is mainly as a result of the COVID-19 crisis, where the materialisation of risk is higher and has a greater synergistic effect. Aena's Risk Management Policy[2] and Control System[3] enable it to face any threats, or uncertainties of any kind, that might affect the company, confidently. During the health crisis, the activities of the Risk Management System have been adapted, allowing the Organisation to focus on critical matters and allocate its resources to the management of the most urgent aspects.

The priority is to have a risk management system capable of preventing social, environmental and good governance risks; and to support management by giving greater control over processes to provide an effective response to the expectations of stakeholders, as well as to promote the Company's leadership in terms of sustainability.

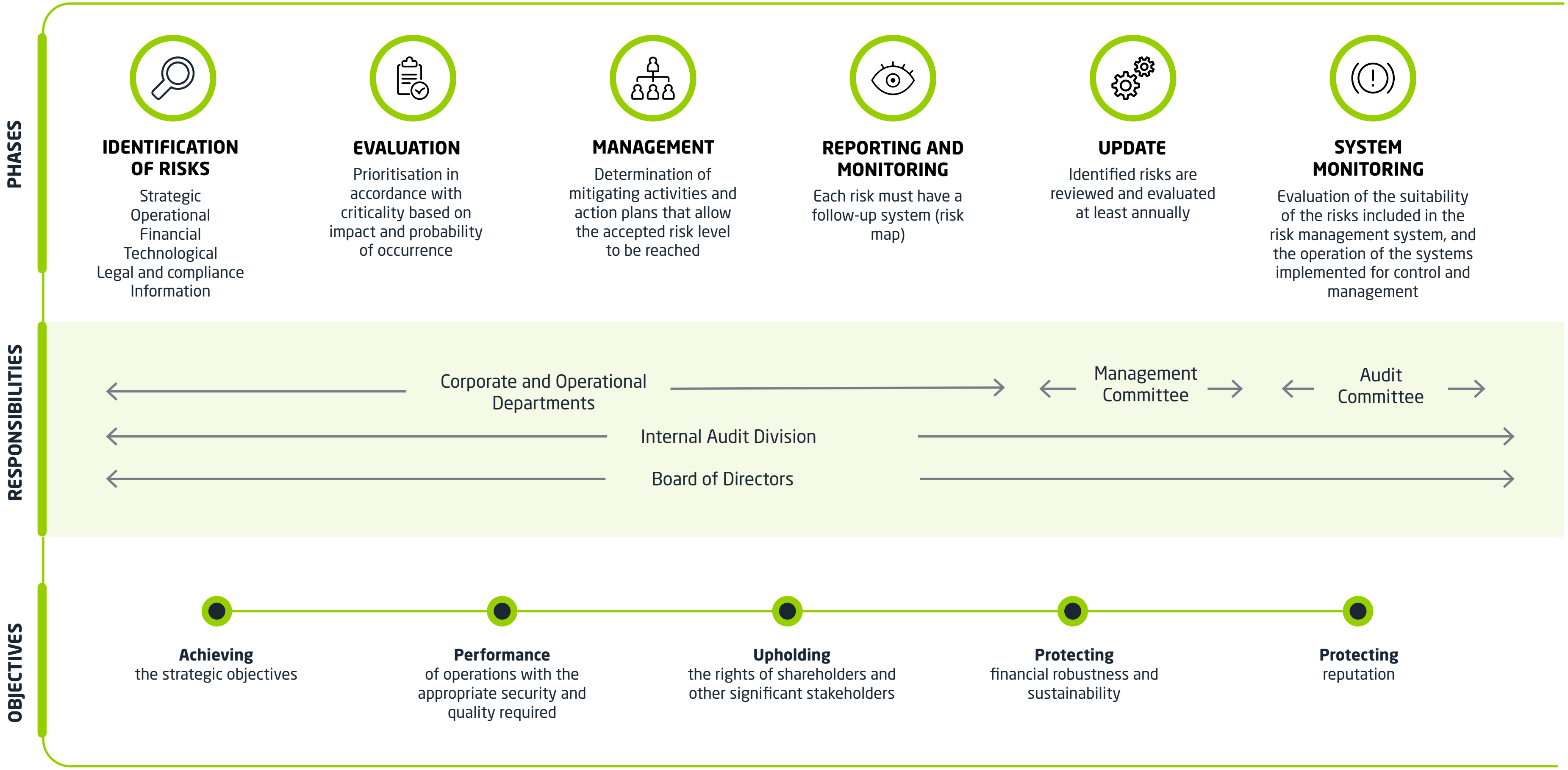
[1] Aena's Risk Management System, and the main risks faced by the Company in the short, medium and long-term; which are taken into account in the corporate risk map, are described in section E of the Annual Corporate Governance Report.

[2] Reviewed by the board of directors in January 2020.

[3] The risks inherent to the international development of Aena are an integral part of its Risk Management System. The fundamental principles of risk management applicable in the London-Luton Airport Operations Ltd. (LLAOL) and Aeroportos do Nordeste do Brasil S.A. (Aena Brasil) subsidiaries are consistent with the contents of Aena's Risk Control and Management Policy, adapting business risk management to its dimensions and economic reality.

Risk management system
develops the principles defined in the
Risk Control and Management Policy

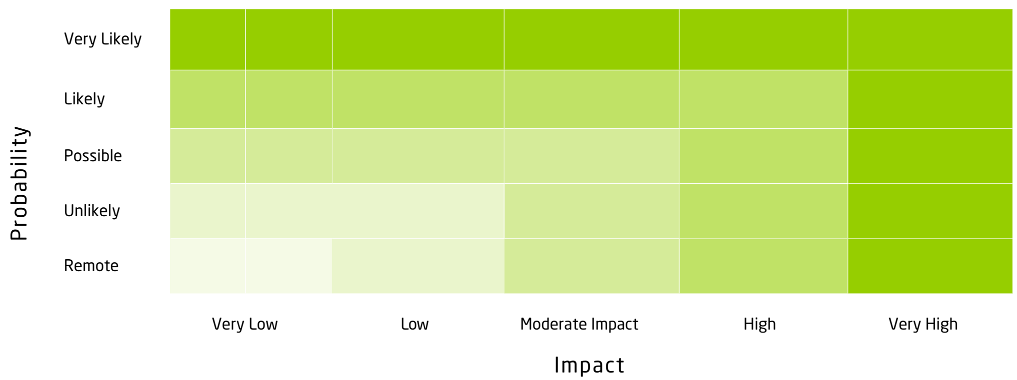
based on the Integrated Corporate Risk Management Framework COSO III (Committee of Sponsoring Organizations of the Treadway Commission)



This model is based on the following:

- The consideration of standard types of risk together with the new context arising in 2020. This structure allows the classification of identified risks in the following: strategic, operational, financial, technological, legal and compliance and information. In addition, Aena uses this system to classify financial and non-financial risks by nature, enabling it to put the necessary control mechanisms in place.
- The assessment of criticality and the definition of risk tolerance levels, by determining the impact and probability of occurrence of each risk:
    - Probability of occurrence of the risk being realised during a certain event once the controls to mitigate the risk have been considered.
    - Impact: referring to the damage that would be caused to Aena if the risk were to materialise in the form of a certain event at the following levels:
        - Economic, due to its effects on financial results.
        - Operational, affecting the provision of services.
        - Reputational, due to its consequences for the image and prestige of the Com-pany.

  Based on the combination of these two variables, the criticality of each risk is automatically determined as is its location on the Risk Map.
- The association of key monitoring indicators to all the risks included on the Map. Tolerance thresholds are determined for this purpose, which, if exceeded, require an assessment of the need to design mitigating activities and action plans, specific to each type of risk, which in turn contributes to minimising their effects and maximising opportunities.
- The Policy defines the guidelines to follow to control and manage risks within appropriate tolerance limits, and facilitates key elements in terms of deciding on the acceptable risk level.
- The update is carried out at least annually and must be submitted to the Audit Committee.
- Segregation and independence of the risk control and management functions:
    - Corporate and operational areas: identify and assess the risks for which they are responsible, together with the mitigating activities, proposing and reporting adequate monitoring indicators. They also establish action plans to mitigate risk and report on their effectiveness.
    - Internal Audit Division: It assists the Audit Committee, supervising the proper functioning of the System, standardising and consolidating reports related to the identification and evaluation of risks and their corresponding indicators, mitigating activities and action plans and reporting to the Management Committee and the Audit Committee.
    - Audit Committee: monitors the risk management system, ensuring that major risks are identified, managed, communicated and maintained at planned levels.
    - Board of Directors: It defines, updates and approves Policy, and sets the acceptable risk level for each situation, being ultimately responsible for the existence, and operation, of an adequate and effective risk management system.
- The transparency of the information provided to third parties, ensuring its reliability and accuracy.



Risks in 2020

The 2020[4] risk map shows the main risks to which Aena has been exposed. The System review, carried out in the context of the health emergency to adapt it to the new reality, has resulted in:

- The updating of controls, indicators and action plans of the existing risk sheets.
- The monitoring of measures implemented for the management of COVID-19 impacts, reporting monthly to the Audit Committee.

Based on this review, a total of 18 risks have been iden-tified in the Map, [5]including: the impact of the pandemic, climate change and service quality/health safety. They are all classified, as previously noted, into strategic, operational, financial, technological, legal and compliance and information.

For the monitoring of each of the risks, the System cur-rently includes the implementation and monitoring of ac-tion plans, mitigating activities, and indicators to control their development.

The negative effects derived from the impacts and the uncertain situation generated by the development of the pandemic have had an impact at an operational, financial and regulatory level, as well as impacting the health and safety of workers. Control and action measures have been proposed in all areas.

[4] The risk map has been reviewed in January 2021.

[5] The corresponding chapters will provide detailed information about each of them.

MAIN TYPES OF RISKS

TYPE OF RISKS	CONTENT	CONTROL MECHANISMS AND MITIGATING ACTIVITIES
STRATEGIC	Risks that can arise from a chosen business strategy, and those from external and internal sources that could have a significant direct or indirect impact on the Group achieving its long-term vision and objectives. This category includes risks arising from changes in the environment in which the Group operates (political, economic and social), in the competitive environment (aeronautical and non-aeronautical market), and changes that affect fees and operations, among others. All risks related to the governance model are included in this type.	• Monitoring of the 2018-21 Strategic Plan. • Monitoring of measures and controls developed within the framework of COVID-19. • Master Plans. • Integrated Quality, Environmental and Energy Efficiency Management Policy. • Plan to attract air traffic and boost airline loyalty. • Liaising with institutions, bodies and airlines affected by Brexit. • Working group for monitoring and establishing activities in relation to Brexit. • Climate change strategy and analysis of climate scenarios, and assessment of needs to adapt airports. • Initiatives for the five-year DORA consultation process and the annual consultation on charges for the following year. • Potential detection programmes in personnel and Employer Branding.
OPERATIONAL AND TECHNOLOGICAL	These are the risks of suffering losses or lower activity due to weaknesses or failures in internal systems, controls or processes. Operational risks include those, among others, resulting from failures in the security of infrastructure and systems, investments, coordination of operations and air control; in addition to those related to employment and human resources.	• Operational security management system. • Self-protection plans and contingency, preparation and response procedures to emergencies. • Organisational Model and information security policy. • Disaster Recovery Plans (DRPs). • Cybersecurity plan. • COVID-19 measures: communications, security and systems. • External airport security audits (*safety and security*). • Airport Incident Management Centres. • Action plan for bomb warnings. • Management of noise pollution and action procedures to ensure the correct management of plans and projects with an environmental impact. • Integrated quality and environment management system. • Investment planning, control and execution procedure. • ICT security reviews under ISO 27002:2013 • Civil aviation liability policy for airport operator + war and terrorism civil liability. • Employee protection policy (life, safety and health).
FINANCIAL AND NON-FINANCIAL	Events that may have negative impacts and significantly affect the results of financial operations, usually due to market, credit and liquidity risks.	• Interest rate hedging instruments, guarantees and bonds, or prepayment required from clients • Internal Control over Financial Reporting System (ICFR). • Request to the External Auditor to examine, with a reasonably independent security scope, the Internal Control over Financial Reporting System (ICFR) of Aena S.M.E., S.A. (controlling company) and its subsidiaries (the Aena Consolidated Group or the Group) as of 31 December 2020, based on the criteria established in COSO. • Internal regulations and contracting control systems.
LEGAL AND COMPLIANCE	Risks related to the mandatory nature of legal provisions established by national and international bodies and institutions in relation to compliance with general legislation (environmental, commercial, criminal, tax, labour, etc), and sector and internal regulations.	• Code of Conduct. • Regulatory Compliance Policy. • Regulatory compliance system including policies and procedures to combat corruption and fraud, and the Corporate Governance Policy. • Corporate Tax Policy.
INFORMATION	These are risks related to the reliability of the sourcing, and preparation of financial and non-financial information, both internal and external, that are significant for the Group, or which affect the reputation of the Company.	• Internal Control over Financial Reporting System (ICFR). • Oversight of financial and non-financial information by governing bodies.

Block A: Economic and Financial Information

1. Key highlights

The activity of Aena Group companies and the evolution of their business has been markedly affected by the mobility restrictions in force both in Spain and in the rest of the world since March, as a result of the health crisis caused by the spread of the SARS-CoV-2 virus (hereinafter, COVID-19).

The situation caused by COVID-19, and the decisions made by governments to contain the epidemic, have significantly affected the air sector, which has faced a drastic reduction in operations and passenger traffic.

In this context, in order to alleviate the unpredictable consequences, to a large extent, of this unprecedented situation, the companies of the Group have adopted a series of operational, economic and financial measures that would allow for a more efficient management of their activity and resources. These measures are included in the chapter "The impact of COVID-19 on air transport and at the airports managed by Aena" of this consolidated Management Report.

Despite the mitigating measures adopted, the significant effects of the pandemic have been reflected in the activity of the companies of the Group and in the evolution of their businesses.

At the operational level, **passenger traffic** of the Aena Group has dropped during the period to 89.3 million passengers, a 70.9% drop compared to 2019 [(1)].

The number of passengers in the Spanish airport network [(2)] stood at 76.1 million, representing a year-on-year decrease of 72.4% and an accumulated loss of 199.2 million passengers.

London-Luton Airport has recorded 5.5 million passengers, representing a year-on-year drop of 69.6% and an accumulated loss of 12.5 million passengers.

The traffic at the six airports of Aeroportos do Nordeste do Brasil (hereinafter, ANB or Aena Brasil) has closed 2020 with 7.8 million passengers, 44.0% less volume compared to 2019 and a loss of 6.1 million passengers.

The activity of Aena Group companies continues to be highly conditioned by COVID-19. There are currently no signs of a short-term recovery in traffic. This means that it is not possible to anticipate when the recovery will begin.

Consolidated revenue has fallen to €2,242.8 million, recording a year-on-year fall of 50.2% and of €2,260.5 million.

In the Spanish airport network [(2)] revenues from aeronautical activity decreased by €1,915.2 million (-66.0%) to €985.9 million, and commercial revenues fell by €205.3 million (-16.4% year-on-year) to €1,046.7 million.

With regard to commercial activity in airports of the network, it should be noted that the declaration of the state of emergency in Spain led to the closure of most points of sale from 15 March to 21 June. It was gradually reopened from 21 June.

As a result of the health crisis caused by COVID-19 and the measures taken by public authorities to deal with it, the activity of all commercial lines has been affected. In these circumstances, Aena S.M.E., S.A. (hereinafter, Aena or the Company) analysed the different alternatives to favour the restoration of commercial activity, minimise the impact produced and maintain relations with commercial operators.

In this regard, Aena initiated negotiations with the lessees of the commercial activity to agree on modifications in the contractual terms and conditions, including those of fixed rents and the minimum annual guaranteed rent (hereinafter, MAG). These negotiations, in which the Company has made different commercial proposals based on the evolution of the activity and always under the legal framework existing at each moment in time, have been affected by the continued deterioration of expectations regarding the recovery of air traffic.

Following the entry into force on 24 December 2020 of Royal Decree-Law 35/2020 on urgent measures to support the tourism, the hotel industry and commerce sector, and on tax matters, this negotiation process has culminated in the proposal made on 18 January 2021 to commercial operators of duty free activities, specialty shops, food and beverage establishments, vending machines, financial services and advertising in relation to MAG. The details of this proposal are included in section 11. Events after the reporting period.

However, pending the conclusion of the agreements with those commercial operators affected by the aforementioned proposal, and in application of IFRS 16 "Leases", the revenue from the MAG for 2020 has been recorded for the amount of €620.3 million, including

[(1)] The calculation includes the number of passengers of airports in Brazil in 2019 for comparative purposes. The concession company assumed operations in 2020.

[(2)] The calculation includes the Región de Murcia International Airport.

those corresponding to the period of the state of emergency for the amount of €198.6 million, given that there is a contractual right to receive such rent by Aena. In the event of such contracts undergoing changes in the future as a result of the aforementioned negotiations, their effect will be recorded in accordance with the provisions of these regulations regarding contractual amendments.

In those activities not subject to MAG, revenue for the 2020 fiscal year reflects the measures taken by Aena in order to collaborate with companies that provide services at airports, customers and lessees, in view of the situation caused by COVID-19.

Operating expenses (supplies, staff costs and other operating expenses) amounted to €1,333.3 million, recording a decrease of €368.7 million (-21.7%) compared to the previous year.

To mitigate the impact of the drastic reduction in airport activity, Aena implemented a cost savings plan based on the renegotiation of operational service contracts, the elimination of expenses and the halting of new non-essential contracts, with the aim of protecting cash flow. The reduction in average monthly cash outflows on operating expenses was estimated at around €43 million under a scenario without any traffic. The accumulated savings obtained during the period April-December amounted to €404.7 million, representing an average monthly saving of €45.0 million.

As a result of the measures implemented during 2020 relating to the health and operational checks at the airports, the Company incurred in exceptional expenses, both in airport facilities, as well as in personal and health protection, to the reported amount of €53 million, recorded under the heading of "Other results" in the Income Statement.

The Royal Decree-Law 21/2020, of 9 June, states that Aena will have the right to recover the costs incurred as a consequence of collaborating with the health authorities and of the remaining operational safety and hygiene measures that must be adopted as a consequence of the COVID-19 pandemic, as explained in the section 3.1 Airport segment – Aeronautical activity.

In relation to other effects of the COVID-19 pandemic that have been reflected in the Group's financial statements, it should be noted the extraordinary reduction of activity and revenue in all of the businesses of the Group, which has resulted in a strong reduction in operating cash flows. This can be considered an indicator of impairment, in accordance with the provisions of the accounting standards.

Consequently, at the end of 2020, the Group carried out the appropriate **impairment tests** with the following conclusions, as explained in Note 8 of the consolidated Annual Accounts:

- Activity (aeronautical and commercial) in the Spanish airport network has not suffered impairment.
- In the Real estate services segment, there has been a positive net effect of €1.1 million.
- Impairment, totalling €45.3 million, was identified at Región de Murcia International Airport (hereinafter, AIRM), as is reflected in the Income Statement. The concession rebalancing measures have not been and will not be taken into account until they have been determined and agreed upon.
- As far as the value correction of assets in Brazil (ANB), an impairment of €64.6 million was identified and is reflected in the Income Statement.

  Also, in the "Cumulative currency translation differences" section in the Statement of Financial Position, €145.6 million have been recognised as a result of negative differences in the currency translation of the intangible asset derived from the concession agreement. This is due to the adverse movements of the Brazilian real against the euro between 1 January and 31 December 2020.
- Due to the concession agreement including financial rebalancing clauses, which were reflected in the assessment analysis, London-Luton Airport has not suffered any impairment.
- No impairment has been identified with respect to shares in associated companies.

The main valuation assumptions used in the impairment tests are detailed in Note 8 to the consolidated Annual Accounts. Considering that the current changing environment makes it extremely difficult to make estimates, Aena has considered to perform these impairment tests, the most pessimistic sensitivity based on the recovery of traffic levels from 2019 to 2027, with a traffic level for 2021 of -65 % compared to 2019. Additionally, a more optimistic scenario has been considered, in which traffic recovery to 2019 levels would occur around 2025, and traffic in 2021 would be -50% compared to 2019.

The **EBITDA** for the year (earnings before interest, tax, depreciation and amortisation) was €714.6 million. A decrease of €2,051.7 million (-74.2% year-on-year), which reflects negative activity performance, as well as the impact of impairment recognised in compliance with IAS 36, for a net amount of €108.8 million (no cash impact). The value correction has been recognised under the "'Impairment of fixed assets" section in the Income Statement.

This EBITDA includes €620.3 million corresponding to the revenue from the MAG of the fiscal year 2020, which are the object of the proposal formulated by Aena to the commercial operators, as indicated above.

The **profit before tax** reflects a loss of €212.6 million compared to a profit of €1,882.8 million recorded in 2019.

The **net result** closed at a loss of €126.8 million, compared to the net profit of €1,442.0 million recorded in 2019.

Excluding the impact of impairments, net result for the period would amount to -€51.0 million.

As for the **operating cash flow**, this fell to €146.2 million, a year-on-year fall of €1,968.1 million (-93.1%).

With regard to the **financial position**, the ratio of consolidated net financial debt (calculated as current plus non-current financial debt less cash and cash equivalents) to EBITDA for Aena S.M.E., S.A. has increased up to 8.1x (2.3x at 31 December 2019).

Aena has loans signed with the EIB, ICO, Unicaja and FMS, for an outstanding amount as of 31 December 2020, totalling €5,800 million. These loans include the obligation to meet the following ratios:

- 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.

These financial ratios are reviewed every year in June and December, taking into account the data on EBITDA and finance expenses for the last 12 months, and the net financial debt at the end of the period.

As a result of the exceptional situation caused by COVID-19 and its impact on EBITDA, as of 31 December 2020, the maximum ratio of 7.0x Net Financial Debt/EBITDA has been exceeded.

Anticipating this breach, Aena obtained on 1 December 2020 waivers for the financial ratios from all the affected financial institutions. These waivers have a term of, until at least, 30 June 2022. In accordance with the established terms, the entities waive the right to declare their early maturity in the event of the possible breach of the aforementioned ratio.

Fitch and Moody's rating agencies have confirmed the Company's credit rating as follows:

- Fitch, "A" rating with a stable outlook and the "F1" short-term rating on 3 April. The long-term outlook was revised on 28 August from stable to negative, reflecting the risks surrounding the uncertainty in the recovery of traffic.
- On 24 June, Moody's confirmed the Long-Term Issuer Default Rating "A3" and the outlook, revised on 31 March, from stable to negative, reflecting the risks surrounding the uncertainty of the recovery of traffic.

In relation to the **investment programme**, the amount paid during the period amounted to €503.2 million (€521.6 million in 2019).

The investment paid into the Spanish airport network stands at €490.2 million (including €0.4 million for AIRM), €10.6 million at London-Luton Airport and €2.4 million at ANB.

Within the scope of the measures adopted by Aena to mitigate the impact of the drastic reduction of activity in the liquidity of the Company, Aena temporarily suspended the investment programme, estimating a monthly reduction of the average cash outflows of approximately €52 million. Since June, the 2020 investment plan has been resumed and, as a consequence of the temporary suspension, the amount of investment carried out amounted to €435.7 million.

As a result of the measures taken for the control, containment and forecasting of the pandemic, during 2020, investments have been made in fixed assets for the amount of €9.8 million.

The effects derived from the spread of COVID-19 have also been reflected in Aena's **share price**. During the period, the share price has fluctuated between a minimum of €91.90 and a maximum of €174.50, ending the period at €142.20. This represents a fall in share price of 16.6%, in line with the trend seen on the IBEX35, which, during the same period, registered a loss of 15.5%.

In relation to the **Airport Regulation Document (DORA) for the 2017-21 period**, on 1 March 2020, the 2020 applicable airport charges entered into force, based on the reduction of the adjusted annual maximum revenue per passenger (IMAAJ) for 2020 by 1.44% (€10.27 per passenger) compared with the IMAAJ for 2019 (€10.42 per passenger).

On 22 December 2020, the Board of Directors of Aena approved the charges corresponding to 2021, which will enter into force on 1 March 2021. The corresponding charges were based on freezing the 2021 IMAAJ relative to the IMAAJ for 2020, which was established at €10.27 per passenger. This act was reported to the National Commission of Markets and Competition (CNMC), user associations and the General Directorate of Civil Aviation on 30 December 2020.

On 12 February 2021, the CNMC issued its Resolution on Aena's airport charges for 2021. In the aforementioned Resolution, it declares the charge update approved by Aena applicable, given that the 2021 IMAAJ is €10.27 per passenger, which implies a 0% variation.

In relation to the DORA preparation process for the second regulatory period (2022-2026), the process of consultations with the airline companies is being developed, which will end with a deadline of 15 March 2021, in which Aena will send its final proposal. Act 18/2014 establishes that the deadline for final approval by the Council of Ministers is 30 September 2021.

2. Activity figures

2.1. Aena airport network traffic in Spain

Passenger traffic at the network's airports registered a year-on-year fall of 72.4% in 2020, which is a loss of 199.2 million passengers.

The decrease in traffic became even more apparent in March due to the spread of COVID-19 and restrictions on mobility, both in Spain and in the rest of the world. The negative trend continued in the following months and traffic in the second quarter dropped by 98.1%.

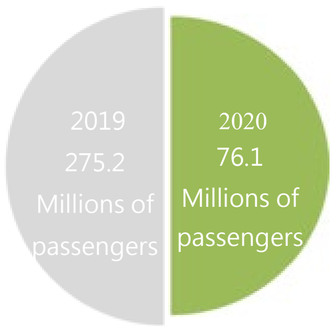
Aena focused their airport efforts on the operation of essential flights to guarantee the arrival of medical supplies and goods for the general population, while also helping in the repatriation efforts of Spaniards abroad and the departure of non-resident foreigners back to their countries of origin.

Unrestricted mobility within Spain was re-established on 21 June after the end of the state of emergency decreed by the Spanish Government on 14 March. Travel restrictions with Schengen area countries and Member States of the European Union were lifted on 30 June, and, from 2 July, Spain (and EU Members States) gradually reopened their borders both to non-EU foreigners and to EU citizens themselves.

The worsening of the epidemiological situation and the reappearance of outbreaks during the summer months led governments of different European countries to tighten mobility restrictions, and to adopt increasingly stricter measures from August. In the third quarter, passenger traffic suffered a year-on-year drop of 75.1%. Summer 2020 traffic levels did not meet what would have been the reasonable expectation.

The number of reported cases of COVID-19 has continued to increase in the final months of the year, and the restrictions established for national and international mobility have become stricter. Consequently, traffic for the fourth quarter reflected a decrease of 81.7%.

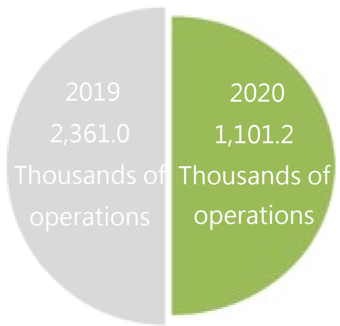
There are currently no signs of a short-term recovery in traffic. This means that it is not possible to anticipate when the recovery will begin.



-72.4%

Passengers 2020

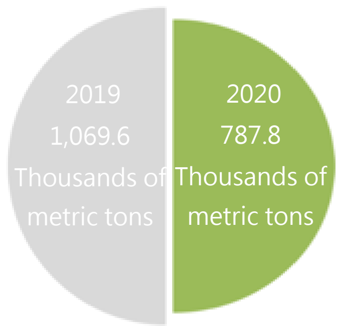
2019: +4.4%



-53.4%

Aircraft 2020

2019: +2.6%



-26.3%

Goods 2020

2019: +5.7%

2.2. Analysis of air traffic by airports and airlines

The evolution of traffic in 2020 is detailed below, classified by airport and airport groups:

Regarding geographic distribution, it should be noted that domestic traffic (-60.5%) has performed better than international traffic (-77.8%).

Distribution of traffic by geographical area

	PASSENGERS (MILLIONS) 2020	VARIATION YoY %	TOTAL SHARE
EUROPE [1]	36.6	-77.9%	48.1%
SPAIN	34.0	-60.5%	44.6%
LATIN AMERICA	2.4	-71.8%	3.1%
NORTH AMERICA [2]	1.1	-83.7%	1.5%
AFRICA	1.1	-72.6%	1.4%
MIDDLE EAST	0.8	-79.1%	1.0%
ASIA PACIFIC	0.2	-84.3%	0.3%
Total	**76.1**	-72.4%	100.0%

[1] Excluding Spain.

[2] North America includes: United States, Canada and Mexico.

Analysis of air traffic by airport and group of airport

	PASSENGERS			AIRCRAFT			AIRLINES		
	MILLIONS	VARIATION [1] YoY %	SHARE OF TOTAL	THOUSANDS	VARIATION [1] YoY %	SHARE OF TOTAL	METRIC TONS	VARIATION [1] YoY %	SHARE OF TOTAL
ADOLFO SUÁREZ MADRID-BARAJAS AIRPORT	17.1	-72.3%	22.5%	165.7	-61.1%	15.1%	401,133	-28.4%	50.9%
BARCELONA-EL PRAT JOSEP TARRADELLAS AIRPORT	12.7	-75.8%	16.7%	122.6	-64.4%	11.1%	114,263	-35.4%	14.5%
PALMA DE MALLORCA AIRPORT	6.1	-79.4%	8.0%	76.9	-64.6%	7.0%	6,733	-25.4%	0.9%
TOTAL CANARY ISLANDS GROUP	**17.0**	**-62.3%**	**22.3%**	**218.0**	**-46.9%**	**19.8%**	**25,638**	**-31.1%**	**3.3%**
TOTAL GROUP I	**18.8**	**-73.4%**	**24.7%**	**244.6**	**-56.7%**	**22.2%**	**28,747**	**-18.5%**	**3.6%**
TOTAL GROUP II [2]	**3.7**	**-72.9%**	**4.9%**	**112.5**	**-41.2%**	**10.2%**	**146,962**	**-21.2%**	**18.7%**
TOTAL GROUP III	**0.6**	**-63.2%**	**0.8%**	**160.9**	**-21.9%**	**14.6%**	**64,372**	**-0.5%**	**8.2%**
TOTAL	**76.1**	**-72.4%**	**100.0%**	**1,101.2**	**-53.4%**	**100.0%**	**787,848**	**-26.3%**	**100.0%**

Traffic data pending final closing,not subject to significant changes.

[1] Variation percentages calculated in passengers, aircraft and kg.

[2] Includes data from Region de Murcia International Airport (AIRM): 217,912 passengers and 2,812 aircraft movements.

Since the end of August, international traffic was affected by the worsening of the epidemiological situation, which has led the governments of different European countries to adopt more severe mobility restrictions. These restrictions include placing Spain on a no travel recommendation list and requiring quarantines for passengers coming from Spain.

The effects of this are reflected in the traffic data by countries shown below:

Air traffic distribution by country

	PASSENGERS (MILLIONS)		YEAR-ON-YEAR VARIATION		TOTAL SHARE	
	2020	2019	%	PASSENGERS	**2020**	2019
SPAIN	**34.0**	85.9	-60.5%	-52.0	**44.6%**	31.2%
UNITED KINGDOM	**8.3**	44.9	-81.6%	-36.6	**10.9%**	16.3%
GERMANY	**6.6**	29.1	-77.2%	-22.5	**8.7%**	10.6%
FRANCE	**3.8**	14.0	-72.7%	-10.2	**5.0%**	5.1%
ITALY	**3.4**	16.3	-79.2%	-12.9	**4.5%**	5.9%
THE NETHERLANDS	**2.4**	8.8	-72.2%	-6.4	**3.2%**	3.2%
BELGIUM	**1.8**	6.3	-71.2%	-4.5	**2.4%**	2.3%
SWITZERLAND	**1.5**	6.4	-76.8%	-4.9	**2.0%**	2.3%
PORTUGAL	**1.4**	5.7	-74.7%	-4.2	**1.9%**	2.1%
SWEDEN	**0.9**	3.7	-74.9%	-2.8	**1.2%**	1.3%
IRELAND	**0.8**	4.7	-82.9%	-3.9	**1.1%**	1.7%
DENMARK	**0.7**	3.1	-77.1%	-2.4	**0.9%**	1.1%
UNITED STATES	**0.7**	5.0	-85.8%	-4.3	**0.9%**	1.8%
MOROCCO	**0.7**	2.4	-70.1%	-1.7	**0.9%**	0.9%
POLAND	**0.6**	2.3	-72.4%	-1.7	**0.8%**	0.8%
TOTAL TOP 15	**67.7**	238.6	-71.6%	-170.8	**89.0%**	86.7%
REST OF THE WORLD	**8.3**	36.7	-77.3%	-28.4	**11.0%**	13.3%
TOTAL PASSENGERS	**76.1**	**275.2**	**-72.4%**	**-199.2**	**100.0%**	**100.0%**

As for passenger traffic by airline, the general decline in activity throughout the year is shown below:

Distribution of air traffic by airlines

	PASSENGERS (MILLIONS)		YEAR-ON-YEAR VARIATION		TOTAL SHARE	
	2020	2019	%	PASSENGERS	2020	2019
RYANAIR [1]	13.6	50.0	-72.9%	-36.4	17.8	18.2
VUELING	12.8	42.7	-70.0%	-29.9	16.8	15.5
AIR EUROPA	6.5	19.0	-66.0%	-12.6	8.5	6.9
IBERIA	6.2	20.7	-69.9%	-14.4	8.2	7.5
GRUPO BINTER[2]	4.5	7.7	-41.7%	-3.2	5.9	2.8
IBERIA EXPRESS	3.9	10.3	-62.4%	-6.4	5.1	3.7
EASYJET[3]	3.6	17.9	-79.6%	-14.2	4.8	6.5
AIR NOSTRUM	3.2	8.9	-63.7%	-5.7	4.3	3.2
NORWEGIAN AIR[4]	1.3	8.9	-85.5%	-7.6	1.7	3.2
JET2.COM	1.3	8.0	-84.4%	-6.8	1.6	2.9
LUFTHANSA	1.2	4.5	-74.4%	-3.3	1.5	1.6
EUROWINGS	1.1	5.6	-79.7%	-4.5	1.5	2.0
TRANSAVIA	1.0	3.8	-73.1%	-2.8	1.3	1.4
WIZZ AIR[5]	0.9	2.7	-64.3%	-1.7	1.2	1.0
VOLOTEA	0.9	1.8	-52.2%	-0.9	1.1	0.7
TOTAL TOP 15	62.0	212.6	-70.8%	-150.6	81.5	77.2
OTHER AIRLINES	14.0	62.6	-77.6%	-48.6	18.5	22.8
TOTAL PASSENGERS	76.1	275.2	-72.4%	-199.2	100.0	100.0
TOTAL LOW-COST PASSENGERS	42.4	158.6	-73.3%	-116.2	55.7	57.6

[1] Including Ryanair Ltd. and Ryanair Sun, S.A.

[2] Including Binter Canarias, Naysa and Canarias Airlines.

[3] Including Easyjet Switzerland, S.A., Easyjet Airline Co. LTD. and Easyjet Europe Airline GMBH.

[4] Including Norwegian Air International, Norwegian Air Shuttle A.S. and Norwegian Air UK

[5] Including Wizz Air Hungary, Wizz Air Ukraine, Wizz Air UK LTD. and Wizz Air Bulgaria

COVID-19 aeronautical commercial incentive

In order to contribute to the reactivation of air traffic in Spain, Aena offers a commercial incentive that encourages airlines to schedule operations regardless of the number of passengers.

As of 1 July 2020, the incentive was applied to the percentage of recovery of operations in comparison with the same month of 2019, providing certain thresholds are met. Each airline could obtain a discount of 75% or 100% on the average monthly landing charge, for all those monthly operations carried out at network airports that exceed the recovery levels set.

For the winter season, the Board of Directors approved a new incentive. This measure, applicable between November 2020 and March 2021, incentivises all movements operated, and not only those above a certain threshold, providing the airline achieves at least a 20% recovery compared to the same month of the previous winter season.

2.3. International activity

Aena's shareholdings outside Spain extend to 21 airports: 12 in Mexico, 2 in Colombia, 1 in the United Kingdom and 6 in Brazil. Through GAP, at the Montego Bay and Kingston airports in Jamaica.

The evolution of traffic at these airports has been as follows:

Passenger traffic at investee airports

				SHAREHOLDING	
MILLIONS OF PASSENGERS	**2020**	2019	VARIATION YoY %	DIRECT	INDIRECT
LONDON LUTON (UNITED KINGDOM)	**5.5**	18.0	-69.6%	51.0%	
AEROPORTOS DO NORDESTE DO BRASIL S.A.[2] (BRAZIL)	**7.8**	13.8	-44.0%	100.0%	
GRUPO AEROPORTUARIO DEL PACÍFICO, S.A.B. DE C.V [3] (MEXICO)	**27.3**	48.7	-43.9%		5.8%
AEROCALI (CALI, COLOMBIA)	**2.0**	5.7	-64.2%	50.0%	
SACSA (CARTAGENA DE INDIAS, COLOMBIA)	**1.9**	5.8	-66.7%	37.9%	
TOTAL	**44.4**	92.0	-51.7%		

[1] Variation percentages calculated in number of passengers.

[2] The 2020 figures correspond to the full year. They are not adjusted to the start date of operations at each airport.

[3] GAP includes traffic at Montego Bay and Kingston airports

London-Luton Airport

The impact of COVID-19 on activity in Luton began to become apparent from 11 March, and the month ended with almost no traffic. The situation continued during the following months. In the month of June, the airport began to show signs of recovery of activity, highlighting the momentum of Wizz Air flights, especially during the first months of the summer. However, the reactivation of traffic has been affected by the evolution of the pandemic in the United Kingdom, as well as in countries with which the airport operates flights, which have determined restrictions with certain countries. The quarantines imposed by the UK Government on passengers coming from countries with high levels of contagion, the requirement of negative tests to be able to fly and the confinements decreed for the British population have also impacted airport activity.

The last quarter of 2020 was marked by the lockdown imposed by the UK government between 5 November and 2 December. It was followed by the elevation of the level of restrictions in the London area (very high risk) in mid-December and has ended with a new decree of lockdown as of 4 January 2021.

2020 has closed with 5.5 million passengers, representing a year-on-year drop of 69.6% and a loss of 12.5 million travellers.

In terms of aircraft movements and cargo volume, the figures recorded for the period were 63,593 operations (-55.0% year-on-year) and 32,693 metric tons of goods (-17.5% year-on-year).

London-Luton Airport has implemented the latest safety guidelines from the UK Government:

- Improved terminal cleaning.
- Installation of hand disinfectant units.
- Installation of signage for passengers to maintain social distancing guidelines.
- Displaying the latest public health information throughout the airport, including regular announcements.
- Use of masks on airport premises.
- Possibility to take a COVID-19 test at the airport itself.

With regard to the activation of Brexit, it should be noted that no operational incidents have occurred following the agreement with the EU.

Finally, it is worth pointing out that the submission to Luton Borough Council concerning the application to increase the airport's capacity to 19 million passengers (18 million passengers is the current capacity) has been formalised. The next step is a public consultation on the matter by London Borough Council.

Aeroportos do Nordeste do Brasil

Through its subsidiary, Aena Desarrollo Internacional S.M.E., S.A., Aena won the concession for the operation and maintenance of the airports in the Northeast Brazil Airports Group (Recife, Maceió, Aracaju, Campina Grande, João Pessoa and Juazeiro do Norte), at the auction held on 15 March 2019. The company Aeroportos do Nordeste do Brasil S.A. was incorporated on 30 May 2019.

The concession, which is valid for a period of 30 years and which can be increased by five additional years, came into effect on 9 October 2019. During 2019, airport operations continued to be carried out by the Brazilian public airport operator, Infraero and, in accordance with the concession agreement, in January 2020, Aena Brasil progressively started operations at the Group's airports:

- Juazeiro do Norte-Orlando Bezerra de Menezes Airport on 13 January 2020.
- Campina Grande-Presidente João Suassuna Airport on 16 January 2020.
- Maceió-Zumbi dos Palmares Airport on 13 February 2020.
- Santa Maria-Aracaju International Airport on 20 February 2020.
- João Pessoa-Presidente Castro Pinto International Airport on 24 February 2020.
- Recife/Guararapes-Gilberto Freyre International Airport on 3 March 2020.

In 2020, these airports registered passenger traffic of 7.8 million, which is a year-on-year fall of 44.0% and a loss of 6.1 million passengers. Taking into account that ANB was progressively starting to manage the airports between the months of January and March, the passenger traffic actually operated has been 5.3 million.

In terms of aircraft movements and cargo volume, the figures recorded for the period were 83,727 operations (-38.6% year-on-year) and 58,396 metric tons of goods (-8.0% year-on-year).

The state of Public Calamity, decreed by the Federal Government on 20 March, was in force until 31 December 2020. Moreover, the Public Health Emergency of National Importance, declared in February by the Ministry of Health, and that supports urgent actions for the prevention and control of risks to public health, remains in force indefinitely.

MILLIONS OF PASSENGERS	2020	2019
RECIFE	4.8	8.6
MACEIÓ	1.2	2.1
JOÃO PESSOA	0.8	1.3
ARACAJÚ	0.6	1.1
JUAZEIRO DO NORTE	0.3	0.5
CAMPINA GRANDE	0.1	0.1
TOTAL	7.8	13.8

In these circumstances, the measures adopted by AENA BRASIL to reduce the impacts of COVID-19 have contemplated a significant reduction in the opening hours of five airports, in coordination with airlines and regulatory authorities. During the second and third quarters, only the Campina Grande Airport was left without any demand for regular flights. Demand subsequently recovered in September 2020. Recife Airport maintained its 24-hour operation, and the remaining four airports operated on a reduced schedule designed to meet existing demand in the most efficient way possible. In the fourth quarter, the Maceió, Joao Pessoa and Aracajú airports also recovered the operating hours they had prior to the pandemic, accompanying the recovery of the activity.

Grupo Aeroportuario del Pacífico (GAP)

GAP passenger traffic stands at 27.3 million passengers in 2020, representing a 43.9% year-on-year decrease. These figures reflect a drop of 39.8% recorded in domestic traffic and 49.4% in international traffic.

On 30 March, the Mexican government declared that the health emergency in the country constituted force majeure. This declaration resulted in the immediate suspension of non-essential activities in the public, private and social sectors until 30 April. From June, airlines started to resume and increase the frequencies of their domestic and international flights in Mexico.

In Jamaica, the government suspended all incoming international flights starting on 25 March, with the exception of cargo and goods transport. After the opening of the borders, since the month of June, international flights have once again landed at the Montego Bay and Kingston airports.

Health safety protocols are being followed at all airports of the Pacific Airports Group and they have all been certified according to the ACI Airport Health Accreditation programme.

On 25 March, considering the circumstances and operational disruptions prevailing at both national and global levels, GAP announced the measures approved by the Board of Directors. Consequently, the company:

- Is implementing a service cost-containment plan based on reducing consumption and security, cleaning and maintenance services, in accordance with new passenger demand; maintaining operations at the minimum necessary level without reducing the quality of the service, and closing any operational areas that are not being used.
- Has postponed non-mandatory capital investments and has asked the authorities for permission to postpone the investments committed to for the year.

On 1 July, the General Shareholders' Meeting of GAP approved the transfer of the net profit for 2019 to unappropriated retained earnings in the income statement.

On 27 November, GAP reached an agreement with the regulatory aviation authority for the extraordinary review of the regulatory framework for the 2020-2024 period, due to the impact of the COVID-19 pandemic on the air transport sector and on its airports.

The extraordinary review of the Master Development Programmes (MDPs) for Mexico's airports for the 2020-24 period approved an adjustment to the MDPs, postponing investments by approximately 20 months. As a result of the adjustment to the committed investments, as well as all other premises within the extraordinary review, new maximum airport charges applicable by unit of traffic have been approved.

As for the **Alfonso Bonilla Aragón International Airport** (in Cali, Colombia) managed by the Company, it registered a year-on year decrease of 64.2% in passenger traffic at the close of 2020. The reduction in domestic traffic was 62.8% and for that in international traffic it was 69.5%.

The **Rafael Núñez International Airport** (in Cartagena de Indias, Colombia) managed by Sociedad Aeroportuaria de la Costa S.A., closed 2020 with a year-on-year fall in passenger volume of 66.7%. Domestic traffic has fallen by 66.4% and international traffic by 67.9%.

As for the air traffic measures taken by the Colombian Government in response to the global COVID-19 crisis, it is worth noting that it decreed the cancellation of all international flights starting from 23 March and of domestic flights from 25 March. Domestic flights resumed on 1 September, whereas international flights began operating on 19 September, although their recovery is slow due to international restrictions. After the restart of commercial traffic in Colombia, in the final months of the year recovery traffic figures of approximately 40% were being reached compared to the equivalent months in 2019. The pandemic situation in Colombia will determine the continuation of the recovery in the first few months of 2021.

At both Cartagena de Indias and Cali airports, the necessary actions are being taken to comply with the health indications of the Colombian Government and with international recommendations. The relevant actions have also been taken to mitigate the financial impact on both concessions. Both airports have obtained the “Certified Check In” and “Safe Guard” quality seal, which ensures that they comply with the biosafety guidelines set out in Resolution 0576 of the Ministry of Commerce, Industry and Tourism.

With Avianca and Latam filing for Chapter 11, discussions with these airlines in order to share recovery strategies are ongoing in both concessions. During the month of September, they began operating from both airports as the restrictions gradually lifted and are currently continuing with their recovery.

It is also worth noting that on 1 September the concession of the Alfonso Bonilla Aragón International Airport in Cali came to an end and that on 26 September 2020 the concession of the Rafael Núñez International Airport in the city of Cartagena de Indias was ended. Both concession contracts have been extended for six months, with the new expected termination dates being 1 March and 25 March 2021, respectively.

The companies Aerocali S.A. and Sociedad Aeroportuaria de la Costa S.A. are negotiating with the granting authorities for additional duration extensions to the concession agreements, which compensate for the effects of the COVID-19 pandemic.

Negotiations for the development of the two private-public partnerships (PPPs) for the airports of Cali and Cartagena de Indias continue. The objective is to sign concession agreements once the extensions of the current concessions and the possible compensation for the pandemic have ended.

2.4. Commercial activity

The declaration of the state of emergency in Spain led to the closure of most points of sale from 15 March to 21 June. Only convenience stores, tobacconists, pharmacies, some restaurants and vending machines remained open.

From 21 June, commercial activity was gradually restarted at network airports. Accompanying the reopening, various measures were implemented aimed at facilitating the transit of passengers through commercial areas, specialty shops and restaurants. The measures implemented, which comply with the health indications issued by the authorities at all times, offer travellers the opportunity to pass through commercial spaces in safe conditions. These measures include the following:

- Coordination with the commercial lessees on staggered openings, adapted to passenger traffic, maximum capacity and social distancing measures.
- Coordination of health and safety measures for customers and employees, and supervising maximum capacity restrictions in walk-through and traditional shops.
- Adapting VIP lounges to the new operating environment. Establishing which rooms to open, opening hours, service levels, maximum capacities, as well as new social distancing layouts.
- Advertising campaigns to reactivate VIP lounge and car park marketing.

- In terms of car rental activity, the lessees in question, in collaboration with Aena, have developed and implemented safety, cleaning and hygiene protocols aimed at increasing the level of service associated with the reactivation of traffic.

At the close of 2020, revenue from commercial lines reached €1,033.2 million, reflecting a year-on-year decrease of €207.9 million (-16.8%).

As a consequence of the health crisis caused by COVID-19 and the measures adopted by public authorities to deal with it, Aena began negotiations with the commercial activity lessees to agree on changes in the contractual conditions, including MAG.

These negotiations, in which the Company has made different commercial proposals based on the evolution of the activity and always under the legal framework existing at each moment in time, have been affected by the continued deterioration of expectations regarding the recovery of air traffic.

Following the entry into force on 24 December 2020 of Royal Decree-Law 35/2020 on urgent measures to support the tourism, the hotel industry and commerce sector, and on tax matters, this negotiation process has culminated in the following proposal made on 18 January 2021 to commercial operators of duty free activities, specialty shops, food and beverage establishments, vending machines, financial services and advertising in relation to MAG. The details of this proposal are included in section 11. Events after the reporting period.

Pending the conclusion of the agreements with those commercial operators that are affected by the aforementioned proposal and in application of IFRS 16 "Leases," the revenue from MAG for 2020 has been recorded for accounting purposes, for the amount of €620.3 million, including those corresponding to the period of the state of emergency for the amount of €198.6 million, given that there is a contractual right to receive such rent. In the event of the contracts undergoing changes in the future as a result of the aforementioned negotiations, their effect will be recorded in accordance with the provisions of these regulations regarding contractual amendments. Therefore, the incentives and concessions awarded that derive directly from the adverse situation caused by COVID-19 will be prospectively treated as a change of estimate, from the effective date of the contract modification, reducing, through a straight-line distribution system, the revenue from the remaining periods of the contract.

Consequently, revenue in business lines of duty-free shops, speciality shops, food and beverage, advertising and other commercial activities, reflects the above-mentioned accounting revenue.

In those activities not subject to MAG, the annual revenue reflects the agreements reached with car rental operators, as well as the measures taken by Aena in order to collaborate with companies that provide services at airports, customers and lessees, to alleviate the effects to their activity caused by the COVID-19 health crisis:

- The exemption of fixed rents during the first state of emergency period for the operators of the car rental activity amounts to €18.6 million. Of this, with the application of the straight-line method as per IFRS 16 "Leases" of the NPGC, a total of €4.2 million has been recorded as lower revenue in 2020.
- On 29 and 30 December, the novation of most of the existing contracts with the vehicle rental operators was signed. This novation mainly establishes that, for the period between 21 June 2020 and 31 December 2021 (both inclusive), the system for calculating the monthly fixed rent stipulated in the previous contract is replaced by a variable rent system linked to the number of airport passengers. These variable conditions will remain until 31 December 2021 or until 95% of the passengers declared in 2019 have been reached, whichever comes first, at which time the monthly fixed rent conditions of the contract will resume. This modification to the contract has led to reduced rent for the period from 21 June 2020 to 31 December 2020 of €28.6 million, which, according to the accounting standard explained above, remain in the balance sheet as accrual accounts at 31 December 2020. This balance will be adjusted by reducing, through a straight-line distribution system, the revenue for the remaining period of the agreement, until 22 October 2022.
- The partial exemptions of monthly fixed rent during the first state of emergency, corresponding to leases within the terminal, have amounted to €1.9 million. This measure involved a 75% discount for the majority of agreements signed by airlines and handling agents, and companies that managed offices, ware-

houses, and commercial counters (including commercial counters of tour operators and transport companies). Through the straight-line method mentioned above, in 2020, a total of €0.7 million were allocated as lower revenue.

In addition to this, at the end of April, Aena approved an extraordinary six-month postponement on collections, subject to certain conditions; applicable to the amounts invoiced from the date the state of emergency was decreed, 14 March 2020, and for a period of three months, which ended on 14 June 2020. As for commercial operators, this measure has benefited them to the extent of €19.5 million.

3. Business lines

3.1 Airports Segment

3.1.1 Aeronautical

Airport Regulation Document 2017-21 (DORA I)

Regulated Asset Base

The average regulated asset base at the close of 2020 stood at €9,955.4 million.

2020 airport charges

On 1 March 2020, the airport charges applicable for 2020 came into force, based on the reduction of the adjusted annual maximum revenue per passenger (IMAAJ) for 2020 by 1.44% (€10.27 per passenger) compared with the 2019 IMAAJ (€10.42 per passenger).

2021 airport charges

As established by law (Act 18/2014 and Directive 2009/12/EC on airport charges), and in order to update airport charges for 2021, the first meeting of the consultation process was held in the months of October to December 2020, between Aena and the airline company associations that use the airports.

In the course of this consultation process Aena has provided users and the CNMC (Spain's National Authority for Markets and Competition), which performs the functions of Independent Supervisory Authority, with the information required by the legislation and a proposal of charges which meets the requirements given in the Airport Regulation Document (DORA) and in Act 18/2014.

The users called upon by Aena to take part in the consultative process belong to the following associations and airline companies:

- IATA: International Air Transport Association
- A4E: Airlines for Europe
- AIRE: Airlines International Representation in Europe
- ALA: Asociación de Líneas Aéreas
- AECA: Asociación Española de Compañías Aéreas (Spanish Airline Association)
- AOC España: Comité de Operadores de Líneas Aéreas (Committee of Airline Operators)
- RACE: Real Aeroclub de España (Royal Aero-Club of Spain)
- RFAE: Real Federación Aeronáutica Española (Spanish Royal Aeronautical Federation)
- AOPA: Aircraft Owners and Pilots Association
- ASEATA (Asociación de Empresas de Servicios de Asistencia en Tierra en Aeropuertos)
- Ryanair
- Norwegian
- Jet2.com
- EasyJet
- Vueling

Likewise, the CNMC, the General Directorate of Civil Aviation (DGAC) and the Spanish Aviation Safety and Security Agency (AESA), attended the meetings as observers to the process.

The first meeting of the consultation process was held on 2 October, and the second was held on 13 November.

On 22 December 2020, the Board of Directors of Aena approved the charges corresponding to 2021, which will enter into force on 1 March 2021. The corresponding charges were based on freezing the 2021 IMAAJ relative to the IMAAJ for 2020, which was established at €10.27 per passenger. This act was reported to the CNMC, user associations and the General Directorate of Civil Aviation on 30 December 2020.

On 12 February 2021, the CNMC issued its Resolution on Aena's airport charges for 2021. In the aforementioned Resolution, it declares the charge update approved by Aena applicable, given that the 2021 IMAAJ is €10.27 per passenger, which implies a 0% variation.

Airport Regulation Document 2022-2026 (DORA II)

Consultation process

Aena is currently immersed in the process of preparing the DORA for the second regulatory period (2022-2026), the proposal of which must be sent to the General Directorate of Civil Aviation before 15 March 2021.

In compliance with the regulations (Act 18/2014 and Directive 2009/12/EC on airport charges), the consultation process is being held jointly between Aena and the airline company associations that use the airports, about the Airport Regulation Document 2022-2026 proposed by Aena and regarding the updating of airport charges for 2022.

The first meeting, with which the consultation process began, took place on 22 December 2020.

It is expected that this consultation process will take place until 15 March 2021, the date on which Aena will send its final proposal for DORA II. Then, the General Directorate of Civil Aviation (DGAC), as the regulatory body, will request the corresponding mandatory reports from both the National Commission of Markets and Competition (economic aspects of the proposal), the State Agency for Air Security (technical and operational aspects) and the General Directorate of Economic Policy of the Ministry of Economic Affairs and Digital Transformation. The Act establishes that the deadline for final approval by the Council of Ministers is 30 September 2021.

Aeronautical activity

Aena's activity continues to be highly determined by COVID-19 at an operational level. There are currently no signs of recovery in traffic in the short term and there are no prospects on when it will start.

To accompany the evolution of traffic, Aena continues to adapt its means and facilities to operational needs, in line with the measures taken by the Spanish Government.

Closely related to the capacity adjustment carried out at airports, Aena maintains its cost-saving plan to protect cash in hand. This plan is based on the renegotiation of service agreements (security, cleaning, maintenance, etc), the elimination of non-essential expenses and the halting of new non-essential contracts according to needs.

With the aim of ensuring passenger and worker safety, Aena continues to implement all cleaning, social distancing, hygiene and communication recommendations set by EASA (European Union Aviation Safety Agency) and ECDC (European Centre for Disease Prevention and Control). This is done in coordination with the health and transport authorities of the Spanish Government, as well as with the Member States of the EU, and international airport and airline associations (ACI and IATA respectively).

Since 15 May, the Ministry of Health, through its Foreign Health sub-directorate, has required health checks on arrival for passengers from abroad. To carry out these checks, the Ministry of Health has the support of Aena via both human and technological resources.

As a result of the measures implemented during 2020 relating to the health and operational checks at the airports, the Company incurred in exceptional expenses, both in airport facilities, as well as in personal and health protection, to the reported amount of €53 million, recorded under the heading of "Other results" in the Income Statement. In addition, investments have been made in fixed assets amounting to €9.8 million.

The Royal Decree-Law 21/2020, of 9 June, states that under the framework of DORA, Aena will have the right to recover the costs incurred as a consequence of collaborating with the health authorities and of the remaining operational safety and hygiene measures that must be adopted as a consequence of the COVID-19 pandemic.

If these costs cannot be recovered within the framework of DORA 2017-2021, they may be recovered, duly capitalised, in any of the subsequent DORAs. In this case, the rate will not be subject to the airport charges review cap of 0%, the accumulated deficit in DORA 2017-2021 may be transferred to DORA 2022-2026 and the accumulated deficit in DORA 2022-2026 may be transferred to the following five-year period.

It should also be noted that Aena has taken measures to collaborate with companies that provide services at airports, customers and lessees, who face liquidity pressures due to the situation caused by COVID-19. At the end of April, an extraordinary six-month postponement on collections was approved, subject to certain conditions; applicable to the amounts invoiced from the date the state of emergency was decreed, 14 March 2020, and for a period of three months, which ended on 14 June.

As far as aeronautical services were concerned, this deferral was applied to amounts invoiced for:

- Aircraft parking
- Landing charges and airport transit services
- Passengers, PRM and security
- Use of airbridges
- Fuels and lubricants
- Ground assistance services
- Meteorological services

The total amount deferred under the various headings, from which the airlines benefited, amounted to €82.2 million.

With regard to BREXIT, Aena has been part of various working groups, together with the Ministry for Home Affairs, to assess the possible effects after its entry into force. Thus, border control stations have been redesigned according to the new requirements applicable to UK citizens.

It is also important to mention that the European Commission has authorised the use of ABC (automatic border control) systems for UK citizens. This authorisation was the result of a joint analysis effort carried out by the General Directorate for Immigration and Border Affairs of the National Police and Aena.

Following the instructions of the Ministries of Health and Agriculture, Aena has reviewed and reinforced the deployment of information regarding existing restrictions on animal products, vegetable products and pets from third countries. Several airports have coordinated the response to the requirements needed to be authorised as a Travellers' Point of Entry (TPE) for pets from third countries. The airports of César Manrique-Lanzarote, Fuerteventura, Girona-Costa Brava, Sevilla and Jerez have already processed the application for authorisation to the Ministry of Agriculture, Fisheries and Food.

The figures for aeronautical activity are summarised below.

The drastic fall in passenger traffic due to the restrictions on mobility imposed in Spain and in the rest of the world, as a result of the spread of COVID-19, is reflected in the decrease in ordinary revenue from aeronautical activity.

Additionally, the lower revenue for the period is affected by the exemption from paying the landing and air traffic rates applied during the state of emergency to those aircraft that carried cargo comprising of at least 50% medical supplies needed to fight the pandemic. If, in addition to medical equipment, they carried other non-medical material of any kind, the exemption would apply only to the percentage of the charge corresponding to the medical equipment. This measure was extended until 5 July.

The net effect of traffic incentives has meant a lower revenue of €11.5 million. This amount includes the accrual of the commercial incentives that aim to promote the scheduling of operations by airlines (€20.4 million), the incentive provisioned in January and February for the winter season (€3.4 million), the regularisation of provisions from previous years (€1.8 million), and the adjustment of the provision of incentives for growth (€10.5 million). The latter is due to the drastic decrease

Key figures of aeronautical activity

THOUSANDS OF EUROS	**2020**	2019	VARIATION	% VARIATION
ORDINARY REVENUE	937,700	2,851,793	-1,914,093	-67.1%
AIRPORT CHARGES[1]	901,146	2,776,091	-1,874,945	-67.5%
PASSENGERS	350,480	1,287,193	-936,713	-72,8%
LANDINGS	263,902	746,274	-482,372	-64.6%
SECURITY	115,404	442,869	-327,465	-73.9%
BOARDING AIRBRIDGES	45,199	101,183	-55,984	-55,3%
HANDLING CHARGES	40,713	108,937	-68,224	-62,6%
FUEL	11,387	33,072	-21,685	-65.6%
PARKING FACILITIES	70,564	44,714	25,850	57.8%
CATERING	3,497	11,849	-8,352	-70,5%
OTHER AIRPORT SERVICES[2]	36,554	75,702	-39,148	-51.7%
OTHER OPERATING REVENUE	48,157	49,303	-1,146	-2.3%
TOTAL REVENUE	985,857	2,901,096	-1,915,239	-66.0%
TOTAL EXPENSES (INCLUDING AMORTISATION)	-1,758,818	-1,902,699	-143,881	-7.6%
EBITDA (Earnings before interest, tax, depreciation and amortisation)	-161,316	1,605,305	-1,766,621	-110.0%

[1] The revenue from passenger charges, landing charges and security fees include commercial incentives: -€11.5 million in 2020 (-€26.1 million in in 2019).
[2] Includes: Check-in counters, use of 400 Hz airbridges, fire service, luggage lockers and other revenue.

in passenger traffic, which has seen many airlines failing to meet the requirements necessary to accrue them.

Rebates for connecting passengers have amounted to €21.6 million in 2020, compared with €77.7 million in 2019.

In terms of the development of aeronautical services at network airports in 2020, the following actions should be noted:

Passenger services

Within the scope of the Strategic Cleaning Plan, the phase V tendering process, which started in December 2019, is about to end. The total amount of the tender is €4.0 million per year, which represents an increase of 15.3% compared with the amounts in the previous bidding process. The main objective of the new contracts is to improve the quality offered to passengers, in compliance with the standards set out in the Airport Regulation Document 2017-21 (DORA). These follow a model that promotes the values of quality, efficiency and flexibility, as well as modernising the service by means of a digital platform for resolving incidents in real time.

In recent months, the Strategic Cleaning Plan has been reinforced by some of the measures contained in the Operational Recovery Plan. This Plan is allowing activity to be resumed at airports, while maintaining a strict level of service for passengers, as well as for airport workers, complementing the usual cleaning by a regular and frequent sanitising of the facilities.

The implemented service plans and the Strategic Cleaning Plan are adapted to the current situation, which requires a more frequent cleaning in order to maintain hygiene and sanitary conditions in the airport environment. Frequencies are constantly being resized in response to variations in passenger traffic. Additionally, other measures continue to be implemented following the recommendations of the Health Authorities, such as Royal Decree-Law 26/2020, which makes EASA recommendations mandatory.

Additionally, to ensure that the measures adopted to fight the pandemic are in alignment with international standards of excellence, the Adolfo Suárez Madrid-Barajas and Barcelona-El Prat Josep Tarradellas airports have been included in the AHA (Airport Health Accreditation) accreditation, which is granted by ACI (Airports Council International). Accreditation for Palma de Mallorca is still being processed. AHA is the first worldwide programme of this type, specifically defined for the airport sector following the COVID-19 crisis. It is participated in by more than 160 airports worldwide.

Likewise, to ensure the suitability of the measures implemented by Aena in the Operational Recovery Plan, conversations are held with other European and worldwide airports to learn about the measures they implement and incorporate improvements into Aena's plan.

With regard to the gradual incorporation of all airports in the Aena network into the ASQ (Airport Service Quality) programme, the 33 airports registered to the programme already conduct surveys digitally. Interviewer fieldwork has also been adapted to the current scenario in order to limit interpersonal contact as much as possible, and protect passengers and workers.

Airline services

The situation in which the air transport sector has found itself since the outbreak of the COVID-19 crisis, has led Aena to offer airlines a new commercial incentive scheme (explained in section 2.2), with the aim of accompanying the recovery of activity and encouraging airlines to increase their operations.

To achieve these objectives, Aena participates in various forums within the European framework, such as the Airports Council International Europe (ACI Europe). The company contributes its experience in various work groups to, in a coordinated manner with the other participants, study proposals that promote the sector's improvement and safeguard the groups involved.

Another area of action developed in 2020 is the improvement of processes. In this area, Aena is firmly committed to promoting different innovation projects in order to respond to the new needs and requirements derived from the pandemic.

In this regard, one of the most important projects is promoting the use of facial recognition technology. Its use allows passengers to go through the security screening and board without having to show their ID documents. Testing on this initiative began at Menorca Airport in 2019, and has been tried at the A.S. Madrid-Barajas Airport. These types of initiatives, in addition to increasing capacity and improving processing times, are especially relevant in the current climate, as they provide ways of reducing physical contact between the passengers and their surroundings.

With the same aim of reducing physical contact, we have been promoting the use of contactless applications and management tools, which, in addition to streamlining operations, reduces the user's exposure to possible sources of contagion.

Another way of reducing the passenger's exposure to potential contagion is the use of self-check-in kiosks for luggage. By using self-check-in kiosks and self-service bag drop devices, the check-in process is carried out without requiring the intervention of external personnel.

Air traffic services

Despite the drastic reduction in air traffic caused by the pandemic, the air traffic services provided ensure that operations can be carried out. During 2020, these services have been adjusted to the real demand.

The provision of air traffic services (ATS) or tower control services, at 12 network airports where this service is deregulated, has been awarded. During the month of November, Sabadell and La Palma airports transitioned to the new operator.

It should also be noted that Aena continues to work on projects to implement remote towers at Vigo and Menorca airports. The objective is to ensure that the infrastructure and equipment are available during the first half of 2021. In Vigo, a camera and image processing system will be installed with technology from Canadian company Searidge. In Menorca, a system with technology from Norwegian company Konsberg will be installed.

Operational systems

During 2020, progress has continued on integrating network airports into the A-CDM (Airport-Collaborative Decision Making) and Advanced Tower programmes, under the auspices of Eurocontrol. These programmes encourage the exchange of information among all agents involved in the operation of a flight. Its objective is to promote joint decision-making, improve punctuality, reduce the cost of movements and reduce environmental impact.

Sevilla and Bilbao airports are on the final stretch to obtaining Advanced Tower certification. With the integration of the operational data of these airports into the European real-time information network managed by Eurocontrol, nearly 82% of the Spanish network's operations traffic will be incorporated into the programme.

Migration work from Advanced Tower to A-CDM at Málaga Costa del Sol Airport continues. Its certification was planned for the first half of 2020, but due to the current circumstances of COVID-19 it is estimated that it will be certified throughout the first quarter of 2021.

Operations

In relation to the management of the COVID-19 international health crisis, Aena has coordinated actions with the Ministry of Health in order to define the procedure and means necessary to control suspected positive cases. Among them, an action procedure model for handling COVID-19 alerts has been coordinated, both in aircraft and in the terminal building. The procedure model is a living document that is updated as needed with the Ministry.

Signage guidelines associated with COVID-19 have been implemented at network airports to implement measures such as social distancing, waste management, hygiene, etc. These actions allow us to offer passengers a safe airport environment and comply with the recommendations established by various organisations (EASA, Ministry of Health, the Spanish Aviation Safety and Security Agency, etc). The guidelines are under review to improve the effectiveness of the COVID-19 material deployed.

It is also worth noting that the company has participated in both the State Facilitation Committee and in its permanent commission for health issues, with the aim of incorporating the EASA guidelines on COVID-19 into the Spanish legal system, based on the decisions of the Ministry of Health on health controls, dated 11 November and 9 December.

With regard to the use of operational capacity, the possibility of adapting the declared capacity parameters to the circumstances caused by the pandemic has been discussed with the Directorate General for Civil Aviation (DGAC [Dirección General de Aeronáutica Civil]). The need to convey, to the European Commission, the suitability of adopting the recommendation of the Worldwide Airport Slot Board, in which Aena participates, to address the allocation of slots during the summer 2021 season, was also discussed.

Security

In the field of physical security, the term of the contracts awarded in 2018 (two years) having elapsed, the corresponding private security service tenders have been awarded to five of the six companies that did not sign the ordinary extension foreseen in the agreements.

The new agreements have a duration of two years, with the option of a one year extension.

Of the total amount awarded, almost €289 million correspond to airports with the highest passenger traffic, and over €14.5 million to those with less than 400,000 passengers. The agreements includes an item associated with COVID-19 activities and another to support technological transition projects.

The awarded tender does not include security at the Barcelona-El Prat Josep Tarradellas (passenger inspection), Palma de Mallorca, Alicante-Elche, Almería, Ibiza and Menorca airports, as an extension agreement has been reached with the current successful bidder.

With regard to the tenders for the supply of inspection equipment (and its maintenance, access control systems and CCTV-video surveillance control centres), as well as operating equipment and vehicles, it should be noted that they have been reactivated in accordance with the investment plan. Specifically, EDS hold baggage screening equipment (Standard 3) has been supplied and installed in order to meet the regulatory compliance dates.

Airport security inspection and airport security internal quality control activities carried out by AESA, both in relation to the performance of tests, and with respect to compliance verification activities of the National Security Programme, have continued.

The activities of two pilot projects designed to carry out tests with equipment in security screenings have also continued. The first, focused on security screening equipment, allows passengers to carry liquids and laptops in their hand luggage. The second pilot project is aimed at implementing remote inspection rooms that will enable the "relocation" of some security screening guards to independent rooms.

Facilities and Maintenance

During the third quarter, Aena has continued working on the main lines of the Strategic Airport Maintenance Plan (PEMA) established for 2020. In this regard, the implementation of the grouped maintenance agreements and the deployment of the new version of the MAXIMO application continues. The main objective is to rationalise and standardise maintenance services at all Aena network airports over a three-year period. Within the scope of PEMA, it is worth mentioning the launch of the new Mobile Airport Maintenance Application (AMMA [Aplicación Móvil de Mantenimiento Aeroportuario]) on the new version of MAXIMO. This is the pilot test at Sevilla airport for the management of maintenance in real conditions.

It is also important to note that Aena has begun various initiatives aimed at promoting the use of renewable energies and integrating the Sustainable Development Goals (SDGs) into airport management so that the recovery of traffic is accompanied by energy efficiency and sustainability criteria. (See Non-financial Information Statement of the Report)

Alicante-Elche Airport has acquired 5 new electric vehicles to renew its fleet. This airport has also started to install quick recharge points in public areas, in order to facilitate the gradual incorporation of non-pollutant cars, both for individuals and all other companies operating at this airport.

3.1.2 Commercial activity

The following table shows the most significant figures concerning commercial activity:

Most significant figures for commercial activity

THOUSANDS OF EUROS	2020	2019	VARIATION	% VARIATION
ORDINARY REVENUE	1,033,207	1,241,093	-207,886	-16.8%
OTHER OPERATING REVENUE	13,456	10,857	2,599	23.9%
TOTAL REVENUE	1,046,663	1,251,950	-205,287	-16.4%
TOTAL EXPENSES (INCLUDING AMORTISATION)	-273,623	-319,009	-45,386	-14.2%
EBITDA (Earnings before interest, tax, depreciation and amortisation)	871,183	1,032,816	-161,633	-15.6%

Breakdown of commercial business lines

	REVENUE		VARIATION	
THOUSANDS OF EUROS	2020	2019	THOUSANDS OF EUROS	%
DUTY-FREE SHOPS	383,806	344,827	38,979	11.3%
SPECIALTY SHOPS	104,495	115,083	-10,588	-9.2%
FOOD AND BEVERAGES	225,363	224,903	460	0.2%
CAR RENTAL	101,530	155,902	-54,372	-34.9%
CAR PARKS	50,775	158,892	-108,117	-68.0%
VIP SERVICES	20,570	78,834	-58,264	-73.9%
ADVERTISING	20,988	26,077	-5,089	-19.5%
LEASES	33,838	34,600	-762	-2.2%
OTHER COMMERCIAL REVENUE[1]	91,842	101,975	-10,133	-9.9%
ORDINARY COMMERCIAL REVENUE	1,033,207	1,241,093	-207,886	-16.8%

[1] This includes various commercial activities carried out at airports, such as: banking services, baggage wrapping machines, other vending machines and regulated services (pharmacies, tobacconists, lottery vendors).

Total ordinary commercial revenue includes the minimum annual guaranteed rent (MAG) accrued by contract in the business lines of duty-free free shops, specialty shops, food and beverages, advertising and other commercial activities.

In 2020, the total revenue recorded for MAG amounts to €635.5 million, which represents 76.9% of the revenue of lines with contracts that incorporate said clauses (€144.5 million and 17.8% in 2019).

As explained in section 2.4 (Commercial activity), as a consequence of the health crisis caused by COVID-19 and the measures adopted by public authorities to deal with it, Aena began negotiations with the commercial activity lessees to agree on changes in the contractual conditions, including MAG.

In the course of the negotiations, the Company has made various commercial proposals that have culminated in the one carried out on 18 January 2021 for commercial operators of duty-free shops, specialty shops, food and beverages, vending machines, financial services and advertising in relation to MAG. The details of this proposal are included in section 11. Events after the reporting period.

Pending the conclusion of the agreements with those commercial operators affected by the aforementioned proposal and in application of IFRS 16 "Leases," the revenue from the MAG for 2020 has been recorded for the amount of €620.3 million, including those corresponding to the period of the first state of emergency for the amount of €198.6 million, given that there is a contractual right to receive such rent by Aena.

In the event of such contracts undergoing changes in the future as a result of the negotiations, their effect will be recorded in accordance with the provisions of these regulations regarding contractual amendments. Therefore, the incentives and concessions awarded that derive directly from the adverse situation caused by COVID-19 will be prospectively treated as a change of estimate, from the effective date of the contract modification, reducing, through a straight-line distribution system, the revenue from the remaining periods of the contract.

In those commercial activities not subject to MAG, revenue for the period reflects:

- The exemption of fixed rents for operators of car rental activity during the first state of emergency period. In 2020, lower revenues of €4.2 million have been imputed.
- The partial exemptions of monthly fixed rent during the first state of emergency, corresponding to leases within the terminal. Lower revenues in 2020 amounting to €0.7 million have been imputed.
- Vehicle parking and VIP services registered a loss in revenue of €108.1 and €58.3 million respectively.

It is worth highlighting the following aspects in the different lines of activity:

Duty-free shops

The effect of COVID-19 on duty-free shops at Adolfo Suárez Madrid-Barajas and Barcelona-El Prat Josep Tarradellas airports was not noticed during the first two months of the year. The loss caused by the impact on sales to passengers bound for Asian and Italian destinations was offset by increases in sales to passengers for other destinations, achieving a positive result.

Royal Decree 463/2020, approved by the Government on 14 March 2020, via which the first state of emergency was declared in order to manage the health crisis caused by COVID-19, applicable to all of Spain, ordered the immediate closure of retail premises and establishments to the public, with the exception of those businesses dedicated to the sale of food, beverages and essential items. This measure, in force until the end of the state of emergency on 21 June, caused the closure of all duty-free shops located at Spanish airports.

From 22 June, the process of gradually reopening duty-free shops started with the walk-through shop on the 4th floor of Palma de Mallorca Airport. This continued on 23 June with the reopening of the walk-through shop in the Central Plaza in T4 of Adolfo Suárez Madrid-Barajas Airport and on 24 June with the reopening of the shop located in the Sky Centre in T1 of Barcelona-El Prat Josep Tarradellas Airport.

To restart activity, Aena and Dufry coordinated protocols with applicable measures that the operator implemented at its stores. These measures included the removal of testers, capacity control, social distancing, flow organisation, installation of protection screens, and hydro-alcoholic gel dispensers, among others. Specific procedures were also established in walk-through shops for cases of overcrowding.

On 1 July, the walk-through shops in Bilbao, Málaga-Costa del Sol, Santiago-Rosalía de Castro, Alicante-Elche, Valencia, César Manrique-Lanzarote, Fuerteventura and Tenerife Norte-Ciudad de La Laguna reopened, as did the ground-floor shop at Tenerife Sur, the express duty-free shop in Ibiza and, with a reduced surface area, the main shop at Menorca Airport.

Due to the evolution of the pandemic and the mobility limitations established by the Autonomous Communities since October, 35.2% of duty-free shops were operating at the end of December.

Shops

At the end of 2020, the shops that were open represented 27% of the total surface area dedicated to this activity in the Aena network. With the arrival of the second wave of the pandemic, some premises that were open during the summer season were closed.

In order to maintain the commercial offer, 36 calls for tenders were published. These agreements will last until 31 December 2021.

Food and beverages

After the end of the first state of emergency, some premises started to open. During the summer months, the rate of openings was adapted to the recovery of air traffic, in order to gradually re-establish the activity of food and beverage businesses in the terminals of network airports.

During the last quarter of 2020, as air traffic decreased and restrictions on commercial premises were increased to alleviate the effects of the second wave of the health crisis, operators reduced the number of operating premises. At the end of 2020, approximately 23% of the total surface area dedicated to this activity in the airport network in Spain was open.

To maintain the commercial offer, there have been five extraordinary calls for tenders published, and the processes that were suspended as a result of the declaration of the state of emergency have continued. These include:

- The delivery of two premises awarded to McDonald's at Barcelona-El Prat Josep Tarradellas Airport, 60 food and beverage vending machines at Málaga-Costa del Sol airport and surface areas for food and beverage establishments and vending machines at Vigo, Granada and A Coruña airports.
- The awarding of the entire food and beverage offer at Valencia Airport in October. This is made up of eight premises and 68 food and beverage vending machines. The new premises will occupy a surface area of around 2,800 m² (an increase of 26% compared to the current surface area). Furthermore, in the last quarter, two catering contracts have been awarded for Sevilla Airport (corresponding to six premises) and two other contracts for Tenerife Sur Airport.

Car rental

Confronted with the first state of emergency and the stoppage suffered by this activity, our tenants' demand for space to park their fleet of vehicles was met by Aena renting spaces (land and parking spaces) in exchange for a special rate created specifically for this purpose, with the aim of:

- Facilitating operations for companies that provide car rental services at network airports, providing new areas for them to park their fleets.
- Minimising the negative impact that the current health crisis will have on Aena's revenue and taking advantage of the other car parks, which remained unused due to the fall in passenger numbers.

The development of this line of activity since 22 June has been affected by a 66.3% year-on-year drop in the number of contracts and a 64.9% drop in sales.

To alleviate the effects experienced in the vehicle rental activity, negotiations were carried out with all the operators of this activity due to the health crisis caused by COVID 19. As a result thereof, an agreement was reached with the lessees and the Board of Directors of Aena approved, at its meeting in December, the modification of all contracts, as explained in section 2.4 Commercial activity.

Car parks

The year-on-year drop in revenue for the year, in addition to being affected by the traffic reduction caused by COVID-19, reflects the higher comparable base from the previous year, impacted by the higher revenue recorded at Adolfo Suárez Madrid-Barajas and Barcelona-El Prat Josep Tarradellas airports due to the taxi strike that took place for three weeks in these cities.

The management is under a temporary partial suspension agreement, signed by the two car park management companies (EMPAK and SABA), but there is still no planned date for the full resumption of the service. This agreement includes the extension to these management agreements that were to end in November 2020, so it is therefore expected that they will end in the last months of 2021.

The operation has been gradually recovering based on the evolution of passengers and occupancy of car parks. The recovery began in the summer months (July and August), but the positive trend was cut short in the months of November and December, affected by the new mobility restrictions imposed by the authorities and the greater impact of COVID-19. The car parks at 28 of the 32 airports that offer this activity are currently operational.

VIP Services

The restrictions stemming from the first state of emergency led to the closing of lounges from 15 March.

Lounges gradually started to open from 22 June, adapting to the evolution of passenger traffic. As of 31 December, a total of 10 out of the 28 lounges in the airport network in Spain were open.

The 72.4% drop in passenger traffic has been accompanied by lower penetration. Users have decreased by 78% in 2020, while the average rate has grown by 3% due to the segmented pricing system.

To mitigate the increase in the average rate, a 10% discount has been approved on the corresponding rate. This incentive applies from 1 December for a period of four months.

Advertising

Advertising tenants are negotiating the reactivation of the advertising campaigns, which had been suspended during the state of emergency, adjusting the rates to the delicate situation caused by the health crisis.

During the first quarter of 2020, operators took a large part of the investment included in their contracts and put it into advertising media, both conventional and, especially, digital.

Leases

The revenue from this business line comes from the rental of office space, commercial counters and warehouses within the terminal.

The decrease in revenue during the period is affected by the partial rent exemptions approved in April, as a way of mitigating the risk of large-scale abandonment of spaces by our tenants due to the state of emergency and the uncertainties surrounding the recovery of air traffic.

Other commercial revenue

This section includes sundry commercial activities carried out at airports, such as banking services, baggage wrapping machines, other vending machines and regulated services (pharmacies, tobacconists, lottery vendors...). Also, during this period, the sale of Personal Protective Equipment (PPE), from vending machines and convenience shops, was incorporated into the airports.

During the first quarter, the tendering process for the VAT refund offices at Adolfo Suárez Madrid-Barajas and Barcelona-El Prat Josep Tarradellas airports (contracts 2 and 1 respectively) opened. Awarding of the contracts is still pending, as one of the bidders has appealed the process.

Digital Marketing and Development.

To drive commercial revenue and offer a better purchasing experience to the customer using technology, we are offering digital solutions to our passengers that allow there to be less physical transactional contact and greater usability through their own mobile devices.

During 2020, special emphasis has been placed on disseminating the different types of services that facilitate zero contact. Therefore, if the passenger decides to use the car park for convenience and safety, Aena offers the possibility to book and pay in advance, paying via their mobile phone and, at some airports, paying via their number plate. Various payment methods that avoid contact at automatic and manual payment stations.

In the current context, the aim is to provide the passenger with tools that facilitate access to services and recover revenue from commercial activities at airports. For this reason, Aena, focusing on the different stages of a passenger from travel inspiration to taking the trip, offers solutions through its digital channels (App, website, social networks, etc) and its loyalty programme.

Various online marketing campaigns have also been carried out to promote the knowledge and booking of parking spaces.

In relation to VIP services, campaigns have also been developed on price communication, opening of lounges and new VIP services (Meet & Assist), both at airports and online.

Aena launched the “AenaMaps” platform in October, allowing passengers to receive information through their mobile device that guides them on their journey through the airport. This tool, initially available at A.S. Madrid-Barajas Airport, will be gradually implemented at other airports in the network and will be available at the main airports throughout 2021.

At the end of 2020, Aena launched the “Aena Travel” portal (aenatravel.com), where the passenger can find everything they need to plan their trip. The portal offers the possibility to book flights, accommodation, restaurants, experiences and tickets for shows at the destination. The “Food To Fly” portal (foodtofly.es) has also been launched, which lists the food and beverage offer at airports. This is a service that allows passengers to place their food and drink order from the website in advance and pick it up at a specific point, without having to queue. In the first stage, this service is available at Adolfo Suárez Madrid-Barajas Airport, and the functionalities and offer will be expanded to improve the food and beverage experience at other airports.

A marketplace (“Shoptofly”) is also being developed that will allow passengers to purchase products from airport shops, reducing physical contact and offering new sales channels to our commercial operators.

Finally, it is worth mentioning that the loyalty programme managed by Aena (Aena Club Cliente [Aena Customer Club]) has over one million customers. We are working to improve the accessibility and usability of the App and website, which will allow us to personalise the digital experience of passengers, resulting in an improvement in the relationship with our travellers and, therefore, in the company’s commercial revenue.

3.2 Real estate services segment

The activity of the real estate services segment centres around the leasing or transfer of use of land (built up on or not), office buildings, warehouses, hangars and cargo storage facilities to airlines, air cargo operators, handling agents and other airport service providers. These support the activity and the development of complementary services, such as the 24 service stations (15 landside and nine airside) at 12 airports or the FBO (Fixed Base of Operations) executive aviation terminals at five of the most important airports in the network.

With regard to land development plans for complementary airport activities at Adolfo Suárez Madrid-Barajas Airport and Barcelona-El Prat Josep Tarradellas Airport, Aena began the year with the firm intention to process the first tenders throughout the first half of 2020. To do this, it worked with external advisers to define the main marketing aspects of the airport land available at both airports. However, based on the situation caused by the COVID-19 crisis and the declaration of the first state of emergency decreed by the Spanish Government, a decision was taken to delay the launch of these processes, until there is enough clarity to assess the right moment to resume them without penalising the value of the assets.

- Until the outbreak of the COVID-19 crisis and following the initial valuations carried out by the experts hired, a plan was drawn up for the Adolfo Suárez Madrid-Barajas Airport that entailed developing an area of up to 2.2 million m² over the next few years, by occupying 349 net hectares (out of the total of 909 gross hectares available), for a range of uses. This development represented a significant diversification of the activity carried out at the airport, bringing it closer to the modern concept of an Airport City.
- The objective of the Real Estate Plan for the Barcelona-El Prat Josep Tarradellas Airport was to cover a maximum of 1.1 million new buildable m² by occupying close to 200 net hectares (out of a total of 290 gross hectares available). A global development project that kept in mind the conservation of the environmental and ethnographic values of the Llobregat Delta.

In September, work began to define the White Papers on architectural, urban and landscape design. These papers will establish the minimum technical requirements to be complied with in all the developments that take place as part of the Plans and will be included as part of the public tendering process. In order to ensure best working standards and that the particularities of each project are perfectly understood, Aena hired the services of a specific team for each airport:

- Madrid: IDOM / Ezquiaga Arquitectos (José María Ezquiaga)
- Barcelona: ARUP / B-720 Arquitectos (Fermín Vázquez)

In accordance with current forecasts, it is estimated that the process for selecting partners by means of a competitive tender could be relaunched during the first half of 2021.

In terms of the work to be carried out at other airports where there is available land and assets with a high potential for the development of complementary airport activities, specifically at the Palma de Mallorca, Málaga-Costa del Sol, Valencia and Sevilla airports; assessments began in mid-September 2019 and were expected to take one year. The declaration of the first state of emergency suspended the development of the work that is estimated to be able to be resumed in the first quarter of 2021.

Key financial data for the real estate services segment

THOUSANDS OF EUROS	2020	2019	VARIATION	% VARIATION
ORDINARY REVENUE	76,609	78,737	-2,128	-2.7%
REAL ESTATE SERVICES	76,609	78,737	-2,128	-2.7%
OTHER OPERATING REVENUE	1,687	1,463	224	15,3%
TOTAL REVENUE	78,296	80,200	-1,904	-2.4%
TOTAL EXPENSES (INCLUDING AMORTISATION)	-47,266	-64,777	-17,511	-27.0%
EBITDA (Earnings before interest, tax, depreciation and amortisation)	47,261	31,234	16,027	51.3%

With regard to revenue from the real estate segment, it is worth indicating that, despite the increase in activity due to the new leasing agreements for cargo storage facilities and fuel facilities, ordinary revenue has decreased.

This decline is affected by the partial exemptions of monthly fixed rent during the first state of emergency, corresponding to leases outside the terminal. They have amounted to €4.9 million and through the linearisation applied under IFRS 16 "Leases", a total of €0.8 million have been allocated as lower revenues in 2020.

The measure, applied during the first state of emergency, was approved in order to mitigate the risk of mass abandonment of spaces by tenants as a result of the state of emergency and the uncertainties surrounding the recovery of air traffic.

The exemption has meant that agreements on offices, warehouses, paved and unpaved surfaces and commercial counters, signed by airlines, handling agents and handling equipment maintenance companies have received a discount of 75%, whilst those assets most directly linked to air cargo have received a discount of 65%.

In terms of other significant actions in the period relating to the activity of the segment, we would highlight the following:

Hangar activity

- At the Ceuta Heliport, the construction of an 800 m² hangar was completed in June.
- At Valencia Airport, work began in March on the construction of a new 4,750 m² hangar with a private apron on a 15,600 m² plot. In April, the lease of a 1,240 m² hangar with an associated paved surface of 5,853 m² was awarded.
- At Sevilla Airport, construction work for a 10,000 m² hangar began in August.

  At Sabadell Airport, a land lease was signed for the construction of a 1,307 m² hangar. At Girona-Costa Brava Airport, the lease of a 250 m² hangar, as well as a paved area for the execution of another hangar of 1,300 m². At Santiago-Rosalía de Castro Airport, an agreement was signed for a 1,550 m² hangar with an associated paved area of 240 m². And at Madrid-Cuatro Vientos Airport, the contract for a 336 m² hangar was signed in favour of World Aviation, and the contracting of two hangars, of 1,127 m² and 1,261 m², is being processed.

Rentals of offices and warehouses outside the terminal

At Barcelona-El Prat Josep Tarradellas Airport, offices and warehouses with a surface area of 2,982 m² were leased in May.

Spaces dedicated to air cargo

As for the marketing of spaces for air cargo, it should be noted that at Barcelona-El Prat Josep Tarradellas Airport, a tender has been called for a new second-line cargo terminal with the possibility of leasing the space for a maximum period of 10 years. The terminal has a built-up area of 5,050 m² and its own 1,456 m² truck manoeuvring area. The deadline for submitting bids was suspended after the declaration of the first state of emergency. Once resumed, it has remained deserted.

During the third quarter, a call for tender was issued for the development and operation of three applications on a shared-use platform for the exchange of information among members of the cargo community at Aena airports. The tender was awarded in the month of December, so it is estimated that in 2021 the first applications will be developed that will allow operational efficiency to be improved at airports.

It is also worth noting that the construction of a new cargo terminal at Zaragoza Airport was called for tender in December for the amount of €3.6 million. Its construction has a completion time of thirteen months and once finished, it will be used by company Swissport.

In December, Aena's Board of Directors authorised the tender of a plot in the south expansion of the Air Cargo Centre at Adolfo Suárez Madrid-Barajas Airport to build new cargo terminals on the first line of the airport. The maximum built surface area would be 7,478 m² and the investment to be made by the potential successful bidders will exceed €3.7 million. The awarding is estimated to be drawn up in the first quarter of 2021.

Executive aviation

Due to the health crisis caused by COVID-19, it was necessary to establish, in the executive terminals, the measures established by the General Sub-directorate for Foreign Health, in order to guarantee health safety and minimise the risk of contagion without penalising operations in these terminals. These measures were implemented by the operators with the support and in coordination with Aena and the handling agents.

The health situation and mobility restrictions have caused a 40% year-on-year drop in executive aviation activity.

Additionally, it is worth noting that at Palma de Mallorca Airport, new contracts for the Executive Aviation management service (FBO) were awarded to companies Aviapartner and Mallorcair in February. Likewise, a lease agreement was awarded to company Aviapartner for the rental of a space within the terminal to carry out multi-brand retail activity, the start of which is estimated to take place in the second half of 2021 once the remodelling work of said terminal is completed.

3.3 Región de Murcia International Airport (AIRM)

On 24 February 2018, a public services management contract in the form of a concession was signed between the Autonomous Region of Murcia, owner of the airport facilities, and "Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E., S.A." (100% owned by Aena S.M.E., S.A.), whose corporate purpose is to carry out any actions relating to the management, operation, maintenance and conservation of the Region de Murcia International Airport. The concession has a duration of 25 years.

This airport began operation on 15 January 2019, at the same time that civilian operations were discontinued at the Murcia-San Javier Airport military airbase.

In 2020, airport passenger traffic registered a year-on-year decrease of 80% and aircraft movements fell by 64.7% (217,912 passengers, mostly international, and 2,812 movements). This operational information, as well as AIRM's financial information for the period, is included in the aeronautical, commercial and real estate services activities of this report.

In compliance with accounting standards IAS 36, the Group has carried out valuations of its assets to determine whether there has been any impairment as a result of the circumstances caused by COVID-19 and its impact on activity. Thus, an impairment of €45.3 million has been recorded for the activity in AIRM, which is reflected in the item "Impairment of fixed assets" in the Income Statement. The concession rebalancing measures have not been and will not be taken into account in this valuation until they have been determined and agreed upon.

3.4 International segment

The international segment includes the financial information from the consolidation of the subsidiaries (London-Luton Airport and Aeroportos do Nordeste do Brasil), and from advisory services to international airports.

In compliance with accounting standards IAS 36, the Group has carried out valuations of its assets to determine whether there has been any impairment as a result of the circumstances caused by COVID-19 and its impact on activity.

The conclusions of this analysis, regarding the assets of the international segment, are as follows:

- There is no impairment for Luton Airport, as the concession agreement contains financial rebalancing clauses that were reflected in the valuation analysis.
- Regarding the assets in Brazil, an impairment of €64.6 million was identified, and is reflected in the item "Impairment of fixed assets" in the Income Statement.

On the other hand, it should be noted that, as explained in Note 7 of the Consolidated Annual Accounts, as of 31 December 2020, there have been negative currency translation differences associated with the effect of the valuation of the concessions of Aeroportos do Nordeste do Brasil and London-Luton Airport, associated with the unfavourable evolution of the Brazilian real (€145.6 million) and the pound sterling (€18.2 million).

Key financial data on the international activity segment

THOUSANDS OF EUROS	2020	2019	VARIATION	% VARIATION
ORDINARY REVENUE	134,324	270,208	-135,884	-50.3%
OTHER OPERATING REVENUE	191	204	-13	-6.4%
TOTAL REVENUE	134,515	270,412	-135,897	-50.3%
TOTAL EXPENSES (INCLUDING AMORTISATION)	-257,939	-239,890	18,049	7.5%
EBITDA (Earnings before interest, tax, depreciation and amortisation)	-42,580	96,898	-139,478	-143.9%

London-Luton Airport

The consolidation of London Luton airport in this period meant a contribution of €102.5 million in revenue and €22.7 million in EBITDA, representing a year-on-year decrease of 60.3% and 77.2%, respectively.

London-Luton Airport financial information

THOUSANDS OF EUROS	2020	2019	VARIATION	% VARIATION
AERONAUTICAL REVENUE	47,103	117,013	-69,910	-59.7%
COMMERCIAL REVENUE	55,423	141,453	-86,030	-60,8%
TOTAL REVENUE	102,526	258,466	-155,940	-60,3%
STAFF COSTS	-30,554	-46,563	-16,009	-34,4%
OTHER OPERATING EXPENSES	-49,211	-112,259	-63,048	-56,2%
DEPRECIATION AND IMPAIRMENT	-69,186	-66,076	3,110	4.7%
TOTAL EXPENSES	-148,951	-224,898	-75,947	-33,8%
EBITDA (Earnings before interest, tax, depreciation and amortisation)	22,714	99,587	-76,873	-77,2%
OPERATING PROFIT/(LOSS)	-46,425	33,568	-79,993	-238,3%
FINANCIAL RESULTS	-24,229	-24,733	-504	-2.0%
PROFIT/(LOSS) BEFORE TAX	-70,654	8,835	-79,489	-899,7%

In local currency, Luton's revenue for 2020 fell by 59.8% year-on-year to £91.2 million (compared with £226.9 million in 2019).

- Aeronautical revenues in GBP fell by 59.2% (to £41.9 million compared with £102.7 million in 2019).
- Commercial revenues fell by 60.3%, to £49.3 million compared with £124.2 million in 2019.

Commercial activities recorded falls in all areas, those in retail and car parks being especially high, at 69.1% and 65.8% respectively, associated with the decrease in activity at the airport. In this regard, it should be noted that Luton has opted for the suspension or temporary modification of some of the regulations governing commercial agreements. This has been done in order to adapt them to the situation arising from the lack of activity due to the pandemic.

EBITDA (earnings before interest, taxes, depreciation and amortisation) was £20.2 million (-76.9% year-on-year).

The measures taken by London Luton Airport to reduce the effects of COVID-19 have focused on:

- Closure of operational areas in the terminal building based on the level of demand. Between 22 April and 1 May, the passenger terminal was closed, although the airport remained operational for cargo and general aviation flights.
- Staff adjustments, consisting of a temporary reduction in wages and also the temporary suspension of jobs, taking advantage of government aid aimed at mitigating the impact of the crisis. Overtime was also cancelled and ongoing hiring was suspended except for essential positions. A workforce reduction equivalent to 183 positions was also made.
- Reviewing service agreements and other operating expenses, reducing total expenses between March and December by more than £31.4 million, which represents a saving of 44%.
- Postponement of the implementation of non-essential CAPEX investment, reducing the annual investment by £10.7 million in 2020.
- Suspension of payment of the dividend to the shareholders and delay in the payment of interest on the shareholder loan. An agreement has been drawn up that allows the postponement of outstanding payments from 2020 and the first quarter of 2021, corresponding to the financing of the pension deficit, until the fourth quarter of 2021.
- Strengthening of liquidity by establishing a credit line with its shareholders, which has not required a disposal at the end of the year.
- Request for the activation of the Special Force Majeure procedure provided for in the concession agreement, which recognises the right of the concession company to financial rebalancing of the concession. The procedure is suspended while discussions are being held with Luton Borough Council (LBC) regarding its application. The situation of force majeure also suspends certain operational obligations contemplated in the concession agreement, facilitating the application of certain measures of the contingency plan.
- As a consequence of the exceptional situation caused by COVID-19 and its impact on EBITDA, as of June 2020, the Company exceeded the financial ratios it had to comply with under the financing contracts. However, it obtained temporary waivers from the financial institutions with regard to compliance with the ratios as of 31 December 2020.

  It is likely that in the next twelve months the Company will fail to comply with the aforementioned financial ratios. Therefore, it has continued to negotiate with the financial institutions the extension of these waivers until 30 June 2021 and 31 December 2021.

  In the event that the extension of these waivers was not finally obtained, the contractual obligations would be breached, what could lead to the financial institutions having the right to enforce the guarantees associated with the financing agreements, among which are the pledge on the shares of the airport concessionaire.

  In response to this process, and with the objective of strengthening Luton's liquidity, on 31 July 2020, a credit facility was formalised according to which Luton's shareholders (Aena and AMP) undertake to provide liquidity to Luton in the amount of up to £55 million. At the close of the fiscal year, it has not drawn down any amount from this facility.

  Failure to comply with the aforementioned obligations would not entail any additional liability on the part of the shareholders.

In any case, Luton's management expects that, as a result of the negotiation underway with the financial institutions, the waivers will be extended successively for the immediately following semester.

Aeroportos do Nordeste do Brasil

Operations at the six ANB airports began during the first quarter of 2020, according to the dates which are detailed by airport in section 2.4 (International presence).

As of 31 December, the consolidation of ANB has made a contribution of €24.9 million in revenue and -€66.8 million at the EBITDA level (benefit before interest, taxes, depreciation and amortisation), reflecting the negative evolution of the activity, as well as the impact of the impairments recognised for the amount of €64.6 million recorded in the "Amortisations or impairments" line.

Excluding the effect of the impairment, EBITDA for the period would amount to -€2.2 million.

In local currency, ANB's revenue for the period amounted to R$146.7 million. Aeronautical revenue amounted to R$91.1 million, commercial revenue to R$43.9 million and construction revenue to R$11.7 million.

EBITDA for the period was -R$424.8 million. Excluding the amount of impairment recorded as of 31 December (R$412.0 million), EBITDA would have been set at -R$12.8 million.

Financial information of Aeroportos do Nordeste do Brasil

THOUSANDS OF EUROS	2020
AERONAUTICAL REVENUE	15,457
COMMERCIAL REVENUE	7,452
OTHER REVENUE	1,981
TOTAL REVENUE	24,890
STAFF COSTS	-7,408
OTHER OPERATING EXPENSES	-19,653
DEPRECIATION AND IMPAIRMENT	-76,013
TOTAL EXPENSES	-103,074
EBITDA (Earnings before interest, tax, depreciation and amortisation)	-66,818
OPERATING PROFIT/(LOSS)	-78,184
FINANCIAL RESULTS	-1,334
PROFIT/(LOSS) BEFORE TAX	-79,518

The pre-tax profit for the period reflects a loss of R$499.7 million, due mainly to the aforementioned impairment of fixed assets, as well as the negative financial result of R$78.6 million.

The measures taken by ANB to reduce the effects of COVID-19 have focused on:

- Reduction in opening hours for five of the airports, in coordination with airlines and regulatory authorities.
- Review of external service agreements, which are largely outsourced (maintenance, security and surveillance, firefighting service, cleaning, handling, among others). These measures particularly affected the second and third quarters, having been partially reversed at the end of the year.

- Requesting a deadline extension from the regulator, Agencia Nacional de Aviaçao Civil (hereinafter, ANAC), for the submission of projects and the execution of investments required by the concession agreement. On 13 May 2020, ANAC suspended the deadlines for said contractual obligations between 13 March and 23 November 2020.
- Negotiation of special payment conditions for airlines, concession of discounts on minimum rents to commercial and real estate customers (based on the level of activity), and the landing charge incentives for passenger and cargo aeronautical clients (subject to being up-to-date with payment obligations or having established a payment plan for the existing debt). Credit restriction measures (payment at sight) were also put in place for certain aeronautical customers with outstanding payments.

These measures have made it possible to maintain continuity in the collection flow and have contributed to the main customers being able to sustain operations.

With regard to the financial position of ANB, it should be noted that the capitalisation required by the concession agreement, and the effects of the aforementioned measures, allowed it to meet its commitments while maintaining a sufficient level of cash in hand throughout the year. Additionally, in December 2020, the company's liquidity was strengthened by obtaining an 18-month loan of $R70 million.

It is also relevant to indicate that ANB drew up an extraordinary review request in December 2020 with ANAC to restore the economic-financial balance of the concession agreement, due to the effects caused by the pandemic during said year. On the date of drawing up this report, the request is being reviewed by the regulator.

The results of equity-accounted **non-majority investees** are shown hereunder:

Equity-accounted investee companies

	EQUITY METHOD PROFIT/(LOSS)				AVERAGE EXCHANGE RATE			
MILLIONS OF PASSENGERS	**2020**	2019	VARIATION	% VARIATION	MONETARY UNITS PER EURO	**2020**	2019	VARIATION
AMP (MEXICO)	4,671.1	14,417.4	-9,746.3	-67.6%	MXN	24.52	21.56	13.7%
SACSA (COLOMBIA)	-931.0	5,349.6	-6,280.6	-117.4%	COP	4,217.04	3,673.48	14.8%
AEROCALI (COLOMBIA)	-2,670.5	2,678.5	-5,349.0	-199.7%	COP	4,217.04	3,673.48	14.8%
TOTAL IMPAIRMENT OF AND SHARE IN PROFIT/(LOSS) OF ASSOCIATES	1,069.6	22,445.5	-21,375.9	-95.2%				

In compliance with accounting standards IAS 36, the Group has carried out valuations of the cash generating units (CGUs) comprising investments in associated companies and with joint control to determine whether there has been any impairment as a result of the circumstances caused by COVID-19 and its impact on activity.

As explained in Note 8 of the Consolidated Annual Accounts, the test results show that the recoverable value of the investment is greater than the book value for all investments in associated companies, so that the calculation of any impairment is not appropriate.

4. Income statement

THOUSANDS OF EUROS	2020	2019	Variation	% Variation
ORDINARY REVENUE	2,180,616	4,443,560	-2,262,944	-50.9%
OTHER OPERATING REVENUE	62,158	59,693	2,465	4.1%
TOTAL REVENUE	2,242,774	4,503,253	-2,260,479	-50.2%
SUPPLIES	-153,987	-170,542	-16,555	-9.7%
STAFF COSTS	-456,876	-456,173	703	0.2%
OTHER OPERATING EXPENSES [1]	-745,076	-1,089,130	-344,054	-31.6%
DEPRECIATION AND AMORTISATION OF FIXED ASSETS	-806,863	-788,969	17,894	2.3%
IMPAIRMENT LOSSES ON FIXED ASSETS	-113,924	-9,396	104,528	1112,5%
OTHER GAINS OR LOSSES	-58,340	-11,764	46,576	395.9%
TOTAL EXPENSES	-2,335,066	-2,525,974	-190,908	-7.6%
EBITDA (Earnings before interest, tax, depreciation and amortisation)	714,571	2,766,248	-2,051,677	-74.2%
OPERATING PROFIT/(LOSS)	-92,292	1,977,279	-2,069,571	-
FINANCE INCOME	2,006	4,569	-2,563	-56,1%
FINANCE EXPENSES	-116,239	-124,786	-8,547	-6.8%
OTHER NET FINANCE INCOME/(EXPENSES)	-7,178	3,341	-10,519	-
FINANCIAL RESULTS	-121,411	-116,876	4,535	3.9%
SHARE IN PROFIT OF AFFILIATES	1,070	22,446	-21,376	-95.2%
PROFIT/(LOSS) BEFORE TAX	-212,633	1,882,849	-2,095,482	-
CORPORATE INCOME TAX	51,885	-437,174	-489,059	-
CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD	-160,748	1,445,675	-1,606,423	-
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	-33,962	3,653	-37,615	-
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	-126,786	1,442,022	-1,568,808	-

[1] Losses, impairment and change in provisions for commercial operations.

Total revenue shows a year-on-year decrease of €2,260.5 million (-50.2%) and current revenue shows a decrease of €2,262.9 million (-50.9%), as explained by business segments in section 3 (Business lines).

The amount of **total expenses** has reduced by €190.9 million (-7.6%). The main year-on-year variations correspond to the following items:

- **Supplies** have decreased by €16.6 million (-9.7%), mainly due to the renegotiation of the ATM/CNS service agreement (Air Traffic Management/Communication, Navigation and Surveillance) with ENAIRE.
- **Staff costs** show an increase of 0.7 million euros (+0.2%).

  This item has recorded an increase of €9.9 million (+2.5%) at Aena, mainly due to the salary revision provided for in Royal Decree-Law 2/2020, of 21 January 2020, and new hires in 2019.

  Due to the situation caused by the health crisis and the consequent cost containment measures, starting in March, the hiring of new employees was halted.

  The staff costs for ANB have amounted to €7.4 million.

  At Luton airport, the measures adopted have resulted in a year-on-year drop in expenses of €16.0 million, as detailed in section 3.3 (International segment).
- **Other operating expenses** have decreased by €344.1 million (-31.6%).

  In the network airports in Spain, lower expenses of €296.1 million have been recorded (-30.9% year-on-year) due to the savings measures implemented. The main decreases correspond to the items of security, maintenance, PRM service, cleaning, supplies and professional services. These savings, which were very significant in the months when there was hardly any activity, have been adjusted in line with the activity at airports and the reopening of facilities.

  Safety expenses have been reduced by €77.3 million compared to 2019, the maintenance cost by €52.9 million, the PRM service by €35.9 million and the cleaning cost by €26.9 million.

  The reduction in activity and the closure of terminals and spaces was also reflected in the decrease of €40.7 million in the cost of supplies. Expenses for professional services were lower by €14.8 million, mainly due to the suspension of non-essential services and commercial marketing campaigns.

  Likewise, expenses for managing VIP lounges and car parks have been reduced by €17.4 and €6.0 million, respectively.

  At Luton airport, the Other operating expenses item saw reductions of €63.0 million, due to the effect that the drastic drop in traffic had on the concession fee that was reduced by €41.3 million, as well as the adjustment measures adopted by the different services and to the suspension of non-essential expenses.
- The **depreciation** of fixed assets has increased by €17.9 million (2.3%), due to the effect of the consolidation of Brazilian fixed assets (€11.4 million), and the additions recorded in 2019 in the Spanish airport network and at London-Luton Airport.
- **Impairment losses and disposals of fixed assets** includes €108.8 million corresponding to the net amount of the impairment losses that have resulted from the valuations that the Group has carried out of its assets, as a result of the circumstances generated by COVID-19 and the impact that they have had on the activity, as explained in Note 8 of the Consolidated Annual Accounts.
  - In the Real estate services segment, there has been a positive net effect of €1.1 million.
  - At AIRM, an impairment loss of €45.3 million has been identified.
  - For ANB's assets, an impairment loss of €64.6 million has been recorded.

Other results, includes €53 million of expenses incurred as a result of the measures adopted for the control, containment and forecasting of the pandemic during 2020, both in the airport facilities, as well as in personal and health protection.

The Royal Decree-Law 21/2020, of 9 June, states that Aena will have the right to recover the costs incurred as a consequence of collaborating with the health authorities and of the remaining operational safety and hygiene measures that must be adopted as a consequence of the COVID-19 pandemic, as explained in the section 3.1 Airport segment – Aeronautical activity.

EBITDA (earnings before interest, tax, depreciation and amortisation) recorded a decrease of €2,051.7 million (-74.2%), reflecting the negative trend in activity as well as the impact of the net impairments recognised for an amount of €108.8 million, recognised under "Impairment losses and disposals of fixed assets".

This EBITDA includes €620.3 million corresponding to the revenue from the MAG of the fiscal year 2020, which are the object of the proposal formulated by Aena to commercial operators, as explained in section 3.1.2 Commercial activity.

Financial result reflects an increase in net spending of €4.5 million. This increase is mainly affected by a greater amount of exchange differences (€8.3 million, of which €6.7 million correspond to the ADI equity loan with Luton and the valuation of the AMP fee).

On the contrary, there has been a decrease of €2.9 million for a lower cost of debt since, despite the increase in financing, the average rate has been lower. This is because the amortised debt has a higher rate than the debt drawn down in 2020, which has produced a decrease in finance expenses. The new loans have represented an increase in bank commission expenses.

In addition, a lower expenditure of €6.3 million has been generated as a result of the costs of the exchange rate hedging instrument (NDF) contracted in 2019 to cover the risk of exposure to fluctuations in the Brazilian real exchange rate/euro when dealing with capital payments required by the concession.

Share in profits of associated companies reflects the impact that the crisis caused by COVID-19 has had on non-majority shareholdings. (See details in section 3.4 International segment).

Regarding **Income Tax**, revenue of €51.9 million has been recognised, mainly as a consequence of the results for the period.

The **Profit /(loss) for the period attributable to non-controlling interests** corresponds to 49% of Luton's net result. This means that the **Profit/(loss) for the period attributable to shareholders of the parent company** is a loss of €126.8 million, in comparison with the net profit of €1,442 million for 2019.

Excluding the impact of impairments, net result for the period would amount to -€51.0 million.

5. Investments

Total investments for the period (property, plant and equipment, intangible assets and real estate investments) came to €503.2 million, including €10.6 million at London-Luton Airport and €2.4 million for ANB.

In the Spanish network, the total amount amounted to €490.2 million (including €0.4 million from AIRM), which represents a year-on-year decrease of €2.4 million. The investment executed has reached €435.7 million.

These investments have been mainly allocated to the field of safety. Some minor investments have also been made in infrastructure improvements to adapt them to the healthcare prevention measures put in place due to COVID-19, such as the installation of screens, adaptation of toilets and furniture, and the development of computer applications for health controls. The investments made in this field, throughout 2020, amounted to €9 million.

After the partial halting of investments in March, April and May, due to the limitations on the execution of works as a result of the state of emergency, the annual investment plan was gradually reactivated from 1 June.

With regard to the actions completed during the year, it is worth highlighting the adaptation of the terminal building at Reus to its functional design and the new flooring in the terminal at Palma de Mallorca.

As for airfields, the actions completed at the airports of Sevilla, Ibiza, Zaragoza and Girona-Costa Brava stand out. In particular: the resurfacing of the runway at Sevilla and Ibiza airports, the connection of the commercial apron with the taxiway, the adaptation of strips and taxiways, and the adaptation of the surface of the apron and runway thresholds. In Zaragoza, the expansion of the commercial apron and, in Girona-Costa Brava, the resurfacing of the taxiway.

With respect to investments underway, which will run into the coming months, it is worth noting that most correspond to investments in the safety of individuals and facilities. The most notable investments are the installation of more modern explosives detection systems, the adaptation of in-hold baggage inspection systems and the supply of more efficient passport control equipment at several airports.

In the terminal area, the remodelling and expansion of the building in the south pier at Barcelona-El Prat Josep Tarradellas Airport is underway. This action includes expanding the building onto two floors and installing six pre-airbridges and 14 airbridges. At the Tenerife Sur and Sevilla airports, functional improvements to their respective buildings according to the functional designs were carried out. It is also worth mentioning the replacement of boarding airbridges in Adolfo Suárez Madrid-Barajas Airport and Barcelona-El Prat Josep Tarradellas Airport, and, also at this airport, the maintenance of the automatic baggage handling system.

As for airfields, the surfacing of the southwest triangle of the commercial aviation apron in Ibiza is especially relevant.

Finally, it should be noted that the projects to build a photovoltaic solar plant for self-consumption purposes and the construction of the new power plant are underway at Adolfo Suárez Madrid-Barajas Airport.

With regard to the actions initiated, the most important ones are those carried out on airfields. These include: the expansion of the remote apron of the T4 satellite building and T123 at Adolfo Suárez Madrid-Barajas Airport, the regeneration of the 06L/24R runway and the new rapid exit taxiways at Palma de Mallorca, the expansion of runway accesses at Gran Canaria, the refurbishment of the manoeuvring area at Asturias, and the regeneration of the runway surface at La Palma.

As for airport terminals, the actions on the new bus zone at T4 of Adolfo Suárez Madrid-Barajas Airport and the construction of a new building in Bilbao for Aena offices, in order to free up space for new boarding gates and expand remote departure lounges, are worth highlighting.

With regard to the maintenance of terminal buildings, it is worth highlighting the installation of air conditioning in T2 at Málaga-Costa del Sol, the replacement of air conditioning equipment at Palma de Mallorca, as well as the expansion of the P1 car park, RAC and the construction of the express drop off car park in front of the departures terminal at Ibiza.

At Region de Murcia International Airport, investments are being made in accordance with the financial bid of the concession. The most notable action at the end of the period has been the paving of the second field area for rental cars.

At **Luton Airport**, investments have continued to focus on the maintenance and renovation of equipment, as well as, to a lesser extent, on secondary actions of the Curium Project, whose main work projects have already concluded and have provided the airport with a capacity of 18 million passengers with an investment of approximately £160 million.

However, given the significant fall in activity during March, a contingency plan was drawn up in order to ensure liquidity and avoid the consequences of non-compliance with the financial covenants. This plan included delaying the execution of non-essential investments. This measure has led to a reduction in annual investment to £6.6 million during 2020 (which represents a saving of £10.7 million compared to the budget).

Likewise, it should be noted that work continues on the connection between the terminal building and the Luton Airport Parkway train station, this project being financed and carried out by Luton Borough Council. Its completion is scheduled for the end of 2021.

At the six airports of the **Aeroportos do Nordeste do Brasil S.A.** group, necessary engineering activities have been developed to carry out the works required by the concession agreement:

- Improvement work consisting mainly of the renovation of public toilets and improvement actions in the signalling, lighting and accessibility of terminal buildings.
- Capacity expansion work, and the improvement of physical and operational security equipment.

The total investment recognised in the financial statements as of 31 December 2020, for these and other less representative actions, amounted to R$12.9 million.

As part of the contingency plan implemented by the Company to reduce the impact of COVID-19, ANB asked ANAC to extend the deadlines for the submission of projects and execution of investments required by the concession agreement. On 13 May, the regulator responded by suspending the deadlines for said contractual obligations between 13 March and 23 November 2020. The original deadlines were extended by the eight-month period in which they were suspended. From October, the engineering works and previous projects necessary to execute the investment actions were resumed, its first milestone being due May 2021 after considering the extension granted by ANAC.

As for non-majority investees, we would highlight that, at **Cartagena Airport**, minor works are being finalised to improve operations, which began before the COVID-19 pandemic.

There are no new investments planned for Cali and Cartagena airports, whose concession agreements have been extended as explained in section 2.4 of this report (International Activity), except for those necessary to comply with the stipulations pertaining to the reversal.

At **GAP airports**, in compliance with the Master Development Programme 2020-24, the investments planned for 2020 have been carried out, the most important of which are as follows:

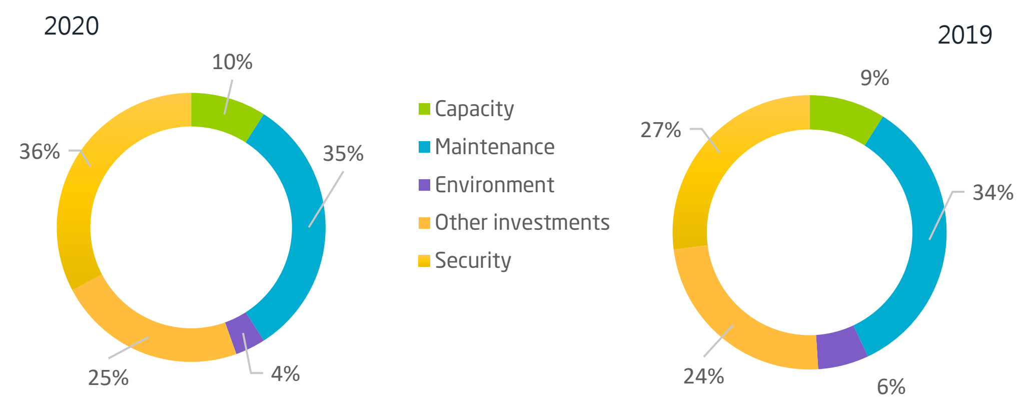
- At the Guadalajara and Puerto Vallarta airports, the architectural and executive projects of the new terminal buildings.
- In Tijuana and La Paz, actions carried out on the airfield, apron, taxiways and renovation of the runway.
- At San José del Cabo Airport, the integration of the T2-T3 terminal buildings.

As a consequence of COVID-19, GAP has asked regulatory authorities for permission to postpone the investments committed to for this year and is carrying out a deferral of non-mandatory capital investments.

5.1 Analysis of investments broken down by action area

Information on the breakdown of capital expenditure payments concerning the Spanish airport network in 2020 is shown hereunder, along with a comparison with the previous year:

Analysis of investments broken down by areas of action



- Security related investments amounted to €174.9 million (€132.6 million during 2019).

  As for operations, the most noteworthy are the improvement of the surface of various areas of the airfield at Adolfo Suárez Madrid-Barajas and Sevilla airports, investments in strips and verges of taxiways at Palma de Mallorca and Ibiza, those allocated to the approach lighting system on runway 29 at Seve Ballesteros-Santander, as well as the acquisition of fire extinguishing vehicles and the supply of aircraft recovery equipment for several airports.

  In terms of the safety of people and facilities, investments have focused on equipping terminals at various airports with the new explosives detection system and installing a more modern and efficient passport control system.

- Capacity investment amounted to €51.2 million (€44.3 million in 2019).

  As for airfield capacity, the following should be highlighted: the expansion of the apron and rapid exit taxiways at Ibiza Airport, the remote apron of the T4 satellite building at Adolfo Suárez Madrid-Barajas Airport and the expansion of the commercial aircraft apron at Zaragoza.

  As for terminal buildings, it is worth highlighting the remodelling and expansion of the Dique Sur building at Barcelona-El Prat Josep Tarradellas Airport, and the adaptation of the terminal building at Reus Airport to a functional design.

- As regards the environment, investment stood at €22.1 million (€26.3 million in 2019).

  This investment corresponds to: the installation and commissioning of photovoltaic solar power stations for self-consumption purposes at several airports; sound insulation work on homes in areas adjacent to several airports; the replacement of air conditioning technology at Alicante-Elche; the installation of lighting systems with efficient technologies at various airports; the construction of a new waste-water management treatment plant at César Manrique-Lanzarote; thermal insulation work on various terminal buildings at Palma de Mallorca; and the plan to install charging points for electric vehicles and the supply of electric and low-emission vehicles at several airports.

- As for service maintenance, investment in this area amounted to €117.9 million (€167 million in 2019).

  This category includes work carried out at all network airports in order to maintain the infrastructure. The following are also noteworthy: the replacement of boarding airbridges at Adolfo Suárez Madrid-Barajas and Barcelona-El Prat Josep Tarradellas, the partial renovation of the TETRA (terrestrial broadcasting) network at Barcelona-El Prat Josep Tarradellas, works to refurbish the power station at Sevilla, the improvement works to the surface of the northern apron at La Palma and the adaptation of the surface of the apron and runway thresholds at Ibiza.

- Other investments have amounted to €123.8 million (€119.7 million in 2019).

  This includes investments made in information technologies aimed at: improving communication infrastructure at several airports, the acquisition of hyperconvergent equipment at several airports and central services (to equip them with infrastructure that reduces the complexity of the data centre), to develop and maintain computer applications, and to supply and install microcomputer equipment at several airports.

  Of note are the actions taken related to commercial activities, such as: various investments made in VIP lounges at Barcelona-El Prat Josep Tarradellas, Gran Canaria, Valencia, Ibiza and Tenerife Norte-Ciudad de La Laguna airports; the new commercial area at Menorca Airport; the various improvements carried out in car parks at Adolfo Suárez Madrid-Barajas and Asturias; and the new season pass car park at Bilbao Airport.

6. Balance Sheet

6.1 Net assets and capital structure

Impacts of the crisis caused by the spread of COVID-19 on the Balance Sheet.

The spread of the coronavirus has led to an extraordinary reduction in activity, revenue and results for all Aena Group companies, as reflected in practically all the items in the Consolidated Statement of Financial Position, as explained below.

Summary of the consolidated statement of financial position

THOUSANDS OF EUROS	2020	2019	VARIATION	% VARIATION
ASSETS				
NON-CURRENT ASSETS	13,537,000	14,137,801	-600,801	-4.2%
CURRENT ASSETS	2,126,087	752,742	1,373,345	182,4%
TOTAL ASSETS	15,663,087	14,890,543	772,544	5.2%
EQUITY AND LIABILITIES				
EQUITY	6,064,983	6,381,876	-316,893	-5.0%
NON-CURRENT LIABILITIES	7,819,768	6,428,152	1,391,616	21,6%
CURRENT LIABILITIES	1,778,336	2,080,515	-302,179	-14.5%
TOTAL EQUITY AND LIABILITIES	15,663,087	14,890,543	772,544	5.2%

Main changes

Non-current assets decreased by €600.8 million, mainly due to the effect of the following changes:

- A fall of €339.0 million in "Property, plant and equipment", which is explained by trends in capital expenditure in the Spanish airport network and at the London-Luton Airport, as a result of which additions for the period were less than the depreciation recognised. This effect is impacted by the temporary halting of the investment programme, a measure adopted to mitigate the effects of the crisis caused by COVID-19 in order to protect cash in hand.

In addition, there has been a decrease in the value of €13.7 million in the material assets of the London-Luton subsidiary due to currency translation differences caused by the unfavourable evolution of the pound sterling versus the euro specified in the following paragraph.

- The "Intangible Assets" decreased by €306.9 million, mainly as a result of a dual effect:

  - Negative currency translation differences amounting to €163.9 million associated with unfavourable movements of the Brazilian real (€145.7 million) and pound sterling (€18.2 million) in the valuation of the concessions of the Northeast Brazil Airport Group and of the London-Luton Airport.

  - As reported in Note 8 of the Consolidated Annual Accounts, the Group has carried out the appropriate impairment tests on all its assets, recording a net impairment of €108.8 million, of which €109.8 million corresponds to its intangible assets (there is an additional impairment in tangible fixed assets in the amount of €0.1 million and a reversal of €1.1 million in investment properties, until reaching the €108.8 million cited).

- Bucking the trend, "Deferred tax assets" increased by €49.6 million due to tax loss carryforwards, deductions not applied and temporary differences associated with the impairment losses on non-current fixed assets.

- In addition, the item "Other non-current assets" has increased by €19.7 million, for the 2020 entry of €18,8 million as asset accruals, which correspond to the reductions of the lease fees of the commercial premises agreed with the lessees as a result of the COVID-19 crisis, which have been considered as an incentive to be distributed linearly during the estimated duration of the lease, reducing rent revenue for the corresponding period.

- "Other financial assets" increased by €10.9 million due to the net establishment of deposits consigned by legal mandate with various public institutions of Autonomous Regions, corresponding to deposits in guarantee previously received from lessees of Aena S.M.E., S.A. commercial spaces, in compliance with Act 29/1994, of 24 November, on Urban Leases.

Current assets increased by €1,373.3 million as a result of the following effects:

- The increase in the "Trade and other receivables" balance of €389.4 million, is mainly due to the increase in the customers balance of €287.9 million, as a result of the MAG accrued and not invoiced in the parent company during the period amounting to €620.3 million, as explained in section 2.4 (Commercial activity). Excluding this effect, the balance corresponding to the amounts invoiced in the parent company has fallen by approximately €340 million, due to the low turnover of recent months and that practically all of the MAG invoiced in December 2019, which amounted to approximately €140.0 million, has been collected.

  It has also influenced the increase in the balance of other credits with Public Administrations by €64.8 million, mainly due to the increase in the parent company of the debit balance for indirect taxes with the Public Treasury, as a result of the reduction in billing due to the decrease in activity and due to the fact that the MAG was not invoiced at the end of the fiscal year, as was usual.

  Finally, it is reflected here in 2020 the short-term amount of the commercial incentives accrued as explained in the item "Other non-current assets", which amounts to 23 million.

- The increase in the "Cash and cash equivalents" balance of €984.3 million, as explained in section 7 (Cash flow).

The €316.9 million reduction in **Equity** is mainly due to:

- The consolidated loss for the period amounted to €126.8 million.

- The decrease of €160.1 million corresponding to currency translation differences due to movements in the exchange rates of the group's currencies, as previously commented when explaining the variation of "Intangible assets".

The increase in **Non-current liabilities** by €1,391.6 million comes essentially from the increase in the "Financial debt" heading by €1,441.5 million, due to obtaining long-term financing in order to reinforce the liquidity of the Company, as explained in section 6.2 (Changes in net financial debt).

The €302.2 million decrease in **Current liabilities** mainly reflects the €99.2 million reduction under the heading "Financial debt".

Since June 2020, the amount of the long-term financial debt of the London-Luton subsidiary, for a net amount of €431.8 million, has been transferred in the short term due to non-compliance with the limits of the Net Debt/EBITDA ratio by not having the waivers at twelve months (see section 3.4 International Segment – London-Luton Airport).

Likewise, new short-term bank financing of €590.5 million has been obtained, although debts with credit institutions in the amount of €741.0 million have been repaid. Additionally, the principal payment of the mirror debt with ENAIRE was made for an amount of €633.6 million, which led to a transfer of debt from long to short term of €546.3 million in line with the amortisation schedule.

Finally, the balance of "Suppliers and other accounts payable" has reduced by €162.0 million, as a result of the following variations:

- A decrease in the balance of suppliers of fixed assets for the Group by €50.3 million, given that the volume of payments to construction contractors has been greater by that amount to the fixed assets of the period, due to the temporary suspension of the investment programme to mitigate the effects of the crisis caused by COVID-19.

- The balance of creditors for the provision of services has also dropped by €78.5 million for the Group, as a result of the cost saving plans implemented.

- The balance of the customer advances account decreased by €22.4 million as a result of the impact that the crisis caused by COVID-19 has had on activity and on the drastic reduction in revenues.

Working capital, calculated as the difference between current assets and current liabilities, which is generally negative in the Company as a result of its operational and financing structure, stood at €347.8 million at the end of the period (-€1,327.8 million at 31 December 2019), due to the changes in Current assets and liabilities referred to above.

6.2 Evolution of net financial debt

The Aena Group's consolidated net financial debt (calculated as Current financial debt plus Non-current financial debt less Cash and cash equivalents), stood at €7,027.1 million at 31 December 2020 (including €492.6 million from the consolidation of London-Luton Airport's borrowings and €44.3 million from Región de Murcia International Airport), compared with €6,672.8 million at 31 December 2019 (including €491.5 million from the consolidation of London-Luton Airport's borrowings and €41.4 million from Región de Murcia International Airport).

The associated ratios are as follows:

Net financial debt of the Group

THOUSANDS OF EUROS	2020	2019
GROSS FINANCIAL DEBT	**8,271,141**	6,913,438
CASH AND CASH EQUIVALENTS	**1,244,058**	240,596
NET FINANCIAL DEBT	**7,027,083**	6,672,842
NET FINANCIAL DEBT / EBITDA (Earnings before interest, tax, depreciation and amortisation, IFRS)	**9.8x**	2.4x

The net financial debt of Aena S.M.E., S.A. (calculated as Current financial debt plus Non-current financial debt minus Cash and cash equivalents), at 31 December 2020 was €6,540.4 million, compared to €6,200.4 million at 31 December 2019, and the related ratios are as follows.

Net financial debt of Aena S.M.E., S.A.

THOUSANDS OF EUROS	2020	2019
GROSS FINANCIAL DEBT	**7,681,676**	6,349,811
CASH AND CASH EQUIVALENTS	**1,141,265**	149,375
NET FINANCIAL DEBT	**6,540,411**	6,200,436
NET FINANCIAL DEBT / EBITDA (Earnings before interest, tax, depreciation and amortisation, IFRS)	**8.1x**	2.3x

Aena SME, S.A. has taken out loans that include the obligation to meet the following financial ratios, for an outstanding amount at 31 December totalling €5,800 million:

- 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.

These ratios are reviewed every year in June and December, taking into account the data on EBITDA and finance expenses for the last 12 months, and the net financial debt at the end of the period. Anticipating the breach of the financial ratios at the end of 2020, Aena obtained on 1 December 2020 waivers from all the affected financial institutions until at least, June 2022.

During 2020, Aena amortised long-term debt to the amount of €633.6 million, according to the payment schedule established under the agreement.

With the aim of strengthening the Company's liquidity, in view of the situation caused by COVID-19, Aena proceeded to sign loans with several financial institutions for a net amount of €2,325.6 million.

In addition, two new loans have been signed with the European Investment Bank (EIB) for amounts of €110 million and €14 million, respectively. At the close of 2020, both remain undrawn.

At 31 December, Aena had a line of €800 million corresponding to a sustainable syndicated line of credit (ESG-linked RCF) which remained undrawn.

On 24 November 2020, the Company registered a Promissory Note Programme (Euro Commercial Paper) with the Spanish National Securities Market Commission (CNMV [Comisión Nacional del Mercado de Valores]), with a maximum balance of €900 million in the BME Fixed Income Market under the same conditions as the programme it held previously. As at 31 December 2020, the paper issued amounted to €55 million, with an available balance of €845 million. At 31 December 2019, the balance of the ECP issued was €159 million.

Cash and credit facilities at Aena Group's disposal amounted to a total of €2,168 million, to which is added the possibility of issuing through the Euro Commercial Paper (ECP) programme for an available amount of €845 million.

The average interest rate of the Group's debt was 1.22% during the year 2020 (1.45% in 2019).

Fitch and Moody's rating agencies have confirmed the credit rating of Aena S.M.E., S.A. as follows:

- Fitch, "A" rating with a stable outlook and the "F1" short-term rating on 3 April. The long-term outlook was revised on 28 August from stable to negative, reflecting the risks surrounding the uncertainty in the recovery of traffic.
- On 24 June, Moody's confirmed the Long Term Issuer Default Rating "A3" and the outlook, which was revised on 31 March from stable to negative, also reflecting the risks surrounding the uncertainty in the recovery of traffic.

Finally, it should be noted that, as indicated in section 6.1 of this report (Net assets and capital structure), since June 2020, the amount of the long-term financial debt for the net amount of the London-Luton subsidiary has been transferred to the short term in accordance with IAS 1 (€431.8 million) due to the fact that as a consequence of the exceptional situation caused by COVID-19 and its impact on EBITDA, as of June 2020, the Company exceeded the financial ratios it had undertaken to comply with under the financing contracts. However, it obtained temporary waivers from the financial institutions with regard to compliance with the ratios as of 31 December 2020.

As explained in section 3.4 (International Segment. London Luton Airport), it is likely that in the next twelve months the Company will again fail to comply with the financial ratios indicated. Therefore, it has continued to negotiate with the financial institutions the extension of these waiverss until 30 June 2021 and 31 December 2021.

6.3 Average payment period

At 31 December, the payment ratios for Group suppliers are:

DAYS	2020
AVERAGE PAYMENT PERIOD TO SUPPLIERS	44
RATIO OF TRANSACTIONS PAID	47
RATIO OF TRANSACTIONS PENDING PAYMENT	15

These parameters have been calculated in accordance with the provisions of Art. 5 of the Resolution of 29 January 2016 of the Institute of Accounting and Auditing of

Accounts, regarding the information to be included in the notes to the annual accounts with regard to the average payment period to trade suppliers. It is based on the balance of suppliers who, by their nature, are suppliers of goods and services, so that it includes the data pertaining to the "Trade payables" section of the balance sheet.

THOUSANDS OF EUROS	2020
TOTAL PAYMENTS MADE	734,912
TOTAL PAYMENTS OUTSTANDING	89,196

In the cumulative period, the average payment terms are adapted to the terms set out in Act 15/2010. In those cases where a payment has been made outside of the legally binding period, this is due mainly to reasons not attributable to the Company: invoices not received on time, expired AEAT (Spanish tax agency [Agencia Estatal de Administración Tributaria]) certificates and lack of documentary evidence of supplier bank accounts, among others.

7. Cash flow

In fiscal year 2020, the Group's cash flow movements were conditioned by the effects of the spread of COVID-19, which caused a sharp decrease in cash flows from operating activities (-93.1%) and led the Group to focus on the objective of strengthening liquidity by obtaining external financing, generating an increase in the balance of "Cash and cash equivalents" during the period of €984.3 million.

Net cash flow from operating activities

The decrease in cash generated from operating activities reflects the impact that the pandemic has had on the Group's operations.

- Cash generated by operating activities before changes in working capital and other cash generated by operations (interest and income tax paid and collected), was €822.7 million, a decrease of €1,969.8 million (-70.5%) compared with that obtained in the same period of the previous year (€2,792.5 million).
- The decrease in working capital of €421.3 million comes mainly from changes in "Debtors and other accounts receivables" of €319.2 million and in "Creditors and other accounts payable" of €102.9 million.

The decrease in cash flows due to the change in "Debtors and other accounts receivable" of €319.2 million, is due to the impact that the accrual of higher MAG has had in 2020 (see section 2.4 Commercial activity) due to the lower amount invoiced and charged to equity during the period as a result of the decrease in activity.

The negative variation of €102.9 million in "Trade and other payables" is caused by the decrease in activity and the cost reduction plans undertaken in 2020, given that in the comparable period of 2019 the activity was not negatively affected by any extraordinary circumstance.

Net cash flows used in investment activities

The net cash used in investment activities amounted to €534.7 million, compared to €1,099.6 million in 2019. It mainly reflects payments related to acquisitions and replacements of non-financial fixed assets related to airport infrastructure, which have amounted to €503.2 million as detailed in section 5 (Investments) versus €1,032.4 million in 2019.

During the first quarter, the investment programme mainly focused on improvements to facilities and operational security of network airports, the expansion project for London Luton Airport in the UK and the Northeast Brazil airport group. The temporary suspension of the investment programme as a measure adopted to alleviate the effects of the crisis in order to protect the Group's treasury has affected cash flow.

Additionally, investment activities include "Payments for acquisitions of other financial assets" in the amount of €34.9 million (€8.4 million in 2019), which include bank Certificates of Deposit of the Brazilian subsidiary for the amount of €19.7 million, and deposits consigned by legal mandate with various public institutions of Autonomous Regions, corresponding to deposits in guarantee previously received from tenants of the commercial spaces of Aena S.M.E., S.A., in compliance with Act 29/1994, of 24 November, on Urban Leases.

Cash flows from financing activities

The main variations in financing flows correspond to changes in debt explained in section 6.2 (Changes in net financial debt).

Summary of consolidated cash flow statement

THOUSANDS OF EUROS	2020	2019	VARIATION	% VARIATION
NET CASH FROM OPERATING ACTIVITIES	**146,243**	2,114,343	-1,968,100	-93.1%
NET CASH USED IN INVESTING ACTIVITIES	**-534,701**	-1,009,578	474,877	47,0%
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	**1,381,611**	-1,514,626	2,896,237	191,2%
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**240,597**	651,380	-410,783	-63.1%
EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS	**-8,872**	-922	-7,950	-862,3%
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**1,224,878**	**240,597**	**984,281**	**409.1%**

8. Operational and financial risks

The main risks to which the Group is exposed in its operational and financial activities are described in Note 3 of the consolidated Annual Accounts at the close of the fiscal year 2020 ("Management of operational and financial risks").

In the operational field, the aforementioned Note first describes the **risks derived from the COVID-19 pandemic**, which are the following: operational and business risk; risks of material misstatement related to the recoverable amount of assets; provisions for credit losses or fair value corrections, among others (valuation of assets); as well as liquidity risks, since, due to the exceptional circumstances caused by the pandemic, the Company's cash flows have been drastically reduced in 2020. It also describes the health risk derived from the COVID-19 pandemic.

The legal and regulatory risk related to the uncertainty around the interpretation of legislation in the context of the current crisis, and the adaptation to new and continuous legal requirements, is also included.

In addition, the main operational risks include the following: **risks related to BREXIT** after the exit agreement reached between the United Kingdom and the European Union; **regulatory risks** associated with the regulated sector in which Aena operates and any future changes or developments in applicable regulations that may have negative impacts on its revenue, operating results and financial position; and **operating risks** of the activity of the Group that may be affected by different factors, since it is directly related to the levels of passenger traffic and air operations at its airports.

Furthermore, the main **financial risks are identified.** The Aena Group's operations expose it to various financial risks: market risks (including exchange rate risks and fair value risks due to the interest rate), credit risks and liquidity risks. The Group's global risk management programme focuses on the uncertainty of financial markets and tries to minimise the potential adverse effects on its financial profitability of the Group.

This information is completed with the content of the section Risks and risk management of this consolidated Management Report.

9. Main legal proceedings

With regard to the main litigations at 31 December 2020, it is worth noting first the claim filed by CEMUSA, Corporación Europea de Mobiliario Urbano, S.A. (fully owned by JCDECAUX EUROPE HOLDING) in which the amount of €55 million is claimed based on the clause "rebus sic stantibus", with this claim not being related to COVID-19. This clause is invoked to support the claim of annulment of the contract, alleging that due to the 2008 crisis there was a fundamental change in the circumstances that motivated the contract and that it therefore prevents its compliance. Once the reply to the claim has been submitted, the previous hearing is pending without having been indicated so far. As indicated in Note 23 of the Consolidated Annual Accounts, the risk is deemed to be remote.

Secondly, and as a consequence of the health crisis caused by COVID-19, throughout 2020 the legislator has been adopting temporary measures of an extraordinary nature to prevent and contain the virus and mitigate the health, social and economic impact of it throughout the Spanish territory. These included temporary restrictions to free movement and containment measures in areas of education, employment, business, leisure and places of worship.

Faced with the facts stated and as a consequence of the same, some lessees have filed claims based on the jurisprudential creation clause "rebus sic stantibus" requesting, among others, that the Courts consider the need to adopt precautionary measures in the sense that Aena refrains from invoicing the rents agreed in the contracts and, at the same time, the right to the execution of the guarantees available in the event of any non-payment. All the foregoing is put forth with the consequent ordinary claim.

Until 31 December 2020, Aena has been summoned to the Courts for the purpose of seven lawsuits filed by three lessees, from among all existing ones, these being: ZEA RETAIL, S.L., AIRFOODS RESTAURACION Y CATERING, S.L. and BENICOCHES, S.L.

10. Stock market performance

Aena's share price has fluctuated throughout 2020, ranging from a minimum of €91.90 and a maximum of €174.50, ending the period at €142.20, which represents a fall in share price of 16.6%, in line with the trend seen on the IBEX35, which accumulated a loss of 15.5% during the same period.

As regards the acquisition and disposal of treasury shares, at 31 December 2020, Aena did not hold any treasury shares, so there was no impact on the yield obtained by the shareholders nor on the value of the shares.

Main data

31/12/2020	AENA.MC
TOTAL VOLUME TRADED (NO. OF SHARES)	74,304,805
DAILY AVERAGE VOLUME TRADED IN THE PERIOD (NO. OF SHARES)	289,124
CAPITALISATION (€)	21,330,000,000
CLOSING PRICE (€)	142.20
NUMBER OF SHARES	150,000,000
FREE FLOAT (%)	49%
FREE FLOAT (SHARES)	73,500,000

11. Events after the reporting period

As a consequence of the health crisis caused by COVID-19 and the measures adopted by public authorities to deal with it, Aena S.M.E., S.A. began negotiations with the commercial activity tenants to agree on changes in the contractual conditions, including the fixed rent and the minimum annual guaranteed rent (MAG, hereinafter).

These negotiations, in which the Company has made different commercial proposals based on the evolution of the activity and always under the legal framework existing at each moment in time, have been affected by the continued deterioration of expectations regarding the recovery of air traffic.

Following the entry into force on 24 December 2020 of Royal Decree-Law 35/2020 on urgent measures to support the tourism, the hotel industry and commerce sector and in tax matters, this negotiation process has culminated in the proposal made by the Company on 18 January 2021 to the commercial operators of duty-free activities, specialty shops, food and beverage, vending machines, financial services and advertising in relation to the MAG:

- For the period between 1 January 2020 and 14 March 2020 (both inclusive) the MAG will be applied in accordance with the provisions of the original contracts, that is, a pro-rata MAG for 74 days.
- The MAG will not be applied for the period between 15 March 2020 and 20 June 2020 (both inclusive).
- For the period between 21 June 2020 and 31 December 2020 (both included) an MAG resulting from applying a 50% reduction on the MAG provided for in the contract, pro-rata over the 194 days of this period, will be applied. In advertising, a MAG per passenger will be applied.
- For the period between 1 January 2021 and 8 September 2021 (both inclusive) a percentage of 50% of the pro-rata MAG will be applied on the days accrued in this period. In advertising, a MAG per passenger will be applied.
- As of 9 September 2021 (included) and until the end of the contract, the conditions provided for in the original wording thereof will resume.
- If the Company, in order to comply with the measures imposed by the health authorities, has been forced to close some airport areas, it is willing, if so requested and within the framework of the agreement reached, to reduce up to 100% of the MAG corresponding to the number of days of each annuity in which the area in which the premises are located has not been operational.

The rest of the contractual conditions will remain in force, including the variable rent and the obligation to pay the property tax, the expenses for supplies and other taxes and items that can be passed on.

As communicated in said letter, the commercial proposal that Aena offers is global and indivisible and requires the formalisation of the appropriate contractual document amending the corresponding contracts. In the same way, each lessee is informed that in the event that they do not agree to the conditions offered or do not respond within the period granted to that effect, Aena will proceed to invoice the MAG for the year 2020 and the other corresponding concepts as of that date in accordance with the contracts in force.

The latest information available indicates that 72 commercial operators have accepted this proposal, which represents 52.9% of the total affected contracts and 13.2% of the affected MAG.

In addition, it should be noted that on 12 February 2021, the CNMC issued its Resolution on Aena's airport charges for 2021. In the aforementioned Resolution, it declares the charge update approved by Aena applicable, given that the 2021 IMAAJ is €10.27 per passenger, which implies a 0% variation.

From the closing date of the fiscal year to the date these Consolidated Annual Accounts were formulated, there have been no significant events that may affect this Consolidated Management Report other than those discussed throughout the Consolidated Annual Accounts and mentioned above.

Block B: Non-financial information statement (NFIS)

1 Aena: Sustainable governance model

The adaptation to the sudden decline in activity has required adjusting capacities and services to the specific needs of the operation, maintaining efficiency, safeguarding an essential service, and without compromising the future of the Company

Reference airport operator

SPAIN

46 general interest airports

2 heliports

Participate in the management of **23** international airports:

1 in Europe (United Kingdom)

22 in the Americas (6 in Brazil, 12 in Mexico, 2 in Colombia and 2 in Jamaica)

Majority shareholder entity

51%

AENA IS PART OF IBEX 35

Governing bodies

- General Shareholders' Meeting
- Board of Directors:
  15 directors
  - Succession plan
  - Remuneration according to public regulations
  - Support commissions
- Management Committee

33% FEMALE PRESENCE ON THE BOARD OF DIRECTORS

Data protection

- Compliance Model
- Privacy from the design
- Internal audits
- Training and information for employees
- Cybersecurity plan

0 PERSONAL DATA SECURITY BREACHES DETECTED IN 2020

Reference framework based on ethics, integrity, compliance, legality and transparency

- Regulatory Compliance System
- Code of Conduct
- Regulatory Compliance Policy
- Anti-corruption and fraud policy
- Complaints Channel
- Other corporate policies

CORPORATE POLICIES WERE REVISED AND UPDATED IN 2020

Unique legal nature

- State-Owned Commercial Company
- Listed Public Limited Company

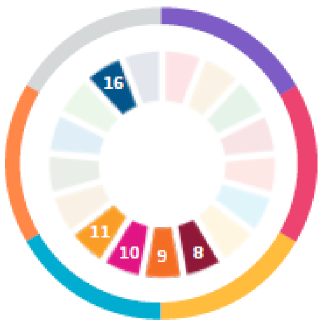
2020

98
complaints related to the Code of Ethics (consolidated data)

0
cases of corruption identified

Sustainable finance

- Sustainable syndicated credit line



Commitment to SDGs

8 **SDG 8 Decent work and economic growth**

9 **SDG 9 Industry, innovation and infrastructure**

10 **SDG 10 Reduced inequalities**

11 **SDG 11 Sustainable cities and communities**

16 **SDG 16 Peace, justice and strong institutions**

The year 2020 has proved to be one of the greatest challenges in Aena's history. Faced with the effects derived from the spread of COVID-19, the company has had to adapt to circumstances at all times, adopting all the necessary measures to ensure its sustainability, as well as to preserve and protect the social interest of the Company, its employees, suppliers, customers and other stakeholders, while at the same time maintaining responsible environmental management.

1.1. Capital and organisational structure

As an airport operator, Aena currently manages 46 airports of general interest in Spain, and two heliports. Aena owns a total of 32 airports and has shared use of another eight with the Ministry of Defence. A further five are military airbases that are open to civilian traffic. It also operates Región de Murcia International Airport ("**AIRM**") as a concession.
The Company is also present outside of Spain through its subsidiary Aena Desarrollo Internacional S.M.E., S.A. (hereinafter referred to as "**Aena Internacional**").

The Aena group is made up of Aena, Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia (the concession company of the Región de Murcia International Airport, "SCAIRM"), Aena Internacional, the companies of the London Luton Airport Group ("LLAOL"), as well as the Concession Company Aeroportos do Nordeste do Brasil, S.A. (the concession company of the Northeast Brazil airport group, "Aena Brasil").

51% MAJORITY STAKE IN THE MANAGEMENT COMPANY OF THE **LONDON-LUTON AIRPORT, IN THE UNITED KINGDOM**

SHAREHOLDING IN **12 AIRPORTS IN MEXICO, 2 IN JAMAICA AND 2 IN COLOMBIA**

OWNER OF THE CONCESSION FOR THE MANAGEMENT OF **6 AIRPORTS IN NORTHEAST BRAZIL**

THE AENA GROUP
It comprises the following: Aena, Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia (the concession company of the Región de Murcia International Airport, "SCAIRM"), Aena Internacional, the companies of the London Luton Airport Group, as well as the Concession Company Aeroportos do Nordeste do Brasil, S.A. (the concession company of the Northeast Brazil airport group, "Aena Brasil")

Governing Bodies

The highest governing bodies responsible for management, supervision and control of the Company are the General Shareholders' Meeting and the Board of Directors.

GENERAL SHAREHOLDERS' MEETING

BOARD OF DIRECTORS

CHAIRMAN AND CEO, AND MANAGEMENT COMMITTEE

EXECUTIVE COMMITTEE

AUDIT COMMITTEE

APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE

Internal

and external regulations, and corporate policies relating to the area of corporate governance

- Corporate Bylaws
- Regulations of the Board of Directors
- Regulations of the General Shareholders' Meeting
- Internal Rules of Conduct in the Securities Market
- Code of good governance of the [Spanish] National Securities Market Commission (CNMV 2020)
- Corporate governance policy
- Selection policy for Board Member candidates
- Shareholder remuneration policy
- Communication and investor relations policy
- Code of Conduct
- Regulatory compliance policy
- Anti-corruption and fraud policy
- Corporate Tax Policy
- Corporate Responsibility Policy

Through its Corporate Governance system

Aena guarantees the generation of value, the efficient use of resources and transparency in its management, and protects the interests of shareholders and the Company itself. The Corporate Governance tools comply with national and international best practices and recommendations, including those of the Code of Good Governance of the Spanish National Securities Market Commission (CNMV [Comisión Nacional del Mercado de Valores]).

Shareholders and the General Shareholders' Meeting

Aena S.M.E., S.A. is a state-owned commercial company configured as a public limited company. Its majority shareholder is ENAIRE (Public Corporate Entity under the Ministry of Transport, Mobility and Urban Development[1]) with 51% of the shareholding. The remaining 49%, as of 11 February 2015, consists of private capital listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (for full details of shareholdings at the close of 2020, see the Annual Corporate Governance Report).

Aena has been part of the Ibex 35 index since June 2015[2]. The share capital of the company is represented by one hundred and fifty million (150,000,000) shares, each with a par value of ten euros (€10), fully subscribed and paid.

Aena maintains a permanent relationship with shareholders through different forums, such as the General Shareholders' Meeting, presentations of financial results, investor relations, roadshows, the investor relations website located on the Company's corporate website, the Customer Service for Shareholders (ir@aena) and the Investors Relations Office, located at Aena's corporate headquarters.

The General Shareholders' Meeting is the sovereign body of Aena in which all shareholders meet to deliberate and decide on matters that fall within their purview—in accordance with the majorities required in each case— or to be informed of any other matters that the Board of Directors deems appropriate. The organisation and operational rules are published in the Company's Corporate Bylaws (Articles 11 to 28, inclusive) and in the Regulations of the General Shareholders' Meeting.

In order to facilitate attendance, participation, communication and interrelationship with all shareholders, and to guarantee their rights, Aena incorporates different

SIGNIFICANT SHAREHOLDERS - TO BE UPDATED ↗

	% OF VOTING RIGHTS ATTRIBUTED TO THE SHARES			% OF VOTING RIGHTS THROUGH FINANCIAL INSTRUMENTS	% OF TOTAL VOTING RIGHTS			PREVIOUS NOTIFICATIONS
DENOMINATION	% TOTAL (A)	% DIRECT	% INDIRECT	% (B)	(A+B)	DATE REGISTERED WITH CNMV	ADDITIONAL INFORMATION	DETAIL/ CANCELLATIONS
BLACKROCK INC.	2.994	0.000	2.994	0.250	3.224	12/10/2020		↗
ENAIRE	51.000	51.000	0.000		51.000	17/02/2015		↗
HOHN, CHRISTOPHER ANTHONY	3.860	0.000	3.860	3.607	7.467	03/06/2020		↗
THE CHILDREN'S INVESTMENT MASTER FUND	0.000	0.000	0.000	3.607	3.607	23/04/2020		↗

[1] Previously known as the Ministry of Public Works, name changed on 13 January 2020.

[2] Consult the Annual Corporate Governance Report on Aena's website for more infor-
mation.

mechanisms, such as remote voting or live broadcasting of the General Shareholders' Meeting through the corporate website.

Each share bears the right to one vote at the General Shareholders' Meeting, without prejudice to cases of suspension of voting rights provided for in the Corporate Bylaws, and legal restrictions

In order to ensure the safety of attendees, and as a result of the measures and restrictions approved by the health authorities due to the COVID-19 health emergency, the Board meeting held in October 2020[3] was carried out solely online, through delegation and early voting and attendance was exclusively remote. For this purpose, an online platform was set up for live broadcasting, as well as for the intervention and voting of shareholders through telematic means. In the session held in October 2020, among other matters, the following was approved: the allocation of the 2019 profits to reserves[4], the appointment of Javier Marín San Andrés as Executive Director, the approval of the Principles of Action against Climate Change and Governance in Environmental Matters, and the approval of the Non-Financial Information Statement for fiscal year 2019.

[3] The General Shareholders' Meeting was initially convened for March 2020 but was suspended as a result of the COVID-19 situation, with a new Meeting announced in June to be held in October.

[4] Decision made after assessing the damages caused by the COVID-19 pandemic and with the objective of strengthening the solvency of the company under the current circumstances that do not allow for the assessment of the future impact from the health crisis.

The Board of Directors

The Board of Directors is the highest administrative and representative body of the Company. It is also a supervisory and control body, performing its duties with unity of purpose and independently from management and providing the same treatment to all its shareholders, whose main premise is the interest of the Company.

Within the framework of the Company's commitment to its shareholders, the Board of Directors carries out its activity in accordance with certain corporate governance standards, mainly included in the Corporate Bylaws, in the Regulations of the General Shareholders' Meeting, in the Regulations of the Board of Directors and in the different Corporate Policies.

As a supervisory and control body for the Company's activity, it is the competent body for establishing management strategies and guidelines, implementing and ensuring the establishment of adequate reporting procedures for shareholders and markets in general, and adopting decisions on business and financial operations of special relevance, among others.

In addition to the above, it is the body responsible for approving the Corporate Policies, including Corporate Governance, Corporate Social Responsibility, Risk Control and Management, Regulatory Compliance and Information Security.

The organisation and operation rules are published in Aena's Corporate Bylaws (Articles 29 to 50, inclusive) and in the Regulations of the Board of Directors[5].

As at 31 December 2020, Aena's Board of Directors was composed of 15 members comprising the following: six independent directors; six nominee directors appointed at the proposal of the majority shareholder, ENAIRE; one nominee director appointed at the proposal of the TCI Group; and two executive directors, one of which is the current Chairman and CEO of Aena, Maurici Lucena. In accordance with the provisions of the Regulations of the Board of Directors and the Selection Policy for Board Member Candidates, and in compliance with the Code of Good Governance of the CNMV Listed Companies; the selection of Board Members is based on a prior analysis of the needs of the Company and the Board of Directors, encouraging diversity of knowledge, experience and gender, and rejecting any type of discrimination based on a person's race, nationality, social origin, gender, marital status, sexual orientation, religion, political ideology, disability or any other personal condition of a physical or social nature.

The Board of Directors of Aena Internacional is composed of nine members. Of the nine directors, five are nominee directors employed by the Aena Group, three are independent directors and one is an executive director —the CEO, Javier Marín San Andrés. The Chairman of the Board of Directors, Maurici Lucena Betriu, is a non-executive Chairman. The Corporate Bylaws of Aena Internacional state, in Article 17, that the Board of Directors shall be composed of a minimum of three and a maximum of nine members. The current composition is nine. There is no appointment policy. Of the nine current members of the Board of Directors, six are employees of the Aena Group and three are employees of the public sector.

The Board of Directors of Aeroportos do Nordeste do Brasil, S.A. (Aena Brasil) is composed of seven members, of which five are nominee directors appointed by the sole shareholder Aena Desarrollo Internacional SME, S.A. Of the six board members appointed by the sole shareholder, employees of the Aena Group, one is an independent director and another is an executive director —the Chairman of Aeroportos do Nordeste do Brasil, S.A. The Chairman of the Board of Directors, Javier Marín San Andrés, is a non-executive Chairman. As established in the Corporate Bylaws of Aena Brasil, the Board of Directors shall be composed of a minimum of five and a maximum of nine members, who are elected by the General Shareholders' Meeting for a period of two years.

The corporate bylaws of London Luton Airport Operations Limited (LLAOL) do not establish the number of members that the Board of Directors must have. The appointments are made in accordance with the provisions of the Shareholders Agreement signed between the two shareholders of the companies that make up the Luton Group. There is no appointment policy.

[5] In October 2020, the General Shareholders' Meeting agreed to amend the company's corporate bylaws, with the inclusion of a new article (article 50 Bis), in order to give the Board of Directors the responsibility for preparing, publishing and updating a multiyear Climate Action Plan that includes actions for mitigating the effects of climate change and monitoring the indicators established for meeting decarbonisation objectives. As of 2022, the Company must prepare and publish a specific and detailed annual report on the progress of the aforementioned Climate Action Plan.

Diversity of the Board

33%

Women on the Board –5 out of a total of 15 directors– (as of 31/12/2020).

In compliance with the recommendations of the Code of Good Governance of the CNMV, **Aena is committed to having women make up 40% of its Board of Directors by 2022.**

AENA collaborates with the **Woman Forward Foundation, Garrigues and the Institute of Business Governance in the Women Joining Boards programme,** which aims to improve the creation of value within companies, promoting the transformation of the Board by establishing efficient processes that make it the engine of the company, as well as through strict control processes for corporate tasks.

55.33

average age of the Directors

2.92

average years of seniority on the Board

Board structure

Name	Type of Director	Selection procedure****	Member of other expert committees	Training	Experience	Director in other entities (number)*****	Attendance at Board meetings (%)	Attendance at Committee meetings (%)	Voting rights based on shares
Maurici Lucena Betriu CEO (Chief Executive Officer)	E	GSM	EC	E/F	FS, SM, IT, AER, UN		100%	100%	N/A
Francisco Javier Marín San Andres Executive Director	E	GSM		AE, E/F	IT, FS, AUD, AER, INFRA, SM, UN, T, ESG	2 entities of the Aena Group	100%	N/A	340 shares
Pilar Arranz Notario	N	GSM		OT	AUD, CO, AER, SM, INFR, OT		100%	N/A	N/A
Francisco Javier Martin Ramiro	N	GSM		SC/ENG, OT	INFR, UN, OT		90%	N/A	N/A
Ángel Luis Arias Serrano	N	GSM	ARCGC (M)	AE, OT	AUD, AER, INFR, SM, ESG, IT, UN		100%	100%	N/A
Juan Ignacio Díaz Bidart	N	GSM		E/F	SFUN, AUD, T, OT, UN, SM		100%	N/A	N/A
Marta Bardón Fernández-Pacheco	P	GSM	AC (M)	E/F	FS, AUD, SM, OT		100%	100%	N/A
Francisco Ferrer Moreno	D	GSM	AC (M), EC (M)	E/F	FS, INFR, AUD, UN		100%	100%	N/A
Angélica Martínez Ortega	P	GSM	EC (M)	E/F, OT	FS, AUD, INFR, SM		92.31%	100%	N/A
TCI Advisory Services LLP - Christopher Anthony Hohn	N	GSM	ARCGC (M), EC (M)	E/F, AUD, ESG	FS, AUD, SM, ESG, INFRA	9 companies of the TCI Group	100%	ARCGC: 25% CE: 100%	3.55%
Amancio López Seijas	I	GSM	ARCGC (C)	E/F	FS, T, OT	Chairman and CEO of the Companies of the Hoteles Turísticos Unidos, S.A Group.	100%	100%	N/A
Jaime Terceiro Lomba Lead Independent Director	I	GSM	AC ARCGC (M), EC (M)	E/F, AER	FS, AUD, AER, UN		100%	100%	N/A
José Luis Bonet Ferrer **	I	GSM	AC	E/F, OT	T, UN	1	100%	100%	N/A
Josep Antoni Durán i Lleida	I	GSM	ARCGC (M)	OT	UN, SM, T, OT	1	100%	100%	30 shares
Jordi Hereu Boher ***	I	GSM	ARCGC (M)	OT	OT, UN	1	100%	100%	N/A
Leticia Iglesias Herraiz	I	GSM	AC (C)	E/F, AUD,	FS, AUD, SM	3	100%	100%	N/A
Irene Cano Piquero	I	GSM	ARCGC (M)	E/F	FS, AUD, IT, SM	-	N/A	N/A	N/A
Juan Río Cortés	I	C	AC (M)	E/F, SC/ENG	FS, IT, SM	-	N/A	N/A	N/A

* Francisco Javier Martin Ramiro's role ended on 29 October 2020.
** José Luis Bonet Ferrer's role ended on 29 October 2020.
*** Jordi Hereu Boher's role ended on 22 December 2020.
**** The Regulations of the Board of Directors and the Selection Policy for board members stipulate that the Appointments, Remuneration and Corporate Governance Committee (ARCGC) will propose or notify the appointments of new board members.

***** In accordance with the provisions of the Regulations of the Board, Board Members may not be part of more than five (5) Boards (Art. 29 [xii]) or more than three (3) Boards of Directors of other companies whose shares are traded on any domestic or foreign stock exchange.

KEY

Type of Director: I = Independent; E = Executive; N = Nominee.
Selection procedure: GSM= General Shareholders' Meeting; B= Board
Member of other expert committees: EC: Executive Committee; AC: Audit Committee; ARCGC: Appointments, Remuneration and Corporate Governance Committee; (M): Member; (C): Chairman.

Training: Economic/Financial: E/F; Auditing and risk management: A/R; Environmental, Social and Governance matters: ESG; Non-financial risks: NFR; Aeronautical: AE; Other Science and Engineering: SC/ENG; Other: OT
Professional Experience: Innovation/New technologies/Digital transformation: IT; Data protection: DP; Auditing/Risk Management: AUD; Compliance: CO; Academic/University/Research sector: UN; Financial Sector: FS; Aeronautical: AER; Infrastructure and transport: INFR; Senior Management (other sectors): SM; Sustainability: ESG; Corporate Governance: CG; Tourism: T; Other: OT

Aena Succession Plan

The Appointments, Remuneration and Corporate Governance Committee is the committee responsible for examining and organising the succession of the Chairman of the Board of Directors and the company's Chief Executive Officer. It is also responsible, if applicable, for drawing up any proposals to the Board of Directors so that such succession occurs in an orderly and planned manner (art. 24 of the Regulations of the Board of Directors). For its part, the Lead Independent Director has the power to coordinate the Chairman's succession plan (art. 15 of the Regulations of the Board of Directors).

With the statutory term ending for the positions of Francisco Javier Martín Ramiro and Jose Luís Bonet Ferrer as members of the Board of Directors, the General Shareholders' Meeting agreed to the appointment of Irene Cano Piquero and Francisco Javier Marín San Andrés as board members. In addition, in its meeting of 22 December 2020, the Board of Directors agreed to the appointment of Juan Río Cortés as a member, filling the vacancy resulting from the resignation of Jordi Hereu Boher.

The profiles of the three board members can be found at the following link: http://www.aena.es/csee/Satellite/Accionistas/en/Page/1237568525334/1237568522634/Composition.html

Evaluation of the Board

As established in the Regulations of the Board of Directors, the Board of Directors will prepare an annual action plan for the following fiscal year, which, among other things, will include the evaluation of its own performance, the quality and efficiency of its work and the operation and composition of its Committees. Where appropriate, the Board shall adopt an action plan that corrects any deficiencies identified. Additionally, every three years, the Board of Directors will be assisted in carrying out the evaluation by an external consultant, whose independence will be verified by the Appointments, Remuneration and Corporate Governance Committee.

In 2020, the results obtained from the evaluation of the functioning of the Board and its Commissions have been very positive. In addition, as a novelty this year, some questions have been included in the questionnaire given to each of the Directors regarding the procedure for online meetings and the measures adopted for the proper functioning of the Board during the health crisis caused by COVID-19.

With respect to the results obtained, 90% of the Directors' evaluations have been excellent or satisfactory with respect to the functioning of the Board of Directors and only 6% of the Directors' evaluations suggest that some aspects should be reinforced. With regard to the operation and composition of the Commissions, 98% of the Directors' evaluations have been excellent or satisfactory compared to 2% that suggest some aspects could be improved.

On the other hand, the measures adopted for the proper functioning of the Board during the health crisis caused by COVID-19, such as telematic sessions, have been positively appraised by the members of the governing body.

Likewise, an Action Plan has been developed for fiscal year 2021 that addresses the main deficiencies de-tected during this evaluation.

Remuneration of the Board

Aena S.M.E. S.A. is subject to both commercial law, applicable to capital companies, and to the regula-tory framework applicable to the remuneration model for senior managers and directors in the corporate public sector, with the latter prevailing. The application of public regulations of a prevalent na-ture to the regulatory standards of capital companies, implies that:

- The contracts of the executives who are part of the Executive Management Committee of Aena S.M.E., S.A., and those of the Internal Audit Manager and the Head of Aena Internacional, are subject to Royal Decree 451/2012, of 5 March, which regulates the remuneration regime of senior managers and directors in the corporate public sector, and other entities.
- The remuneration of the Directors is predetermined by public regulations, including the following: Royal Decree 462/2002, of 24 May, on the compensation for services provided; the aforementioned Royal Decree 451/2012; the Order issued by the Ministry of Finance, of 30 March 2012, which approves the classification of

state-owned commercial companies in accordance with Royal Decree 451/2012, of 5 March, which regulates the remuneration regime of senior managers and directors in the corporate public sector, and other entities; and the Order issued by the Ministry of Finance, of 8 January 2013, which approves the maximum amounts of compensation for the attendance to board of director meetings of state-owned commercial companies. Due to this, the Company has no discretion to set remuneration amounts under the terms indicated in Article 217.4 of the Corporate Enterprises Act, given that, in addition, the directors receive no compensation for the exercise of their positions as members of the Board of Directors, but only financial compensation for attending Board meetings, with this compensation being limited by maximum amounts as detailed in the Annual Report on Remuneration.

Remuneration received in 2020:

- **Fees of the Executive Director:** the first Executive Director and also Chairman and CEO of the Board of Directors has received €170,000 (including fixed and variable remuneration and other supplements). For his part, the Executive Director, Francisco Javier Marín San Andrés, has received —since his appointment to the position by the General Shareholders' Meeting on 29 October 2020— €25,000 (including fixed and variable remuneration and other supplements received in his capacity as CEO).
- **Remuneration of Directors[6]:** in accordance with the Order issued by the Ministry of Finance and Public Administrations, of 8 January 2013, the maximum annual amount has been set at €11,944 (Group 1), derived from their attendance to Board meetings (11 meetings in total).
  However, the remuneration corresponding to Board Members with the status of High Ranking Government Officials is deposited into the Public Treasury[7]. Taking the foregoing into account, and in accordance with the number of times Directors attended Board of Directors meetings, the average remuneration received by male Directors was €11,944 and the average received by female Directors was €11,944[8].
- **Remuneration of Senior Management[9]:** the average remuneration received by women in this category was €121,339 and the average received by men was €129,857[10]. The wage gap stands at 7% for this category.

The annual average compensation of each of the Board Members[11] of the Aena concession company Region de Murcia International Airport is €6,853.99 (according to the certified record of 18 September 2018 of the decision by the sole shareholder in which the decision was adopted). The remuneration of the Directors is predetermined by public regulations[12], such that the Company has no discretion to set remuneration amounts under the terms indicated in Article 217.4 of the Corporate Enterprises Act, given that, in addition, the directors receive no compensation for the exercise of their positions as members of the Board of Directors, but only financial compensation for attending Board meetings. These amounts are limited by the maximum remuneration established by the Spanish Ministry of Finance for companies in the public sector of Group 3 (currently an annual maximum of €6,854 for attending the meetings of the Board of Directors, and €1,520 for attending Board committee sessions). Throughout 2020, a total of 11 meetings were held, for each of which each Director received a remuneration of €623.09.

The remuneration of Aena Internacional Directors is predetermined by public regulations, including the following: Royal Decree 462/2002, of 24 May, on the compensation for services provided; the aforementioned Royal Decree 451/2012; the Order issued by the Ministry of Finance, of 30 March 2012; and the Order issued by the Ministry of Finance, of 8 January 2013. Due to this, the Company has no discretion to set remuneration amounts under the terms indicated in Article 217.4 of the Corporate Enterprises Act, given that, in addition, the remuneration of the directors only

[6] Information about the remuneration of the Board of Directors is detailed in the Annual Report on Remuneration, which can be consulted on the company's corporate website.
[7] During fiscal year 2020, remunerations corresponding to attendance by High Ranking Officials at Aena (Maurici Lucena Betriu, Angélica Martínez, Juan Ignacio Díaz Bidart, Angel Luís Arias Serrano and Francisco Javier Martín Ramiro) were deposited into the Public Treasury.
[8] For the calculation of the average remuneration, only those remunerations received by the Directors who have held their position during the entire current fiscal year have been taken into account, excluding those whose remuneration must be paid into the Public Treasury due to their status as a High Ranking Government Official.

[9] To calculate the average remuneration of Senior Management, salaries, allowances, pension plans and insurance are considered.
[10] For the purposes of calculating the average broken down by gender, the average workforce of the members of the Senior Management of Aena, S.M.E and AIRM (due to the changes in the organisational structure throughout 2020) has been considered.
To calculate the average remuneration, the base salary, variable remuneration, allowances, compensation, long-term forecast systems and other items have been taken into account.
The salary review included in Royal Decree-Law 2/2020, which approves urgent measures regarding compensation in the public sector, is pending application.

[11] Section 18 of the SCAIRM corporate bylaws, on the remuneration of directors, states that "Directors and the Secretary of the Board, if they are not a Director, shall be entitled to receive the allowances for attending the Sessions, as well as the appropriate compensation for travel expenses incurred from attending the meetings held. The amount of these allowances will be set by the General Shareholders' Meeting, subject to the provisions of applicable legislation. The maximum amount of the annual remuneration must be approved by the General Shareholders' Meeting and will remain in force as long as its modification is not approved".
[12] Namely, Royal Decree 462/2002, of 24 May, on the compensation for services provided; the cited Royal Decree 451/2012; the Order issued by the Ministry of Finance of 30 March 2012; and the Order issued by the Ministry of Finance, of 8 January 2013.

consists of allowances for attending Board meetings. These compensation amounts are limited by the maximum remuneration established by the Spanish Ministry of Finance for Group 3 companies in the public sector (currently an annual maximum of €6,854 for attending Board of Directors meetings, and €1,520 for attending Board committee sessions).

Regarding matters of remuneration, Aena Internacional —as a company through which the parent company Aena S.M.E., S.A. invests abroad— established certain corporate governance rules in 2020 relating to the remuneration of directors in investee companies. The average remuneration received per male Director was €7,614 and €7,682 per female Director[13].

In the case of the group holding the London-Luton Airport concession, currently, only the Independent Director is paid, who signs a contract for this purpose. The Independent Director is the Chairman of the Board, who serves as a Director and Chairman at the group's five companies, and as a member of the *Audit and Risk Committee* and the *Remuneration Committee*, and his total annual fixed gross remuneration is £100,000 per year.

As for Aena Brasil, in October 2020, the Company's Shareholders' Meeting approved a directors' remuneration plan applicable from that date. Therefore, it is not possible to calculate the average annual remuneration for 2020.

Committees supporting the Board

The Board of Directors has three delegated committees: the Executive Committee, the Audit Committee, and the Appointments, Remuneration and Corporate Governance Committee[14].

The Regulations of the Board of Directors detail their specific powers, the performance assessment process of their members, as well as the rights and duties of the Directors.

Appointments, Remuneration and Corporate Governance Committee

This committee is composed of a total of five non-executive Directors, with three as independent directors, and has powers to be informed of and to drive, steer and monitor Aena's objectives, action plans and practices in matters of corporate responsibility and sustainable development, as well as communicate their agreements to the Board of Directors as a whole. Its functions include the following:

- Periodically review the corporate responsibility policy and strategy.
- Be informed of and drive, steer and monitor the objectives, action plans and practices of the Company in matters of corporate responsibility. In particular, with regard to the following: the fulfilment of the corporate responsibility strategy and practices, ensuring that they focus on achieving greater social and environmental sustainability, and the creation of long-term value; the processes of maintaining relationships with the various stakeholders; the contribution to achieving the Sustainable Development Goals (SDGs); and coordinating the process of reporting non-financial and diversity information, which includes ethical issues and/or the Corporate Responsibility Report.
- Periodically evaluate the adequacy of the corporate governance system of the company, specifically in corporate governance policies. Evaluate the knowledge and experience needed on the Board of Directors and, consequently, define the required functions and skills of the candidates who must fill each vacancy, as well as to assess the time and dedication required so that they can perform their duties correctly.
- Establish a gender-based representation objective, make recommendations on how to achieve it, and inform the Board of diversity issues.
- Submit proposals for the appointment of Independent Directors to the Board of Directors, and report the proposals for the appointment of the remaining directors.
- Verify annual compliance with the policy of selecting directors.
- Report proposals for the appointment and termination of senior management.

In 2020, eight meetings of this Committee were held. They were attended (in-person and via a representative) by 100% of its members in two of them and 80% in six of them.

[13] For the calculation of the average remuneration, only those remunerations received by the Directors who have held their position during the entire current fiscal year have been taken into account, excluding those whose remuneration must be paid into the Public Treasury due to their status as a High Ranking Government Official.

[14] The composition, responsibilities and regulations of these bodies are available on the corporate website.

Audit Committee

In accordance with the provisions of the Regulations of the Board of Directors (article 23), the Audit Committee has powers to monitor and control non-financial information, and evaluate non-financial risks.

As such, further to its functions in the area of monitoring and control of financial information, and systems of internal control and risk management, the Audit Committee has the authority to evaluate everything related to the non-financial risks of the company, including operational, technological, legal, social, environmental, political and reputational risks.

In addition, it has regulatory compliance powers, which include the following specific powers: to establish and supervise a mechanism that allows employees to confidentially report any irregularities of potential significance that may be detected within the company; to coordinate the bodies responsible for compliance; review the regulatory compliance policy, and any other policies and procedures aimed at preventing inappropriate conduct; and supervise the management of the Complaints Channel.

In 2020, eight meetings of this Committee were held. 100% of the meetings were attended, in person or through representatives, by all the directors.

Executive Committee

By virtue of the provisions of Article 22 of the Regulations of the Board of Directors, this body is composed of five directors, has a general decision-making capacity and, therefore, is able to expressly delegate all the powers that correspond to the Board of Directors, except those that are considered to be non-delegable by law, any applicable regulations, Corporate Bylaws or the Regulations of the Board itself.

This year, due to the crisis caused by the COVID-19 pandemic, the Executive Committee has met on four occasions, in which 100% of its members attended (in-person and through representatives).

Management Committee

In accordance with the Regulations of the Board of Directors, the ordinary management of the company's business is entrusted to the management team and the corresponding executive bodies, thereby creating a connecting link between the Board of Directors and the rest of the Company. Aena's organisational structure is designed to ensure compliance with the commitments in its regulatory framework (Airport Regulation Document, DORA 2017-2021)[15], and to foster new business lines that generate value, such as commercial and real estate activities, international expansion, sustainability and innovation.

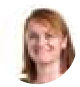
Composition of the Management Committee (31/12/2020)

Mauricì Lucena Betriu
Chairman and CEO

María José Cuenda Chamorro
Managing Director of Commercial and Real Estate

Javier Marín San AndrésDirector
Managing Director of Airports

Ángel Luis Sanz
Director of the Chairman's Office, Regulation and Public Policies

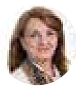


Amparo Brea Álvarez
Director of Innovation, Sustainability and Customer Experience

José Leo Vizcaíno
Economic-Financial Director

Juan Carlos Alfonso Rubio
General Secretary and Secretary of the Board of Directors

María Gómez Rodríguez
Communications Director



Begoña Gosálvez Mayordomo
Organisation and Human Resources Director

* Change of name of the Innovation, Sustainability and Customer Experience Directorate.

[15] Airport Regulation Document (DORA [Documento de Regulación Aeroportuaria]): an instrument that establishes the minimum conditions needed to guarantee the accessibility, sufficiency and suitability of airport infrastructure, as well as the adequate provision of basic airport network services.

1.2. Culture and corporate ethics

Due to its nature, Aena is subject to a legal regime that seeks to balance the public and private regulations to which the Company is subject. As a state-owned commercial company and, therefore, part of the institutional public sector, it is subject to the provisions of the following articles: 166.1.c) of Act 33/2003 on public administration assets, section 2.2.c) of Act 47/2003 on the national budget and Act 40/2015 of 1 October on the legal regime of the public sector. In addition, as a publicly listed company, it is also subject to Legislative Royal Decree 1/2010, via which the consolidated text of the Corporate Enterprises Act was approved, as well as to Legislative Royal Decree 4/2015, of 23 October, via which the consolidated text of the Securities Market Act was approved.

Its unusual legal nature affects issues such as its policy on the remuneration of directors, the range of responsibilities of the directors, the acquisition of majority interests in other companies, the hiring of personnel, the contracting of suppliers, the access to public information and the transparency in their activities. In addition, Aena is subject to the provisions of the Airport Regulation Document (DORA) —instrument that establishes the minimum necessary conditions in airport management— and to the requirements established in European regulations on airport and operational security as well as by various provisions of the European Union Aviation Safety Agency (EASA), the Directorate General for Civil Aviation (DGCA) and the International Civil Aviation Organization (ICAO). It is also subject to quality and environmental requirements stemming from the application of standards such as ISO 20906, ISO 9001:2015, ISO 14001:2015, ISO 27002:2013 and ISO 19600, the EU Regulation 139/2014 or the Airport Carbon Accreditation, to which it has voluntarily subscribed.

Based on the guidelines provided for in the regulatory framework, Aena has developed a structure of basic standards (of high level) that configure the Company's Compliance model, and contribute to effectively and efficiently articulating the management of the company with its strategic objectives.

It is essential for Aena to guarantee the legality of the actions taken by its employees, directors and managers when carrying out their professional activities. Ethics, compliance, legality, integrity and transparency are the basis of their activity, and the starting point for establishing relationships with their stakeholders.

The Aena General Regulatory Compliance System comprises, among other things, elements such as the Code of Conduct, the Regulatory Compliance Policy, and the Anti-Corruption and Fraud Policy, which are binding and applicable to the members of the Management Bodies, to Senior Management and —in general, without exception and whatever their position, responsibility, occupation or geographic location— to all employees of Aena or any other company wholly owned by Aena and domiciled in Spain.

These Policies shall apply to the Directors and employees of Aena subsidiaries where it has a majority shareholding and which are not domiciled in Spain (London-Luton Airport and Aena Brasil) in accordance with its regulations, unless otherwise established in its own policies —since its Compliance bodies are responsible for implementing its Regulatory Compliance Systems, in coordination with Aena's Compliance Supervision and Control Body (OSCC [Órgano de Supervisión y Control de Cumplimiento]).

In this regard, Aena's compliance supervision and control body (OSCC) will ensure that their investee companies have Regulatory Compliance Systems, applying the best international standards, through their representatives in the companies in which they may be invested with a minority shareholding. To this end, some principles of action have been developed.

Under the principle of zero tolerance for any type of illicit behaviour, Aena regulates the potential conflicts of interest among its various groups. Thus, there is a specific Conflict of Interest Policy for Managers and Directors, while various internal regulations also make reference to conflicts of interest, which are duly regulated.

In 2020, the Regulatory Compliance Policy and its Development Regulations have been modified to reinforce the regulation of potential conflicts of interest.

Its internal regulations establish a culture of prevention, based on the principle of "zero tolerance" towards corruption in businesses, in all its forms.

Documents that make up the Aena Action Framework

- Corporate Governance Policy
- Human Rights Policy
- Regulatory Compliance Policy
- Anti-Corruption and Fraud Policy
- Integrated Quality, Environmental and Energy Efficiency Management Policy
- Code of Conduct*
- Information Security Policy
- Corporate Responsibility Policy
- Corporate Tax Policy
- Aena Communication Policy
- Communication and Investor Relations Policy
- Shareholder Compensation Policy
- Selection Policy for Board Member Candidates
- Risk control and management policy

* The companies in the London-Luton Airport Holding Group have rules of conduct that have been approved by their boards of directors and apply to their employees, managers and executives. The Group is currently reviewing its compliance system and its policies and procedures to improve them and their efficiency.

The Board of Directors is responsible for ensuring that the directors of the Company comply with ethical standards in the exercise of their duties.

As established in the Regulations, the Directors are vested with the broadest powers to obtain information on any aspect of the Company. Specifically, External Directors may request for advisers and experts to be recruited by the Company in order to be assisted in the exercise of their duties.

In 2020, the review of corporate and compliance policies was carried out, with aspects of their content that required updating being modified, especially within the framework of the review of the Code of Good Governance of Listed Companies published by the CNMV last June. In addition, Aena's commitment was strengthened in certain matters, with the approval of specific policies, in areas such as Human Rights, Information Security, and Risk Control and Management, which are particularly relevant in terms of establishing specific controls to prevent their materialisation.

This Risk Control and Management Policy explicitly refers to the risks related to corruption, and, although they may fall within the category of "legal and compliance risks", all risks relating to the nature of mandatory legal regulations. In turn, this category includes all those risks related to breaches of legal regulations, sectoral regulations and internal regulations. For its part, the Corporate Responsibility Policy —also updated in January 2020— outlines principles of action that support the Corporate Responsibility of the Company, among which is included the "establishment of principles of transparency, integrity and business ethics, while rejecting any type of corruption and acting in accordance with the Code of Conduct".

With regard to Aena's policies on environmental and social matters, these identify and include the corresponding principles, commitments, objectives and strategies, as well as the methods or systems used for monitoring compliance with policies, associated risks, and their management, and mechanisms for risk supervision. Specifically, Aena's Communications Policy and the Communications and Contact Policy with shareholders, institutional investors and voting advisors refer to the relevant channels of communication, participation and dialogue with stakeholders, as well as responsible communication practices that avoid any manipulation of information, and protect integrity and honour.

Regulatory Compliance System

The **Regulatory Compliance System** has a cross-divisional approach and aims to prevent and mitigate not only criminal risks, but also those derived from any breach of internal or external regulations applicable to Aena. This ensures the legality of the actions carried out by employees, managers and executives of the Company in the performance of their professional duties, whilst minimising, as far as possible, the risk of any bad practices or breaches of regulations arising in the performance of said duties.

To manage and coordinate its management, the Board of Directors has appointed a Compliance Division and an internal expert body: the Compliance Supervision and Control Body (OSCC). It is the responsibility of the OSCC, in particular, to implement, develop and apply the General Regulatory Compliance System of Aena, without prejudice to the responsibilities that correspond to other bodies and management divisions of the Company.

To this end, the OSCC has the necessary powers of initiative and control to monitor the operation, the effectiveness and the compliance with Regulatory Compliance Policy; ensuring the adaptation of the General Regulatory Compliance System to the needs and circumstances of the Company at all times.

The OSCC is an expert body that reports to the Board of Directors, and will have the following composition: Chairman: General Secretary, Compliance Director, the Internal Audit Director and six members appointed by each of the following management divisions: General Directorate of Airports, General Directorate of Commercial and Real Estate Business, Economic-Financial Management, Organisation and Human Resources Management, one representative of the Affiliated Companies proposed by the General Directorate of Airports and one Secretary appointed by the Chairman of the OSCC.

Aena's Commitment to Ethical Management

Instruments in the fight against corruption and money laundering

Code of Conduct

- Ethical Principles and Good Governance
- Legality
- Integrity, honesty and trustworthiness
- Independence and transparency
- Excellence and quality in meeting our stakeholders' expectations
- Respect for the image and reputation of Aena

Anti-Corruption and Fraud Policy

- Dissemination
- Training
- Management and decision guidelines
- Corruption and bribery of members of public or private entities
- Provisions in relation to gifts, commissions or credit facilities
- Political or associative activities
- Financial transactions, contracts, agreements or accords
- Business relationships
- Relationships with third parties
- Corporate operations

Board of Directors

Supervision and Control Body

Management body of the complaints channel

Persons responsible for monitoring and investigating any unusual behaviour

- **Compliance Division**
- **Supervision and Control Body**

The essential elements of the Compliance System are the Code of Conduct, the Regulatory Compliance Policy, the Anti-Corruption and Fraud Policy and the Complaints Channel.

The development of a culture of compliance within the organisation is a fundamental axis in the management of the Company, as is the offering of specific training on the subject to managers, directors and employees. Aena reinforces its partnerships with other companies to be at the forefront of best practices in the sector. It actively participates in different business forums, and leads some of the most outstanding initiatives in this field, such as the Forética Transparency, Good Governance and Inclusion Cluster.

Code of Conduct

The Code of Conduct is the Company's main instrument for coping with behaviours that may breach regulations or be unethical. It is binding and applicable to the Management Bodies, to the Senior Management and, without exception, to all employees of Aena or any other company fully owned by Aena and domiciled in Spain[16]; whatever their position, responsibility, occupation or geographic location. They all have the duty to familiarise themselves with it, and comply with it.

With this, respect for the following principles is enshrined as an internal standard of the Company:

- Legality.
- Integrity, honesty and trustworthiness.
- Independence and transparency.
- Excellence and quality in meeting our stakeholders' expectations.
- Respect for the image and reputation of Aena.

Aena is committed to complying with and enforcing these Principles of Ethics and Good Governance, which, at all times, have to guide and preside over the actions of people who are subject to the Code of Conduct. To ensure this, in addition to the specific training programmes for employees, in 2020 the Compliance Supervision and Control Body (OSCC [Órgano de Supervisión y Control de Cumplimiento]) has implemented a Communications and Awareness Plan, which includes various actions, including, among others, a series of publications in the Company's newsletter —also accessible through the intranet—, awareness messages posted on noticeboards in workplaces, as well as training sessions for different groups. All of these actions are aimed at reinforcing knowledge about the Regulatory Compliance System and the Code of Conduct, and, ultimately, preventing or mitigating the risk of any criminal actions from being committed.

To record this Senior Management commitment, also with third parties, the President, and his executives, disseminate messages regarding the importance of our Code of Conduct and its guiding principles, which can be found on Aena's corporate website.

Committed to its objective of making people aware of the General Regulatory Compliance System recently implemented at Aena, online training was given throughout 2019 to all Aena, Aena International Development (ADI [Aena Desarrollo Internacional]) and Región de Murcia International Airport (AIRM [Aeropuerto Internacional Región de Murcia]) employees; in which 7,200 people (93.5% of the workforce) participated.

This training was reinforced with online training during 2020, in this case for specific groups, in which around

[16] London-Luton Airport has its own Code of Conduct, although it includes values that are in line with those of Aena. The Board of Directors of Aena Brasil has approved its own Code of Conduct in the first half of 2020, which is aligned with the principles and values of its parent company, and has adhered (with adjustments due to local regulations) to Aena's Regulatory Compliance Policy and Anti-Corruption Policy.

723 people have participated, including managers and other staff members. Training and communication actions have also been carried out through other means, such as contests, messages in the Aena magazine and on information boards at workplaces. During 2020, there has been a total of 1,566 hours of specific training dedicated to Regulatory Compliance.

This multi-year training and communication plan will continue to be implemented in 2021, while the rest of the organisation is expected to continue with the training sessions.

Companies LLA and Aena Brasil, in turn, have approved their training plans, which have been implemented in 2020 and will continue in 2021. At Aena Brasil, in 2020, training was provided on the prevention/mitigation of the risk of committing criminal acts in order to promote awareness of the Company's Code of Conduct and Complaints Channel to more than 269 employees (comprising 538 hours of training).

The Compliance Supervision and Control Body (OSCC [Órgano de Supervisión y Control de Cumplimiento]) is responsible for the supervision, control and evaluation of the proper functioning of the Regulatory Compliance System. It reviews the Code of Conduct and the Regulatory Compliance Policy annually, and if applicable, proposes any modifications to the Board of Directors. In December 2020, the Board of Directors approved the update of the Code of Conduct, the Regulatory Compliance Policy, and the Anti-Corruption and Fraud Policy.

Aena discloses its explicit commitment to minimising conflicts of interest, regulating this in different internal regulations texts. In the Code of Conduct, published on Aena's website, a section is dedicated to regulating conflicts of interest, which applies to all persons subject to the Code[17]. Aena also has a specific Conflict of Interest Policy for Directors. The OSCC has also approved some General Instructions for managing possible conflicts of interest between Directors of Aena, ADI and AIRM. In this regard, the developing regulations of the Regulatory Compliance Policy regulate possible conflicts of interest for members of the Compliance Division.

In 2020, the Internal Audit Division carried out a review of the compliance function, which has led to the development of an action plan aimed at correcting the detected incidents, and this is expected to end in 2021.

[17] In accordance with Article 26 - Duty of diligence, of the Regulations of the Board of Directors, the Board Members are obliged to clearly express their objection when they consider that any proposed decision submitted to the Board of Directors is contrary to the law, the corporate bylaws, these Regulations or the social interest, and request that this objection is recorded. In particular, Independent Directors and other Directors who do not affect the potential conflict of interest must also express their objection when dealing with decisions that may harm shareholders not represented on the Board of Directors. Likewise, Aena has a Conflict of Interest Procedure whose purpose is to establish the action procedures of Aena, S.M.E., S.A. ("Aena") to prevent conflicts of interest in which the Directors and shareholders of the Company and its Group may find themselves, as well as their respective related persons, in accordance with the provisions of the current corporate and regulatory regulations and in the Aena Corporate Governance system. Likewise, this procedure also includes the actions to prevent conflicts of interest involving both the members of the management team of Aena, S.M.E., S.A. and its Administrators who have the consideration of a Senior Officer of the State Administration, subject to Act 3/2015, of 30 March, regulating the exercise of the Senior Officer of the General State Administration.

Regulatory Compliance Policy

The Aena Regulatory Compliance Policy is applicable to the Board of Directors, managers and all employees of the Aena Group, without exception, regardless of their position, responsibility or geographic location. It is based on their commitment to the values and principles contained in the Code of Conduct and the rejection of any conduct that involves an unlawful act and that goes against the company's principles, values or policies.

With this Policy, Aena reinforces its commitment to good corporate governance and contributes to exercising enforceable control over administrative bodies, managers and employees, minimising the risk of bad practices or regulatory breaches when carrying out actions related to our activity.

In order to achieve a reasonable level of security within the Company, prevention, action and review controls have been implemented in the Organisation.

Based on the development of a regulatory compliance risk map, Aena has established a General Regulatory Compliance System to reduce both the risk of committing crimes, as well as the risk of breaches of the whole regulatory and corporate governance system applicable to the Company occurring. It also guarantees that Aena exercises the legally required proper preventative control over third parties.

This is a set of general and specific measures aimed at preventing, detecting and reacting to possible regulatory breaches, which include preventative controls such as internal action policies, like the Complaints Channel, and review policies, for which the OSCC was created as the main review body, and the Compliance Division.

All members of the Board of Directors, managers and Aena employees must report any act that constitutes a possible criminal offence, legal breach or inconsistency of which they become aware through the Complaints Channel.

Regulatory compliance policy

The basic principles that inspire Aena's actions in matters of regulatory compliance, which all people in the organisation must respect, ensuring their compliance, are as follows:

Legislation
Safeguarding and complying with current legislation and internal regulations.

Disclosure
Facilitating knowledge of and respect for legal obligations, the Code of Conduct, and internal rules and procedures.

Responsibility
Applying, in a fair and proportional manner, sanctions to penalise breaches, in accordance with the provisions of the applicable Collective Agreements, Regulations and Contracts.

Zero tolerance
"Zero tolerance" towards the commission of illegal or criminal acts, promoting a culture of prevention.

Complaints channel
Promoting channels that facilitate the reporting of criminal offences or regulatory breaches.

Transparency and trustworthiness
Applying principles of transparency, mutual trust, good faith and loyalty in relations with Public Administrations, and companies or bodies governed by public law.

Self-monitoring
Promoting self-control processes in the decision-making, and actions of managers and employees.

Investigation
Investigating any complaint of allegedly criminal acts or those involving a breach, guaranteeing the confidentiality of the complainant and the right to counsel of the person under investigation.

Cooperation
Providing any assistance and cooperation that may be required by judicial, administrative or any national or international supervisory bodies.

In response to Aena's strategy consisting of the compliance, review and continuous improvement of the compliance and good corporate governance system, the Company has the Compliance Supervision and Control Body as its main review control.

During 2020, Aena's activities that could be most exposed to risk due to the incidence of COVID-19 have been analysed. As a result of this analysis, some values of the Company's risks have increased due to them being considered as more likely to occur, which has resulted in an updating of the risk map for regulatory breaches. Thus, for example, the risks of computer damage derived from threats to confidentiality have increased, including cybersecurity, crimes against public health, as a result of regulatory changes, as well as other sanitary measures implemented at airports, the risk of the discovery and disclosure of secrets, etc.

Complaints Channel

The Compliance Division and Compliance Supervision and Control Body are responsible for monitoring and verifying any suspicious conduct, as well as managing Aena's complaints channel, and, in particular, they are attributed the following functions:

- Ensuring that all complaints received are analysed independently.
- Guaranteeing the confidentiality of the identity of the person making the complaint, as well as the identity of the reported party or parties, whose identification is required by the Code of Conduct.
- Informing the people who are strictly involved in the process, and following up on and finalising the complaints made.
- In the event of a violation, applying the procedures set forth in Chapter XIV of Aena's Collective Bargaining Agreement.
- For breaches attributable to members of the Board of Directors, the provisions of the Regulations of the Board of Directors will apply; for senior managers, the pro visions of the contracts governing their relationship with Aena will apply.

In its capacity as the party responsible for the supervision, control and evaluation of the proper functioning of the General Regulatory Compliance System, the Compliance Supervision and Control Body is, among other things, obligated to promote knowledge of and compliance with the Code of Conduct, interpret it and guide decision-making in case of doubt. It must also make any proposals for its improvement that it deems appropriate.

The Complaints Channel receives complaints and other communications of suspicious conduct that may constitute a breach of the law, the Company's policies and procedures, or the rules of conduct as they appear in the Code of Conduct. The channel is managed and supervised by the OSCC through the Compliance Division, for which it has the support of an external office that reports the actions carried out in the complaints received, without prejudice to the final conclusion of the complaints study process, which will be carried out by the OSCC. The OSCC is therefore responsible for guaranteeing the confidentiality of the complainants. Its regulations are set down in the Management Procedure for the Complaints Channel and the Communication of Suspicious Conduct, which is available from the Intranet home page. The external Complaints Channel has been available since April 2019, which any person, even anonymously, can access through Aena's corporate website (www.aena.es). It is available in the co-official languages of Spain (Catalan, Galician, Basque and Valencian) and in English, and allows external groups to raise their complaints or queries in a more flexible and accessible manner.

With regard to London-Luton Airport, this type of complaint can be received through any of the following: the direct manager, the Whistleblowing Officer, the airport operations service, a confidential external telephone service managed by an external company (whistle@pcaw.co.uk), the legal advisor or the CEO.

At present, Aena Brasil solely has an external complaints channel that any user can access.

In particular, complaints are received through the Online Ethics Channel, Ouvidoria Channel and via email.

In 2020, a total of 98 complaints[18] related to the Code of Ethics have been received a de-tailed summary of which can be found below:

	2019			2020		
		Complaints			Complaints	
ENTRIES IN THE COMPLAINTS CHANNEL [20]	Claims for the provision of air-port services	RECEIVED VIA IN-TERNAL CHANNEL	RECEIVED VIA EXTERNAL CHAN-NEL	Claims for the provision of airport services	RECEIVED VIA IN-TERNAL CHAN-NEL	RECEIVED VIA EX-TERNAL CHANNEL
AENA SME, AIRM, ADI	74	14	41	78	23	37
LUTON	0	0	N/A [21]	0	2	0
BRAZIL [22]	N/A	N/A	N/A	1	0	36
TOTAL	**74**	**14**	**41**	**79**	**25**	**73**

	2020								
	AENA SME, AIRM, ADI			London-Luton Airport			AENA BRASIL		
NATURE OF THE COMPLAINT	DISMISSED	ACCEPTED	MEASURES TAKEN	DISMISSED	ACCEPTED	MEASURES TAKEN	DISMISSED	ACCEPTED	MEASURES TAKEN
WORKPLACE HARASSMENT [19]	1	0	N/A	1	0	N/A	0	0	N/A
DISCRIMINATION BASED ON GENDER	0	0	N/A	0	0	N/A	0	0	N/A
HUMAN RIGHTS VIOLATIONS	0	0	N/A	0	0	N/A	0	0	N/A
MONEY LAUNDERING	0	0	N/A	0	0	N/A	0	0	N/A
CORRUPTION AND FRAUD	2	0	N/A	0	0	N/A	1	0	N/A
UNFAIR COMPETITION AND MONOPOLISTIC PRACTICES	0	0	N/A	0	0	N/A	0	0	N/A
DATA PROTECTION	20	0	N/A	0	0	N/A	0	0	N/A
COVID-19	7	0	N/A	0	0	N/A	0	0	N/A
PROCUREMENT	6	0	N/A	0	0	N/A	0	1	Strengthening of supplier follow-up after contract termination
OTHERS	42	0	N/A	1	0	N/A	28	6	Verbal warnings and the corresponding explicit request for com-pliance with measures, as well as their monitoring; hiring of more staff; and the incorporation of mitigating measures, among oth-ers.

[18] Complaints due to a violation of the Code of Ethics that, after being inves-tigated by the company, are confirmed as such.

[19] Complaints of harassment may be received through the Complaints Chan-nel or the programme provided in the protocol for addressing the prevention of sexual harassment, and includes a specific protocol.

[20] Itemised by country, if possible, or indicate countries of reference in each case.
[21] Only an internal channel is available.
[22] Available since July 2020.

Anti-corruption and fraud policy

The Company's commitment to combat corruption and bribery, specifically recorded in Aena's Anti-Corruption and Fraud Policy, complements and develops the provisions of the Code of Conduct and the Regulatory Compliance Policy. This implies its firm rejection and zero tolerance for any conduct that is illegal or that violates Aena's policies, standards, values and action principles.

The Anti-Corruption and Fraud Policy applies to members of the Board of Directors, managers and all employees of the Aena Group, regardless of where they reside or where they conduct their business, and to consultants, partners and third-party representatives who may act on their behalf. Thus, this Policy will also apply to the subsidiaries controlled directly or indirectly by Aena, adapting, where appropriate, those procedural or other matters that are strictly essential to make them compatible and comply with the regulatory requirements applicable in each case, adapting and/or developing the principles contained in the aforementioned Policy to the particularities of their own nature and jurisdiction. In all other companies in which Aena participates directly or indirectly without control, Aena promotes, through its participation in their governing bodies, the adoption of anti-corruption and fraud policies, and the establishment of compliance supervision and control systems, in case they have not yet adhered to this Aena Policy.

- Among the due diligence measures to prevent corruption set forth in the Policy, it is established that the Compliance Supervision and Control Body (OSCC) will develop the criteria for which: *"according to criteria commonly accepted in the international community, certain operations or investments are considered to be high risk"*. These criteria will be updated with the frequency determined by the OSCC.
Included among the measures contained in the Anti-Corruption and Fraud Policy to avoid these behaviours, in addition to the general provisions of the Code of Conduct, (especially in its sections: *4.12 [Corruption and bribery of members of public or private entities. Gifts, commissions or credit facilities*], *4.13 [Political or organisation membership activities]*, and *4.16 [Projects of a social nature and sponsorships] applicable to the Required Parties)*, are a series of due diligence measures in business transactions, specifically aimed at preventing corruption.
Thus, Aena prohibits entering into any financial transaction, contract, convention or agreement whenever there are sufficient reasons to believe that there could be some link to improper or corrupt activities.

Other measures:

- Properly considering the risks associated with fraud, corruption and bribery in Aena's internal procedures, particularly in all those related to relations with third parties. In accordance with the regulations governing its activities, Aena's relationship with its suppliers is based on the principles of legality, efficiency and transparency.
- In this context, none of Aena's suppliers will directly or indirectly offer or grant, to public officials, third parties or any employee of Aena; gifts, presents or other unauthorised advantages, in accordance with the provisions of the Code of Conduct, in order to obtain favourable treatment in the granting, or conservation, of contracts or benefits of a personal nature or for the supplier company.
- Knowledge of and respect for these procedures are promoted through adequate dissemination and specific training programmes.
- With respect to the Code of Conduct especially with regard to corruption and bribery of members of public or private entities, gifts, commissions or credit facilities, political or associative activities, or social projects and sponsorships, a series of due diligence measures have been adopted in commercial transactions, specifically aimed at preventing corruption:
  - Entering into any financial transaction, contract, convention or agreement is prohibited whenever there may be sufficient reasons to believe that there could be some link to improper or corrupt activities, in accordance with established criteria.

- Establishing commercial relations that, in accordance with the developed criteria, are considered high risk is not permitted.
- The qualifications and integrity of every supplier and customer will be verified before initiating binding commercial relations, whenever it may be deemed appropriate by the Unit proposing the commercial relationship, thereby always taking into account the contracting regulations that may be applicable in each case.
- Awarded suppliers and customers must have anti-corruption protocols and controls. In any case, an anti-corruption clause will be included in any contracts or agreements to be signed.

- Management of queries and direct reporting to the Compliance Supervision and Control Body (OSCC);
- Submission of the corresponding complaint in the Complaints Channel;
- Training, education and updating of employees in this regard;
- Internal and external dissemination of the Policy; control measures in contracting with suppliers, commercial customers and representatives, as well as in corporate operations.

At the same time, a series of due diligence measures in commercial transactions have been adopted, specif-ically aimed at preventing corruption:

- Regarding relations with third parties (commercial agents, representatives and partners), the following is specified:
  - The third party must be appropriately evaluated by Aena regarding matters such as the type of transaction to be conducted, the type of agreement or contract to be signed, the identity of the third party or their shareholders, jurisdiction, etc.
  - Aena's partners must have anti-corruption protocols and controls. In any case, an anti-corruption clause will be included in any contracts or agreements to be signed.
  - In the event that additional risks appear, a strengthened due diligence process will be conducted.
- Regarding corporate operations, Aena establishes a process of maximum diligence that analyses and assesses all implications and risks. The due diligence process will be determined, in each case, according to the specific circumstances that are present in the corporate operation. Specifically, Aena has a Procedure of Related-Party Transactions, with the objective of be-ing able to adequately meet its obligations of prioritis-ing its sole aim of making decisions that are in the best interest of the Company or of its Group; thereby avoiding the influence of persons guided by their own motivations or their own aims, or any other motivation which differs from the cited aim, over these decisions[24].

- With regard to Aena's relations with suppliers, the Con-tracting Specifications themselves provide minimums for contracting with Aena, which include the anti-cor-ruption clause. The required parties must inform the Compliance Supervision and Control Body of any suspicious or inappropriate conduct, or breach of provisions.

Training

Aena encourages the knowledge of and respect for the Anti-Corruption and Fraud Policy by all Required Parties through the proper dissemination of this policy and through specific training programmes.

NATURE OF THE CONFIRMED CORRUPTION CASES (NO.)	AENA S.M,E, AIRM, ADI	Airport London-Luton	Aena Brasil
In which an employee has been terminated for corruption or disciplinary action has been taken (no.)	0	N/A	0
In which contracts with business partners have been terminated or not renewed due to corruption-related violations (no.)	0	0	0
Public legal cases related to corruption filed against the organisation or its employees during the period covered by the report, and the results of those cases (no.)	0	0	0
Fines or penalties for cases of corruption or bribery	0	0	0
Contributions to political parties and/or representatives[23]	0	0	0

[23] The Aena Code of Conduct prohibits the financing of political parties and/or representatives.
[24] In accordance with Article 30 of the Regulations of the Board of Directors, "The Board of Directors shall know the operations that the Company carries out, directly or indirectly, with Directors, with significant shareholders or those represented on the Board or with persons related to them. The carrying out of these operations or transactions shall require the authorisation of the Board of Directors, after a favourable report from the Audit Committee, which must be approved with the favourable vote of at least eighty percent (80%) of the Directors, present or represented, at the aforementioned meeting. The Directors affecting the aforementioned operations, in addition to not exercising or delegating their right to vote, must be absent from the meeting room whilst the Board of Directors deliberates and votes on it."

Training actions on the Anti-Corruption and Fraud Policy have been carried out, aimed at Directors and staff members with a certain degree of responsibility. Around 250 people have participated in these actions, in which situations where corrupt practices could occur have been addressed and raised. Awareness-raising activities have also been carried out among the workforce in general, through internal newsletters or information boards at workplaces.

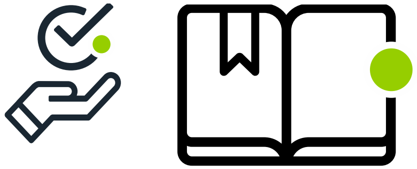
Measures to combat money laundering

The Anti-Corruption and Fraud Policy establishes Aena's commitment to maintaining business relations with reliable and integral third parties. In any case, for specific relations with partners, commercial agents and representatives, it indicates the obligation to determine, through the due diligence process, the following:

- The identity of the counterparty and their directors in fact or by law.
- The identity of the beneficial owner, as established in the provisions set forth in Article 4.2 of Act 10/2010, of 28 April, on the prevention of money laundering and the financing of terrorism; and the identity of the financial activity within which the corresponding business relationship is established.

As also mentioned in the preceding section, Aena prohibits entering into any financial transaction, contract, convention or agreement whenever there may be sufficient reasons to believe that there could be some link to improper or corrupt activities. Moreover, transactions with partners will only be conducted after having verified that they have a good reputation in their sector and that they have a recognised history of ethical behaviour. Third parties (partners, commercial agents and representatives) are appropriately evaluated through a due diligence procedure, in which the type of transaction to be conducted will be one of the elements to be evaluated.

At the close of 2020, Aena had no knowledge of complaints related to money laundering.



Aena is committed to and strictly complies with the laws and regulations against money laundering and the financing of terrorism.

Data protection

Aena has a data protection and privacy compliance model managed by the Central Data Protection Unit (CDPU), under the Directorate of International Legal Advice and Compliance and the Corporate General Secretariat. Its main function is to ensure compliance with current legislation on data protection, maintaining and updating the Record of Processing Activities, implementing security measures, coordinating mandatory data protection audits, advising the rest of the corporation, responding to the requirements of the Spanish Data Protection Agency (AEPD [Agencia Española de Protección de Datos]) or dealing with exercise of rights requests that any citizen may ask of Aena. The point of contact with the Central Data Protection Unit is via e-mail ocpd@aena.es, and with the Data Protection Officer, who has the highest responsibility in ensuring effective compliance with the regulations in question, at the following address: dpd@aena.es.

Data protection

Data Protection Officer, assumes the role of point of contact

Data Protection Committee, supports the regulatory compliance functions and responsibilities, and advises on obligations and responsibilities

ICT Security Office (ICTSO), develops the security strategy and reports on the results of the reviews

Central Data Protection Unit, ensures compliance with current data protection legislation

Data Protection Coordinator, the person appointed by Aena to coordinate the implementation of the necessary measures at each centre, in order to comply with current data

ICT Managers, the person or persons appointed to coordinate and control the technical security measures within each centre (Airport, Management)

Internal Manager and/or Functional Manager, ensures that only the necessary data is collected in the information assets and that they are up to date

The Privacy Policy of the companies of the Aena Group is included in the Information Security Policy of Aena S.M.E., S.A.[25], which includes, among other things, the principles and commitments applied by the company to ensure compliance with data protection and privacy regulations in all jurisdictions where it carries out its activity, and to guarantee the rights and freedoms of all data subjects (customers, users, employees, etc).

There are different Informative Personal Data Privacy Policies for employees of Aena S.M.E., S.A., Aena Sociedad Concesionaria Aeropuerto Internacional de la Región de Murcia and Aena Desarrollo Internacional S.M.E., S.A. There is an Informative Privacy Policy for users of our facilities, websites and APP, as well as Informative Policies on the Privacy of Personal Data of Collaborating Companies.

All of this is completed with a set of rules, procedures and guides necessary to ensure compliance with current legislation, which are applicable to the entire company, its administrators, directors and employees, both of Aena's Central Services and of its Airports and Heliports, as well as to all persons who are linked to our Company.

The protection of personal data is taken into account from the first stages of the design of any product or service that will handle this type of data (privacy by design). With regard to security measures, Aena has the necessary measures based on the risk to guarantee the rights and freedoms of data subjects regarding the processing of their personal data. To this end, a risk analysis methodology has been defined that affects the privacy of personal data, as well as a methodology for conducting the corresponding "Impact Assessments on data protection", following the guidelines of the Spanish Data Protection Agency.

Through the airports internal audit programme, the degree of compliance with data protection regulations is checked and, where appropriate, the deficiencies are detected and remedied. On-site reviews are carried out annually at a group of Aena network airports, and, in 2020, the first biennial audit adapted to the regulations was scheduled, two years after it was fully implemented. However, due to the current COVID-19 pandemic, this has been postponed until 2021.

	AENA SME	AIRM	ADI	London-Luton Airport	AENA BRASIL
Video conferences/face-to-face meetings on data protection with airport Coordinators	11	0	11	0	0
Data protection training for employees (no. employees)	0	0	0	101	0
No. of hours of data protection training for employees	0	0	0	101	0
Internal audit programmes at airports (no. participants, hours, etc.)	2 with 32 people			0[26]	0

[25] Aena S.M.E., S.A., Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia, S.M.E, S.A., Aena Desarrollo Internacional, S.M.E, S.A., its subsidiaries and any other company determined in the future.

[26] The London-Luton Airport does not conduct internal audits as such. The person in charge of data protection is responsible for the supervision.

As for training, monthly video conferences are held with Data Protection Coordinators from Airport Groups, where the Data Protection Officer presents the most relevant issues that occurred during that period, and questions and queries raised by the Coordinators on the subject are resolved. The content of the basic online training course for all staff has been reviewed in order to adapt it to the latest changes, and a face-to-face session was scheduled during the month of June, which had to be cancelled due to the pandemic.

In January 2020, Aena's Board of Directors approved the Information Security Policy of Aena S.M.E., S.A. applicable to Directors, Executives and, in general, to all Aena employees, without exception and regardless of their position, responsibility, occupation or geographic location. This also applies to contracted companies, partner companies and customers and, more generally, to any person who has access to the organisation's information and/or systems, as well as all physical infrastructure (buildings, airports, etc.).

In turn, it is applicable to all of Aena's information systems, regardless of the supporting technology and all types of information created or used to support Aena's business, regardless of its format or storage medium.

The Information Security Policy defines the mode of access, use, custody and safeguarding of computer assets, always guaranteeing the integrity, confidentiality, availability, authenticity and specific traceability of Aena's critical information systems, respecting the current legal framework, and faithfully complying with the guidelines, procedures and access regulations that are established.

Aena's Management Committee and the Information Technologies Division are responsible for promoting and supporting the establishment of technical, organisational and control measures that guarantee the integrity, availability, confidentiality, authenticity and traceability of computer assets. This is done in order to avoid their possible alteration, destruction, theft, copy, counterfeiting and other existing threats, whether or not these are accidental. They are also responsible for the training and awareness actions that are necessary to guarantee the success of information security.

In order to minimise the risk of a cyber-attack, the Company has implemented a cybersecurity plan to enhance information security in the company, strengthening existing controls and improving the capacity to respond to threats. (See chapter on security/cybersecurity)

In 2020, no personal data security breaches were detected, and all Spanish Data Protection Agency requirements were met. There were no breaches of data protection regulations.

Moreover, in order to promote corporate culture regarding personal data protection, the intranet provides employees with a multitude of materials and general information (disclosure plans, educational pills, training days and guides, as well as a frequently asked questions section that includes the most common queries raised by centres). One action worth highlighting that took place this year is an awareness-raising task for Data Protection Coordinators of the different centres.

This involved issuing educational pills on the basic notions of data protection, as well as practical issues that occur in our everyday activity.

	AENA SME	AIRM	ADI	London-Luton Airport
Personal data security breaches detected (no.)	0	0	0	0
Violations of the data protection regulations and notified to the user	0	0	0	0
- Breaches of personal data	0	0	0	0
- Breach of confidential business information	0	0	0	0
Number of customers affected	0	0	0	0

At Aena Brasil, they are initially carrying out an internal diagnosis, with the support of an external company, so this information is not available.

Fiscal transparency

Aena maintains a firm commitment to promoting cooperative relationships with the Tax Agency in the different jurisdictions where it is present.

With the Corporate Tax Policy, which ensures fiscal transparency, Aena undertakes to follow the recommendations of the codes of good tax practices that are implemented in the countries in which it develops its activity, or those developed by Group companies controlled by the Company. The responsibilities of the Audit Committee include reviewing the Regulatory Compliance Policy and other policies —including those related to fiscal transparency—, and procedures to prevent inappropriate conduct, as well as supervising the management of the Complaints Channel and the Annual Report on the Compliance System that will be submitted to the Board. In January 2020, the Corporate Tax Policy was reviewed, the amendment of which was approved by the Board of Directors.

At least twice a year, coinciding with the drawing up of Annual Accounts and with the submission of Corporate Tax, the manager of the Financial-Economic Department informs the Board of Directors of the tax policies applied, as well as the operations with relevant fiscal impact. At the same time, the Chairman of the Audit Committee informs the Board of the aspects addressed at the different Committee meetings, including, if applicable, the aspects related to the Company's tax contribution[27].

Aena has adhered to the Code of Good Tax Practices, approved by the Large Companies Forum according to the wording proposed by the Spanish Tax Agency (AEAT [Agencia Estatal de Administración Tributaria]) since 2017. Good Tax Practices are defined in the Code as "*all those that lead to the reduction of significant tax risks and the prevention of behaviours that will likely cause them*". Also a reflection of its commitment, Aena voluntarily submits the Transparency Report to the Tax Agency framed within the scope of reinforcing good fiscal transparency practices of companies adhered to the Code. Aena is also at the disposal of the competent Administrations to facilitate the documentation and information they may require in order to comply of their obligations.

The Tax Strategy defines the approach to fiscal matters in a manner that is consistent and aligned with the group's strategy, and is based on the fundamental values of transparency, integrity and prudence[28].

The aim of the tax strategy can be summarised as the management of fiscal matters in a transparent, proactive and responsible manner with all stakeholders [29], for the purpose of complying with the tax legislation of each country where Aena operates, minimising reputational risk, making it compatible with the creation of value for the shareholder. The nondelegable power of determining this falls on the Board of Directors.

Aena manages fiscal matters proactively, responsibly and transparently with all its stakeholders, being accountable to the company in all of the countries in which it operates.

[27] The risks related to non-compliance with tax obligations are included among the so-called "Legal and compliance risks", as set out in the Company's risk control and management policy. As for their governance, supervision and review model, as it is incorporated in the Company's Risk Map, it is subject to the same governance model as the rest. The Board of Directors defines, updates and approves the Risk Control and Management Policy implemented in Aena and establishes the acceptable risk level. Subsequently, and supervised by the Audit Committee, the Aena Management Committee updates the risk map annually based on the monthly information provided by the different corporate management departments.

[28]Moreover, as previously indicated, any type of complaint can be made through the Complaints Channel that reveals irregular conduct that may involve the commission of an act contrary to the law, the company's policies and procedures or the rules contained in the Code of Conduct, including tax obligations.

[29] Through the communication and dialogue mechanisms described in the "Relationships with Stakeholders" section contained in the "Document approach", Aena actively communicates with all of its stakeholders to deal with all matters that it considers relevant, including, where appropriate, those related to the Company's tax and fiscal practices.

Tax paid(*) (**)

Aena considers the payment of taxes, under the premises of responsible taxation and transparency, as its main contribution to sustaining public charges, in line with its commitments to sustainable development and contribution to the progress of the communities where it operates.

The Aena Group tax contributions for the fiscal year 2020 amounted to €222 million. The taxes paid amounted to €181.3 million, the most significant being Property Tax, which totalled €148.4 million. The 2020 tax contributions are divided between €11.4 million of taxes paid in the United Kingdom, (5.1% of the total), €206 million in Spain (92.8% of the total), and €4.7 in Brazil (2.1%).

Tax jurisdictions where Aena has shares	Revenue from intragroup transactions with other tax jurisdictions 2020	Pre-tax profit 2020	Taxes withheld and paid on behalf of employees	Taxes collected from customers on behalf of a tax authority	Significant uncertain tax positions	Intra-company debt	Corporate tax paid (cash received basis) 2020	Accounting expense for the tax on profits/losses of companies for the fiscal year 2020	Other taxes or payments to governments
SPAIN	4.5	-78.1	161.3	-127.5	-	28.2	18	-21.8	153.6
UNITED KINGDOM	-	-70.7	3.2	-1.5	-	-	4.5	-28.7	5.2
BRAZIL	-	-79.5	2.5	2.2	-	-	-	-1.3	-

(*) All data relating to Aena's tax contribution have been included in the Annual Accounts, and are therefore verified by an external auditor.

(**) Regarding the public subsidies received by Aena, you can consult the details in the Annual Accounts.

Sustainable finance

One of the aspects highlighted by the COVID-19 crisis has been the growing trend to coordinate financing and investment options with ESG aspects. The post-pandemic scenario has placed many companies in a position to require additional capital in order to move forward with their recovery plans. Faced with this new need for financing, some choose to turn to financial instruments that take into account the environmental and social impacts generated in this recovery process, and/or try to promote environmental, social and good governance aspects beyond those that are purely financial. Sustainable finances are, thus, becoming a key issue, promoting the design and distribution of financial products that balance profitability and sustainability objectives.

In order to seek financing alternatives that provide added value to society and the environment, and incorporating ESG factors into its financing decisions, in 2018, the Company drew up a syndicated sustainability-linked credit facility with BBVA, one of the different sustainable financing products currently available. The financial conditions of this revolving credit facility, which acts more like a contingency line, have since been linked, in addition to the assessments issued by financial ratings, to the ESG rating that Aena obtains through the assessment of its performance in these matters, and which is carried out annually by the specialised agency Sustainalytics.[30]

Aena became the first airport operator in the world to perform an operation of this type by choosing to resort to this sustainable financing instrument, intended, in this case, to finance general corporate needs. In 2020, the extraordinary situation caused by the COVID-19 pandemic has forced the Company to use it for the first time.

[30] Information on the amounts drawn down and their costs in 2020 can be consulted in the Company's Annual Accounts.

2

Commitment to the environment

One of the main lines of action that will generate value for society and for the Company over the next few years will be the fight against climate change

Sustainable environmental management model

- **TCFD Recommendations**
- **Climate Action Principles**
- **Supervision by the Board of Directors**
- Climate risks included in the risk management system
- Environmental protection policies, plans and strategies
- Environmental certifications
- Environmental requirements in contracting
- Responsible Business Strategy at London-Luton Airport

STRATEGIC SUSTAINABILITY PLAN FOR 2021

Pollution

- Air quality control in airport areas of influence
- Management of impacts associated with noise:
  - -Measurement, reduction and control
  - -Sound Insulation Plans
  - -Communication
- Environmental inquiries

24,526 HOMES INSULATED IN THE PERIOD 2000-2020 (SPAIN)

Aena and the climate emergency

- Effective actions and measures to achieve the decarbonisation objectives
- Carbon footprint
- Promoting the use of renewable energy in airports
- Search for greater efficiency in the use of energy

NET ZERO CARBON OBJECTIVE BROUGHT FORWARD TO 2040

Waste management and circular economy

- Initiatives for the reduction, reuse, recycling of waste and the proper treatment of hazardous waste
- Collaborations with third parties

↓ REDUCTION OF WASTE GENERATED IN 2020

Protecting biodiversity

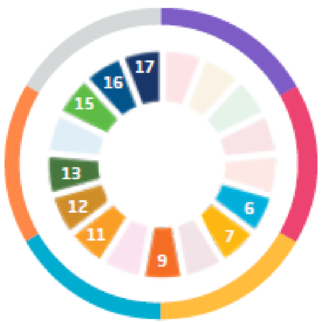
- Actions to reconcile the conservation of natural heritage in protected spaces with airport operations
- Studies on the fauna of the surrounding area
- Control Services
- Control of vegetation

ACCURATE MONITORING IN 2020 OF THE PRESENCE OF FAUNA WITHIN THE FACILITIES

Sustainable use of resources: water

- Strict control of water use and efficiency measures
- Water footprint (Spain)
- Initiatives for responsible water consumption

2021: STRATEGIC PLAN FOR WATER MANAGEMENT



2020

€10,977 M
in investment allocated to the protection and improvement of the environment

85%
Reduction of Aena's CO_2 emissions in absolute terms (baseline year 2015)

100%
of energy consumption from renewable sources in the Spanish network

Commitment to SDGs

- 6 — **SDG 6 Clean water and sanitation**
- 7 — **SDG 7 Affordable and non-polluting energy**
- 9 — **SDG 9 Industry, innovation and infrastructure**
- 11 — **SDG 11 Sustainable cities and communities**
- 12 — **SDG 12 Responsible production and consumption**
- 13 — **SDG 13 Climate action**
- 15 — **SDG 15 Life on land**
- 16 — **SDG 16 Peace, justice and strong institutions**
- 17 — **SDG 17 Partnerships to achieve the goals**

2.1. Sustainable environmental management model

2020 began in a climate emergency context and, a few weeks later, the health crisis linked to the COVID-19 pandemic broke out, which has lasted throughout the year and affected all sectors, including tourism and aviation, and in general, the mobility of citizens around the world.

The urgency to address the health crisis has not diverted the global concern for climate change and its consequences, and key institutions are advocating economic recovery that allows the negative consequences of both situations to be addressed at the same time: the pandemic and the fight against climate change. The achievements reached before the start of the pandemic, with the presentation of the 'European Green Deal' in the EU, the 'Energy and Climate Framework' or the 'Climate Emergency Declaration' in Spain, are reinforced months later with the focus placed on the "new normal" phase. This can be seen, for example, in Spanish initiatives such as the Draft of the "Climate Change and Energy Transition Act" and the "National Integrated Energy and Climate Plan" (PNIEC [Plan Nacional Integrado de Energía y Clima]) and the already ratified "Hydrogen Roadmap". Challenges that the business world has very actively joined.

In line with this trend, for Aena, the situation created by COVID-19 has not hindered its commitment to sustainability, rather it has reinforced it by bringing forward and expanding the milestones related to its decarbonisation. The Company has defined its new roadmap fully aware that the recovery can only be green and is committed to sustainability, protecting the environment, decarbonisation and the climate emergency as key issues in its management.

As an engine for tourism and aviation, the Company develops a model of action that guarantees sustainable coexistence, both with local communities and with the natural environment.

The main areas of environmental management in Aena are:

- Climate change, energy efficiency and clean energy
- Noise
- Air pollution
- Waste management and circular economy
- Management of biodiversity
- Efficient water management

Environmental risks and opportunities

The health emergency has been incorporated into the companies' risk maps, reinforcing and accelerating awareness for the search for effective solutions that contribute to and reinforce the management of pre-existing risks.

It is estimated that the air transport industry contributes 2.5% of CO_2 emissions globally. For years, companies have been working on achieving a transition towards a more sustainable model, with energy sources that are low in emissions and clean means of transportation, the use of sustainable fuels for aviation or the development of more efficient aircraft models, which contribute to mitigate and minimise the effects of climate change.

As an airport service manager, and part of the air transport value chain, all of this can directly affect Aena. It should be remembered that adverse weather events can have significant consequences on the operational capacity, safety and efficiency of airports. On the other hand, some voices are calling for the use of air transport to be minimised, despite its undoubted contribution in terms of territorial cohesion and structuring. In addition to this situation, there is an increasing number of demanding regulations in the fight for the climate.

In 2019, Aena took an important step by incorporating the risks associated with Climate Change into its risk management system, including them, consequently, in its management, supervision and control mechanisms[1]. During 2020, Aena has gone beyond this, using the recommendations of the *Task Force on Climate-related Financial Disclosure* (TCFD) as a tool to analyse and show how the Company is working on the path towards decarbonisation and integrating climate change at all levels.

[1] As this has been incorporated into the Company's risk map, it is supervised and reviewed by the Board of Directors, through the Audit Committee. Aena's Management Committee updates the risk map annually based on the monthly information provided by the different corporate management departments.

In this regard, Aena has begun to work on identifying risks and opportunities arising from climate change in accordance with these guidelines, considering different scenarios[2] that cover physical risks (due to the direct consequences they may have on airport operations) and transition risks. In the case of the latter, the market risks, regulatory risks (arising from the approval of regulations on climate change and decarbonisation that directly affect the air transport sector), as well as reputational risks, are particularly taken into account.

In terms of adapting to climate change, during the strategic environmental assessment of its Management Plans, Aena evaluates and assesses the foreseeable evolution of climate variables, the possible impacts of climate change and the possible effects on airport infrastructures and operations, establishing specific measures for adapting the airport to the expected changes in the analysed climate variables.

The inclusion of climate risks in the Company's financial and reputational risk map contributes to developing sustainable, efficient and proactive management, as well as to the detection of new business opportunities. Thus, Aena is already implementing mitigation actions, reducing the negative environmental impacts associated with airport activity and, in order to support the development of clean means of transport, promoting collaboration actions with airlines and other stakeholders.

Aena Climate Risk Analysis

Physical risks

- Temperature increase.
- Heat spikes.
- Extreme rainfall.
- Increased sea level.

Transition risks

Regulatory and legal

- Changes in regulations that may result in an increase in the price of carbon and/or the tightening of carbon markets.
- Imposition of an SAF usage percentage.
- Possible imposition of a new ecotax on the price of tickets.

Market

- Changes in consumer behaviour (demand).
- Disincentivisation/restriction of domestic flights on routes where there is a high-speed train alternative.

Reputation

- Changes in consumer preferences.
- Stigmatisation of the sector.

Opportunities

- Implementation of renewable energies in airports.
- Revenue from the sale of electricity at electric vehicle charging points.
- Promote a market for sustainable aviation fuels.
- Reduce energy dependence.
- Promote industrial alliances and public-private partnership agreements.
- Promote and increase ACA, CDP and other climatic certifications, which provide a great reputational benefit to the Company.

[2] In order to analyse the physical risks, the projections developed by the Spanish State Meteorology Agency (AEMET [Agencia Estatal de Meteorología]) for the RCP 8.5 scenario defined in the Fifth Report of the Intergovernmental Panel on Climate Change (IPCC) have been considered. As for the transition risks, the 2DS scenario developed by the International Energy Agency (IEA) has been selected. The Business as Usual scenario (RCP 8.5) and a more aggressive emission mitigation scenario (RCP 2.6) have been used to identify the risks.

London-Luton Airport has published a summary report on adaptation to climate change in 2011 that identifies some of the physical risks associated with climate change. In 2021, the Airport will publish a new report that will be aligned with the national guide. Likewise, progress has been made on the upcoming integration of climate change risks into the formal risk governance processes. And they have plans to analyse the necessary evaluation and identification of the main financial, operational and reputational risks and opportunities associated with the climate emergency, in line with the TCFD guidelines.

London-Luton Airport Climate Risk Analysis

Physical risks

- Reduced visibility (fog, cloud cover, etc).
- Extreme winds.
- Flooding.
- Extreme temperatures/snow.
- Heat spikes.

Transition risks

Regulatory and legal

- Changes in regulations that may result in an increase in the price of carbon and/or the tightening of carbon markets.
- Transition costs associated with the adoption of low-emission technologies.
- Changes in consumer behaviour and preferences (demand).

Market

- Decrease in market demand due to changes in customer behaviours and demands, as well as general flight reduction, aggravated by recent events (for example, COVID-19).

Reputation

- New geopolitical requirements (Brexit).
- Changes in the market and domain segments, e.g. business trips / cargo movements, including the impact of emerging markets.

Opportunities

- Increases in some destinations during the summer season.
- Opportunities to support new technologies / operational measures / better infrastructure.
- The physical climate impacts (for example, increase in dry period, warmer temperatures) increase the demand for certain routes or create new destination options.

With regard to Aena Emergency Plans linked to climate changes, you can consult more information in chapter 6 “Quality and safety of services”.

The London-Luton Airport has emergency plans in the event of any climatic events relating to:

- Action plans for extreme climate events.
- Winter action plans (elimination of ice).
- Greater maintenance frequency and intensity to reduce the risk associated with the impacts of climate change.
- Management plans for adapting to climate change in the long term, including ongoing monitoring and reviews.

Aena's Board of Directors has been assigned a series of duties, which cannot be delegated, regarding orientation and control of the strategy, objectives, risks and results in matters related to sustainability. In 2018, the Company's 2018-2021 Strategic Plan was presented at the General Shareholders' Meeting. This Plan includes environmental sustainability as one of its strategic lines. Twice a year, the Board monitors the Plan, after receiving a report from the Executive Committee.

The **Director of Innovation, Sustainability and Customer Experience** is responsible for informing the Committee/Board of matters related to the risks and opportunities linked to the Company's Sustainability Strategy, as well as the cross-sectional aspects derived from it.

In 2020, taking things one step further, the General Shareholders' Meeting approved the principles of Aena's Climate Action Plan, which includes actions to mitigate the effects of climate change, as well as the follow-up of the indicators established for compliance with the decarbonisation objectives. Its evolution and the level of progress of its measures will be approved annually. By doing this, the Company has become the first company in the world to submit its Action Plan on Climate Change to a vote at the Shareholders' Meeting each year.

This **Climate Action Plan** consists of a multiannual plan, aligned with:

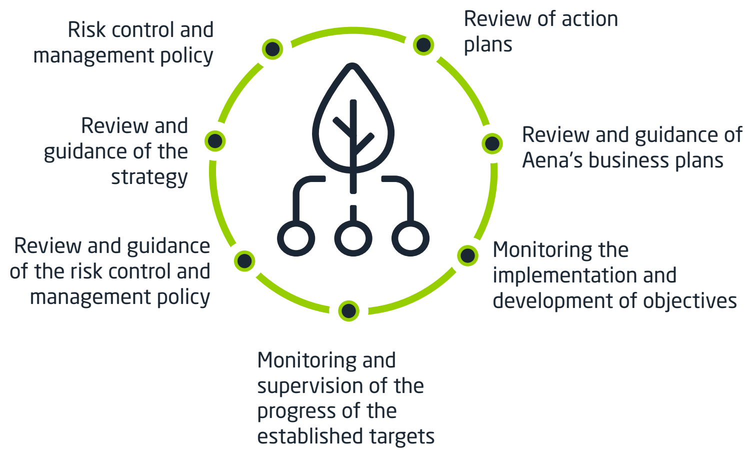
- The “climate change sustainability objectives” based on regulatory requirements at the European and national level, as well as the objectives of the Paris Agreement.
- The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- Act 11/2018 on non-financial information and diversity and the guidelines derived from the European Commission’s climate information supplement, included in Directive 2014/95/EU of the European Parliament and of the Council, which establishes a description of the policies, results and risks related to environmental issues.

This Climate Action Plan will include the appropriate management, monitoring and communication mechanisms.

Policies, strategy and objectives

To ensure that sustainability is integrated into the business model and that the environmental risks are addressed, Aena develops and implements policies, strategies and procedures, using as a reference, among others, the Sustainable Development Goals, the TCFD recommendations, the Principles of the Global Compact, and the environmental objectives set at a national and international level.

Supervision of climate issues by the Board of Directors



	Policies and strategies	Strategic objectives
Aena	• **Aena's Integrated Quality, Environmental and Energy Efficiency Management Policy** It includes the guiding principles and reference framework for the Company's activity with respect to environmental issues, combined with quality standards. In 2020, the Company approved the monitoring of compliance with this Policy by the Appointments, Remuneration and Corporate Governance Committee, which is in charge of ensuring its proper application and compliance. • **Aena 2018-2021 Strategic Plan** It integrates the environmental variable into the airport management decision-making process, establishing *KPIs* and environmental objectives that can meet existing needs and guaranteeing a solid action framework, provided with adequate funding. • **Climate change strategy** Approved in 2018, and reformulated in 2020, according to the growing environmental demands, as well as the provisions of the Draft Climate Change and Energy Transition Act and the European Green Deal, its goal is to maximise energy efficiency and promote the use of energy from renewable sources for self-consumption, as well as provide innovative solutions to reduce the Company's carbon footprint. • **Principles for action against climate change and governance in environmental matters** Approved by the 2020 General Shareholders' Meeting, it entrusts the Board of Directors with presenting, at the 2021 General Shareholders' Meeting, a multiannual or pluriannual **Aena Climate Action Plan** that includes actions to mitigate the effects of climate change and monitor the indicators established for the achievement of the decarbonisation objectives, in line with the national and international regulatory framework (Paris Agreement, the objectives and commitments set out in the declaration of the government of Spain with regard to the climate and environmental emergency, the 2021-2030 National Integrated Energy and Climate Plan, the Sustainable Development Goals and the TCFD recommendations). • **Strategic Sustainability Plan,** which will include strategic aspects related to the management of waste, water, biodiversity, air quality, etc. This will be done through a global diagnostic study, which, in a cross-departmental way across all Aena areas, establishes a series of sustainability measures and indicators based on the Company's strategy, policies, current regulations and the UN Sustainable Development Goals. • **Strategic Water Management Plan** that is scheduled to be completed in 2021 and includes the diagnostic survey of the water management situation at Aena's airports, as well as the various improvement objectives, along with their corresponding actions and indicators. Thus, the plan will contribute to achieving the objective of ensuring that water management is adapted to the requirements of use, consumption and purification posed by the different stakeholders at the airports, as well as the Sustainable Development Goals (SDGs) to which Aena has committed. • **Environmental monitoring of suppliers (ISO 14001):** environmental evaluation of the property portfolio and tenant operations. • **Noise Pollution Action Plans**	• Maximisation of the energy efficiency of the activity and promotion of renewable energies, contributing to the minimisation of CO_2 emissions until the facilities achieve carbon neutrality. • Make the management of airports compatible with respect for the environment where they are located. • Reinforce a model that guarantees sustainable coexistence with local communities and the natural environment, especially in matters pertaining to noise and air quality. • Respond to society's needs, going beyond established legal requirements, by implementing innovative solutions. • Reduce the carbon footprint and greenhouse gas emissions (commitment to Climate Change) through adaptation and mitigation actions. • Reduce the impact of their infrastructures and of their portfolio of buildings in the natural environment. • Promote the reuse and reduction of natural resources. • Calculate the water footprint.
LONDON-LUTON AIRPORT	• **London-Luton Airport Energy Policy,** aligned with the ISO 50001 standard. It shows the Airport's commitment to improving energy management and performance. • **London-Luton Airport Environmental Policy** recognises and accepts the Airport's responsibility in minimising its environmental impact, and undertakes to continuously review its performance. • **2019-2023 Noise Action Plan at London-Luton Airport** • **London-Luton Airport Aircraft Noise Inquiry and Complaint Policy** • **Luton Airport Access Strategy** London-Luton Airport is the fifth most transited passenger airport in the United Kingdom, with excellent transport connections that connect it to London, the southeast, the east of England and the South Midlands. • **London-Luton Airport's Responsible Business Strategy**, published in 2020, contains six lines of action, the first of which is focused on guaranteeing the care of the environment with responsibility and efficiency, and minimising the environmental impact of the airport, through a series of specific annual objectives.	• Reduction of greenhouse gas emissions, increasing the use of renewable energy, climate risk analysis. • Minimisation of water consumption per passenger. • Reduction of waste and increased recycling. • Preparation of the air quality strategy. • Encouraging the use of sustainable mobility. • Collaboration with airlines to reduce aircraft noise and with the community to improve noise management. • Reduction of the number and severity of spills in the operations area that occur at the airport. • Collaboration in the elimination of single-use plastics, and in avoiding their use.
AEROPORTOS DO NORDESTE DO BRASIL	• **Aena's Integrated Quality, Environmental and Energy Efficiency Management Policy**	• Noise control. • Reduction in energy consumption / ATU. • GHG emissions control - Preparation of the air quality strategy. • Photovoltaic Plan. • Minimisation and control of water consumption. • Waste reduction. • Reduction of waste and increased recycling.

Management instruments

Aena's Integrated Quality and Environment System certified according to ISO 14001 standard

It addresses the most significant environmental aspects linked to an airport's activity, including: Noise emissions associated with airport activity, atmospheric pollution, greenhouse gas (GHG) emissions, water consumption, energy consumption, hazardous and non-hazardous waste, spills, soil pollution and supplier environmental control. This certification covers 100% of Aena's activity. Its development, execution and control correspond to Planning and Environmental Management. The Company guarantees the continuous improvement of its environmental performance, by applying the policy and conducting regular audits of samples at its sites.

Integrated Management System in Aena's Airports in Brazil and implementation of the Quality Management System

The System considers environmental aspects related to airport activity, including: noise emissions associated with airport activity, atmospheric pollution, greenhouse gas (GHG) emissions, water consumption, energy consumption, hazardous and non-hazardous waste, spills, soil pollution and supplier environmental control. Obtainment of environmental operating licenses and facility licenses: expansion work at Aena's airport in Brazil.

Environmental inquiries

(see corresponding section for more information).

Evaluation of the environmental impact of plans and projects, both in Spanish airports, London-Luton and Aena's airports in Brazil

(see "Protection of biodiversity" section for more information).

ISO 50001 Standard

Carbon Footprint

Sound Insulation Plans (PAA [Planes de Aislamiento Acústico])

(see "Noise" section for more information).

ISO 20906 Standard

Aena is the first global operator to have noise data accredited in accordance with the ISO 20906 standard at six of its most relevant airports.

EMAS

EFQM

Quality (ISO 9001)

All Central Services units and Aena sites have been certified (including, as of January 2021, AIRM)

Carbon footprint (ISO 14064)

- Málaga-Costa del Sol Airport
- Palma de Mallorca Airport
- Barcelona-El Prat Josep Tarradellas
- Airport Adolfo Suárez Madrid-Barajas
- Airport César Manrique-Lanzarote
- AirportMenorca
- Airport
- Alicante-Elche Airport
- Santiago-Rosalía de Castro
- Airport London-Luton Airport

Environment (ISO 14001)

All Central Services units and Aena sites have been certified (including, as of January 2021, AIRM)

London-Luton Airport

https://www.london-luton.co.uk/corporate/lla-and-the-environment/our-environmental-policy2

Energy efficiency (ISO 50001)

- Reus Airport
- Valladolid Airport
- SATE Adolfo Suárez Madrid-Barajas Airport
- Zaragoza Airport

London-Luton Airport

https://www.london-luton.co.uk/corporate/lla-and-the-environment/reducing-our-carbon-footprint

EMAS Regulation

- Menorca Airport
- Tenerife Sur Airport

EFQM

Adolfo Suárez Madrid-Barajas Airport

ISO 20906 (Unmanned monitoring of aircraft noise in the vicinity of airports)

- Barcelona-El Prat Josep Tarradellas
- Airport Adolfo Suárez Madrid-Barajas Airport
- Alicante-Elche, Málaga-Costa del Sol, Palma de Mallorca and Valencia airports

Based on its strategic objectives, Aena sets specific environmental objectives and actions in the short, medium and long term, which are reviewed annually. Aena's commitments have evolved, the initially established commitments have been updated, the time frames for achieving them have been moved forward, their scope has been expanded and, in short, they have become more ambitious with the implementation of multiple actions.

In a cross-sectional manner and as established in the principles of the Climate Action Plan, Aena plans to reinforce, in the short term, the appropriate management, monitoring and communication mechanisms. To this end, the Company pays special attention to the recommendations of the TCFD.

Aena's new Climate Change Strategy has set these goals for 2026: achieve carbon neutrality at all its airports and achieve a 100% renewable electricity self-sufficiency. In addition, it has moved the fulfilment of its "Net Zero Carbon" commitment forward to 2040, which was initially planned for 2050.

Short-term objectives and actions

Aena	London-Luton Airport	Aeroportos do Nordeste do Brasil
Noise management		
• Implementation of Noise Monitoring Systems and Interactive Noise Maps in all airports with more than 50,000 operations • Continuous monitoring of the measures included in the Action Plans • Soundproofing of 29,000 homes and buildings for sensitive uses, included in the sound insulation plans.	• **2021:** no Chapter 3 aircraft operating at the airport. Subject to restart of Project Lithium • **2022:** 100% of Chapter 4 aircraft • **2022:** conduct surveys of local communities for the improvement of noise management • **2023**: evaluation of the implementation and adoption of recommendations for smooth approach manoeuvres	• Noise control - Implementation of Noise Monitoring Systems and Interactive Noise Maps in all airports with more than 50,000 operations. • Continuous monitoring of the measures included in the Action Plans.
Fight against climate change		
• Attainment of Level 3 (Optimisation) of the Airport Carbon Accreditation, in the Adolfo Suárez Madrid-Barajas Airport and Barcelona-El Prat Josep Tarradellas Airport in **2021**, Palma de Mallorca Airport in **2022**, Málaga-Costa del Sol Airport in **2023** and Alicante-Elche Airport, Ibiza Airport and Menorca Airport in **2024**. • **2023:** Increase in the network of electrical charging points in the parking lots for passengers and employees, as well as for the air side. • **2025:** replacement of Aena's vehicle fleet with electric vehicles or eco-friendly vehicles.. • **From 2020:** electricity consumption, 100% with renewable origin guarantee effective. • Increased energy supply from renewable energies in own facilities • **2025:** Promotion of the use of geothermal energy, to provide cold and heat to the airports' terminals. • Progressive reduction of CO_2 emissions from "Handling for third parties" equipment by incorporating requirements for the replacement of handling equipment with other less polluting equipment: electric, hydrogen and other renewable sources. • Implementation of new collaborative measures and improvements that improve the efficiency of airport operations, as well as the congestion of European airspace, reducing waiting and flight times.	• **2021:** Low carbon emission vehicles plan (land and air side). • **2021:** 100% electricity from renewable sources. • **}2022:** attainment of Level 2 (reduction) of the Airport Carbon Accreditation. • **2022:** identification of the risks associated with climate change and development of a resilience plan, integrating commercial risks into the assessment. • **2023:** reduction of the demand for operating electricity (excluding vehicles) to less than 2.0 kWh/passenger.	• **17.5%** reduction in energy consumption / ATU. • Emissions control. • **From 2021:** purchase of clean energy from the Deregulated Energy Market. • **From 2022:** Photovoltaic Plan (study and analysis of large-scale self-consumption facilities for photovoltaic renewable energy equipment). • **2025: 40%** reduction in CO2 / ATU emissions.
Environmental protection		
• Minimisation and control of water consumption. • Increase in percentages of waste recovery. • Preservation and maintenance of biodiversity through specific actions to reconcile our activity with the conservation of natural heritage. • Together with the inclusion of zero single-use plastics in new concession contracts, which has already been carried out, incorporation of own initiatives to reuse waste.	• **2021:** transfer of less than 5% of non-hazardous waste from construction and demolition to landfills. • **2022:** develop the air quality strategy. • **From 2021:** include the requirement for zero single-use plastics in new concession contracts. • **2022:** recycle at least 70% of non-hazardous waste (excluding airplane waste). • **2022:** obtain the Carbon Trust Standard - Zero waste to landfills. • **2023:** reduction of total water consumption to 6.98 litres/passenger. • **2023:** reduce waste (excluding airplane waste) to 0.12 kg/passenger.	• Minimisation and control of water consumption. • Waste reduction. • Implementation of a wastewater treatment system to reuse the water.

Medium and Long term objectives and actions

Noise management

Aena

- Planning of actions to minimise noise.
- Inclusion of measures to discourage the loudest aircraft.

Aeroportos do Nordeste do Brasil

- Noise control - Implementation of Noise Monitoring Systems and Interactive Noise Maps in all airports with more than 50,000 operations.
- Continuous monitoring of the measures included in the Action Plans.

Fight against climate change

Aena

- **2026:** 100% self-supply of renewable energy in Aena's airport network based on Aena's Photovoltaic Plan.
- **2026:** Airport Carbon Accreditation ACI EU Level 3+ Neutrality in the main airports and neutral carbon accreditation in the entire Aena airport network
- **2030:** incorporation of a network with a minimum of 100 hydrogen stations and "handling" machinery powered by hydrogen in the five main airports. Initiatives to encourage the promotion and consumption of hydrogen, both in vehicles, as well as promote its use as a vector for the accumulation of electric energy.
- **2040:** adhesion to ACI EU's Net Zero, to have zero net emissions at all airports in the network.
- Boost the production, distribution and use of biofuels (SAF).
- Mobility plan, eco-friendly shuttles, close connections, bike lane.
- Replace or adapt the equipment and vehicles that consume fossil fuels with others that allow the consumption of 100% renewable electric energy, biofuels, biogas or other biomass derivatives.

London-Luton Airport

- **2026: 25%** energy supply from renewable energies in own facilities**.**
- **2050:** adhesion to ACI EU's Net Zero, to have zero net emissions.

Aeroportos do Nordeste do Brasil

- **2030:** Reach level 3+ of the Airport Carbon Accreditation programme of ACI EUROPE at the main airports (Recife Airport, João Pessoa, Maceio, Aracaju, Juazeiro do Norte and Campina Grande).
- **2050:** commitment to ACI EU's Net Zero, to have zero net emissions.

Environmental protection

Aena

- Reforestation projects, collaborations with universities and technology centres, mechanisms for offsetting employee travel emissions and development of carbon absorption solutions and carbon sinks.
- Promotion of the use of waste as a raw material for energy generation, applying the circular economy principles and for the manufacture of SAF, biomethane, etc.

Progress and indicators

In 2020, we can highlight the progress made in the achievement of the specific proposed environmental objectives, although they have been altered as a result of the exceptional health circumstances[3].

		Aena	London-Luton Airport
Progress in the achievement of the environmental objectives established for 2020	Noise management	Number of acoustically isolated sensitive housing and buildings based on the SIP.	Objectives set for 2020: • Development of a strategy for reducing the noise contour area (day and night) for 2028, sent to Luton City Council at the end of 2019 and currently pending approval.
	Fight against climate change	2019: 53% reduction of Aena's CO_2 emissions in absolute terms (baseline year 2015). **2020:** 85% reduction of Aena's CO_2 emissions in absolute terms (baseline year 2015). **2020:** the goal of reducing CO_2 emissions in handling: 20-30% in 2020 (base year 2016) set, advances its completion to 2019. In any case, due to the reduction of the operation during 2020, it is expected that the targeted objective will be met. 2019: purchase 60% energy from renewable sources. **2020:** purchase 100% energy from renewable sources. Maintain accreditation in the *Airport Carbon Accreditation* programme at Level 1 – Inventory (airports of Santiago-Rosalía de Castro, Menorca and Alicante-Elche) and Level 2 – Reduction (Airports of Barcelona-El Prat Josep Tarradellas, Adolfo Suárez Madrid-Barajas, Palma de Mallorca, Málaga-Costa del Sol and César Manrique-Lanzarote). Maintain level A Leadership in the CDP report (Carbon Disclosure Project)	2019: 30% reduction of Scope 1 and 2 emissions, despite the 23% increase in traffic since 2016. **2020:** the data is not representative due to the traffic reduction during 2020. Maintain *Airport Carbon Accreditation* (ACA) Level 1 “Inventory” certification. Creation of the Sustainability Department and publication of the 2020-2025 Sustainability Strategy. Preparation of the Carbon Management Plan (postponed to 2021)
	Environmental protection[4]	Calculation of water footprint. Waste recovery and awareness campaigns.	

[3] Not measurable in the case of airports in Brazil due to having started their activity throughout 2020.

Other indicators related to environmental management and resources dedicated to the prevention of environmental risks[5]

	Aena	LLA	Aena Brasil
Number of people assigned to environmental management	Aena Central Services: 35, 15 technical assistance staff, airports: 1 coordinator + corresponding team (no full dedication at all airports)	4	Central Services 1
Investment allocated to the protection and improvement of the environment (€)	€10,977 (thousands)	€222,462.0	€392,249.2
Expense allocated to the protection and improvement of the environment (€)	€10,405 (thousands)	€440,474.7	
Investment in R&D&I to reduce the impacts generated by pollution, generation of waste or the use of resources (€)	€236,060	N/A	N/A
Investment allocated to R&D&I activities in environmental and climate change matters (€)	€1,611,500	N/A	N/A
Costs associated with impacts generated by pollution, generation of waste or the use of resources (€)	€300,696 (corresponding to greenhouse gas emission rights acquired by Aena) €4,052,413 (corresponding to waste management)	€355,939.2 (amount corresponding to waste management)	N/A
Non-compliance with environmental legislation and regulations, including those related to water consumption	3	N/A	N/A
Cost related to non-compliance with environmental regulations and water consumption	Sevilla Airport: 73,764.40 Adolfo Suárez Madrid-Barajas Airport: two fines or penalties for the total amount of €2,500	0 €	0 €
Environmental risk provisions and guarantees	See 2020 Consolidated Annual Accounts and Management Report		

[5] Exchange rates as of 31/12/2020 used for Balance Sheet accounts:
EUR vs GBP= 0.89903
EUR vs BRL= 6.3735

Green leases and value chain

By definition, a “green lease” contains provisions and, consequently, commitments, aimed at minimising the environmental impact such as, for example, the reduction of energy consumption, generation of waste, emissions, etc. In this regard, the technical specifications for leases include clauses related to the proper management of waste, as well as other measures related to air quality, spills, storage of hazardous substances and strict monitoring of these measures that are required from the tenants in their offers.

In addition, Aena is developing two white books that incorporate sustainability criteria into the urban and architectural design of future real estate developments in the main airports (Adolfo Suárez Madrid-Barajas Airport and Barcelona-El Prat Josep Tarradellas Airport). These documents will supplement the future conditions documents for tenders for the construction projects of future Real Estate Plans, ensuring that the environmental sustainability component is incorporated into the general design criteria and in matters related to urbanisation and landscaping.

They will also stipulate that the commitment to sustainability is transferred to the value chain mainly through the inclusion of environmental clauses incorporated into the contracting documents (see Chapter 4 for more information).

100% of Aena's contracts, at London-Luton Airport and Aena's airports in Brazil, include environmental or social criteria in the contracting processes. Those which are introduced in the special execution conditions may lead to penalties in case of non-compliance.

The tender documents include, among other environmental requirements, the need to obtain certifications, such as ISO 14001.

Specifically, the technical specifications that regulate the contracts for handling agents (one of the main fuel consumers at airport's after airlines) that provide assistance services on the air side of the airports, include environmental clauses that establish that said agents must prepare a plan to replace their equipment in order to reduce their emissions, at least, by 20% by the end of 2020 at all airports, with the exception of Adolfo Suárez Madrid-Barajas Airport, where it is set at 30% with respect to the 2016 baseline year.

For its part, Aena monitors the companies that work in the airports, supervising their environmental behaviour and transferring the commitment and providing support in the development of initiatives to improve environmental management. Special attention is given to those contracts associated with actions that have a potential impact on the environment, which are controlled through periodic environmental monitoring, such as visits to facilities or assessment of compliance with the Environmental Monitoring Plan, as well as all its related aspects.

The purpose of the environmental monitoring of companies is:

- Establish the rules and actions that the contracted companies and those companies that carry out their activities at Aena's facilities must respect.
- Identify and control the environmental aspects of the activities carried out by other companies in the facilities, sites and premises owned by Aena.
- Describe the follow-up performed by Aena to verify the correct provision of the service.

This procedure applies to the monitoring of companies that work for the Company or carry out their activity in the facilities, sites and premises owned or leased by Aena (contracted companies and tenants) and whose products or services have an influence on Aena's environmental and energy management or on the quality of the service it provides.

Also, new food and beverage contracts have progressively included a specific clause that seeks to reduce the volume of plastic waste generated, avoiding the use of single-use plastics and promoting the use of disposable products (biodegradable or recyclable materials). In this regard, in addition, Aena carries out the control and follow-up of the different types of waste generated in all airport activities, including the control of contractors and tenants, to ensure the proper segregation, collection and external management of waste.

Life cycle

During the development of the processes, Aena's units and centres take into account the life cycle of the activities, products and services that are under their control, as well as those they can influence to minimise the associated environmental impacts.

AS for the organisation's processes that have the greatest impact on environmental aspects, different actions are carried out to manage them from the life cycle perspective.

Infrastructure Planning Stage

The environmental variable is integrated into the first stages of the planning process for airport infrastructures through the process of **Strategic Environmental Assessment of planning instruments** (Master Plans and Special Plans). This process analyses the different plans from the environmental perspective based on the type of assessment procedure to be followed (ordinary or simplified) that ends with the corresponding resolution issued by the competent environmental body. The Environmental Reports approved by the Ministry of the Environment integrate the environmental aspects that need to be considered in the proposals for final Master/Special Plans, which will be subject to the corresponding compliance monitoring. See the environmental reports obtained

The **Environmental Impact Assessment of Projects** is a process or instrument that enables the preservation of natural resources and the protection of the environment by introducing the environmental variable in the decision-making process for projects that are expected to have a significant impact on the environment. The **Environmental Impact Assessment (EIA) of projects** and the subsequent publication of the **Environmental Impact Statement (EIS)** are the result of this process. See the environmental resolutions obtained here.

Execution stage of construction projects

During the execution of construction projects, they undergo Environmental Monitoring, to oversee them in order to ensure compliance with all the established requirements, whether related to consumption, separation of materials or the final destination of waste.

Moreover, the documents for the construction projects include some clauses to encourage suppliers to use sustainable materials from their origin (manufacturing or sourcing) until the end of their useful life (e.g., easily recyclable or reusable materials).

Operation stage

Through the **Operational Control** process and the **Identification, Assessment and Evaluation of Environmental Aspects** process, Aena's units and centres take into account the influence of their activity on the life cycle of the services and products used to provide said activity.

Product/Service purchase stage

Aena establishes different environmental criteria in the contractual documents for the acquisition of products (mainly: computer equipment, paper, electrical energy supply, construction material, etc.) that are more environmentally friendly.

For example:

- Energy-efficient products.
- Products with no hazardous materials in their composition.
- Products that minimise waste at the end of their useful life.
- Products that are easy to recover at the end of their useful life.

Dismantling stage of facilities and infrastructure

In those cases in which the dismantling of a facility or infrastructure is carried out, the applicable environmental criteria are taken into account to maximise the separation of the different materials (wood, glass, metals, etc.) in order to facilitate their reuse and thus reduce the occupation of landfills.

Sustainable purchases

Aena promotes the acquisition of new technologies to foster and provide the Company with a more agile, efficient and transparent supply chain, which in turn allows it to gradually incorporate criteria that are more environmentally friendly, thus extending the principles of sustainability to its entire value chain. In this regard, the most notable initiatives are:

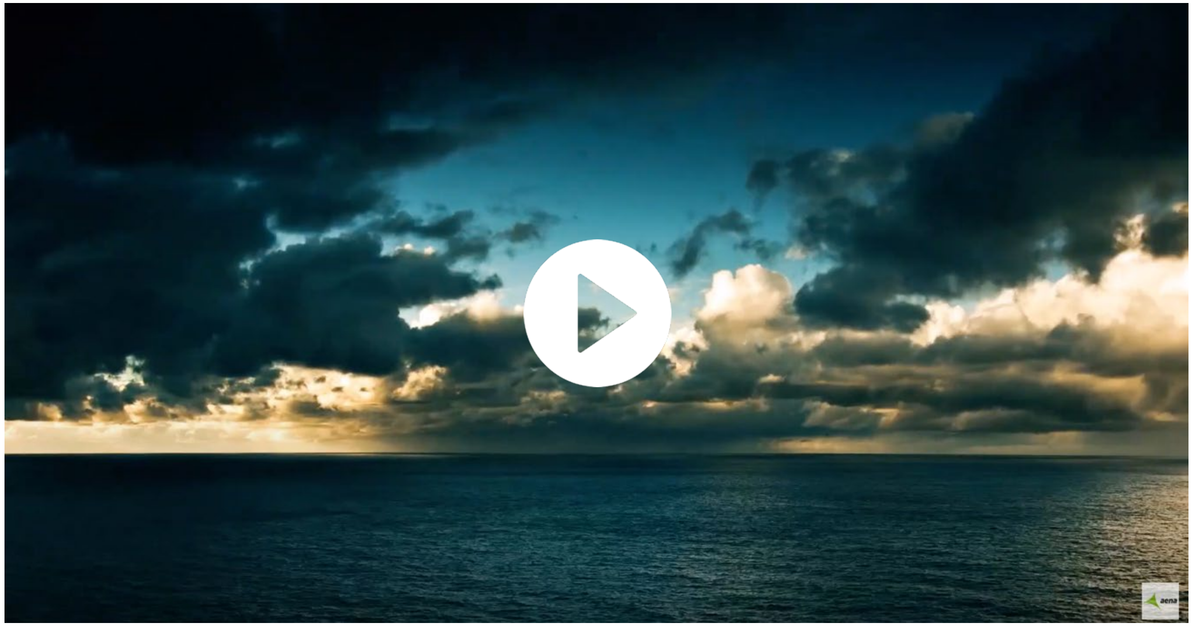
- Sustainable vehicle fleet: the new tender contracts for cars belonging to Aena's fleet are restricted to electric or eco-friendly vehicles.
- Purchase of renewable electrical energy: since 2020, the company has purchased 100% of its electrical energy with a renewable origin guarantee. This green energy is supplied to all our tenants through our network, which covers all the companies that work in our airports.

2.2. Aena and the climate emergency

The situation created by COVID-19 has not hindered the Company's commitment to sustainability, which has in fact been strengthened, bringing forward and broadening the decarbonisation milestones. In 2020, Aena has reinforced its Climate Change Strategy with the approval of more ambitious decarbonisation objectives and the commitment to develop, in 2021, a Climate Action Plan that will include the Company's financial forecasts for these purposes[6].

In order to achieve these objectives, a set of effective actions and measures are being developed, focused on energy efficiency, the use of renewable energies, sustainable mobility, the reduction of third-party emissions and the decarbonisation of processes and activities.

All of these actions are in line with the commitment made in 2019 to adhere to the ACI Europe (Airports Council International) Net Zero initiative, which has the objective of reaching zero net carbon emissions at airports and has been moved forward to 2040[7], without including emission offsetting mechanisms. This agreement is currently signed by over 200 European airports, a significant milestone in the actions that airports are adopting in the fight against climate change.



Aena aims to achieve zero net carbon emissions in Spanish airports by **2040.**

Luton Airport Airport and Aena Brasil also include achieving **“NEtZero Carbon” by 2050** among its commitments.

[6] As stated above, London-Luton Airport has its own Responsible Business Strategy with specific objectives for decarbonisation.
[7] Objective initially planned for 2050.

Effective mitigation and adaptation actions and measures to achieve the decarbonisation objectives

Improve the energy efficiency of the facilities and uses of renewable energy*

- Since 2020, the electricity consumed in the 46 airports in Spain already comes from renewable origin sources but the Company will continue to make progress to reach 100% self-supply with the Photovoltaic Plan by 2026. This is a very ambitious measure which aims to ensure that all the electrical energy consumed comes from its own photovoltaic facilities.
- This Plan makes Aena a leader in the airport sector as regards the production of renewable energy for self-consumption, with 950 GWh/year from 2026.
- London-Luton Airport develops measures for the improvement and maintenance of lighting, boilers, etc. In 2020, London-Luton Airport replaced the emergency lighting in the baggage dock and the lower floor.

Airport Carbon Accreditation

- In 2020, the Airport Carbon Accreditation (ACA) programme renewed the current certifications, achieving the accreditation of more than 70% of the carbon emissions.
- The airports of Alicante-Elche, Menorca and Santiago-Rosalía de Castro, and London-Luton Airport, maintain the Airport Carbon Accreditation (ACA) Level 1 "Inventory" certification.
- The Adolfo Suárez Madrid-Barajas, Josep Tarradellas Barcelona-El Prat, César Manrique-Lanzarote, Palma de Mallorca and Málaga-Costa del Sol airports maintain the Level 2 "Reduction" certification.
- In 2020, London-Luton Airport began its adhesion to the program, obtaining Level 1 "Inventory", with the aim of gradually increasing levels.
- As an objective for 2026, the Company's main airports will be certified level 3+ carbon neutral and all the network's airports will be included in Aena's emissions neutrality programme.

Airports with a sustainable fleet

- Replacement of Aena's fleet of cars with cleaner and more efficient vehicles and expansion of the recharge point network for electric or hybrid vehicles.
- In 2020, the Company has a fleet of 58 fully electric vehicles (6.5% of the total fleet) and more than 144 recharge points in the *car parks* of 30 airports. As an additional measure, it has promoted efficient driving courses for the personnel that have a valid airside driving permit.
- The Company has established a target of 100% eco-friendly vehicles by 2025.
- London-Luton Airport is committed to acquiring low-emission vehicles in 2021 as part of its Responsible Business Strategy.

Communication and reporting

- Annually, Aena completes the Carbon Disclosure Project (CDP) questionnaire, the main reporting framework for climate change, in which it obtained the Leadership "A" rating in 2020.
- Adhesion to the Declaration for a sustainable recovery (Manifiesto por una recuperación sostenible): an initiative supported by companies, NGOs, scientists, academics and citizens in general, that urges the government to make sure that the path that leads us out of the financial crisis caused by the coronavirus, builds the foundations of a transformation to a more sustainable and robust economy. This is based on three fundamental pillars: digitalisation, decarbonisation and sustainability; understanding that competitiveness and the environment go hand in hand, because without environmental sustainability there can be no economic or social sustainability.
- Selection of Aena's new climate change strategy in the 101 Ecodes Initiatives for Climate
- London-Luton Airport publishes its Carbon Footprint Report. Likewise, the London-Luton Airport Responsible Business Strategy, published in 2020, contains six lines of action, the first of which is focused on guaranteeing the care of the environment with responsibility and efficiency, and minimising the environmental impact of the airport, through a series of specific annual objectives.

*Given the importance of the Company's actions in this area, this information will be developed in the following section "Efficiency in the use of energy".

Airport Carbon Accreditation

- **Reduction of LTO and APU cycle emissions:** Implementation of A-CDM or CDM (*Airport Collaborative Decision Making or Collaborative Decision Making*) aimed at improving the overall efficiency of airport operations, through the shared use of updated information of an operational nature. This implementation involves a reduction of taxi times and, therefore, lower fuel consumption and emissions and has been implemented in Adolfo Suárez Madrid-Barajas Airport, Barcelona-El Prat Josep Tarradellas Airport and Palma de Mallorca Airport.

  100% of the gangway parking spaces have a 400 Hz electricity supply system. In 2020, progress has been made in the implementation of new sockets, and on the replacement and substitution of old equipment. Specifically, this year, 17 pieces of equipment were replaced, divided between Adolfo Suarez Madrid-Barajas Airport (6 units) and Barcelona-El Prat Josep Tarradellas Airport (11 units).

  For 2030, the airports are expected to have 508 power supply points working at 400 Hz for aircraft.

- **Plan for reducing the emissions of the *handling* vehicles:** it includes the replacement of equipment with other less polluting equipment by the handling agents. The requirements for the progressive reduction of emissions from GSE equipment have been incorporated into the conditions of the tenders and a common methodology for calculating and monitoring vehicle emissions has been established.

  -In 2019, there was a reduction of up to 30% in emissions at Adolfo Suarez Madrid Barajas Airport and 20% at the rest of the airports

- **Commitment to electric mobility.** Electric charging points have been installed in passenger and employee parking lots. In 2019, 92 new recharge points have been installed, in addition to those already existing at the Adolfo Suarez Madrid-Barajas Airport and Palma de Mallorca Airport, among others. Aena will continue to install recharge points until it has more than 2,000 points available in 2023. London-Luton Airport has 24 electric charging points (10 in public car parks and 14 for office staff). It also has an Access Strategy for the facilities (*Airport Surface Access Strategy*) in which it develops measures for the promotion of sustainable transport.

- **Promoting the use of sustainable fuel for aviation:** one of the commitments of the sector in the fight against climate change is the use of sustainable aviation fuels (SAFs) as a measure for reducing emissions. Thus, Aena is involved in this challenge through active collaboration with biokerosene producers, airlines and other stakeholders in order to increase the use of this type of fuel and promote production.

- **Promotion of sustainable mobility:** in collaboration with other administrations and institutions, Aena integrates its infrastructures with other transport methods and implements various sustainable mobility initiatives in the field of intermodality. It does this through initiatives such as the improvement of the connection with the suburban train or the bicycle lane in several airports, improving airport access and urban planning in airport environments. In addition, the Company works on the development of specific Mobility Studies and Plans that integrate the access and transportation infrastructures of cities and of the airport itself, facilitating the best access combinations.

  - London-Luton Airport also takes measures to encourage the use of buses and trains as an alternative to private cars. The extensive network of bus docks and the Direct Air-Rail Transit project, under development, are important contributions in this regard. In line with its airport access strategy, there are several incentives to promote sustainable transportation, such as discounts, bicycle parking, etc. You can find details on the airport access strategy (ASAS) here. Replacement of belt-driven engines with a direct drive system. Updates of the check-in/over-the-counter AHU fans to direct the drive fans and installation of heating fans on the doors that reduce the loss of hot air from the building. The calculated savings amount to £24,878 and 248,784 kWh per year, in addition to the additional maintenance benefits and reduced consumables. As an objective for 2026, the Company's main airports will be certified level 3+ carbon neutral and all the network's airports will be included in Aena's emissions neutrality programme.

Carbon footprint[8]

The Company monitors its carbon footprint to track its Climate Change Strategy and identify the effectiveness of the measures applied. **The exceptional reduction in traffic in 2020 has had its counterpart in the reduction of GHG emissions**.

Intensity of GHG emissions, kg CO_2e/ATU (market-based scopes 1 and 2)

YEAR	Aena	LLA
2018	0.48	N/A
2019	0.26	0.30
2020	0.22	0.61

Evolution of GHG emissions (equivalent tonnes of CO_2)[9]

	2018		2019		2020	
	Aena	LLA	Aena	LLA	Aena	LLA
Direct emissions (scope 1)[10]	23,852.4	3,189	22,769.6	3,076	17,390.4	2,016
Indirect emissions (scope 2)	218,936.9	10.184	113,860.9	4,981	25,260.1	3,395

NOTE: The 2019 NFIS collected estimates calculated with the best information available at the date of publication. In this document, the 2019 data have been adjusted once the consolidated information has been made available. Likewise, the current emission factors that are updated each year have been used to calculate current emissions.

In this regard, it should be noted that Aena provides 100% renewable electricity to its tenants, which means that its emissions associated with their electricity consumption, taking into account market-based criteria, are zero. In the case of London-Luton Airport, CO_2 emissions linked to the electricity consumption of tenants reached 2,728.87 tCO_2 in 2020.

[8] The calculation of emissions for Scope 2 has been made according to market-based criteria.

[9] The Carbon footprint of the airports in Brazil will be calculated from 2021.

[10] Direct emissions or scope 1. Direct emissions from sources or processes and activities controlled by Aena at airports. The sources of GHG emissions are:

- Stationary combustion. Emissions generated by electric generators, portable generators, boilers, firefighting service activities (SEI [Servicio de Extinción de Incendios]) and auxiliary pumps of firefighting water tanks.
- •Combustion from mobile sources. Emissions from vehicles belonging to the airports, both light and heavy.

Indirect emissions or Scope 2. Indirect emissions that are produced by the generation of electricity or thermal energy acquired and consumed at our airports. Their source is:

- Electricity consumption. Emissions associated with the electrical consumption of the activities carried out by airports for air conditioning, lighting and operation of various facilities

DIRECT GHG EMISSIONS (SCOPE 1)

	2018				2019				2020			
	Aena											
	CO_2	CH_4	N_2O	CO_2e	CO_2	CH_4	N_2O	CO_2e	CO_2	CH_4	N_2O	CO_2e
Diesel	14,654.6	0.3%	0.4	**14,774.8**	12,958.1	0.3%	0.3%	13,088.3	9,470.8	0.2	0.2	**9,545.5**
Petrol	157.9	0.05	0.01	**162.2**	159.2	0.05	0.01	163.4	130.9	0.04	0.01	**134.4**
Natural gas	8,647.8	0.2	0.2	**8,697**	9,213.7	0.2	0.2	9,266.5	7,513.1	0.1	0.1	**7,556.1**
Propane	63.6	0.001	0.004	**64.7**	54.1	0.001	0.003	55.2	35.1	0.0005	0.002	**35.7**
Kerosene	152.2	0.004	0,005	**153.7**	194.2	0.005	0.006	196.3	117.5	0.003	0.003	**118.7**
TOTAL	**23,676**	**0.5**	**0.5**	**23,852.4**	**22,606.4**	**0.5**	**0.5**	**22,769.6**	**17,267.3**	**0.4**	**0.4**	**17,390.4**
	LLA											
Diesel	206.2	0.2	18.4	**224.8**	929.8	1.0	10.6	**941.5**	461.8	0.5	5.2	**467.5**
Petrol	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
Natural gas	1,672.8	2.2	0.9	**1,675.9**	1,558.8	2.0	0.8	**1,561.7**	1,346.5	1.8	0.7	**1,349.0**
Propane	0	0	0	**0**	8.1	0	0	**8.1**	2.3	0	0	**2.3**
Diesel	1,086.4	0.2	15.6	**1,102.1**	387.8	0.0	5.2	**393.0**	194.8	0.0	2.7	**197.6**
TOTAL	**2,965.3**	**2.6**	**34.9**	**3,002.8**	**2,884.5**	**3.1**	**16.7**	**2,904.3**	**2,005.3**	**2.3**	**8.7**	**2,016.4**

NOTE: The 2019 NFIS collected estimates calculated with the best information available at the date of publication. In this document, the 2019 data have been adjusted once the consolidated information has been made available. Likewise, the current emission factors in force have been used to calculate the current emissions, these being updated each year.

INDIRECT GHG EMISSIONS (SCOPE 2)

	2018				2019				2020			
	Aena											
	CO_2	CH_4	N_2O	CO_2e	CO_2	CH_4	N2O	CO_2e	CO_2	CH_4	N_2O	CO_2e
Electric power	188,266.48	0	0	**188,266.48**	**83,789.64**	0	0	**83,789.64**	0	0	0	**0**
Heating and cooling energy	30,670.38	0	0	**30,670.38**	**30,071.26**	0	0	**30,071.26**	25,260.1	0	0	**25,260.1**
TOTAL	**218,936.86**	**0**	**0**	**218,936.86**	**113,860.9038**	**0**	**0**	**113,860.90**	**25,260.1**	**0**	**0**	**25,260.1**
	LLA											
Electric power	10,105.21	23.74	55.04	**10,184.00**	4,941.89	12.67	26.70	**4,981.25**	3,364.99	10.49	20.10	**3,395.57**
Heating and cooling energy	0	0	0	**0**	0	0	0	**0**	0	0	0	**0**
TOTAL	**10,105.21**	**23.74**	**55.04**	**10,184.00**	**4,941.89**	**12.67**	**26.70**	**4,981.25**	**3,364.99**	**10.49**	**20.10**	**3,395.57**

Source of emission factors: MITECO, EMEP/EEA (Corinair), US EPA, US FAA and UK Government (LLA).
Note: Data calculated with market-based criteria.

Efficiency in the use of energy and use of renewable energy

The Company's Photovoltaic Plan, consolidated in 2019, will allow it to achieve, by 2026, 100%[11] energy self-supply from solar energy, thus avoiding the emission of 159,200 tons of CO_2 to the atmosphere each year, equivalent to the consumption of around 280,000 homes throughout a year. This Plan will turn the Company into one of the leaders among European airports in the production of renewable energy for its own consumption (950 GWh) and will supply buildings owned by Aena as well as those of its lessees. This project is currently in the approval and commencement phase (project drafting, requesting of permit and deposit of the necessary financial guarantees). Likewise, since 2020, all the airports and their lessees consumed 100% renewable electricity.

In parallel, in order to achieve an effective reduction in energy consumption, the network's airports continuously analyse their energy consumption to identify areas of improvement. As a result, to date, a series of measures have been developed aimed at controlling energy consumption and adapting it to the actual operation of the airports. Other measures are aimed at improving the technological aspects of the lighting and air conditioning (presence detectors, replacement of lighting with LEDs, renovation of air conditioning installations and automatic lighting regulation), etc.

In addition, to be able to adequately manage energy consumption, Aena has smart meters in some of its facilities and properties in its portfolio. The Adolfo Suárez Madrid-Barajas Airport has an Energy Management Platform in the Terminals that allows it to analyse consumption in a systematic way, enabling it to use the results it obtains to establish measures to increase the energy efficiency of the terminal's facilities.

All these initiatives, aimed at improving energy efficiency in the Company's buildings and property portfolio, will also contribute to the reduction of the carbon footprint and operating costs.

Energy efficiency in 2020

Some relevant related actions

HVAC systems

Lighting

Energy saving to improve energy efficiency

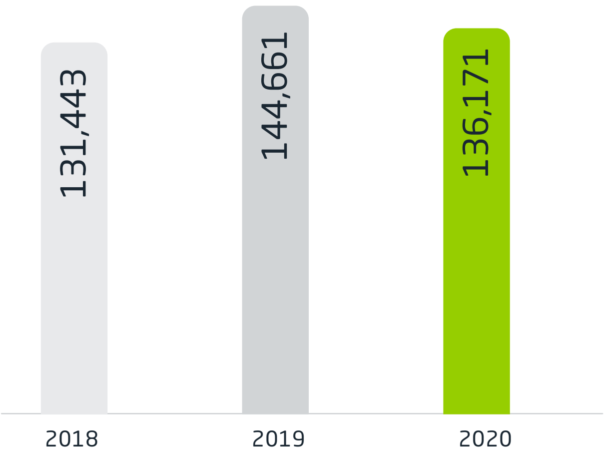
Airport	Action	Description	Milestone
Adolfo Suárez Madrid-Barajas Airport	HVAC systems	Replacement of T-1 Terminal air curtains	Energy saving to improve energy efficiency
Gran Canaria Airport	HVAC systems	Supply with installation of frequency converters in air conditioners	Energy saving to improve energy efficiency
Málaga-Costa del Sol Airport	HVAC systems	Supply and installation of solar protection sheets in Dock B and C in Terminal T-2 and Dock D in Terminal T-3	Energy saving to improve energy efficiency
London-Luton	HVAC systems	Renewal of the check-in/over-the-counter AHU fans to direct the fans and installation of heating fans on the doors that reduce the loss of hot air from the building	Energy saving to improve energy efficiency
Palma de Mallorca Airport	Lighting	Change of lighting to LED technology	Energy saving to improve energy efficiency
Santiago-Rosalía de Castro	Lighting	Change of lighting to LED technology	Energy saving to improve energy efficiency
Adolfo Suárez Madrid-Barajas Airport	Lighting	Change of lighting to LED technology	Energy saving to improve energy efficiency
Córdoba	Lighting	Change of lighting to LED technology	Energy saving to improve energy efficiency
Málaga-Costa del Sol Airport	Lighting	Change of lighting to LED technology	Energy saving to improve energy efficiency
London-Luton	Lighting	Change of lighting to LED technology	Energy saving to improve energy efficiency

[11] Initially planned 70%.

Reduction of emissions thanks to renewable energy facilities[12]

The amount of emissions avoided due to the Company's renewable energy facilities and energy efficiency, as well as to the purchase of electrical energy from a renewable source (100% in 2020) has amounted to 136,171[13] tonnes of CO_2 in 2020.

The amount of emissions avoided due to the Company's renewable energy facilities and energy efficiency, as well as to the purchase of electrical energy from a renewable source
(tons of CO_2e)



NOTE: The CO_2 calculation is obtained from the relationship established between the electricity generated by the indicated facilities and the estimated CO_2 emission factor. Source of the electrical factor: REE.

[12] To date, London-Luton Airport and the Brazilian airports have not carried out any measures in this regard, so the emissions avoided thanks to their own renewable energy facilities and energy efficiency and the purchase of electricity with renewable origin is zero for the fiscal year 2020.

[13] Data calculated with market-based criteria.

REDUCTION IN GHG EMISSIONS (SCOPE 1)	2018		2019		2020	
Aena Installation	**kWh generated**	**tCO_2e avoided**	**kWh generated**	**tCO_2e avoided**	**kWh generated**	**tCO_2e avoided**
Cogeneration plant at Bilbao Airport	1,067,935	234	10,513	2	128,860	21
Thermal solar collectors at Barcelona-El Prat Josep Tarradellas Airport	8,180	2	0	0	0	0
Reus Airport geothermal power plant	43,258	9	41,224	7	61,488	10
Total (scope 1)	**1,119,373**	**245**	**51,737**	**9**	**190,348**	**31**

Reduction in GHG emissions (scope 2)	2018		2019		2020	
Aena facilities	**kWh generated**	**tCO_2e avoided**	**kWh generated**	**tCO_2e avoided**	**kWh generated**	**tCO_2e avoided**
Wind turbines at La Palma Airport	2,577,197	564	2,493,058	411	1,904,174	314
Photovoltaic modules at Menorca Airport	70,320	15	75,777	13	72,862	12
Photovoltaic modules at Ibiza Airport	81,977	18	72,184	12	83,849	14
Photovoltaic modules at Alicante-Elche Airport	46,413	10	18,771	3	17,814	3
Photovoltaic modules at Adolfo Suárez Madrid-Barajas Airport	88,622	19	88,780	15	48,964	8
Photovoltaic modules at Madrid-Cuatro Vientos Airport	18,561	4	25,627	4	81,101	13
Photovoltaic modules at La Palma Airport	60,291	13	38,301	6	53,279	9
Photovoltaic modules at Valencia Airport	32,316	7	34,720	6	33,532	6
Photovoltaic modules at Vigo Airport	20,650	5	19,167	3	13,815	2
Total (scope 2)	**2,996,347**	**656**	**2,866,385**	**473**	**2,309,390**	**381**

NOTE: The 2019 NFIS collected estimates calculated with the best information available at the date of publication. In this document, the 2019 data have been adjusted once the consolidated information has been made available. Likewise, the current emission factors in force have been used to calculate the current emissions, these being updated each year.

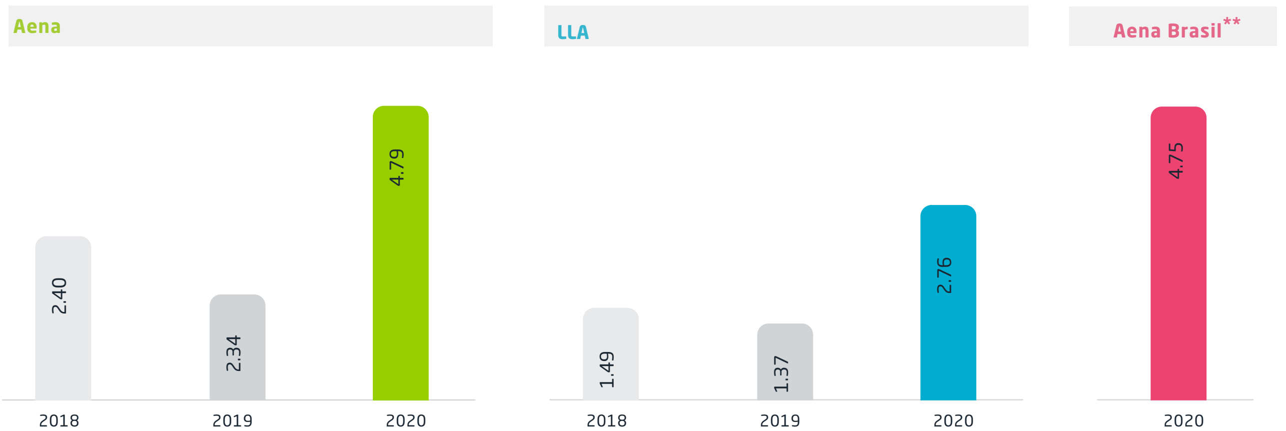
Main indicators

The reduction of traffic in our airports, as a result of the health crisis generated by COVID-19, together with the implementation of energy efficiency measures in airports and the important work done to raise awareness and sensitisation among all users and employees, has led to a notable decrease in energy consumption in 2020.

The energy performance and operational management of the network's airports, aimed at improving energy efficiency, are key indicators of the sustainable design of a building.

Energy consumption
Kwh / ATU

Electricity consumption
Kwh / pax



(*) Includes consumption of fuel, electricity, heating and cooling.

(**) The data relating to the Aena Brasil correspond only to 2020, the year from which these airports began their activity as part of Aena.

Electricity consumption by Aena's tenants reached a total of 74,681,238 KWh in 2020, which constitutes 10.4% of Aena's global consumption[14].

Tenant consumption in 2019 constituted 12.9%[15] of Aena's global consumption and 12.7%[16] in 2018.

As regards the reduction of energy requirements for products and services, the services offered by Aena do not entail energy consumption by the end user.

Total energy and total consumption, broken down

Fuel consumption	2018		2019		2020		
	Aena (GJ)	LLA (litres)	Aena (GJ)	LLA (litres)	Aena (GJ)	LLA (litres)	Aena Brasil[1] (litres)
Diesel	197,767	75,679	175,238	341,329	127,811	169,525	-
Petrol	2,279	-	2,297	-	1,888	-	-
Natural Gas	153,331	818,732,951	164,590	763,413,717-	134,210	660,876,297	-
Propane	999	-	851	5,300	551	1,449	-
Kerosene	2,084	-	2,661	-	1,609	-	-
Diesel	-	419,554	-	151,503	-	77,599	556,079.16
Subtotal	**356,460**	**819,228,184**	**345,637**	**763,911,849**	**266,071**	**661,124,870**	**556,079.16**

Energy consumption GJ	2018		2019		2020		
Electricity	3,386,704	129,517	3,437,454	70,158	2,583,994	52,432	88,534.98
Heating	213,872	32,796	201,131	30,580	179,520	26,413	-
Cooling	402,666	-	421,865	-	316,959	-	-
Subtotal	4,003,242	162,313	4,060,450	100,739	3,080,473	78,845	88,534.98
Total energy consumption	**4,359,702**		**4,406,087**		**3,346,544**		

Note: The data relating to the Aena Brasil correspond only to 2020, the year from which these airports began their activity as part of Aena.
Note: The 2019 NFIS collected estimates calculated with the best information available at the date of publication. In this document, the 2019 data have been adjusted once the consolidated information has been made available.

[14] Data corresponding to 97.9% of the centres in Aena's network, estimated from 99.0% real data and 1.0% estimated data from the leased areas.
[15] Data corresponding to 97.9% of the centres in Aena's network, estimated from 99.3% real data and 0.7% estimated data from the leased areas.
[16] Data corresponding to 95.8% of the centres in Aena's network, estimated from 99.3% real data and 0.7% estimated data from the leased areas.

Renewable energies

Aena explores the use of renewable energy sources that allow us to reduce the dependence of aviation (and airports) on fossil fuels and thereby reduce greenhouse gas emissions.

In 2020, according to the foreseen plan, the percentage of electricity purchased by Aena in its Spanish airport network certified to be from renewable sources has increased.

In the Spanish airport network, 100% of renewable energy sources. London-Luton Airport aims to achieve this 100% in 2021. The electrical energy used by the tenants in Aena's airports corresponds to Aena's own network, so it is also from renewable energy sources.

% electricity with renewable source guarantee	Aena	LLA	Aena Brasil
2019	60%	0%	0%
2020	100%	0%	0%

Renewable energy facilities at Aena		2018	2019	2020
Energy generated from renewable sources (GJ)	Wind power	9,278	8,975	6,855
	Solar power/photovoltaics	1,509	1,344	1,459
	Solar thermal energy	29	0	0
	Geothermal	156	148	221
	Subtotal	**10,972**	**10,467**	**8,535**
Energy consumed from renewable sources (GJ)	Wind power	8,324	8,453	6,353
	Solar power/photovoltaics	1,416	1,244	1,361
	Solar thermal energy	29	0	0
	Geothermal	156	148	221
	Subtotal	**9,925**	**9,845**	**7,936**
Energy sold from renewable sources (GJ)	Wind power	954	522	502
	Solar power/photovoltaics	93	100	97
	Solar thermal energy	0	0	0
	Geothermal	0	0	0
	Subtotal	**1,047**	**622**	**599**

NOTE: The 2019 NFIS collected estimates calculated with the best information available at the date of publication. In this document, the 2019 data have been adjusted once the consolidated information has been made available.

NOTE: 1 The energy consumed and generated through renewable sources at London-Luton Airport and at Aena Brasil is zero.

2.3. Pollution

Air pollution[17]

The air quality monitoring networks located in several airports characterise, control, monitor and correct the atmospheric emissions generated by the activity.

These measure the concentration levels of the main substances such as sulphur dioxide (SO2), nitrogen oxides (NOX) and particulate matter (PM). These substances come from both Aena's own activities, as well as other sources of emission in the surrounding area. This enables continuous and automatic control of air quality in the area of influence of a number of airports.

Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	NOx(t)		SOx(t)		CO(t)		NMVOC(t)		PM10(t)		PM2.5(t)	
	Aena	LLA	Aena	LLA	Aena	LLA	Aena	LLA	Aena	LLA	Aena	LLA
2018												
Diesel	82.5771	N/A	7.3978	N/A	26.1659	N/A	6.4272	N/A	5.3223	N/A	4.9631	N/A
Petrol	0.7611	N/A	0.0005	N/A	5.4090	N/A	0.6609	N/A	0.0017	N/A	0.0017	N/A
Natural Gas	11.3465	N/A	0.1027	N/A	4.4466	N/A	3.5266	N/A	0.1196	N/A	0.1196	N/A
Propane	0.0680	N/A	0.0006	N/A	0.0495	N/A	0.0423	N/A	0.0836	N/A	0.0836	N/A
Kerosene	0.2423	N/A	0.0490	N/A	32.3618	N/A	0.9737	N/A	7.3133	N/A	7.3133	N/A
Total 2018	**94.9950**	**N/A**	**7.5507**	**N/A**	**68.4328**	**N/A**	**11.6306**	**N/A**	**12.8406**	**N/A**	**12.4813**	**N/A**
2019												
Diesel	69.8684	N/A	6.3357	N/A	22.0498	N/A	5.2221	N/A	4.4890	N/A	4.1596	N/A
Petrol	0.7597	N/A	0.0005	N/A	6.0814	N/A	0.6717	N/A	0.0018	N/A	0.0018	N/A
Natural Gas	12.1797	N/A	0.1103	N/A	4.7731	N/A	3.7856	N/A	0.1284	N/A	0.1284	N/A
Propane	0.0587	N/A	0.0005	N/A	0.0394	N/A	0.0334	N/A	0.0601	N/A	0.0601	N/A
Kerosene	0.3094	N/A	0.0626	N/A	41.3201	N/A	1.2432	N/A	9.3378	N/A	9.3378	N/A
Total 2019	**83.1759**	**N/A**	**6.5096**	**N/A**	**74.2640**	**N/A**	**10.9560**	**N/A**	**14.0171**	**N/A**	**13.6877**	**N/A**
2020												
Diesel	50.4348	2.9627	4.4936	0.0849	15.96946	1.1549	3.7216	0.2228	3.22563	0.2422	2.9918	0.2368
Petrol	0.6282	0	0.0004	0	4.6369	0	0.540904	0	0.0014	0	0.0014	0
Natural Gas	9.9316	1.9071	0.0899	0.0173	3.8921	0.7474	3.0868	0.5928	0.1047	0.0201	0.1047	0.0201
Propane	0.0381	0	0.0003	0	0.0252	0	0.0213	0	0.0375	0	0.0375	0
Kerosene	0.1871	0	0.0379	0	24.9854	0	0.7517	0	5.6464	0	5.6464	0
Total 2020	**61.2204**	**4.8698**	**4.6221**	0.1022	**49.5090**	**1.9023**	**8.1305**	**0.8156**	**9.0163**	**0.2623**	**8.7818**	**0.2569**

NOTE: The 2019 NFIS collected estimates calculated with the best information available at the date of publication. In this document, the 2019 data have been adjusted once the consolidated information has been made available.

[17] Data not available for Aena Brasil because the air quality monitoring system is in the implementation phase.

These networks are implemented in the airports of Adolfo Suárez Madrid-Barajas, Barcelona-El Prat Josep Tarradellas, Palma de Mallorca, Alicante-Elche and Málaga-Costa del Sol[18]. In certain cases, measurement stations are integrated and form part of the municipal and/or autonomous community air quality surveillance networks.

In accordance with the principles of Aena's Integrated Quality and Environmental Policy, they carry out Air Quality Control and Monitoring Programmes in the vicinity of the airports.

For its part, London-Luton Airport, thanks to the installation of air quality monitors, has identified the areas with the most emissions and, as a result, has implemented new actions (for example, the introduction of a specific policy for buses and coaches, in order to improve air quality in front of the terminal). To date, 18 different locations have been monitored to ensure NO_2 measurements in the areas of greatest use and impact; the concentration levels of particulate matter (PM) are measured in two locations, and work is being done to record PM2.5 particles. As part of the Responsible Business Strategy, the Airport will present a formal strategy for improving air quality before the end of 2022, with specific objectives.
The data obtained by this Airport have been shared with the data of the local authorities and are also published monthly.

Noise

Noise pollution is one of the main environmental aspects generated by airport activity. Fully aware of this, one of Aena's priorities is to reduce noise levels to a minimum and protect the quality of life of the surrounding populations.

While the reduction of air traffic caused by the health crisis has been accompanied by the consequent drop in noise this year, the Company has not stopped making significant efforts to improve the measurement, control and minimisation of the impact of noise, as well as to ensure active and bidirectional communication with all stakeholders involved.

Measurement, reduction and control

Based on the Strategic Noise Maps (SNMs)[19], Aena diagnoses the overall exposure to noise during a full year in the vicinity of airports with more than 50,000 annual operations.

[18] You can consult the reports from the surveillance network of the Adolfo Suárez Madrid-Barajas Airport, as well as the data from the stations around the Barcelona-El Prat Josep Tarradellas Airport that are attached to the Catalan Government network.

[19] EU Environmental Noise Directive 2002/49.

Evolution of the number of people exposed to noise in the Spanish airport network

SNM PHASE I:

Noise levels	Gran Canaria Airport	César Manrique-Lanzarote Airport (*)	Tenerife Sur Airport	Tenerife Norte-Ciudad de La Laguna Airport	Alicante-Elche Airport	Bilbao Airport	Barcelona-El Prat Josep Tarradellas Airport	Ibiza Airport (*)	Adolfo Suárez Madrid-Barajas Airport	Málaga-Costa del Sol Airport	Palma de Mallorca Airport	Valencia Airport	Sevilla (*)
Lday 65 dB (A)	191	-	0	1,049	84	24	11	-	2,058	299	90	10	-
Levening 65 dB (A)	66	-	0	825	90	23	19	-	1,957	314	98	8	-
Lnight 55 dB (A)	614	-	120	0	172	23	24	-	708	605	336	52	-

SNM PHASE II:

Noise levels	Gran Canaria Airport	César Manrique-Lanzarote Airport (*)	Tenerife Sur Airport	Tenerife Norte-Ciudad de La Laguna Airport	Alicante-Elche Airport	Bilbao Airport	Barcelona-El Prat Josep Tarradellas Airport	Ibiza Airport (*)	Adolfo Suárez Madrid-Barajas Airport	Málaga-Costa del Sol Airport	Palma de Mallorca Airport	Valencia Airport	Sevilla Airport (*)
Lday 65 dB (A)	57	-	0	475	61	29	23	9	1,824	232	110	3	0
Levening 65 dB (A)	0	-	0	198	60	506	18	9	149	240	110	3	0
Lnight 55 dB (A)	42	-	45	0	112	0	26	637	38	348	152	19	0

SNM PHASE III:

Noise levels	Gran Canaria Airport	César Manrique-Lanzarote Airport (*)	Tenerife Sur Airport	Tenerife Norte-Ciudad de La Laguna Airport	Alicante-Elche Airport	Bilbao Airport	Barcelona-El Prat Josep Tarradellas Airport	Ibiza Airport (*)	Adolfo Suárez Madrid-Barajas Airport	Málaga-Costa del Sol Airport	Palma de Mallorca Airport	Valencia Airport	Sevilla (*)
Lday 65 dB (A)	282	304	20	252	86	-	13	14	1,751	319	177	1	-
Levening 65 dB (A)	0	294	0	13	62	-	14	14	1,497	255	187	1	-
Lnight 55 dB (A)	308	0	90	0	201	-	13	591	1,754 (**)	1,520	515	91	-

(*) The SNM was not prepared as the threshold of 50,000 annual operations had not been reached at the time. The preparation and management of SNMs is regulated both by Directive 2002/49/EC and its corresponding transposition to national regulations.

(**) The increase in night-time values at the Adolfo Suárez Madrid-Barajas Airport is due to maintenance actions on runway 32R-14L. These actions have forced the use of the non-preferred runway (32L-14R) during 2016. The Lday, Levening and Lnight levels correspond at all times to applicable regulations.

Evolution of the number of people exposed to noise at London Luton Airport (2020 figures)

Noise Level	SNM Phase I	SNM Phase II	SNM Phase III
Lden 55 dB(A)	8,600	14,300	17,000
Lday 66 dB(A)	<100	<100	<100
Levening dB (A)	<100	0	<100
Lnight 57 dB (A)	2,300	900	600

In 2020, in compliance with the procedures for notifying the European Commission of the data of the Strategic Noise Maps and Action Plans to be prepared in the fourth phase of application of Directive 2002/49/EC, the General Directorate of Civil Aviation has been informed of the large airports in Aena's network that, according to the data corresponding to the year 2019, exceed the amount of 50,000 annual operations.

The level of noise incidence in the territory is defined by the Acoustic Easements. To this end, the acoustic impact generated in the airports is evaluated and its evolution is predicted. During 2020, the Acoustic Easements for the A Coruña airport and the review of the Bilbao and Tenerife Sur airports were carried out and made public. The Joint Commission has also granted its approval for the Easements of the Tenerife Norte-Ciudad de La Laguna and César Manrique-Lanzarote airports. Currently, Aena has 10 approved Acoustic Easements, as well as their corresponding Action Plans. It is expected that, by 2021, the approval of another five Acoustic Easements will be obtained.

Based on the conclusions drawn from the SNMs and the Acoustic Easements, a series of measures aimed at assessing, preventing and reducing noise in the environment are being prepared. All of this is included in the corresponding Action Plans. London-Luton Airport also has a 2019-2023 Action Plan against noise corresponding to its SNM.

To achieve effective noise minimisation, in addition to taking specific measures, Aena establishes collaborations with other stakeholders aimed at reducing noise at the source, improving operational procedures, introducing operational restrictions on certain aircraft, establishing measures to discourage noisy aircraft and supporting air traffic control and discipline.

Finally, with regard to noise control, the air routes and noise levels reached in the different airport environments are monitored through the Noise Monitoring Systems (NMSs). This system is currently available at the following airports: Alicante-Elche, Adolfo Suárez Madrid-Barajas, Barcelona-El Prat Josep Tarradellas, Bilbao, Gran Canaria, Ibiza, Málaga-Costa del Sol, Palma de Mallorca, Tenerife Norte-Ciudad de La Laguna, Tenerife Sur and Valencia.

In the case of Aena Brasil, the first studies to measure aeronautical noise in airports have begun in November 2020.

Sound Insulation Plans

The measurement, reduction, control and communication actions are supplemented by the execution of the Sound Insulation Plans (SIPs), associated with the airports. These plans serve as a corrective measure to minimise the inconvenience caused by aircraft noise and ensure compliance with noise quality objectives inside buildings, complying with the noise quality objectives established by Royal Decree 1367/2007 and in accordance with the procedure and requirements established in Act 5/2010, of 17 March, and in the corresponding Environmental Impact Statements.

In 2020, 131 soundproofing actions were carried out in homes and buildings designated for sensitive uses, a total investment of €2.1 million.

Investments made at London-Luton Airport between the start of the activities and 31 December 2020 amount to £100,000[20], benefiting a total of 25 homes.

Sound Insulation Plans

The process of executing these SIPs is established in collaboration with interested neighbours and local administrations, and includes:

- Inclusion of homes in the SIP.
- Measurement of existing noise insulation in homes to determine needs for additional insulation.
- Drafting and approval of the resulting acoustic insulation project.
- Performance and verification of the work.
- Payment for the actions.

[20] €111,230.90 according to the exchange rates as of 31/12/2020 used for Balance Sheet accounts:
EUR vs GBP= 0.89903
EUR vs BRL= 6.3735

Communication

Different tools are available to report the noise management actions at Aena:

- Interactive Noise Maps (WebTrak), implemented in 11 airports of the network (the corresponding maps can be checked on the Aena website).
- Publication of monthly Noise Reports on the public website.
- Environmental Monitoring Commissions of the SIPs and Joint Commissions created to establish the Acoustic Easements and their associated Action Plans.
- Specific Management Office for the information, execution, control and management of the SIPs.

Aena Sound Insulation Plans 2000-2020*

Airport	No. of soundproofed buildings	Amount invested €M (2000-2020)
A Coruña Airport	775	6,790,708.82
Alicante-Elche Airport	2,993	41,138.883.81
Barcelona-El Prat Josep Tarradellas Airport	50	2,966,717.28
Bilbao Airport	1,572	21,010,733.10
Girona-Costa Brava Airport	0	50,902.09
Gran Canaria Airport	615	9,876,268.51
Ibiza Airport	611	6,441,186.52
La Palma Airport	22	402,328.75
Adolfo Suárez Madrid-Barajas Airport	12,917	170,228,641.78
Málaga-Costa del Sol Airport	811	16,303,302.91
Melilla Airport	0	0.00
Menorca Airport	9	204,770.75
Palma de Mallorca Airport	925	16,722,863.60
Pamplona Airport	43	1,224,083.52
Sabadell Airport	0	13,633.00
of Compostela-Rosalía de Castro	15	296,570.06
Sevilla Airport	0	65,904.13
Tenerife Norte-Ciudad de La Laguna Airport	977	24,212,794.89
Valencia Airport	1,967	11,519,954.07
Vigo Airport	224	3,322,920.35
TOTAL 2000-2020	**24,526**	**332,793,167.92**

*Noise measurements at Aena's airports in Brazil have begun in November 2020, therefore no action has been taken in this regard.

Light pollution

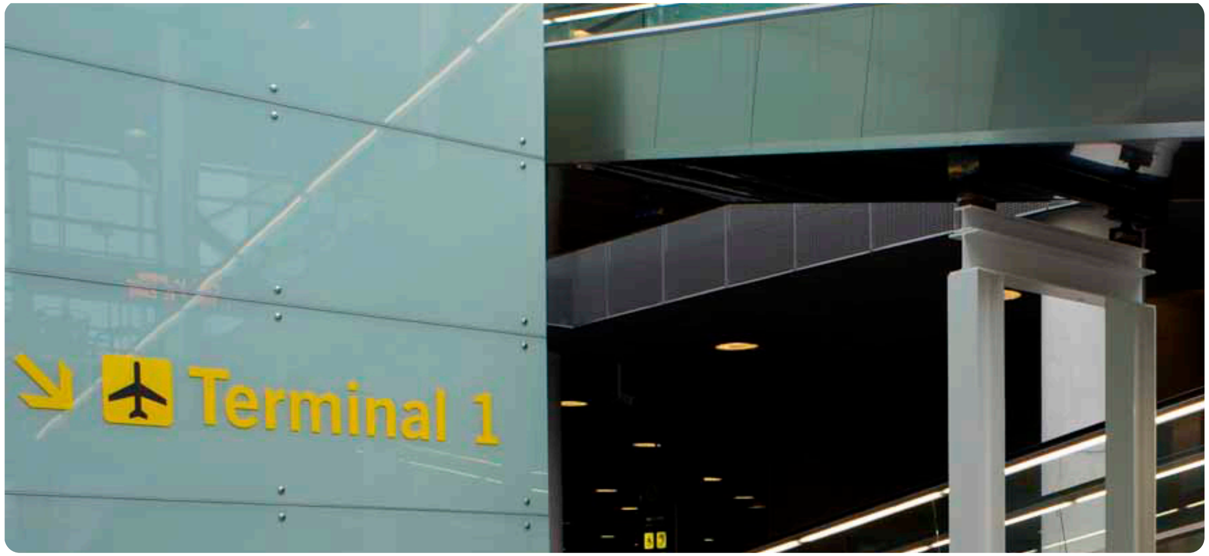
Control of light pollution is essential for sustainable coexistence. However, it should be noted that the external airport lighting of Aena Brasil and London-Luton Airport is also subject to prevailing regulations on operational security.

Environmental inquiries

Aena's public website features an environmental consultation channel for information requests, complaints and suggestions concerning the environment, enabling the Company to respond swiftly, consistently and effectively, as well as minimising response times.

London-Luton Airport has a Policy for inquiries and complaints about aircraft noise and a website from which to make the inquiries. Follow-up reports are issued quarterly with details on aircraft movements, as well as the follow-up of the noise and complaints generated by the activity itself.

In the case of Aena Brasil, a company specialised in the field has been contracted in order to conduct the environmental inquiries.



	2020		
	Aena	LLA	Aena Brasil
Environmental complaints	1,593	4,491	0
Noise related complaints	99.6%	99.9%	0

1,593 Complaints received in Aena regarding environmental matters

99.6% Of noise-related complaints in Aena, 99.9% in LLA

100% Answers given

2.4. Sustainable resource use

Water

Water is the main natural resource that is consumed in Aena's facilities, mostly linked to human consumption, irrigation of green areas, cleaning, fire service and execution of construction work. As a result of this, the Company rigorously controls its use to ensure the efficient supply of water to both employees and passengers as well as the rest of the users who move through the facilities daily. In fact, in recent years, Aena has implemented a series of internal measures, focused on improving water efficiency, including, among other elements, the replacement of all of its taps of its centres with others with automatic sensors, enabled to make the output flow more efficient and promote lower consumption.

London-Luton Airport has implemented measures and systems to achieve a more efficient use of water, as part of the maintenance and improvement of the airport base.

In this regard, Aena is preparing a Strategic Plan for Managing Water at all the Company's airports which will be published in the first quarter of 2021 and will allow the creation of a specific framework of action, focused on reducing consumption and linked to initiatives such as:

- The detection and stoppage of leaks in pipes and facilities.
- The responsible use of water in green spaces.
- The installation of water-saving elements in facilities.
- The use of reclaimed water.

In particular, it will contain objectives in relation to:

- Develop water management that addresses the loss of fresh water availability and quality associated with climate variability, decreasing water consumption
- To increase the consumption of alternative water sources by performing an integrated management of water supply sources and risks derived from climate change.

Likewise, Aena's 2018-2021 Strategic Plan includes, among its lines of action on sustainability, the calculation of the water footprint[21]. In line with this, in 2020, Aena calculated the water footprint of 23 of its centres in Spain, which represent 80% of the total average water consumption for the last three years. The calculation year selected was 2019 and both the calculation and the analysis and assessment of the sustainability of the water footprints have been based on the methodology of the *Water Footprint Network* (WFN). Throughout 2021, the plan is to continue with the calculation in the remaining 26 airports of the Aena network. The results obtained in the calculation of the water footprint, as well as the objectives and measures included in Aena's water strategy can be consulted at the following link: http://www.aena.es/en/passengers/passengers.html.

[21] The concept of water footprint, created by Arjen Y. Hoekstra (University of Twente, Holland), is an indicator of the water that a consumer or producer uses in their activity, considering both the direct and indirectly used water or the storm water used and the volume of water needed to absorb the contamination of an effluent

In line with the above, London-Luton Airport, for its part, includes among the objectives contained in the Responsible Business Strategy, the reduction of water consumption per passenger (to less than 6.98 litres/passenger, which implies a 10% reduction with respect to the baseline year) and the use of reclaimed water (objective for 2021).

Initiatives for responsible water consumption

As an example of some of the initiatives carried out, some of the network's airports, such as Menorca, are changing their meters for a complete system of flow meters with low consumption wireless transmission, which has improved the measurement of water flow at various points of the supply network, the control of consumption and the detection of leaks. This in turn has allowed them to achieve a more efficient management of water resources.

In addition, it is worth noting that at several airports located in territories where this resource is scarce (such as island airports), their wastewater is being re-used. This water goes through a purification system, in which it is disinfected and undergoes additional filtering, thereby allowing the airports to obtain a volume of water suitable to irrigate their green spaces and avoid extra consumption from the water supply network.

In this regard, the actions implemented by the Alicante-Elche airport are worth noting. They now make the most of the rejection water from various processes to give it a second use. The objective of this measure is to obtain savings of 15% in the airport's water consumption, which would be equivalent to seven Olympic pools at the end of the year.

This innovative strategy has involved the installation of a separate network for the collection of water from the terminal's sinks and the condensed water produced by the air conditioners. Once collected, the water is incorporated into a tank so it can be used a second time, thus preventing it from being discarded, and it is treated to enable it to be used in the 350 toilets that are distributed in the different WCs of the airport complex.

In addition, this system also includes the use of the rejection water from the osmotised water plant that supplies the terminal's food and beverage premises.

Finally, with the aim of reducing water consumption in the airport's facilities, Aena has established a directive to eliminate the water salutes that were carried out by the fire department to welcome aircraft from new routes or other celebrations.

In addition, as already mentioned, Aena is developing two white books that incorporate sustainability criteria into the urban and architectural design of future real estate developments in the main airports of Adolfo Suárez Madrid-Barajas and Barcelona-El Prat Josep Tarradellas, related to the sustainable consumption of resources, as well as the reuse of water. The criteria developed for this purpose include the collection of stormwaters from the roofs of the buildings and their use, the implementation of separation networks and the promotion of sustainable urban drainage.

Taking into account the circumstances of the environment, in some island airports, such as Fuerteventura, Ibiza and César Manrique-Lanzarote, the Company uses water from the sea. In this regard, Aena collaborates with institutions to promote some of these initiatives aimed at reducing water consumption at our facilities. Tenerife Sur Airport receives its supply through the Granadilla de Abona municipal supply network, managed by the Aqualia Entemanser company. In turn, the municipal network is supplied with desalinated water from the Granadilla de Abona desalination plant and groundwater (wells). Also, the airport is supplied with regenerated water, as the water purified by the airport's wastewater treatment plant (WWTP) is used to irrigate the airport's gardens.

On the other hand, the units and centres of Aena's network periodically monitor compliance with the parameters established in the corresponding discharge permits for both wastewater and rainwater in order to contribute to the conservation of the Public Water Domain (PWD) or Maritime-Terrestrial Public Domain (MTPD).

For its part, London-Luton Airport monitors water consumption in each area of the business monthly to identify demand peaks to encourage drops in the future. Additionally, it works in coordination with the supply company to identify areas with high water consumption in order to implement reduction measures. Once identified, they coordinate with the partners and third parties that have high water consumption (terminal services, tenant catering facilities, etc). The airports in Brazil also conduct consumption control and monitoring actions. Furthermore, in the second half of 2021, Aena Brasil plans to start a Project to implement a treatment plant to use regenerated water in Brazil.

Water management initiatives at Aena

6 AGUA LIMPIA Y SANEAMIENTO

Initiatives aimed at reducing water consumption in the network's airports and minimising the generated spills to preserve nearby ecosystems.

RAINWATER NETWORKS
(use of rainwater, etc.)

At Zaragoza Airport, a project has been launched to correct deficiencies in the rainwater network (including managing the permits with the Water Council of the Ebro River) and avoid flooding in the ground and basement floors of the Terminal Building. On the other hand, Valladolid Airport irrigates its rainwater areas with the stored rainwater.

SUPPLY WATER NETWORKS
(Leak detection systems, network differentiation, etc.)

18 airports carry out this type of initiatives. Tenerife Sur Airport carries out preliminary reviews of the network and surveillance with camera equipment.

ENVIRONMENTAL AWARENESS AND COMMUNICATION CAMPAIGNS

Alicante-Elche, César Marique-Lanzarote, León, Adolfo Suárez Madrid-Barajas and Vigo airports periodically carry out awareness campaigns on this subject. There are also several airports, such as Seve Ballesteros-Santander, Gran Canaria, Jerez, Vigo or Zaragoza, that internally communicate indicators related to water consumption and treatment.

WASTEWATER NETWORKS
(leak detection, etc.)

Gran Canaria Airport has a system that uses cameras to inspect the inside of the wastewater network pipes and flow meters are being integrated in each wastewater pump, in order to detect possible leaks.

At Palma de Mallorca Airport, flow meters are being integrated in each wastewater pump to detect possible leaks. Similar initiatives are also carried out in the airports of Valencia, César Manrique-Lanzarote and Girona-Costa Brava.

WASTEWATER TREATMENT SYSTEMS
(WWTP, water regeneration, cesspool water treatment, etc.)

Girona-Costa Brava Airport uses the regenerated waters for the processes of the WWTP itself, and they plan to use it for irrigation, as is already done in Fuerteventura (watering green areas and gardens), Alicante-Elche, César Manrique-Lanzarote or Ibiza airports.

WATER SUPPLY AND SAVING SYSTEMS
(employment of regenerated water, various supply sources, water management standards, etc.)

Network airports have low consumption automated taps. Valladolid Airport controls water consumption and tank levels daily and controls concessionaire consumption using meters. Likewise, several airports have implemented presence detectors for the urinals in public toilets to regulate the water outlets and non-automated drip irrigation.

RAINWATER TREATMENT SYSTEMS

The airports of the Aena network have hydrocarbon separators that treat all the rainwater that can drag oils, greases and hydrocarbons, including vehicle and bus parking lots.

INTERNAL COMMUNICATION

Several airports, such as in Seve Ballesteros-Santander, Gran Canaria, Jerez, Vigo or Zaragoza, that internally report indicators related to water consumption and treatment.

Water consumption indicators

Due to the consequences generated by the COVID-19 health crisis, activity at airports has reduced substantially and consequently the water consumption has fallen compared to levels of previous years. The most significant indicators in this regard are set out below.

Water extraction/consumption [1]

The following table breaks down the group's total water extraction/consumption by origin, as well as in regions with water stress:

Thousands of m^3	Aena			LLA			Aena Brasil
	2018	2019	2020	2018	2019	2020	2020
Desalination water/Sea water	219.9	185.1	188.6	n/a	n/a	n/a	n/a
Water from wells/Underground water	1,825.6	1,771.8	1,361.5	n/a	n/a	n/a	63.3
Drinking water from the network	3,496.4	3,463.6	2,181.9	126.8	133.3	52.7	70.6
Consumption of regenerated water purchased from third parties and from a regenerated water network/Municipal water supply or from other water companies	90.6	42.0	91.9	n/a	n/a	n/a	n/a
Total water consumption	5,632.5	5,462.5	3,824	126.8	133.3	52.7	133.83
Reused water/Rainwater collected directly and stored/Purified wastewater	344.7	325.1	282.1	n/a	n/a	n/a	n/a

Aena			
Water consumption in regions with water stress	3,879.6	3,712	2,522.3
% Water consumption in regions with water stress over total	72%	68%	66%

Note: The regions considered to have water stress have been obtained from the WRI Aqueduct, which are those that are 40% (extreme and high level) above the stress threshold, corresponding to the location of 33 airports of Aena's network.

In this regard, it should be noted that the percentage of water consumed by Aena's lessee companies* (Spanish network) corresponds to 16.1% of Aena's global consumption in 2020, 26.6% in 2019 and 25.6% in 2018.

* For 2020 data corresponds to 95.74% of the centres in Aena's network, estimated from 84.7% real consumption data and 15.3% estimated data from the leased areas. For 2019, data corresponds to 95.8% of the centres in Aena's network, estimated from 79.7% real consumption data and 20.3% estimated data from the leased areas. For 2018, data corresponds to 95.8% of the centres in Aena's network, estimated from 80.5% real consumption data and 19.5% estimated data

Total wastewater discharges (Thousands of m^3)

	Final destination	2018	2019	2020
AENA	Surface waters (prior to WWTP step)	253.7	309.8	269.9
	Subsoil/wells	10.1	28	38
	Sanitation network-Municipal WWTP	2,809.5	2,854.7	1,919.7
Brazil	Sanitation network-Municipal WWTP			118.5

2.5. Protecting biodiversity

The continuous and rapid loss of biodiversity poses potentially significant global risks, intimately related to the climate crisis

The Company's Strategic Sustainability Plan, which is scheduled to be launched in 2021, will include all environmental aspects, including those related to biodiversity and environmental conservation.

Given the large number of airports in the Aena network and their different locations, the diversity and ecosystem types, that can be found overall, vary greatly. For this reason, depending on the characteristics of the area in which it is located, each airport may have different habitats inside that have been preserved and maintained over time.

Protected spaces

As far as the presence of vegetation, fauna and natural spaces in airport environments that have some level of protection, various actions are carried out that make natural heritage conservation compatible with the airport's operations, preventing any effect on these natural environments as a consequence of the airport activity.

As regards decision-making, Aena prioritises the preservation of natural resources and the defence of the environment.

To this end, through the corresponding **Environmental Impact Studies and Assessments**, the different viable alternatives are analysed, always choosing those that provide the greatest reliability and confidence, pursue the general interest, and adequately guarantee public information and participation channels. Thus, Aena coordinates and prepares the documentation needed to submit its airport infrastructure projects that require environmental assessments for approval. The procedures include environmental monitoring programmes for the work stages of these projects and during their operation.

The Company's website contains the resolutions obtained in connection with these studies[22,23].

Studies on the fauna of the environment and control services

Within the framework of operational safety, wildlife management is carried out at all Aena airports, in a manner that protects natural heritage and maintains the safety and quality standards inherent to aeronautical operations. As part of this, in Spain, periodical studies on fauna and habitat are carried out at each centre, the results of which are validated with the collaboration of local and regional bodies, as well as the Spanish Aviation Safety and Security Agency (AESA).

Specifically, the Company monitors and controls the presence of fauna in the airport premises, with various measures to exclude such fauna from the operation areas that are adapted to the situation of each Centre. These include the use of mechanical means, such as bloodless trapping and the use of sounds and pyrotechnics. Biological means are also applied with the use of trained falconry birds, which fly over the airfields, to deter the entrance of the birds that surround the airports, and which are currently applied in 35 airports and 1 heliport in Spain.

For their part, London-Luton Airport works with local farmers for the treatment and management of the grasslands. Likewise, local forest guards carry out the control of the pigeon populations that surround the airport's environment.

The situation caused by the COVID-19 pandemic health crisis led to a large drop in operations at airports and a drastic reduction in human activity throughout the territory. This has required precise monitoring of the presence of fauna in airports, in order to anticipate possible increases in the risk derived from changes in the behaviour of the fauna. As a result, it has been confirmed that, in general no relevant variations in the presence of fauna have been detected in airports nor have any new areas of attraction been created nor has there been an increase in the risk derived from the species. On the other hand, the planned measures have been kept in place, enhancing preventive measures, such as flights with falconry birds or fence inspections, to avoid the presence of fauna.

[22] The resolutions can be consulted at: http://www.aena.es/en/corporate/environmental-impact-assessment-eia-projects.html
[23] London-Luton Airport does not have protected areas around its facilities.

Likewise, in Aena we have **innovation** as a tool for the control and protection of fauna, highlighting 2 projects:

Halcodrón: The project will confirm the functionality of unmanned aircraft or RPAS (Remotely Piloted Aircraft) to control wildlife in essential areas at heliports and airports. The objective is to study, in situ, the true effectiveness of the drones camouflaged as birds of prey in order to scare away surrounding birds and, thus, minimise the risk of impacts with aircraft. It is an addition to the wildlife control service, which is usually carried out with birds of prey. The flights are carried out in compliance with all security requirements and with the approval of the Spanish Air Staff. A pilot test is currently taking place at Ceuta heliport with a goshawk-shaped RPA. By means of marking and harassment flights, different variables are being measured and a series of standardized data is being taken in order to test their degree of effectiveness with the yellow-legged gull (Larus Michaellis); the species that poses the greatest risk at the aforementioned heliport. In addition to its possible effectiveness in relation to the scaring away of fauna, it could also have other functionalities, such as identification and monitoring of bird flows between the different sources of attraction, monitoring of migratory steps, location of land animal entry points to airport facilities, or monitoring the state of vegetation and fauna attracted by it.

Radar Aviar: this project, which is scheduled to be launched in 2021, consists of a system based on radar technology for the detection of fauna, compatible with the equipment and systems of the airport. The use of this technology in an airport environment is part of the improvement of operational safety, as well as the improvement of information on the ethology of fauna, as it is a tool that will help identify and characterise patterns of bird movements, as well as the identification of foci of attractions. In this regard, it is expected that the information provided will allow for the establishment of new risk mitigating measures, to evaluate the efficacy of the measures already implemented and to provide additional information on events with fauna at the airport.

No. of collisions with birds inside and outside airports per 10,000 aircraft movements	2020
Aena	6
LLA	0.46
Aena Brasil	0.58

In 2020, a modification has been made to the indexes related to the dangers of fauna. Therefore, as of now, the index of impacts with birds inside and outside the enclosures and the index of significant impacts will be provided per 10,000 operations. Thus, in 2020, the index of impacts with birds inside and outside the enclosures was 6.00 per 10,000 operations, and the one for significant impacts was 0.15 per 10,000 operations. This shows that of all impacts, only 2.4% were significant, i.e., they entailed some operational impact or damage to the aircraft of a relevant nature. In the case of Aena Brasil, the index of significant impacts in 2020 was 0.24.

Control of vegetation in the environment of the airports

Aena monitors the impact of the environment's habitats on the airport's operational areas, encouraging coordination with the entities responsible for their management and also monitors the vegetation that exists in the surroundings of the airport enclosures through the implementation of specific measures, ensuring Operational Safety while promoting care and respect for the environment. In addition, within the framework of collaborations with third parties, the Company establishes agreements with farmers, companies and cooperatives that promote the agricultural exploitation of the land and ensure the maintenance of the vegetation.

In Brazil, the Identification of Fauna Hazards (IPF [Identificación de Peligros de Fauna]), as well as the Fauna Risk Management Programme (PGRF [Programa de Gestión de Riesgos de Fauna]), together with its corresponding Aerodrome Fauna Management Plan (PMFA [Plan de Gestión de Fauna de Aeródromo]), are the main tools for managing fauna risks.

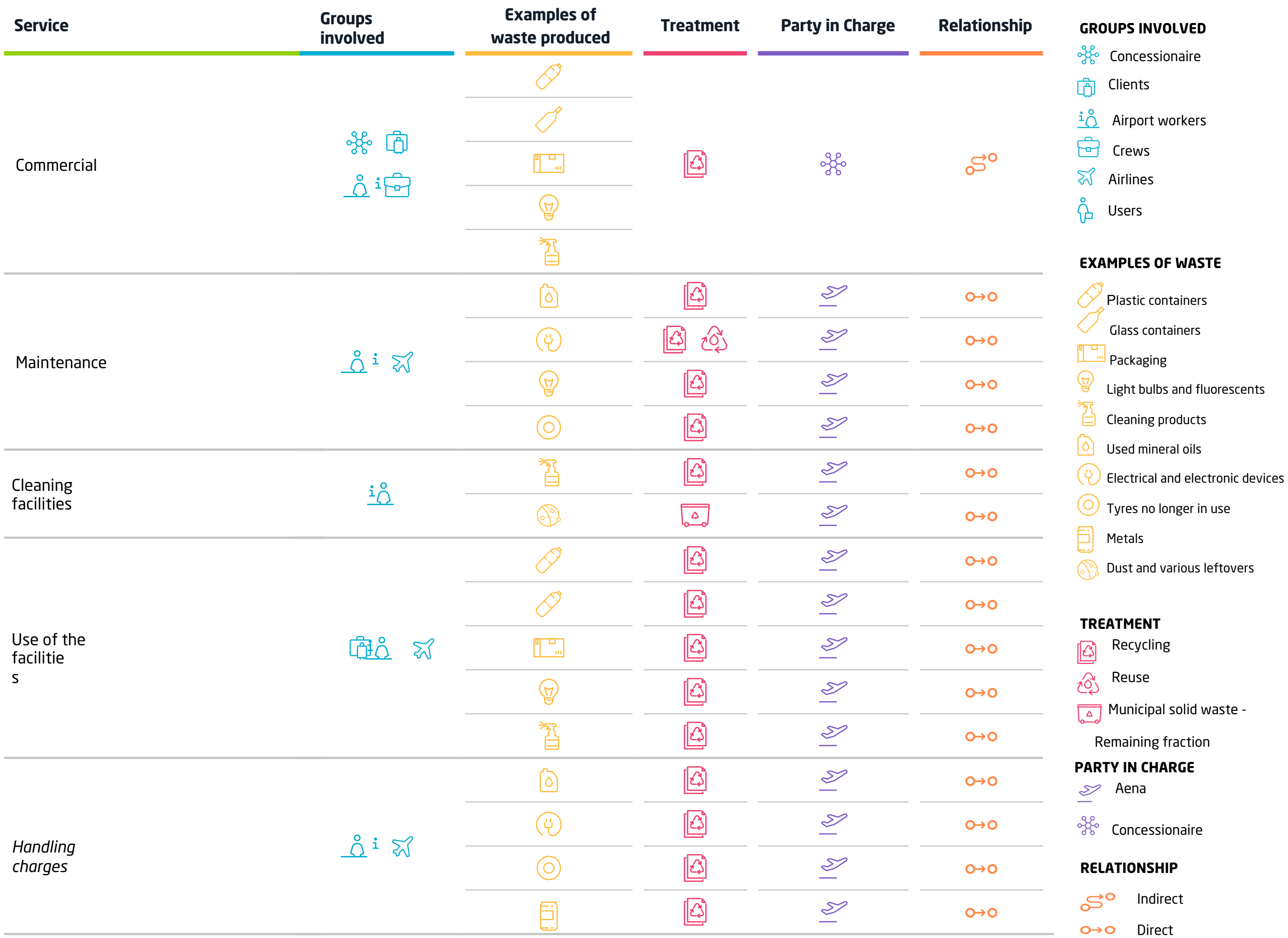
2.6. Waste management and circular economy in airport facilities

COVID-19 has also affected the generation of waste at our airports. Although the drop in passenger volume has also led to a reduction in the volume of rubbish generated, the pandemic has generally led to an increase in the use of other types of materials, such as single-use personal protection materials and plastics (masks, gloves, etc.).

The waste generated in the airport facilities is largely similar to urban waste, but it also generates hazardous waste, including used mineral oils, batteries and cells, fluorescents, absorbent materials contaminated by the collection of hydrocarbons and contaminated empty containers. Aena works to ensure the correct management of all of them.

Waste generation at the airport facilities

Significant examples



The Company's own 2018-2021 Strategic Plan, the goals of which already include the promotion of a circular economy, with the aim of promoting waste reduction and maximising available resources, establishes the following priorities:

- Reduce the amount of waste generated from Company activities.
- Reduce the generation of common waste (remaining portion) in airport facilities, especially waste related to commercial activity.
- Control and carry out follow-up work on all types of waste generated in all airport activities (control of contractors and tenants) to ensure proper segregation, collection and external management of waste.

Likewise, the Company's Strategic Sustainability Plan, which is scheduled to be launched in 2021, will include all environmental aspects, including those related to the waste generated at our airports, as well as the corresponding waste reduction objectives.

For its part, London-Luton Airport's Responsible Business Strategy includes among its priorities regarding waste management and circular economy an increase in the percentage of recycled waste and preventing it from being sent to landfills. The following objectives are specifically set out:

- By the end of 2022, recycle at least 70% of the non-hazardous waste (excluding aircraft waste).
- Reduce waste (excluding aircraft waste) to 0.12 kg/passenger by the end of 2023.
- Send less than 5% of non-hazardous waste from construction and demolition to landfills, marked for 2021.

Initiatives for the reduction, reuse, recycling of waste and the correct treatment of hazardous waste

Proper management of waste generated at the network's airports is essential to preserve natural resources. Aena promotes initiatives and collaboration with stakeholders for the transition to a circular economy, generally developing initiatives at its airports. In addition, taking into account their specific characteristics, some centres put more specific actions in place.

In relation to the possible environmental impacts of the pandemic, the Company has installed specific signage in its terminal buildings and technical blocks, with the aim of raising awareness about the importance of properly discarding the used gloves and masks in the appropriate containers and promoting better segregation of this waste.

Waste treatment and recycling

Many airports have a non-hazardous waste transfer plant for concentrating waste and improving the conditions of its temporary deposit, especially the non-segregated portion of waste similar to household waste. There are also points for the temporary deposit of hazardous waste, all of which are equipped with pollution prevention measures according to the type of waste deposited. In these areas, waste is selectively deposited in containers until removed by authorised managers.

The environmental departments of the airports carry out extensive control of all waste generated from its origin and storage until its removal and transfer to an authorised manager for external treatment. Verification of the correct management of the waste generated by Aena is carried out through periodic monitoring of our activities by the Operational Control department. In the case of waste generated by contracting and tenant companies, verification is carried out through periodic monitoring of the Environmental Monitoring Plan of these companies.

For its part, London-Luton Airport works closely with tenants to separate waste. As part of the corresponding waste contract, an additional task has been introduced, in order to facilitate an additional waste classification step in specific areas. Likewise, to ensure the proper treatment of hazardous waste, the training of workers on this matter is guaranteed and contractors are monitored.

Reuse of waste

At Aena, certain waste is reused, giving it a second life, such as reusing sewage sludge as fertilizer in landscaped areas or for generation of compost, as used, for example, at Bilbao Airport.

Whenever possible, excavation material is reused at London-Luton Airport, as part of the works contracts.

Removing single-use plastics

Finally, it should be noted that the new food and beverage contracts have progressively included a specific clause that seeks to reduce the volume of plastic waste generated, avoiding the use of single-use plastics and promoting the use of products produced with biodegradable or recyclable materials.

Initiatives with third parties in terms of waste reduction, reuse and recycling

Waste management requires collaboration with authorised entities that develop specific management systems according to the type of waste. These entities are responsible for the collection and subsequent treatment of each fraction.

Therefore, Aena has established collaboration agreements in Spain with Ecoembes, Ecovidrio and ERP to ensure that the waste is properly managed. Another of the entities with which it collaborates is the Trinijove Foundation, which carries out the collection and segregation of waste that can be reused at the Barcelona-El Prat Josep Tarradellas Airport.

London-Luton Airport has created the Foxtrot Project, an initiative through which the non-perishable goods that are confiscated in the security area are donated to the local food bank instead of being removed as waste.

In relation to waste management at airports in Brazil, this is done based on the provisions of the National Solid Waste Policy (PNRS [Política Nacional de Residuos Sólidos]) of Brazil. This Federal Law sets a series of environmental management guidelines and objectives that must be met throughout the national territory and establishes the importance of carrying out selective collections at six airports. Thus, Aena Brasil has established the following order of priority in their waste management: no generation, reduction, reuse, recycling, treatment of solid waste and final disposal, which must be environmentally appropriate.

Main indicators	2018		2019		2020		
	Aena	LLA	Aena	LLA	Aena	LLA	Aena Brasil
Generated (t)							
Hazardous (t)	655	20	938	21	435	12	42
Non-hazardous (t)	63,849	2,233	78,979	2,471	86,618	860	489
Recycled hazardous waste (t)	346	13	443	17	156	10	-
Non-Hazardous recycled waste (t)	41,739	1,432	58,409	1,476	50,335	415	-
% hazardous recycled	53	65	47	79	36	89	-
% non-hazardous recycled	65	64	74	60	58	45	-

Note: the data have changed with respect to the latest published data due to an improvement in the collection of data.

3 Commitment to society and human rights

During 2020, Aena's airports have continued to guarantee at all times both the necessary commercial aviation services, as well as air cargo and other essential services

Social contribution in the context of the health emergency

Aena with research

€2 million donated to the Higher Council for Scientific Research (CSIC) for projects to combat COVID-19

Waiver of airport fees and leases to commercial operators

181 chartered flights

€566,823 waived in airport fees, approximately

Supporting healthcare professionals

Airport fees waived in support of Grupo Iberia and Vueling's initiative: gifting 50,000 pairs of tickets to healthcare personnel

"Pay slip solidarity" initiative

€109,900 collected

+2,250 volunteer employees (30% of the workforce)

Payment deferrals

- Aircraft parking
- To suppliers and customers: logistics and handling companies or shops

Aena with music and culture

Support to the cultural sector, especially affected by the pandemic

London-Luton Airport

Donation of £20,000 to the Macmillan Foundations/Associations in 2020 and in the last three years:

£180,000

1,300 HOURS OF VOLUNTEER WORK

Donation to the Spanish Federation of Food Banks

Contribution of more than **€11,300** that the Company will complete at the beginning of 2021, up to a total global contribution of €50,000

Aena with autism

Adjustment of the collaboration with the Spanish Autism Confederation in the face of COVID-19

€3,529,913.97 CONTRIBUTED TO NON-PROFIT FOUNDATIONS AND ENTITIES IN 2020

Areas of the Corporate Responsibility Strategic Plan that support social action

- Synergies
- Social innovation
- Transparency
- Training and employment
- Healthy lifestyle
- Support for social causes
- Research and innovation
- Emergency flights
- Commitment to the environment
- Corporate responsibility best practices
- Inclusion
- Labour integration
- Equality and accessibility
- Zero tolerance to violence

Aena's commitment to Human Rights

1. Commitments

Established in the **2020 Human Rights Policy** and endorsed by other internal regulations

2. Due diligence

Corporate Regulatory Compliance Policy

Regulatory Compliance System, and the Risk Control and Management System

3. Complaint mechanisms

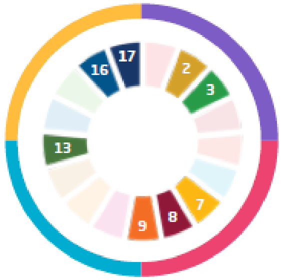
Internal and external complaints channel

4. Training and communication

Internal and external channels

Aena's commitments and contribution to the 2030 Agenda

- Guarantee health protection and safety
- Innovative infrastructures to guarantee essential supplies
- Alliances for the achievement of objectives and sustainable reconstruction
- Sustainable economic growth
- Combating climate change, environmental protection and efficient use of resources
- Diversity and social inclusion



Total economic value

€2,242.8 million generated value

-€2,681.9 million distributed value

Generation of resources in the community

€222 million taxes and levies

€2,085 million procurement and contracts

Commitment to SDGs

2 **SDG 2 Zero hunger**

3 **SDG 3 Health and well-being**

7 **SDG 7 Affordable and non-polluting energy**

8 **SDG 8 Decent work and economic growth**

9 **SDG 9 Industry, innovation and infrastructure**

13 **SDG 13 Climate action**

16 **SDG 16 Peace, justice and strong institutions**

17 **SDG 17 Partnerships for the goals**

3.1. Commitments to sustainable development and society

The Company's firm commitment to sustainable development and progress, and its conviction that the consequences of a situation —such as that caused by the pandemic— can only be overcome by creating shared value, have guided Aena to take action throughout 2020. The Company has worked hard to continue to offer its services with the highest levels of quality, and to provide value to society as a whole.

The Company's commitment to the environment, society and corporate governance is specifically outlined in the **Corporate Social Responsibility Policy**, approved by the Board of Directors, the main objective of which is "*to establish, on a global basis, the basic and general operating principles of AENA, and to serve as the basis for their inclusion in the Company's business model and strategy, considering the corporate interest, its social return, and with a long-term vision that ensures a better future without compromising the Company's present results*".

Principles that uphold Aena's Corporate Responsibility

Management practices based on innovation, diversity and equal opportunities, productivity, profitability and sustainable development	Economic sustainability and guaranteeing the production of economic value for all	Effective relationship channels with all stakeholders	Quality, accessibility and security of services, especially for people with special needs	Reliable, accurate and relevant information, and transparency thereof	Principles of transparency, integrity and business ethics
Management of the responsible value chain, ensuring social and environmental practices on the part of suppliers and contractors	Strong commitment to preventive action for the conservation and improvement of the natural environment	Human rights, right to organise, freedom of association and collective bargaining, absence of child labour, elimination of forced labour	Safe and healthy work environment, equal opportunities and non-discrimination, promotion of diversity, talent management and conciliation	Encouragement of sustainable development, promoting engagement in local communities	Education, cultural wealth, health, research and inclusion of the most disadvantaged groups

Responsible Business Strategy 2020-2025 (RBS), London-Luton Airport

Being a responsible business makes us a better business

Supported by the organization's management, a sustainability team is being put into place to implement the new RBS, with is focused on six key areas:

- Environmental responsibility and efficiency
- Community engagement
- Security and protection
- Growing together with our employees
- Deliver great customer experience
- Sustainable supply chain

Based on this policy and the Strategic Plan, since 2018, the Company operates in the areas for intervention, projects and initiatives as regards corporate responsibility, in line with other companies in the field and with the regulations and requirements in this area. In 2020, the Company laid the foundations for establishing its Sustainability Strategy for the future, throughout the entire Company. The aim of said strategy is to improve and structure activities in the field of sustainability, customer experience and innovation —including digital transformation— following the lead of the best practices of the sector and society in general.

The highest body that has the competencies attributed in these matters is the Board of Directors that, together with the management team, promotes Aena's commitment to sustainable development ensuring that the rest of the organisation is aligned with the objectives pursued. The responsibilities of Appointments, Remuneration and Corporate Governance Committee include knowing, promoting, guiding and overseeing the objectives, action plans and practices of the Company, as well as supporting and ensuring that Aena contributes to the achievement of the Sustainable Development Goals (SDG) (see Chapter 1 “Aena’s Model of Sustainable Governance”).

Together with said Committee, the Corporate General Secretariat and the Innovation, Sustainability and Customer Experience Department play a key role in the design, preparation and implementation of specific actions, as well as the engagement of all business areas and employees whose daily, exemplary work makes Aena a responsible company.

For its part, the London-Luton Airport has a Responsible Business Strategy, articulated around six key areas, whose progress is evaluated every four months by the Responsible Business Management Committee, presided over by the CEO.

The Company regularly monitors the progress and status of the proposed sustainability objectives.

Although the number of flights has dropped in 2020, airports have worked tirelessly to ensure operations, paying special attention to the transport of medical supplies and protective equipment in the fight against COVID-19.

3.2. Investment in the community. Contributions to foundations and non-profit entities

The Company promotes activity in the field of social action in collaboration with various public and private institutions, with the aim of proposing social action in keeping with the business strategy. Said action should contribute to the consolidation of the Company and respond to the needs of all stakeholders (lessees, business partners, local community, passengers, employees, etc). To this end, a series of bidirectional communication mechanisms and tools are established to provide sufficient information to adapt social action to the current needs in each moment (see the "Document approach" Chapter, section "Relationship with stakeholders" of this report).

With the emergence of COVID-19 and the impact it has had on society as a whole, Aena has adapted its social initiatives to today's current needs, by prioritising action and readjusting action proposed to date, in order to help cope with the effects of the health crisis.

- On the one hand, and despite the fact that the new reality imposed by the health emergency has prevented the implementation of activities of a face-to-face nature, priority has been given to the implementation of proposals for the promotion of the health and safety of all citizens, placing a special focus on the employees, to drive R&D, the protection of local companies or maintaining support for entities and bodies that protect childhood and the most disadvantaged groups or the integration of disadvantaged people.
- On the other hand, the collaboration framework with other entities has been maintained, with the aim of sharing experiences and knowledge on sustainability and good practices. Aena is a signatory of The UN Global Compact and takes part in expert organisations in the field of sustainability, such as: Forética, the Excellence in Sustainability Club, the Comunidad Por el Clima initiative, the Initiative of Enterprises for a society free of gender violence or the Seres Foundation, and Aena has joined the Declaration for a sustainable recovery (Manifiesto por una recuperación sostenible).

The London-Luton Airport, through a specific line in the Responsible Business Strategy, works on engagement within the community in the following ways: donations to local organisations to implement local projects and those that impact the local environment; volunteering for employees; tools and training in schools; promote community well-being or the reduction of noise pollution. These actions have been reinforced with the implementation of a specific training programme.

Aena's total contributions to non-profit foundations and entities in 2020 amounted to €3,327,473.56 in Spain and to €202,440.41 at London-Luton Airport[1] (which includes both membership in the aforementioned organisations and also different initiatives for social action).

This amount also includes donations made to organisations with which Aena is affiliated to or with which it holds an agreement, as well as a range of specific initiatives in the fight against the COVID-19 pandemic.

Added to this amount are other types of non-monetary contributions such as the use of spaces, awareness-raising campaigns, etc.

Humanitarian lights

The airport bases are available every day of the year for emergency situations and for the transfer of organs and medical equipment. As a result, in 2020, almost 12,300 ambulance flights were carried out*

(*) Provisional data. Type of "Ambulance" service: commercial flights for the transport of wounded or sick people, organs or similar.

On the corporate website you can consult, in detail, all agreements concluded between Aena and a range of entities: http://www.aena.es/en/corporate/agreements.html.

In 2020, the amount of Aena's contributions to non-profit foundations and entities amounted to **€3,327,473.56** in Spain, and to **€202,440.41** at London-Luton Airport

[1] Exchange rates as of 31/12/2020 used for Balance Sheet accounts:
EUR vs GBP= 0.89903
EUR vs BRL= 6.3735

Social contribution in the context of the health emergency

AENA WITH RESEARCH

€2,000,000

DONATED TO THE HIGHER COUNCIL FOR SCIENTIFIC RESEARCH (CSIC)

To support research projects, already underway, in the fight against the COVID-19 pandemic and, in the same way, contributing to consolidating the field of research and R&D&I in Spain.

"PAY SLIP SOLIDARITY" INITIATIVE

More than 8,000 employees were invited to join the "Aena with research" project, by donating part of their wages for the month of April. As a result of the donations made by more than 2,250 employees (almost 30% of the workforce), €109,900 was raised. To this figure Aena added the sum of 2 million euros in support of the projects and lines of work led by the CSIC in this area.

30% HOLDER OF THE WORKFORCE

WAIVER OF AIRPORT FEES AND LEASES TO COMMERCIAL OPERATORS

Waiver of the payment of air traffic and landing fees in Spain for aircraft transporting medical supplies during the state of emergency. In total, taxes on 181 chartered flights have been waived at various airports in the network, estimated at €566,823 in airport fees. In addition, the leases to commercial operators during the state of emergency have been waived.

SUPPORT FOR HEALTHCARE PERSONNEL

Grupo Iberia, Vueling and Aena joined forces to pay a well-deserved tribute to hospital workers, health centres and nursing homes during the COVID-19 crisis, including doctors, nurses, care assistants, janitors, cleaning staff and health transportation, among others. Grupo Iberia and Vueling have given away a total of 50,000 double tickets (25,000 each), and Aena is covering the airport fees.

PAYMENT DEFERRALS

Deferral of aircraft parking fees, as well as supplier and customer fees in Spain (logistic companies, *handling*agents, shops, restaurants, etc).

DONATION TO FOOD BANKS

In order to help with the supply of food needed to satisfy the increase in demand from families and disadvantaged groups, due to the social and financial crisis caused by the pandemic, Aena employees have donated more than €11,300 which the Company will complete at the start of 2021 to make a total global donation of €50,000 to the Spanish Federation of Food Banks.

Additionally, London-Luton Airport has donated more than 10,000 items to the Food Bank.

AENA WITH MUSIC AND CULTURE

Support to the cultural sector, especially affected by the pandemic: Aena has various Collaboration Agreements with musical institutions, and runs support programmes for musicians and young talent.

AENA WITH AUTISM

Adaptation of the collaboration framework with the Spanish Autism Confederation to the circumstances caused by COVID-19, to maintain the Company's commitment to accessibility for people with disabilities.

HEROES LLA

During the first wave of the pandemic, more than 65 London-Luton Airport employees volunteered to collaborate with more than 18 local and national charities by making donations, volunteering in specialist educational programmes, by helping to distribute supplies, etc.

RECOGNITION

London-Luton Airport has been shortlisted for the "Best Staff Fundraising Scheme" as part of the Better Society awards.

LLA COMMUNITY TRUST FUND

London-Luton Airport contributed £150,000 to the Bedfordshire & Luton Community Fund, in addition to more than £11,000 for noise fines.

In particular, to aid the recovery of Bedfordshire, the airport has donated £50,000 in support of a range of social causes, including:

MENTAL HEALTH: young people; social exclusion.

POVERTY: employment and training (with a focus on young people), destitution, advice, information, guidance.

EQUALITY: Educational disadvantages (youth), Health.

CORPORATE SOLIDARITY

£20,000 donation to the Macmillan foundations/associations in 2020 and in the last three years:

£180,000

1,300
HOURS OF VOLUNTEER WORK

- More than 100 hospital care packages to enhance care for cancer patients, especially during the Christmas period.
- Macmillan emergency grants programme in Bedfordshire for people with cancer.

TRAINING PROGRAMME - GET INTO AIRPORTS

Although the programme did not go ahead in 2020 due to COVID-19, the twentieth edition of this programme took place in 2019 in collaboration with "The Prince's Trust" and "The Launch Group" at London-Luton Airport. 12 young people between the ages of 18 and 30 years participated in the programme in spring 2019 and 15 in the autumn. Since 2011, 178 young people have taken part in the programme.

81% HAVE FOUND FULL-TIME WORK

SCHOOL PROGRAMME

In 2019, London-Luton Airport collaborated with 10 educational centres in the most disadvantaged districts of Luton and Beds, with a particular focus on developing skills for the world of work (communication, problem solving). In total, 164 students participated, of which 93% considered the training to be useful.

Commitments to the 2030 Agenda

Aena takes on the Goals set forth by the United Nations 2030 Agenda as its own, and undertakes to actively contribute to reaching them.

The **Ten Principles of the Global Compact** and the **Sustainable Development Goals (SDGs)** can be found both in the fabric of the Company's lines of action, and in the deployment of its entire operations. Aware of the key role played by companies in achieving this, Aena has aligned its business strategy with the SDGs, establishing a sustainability roadmap so it can evaluate its performance, and highlight the value created across all areas for its stakeholders.

The profound health, economic and social crisis that the pandemic has caused has only reinforced the role that 2030 Agenda is playing in addressing current problems, preventing future problems and successfully facing challenges.

The SDGs have become a fundamental part of the solution. The 2030 Agenda is the new roadmap for economic and social reconstruction.

The Aena Board of Directors takes on the commitment of the Organisation to the SDGs.

In the face of this new context, beyond working on identifying objectives and goals, the Company focused its activity during the fiscal year 2020 on specific actions aimed at mitigating the impact of the crisis, by making a particularly significant contribution to the objectives that have been most directly affected: SDG 3 (Good Health and Wellbeing); SDG 8 (Decent Work and Economic Growth); SDG 9 (Industries, Innovation and Infrastructure); SDG 12 (Responsible Consumption and Production); SDG 13 (Climate Action); and SDG 17 (Partnerships for the Goals).

SDGs	CONTRIBUTION	NOTEWORTHY INITIATIVES	FIELD OF INVOLVEMENT	REPORT SECTION
3	**Guaranteeing protection and health security** Protecting the health and safety of employees, external personnel, and users, in general, as well as contributing to significant advances in the field of health to reduce the impact caused on society as a whole.	Remote work Adapting workplaces to ensure hygiene, ventilation and social distancing measures Providing each employee with personal protection *kits* Providing two phases of diagnostic testing Creation of the "Despegando Recursos" (Utilising Resources) portal for psychological support during the pandemic €175.80 million invested in safety measures Donating €2.11 million to the CSIC for research projects in the fight against COVID-19	Healthy lifestyle Sustainable innovation Support for social causes	Staff and social issues Safe, quality services Social management of our value chain Commitment to society and human rights
8, 4, 5	**Economic and sustainable growth. Decent work and improvement of living standards** Guaranteeing the best working conditions, taking into account workers' special situations and promoting the reconciliation of work, private and family life. Equal opportunities and non-discrimination, promotion of diversity and talent management.	In 2020, 36.6% of the Company's employees are women 44.3% of executive, middle management and graduate positions are occupied by women Vocento Award for Equality Women Leaders in Transportation. Encouraging Equality Call for integration into the labour market or job creation actions to be undertaken by social entities, foundations or associations: €100,000/year LGBTI Diversity and Inclusion Business Network Agreements with universities Employer Branding Project Inclusion of social clauses in procurement specifications Training resources on aviation and aeronautics, created by London-Luton Airport and freely available for educational centres (students and professors) Lighting of Aena Airports in Brazil for Women's Day, Mother's Day and for cancer awareness	Commitment to human capital Social innovation Corporate Responsibility best practices Synergies and alliances Commitment to our contractors	Staff and social issues Social management of our value chain
7, 13, 6, 11, 15	**Combating climate change, environmental protection and efficient use of resources** Meeting the commitments in the field of decarbonisation and environmental protection, working together with stakeholders and implementing actions aimed at improving energy efficiency and the use of renewable energies. Reducing water footprint, advocating waste reduction and reuse	Incorporation into the bylaws of the commitment to decarbonisation: principles of action against climate change and governance in environmental matters TCFD recommendations Aena photovoltaic plan Purchase of 100% of renewable energy in 2020 "Management A" rating by the Carbon Disclosure Project ACA Programme Strategic plan for water management. Calculation of water footprint Waste recovery and awareness campaigns Inclusion of environmental clauses in procurement specifications	Commitment to the environment Social innovation Corporate Responsibility best practices	Commitment to the environment Social management of our value chain Innovation

SDGs	CONTRIBUTION	NOTEWORTHY INITIATIVES	FIELD OF INVOLVEMENT	REPORT SECTION
9 12	**Innovative infrastructures to guarantee essential supplies** Innovative, safe and quality services to ensure cohesion and connection throughout the territory and the transportation of essential supplies, ensuring the protection of all users and employees of airport facilities.	Reinforcement of cleaning and disinfection services ISO 27001 certification Use of electric vehicles on runways, and installing quick charging points Total investment: €502.12 million Almost 12,300 air ambulance flights €566,823 Waived in fees for aircraft transporting medical supplies Over €10 million devoted to R&D&I Launch of AenaMaps Automated passenger access to security control at A Coruña Airport Facial recognition pilot tests Implementation of the Spain Travel Health-SpTH platform at more than 40 airports throughout Spain Approval for a new check-in system to reduce passenger waiting times	Emergency flights Social innovation COVID-19 measures	Safe, quality services Social management of our value chain Innovation
2 17 16	**Alliances for the achievement of objectives and sustainable reconstruction** Recognition of the importance of alliances, communication and transparency as tools for awareness and the achievement of goals, with the knowledge that solutions to these new global challenges can only be found with everyone's collaboration. Collaborate with these alliances to reduce poverty and hunger.	FESBAL Alliance: €50,000 donated Luton Food Bank: over 100,000 items donated *Landing pages* and specific platforms to improve stakeholder relationships Updates to the Anti-Corruption and Fraud Policy Approval of the Human Rights Policy Over 100 agreements with associations in 2020 Continuous coordination and contact with the Ministry of Health, law enforcement bodies and security forces, and other agencies to offer the best service €3,327,473.56 in contributions to non-profit Foundations and entities and €210,855 in contributions by London-Luton Airport	Support for social causes Communication and transparency Corporate Responsibility best practices Synergies and alliances	Sustainable governance model Safe, quality services
10 11	**Diversity and social inclusion** Diversity and universal accessibility, through the promotion and exchange of cultural values, participation in the community and contribution to social welfare. Promoting a positive impact on the environment, in order to actively contribute to the creation of more inclusive and sustainable cities in the areas where Aena operates, and mitigate possible negative impacts (such as noise).	520,819 services to persons with reduced mobility at Spanish airports, 35,685 at London-Luton Airport and 5,105 at Aena's airports in Brazil in 2020 Adaptation of the "Aena with Autism" project London Luton Airport partnerships with associations working with Alzheimer's disease, hearing disabilities, autism, diabetes, etc. Cultural promotion initiatives: World Tourism Day 2020 ("Tourism and Rural Development" at Tenerife Norte-Ciudad de La Laguna Airport; "Digital Transformation and Tourism", organised jointly with the CIT [Tourism and Innovation Centre (Centro de Iniciativas y Turismo)] of Southern Tenerife and the CIT of El Hierro); art exhibitions at the La Gomera Airport; Sketches Day; exhibition of the "Miradas desde mi Lanzarote" (In the eyes of my Lanzarote) collection, etc. Waiver of rent for commercial operators during the state of emergency and discounts to non-commercial operators Payment deferral for aircraft parking	Equality and accessibility Inclusion Corporate Responsibility best practices Synergies Support for social causes	Safe, quality services Social management of our value chain Innovation

Impact of the activity on society and the environment. Creating social value.

Aena is aware of the social and economic impact (qualitative and quantitative) that its activity generates in the countries in which it operates, and of its key role in terms of cohesion and territorial connection.

The impact of the Company's activity in the different areas extends to the entire community, contributing to the generation of employment, (local and otherwise), the hiring of specialised companies, the creation of spaces for different economic activities (which in turn generate employment), the tax[2] contribution or the implementation of social innovation initiatives. The Aena Group tax contributions for the fiscal year 2020 amounted to €222 million. The taxes paid amounted to €181.3 million, the most significant being Property Tax, which totalled €148.4 million. The 2020 tax contributions are divided between €11.4 million of taxes paid in the United Kingdom, (5.1% of the total), €206 million in Spain (92.8% of the total), and €4.7 in Brazil (2.1%).

Employment and local development

Worldwide, the pandemic has had direct effects on the tourism and aviation sector. The reduction in economic activity of the aviation sector has reached [3]51.5%, which has directly and specifically affected the [4]Company's activities and has reduced its revenue by 96.6%.

Until 2020, the air transport sector generated 87.7 million jobs worldwide. However, in 2020 after the pan-demic this figure dropped to 41.7 million (52.6%). Internally, the Company tried to keep all its staff members, with the workforce only decreasing by 1.2% when compared to 2019.[5]

As a result of all of this, it has produced lower figures than in 2019 in terms of social *cash flow* and total eco-nomic value generated and distributed:

Aena actively collaborates in the generation of business network and launches **Aena Ventures**", aimed at other companies participating for six months in an acceleration program implementing financed pilot projects.

GENERATION OF RESOURCES IN THE COMMUNITY (*SOCIAL* CASH FLOW)

€222 million

IN TAX AND CONTRIBUTION PAYMENTS
(-272% COMPARED TO 2019)

€2,085 million

IN PROCUREMENT AND CONTRACTS*
(+59% COMPARED TO 2019)

ALLOCATION OF 2019 PROFIT TO RESERVES

TOTAL ECONOMIC VALUE GENERATED AND DISTRIBUTED

€2,242.8 million

OF ECONOMIC VALUE GENERATED (REVENUE)
(-96.6% COMPARED TO 2019)

An example of the incorporation of sustainability criteria in the value chain is the hiring of local suppliers in those territories in which it operates, contributing to the creation of local employment.

% NATIONAL SUPPLIERS

99.74%
2019 99.70%
SPAIN

32%
2019 30%
UNITED KINGDOM

100%
2019 100%
BRAZIL

BY MEANS OF DIRECT, INDIRECT AND INDUCED INVESTMENT, THE COMPANY GENERATES ENORMOUS BENEFITS FOR SOCIETY

* Allocation of dossiers, minor contracts and procurement associated with leasing properties for commercial activity

	2020 (Millions of €)	Notes
A. Direct economic value generated (revenue)	**2,242.8**	Total revenue
B. Economic value distributed	**-2,681.9**	
Operating costs	-1,878.2	Total expenses, except staff costs
Wages and employee benefits	-456.9	Staff costs
Payments to capital providers	-121.4	Financial results and payment of dividends
Government payments (by country)	-222.0	Tax paid
Investments in the community	-3.5	Contributions to foundations and non-profit entities
C. Economic value retained	**-349.1**	C=A-B

[2] See section "Tax strategy" in Chapter 1. Business Model.
[3] ATAG. Aviation Benefits Beyond Borders, ed. 2020, available at: https://www.atag.org/our-publications/latest-publications.html
[4] section A Economic and Financial Information of the Consolidated Management Report details the effects that the health emergency has caused on passenger, cargo and aircraft traffic.
[5] See "Chapter 5. Staff and social issues" for more information.

Impact on local populations and on the territory

Aena plays a key role in territorial cohesion and supporting its structural order, providing an essential service for the movement of people. In order to go further, the Company applies a responsible management strategy in which listening to stakeholder demands is essential, thus contributing to the implementation of effective actions that ensure cohesion and optimization of airport and environmental connectivity. Among others:

- **Promoting sustainable mobility**. By supporting more sustainable and intermodal transport alternatives for users, helping to reduce travel and waiting times, as well as saving energy and reducing emissions.

  In collaboration with other organisations, Aena promotes the integration of infrastructures with other modes of transport, to improve access, urban planning, and combination with other infrastructures.

  As a result, in recent years there has been an increase in the use of public transport to the detriment of access in private cars (from 30.5% in 2010 to 27.5% in 2019, a percentage that in 2020 possibly due to the health crisis and recommendations on mobility has been reversed, reaching 31%).

  On its part, London-Luton Airport has put into place an Airport Surface Access Strategy for 2018-22(ASAS), with the aim of improving and promoting the use of sustainable transport for passengers and personnel.

- **Studies and Mobility Plans** for the integration of access and transport infrastructures in cities and the airport itself. In this way, Barcelona-El Prat Josep Tarradellas Airport has put into place a plan designed to integrate access and transport infrastructure with the airport's own infrastructure (car parks, bus stop and taxi ranks, etc). The airport also has bicycle access through a bicycle lane that connects with El Prat de Llobregat, with the connection planned with other nearby towns such as Viladecans through new bike lanes and green roads (https://www.amb.cat/s/es/web/mobilitat/mitjans-transport/bicicleta.html

- **Periodic air mobility surveys (known by their Spanish acronym EMMA** [Encuestas de Movilidad en Modo Aéreo]) are carried out at various airports in order to identify passenger profiles, their modes of access and origin.

- **Application of insularity criteria** in airport charges in the Canary Islands and the Balearic Islands.

- **By setting up new subsidised routes and developing hub airports**, the Company has been able to strengthen the airport sector as a tool for connectivity and connection between the world's main cities.

Aena includes a specific analysis on the impact that the infrastructures and the airport activity itself may have on an environmental and social level, in the design of management plans for the various airports and environmental evaluation studies. In this way, at all times, its priority is to respect and care for the environment.

With the aim of preventing impact during construction work for new or already developed projects, the Company evaluates all projects in advance and proposes specific measures to guarantee sustainable coexistence with society and the environment, including, where appropriate, proposals for urban regeneration. (By way of example, consult environmental resolutions of the Environmental Management Plans http://www.aena.es/en/corporate/strategic-environmental-assessment-sea-plans.html).

Likewise, the Company collaborates with entities to improve the airport environment, as happens at London-Luton Airport, where the airport helps local charities, non-profit organisations and community groups to lead projects with direct benefits on a local level. In this way, it supports the well-being and sustainable development of the local environment.

Finally, it should be noted that Aena foresees in the future the development of a pilot project called SmartCities & SmartAirports, which will include the collaboration of various town councils and with which it aims to:

- Improve the traveller's experience by exchanging information between the airport and the city.
- Use synergies to achieve the goal of the smart airport and the smart city, through their information systems.
- The coordinated action of the airport with its surroundings —city or adjoining cities— improving sustainable development actions.

Operations with significant negative impacts

Aircraft noise is one of the most significant impacts of airport activity and affects all areas around airports, in all the countries in which Aena operates. To reduce this impact, Aena has put into place various Sound Insulation Plans (SIP) in homes and spaces adjacent to the airport environment (*see Chapter 2*). The chapter on risk management of this report details the possible potential negative impacts associated with airport management. as well as those related to the COVID-19 pandemic. In the context of the pandemic, it has been necessary to adapt work spaces, increase hygiene of facilities, and introduce additional control checks, aimed at maintaining social distancing, and complying with the restrictions established by the competent authorities of each country, among others.

International Cooperation Programme

Among Aena's main initiatives of significance on a global social and economic level, its International Cooperation Programme is worthy of note. Said programme aims to contribute to the improvement of training of professionals in the aeronautical sector of other countries, particularly in Ibero-America, contributing, in this way, to promoting the development of air transport in these countries and regions. All the activities carried out in the framework of this programme are conducted in collaboration with national and international organisations, and institutions of renowned prestige, such as: the Spanish Agency for International Development Cooperation (AECID [Agencia Española de Cooperación Internacional para el Desarrollo]), a body affiliated with the Ministry of Foreign Affairs, European Union and Cooperation, the Technical Cooperation Bureau of the International Civil Aviation Organisation (ICAO), and the Technical School of Aeronautic and Space Engineering at the Technical University of Madrid (UPM [Universidad Politécnica de Madrid]). In this way, the programme also contributes to consolidating the reputation of Spanish industry and its hallmark of excellence, as well as showcasing Aena's best practices abroad.

Although the programme was affected by the COVID-19 pandemic in 2020, which prevented organising in-person activities from March 2020 onwards, Aena made an effort to adapt to the circumstances and ensure the continuity of the programme by offering virtual activities. In this way, several of the usual on-site activities for international cooperation, in collaboration with other institutions, were adapted to a digital format. As a result, in 2020, 188 professionals from the Ibero-American air transport sector participated in our international cooperation training programme, totalling €84,000.

As regards 2021, the Aena International Cooperation Department will continue to adapt its training programmes to "virtual" formats, and estimates that the number of beneficiaries and activities this year will be higher than in 2020. Aena expects to continue offering said virtual activities in the future, together with in-person activities (scholarships in Spain, seminars and technical workshops, etc.).

IMPACT OF THE INTERNATIONAL COOPERATION PROGRAMME IN THE LAST FIVE YEARS

938
AERONAUTICAL PROFESSIONALS

21
DIFFERENT COUNTRIES

€774,488
COST

3.3. Human Rights

The protection of Human Rights is a central pillar for Aena and its corporate culture, and is part of the minimum framework for action, in order to ensure the legitimacy of the Company's business activity.

In addition to the commitments assumed on an international and state level in the field of Human Rights, the Company has strengthened its efforts in the field in order to guarantee and safeguard its firm commitment to human, labour and environmental rights. In this way, in January 2020, **Aena's Corporate Policy on Human Rights** was approved, which is binding and applicable for the whole Group. Said policy endorses the Company's commitment to the multinational initiatives outlined in the following section, and establishes specific principles of action, in addition to laying the foundations for its development, supervision, control and review.

The Company is adopting a series of measures based on, for example, the Governance Model, the regulatory compliance system, due diligence and the risk management system; with which it is addressing exposure to possible human rights violations, and providing solutions that allow for the mitigation and/or correction of potential negative consequences on human rights. This Policy is applicable to all employees, companies with a majority shareholding and all territories where the Group operates.

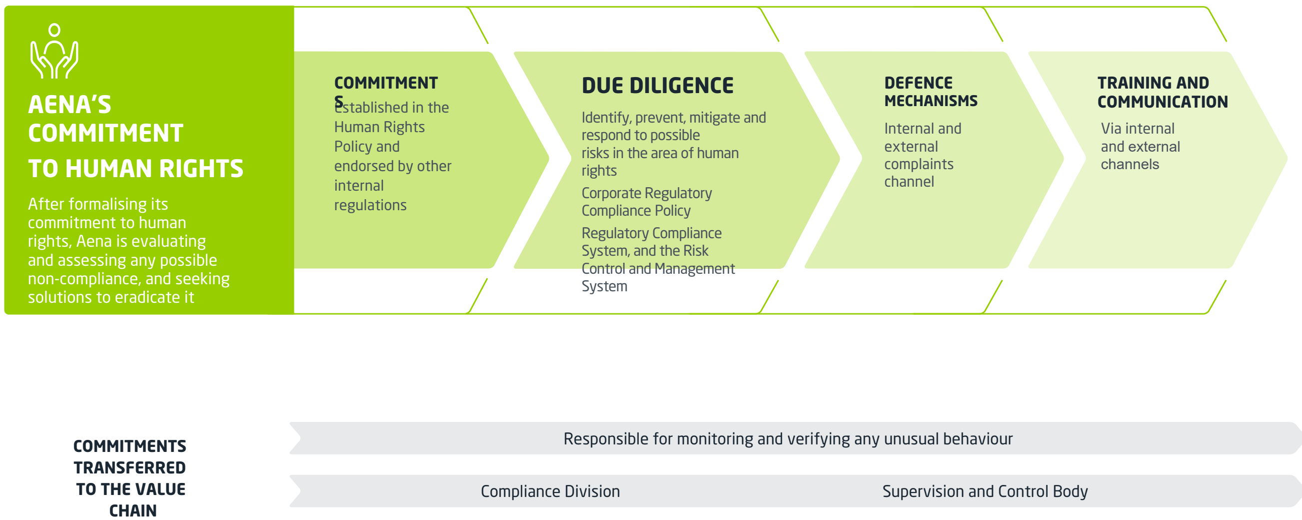
Training and awareness

Aena's Corporate Policies define the Company's management decisions, and incorporate environmental, ethical, labour and Human Rights variables. All of these Policies are public and are available on the Company's website for all stakeholders.

As regards its Human Rights Policy, Aena is committed to promoting a culture of respect for Human Rights and raising awareness among its professionals in all the areas in which it operates and, especially, in those in which the risk of violating these rights may be higher.

In 2020, specific communication and internal awareness actions on the importance of the compliance system, and its representation in the protection and prevention of possible human rights violations, have likewise taken place (see Chapter 1). In particular, specific training on the Regulatory Compliance System has been given to employees in Spain and Luton, and is also being rolled out in Brazil.

With the health, economic and social crisis of 2020 particularly affecting the most vulnerable groups of society, it has further emphasised the importance of protecting Human Rights.



Commitments

Commitments

Of Aena with fundamental conventions regarding human rights

- Universal Declaration of Human Rights of the United Nations
- Declaration of the International Labour Organization (ILO)
- Children's Rights and Business Principles
- Adhesion to the Principles of the United Nations Global Compact
- United Nations Guiding Principles on Business and Human Rights
- OECD Principles of Corporate Governance
- National and international laws and regulations in force in the countries where it operates
- Law on Public Sector Contracts

Main impacts of Aena's activity on Human Rights and Labour Rights	Principles of the UN Global Compact
Occupational health and safety of people	1 2
Equality and non-discrimination	1 2 6
Decent work	3 4 5 6
Child labour*	5
Protection of the environment	7 8 9
Commitment to customer/suppliers	8 10
Freedom of association	3

As a signatory to the United Nations Global Compact, Aena expresses its intention and undertakes to **support, develop and defend the Ten Principles** of Human Rights, Labour Rights, the Environment, and the fight against corruption. In the same way, it incorporates the Global Compact in its corporate strategy, corporate culture and conduct by means of concrete proposals

Main management instruments and control mechanisms

- Strategic Plan
- Human Rights Policy HH.
- Code of Conduct
- Collective Bargaining Agreement
- Internal Hiring Manual
- Corporate Responsibility Policy
- Forced Labour Policy at London-Luton Airport

Aena's principles and commitment to Human Rights

Established in the Corporate Policy on Human Rights

- Eradicate child labour
- Avoid discriminatory practices
- Promote the development of people
- Facilitate freedom of association and collective bargaining
- Promote adequate working conditions and protect public health
- Promote a respectful and dignified work environment
- Commitment to customers
- Commitment to people linked to suppliers, contractors, and collaborating companies and business partners
- Respect for community rights
- Promotion and awareness of Human Rights

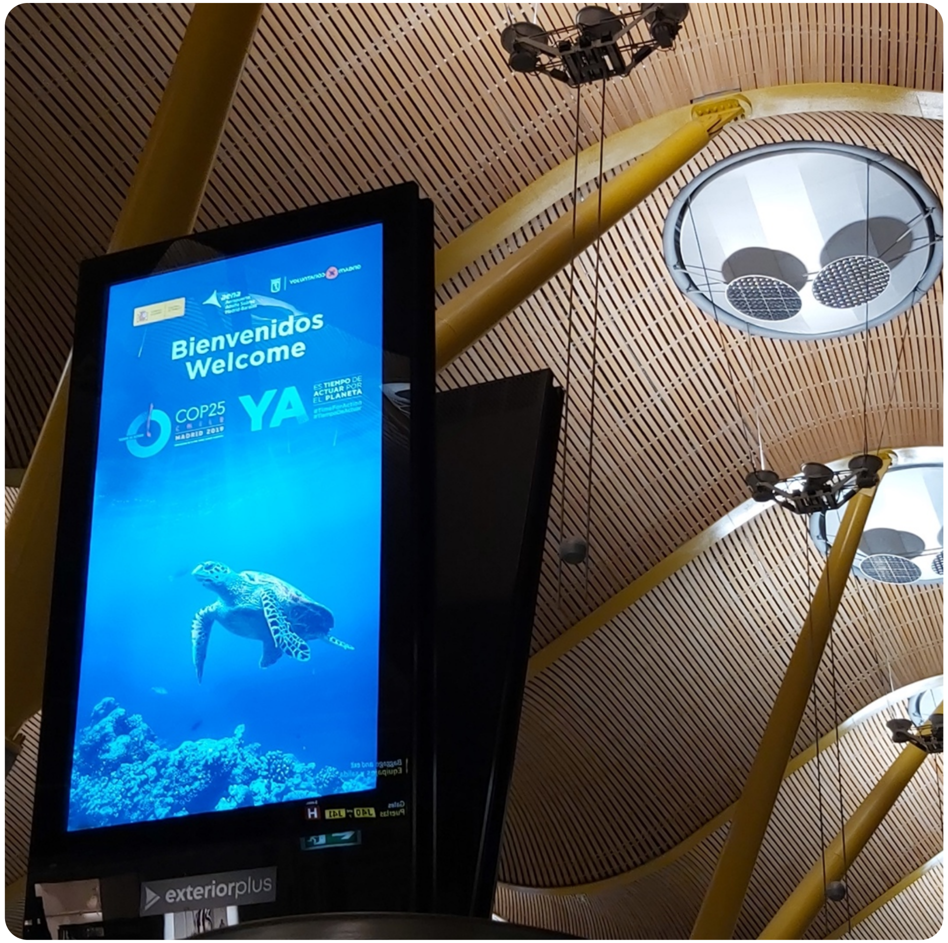
Aena's principles and commitment to Human Rights HH.

Aena's Corporate Responsibility Policy includes, among its principles of action, respect and promotion of human rights, freedom of association and collective bargaining, the absence of child labour, the elimination of forced or mandatory labour, and any other practice that involves a violation of individual or collective dignity. The updating, review and promotion of this Policy is the responsibility of the Board of Directors, through its corresponding Committees.

London-Luton Airport has a policy of rejecting any form of slavery or forced labour, an ethical Policy in Business and in July 2020 it also approved a code of conduct that includes, among its basic principles, respect for the human rights of all company employees. It is also working to renew its Ethical Business Policy, in line with expanding its operations.

Aena Brasil also has its own code of conduct, which includes the principle of action in accordance with respect of human rights.

It should also be noted that Aena's Corporate Policy on Human Rights, approved in January 2020, is applicable to those companies in which Aena has a majority stake.



Beyond the Group's ecosystem, Aena collaborates with non-governmental organisations and other institutions to develop its established principles of action. Aena seeks to contribute to the development of projects with social repercussions and the deployment of environmental policies, taking into account the right of everyone to a clean environment.

Due diligence and prevention of risks that violate Human Rights

To keep a control of the respect and protection of Human Rights, Aena follows a continuous process of due diligence in its own activities, in addition to others related to third parties. Said process is included in the Human Rights Policy, and focuses on identifying, preventing, mitigating and responding to potential negative consequences in this area (child labour, forced labour, discriminatory practices, etc.).

These commitments transcend the individuals who are part of Aena, as well as those who are part of its value chain (from suppliers to airport users), and all the communities located in the environment in which its operations are carried out, including indigenous populations.

For their protection, the Regulatory Compliance System establishes the principles, mechanisms, procedures and controls aimed at preventing, identifying and resolving situations in which unethical or unlawful practices or regulatory breaches occur in the development of the activity. The Regulatory Compliance System and the Risk Control and Management System allow for the continuous evaluation of the risk level, the identification of possible new impacts and social concerns as well as, in general, the safeguarding of compliance with applicable laws and regulations, both external and internal.

In the event of any violations of commitments that the Company adopts, and of those referred to in corporate policies (for example, the commitment to eradicate child labour or forced or obligatory labour included in human rights or corporate responsibility policies), Aena implements a set of general and specific mechanisms aimed at their prevention, detection and reaction, as follows:

- Prevention control: responsibility of ensuring compliance by all members of the Organisation with the Company's internal policies and regulations, as well as identifying areas of improvement that allow for the implementation or correction of procedures as deemed appropriate.
- Action control: obligation to report any event that could constitute a possible criminal offense, legal breach or irregularity of which it becomes aware by means of the channels established for such purpose, including the Complaints Channel.
- Supervision control: with this task being carried out by the Compliance Supervision and Control Body and the Internal Audit Division.

The Risk Control System, the Collective Bargaining Agreement, the Internal Hiring Regulations and the Code of Conduct constitute the tools necessary to prevent, control and follow-up on actions that may be related to a violation of Human Rights (see Chapter 2).

London-Luton Airport and Aena Brasil include the principles of protection of human rights in their respective Codes of Conduct, guaranteeing that all corporate policies that are developed take into account their compliance and protection.

Complaints due to a violation of Human Rights

The Aena Complaints Channel (its operation is described in Chapter 1) allows for Group employees to make inquiries or report possible risks or breaches in various fields, among which are those relating to the violation of Human Rights, including the rights acquired in the Collective Agreement. Complaints related to workplace harassment are excluded, as they have their own protocol.

During 2020, no complaints referring to Human Rights violations were recorded.

Transfer of the protection of Human Rights to the value chain[6]

Aena's Code of Conduct establishes the ethical principles and values, integrity, legality and transparency that must guide the conduct of all people who are included within its scope of application. Not only between each other, but also in their relations with customers, shareholders, suppliers and, in general, with all people and entities, whether public or private, with which they may come into contact while carrying out their professional duties. At the same time, it also seeks to promote effective compliance with the standards that apply to all those activities, guided by the principle of zero tolerance for any kind of illegal behaviour.

In accordance with applicable legislation on contracting, all tenders include clauses on the respect for Human

[6] Chapter 4, which concerns the responsible management of the value chain at Aena, includes a specific section on this (see section "Respect for human rights").

Rights, among others. The Internal Hiring Manual provides mechanisms for following up on the degree of compliance with clauses of this nature that are included in contracts and penalty measures (as detailed in section 6.4). In 2020, all the contracts signed by Aena with external suppliers included clauses on the respect for Human Rights.

London-Luton Airport follows a zero tolerance policy on human trafficking and slavery, which it applies in all its contractual relationships. Since 2018, environmental and sustainability considerations have been included in acquisition processes. The documentation associated with tender processes has a clear scoring system that is used in order to evaluate not only suppliers, but also established social and environmental standards. Likewise, the sustainability and human rights criteria continue to be key when renewing contracts (ethical treatment, zero tolerance to slavery, equality and diversity, health and safety, climate change resilience, standards for waste and natural resource management, etc.).

As regards Aena airports in Brazil, as indicated in Chapter 4, the high number of services that are outsourced at the respective airports is supervised by means of controls and the request for documentation (working hour logs, etc), which helps to mitigate the risks of mandatory or forced labour. In addition, the risk of child labour cases is considered insignificant given the characteristics of the Aena Brasil supply chain.

Future challenges

At present, the Company does not conduct any evaluations on the impact of its activities in the field of Human Rights, although its Human Rights Policy specifies that its content is binding and applicable to the range of activities and geographical areas where it operates with a majority holding.

Aena is aware that its vocation for international expansion can periodically bring new challenges, and so the Human Rights Policy —approved in 2020— takes the following sources, among others, as reference: the principles contained in the United Nations Global Compact; the Guiding Principles on Businesses and Human Rights, implementing the United Nations “Protect, Respect and Remedy” framework; the OECD Guidelines for Multinational Enterprises; the Tripartite Declaration of Principles concerning Multinational Enterprises; the Social Policy of the International Labour Organisation; and the United Nations Sustainable Development Goals.

In the context of the health emergency that has unfolded in 2020, Aena works to ensure, at all times, that:

- Safety measures in place for the COVID-19 pandemic be accessible without discrimination based on race, colour, disability, age, gender, religion, political views or any other views, national or social origin, property, birth, sexual orientation, gender identity or any other status.
- Aena applies principles of prevention and guarantees a safe working environment for all its employees, limiting their exposure to risks by establishing hygiene and cleaning measures, reducing contact, and adapting working conditions.

Accessibility in the provision of services

Aena’s strategic objectives include meeting the expectations of users, among which the improvement of airport accessibility is worthy of note. In order to do so, the Aena Policies and action plans provide supervisory mechanisms that allow for the identification of possible risks and opportunities, many of which are related to social matters, thereby facilitating the development and proposal of initiatives to the Board of Directors.

In order to continue fulfilling the commitments with the same quality, in 2020 it was especially important to adapt the facilities for their safe use by people with reduced mobility so that an adequate response can be given to the implementation of the new safety measures associated with the health emergency and minimise the health risk. (*For more information, please see Chapters 5 and 6*).

4

Social management of our value chain

The dialogue and cooperation that Aena maintained with its providers during the health emergency allowed us to offer safe and efficient services when they were most needed.

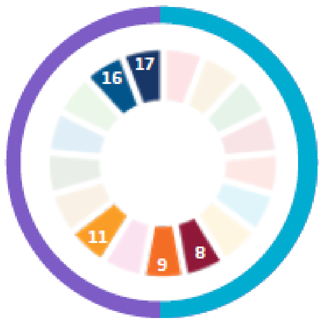
The value chain at Aena

- Necessary infrastructure
- Operations
- Customer services
- Marketing, communication and relationships with the environment
- Cross-sectional and support activities

↓

TRANSPARENCY AND DIALOGUE WITH SUPPLIERS

SUSTAINABLE VALUE CHAIN MANAGEMENT



Sustainable acquisition and purchasing process

Risk assessment

- Code of Conduct
- ESG criteria in bidding and execution processes
- Risk mitigation measures
- Code of Conduct
- Corporate Responsibility Policy
- Anti-corruption and Anti-fraud Policy
- Human Rights Policy
- Integrated Quality, Environmental and Energy Efficiency Management Policy
- Occupational Risk Prevention Policy

Internal and external framework

- Legislation of each country
- Internal codes and regulations
- Assessment and improvement tools
- Ethical culture

1 Acquisition planning

2 Internal approval

3 Tendering and publication on the contracting portal

4 Receipt of offers and evaluation

5 Selection of the successful bidder and signing of the contract

6 Supply of the good or service

7 Supplier monitoring, follow-up and evaluation

8 Payment of the invoice

CONTINUOUS IMPROVEMENT: ACTIONS AND RESULTS

Commitment to SDGs

8 **SDG 8 Decent work and economic growth**

9 **SDG 9 Industry, innovation and infrastructure**

11 **SDG 11 Sustainable cities and communities**

16 **SDG 16 Peace, justice and strong institutions**

17 **SDG 17 Partnerships to achieve the goals**

Aena is subject to different regulations applicable in the countries where it operates, as well as its own internal regulatory framework. In Spain, The main rules governing procurement for Aena suppliers are: Royal Decree-Law 3/2020, of 4 February, on urgent measures incorporating various European Union directives into the Spanish legal system regarding public procurement in certain sectors; on private insurance; on pension plans and funds; on taxes and tax litigation (hereinafter RDL 3/2020); and Act 9/2017, of 8 November, on Public Sector Contracts, whereby the Directives of the European Parliament and of the Council 2014/23/EU and 2014/24/EU of 26 February 2014, on procurement processes (hereinafter Act 9/2017), are transposed into the Spanish legal system,. In addition, both the Concession Company AIRM and ADI have approved their internal procurement guidelines.

At the same time, Aena's "Commercial Procurement Regulation" regulates the tender procedures for commercial spaces in network airports, with full respect for the principles and values of transparency, competition, efficiency, legality, publicity, confidentiality and sustainability.

In accordance with both procurement regulations, the bidding specifications and other contractual documentation governing procurement include, for both the parent company and the Spanish subsidiaries, clauses on social and environmental matters that are compulsory after signing.

Aena's value chain

In the United Kingdom, the Utilities Contracts Regula-tions of 2016, as well as the Contractors Code of Prac-tice (CCoP), regulate public procurement. In the case of Brazil, the 2019 Procurement Regulation applies.

In all of its procurement processes, the Company de-mands, both of its suppliers and agents, **efficiency and respect for the principles of equality of treatment, non-discrimination, transparency, proportionality, competition, publicity, confidentiality and integrity**, all in accordance with applicable regulations, so that the contracts are awarded to the bidder who submits the best bid.

Sustainability is a differentiating factor in the management of the Company and is transversal to all processes, thus making its commitments and best practices applicable across its entire value chain. Efficiency, transparency, legality and respect for external and internal regulations, including clauses stipulating respect for environmental and social criteria, are the pillars on which Aena lays the foundations of its relations with third parties

The set of initiatives that Aena implements in order to respond to the requirements of the regulations and the continuous improvement of its supply chain, are based on the following general objectives of the Company:

- Automation of procurement processes
- Savings in economic and administrative costs, both for economic operators and for Aena's procurement units
- Compliance with and strengthening of the general principles of public procurement
- Improvement of the procedures' effectiveness
- Decrease in procurement terms

RESPONSIBLE BUSINESS STRATEGIC PLAN

In addition, at London-Luton Airport, the Responsible Business Strategic Plan contains strategic objectives in terms of responsible contracting. Among other things, we can mention the preparation of a Code of Conduct for suppliers, improvement of communication and dialogue with suppliers through holding events and the improvement of Toolkit, promotion of hiring of local suppliers and progress in the analysis of risks associated with climate change and suppliers.

Special measures in connection with the health emergency and main results from 2020

In a scenario consumed by the global health emergency, Aena, due to its status as a state-owned and index-listed trading company that does not obtain revenue from the General State Budgets, has been forced to adopt a series of measures in the procurement area, which has posed a direct impact on its relationship with suppliers and lessees. The Company is well aware of the impact that the situation has generated in all areas of activity in 2020, and has prioritised close collaboration and cooperation with all stakeholders in the air transport value chain, aimed at minimising its effects and recognising the importance of establishing synergies. The goal is to improve management and efficiency in order to contribute to generating a scenario of a new normality that is more prosperous and fruitful.

In this sense, contracts in 2020 with both suppliers and lessees of commercial spaces were temporarily adapted to the de facto situation caused by COVID-19 and the regulatory framework that emerged to combat it. This includes the approval, among others, of Royal Decree 463/2020, of 14 March 2020, via which the state of emergency for the management of the health crisis situation caused by COVID-19 was declared; and Royal Decree 926/2020, of 25 October, via which the state of emergency to contain the spread of infections caused by SARS-CoV-2 was declared, as well as other regulations related to the health crisis caused by the pandemic.
The actions and new developments implemented in 2020 include:

- Analysis and application Royal Decree-Law 3/2020, of 4 February, on urgent measures incorporating various European Union directives into the Spanish legal system regarding public procurement in certain sectors; on private insurance; on pension plans and funds; on taxes and tax litigation.
- Preparation and dissemination of memos regarding Provisions related to the health crisis caused by the COVID-19 pandemic:
  - Internal memo (17 March 2020) related to procurement due to the entry into force of Royal Decree 463/2020 of 14 March 2020.
  - Internal memo regarding procurement (20 March 2020). Suspension of contracts and modifications with suppliers after the entry into force of Royal Decree 463/2020 (14 March) (declaration of COVID-19 state of emergency).
  - Internal memo regarding commercial procurement (25 March 2020). Criteria for processing modification and suspension requests for commercial contracts after the entry into force of Royal Decree 463/2020 (14 March) (declaration of COVID-19 state of emergency).
  - Internal memo regarding procurement (6 May 2020). Royal Decree Law 17/2020, of 5 May, approving measures to support the cultural and tax sector to address the financial and social impact of COVID-19.
  - Internal memo regarding procurement (22 May 2020). Royal Decree 537/2020, of 22 May, which extends the State of Emergency declared by Royal Decree 463/2020, of 14 March, which declares the state of emergency to manage the health crisis situation caused by COVID-19.
  - Internal memo regarding procurement (4 June 2020). Resumption of contracts with suppliers, detailing resumption procedures and agreement templates for supplier contracts that had been suspended within the exceptional and temporary framework of the de facto situation caused by COVID-19.
- Modification of the Commercial Procurement Regulation. Appendix of extraordinary and urgent procedures. Approved by the Board of Directors in a meeting held on 30 June 2020.
- The main actions taken in Aeroportos do Nordeste do Brasil were:
  - Implementing the procurement regulation.
  - Creating contract templates and specific bidding specifications.
  - Initiation of the Supplier due diligence process.
  - Implementation of procurement and contractual management processes.

Procurement volumes were significantly altered in 2020 as a result of the COVID-19 health emergency. Before this, the Company tried to maintain its commitment to its suppliers at all times, seeking balanced solutions. To this end, Aena has studied the effects of the crisis on different contracts, and has proceeded to negotiate and agree on the temporary and necessary suspensions of performance of its contracts, taking into account the specific circumstances and risks of each contract and considering the different risk mitigation levers. In addition, as a reflection of the Company's commitment to procuring local suppliers for the performance of its activities, the percentages reached in 2020 were 98.73% in Spain (98.31% in 2019)[1], 32% in Luton (30% in 2019), and 100% in Brazil (same as in 2019).

In this way, the Company can maximise its financial contribution to the communities where it operates, thus strengthening their business network and social development through the creation of indirect jobs.

	SPAIN (includes AENA SME, AIRM, ADI)		UNITED KINGDOM ****		BRAZIL ****	
	2019*	2020	2019	2020	2019	2020
Suppliers (No.)	**3,764**	**2,734**	**3,543**	**3,679**	**N/A**	**341**
Of which are new (No.)	1,261	1,108	N/A	106	N/A	-
Files managed (No.)	**1,146**	**1,281****	**95**	**73**	**N/A**	**318**
Amount awarded to tenders (€M)	**1,176.78**	**1,077.8**	**77.8**	**31.02**	**N/A**	**19.04**
Corresponding to services and works (%)	68.1%	89.2%	52%	52%	**N/A**	**-**
Corresponding to materials and equipment (%)	31.9%	10.8%	48%	48%	**N/A**	**-**
Centralised volume of procurement (€M)	1,050.3	982.1	60.5	22.95	**N/A**	**19.04**
Decentralised volume of procurement (€M)	126.4	95.7	4.5	1.98	**N/A**	**0.000021**
Total volume of procurement allotted associated with leases for commercial activity (€M)	111.19	32.4***	-	0.91	**N/A**	**-**
Allotment of minor contracts (€M)	**22.02**	**15.7**	15.57	6.2	**N/A**	**0.000021**

* Excluding taxes

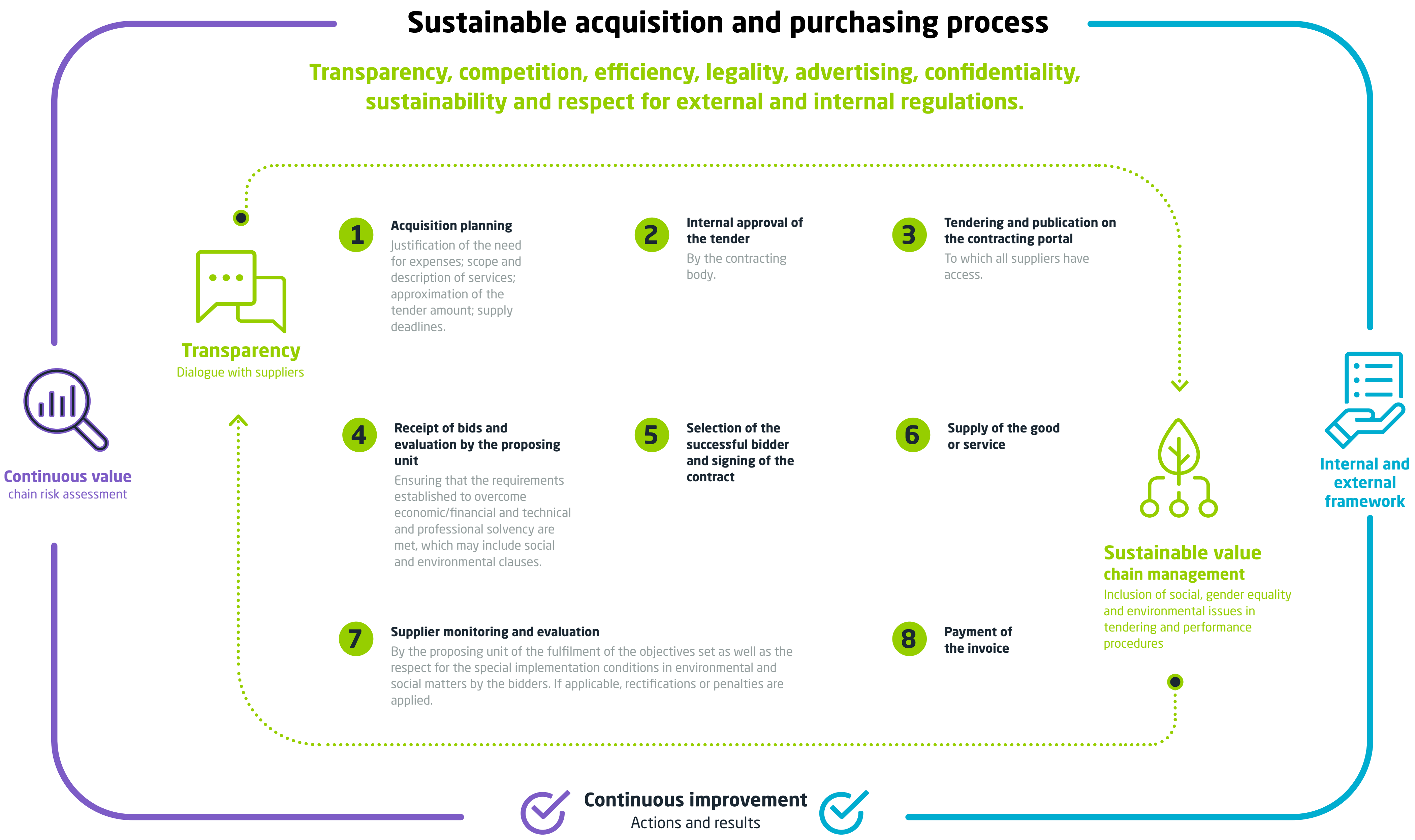
** 365 centralised and 916 decentralised tenders awarded

***85 tenders awarded.

**** Exchange rates as of 31/12/2020 used for Balance Sheet accounts:
EUR vs GBP= 0.89903
EUR vs BRL= 6.3735

[1] Percentage awarded.

4.1. Sustainable value chain management



Transparency and dialogue

Aena continuously updates relevant information regarding its procurement procedures on the Company's website and adapts its procurement system to digitisation [2]requirements. It thus makes the bidding specifications available to the bidders, along with other documentation associated with the tendered files, with virtually all of the supplier procurement procedures carried out in electronic format.

Other tools, such as the user manual, the support centre or the mailbox for real-time inquiries, reinforce mechanisms in the digitisation process and aim to facilitate communication with suppliers and lessees, and avoid potential issues arising from lack of familiarity with electronic resources.

- In Spain, Aena has an information page, the Procurement Portal, and two specific management landing pages, Aena Suppliers and Aena Companies[3], which redirect users to the **Public Sector Procurement Platform.**In addition, interested parties have specific mailboxes available to them:
  - Bid participation process: the Company makes available portalcontratacion@aena.es.
  - Tenders: contact addresses of the units responsible for the files.

    In accordance with the requirements of the National Scheme for Interoperability to which Aena must adapt, for the coming financial years, the Company plans to complete the implementation of the system for tenders and electronic notifications, together with a new internal digital communications system.
- AIRM: has its own procurement portal (http://www.aeropuerto-de-murcia.es/Contratacion/index). For any queries related to customers and invoicing, suppliers can contact rmufacturacion@aena.es.
- London-Luton Airport: has its own procurement portal, In-tend, which links to the Official Journal of the European Union (OJEU) and the United Kingdom contract portal/search tool[4]. Likewise, it has an interactive tool making all the information and documentation related to the procurement process available to third parties (www.knowledgemaps.co.uk/lla/Processes/2/11EBC208C5C48ECBC9E1B44A0A11C5E.htm). It also periodically organises events to respond to issues raised by local companies and SMEs on issues and doubts that may arise in this regard[5].
- Due to having recently started its activity, Aena Brasil, as of the date of this report, does not have any platform specifically enabled for the publication of procurement files, although their development is planned for fiscal year 2021. To date, all communications with suppliers have been made by direct invitation.

Continuous value chain risk assessment

The evaluation of risks that could stem from the procurement process and are associated with the supply chain is carried out through the risk management and control model. This is transversal and implicit in all subprocesses, aimed at guaranteeing the achievement of the Company's objectives and at minimising its impact (see chapter "2020. An unprecedented challenge").

During 2020, the health and safety-related risks of all airport users have become more relevant. Thus, Aena has developed a series of mechanisms and measures aimed at minimising them (see Chapter "2020: an unprecedented challenge" and Chapter 6, "Safe, high-quality services").

[2] In Spain, they are derived from the stipulations in Act 9/2017, of 8 November, on Public Sector Contracts.
[3] In addition, in accordance with Act 19/2013, of 9 December, on Transparency, access to public information and Good Governance; the Public Sector Procurement Platform (https://contrataciondelestado.es) publishes all information related to the procurement of suppliers, the minor contracts awarded or Statistical data of awarded contracts.
[4] It will also link to the tender search service that the UK Government will launch after Brexit
[5] Due to the health emergency in 2020, no event could be held. The proposal will be relaunched for the next fiscal year.

Main tools related to the control, supervision and mitigation of possible risks associated with the supply chain	
Code of Conduct	Includes the principles that should guide the actions of any Person subject to the Code in their relationship with third parties, expressly mentioning the Relationship with customers, suppliers and collaborating companies in order to avoid any kind of interference that may affect their impartiality or objectivity, and in such contracting processes must act in a manner that avoids any conflict of their personal interests with those of Aena.
Corporate Responsibility Policy	Includes, among its general principles of action, transferring the criteria of Corporate Responsibility to the management of the value chain, ensuring the development of social and environmental practices responsible in suppliers and contractors, and thereby minimising possible associated risks.
Anti-corruption and fraud policy	Establishes that none of Aena's suppliers will directly or indirectly offer or grant, to public officials, third parties or any employee of Aena, in the context of the business activity carried out for or on behalf of it, gifts, presents or other unauthorised advantages, in accordance with the provisions of the Code of Conduct, in order to obtain favourable treatment in the granting, or conservation, of contracts or benefits of a personal nature or for the supplier company. Likewise, among the measures to prevent corruption, it is expressly indicated that the Company must choose its consultants, partners, suppliers, customers and representatives with due diligence, establishing relationships whenever possible with recognised and top-level entities in its respective market. If this is not possible, due diligence procedures will be adopted in accordance with the regulatory framework to which the Company is subject.
Human Rights Policy	Encourages its suppliers, contractors, business partners and other collaborating companies to formalise their commitment to Human Rights and that, in the event that they do not have their own policy, they sign Aena's.
Integrated Quality, Environmental and Energy Efficiency Management Policy	One of the principles is communicating the Policy to all employees and companies that carry out their activity in the Company, and to make it available to interested parties.
Occupational Risk Prevention Policy	Assumes the commitment to comply, among other things, with the objective of coordinating preventive activities with third parties, including concessionaires, contractors and air operators, and to take care of their health and safety.
Inclusion of ESG issues in bidding procedures	They incorporate specific clauses on the supplier's corporate responsibility, social, environmental and governance performance and respect for human rights. Includes the obligation of the parties to act within the most demanding levels of safety, occupational risk prevention and environmental respect. Specifies the rejection of any fraudulent practice or corruption.
Inclusion of ESG issues in the performance procedures	Includes specific requirements, in social, environmental and governmental matters, required in the execution of the contract, whose breach may result in the imposition of penalties or contractual termination.

Mitigation measures

- Control measures in contracting, together with the implementation of specific measures to verify the qualification and integrity of each supplier and customer before entering into binding business relationships; suppliers and customers must have anti-corruption protocols and controls, to the extent possible; and the signing of an anti-corruption clause, unless, by the nature of the relationship or other circumstances in question, it is justifiable that it is not considered necessary by the unit proposing the contract.
- Obligation to comply with clauses 39, 40, 41 and 42 included in the contracting documents, relating to the prevention of occupational risks, environmental protection, operational and airport safety, and others including social conditions and labour and social obligations.
- Certificate of implementation of the Environmental Management System (ISO 14001 or similar) or Certificate of implementation of the Quality Management System (ISO 9001 or similar), or the guarantee of compliance with the fundamental Conventions of the International Labour Organization among the technical solvency criteria.
- Supplier evaluation system: evaluation of environmental and social programmes implemented by bidders in the technical assessment process.
- Supplier follow-up during the term of the contract and verification of compliance with the special conditions of execution.
- Civil liability policy and accident insurance, be up to date with Social Security, Tax Agency, Civil Registry payments, etc.
- Follow-up of indicators on health and safety.

Respect for human rights. Adherence to the Global Compact

In accordance with the provisions of the Human Rights Policy, suppliers who do not have a policy on this matter must sign the one drawn up by the Company. This implies signing the Principles of the Global Compact, an initiative to which Aena is a party and whose observance is expressly stipulated therein, as well as specific commitments related with:

- Eradicating child labour.
- Avoid discriminatory practices.
- Promote the development of people.
- Facilitate freedom of association and collective bargaining.
- Promote adequate working conditions and protect public health.
- Promote a respectful and dignified work environment.
- Commitment to customers.
- Respect for community rights.
- Promotion and awareness of Human Rights.

Principle 3 of the Global Compact: Freedom of association
Principle 5 of the Global Compact: Child labour
Principle 4 of the Global Compact: Forced labour

This is all reflected in the Company's Human Rights Policy as well, paying particular attention to conflict situations and those situations where there is a high risk of breaches occurring, as detailed in chapter 3 "Commitment to society and human rights".

Specifically, Aena airports in Brazil have high a number of outsourced services at the respective airports. Their performance is monitored and supervised through external audits (documentation, working hour logs, etc.), which helps to mitigate the risks of forced or compulsory labour. Due to the nature of its supply chain, the risk of child labour is considered insignificant. On the other hand, the legal frameworks applicable to the geographical areas where Aena operates makes it less likely for significant risks to appear, regarding violations of the rights of freedom of association and collective bargaining.

In addition, the Company has a privacy policy for the employees of collaborating companies that informs them of the personal data processing performed by companies in the Aena Group, and by Aena Group's supplier companies of services, where appropriate, in accordance with current legislation[6]. In relation to the health and safety protection of suppliers, the bidding specifications include specific clauses through which the successful bidder undertakes to comply with the obligations imposed by law[7], other standards and applicable regulations. In addition, an Operational Safety Clause is included, whose main objective is to establish the requirements that apply to these third parties to comply with the Operational Safety Management System, and determine the actions that govern the relations between the airport and the external suppliers in this matter.

With regard to London-Luton Airport, the bidding documentation that is evaluated incorporates a series of issues related to health and safety, insurance, prohibition/rejection of slavery, the environment, financial stability and technical capacity. During the effective term of the contract, the service areas monitor and supervise potential risks arising from its performance.

At Aena Brasil, an external company is responsible for verifying compliance with labour requirements and obligations (related to health, safety and worker training), as well as the correct delivery of PPE and safety equipment to workers based on the associated risk. With regard to environmental aspects, audits are planned and will be comprehensively carried out during the next fiscal year.

Finally, it should be noted that in 2020, the Company has not identified any incident in any procurement agreement with suppliers related to the rights of freedom of association, collective bargaining, use of child labour, or forced or non-consensual labour, nor have any complaints been received for the aforementioned reasons. No suppliers with a significant negative social impact have been detected, nor have incidents been registered through the channels enabled for this purpose, which would lead to the cancellation of orders or contracts with suppliers of the group due to their negative social impact.

[6]Regulation (EU) 679/2016 of the European Parliament and of the Council, of 27 April 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR) and Organic Law 3/2018, on Personal Data Protection and Guarantee of Digital Rights.

[7]Act 31/1995, of 8 November, on Occupational Risk Prevention

The acquisition and purchasing process

Aena's commitment to sustainability permeates the entire value chain, incorporating qualitative and/or quantitative considerations of a social nature (including respect for human rights), of an environmental nature and for development and innovation. This occurs throughout the entire procurement process, from its initial phase (tendering, in which the need is defined) to the contract performance phase (contract performance process).

Inclusion of social and environmental issues in bidding procedures

Determination of the object of the contract

In Spain, both Royal Decree Law 3/2020 and Act 9/2017 establish that the object of the contract shall be determined and defined according to the specific needs or functionalities intended to be met —without being limited to a single solution.

Sustainable acquisition and purchasing process

Compliance with current legislation
Respect the regulations in force in all of the countries in which the Company operates.

Purpose of the agreement
With special consideration to those agreements in which technological, social or environmental innovations can be incorporated.

Definitive guarantee
Possibility of exempting the successful bidder from the obligation to create a definitive guarantee.

Economic and financial solvency
As a measure to ensure the ability to meet the commitments made.

Technical or professional solvency
In addition to the mandatory compliance criteria, additional technical solvency criteria may be included, at the discretion of the proposing unit, such as the "Certificate of Implementation of the Environmental Management System (ISO 14001 or similar)", the "Certificate of Implementation of the Quality Management System (ISO 9001 or similar)", or the guarantee of compliance with the fundamental Conventions of the International Labour Organization.

Exclusion criteria
Essential and necessary for the proper execution of the agreement.

Technical evaluation
Through technical assessment criteria with which the technical evaluation of the bids will be carried out, which must be formulated objectively, with full respect to the principles of equality, non-discrimination, transparency and proportionality, also including environmental and social criteria.

Civil liability policy and accident insurance, Social Security, Tax Agency, Civil Registry payments, etc.
Necessary in certain contract awards that provide an adequate response to the circumstances.

This is especially the case for contracts for which it is believed that technological, social or environmental innovations could be incorporated to improve the efficiency and sustainability of the goods, works or services intended to be contracted.

In this regard, the technical bidding specifications must be prepared, as much as possible, by taking into account accessibility criteria for people with disabilities or inclusive design for all users by applying sustainability and environmental protection criteria[8], provided that the purpose of the contract affects or may affect the environment.

In the File Initiation Report, the director of the file must state the possibility of reserving a contract for Special employment centres and social insertion companies, as regulated by Act 44/2007, of 13 December. In Spain, in 2020, a total of 96 files were tendered to Special Employment Centres, for a total amount of €73,059,546, to procure services like cleaning, repair and maintenance, or sale and distribution. The Company, thus, facilitates the labour integration of workers with disabilities, giving them the possibility of performing productive and paid work that is appropriate to their personal characteristics.

London-Luton Airport also incorporates sustainability standards in preparing the object of the contract.

[8] Articles 3 and 4 of Royal Legislative Decree 1/2016, of 16 December, via which the consolidated text of the Integrated Pollution Prevention and Control Act is approved.

Technical or professional solvency criteria

In accordance with applicable regulations in Spain (including Aena SME, S.A., and AIRM), in order to demonstrate technical solvency, qualitative criteria can be incorporated with environmental or social considerations as part of the award criteria of the bidding specifications. For example:

- **Environmental scope:** Experience or "good work" can be demonstrated by requesting management certificates from bidding companies. These include the certificate of implementation of the Environmental Management System or the Quality Management System (ISO 14001, ISO 9001 or similar), for activities similar to the object of the contract, or ones issued or approved by an entity accredited for this purpose by Spanish or European Union legislation. For commercial procurement, the technical bidding specifications for leases specify that the performance of works must include the monitoring of environmental procedures and requires the submission of the Environmental Monitoring Plan, duly completed with the bidding specifications.
- **Social affairs:** Certain supply bidding specifications may require a certificate of compliance with the fundamental conventions of the International Labour Organization through a declaration committing to apply supply chain management systems.
- In the case of **supply files**, certificates may be requested, as issued by official institutes or departments with recognised jurisdiction over quality control, which demonstrate the compliance of products with certain specifications or technical standards.

As part of the selection process, London-Luton Airport incorporates a set of technical requirements relating to accreditations, experience, references or methodologies, in social and/or environmental matters, which are subject to analysis and evaluation (certified in some cases by external certifications like ISO 14001/EMAS).

Aena Brasil carries out the so-called "authorisation" process, consisting of performing a background check of the supplier's previous practices and records. This analyses whether the supplier has been sued for corruption, slavery practices or non-compliance with labour obligations (resulting in a high number of procedures and convictions), etc. Subsequently, the so-called "mobilisation" process is carried out, which verifies whether the employment links between the employer and the worker are lawful and compliant with current legislation. For example, this analyses if the worker receives the mandatory training to carry out the work (especially those exposed to high risks) or if they have received all the PPE required for the proper performance of their duties.

Technical evaluation

Contracts are awarded based on the best quality-price ratio (financial and qualitative criteria)[9]. In cases where qualitative criteria of a social or environmental nature are not included to demonstrate technical solvency, the technical assessment phase could include social considerations (such as the insertion of people with disabilities, gender equality, work/life balance, job stability and salary improvement, among others), innovation and development, or other environmental considerations (such as the reduction of emissions, energy savings or renewable energies).

In the case of construction files, this is compulsory. Specifically, the following is required to assess these types of tenders:

- Environmental action programme, requesting a study of possible units with an environmental impact and planned corrective measures, as well as proposals for technologies to improve the sustainability of infrastructure, including energy and insulation systems, insulations, use of recycled materials, and having an environmental management system for the company.
- Health and safety report, which requires a review of the health and safety study, with a statement of alternatives or possible improvements applicable to the works. Concrete application of the contractor and proposed subcontractor's health and safety system to the corresponding areas of the works.

Both criteria account for 30% of the total evaluation (15% each), requiring a minimum of 70 points for technical approval. This shows the importance of these types of environmental and labour criteria in the tenders for works.

For its part, London-Luton Airport includes a set of requirements on sustainability and environmental matters in its procurement bidding specifications. Likewise, suppliers are also evaluated and scored on their compliance with key performance specifications and objectives.

- **Inclusion of tiebreaker clauses**
  In Spain, when two or more offers obtain the same score (with a similar economic offer), Article 147 of Act 9/2017 and Article 66.11 of RDL 3/2020 foresee tiebreaker clauses, giving advantages to companies that ensure the implementation of sustainable and responsible practices in their everyday performances and management.

- **Exemption from providing a definitive guarantee**
  In accordance with current legislation in Spain, in certain cases, the Company's Procurement Body can exempt the successful bidder from the obligation of providing a definitive guarantee. This especially affects supplies of consumable goods whose delivery and receipt must be made before payment of the price, and contracts whose purpose is the provision of social services or the social or labour inclusion of persons belonging to groups at risk of social exclusion.

[9] If required, the request for quality certifications (ISO 9000 or similar) and environmental certificates (ISO 14001 or equivalent) by the company that called the tender in order to demonstrate technical solvency cannot be assessed in the evaluation criteria.

Inclusion of social, gender equality and environmental issues in performance procedures

Special conditions of contract performance

In Spain, in order to comply with the provisions of the law, Aena has adapted its bidding procedures to incorporate special conditions of performance in the procurement documents related to social, labour, ethical or environmental conditions, which are compulsory for suppliers. These conditions, which must be stated both in the tender announcement and in the specific terms and conditions of bids (PCP [pliego de cláusulas particulares]) cannot be directly or indirectly discriminatory and must be compatible with European law.

100%

of Aena's procurement agreements include, among the special conditions of contract implementation, clauses related to the environment, labour or social issues that may give rise to penalties in the event of a breach. These clauses could also be of essential nature, meaning their breach could give rise to the termination of the agreement.
The bidding unit will be responsible for supervising the proper performance of the tender, in accordance with the provisions of the special conditions of performance.

Special conditions of contract performance

These include aspects such as: a minimum percent of fixed staff in the company or of staff with disability or social exclusion; timely payment of wages to staff; reduction, reuse and recycling of waste products; sustainable water management; environmental vigilance system; or being up-to-date in payments to subcontractors and suppliers

Labour and social obligations

They include issues such as: enforcing the rights recognised in the United Nations Convention on the Rights of Persons with Disabilities, to a higher percentage than that required by national legislation; promoting the employment of persons with special difficulties of insertion in the labour market, in particular people with disabilities or in a situation or risk of social exclusion; eliminating inequalities between men and women in that market.

Occupational risk prevention obligations

Compliance with mandatory aspects in the prevention of occupational risks in accordance with current legislation, in order to ensure safety and health at work and compliance with sector agreements, as well as the implementation of measures to prevent workplace accidents.

Environmental obligations

They include aspects related to the reduction of greenhouse gas emissions; the maintenance or improvement of environmental values that may be affected by the execution of the contract; more sustainable water management; the promotion of the use of reusable containers; the promotion of product recycling.

Some examples of special execution conditions that appear in the tender documents

Labour and social obligations

- Employ a percentage of fixed workers equal to or greater than 20% in the execution of the contract.
- Employ in the execution of the contract a percentage of workers who, on the total of new jobs that are performed, is equal to or greater than the national average in the construction sector, provided that the availability of the construction labour market allows it.
- Employ in the execution of the contract a percentage of workers with disabilities, or in a situation or at risk of social exclusion greater than 1%, provided that the availability of the construction market allows it.
- Prompt payment of wages to personnel and compliance with the applicable wage conditions derived from the collective agreement.
- Employ in the execution of the contract a percentage of workers (women) who, across all new jobs that are carried out, are equal to or higher than the national average in X's sector (engineering and technical study offices, etc.).
- The contractor must be up-to-date with the payment of subcontractors or suppliers participating in the contracts.

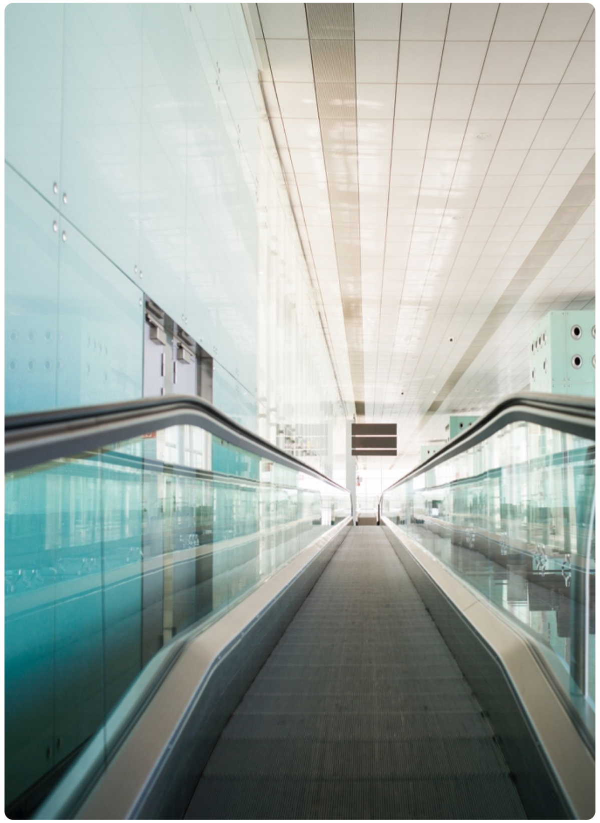
Occupational risk prevention obligations

- Perform the work in strict compliance with the legislation on occupational risk prevention.
- Provide workers who perform the work with adequate information and training on the risks of the activity they are carrying out, with preventive measures and personal protective equipment or other means of protection necessary for their execution.

Environmental obligations

- Promoting the reduction, reuse and recycling of waste.
- Establishing an environmental monitoring system that guarantees compliance with the indications and protective and corrective measures, related to the purpose of the contract. The contractor will establish a series of indicators that provide a way to estimate the performance of these measures and their results.
- Recycling of products and the use of reusable containers.
- Sustainable water management.

Procurement regulations stipulate the monitoring to be carried out in relation to compliance with the conditions of public contracts and include the possibility of establishing, in case of a breach, economic penalties that could even result in the termination of the contract.



Formalisation of the contract

By signing the contract and accepting the content of the bidding specifications, which include the special conditions of performance, prevention of occupational risks or environmental protection, among other provisions[10]; all successful bidders take on a series of obligations:

- **Environmental Protection:** to comply with environmental legislation, as well as the conditions established in the bidding specifications regarding the proper management of waste, the storage of hazardous materials and substances, conditions of use of vehicles/machinery and atmospheric emissions or discharges.
- **Labour and social obligations:** having minimum percentages of fixed workers on the workforce, employees with disabilities, compliance with the wage conditions of workers as per their applicable sectoral collective bargaining agreement, or compliance with the legislation on labour, social security, safety and health matters.
- **Occupational risk prevention:** compliance with current legislation on prevention[11], aimed at ensuring that suppliers develop high quality and sustainable works, supplies and services.
- **Operational safety** (see Chapter 6 “Safety and high-quality services”).

In relation to commercial procurement, upon signing the agreement, the successful bidder undertakes to comply with the environmental regulations in force and those expressly mentioned in the legal bidding specifications, to comply with all regulations applicable to workers in labour, social security and occupational risk prevention matters, and to observe all provisions applicable to airport security matters. Their breach gives rise to penalties.

At the same time, the Company makes best practices regarding the environment (energy savings, water consumption, waste generation, etc) available to third parties (cleaning services, restaurants, commercial premises, etc), for the purpose of promoting the continuous improvement of the products/services provided by the Organisation and contributing to sustainable development, reconciling the organisation’s activity with environmental conservation.

Aeroportos do Nordeste do Brasil, in the bidding specifications and/or contractual documents, expresses obligations and requirements concerning labour and environmental matters, and expressly establishes, in the case of a breach by the supplier, the possibility of suspending and/or retaining payments until the compliance with the agreement is once again reached. In the case of London-Luton Airport, supplier performance is supervised through agreements regarding the level of services provided or key performance indicators. Likewise, all suppliers must comply with current regulations in the United Kingdom on labour (slavery, minimum wage, equality, etc.) and environmental matters.

[10] In general, these are set out in clauses 39, 40, 41 and 42 of the procurement documents, corresponding to RDL 3/2020, and clauses 42, 43, 44 and 45, of the provisions of Act 9/2017.

[11] Act 31/1995, of 8 November, on the Prevention of Occupational Risks, and other standards and regulations applicable within the scope of this Prevention.

Supplier monitoring and evaluation

Valuation of the quality of services

In Spain, the bidding specifications determine the mechanisms for monitoring compliance with the clauses of the contracts, as well as the imposition of penalties in case of a breach. The File Director, responsible for monitoring the performance of the agreement, must monitor, supervise and verify that the requirements and quality levels defined in the file's technical bidding specifications are met. In addition, the file manager reviews and verifies the valuation report issued by the contractor and issues the corresponding certification of compliance of performance, with the frequency established in the agreement.

At Aena Brasil, performance of tender work is supervised monthly. To this end, the contractor digitally sends proof of being up-to-date with tax payments and other obligations stipulated in the agreement. In the event of a breach, the agreement provides for the possibility of withholding payments.

In the case of London-Luton Airport, this supervision is carried out by the Services Areas, which, at the end of the contract, must report on the supplier's performance. This report also includes the valuation of the quality of the services, supplies and works performed during the year.

Negative supply chain impacts

The Company's evaluation system allows it to identify suppliers that can or do cause significant negative impacts at the environmental or social level, and to act accordingly. In accordance with the provisions of the contracts, it implements measures to mitigate these impacts, which can range from an improvement agreement with the supplier to the termination of its contract.

Supplier and customer satisfaction study

Aena's customer satisfaction assessment procedure describes the systematic approach that the Company's units/centres follow to assess customer satisfaction levels, including lessees and contractors. The main tool used for the evaluation is the completion of surveys. After their evaluations, it determines and implements the corresponding improvement actions.

London-Luton Airport has developed a system to continuously improve its processes, which is accredited by the Chartered Institute of Procurement and Supply (CIPS). In 2020, it received the United Kingdom's National Procurement Team award.

5 Staff and social issues

Aena has maintained its firm commitment to providing a work environment of quality and well-being.

Diversity and equal opportunities

Specific mechanisms

- Equality Plan
- Disability Policy
- Code of Conduct
- Corporate Responsibility Policy
- Selection policy for Director candidates
- London-Luton Airport employee manual
- London-Luton Airport Disability Policy
- Responsible Business Strategy of London-Luton Airport
- Aena Brasil Code of Conduct
- Aena Brasil Equality Plan

Work-life Balance

- Improvements to the legal minimum: holidays, leave for serious illness or for childbirth
- Schedule flexibility: parents with children with disabilities or shift changes
- Employee aid: Employee Assistance Program (EAP), financial assistance, employee assistance programme at London-Luton Airport
- Measures for disconnecting from work and working remotely

MILESTONES

Vocento Award for Equality

Participation in gender equality meetings in the aeronautical sector

Signing of protocol LGTBQ with the Ministry of Transport, Mobility and Urban Agenda, and Business Network for Diversity and Inclusion (REDI [Red Empresarial por la Diversidad e Inclusión])

Academic internships for youth employment

Participation in Employment Fairs at universities

33% OF BOARD MEMBERS ARE WOMEN

18 AGREEMENTS IN FORCE WITH UNIVERSITIES AND TEACHING CENTRES

Health and well-being of workers

Specific health emergency measures

- Work safety: remote work and adaptation of workplaces.
- Prevention and care: personal protective *kits*, diagnostic tests, medical evaluation of vulnerable personnel
- Psychological support: creation of the "Deploying Resources" programme

OVER 77,300 HOURS OF SAFETY TRAINING IN 2020

SIGNIFICANT DECREASE IN THE NUMBER OF ACCIDENTS IN 2020

Promotion and training of talent

- Self-learning platform and virtual classroom
- "Leadership in times of crisis" decalogue
- Telecommuting courses
- COVID-19 preventive training
- Mentoring Programme
- Coaching Programme

Policies governing Human Resources in matters of:

- Prevention of Occupational Risks
- Training
- Verification of Competition
- Trips
- Management hospitality and fuel costs policy
- Management Housing Policy
- Compensation and benefits of expatriate personnel
- Bases of the Performance Management System
- Best Practices Code: Outsourcing of services
- Disability

Commitment to SDGs

3 SDG 3 Health and well-being

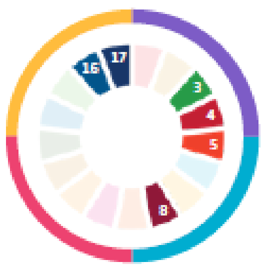
4 SDG 4 Quality education

5 ODS 5 Gender equality

8 SDG 8 Decent work and economic growth

16 SDG 16 Peace, justice and strong institutions

17 SDG 17 Partnerships to achieve the goals



Given the severity of the crisis caused by the pandemic, in 2020, the Company decided to actively participate in the search for solutions adapted to the situation. The company took advantage the situation as an opportunity to reinforce its prevention, remote work and digitalisation, among others.

The Company has focused all its efforts on ensuring the health and safety —both physical and emotional— of workers; promoting a balance between work and family life, and minimising the impact of the pandemic on all its professionals. Management of "talent" has also been a priority, and a basic pillar for the management and performance of the organisation.

The team has been at its maximum capacity to guarantee airport activity, demonstrating, one more time, its commitment, flexibility and preparation.

Aena faces the new normality –in which new technologies and ways of working are flourishing– assimilating and reinforcing what we have learnt.

Priorities with employees

- Job stability and professional development.
- Continuous training and education.
- Work-life balance and social benefits.
- Work conditions and transparent remuneration model.
- Diversity, equality and non-discrimination.
- Health and safety.

Specific policies governing Human Resources

- Occupational Risk Prevention Policy.
- Training Policy.
- Competition Verification Policy.
- Travel Policy.
- Management hospitality and fuel costs policy.
- Management Housing Policy.
- Compensation and benefits of expatriate personnel policy.
- Bases of the Performance Management System.
- Best Practices Code: Outsourcing of services.
- Disability Policy.

Action plans

- Career and succession plans: talent and commitment. "Employer branding" strategy.
- Training and development of skills: updating and motivation.
- Dialogue and negotiation: new Collective Agreement.
- Digital and cultural transformation.
- Health and safety.

Organisation and Human Resources Management is responsible for promoting a quality work environment and coordinating all actions in relation to the management of people to maintain the highest levels of motivation and commitment, retain talent and face the new challenges of the Company, for which different tools are available:

- Aena S.M.E., S.A. and SCAIRM. In addition to labour legislation, the 1st Collective Agreement of Aena[1], which is in force until 31 December 2021 (Spanish Official Government Gazette of 20 December 2011) and the Aena Integrated Management System are applicable.
- Aena Desarrollo Internacional. The Collective Agreement for Offices and Bureaus of the Community of Madrid is applicable.
- London-Luton Airport. All airport employees are governed by various human resources policies, the code of conduct and a manual covering all aspects of employment. All these policies have been created in accordance with UK legislation, primarily the Employment Rights Act of 1996.
- Aena Brasil. The 1st Collective Agreement, signed on 23 July 2020, is applicable.

To address the current technical (digital transformation, talent, health and safety, etc.) or regulatory challenges, the 2018-2021 Strategic Plan contains a specific line of action on the subject of human resources that places the focus on talent recruitment and retention, the development of the necessary capabilities and support for digital transformation.

Throughout 2020, the evolution and development of the corporate objectives of this Plan have been partially altered by the emergence of COVID-19 and the consequent requirements imposed by the new work reality, which have served for the Company to deploy a multitude of actions especially focused on the protection of health and safety and the promotion of the digital and cultural transformation of employees. All of this has enabled progress to be made in the commitments that had already been adopted and in those that arose as a result of the situation.

Organisation and Human Resources Management carries out the corresponding tasks taking into account the limitations caused by Aena's status as a state-owned public company, which implies restrictions on the hiring of personnel and talent, as shown on the Company's risk map. In this regard, the company, in addition to the Succession Plan, has Potential Detection and Employer Branding Programmes to mitigate the aforementioned risks.

[1] The validity of the 1st Collective Agreement of Aena Spanish Official Government Gazette of 20 December 2011 comes to an end on 31 December 2021. During this year, the collective negotiation for the organisation's 2nd Collective Agreement will be carried out, which in accordance with Spanish regulations may not be inferior overall to the current one.

Employment, equality and diversity[2]

In the face of the emergence of COVID-19 in 2020, Aena has prioritised keeping its employees' jobs, a decision aligned with the Company's commitment to providing a quality work environment. This is supported by the total workforce data at the end of 2020, composed of 8,771 professionals, 1.2% less than the previous year, of which 94.3% of the positions are permanent contracts and 96% are full-time. In addition, 36.1% of the total workforce are women.

The majority of employees are located in Spain (Madrid, Canary Islands, Catalonia, Andalusia and Balearic Islands) and in the United Kingdom (London).

94%
FIXED CONTRACTS

8,771
PEOPLE IN THE AENA TEAM

Total number and distribution of employment contract types (as of 31 December)*

	2019					2020				
	Total workforce	Permanent		Temporary		Total workforce	Permanent		Temporary	
		Part-time	Full-time	Part-time	Full-time		Part-time	Full-time	Part-time	Full-time
Aena, SME, S.A. (Spain)	7,867	218	6,850	80	719	7,690	165	7,031	51	443
Aena Sociedad Concesionaria del AIRM S.M.E., S.A. (Spain)	80	0	76	0	4	79	0	76	0	3
ADI, SME, S.A. (Spain)	24	2	18	1	3	24	1	21	0	2
London-Luton Airport (United Kingdom)	851	77	774	0	0	706	123	583	0	0
Aeroportos do Nordeste do Brasil, S.A. (Brazil)	56	0	56	0	0	272	0	270	0	2
Total	8,878	297	7,774	81	726	8,771	289	7,981	51	450

* All workers –except those who opted for reduced working hours– have full-time contracts.

[2] All the data presented corresponds to the end of the fiscal year, 31 December 2020, except in those cases in which another date is expressly specified. Likewise, in those cases in which its consolidation has not been possible, its scope is specifically indicated.

Total number and distribution of employees by gender, age, country and professional category (as of 31 December)

2020

	Aena, S.M.E., S.A. (Spain)						**Aena Sociedad Concesionaria del AIRM S.M.E., S.A. (Spain)**						**ADI, S.M.E., S.A. (Spain)**						**TOTAL SPAIN**					
	< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		**< 25 years**		**Between 25 and 45 years**		**> 45 years**	
	W	M	**W**	M	**W**	M	**W**	M	**W**	M	**W**	M	**W**	M	**W**	M	**W**	M	**W**	**M**	**W**	**M**	**W**	M
Senior Management	0	0	1	2	4	4	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1	2	4	5
Executives and Graduates	0	0	390	458	443	558	0	0	2	3	3	9	0	0	1	3	3	9	0	0	393	464	449	576
Coordinators	0	0	70	171	256	669	0	0	0	1	1	6	0	0	0	0	0	0	0	0	70	172	257	675
Technicians	0	0	430	1,225	965	1,621	0	0	8	19	4	18	0	0	0	0	0	0	0	0	438	1,244	969	1,639
Support staff	0	0	100	74	122	127	0	0	0	1	1	2	0	0	4	0	3	1	0	0	104	75	126	130
Total	**0**	**0**	**991**	**1,930**	**1,790**	**2,979**	**0**	**0**	**10**	**24**	**9**	**36**	**0**	**0**	**5**	**3**	**6**	**10**	**0**	**0**	**1,006**	**1,957**	**1,805**	**3,025**

2020

	London-Luton Airport						Aena Brasil						**Total**					
	< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years	
	W	M	**W**	**M**	**W**	M	**W**	M	**W**	**M**	**W**	M	**W**	**M**	**W**	**M**	**W**	**M**
Senior Management	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**1**	**2**	**4**	**5**
Executives and Graduates	0	0	9	26	7	18	0	0	5	16	3	4	**0**	**0**	**407**	**506**	**459**	**598**
Coordinators	0	0	4	12	8	11	0	0	11	33	0	2	**0**	**0**	**85**	**217**	**265**	**688**
Technicians	0	0	7	27	7	25	0	0	16	81	0	3	**0**	**0**	**461**	**1,352**	**976**	**1,667**
Support staff	20	16	145	196	67	101	5	2	39	42	1	9	**25**	**18**	**288**	**313**	**194**	**240**
Total	**20**	**16**	**165**	**261**	**89**	**155**	**5**	**2**	**71**	**172**	**4**	**18**	**25**	**18**	**1,242**	**2,390**	**1,898**	**3,198**

Annual average of contracts according to their type* by gender, age, and professional category in 2020 (consolidated)

	2019						2020**					
	PERMANENT		TEMPORARY		TOTAL		PERMANENT		TEMPORARY		TOTAL	
	Full time	Part time	Full time	Time Part	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Men	4,909	151	457	24	5,366	175	5,239	122	320	20	5.559	142
Women	2,528	270	299	53	2,827	322	2,782	235	199	45	2,981	280
Total by gender	**7,437**	**421**	**756**	**77**	**8,193**	**497**	**8,021**	**356**	**519**	**65**	**8,540**	**422**
Senior Management	11	0	0	0	11	0	12	0	0	0	12	0
Other executives and graduates	1,645	52	90	3	1,735	55	1,897	32	41	0	1,938	32
Coordinators	1,129	32	1	0	1,130	31	1,236	19	1	0	1,237	19
Technicians	3,782	161	574	56	4,356	217	3,953	118	416	48	4,369	166
Support Staff	870	176	91	18	961	194	923	188	61	17	984	205
Total by professional category	**7,437**	**421**	**756**	**77**	**8,193**	**497**	**8,021**	**356**	**519**	**65**	**8,540**	**422**
Over 45	4,292	183	205	22	4,497	205	4,658	165	174	23	4,832	188
25 - 45 years	3,072	217	545	54	3,617	271	3,330	174	344	42	3,674	216
Under 25 years	73	20	6	1	79	21	33	17	1	0	34	17
Total by age	**7,437**	**420**	**756**	**77**	**8,193**	**497**	**8,021**	**356**	**519**	**65**	**8,540**	**422**

(*) Note: Aggregated data of the total consolidated workforce.

(**) In the calculation of the average workforce of Aena SME SA (7,779), the employees who were in the Temporary Lay-Off Plan during 2020 have been taken into account, as they were receiving part of their salary from Aena in order to match 100% of their remuneration. The average workforce, applying the criterion set out in the ICAC response 221/20, amounts to 7,766.

Staff turnover rate* by age, gender and region

Turnover rate (%)	AENA S.M.E. SA			SCAIRM (Region de Murcia International Airport)			ADI			LLA			Aena Brasil		
	2020														
	W	M	Total	W	M	Total	W	M	Total	W	M	Total	W	M	Total
Over 45	0.83%	1.63%	1.33%	0%	2.86%	2.38%	0%	0%	0%	17.9%	40.0%	26.0%	0.00%	1.04%	0.73%
25-45	0.76%	1.85%	1.46%	0%	3.85%	2.63%	0%	0%	0%	15.5%	26.4%	19.8%	7.50%	10.41%	9.55%
Under 25	0%	0%	0%	0%	0%	0%	0%	0%	0%	32.6%	26.5%	29.2%	0.00%	0.00%	0.00%
Total	**0.80%**	**1.72%**	**1.39%**	**0%**	**3.28%**	**2.50%**	**0%**	**0%**	**0%**	**17.0%**	**31.0%**	**22.60%**	**7.5%**	**11.5%**	**10.3%**

(*) Turnover: Number of employees who leave the organisation voluntarily or due to dismissal, retirement or death while in active status.

1.39%

TURNOVER RATE AENA, SME, SA

2.50%

TURNOVER RATE REGIÓN DE MURCIA INTERNATIONAL AIRPORT

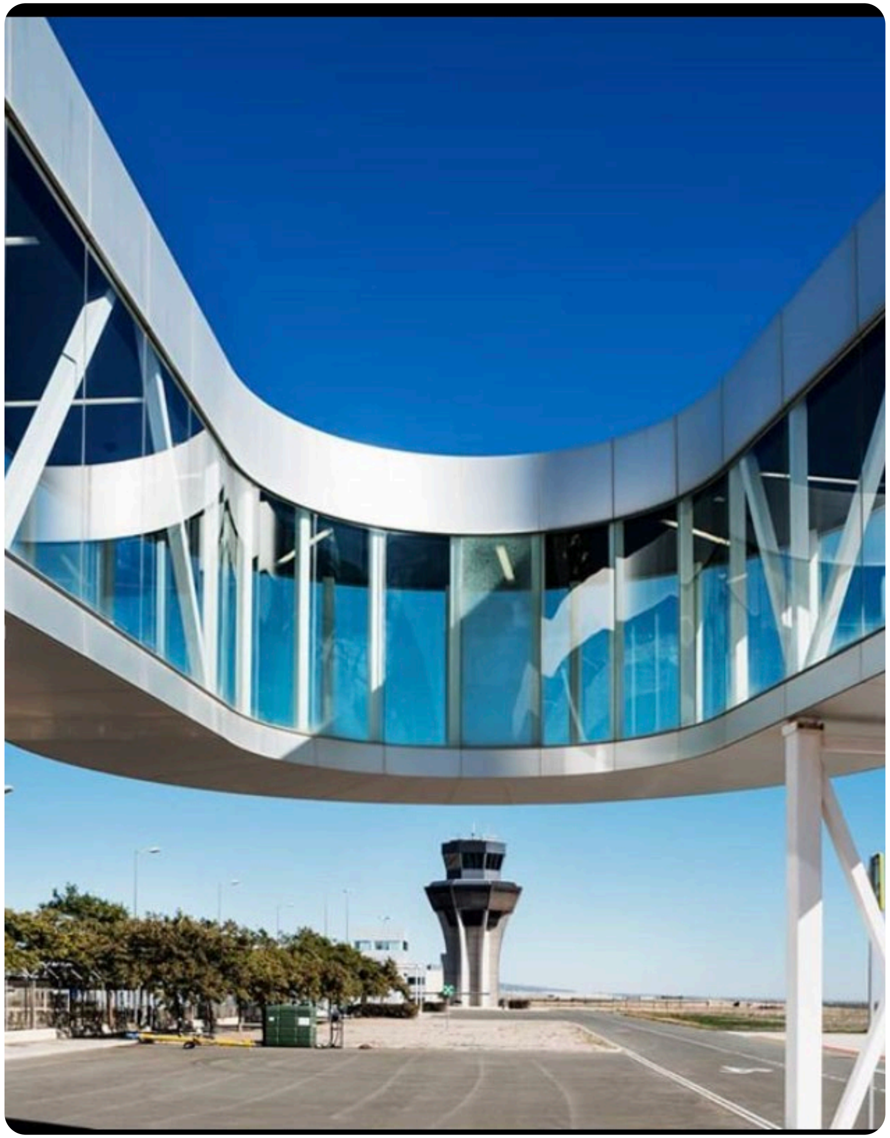
22.6%

AVERAGE TURNOVER RATE LONDON-LUTON AIRPORT

10.29%

AVERAGE TURNOVER RATE AENA BRASIL

In response to reasons of force majeure arising from the health emergency, Aena has carried out a Temporary Lay-Off Plan (ERTE [Expediente de Regulación Temporal de Empleo]) that affects less than 0.5% of the jobs, which are directly linked to the increase in activity that is normally recorded in the summer season and that has not occurred in 2020, due to the health circumstances. In any case, Aena supplemented the income of the workers affected by the temporary lay-off plan up to 100% of the amount equivalent to their normal salary.



Temporary Lay-Off Plans (ERTE)

	Temporary		Permanent		Total	% of total workforce
	Women	Men	Women	Men		
Aena, SME, S.A. (Spain)	4	5	4	18	**31**	**0.4%**
Aena Sociedad Concesionaria del AIRM S.M.E., S.A. (Spain)	0	0	0	0	**0**	**0**
ADI, SME, S.A. (Spain)	0	0	0	0	**0**	**0**
London-Luton Airport (United Kingdom)	0	0	0	0	**0**	**0**
Aeroportos do Nordeste do Brasil, S.A. (Brazil)	0	0	0	0	**0**	**0**
Total	**4**	**5**	**5**	**18**	**31**	**0.4%**

Dismissals by gender, age, professional category and region

2019*

	Aena, SME, S.A. (Spain)						London-Luton Airport (United Kingdom)						Aeroportos do Nordeste do Brasil, S.A. (Brazil)						Total					
	< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years	
	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M
Senior Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Executives and Graduates	0	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1	0	0	1
Coordinators	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1
Technicians	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1	1	1	0	0
Support staff	0	0	0	1	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	0	4	0	0
Total	**0**	**0**	**2**	**2**	**0**	**0**	**0**	**0**	**0**	**3**	**0**	**2**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**1**	**2**	**5**	**0**	**2**

(*) In 2019, there were no dismissals at SCAIRM or at ADI.

2020*

	London-Luton Airport (United Kingdom)						Aeroportos do Nordeste do Brasil, S.A. (Brazil)						TOTAL					
	< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years	
	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M
Senior Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Executives and Graduates	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1	0
Coordinators	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technicians	0	0	3	0	1	0	1	0	6	0	0	0	0	0	10	0	1	0
Support staff	0	1	6	7	4	2	0	0	5	2	0	0	0	1	11	9	4	2
Total	**0**	**1**	**9**	**7**	**5**	**2**	**1**	**0**	**11**	**2**	**1**	**0**	0	1	21	9	6	2

(*) In 2020, there were no dismissals at Aena, SCAIRM or ADI.

Hires by gender, age, professional category and region*

2020

	Aena, SME, S.A. (Spain)						Aena Sociedad Concesionaria del AIRM S.M.E., S.A. (Spain)						ADI, SME, S.A. (Spain)						Total Spain					
	< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years	
	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M
Senior Management	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Executives and Graduates	0	0	29	32	8	5	0	0	0	0	1	0	0	0	1	0	0	0	0	0	30	32	9	5
Coordinators	0	0	1	0	4	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	4	3
Technicians	0	0	73	27	27	13	0	0	3	0	0	0	0	0	0	0	0	0	0	0	76	27	27	13
Support staff	0	0	12	11	0	2	0	0	0	0	0	1	0	0	0	0	0	1	0	0	12	11	0	4
Total	**0**	**0**	**115**	**70**	**39**	**24**	**0**	**0**	**3**	**0**	**1**	**1**	**0**	**0**	**1**	**0**	**0**	**1**	**0**	**0**	**119**	**70**	**40**	**26**

549 NEW EMPLOYEE RECRUITMENT AT THE CONSOLIDATED GROUP

255 NEW EMPLOYEE RECRUITMENT IN SPAIN

50 NEW EMPLOYEE RECRUITMENT AT LONDON-LUTON AIRPORT

244 NEW EMPLOYEE RECRUITMENT AT AENA BRASIL

2020

	London-Luton Airport (United Kingdom)						Aeroportos do Nordeste do Brasil, S.A. (Brazil)						TOTAL					
	< 25 years		25-45 years		> 45 years		< 25 years		25-45 years		> 45 years		< 25 years		Between 25 and 45 years		> 45 years	
	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M	M
Senior Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Executives and Graduates	0	0	1	2	1	0	0	0	7	2	3	0	0	0	38	36	13	5
Coordinators	0	0	1	0	0	2	0	0	28	6	3	0	0	0	30	6	7	5
Technicians	0	0	1	0	0	-	0	0	75	18	4	0	0	0	152	45	31	13
Support staff	2	4	10	13	9	4	2	4	45	39	7	1	4	8	67	63	16	9
Total	**2**	**4**	**13**	**15**	**10**	**6**	**2**	**4**	**155**	**65**	**17**	**1**	**4**	**8**	**287**	**150**	**67**	**33**

(*) Information regarding new hires in 2019 can be found in the Aena 2019 Corporate Responsibility Report, available at http://www.aena.es/csee/ccurl/164/377/Libro_ENG_interactivo_v4_VF.pdf

Remuneration model and wage gap

The Company's remuneration model is based on the principles of equality and non-discrimination –understood in its broadest sense (gender, age, nationality, etc.)–, in the applicable legal standards, and incorporates the standards and principles of national and international best practices on the matter.

This system combines:

- Fixed salary, established according to professional level, occupation, function and level of individual responsibility.
- Short-term variable, linked to the results of the performance evaluation and the achievements reached by the employees.

Through its system of remuneration, the Company promotes equal treatment for employees, with no gender or personal differences of any other kind.

In Brazil, in 2020, variable compensation was due to the achievement of the goals established in the Performance Management System (SGD [Sistema de Gestión de Desempeño]). Company goals, job goals, and value goals were defined for all employees who perform their duties as coordinators, managers, and directors.

As for the London-Luton Airport, different occupations are included within each category, each of them has an equal base salary (does not include variables) for men and women and age ranges.

At the same time, the Company offers its professionals products such as health insurance, life insurance, pension plan, and restaurant vouchers, among others. In 2020, a total of €1.4 million was set aside in the parent company for social aid for employees aimed at covering child education expenses, for work-life balance (summer camps and infant schools), for health, births and exceptional disability, etc. At London-Luton Airport, employees are entitled to private medical coverage that may include coverage for up to 6 dependent children.

Compensation by professional category at AENA S.M.E, SA, SCAIRM is made public and can be consulted in the wage tables included in Annex II of Aena's Collective Bargaining Agreement[3]. As detailed in Annex II of the Collective Agreement, other applicable Supplements (night shifts, working hours, etc.) are added to this salary. This applies regardless of sex and age; in other words, the same value corresponds to the same professional classification.

In the case of ADI, it is also public and can be consulted in the salary tables contained in the Collective Agreement for Offices and Bureaus of the Community of Madrid. Other applicable supplements (activity, availability, etc.) are added to this salary published in Annex I of the Collective Agreement.

As regards London Luton Airport, within each category, different occupations are included. Each of them has a base salary that is equal for men and women, and age ranges. A bonus payment of the same amount is made for each employee, regardless of occupation, once they reach 2 years of service.

Despite the crisis caused by the pandemic in the labour market and the strong drop in the Company's activity, Aena has kept the salary conditions of its employees intact

[3] https://www.boe.es/boe/dias/2019/10/30/pdfs/BOE-A-2019-15581.pdf

Average remunerations and their evolution by professional classification

	AENA SME and SCAIRM*			ADI		
Professional category	Professional level*	Annual amount 2020**	Annual amount 2019	Professional level	Annual amount 2020	Annual amount 2019
Executives and Graduates	A	24,056.64	24,056.64	1	18,095,00	18,095,00
	B	20,240.16	20,240.16	2	17,497,38	17,497,38
Coordinators	C	17,960.64	17,960.64	-	-	-
Technicians	P	15,803.52	15,803.52	-	-	-
Support staff	E	14,987.40	14,987.40	5	14,997,48	14,997,48
	W	14,302.80	14,302.80	6	14,399,87	14,399,87

(*) Professional level classification according to the salary tables published in the Collective Agreement.
(**) The salary review included in Royal Decree-Law 2/2020, which approves urgent measures regarding compensation in the sector, is pending application.

In 2020, despite the crisis caused by the pandemic in the labour market, and the strong drop in the Company's activity, Aena has made an effort to guarantee the wages of the workforce.

London-Luton Airport has not implemented a salary increase for November 2019-20 and since November 2020. A proposal has been made for the salary negotiations with the union to be resumed in May 2021. For Aena Brasil, as 2020 is the first year of operation, this increase is not calculated.

Variable remuneration

There is also a percentage of variable compensation based on targets, whose compliance is evaluated through a Performance Management System. This system contains, among others, social and environmental efficiency and profitability objectives (Chapter IX). The percentage of employees who receive periodic performance and development evaluations has risen in 2020 to 14% of the total workforce.

AENA S.M.E, S.A. and SCAIRM: as for structural personnel (made up of middle management and directors) this variable remuneration reached 4.85% over the total of their gross remuneration. For other personnel, this variable reached 2.23%.

SCAIRM: in the case of personnel with a variable remuneration structure, it reaches 4.78% of the total of their gross remuneration. For other personnel, this variable reached 2.24%.

ADI: the variable remuneration reaches 9.79% in the case of structural staff and 7.02% for the rest of the staff.

London-Luton Airport: currently, there is no formalized performance management system, it will be a priority for the coming years.

Aena Brasil: at Aena's airports in Brazil, variable remuneration has different percentages per category of positions, from 10% to 40% of the employee's annual remuneration.

Wage gap

At Aena there are no salary differences based on gender. Aena's payment model and the wage tables that are recorded in the Company's 1st Collective Bargaining Agreement include employee compensation, with no discrimination being made based on gender or any other reason.

Royal Decree 902/2020, of 13 October, on remunerative equality between women and men includes, among others, the general rules for the assessment of positions and the remuneration registry. In this regard, Aena is working on analysing and developing the tools that are necessary for the application of said Royal Decree, which will enter into force six months after its publication in the Official State Gazette, that is, on 14 April 2021.

In the case of London-Luton Airport, the table of average remunerations by gender, age and professional category shows a wage gap of 26%. However, as already indicated, although the quantitative data on average salary shows the existence of this gap, there is no wage discrimination based on gender or age[4]

From the difference in average remunerations, from the Brazilian data, there is a wage gap of 8.1%.

Average remunerations by gender, age, professional category and region (euros)

LONDON-LUTON AIRPORT	2019							
	Women				**Men**			
	< 25 years	Between 25 and 45 years	> 45 years	Average remuneration	< 25 years	Between 25 and 45 years	> 45 years	Average remuneration
Executives and Graduates	0	67,724	69,622	68,809	56,961	64,171	65,199	64,342
Coordinators	37,535	45,406	40,617	41,424	37,893	51,875	52,569	51,661
Technicians	0	0	0	0	37,028	51,633	43,435	45,924
Support	20,012	25,268	21,383	22,488	22,857	27,482	29,163	28,037
General total	**14,387**	**34,600**	**32,906**	**33,180**	**38,685**	**48,790**	**47,592**	**47,491**
	2020							
	Women				**Men**			
	< 25 years	Between 25 and 45 years	> 45 years	Average remuneration	< 25 years	Between 25 and 45 years	> 45 years	Average remuneration
Executives and Graduates	0.00	86,424.13	68,246.49	78,471.41	0.00	73,982.71	93,151.05	82,139.45
Coordinators	0.00	45,755.68	41,624.00	43,001.23	0.00	50,814.59	52,224.98	51,489.13
Technicians	0.00	45,035.43	30,559.35	37,797.39	0.00	46,650.01	53,049.75	49,593.89
Support staff	16,873.17	23,499.14	27,218.52	24,002.07	19,276.40	30,497.01	29,238.47	29,514.18
Total	**16,873.17**	**28,384.62**	**32,003.08**	**28,719.71**	**19,276.40**	**37,600.68**	**42,649.84**	**38,733.62**

Note: Euro/Pound exchange rate in 2019: 0.8778

Euro/Pound exchange rate in 2020: EUR vs GBP= 0.88970

[4] The British government requires companies to report on the gap between the salaries of men and women, however, in reference to the 2020 data, due to the COVID-19 pandemic, this requirement is currently suspended. It can be checked on the UK government page and on the London-Luton Airport page.

- https://gender-pay-gap.service.gov.uk/Employer/MZGnz73O
- https://www.gov.uk/government/news/employers-do-not-have-to-report-gender-pay-gaps

Average remunerations by gender, age, professional category and region (euros)

AENA BRAZIL	2020 (*)							
	Women				Men			
	< 25 years	Between 25 and 45 years	> 45 years	Average remuneration	< 25 years	Between 25 and 45 years	> 45 years	Average remuneration
Senior Management				0.00				0.00
Executives and Graduates	0.00	60,053.64	37,308.08	51,524.05	0.00	54,430.65	63,374.49	56,219.42
Coordinators	0.00	22,980.20	0.00	22,980.20	0.00	23,328.99	21,581.56	23,229.13
Technicians	0.00	4,480.05	0.00	4,480.05	0.00	4,480.05	4,480.05	4,480.05
Support staff	6,431.73	8,276.42	6,273.42	8,026.94	7,928.84	10,095.52	12,467.18	10,416.49
Total	**6,431.73**	**13,345.23**	**29,549.41**	**13,723.35**	**7,928.84**	**14,114.20**	**23,461.44**	**14,926.07**

EUR vs BRL= 5.8943

(*) Due to the recent acquisition in March 2019 of the management of six airports in Northeast Brazil (Aena Brasil) and their commissioning in January 2020, detailed information on this point cannot be provided for fiscal year 2019.

Comparison between Aena minimum wage and minimum guaranteed interprofessional wage[5]

Currently, Aena's minimum wage is higher than the minimum wage in all countries in which the group operates:

- In Spain, Aena exceeds the amount legally established for the interprofessional minimum wage, which is established in Royal Decree 231/2020, of 4 February, at €13,300. In accordance with the salary tables set out in Annex II of the Collective Agreement, and taking as a reference the amount of the salary for the professional level corresponding to the lowest professional category (multiplied by 12 payments and adding the additional amount of 2 extra payments), this results in an annual salary of €17,489.42, which is 31.5% above the Minimum Interprofessional Salary. It should also be noted that workers receive the salary and non-salary related supplements to which they are entitled based on their seniority, position, work centre and if they work part or full-time.

For its part, London-Luton Airport complies with all the minimum & living wage requirements established by the UK government, which are currently established at:

- **Minimum national wage (per hour):** £4.55 if under 18 years of age; £6.45 if between 18 and 20 years of age; £8.20 if between 21 and 24 years of age.
- **National Living Wage:** £8.72 for anyone over 25 years of age.

In addition, the Airport is committed to obtaining accreditation through the Real Living Wage Foundation. The Real Living Wage is not mandatory under UK legislation, however, it is considered a clear commitment to improving the wages of those

[5] Note: Except for best paid person.
Note: Euro/Pound exchange rate in 2020: EUR vs GBP= 0.88970
Note: Euro/Brazilian Real exchange rate in 2020: 5.8943

Note: Locations that have significant operations are all those countries in which Aena is present, that is, those in which all the companies in which Aena has a stake and over which it exerts management control are located.

who are worst paid. In 2020, the Real Living Wage was set at £9.50 per hour.

Currently, all employees of London-Luton Airport are paid above this amount, and work is currently being done to ensure compliance throughout the supply chain, which would lead to obtaining the accreditation.

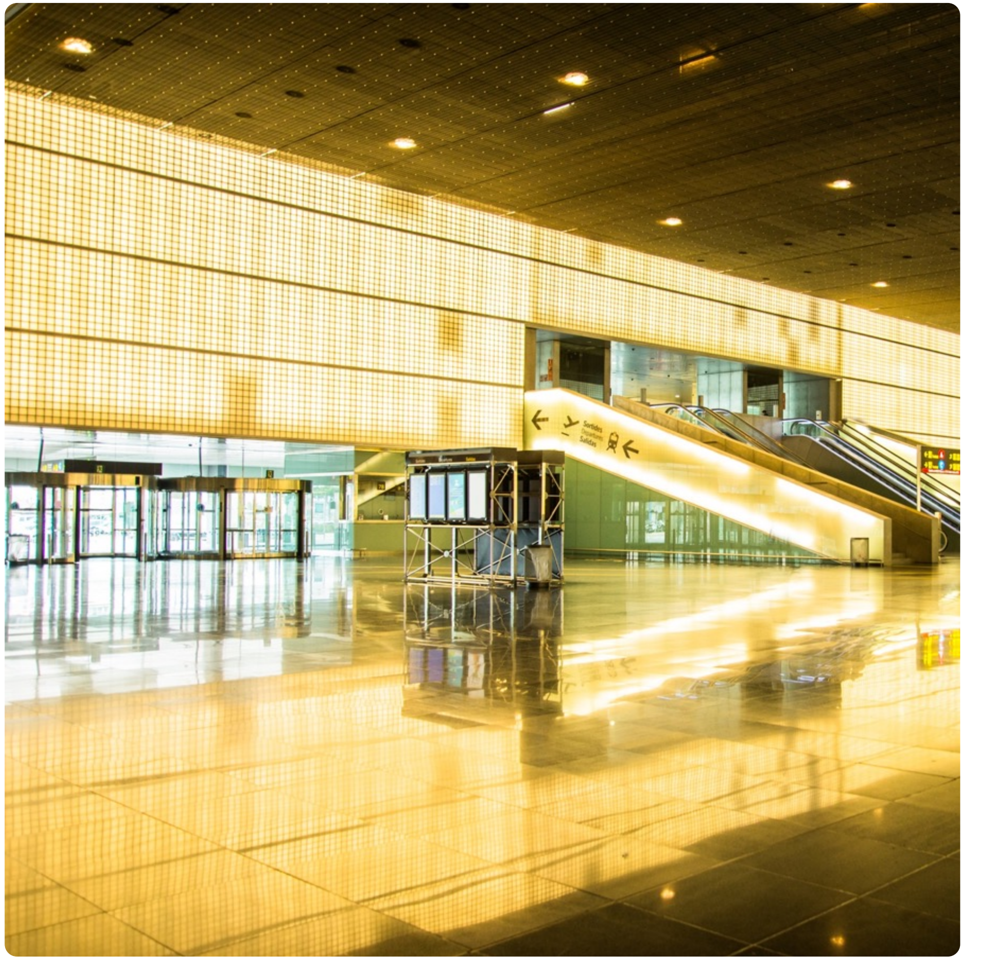
- In Brazil, the interprofessional salary is R$1,100.00 and in Aena Brasil the lowest salary is R$1,981.00.

Opportunities for internal mobility

In addition to temporary changes in occupation for the performance of higher category functions, there are internal processes that enable the promotion of Aena's workers. These internal promotion processes are regulated in the Collective Agreement and offer the possibility to all workers to advance in their professional career, offering all authorized positions from levels C to F (coordinators, technicians and support) for such internal promotion and development of workers before selecting from external sources, and in the case of levels A and B (graduates), 51% of the positions offered. On a general basis, internal promotion calls are made every two years.

London-Luton Airport guarantees that all employees have access to all internal vacancies, which are sent by email, are communicated in the weekly briefings and more recently in the internal communication system.

To do this, employees are asked to fill in an internal request form, which is supported by their line manager and, if the employee has the required skills and experience, they are included in the evaluation and interview process.



Work-life Balance

To achieve a commitment to equality and seeking a balance between professional and personal life, the Company has specific work-life balance measures in the different countries in which it operates.

All these actions have been agreed with the workers' legal representatives. As regards the measures that are already in place in the company, designed to facilitate the enjoyment of a work-life balance and encourage joint responsibility for these duties by both parents, the following are worth noting:

Permits

Improvement in paid leave for childbirth, serious illness of relatives, breastfeeding.

Improvement in holiday days (23 working days).

Compensation for public holidays that fall on a Saturday.

Personal leave days / Personal leave by hours (normal workday staff).

Holiday leave by length of service. (After 20 years of service, one additional day for every 5 years).

Paid leave on 24 and 31 December.

At London-Luton Airport:

Paid maternity, paternity and adoption leave.

Annual holidays that include 5 days above the requirements demanded by the government.

Paid parental leave of up to 5 days, plus compliance with the parental leave required by the government.

Flexi-time

Intensive working schedule during holiday periods (three months).

Two hours of daily flexibility for parents with children with disabilities.

Flexible schedule of clock-in and -out times.

Possibility of service changes for staff between shifts.

At London-Luton Airport:

Possibility of requesting flexible work, which may include part-time work, working from home or working with modified start and end times.

Employee aid

Flexible compensation (*restaurant* tickets).

Medical insurance. Life and accident insurance.

Medical examinations.

Financial aid for studies, health, disability, camps, nurseries, reimbursable advances.

Aena's Employee Services Programme (PAE [Programa de Atención al Empleado]). A set of counselling, facilitation and emotional support services for events that take place in the life of employees, offering services and advice in all aspects derived from certain situations (legal, fiscal, social, administrative, etc.).

Pension Plan contributions.

At London-Luton Airport:

Benefits include private health insurance for the whole family.

All the Group's companies also have action protocols in place to address special situations, such as those included in the Emotional Support Programme and the Prevention and Treatment of Addictive Behaviours, or to resolve possible conflicts of a professional nature through dialogue.

During 2020, in the context of COVID-19, through the Employee Care Programme, the Company has addressed specific employee demands related to family situations, medical advice, management of travel cancellations and domestic service contracts, emotional guidance for minors, legal and consumer guidance, document management and emotional support in mourning situations, as well as other requirements aimed at improving the physical or emotional well-being of employees in any case.

In turn, London-Luton Airport has an assistance programme available to all employees and their families. It is a confidential service that includes personal advice and legal assistance if necessary.

Employees who are on maternity/paternity leave

	AENA S.M.E., S.A.				SCAIRM (Region de Murcia International Airport)				ADI				LLA				Aena Brasil				Total	
	2019		2020		2019		2020		2019		2020		2019		2020		2019		2020		2019	2020
	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W
Maternity	0	49	0	34	0	0	0	0	0	0	0	0	0	18	0	15	0	0	0	1	**67**	**50**
Paternity	131	0	133	0	2	0	1	0	0	0	0	0	15	0	11	0	0	0	10	0	**148**	**155**
Adoption/Foster care	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**1**	**0**
Parental Leave	3	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**3**	**5**
Total	**135**	**49**	**138**	**34**	**2**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**15**	**18**	**11**	**15**	**0**	**0**	**10**	**1**	**219**	**210**

Employees who have returned to work after parental leave

	AENA S.M.E., S.A.				SCAIRM (Region de Murcia International Airport)				ADI				LLA				Aena Brasil				Total	
	2019		2020		2019		2020		2019		2020		2019		2020		2019		2020		2019	2020
	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W		
Maternity	0	35	0	30	0	0	0	0	0	0	0	0	0	18	0	15	0	0	0	0	**53**	**45**
Paternity	113	0	111	0	2	0	0	0	0	0	0	0	15	0	11	0	0	0	10	0	**130**	**132**
Adoption/Foster care	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**1**	**0**
Parental Leave	3	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**3**	**5**
Total	**117**	**35**	**116**	**30**	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**15**	**18**	**11**	**15**	**0**	**0**	**10**	**0**	**187**	**182**

87% Rate of return to work of employees who took parental leave by gender in 2020

	No. of employees returned to work			No. of employees who must return to work			Rate of return to work*		
	Men	Women	Total	Men	Women	Total	Men	Women	Total (%)
Maternity	0	45	45	0	50	50	-	**90%**	**90%**
Paternity	132	0	132	155	0	155	**85.2%**	-	**85%**
Adoption/Foster care	0	0	0	0	0	0	-	-	-
Parental Leave	5	0	5	5	0	5	**100.0%**	-	**100%**
Total	137	45	182	160	50	210	**85.6%**	**90.0%**	**87%**

(*) Rate of return to work: (Total number of employees who returned to work after parental leave/Total number of employees who must return to work after parental leave) x 100.

Organisation of working time

- AENA S.M.E., SA, and SCAIRM: the organisation of working time is regulated by the 1st Collective Agreement; in Legislative Royal Decree 2/2015, of 23 October, which approves the consolidated text of the Workers Statute Act; and in Royal Decree 1561/1995, of 21 September, on special workdays.
- London-Luton Airport complies with all legislation related to working hours, including the Working Time Regulations of 1998. This allows employees to limit their work time to 48 hours per week. Employees can apply for flexible work through family-friendly policies, which may include reducing working hours. In some operational departments, including Security and Cargo, the option of minimum hour contracts that support greater work flexibility around family commitments is allowed.
- Aena Brasil: regarding the activity of Aena Brasil, currently, the provisions set forth in Brazilian legislation and in the 1st Collective Agreement, which was signed on 23 July 2020, are applied.

Registering the workday and disconnecting from work

As a reflection of the Company's commitment to ensuring compliance with working hours and to control employees remaining at work beyond the established working hours/times, prior to the approval of Royal Decree-Law 8/2019, of 8 March, on urgent measures of social protection and the fight against precarious work during the working day[6], Aena already had a system for recording working days for Spain.

London-Luton Airport complies with all current legislation related to working hours, including the Working Time Regulations 1998. This allows employees to limit their work time to 48 hours per week.

During 2020, the Company has made progress in the design of an application, which employees in Spain can access from the intranet to record the workday they have performed (entry and exit registration), check the daily movements and extract the history by periods. To make the link to the portal more accessible, they have been given several clarification documents and a direct link.

With regard to disconnecting from work and remote work, Aena is working on defining both internal policies.

During the pandemic, Aena has established measures related to disconnecting from work and remote work for health reasons. Likewise, during the health crisis, London-Luton Airport has remained committed to allowing its employees to work flexibly whenever possible, introducing additional levels of flexibility (employees who do not work in operational areas have worked from home, offering the necessary equipment to ensure its efficient and safe performance).

In turn, Aena Brasil is working on defining the remote work policy.

[5] Article 10 of Royal Decree-Law 8/2019, of 8 March, on urgent measures of social protection and the fight against precarious work during the working day, available at: https://www.boe.es/buscar/doc.php?id=BOE-A-2019-3481

Diversity and non-discrimination

Aena adheres to the United Nations Global Compact, transferring to management the universally accepted Ten Principles to promote sustainable development in the areas of human and labour rights, environment and anticorruption.

The commitment and endorsement of diversity and inclusion are understood from the broadest and most plural sense. The Company is strongly committed to the defence of identity, dignity and equality, both internally with its workers and externally, by making it extendable to its supply chain and the services it offers, and by eliminating discrimination in employment.

This commitment to diversity and non-discrimination, in all its aspects, is reflected in the company's own management model, which promotes the defence of basic principles such as the identity, singularity, and dignity of all people, and the eradication of discrimination in employment. This management model is reinforced with different standards and tools, which serve as the framework for action in these areas, and among which the following can be highlighted:

Employees

- Rejection of any type of discrimination based on race, nationality, age, social origin, gender, marital status, sexual orientation, religion, political ideology, disability or any other personal, physical or social condition.
- Teams characterised by their multiple competencies, skills, experiences, knowledge, values and attitudes.
- Special attention to groups that are in a vulnerable situation, for which specific actions are carried out, such as the integration of young people in the labour market, or the contracting of services with special employment centres.
- All recommendations that are objectively necessary are incorporated so that workers with disabilities can develop professionally under equal conditions.

Supply chain

- Respect for the principles of transparency, non-discrimination and equal treatment among bidders.
- Aena requires, among other things, that all professionals and contractors adhere to the Company's health and safety practices, promote equal opportunities in their companies, and assume the commitment to exceed the minimum salary in the professional remuneration of all their employees.

Services

- Adaptation of airport facilities to make them suitable for everyone.
- Quality service that guarantees all people can enjoy air transport, whatever their degree of disability.
- Inclusive language through the PA system.

Likewise, in terms of diversity and non-discrimination, it assumes the commitment to apply, among others, the content of the fundamental agreements of the International Labour Organisation (ILO)

Anti-discrimination measures

- AENA SME, SA, AIRM
- LONDON-LUTON AIRPORT
- AENA BRASIL

Equality Plan

Included in the Agreement itself, and supervised by the Joint Commission, formed equally by Aena and the most represented trade unions, it pays special attention to the prevention of sexual harassment, having a specific protocol for the management of complaints.

Selection policy for Board Member candidates

Ensures the correct selection of candidates for the Board of Directors, in which diversity of knowledge, experiences and gender prevails and is prioritised.

Corporate Responsibility Policy

Includes, among the principles of action on which the corporate responsibility of the organisation is based: (i) providing a safe and healthy work environment, characterised by equal opportunities and non-discrimination, the promotion of diversity, talent management, and the reconciliation of professional and personal life; (ii) transferring corporate responsibility criteria to value chain management, encouraging the inclusion of social clauses, among themselves in terms of equality and diversity, in hiring, as well as responsible practices in suppliers and contractors.

Code of Conduct

Sets forth the commitment to "provide the same opportunities in access to work and in professional promotion, therefore rejecting any type of discrimination based on race, nationality, social origin, gender, marital status, sexual orientation, religion, political ideology, disability or any other personal condition of people, whether physical or social".

Applicable regulations on contracting (Act 9/2017)

Provides for the inclusion of diversity clauses in tenders, as well as monitoring mechanisms of the degree of compliance with them (and penalty measures, if applicable).

Employee manual and the obligations derived from the British Equality Act of 2010

The following reflect the Company's commitment to diversity:

- The provision of accessible services of high quality.
- The commitment to clients, local communities, staff, stakeholders and contractors to identify and implement improvements.
- The tackling of barriers that restrict access to services.
- The understanding of issues related to age, disability, gender reassignment, pregnancy and motherhood, marriage, race, religion or belief, sex and sexual orientation.
- The promotion of equal opportunities in all employment practices and the provision of services.

London-Luton Airport Disability Policy

It shows the Airport's commitment to, among other things, promoting the interests of people with special needs, whether they are users, visitors or employees, or guaranteeing access to the employment of any person regardless of their condition.

Responsible Business Strategy

Its objectives include the promotion of diversity and inclusion, especially focused on gender diversity.

Code of Conduct

Sets forth the commitment to "provide the same opportunities in access to work and in professional promotion, therefore rejecting any type of discrimination based on race, nationality, social origin, gender, marital status, sexual orientation, religion, political ideology, disability or any other personal condition of people, whether physical or social".

Equality Plan

Brazilian law establishes equal rights for men and women. The Collective Agreement of Aena Brasil has a clause to protect women from sexual harassment.

Gender diversity

Women account for 36.1% of the Group's workforce, hold 33% of positions on the Board, and 43.9% of director, middle management or graduate positions.

Among the most relevant actions carried out in the area of gender diversity in 2020, the following stand out:

- **Women's Day Conference:** on International Women's Day, a conference was organised with Mujeres&Cía, led by Mercedes Wullich, founder of Mujeres&Cía and creator of the Top 100 Women Leaders ranking, followed by a colloquium interview with three women from different work environments, in Aena's central services.
- **Vocento Award for Equality:** The Vocento Group has awarded Aena an award for its commitment to equality. This recognition highlights Aena's initiatives to ensure equal opportunities, boost the presence of women in management positions and develop inclusive language in the airports' PA system.
- Participation, with Aena's representation in various forums and meetings, **such** as **"Mujeres Líderes en el Transporte. Fomentando la Igualdad" (Women Leaders in Transport. Fostering Equality),** organised by the Bar Association, "Mujeres en Movimiento. Liderazgo femenino en el transporte y la Sostenibilidad" (Moving Women. Women's leadership in transportation and Sustainability) and "Ellas vuelan alto" (They fly high).
- Various acts carried out at different airports, on the occasion of the **International Day for the Elimination of Violence against Women**.
- Training for employees on content related to equality between women and men: 514 hours of training, 257 participating employees. A training programme was started in November 2020 at London-Luton Airport, with 60 hours of training and 39 participating employees.

Reports of harassment

The Collective Agreement includes an Equality Plan, which pays special attention to the prevention of sexual harassment, and it includes a specific protocol that incorporates a programme to manage possible complaints. During 2020, a harassment complaint was received through the specific channel, accessible to all employees in Spain, the United Kingdom and Brazil:

- One complaint, protocol activation date: 20/02/2020, end date: 05/08/2020, it was filed after the appropriate actions that were taken failed to confirm the existence of a workplace harassment situation.
- London-Luton Airport has received no complaints via established channels (*see chapter 1*).
- In Brazil, there were no reports of harassment in 2020.

Moreover, the Protocol for the Intervention of Structural Situations was activated at the following airports and centres:

- At Barcelona-El Prat Josep Tarradellas, Tenerife Sur and Vigo airports, interventions were carried out this year focused on improvements in aspects related to teamwork, conflict management and leadership.
- Other centres have monitored the actions conducted in 2019; in areas related to work team coordination, individual feedback, conflict prevention and communication improvements. The centres that have undergone this follow-up have been La Palma, Valencia and a Central Services Department.

Aena is committed to creating alliances that aim to highlight the role of working women and the promotion of equality, mainly in the aeronautical sector.

London-Luton Airport's Responsible Business Strategy includes specific objectives on the subject of promoting equality in the organisation, which will materialise in a future strategy with specific goals and actions.

Percentage of women/men in workforce (as of 31 December)

2019

	Aena, S.M.E., S.A. (Spain)		Aena Sociedad Concesionaria del AIRM S.M.E., S.A. (Spain)		ADI, S.M.E., S.A. (Spain)		London-Luton Airport (United Kingdom)		Aeroportos do Nordeste do Brasil, S.A. (Aena Brasil)		TOTAL	
	Employees	% total workforce	Employees	% total workforce	Employees	% total workforce	Employees	% total workforce	Employees	% total workforce	**Employees**	**% total workforce**
Men	4,995	63.49%	61	76.25%	12	50.00%	520	61%	40	71.43%	**5,627**	**63.40%**
Women	2,872	36.51%	19	23.75%	12	50.00%	333	39%	16	28.57%	**3,251**	**36.60%**
Total	**7,867**	**100%**	**80**	**100%**	**24**	**100%**	**853**	**100%**	**56**	**100%**	**8,878**	**100%**

2020

	Aena, S.M.E., S.A. (Spain)		Aena Sociedad Concesionaria del AIRM S.M.E., S.A. (Spain)		ADI, S.M.E., S.A. (Spain)		London-Luton Airport (United Kingdom)		Aeroportos do Nordeste do Brasil, S.A. (Aena Brasil)		TOTAL	
	Employees	% total workforce	Employees	% total workforce	Employees	% total workforce	Employees	% total workforce	Employees	% total workforce	**Employees**	**% total workforce**
Men	4,909	63.8%	60	76%	13	54%	432	61%	192	71%	**5,606**	**63.9%**
Women	2,781	36.2%	19	24%	11	46%	274	39%	80	29.41%	**3,165**	**36.1%**
Total	**7,690**	**100%**	**79**	**100%**	**24**	**100%**	**706**	**100%**	**272**	**100%**	**8,771**	**100%**

Universal accessibility to employment for people with disabilities

Aena offers job opportunities for people with different abilities. In its job offers, the Organisation favours the participation of people with different abilities, making the necessary adaptations to conduct the selection tests in an appropriate manner.

In 2020, the Company had 123 people with functional diversity in its workforce, 1.4%. Aena's facilities and work centres are adapted to facilitate and enhance the access of employees, customers, suppliers, in short, any other user, and have a specific service in the airports for persons with reduced mobility (PRM). In addition, in the event that new adaptations in the work environment are objectively necessary, Aena develops them to ensure professional development under equal conditions.

At the same time, on a biannual basis, in Spain, Aena launches a call for social entities, foundations or associations that carry out professional integration or job creation activities for a maximum amount of €100,000/year. Currently, six social entities benefit from this aid.
In addition, the Organisation maintains alliances with the main Spanish organisations in the industry such as the Spanish Committee of Representatives of Persons with Disabilities or the Spanish Autism Confederation, which reinforce the company's commitment to the accessibility of people with disabilities, or other specific ones in the United Kingdom.

Diverse and inclusive work environment

In June 2020, Aena and the rest of the public companies of the Mitma Group[7] signed, together with other companies, a protocol between the Ministry of Transport, Mobility and Urban Agenda, and the Business Network for LGBTI Diversity and Inclusion (REDI [Red Empresarial por la Diversidad e Inclusión LGBTI]).

By signing this protocol, the parties seek to promote the **diversity and inclusion of the LGBTI community in** the sphere of the State Public Sector and to promote awareness and the appropriate environment to carry out initiatives in this regard among the employees of the Ministry of Transport, Mobility and Urban Agenda, and its entities and dependent companies.

This protocol represents great political and social progress, by defending the visibility of the LGBTI community in the workplace and defending its civil rights. Through it, Aena reaffirms its commitment against discrimination and promotes awareness and the appropriate environment for the effective inclusion of this group in the work environment.

Employees with disabilities*

	Manpower			% over Total Workforce**	
	2019	2020	2020	2019	2020
Aena, S.M.E., S.A.	111	108	7,690	1.41%	1.40%
SCAIRM S.M.E S.A	6	7	79	7.5%	8.86%
ADI, S.M.E S.A	0	0	24	0%	0%
Aeroportos do Nordeste do Brasil, S.A.	-	8	272	-	2.94%
TOTAL	**117**	**123**	**709**		**1.4%**

(*) Currently, London-Luton Airport does not register staff with disabilities, as the UK government does not require it.

(**) Data from Aena S.M.E., S.A. corresponding to 2018. Data from Aena S.M.E., S.A. corresponding to the actual number of employees with disabilities in the workforce as of 21 December, without considering the equivalent number resulting from compensatory measures. According to current legislation, the percentage of employees with disabilities is calculated based on the actual number of people with disabilities in the workforce as of 31 December, and the equivalent number of people resulting from the compensatory measures approved by the Resolution of the General Directorate of the Public Service of State Employment on the Declaration of exceptionality and adoption of alternative measures for the fulfilment of the reserve quota in favour of workers with disabilities.
The actual number of employees with disabilities, as of 31 December 2019, is 115 and in 2020, it was 108. However, as of the date of publication of this report, the Resolution from the competent body regarding the Declaration of exceptionality corresponding to the 2019 financial period that allows the percentage of employees with disabilities to be included in the 2019 fiscal year is not available, nor is it available for 2020.

[7] Adif, Adif-AV, ENAIRE, INECO, Puertos del Estado and Renfe Operadora.

Diversity in government bodies and employees

Aena strengthens the interrelationship, multiplicity and inclusion of the members of the Aena team, as well as the attraction and development of talent and commitment.

As part of the initiatives of the Employer Branding strategy, the aim is to create a network of brand and diversity ambassadors who will seek, among other tasks, to highlight the Company's heterogeneity.

To do this, the Company seeks maximum diversity in the selected people: covering all occupations and areas, seeking diversity in gender, age, seniority in the company, culture, etc.

	Women					Men				
	Age range (%)			Minority groups (%)		Age range (%)			Minority groups (%)	
	<25	>45	25-45	People with disabilities	Nationals of a non-E.U. member country	<25	>45	25-45	People with disabilities	Nationals of a non-E.U. member country
Companies based in Spain (Aena S.M.E., ADI, SCAIRM)										
Board of Directors	0.00%	66.67%	33.33%	0%	0%	0.00%	73.68%	26.32%	0%	5.26%
Senior Management	0.00%	80.0%	20.0%	0%	0%	0.00%	71.4%	28.6%	0.00%	0.00%
Other executives and graduates	0.00%	53.3%	46.7%	1.19%	0.36%	0.00%	55.4%	44.6%	1.63%	0.10%
Coordinators	0.00%	78.6%	21.4%	0.31%	0.31%	0.00%	79.7%	20.3%	1.77%	0.24%
Technicians	0.00%	68.9%	31.1%	2.35%	0.00%	0.00%	56.9%	43.2%	1.14%	0.03%
Support Staff	0.00%	54.8%	45.2%	0.43%	0.43%	0.00%	63.4%	36.6%	2.44%	
Total by professional category	**0.00%**	**64.2%**	**35.8%**	**1.60%**	**0.18%**	**0%**	**60.7%**	**39.3%**	**1.41%**	**0.08%**
London-Luton Airport										
Senior Management	0.00%	0.00%	0.00%	N/A	N/A	0.00%	0.00%	0.00%	N/A	N/A
Other executives and graduates	0.00%	43.75%	56.25%	N/A	N/A	0.00%	40.91%	59.09%	N/A	N/A
Coordinators	0.00%	66.67%	33.33%	N/A	N/A	0.00%	47.83%	52.17%	N/A	N/A
Technicians	0.00%	0.00%	0.00%	N/A	N/A	0.00%	48.08%	51.92%	N/A	N/A
Support Staff	8.62%	28.88%	62.50%	N/A	N/A	5.11%	32.27%	62.62%	N/A	N/A
Total by professional category	**7.30%**	**32.48%**	**60.22%**	**N/A**	**N/A**	**3.70%**	**35.88%**	**60.42%**	**N/A**	**N/A**
Aeroportos do Nordeste do Brasil										
Senior Management	0.00%	0.00%	0.00%	N/A	N/A	0.00%	0.00%	0.00%	N/A	N/A
Other executives and graduates	0.00%	37.50%	62.50%	N/A	N/A	0.00%	80.00%	20.00%	N/A	N/A
Coordinators	0.0%	0.00%	100.00%	N/A	N/A	0.00%	94.29%	5.71%	N/A	N/A
Technicians	0.00%	0.00%	100.00%	N/A	N/A	0.00%	96.43%	3.57%	N/A	N/A
Support Staff	11.11%	2.22%	86.67%	N/A	N/A	3.77%	79.25%	16.98%	N/A	N/A
Total by professional category	**6.25%**	**5.00%**	**88.75%**	**N/A**	**N/A**	**1.04%**	**89.58%**	**9.38%**	**N/A**	**N/A**

Generational diversity and promotion of the work integration of young people

The correct management of generational diversity in a workforce like Aena's, in which more than 58% of employees are over 45 years old, is essential. This is in addition to the reality of the social context itself, which encourages us to make an important effort to activate and increase the hiring of young people, and offer them new opportunities for professional insertion. In this regard, the following stand out:

- Agreements with universities (public and private), business schools and other teaching centres, to encourage the integration of young people into the labour market, through external academic practices (curricular and extra-curricular), with undergraduate and/or master's students in the company. Through this initiative:
  - Despite the situation experienced in 2020, with several months of lockdown, more than 55 undergraduate or master's students have completed curricular or extracurricular internships during 2020 in Spain (96 in 2019).
  - 18 agreements in force in 2020 with universities and teaching centres.
  - While London-Luton Airport does not currently have formal agreements in place regarding academic internships, it works closely with Cranfield University and the London Business School on aviation-related projects and business improvement opportunities.

In addition, in 2020, Aena participated in the following Job Fairs at different training centres:

- Complutense University of Madrid (Faculty of Computer Science) Job Fair.
- 15th Employment Forum of the Autonomous University of Madrid.
- Virtual Job Fair: 22nd Comillas Employment Forum.
- Virtual Job Fair: 20th Employment Forum of the Carlos III University.

— Projects

— Validity of the collaboration

UNIVERSIDAD CARLOS III DE MADRID
- External academic internship
- Until 22/07/2023

TECHNICAL UNIVERSITY OF MADRID
- External academic internship
- Until 14/10/2023

AUTONOMOUS UNIVERSITY OF MADRID
- External academic internship
- Duration of 1 year, tacitly extendable

COMPLUTENSE UNIVERSITY OF MADRID
- External academic internship
- Until 16/10/2023

UNIVERSITY OF ALCALÁ
- External academic internship
- Duration of 1 year, tacitly extendable

COMILLAS PONTIFICAL UNIVERSITY
- External academic internship
- Duration of 1 year, tacitly extendable

REY JUAN CARLOS UNIVERSITY
- External academic internship
- Until 01/10/2023

CUNEF
- External academic internship
- Duration of 1 year, tacitly extendable

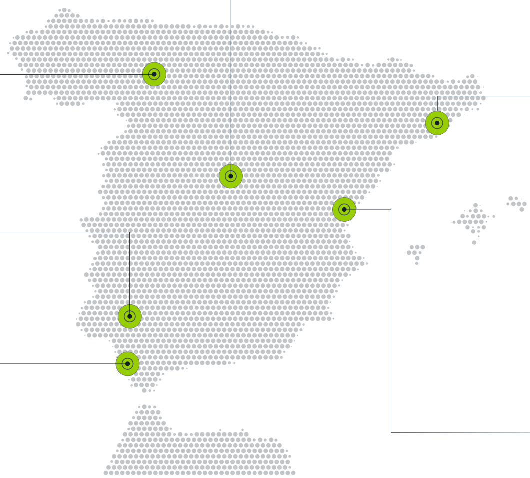
CENTRO DE ESTUDIOS GARRIGUES
- External academic internship
- Duration of 1 year, tacitly extendable

UNIVERSITY OF LEON
- External academic internships and/or PhD studies
- Until 08/11/2021

UNIVERSIDAD DE LA LAGUNA
- External academic internship
- Duration of 1 year, tacitly extendable

UNIVERSITY OF SEVILLE
- External academic internship
- Until 27/05/2023

UNIVERSITY OF LAS PALMAS DE GRAN CANARIA
- External academic internship
- Duration of 1 year, tacitly extendable



UNIVERSITY OF CADIZ
- External academic internship
- Duration of 1 year, tacitly extendable

UNIVERSIDAD POLITÉCNICA DE CATALUNYA
- External academic internship
- Duration of 1 year, tacitly extendable

UNIVERSITY OF BARCELONA
- External academic internship
- Until 07/09/2021

AUTONOMOUS UNIVERSITY OF BARCELONA
- External academic internship
- Duration of 1 year, tacitly extendable

POLYTECHNIC UNIVERSITY OF VALENCIA
- External academic internship
- Duration of 1 year, tacitly extendable

Talent and training

The Company has advanced its Employer Branding Strategy, under which, among other things, Aena establishes action plans to:

- Improve the dissemination of job offers, selection processes, and internal communication and enhance Aena's brand image.
- Reinforce the feeling of pride and belonging in the workforce.
- Achieve greater talent attraction and find the most appropriate profiles, both externally and internally, in order to identify the organisation's potential, offer better opportunities for employee development, cover the needs of vacant structure positions and manage the processes with the appropriate quality and guarantee levels. In addition, Aena works on career and succession plans for key personnel.

For its part, London-Luton Airport's Responsible Business Strategy includes, among other objectives, the development of new strategies for attracting and recruiting talent and guaranteeing the professional development of employees, as well as contributing to the Luton Council's training academy and expanding the learning programme.

Training

In order to better adapt the training plans and involve the workers themselves, in 2020 a survey of "training needs" was launched, giving the employees the opportunity to transfer their ideas regarding training and development to the organisation and, along with their manager, address the design of their training plan in a more participative manner.

The unstoppable technological evolution constitutes a key element of the human resources strategy for the development of workers' skills. The training policy, which is detailed below, and the 2018-2021 Strategic Plan promote actions, programmes and operations aimed at attracting and retaining talent, while at the same time contributing to the transformation of the organisational culture, increasing the motivation, commitment and involvement of employees and the development of their professional skills.

Attracting the best talent

Brand Ambassadors/ Change Agents, to provide greater visibility to Aena's strengths and appeal.

Internal and external communication, to reach everyone: job fairs, seminars, etc.

Training/internship scholarships. They offer graduates and master's students the possibility of applying theory during their studies in business reality.

With the purpose of accompanying and guiding the organisation's leaders, who are the people who in turn accompany and provide support for everyone else, and to manage to stay motivated and resilient in adverse situations, the Company developed the "Liderazgo en tiempos de crisis" (Leadership in times of crisis) Decalogue, which was sent to all the Company's executives and managers.

Employees who receive professional performance evaluations by gender, professional category and region

2019

	Aena S.M.E., S.A.			ADI			SCAIRM (Region de Murcia International Airport)			London-Luton Airport			Aena Brasil			Total aggregated	
	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	**M (%)**	**W (%)**
Senior Management	100%	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	**88%**	**100%**
Other executives and graduates	63%	61%	63%	64%	50%	59%	50%	60%	53%	0%	0%	0%	91%	100%	94%	**61%**	**60%**
Coordinators	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	60%	100%	80%	**0%**	**1%**
Technicians	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	**0%**	**0%**
Support Staff	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	**0%**	**0%**
Total	**13%**	**17%**	**14%**	**58%**	**25%**	**42%**	**10%**	**16%**	**11%**	**0%**	**0%**	**0%**	**33%**	**69%**	**43%**	**12%**	**16%**

2020

	Aena S.M.E., S.A.			ADI			SCAIRM (Region de Murcia International Airport)			London-Luton Airport			Aena Brasil			Total aggregated	
	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	M (%)	W (%)	**Total**	**M (%)**	**W (%)**
Senior Management	100%	100%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	**86%**	**100%**
Other executives and graduates	62%	60%	61%	92%	100%	94%	50%	60%	53%	0%	0%	0%	95%	88%	93%	**61%**	**59%**
Coordinators	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	77%	73%	76%	**3%**	**2%**
Technicians	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	**0%**	**0%**
Support Staff	0%	0%	0%	0%	71%	63%	0%	0%	0%	0%	0%	0%	0%	0%	0%	**0%**	**1%**
Total	**13%**	**18%**	**15%**	**85%**	**82%**	**83%**	**10%**	**16%**	**11%**	**0%**	**0%**	**0%**	**24%**	**19%**	**22%**	**13%**	**17%**

Significant training actions in 2020[8]

The commitment to the development and training of employees is set out in the Aena Training Policy, the main objectives of which are:

- Develop the technical competencies of workers to promote the correct performance of their job, as well as to enhance their professional and human development.
- Facilitate the updating of workers' knowledge based on the regulatory, technological or organisational changes that occur.
- Increase the productivity, efficacy and efficiency levels.
- Contribute to projecting an excellent image of Aena through its professionals.

During 2020, Organisation and Human Resources Management, with the objective of contributing to minimise the impact of the pandemic on Aena's professionals, has joined efforts with Information Technologies and Communications Management to make it possible for its most regular activities to continue to be performed.

In line with this objective, and together with the challenge that was already initiated in 2019 of promoting cultural change and digital transformation, initiatives have been put in place that involve the use of new tools that streamline and enable virtual training and meetings for the entire workforce, in addition to promoting a culture of self-learning.

[8] Throughout the document, the training courses provided in the different subjects (compliance, equality, quality of services, environment, security, data protection, etc.) are detailed.

The activities carried out in 2020, set in motion in record time, have been largely planned in order to maintain the mandatory training and also contribute as much as possible to help other companies that provide services to Aena to continue working. Thus, the Company established mechanisms so that **the training could take place online**, which, up to the start of the lockdown, was taking place in person.

Another important aspect that has been implemented, with the idea of contributing to maintaining training in Aena, is the bonus from the State Foundation for Employment Training for training in Virtual Classrooms.

Development of new projects

- **Procedure for adapting and implementing in-person training in Virtual Classrooms:** with the aim of continuing to deliver training, the Training Units established a procedure for this adaptation, which was initially planned for the centralised and compulsory training, and was subsequently expanded to training actions with other characteristics.
- **Digital and Cultural Transformation Itinerary:** the proposal for cultural change and digital transformation at Aena is centred on training and development in elements that promote it in the medium-long term. To this end, the Company has started to develop training actions in this area, aimed at different groups in all areas of the organisation, thus promoting this transformation.
- **Self-learning platform:** Aena has a self-learning tool that will allow all Aena staff to access, on a voluntary basis, varied, dynamic and innovative online training. The subjects that can be accessed include training in skills, well-being and security, the communication tool, productivity and digital skills, etc. They all contribute to Aena's interest in strengthening its prevention, work-life balance and digitalisation measures and new ways of working:

  This training will also be available in several languages, including English, so that workers can improve and practice their knowledge and take Business English monographic capsules.
- **Development and implementation of the new methodology for detecting training needs:** this year, a new questionnaire for detecting needs has been launched for all Aena staff, so that the requests are collected on a global basis, and all the training can be managed in a more agile manner.
- **Skills verification:** the first skills verification cycle has been completed with the specific tests associated with the Fire Rescue and Extinction Service, Operations in the Movement Area and Airport Maintenance groups.
- **Implementation of improvements in the training management application (SAP-SIGIF)** to facilitate

the control of the courses of the training itineraries audited by the Spanish Aviation Safety and Security Agency in the airport certification process.

Update/Adaptation of training actions

- **Online training:** in line with the ordinary calls for online training, the usual strategic training has been maintained on the online courses platform during the State of Emergency and the following months.
- **Language training: English and Portuguese**. Language training has been particularly prominent in 2020 due to the speed in adapting to the virtual method. Throughout the year, the programmed classes of the different programmes have been maintained.

Specific training actions have been developed in some key areas of the Company, such as regulatory compliance.

In addition, 21 new courses have been developed and 68 already existing courses have been updated, for personnel from levels C to F.

In Aena Brasil, the following training stands out:

- Training to start operations at the airports of Recife, Maceió, João Pessoa and Aracajú.
- AVSEC training.
- Systems training.

Specific actions motivated by the COVID-19 pandemic

- **New courses**: general aspects and preventive measures in Aena (COVID-19) and Remote work course. These courses arise in the context of the pandemic, with the aim of providing training and transferring relevant information for the entire workforce and office staff in an online format.
- Preparation of an action protocol for the re-start of training in person with prevention measures regarding COVID-19.

In 2020, Aena allocated a total of €1,359,225 to the investment in employee training and education

		2019					2020					
		Aena S.M.E, S.A.	ADI	SCAIRM	LLA	Aena Brasil	Aena SME, S.A.	ADI	SCAIRM	LLA	Aena Brasil	Total
Investment in training programmes and employee training (€)		1,987,120 *			315,473.88	18,651.20	1,099,064.8 *			250,905.9	9,254.1	**1,359,224.8**
Investment in training per employee (€)		249	-	-	371	333	141.0	-	-	355.4	34.0	**155.0**
Employees who have received training (%)	Women	100%	75%	100%	N/A	-	100%	100%	100%	N/A	100%	**95%**
	Men	100%	83%	100%	N/A	-	100%	100%	100%	N/A	100%	**95%**
Average training per year per employee (hours)	Women	46.4	33.4	25.7	N/A	-	27.0	31.8	27.8	N/A	40.3	**25.0**
	Men	64.4	40.8	44.3	N/A	-	49.3	35.8	50.9	N/A	62.3	**46.0**

(*) Total Expenditure on Training in Spain.
NOTE: London-Luton Airport does not record Training hours

Training hours by gender, professional category and region*

	2020														
	AENA S.M.E., SA			SCAIRM (Region de Murcia International Airport)			ADI			Aena Brasil			TOTAL		
Training hours	Online training	On-site training	**Total**	Online training	On-site training	**Total**	Online training	On-site training	**Total**	Online training	On-site training	**Total**	Online training	On-site training	**Total**
Men	163,492.4	78,749.5	242,241.8	2,600.0	452.5	3,052.5	79.0	387.0	466.0	2,970.0	8,985.5	11,955.5	**169,141.4**	**88,574.5**	**257,715.8**
Women	53,942.9	21,179.0	75,121.9	467.0	61.0	528.0	66.0	283.6	349.6	863.5	2.361.0	3,224.5	**55,339.4**	**23,884.6**	**79,224.0**
Total by gender	**217,435.2**	**99,928.5**	**317,363.7**	**3,067.0**	**513.5**	**3,580.5**	**145.0**	**670.6**	**815.6**	**3,833.5**	**11,346.5**	**15,180.0**	**224,480.7**	**112,459.1**	**336,939.8**
Senior Management	12.0	505.0	517.0	-	-	-	-	-	-	-	-	-	**12.0**	**505.0**	**517.0**
Executives and Graduates	34,804.9	19,982.6	54,787.5	341.0	67.0	408.0	74.0	519.5	593.5	357.0	77.0	434.0	**35,576.9**	**20,646.1**	**56,223.0**
Coordinators	32,235.8	14,327.0	46,562.8	418.0	77.0	495.0	-	-	-	1,105.5	561.5	1,667.0	**33,759.3**	**14,965.5**	**48,724.8**
Technicians	143,181.5	63,333.3	206,514.8	2,203.0	351.5	2,554.5	-	-	-	988.0	9,348.0	10,336.0	**146,372.5**	**73,032.8**	**219,405.3**
Support Staff	7,201.0	1,780.6	8,981.6	105.0	18.0	123.0	71.0	151.1	222.1	1,383.0	1,360.0	2,743.0	**8,760.0**	**3,309.7**	**12,069.7**
Total by professional category	**217,435.2**	**99,928.5**	**317,363.7**	**3,067.0**	**513.5**	**3,580.5**	**145.0**	**670.6**	**815.6**	**3,833.5**	**11,346.5**	**15,180.0**	**224,480.7**	**112,459.1**	**336,939.8**

NOTE: London-Luton Airport does not record Training hours

(*) Information regarding training in 2019 can be found in the Aena 2019 Corporate Responsibility Report, available at: http://www.aena.es/csee/ccurl/164/377/Libro_ENG_interactivo_v4_VF.pdf

Currently, London-Luton Airport does not record training by hours, gender or professional category. Mandatory and regulatory training is managed within the individual departments and is registered locally. Annually, Luton employees perform all necessary training and this generally includes more than 85% of employees undergoing training in a single year, and 100% of employees undergo training in the areas of Security, Firefighters, Operations and Technical Services.

Development programmes

- "Líderes desarrollando líderes" (Leaders developing leaders) **Mentoring Programme**

  .

  In 2020, the 8th Edition consisting of 24 mentor-mentee couples (48 participants in total) continues to be developed, as of March in online format, due to the impossibility of travel and meetings. The launch of the 9th Edition, scheduled for March, has been postponed until next year due to the state of emergency and the situation produced by the COVID-19 pandemic.

  Since its inception, it has accumulated a total of 212 participants. This programme promotes the implementation of some key mechanisms for professional development:

  - Transfer of knowledge and know-how, coupled with development of skills for leadership.
  - Encouraging commitment, cultural transformation and internal networking.

- **Coaching programme**.

  Beginning in 2007, with external coaches and, from 2011, continuing with internal coaches, it is a development strategy that focuses on enhancing behavioural skills (social interaction, directives, self-management and personal efficiency, mainly).

  In 2020, the number of coaching hours accumulated has been reduced by around 18% and the drop in the number of clients has been around 16%, reaching 145.5 hours accumulated, from processes carried out on 16 clients: 11 women and 5 men (10 of them with internal coaches and 6 with external coaches).

Industrial relations

Aena guarantees that its employees can enjoy the rights of freedom of association, unionisation and collective bargaining within the framework of current labour regulations and the collective agreement that is applicable:

- Aena SME, SA, and SCAIRM: this social dialogue is articulated in the 1st Collective Agreement of the Aena Group of Companies, in its Chapter XIX. The State Union Coordinating Commission (CSE [Coordinadora Sindical Estatal]) is the representative body for the workers of the entities and/or companies that make up the Aena Group, included within the scope of application (Section 3 - Art. 161 of the 1st Collective Agreement of the Aena Group).
- London-Luton Airport: all employees have the opportunity to join a union recognised by the company or any other union for the purposes of representation in the company's processes, not including the negotiation of payments and benefits.
- In July, Aena Brasil signed its first Collective Agreement, and negotiations were initiated for its development.

In addition, Aena's Human Rights Policy, which applies to all the companies of the group, endorses the corporate commitment to the right of freedom of association and collective bargaining of its workers:

"Aena recognises, without interferences, the right of its employees to constitute or participate in organisations for the defence and promotion of their interests, through union representation or through the forms of representation chosen in accordance with the legislation and practices that are in force in the different countries in which the employment relationship takes place.

Likewise, Aena recognises the value of collective bargaining as a preferred instrument for determining the contractual conditions of its employees, as well as for regulating relations between management and unions."

In order to develop and deal with the specific issues of the Collective Agreement, as explained throughout the report, the corresponding joint commissions have been created, composed of the unions that are present in the State Union Coordinating Commission and the company.

- Joint Commission on Training.
- Joint Commission on Promotion and Recruiting.
- Joint Commission on Equality.
- State Health and Safety Committee.

- Joint Commission on Social Action.
- Commission on the interpretation, monitoring, conciliation and arbitration, and voluntary resolution of conflicts.

As legal representatives of the employees, Aena holds regular bilateral meetings with all the joint commissions provided for in the Agreement, to manage their respective matters. The information, participation, consultation and negotiation dynamics of the union representations are channelled through them. In short, the participation of workers in the management of the company through their legal representatives (centre committees and staff delegates) is quite broad as it extends to the main aspects of the employment relationship, based on extremely stable working conditions that provide extensive guarantees, as a consequence of the public nature of the company and the applicable Collective Agreement.

In 2020, the relationship with the union representation has been marked by the negotiation of all the measures implemented for the health and safety of the workers, as well as the guarantee of essential public air transport services, with the State Union Coordinating Commission playing an important role in the adoption of agreements within the scope of the Group's companies, and the State Committee on Health and Safety, as a result of COVID-19. In this regard, the Operational Recovery Plans of Aena's Work Centres have been agreed with the union representations.

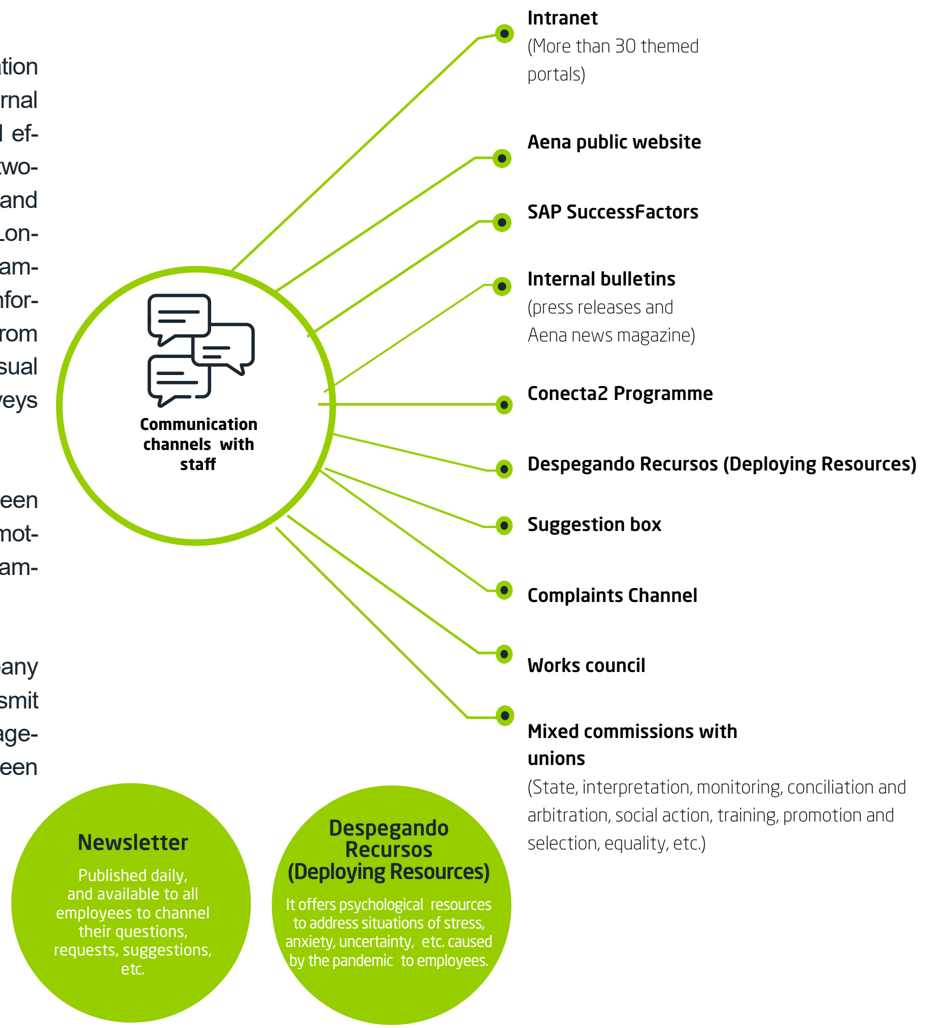
Aena has various communication channels to ensure and facilitate a fluid relationship with employees, share the Company's new objectives and encourage their involvement. As an example of this, in 2020, the new employee portal, SAP SuccessFactors, was launched. It is more dynamic and interactive, accessible from any web browser and mobile device and it not only makes their own personal information available to them, but it is also particularly focused on fostering communication and interaction between workers.

London-Luton Airport has its own internal communication channels. For example, “Engage Co: Lab” is an internal work group that aims to collaborate, debate and find effective solutions for improving communication, in a two-way manner, fostering a sense of pride in belonging and regular employee participation. At the end of 2020, London-Luton launched “LLA Hub”. It is, together with Yammer, a tool to enable employees to review company information, share experiences and request information from peers and managers. Due to the pandemic, the usual communication was interrupted, although several surveys were carried out during the year.

Likewise, the offices of Aena's headquarters have been recently renovated with the aim, among others, of promoting collaborative work methodologies, as well as streamlining and promoting creativity and innovation.

In addition, due to the health emergency, the Company has exploited all the channels it has available to transmit corporate messages, foster dialogue with senior management and announce the health measures that have been adopted, among others.

Aena uses all of these tools to communicate, share and make all of the Company's policies and standards available to all employees, including those related to labour matters (Collective Agreement, Code of Conduct, etc.). Specifically, the corporate policies and regulations are available to employees on the intranet and on the Aena website for workers to check at any time.



Percentage of employees covered by collective agreements by country:

Many of the employee groups are covered by the collective labour regulations in the different countries in which Aena operates.

	2019	2020
Spain	99.86%	99.86%
Aena Desarrollo Internacional (ADI)	100%	100%
Sociedad Concesionaria del Aeropuerto Internacional de Murcia S.A. (SCAIRM)	98.75%	98.73%
United Kingdom (Luton)	40%	30%
Aeroportos do Nordeste do Brasil (Aena Brasil)	-	100%

Operational changes

In relation to operational changes, the procedure for making Substantial Modifications of the Working Conditions, both individual and collective, is already established in the Workers' Statute. Therefore, Aena cannot modify it in any way.

In Brazil, the work change procedure is guaranteed in the Consolidation of Brazilian Labour Laws (CLT, as it is known by its Portuguese acronym).

Freedom of association and collective bargaining in operations and suppliers

In Spain and London-Luton Airport, no significant risks have been identified associated with the violation of the rights of freedom of association and collective bargaining in operations, suppliers, or in the supply chain (the latter, due to its eminently local nature).

Occupational health and safety

Protecting the physical and emotional health and safety of workers and users of the facilities, reducing accident rates and developing and enhancing a preventive culture are permanent and priority objectives for Aena, as reflected in its Health and Safety Policy. To put it into practice, the Company has a perfectly articulated management and tools system –with which it intends to go beyond legal compliance–. For its correct implementation, all areas of the Company and, of course, its employees, play a fundamental role.
The global health emergency context has only served to reinforce the relevance of these issues in the Organisation. Thus, a multitude of specific actions have been developed to ensure the health and well-being of employees.

Prevention Policy, Prevention Management System and Prevention Plan

Aena has an **Occupational Risk Management System**, based on the applicable regulations (Act 31/1995, of 8 November, on Occupational Risk Prevention and Royal Decree 39/1997, of 17 January, which approves the Prevention Services Regulation). Responsibilities are defined and prevention is structured around it to ensure it works properly, as well as ensure compliance with the guidelines contained in the Occupational Risk Prevention Policy. This System is regulated by the Occupational Risk Prevention Management Manual, the Procedures and Instructions that develop it, the preventive activities and bodies of the entities and/or companies of the Aena Group.

The Occupational Risk Prevention Management System is audited every four years by an external company certified to conduct audits in accordance with the applicable legislation. In the last audit of the Management System (2019), the result was **high compliance** regarding Occupational Risk Prevention, **good integration** of the preventive activity in the company and **good efficacy** to prevent, identify, evaluate, correct and control occupational risks in all phases of the company's activity. In the Joint Service, 100% of the Company's own employees are covered by the system.

Currently, a comprehensive review of the prevention management system is being conducted, updating the most relevant procedures, in order to assess the possibility of certifying the management system under the OHSAS Standard or another similar one.
The System integrates prevention at all levels of the company, which means they all have to bear in mind and undertake an obligation to include risk prevention in any activity and decision.

Through the Occupational Risk Prevention Policy, Aena assumes a commitment to meet the following objectives:

- To develop its management while committing to preventing damage and health deterioration, and promoting continuous improvement.
- To comply with the applicable internal and external regulations.
- To establish adequate information channels.
- To guarantee the participation, information and training of workers.
- To disseminate, explain and keep the Policy updated.
- To coordinate preventive activities with third parties, including concessionaires, contractors and airline operators.

100%
own employees are covered by the system

For its part, through Aena's Occupational Risk Prevention Plan, the Company ensures that the operation of the organisation's preventive activity complies with the Occupational Risk Prevention Policy, defining the prevention objectives, which also consider emergencies and third party (contractors, concessionaires, etc.) activities. These objectives are:

- Commitment to the prevention of damages to health and impairment and to continuous improvement in the management and performance of health and safety at work, establishing quantitative objectives for occupational accidents each year. (These objectives are indicated on page 42).
- Compliance with the requirements signed by the organisation in addition to the applicable legal requirements.
- The establishment of the appropriate information channels in the field of Occupational Risk Prevention (ORP).
- The participation, information and training of workers on the subject of ORP.
- The dissemination and updating of the ORP Policy.
- The coordination of preventive activities with licensees, contractors, air operators and Government Bodies.

These tools also include training, communication and awareness actions on employee obligations and responsibilities, which are essential to ensure compliance with current regulations, and to materialise the commitment that the entire workforce needs to have to this purpose.
To minimise and/or eradicate possible incidents and fatalities, the Company performs continuous reviews and improvements on the health and safety management systems, the established monitoring procedures and the facilities.

For its part, London-Luton Airport has implemented a robust Occupational Health and Safety Management System, based on the applicable regulations (Health and Safety at Work Act 1974 and Management of Health and Safety at Work Regulations 1999), the nature of which is defined in its Health and Safety Policy. Through this Policy, the Airport shows its firm commitment to adopting a proactive approach to its safety culture, open and transparent reporting practices, and the intention to focus on achieving continuous improvement in its performance, among others.

London-Luton Airport's Health and Safety Policy can be found at the following link:
https://www.london-luton.co.uk/corporate/health-safety-matters

The ISO 45001 Occupational Health and Safety Management System provides a structure for effective management of health and safety throughout the Airport. This covers aspects for which we are directly responsible and the influence of which we can reasonably control. Among others:

- Identifying hazards.
- Follow-up, measurement, analysis and performance evaluation.
- Compliance evaluation.
- Opportunity for ongoing improvement.
- Performance analysis and evaluation.
- Inspections.

The Health and Safety objectives, defined in the 2020-2025 London-Luton Airport Responsible Business Strategy, include the review and improvement of operations to address problems proactively, focusing not only on employees, but also on customers and suppliers. The purpose is clear: incorporate an excellent culture of safety and risk management throughout the airport. To this end, the following actions have been proposed:

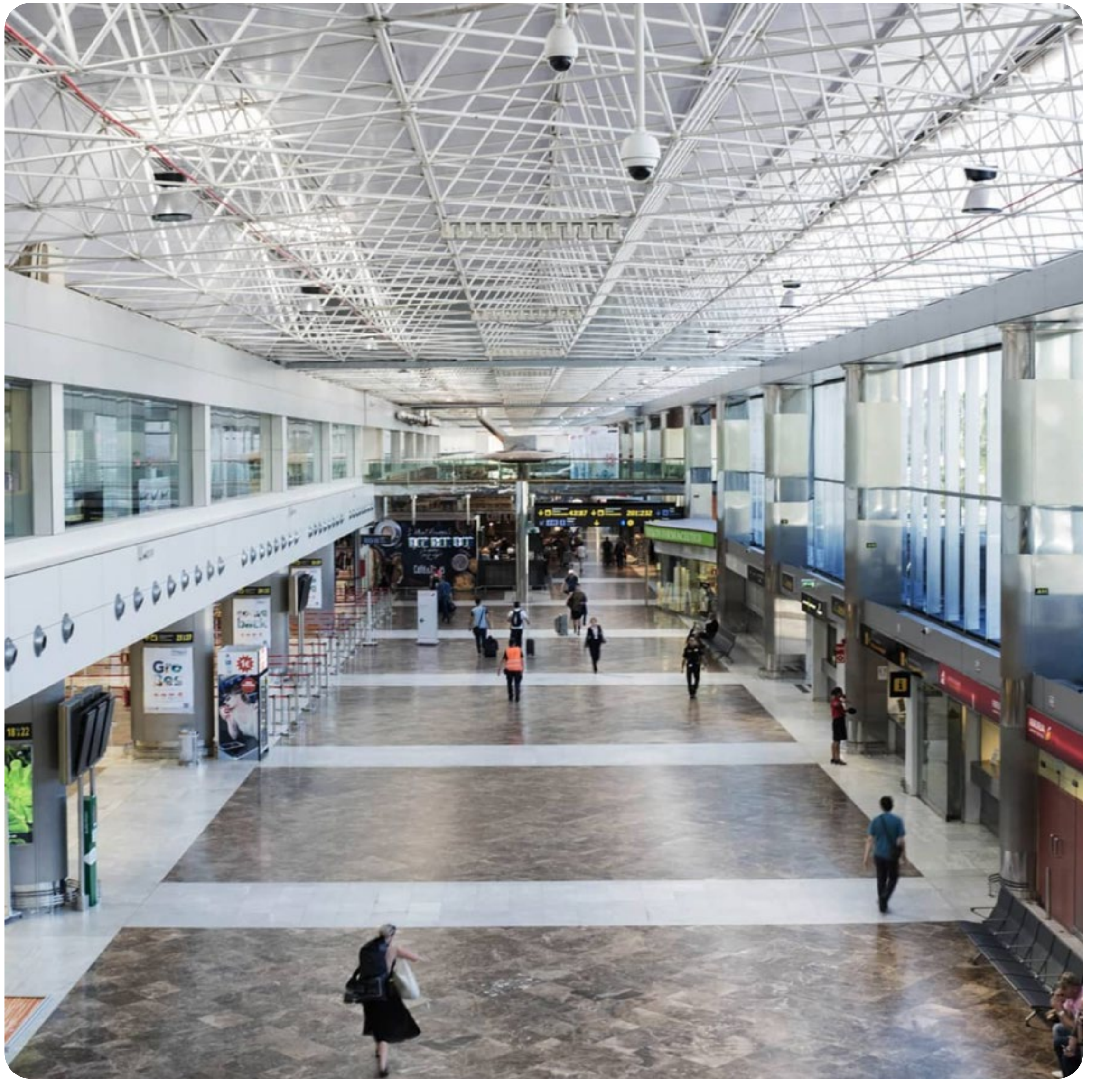
- Throughout 2020, share what has been learnt from at least 90% of the health and safety research in order to learn from past events and thus prevent other future events of the same nature.
- The completion of at least four training tours on health and safety by senior managers, as well as completing the training on “Seguridad Diferente” (Different Safety). (54% of the tours were suspended from the first to the third quarter due to the pandemic.)
- Attendance of executives and managers to, at least, 75% of the meetings on risk management during the year. (67% of the meetings scheduled at the beginning of 2020, 89% of the meetings were held due to priorities related to COVID-19 and personnel changes).
- Quarterly, conduct preventive evaluations in each department to identify opportunities for improvement.
- Quarterly, tours on continuous security improvements for key suppliers at the airport.

At Aeroportos do Nordeste do Brasil, the main programmes related to employee health and safety were implemented in 2020. The Environmental Risk Prevention Programme (PPRA [Programa de Prevención de Riesgos Ambientales]) and the Occupational Medicine

Control Programme (PCMSO [Programa de Control de Medicina del Trabajo]) have been carried out for all six airports. Internal Accident Prevention Commissions (CIPA [Comisiones Internas de Prevención de Accidentes]) were also established, formed by representatives of the company and through the election of employee representatives in all work centres in Aena Brasil (corporate services and airports).

Throughout the year, various employee awareness actions were also carried out on how to avoid risks in their work activities.

In 2019, London-Luton Airport obtained the ISO 45001 certificate, receiving an excellent assessment from the evaluator regarding senior management's commitment to ensuring and improving the Health and Safety strategy, the resources allocated and the exemplary reporting practices.



Occupational health and safety management bodies

The Company's Organisation, as well as the functions and responsibility are established in such a way that a constant line of communication is maintained between the different levels.

Since 2019, Aena S.M.E., ADI and SCAIRM have the **Joint Prevention Service** (SPMA [Servicio de Prevención Mancomunado]), integrated with Aena S.M.E.'s Organisation and Human Resources Management, to effectively serve all of the work centres of the companies that are part of it in the area of occupational risk prevention, carrying out their activity in accordance with the provisions of Act 31/1995, of 8 November, on Prevention of Occupational Risks, in Royal Decree 39/1997, of 17 January, which approves the Regulation of Prevention Services and in concordant regulations. This Prevention Service covers all the preventive specialties or disciplines: industrial hygiene, occupational safety, ergonomics and applied psycho-sociology and occupational medicine[9] and guarantees the prevention and protection conditions of all workers, regardless of their level of exposure. The SPMA is composed of a team of 53 people with a support staff of 20 people, including service managers, Coordinating department managers, area managers, ORP technicians, occupational medicine doctors, technical health care assistants and administrative staff, all of them Aena S.M.E., ADI and/or SCAIRM workers. Its functions include monitoring the health of workers in relation to occupational risks and carrying out the investigation of occupational accidents and preparing accident statistics.

In addition, Aena has several committees that are experts in the field of health and safety, that are made up, in compliance with the provisions of current regulations, –Act 31/1995, of 8 November, on Prevention of Occupational Risks, as amended by Act 54/2003, of 12 December, on the regulatory framework for the prevention of occupational risks–, as joint and collegiate participation bodies, intended for regular and periodic consultation of the company's actions in matters of occupational risk prevention. There are currently the State Health and Safety Committee (CESS [Comité Estatal de Seguridad y Salud]) and the Local Health and Safety Committees (CLSS [Comités Locales de Seguridad y Salud]) of the work centres. These are established as the participation and consensus bodies between the representatives of the workers and the Organisation.

As for the governance, supervision and review model for the risks associated with the health and safety of employees, as it is incorporated in the Company's Risk Map, it is subject to the same governance model as the rest. The Board of Directors defines, updates and approves the

General management
Maximum responsibility for the operation and management of the Occupational Risk Prevention (ORP).

Management and workplaces
Responsible for establishing the appropriate means and organisation to comply with the ORP Policy

Joint Prevention Service
Support and advice in the design, implementation and monitoring of risk prevention and health protection plans and programmes

Risk prevention delegates
They represent workers in the field of occupational risk prevention

Workers
To ensure their own safety and health at work and that of other people who may be affected by their professional activity

Health and Safety Committees
Development, implementation and evaluation of risk prevention plans and programmes; promotion of initiatives for the effective prevention of risks; improvement proposals

[9] Procedure PPRL/03.05. Health and Safety Committees. Group Collective Agreement.

Risk Control and Management Policy implemented in Aena and establishes the acceptable risk level. Subsequently, and supervised by the Audit Committee, the Aena Management Committee updates the risk map annually based on the monthly information provided by the different corporate management departments.

In the case of London-Luton Airport, the CEO has the highest responsibility in terms of health and safety, with the support of other senior managers, executives and supervisors, and advised and assisted by the Board (integrated by Aena and AMD). For its part, the Health, Safety and Environment Manager guarantees effective and direct lines of communication with all those involved in Occupational Health and Safety aspects, and with other areas of the airport. The system itself defines the roles and responsibilities of each of the units of the airports in the matter, including those of employees.

In Aena Brasil, responsibility lies with a joint committee established through company representatives and employee representatives chosen through direct elections. Those that are elected and appointed are duly trained in matters related to the prevention of occupational risks.

Identification of hazards, risk assessment, accident investigation and corrective actions

AENA S.M.E., S.A, ADI and SCAIRM

The Occupational Risk Prevention Management Manual defines the system for evaluating the risks associated with the work activity. The Company has a[10] specific procedure in place to maintain the highest levels of security and minimise risk exposure. Specifically, the process is composed of the following stages:

- Identification and registration of legal requirements
- Risk evaluation, which involves the development of:
    - Risk analysis, which involves identifying the hazard and estimating the risk (type and severity).
    - Risk assessment.

  This evaluation consists of a dynamic process, so it is continuously reviewed to comply with new regulatory requirements, detect possible harm to the health of employees, in the event of the introduction of new technologies or working conditions (work methods, organisation, etc.). Based on the evaluation of these risks, the need to adopt preventive measures is determined.
- Risk control, to eliminate or reduce risks and perform regular checks.

Once this initial risk evaluation has been carried out, the Joint Risk Prevention Service, as the body responsible for prevention, plans the preventive actions. In 2020, 213 general evaluations, specific evaluations and studies were carried out, with 1,651 preventive measures having been implemented out of a total of 1,986, which represents 83.13% of them.

More than 75% of the risks evaluated are considered tolerable, focusing the main preventive measures on the risks considered important (20%) and for which, once identified, urgent risk control measures are proposed, minimising the possible consequences derived from said risks.

The 213 indicated general and specific evaluations and studies include the safety inspections that have been performed.

Risk management at London-Luton Airport is based on a clearly defined risk governance structure that is part of the management system. It is designed to ensure the effective implementation of the Health and Safety policies of LLAOL (London Luton Airport Operations Limited), the LLAOL Safety Management System (SMS) and the Environmental/Energy Management Systems (EMS/ENMS). The main objective of the governance agreements is to provide an adequate framework for management to handle and lead the management of Health and Safety at London-Luton Airport.

The risk evaluation is carried out both at a local and at an airport level. The ongoing evaluation of Health and Safety is carried out at the department level by risk evaluators appointed by the department heads and by members of the Health and Safety team. At the airport level, the strategic risks are documented in the Airport Risk Log, which is periodically reviewed as defined in the HSMP001 “Risk Management” procedure.

The airport risk log has been reviewed quarterly during 2020. Of the airport risks, the departmental risk logs have been reviewed monthly.

The local risk evaluations are reviewed:

- Before undertaking a new task or work activity for the first time.
- After any accident, injury or almost major accident.
- Before any new equipment or substance is used or stored for the first time.
- After any change of role, material or process.
- After any change required by law.
- After any location change for a specific task.
- Annually.

[10] PPRL/04.02

In the case of Aena Brasil, as required by Brazilian legislation, the following programmes have been implemented: the Environmental Risk Prevention Programme (PPRA), the Occupational Medicine Control Programme (PCMSO), and the Internal Accident Prevention Commissions (CIPA) have also been established.

Notification, registration and investigation of accidents

With regard to the accident report, Aena has a perfectly defined system for the notification of damages to health[11], which entails, in case of an occupational accident, both internal communication to HR and the SPMA (through the Employee Portal or on paper), as well as its registration through the DELTA System and the SAP-PRESAL application.

After notification, the accident is investigated. During this process, all necessary information is gathered to establish the causes, in order to prevent possible identical future situations. With this, a report is presented that also includes proposals for corrective and/or preventive actions.

Aena keeps the list of accidents/incidents that occur annually updated. These data are reported in the Accident Reports, for purposes of internal use and monitoring, and to the labour and health authority through the DELTA system.

During 2020, 41 occupational accidents with medical leave were reported, all of them minor, except for two. Their causes were investigated in all of them and preventive actions and/or recommendations to the worker were implemented, in accordance with prevention procedure PPRL/07.10 Procedure for Notification, Registration and Investigation of Occupational Accidents and Incidents agreed upon by the State Health and Safety Committee (CESS) and available on the corporate intranet.

In the event of a serious accident, the same procedure is followed, and the labour and health authorities must be notified within 24 hours.

In the case of London-Luton Airport, all events (accidents/incidents/near accidents) are reported through the management system using the "opscom" platform and an investigation is initiated.

Everyone is responsible for reporting any unplanned event to their supervisor. This should be done as soon as reasonably possible without being exposed to any additional risk.
In 2020, a total of 94 accidents were recorded, including employees (32 in total), passengers and third parties. 4 of our employees' accidents were recorded as RIDDOR for the HSE. All accidents were investigated according to HSP004.

In Brazil, any occupational accident must be reported to the supervisory body through the CAT, Communication of Occupational Accidents.

Aena establishes its objectives in the field of accidents as a sign of its commitment to reducing accident rates and the development of a preventive culture. These objectives are reviewed and updated annually

In 2020, the following objectives were established:

- Number of accidents: **62**.
- incidence rate: **8.35**. [Incidence rate of occupational accidents = (Number of accidents x 103) / Average accumulated workforce].

This table shows the goals established and results obtained between 2016 and 2021, of the Incidence Index.

		2016	2017	2018	2019	2020	2021
Indidence rate of accidents	**Goal**	**8.46**	**8.46**	**8.35**	**8.35**	**8.35**	7.71
	Result	10.11	8.93	6.77	7.24	5.27	

[11] PPRL/07.10 Procedure for Notification, Registration and Investigation of Occupational Accidents and Incidents

Accident (own personnel)

	Aena S.M.E., S.A*				London-Luton Airport**				Aena Brasil***		
	2018	2019	2020	Δ 20/19	2018	2019	2020	Δ 20/19	2019	2020	Δ 20/19
Accidents (no.)****	**163**	**151**	**100**	**-34%**	**52**	**55**	**33**	-42%	**0**	**3**	**0**
Men	89	85	60	-29%	-	-	-	-	0	3	0
Women	74	66	40	-39%	-	-	-	-	0	0	0
With medical leave	**51**	**56**	**41**	**-27%**	**-**	**-**	**-**	**-**	**0**	**0**	**0**
Men	35	45	30	-33%	-	-	-	-	0	0	0
Women	16	11	11	0%	-	-	-	-	0	0	0
Without medical leave	**112**	**95**	**59**	**-38%**	**-**	**-**	**-**	**-**	**0**	**3**	**0**
Men	54	40	30	-25%	-	-	-	-	0	3	0
Women	58	55	29	-47%	-	-	-	-	0	0	0
With death	**0**	**0**	**0**	0%	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Men	0	0	0	0%	0	0	0	0	0	0	0
Women	0	0	0	0%	0	0	0	0	0	0	0
Mild	**162**	**150**	**98**	**-35%**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Men	87	84	58	-31%	0	0	0	0	0	0	0
Women	75	66	40	-39%	0	0	0	0	0	0	0
Serious*******	**1**	**1**	**2**	**100%**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Men	1	1	2	100%	0	0	0	0	0	0	0
Women	0	0	0	0%	0	0	0	0	0	0	0
Death rate********	**0**	**0**	**0**	**0%**	**0**	**0**	**0**	0	**0**	**0**	**0**
Men	0	0	0	0%	0	0	0	0	0	0	0
Women	0	0	0	0%	0	0	0	0	0	0	0

(*) PPRL/07,10 Procedure for Notification, Registration and Investigation of Occupational Accidents and Incidents.
Occupational health and safety rates of AENA SME, ADI SCAIRM, calculated according to Spanish regulations.
(**) London-Luton Airport does not record accidents differentiating between men and women.
Those indices not reported by the Airport in 2020, will be published in 2021.
(***) Aena was awarded the concession of Grupo Aeroportuario do Nordeste do Brasil in March 2019.
(****) Accidents are recorded based on Spanish legislation.
(*****) Any accidents that have had major consequences, not including deaths, are considered serious.
(******) Death rate= Number of deaths resulting from an occupational accident injury / Number of hours worked × (200,000)

	Aena S.M.E., S.A*				London-Luton Airport				Aena Brasil		
	2018	2019	2020	∆ 20/19	2018	2019	2020	∆ 20/19	2019	2020	∆ 20/19
Number of days lost	**1,768,00**	**2,162,00**	**1,620,00**	**-25%**	**-**	**-**	**84**	**-**	**0**	**0**	**-**
Men	888.00	1,506.00	1,215.00	-19%	-	-	-	-	0	0	-
Women	880.00	656.00	405.00	-38%	-	-	-	-	0	0	-
Incidence rate of occupational accidents**	**6.76**	**7.24**	**5.27**	**-27%**	**-**	**28.07**	**-**	**-**	**0**	**11.02**	**-**
Men	7.12	9.11	6.06	-33%	-	-	-	-	0	11.02	-
Women	5.95	3.94	3.89	-1%	-	-	-	-	0	0	-
Frequency rate***	**3.92**	**4.23**	**3.08**	**-27%**	**-**	**17.01**	**23.90**	**-**	**0**	**6.4**	**-**
Men	4.16	5.32	3.54	-33%	-	-	-	-	0	9.1	-
Women	3.478	2.3	2.27	-1%	-	-	-	-	0	0	-
Severity rate****	**0.14**	**0.16**	**0.12**	**-26%**	**-**	**-**	**0.06**	**-**	**0**	**0**	**-**
Men	0.11	0.18	0.14	-19%	-	-	-	-	0	0	-
Women	0.19	0.14	0.08	-39%	-	-	-	-	0	0	-

NOTE:

- In 2018, 2019 and 2020 ADI had no recorded accidents.
- In 2019, SCAIRM had two accidents without sick leave.
- Aena Brasil: Aena was awarded the concession of Grupo Aeroportuario do Nordeste do Brasil in March 2019. With respect to 2020, Aena Brasil has three accidents without sick leave. As a result, the severity index is 0.

London-Luton Airport: does not record accidents differentiating between men and women, they will record them starting in 2021.

(*) PPRL/07,10 Procedure for Notification, Registration and Investigation of Occupational Accidents and Incidents.
Occupational health and safety rates of AENA SME, ADI SCAIRM, calculated according to Spanish regulations.
(**) Incidence rate of occupational accidents = (Number of accidents x 10^3) / Average accumulated workforce.
(***) Frequency rate = (Number of accidents x 10^6) / (Total number of hours actually worked), where:
Total number of hours actually worked = (Average accumulated workforce x 1,711 h/year).
For London Luton airport and Aena Brasil, the Frequency Rate has been calculated taking into account the total number of accidents.
(****) Severity rate = (No. of workdays not worked due to an occupational accident with medical leave x 10^3)/ (No. of hours actually worked)

Absenteeism (own personnel)

	Aena S.M.E., S.A[1]				Aena Desarrollo Internacional (ADI)				SCAIRM				London-Luton Airport[2]				Aena Brasil[3]
	2018	2019	2020	Δ 20/19	2018	2019	2020	Δ 20/19	2018	2019	2020	Δ 20/19	2018	2019	2020	Δ 20/19	2020
No. of hours lost due to absenteeism	**669,071.18**	**754,854.41**	**789,310.64**	**4.6%**	**-**	**1,727**	**539.15**	**-69%**	**6,847.15**	**8,231.35**	**4,964.10**	**-40%**	**78,555.63**	**87,582.31**	**59,413.98**	**32%**	**4,335.00**
Men	362,094.97	431,243.29	454,667.04	5.4%	-	1,618	491.00	-70%	5,488	3,270.10	3,833.80	17%	46,088.63	51,798.00	23,884.02	54%	2,250.00
Women	306,976.21	323,611.12	334,643.60	3.4%	-	109	48.15	-56%	1,359.15	4,961.25	1,130.30	-77%	32,467.00	35,784.31	35,529.95	-1%	2,085.00
Absenteeism rate	**6.05**	**6.59**	**7.14**	**8.3%**	**-**	**4.83**	**1.59**	**-67%**	**5.91**	**6.77**	**4.65**	**-31%**	**5.4**	**5.51**	**3.84**	**30%**	**-**
Men	5.11	5.94	6.55	10.3 %	-	8.44	2.71	-68%	6.43	3.71	4.91	32%	6.36	5	3.57	29%	-
Women	7.72	7.72	8.14	5.4%	-	**0.66**	**0.3**	-55%	4.46	14.87	3.94	-74%	4.89	6.45	4.31	33%	-

[1] Aena S.M.E.,S.A., ADI, AIRM: Number of hours lost due to absenteeism = the number of accumulated hours of absenteeism in the year due to sick leave and similar situations, unjustified absences, justified absences that are not recoverable and absences pending justification for each scheduled hour of work
[2] London-Luton Airport: Absenteeism rate = Number of accidents x10^{9}/number of hours worked (Number of hours worked annually x number of workers).
[3] Aena Brasil does not calculate the absenteeism rate.

Communication, dialogue and participation of employees in occupational safety

Aena establishes active and bidirectional communication with all employees of the organisation, with which it tries to raise awareness of the importance of complying with the prevention policy, and detect and learn about the concerns of employees in matters related to health and safety, as defined in the procedure prepared for that purpose[12]. The tools available include the human resources portal of the intranet, the Company newsletter and information notes, among others.

In addition, employees may report their concerns through the SPMA e-mail inbox and through direct communication with the Prevention officers and expert health and safety committees, which, as mentioned above, are the bodies for participation and consensus between the workers' representatives and the Organisation.

The Health and Safety Committees are joint and collegiate participation bodies intended for regular and periodic consultation of the company's actions on the subject of ORP, and are composed of representatives appointed by the Organisation's Management, on the one hand, and representatives of the workers, on the other, to participate in the following actions:

- Identification of hazards, risk evaluation and determination of checks
- Accident investigation
- Development and review of policies and objectives in the field of ORP
- Consultation when there is any change affecting ORP
- Representation in ORP-related issues

The Health and Safety committees, both State and Local in the different centres, meet periodically every three months. Their composition is equal between the union or representatives of the workers specialised in ORP (Prevention Officers) and the representatives of the company. The health and safety committees are attended by members of the Joint Occupational Risk Prevention Service (SMPRL [Servicio Mancomunado de Prevención de Riesgos Laborales]) as well as expert advisors in the field. The topics to be addressed are those specific to ORP and are agreed upon through the corresponding agenda. The minutes of each meeting, once agreed upon and signed by all the members

[12] PPRL/03.01. Communication

of the health and safety committee, are published on the Aena website, thus being accessible to all workers.

Within the framework of health and safety management during the COVID-19 pandemic, Aena has been in permanent contact and coordination with the health authorities and workers and their representatives, in order to implement new measures based on current legislation and the evolution of the health emergency. Among these measures, the design of an action protocol (PRO) aligned with the recommendations of the Ministry of Health and made available to the entire workforce, which includes all the measures that have been implemented to safeguard the health of workers in the work centres, is worth highlighting.

For its part, London-Luton Airport has its own employee consultation and participation procedure, which shows how the airport establishes, implements and maintains employee consultation and participation processes at all levels and functions, and which includes representatives of the workers for the development, planning, execution, and evaluation of performance and opportunities for improvement of the health and safety management system. To this end, they start with the premise that “safety is not the absence of accidents, but rather the presence of truth, commitment and positivity”, using an “appreciative safety investigation” methodology. In this way, practically all the members of the organisation get involved with the objective of updating and improving, thus creating opportunities for improvement.

Likewise, the Airport has its own internal and external communication procedure regarding its management and performance systems, in terms of health and safety, environment and energy. Internally, through training courses and the distribution of procedures. At the external level, the airport is committed to the dissemination of documentation (policies) through the website, and the organisation of meetings with interested parties.

At Aeroportos do Nordeste do Brasil, communication takes place through the dissemination of newsletters on health and safety information to all employees.

Occupational health and safety training

As defined in the procedure[13] created for this purpose, Aena guarantees that each worker receives theoretical and practical training that is sufficient and adequate in preventive matters, both at the time of their hiring —regardless of the type or duration of their contract— as well as when facing changes in the organisation, in their duties or the introduction of new technologies or work equipment.

	2020				
	AENA S.M.E.	SCAIRM	ADI	LLA	AENA BRASIL
Number of training activities	54	7	3	-	3
Number of employees	7,638	81	24	-	272
Number of hours	75,550	805	95	-	873

In order to provide training specifically focused on the position held by each worker, health and safety training needs are identified on a regular basis when the risk evaluation reviews of each worker's tasks are conducted. These courses, which are mandatory and are counted for the purposes of the annual variable remuneration, take place during the working day.

For London-Luton Airport, training and education on the subject is essential. The Health & Safety Policy describes the commitment to employee training and the HMSP005 training and competency procedure outlines how to work in this regard.

As indicated, to ensure that employees receive an appropriate level of training, all of them are initially provided with an overall initiation on Health and Safety, Environment and Energy in which they are informed of the profile of associated risks, hazards, control measures, possible impacts associated with their specific positions, etc. In addition, this training must be supplemented by specific learning exercises.

At Aena Brasil, all employees are trained in aspects related to risks and the prevention of occupational accidents when they are hired. This training is part of the employee's integration into the company. In addition, training has been given to members of the Internal Accidents Prevention Commission —CIPA.

[13] PPRL/03.02 “Training and awareness”

Promoting the health and well-being of workers

Employee health monitoring activities include, among other elements, the promotion of the worker's overall health with actions aimed at improving their conditions, and the monitoring of the workers' health to ensure early detection and individualise the risk and impairment factors that may affect their health, as defined in the Procedure prepared for this purpose[14]. In this regard, Aena develops and contemplates a wide range of health prevention and promotion activities for its workers. These actions, prepared by the technicians, are submitted for consultation and participation in the State Health and Safety Committee prior to their approval. These include, in addition to the performance of medical examinations[15] and providing the protective equipment required according to the risks of each job, other types of preventive programmes, the dissemination of the health culture, the monitoring of occupational diseases, etc.

Other actions in relation to the promotion of the health and safety of employees in 2020 include the following:

- Maintenance of the Joint Prevention Service (parent company, Aena Desarrollo Internacional, Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia).
- Continuing implementation of the collaboration protocol with centres, aimed at identifying and implementing areas of improvement in communication skills, conflict management, decision-making, and leadership in a collaborative manner based on dialogue; and with monitoring, evaluation and impact agreements, in response to the results of the working environment survey.
- Health and Safety Management Measures on Personal Protective Equipment (PPE).
- Advisory services for the entire staff.
- Increase in the dissemination of the risk sheets for each position to employees via the corporate Intranet.
- Management of more than 11,740 records of Coordination of Business Activities (CAE [Coordinación de Actividades Empresariales]).
- Completion of more than 8,807 medical tests (examinations, clinical analyses, certificates of aptitude, etc.).
- In addition to training activities on the subject, through internal communication channels, the Company distributes relevant information among employees to prevent accidents and preserve safety and health, and promote healthy living habits. The intranet, newsletters, e-mail, digital screens in the building are some examples, in addition to the “Despegando recursos” programme.
- Ensuring the health of workers, subcontracted personnel and passengers: adoption of sanitary measures aimed at preventing the spread of COVID-19 and protecting the health of workers, suppliers and external personnel. To this end, remote work and partial attendance have been facilitated when possible, reorganising shifts and following all recommendations of the health authorities —minimum safety distance, disinfection of facilities, reduction of crowds of people, etc.
- The experience of teleworking, implemented over a short period of time, and applied to a high percentage of the workforce with different positions and profiles, while guaranteeing the provision of services, has been a truly unprecedented challenge successfully overcome.

[14] PPRL07/04. Health monitoring

[15] These examinations are carried out by an external company authorised by the Ministry of Labour, and the results are analysed and supervised by Aena's Medical Services, and made available to the workers.

Measures implemented in Aena in 2020 for the safety of its employees in the face of COVID-19*

Safety at work

In-person telework/Remote work: telework in positions where it is possible, and limited and duplicated rotations and face-to-face placements to preserve essential positions.

Closure of canteens and cafeterias at the workplaces.

Adapting workplaces to ensure hygiene, ventilation and social distancing measures.

London-Luton Airport

Remote work.

Disinfectants at offices and airports.

Social distancing.

Screens placed in offices, desks, security, etc.

Disinfecting of trays.

Work bubbles.

Improvement in the cleaning regime.

Prevention and care

Providing personal protection kits for each employee: masks, wipes and gloves.

Implementation of two **phases** of diagnostic tests, during reinstatement and after leave).

Possibility of **carrying out diagnostic tests at any time**, with the prescription of the company's medical service.

Specific medical evaluation of **vulnerable personnel** to adapt specific measures to their case (such as telework extensions).

Vaccination campaign against the flu.

Regular communications on the importance of prevention.

Mandatory use of masks at all workstations.

London-Luton Airport

Promotion of weekly staff tests.

Distribution of Personal Protective Equipment.

Temperature check.

Aeroportos do Nordeste do Brasil

Kits and masks have been distributed.

Employees have been tested and all employees are monitored daily.

Psychological support

Creation of the **"Deploying Resources"** portal in order to offer resources to address situations of stress, anxiety or uncertainty caused by the pandemic.

This resource provides the employee with guidance and information related to the human factor. How we deal with situations of uncertainty, fear, adaptation processes and changes in our personal family and work environment.

Each week, employees receive an **informative article** via email along with a link to other complementary resources such as videos, readings, and music related to the person's biopsychosocial aspects.

A team of six people in the field of psychology, sociology and social work offer this resource to all Aena employees.

London-Luton Airport

Regular communications.

Health and well-being review meetings.

Wellness plan for line managers.

Support for workers at home via DSE assessments.

Aeroportos do Nordeste do Brasil

Employees are constantly informed about actions to mitigate the risks of contamination and the application of safety protocols.

*Some examples of the latest measures agreed upon with the Sub-committee of the State Trade Union Coordinator are included in the General Framework of the Operational Recovery Plan of the Aena Workplaces.

It should be noted that due to the COVID-19 pandemic, all Company workers have completed a course on the general aspects and preventive measures of the disease, and well-being prevention measures for employees that are working remotely.

AENOR has granted the Certification for Action Protocols against COVID-19 in AENA workplaces. This certificate is the result of the work carried out in implementing all the measures and protocols put forth in the Operational Recovery Plans (ORPs) of each work centre, their alignment with the recommendations of the Ministry of Health and their effectiveness. A certificate that corroborates Aena's efforts to adapt the workplaces to the new circumstances and that endorses all the work done to create a safe work environment for employees

No. of occupational diseases per region

During 2020, the following occupational diseases declared by the mutual insurance company were recorded:

	Aena S.M.E., S.A			Aena Desarrollo Internacional (ADI)			SCAIRM (Region de Murcia International Airport)			London-Luton Airport			Aeroportos do Nordeste do Brasil, S.A. (Aena Brasil)	
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2019	2020
No. of deaths due to occupational disease or illness	**0**	**0**	**0**	**0**	**0**	**0**	**-**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Men	0	0	0	0	0	0	-	0	0	0	0	0	**0**	**0**
Women	0	0	0	0	0	0	-	0	0	0	0	0	**0**	**0**
No. of cases of occupational diseases or illnesses	**0**	**0**	**0**	**0**	**0**	**0**	**-**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Men	0	0	0	0	0	0	-	0	0	0	0	0	**0**	**0**
Women	0	0	0	0	0	0	-	0	0	0	0	0	**0**	**0**

Commitment to companies (external/concurrent)

In terms of occupational health and safety with external/concurrent companies, and in compliance with current regulations, Aena has a system for the Coordination of Business Activities in operation in all work centres, where the risks of the companies that work in Aena's facilities are communicated, thus promoting coordination among all of them.

This Coordination of Business Activities with third parties is carried out in accordance with procedure PPRL 03-03 Coordination of Business Activities, which establishes the coordination requirements and mechanisms pertaining to Occupational Risk Prevention between Aena S.M.E., S.A. and all those companies that carry out some type of activity in the facilities managed by Aena S.M.E., S.A. The purpose is to improve actions in the area of occupational risk prevention and to promptly comply with the obligations established in Article 24 of Act 31 of 1995, on Occupational Risk Prevention, and its subsequent development through Royal Decree 171 of 2004, and other concordant legislation.

Therefore, Aena S.M.E., S.A. is committed, as a public law entity, to taking the initiative and promoting the coordination of business activities pertaining to occupational risk prevention, in all areas and in all activities carried out in its work centres. The relation between Aena and the external companies may be through a direct relationship (when a job, lease, assignment of facilities or any other agreement has been established that formalises a contractual relationship between Aena and said external company), or through an indirect link, i.e., when there is no contractual relationship between Aena S.M.E., S.A. and any other company, but the latter carries out its business activity in whole or in part in the facilities of Aena S.M.E., S.A.

This commitment is articulated through the exchange of information related to the generation of risks to third parties produced by the activity developed by the companies that work together in the Aena centre. This exchange is generated on the website http://www.aena.es/en/corporate/occupational-risk-prevention.html. In it, the companies proceed to download the “Centre's risk map” document which records, in real time, the risk statements generated by the companies that carry out an activity in the Aena centre at that moment in time. Then, the companies proceed to declare the possible risks to third parties generated by their activity. This information becomes part of the “Centre's risk map”, so that other companies can obtain it in an updated and real-time manner; all companies have the duty to transmit this information to their workers.

London-Luton Airport works in collaboration with suppliers to ensure that the risks to which third parties and employees are exposed are reduced as much as possible.

Periodic meetings are held with stakeholders to review risks and, if they can have an impact on the business, they are escalated through the risk governance structure.

Any communication that is relevant to our providers is shared through our community application to which they have access. This includes any COVID-19-related advice, guidance and recommendation.

6 Safe, high-quality services

A culture of security and a dedication to service have been key to successfully meeting the challenges of 2020

Operational safety

- Certified management programmes and systems
- Emergency plans
- Periodic reviews and audits Corrective actions
- Training and communication
- Coordination with all agents involved to ensure the health and safety of all users

+2,150
EMPLOYEES TRAINED IN 2020

AT SPANISH AIRPORTS
54 INTERNAL MONITORING
22 EXTERNAL AUDITS

Health safety

- Calls for compliance with health measures
- Recommendations for the trip
- Security in all airport areas and services
- Coordination with all agents involved to ensure the health and safety of all users

THE HEALTH OF CITIZENS HAS BEEN KEY IN AENA'S ACTIONS IN 2020

Airport security

- Preventing acts of illicit interference
- Surveillance and control: airport security programmes
- National security programme
- Training and drills

AT SPANISH AIRPORTS
33 AUDITS
15 VERIFICATIONS

Cybersecurity

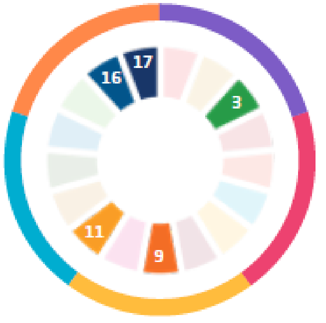
- Cybersecurity plan 2018-2022
- Periodic security level audits
- Strategic Information Security Plan
- ISO 27001

NEW CORPORATE INFORMATION SECURITY POLICY APPROVED IN 2020

Excellent management

- Strategic airport maintenance plan
- Integrated quality and environmental management system
- Spain: Commitments set forth in DORA
- Specific training and supplier commitments
- Measuring customer experience

4.06 SATISFACTION INDEX FOR AIRPORTS IN AENA'S SPANISH NETWORK IN 2020



Commitment to SDGs

3 **SDG 3 Health and well-being**

9 **SDG 9 Industry, innovation and infrastructure**

11 **SDG 11 Sustainable cities and communities**

16 **SDG 16 Peace, justice and strong institutions**

17 **SDG 17 Partnerships to achieve the goals**

6.1. Safety Guarantee in the provision of services

In order to prevent risk situations from occurring, Aena continuously evaluates possible contingencies that may affect the normal development of activities. The Company works in each of its sites to minimise threats and risks, always aware of the fact that adapting infrastructure —both physical and digital— to detected risks is always slower than the speed at which new threats appear. This need to respond to contingencies and reduce risks to a sufficient and reasonably achievable level means that Aena's safety-related procedures are constantly evolving and adapting, both as a result of the Company's own assessments, as well as possible regulatory changes. To this end, the Company has mechanisms, measures, and human and material resources aimed at guaranteeing Airport, Operational and Information Safety.

In 2020, as a result of the health emergency, the concept of Health Safety is particularly relevant, focused on minimising the risk of contagion, promoting and preserving the health of society.

AIRPORT SECURITY

Against illegal acts is "the combination of measures, and human and material resources aimed at protecting civil aviation against acts of illegal interference".

HEALTH SAFETY

Focused on the application of health measures that contribute to avoiding the possibility of contagion as much as possible, and reducing the exposure of all users, as well as guaranteeing their safety at all times.

By maintaining a high level of **OPERATIONAL, AIRPORT, INFORMATION AND HEALTH SAFETY** at airports, associated risks are progressively reduced, which, therefore, reduces the possibility of related accidents and incidents occurring

OPERATIONAL SAFETY

The minimisation of the risks of accidents and serious incidents occurring in aircraft (prevention).

CYBERSECURITY OR INFORMATION SECURITY

Covers a series of safety measures to prevent and detect the unauthorized use of computer systems.

Operational Safety

In order for all the services it provides at its airports to be safe, the Company has integrated the management of Operational Safety into the airport processes and activities, in compliance with the applicable rules and regulations[1], with one priority objective: ensuring that the activities that enable the airport's aeronautical operation contribute in an optimal manner to the Operational Safety of aviation as a whole.

In Spanish Airports, the **Operational Safety Policy** establishes the Organisation's commitment to achieve, maintain and promote the safe provision of the services assigned to it, integrating the management of Operational Safety within the airport processes and activities. Its aim is the responsibility to comply with the applicable legal requirements and regulations in the matter, to take into account good practices, to provide the necessary resources and to make operational safety one of the main responsibilities of all executives and personnel of the airport in general. The update of the Operational Safety Policy carried out in 2020 has had an impact on the active application of a culture of fairness as a tool to improve safety notifications and influence the improvement of the system's performance as opposed to the search for individual responsibilities, except in cases of wilful misconduct or serious negligence.

The strong commitment acquired by senior management, through the General Airports Directorate, to achieve, maintain and improve, if possible, the level of Operational Safety in the Aena airport network is formalised through the Policy, which guides the implementation of the related Operational Safety Management Systems at airports.

Said Operational Safety Policy has given rise to the gradual implementation in network airports of **Operational Safety Management Systems (OSMS)** that allow for the proactive identification of problems, risks and dangers related to airport operations safety, applying all necessary measures to anticipate any accident or incident:

- Identifying the organisation's weaknesses, classifying its risk level and taking measures to reduce it: hazard identification, risk analysis and risk mitigation.
- Analysing and monitoring the operation of the airport globally.
- Establishing indicators to monitor the safety conditions of airport activity to anticipate possible problems and their solutions.
- Analysing accidents and incidents to define measures that minimize their consequences.
- Creating a culture based on safety through the dissemination of its results and conclusions.
- Improving the airport's overall safety through an operational safety program with clear objectives.

London-Luton Airport has its own Operational Safety Policy, contained in the Aerodromes Manual, which is distributed annually through the corresponding Airport Management Notice (AMN), and which is in line with the objectives included in the policy governing Spanish airports.

It also has its own Operational Safety Management System, to ensure that the aerodrome complies with the requirements established in current regulations, allowing it to record, identify and manage the risks in the matter, which are regularly evaluated. This system is evaluated by the Civil Aviation Authority (CAA), and is also audited.

The Airport also has an Operational Safety Program, which includes its own indicators and objectives, set by the operational safety team in collaboration with third parties.

[1] Operational Safety is a priority at airports around the world. There are national and international regulations on the subject, as well as sectoral guidelines:

- ICAO: in Annex 14 – Volume I "Aerodrome Design and Operations", in Doc. 9774 '"Aerodrome Certification Manual" and in Doc. 9859 "Operational Safety Management Manual"; sets down the requirement for airports to establish an Operational Safety Management System (OSMS) that ensures that operations are carried out in a controlled manner and that there are continuous improvement procedures for safety levels.
- AESA (Spanish aviation safety and security agency): responsible for developing the Operational Safety regulation in relation to the requirements that must be met by the OSMS of Spanish airports, and their own continuous improvement procedures.
- EU Regulation No. 139/2014 (applicable to both Spanish airports and London-Luton Airport), which establishes the administrative requirements and procedures relating to airports, in accordance with Regulation (EC) No. 1139/2018 of the European Parliament and the Council, which establishes in its part ADR.OR.D.005 the need to include, as part of the management system, a description of the operator's philosophies and principles with regard to operational safety, referred to as the Safety Policy, which must be signed by the manager.

Thus, and in accordance with the ICAO definition, the **OSMS** is a systematic approach designed for the management of Operational Safety —adapted to each aerodrome—, which includes the necessary organic structure, lines of responsibility, policies and procedures; and which seeks, above all else, to **reduce risks to a sufficient and reasonably achievable level.**

To achieve the principle of continuous improvement of the system, an Operational Safety Programme is periodically developed for the airport with a proposal of Operational Safety objectives and goals, in accordance with the resources allocated for this purpose.

Likewise, through a series of ratios and indicators, which are periodically evaluated and analysed —according to reference values—, as defined in EXA-PGS-03 type of Procedure (specific for each airport), the level of Operational Safety reached at each airport is periodically monitored. These indicators are related to weather, maintenance, the environment, vehicles/drivers or incidents, among others.

In order to continuously evaluate and improve the Operational Safety Management System, the following re carried out[2]:

- **Internal monitoring**, at all Aena network airports, with the objective of verifying the correct implementation, suitability and effectiveness of the Operational Safety Management systems. These monitoring activities, carried out by personnel from outside the airport, are carried out with a maximum frequency of two years.
In the case of London-Luton Airport, they also conduct internal audits of the Management System.
- **External audits**, conducted by AESA, in the case of airports in Spain, in order to ensure that Aena has appropriately implemented the OSMS at each airport. Aena's Spanish airport network was certified by AESA for Operational Safety before 31 December 2017. In general,

Aena Brasil airports have their own Operational Management System, which is included in the Aerodrome Operations Manual (MOPS). The purpose of this Manual is to adopt a systematic approach to aerodrome operations, through the establishment of rules and standards – established in the policies, processes and procedures– to be complied with by all those involved in the Operations of the Aeronautical Zone, in addition to presenting other applicable administrative measures, and complying with the requirements of the National Civil Aviation Agency and recommended international best practices.

The OSMS lays out the basic pillars, procedures and operational safety requirements applied at Aena Airports in Brazil, in order to standardise the operational safety activities for which the airports are responsible.

These pillars are:
- Operational Safety Policy and Objectives
- Hazard and Risk Management
- Operational Safety Guarantee
- Promotion of Operational Safety

INDICATOR OF INCIDENTS INVOLVING AIRCRAFT IN MOVEMENT (ACI TYPE B)

	AENA	LLA	AENA BRASIL
2020	88	0	2
2019	252	2*	

* Both incidents were minor

TOTAL AIRPORT INCIDENTS INDICATOR

(Spanish airports, AIRM, LLA, Aena Brasil)

	AENA	LLA	AENA BRASIL
2020	528	118	20*
2019	1.419	259	

* Runway incursions and runway excursions are considered

[2] At the Brazilian airports, internal and external monitoring, and drills are planned from 2021 onwards.

network airports receive an average of 45 visits from auditors annually, with a greater presence in Group I airports. To avoid the detection of non-conformities flagged during these audits, Aena has set up an internal team that carries out internal monitoring processes. In the case of London-Luton Airport, it is audited, twice a year, by the Civil Aviation Authority (CAA) and by the British Standards Institution.

	2019			2020		
	Spanish airport network	AIRM	LLA	Spanish airport network	AIRM	LLA
Internal monitoring (no.)	27	1	46	54	1	19
External audits (no.)	29	1	1	22		2

OPERATIONAL SAFETY

(Regulation (EU) 139/2014 or national requirements RD862/2009)

100%

of the airports where Aena owns the facility

- **Drills.** In 2020, six general aeronautical drills were carried out at Spanish Aena network airports, out of the 30 initially scheduled according to regulations. The rest of the pending general aeronautical drills are planned to be performed as soon as the health situation returns to normal. Meanwhile, mitigating measures approved by the Aeronautical Authority will be carried out, which guarantee that an equivalent level of Operational Safety is maintained. For its part, London-Luton Airport also carries out drills on a regular basis, following the scheme established by the CAA, although in 2020, due to the health crisis and the lack of availability of the interested parties, none have been carried out.

Other mechanisms that help maintain excellent levels of Operational Safety at Aena's airports are outlined below.

Emergency Plan

All Aena Airports and Heliports —including London-Luton Airport— have an Emergency Plan (self-protection), which is updated and structured in accordance with European sector regulations (Regulation 139/2014), with Royal Decree 862/2009 —in the case of Spanish airports—, the technical instructions of AESA, the standards and recommendations of the International Civil Aviation Organization (ICAO) and the National Civil Protection regulations. This is done in order to deal with emergencies arising from aircraft operations, as well as emergencies that occur in passenger terminals and other airport buildings and facilities.

Aena's Airports in Brazil have the Airport Emergency Response System (AERS), which is updated and structured in accordance with the regulations that apply to them[3]. They include the user alert, and communication mechanism and system. In this regard, the airports have, for example, emergency telephones to guarantee immediate communication of possible incidents to agents, such as the fire service or the operations control centre, among others.

The Emergency Plan identifies the elements that can cause an emergency at an airport, as well as the key areas from the point of view of continuity of service. It also includes the action coordination procedures to respond to emergencies at airports and in the surrounding areas. Thus, the possible risks (natural, technological or anthropogenic hazards, etc) are evaluated, and mitigating measures are associated to them.

[3] Annex 14 ICAO - Provides Airport Emergency Service, Decree no 87,249, of 06/06/82 of the Aeronautical Command, RBAC no 153 - ANAC - 2012 - Establishes criteria in Aerodromes for Operation, Maintenance and Emergency Response; Res. No 279 / ANAC / 2013 - Establishes regulatory criteria for the implementation, operation and maintenance of the Prevention, Salvage and Fire Extinguishing Service in Civil Use Aerodromes. (SESCINC)

These Plans are living documents that are continuously updated, in order to cover any change that occurs at airports. They are distributed to all the stakeholders that are involved with or affected by them, both internal and external.

The Emergency Plans (self-protection) also foresee actions that should be taken in emergency safety situations, although there is also information related to these situations that is collected in safety procedures, which have restricted circulation and are independent from the Emergency Plan.

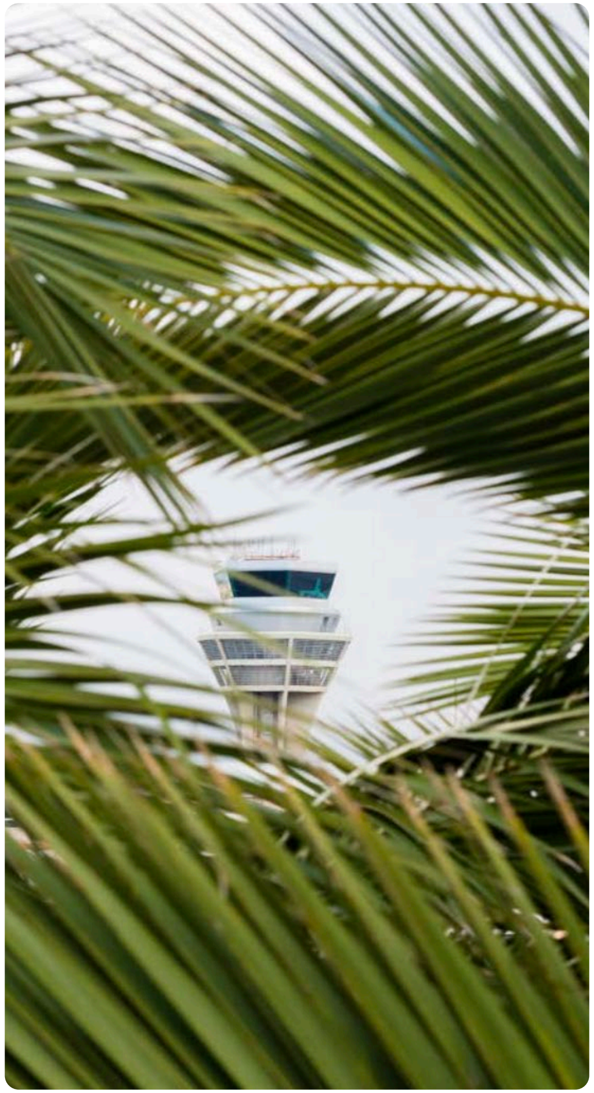
In order to increase the level of safety in the Spanish airport network, there is also an Emergency Drill Plan and a policy for conducting drills, which applies to both buildings and facilities, as well as to matters related to aeronautical emergencies. In addition, in order to facilitate the performance of drills during the COVID-19 health emergency, the use of virtual drills using blueprints has been given priority and documentation has been developed to support the organisation of this type of Emergency Plan drills.

For their part, Aena Brasil also have Procedures for the Removal of Inoperative Aircraft and Unblocking of Runways, procedures for mitigating negative psychological effects derived from an aviation accident, firefighting plans and contingency plans for public health emergencies. All of them are reviewed in the event of a drill exercise, of an emergency that requires the activation of the Emergency Response System, of a significant change in the operational characteristics of the aerodrome or in the event of a transmissible disease at a regional, national and/or international level.

Investigation, handling of accidents and incidents, and corrective actions

In order to take the appropriate measures to prevent an accident/incident from happening again, Aena network airports have a procedure for communicating and analysing the accidents and incidents that occur in the airside area of the airport or that affect Operational Safety. When one occurs, all the data related to the event must be communicated to the control department that has been established for this purpose. In this regard, the Company has a 24-hour network management centre for operational incidents, CGRH24, which continuously monitors the operational status of the entire Airport Network, coordinated with SYSRED (ENAIRE) and the incidents affecting flight operations, in addition to generating the corresponding monitoring reports. In the case of London-Luton Airport, all accidents, incidents and corrective actions are reported through their own system, following their specific accident and incident management procedure (HSP004)[4].

London-Luton Airport has adopted a model of best practices for accident reporting and investigation, focused on obtaining new learning opportunities (learning from errors)



[4] This procedure is similar to that followed in the event of an accident in the area of occupational health and safety.

For its part, airports at Aena Brasil, through the processes established by their OSMS, Operational Safety Events (OSE) are managed by the Operational Safety area and the Airport Operations area. In the event of an investigation of any operational safety event, the main objective is to prevent future events and not to point out blame or responsibility. Therefore, the information obtained in the investigations is for the exclusive use of the Safety Management, under the supervision of the Aeronautical Accident Prevention and Investigation System (SIPAER [Sistema de Prevención e Investigación de Accidentes Aeronáuticos]) (Air Force Command).

Within the scope of the Operational Safety Management System, each airport identifies hazards, analyses the risks they generate and implements the corresponding mitigation measures. By using an **Operational Safety Communication Procedure**, a **system** is established that allows internal and external communications, queries and complaints to be received, documented and responded to, as well as having an **internal communication channel** regarding issues related to Operational Safety.

In relation to serious accidents and incidents, the CGRH24 in Spain lists incidents that affect operational conditions within the network as Level 1 and 2. In 2020, 102 N1 was established, due to the state of emergency, as well as 21 N2. In addition, within the framework of the OSMS, 13,795 communications that can be regarded as incidents have been made.

At London-Luton Airport, in 2020 there were no serious accidents/incidents, while seven serious accidents/incidents occurred at the Northeast Brazil Airports. When events occur, they are all reviewed, sharing possible proposals for improvements.

At London-Luton Airport, employees have participated in the “Safety differently” (tours and visitors) training, which promotes a proactive methodology and is focused on learning based on opportunities (prevention).

The Company requires that external suppliers have an Operational Safety Officer, as well as guarantees of compliance with Operational Safety Regulations. In this regard, they must ensure that they are aware of and apply the applicable regulations on the matter, provide the airport with the necessary information about their activity, continuously collaborate with the File Manager and communicate accidents/incidents, among others.

At London-Luton Airport, these providers are given access to publications related to Operational Safety through the airport’s own Management Portal, and they must, in turn, provide information related to Operational Safety and cooperate with the airport in all of these aspects.

Finally, in Brazil all suppliers of the Aena Network who provide continuous services have specific contractual clauses aimed at ensuring operational safety. These relate to clauses of mandatory compliance that must be included in all contracts that affect operational safety, such as: provision of services, acquisition or installation of equipment or systems that intervene in the area of movement, affect the protection area of the aerodrome, interfere with the operation of the aeronautical services, may cause any alteration in the physical or operational characteristics, etc.

- **Staff training.** In order to reach the highest levels of Operational Safety at the airports, it is essential to ensure the training and awareness of all those involved. This training is determined based on the identification of competencies and detection of needs, on which a series of proposals related to the OSMS and Operational Safety are carried out.

  In 2020, two types of training courses on Operational Safety were given:
  - Regulatory Framework for Aerodrome Certification and Operational Safety: this course, which is mandatory for the itineraries of some of the organization's positions, has been adapted to be given in a virtual classroom in order to meet the deadlines and training needs regarding Operational Safety.
  - Description of the Operational Safety Management System. Risk Management System: its adaptation to a virtual classroom has been applied to five editions for airport staff.

Operational Safety Objectives

In the Spanish airport network, each airport establishes its Operational Safety objectives within the Operational Safety Program. The leaders, at all organisational levels of the airports, promote increasingly safe operating conditions, executing consistent and innovative actions. To this end, the most effective policies and actions are applied, ensuring that all activities maintain the highest operational safety performance level and comply with national and international standards.

OPERATIONAL SAFETY TRAINING IN 2020

	AENA SME SA	AIRM	LLA	Aena Brasil
Total hours	10,626	36	N/A	5,179.5
Number of employees	1,771	6	53	328

Therefore, operational safety requires permanent attention within the scope of the activities carried out by airports.

For its part, London-Luton Airport has defined six health and safety objectives aligned with the Operational Safety principles, which seek to prevent accidents. The objectives are focused on improving training on safety and lessons learned, reinforcing the tours and visits programme for employees, as well as the organisation of meetings and workshops on the subject. In addition, a series of internal objectives are also established.

At Aena Brasil, nine main commitments have been defined, with the priority being the management of operational safety, all matters related to the operational activities of the airports are secondary to this.

Airport security

At Aena airports, the ability to prevent acts of illicit interference depends mainly on the surveillance systems and on the measures adopted in matters of security, as well as their implementation, staff training and continuous improvement. The objective of proper Airport Security is to ensure the safety and protection of passengers, the general public, crews, aircraft, ground personnel, and airports and facilities in general, beyond the minimum established by the corresponding authority.

Factors on which Airport Security depends

Factor	Airport				
Airports subject to national and international reference regulations (contains guidelines for the structural design of airport infrastructures with the aim of defending against and preventing acts of illicit interference)	**AENA SME AIRM**	**ICAO:** Annex 17 to the Chicago Convention of 1944: establishes the general rules and recommendations on security for air transport.	**ECAC:** European Civil Aviation Conference (ECAC): Document 30, which establishes safety recommendations for air transport at the European level.	**COMMUNITY:** Regulation (EC) No. 300/2008: Establishes common civil aviation security rules, which are mandatory in all States belonging to the European Union. Implementing Regulation (EU) 2015/1998: establishes detailed measures for the implementation of the common basic standards, thus developing Regulation 300/2008.	**NATIONAL:** Act 21/2003, of 7 July, on Aviation Security: establishes the legal regime for aeronautical inspections and obligations regarding aviation security, including the adoption of the **National Security Programme (NSP)** for Civil Aviation. Royal Decree 550/2006. Designates the Competent Authority, responsible for coordinating and monitoring the National Security Program for civil aviation. It also determines the organisation and functions of the National Security Committee.
	LONDON-LUTON AIRPORT				National Civil Aviation Security Programme. Single Consolidated Direction 2/2019.
	AEROPORTOS DO NORDESTE DO BRASIL		**ANAC:** Brazilian Civil Aviation Regulation No 107- Civil aviation security in the event of acts of illicit interference - Aerodrome operator. This regulation applies to the operator of the public civil aerodrome, shared or not, whose responsibilities related to the security of civil aviation against acts of illegal interference (AVSEC) are provided for in Article 8 of the National Civil Aviation Safety Program against Acts of Illicit Interference (PNAVSEC).		**NATIONAL:** Decree No. 7,168, of 5 May 2010 - National Civil Aviation Security Programme against Acts of Illicit Interference (PNAVSEC).
Qualified staff	**AENA SME AIRM**	State Security Forces, Civil Guard and National Police Corps.	Autonomous and/or Local Security Forces.	Private Security Personnel, hired by Aena.	Security personnel of the airport itself.
	LONDON-LUTON AIRPORT	UK Security Services, Department of Transportation, CPNI.	Counter terrorism police.	Regional and Airport Police. Civil Aviation Authority (inspection).	Airport Security Department.
	AEROPORTOS DO NORDESTE DO BRASIL	Federal Police, AVSEC Security Sector of Aena Brazil and its security subcontractors.		AVSEC Security Sector of Aena Brazil and its security subcontractors.	AVSEC Security Sector of Aena Brazil and its security subcontractors.
Existence of technical resources	**AENA SME AIRM**	Perimeter security.	.Integrated access control and CCTV systems.	Inspection equipment for people and screening machines for baggage, packages or bags.	Procedures (employee inspection, accreditation of individuals, vehicle authorisation, etc).
	LONDON-LUTON AIRPORT	CCTV System.	Access Control System, vehicle access regime and ANPR.	Security systems to control access of people, transported objects, vehicles and cargo (screening).	Airport security plan, employee inspection, ACA-accredited training, general awareness, vehicle access control, security management systems (SeMS).
	AEROPORTOS DO NORDESTE DO BRASIL	Perimeter security and protection infrastructure, including CCTV, security barriers, surveillance and ground personnel.		Civil Aviation Protection Agents, Gates and Security Guards, access control systems and systems for the inspection of persons and belongings including detection equipment.	

National Civil Aviation Security Programme (PNS [Programa Nacional de Seguridad])

It establishes the organisation, methods and procedures necessary to ensure the protection and safeguarding of passengers, crews, the public, ground personnel, aircraft, airports and their facilities, against acts of illicit interference.

Aena coordinates and collaborates with all groups involved

in safety to ensure its effectiveness and efficacy.

Airport SECURITY

(RE 2017/458)

100%

of Aena's international airports with Schengen border (the border security force complies with this RE on behalf of London-Luton Airport)

Airport SECURITY

(RE 300/2008, 2015/1998 and PNS)

100%

of Aena's airports in Spain (London-Luton airport with RE 300/2008 and SCD 2/2019)

Airport Security at Aena focuses on different types of measures:

- Communication and collaboration between all the agencies and groups involved.
- Surveillance of vulnerable areas of the airport, differentiating public, controlled access, and restricted security areas. This surveillance is carried out by means of security guard patrols, together with those also carried out by State Security Forces.
- Control of the movement of persons and vehicles at the accesses to restricted security areas. This control is carried out by checking the documentation necessary for access (boarding passes for passengers and airport accreditations for workers).
- Inspection of persons and property. The inspections are carried out with technical resources such as metal detector arches for people, packages and baggage using x-ray screening equipment, or using trace detection or liquid inspection systems.
- Creation and update of the measures of the Airport Security Program. Aena has at its disposal, in its Management System, specific procedures and measures —created in collaboration with the competent authorities— to facilitate compliance with the applicable regulations and maintain the highest levels of Airport Security[5].
- The National Security Program has measures that must be applied in the event of an act of illicit interference (AII). Some of the most representative of these are aircraft hijackings or bomb threats.

  To this end, the airport is required to establish resources to manage these types of incidents, and, of course, in the event that a threat arises, they are designated to the airport's Emergency Plan.

In addition to the foregoing, London-Luton Airport is working tirelessly on the full inspection and control of cargo, in accordance with CAA standards and in accordance with the standards required in the United Kingdom for operators (surveillance and patrols), passengers and in relation to transported items.

For their part, the airports of Aena Brasil participate in the Brazilian Aviation Security Group (BASeT), as active members, with the objectives of: (i) planning and guiding the civil aviation sector through the definition of an agenda of actions and national Civil Aviation Security projects against Acts of Illicit Interference - AVSEC, in accordance with the Global Aviation Security Plan - GASeP, instituted by the International Civil Aviation Organization - ICAO; (ii) promoting collaborative interaction, the production of technical material and the development of joint AVSEC projects between ANAC, their regulators and other interested parties; and (iii) enabling the collection and exchange of information, data and indicators by agents in the sector, in order to provide better analysis, diagnosis and definition of goals for the AVSEC system.

[5] Airport security procedures are not made public in order to safeguard the information.

- **Airport Security Training**

Likewise, Aena carries out training and awareness activities in matters of Airport Security, aimed at employees who require access to airports:

	2019			2020		
	AENA SME SA	LLA*	Aena Brasil	AENA SME SA	LLA	Aena Brasil
Total hours	2,985	4,200	N/A	3,236	2,100	1,311
Number of employees	1,384	490	N/A	1,815	359	217

* Unlike Spanish Airports, where private security is carried out by an outside company, at London-Luton Airport, private security personnel are airport staff. Estimated data is provided.

- **Airport Security Audits, Verifications and Drills**

In accordance with the previously cited current regulations, Aena is immersed, every year, in an airport security audit process conducted by the European Commission and AESA, —in the case of Spanish airports—, or by the CAA and external suppliers —in the case of London-Luton Airport—, as well as internal verifications:

In Spanish airports, in 2020, 33 audits were carried out by AESA (54 in 2019, and 1 by the European Commission), and 15 internal verifications (while in 2019, 36 were carried out). These audits and verifications include overt and covert tests.

- For its part, London-Luton Airport conducts, on a daily or weekly basis, its own quality control audits, by checking the documentation and individual evaluations of security officers. All of this is supported by visits from the CAA auditor (unannounced) who verifies compliance with the requirements of SCD 2/2019. The CAA conducts a full annual audit or inspection. In the last two inspections/audits, the Airport received 96% and 98% compliance, respectively.
- At Aena Brasil, 14 internal checks were carried out in 2020 by the Quality Control team of Aena Brasil, and three external audits by ANAC.

Likewise, the airports of the Spanish network comply with the drill regulations of the National Security Programme to ensure appropriate training in case of emergency[6]. Likewise, London-Luton Airport conducts periodic drills on airport security matters in accordance with the CAA provisions in CAP1168, as an alternative for compliance. At Aena airports in Brazil, no drills were carried out for airport security in 2020.

The management of detected risks and the handling of accidents and incidents in matters of Airport Safety, is restricted due to the participation of State Security Forces, as well as the Air Force.

Airport Security Objectives

Guarantee the operation with the highest levels of security for people and property:

- **Security Equipment:** supply of inspection equipment, as well as access control and CCTV systems, in accordance with current Regulations and the needs of Network airports (in the case of London-Luton Airport, in accordance with the DfT, Department for Transport, which certifies the equipment that can be installed in UK airports).
- **Analysis and monitoring of the Private Security service at Network airports.** In addition, the private security companies at London-Luton Airport are subject to audits, both by the CAA and internally.
- **Quality Control:** Verifications and tests covering the application of security procedures, the preparation of reports and the follow-up of Corrective Action Plans.
- **Training:** development of courses for airport security officers, both at Spanish airports and London-Luton.
- **Regulations:** participation with the Spanish Aviation Safety and Security Agency (AESA) in different work groups and in the planning of tasks to be included in the permanent commissions of the national security committee along with the rest of the actors involved, such as the Security Forces, ENAIRE or the General Directorate of Civil Aviation.

[6] The drills for acts of illegal interference that are recorded in the National Security Program for Civil Aviation are regulated by security instruction SA-19, which records those aspects that do not depend on the airport manager and that need to be reported.

Cybersecurity or information security

Aena depends on information and communication technologies to carry out multiple procedures and processes, in all its areas of activity. As part of the rapid development of these new systems and infrastructure, and fully aware of all related risks as well as of the potential for the growth of cyber-attack threats, the Company has implemented a series of mitigation measures.

Aena is firmly committed to ensuring information security and has established a strategy aimed at enhancing the centralised response to safety events and establishing processes that allow the Company to avoid the occurrence of such incidents

As specified in Chapter 1, in January 2020, the Aena Board of Directors approved the information security Policy of Aena S.M.E., S.A., which includes Directors, Managers and, in general, all employees of Aena.

Likewise, the Company has a Cybersecurity Plan for 2018-2022, approved by the Board of Directors, aimed at reinforcing the Company's Information Security by strengthening existing controls and improving the ability to respond to threats. This Plan outlines the priorities, persons responsible and resources used to improve the level of security in the digital world, as well as the planning of activities to be carried out in this regard. To date, its implementation has entailed:

- The improvement of the ICT Safety Office to cover the actions provided for in the Cybersecurity Plan.
- The automation of the management of the Data Centre's infrastructure, through tools for the management and automation of ICT processes with the objective of improving efficiency and Information Security.
- The implementation of tools that control access to the network with policies that prevent attacks, detect the lack of antiviruses, patches and/or intrusion prevention software, which improve protection against advanced persistent threats and manage security information events.
- The provision of access management procedures that establish the mechanisms for granting users permission to access systems and applications. Similarly, criteria for periodic audits of user permissions in systems and applications are also established.
- The prevention of information losses and management of mobile devices.
- The implementation of a new tool for detecting and responding to possible security incidents.
- Red Team Service to improve resilience, simulating an external agent who achieves unauthorised access to the information systems, focused on preventing Aena's normal operations from being compromised.
- **Aena's certification** of the Information Security Management System **according to standard ISO 27001:2013**, an international certification that is valid internationally and involves periodic reviews being carried out.

Aena conducts periodic audits to verify compliance of the IT and OT infrastructures, and Aena's level of security maturity.

Following the definition of an Information Systems Strategic Plan, various actions have been planned with the aim of improving the level of information security and its management mechanisms.

To this end, consulting services have been hired to review and update the Information Security Strategic Plan, in order to analyse and evaluate its current level, define the appropriate state and identify the gap between both states.

For its part, London-Luton Airport is in the process of implementing ISO 27001. Likewise, it is making progress to comply with the new Information Security Directive (NIS). As a result of this, there were no system breaches in 2020. All of this reflects the importance that the Airport places on Information Security for employees, customers and other users.

With regard to Aena Brasil, Act 13,709, of 14 August 2018, on Data Protection —LGPD (Lei Geral de Proteção de Dados Pessoais)— has been established.

Health safety

This year specifically, the main focus has been on the actions undertaken by Aena to address the demands that have arisen in all facilities to guarantee Health Safety and, thus, stop the progress of the pandemic caused by COVID-19, such as the installation of barriers in certain areas of the airport, the reinforcement of cleaning and disinfection services or the control social distancing in areas where clusters of people may occur.

These are, mostly, measures whose effectiveness depends on the collaboration of all the users of the airport infrastructures. This is why their implementation has been reinforced with signage and messages issued through the public address system, in addition to the creation of a specific website that allows passengers —most passengers being occasional users of airports and, therefore, are less familiar with some protocols— to be informed of the safety measures that have been specially designed for the use of certain services. The information has been organised according to the different phases of the journey, as well as the spaces and services of the airport

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Before going to the airport

SPANISH AIRPORTS AND AIRM

- Companions of travellers cannot enter.
- Do not go to the airport if you have symptoms such as cough, fever or shortness of breath.
- Use of a mask is mandatory for people over six years of age.
- Have enough masks and disinfectant gel for the trip.
- Check the sanitary control requirements and the entry documentation of the country to which passengers are travelling.
- Review the services available at the airport and the information provided by the airline.

LONDON-LUTON AIRPORT

Specific website, which records information and advice to guarantee maximum protection against COVID-19 for travellers.

AEROPORTOS DO NORDESTE DO BRASIL

- Supplementary entry restriction.
- Do not go to the airport if you have symptoms such as cough, fever or difficulty breathing.
- Mandatory use of a mask.
- Supply of enough disinfecting gel for the journey.
- Check the health control requirements according to the standards established by the Ministry of Health.

At the airport

SPANISH AIRPORTS AND AIRM

- Follow the instructions given at all times.
- Reinforcement of cleaning protocols in check-in areas and installation of protective screens at counters.
- Recommendation to check with the airline regarding the check-in policy.
- Arrive at the airport with enough time to go through the check-in process and security check.
- Disinfection of trays for personal items.
- Control of social distancing measures.
- Protective screens at the entrance to the boarding gate.
- Procedures to minimise the use of buses and, if used, maintain sufficient safety measures.

CAR PARK

- Informational posters with all the measures established to guarantee a Safe Car Park. These include contactless payment, maintenance of social distancing and the provision of hydroalcoholic gels at points such as ATMs, manual cashiers, lifts and others.
- Contactless entry and exit from the *car park* by automatically opening barriers if payment by license plate or a prior reservation (prepaid or postpaid reservation) method is used.
- Reduction of lift capacity and placement of floor markings to ensure social distancing inside.
- Greater distance between payment stations and social distancing signs at manual and automatic cash registers.

VIP LOUNGES

- Reduction of capacity.
- Mandatory use of a mask. Availability of *packs* with hygiene and protection items.
- Automatic hydroalcoholic gel dispensers.
- Card/contactless payment *only*.
- Press in digital format. Satisfaction surveys via QR codes.
- Individual distribution of trays, napkin and cutlery dispensers.

SHOPS AND FOOD AND BEVERAGE

- Mandatory: use of masks and maintenance of social distancing measures (2 metres).
- Separate entrances and exits to avoid passengers crossing each other.
- Provision of hydroalcoholic gels.
- Increased cleaning frequency of the facilities.

CAR RENTAL

- Informational posters with the adopted prevention measures.
- Provision of hydroalcoholic gels and increase in the cleaning frequency of the facilities.
- Card/contactless payment *recommended.*
- The personnel of the vehicle washing and cleaning area will not provide any service inside the vehicle while the customer is inside. Once the cleaning is completed, the protective equipment and materials used will be safely disposed of in the buckets with lids enabled for their disposal and subsequent management.
- If it is confirmed that a customer has been in contact with COVID-19, the vehicle will be isolated for 10 days. Once this period is over, a deeper cleaning will be performed using a specialised service.
- Installation of security screens at customer service desks.
- Limitation and control of capacity in offices and placement of floor markings to ensure compliance with social distancing measures and fluid transit of passengers.

LONDON-LUTON AIRPORT

- Reinforcement of cleaning services.
- Installation of hydroalcoholic gel dispensers.
- Marks on the floor to maintain social distancing.
- Protective screens in customer service areas.
- Posters.
- Use of PA system.
- Mandatory use of a mask.
- Guidelines of the British authorities.
- State of the provision of the different airport services.

CAR PARK

- Reduction of capacity for transportation to and from the car park.
- Social distancing markers.
- Installation of hydroalcoholic gel dispensers.
- Specific signage.
- Reinforcement of cleaning service.
- Avoid the presence of users (not travellers) at the arrival terminal.

SHOPS AND FOOD AND BEVERAGE

- Screens placed at reception desks.
- Protective masks and screens.
- Guest registration via NHS tracking.
- Reduction of capacity.
- Removal of bar stools.
- Ice served with tweezers.
- Specific signage.

CAR RENTAL

- Installation of security screens at customer service desks.
- Social distancing markings Disinfection stations.
- Cleaning of each vehicle after each use.

AEROPORTOS DO NORDESTE DO BRASIL

- Reinforcement of cleaning protocols in check-in areas and installation of protective screens at counters.
- Recommendation to check with the airline regarding the check-in policy. • Protective screens in customer service areas.
- Reinforcement of cleaning services.
- Control of social distancing measures.
- Blocking seats to avoid physical proximity among passengers waiting for their flights.
- Arrive at the airport with enough time to go through the check-in process and security check.

On the plane

SPANISH AIRPORTS AND AIRM

Hygiene and movement recommendations inside aircraft.

Attention to cabin crew instructions.

LONDON-LUTON AIRPORT

Airlines must comply with UK Government regulations.

https://www.gov.uk/guidance/coronavirus-covid-19-safer-aviation-guidance-for-operators#on-board-aircraft

AEROPORTOS DO NORDESTE DO BRASIL

Hygiene and movement recommendations inside aircraft.

Attention to cabin crew instructions.

At the destination airport

SPANISH AIRPORTS AND AIRM

Obligation to pass an External Health control for travellers from other countries, upon arrival in Spain: forms, temperature measurements and visual control.

Temperature controls via thermal screening cameras that are imperceptible to the passenger.

Maintaining social distancing in baggage collection areas.

Obligation for passengers to have a PCR test if they come from a high-risk zone/country.

Other measures aimed at improving facilities and safety in 2020

The management report includes details of the main initiatives undertaken in 2020 in terms of Operational and Airport Security, such as: the revision of the annual Prevention, Salvage and Fire Extinguishing Service's Category; the extension of the private security concessions; the actions of two pilot projects to perform equipment tests at security checkpoints; or the supply and installation of EDS (Standard 3) Checked Baggage Screening Equipment at Spanish network airports. It should also be noted that, at the end of 2020, the protocol on drones had been implemented in 45 airports of the Aena Spanish network. At Aena Brasil, the use of drones in the airport environment requires authorisation from the Aeronautical Command.

For its part, the main advances carried out at London-Luton Airport have been: the launch of a new Health and Safety strategy at the beginning of the year, which continues to be implemented in 2021; keeping the ISO 45001 accreditation; the implementation of measures against COVID-19 throughout the Airport as well as training and workshops on safety, which were very well received by the staff that attended them.

6.2 Dedication to service

Aena's search for excellence implies providing all services with the highest quality and excellence. Aena **focuses on the customer**, adapting, improving and personalising both the commercial offering and the services provided to passengers, as well as promoting innovation and digital transformation within the Company towards the Smart Airport model.

Everyone who passes through Aena's airport network is a potential user of some of its services and, as such, always deserves the utmost attention.

- **Passengers:** Passenger facilitation and experience, evaluation of their perceptions and accessibility services, which represent a growing segment.
- **Airlines:** ground handling and other handling services, pursuant to Royal Decree 1161/1999, of 2 July, which governs the provision of airport ground handling services.
- In general, **all airport users:** maintenance services, and planning and management services, which includes establishing common rules to ensure uniform provision of the service.

Airports

Increasing and adapting the capacity of airports

Services

Compliance with high levels of quality of service

Innovation

Development of innovative digital solutions and technologies

Passengers

Passenger facilitation and experience, evaluation of their perceptions and accessibility services, which represent a growing segment.

Airlines

Ground handling and *other handling services*, pursuant to Royal Decree 1161/1999, of 2 July, which governs the provision of airport ground handling services.

All users

In general, all airport users: maintenance services, and planning and management services, which includes establishing common rules to ensure uniform provision of the service.

Tools for quality management and collaborations with third parties

The objectives included in the Company's own Strategic Plan (and in future Innovation and Sustainability Strategic Plans), as well as in the 2020-2025 Responsible Business Strategy for London-Luton Airport[7], and in the objectives set by Aena Brasil in the Service Quality Plan (PQS)[8] and the Airport Exploration Plan (PEA); include permanently ensuring the best service for all users, and guaranteeing their satisfaction, as well as utmost compliance with the highest levels of service quality. This requires simultaneous use of multiple tools: current regulations and frameworks of reference for decision-making; corporate management systems, policies and procedures and communication mechanisms with all users. From all of the above, the Company deduces and extracts the different actions that it will carry out each year, aimed at improving the facilities and their maintenance with one goal in mind: continuous optimisation focusing on the customers and services.

In this way, we can highlight Aena's first Strategic Airport Maintenance Plan (PEMA [Plan Estratégico de Mantenimiento Aeroportuario]), which runs for four years, from 2017 to 2021, and seeks to implement the reference framework used to provide maintenance services for the infrastructure and facilities of Aena's network of airports in a homogeneous, safe (compliance) and sustainable manner, with high levels of quality and efficient. The main pillars on which PEMA is based on are the following:

- Streamlining of maintenance services.
- Knowledge Management Plan.
- Asset Management Plan.
- Digitisation of maintenance services.

The implementation in 2021 of the PEMA action plans concerning each of these pillars will entail a deep transformation of the maintenance management processes and tools that will put Aena at the forefront of the maintenance sector, and will provide it with the appropriate mechanisms for continuous improvement. This will be an advantage for Aena when facing future challenges: sustainability, quality, compliance, efficiency and digitalisation.

2018-2021 STRATEGIC PLAN

AENA STRATEGIC AIRPORT MAINTENANCE PLAN

INNOVATION AND SUSTAINABILITY STRATEGIC PLANS

- Current regulations
- Management systems
- Corporate policies and procedures

- Actions to improve and maintain facilities

- Satisfaction surveys
- Complaints and grievances
- Activity data (passenger traffic, operations, cargo, commercial activity, real estate activity, other services)

[7] It has six strategic lines, one of which is "Offering an excellent customer experience", with seven specific objectives.

[8] In Brazil, one of the most important commitments established in the Northeast Airports Concession Agreement with the Regulatory Agency ANAC, was the PQS. Service Quality Indicator measurements started to be taken as of January 2021, in accordance with the Concession Agreement — ANAC.

Aena's Integrated Quality and Environmental Management System, implemented and certified in accordance with the ISO 9001 and ISO 14001 international standards[9], is the internal reference framework for the development and provision of the different services that are provided at the airports managed by Aena, which are the responsibility of the services, maintenance and airport quality department. In Spain, DORA 2017-2021 requires that the Company obtain a high level of customer satisfaction in the different processes in which they are involved when they use the Company's facilities and services. Beyond the goals and objectives outlined in the Company's Strategic Plan and in the Innovation and Sustainability Strategic Plans, the DORA includes different goals and objectives (qualitative and quantitative) in terms of quality, which are both demanding and competitive. The qualitative ones include the following:

- Improved passenger satisfaction: general, cleanliness, security, orientation, comfort and PRM.
- Reduced waiting times at security checkpoints and baggage collection.
- Availability of equipment (electromechanical, baggage processing, connection between terminals, etc).
- Competitive fares.

At a quantitative level, for example, in the case of Aena's airports in Spain with traffic in excess of 100,000 passengers per year, the objective for the general satisfaction, cleanliness, security, orientation, comfort and PRM indicators has been set at a value of four out of five (very good).

The fulfilment of these objectives is verified through a report issued by AESA. Based on the level of compliance with objectives, bonuses or penalties are established in accordance with the rates that remunerate the services provided by Aena.

Looking ahead, one of the main challenges that Aena faces in Spain is preparing the proposal for the 2022-2026 DORA. Its approval by the Council of Ministers is scheduled for the third quarter of 2021. In this regard, the Company has already started to work on preparing this proposal, which involves defining the different traffic scenarios, adapting the investment plan to future needs, infrastructure capacity indicators, service quality ratios and operating costs.

For London–Luton Airport, its quality standards are designed taking best practices into account, with the aim of going beyond what is established by the European Civil Aviation Conference, ECAC. Thus, the Airport has been accredited by the Airport Service Quality program of the Airports Council International (ACI), achieving Level 1.

At Aena Brasil, through the Integrated Management System[10] and Integrated Quality, Environmental and Energy Efficiency Management Policy, have ratified their firm commitment to excellence in the management of the services provided, with the aim of promoting the safe, effective and sustainable development of

Services, maintenance and airport quality responsibilities

Maintenance of facilities with maximum efficiency, enhancing best practices.	Service planning and management, with common rules for the different airports.	Ground handling, with common rules for the different airports.	Passenger facilitation and experience: measurement of perceptions and tracking of passenger expectations.	Accessibility: coordination and guidelines to serve persons with restricted mobility uniformly in all airports.

[9] Certification under ISO standards is scheduled at Aeroportos do Nordeste de Brasil in 2021.

[10] The Integrated Management System Committee will hold meetings dedicated to monitoring Indicators and Objectives, including the Service Quality Plan (PQS). The overall follow-up of the plans, programmes and actions, defined by Aena and included in the Concession Agreement, will also be carried out in order to comply with applicable requirements (customer, legal, regulatory, the organisation's own requirements, etc) ensuring the integrity of the system.

air transport, and maintaining excellent results for the organization's stakeholders over time. To do this, continuous and constant actions are carried out through the planning and implementation of different strategic lines of action, aimed at contributing to the sustainable development of air transport, making it compatible with Environmental conservation.

Each year, the Company's budget, approved by the Board of Directors, reflects the planned actions in terms of quality. These actions include both those required by regulations (the DORA or the concession agreements) and those that have been detected and contribute to improving the quality of services.
For their part, the tender contracts include certain mechanisms to ensure the quality of the contracted product or service. There are also collaboration agreements established with some suppliers, projects that take the form of alliances in which, together with Aena, the collaborating companies explore and develop tools to satisfy the demands that have been detected, but for which a clear response has not been identified on the market. Thus, for example, a new computer application has been developed to manage maintenance from mobile phones. Improvements have also been introduced in other existing applications (for example, the Management System for Persons with Reduced Mobility [SGPMR], the computer application that manages and monitors Service for PRM) and work continues on new solutions that optimise the management and control of the different services. These mechanisms favour the future viability of the most innovative suppliers and, above all, guarantee a quick and effective response to the demands of customers and users11.

London-Luton Airport includes sustainability, environmental, corporate social responsibility, quality, and health and safety criteria in the selection processes, —beyond merely looking at estimates—, providing special support for local companies. Using key performance indicators, the suppliers' work is overseen and monitored, serving as the basis for improving efficiency and the service provided.

For its part, in Brazil, the PQS will detail the activities of the Concessionaire with a view to complying with the service quality indicators provided for in the Airport Exploration Plan (PEA). These Indicators —related to direct services, equipment availability, facilities in the operations area, and passenger satisfaction surveys (PSP)— have already been defined by the ANAC Regulatory Agency and must be monitored monthly. To improve the response to stakeholder's expectations, Aena considers the general guidelines published by specialised bodies and entities, like the General Directorate of Civil Aviation of the Government of Spain, ACI, the Spanish Committee of Representatives of Persons with Disabilities (CERMI), or the Spanish Autism Confederation; or Alzheimer's, hearing impairment, autism or diabetes associations at London-Luton Airport, among others, by actively collaborating with them.

Aena collaborates with social organisations and entities to adapt their facilities to people with special needs

[11] Chapter 6 contains detailed information on Aena's contracting processes.

Training and awareness of employees and third parties

Employees play an essential role in delivering the best service. Aena is aware of the relevance that up-to-date and high-quality training has in this context.

London-Luton Airport also proactively promotes teamwork and the interrelation between the different areas. To do so they have a specific work platform. Moreover, they seek to ensure that employees that deal with customers meet a series of characteristics and possess a set of specific competencies (empathy, patience, etc).

At Aena Brasil, instructions are being developed that provide guidance for the teams directly and indirectly involved in services that have an influence on the quality of the services provided at the airports. These airports promote the involvement of all employees in the strategies, objectives and results through virtual meetings, gatherings and transparency of Senior Management. They are also investing in training and capacity building programmes. Thus, starting in 2021, new actions focused on awareness will be provided to promote better service, receive feedback from users, and guarantee quality and safety standards, as well as continuous improvement.

		AENA SME SA	AIRM	ADI	Aena Brasil
Customer experience training	Total hours	3,080	32	-	-
	Number of employees	134	2	-	-
Training in Environmental Awareness	Total hours	12,824	68	4	258.5
	Number of employees	3,206	17	4	104
Training in Quality and Environmental Management System	Total hours	-	-	-	750
	Number of employees	-	-	-	250

Infrastructure accessible to everyone

Aena ensures universal accessibility to its facilities and offices, guaranteeing their use in terms of comfort, safety and equality for all people, and paying special attention to satisfying the requirements of people with special needs. In this regard, the Company strives to reduce or eliminate limitations on mobility, communication and understanding[12]:

- **Mobility:** airports offer high-quality, personalised and free services for persons with reduced mobility (PRM). Therefore, the Company provides all the financial, material and human resources necessary to ensure that everyone can enjoy air transport between any point of Europe's geography, covering all needs. Assistance is provided throughout the entire journey through the airport's facilities, both in departures, as well as in arrivals and connections, as well as in the different processing points to be followed (check-in, security checks, boarding and disembarkation, baggage collection, transfers to the terminal, placement in the assigned seat of the aircraft, etc.). In 2020, due to the situation caused by the pandemic, and high-level hygienic and sanitary requirements, it has been especially important for passengers to reserve the service with the indicated advance notice, as well as to make use of it only if it

[12] In Brazil, throughout 2021, a series of improvement works and actions will be undertaken, focused, among other things, on improving accessibility.

is really necessary, in order to avoid reducing and wasting the resources focused on passengers who require additional help to overcome the barriers that exist in an airport environment13.

- **Communication**: Aena has a chat information and service line for passengers with hearing and/or speech disabilities. This service allows users with disabilities to contact the Information and Service Telephone Line from their computer, tablet or smartphone, accessing a chat, and without the need for other people to act as intermediaries.

Aena, at Ibiza Airport, participated in the campaign organised by the Spanish Confederation of Deaf People (FIAPAS) for the International Day of the Deaf in 2020. The campaign called 'Nuestro talento suma' (Our talent adds), promotes the inclusion of people with hearing disabilities in work environments.

In some Spanish airports and at London-Luton, there are also magnetic induction loops in order to improve accessibility and service for people with hearing disabilities. This technology allows users with hearing aids, cochlear implants and other ear prosthetics with a micro coil to receive the specific information they require through a clean transmission of sound from the source to the hearing aid (London's airport has more than 100 points). This Airport also has two electric mobility vehicles in the air zone to transport customers, with capacity to transport six people. The compact size of the vehicle for persons with reduced mobility allows passengers to enjoy a safe and comfortable journey despite the reduced size of the vehicle. There are also a total of 28 vehicles available at four of the main Spanish airports (Adolfo Suárez Madrid-Barajas, Barcelona-El Prat Josep Tarradellas, Palma de Mallorca and Málaga–Costa del Sol).

- **Understanding**: To facilitate the orientation of users and guide them in their journey through airports, Aena has signage, made using a guide of basic system symbols, which allows users to locate the areas, facilities and services of the airport. These symbols, which are universally recognised, have been designed and installed at all of the company's airports, in accordance with internationally established safety and accessibility criteria. All of this is completed with the information that Aena provides to users, related to the correct use of the facilities, as well as with the different advertising media that promote their commercial and real estate activity.

[13] In the case of Spanish airports, the most appropriate way to request assistance for PRM is through the airline or travel agent when making the reservation or purchasing the tickets. However, it is also possible to do so through Aena's website (www.aena.es), through Aena's Information and Care Service (91 321 10 00) or through Aena's mobile device App. To ensure that the assistance is provided at adequate quality levels, and within the established time frames, it is very important to specify the passenger's limitations, make the request at least 48 hours prior to the flight, and ensure that on the day of the trip the passenger arrives at the airport and notifies their arrival at least two and a half hours in advance

In relation to London-Luton Airport, reservations can be made as explained in: https://www.london-luton.co.uk/special-assistance-landing/getting-the-special-assistance-you-need

At Aena Brasil, the service can be requested through the private link enabled for each of the six airports:

Internacional do Recife Guararapes - Gilberto Freyre; Internacional de Maceió - Zumbi dos Palmares; Internacional de João Pessoa - Presidente Castro Pinto; Aracaju - Santa María; Juazeiro do Norte – Orlando Bezerra de Menezes; Campina Grande – Presidente João Suassuna (CPV)

In 2020, despite the drop in traffic and new operational difficulties, Aena has continued to offer the best service for people with different needs, adapting to the safety requirements associated with the health emergency. Thus, travellers have been asked to reduce paper documentation and come to the airport as far in advance as possible, among other recommendations. At the end of 2020:

	2019			2020			
	AENA SME SA	AIRM	LLA	AENA SME SA	AIRM	LLA	Aena Brasil
PRM requests (no.) (*)	1,878,044	16,484	133,180	517,115	3,704	35,685	5,105

(*) With regard to this data, we must take into account the reduction of passenger volume experienced at a general level in 2020 due to the COVID-19 pandemic.

In addition, within the framework of continuous improvement that is part of Aena's culture, and after detecting that people with Autistic Spectrum Disorder (ASD) require different needs, a project focused on this group was launched. Málaga-Costal del Sol, César Manrique-Lanzarote and Tenerife Sur airports took part in this pilot project, in order to design and implement appropriate measures in terms of the operational and training needs of the different groups that come into contact with passengers. As a result of the success of this pilot project, and always considering the lessons learned from the same, Aena continues this line of work to standardise and optimise the programme in all airports where its implementation is possible (including technological developments that supplement the already initiated pilot projects).

In this regard, there are collaborations with associations such as CERMI and the Spanish Autism Confederation that help to jointly assess other passenger needs (passengers with autistic spectrum disorders, Alzheimer's disease, and other neurological disorders and diseases) in terms of accessibility, such as the needs of people with ASD and their families, seeking mechanisms that contribute to improving their mobility and approach to public services, transportation and tourism.

Aena has been in permanent collaboration with the Spanish Committee of Representatives of Persons with Disabilities (CERMI) with the aim of offering, to all passengers who need it, the highest quality service adapted to their needs, converting Spanish airports into inclusive spaces

London-Luton Airport works tirelessly to achieve the best score in the evaluation of the service for the improvement of accessibility for persons with reduced mobility, which is carried out by the Civil Aviation Authority

Airlines

- Promotion of facial recognition services.
- Self-check-in of luggage.
- Possibility of carrying out boarding by groups.
- Progress in the implementation of autonomous vehicles for handling luggage on the apron.
- Remote Towers at Vigo Airport and Menorca Airport.
- "A-CDM" (Airport-Collaborative Decision Making) and Advanced Tower programmes, sponsored by Eurocontrol.
- Extraordinary incentive package focused on the recovery of operations.

Aeroportos do Nordeste do Brasil:

- Establishment of consultations with airlines and definition of SLA.
- Promotion campaigns.
- Collaboration in the implementation of health safety measures.

London-Luton Airport:

Installation of *digital* check-in.

Passengers

- Extraordinary health safety measures.
- Development of the Strategic Cleaning Plan.
- Since the last quarter of 2020, all airports have carried out ASQ surveys using Tablets, thus minimising contact between the pollster and the passenger, guaranteeing the safety of both.
- The devices for real time feedback on customer perception (Happy or Not) have been adapted to avoid contact, through QR codes, and the Company has started placing antiviral protectors on the devices.

Aeroportos do Nordeste do Brasil:

Start of the Service Quality Indicators measurements.

London-Luton Airport:

- Improved real time *customer* feedback system.
- Usage counters in all bathrooms to improve cleaning standards and efficiency.
- Translator for the customer service staff to provide better care.
- ASQ digital surveys (from the second half of the year).
- Mobile phone charging points.

Licensees

- Adaptation of agreements to the situation caused by the health emergency.
- Promotion campaigns.
- Collaboration in the implementation of health safety measures.
- New concessions awarded in restaurant areas (Valencia Airport, Barcelona-El Prat Josep Tarradellas Airport, Málaga-Costa del Sol Airport, Tenerife Sur Airport, F.G.L. Granada-Jaén Airport and A Coruña Airport).

Aeroportos do Nordeste do Brasil:

- Promotion campaigns.
- Collaboration in the implementation of health safety measures.

London-Luton Airport:

New contract for the persons with reduced mobility service.

For its part, at London-Luton Airport, this action includes all of the so-called "**hidden disabilities**" focusing especially on the development and training of employees.

This Airport also has an **Accessibility Focus Group** with representatives from social entities related to functional diversity (Alzheimer's, autism, hearing disability, etc). The airport accessibility forum took place in October 2020, and the third one will be held in March 2021.

Main actions in 2020 aimed at improving customer experience

Throughout 2020, despite the drop in activity, various actions have been carried out, detailed in the Management Report, including improvements in services aimed at both airlines and passengers. With these, the Company has continued to make progress in the quality commitments established in the DORA, especially in the area of service digitisation, facility cleaning, connectivity and Wi-Fi for users, baggage collection, etc.

With regard to Brexit, following its culmination on 31 December 2020, Aena's airports in Spain and the United Kingdom had already been preparing the necessary adaptations in their traveller, cargo and pet controls. Specifically, London-Luton Airport had adapted its customs infrastructure to comply with the new provisions before 31 December 2020.

Communication and evaluation of customer satisfaction

Aena has different tools to permanently monitor the opinions and expectations of its customers. By applying cutting-edge technologies, the Company evaluates The quality of the services it provides and finds itself in an ideal starting point to implement market advances to fully satisfy its users, in line with its commitment to continuous improvement and providing best customer experience. This commitment is realised, as already indicated, through excellent management, understood as maximum efficiency management aimed at continuous improvement and intelligent dialogue with stakeholders. In addition to evaluating user satisfaction, the Company considers quality in the execution of the organisation's internal processes, the management of customer complaints, suggestions and compliments, and the certification of the Company's systems to be of enormous importance.

	Passenger satisfaction and perception	Satisfaction and perception of airlines: airport marketing	Relationship with concession companies: commercial marketing
SOME OF THE DETECTED EXPECTATIONS	• Competitive prices in restaurants. • Staff efficiency. • Minimum wait time (check-in, security control, etc). • Discounts on services. • Comfortable facilities. • Recharging points for electronic devices. • Absence of unexpected costs. • Cleaning. • Friendliness of the staff.	• Premium offer. • Efficient and coordinated work procedures. • Quality of service appropriate for the price. • Active collaboration. • Operational information and information on analysis of potential markets. • Incentives and discounts. • Operational priorities (special services to customers). • Help with passenger mobility (wayfinding).	• Clear, achievable and stable contractual requirements. • Transparency. • Equal treatment. • Procedural agility.
SPANISH AIRPORT NETWORK	• ASQ (*Airport Service Quality*) surveys endorsed by the ACI (Airports Council International). • Instant Feedback devices (currently, Happy or Not), which conduct surveys on bathroom cleanliness, the courteousness of the security staff and baggage claim time in 33 airports of the network. • Complaints, suggestions and compliments tracking and management. • EMMA surveys. • Monitoring of process indicators. • DORA indicators.	• Working groups/expert sessions. • Analysis of the satisfaction and quality perception of airlines. • Surveys to companies. • Direct contact/meetings. • Attendance at specialised forums and conferences. • Indicators associated with company processes. • User committee and joint follow-up committees.	• Regular follow-up meetings. • Brand conferences (professional meetings where we explain the airport's overall offering). • Exchange of periodic surveys and statistics. • *Mystery shopper* and compilation of opinions in VIP lounges. • Aena Business Portal. • Advertising, promotion and revitalisation of Commercial Areas. • Loyalty Club (more than one million customers in 2019). • Workgroups for information exchange and service improvement. • Analysis of the results of the service provided (commercial attributes of ASQ surveys, and complaints suggestions and compliments management monitoring). • Business service surveys.
LONDON-LUTON AIRPORT*	• Customer Experience Strategy developed in 2019. • Customer Experience Board/ Customer Comments Board. • London-Luton Airport Accessibility Forum for inquiries from PRM users and charitable organisations. • ASQ surveys (during the second half of 2020). • Real-time collection of comments from customers (FeedbackNow) on different aspects (security, check-in, bathrooms, immigration and baggage claim). • Mystery Shopper Programme. • Quality walkarounds.	• Airport operators' committee.	
AEROPORTOS DO NORDESTE DO BRASIL	• PSP surveys (Passenger Satisfaction Surveys) recommended by ANAC (Agência Nacional de Aviação Civil do Brasil [National Civil Aviation Agency of Brazil]). From November 2020.	• Airport operators' committee. From November 2020. • Establishment of consultations with airlines and definition of SLA as of November 2021.	

* At London-Luton Airport, the use of some of these tools has ceased due to COVID-19.

The Company also uses some of the mentioned tools to share and comply, at all times, with the commitment to keep all its customers and suppliers informed of their rights and obligations. In particular, in the case of its third-party relationships, the Company undertakes to fully inform customers about their rights before signing any contract. At London-Luton Airport these are indicated at different points to keep all customers informed.

Based on the responses provided by users, the following conclusions have been drawn for 2020, in relation to the quality indicators (14, 15, 16):

Quality assessment rated out of 5

QUALITY OF SERVICE TO PASSENGERS

4.06
ASQ Survey. European reference value: 4.12

OBJECTIVES 2021

4
Spanish network

QUALITY OF COMMERCIAL PREMISES

3.47
European reference value: 3.55

QUALITY OF CATERING

3.39
European reference value: 3.55

QUALITY OF VIP LOUNGES

3.48
European reference value: 3.8

QUALITY OF CAR PARKS

3.74
European reference value: 3.86

[14] At Aena Brasil, records for the calculation of these indicators begin in November 2020, and, at London-Luton, they were not monitored during 2020.
[15] To obtain these results, the properly weighted ASQ (Airport Service Quality) surveys in the two quarters that were carried out (Q1 and Q4) are considered as the basis. [16] Due to the volatility of the situation, there are indicators for which the goals for 2021 have not been set.

6.3. Complaint mechanisms

The Company provides its users with the following mechanisms for reporting complaints or claims to the Company related to its services:

- Through the Online Services Portal, which features a specific section for complaints, suggestions and compliments[17].
- Through the use of complaint sheets, provided mainly at airport information points, as well as VIP lounges and car parks.
- London-Luton Airport has a specific website (Feed-back-form London Luton Airport), with email addresses and an online form.
- Aena's Airports in Brazil have the Canal de Ovidouria available through the website to receive proposals for improvements related to the offered airport services. The following email address is also enabled ouvidoria@aenabrasil.com.br for this purpose[18].

In order to process them, the Spanish airports of Aena have established a Procedure for the Management of Complaints and Claims, and a Department for Passenger Facilitation and Experience.

Aena's objective is to answer initial claims regarding its airport management in less than five days[19]. The financial compensation derived from pecuniary claims in Brazil, Spain and Luton totalled €67,864.17 in 2020[20, 21].

Additionally, both in Spain and at London-Luton Airport, as well as at Aena Brasil[22], complaints and claims are collected through the company's profiles on Twitter and Facebook. A total of 2,134 complaints were collected at Spanish airports in 2020[23]. These channels are not included in the Complaints and Claims Management Procedure, so the complaints that are received are generally answered by informing the affected parties that they should process them through official channels.

In addition, customers and users can access the information to exercise their right to make a claim through the Company's website[24].

In particular, in relation to the offer of services to airlines, handling agents, concessionaires of commercial activities or real estate customers, Aena prepares specific documentation that summarises the main characteristics of the services on offer and their prices, although the specific details are based on specific individual negotiations[25].

[17] In the case of environmental inquiries, the Company has the Environmental Assistance Office (Noise enquiry or complaints at London-Luton Airport).

[18] The Management System also addresses the relationship with Aena's Brazilian Airport users, its objective is to provide information to citizens about the Ombudsman and their relationship with consumers, suppliers, employees, the community and users of airports of Aena Brasil. Aena Brasil has to maintain a physical and electronic service system for Users and an ombudsman to investigate complaints, claims, requests for information, suggestions and compliments in relation to the execution of the Concession Contract. And, in addition, the Airport Exploration Plan - PEA establishes the obligation to implement a "recording and processing system for claims related to the provision of the service".

[19] London-Luton Airport does not currently have a complaint and claim management procedure, although they try to respond to all requests and complaints in less than five business days, with this being managed through their insurance companies. They currently use Dynamics 365 to manage communications with their customers, allowing them to record and generate the corresponding reports for their follow-up.

[20] The amount includes possible expenses incurred from expert and/or legal counsel services. This includes both civil liability claims for personal injuries and for property damages greater than €9,000. The resolution of personal injuries does not occur until the claimant has been medically discharged. In cases that wind up in court, the resolution does not occur until a final ruling is issued.

[21] Aena's airports in Brazil have not provided any financial compensation to date arising from pecuniary claims.

[22] Aena Brasil only has a Twitter account.

[23] Data not available for London-Luton Airport or Aena Brasil.

[24] Although the London -Luton Airport website does not have this, all the information regarding noise complaints can be found on the website.

[25] In Brazil, they will begin in January 2021.

Main complaints and claims received

	AENA SME, AIRM			LONDON-LUTON AIRPORT			AEROPORTOS DO NORDESTE DO BRASIL*
Indicator	**2019**	**2020**	**% Variation**	**2019**	**2020**	**% Variation**	**2020**
Transport agreement	1,748	496	-71.6%	674	66	-90.21%	7
Handling	458	110	-75.98%	1,785	336	-81.18%	-
Information systems	637	183	-71.27%	-	-	-	14
Facilities	469	280	-40.29%	-	-	-	71
Security services	1,826	709	-61.17%	912	237	-74.01%	49
Supplementary services	830	427	-48.55%	-	-	-	-
Access	73	11	-84.93%	-	-	-	-
Damage and theft	326	102	-68.71%	610	66	-89.18%	3
Miscellaneous	143	90	-37.06%	-	-	-	171
Commercial and food & beverage services	503	62	-87.67%	662	347	-47.58%	5
Car parks	2,094	575	-72.54%	1,049	630	-39.94%	2
							-
TOTAL AIRPORT MANAGEMENT CLAIMS AND COMPLAINTS	**6,901**	**3,045**	**-55.87%**	**5,692**	**1,682**	**-70.45%**	**322**

* Start of activity as of March 2020.

Other specific indicators

In 2020, Aena had no record of breaches of regulations or voluntary codes related to:

- The information that is provided to users about the service, in none of the companies of the Group.
- Marketing communications, in none of the companies of the Group.

There was a notification of infringement for Recife Airport related to health systems and a notification of infringement for João Pessoa Airport related to the air conditioning system.

7 Innovation for fostering opportunities

We develop innovative solutions that allow us to offer the best service under any circumstances

Investments for the development of solutions

- Training and communication
- Training in employee innovation:

2,044 HOURS
175 EMPLOYEES

MORE THAN 20 COLLABORATIVE PROJECTS WITH DIFFERENT PARTNERS

MORE THAN €10m INVESTED IN R&D IN 2020

254 PROJECTS FROM **33** COUNTRIES IN THE "AENA VENTURE" CALL

HORIZON 2020: PROJECTS WITHIN THE FRAMEWORK OF THE EU

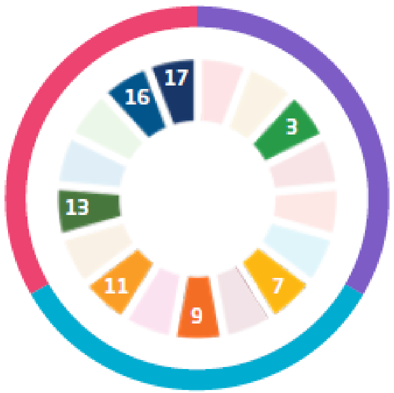
Service guarantee

- Reorganisation and digitisation of processes
- Passenger and worker safety
- Essential flight maintenance

IMPLEMENTATION OF THE SPAIN TRAVEL HEALTH-SPTH PLATFORM AT MORE THAN **40** AIRPORTS THROUGHOUT SPAIN

Commitment to the future

- Airports 4.0
- Digital transformation of internal processes
- BIM
- Drones
- New business lines
- Intelligent operations and maintenance management
- Remote towers
- Cargo digitalisation



Commitment to SDGs

3 **SDG 3 Health and well-being**

7 **SDG 7 Affordable and non-polluting energy**

9 **SDG 9 Industry, innovation and infrastructure**

11 **SDG 11 Sustainable cities and communities**

13 **SDG 13 Climate action**

16 **SDG 16 Peace, justice and strong institutions**

17 **SDG 17 Partnerships to achieve the goals**

Innovation management at Aena

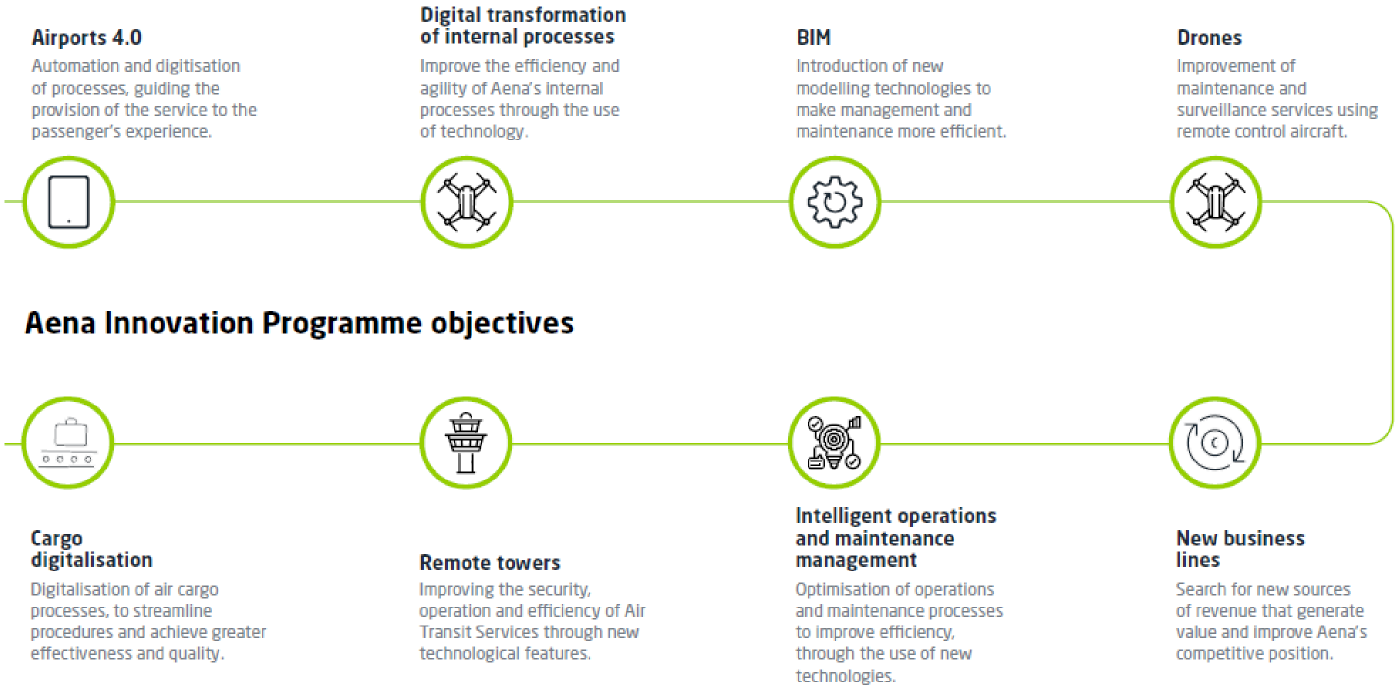
In 2020, the Innova awards added two new categories to the existing best innovative idea, best practice and best solution to the proposed challenge categories, these are best sustainable idea and best idea designed to increase

Innovation, digital transformation, new technologies and digital solutions are levers or tools for recovery.

Aena is committed to innovation as a competitive advantage and a clear opportunity. It, therefore, continues to maintain a firm commitment to advancing its strategic lines and is undertaking, more than ever, to continue focusing on the strategic priorities to which it was already committed before the outbreak of the health crisis: sustainability, **innovation and digital transformation**. The objective is clear: to become a leader and international benchmark in airport management innovation.

As the main lever for sustainable development in Aena, innovation aims to develop technological solutions that improve the user experience, the Company's competitiveness and productivity, optimise management processes and operations, protect the environment and ensure the safety of all users.

Innovation at Aena is open, dynamic and transversal. It attempts to incorporate the participation of all related stakeholders (users, customers, suppliers, partners, entrepreneurs, universities, research centres) and learn from them by working jointly to search for solutions to new challenges and existing problems, by sharing risks in pilot projects and by using the best as inspiration.



Innovation ecosystem

To strengthen the development of advances and proposals, Aena works alongside different partners (employees, suppliers, start-ups, town councils or universities, etc). As proof of this, the Company offers the possibility of testing new technologies and processes at its airports, in order to find innovative solutions and alternatives for the airport's business. Likewise, in 2020, Aena launched the "Aena Ventures" call for start-ups (see below). The Aena Ventures call attracted more than 254 proposals from 33 countries, five of which will be accelerated in the Aena Ventures programme to deploy a prototype (www.aenaventures.com).

In addition, to try to make the most of the internal knowledge within the Company, it decided to hold, in 2020, the third edition of the Innova Awards for all Spanish network airports, Luton and the Brazilian airports; in which the workers themselves present ideas and best practices. In the 2020 edition, more than 300 ideas were presented, almost doubling those presented in 2019.

Training

As one of the main levers of innovation and cultural change, in 2020, Aena launched training activities that allowed Aena employees to acquire the necessary know-how to integrate innovation as a driving force of the company. To this end, different levels of training have been implemented in regard to innovation, digitisation and "agile" project management procedures. These include postgraduate master's degrees, seminars and internal technical training courses, among others.

Specifically in 2020, 175 Aena employees were trained in different innovation methodologies and tools. This is a 99% increase, nearly double the number of participants, with respect to the previous year. With regards to training hours dedicated to innovation, Aena employees received 2,044 hours of training, which is triple the amount of hours received in 2019.

The value of employees, as the main source of idea generation to promote innovation, requires training in specific subjects that are currently of high value. Aena is committed to improving employee training in order to drive towards the future of the sector. Digitisation, e-commerce, the Internet of Things and autonomous systems or artificial intelligence are some of the technological areas in which Aena will invest to grow.

Work and collaboration with specialised companies

The investment made in R&D&I projects during fiscal year 2020 exceeded €10 million.

Even though it was lower than the investment made in 2019, due to the strong impact of the State of Emergency, investments into innovation with respect to turnover represented 0.5%. Nonetheless, throughout 2020, Aena has continued to work on searching for synergies with numerous entities in the technological and innovation sector in order to improve its global competitive position. As a result, it signed more than 20 collaboration projects, in addition to the acceleration programme.

Aena Airport 4.0.

Aena's innovation strategy includes development programmes allowing it to achieve objectives in this area in a stronger way than ever, due to the present situation. The Aena Airport 4.0 project is one of its most important, its purpose being to improve passenger experience in airport flow through different lines of action, which will implement the latest technologies and take societal trends into account.

DIGITAL IDENTITY

- Improve the passenger's experience as they pass through the airport
- Increase security, identity checks
- Biometric identification added value services

COMMERCIAL

- Better response to needs and expectations
- New sales channels
- New means for promotion or advertising
- Pricing strategies
- Improved efficiency and business planning

FACILITATION AND SECURITY

- Improve the passenger's experience in security screenings
- Increase *security*

ASSISTED CUSTOMER

- Personalised support services
- Passengers with assistance needs

INTEGRATION

- *Smart Airport* in the *Smart City*
- An Airport showcasing culture
- Comprehensive cross-sectional integration with other stakeholders

SUSTAINABILITY

- Improve the passenger's perception of their environmental impact
- Become a catalyst for new technologies in sustainability
- Be leaders in the sector, reaching NET ZERO emissions in 2040

INTELLIGENT MANAGEMENT

- Improve service management efficiency, as perceived with new technologies
- Receive real-time service information

Developments in 2020

In 2020, the Company's main objective has been **guaranteeing the operation of essential flights while maintaining the highest health and safety standards** for both Aena workers, external professionals and users generally involved in coordinated operations. Nonetheless, this has not prevented it from moving forward with planned innovation-related objectives and projects.

With this focus in mind, Aena has been developing actions both internally, with the reorganisation and digitisation of processes for the remote work of its employees (*see chapter 5*), and externally, with the implementation and development of systems that ensure the safety of passengers and the public health of citizens on national and international levels, without leaving aside the strategic objectives planned to date. Thus, several innovation programs were developed and implemented in 2020, including the following most relevant ones:

- **Digital identity systems.** The aim of this project is to test biometric and digital identity technology in order to allow passengers to transit through airport facilities without stopping, through a "contact-less" system.
- **Geolocation System:** Within this project, Aena, in collaboration with various partners, launched the "**AenaMaps"** application, which offers travellers assistance in finding their way through the Adolfo Suárez Madrid-Barajas Airport by using maps. This not only allows passengers to know their location at all times within the facilities, but also to navigate using terminal maps, look for points of interest (such as boarding gates, restaurants or shops) and, above all, calculate the best route to reach their destinations, as it also includes the distance and approximate duration of the journey. This tool is available at the Adolfo Suárez Madrid-Barajas Airport and will be progressively extended to other airports of the Aena network.
- **Aena Ventures**: Deployment and advancement of internal entrepreneurship proposals, through pilot projects and collaborative work in our programme to accelerate "start-ups" and more closely associate Aena with companies and projects with greater innovative profiles. The announcement of **"Aena Ventures"** accelerator allows the Company to accelerate five airport and commercial management projects start-ups, with the aim of promoting disruptive technologies in our airports in an innovative, sustainable and efficient way. In total, 263 proposals have been presented to the initiative with more than 50% international participation.
- **Pilot Projects**: Demonstrative projects that are measurable and produce tangible short-term results, carried out through collaboration agreements with different technological partners. This allows us to attract external innovation and provides mutual benefits. For example:
  - **HALCODRON:** The project will confirm the functionality of unmanned aircraft or RPAS (Remotely Piloted Aircraft) to control wildlife in essential areas, in order to ensure operational safety at heliports and airports. The objective is to study, in situ, the true effectiveness of the drones camouflaged as falcons in order to scare away surrounding birds and, thus, minimise the risk of impacts with aircraft. It is an addition to the wildlife control service, which is usually carried out with birds of prey. The flights are carried out in compliance with all security requirements and with the approval of the Spanish Air Staff.
  - **ESPIRAL:** This project, framed within the concept of circular economy, aims to minimise the volume of textile waste from Aena employee uniforms by recycling them into raw materials for new garments or other materials, thus decreasing their environmental footprint and extending their lifecycle.

- **Horizon 2020**: In 2020, new projects were started within the framework of the European Union:
  - **TRANSIT** (Travel Information Management for Seamless Intermodal Transport) is a research project funded by SESAR 2020 Exploratory Research. Its goal is to develop a set of multi-modal key performance indicators, mobility data analysis methods and transport simulation tools allowing the evaluation of the impact of innovative intermodal transport solutions on the quality, efficiency and resilience of the door-to-door passenger journey.
  - **IMHOTEP**, its goal is to develop a concept of operations and a set of data analysis methods, predictive models and decision support tools that allow information sharing, common situational awareness and real-time collaborative decision-making between airports and ground transport stakeholders.
  - **ASPRID**, which aims to address the problem of protecting airport operations against drone intrusion (careless or malicious), from an operational point of view. The project aims to investigate the vulnerability of the airport to different types of threats and possible forms of response, as well as to study interrelations between the aspects involved in different scenarios.
  - **SESAR WAVE 2** has continued with the participation of the SESAR programme (Single European Sky ATM Research), a project of the European air transport community, which is responsible for developing and implementing the future common air traffic management system. Its objective is to implement a high-performance European ATM network, born from the need to create an integrated vision on the evolution of the European traffic management system.

Future outlook

In the current situation, Aena maintains its commitment to innovation, digital transformation and R&D&I as the main levers for the recovery and improvement of the company's competitiveness, both in the quality of the service provided and in the efficiency of internal processes. Innovation is a competitive advantage that will allow Aena to be a benchmark in the international airport sector.

Aena is committed to continuing its strategy of validating innovative technologies and products in airports, while also focusing on the global development of R&D&I by approaching companies, technological centres and universities to bring R&D closer to the real production field.

About this report

This 2020 Consolidated Management Report has been conceived to inform Aena's stakeholders of its performance in economic, social and environmental matters in 2020, as well as to comply with the reporting requirements of Act 11/2018 of 28 December, on Non-Financial Information and Diversity, with the drawing up of the NFIS. A year in which the Company's challenges, strategies and future prospects have been marked by the emergence of the COVID-19[1] pandemic.

As recommended by the IIRC's International Integrated Reporting Council's Framework, the report integrates into a single document the information on financial and non-financial impacts, risks and opportunities, providing a complete and transparent view of how the Company has continued to create value in 2020 for its stakeholders, in a scenario marked by uncertainty due to the extraordinary global situation in 2020.

This Report has been drawn up in accordance with GRI Standards, in its comprehensive option. This section includes the corresponding GRI Content Index, which this year incorporates the 303:2018 standard on water and effluents and the 207:2019 standard on taxation. As an additional new feature, information is also included in accordance with the SASB *(Sustainability Accounting Standards Board*) reporting standards relating to the Professional and Business Services, Logistics and Air Freight Services, Airlines and Real Estate Services industries.

For the content of the Non-Financial Information Statement, in addition to Act 11/2018, different frameworks and guidelines have been taken into account, such as the GRI (*Global Reporting Initiative*) standards, including supplement G4 *Airport Operators Sector Disclosures*.

In addition, reference is made to the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the United Nations Sustainable Development Goals, the *Carbon Disclosure Project* (CDP), the guide published by the AECA (Spanish Accounting and Auditing Association), as well as the recommendations of the CNMV and ESG rating agencies.

The main management areas of Aena have participated in drawing up the report, under the coordination of the Corporate Responsibility area. The scope of the information included in it covers the companies in which Aena has a holding of more than 50%, as included in the Annual Accounts by virtue of the control criterion; including the data available for Aena Desarrollo Internacional S.M.E., S.A.; Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E.; and the subsidiaries in the United Kingdom and Brazil on a consolidated basis, while the remaining holdings, which are not fully consolidated, are not included in the non-financial performance indicators included in this document.

[1] See Section: "2020: An unprecedented challenge".

Reporting principles used

Quality of the report
- Accuracy
- Balance
- Clarity
- Comparability
- Reliability
- Timeliness

Definition of contents
- Inclusion of stakeholders[
- Sustainability context
- Materiality
- Completeness

Reporting principles included in
GRI Standard 101 "Foundations 2016"

In order to reflect the Company's sustainability performance over the last few years and to enable its assessment, the report provides data from previous years or has external references to help its readability. In addition, in the event that a value or indicator has been updated, the corresponding change is specified.

For more information about the Company's performance, readers can access the Aena corporate website where they can find: reports related to Corporate Governance, remunerations, the Environmental Sustainability Report, among others. Finally, if you have any questions or concerns about this report, please contact the Corporate Responsibility department: rc@aena.es

Phases for preparing the report and groups involved

1. **Consultation of stakeholder groups and materiality analysis**
2. **Preparation of drafts**
3. **Review and consolidation**
4. **Formulation of the non-financial information statement**
5. **Presentation and approval by the General Shareholders' Meeting**

1. INTERNAL AGENTS
EXTERNAL AGENTS
2. ALL UNITS
3. ALL UNITS
MANAGEMENT
4. BOARD OF DIRECTORS
5. GENERAL SHARE-HOLDERS' MEETING

1. References to other sections of the Consolidated Management Report

The following table summarizes the non-financial information required by Act 11/2018, which is described in the introduction to the document and in the section "2020: an unprecedented challenge", these contents being part of Aena's 2020 Non-Financial Information Statement.

Subjects Act 11/2018	Answers with references to other chapters of the Integrated Annual Report	
Business model description		**GRI**
Business environment.	In 2020, the activity of the Aena Group's companies and the evolution of their businesses was affected by the mobility restrictions in force since March both in Spain and in the rest of the world to avoid the spread of COVID-19. By 2021, air traffic is expected to recover to 51% of 2019 European traffic volume, accelerating from the summer onwards. Traffic would only return to 92% of 2019 levels by 2024, and figures would not recover completely until 2026. Moreover, ACI Europe (20/01/2021) has lowered its traffic forecast at European airports for 2021 to -56% of the 2019 level (base scenario) compared to -43% in its previous forecast. In the long term, there is a lot of uncertainty regarding the return of traffic to levels recorded in 2019, which these bodies predict for Europe sometime between 2024 and 2027. The main macroeconomic indicators point to a slower recovery than initially expected. Thus, the latest estimates of the Spanish Government indicate that 2020 will see a fall in GDP of 11.2% (in 2019, GDP grew by 2.0%). For 2021, GDP is expected to recover with growth of 7.2%, although sustained growth will depend on the future development of the pandemic. For further information on this matter, please refer to pages 15 and 16 of Section: "2020: An unprecedented challenge".	GRI 102-2
Markets where it operates.	The Aena group is made up of Aena, Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia (the concession company of the Región de Murcia International Airport, "SCAIRM"), Aena Internacional, the companies of the London Luton Airport Group, as well as the Concession Company Aeroportos do Nordeste do Brasil, S.A. (the concession company of the Northeast Brazil airport group, "Aena Brasil"). As detailed in Note X of the Consolidated Annual Accounts, the Group conducts its business activities centred on the following segments: Airports, Real Estate Services, International and SCAIRM. For further information on this matter, please see the section "AENA Airport Network" in the introduction to the Management Report.	GRI 102-6
Objectives and strategies.	In the coming years, Aena will continue to focus on the strategic priorities to which it was already committed before the health crisis: sustainability, innovation, digitization and the 2022-2026 DORA. In addition, it is essential to: The harmonization of the measures to be adopted by the different governments of the European Union in the face of potential outbreaks of the disease, including common, coordinated actions based on clear epidemiological criteria for all member countries; Maintaining a close relationship with the airlines and other companies that carry out their activity in the airports of the network and other stakeholders; Responding to the new challenges for the air sector: Society's growing concern for the environment, more stringent regulatory requirements, especially in terms of safety, the environment and passenger rights, along with the new health requirements imposed by COVID-19 and passengers' greater demand for quality of service. For further information on this matter, please refer to the section "Future Challenges: Adaptation to the New Context" in Section: "2020: An unprecedented challenge".	GRI 102-14

Factors and trends that may affect its future evolution.	Aena's activity has been subject to: global macroeconomic and political risks; risks related to the Group's business and operations; mergers and competition risks; operational risks (cybersecurity, third-party dependence); health and safety risks; regulations; sustainability, climate change and energy transition; risks related to the Company's business nature, its regulation and compliance; and risks related to stakeholder involvement. For further information on this matter, please refer to the section "Risks and their management" in **Section:** "2020: An unprecedented challenge".	GRI 102-15
Description of the policies the Group applies		**GRI**
Due diligence procedures applied to the identification, evaluation, prevention and mitigation of risks.	Aena's risk management system develops the principles defined in the Risk Control and Management Policy, based on the integrated COSO III (Committee of Sponsoring Organizations of the Treadway Commission) Integrated Corporate Risk Management Framework, incorporating the relevant liabilities and procedures. Moreover, with the declaration of the state of emergency in March, a period of inactivity began that caused an almost total collapse in traffic levels. With the aim of adapting to this sudden decline in activity, the company adopted a series of operational, economic and financial measures that would allow for a more efficient management of the business, including the following in particular: adjusting capacity and services to the specific needs of current operations; in order to strengthen the Company's liquidity, Aena has signed loans with various financial institutions between April and May; health safety; guaranteeing the health of workers, subcontracted personnel and passengers; commitment to suppliers, customers and society in general. For further information on this matter, please see the sections "Measures adopted in AENA" and "Structure, management and control of risks" in the Section: "2020: An unprecedented challenge".	GRI 103-2
Significant impacts, and verification and control. Measures taken.	The Aena risk map includes strategic, operational, technological, legal and compliance -related, informational, financial and non-financial risks. Specific instruments and mitigating activities to cope with them have been established in each category. Moreover, the 2020 Materiality Analysis involves an update of the issues identified in the previous fiscal year, achieved through an analysis of the presence of Aena in external sources, the identification and characterization of the stakeholders involved, and the preparation of a "material topics thermometer" - taking the Mitchell model as a reference, assessing the relevance of the groups based on their power, legitimacy and the urgency of claims - and proceeded to a reformulation with the aim of adapting it to the 2020 context. The list of relevant topics in 2019 has been updated, adapting them to the 2020 context and incorporating the following issues: Merging aspects related to transparency and management; reinforcement, in all definitions, of the most cross-section issues: customer orientation, sustainability and environmental considerations, talent management, safety culture from a broader point of view incorporating the context of health emergency, and business exposure to the risks of the technological environment (cybersecurity); presence of innovation and technology in all processes; inclusion of the SDG perspective and social contribution in the context of health emergency at all levels: risk management or opportunities, governance, alliances, security, solidarity, etc. For further information on this matter, please see the sections "Measures adopted in AENA" and "Risks and their management" in the Section: "2020: An unprecedented challenge" and also consult the "Materiality" section of the introduction to the Management Report.	GRI 103-1
Main related risks linked to the activities of the group		**GRI**
Commercial relationships, products or services that may have negative effects.	As stated above, Aena's activity is subject to different types of risks. For further information on this matter, please refer to the section "Risks and their management" in Section 2020: An unprecedented challenge.	GRI 102-2
How the group manages these risks.	Aena's risk management system develops the principles defined in the Risk Control and Management Policy, and incorporates the responsibilities and procedures to manage risks and thus determine the mitigating activities and action plans that enable the accepted risk level to be reached. For further information on this matter, please see the section "Structure, management and control of risks" in the Section 2020: An unprecedented challenge.	GRI 103-2

Procedures used to detect and evaluate them.	Aena's risk management system develops the principles defined in the risk management and control policy, and incorporates the responsibilities and procedures to identify and evaluate risks according to an evaluation methodology so as to prioritize them according to their criticality, based on their impact and probability of occurrence. For further information on this matter, please see the section "Structure, management and control of risks" in the Section 2020: An unprecedented challenge	GRI 103-3
Information on the impacts that have been detected and their breakdown, particularly the main short-, medium- and long-term risks.	The Aena risk map includes strategic, operational, technological, legal and compliance -related, informational, financial and non-financial risks. For further information on this matter, please see the sections "Measures adopted in AENA", "Operational recovery plan", and "Risks and their management" in the Section 2020: An unprecedented challenge	GRI 102-46, GRI 102-47
Information about the company		**GRI**
Commitments from the company on sustainable development.	The Company formalises the principles on which it bases its relationship with stakeholders in the Corporate Responsibility Policy, the Code of Conduct and the Communication Policy. The Integrated Management System (IMS) includes the process to follow in order to understand the needs and expectations of stakeholders, as well as the materialisation of requirements and the use of tools for assessing compliance. On an annual basis, the Management Review of the IMS analyses the possible changes that may exist in the needs and expectations of the stakeholders, and evaluates the degree of satisfaction in order to improve the services provided and adapt them accordingly. In the most recent review of stakeholder parent companies, audited by Aenor within the framework of ISO 9001:2015, the Company has identified 26 different groups that can influence it, or that affect Aena's decisions. To ensure effective two-way communication, the Company makes a series of communication channels available to all its stakeholders. These include the Company's website and social networks. For more information on this matter, see the section "Relationship and dialogue with stakeholders." of the introduction to the Management Report.	GRI 102-43 GRI 413-1 GRI 413-2

2. Table of contents Act 11/2018

Table of contents required by Act 11/2018, of 28 December, which modifies the Commercial Code, the consolidated text of the Corporate Enterprises Act approved by the Royal Legislative Decree 1/2010, of 2 July, and Act 22/2015, of 20 July, on Auditing, regarding non-financial and diversity information

CLARIFICATION NOTE:

The information collected in this Non-Financial Information Statement is supplemented, as indicated in the text, by other documents published by Aena, such as the Annual Accounts or the Corporate Governance Report, both included in the Company's 2020 Integrated Annual Report. In addition, some of the information requirements laid down by Act 11/2018 on non-financial information and diversity are included in the following chapters of this Integrated Report, as detailed below:

Subjects Act 11/2018		Chapter / Response	Framework used (Unless expressly indicated, the framework used is the GRI 2016 Standards)
Business model description			
Business environment.		Section: 2020, An unprecedented challenge. Section: "Impact of COVID-19"	GRI 102-2
Organization and structure.		Chap. 1. Sustainable governance model. Sections: "Governing bodies" and "Management committee"	GRI 102-18
Markets where it operates.		Chap. 1. Aena: Sustainable governance model. Section: "Capital and organizational structure"	GRI 102-6
Objectives and strategies.		Section: 2020, An unprecedented challenge. Section: "Future challenges: adapting to the new context". Chap. 2 Commitment to the environment; Chap. 3 Commitment to society and human rights, Chap. 5 Staff and social issues, Chap. 6 Safe, high-quality services, Chap. 7 Innovation.	GRI 102-14
Factors and trends that may affect its future evolution.		Section: 2020, An unprecedented challenge. Section: "Risks and risk management"	GRI 102-15
Description of the policies the Group applies			
Due diligence procedures applied to the identification, evaluation, prevention and mitigation of risks.		Section: 2020, An unprecedented challenge. Section: "Structure, management and control of risks" (infographics) Chap. 1. Aena: Sustainable governance model. Section: "Anti-corruption and anti-fraud policy"	GRI 103-2
Significant impacts, and verification and control. Measures taken.		Section: 2020, An unprecedented challenge. Section: "Risks and risk management". Section: "Risks in 2020".	GRI 103-1
Results of the policies			
Key indicators of relevant non-financial results that allow the monitoring and evaluation of progress and favour comparability between companies and sectors.		Section: Introduction; Section: 2020, An unprecedented challenge Cover Chap 1. Aena: Sustainable Governance Model; Cover Chapter 2. Commitment to the environment; Cover Chap. 3. Commitment to society and human rights; Cover Chap. 4 Social management of our value chain; Cover Chap. 5. Staff and social issues; Cover Chap. 6 Safe, high-quality services, Cover Chap. 7 Innovation	GRI 103-3
Main related risks linked to the activities of the group			
Commercial relationships, products or services that may have negative effects.		Section: 2020: an unprecedented challenge: "Risks and risk management". The potential negative impacts associated with each area of work are included in the different chapters of this non-financial information statement (Chap 2. Commitment to the environment; Chap. 4 Social management of our value chain; Chap. 6 Safe and quality services).	GRI 102-2
How the group manages these risks.		Section: 2020, An unprecedented challenge. Section: "Structure, control and management of risks" (infographics).	GRI 103-2
Procedures used to detect and evaluate them.		Section: 2020, An unprecedented challenge. Section: "Structure, control and management of risks" (infographics)	GRI 103-3
Information on the impacts that have been detected and their breakdown, particularly the main short-, medium- and long-term risks.		Section: 2020, An unprecedented challenge: "Risks and their management", "Risks in 2020"	GRI 102-46 GRI 102-47
Information on environmental issues			
Current and foreseeable effects of the company's activities on the environment.		Chap. 2. Commitment to the environment. Section: "Environmental risks and opportunities", and "Climate risk analysis" infographic	GRI 103-2
Current and foreseeable effects of the company's activities on health and safety.		Chap. 6 Safe and quality services, section "Security guarantee in the provision of services"	GRI 103-2
Environmental evaluation or certification procedures.		Chap. 2. Commitment to the environment. Sections: "Management instruments" and "Infrastructure planning stage"	GRI 103-3
Resources dedicated to the prevention of environmental risks.		Chap. 2. Commitment to the environment. Section: "Progress and indicators" (table: "Other indicators related to environmental management and resources dedicated to the prevention of environmental risks")	GRI 103-3
Principle of precaution.		Chap. 2. Commitment to the environment. Sections: "Environmental risks and opportunities" and "Policies, strategy and objectives"	GRI 102-11
Environmental risk provisions and guarantees.		Chap. 2. Commitment to the environment. Section: "Progress and indicators" (table: "Other indicators related to environmental management and resources dedicated to the prevention of environmental risks")	GRI 103-3
Pollution	Measures to prevent, reduce or remedy carbon emissions that seriously affect the environment.	Chap. 2. Commitment to the environment. Sections: "Effective mitigation and adaptation actions and measures to achieve decarbonisation objectives", "Carbon footprint", "Efficiency in the use of energy and of renewables", "Emission reduction thanks to renewable energy facilities"	GRI 305-1 GRI 305-2 GRI 305-4 GRI 305-5
	Any form of air pollution specific to an activity, including noise and light pollution.	Chap. 2. Commitment to the environment. Section: "Pollution"	GRI 305-7 GRI AO7
Subjects Act 11/2018		Chapter / response	Framework used

			(Unless expressly indicated, the framework used is the GRI 2016 Standards)
Circular economy, and prevention and waste management	Prevention, recycling, reuse, recovery and elimination of waste.	Chap. 2. Commitment to the environment. Section: "Initiatives for the reduction, reuse, recycling of waste and the correct treatment of hazardous waste"	GRI 306-2
	Actions to combat food waste.		Not applicable
Sustainable use of resources	Water consumption and water supply in accordance with local limitations.	Chap. 2. Commitment to the environment. Section: "Initiatives for responsible water consumption" (table: "Water consumption")	GRI 303-5 (GRI 303:2018)
	Consumption of raw materials and measures adopted to improve the efficiency of their use.	As a company providing airport services, the consumption of raw materials is not relevant in the Aena value chain	Not applicable
Climate change	Direct and indirect energy consumption.	Chap. 2. Commitment to the environment. Section: "Main indicators"(graph and table "Breakdown of energy consumption and total consumption")	GRI 302-1 GRI 302-2
	Measures taken to improve energy efficiency.	Chap. 2. Commitment to the environment. Section: "Efficiency in the use of energy and use of renewable energy" (table)	GRI 302-3 GRI 302-4
	Use of renewable energies.	Chap. 2. Commitment to the environment. Sections: "Efficiency in the use of energy and use of renewable energy," "Reduction of emissions thanks to renewable energy facilities"	GRI 302-1
	Important elements of greenhouse gas emissions generated as a result of the company's activities and the use of the goods and services it produces.	Chap. 2. Commitment to the environment. Sections: "Environmental risks and opportunities", "Effective mitigation and adaptation actions and measures to achieve decarbonisation objectives" "Carbon footprint"	GRI 305-1 GRI 305-2
	Measures taken to adapt to the consequences of climate change.	Chap. 2. Commitment to the environment. Section: "Policies, strategy and objectives", section "Progress and indicators". Section: "Reduction of emissions thanks to renewable energy facilities"	GRI 201-2
	Voluntary reduction targets in the medium and long term to reduce greenhouse gas emissions and the means implemented to this end.	Chap. 2. Commitment to the environment. Sections: "Policies, strategy and objectives"	GRI 305-5
Protecting biodiversity	Measures to preserve or restore biodiversity.	Chap. 2. Commitment to the environment. Section: "Protecting biodiversity"	GRI 304-1
	Impacts caused by activities or operations in protected areas.	Chap. 2. Commitment to the environment. Subsection: "Studies on the fauna of the environment and control services"	GRI-A09
Information on staff and social issues			
Employment	Total number and distribution of employees by gender, age, country and professional classification.	Chap. 5. Staff and social issues. Section: "Employment, equality and diversity"	GRI 102-8
	Total number and distribution of employment contract types.	Chap. 5. Staff and social issues: Section: "Employment, equality and diversity"	GRI 102-8
	Annual average of open-ended contracts, temporary contracts and part-time contracts by sex, age and professional category.	Chap. 5. Staff and social issues. Section: "Employment, equality and diversity"	GRI 102-8
	Number of dismissals by sex, professional category and age.	Chap. 5. Staff and social issues. Section: "Employment, equality and diversity"	GRI 401-1
	Average remuneration and its evolution disaggregated by sex, age and professional categories or equal value.	Chap. 5. Staff and social issues. Section: "Remuneration model and wage gap"	GRI 202-1
	Wage gap.	Chap. 5. Staff and social issues. Section: "Remuneration model and wage gap"	GRI 405-2
	The remuneration of equal or average jobs in the company.	Chap. 5. Staff and social issues. Section: "Remuneration model and wage gap"	GRI 405-2
	The average remuneration of directors and executives, including variable remuneration, allowances, compensation, payment to long-term savings systems and any other compensation disaggregated by sex.	Chap. 1. Aena: Sustainable governance model. Section: "Remuneration of the Board"	GRI 102-38
	Implementation of right to disconnect policies for employees.	Chap. 5. Staff and social issues. Subsection: "Registering the workday and disconnecting from work"	GRI 401-2
	Employees with disabilities.	Chap. 5. Staff and social issues. Section: "Diverse and inclusive work environment"	GRI 405-1

Organisation of work.	Organisation of working time.	Chap. 5. Staff and social issues. Section: "Registering the workday and disconnecting from work"	GRI 401-2
	Number of absentee hours.	Chap. 5. Staff and social issues. Section: Notification, recording and investigation of accidents (table: "Absenteeism (own personnel)", row: "No. of hours lost due to absenteeism")	GRI 403-9 (GRI 403:2018)
	Measures designed to facilitate the enjoyment of work-life balance and encourage joint responsibility of these measures by both parents.	Chap. 5. Staff and social issues: Section: "Work-life Balance"	GRI 401-2
Health and safety.	Health and safety conditions in the workplace.	Chap. 5. Staff and social issues: Sections: Policy, Prevention Management System and Prevention Plan; "Bodies for the management of health and safety at work"	GRI 403-2 (GRI 403:2018) GRI 403-3 (GRI 403:2018) GRI 403-4 (GRI 403:2018)
	Work accidents, in particular their frequency and severity, as well as occupational diseases; broken down by gender.	Chap. 5. Staff and social issues. Sections: Notification, registration and investigation of accidents; "Promoting the health and well-being of workers"	GRI 403-3 (GRI 403:2018) GRI 403-9 (GRI 403:2018) GRI 403-10 (GRI 403:2018)
Industrial relations	Organisation of social dialogue, including procedures for informing and consulting with staff, and negotiating with them.	Chap. 5. Staff and social issues, Sections: Industrial relations; "Communication, dialogue and employee participation in occupational safety"	GRI 403-1 (GRI 403:2018) GRI 403-4 (GRI 403:2018)
	Percentage of employees covered by collective agreements by country.	Chap. 5. Staff and social issues: Section: "Industrial relations"	GRI 102-41
	The balance of collective agreements, particularly in the field of health and safety at work.	Chap. 5. Staff and social issues: Sections: "Industrial relations"; "Communication, dialogue and employee participation in occupational safety"	GRI 403-4 (GRI 403:2018)
Training	The policies implemented in the field of training.	Chap. 5. Staff and social issues. Sections "Talent and training"; "Relevant actions in 2020 in the field of training"	GRI 404-2
	Total amount of training hours by professional categories.	Chap. 5. Staff and social issues. Section: "Relevant actions in 2020 on training" (table: "Training hours by gender, professional category and region")	GRI 404-1
Universal accessibility for people with disabilities		Chap. 5. Staff and social issues. Section: "Universal accessibility to employment for people with disabilities"	GRI 405-1
Equality	Measures taken to promote equal treatment and opportunities between women and men.	Chap. 5. Staff and social issues. Sections: "Diversity and non-discrimination"; "Gender diversity"	GRI 405-1 GRI 103-2
	Equality plans (Chapter III of Organic Law 3/2007, of 22 March, for the effective equality of women and men).	Chap. 5. Staff and social issues. Section: "Diversity and non-discrimination"	GRI 405-1 GRI 103-2
	Measures taken to promote employment.	Chap. 5. Staff and social issues: Sections: "Diversity and non-discrimination"; "Diversity in governing bodies and employees"; "Generational diversity and promotion of the integration of young people in the workplace"	GRI 405-1 GRI 103-2 GRI 413-1
	Protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities.	Chap. 5. Staff and social issues. Sections: "Harassment complaints"; "Heading Diverse and inclusive work environment"	GRI 405-1 GRI 103-2
	The policy against all types of discrimination and, where applicable, management of diversity.	Chap. 5. Staff and social issues. Sections: "Diversity and non-discrimination;	GRI 405-1 GRI 103-2
Information on the respect for Human Rights			
Application of due diligence procedures in the field of Human Rights.		Chap. 3. Commitment to society and human rights. Section: "Due diligence and prevention of risks of Human Rights violation"	GRI 102-16 GRI 102-17
Prevention of risks related to human rights violations and, where appropriate, measures to mitigate, manage and redress possible abuses committed.		Chap. 3. Commitment to society and human rights. Sections: "Human Rights"; "Transferring Human Rights protection into the value chain"	GRI 102-16 GRI 102-17
Human rights violations complaints.		Chap. 3. Commitment to society and human rights. Section: "Complaints on violation of Human Rights"	GRI 102-17
Promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organization related to respect for freedom of association and the right to collective bargaining.		Chap. 3. Commitment to society and human rights. Sections: "Commitments" (Infographic); "Transferring Human Rights protection into the value chain"	GRI 102-16 GRI 407-1 GRI 408-1 GRI 409-1
The elimination of discrimination in employment.		Chap. 5. Staff and social issues. Section: "Diversity and non-discrimination"	GRI 102-12

The elimination of forced labour.		Chap. 3. Commitment to society and human rights. Sections: "Principles and Commitments" (Infographic); "Transferring Human Rights protection into the value chain"	GRI 102-12 GRI 102-16 GRI 102-17
The effective abolition of child labour.		Chap. 3. Commitment to society and human rights. Sections: "Principles and Commitments" (Infographic); "Transferring Human Rights protection into the value chain"	GRI 102-12 GRI 102-16 GRI 102-17
Information on combating corruption and bribery			
Measures taken to prevent corruption and bribery.		Chap. 1. Aena: Sustainable governance model. Section: "Anti-corruption and anti-fraud policy"	GRI 102-16 GRI 102-17
Measures to combat money laundering.		Chap. 1. Aena: Sustainable governance model. Section: "Measures to combat money laundering"	GRI 102-16 GRI 102-17
Contributions to foundations and non-profit entities.		Chap. 3. Commitment to society and human rights. Section "Investment in the community. Contributions to foundations and non-profit entities"	GRI 201-1 GRI 413-1
Information about the company			
Commitments from the company on sustainable development.	The impact of the company's activity on employment and local development.	Chap. 3. Commitment to society and human rights. Sections: "Commitments to sustainable development and to society "Commitments to the 2030 Agenda", " "Impact of the business on society and the environment. Creating social value"	GRI 413-1 GRI 413-2
	The impact of the company's activity on local populations and in the territory.	Chap. 3. Commitment to society and human rights. Section: "Impact of the business on society and the environment"	GRI 413-1 GRI 413-2
	The relationships maintained with local communities actors and modalities of dialogue with them.	Introduction. Section: "Relationship and dialogue with stakeholders"	GRI 102-43 GRI 413-1 GRI 413-2
	Association or sponsorship actions.	Chap. 3. Commitment to society and human rights. Section: "Investment in the community. Contributions to foundations and non-profit entities"	GRI 102-13 GRI 413-1
Subcontracting and suppliers.	The inclusion of social issues, gender equality and environmental issues in the purchasing policy.	Chap. 4 Social management of our value chain. Sections: "Inclusion of social and environmental issues in tendering processes"; "Inclusion of social, gender equality and environmental issues in contract execution processes"	GRI 308-1 GRI 414-1
	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility.	Chap. 4 Social management of our value chain. Sections: "Inclusion of social and environmental issues in tendering processes"; "Inclusion of social, gender equality and environmental issues in contract execution processes"; "Continuous assessment of risk in the value chain"; "Supplier monitoring and evaluation"	GRI 308-1 GRI 414-1
	Supervision and audit systems, and their results.	Chap. 4 Social management of our value chain. Sections: "Ongoing risk assessment of the value chain", "Technical or professional solvency criteria"; "Technical evaluation"; "Assessment of the quality of services"	GRI 308-1 GRI 414-1
Consumers.	Measures for the health and safety of consumers.	Chap. 2. Commitment to the environment. Section: "Noise"; Chap. 6 Safe, high-quality services. Sections: "Guarantee of safety in the provision of services"; "Complaint mechanisms".	GRI 416-1 GRI 416-2 GRI 103-2
	Systems for claims and complaints received, and their resolution.	Chap. 6 Safe, high-quality services. Section: "Complaint mechanisms"	GRI 103-3
Tax information.	Profits obtained, country by country.	Chap. 1. Aena: Sustainable governance model. Section: "Tax paid"	GRI 207-4 (GRI 207:2019)
	Taxes paid on profits.	Chap. 1. Aena: Sustainable governance model. Section: "Tax paid"	GRI 207-4 (GRI 207:2019)
	Public grants received.	Chap. 1. Aena: Sustainable governance model. Section: "Tax paid"	GRI 201-4 This information is available in the Annual Accounts

3. GRI Table of Contents

This report has been developed in accordance with the GRI Standards, exhaustive option.

GRI Contents	Description	Global Compact	SDGs	Location / Content
GRI 101: Foundation 2016				
GRI 102: General disclosures 2016				
1.	Organizational profile			
102-1	Name of the organization			Chap. 1, P. 2. Section "Capital and organizational structure"
102-2	Activities, brands, products, and services			Introduction, p. 1, section "Document focus"
102-3	Location of headquarters			C/ Peonias, 12. 28042 Madrid, Spain
102-4	Location of operations			Introduction, p. 2, "Aena Airport Network" section
102-5	Ownership and legal form			Chap. 1, P. 2. Section "Capital and organizational structure"
102-6	Markets served			Introduction, p. 2, "Aena Airport Network" section; Chap. 1, P. 2. Section "Capital and organizational structure"
102-7	Scale of the organization			Chap. 1, P. 2. Section "Capital and organizational structure"; Chap. 5, P. 111. Section "Employment, equality and diversity"
102-8	Information on employees and others workers	3, 4, 5, 6	5, 8, 10	Chap. 5, P. 111-113. Section "Employment, equality and diversity" Sources of data: SAP RH, internal sources, London-Luton Airport. Aena Brasil. On the other hand, at Aena S.M.E., S.A., there are no workers from temporary employment agencies.
102-9	Supply chain	7	8	Chap. 4, P. 94. The value chain at Aena
102-10	Significant changes to the organization and its supply chain		8	Chap. 4, pp. 96-97, section "Special measures in connection with the health emergency and main results from 2020".
102-11	Precautory principle or approach	7		Chap. 2, P. 33. Section "Environmental risks and opportunities"
102-12	External initiatives		17	Chapter 3, p. 80, section "Investment in the community. Contributions to foundations and non-profit entities "
102-13	Memberships of associations		17	Chapter 3, p. 80, section "Investment in the community. Contributions to foundations and non-profit entities "
2.	Strategy			
102-14	Statement from senior decision-maker			
102-15	Key impacts, risks, and opportunities	1, 2, 6, 7, 10	8, 9, 11	Chapter 2020, an unprecedented challenge, pp. 15-16. Lead paragraph and section "The impact of COVID-19 on air transport and at the airports managed by Aena"; p. 18-19, section "Future challenges".
3.	Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	1-10	16	Chap. 1, P. 17. Section "Code of Conduct"

GRI Contents	Description	Global Compact	SDGs	Location / Content
102-17	Mechanisms for advice and concerns about ethics	1, 2, 10	16	Chap. 1, p. 19, section "Regulatory Compliance Policy", and p. 22-23, section "Policy against corruption and fraud"
4.	Governance			
102-18	Governance structure		16	Chap. 1, P. 3, section "Governing bodies"; p. 12, section "Management committee"; p. 20, section "Complaints Channel"
102-19	Delegating authority			Chap. 1, p. 3, section "Governing bodies"; p. 12, section "Management committee".
102-20	Executive-level responsibility on economic, environmental, and social topics			Chap. 1, p. 3, section "Governing bodies"; p. 12, section "Management committee".
102-21	Consulting stakeholders on economic, environmental, and social topics		16	Introduction, pp. 9-10, section "Relationship and dialogue with stakeholders.
102-22	Composition of the highest governance body and its committees		5, 16	Chap. 1, p. 8, section "The Board of Directors". See also Aena's Corporate Governance Report and Aena's website.
102-23	Chair of the highest governance body			Chap. 1, p. 8, section "The Board of Directors"
102-24	Nominating and selecting the highest governance body		5, 16	Chap. 1, p. 6, section "The Board of Directors"
102-25	Conflicts of interest	10	16	Chap. 1, p. 14, section "Corporate culture and ethics". Section regulated in the Regulations of the Board of Directors and in the Code of Conduct.
102-26	Role of highest governance body in setting purpose, values, and strategy			Chap. 1, p. 6, section "The Board of Directors"
102-27	Collective knowledge of highest governance body		5	Chap. 1, pp. 11-12, section "Committees supporting board".
102-28	Evaluating the highest governance body´s performance			Chap. 1, p. 11, section "Committees supporting board".
102-29	Identifying and managing economic, environmental, and social impacts	1, 7, 10	16	Chapter 2020, an unprecedented challenge, pp. 24-27, section "Risks and their management".
102-30	Effectiveness of risk management processes	1, 2, 7, 10	16	Chapter 2020, an unprecedented challenge, p. 29, section "Structure, management and control of risks".
102-31	Review of economic, environmental, and social topics			Chapter 2020, an unprecedented challenge, p. 29, section "Structure, management and control of risks".
102-32	Highest governance body´s role in sustainability reporting			Chap. 1, p. 11, section "Committees supporting board".
102-33	Communicating critical concerns			Chapter 2020, an unprecedented challenge, p. 29, section "Structure, management and control of risks".
102-34	Nature and total number of critical concerns			Chapter 2020, an unprecedented challenge, p. 32 section "Risks in 2020".
102-35	Remuneration policies	1.6	5	Chap. 1, pp. 9-11, section "Board remuneration".
102-36	Process for determining remuneration	1.6	5, 16	Chap. 1, pp. 9-11, section "Board remuneration".
102-37	Stakeholders´ involvement in remuneration			Chap. 1, pp. 9-11, section "Board remuneration".
102-38	Annual total compensation ratio			Chap. 1, pp. 9-11, section "Board remuneration".
102-39	Percentage increase in annual total compensation ratio			The salary review under Royal Decree-Law 2/2020, which approves urgent measures regarding remuneration in the public sector, is pending application.
5.	Stakeholder engagement			
102-40	List of stakeholder groups			Introduction, pp. 9-10, section "Relationship and dialogue with stakeholders".

GRI Contents	Description	Global Compact	SDGs	Location / Content
102-41	Collective bargaining agreements	1, 3, 4, 6	8	Chap. 5. pp. 140, 142, section "Industrial Relations"
102-42	Identifying and selecting stakeholders			Introduction, p. 8, section "Relationship and dialogue with stakeholders".
102-43	Approach to stakeholder engagement			Introduction, p. 8, section "Relationship and dialogue with stakeholders".
102-44	Key topics and concerns raised			Introduction, pp. 6-7, "Materiality" section.
6. Reporting practice				
102-45	Entities included in the consolidated financial statements			Chap. 1, P. 2. Section "Capital and organizational structure"
102-46	Defining report content and topic boundaries			Introduction, pp. 4-7, "Materiality" section.
102-47	List of material topics			Introduction, pp. 6-7, "Materiality" section.
102-48	Restatements of information			Any re-expression of information given in previous reports is explained in each case.
102-49	Changes in reporting			Beyond certain nuances in the information report due to the COVID-19 health emergency, there have been no substantial changes in criteria that affect comparability with previous reports.
102-50	Reporting period			Fiscal year 2020 (From 1 January to 31 December 2020)
102-51	Date of most recent report			Fiscal year 2019 (From 1 January to 31 December 2019)
102-52	Reporting cycle			Annual
102-53	Contact point for questions regarding the report			rc@aena.es
102-54	Claims of reporting in accordance with the GRI Standards			This report has been developed in accordance with the GRI Standards, exhaustive option.
102-55	GRI content index			Chap. On this report, p. 199. Section "GRI Content Index".
102-56	External assurance			Introduction, pp. 3-4, section "Level of review by external auditors"

GRI Contents	Description	Global Compact	SDGs	Location / Content	Omissions
GRI 103: Management approach 2016					
103-1	Explanation of the material topic and its boundary			Chap. Introduction, p. 6-7. "Materiality" section	
103-2	The management approach and its components	1-10		Economic Topics (201, 203, 204, 205, 206, 207): Chap. Introduction, p. 8. Section "Relationship and dialogue with stakeholders"; Chap. 2020, an unprecedented challenge, p. 21-22. Section "Future challenges: adapting to the new context"; Chap. 1, p. 13-14. Section "Corporate culture and ethics". Chap. 3, p. 85. Section "Impact of activity on society at large"; Chap. 2, p. 33. Section "Model for sustainable environmental management"; Ch. 4, pp. 94 and 98, section "Sustainable value chain management"; Ch. 7, p. 188. Section "Innovation management at Aena". Environmental Issues (302, 303, 305, 306, 307, 308): Chap. 2. p. 33, section "Sustainable environmental management model"; pg. 36, section "Policies, strategy and objectives"; p. 47, section "Aena and the climate emergency"; p. 60, section "Noise"; p. 66, section "Water"; p. 74, section "Waste management and circular economy in airport facilities". Social Issues (401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419): Chap. 3. p. 78, section "Commitments to sustainable development and society"; Ch. 3, p. 85. Section "Impact of activity on society at large"; Chap. 3, p. 88. Section "Human Rights"; Chap. 5, p. 109, introduction; p. 123, section "Reconciliation"; p. 127, section "Diversity and non-discrimination"; p. 135, section "Talent and training"; p. 140, section "Industrial relations"; p. 143, section "Health and safety in the workplace"; Chap. 6, p. 159,	

GRI Contents	Description	Global Compact	SDGs	Location / Content	Omissions
				section "Guarantee of safety in the provision of services"; p. 160, section "Operational safety"; pp. 165-166, section "Airport safety"; p. 170, section "Cybersecurity"; p. 171, section "Health safety"; p. 174, section "Service vocation".	
103-3	Evaluation of the management approach	1-10		Economic Topics (201, 203, 204, 205, 206, 207): Chap. 2020, an unprecedented challenge, p. 31-32, section "Risks in 2020"; Chap. 1, p. 3, 13, paragraph "Governing bodies"; p. 20, section "Complaints channel" and pp. 22-24, section "Policy against corruption and fraud". Chap. 4, p. 96, section "Special measures for the purpose of the health emergency and main results of 2020" and p. 102, section "The acquisition and purchasing process"; Chap. 7, p. 189. Section "Innovation management at Aena" Environmental Issues (302, 303, 305, 306, 307, 308): Chap. 2, p. 38, section "Management instruments"; p. 53, section "Efficiency in the use of energy and use of renewables"; pp. 50 and 52, section "Aena and the climate emergency"; p. 60, section "Measurement, reduction and control"; p. 65, section "Environmental consultations"; p. 70, section "Indicators on water consumption"; pp. 75-76, section "Initiatives for the reduction, reuse, recycling of waste, and the correct treatment of hazardous waste" Social Issues (401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419): Introduction, p. 11-13; Chap. 3. pp. 78 and 81, section "Commitments to sustainable development and society", p. 83-84, "Commitments to the 2030 Agenda"; Chap. 3, p. 85. Section "Impact of activity on society at large"; Chap. 3, p. 91. Section "Complaints of Human Rights Violation"; Chap. 5, p. 129, section "Harassment complaints"; p. 137, section "Relevant 2020 actions on training"; p. 141, section "Industrial relations"; p. 149, section "Notification, registration and investigation of accidents"; Chap. 6, p. 160, 161, 162, 165 of the section "Operational security"; pp. 167, 168 of the section "Airport security"; p. 178 of the section "Training and awareness of employees and third parties"; p. 184, section "Communication and evaluation of customer satisfaction"; p. 185, section "Complaint mechanisms".	
GRI 201: Economic performance 2016		Material topics: Demands and restrictions arising from the regulatory framework, Excellent management, Aena global agent			
201-1	Direct economic value generated and distributed		5, 8, 9	Chap. 3, p. 85, Section "Business Impact on society at large. Creating social value".	
201-2	Financial implications and other risks and opportunities due to climate change	7, 8, 9	13	Chap. 2, pp. 33-36 Section "Environmental risks and opportunities". During 2020, Aena has gone beyond this, using the recommendations of the Task Force on Climate-related Financial Disclosure (TFCD) as a tool to analyse and show how the Company is working on the path towards decarbonisation and integrating climate change at all levels.	
201-3	Defined benefit plan obligations and other retirement plans	3	8	The Joint Promotion Pension Plan of the Aena Group Entities is applicable to all employees of the Group as of 360 days of recognized service. See detail in annual accounts point 2.19 and note 22.	(1)
201-4	Financial assistance received from government	10	16	Chap 1, p. 30, section "Public subsidies received". See Annual Account.	
GRI 203: Indirect economic impacts 2016		Material topics: An actor who generates value for the community, Sustainability, Excellent management, Innovation and technology, Aena global agent			
203-1	Infrastructure investments and services supported		5, 9, 11	Consolidated Management Report 2020: - Block A: Financial Information	
203-2	Significant indirect economic impacts		1, 3, 8	Chapter 3, p. 81, section "Investment in the community. Contributions to non-profit foundations and entities"; p. 82-84, section "Commitment to the 2030 Agenda";	
GRI 204: Procurement practices 2016		Material topics: A stakeholder that generates value for the community, Excellent management			
204-1	Proportion of spending on local suppliers		8	Chap. 3, p. 80, Section "Business Impact on society at large. Creating social value".	
GRI 205: Anti - corruption 2016		Material topics: Excellent management, Transparency			
205-1	Operations assessed for risks related to corruption	10	16	Chap. 1, p. 22-23, section "Anti-corruption and fraud policy".	

GRI Contents	Description	Global Compact	SDGs	Location / Content	Omissions
205-2	Communication and training about anti-corruption policies and procedures	10	16	Chap. 1, p. 22-23, section "Anti-corruption and fraud policy".	
205-3	Confirmed incidents of corruption and actions taken	10	16	Chap. 1, p. 23, section "Anti-corruption and anti-fraud policy".	
GRI 206: Anti-competitive behavior 2016		**Material topics: Excellent management, Transparency**			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		16	None have been identified.	
GRI 207: Tax 2019		**Material topics: A stakeholder that generates value for the community, Excellent management, Transparency**			
207-1	Approach to tax		16	Chap. 1, p. 29, section "Fiscal transparency".	
207-2	Tax governance, control, and risk management	10	16	Chap. 1, p. 29, section "Fiscal transparency".	
207-3	Stakeholder engagement and management of concerns related to tax		16	Chap. 1, p. 29, section "Fiscal transparency".	
207-4	Country-by-country reporting		16	Chap. 1, p. 30, section "Tax contribution".	
GRI 302: Energy 2016		**Material topics: Climate change**			
302-1	Energy consumption within the organization	7, 8, 9	7, 8, 12, 13	Chap. 2, pp. 56-57, section "Main indicators".	
302-2	Energy consumption outside of the organization			Chap. 2, p. 57, section "Main indicators".	
302-3	Energy intensity	7, 8, 9	7, 8, 12, 13	Chap. 2, pp. 56-57, section "Main indicators".	
302-4	Reduction of energy consumption	7, 8, 9	7, 8, 12, 13	Chap. 2, p. 57, section "Main indicators".	
302-5	Reductions in energy requirements of products and services			Not applicable.	(2)
GRI 303: Water and effluents 2018		**Material topics: Sustainability**			
303-1	Interactions with water as a shared resource	7, 8, 9	6, 14	Chap. 2, pp. 67-69, section "Water".	
303-2	Management of water discharge-related impacts	7, 8, 9	6, 14	Chap. 2, p. 67-69 "Initiatives for responsible water consumption".	
303-3	Water withdrawal	7, 8, 9	6, 14	Chap. 2, p. 67-68 "Initiatives for responsible water consumption".	
303-4	Water discharge	7, 8, 9	6, 14	Chap. 2, p. 70 "Initiatives for responsible water consumption".	
303-5	Water consumption	7, 8, 9	6, 14	Chap. 2, p. 70 "Initiatives for responsible water consumption".	
GRI 305: Emissions 2016		**Material topics: Climate change, Sustainability**			
305-1	Direct (Scope 1) GHG emissions	7, 8, 9	3,12,13,14,15	Chap. 2, p. 51, section "Carbon footprint".	
305-2	Energy indirect (Scope 2) GHG emissions	7, 8, 9	3,12,13,14,15	Chap. 2, p. 52, section "Carbon footprint".	
305-3	Other indirect (Scope 3) GHG emissions	7, 8, 9	3,12,13,14,15	Chap. 2, pp. 48-49 "Aena and the climate emergency".	
305-4	GHG emissions intensity	7, 8, 9	13, 14, 15	Chap. 2, p. 50, section "Carbon footprint".	
305-5	Reduction of GHG emissions	7, 8, 9	13, 14, 15	Chap. 2, p. 50, section "Carbon footprint".	

GRI Contents	Description	Global Compact	SDGs	Location / Content	Omissions
305-6	Emissions of ozone-depleting substances (ODS)	7, 8, 9		Not applicable	(3)
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	7, 8, 9	13, 14, 15	Chap. 2, p. 59, section "Air pollution".	
GRI 306: Waste 2020		**Material topics: Sustainability**			
306-1	Waste generation and significant waste-related impacts	7, 8, 9	11, 12	Chap. 2, p. 74, section "Waste Management and Circular Economy in airport facilities".	
306-2	Management of significant waste-related impacts	7, 8, 9	11, 12, 13, 15	Chap. 2, pp. 75-76 "Initiatives for the reduction, reuse, recycling of waste and the correct treatment of hazardous waste". Data on waste is collected and controlled within the framework of the Aena Integrated Quality and Environment System.	
306-3	Waste generated	7, 8, 9	11, 12	Chap. 2, p. 76 section "Initiatives for the reduction, reuse, recycling of waste and the correct treatment of hazardous waste".	
306-4	Waste diverted from disposal	7, 8, 9	11, 12	Chap. 2, p. 76 section "Initiatives for the reduction, reuse, recycling of waste and the correct treatment of hazardous waste".	
GRI 307: Environmental compliance2016		**Material topics: Sustainability, Excellent management**			
307-1	Non-compliance with environmental laws and regulations	7	16	Upon closing this report, Aena was not aware of any non-compliance with environmental legislation and regulations.	
GRI 308: Supplier environmental assessment 2016		**Material topics: Climate change, Sustainability**			
308-1	New suppliers that were screened using environmental criteria		5, 8, 12, 16	Chap. 2, p. 45, section "Progress and indicators".	
308-2	Negative environmental impacts in the supply chain and actions taken		5, 8, 12, 16	Chap. 4, pp. 45-46, section "Progress and indicators". The Company's evaluation system allows it to identify suppliers that can or do cause significant negative impacts at the environmental or social level, and to act accordingly. In accordance with the provisions of the contracts, it implements measures to mitigate these impacts, which can range from an improvement agreement with the supplier to the termination of its contract. None have been reported in 2020.	
Airport operators sector disclosures		Material topics: Sustainability			
A07	Noise emissions		11	Chap. 2, pp. 60-64, section "Noise".	
A09	Total annual number of wildlife strikes per 10,000 aircraft movements	7	15	Chapter 2, pg. 72, section "Protection of biodiversity".	
GRI 401: Employment 2016		**Material topics: Professional culture based on talent and commitment, Demands and restrictions derived from regulatory framework**			
401-1	New employee hires and employee turnover	6	5,8,10	Chap. 5, pp. 114 and 117, section "Employment, equality and diversity". The annual data on dismissals is provided.	(4)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	6	3,5,8	All employees, regardless of the type of contract, have the same benefits.	
401-3	Parental leave	6	5,8,	Chap. 5, pp. 124-125, section "Work-life Balance"	
GRI 402: Labor/management relations 2016		**Material topics: Professional culture based on talent and commitment**			
402-1	Minimum notice periods regarding operational changes			Chap. 5, p. 142, section "Industrial Relations".	
GRI 403: Occupational health and safety 2018		**Material topics: Professional culture based on talent and commitment, Health and safety**			
403-1	Occupational health and safety management system	3	3, 8	Chap. 5, pp. 143-147, section "Health and safety at work"	
403-2	Hazard identification, risk assessment, and incident investigation		3, 8	Chap. 5, pp. 148-149, section "Health and safety at work"	
403-3	Occupational health services		3, 8	Chap. 5, pp. 143-147, section "Health and safety at work"	

GRI Contents	Description	Global Compact	SDGs	Location / Content	Omissions
403-4	Worker participation, consultation, and communication on occupational health and safety	3	3, 8	Chap. 5, pp. 146-147, section "Health and safety at work".	
403-5	Worker training on occupational health and safety	3	3, 8	Chap. 5, p. 153, section "Occupational health and safety training" Chap. 6, pp. 168, 170 "Ensuring safety in the provision of services"	
403-6	Promotion of worker health	3	3, 8	Chap. 5, pp. 154-155, section "Promoting the health and well-being of workers"	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		3, 8	Chap. 5, pp. 148-149, section "Health and safety at work"	
403-8	Workers covered by an occupational health and safety management system		3, 8	Chap. 5, pp. 143 and 157, section "Health and safety at work".	
403-9	Work-related injuries		3, 8	Chap. 5, pp. 150-151, section "Health and safety at work"	
403-10	Work-related ill health		3, 8	Chap. 5, p. 156, section "Health and safety at work"	
GRI 404: Training and education 2016		**Material topics: Professional culture based on talent, commitment, Innovation and technology**			
404-1	Average hours of training per year per employee		4,5,8,10	Chap. 5, pp. 138-139, section "Talent and training"	
404-2	Programs for upgrading employee skills and transition assistance programs		8	Chap. 5, pp. 137-138, section "Talent and training"; Chap. 6, p. 178, section "Training and awareness of employees and third parties"	
404-3	Percentage of employees receiving regular performance and career development reviews		5,8,10	Chap. 5, p. 136, section "Talent and training"	
GRI 405: Diversity and equal opportunities 2016		**Material topics: Professional culture based on talent and commitment**			
405-1	Diversity of governance bodies and employees	6	5, 8, 10	Chap. 1, p. 7, section "The Board of Directors"; Chap. 5 p. 132, section "Diversity in governing bodies and employees"	
405-2	Ratio of basic salary and remuneration of women to men	6	5, 8, 10	Chap. 5, pp. 120-121, section "Payment model and wage gap"	
GRI 406: No discriminación 2016		**Material topics: Professional culture based on talent and commitment**			
406-1	Casos de discriminación y acciones correctivas emprendidas	6	5, 8, 10	Chap. 5, p. 129, section "Gender diversity"	
GRI 407: Freedom of association and collective bargaining 2016		**Material topics: Professional culture based on talent and commitment, Excellent management**			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3	8	Chap. 5, p. 140, section "Industrial relations" Chap. 3, pp. 89, 91-92, section "Human Rights"	
GRI 408: Child labor 2016		**Material topics: Professional culture based on talent and commitment, Excellent management**			
408-1	Operations and suppliers at significant risk for incidents of child labor	2, 5	8	Chapter 4, p. 101, section "Sustainable value chain management" Chap. 3, pp. 89, 91-92, section "Human Rights"	
GRI 409: Forced or compulsory labor 2016		**Material topics: Professional culture based on talent and commitment, Excellent management**			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2, 4	8	Chapter 4, p. 101, section "Sustainable value chain management" Chap. 3, pp. 89, 91-92, section "Human Rights"	
GRI 410: Security practices 2016		**Material topics: An actor who generates value for the community, Customer orientation, Health and Safety**			
410-1	Security personnel trained in human rights policies or procedures	1, 2	16	Security is a concession (except at London-Luton Airport, where it is a service contract) and it is outside the scope of the organization to control the training in human rights of the employees of the concessionaire.	
GRI 411: Rights of Indigenous peoples 2016		**Material topics: A stakeholder that generates value for the community, Aena global agent**			
411-1	Incidents of violations involving rights of indigenous peoples	1, 2	3, 10, 11, 15, 16	Chap. 3, p. 91, section "Due diligence and prevention of risks of human rights violations"	

GRI Contents	Description	Global Compact	SDGs	Location / Content	Omissions
GRI 412: Human rights assessment 2016		**Material topics: A stakeholder that generates value for the community, Transparency, Aena global agent**			
412-1	Operations that have been subject to human rights reviews or impact assessments	1, 2	8	Chap. 4, p. 102, section "The acquisition and purchasing process" Chap. 3, p. 91, section "Due diligence and prevention of risks of human rights violations". All operations are subject to the Aena Code of Conduct and the Corporate Human Rights Policy.	
412-2	Employee training on human rights policies or procedures	1, 2	4	Chap. 3, p. 88, section "Human Rights." Data on training hours and percentage of employees trained in Human Rights are not available at the close of this report.	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	1, 2	8	Chap. 3, p. 90, section "Human Rights" Chap. 4, pp. 102-103, section "The acquisition and purchasing process". All operations are subject to the Aena Code of Conduct and the Corporate Human Rights Policy.	
GRI 413: Local Communities 2016		**Material topics: An actor that generates value to the community, Sustainability, Innovation and technology**			
413-1	Operations with local community engagement, impact assessments, and development programs		8, 17	Chap. 3, p. 86, section "Impact on local populations and territory"	
413-2	Operations with significant actual and potential negative impacts on local communities	1, 2	11	Chap. 3, p. 87, section "Impact on local populations and on the territory" and p. 91, section "Due diligence and prevention of risks of human rights violation"; Chap. 2, pp. 60-64, section "Noise"	
GRI 414: Supplier social assessment 2016		**Material topics: Excellent management, Health and safety**			
414-1	New suppliers that were screened using social criteria	2	5, 8, 16	Chap. 4, p. 105 "Inclusion of social, gender equality and environmental issues in performance procedures"	
414-2	Negative social impacts in the supply chain and actions taken	2	5, 8, 16	Chap. 4, p. 107, section "Monitoring and evaluation of suppliers". The Company's evaluation system allows it to identify suppliers that can or do cause significant negative impacts at the environmental or social level, and to act accordingly. In accordance with the provisions of the contracts, it implements measures to mitigate these impacts, which can range from an improvement agreement with the supplier to the termination of its contract. None have been reported in 2020.	
GRI 415: Public policy 2016		**Material topics: Requirements and restrictions derived from the regulatory framework, Transparency**			
415-1	Political contributions	10	16	The Aena Code of Conduct prohibits the financing of political parties and/or representatives.	
GRI 416: Customer health and safety 2016		**Material topics: Customer oriented, Excellent management, Health and safety**			
416-1	Assessment of the health and safety impacts of product and service categories		3	Chap. 2, pp. 60-64, section "Noise". 100% of Aena airports carry out evaluations of their impact on noise"; Chap. 6 pp. 159, 161-162, 167, 171, section "Guarantee of safety in the provision of services"	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		3, 16	Chap. 6 p. 186, section "Claim mechanisms".	
GRI 417: Marketing and Labeling 2016		**Material topics: Customer oriented, excellent management**			
417-1	Requirements for product and service information and labeling		12, 16	Chap. 6 p. 182-184 section "Communication and evaluation of customer satisfaction"	
417-2	Incidents of non-compliance concerning product and service information and labeling		16	Chap. 6 p. 186 section "Claim mechanisms"	
417-3	Incidents of non-compliance concerning marketing communications		16	Chap. 6 p. 186 section "Claim mechanisms"	
GRI 418: Customer privacy 2016		**Material topics: Customer oriented, excellent management, Health and safety**			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	1	16	Chap. 6 p. 186 section "Claim mechanisms"	
GRI 419: Socio-economic compliance 2016		**Material topics: An actor that generates value for the community, Professional culture based on talent and commitment, Requirements and restrictions derived from the regulatory framework, Excellent management, Transparency, Aena global agent**			

GRI Contents	Description	Global Compact	SDGs	Location / Content	Omissions
419-1	Non-compliance with laws and regulations in the social and economic area		16	Upon closing this report, Aena was not aware of any non-compliance with social and financial legislation and regulations	

OMISSIONS:
(1) This information will be expanded on in future reports.
(2) The services offered by Aena do not entail energy consumption by the end user.
(3) Ozone-layer depleting substances direct emissions are not significant, and neither are nitrogen oxides (NOX) or sulphur oxides (SOX). Air quality is monitored by means of emission measurements, and it is not possible to discern how much of the pollutants come directly from Aena's activities.
(4) This report does not provide information on terminations other than dismissals. It will be provided in future reports.

4. Content Index Sustainability Accounting Standards Board (SASB)

The Sustainability Accounting Standard Board (SASB) is a US-based non-profit organization whose mission is tohelp companies around the world identify, manage, and report on the sustainability issues most relevant to in-vestors.

In order to further its commitment to transparency to-wards all stakeholders, for the first year Aena has ex-tended its sustainability reporting framework by adopt-ing the SASB reporting standard, in an attempt to quantify its creation of value and its impact on the en-vironment.

Due to the heterogeneity of the activities framed in its business model, Aena has considered in this first adaptation exercise, in addition to the indicators of the sec-tor to which it belongs (Professional and commercial services), those of the Air Freight & Logistics and Real Estate sectors, which complement the set of activities carried out by the Company. As a result of the analysis of the indicators associated with the three industries and their relationship with Aena's business, only the in-dicators of the SASB framework that are substantive and/or apply to Aena have been selected, taking into account its ordinary business.

These indicators are detailed below:

Topics Professional and commercial services sector	Indicator No.	Description	Page/Section
Data security	SV-PS-230a.1	Description of approach to identifying and addressing data security risks	Chap. 1, p. 25-28, section "Data protection" Chap. 6, p. 170, section "Cybersecurity or information security"
	SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of customer information	Chap. 1, p. 26-27, section "Data protection"
	SV-PS-230a.3	Number of data breaches Percentage involving customers' confidential business information (CBI) or personally identifiable information (PII) Number of customers affected	Chap. 1, p. 28, section "Data protection"
Workforce Diversity & Engagement	SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Chap. 5, p. 127-133, section "Diversity and non-discrimination"
	SV-PS-330a.2	Voluntary and involuntary turnover rate for employees	Chap. 5, p. 114, section "Employment, equality and diversity"
Professional integrity	SV-PS-510a.1	Description of approach to ensuring professional integrity	Chap. 1, p. 13-24, section "Corporate Culture and Ethics"

	SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	0 € Chap. 1, p. 23, section "Anti-corruption and anti-fraud policy"
Air Freight & Logistics	**Indicator No.**	**Description**	**Page/Section**
Greenhouse gas emissions	TR-AF-110a.1	Gross global Scope 1 emissions	Chap. 2, pp. 50, 51 section "Carbon footprint"
	TR-AF-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Chap. 2, p. 37, 41, 42, section "Policies, strategy and objectives"; 47 and 50, section "Aena in the face of a climate emergency"
Air quality	TR-AF-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	Chap. 2, p. 59, section "Air pollution"
Employee Health and Safety	TR-AF-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Chap. 5, pp. 149-150 "Notification, registration and investigation of accidents"
Accident & Safety Management	TR-AF-540a.1	Description of implementation and outcomes of a Safety Management System	Chap. 6, pp. 160-165, section "Operational Safety"
Real Estate	**Indicator No.**	**Description**	**Page/Section**
Energy management	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Chap. 2, p. 56, "Main indicators" section
Water management	IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Chap. 2, p. 70, section "Water."
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Chap. 2, pp. 66-69. Actions to be carried out within the framework of the Aena Strategic Plan for Water Management published in February 2020.
Management of Tenant Sustainability Impacts	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Chap. 2, pp. 45-46, section "Green leases and value chain" Chap. 4, pp. 102-103, section "Inclusion of social and environmental issues in tendering processes"
Climate change adaptation	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Chap. 2, p. 34-35, section "Environmental risks and opportunities"

External verification Report

AENA S.M.E., S.A. and its subsidiaries

Independent assurance report on the consolidated Non-Financial Information Statement for the year ended 31 December 2020

Deloitte.

Deloitte, S.L.
Plaza Pablo Ruiz Picasso, 1
Torre Picasso
28020 Madrid
España

Tel: +34 915 14 50 00
Fax: +34 915 14 51 80
www.deloitte.es

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails

INDEPENDENT ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020 OF AENA S.M.E., S.A. AND ITS SUBSIDIARIES

To the Shareholders of AENA S.M.E., S.A.:

Pursuant to article 49 of the Spanish Code of Commerce, we have performed the verification, with a scope of limited assurance, on the consolidated Non-Financial Information Statement (hereinafter "NFIS"), for the year ended 31 December 2020 of AENA S.M.E., S.A. and its subsidiaries (hereinafter "the Group"), which forms part of the Group´s Consolidated Management Report.

The contents of the NFIS includes additional information to that required by prevailing Spanish mercantile legislation on non-financial information, which has not been the subject of our verification work. In this regard, our work was limited solely to verification on the information identified in the chapter "Table of contents Act 11/2018" included in the NFIS.

Responsibilities of the Directors

The preparation and content of the NFIS included in the Consolidated Management Report are the responsibility of the Directors of AENA S.M.E., S.A. The NFIS has been prepared in accordance with the contents specified in the prevailing Spanish mercantile legislation and following the criteria of the Sustainability Reporting Standards of the Global Reporting Initiative (GRI standards) selected, as well as those other criteria described as indicated for each subject in the NFIS " Table of contents Act 11/2018".

These responsibilities also include the design, implementation and maintenance of internal control deemed necessary to enable the NFIS to be free from material misstatement, whether due to fraud or error.

The Directors of AENA S.M.E., S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the necessary information for preparing the NFIS was obtained.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

Our firm applies International Quality Control Standard 1 (IQCS 1) and accordingly maintains a comprehensive quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals who are experts in reviews of non-financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We have carried out our review in accordance with the requirements established in International Standard on Assurance Engagements 3000 Revised, currently in force, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Performance Guide on assurance engagements on non-financial information statements issued by the Spanish Institute of Certified Public Accountants.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance provided is also substantially lower.

Our work has consisted of making inquiries to Management, as well as of the different units of the Group that were involved in the preparation of the NFIS, in the review of the processes for compiling and validating the information presented in the NFIS, and in the application of certain analytical procedures and sample-based review testing described below:

- Meetings with the Group's personnel to gain an understanding of the business model, policies and management approaches applied, the main risks related to these matters and to obtain the information required for the external review.

- Analysis of the scope, relevance and completeness of the contents included in the NFIS for 2020 based on the materiality analysis performed by the Group and described in the NFIS, considering the contents required in prevailing Spanish mercantile legislation.

- Analysis of the processes used to compile and validate the data presented in the NFIS for 2020.

- Review of the information concerning risks, policies and management approaches applied in relation to the material matters described in the NFIS for 2020.

- Verification, through sample-based testing, of the information relating to the contents included in the NFIS for 2020 and its adequate compilation from the data provided by information sources.

- Obtainment of a representation letter from the Directors and Management.

Conclusion

Based on the procedures performed in our verification and the evidence obtained, nothing has come to our attention that causes us to believe that the consolidated Non-Financial Information Statement of AENA S.M.E., S.A. and its subsidiaries for the year ended 31 December 2020 has not been prepared, in all material respects, in accordance with prevailing Spanish mercantile legislation and the criteria of the selected GRI standards, as well as other criteria, described as indicated for each matter in the "Contents index 11/2018 Law" table of the consolidated Non-Financial Information Statement.

Use and distribution

This report has been prepared in response to the requirement established in corporate legislation in force in Spain and, therefore, it might not be appropriate for other purposes and jurisdictions.

DELOITTE, S.L.

Ana Sánchez Palacios

February 23, 2021

Summary of the corporate governance report | 2020

Executive Summary

SUMMARY OF THE CORPORATE GOVERNANCE REPORT 2020

Report approved by all of Aena's directors on 23 February 2021

Capital

Shareholders

Significant shareholdings

Relationship with the directors

Shareholders' agreements

Controlling interests

Treasury shares

Floating capital

Other markets

Structure of the property

The share capital is represented by **150,000,000 shares each with a par value of €10.**

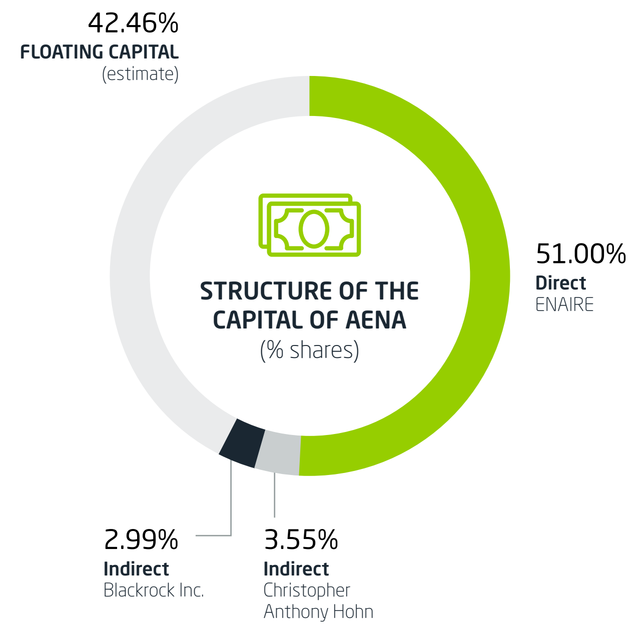
There are no different types of shares with different associated rights.

There is no restriction on the transferability of securities and/or any restriction on voting rights.

Aena does not have treasury shares, although the 2020 General Shareholders' Meeting authorised the derivative acquisition of its own shares under the terms agreed therein.

No shareholders' agreements affecting the Company have been communicated, as established in articles 530 and 531 of the Corporate Enterprises Act.

The Company has not issued securities that are not traded in a regulated market of the European Union.



General Meeting

SYSTEM
The regulation of Aena's General Shareholders' Meeting is governed by the provisions of the Corporate Enterprises Act regarding the quorum for the constitution of the Meeting, as well as the majorities required to adopt the corporate agreements.

STANDARDS FOR THE AMENDMENT OF BYLAWS
The amendment of the Corporate Bylaws is regulated in Articles 14.(iv), 17.4, 25.5 and 27.2 of the Corporate Bylaws, and 8.(iv), 13.3, 42.2 and 43.3 of the Regulations of the General Shareholders' Meeting. The system appearing in these articles replicates that established by the Corporate Enterprises Act.

TOPICS APPROVED
All items on the Agenda were approved by the General Shareholders' Meeting.

WEBSITE

http://www.aena.es/csee/Satellite/Accionistas/en/Page/1237573069075/1237568522634/

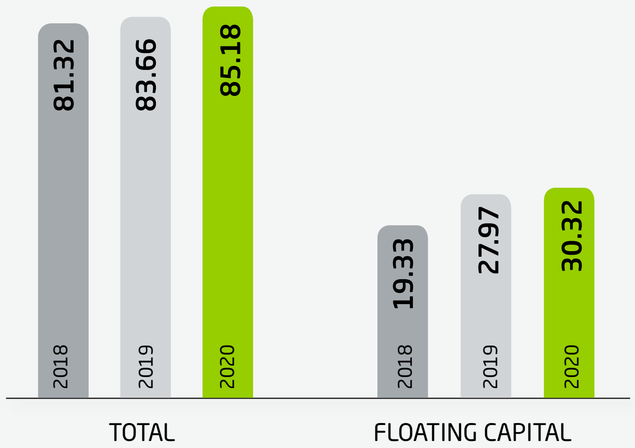
85.18%

ATTENDANCE PRESENT, REPRESENTED OR REMOTELY
Due to the crisis caused by COVID-19, this year, the General Shareholders' Meeting was held solely online, with only the Chairman and Secretary of the Board of Directors attending in-person.

51.19%

REMOTE VOTING

% Represented in meetings over the last three years



All items on the agenda were approved by the shareholders at the General Meeting held.
There are no statutory restrictions that establish a minimum number of shares required to attend the General Meeting, or to vote remotely.

Board

Members and regime

Remuneration

Selection, appointment, re-election and removal

Annual assessment

Commissions

Functions

Members

Procedures and rules

Structure of the Company's management

15
DIRECTORS
the maximum number set forth in the Bylaws

2
EXECUTIVE DIRECTORS
13.33% of the total

7
NOMINEE DIRECTORS
46.6% of the total
3 women

6
INDEPENDENT DIRECTORS
40% of the total
2 women

5
TOTAL NUMBER OF WOMEN
on the Board
33.33% of the total

In February 2016, the Board Member Candidate Selection Policy was approved, which was amended for the last time in December 2020 to adapt it to the recommendations of CNMV's Code of Good Governance of Listed Companies.

The Board Regulations, in Articles 26.3 and 29.1 (xii) establish the maximum number of Boards of Directors to which the board members may belong.

The Audit Committee, and the Appointments, Remuneration and Corporate Governance Committee are both made up of a majority of Independent Directors.

In its meeting held in December 2020, the Board of Directors agreed to review the internal regulations of the Company to complete the adoption of the recommendations of CNMV's Code of Good Governance of Listed Companies.

In January 2021, the Regulations of the Board of Directors were amended to carry out this adaptation.

€315.000
Remuneration accrued in the fiscal year in favour of the Board of Directors

€1,236,000
Total remuneration of senior management

No age limits are established

The external auditor has not been changed

Procedure

Competent bodies

Significant transactions

Conflicts of interest

Article 5.4.(xx) of the Regulations of the Board of Directors reserves competence in this area to the Board of Directors.

In addition to what is established in the Board Regulations, there is a **"Procedure for Related Transactions of Aena S.M.E., S.A."**

The situations of conflict of interest that may affect the directors of the company are regulated in Article 29 of the Regulations of the Board of Directors.

NOTEWORTHY TRANSACTIONS IN 2020

Related party	Company or entity of its group	Type	Amount (thousands of €)
ENAIRE	Aena S.M.E., S.A.	Receipt of services	**113.346**
ENAIRE	Aena S.M.E., S.A.	Rendering of services	**495,000**
ENAIRE	Aena S.M.E., S.A.	Financing agreements: loans	**37,688**
ENAIRE	Aena Desarrollo Internacional S.M.E., S.A.	Rendering of services	**937**
ENAIRE	Aena Sociedad Concesionaria del Aeropuerto Internacional de la Región de Murcia S.M.E., S.A.	Receipt of services	**293**
INECO	Aena S.M.E., S.A. and Aena Desarrollo Internacional, S.M.E., S.A.	Receipt of services	**6,042**
ISDEFE	Aena S.M.E., S.A.	Receipt of services	**3,669**
AEMET	Aena S.M.E., S.A. and Aena Sociedad Concesionario Aeropuerto Internacional de la Región de Murcia S.M.E., S.A.	Receipt of services	**11,033**
SENASA	Aena Desarrollo Internacional S.M.E., S.A.	Receipt of services	**1,210**
AMP	Aena Desarrollo Internacional S.M.E., S.A.	Rendering of services	**4,023**
CSIC	Aena S.M.E., S.A.	COVID-19 research donation	**2,000**

Risk management and control systems

Scope of the System

Responsible bodies

Main risks

Thresholds

Risks materialised

Response plans

Aena has implemented a Risk Management and Control System (hereinafter, the "Risk Management System" or the "System") that identifies and prioritises, based on its impact, strategic, operational, financial, technological, legal, compliance (including those of tax regulations) and information risks.

This System develops the principles defined in the Risk Control and Management Policy approved by Aena's Board of Directors, last updated in December 2020.

Phases

1. Identification of risks (strategic, operational, financial, technological, legal, compliance and information)
2. Risk assessment
3. Risk management
4. Reporting and monitoring of risks
5. Updating of risks
6. Supervision of the control and risk management system

Responsible parties

1. Board of Directors: ultimately responsible for the existence and operation of an adequate and effective risk management system.
2. Audit Committee: supervises and assesses the Risk Management System.
3. Corporate Divisions: identify and assess the risks under their area of responsibility, as well as mitigating activities.

The Internal Audit Division assists the Audit Committee, ensuring the proper functioning of the Risk Management System, and consolidating the risks reported by the different Divisions.

Main risks

- COVID-19.
- Aeronautical business.
- Brexit.
- Commercial activity
- Public and private law regulations.
- Aeronautical regulation.
- Cybersecurity.
- Climate change.
- Third-party dependency.
- Operational safety.
- Innovation
- Quality of service.
- International activity.
- Regulatory compliance.
- Planning and execution of investments.
- Financial.

Thresholds

Aena's Risk Management System establishes that each risk has associated key monitoring indicators, for which tolerance thresholds are determined (maximum and/or minimum limits accepted by each indicator), with the aim of maintaining the impact or probability of risk occurrence at the levels defined as acceptable.

Main risks materialised

COVID-19 and Brexit. The control systems, policies and procedures established by the Company have allowed the risks to be appropriately managed.

Response plans

Aena's Risk Management System integrates risk response plans identifying the mitigating activities, action plans and contingency plans, based on their assessment or criticality level.

Internal risk control and management systems related to the process of issuing the financial information (ICFR)

Control environment of the entity: responsible parties, procedures, codes

Risk assessment: system, procedures, responsible parties

Control activities: assessment of financial information, internal control policies and procedures

Information and communication: functions and mechanisms

Monitoring of the system's operation

External Auditor Report

Aena's **Internal Control over Financial Reporting System** (hereinafter, ICFR) is a process designed to provide reasonable assurance regarding the reliability of financial information and, specifically, of the Annual Accounts in accordance with generally accepted accounting principles.

Participating: Board of Directors, Audit Committee, Economic-Financial Division, Internal Audit Division.

The lines of responsibility, hierarchical dependencies and functions of each of the workstations are defined in the Organisation Manuals of each Division.

The Compliance Supervision and Control Body, dependent on the Board of Directors, was established with autonomous powers of initiative and control over all areas of the Company, with oversight and supervision functions over the Company's General Regulatory Compliance System.

Aena's Code of Conduct establishes that all financial and non-financial information must be prepared reliably and rigorously, ensuring that this information is complete and truthful.

In terms of the **assessment of** financial information **risks,** Aena has documented all ICFR processes pertaining to transactions, accounts and any other financial information associated with risks that could lead to a material error.
With regard to **control activities,** the Company has an Accounting Policies Manual that incorporates the new IFRS applicable in 2020. This Manual is distributed to all subsidiaries of the Aena Group with the closing and reporting instructions for the subsequent consolidation of financial information.

In the Information Systems environment, Aena has the necessary policies and procedures to cover the risks of that environment that may affect the process of preparing financial information, and to obtain reasonable security regarding the operation of the ICFR.

With regard to **information and communication**, the Finance-Economic Division is responsible for the preparation, implementation, communication and updating of the Group's accounting policies. It also centrally supervises the consolidation of financial information.

The Audit Committee has carried out various activities this year relating to **the supervision of the ICFR**. The Internal Audit Division, whose functions are associated with the supervision of the Internal Control System, has carried out reviews of the design, effective operation and adequate documentation of the key transactional and supervisory controls, and of the general controls over the main software involved in preparing the financial information.

In the opinion of the external auditor, the Group maintains, in all significant aspects, an effective internal control system over its financial information as of 31 December 2020.

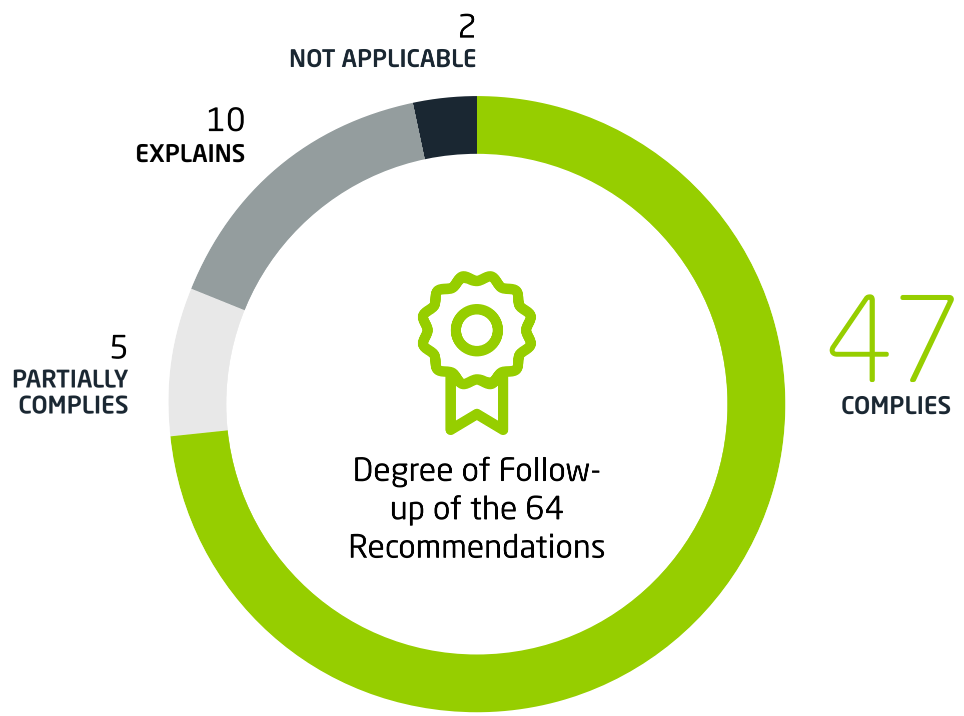
Degree of monitoring of the Corporate Governance recommendations

AENA COMPLIES

Aena complies with most Corporate Governance Recommendations.

AENA EXPLAINS

In matters of remuneration, Aena is subject to the public remuneration policy, contained in RD-Law 3/2012, of 10 February, on urgent measures for the reform of the labour market regarding the remuneration of top-level management and directors of the public sector, and its implementing regulations, particularly Royal Decree 451/2012, of 5 March, and the Communication Order of the Minister of Finance and Public Administrations, dated 8 January 2013.



Other information of interest

Information is completed regarding:

Aena adheres to the Code of Good Tax Practices developed by the Tax Agency and the Large Businesses Forum, and communicated to this Agency on 11 April 2017. The purpose of this Code is to strengthen transparency and cooperation in the Company's tax practice, as well as increase legal certainty in the interpretation of the tax regulations.

At the Board of Directors meeting held on 26 January 2021, the amendment of the Regulation of the Board of Directors was approved to adapt it to the new recommendations of the new Code of Good Governance. In particular, the Board of Directors unanimously approved the amendment of Article 5 (General Functions of the Board of Directors), Article 13 (Resignation, separation and termination), Article 23 (Audit Committee), Article 24 (Appointments, Remuneration and Corporate Governance Committee), Article 33 (Annual Corporate Governance Report) and Article 34 (Annual Report on Board Member Remuneration) of the Regulations of the Board of Directors.

Appendices

APPENDIX I: Consolidated financial statements

Consolidated statement of financial position as at 31 December 2020 and 31 December 2019

Thousands of euros	31 December 2020	31 December 2019
ASSETS		
NON-CURRENT ASSETS	13,537,000	14,137,801
PROPERTY, PLANT AND EQUIPMENT	12,331,677	12,670,706
INTANGIBLE ASSETS	702,306	1,009,244
REAL ESTATE INVESTMENTS	139,176	140,928
RIGHT-OF-USE ASSETS	35,029	61,725
INVESTMENTS IN ASSOCIATES AND JOINT VENTURES	57,220	63,783
OTHER FINANCIAL ASSETS	90,986	80,123
DEFERRED TAX ASSETS	24,043	4,363
OTHER RECEIVABLES	156,563	106,929
CURRENT ASSETS	2,126,087	752,742
INVENTORIES	6,516	6,841
TRADE AND OTHER RECEIVABLES	894,693	505,304
CASH AND CASH EQUIVALENTS	1,224,878	240,597
TOTAL ASSETS	15,663,087	14,890,543
EQUITY AND LIABILITIES		
EQUITY	6,064,983	6,381,876
ORDINARY SHARES	1,500,000	1,500,000
SHARE PREMIUM	1,100,868	1,100,868
RETAINED EARNINGS/(LOSSES)	3,811,411	3,938,336
CUMULATIVE CURRENCY TRANSLATION DIFFERENCES	-181,671	-21,575
OTHER RESERVES	-111,595	-111,827
NON-CONTROLLING INTERESTS	-54,030	-23,926
LIABILITIES		
NON-CURRENT LIABILITIES	7,819,768	6,428,152
FINANCIAL DEBT	7,116,554	5,675,036
DERIVATIVE FINANCIAL INSTRUMENTS	101,656	95,672
GRANTS	425,917	461,690
EMPLOYEE BENEFITS	35,943	44,639
PROVISIONS FOR OTHER LIABILITIES AND EXPENSES	69,796	77,267
DEFERRED TAX LIABILITIES	54,975	58,386
OTHER LONG-TERM LIABILITIES	14,927	15,462
CURRENT LIABILITIES	1,778,336	2,080,515
FINANCIAL DEBT	1,139,248	1,238,403
DERIVATIVE FINANCIAL INSTRUMENTS	31,645	31,662
SUPPLIERS AND OTHER ACCOUNTS PAYABLE	517,855	679,879
CURRENT TAX LIABILITIES	217	10,165
GRANTS	34,711	35,652
PROVISIONS FOR OTHER LIABILITIES AND EXPENSES	54,660	84,754
TOTAL LIABILITIES	9,598,104	8,508,667
TOTAL EQUITY AND LIABILITIES	15,663,087	14,890,543

Consolidated income statement for the period ended 31 December 2020 and 2019

Thousands of euros	31 December 2020	31 December 2019
CONTINUING OPERATIONS		
ORDINARY REVENUE	2,180,616	4,443,560
OTHER OPERATING REVENUE	9,662	10,067
WORK PERFORMED BY THE COMPANY FOR ITS ASSETS	5,285	5,261
SUBCONTRACTED WORK AND OTHER SUPPLIES	-153,987	-170,542
STAFF COSTS	-456,876	-456,173
LOSSES, IMPAIRMENT AND CHANGE IN PROVISIONS FOR COMMERCIAL OPERATIONS	-22,649	-13,809
OTHER OPERATING EXPENSES	-722,427	-1,075,321
AMORTISATION OF FIXED ASSETS	-806,863	-788,969
ALLOCATION OF NON-FINANCIAL AND OTHER FIXED ASSET GRANTS	36,746	39,655
SURPLUS PROVISIONS	10,465	4,710
IMPAIRMENT OF FIXED ASSETS	-108,809	-
PROFIT/LOSS FROM DISPOSALS OF FIXED ASSETS	-5,115	-9,396
OTHER PROFIT / (LOSS) – NET	-58,340	-11,764
OPERATING PROFIT/(LOSS)	-92,292	**1,977,279**
FINANCE INCOME	2,006	4,569
FINANCE EXPENSES	-116,239	-124,786
OTHER NET FINANCE INCOME/(EXPENSES)	-7,178	3,341
FINANCE EXPENSES – NET	-121,411	**-116,876**
SHARE IN PROFIT OF AFFILIATES	1,070	22,446
PROFIT/(LOSS) BEFORE TAX	-212,633	**1,882,849**
CORPORATE INCOME TAX	51,885	-437,174
CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD	-160,748	**1,445,675**
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	-33,962	**3,653**
PROFIT/(LOSS) FOR THE FISCAL YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY	-126,786	**1,442,022**
EARNINGS PER SHARE (EUROS PER SHARE)		
BASIC EARNINGS PER SHARE FOR THE FISCAL YEAR RESULT	-0,85	9,61
DILUTED EARNINGS PER SHARE FOR THE FISCAL YEAR RESULT	-0,85	9,61

Consolidated statement of cash flows for the period ended 31 December 2020 and 31 December 2019

Thousands of euros	31 December 2020	31 December 2019
PROFIT/(LOSS) BEFORE TAX	**-212,633**	**1,882,849**
ADJUSTMENTS FOR:	**1,035,340**	**909,616**
DEPRECIATION AND AMORTISATION	806,863	788,969
IMPAIRMENT VALUATION ADJUSTMENTS	22,649	13,809
CHANGES IN PROVISIONS	13,056	47,202
IMPAIRMENT OF FIXED ASSETS	108,809	-
ALLOCATION OF GRANTS	-36,746	-39,655
(PROFIT)/LOSS ON DERECOGNITION OF FIXED ASSETS	5,115	9,396
(PROFIT)/LOSS ON DERECOGNITION OF FINANCIAL INSTRUMENTS	-42	-
VALUE ADJUSTMENTS FOR IMPAIRMENT OF FINANCIAL INSTRUMENTS	1,357	-863
FINANCE INCOME	-2,006	-4,569
FINANCE EXPENSES	84,380	91,087
EXCHANGE DIFFERENCES	5,863	-2,478
FINANCE EXPENSES SETTLEMENT FOR FINANCIAL DERIVATIVES	31,859	33,699
OTHER REVENUE AND EXPENSES	-4,747	-4,535
SHARE IN PROFITS/(LOSSES) OF EQUITY-ACCOUNTED INVESTEES	-1,070	-22,446
CHANGES IN WORKING CAPITAL:	**-561,888**	**-140,604**
INVENTORIES	288	450
DEBTORS AND OTHER ACCOUNTS RECEIVABLE	-383,543	-64,320
OTHER CURRENT ASSETS	-23,576	6,292
CREDITORS AND OTHER ACCOUNTS PAYABLE	-121,643	-18,702
OTHER CURRENT LIABILITIES	-31,846	-62,974
OTHER NON-CURRENT ASSETS AND LIABILITIES	-1,568	-1,350
OTHER CASH FROM OPERATING ACTIVITIES	**-114,576**	**-537,518**
INTEREST PAID	-94,742	-102,266
INTEREST RECEIVED	692	1418
TAXES PAID	-20,076	-437,470
OTHER RECEIPTS (PAYMENTS)	-450	800
NET CASH FROM OPERATING ACTIVITIES	**146,243**	**2,114,343**
CASH FLOWS FROM INVESTING ACTIVITIES		
ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT	-469776	-480,335
ACQUISITIONS OF INTANGIBLE ASSETS	-33346	-544,421
ACQUISITIONS OF REAL ESTATE	-76	-7,660
PAYMENTS FOR ACQUISITIONS OF OTHER FINANCIAL ASSETS	-34,867	-8,561
PROCEEDS FROM DIVESTMENT OF/LOANS TO GROUP COMPANIES AND ASSOCIATES	-	5,658
PROCEEDS FROM PROPERTY, PLANT AND EQUIPMENT DIVESTMENT	-	347
PROCEEDS FROM DISPOSALS OF INTANGIBLE FIXED ASSETS	469	-
PROCEEDS FROM OTHER FINANCIAL ASSETS	2,478	2,149
DIVIDENDS RECEIVED	417	23,245
NET CASH USED IN INVESTING ACTIVITIES	**-534,701**	**-1,009,578**

Continued on the next page

Continued from the previous page

Thousands of euros	31 December 2020	31 December 2019
CASH FLOWS FROM FINANCING ACTIVITIES		
INCOME FROM GRANTS	192	6,453
DEBT ISSUANCE	2,877,837	801,139
OTHER INCOME	14,085	61,314
REPAYMENT OF SIMILAR OBLIGATIONS AND SECURITIES	-104,000	-
REPAYMENT OF BANK BORROWINGS	-741,000	-650,000
REPAYMENT OF GROUP FINANCING	-633,619	-633,744
LEASE LIABILITY PAYMENTS	-5,807	-7,178
DIVIDENDS PAID	-	-1,051,230
OTHER PAYMENTS	-26,077	-41,380
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	**1,381,611**	**-1,514,626**
EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS	**-8,872**	**-922**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	984,281	-410,783
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**240,597**	**651,380**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**1,224,878**	**240,597**

APPENDIX II: Summary of communications with the National Securities Market Commission (CNMV)

REGISTER	DATE	TYPE OF INFORMATION		DESCRIPTION
165	21/02/2020	ORI	Other relevant information	Announcement of results presentation 2019
281	25/02/2020	ORCI	Other regulated and corporate information	The Company announces the approval of the call of the General Shareholders´s Meeting
271	25/02/2020	ORI	Half-yearly financial reports and audit reports/limited audit review	La sociedad remite información financiera del segundo semestre de 2019
275	25/02/2020	ORI	Other relevant information - On business and financial situation	2019 fiscal year dividend proposal
278	25/02/2020	ORI	Annual corporate governance report	La sociedad remite el Informe Anual de Gobierno Corporativo del ejercicio 2019
280	25/02/2020	ORI	Annual report on directors´ remunerations	La Sociedad remite el Informe Anual sobre remuneraciones de los consejeros del Ejercicio 2019
281	25/02/2020	ORI	Announcement of general shareholders' meeting	The Company announces the approval of the call of the General Shareholders´s Meeting
32	25/02/2020	II	On P&L - On strategic plans and profit forecasts	2019 results presentation and 2020 forecasts
33	25/02/2020	II	On strategic plans and profit forecasts	The Company communicates the review of passenger traffic growth estimate for the year 2020
418	27/02/2020	ORCI	Other regulated and corporate information	The Company communicates the call for the General Shareholder´s Meeting
418	27/02/2020	ORI	Announcement of general shareholders' meeting	The Company communicates the call for the General Shareholder´s Meeting
905	12/03/2020	ORCI	Other regulated and corporate information	The Company communicates the Addendum to the notice calling of the General Shareholder's meeting TCI Luxembourg S.à.r.L y Talos Capital Designated Activity Company
905	12/03/2020	ORI	Announcement of general shareholders' meeting	The Company communicates the Addendum to the notice calling of the General Shareholder's meeting TCI Luxembourg S.à.r.L y Talos Capital Designated Activity Company
978	13/03/2020	ORI	Other relevant information	Press release on traffic attached
1137	23/03/2020	ORI	Other relevant information	Press release on new organization of airport facilities attached
1159	24/03/2020	ORCI	Other regulated and corporate information	The Company announces that the Board of Directors of AENA has agreed to cancel the General Shareholders's Meeting
1159	24/03/2020	ORI	Announcement of general shareholders' meeting	The Company announces that the Board of Directors of AENA has agreed to cancel the General Shareholders's Meeting
118	26/03/2020	II	On business and financial situation	Communication of Covid-19 effects in the Company
133	31/03/2020	II	On credit ratings	The Company announces the credit rating assigned by the rating agency Moody's Investors Service
136	01/04/2020	II	On business and financial situation	Contigency plan. Additional funding Covid 19
137	02/04/2020	II	On business and financial situation	Statement on the non- applicability to AENA of article 49 of the Royal Decree Law 11/2020
148	04/04/2020	II	On credit ratings	The Company announces the credit rating affirmed by the Fitch Ratings agency
1472	09/04/2020	ORI	Other relevant information	Press release on traffic data during March 2020 attached
1660	21/04/2020	ORI	Other relevant information	Aena S.M.E., S.A. announces a conference call to present the Group´s 1Q 2020 Results
1811	28/04/2020	ORI	Interim management report	La sociedad remite declaración intermedia de gestión del primer trimestre de 2020
191	28/04/2020	II	On P&L	Q1 2020 Results Presentation
192	28/04/2020	II	On business and financial situation	Commercial agreements
193	28/04/2020	II	On P&L	Press release regarding Q1 2020 results
1848	29/04/2020	ORI	Interim management report	La sociedad remite una amplicación/modificación de la declaración intermedia de gestión del primer trimestre de 2020 registrada con anterioridad
220	06/05/2020	II	On business and financial situation	Contigency plan. Additional funding Covid 19
298	24/06/2020	II	On credit ratings	Moody's Investors Service has affirmed AENA S.M.E., S.A. Long- Term Issuer Default Rating (IDR)
308	30/06/2020	II	On P&L	The Company communicates the new proposed appropriation of earnings
3089	30/06/2020	ORI	Announcement of general shareholders' meeting	The Company announces the approval of the call of the General Shareholder's Meeting
3089	30/06/2020	ORCI	Other regulated and corporate information	The Company announces the approval of the call of the General Shareholder's Meeting
3091	30/06/2020	ORI	On corporate governance	The company communicates the proposal for the appointment of new directors
3132	02/07/2020	ORI	Announcement of general shareholders' meeting	The Company communicates the call for the General Shareholder´s Meeting
3496	21/07/2020	ORI	Other relevant information	Aena S.M.E., S.A. announces a conference call to present the Group´s H1 2020 Results
366	28/07/2020	II	On P&L	2020 First half results presentation
3689	28/07/2020	ORI	Half-yearly financial reports and audit reports/limited audit review	La sociedad remite información financiera del primer semestre de 2020
432	28/08/2020	II	On credit ratings	Fitch Ratings has affirmed AENA S.M.E., S.A. Long-Term Issuer Default Rating (IDR) "A". The outlook has been reviewed from stable to negative. Fitch Ratings has also affirmed the Short-Term IDR "F1".
4944	09/10/2020	ORI	Announcement of general shareholders' meeting	The Company communicates the Addendum to the notice calling of the General Shareholder's meeting requested by TCI Luxembourg S.à.r.L and CIFF Capital UK LP.
4996	14/10/2020	ORI	Announcement of general shareholders' meeting	The company communicates that the Board of Directors has agreed that the holding of the General Shareholders' Meeting will be exclusively virtual
5132	21/10/2020	ORI	Other relevant information	Aena S.M.E., S.A. announces a conference call to present the Group´s 9M 2020 Results
5274	28/10/2020	ORI	Interim management report	La sociedad remite declaración intermedia de gestión del tercer trimestre de 2020
5335	28/10/2020	ORI	On business and financial situation	The company releases a communication in sight of the publication in the newspapers today of the economic and financial estimates for 2020 and 2021
5370	29/10/2020	ORI	Announcement of general shareholders' meeting	The Company communicates the approval of Resolutions by the General Shareholders´ Meeting
5371	29/10/2020	ORI	On corporate governance	The Company communicates changes in the composition of the Board of Directors
6023	03/12/2020	ORI	On financial instruments	The Company has obtained waivers for the ratios included in the financing contracts with several financial institutions
6351	22/12/2020	ORI	On corporate governance	The Company communicates changes in the composition of the Board of Directors and its Committees

II-Inside Information
ORCI-Other regulated and corporate information

APPENDIX III

ANNUAL CORPORATE GOVERNACE REPORT

ANNEX I TEMPLATE

ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

ISSUER IDENTIFICATION DETAILS

YEAR END-DATE 31/12/2020

TAX ID (CIF) A-86212420

Company name:

AENA, S.M.E., S.A.

Registered office:

PEONÍAS 12, MADRID

ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

A REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1. Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete.

Such specific determinations for the current year as the board may have made in accordance with the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, the following aspects must be reported, as a minimum:

- Description of the procedures and company bodies involved in determining and approving the remuneration policy and its terms and conditions.
- Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.
- Information on whether any external advisors took part in this process and, if so, their identity.

With regard to remuneration conditions, Aena, S.M.E, S.A. (hereinafter "Aena" or the "Company"), is a listed State-owned company subject to the applicable public sector regulations, which prevail over private law regulations, given the mandatory and special nature of the public regulations, in accordance with the Report of the State Attorney's Office dated 15 February 2016.

The prevailing application of public regulation to Aena impacts issues as substantial for a listed company as the Remuneration Policy for Directors and executives, the acquisition of majority equity interests in other companies, hiring of personnel, the Directors' liability system, etc.

Aena is therefore subject to the regulatory framework applicable to the remuneration model for senior managers and executives in public sector companies and also to provisions for remuneration for all employees in the corresponding General State Budget Acts.

Specifically, Aena is subject to:

a) In terms of remuneration for its senior managers and executives (and which also applies to its Chairman-Chief Executive Officer and Managing Director of Airports due to their performance of executive duties), to the regulation set forth in Royal Decree 451/2012, of 5 March, which regulates the system of remuneration for senior managers and executives in public sector companies, the 8th additional provision of Royal Decree-Law 3/2012, of 10 February, on urgent measures for the reform of the labour market concerning the remuneration of senior managers and executives in the public sector; and the precepts of the General State Budget Acts relating to personnel costs;

Royal Decree-Law 2/2020, of 21 December 2020, on urgent measures concerning the remuneration in the public sector; and

b) in relation to the remuneration of the members of the Board of Directors in the Order by the Ministry of Finance and Public Administrations of 8 January 2013 (the "Order").

Likewise, Aena has no discretion to set remuneration under the terms indicated in Article 217.4 of the Corporate Enterprises Act, but it can only propose a remuneration range at levels in accordance with those set forth in prevailing laws.

Consequently, the remuneration of the Directors is predetermined by public regulations, which prevail over the rules regulating corporate enterprises.

For these purposes, the remuneration of the Directors, excluding expenses which may be reimbursed, is as follows:

(i) Non-executive Directors receive an amount of 1,090.36 euros as a per diem for attendance at each Board meeting up to a maximum of 11,994 euros per year. In compliance with the aforementioned regulations, the annual amount per Director cannot exceed this annual limit in any case.

Additionally, the Order provides that the sums can be increased by a maximum of 1,520 euros annually for attendance at audit committees and other delegated committees, in those companies which on the entry into force of the Order had been giving an allowance for attendance at these committees. For these purposes, it is reported that since Aena was not giving any allowance for such attendance, the maximum sum of expenses allowed has not been increased, maintaining the maximum amount as stipulated in the Order.

(ii) The only executive directors are the Chairman-Chief Executive Officer and the Managing Director of Airports.

The Chairman-Chief Executive Officer, pending the application of the salary review for 2020, set out in Royal Decree-Law 2/2020 of 21 January 2020, which approves urgent measures regarding remuneration in the public sector, receives a fixed remuneration of 111,709.56 per year (consolidated).

He also receives additional remuneration, also pending the application of the salary review set out in Royal Decree-Law 2/2020 of 21 January 2020, comprising a job allowance (44,683.82 euros) and a variable allowance (12,505.35 euros) which does not exceed the maximum percentage set for the group in which Aena is classified, which is Group 1.

The Managing Director of Airports (Mr. Francisco Javier Marín San Andrés) was appointed as an executive director on 29 October 2020 and, pending the application of the salary review for 2020, as set out in Royal Decree-Law 2/2020 of 21 January 2020, which approves urgent measures regarding remuneration in the public sector, he has received, for his executive position since his appointment as Director, a fixed remuneration amounting to 15,780.24 euros. He also received a job allowance (3,748.55 euros) and a variable allowance (4,490.95 euros).

The salary review for 2020, pending application, set out in Royal Decree-Law 2/2020 of 21 January 2020, consists of a 2% increase on the remuneration in force at 31 December 2019.

(iii) Aena Directors who also hold senior posts or are senior managers or executives in the public sector do not receive the per diem indicated in section (i) above, and the amount relate to the Senior posts is deposited by Aena in the Public Treasury.

In 2020, Mr. Maurici Lucena Betriu, Mr. Angel Luis Arias Serrano, Mr. Ignacio Díaz Bidart, Ms. Angélica Martínez Ortega, and Mr. Francisco Javier Martín Ramiro until 29 October 2020 (when he stepped down from his duties as a Director of Aena) have been considered as occupying senior posts and therefore their allowances are paid into the Public Treasury.

Likewise, Mr. Francisco Javier Marín San Andrés, executive director of the Company since 29 October 2020, does not receive the allowance for attendance to the Board of Directors as he is the Managing Director of Airports, subject to Royal Decree 451/2012, of 5 March, which regulates the remuneration system for senior managers and executives in the public business sector and other entities. Article 8.1 of the Decree sets out the incompatibility of this salary remuneration with the receipt of indemnities provided for in Article 27.1.a) of RD 462/2002, of 24 May, on indemnities for reasons of service, which regulates the payment for attendance at meetings of the Board of Directors.

For all the above, Aena continues to be a listed company that does not have a Remuneration Policy in accordance with the best practices of good corporate governance as required by the CNMV Code of Good Governance of Listed Companies and Spain’s Corporate Enterprises Act, given that the aforementioned public regulations are applicable.

Aena cannot propose a Remuneration Policy comparable to those of the other Spanish listed companies (both those belonging to the IBEX-35 index and the others) since, unlike Aena, the latter companies have established remuneration, both for the mere exercise of the post of Director (or for being a member of a Board Committee) and for the performance of executive functions, which is much higher than that of Aena since the amounts are not restricted by any imperative rule (as they are by the Published Ministerial Order in Aena's case).

Thus, in this Annual Remuneration Report it is necessary to point out that Aena cannot follow the Recommendations of the Code of Good Governance of Listed Companies regarding the remuneration of Directors, as has also been stated in the Annual Corporate Governance Report. Specifically, the recommendations it cannot comply with and which concern the remuneration of Directors are 51, 56, 57, 58, 59, 60, 61, 62 and 63.

In line with the above, and in the absence of a Remuneration Policy, the Company has not required the participation of any external consultant to establish such a Policy.

- Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to ensure an appropriate balance between the fixed and variable components of the remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures taken to ensure that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company and measures in place to avoid conflicts of interest.

  Furthermore, indicate whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or delivery of accrued and vested financial instruments, or whether any clause has been agreed reducing the deferred remuneration not yet vested or obliging the director to return remuneration received, when such remuneration has been based on figures that have since been clearly shown to be inaccurate.

Variable remuneration affects the Chairman-Chief Executive Officer and Mr. Francisco Javier Marín San Andrés, as Managing Director of Airports, due to their executive duties in accordance with Article 7 of Royal Decree 451/2012, of 5 March, regulating the remuneration system for senior managers and executives in the public business sector and other entities, that establishes the assignment by whoever exercises financial control or supervision, by the shareholder or, failing that, by the Ministry for the entities included in its scope of application, of the supplement for the post and the variable remuneration supplement for their senior managers and executives.

Given the criteria set forth in this Article and the limits set by the Ministry of Finance and Public Administration Order, of 12 April 2012, which approves the classification of public business entities and other public law entities, pursuant to the aforementioned Royal Decree 451/2012, the Ministry of Public Works in its Order of 31 July 2014 set the CEO's variable remuneration, which amounts to 12,505.35 euros, pending the salary review for 2020 set forth in Royal Decree-Law 2/2020 of 21 January 2020 on urgent measures concerning remuneration in the public sector.

Likewise, taking into account the criteria set forth in the regulations mentioned in the previous paragraph, the Ministry of Public Works resolved to set the amount of the variable allowance of the Managing Director of Airports, which, for the period since his appointment as Director, amounts to 4,490.95 euros, pending application of the salary review for 2020 set forth in Royal Decree-Law 2/2020, of 21 January 2020, which approves urgent measures regarding remuneration in the public sector.

The salary review for 2020, pending application, set out in Royal Decree-Law 2/2020 of 21 January 2020, consists of a 2% increase on the remuneration in force at 31 December 2019.

The incentive depends on the total attainment of the company's targets for the Chairman-Chief Executive Officer, while for the Managing Director this accounts for 80% of the incentive, the other 20% pertaining to achieving personal values.

The Company's targets are specified in the following metrics:

1. COVID-19 operational expenditure reduction plan: Achieve the planned average monthly savings level with respect to the 2020 Operational Plan.
2. COVID-19 Investment Reduction Plan: Achieve the reduction in terms of certification with respect to the 2020 Operational Plan.
3. Availability of liquidity: Achieve sufficient level of funding.
4. Financing: Comply with debt covenants or, in the event of default, obtain sufficient waivers to ensure business continuity.
5. Operational Recovery Plan Phase 1: Comply with the milestones established in the Operational Recovery Plan.

The calculation of the amount of the variable remuneration will consider the degree of compliance and weighting of each of the targets and will apply the standards and internal procedures for evaluation of targets established by the Company for its executives. At the end of the year, the degree of achievement will be determined.

The maximum global supplement for the five above targets may not exceed 100%. The annual variable remuneration is paid entirely in cash.

The amount to be received as variable supplement accrued during the financial year by the Executive Directors is paid in two parts: 80% of the amount due is paid in December of the financial year and the remaining 20% is paid in March of the following year once the final year-end data have been obtained.

At Aena there is no deferral period in the payment of amounts already accrued and vested and therefore no clause has been agreed to reduce deferred remuneration. At the end of the year, the degree of attainment of the objectives by the Executive Directors is assessed and the corresponding variable remuneration is paid.

- Amount and nature of fixed components that are due to be accrued during the year by directors in their capacity as such.

As indicated above, Non-executive Directors receive a per diem for attendance at each Board meeting up to a maximum of 11,994 euros per year, in compliance with the aforementioned regulations.

- Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

The only executive directors are the Chairman-Chief Executive Officer and the Managing Director of Airports, the latter since he was appointed on 29 October 2020.

The Chairman-Chief Executive Officer, pending the application of the salary review for 2020, set out in Royal Decree-Law 2/2020 of 21 January 2020, which approves urgent measures regarding remuneration in the public sector, receives a fixed remuneration of 111,709.56 a year.

He also receives additional remuneration, also pending the application of the salary review set out in Royal Decree-Law 2/2020 of 21 January 2020, comprising a job allowance (44,683.82 euros) and a variable allowance (12,505.35 euros) which does not exceed the maximum percentage set for the group in which Aena is classified, which is Group 1.

The Managing Director of Airports (Mr. Francisco Javier Marín San Andrés), pending the application of the salary review for 2020, as set out in Royal Decree-Law 2/2020 of 21 January 2020, which approves urgent measures regarding remuneration in the public sector, has received, for his executive position since his appointment as executive director on 29 October 2020, a fixed remuneration amounting to 15,780.24 euros, in addition to a job allowance (3,748.55 euros) and a variable allowance (4,490.95 euros).

The salary review for 2020, pending application, set out in Royal Decree-Law 2/2020 of 21 January 2020, consists of a 2% increase on the remuneration in force at 31 December 2019.

As the two executive directors of Aena are also considered senior executives (in the case of the Chairman-Chief Executive Officer) or managers (in the case of the Managing Director of Airports) and their remuneration is regulated by Royal Decree 451/2012, of 5 March, which regulates the remuneration system for senior managers and executives in the public business sector and other entities, they do not receive the allowance for attending Board meetings, as this is incompatible with the allowance they receive for their executive function, as established in Article 8 of the aforementioned Royal Decree 451/2012, of 5 March. Accordingly, Aena pays the amount related to the Chairman-Chief Executive Officer into the Public Treasury.

- Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

Executive Directors are the beneficiaries of the group life and accident insurance and health insurance policies that are taken out for all employees of the company, which do not, however, apply to the other Directors.

These policies are imputed as remuneration in kind. In the case of the Life and Accident Insurance Policy, the whole of the premium is considered as payment in kind and, in the case of the Health Insurance, the sum which exceeds 500 euros annually is considered as payment in kind, a sum which in 2020 has not been surpassed.

The Life and Accident Insurance premium accrued during 2020 by the holder who has held the position of Chairman-Chief Executive Officer, Mr. Maurici Lucena Betriu, amounts to 81.84 euros and the Life and Accident Insurance premium accrued, since his appointment as Executive Director on 29 October 2020, by the holder who has held the position of Managing Director of Airports, Mr. Francisco Javier Marín San Andrés, amounts to 58.65 euros.

The Managing Director of Airports, Mr. Francisco Javier Marín San Andrés, also receives remuneration in kind which consists of the use of a company vehicle and fuel allowance which, for the period since his appointment as Executive Director, amounts to 651.70 euros.

- Amount and nature of variable components, differentiating between those established in the short and long terms. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

  Indicate the range, in monetary terms, of the different variable components according to the degree of fulfilment of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

Aena sets variable remuneration for a single financial year.

Article 7 of Royal Decree 451/2012, of 5 March, regulating the remuneration system for senior managers and executives in the public business sector and other entities, establishes the assignment by whoever exercises financial control or supervision, by the shareholder or, failing that, by the Ministry for the entities included in its scope of application, of the supplement for the post and the variable remuneration supplement for their senior managers and executives.

Given the criteria contained in this Article and the limits set by the Ministry of Finance and Public Administration Order, of 12 April 2012, which approves the classification of public business entities and other public law entities, pursuant to the aforementioned Royal Decree 451/2012, the Ministry of Public Works in its Order of 31 July 2014 set the amount of the Chairman-Chief Executive Officer's variable remuneration, which amounts to 12,505.35 euros, pending the salary review for 2020 set forth in Royal Decree-Law 2/2020 of 21 January 2020 on urgent measures concerning the remuneration in the public sector.

Likewise, taking into account the criteria contained in the regulations mentioned in the previous paragraph, the Ministry resolved to set the amount of the variable allowance of the Managing Director of Airports, which amounts to 4,490.95 euros for the period since his appointment as Director, pending the application of the salary review for 2020 set forth in Royal Decree-Law 2/2020, of 21 January 2020, which approves urgent measures regarding remuneration in the public sector.

The salary review for 2020, pending application, set out in Royal Decree-Law 2/2020 of 21 January 2020, consists of a 2% increase on the remuneration in force on 31 December 2019.

The calculation of the amount of the variable remuneration will consider the degree of compliance and weighting of each of the targets set forth in the previous paragraphs and will apply the standards and internal procedures for evaluation of targets established by the Company for its executives. At the end of the year, the degree of achievement will be determined.

The evaluation relates to the financial year 2020, from January 1 to December 31, however, it is necessary to remain at least four months (4) performing the position, in order to be evaluable.

As regards the methods for verifying that the performance conditions have been effectively satisfied to be able to say that the target has been met, the Economic-Financial Department has verified that the targets have been met in the following way:

- Quantitative targets, Target 1. Operating Expense Reduction Plan and Target 2. Investment Reduction Plan with the financial information available in the Company's systems.

- Target 3. Availability of Liquidity, financing was obtained (between March and May 2020).

- Target 4. Financing, to comply with debt covenants or, in the event of default, to obtain sufficient waivers to guarantee business continuity. Attached is a link to the relevant fact of the CNMV where the formal announcement is made.

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    - Link to the CNMV website (press release of 3/12/2020): https://www.cnmv.es/Portal/Otra-Informacion-Relevante/Resultado-OIR.aspx?nif=A86212420

- Target 5. Operational Recovery Plan Phase 1, has been broken down into four different milestones that summarise all the measures implemented in the aeronautical and commercial field.

The overall maximum compliance with the targets set may not exceed 100% and therefore the monetary amount set in the implementing rules may not be exceeded.

– Main characteristics of long-term savings schemes. Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or a defined benefit scheme, the annual contribution that has to be made to defined contribution schemes, the benefits to which directors are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of directors and their compatibility with any other type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director.

  Indicate whether the accrual or vesting of any of the long-term savings plans is linked to the attainment of certain objectives or parameters relating to the director's short- or long-term performance.

Once the stipulated waiting period has ended, the Executive Directors, in general, will be participants in the Joint Promotion Pension Plan for Entities in the Aena Group and they will not be bound by any parameter or achievement of objectives.

The Joint Promotion Pension Plan for Entities in the Aena Group was set up with an open-ended duration on 27 December 2001 and is a social insurance scheme which is private, voluntary and independent of the public social security system. The nature of its members means it is an employment scheme due to the stipulated defined contribution obligations.

This Plan covers the following contingencies:

a) Retirement of the participant or participant on hold.
b) Total permanent disability for the usual profession, absolute disability for any work and great disability of the participant or participant on hold. These situations may be considered so if recognised and declared by the National Institute of Social Security or competent body or, where appropriate, by the competent Jurisdictional Body.
c) Death of the participant, participant on hold or beneficiary.

Being a participant in the Plan is compatible with other types of compensation for early termination or termination of the contractual relationship between the company and the Director.

The consolidated rights of the participant will include the part of the capitalisation fund that corresponds to him/her based on the contributions, as well as the benefits generated by the resources invested, taking care, as the case may be, of the losses, costs and expenses that may have occurred. In this sense, the contribution made by the company will be governed by what is indicated in the General State Budgets Act in force each year.

During 2020, the contributions for the financial years 2018 (according to the final paragraph of Article 18 Two of Law 6/2018, of 3 July, on the General State Budget for 2018) and 2019 (according to the final paragraph of Article 3 Two of Royal Decree-Law 24/2018, of 2 December, approving urgent measures regarding remuneration in the public sector) have been made for the Chairman-Chief Executive Officer. They amount to 889.96 euros.

The contributions made during 2020 for the Managing Director of Airports (executive director since 29 October 2020) relate to the financial years 2018 and 2019, before he was appointed as a Director.

The contributions pending to be made, corresponding to 2020, consist of an additional increase of 0.30%, included in Royal Decree-Law 2/2020, of 21 January 2020, approving urgent measures in the area of remuneration in the public sector.

- Any type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director, whether at the company's or the director's initiative, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, minimum contract term or loyalty, that entitles the director to any kind of remuneration.

In the case of the Chairman-Chief Executive Officer's contract being terminated by the Company in the absence of any of the causes for its termination (unfair conduct or conduct seriously prejudicial to the interests of the Company or meaning non-compliance with their obligations) and when the contract is ended by the Director's unilateral decision as a consequence of serious contractual non-compliance with its obligations by the Company, the Director, as he is not a national, regional or local public sector official or employee, will have the right to a severance package equivalent to seven days' of his annual salary per year of service, with the limit of six months' remuneration.
If the Company were to terminate the contract of the Managing Director of Airports (who has been an executive director since 29 October 2020) in the absence of any of the causes for his termination (unfair conduct or conduct which seriously damages the

Company's interests or implying non-compliance with their obligations) and when the contract is ended by the Director's unilateral decision as a consequence of serious contractual non-compliance by the Company with its obligations, the Director, as he/she is an employee of a state public sector company with a reserved position, will not be entitled to any severance package whatsoever, except for that for failure to give advance notice.

- Indicate the conditions that contracts of executive directors performing senior management functions must contain. Among other things, information must be provided on the duration, limits on amounts of indemnification, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any other clauses relating to signing bonuses, as well as compensation or golden parachute clauses for early termination of the contractual relationship between the company and the executive director. Include, among others, the pacts or agreement on non-competition, exclusivity, minimum contract terms and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.

The legal system applicable to the Company's contract with the Chairman-Chief Executive Officer is the eighth additional provision of Royal Decree-Law 3/2012, of 10 February, on urgent measures for the reform of the labour market, Royal Decree 451/2012, of 5 March, regulating the remuneration regime for senior managers and executives in the public business sector and other entities, and other applicable legal provisions or regulations.

The duration of the Chairman-Chief Executive Officer's contract is open-ended and no financial compensation is provided for in the event of termination of the contractual relationship with the Company when such termination is the result of the Director's non-compliance with their obligations.

In the case of the Chairman-Chief Executive Officer's contract being terminated by the Company in the absence of any of the following causes: unfair conduct or conduct seriously prejudicial to the interests of the Company or meaning non-compliance with their obligations, and when the contract is ended by the Director's unilateral decision as a consequence of serious contractual non-compliance with its obligations by the Company, the Chairman-Chief Executive Officer, as he is not a national, regional or local public sector official or employee, will have the right to a severance package equivalent to seven days' of his annual cash salary per year of service, with the limit of six months' remuneration.

In case of termination by mutual agreement between the parties or due to resignation by the Chairman-Chief Executive Officer without serious breach of contract by the Company, they will not be entitled to any compensation.

The period of notice envisaged in the contract is 15 calendar days for both the Company and the Chairman-Chief Executive Officer. In the event of failure to comply with this period, there is an obligation of compensation in a sum equivalent to the remuneration corresponding to the period of notice not observed.

With regard to the system of exclusivity, the Chairman-Chief Executive Officer is subject to application of Article 13 of Law 3/2015, of 30 March, regulating the exercise of senior posts in Spanish Government organisations, according to which he must have the authorisation of the Council of Ministers to be the Chairman of the companies referred to in Article 13.2 of that Law.

There are no exclusivity, post-contractual non-compete and tenure or loyalty agreements.

The legal system applicable to the contract with the Managing Director of Airports (Executive Director since 29 October 2020) is the eighth additional provision of Royal Decree-Law 3/2012, of 10 February, on urgent measures for the reform of the labour market, Royal Decree 451/2012, of 5 March, regulating the remuneration regime for

senior managers and executives in the public business sector and other entities, and other applicable legal provisions or regulations.
The duration of the Managing Director of Airports' (Executive Director) contract is open-ended and no financial compensation is provided for in the event of termination of the contractual relationship with the Company when such termination is the result of the Director's non-compliance with their obligations.
If the Company were to terminate the contract of the Managing Director of Airports (executive director) in the absence of any of the following causes: unfair conduct or conduct which seriously damages the Company's interests or implying non-compliance with their obligations, and when the contract is ended by the Director's unilateral decision as a consequence of serious contractual non-compliance by the Company of its obligations, the director, as he/she is an employee of a state public sector company with a reserved position, will not be entitled to any severance package whatsoever, except for that for failure to give advance notice.

In case of termination by mutual agreement between the parties or due to resignation by the Managing Director of Airports (executive director) without serious breach of contract by the Company, they will not be entitled to any compensation.

The notice period provided for in the contract is 15 calendar days for the Company and 3 months for the Director (executive director). In the event of failure to comply with this period, there is an obligation of compensation in a sum equivalent to the remuneration corresponding to the period of notice not observed.

With regard to the exclusivity regime, in the event that the Managing Director of Airports - executive director - wishes to carry out any of the exempted activities provided for in Article 19 of Law 53/1984, of 26 December, on Incompatibilities of personnel in the service of the Public Administrations, they must expressly declare this to the financial supervisor/shareholder and receive approval, in the form of a resolution of the Board of Directors of the Company, without prejudice to the need for authorisation from the Council of Ministers in the cases provided for in Article 8 of the aforementioned law.

There are no exclusivity, post-contractual non-compete and tenure or loyalty agreements.

- The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

Not applicable

- Other items of remuneration such as any deriving from the company's granting the director advances, loans or guarantees or any other remuneration.

Not applicable

- The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.

Not applicable

A.2 Explain any significant change in the remuneration policy applicable in the current year resulting from:

- A new policy or an amendment to the policy already approved by the General Meeting.

- Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.

- Proposals that the Board of Directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and for which it is proposed that they be applicable to the current year.

There isn't one, based on the explanation given in point A.1

A.3 Identify the direct link to the document containing the company's current remuneration policy, which must be available on the company's website.

There isn't one, based on the explanation given in point A.1

A.4 Explain, taking into account the data provided in Section B.4, how account has been taken of the voting of shareholders at the General Shareholders' Meeting to which the annual report on remuneration for the previous year was submitted on a consultative basis.

There isn't one, based on the explanation given in point A.1

B OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED

B.1 Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the Board of Directors and the identity and role of any external advisors whose services may have been used in the process of applying the remuneration policy in the year last ended.

As explained in section A of this Report, as a State-owned corporation, Aena is subject to the regulatory framework applicable to the remuneration model for senior managers and executives in public sector companies and also to provisions for remuneration in the corresponding General State Budget Acts.

For these purposes, the remuneration of the Directors, excluding expenses which may be reimbursed, is as follows:

a) Non-executive Directors receive a per diem for attendance at the Board meetings, up to a maximum of 11,994 euros per year, in compliance with the regulations mentioned above which lay down that the annual sum for each Director may in no case exceed such annual limit.

b) Aena Directors who also hold senior posts or are senior managers or executives in the public sector do not receive the per diem indicated in the section above as this amount related to the senior posts is deposited by Aena in the Public Treasury.

c) In 2020, Mr. Maurici Lucena Betriu, Mr. Angel Luis Arias Serrano, Mr. Ignacio Díaz Bidart, Ms. Angélica Martínez Ortega, and Mr. Francisco Javier Martín Ramiro until 29 October 2020, when he stepped down from his duties as a Director of Aena, have been considered as occupying senior posts and therefore their allowances are paid into the Public Treasury.

d) The Chairman-Chief Executive Officer, as described in section A of this Report, receives a fixed annual remuneration amounting to 111,709.56 euros (in 2019 values). He also receives a complementary remuneration, which includes an allowance for his position and a variable allowance, which cannot exceed the maximum percentage set for the group in which Aena is classified, which is Group 1, as indicated in section A1 above.

e) The Managing Director of Airports (Executive Director), as explained in section A of this Report, has received a fixed remuneration which, since his appointment as executive director on 29 October 2020, amounts to 15,780.24 euros (in 2019 values). He also receives a complementary remuneration, which includes an allowance for his position and a variable allowance, which cannot exceed the maximum percentage set for the group in which Aena is classified, which is Group 1, as indicated in section A1 above.

f) The salary review for 2020, set out in Royal Decree-Law 2/2020 of 21 January 2020, which consists of a 2% increase on the remuneration in force at 31 December 2019, is pending application.

B.2 Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and aligning it with the long-term objectives, values and interests of the company, including a reference to the measures adopted to ensure that the long-term results of the company have been taken into consideration in the remuneration accrued and that an appropriate balance has been attained between the fixed and variable components of the remuneration, the measures adopted in relation to those categories of personnel whose professional activities have a material effect on the company's risk profile and the measures in place to avoid any possible conflicts of interest.

Aena, as a State-owned company, is subject both to the regulatory framework applicable to the remuneration model for senior executives and managers in the public business sector, and to the provisions on remuneration in the corresponding General State Budget Acts, so there is no margin of discretion when it comes to setting specific actions regarding the remuneration of Directors.

B.3 Explain how the remuneration accruing and vested during the year complies with the provisions of the current remuneration policy.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, if applicable, how variations in the company's performance have influenced changes in directors' remuneration, including any accrued remuneration payment of which has been deferred, and how such remuneration contributes to the short- and long-term results of the company.

There isn't one, based on the explanation given in point A.1.

B.4 Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes against, if any:

	Number	% of total
Votes cast	127.767.501	100

	Number	% of votes cast
Votes against	1.632.329	1,278
Votes in favour	126.096.108	98,691
Abstentions	39.064	0,31

Remarks

B.5 Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined and how they changed with respect to the previous year

Not applicable, based on the explanation given in point A.1.

B.6 Explain how the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties were determined, and how they changed with respect to the previous year.

The only executive directors are the Chairman-Chief Executive Officer and the Managing Director of Airports (the latter since he was appointed as a director on 29 October 2020).

During the 2020 financial year, the position of Chairman-Chief Executive Officer has been held by Mr. Maurici Lucena Betriu. His remuneration accrued in this period has been:

Fixed remuneration:	Basic Remuneration:	111,709.56 euros
Supplementary remuneration:	Job allowance:	44,683.82 euros
	Variable allowance:	12,505.35 euros
Other items:	Life insurance premium:	81.84 euros
	Pension Plan:	889.96 euros

The only variation with respect to the previous year is the application of the 2.50% consolidated increase from July 2019, authorised by Royal Decree-Law 24/2018, of 21 December, approving urgent measures regarding remuneration in the public sector and by the Agreement of the Council of Ministers of 21 June 2019, as the 2020 salary review set out in Royal Decree-Law 2/2020, of 21 January 2020, approving urgent measures regarding remuneration in the public sector, is pending application.

The salary review for 2020, pending application, set out in Royal Decree-Law 2/2020 of 21 January 2020, consists of a 2% increase on the remuneration in force at 31 December 2019.

During 2020, the contributions for the financial years 2018 (according to the final paragraph of Article 18 Two of Law 6/2018, of 3 July, on the General State Budget for 2018) and 2019 (according to the final paragraph of Article 3 Two of Royal Decree-Law 24/2018, of 2 December, approving urgent measures regarding remuneration in the public sector) have also been made.

The contributions pending to be made, corresponding to 2020, consist of an additional increase of 0.30%, included in Royal Decree-Law 2/2020, of 21 January 2020, approving urgent measures in the area of remuneration in the public sector.

During the financial year 2020, the position of Managing Director of Airports (Executive Director since 29 October 2020) has been held by Mr. Francisco Javier Marín San Andrés and his remuneration accrued since his appointment as director has been as follows:

Fixed remuneration:	Basic Remuneration:	15,780.24 euros
Supplementary remuneration:	Job allowance:	3,748.55 euros
	Variable allowance:	4,490.95 euros
Other items:	Life insurance premium:	58.65 euros
	In-kind per vehicle and fuel:	651.70 euros

These salaries are pending the application of the 2020 salary review, set out in Royal Decree-Law 2/2020 of 21 January 2020, which approves urgent measures in the area of remuneration in the public sector.
The salary review for 2020, pending application, set out in Royal Decree-Law 2/2020 of 21 January 2020, consists of a 2% increase on the remuneration in force at 31 December 2019.
The contributions pending to be made, corresponding to 2020, consist of an additional increase of 0.30%, included in Royal Decree-Law 2/2020, of 21 January 2020, approving urgent measures in the area of remuneration in the public sector.

B.7 Explain the nature and the main characteristics of the variable components of the remuneration systems accrued and vested in the year last ended.

In particular:

- Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

- In the case of share options and other financial instruments, the general characteristics of each plan must include information on the conditions both for acquiring unconditional ownership (vesting) of these options or financial instruments and for exercising them, including the exercise price and period.

- Each director that is a beneficiary of remunerations systems or plans that include variable remuneration, and his or her category (executive director, external proprietary director, external independent director or other external director).

- Information is to be provided on any periods for accrual, vesting or deferment of payment of vested amounts applied and/or the periods for retention/unavailability of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration systems

Article 7 of Royal Decree 451/2012, of 5 March, regulating the remuneration system for senior managers and executives in the public business sector and other entities, establishes the assignment by whoever exercises financial control or supervision, by the shareholder or, failing that, by the Ministry for the entities included in its scope of application, of the supplement for the post and the variable remuneration supplement for their senior managers and executives.

Only executive directors receive variable remuneration (due to their status as executives of the Company) and, taking into account the criteria contained in said article and the limits established by the Order of 12 April 2012 of the Ministry of Finance and Public Administrations approving the classification of Public Business Entities and other public law entities, in accordance with the aforementioned Royal Decree 451/2012, the Ministry of Public Works resolved to set the amount of the variable supplement of the Chairman-Chief Executive Officer, which amounts to 12,505.35 euros and of the Managing Director of Airports, which, from the date of his appointment as executive director, amounts to 4,490.95 euros. The application of the 2020 salary review, as set out in Royal Decree-Law 2/2020 of 21 January 2020, which approves urgent measures regarding remuneration in the public sector, is pending.

The salary review for 2020, pending application, set out in Royal Decree-Law 2/2020 of 21 January 2020, consists of a 2% increase on the remuneration in force at 31 December 2019.

The objectives set for the year 2020 for the receipt of variable remuneration have been included in section A1 of this Report, the degree of achievement of each of them in 2020 being as follows:

i. COVID-19 operational expenditure reduction plan: Achieve the planned average monthly savings level with respect to the 2020 Operational Plan. It has been achieved by 102.91%, which weighted by 25%, gives a result of 28.64%.
ii. COVID-19 Investment Reduction Plan: Achieve the reduction in terms of certification with respect to the 2020 Operational Plan. It has been achieved by 112.59%, which weighted by 25%, gives a result of 30%.
iii. Availability of liquidity: Achieve sufficient level of funding. It has been achieved by 100%, which weighted by 15%, gives a result of 15%.
iv. Financing: Comply with debt covenants or, in the event of default, obtain sufficient waivers to ensure business continuity. It has been achieved by 100%, which weighted by 15%, gives a result of 15%.

v. Operational Recovery Plan Phase 1: Comply with the milestones established in the Operational Recovery Plan. It has been achieved by 100%, which weighted by 20%, gives a result of 20%.

The evaluation relates to the financial year 2020, from January 1 to December 31, however, it is necessary to remain at least four months (4) performing the position, in order to be evaluable.

As regards the methods for verifying that the performance conditions have been effectively satisfied to be able to say that the target has been met, the Economic-Financial Department has verified that the targets have been met in the following way:

- Quantitative targets, Target 1. Operating Expense Reduction Plan and Target 2. Investment Reduction Plan with the financial information available in the Company's systems.

- Target 3. Availability of Liquidity, financing was obtained (between March and May 2020).

- Target 4. Financing, to comply with debt covenants or, in the event of default, to obtain sufficient waivers to guarantee business continuity. Attached is a link to the relevant fact of the CNMV where the formal announcement is made.

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    - Link to the CNMV website (press release of 3/12/2020): https://www.cnmv.es/Portal/Otra-Informacion-Relevante/Resultado-OIR.aspx?nif=A86212420

- Target 5. Operational Recovery Plan Phase 1, has been broken down into four different milestones that summarise all the measures implemented in the aeronautical and commercial field.

The degree of achievement of the company's objectives (which constitute the Chairman-Chief Executive Officer's personal targets) was 108.64%, although, as explained above, the maximum overall attainment of the objectives set may not exceed 100% and, therefore, may not exceed the monetary amount established in the applicable regulations, where the annual variable remuneration is paid in full in cash.

The calculation of the amount of the variable remuneration will consider the degree of compliance and weighting of each of the targets and will apply the standards and internal procedures for evaluation of targets established by the Company for its executives. At the end of the year, the degree of achievement will be determined.

The amount to be received as variable supplement accrued during the financial year by the Executive Directors is paid in two parts: 80% of the amount due is paid in December of the financial year and the remaining 20% is paid in March of the following year once the final year-end data have been obtained.

Explain the long-term variable components of the remuneration systems

There are none

B.8 Indicate whether certain variable components have been reduced or clawed back when, in the former case, payment of non-vested amounts has been deferred or, in the latter case, they have vested and been paid, on the basis of data that have subsequently been clearly shown to be inaccurate. Describe the amounts reduced or clawed back through the application of the "malus" (reduction) or clawback clauses, why they were implemented and the years to which they refer.

This situation has not occurred.

B.9 Explain the main characteristics of the long-term savings schemes where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefit, whether financed in whole or in part by the company or through internal or external contributions, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies covered, the conditions on which the economic rights vest in favour of the directors and their compatibility with any type of indemnification for early termination or cessation of the contractual relationship between the company and the director.

The Executive Directors are the only Directors taking part in the Joint Promotion Pension Plan for Entities in the Aena Group.

The Joint Promotion Pension Plan for Entities in the Aena Group was set up with an open-ended duration on 27 December 2001 and is a social insurance scheme which is private, voluntary and independent of the public social security system. The nature of its members means it is an employment scheme due to the stipulated defined contribution obligations.

This Plan covers the following contingencies:

a) Retirement of the participant or participant on hold.
b) Total permanent disability for the usual profession, absolute disability for any work and great disability of the participant or participant on hold. These situations may be considered so if recognised and declared by the National Institute of Social Security or competent body or, where appropriate, by the competent Jurisdictional Body.
c) Death of the participant, participant on hold or beneficiary.

Being a participant in the Plan is compatible with other types of compensation for early termination or termination of the contractual relationship between the company and the Director.

The consolidated rights of the participant will include the part of the capitalisation fund that corresponds to him/her based on the contributions, as well as the benefits generated by the resources invested, taking care, as the case may be, of the losses, costs and expenses that may have occurred. In this sense, the contribution made by the company will be governed by what is indicated in the General State Budgets Act in force each year.

During 2020, the contributions for the financial years 2018 (according to the final paragraph of Article 18 Two of Law 6/2018, of 3 July, on the General State Budget for 2018) and 2019 (according to the final paragraph of Article 3 Two of Royal Decree-Law 24/2018, of 2 December, approving urgent measures regarding remuneration in the public sector) have been made for the Chairman-Chief Executive Officer. They amount to 889.96 euros.

The contributions made during 2020 for the Managing Director of Airports (executive director since 29 October 2020) relate to the financial years 2018 and 2019, before he was appointed as a Director.

The contributions pending to be made, corresponding to 2020, consist of an additional increase of 0.30%, included in Royal Decree-Law 2/2020, of 21 January 2020, approving urgent measures in the area of remuneration in the public sector.

B.10 Explain, where applicable, the indemnification or any other type of payment deriving from the early cessation, whether at the company's or the director's initiative, or from the termination of the contract in the terms provided therein, accrued and/or received by directors during the year last ended.

The only case in which this type of payment might be made would be in the event of termination of the Executive Directors' contract.

The duration of the Executive Directors' contracts is open-ended and no financial compensation is provided for in the event of termination of the contractual relationship with the Company when such termination is the result of the Directors' non-compliance with their obligations.

In the case of the Chairman-Chief Executive Officer's contract being terminated by the Company in the absence of any of the following causes: unfair conduct or conduct seriously prejudicial to the interests of the Company or meaning non-compliance with their obligations, and when the contract is ended by the Director's unilateral decision as a consequence of serious contractual non-compliance with its obligations by the Company, the Chairman-Chief Executive Officer, as he is not a national, regional or local public sector official or employee, will have the right to a severance package equivalent to seven days' of his annual cash salary per year of service, with the limit of six months' remuneration.
In case of termination by mutual agreement between the parties or due to resignation by the Chairman-Chief Executive Officer without serious breach of contract by the Company, they will not be entitled to any compensation.

The period of notice envisaged in the contract is 15 calendar days for both the Company and the Chairman-Chief Executive Officer. In the event of failure to comply with this period, there is an obligation of compensation in a sum equivalent to the remuneration corresponding to the period of notice not observed.

With regard to the system of exclusivity, the Chairman-Chief Executive Officer is subject to application of Article 13 of Law 3/2015, of 30 March, regulating the exercise of senior posts in Spanish Government organisations, according to which he must have the authorisation of the Council of Ministers to be the Chairman of the companies referred to in Article 13.2 of that Law.

There are no exclusivity, post-contractual non-compete and tenure or loyalty agreements.

The duration of the Managing Director of Airports' (Executive Director) contract is open-ended and no financial compensation is provided for in the event of termination of the contractual relationship with the Company when such termination is the result of the Director's non-compliance with their obligations.

If the Company were to terminate the contract of the Managing Director of Airports (executive director) in the absence of any of the following causes: unfair conduct or conduct which seriously damages the Company's interests or implying non-compliance with their obligations, and when the contract is ended by the Director's unilateral decision as a consequence of serious contractual non-compliance by the Company of its obligations, the director, as he/she is an employee of a state public sector company with a reserved position, will not be entitled to any severance package whatsoever, except for that for failure to give advance notice.

In case of termination by mutual agreement between the parties or due to resignation by the Managing Director of Airports (executive director) without serious breach of contract by the Company, they will not be entitled to any compensation.

The notice period provided for in the contract is 15 calendar days for the Company and 3 months for the Director (executive director). In the event of failure to comply with this period, there is an obligation of compensation in a sum equivalent to the remuneration corresponding to the period of notice not observed.

With regard to the exclusivity regime, in the event that the Managing Director of Airports - executive director - wishes to carry out any of the exempted activities provided for in Article 19 of Law 53/1984, of 26 December, on Incompatibilities of personnel in the service of the Public Administrations, they must expressly declare this to the financial supervisor/shareholder and receive approval, in the form of a resolution of the Board of Directors of the Company, without prejudice to the need for authorisation from the Council of Ministers in the cases provided for in Article 8 of the aforementioned law.

There are no exclusivity, post-contractual non-compete and tenure or loyalty agreements.

B.11 Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, if so, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

There have been no changes in the contracts of the people who perform senior management roles as Executive Directors.

B.12 Explain any supplementary remuneration accrued by directors in consideration of the provision of services other than those inherent in their position.

Not applicable.

B.13 Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, their key characteristics and any amounts returned, as well as the obligations assumed on their behalf by way of guarantee.

Not applicable.

B.14 Itemise the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the various salary components.

Executive Directors are the beneficiaries of the group life and accident insurance and health insurance policies that are taken out for all employees of the company, which do not, however, apply to the other Directors.

These policies are imputed as remuneration in kind. In the case of the Life and Accident Insurance Policy, the whole of the premium is considered as payment in kind and, in the case of the Health Insurance, the sum which exceeds 500 euros annually is considered as payment in kind, a sum which in 2020 has not been surpassed.

The Life and Accident Insurance premium accrued during 2020 by the holder who has held the position of Chairman-Chief Executive Officer, Mr. Maurici Lucena Betriu, amounts to 81.84 euros and the Life and Accident Insurance premium accrued, since his appointment as Executive Director on 29 October 2020, by the holder who has held the position of Managing Director of Airports, Mr. Francisco Javier Marín San Andrés, amounts to 58.65 euros.

The Managing Director of Airports, Mr. Francisco Javier Marín San Andrés, is also imputed remuneration in kind for the use of a company vehicle and fuel allowance which, for the period since his appointment as executive director, amounts to 651.70 euros.

B.15 Explain the remuneration accrued by any director by virtue of payments made by the listed company to a third company in which the director provides services when these payments seek to remunerate the director's services to the company.

Not applicable

B.16 Explain any item of remuneration other than the foregoing, whatever its nature or the group company paying it, especially when this is considered a related party transaction or its settlement distort the true and fair picture of the total remuneration accrued by the director.

Not applicable

C ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual in year n
LUCENA BETRIU, MAURICI	Executive	From 01/01/2020 to 31/12/2020
ARIAS SERRANO, ANGEL LUIS	Proprietary	From 01/01/2020 to 31/12/2020
ARRANZ NOTARIO, PILAR	Proprietary	From 01/01/2020 to 31/12/2020
BARDÓN FERNÁNDEZ-PACHECO, MARTA	Proprietary	From 01/01/2020 to 31/12/2020
BONET FERRER, JOSÉ LUIS	Independent	From 01/01/2020 to 29/10/2020
CANO PIQUERO, IRENE	Independent	From 29/10/2020 to 31/12/2020
DÍAZ BIDART, JUAN IGNACIO	Proprietary	From 01/01/2020 to 31/12/2020
DURÁN I LLEIDA, JOSEP ANTONI	Independent	From 01/01/2020 to 31/12/2020
FERRER MORENO, FRANCISCO	Proprietary	From 01/01/2020 to 31/12/2020
HEREU BOHER, JORDI	Independent	From 01/01/2020 to 22/12/2020
IGLESIAS HERRAIZ, LETICIA	Independent	From 01/01/2020 to 31/12/2020
LÓPEZ SEIJAS, AMANCIO	Independent	From 01/01/2020 to 31/12/2020

MARÍN SAN ANDRÉS, FRANCISCO JAVIER	Independent	From 29/10/2020 to 31/12/2020
MARTÍN RAMIRO, FRANCISCO JAVIER	Proprietary	From 01/01/2020 to 29/10/2020
MARTÍNEZ ORTEGA, ANGÉLICA	Proprietary	From 01/01/2020 to 31/12/2020
RÍO CORTÉS, JUAN	Independent	From 22/12/2020 to 31/12/2020
TCI ADVISORY SERVICES LLP	Proprietary	From 01/01/2020 to 31/12/2020
TERCEIRO LOMBA, JAIME	Independent	From 01/01/2020 to 31/12/2020

C.1 Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Per diem allowances	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification (1)	Other ítems (2)	Total year (2020)	Total year (2019)
LUCENA BETRIU, MAURICI		0		156	13				169	168
ARIAS SERRANO, ANGEL LUIS		0							0	0
PILAR ARRANZ NOTARIO		12							12	12
BARDÓN FERNÁNDEZ -PACHECO,		12							12	12
BONET FERRER, JOSÉ LUIS		11							11	11
CANO PIQUERO, IRENE		1.1							1.1	0
DÍAZ BIDART, JUAN IGNACIO		0							0	0
DURÁN I LLEIDA, JOSEP ANTONI		12							12	12
FERRER MORENO, FRANCISCO		12							12	12
HEREU BOHER, JORDI		12							12	9

IGLESIAS HERRAIZ, LETICIA		12							12	8
LÓPEZ SEIJAS, AMANCIO		12							12	12
MARÍN SAN ANDRÉS, FRANCISCO JAVIER		0		20	4				24	0
MARTIN RAMIRO, FRANCISCO JAVIER		0							0	0
MARTÍNEZ ORTEGA, ANGÉLICA		0							0	0
RÍO CORTÉS, JUAN		0							0	0
TCI ADVISORY SERVICES LLP		12							12	9
TERCEIRO LOMBA, JAIME		12							12	12

Remarks
The per diems accrued in 2020 by Mr. Maurici Lucena Betriu, Mr. Angel Luis Arias Serrano, Mr. Ignacio Díaz Bidart, Ms. Angélica Martínez Ortega and Mr. Francisco Javier Martín Ramiro until 29 October 2020 (when he stepped down from his duties as a Director of Aena) have not been taken into account for the purposes of completing this section, since they have been paid directly to the Treasury, given that these Directors are considered to be senior executives as indicated in section A1. Likewise, Mr. Francisco Javier Marín San Andrés, executive director of the Company since 29 October 2020, does not receive the allowance for attendance to the Board of Directors as he is the Managing Director of Airports, subject to Royal Decree 451/2012, of 5 March, which regulates the remuneration system for senior managers and executives in the public business sector and other entities. Article 8.1 of the Decree sets out the incompatibility of this salary remuneration with the receipt of indemnities provided for in Article 27.1.a) of RD 462/2002, of 24 May, on indemnities for reasons of service, which regulates the payment for attendance at meetings of the Board of Directors.

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of plan	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / vested shares	Price of vested shares	Gross profit from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
Director 1	Plan 1											
	Plan 2											

Remarks

iii) Long-term savings schemes

	Remuneration from vesting of rights to savings schemes
LUCENA BETRIU, MAURICI	1 (M €)

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Year 2020		Year n-1	
	Year 2020	Year n-1	Year n	Year n-1	Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights
LUCENA BETRIU, MAURICI	1				1			

Remarks

iv) Details of other items

Name	Item	Amount of remuneration
Director 1		

Remarks

b) Remuneration of company directors for seats on the boards of other group companies:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Per diem allowances	Remuneration for membership of board	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year n	Total year n-1

			commit tees								
Director 1											
Director 2											

Remarks

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of plan	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / vested shares	Price of vested shares	Gross profit from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
Director 1	Plan 1											
	Plan 2											

Remarks

iii) Long-term savings schemes

	Remuneration from vesting of rights to savings schemes
Director 1	

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Year n		Year n-1	
	Year n	Year n-1	Year n	Year n-1	Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights
Director 1								

Remarks

iv) Details of other items

Name	Item	Amount of remuneration
Director 1		

Remarks

c) Summary of remuneration (thousands of euros):

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

	Retribución devengada en la Sociedad					Remuneration accruing in group companies				
Name	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration from savings schemes	Other items of remuneration (1)	Total in year 2020 company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration from savings schemes	Other items of remuneration	Total in year n. group
LUCENA BETRIU, MAURICI	169		1		170					
ARIAS SERRANO, ANGEL LUIS	0				0					
PILAR ARRANZ NOTARIO	12				12					
BARDÓN FERNÁNDEZ-PACHECO, MARTA	12				12					
BONET FERRER, JOSÉ LUIS	11				11					
CANO PIQUERO, IRENE	1				1					
DÍAZ BIDART, JUAN IGNACIO	0				0					
DURÁN I LLEIDA, JOSEP ANTONI	12				12					
FERRER MORENO, FRANCISCO	12				12					
HEREU BOHER, JORDI	12				12					
IGLESIAS HERRAIZ, LETICIA	12				12					

LÓPEZ SEIJAS, AMANCIO	12				12					
MARÍN SAN ANDRÉS, FRANCISCO JAVIER	24			1	25					
MARTIN RAMIRO, FRANCISCO JAVIER	0				0					
MARTÍNEZ ORTEGA, ANGÉLICA	0				0					
RÍO CORTÉS, JUAN	0				0					
TCI ADVISORY SERVICES LLP	12				12					
TERCEIRO LOMBA, JAIME	12				12					
Total:	313				315					

Notes: (1) Remuneration in kind in thousands of euros.

D OTHER INFORMATION OF INTEREST

If there are any significant issues relating to directors' remuneration that it has not been possible to include in the foregoing sections of this report, but which it is necessary to include in order to provide more comprehensive and reasoned information on the remuneration structure and practices of the company with regard to its directors, list them briefly.

This annual remuneration report was approved by the Board of Directors of the company in its meeting of 23 february 2021.

Indicate whether any director voted against or abstained from approving this report.

Yes ☐ No X

Name or company name of any member of the Board of Directors not voting in favour of the approval of this report	Reasons (against, abstention, non attendance)	Explain the reasons

AENA S.M.E., S.A.

Independent Reasonable Assurance Report on the System of Internal Control over Financial Reporting of Aena S.M.E., S.A. and Subsidiaries at 31 December 2020

KPMG Auditores, S.L.
Paseo de la Castellana, 259C

28046 Madrid

Independent Reasonable Assurance Report on the System of Internal Control over Financial Reporting of Aena S.M.E., S.A. and Subsidiaries at 31 December 2020

To the Directors of Aena, S.M.E., S.A.

Further to your request, and in accordance with our engagement letter dated 26 May 2020, we have examined the information concerning the Internal Control over Financial Reporting (ICOFR) system of Aena, S.M.E., S.A. (Parent company) and subsidiaries (the Aena consolidated Group or the Group) described in note F of the accompanying Annual Corporate Governance Report at 31 December 2020. This system is based on the criteria established in the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission.

An entity's ICOFR is designed to provide reasonable assurance that its annual financial reporting complies with the applicable financial reporting framework. It includes policies and procedures that (i) pertain to the existence and maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and assets of the Group; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Group's consolidated annual accounts in accordance with the applicable financial reporting framework; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposal of the Group's assets that could have a material effect on the consolidated annual accounts. In this respect it should be borne in mind that, irrespective of the quality of the design and operation of the internal control system adopted in relation to annual financial reporting, the system may only provide reasonable, but not absolute assurance in relation to the objectives pursued, due to the limitations inherent in any internal control system.

Directors' and management's responsibilities

The Board of Directors of the Parent and Senior Management of the Group are responsible for adopting appropriate measures to reasonably ensure the implementation, maintenance and oversight of an adequate ICOFR system, evaluating its effectiveness and developing improvements to that system, and defining the content of and preparing the accompanying information concerning the ICOFR system.

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N.I.F. B-78510153

Our responsibility

Our responsibility is to express an opinion on the effectiveness of the Group's ICOFR system based on our examination, as well as on the preparation of the disclosures contained in the general information concerning the ICOFR system included in note F of the Group's Annual Corporate Governance Report at 31 December 2020.

We conducted our examination in accordance with ISAE 3000 (Revised) (International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) for the issue of reasonable assurance reports. This standard requires that we plan and perform our work to obtain reasonable assurance about whether the Group maintains, in all material respects, effective ICOFR. Our work included obtaining an understanding of the Group's ICOFR system, testing and evaluating the design and operating effectiveness of that system, and performing such other procedures as were considered necessary in the circumstances. We consider that our assessment provides a reasonable basis for our opinion.

We apply International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Inherent limitations

Due to the limitations inherent in any internal control system, there is always a possibility that the ICOFR system may not prevent or detect misstatements or irregularities that may arise as a result of errors of judgement, human error, fraud or misconduct. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Conclusion

In our opinion, the Group maintains, in all material respects, effective ICOFR at 31 December 2020, in accordance with the criteria established in the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Furthermore, the disclosures contained in the information concerning the ICOFR system included in note F of the Group's Annual Corporate Governance Report at 31 December 2020 have been prepared, in all material respects, in accordance with the requirements set forth in article 540 of the Revised Spanish Companies Act and in Spanish National Securities Market Commission (CNMV) Circular 5/2013 of 12 June 2013, subsequently amended by CNMV Circular 7/2015 of 22 December 2015, CNMV Circular 2/2018 of 12 June 2018 and Circular 1/2020 of 6 October 2020 with respect to the description of the ICOFR system in Annual Corporate Governance Reports.

Other matters

Our examination did not constitute an audit of accounts and is not subject to the legislation regulating the audit of accounts in Spain. As such, in this report we do not express an audit opinion on the accounts under the terms provided in the above-mentioned legislation. However, on 23 February 2021 we issued our unqualified audit report on the consolidated annual accounts of the Group for 2020, in accordance with the legislation regulating the audit of accounts in Spain.

KPMG Auditores, S.L.

(Signed on the original in Spanish)

Jesús Jiménez Ruiz

23 February 2021

Statutory declaration concerning the consolidated financial statements of Aena, S.M.E., S.A. for the fiscal year 2020

In compliance with the provisions of Section 8.1. b) of Royal Decree 1362/2007, of 19 October, implementing the Securities Market Law 24/1988, of 28 July, the members of the board of directors of Aena, S.M.E., S.A. (the "Company") sign this statutory declaration concerning the content of the individual and consolidated financial statements and director's reports of the Company for the fiscal year ended 31 December 2020 which were formulated by the Board of Directors at its meeting on 23 February 2021, and by which the state that to the best of their knowledge the financial statements prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and its consolidated group, and that the directors' reports include a fair review of the development and performance of the business and the position of the Company and its consolidated group, together with a description of the principal risks and uncertainties that they face, including in directors' reports of the Company, the Non-Financial Information Statement.

The aforementioned consolidated Financial Statements and the Consolidated Directors' Report are included into the file with the following hash code: 541d899deac917ee1def3b3b16b08286ac6b7179280c25734c1aa60111d40302fd6817ed01a253f656a7c88f714a6571053150f760b37af1d09804cca2d00da1.

In Madrid, on 23 February 2021.

Cargo	**Nombre**	**Firma**
Chairman	Mr. Maurici Lucena Betriu	
Director	Mrs. Pilar Arranz Notario[1]	
Director	Mr. Ángel Luis Arias Serrano[2]	
Director	Mrs. Marta Bardón Fernández-Pacheco,	
Director	Mrs. Irene Cano Piquero	

[1] Mrs. Pilar Arranz Notario has formulated these annual accounts attending the meeting by conference call. Because of Mrs. Pilar Arranz Notario is not present at the time of signature of the accounts she delegates the signature to Mr. Francisco Ferrer Moreno.

[2] Mr. Angel Luis Arias Serrano has formulated these annual accounts attending the meeting by conference call. Because of Mr. Angel Luis Arias Serrano is not present at the time of signature of the accounts she delegates the signature to Mr. Francisco Ferrer Moreno.

Director	Mr. Juan Ignacio Díaz Bidart[3]	
Director	Mr. Josep Antoni Durán i Lleida	
Director	Mr. Francisco Ferrer Moreno	
Director	Mrs. Leticia Iglesias Herraiz	
Director	Mr. Amancio López Seijas	
Director	Mr. Francisco Javier Marín San Andrés	
Director	Mrs. Angélica Martínez Ortega	
Director	Mr. Juan Río Cortés[4]	
Director	TCI Advisory Services LLP (D. Christopher Anthony Hohn)[5]	
Director	Mr. Jaime Terceiro Lomba	

[3] Mr. Juan Ignacio Díaz Bidart has formulated these annual accounts attending the meeting by conference call. Because of Mr. Juan Ignacio Díaz Bidart is not present at the time of signature of the accounts she delegates the signature to Mrs. Angélica Martínez Ortega.

[4] Mr. Juan Río Cortés has formulated these annual accounts attending the meeting by conference call. Because of Mr. Juan Río Cortés is not present at the time of signature of the accounts she delegates the signature to Mr. Jaime Terceiro Lomba.

[5] Mr. Christopher Anthony Hohn has formulated these annual accounts attending the meeting by conference call. Because of Mr. Christopher Anthony Hohn is not present at the time of signature of the accounts she delegates the signature to Mr. Jaime Terceiro Lomba.