



# AÉROPORTS DE PARIS MANAGEMENT REPORT 2018 FINANCIAL YEAR

Aéroports de Paris

A French public limited company ("Société Anonyme") with a share capital of €296,881,806

Registered office: 1, rue de France

3290 Tremblay-en-France

R.C.S. (Corporate and Trade Register) Bobigny 552 016 628

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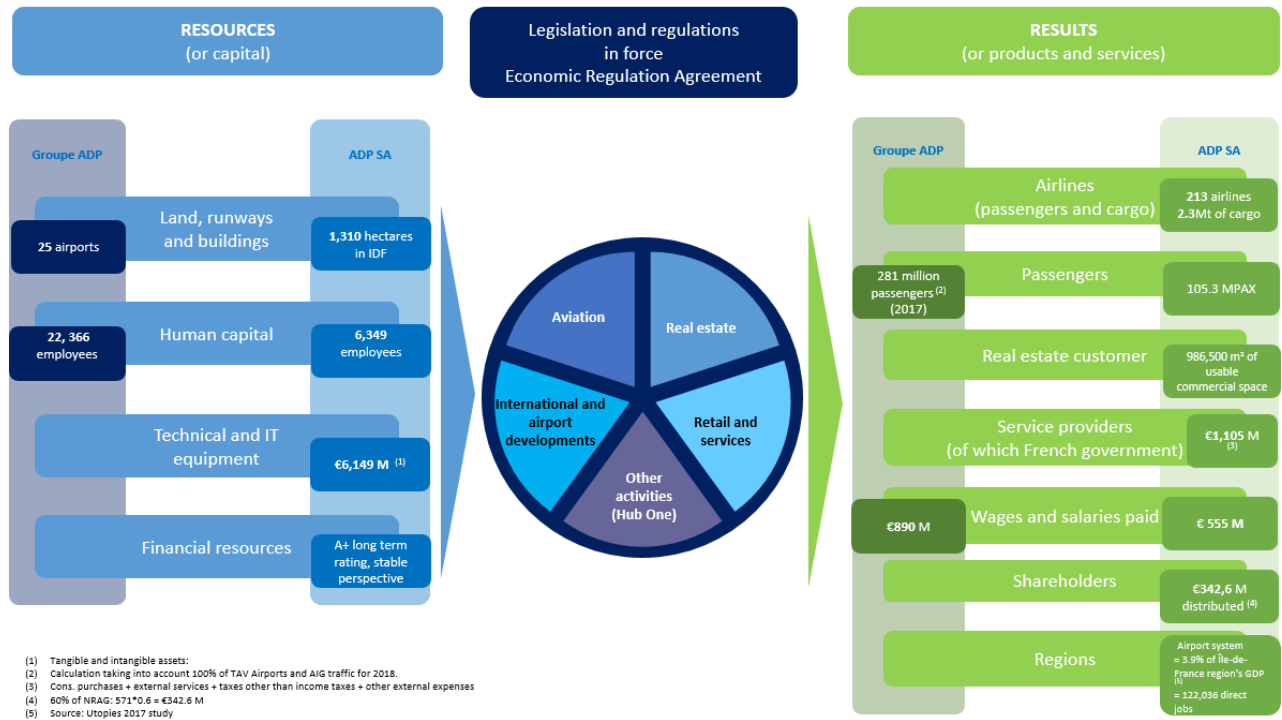
This management report includes Aéroports de Paris' management report for the 2018 financial year.

In this management report, the terms "Aéroports de Paris" and "the Company" both refer to the company Aéroports de Paris SA. The term "group" refers to the group of companies formed by the Company and all of its subsidiaries and associates included in the scope of consolidation during the financial year just ended.

The "Groupe ADP" brand speaks on behalf of all the activities in France and internationally. It carries the relations with the public authorities, shareholders and financial markets, as well as partners. Internally, it is the common foundation for belonging for all employees that it brings together around a corporate project.

The "Paris Aéroport" brand endorses the following elements: the sites and applications dedicated to travellers, the content, the free and paying services, the promotion of the Parisian hub, marketing communications, general public events within and outside of the sites.

# 1 BUSINESS MODEL



Groupe ADP carries out the principal businesses in the airport value chain – financing, designing and operating infrastructure – for a network of 25 airports receiving almost 281 million passengers<sup>1</sup> in 13 countries (in Europe, Asia, Africa and South America). It is among the largest airport groups worldwide thanks, in particular, to its strategic partnership initiated in 2012 with TAV Airports, which manages 14 airports located mainly in Europe and the Middle East and in which it has had a 46.12% stake since 2017. In April 2018, it also took control of Airport International Group (AIG), the concessionary of Queen Alia International Airport in Amman, Jordan. Groupe ADP conducts its business in a competitive environment in which both major hub airports and large regional airports operate.

As an airport operator, its role is to optimise the handling of intersecting flows of aircraft, passengers, baggage, cargo activity and aircraft supplies. It offers passengers, airlines, cargo and postal operators and companies operating at the airports, the appropriate infrastructure and facilities according to their needs.

Groupe ADP is attentive to its societal responsibility and is the interface with all of its stakeholders: passengers, airlines, tenants of the facilities, French government departments, suppliers, employees, shareholders, investors, the media, local elected officials, regions where it operates, etc.

**Groupe ADP's business activities are divided into five segments:** aviation, retail and services, real estate, international and airport developments and others.

- The "aviation activities" segment includes all of the business activities carried out by Aéroports de Paris as the operator of the three main airports in the Paris region: Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget. The fees, investments and quality of service associated with these activities fall within the framework of the Economic Regulation Agreement concluded between the French government and Aéroports de Paris (see below).
- The "retail and services" segment includes all of the retail activities of Aéroports de Paris (notably shops, bars and restaurants, car parks, rentals within terminals), as well as advertising and catering activities. The strategy relating to retail activity in Paris is based mainly on its marketing positioning as "the ultimate Parisian shopping and dining experience", and a franchise business model.
- The "real estate" segment includes real estate activity outside of the terminals, which is structured into airport real estate and diversified real estate. It has strong growth potential in Paris because of the land reserves available at the

<sup>1</sup> Calculation taking into account 100% of TAV Airports and AIG traffic for 2018

airports or upon reversion. Aéroports de Paris has a number of activities in this area: as a real estate owner and land developer, as a developer and investor and as an asset manager and lease manager. This business area has a varied customer base including airlines and cargo and postal service operators, hotels and the tenants of offices and warehouses.

- The "International and airport developments" segment consists of the businesses within Aéroports de Paris' subsidiaries and holdings that operate airport management and engineering activities: ADP International, ADP Ingénierie, the holdings in Schiphol Group, TAV Airports and AIG (Airport International Group).
- The "other activities" segment covers the activities performed by the Aéroports de Paris subsidiary, Hub One, which operates Telecoms and Mobility services.

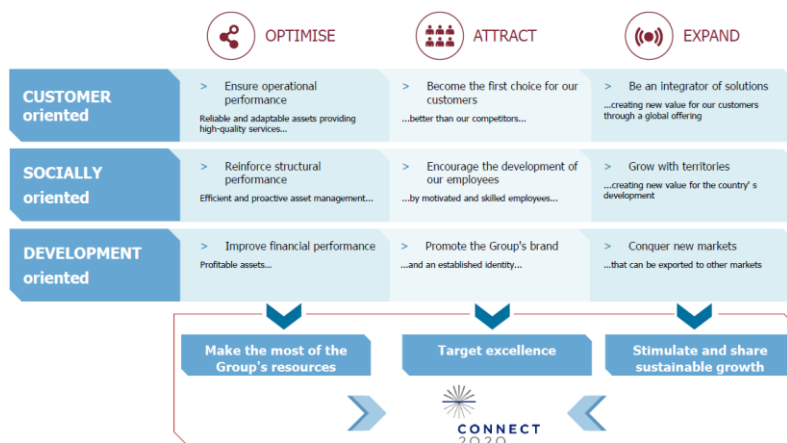
### The Economic Regulation Agreement

Aéroports de Paris carries out its activities within the legal framework of decree no. 2005-828 of 20 July 2005 relating to Aéroports de Paris SA pursuant to law no. 2005-357 of 20 April 2005 related to airports. The Company is subject to specifications that set out its specific public service obligations. These missions fall within the scope of the Economic Regulation Agreement (ERA), in line with articles L.6325-2 of the French Transport Code and R.224-4 of the French Civil Aviation Code. The ERA 2016-2020 was signed with the government authorities on 31 August 2015.

Aviation and some non-aviation activities such as car parks, airport real estate and industry services revenue comprise the so-called "regulated" scope that is subject to the ERA concluded between the French government and Aéroports de Paris. The 2016-2020 ERA defines a limit on increases in the prices of the main aviation fees and auxiliary fees (excluding the fee for PRM assistance<sup>2</sup>) over the period in question, determines investment commitments (capacity, refurbishment, access, etc.) and sets quality of service targets together with the related financial incentive regime. Prices for non-aviation activities in the regulated scope continue to be set freely in accordance with a market approach.

### The 2016-2020 strategic plan

The Connect 2020 strategic plan developed in conjunction with and for the same period as the 2016-2020 ERA in order to be consistent, covers all of Groupe ADP's activities and sets its principal objectives. It is based on three major priorities: to optimise, by making the best use of resources; to attract by targeting excellence; and to expand by stimulating and sharing sustainable growth. It is structured around annual road maps that list the performance indicators established at Group level.



<sup>2</sup> Persons with disabilities or impaired mobility

## 2 HIGHLIGHTS OF THE PERIOD

### Change in passenger traffic

#### ◆ Group stake-weighted traffic<sup>1</sup>

Group traffic (million passengers)	Groupe ADP stake(1)	Stake-weighted traffic(2)	2018 / 2017 change(3)	
<b>Groupe ADP</b>	Paris Aéroport (CDG+ORY)	@ 100%	105.3	+3.8%
	Zagreb	@ 20.8%	0.7	+7.9%
	Jeddah-Hajj	@ 5%	0.4	-8.8%
	Amman	@ 100%	8.4	+6.4%
	Mauritius	@ 10%	0.4	+3.5%
	Conakry	@ 29%	0.2	+7.9%
	Santiago de Chile	@ 45%	10.5	+8.8%
	Madagascar	@ 35%	0.4	+13.8%
<b>TAV Airports Group</b>	Istanbul Atatürk	@ 46.1%	68.0 (@ 100 %)	+6.0%
	Antalya	@ 46.1%	31.6 (@ 100 %)	+22.0%
	Ankara Esenboga	@ 46.1%	16.7 (@ 100 %)	+5.8%
	Izmir	@ 46.1%	13.4 (@ 100 %)	+4.7%
	Other airports <sup>(4)</sup>	@ 46.1%	26.1 (@ 100 %)	+15.6%
<b>TOTAL GROUP</b>		<b>281.4</b>	<b>+7.6%</b>	

(1) Direct or indirect

(2) Total traffic is calculated using the following method: traffic at the airports that are fully integrated is recognised at 100%, while the traffic from the other airports is accounted for pro rata to Groupe ADP's percentage holding. Traffic in TAV Airports' airports is taken into account at 100% in accordance with TAV Airports' financial communication practices.

(3) Change in 2018 traffic as compared to 2017. For TAV Airports, change in traffic in 2018 vs 2017 is calculated on a comparable basis (as if TAV Airports was fully consolidated in H1 2017) and includes traffic on Antalya Airports, in which TAV Airports took a stake in May 2018.

(4) Turkey (Milas-Bodrum), Croatia (Zagreb), Saudi Arabia (Medinah), Tunisia (Monastir & Enfidha), Georgia (Tbilissi & Batumi), and Macedonia (Skopje & Ohrid).

#### ◆ Paris Aéroport traffic

Paris Aéroport handled a total of 105.3 million passengers in 2018, an increase of 3.8% compared to the previous year. Paris-Charles de Gaulle Airport welcomed 72.2 million passengers (+4.0%) and Paris-Orly Airport 33.1 million (+3.4%). Excluding the impact of the first semester strikes, the increase in traffic for Paris Aéroport would have been +4.5%. Traffic increased by 3.0% over the 1<sup>st</sup> half of the year and by 4.5% over the 2<sup>nd</sup> half.

- International traffic (excluding Europe) was up (+6.0%), with a growth in the following destinations: North America (+8.7%), the French Overseas Territories (+8.6%), the Middle East (+5.8%), Asia-Pacific (+5.8%), Africa (+4.2%) and Latin America (+1.2%);
- European traffic (excluding France) was up (+3.8%);
- Traffic within France was down (-1.7%);

Geographic split Paris Aéroport	2018 / 2017 change(3)	Share of total traffic
France	-1.7%	15.4%
Europe	+3.8%	43.8%
Other International	+6.0%	40.8%
Of which		
Africa	+4.2%	11.4%
North America	+8.7%	10.4%
Latin America	+1.2%	3.0%
Middle East	+5.8%	5.2%
Asia-Pacific	+5.8%	6.5%
French Overseas Territories	+8.6%	4.3%
<b>Total Paris Aéroport</b>	<b>+3.8%</b>	<b>100.0%</b>

The number of connecting passengers has reduced by 2.5%. The connecting rate stood at 21.7%, down by 1.4 points. The load factor was up by 1.7 points, at 85.6%. The number of air traffic movements (709,997) was up by 0.8%.

Freight and postal activity decreased by 1.9%, with 2,251,729 tonnes transported.

### Revision of 2018 forecasts

On July 30<sup>th</sup> 2018, during the 2018 half year financial results announcement, Aéroports de Paris revised some of its forecasts for 2018 which are detailed below:

	2018 forecasts as published on 22 February 2018	2018 forecasts as revised on 30 July 2018
Traffic growth assumption	<b>Traffic growth assumption for Paris Aéroport between +2.5% and +3.5% in 2018</b> compared to 2017 Traffic growth assumption for TAV Airports between +10% and +12% in 2018 compared to 2017	<b>Traffic growth assumption for Paris Aéroport between +2.5% and +3.5% in 2018</b> compared to 2017 – <b>unchanged</b> <b>Revision of TAV Airports traffic growth assumption<sup>(1)</sup></b> in 2018: growth above 30% compared to 2017 (vs. between +10% and +12% previously)
Consolidated EBITDA	<b>Increase of between 10% and 15% in 2018</b> compared to 2017, with the full-year effect of the full consolidation of TAV Airports and excluding the effects of any change in scope that may occur in 2018  <ul style="list-style-type: none"> <li>- 2018 consolidated EBITDA excluding the full consolidation of TAV Airports: increase of between 2.5% and 3.5% in 2018 compared to 2017</li> <li>- Reminder of the TAV Airports EBITDA<sup>(3)</sup>'s guidance: increase of between 5% and 7% in 2018 compared to 2017</li> </ul>	<b>Revision of consolidated EBITDA<sup>(2)</sup> forecast: increase between +17% and +22% in 2018</b> (vs. between +10% and +15%) compared to 2017, with the full-year effect of the full consolidation of TAV Airports and <b>the effect of the full consolidation of AIG since April 2018</b>  <ul style="list-style-type: none"> <li>- 2018 consolidated EBITDA excluding the full consolidation of TAV Airports and AIG: increase of between +2.5% and +3.5% in 2018 compared to 2017 – <b>unchanged</b></li> <li>- <b>Revision of TAV Airports EBITDA<sup>(2)/(3)</sup> forecast:</b> increase of between +14% and +16% in 2018 compared to 2017 (vs. between +5% and +7% previously)</li> </ul>
Dividend for 2018	<b>Maintained pay-out of 60% of NRAG 2018</b>	<b>Maintained pay-out of 60% of NRAG 2018</b>

<sup>(1)</sup> TAV Airports has taken a stake in Antalya Airport since May 2018. Here-above traffic growth assumption takes into account the traffic of this airport from May 2018 only.

<sup>(2)</sup> TAV Airports' EBITDA guidance, underlying Group's EBITDA guidance, is built on the assumption that Istanbul Ataturk airport will operate for the full year in 2018 and on the following exchange rate assumptions: EUR/TRY = 5.21 et EUR/USD = 1.20.

<sup>(3)</sup> EBITDA as published by TAV Airports includes Ankara guaranteed passenger revenue and the share of equity pick-up, of which the share of result of Antalya airport following the acquisition in May 2018 of a 49%-stake.

The achievement of these forecasts are subject to the assumption of traffic growth in Paris Aéroport and the good run of TAV Airports' strateg

## Tariffs

As of 1 April 2018, airport and ancillary fees (excluding fees for disabled and reduced-mobility passengers) increased by 2.125%.

## Appointments within Groupe ADP

On 5 April 2018, Augustin de Romanet, Chairman & Chief Executive Officer of Aéroports de Paris SA - Groupe ADP, has made the following appointments:

- ◆ Mathieu Daubert is appointed Director of the Customer Division, member of the Executive Committee, starting 7 May 2018, to replace Laure Baume. He previously held the positions of Head of Retail.
- ◆ Fernando Echegaray is appointed Chief International Officer, member of the Executive Committee, starting 1 May 2018, to replace Antonin Beurrier. He previously held the position of Chief Operations Officer at ADP International.
- ◆ Antoine Crombez has been appointed Chief of Staff, attached to the Chairman and CEO since the 1 April 2018.

Laure Baume and Antonin Beurrier decided to leave the group for new professional projects.

## Groupe ADP acquires the exclusive control of Airport International Group, concessionary of Queen Alia International Airport in Amman, Jordan

On 19 April 2018, Groupe ADP, through its 100%-subsidiary ADP International, has finalized the transaction for the ownership of 51% of the capital, and the exclusive control of Airport International Group (« AIG »), concessionary of Queen Alia International Airport (QAIA) in Amman, Jordan. The new co-shareholders with which Groupe ADP invests are the infrastructures investment funds Meridiam and IDB Infrastructure Fund II. Edgo, already present, remains co-shareholder. Groupe ADP's investment stands at \$265 million.

With this operation, Groupe ADP, already shareholder of AIG with a 9.5%-stake will fully consolidate the financial accounts of the concessionary firm.

## TAV AIRPORTS

As of 31st December 2018, there is no indication of an impairment loss for the intangible asset related to the operating contract of the Istanbul Ataturk airport.

## Dividend voted by the Annual General Meeting

The Annual General Meeting of Shareholders held on 4 May 2018 voted to pay a dividend of €3.46 per share for financial year 2017, with an ex-dividend date of 8 June 2018. Given the interim payment (€0.70) made on 8 December 2017, the balance (€2.76) was paid on 8 June 2018. This dividend corresponds to a payout ratio of 60% of the net result attributable to the Group for financial year 2017, and is unchanged since that of financial year 2013.

## Appointment within Groupe ADP

Augustin de Romanet, Chairman & Chief Executive Officer of Groupe ADP, appointed Hervé Wattedamps Human Resources Director, member of the Executive Committee. He took up duties on 9 July.

Hervé Wattedamps, Lieutenant General, 59, is an engineer. He graduated from the Ecole spéciale militaire of Saint Cyr (Saint Cyr Military Academy) and the Ecole de Guerre (War School).

For the first twenty years of his career, he managed the operations of French alpine troops (27th Mountain Infantry Brigade). He then developed a 15 year-expertise in the area of human resources. In 2012, Hervé Wattedamps became director of the infantry and artillery officer and non-commissioned officer training schools.

Since 2015, he has been Human Resources Director for the French Army, member of the Executive Committee. He devised and conducted change management for the institution's human resources.

## "PACTE" draft bill containing provisions related to Groupe ADP

The draft bill related to the economic growth and transformation of companies (n°1088) (the PACTE draft bill) which contains, in the articles 44 to 50, provisions related to Groupe ADP was adopted during its first reading by the French National Assembly (Assemblée Nationale) on October 10<sup>th</sup> 2018. Then, the draft bill was examined by the French Senate from January 29<sup>th</sup> 2019.

The draft bill provides for the authorization of the transfer to private sector of the majority of Groupe ADP's capital, and from the transfer date, adapt the operating conditions of its business activities in Île-de-France.

As such, it would put a time limit of 70 years on the right to operate Parisian airports, whereupon the French State will get the full ownership of the land and the infrastructures located in Île-de-France.

Regardless of the transfer date of the activities of Ataturk airport to the third airport, planned from the 3<sup>rd</sup> of March 2019, Groupe ADP doesn't expect to have negative impacts on its financial accounts.

Indeed, TAV Airports was officially informed by the Turkish Civil Aviation Authority (Devlet Hava Meydanları İşletmesi or DMHI), that it will be compensated for the shortfall for the timeframe between the transfer of activity to the new airport and the end of the concession initial's end (January 2<sup>nd</sup> 2021 at midnight). The conditions of calculation of this compensation are subject of discussion with the DHMI.

### 2017 regulated ROCE<sup>1</sup>

As of 31 December 2017, the ROCE for the regulated scope (after tax) stood at 5.05%. The operating income for the regulated scope for 2017 amounted to €424 million, before corporate taxes. The sum of the regulated asset base and the change in working capital stood at €5,083 million.

### €500 million 20-year new bond issue

On 4 October 2018, Aéroports de Paris launched a 20-year bond issue for a total amount of €500 million with the following characteristics:

- ◆ Format: Fixed rate
- ◆ Redemption: in fine
- ◆ Annual rate: 2.125%
- ◆ Re-offer spread: 65 bp over mid swap

- ◆ Re-offer yield: 2.174%
- ◆ Payment date: 11 October 2018
- ◆ Maturity date: 11 October 2038

Aéroports de Paris is rated A+ (stable outlook) by Standard and Poor's.

This bond issue was launched on October 11<sup>th</sup> 2018 and will ended on October 11<sup>th</sup> 2038.

### Dividend distribution

During its meeting on 14 February 2019, the Board of Directors approved the social and consolidated financial statements for the year ended 31 December 2018. The Board of Directors decided to propose a dividend payment of €3.70 per share for 2018, reduced by the interim dividend for 2018 of €0.70/share, paid out on 10 December 2018, at the next Annual Shareholders General Meeting, to be held on 20 May 2019. Subject to the approval of the Annual General Meeting, the ex-dividend date would be on 7 June 2019, and payment would be made on 11 June 2019. This dividend corresponds to a payout ratio of 60% of the 2018 net income attributable to the Group.

<sup>1</sup> Return on capital employed.



## 3 2018 RESULTS AND FINANCIAL POSITION

### 3.1 2018 consolidated financial statements of Groupe ADP

#### Groupe ADP key figures

#### 2018 consolidated accounts

(in millions of euros)	2018 <sup>(1)</sup>	2017 <sup>(1)</sup>	2018/2017 <sup>(1)</sup>
Revenue	4,478	3,617	+€861m
<b>EBITDA</b>	<b>1,961</b>	<b>1,567</b>	<b>+€393m</b>
EBITDA / Revenue	43.8%	43.3%	+1.0%
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>1,237</b>	<b>1,030</b>	<b>+€207m</b>
Operating income from ordinary activities / Revenue	27.6%	28.5%	-3.0%
Operating income (including operating activities of associates)	1,235	1,052	+€183m
Financial income	(206)	(179)	-€27m
<b>Net income attributable to the Group</b>	<b>610</b>	<b>571</b>	<b>+€39m</b>

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

The effect of the application of the norm IFRS 9 as of 1 January 2018, relative to financial instruments, is of +€13 million on the financial result as of 31 December 2018. The effect of the application of the norm IFRS 15 at the 1<sup>st</sup> January 2018, relating to revenue recognition principles, has no significant impact on the income statement (impact below €1 million in 2018).

#### Revenue

(in millions of euros)	2018	2017	2018/2017
<b>Revenue</b>	<b>4,478</b>	<b>3,617</b>	<b>+€861m</b>
Aviation	1,890	1,813	+4.3%
Retail and services	1,000	953	+4.9%
Real estate	265	250	+6.0%
International and airport developments	1,412	682	+€730m
of which TAV Airports	1,166	616	+€550m
of which AIG	175	-	+€175m
Other activities	155	217	-28.3%
Inter-sector eliminations	(245)	(298)	-18.0%

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

Over 2018, Groupe ADP **consolidated revenue**, stood at €4,478 million, up by €861 million, mainly thanks to:

- ◆ The full consolidation of TAV Airports since the 2<sup>nd</sup> half of 2017, which contributed to revenue up to €1,166 million, and the full consolidation of AIG since April 2018, which contributed to revenue up to €175 million. Excluding the full consolidation of both entities, Groupe ADP revenue grew by 4.6%, to €3,137 million;
- ◆ The growth in airport fees in Paris Aéroport (+5.6%, at €1,115 million), driven by passenger traffic dynamics (+3.8%) combined with the increase in tariffs since 1 April 2018 (+2.125%) despite the first semester strikes;
- ◆ The increase of retail and services segment by 4.9%, to €1000 million, driven by the performance of retail activities (+6.8%, to €490 million);
- ◆ The growth in real estate segment's revenue (+6.0%), to €265 million mainly thanks to the positive effect of the full acquisition of the "Dôme" building, in Paris-Charles de Gaulle in December 2017.

Other activities segment and intersegment eliminations are impacted by the sale of a 80%-stake in Hub Safe that has led to a change in consolidation method for the firm results since the 4<sup>th</sup> quarter of 2017<sup>1</sup>. Hub Safe's results are now integrated as share in associates from non-operating activities. Over 2018, the net loss in revenue, linked to the share of external revenue of Hub Safe amounted to €8 million compared to 2017.

## EBITDA

(in millions of euros)	2018	2017	2018/2017	2018 (excl. full consolidation TAV A and AIG)	2017 (excl. full consolidation TAV A and AIG)	2018/2017 (excl. full consolidation TAV A and AIG)
<b>Revenue</b>	<b>4,478</b>	<b>3,617</b>	<b>+€861m</b>	<b>3,137</b>	<b>3,001</b>	<b>+4.6%</b>
Operating expenses	(2,628)	(2,142)	+€486m	(1,877)	(1,809)	+3.7%
Consumables	(200)	(165)	+€35m	(125)	(120)	+4.2%
External services	(1,178)	(865)	+€312m	(795)	(725)	+9.6%
Employee benefit costs	(890)	(814)	+€76m	(653)	(689)	-5.2%
Taxes other than income taxes	(275)	(260)	+€15m	(256)	(250)	+2.2%
Other operating expenses	(86)	(39)	+€47m	(48)	(25)	-€23m
Other incomes and expenses	110	93	+€18m	96	96	-
<b>EBITDA</b>	<b>1,961</b>	<b>1,567</b>	<b>+€393m</b>	<b>1,359</b>	<b>1,287</b>	<b>+5.6%</b>
EBITDA / Revenue	43.8%	43.3%	+0.5pt	43.3%	42.9%	+0.4pt

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

<sup>(2)</sup> Data excluding TAV Airports and AIG are presented for the monitoring of Group EBITDA forecast, excluding the full consolidation of TAV Airports and excluding the effects of any change in scope that occurred or may occur.

**Group operating expenses** stood at €2,628 million over 2018. Excluding the full consolidation of TAV Airports and AIG, operating expenses were up (+3.7%). Excluding the bad debt losses related to international (EBITDA neutral), the increase in operating expenses would be +2.6% due to:

- the slight increase of the operating expenses of the parent company, Aéroports de Paris (+1.2%).
- an increase in expenses of subsidiaries (ADP International, ADP Ingénierie, Hub One) linked to the growth of their activities and development operations

The distribution of operating expenses is as follows:

- ◆ **Consumables** stood at €200 million. Excluding the full consolidation of TAV Airports and AIG, consumables were up by 4.2%, at €125 million, due to the poor weather conditions over the first quarter of 2018 (increased need in winter products) and work undertaken on behalf of the Société du Grand Paris (SGP), subject to compensation (EBITDA neutral);
- ◆ The cost related to **external services** stood at €1,178 million. Excluding the full consolidation of TAV Airports and AIG, these expenses increased by 9.6%, to €795 million, due to the increase of use of sub-contracting, notably linked to the sale of a 80%-stake in Hub Safe ;

<sup>1</sup> Please refer to press release published on 29 September 2017, available on [www.groupeadp.fr](http://www.groupeadp.fr).

## 2018 consolidated financial statements of Groupe ADP

- ◆ **Employee benefit** costs stood at €890 million. Excluding the full consolidation of TAV Airports and AIG, employee benefit costs were down by 5.2%, and stood at €653 million, notably due to the partial sale of Hub Safe in October 2017. Employee costs at the parent company, Aéroports de Paris, were stable at €556 million in 2018. As of 31 December 2018, the average number of employees (full-time equivalents) stood at 25,840<sup>1/2</sup>.

(in millions of euros)	2018	2017	2018/2017
<b>Employee benefit costs</b>	<b>(890)</b>	<b>(814)</b>	<b>+9.4%</b>
Aéroports de Paris	(556)	(555)	-
Subsidiaries	(335)	(258)	+29.5%
<b>Average staff numbers (Full-Time Equivalent)</b>	<b>25,840</b>	<b>17,422</b>	<b>8,418</b>
Aéroports de Paris	6,349	6,435	-1.3%
Subsidiaries	19,491	10,987	8,504
Of which TAV Airports	18,097	8,418	9,679
Of Which AIG	402		402

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

<sup>(2)</sup> Full time equivalent, of which average number of employees of AIG from the date of full consolidation.

- ◆ **Taxes other than income taxes** stood at €275 million. Excluding the full consolidation of TAV Airports and AIG, taxes other than income taxes increased by 2.2%.
- ◆ **Other operating expenses** stood at €86 million. Excluding the full consolidation of TAV Airports and AIG, other operating expenses were up by €23 million as a result of the recognition of bad debt losses related to international (neutral impact on EBITDA).
- ◆ **Other income and expenses** stood at €110 million. Excluding the full consolidation of TAV Airports and AIG, this item amounts to €96 million, stable compared to 2017 (€96 million), under the combined effect:
  - Reversals of provision for bad debts related to international mentioned above (EBITDA neutral)
  - The non-renewal of the 2017 Fedex capital gain (Hub Safe) for €63 million
  - Reimbursement of studies and works carried out for the CDG express project for +€30 million (€38 million in 2018 vs. €8 million in 2017).

Over 2018, consolidated **EBITDA** stood at €1,961 million. The consolidated gross margin<sup>3</sup> rate was 43.8%, up by 0.5 point. Excluding the full consolidation of TAV Airports and AIG, EBITDA stood at €1,359 million, up by 5.6%, i.e. €72 million. The gross margin rate was 43.3%, up by 0.4pt.

<sup>1</sup> Full-time equivalent (FTE), including average FTE of Hub Safe over 9 months following the sale of 80% of the company's capital at the end of September 2017, and including average FTE of TAV Airports from the date of full consolidation which took place in July 2017.

<sup>2</sup> The average number of employees of the parent company is stable in 2018.

<sup>3</sup> EBITDA/Revenue

## Net result attributable to the Group

(in millions of euros)	2018	2017	2018/2017
<b>EBITDA</b>	<b>1,961</b>	<b>1,567</b>	<b>+25.1%</b>
Amortisation & Depreciation	(804)	(615)	+30.7%
Share in associates and joint ventures from operating activities after adjustments related to acquisition of holdings	80	78	+2.6%
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>1,237</b>	<b>1,030</b>	<b>+20.1%</b>
Other operating expenses and incomes	(2)	22	-€25m
<b>Operating income (including operating activities of associates)</b>	<b>1,235</b>	<b>1,052</b>	<b>+17.4%</b>
Financial income	(206)	(179)	+15.3%
Associates from non-operating activities	1	1	-
<b>Income before tax</b>	<b>1,030</b>	<b>874</b>	<b>+17.8%</b>
Income taxes	(335)	(260)	+29.0%
<b>Net results from continuing activities</b>	<b>695</b>	<b>614</b>	<b>+13.0%</b>
Net income attributable to non-controlling interests	(85)	(43)	-€42m
<b>Net income attributable to the Group</b>	<b>610</b>	<b>571</b>	<b>+6.9%</b>

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

Over 2018, **operating income from ordinary activities** (including operating activities of associates) stood at €1,237 million, up by €207 million, due notably to:

- ◆ The scope effect of the full consolidation of TAV Airports since the 2<sup>nd</sup> half of 2017 and AIG since April 2018, for an amount of €181 million;
- ◆ The capital gain of the re-evaluation of the already-owned 9.5%-stake in AIG for an amount of €23 million;
- ◆ The increase in depreciation in Paris (+€10.5 million, i.e. +2.3%)
- ◆ A provision on international stake for an amount of €20 million over 2018 vs. €46 million over 2017.

As a reminder, two exceptional items occurred in 2017:

- ◆ the recognition in 2017 of a gain on the translation reserve following the sale of TAV C (-€12m)
- ◆ the capital gain following the capital increase of TAV A (-€63m)

**Other operating expenses and incomes** were down by €24 million, notably linked to the capital gain on the sale of a 80%-stake in Hub Safe, for an amount, net of selling costs, of €27 million.

**Operating income (including operating activities of associates)** stood at €1,235 million.

The **net financial result** stood at -€206 million. Excluding the full consolidation of TAV Airports and AIG, financial result stood at -€82 million, improving by €37 million.

As of 31 December 2018, Groupe ADP **net debt** stood at €4,942 million, vs. €3,797 million as of 31 December 2017. Excluding the full consolidation of TAV Airports and AIG, Groupe ADP's net debt stood at €3,935 million as of 31 December 2018.

Aéroports de Paris issued on 11 October 2018 a 20-year bond of a total amount of €500 million, with a fixed rate of 2.125%.

**The income tax expense** stood at €335 million over 2018, up by €75 million, of which €43 million linked to the effect of the full integration of TAV Airports. Excluding the full consolidation of TAV Airports and AIG, the net increase in corporate income tax of 34 million euros is related firstly to the increase in income before tax (for 21 million euros on tax), and secondly to a effect rate between the two years for 13 million euros (effective rate at 33.67% in 2018 vs. 32.01% in 2017).

Taking into account all these items, the **net result attributable to the Group** increased by €39 million, to €610 million.

## Analysis by segment

### Aviation

(in millions of euros)	2018	2017	2018/2017
<b>Revenue</b>	<b>1,890</b>	<b>1,813</b>	<b>+4.3%</b>
Airport fees	1,115	1,055	+5.6%
Passenger fees	695	653	+6.5%
Landing fees	254	243	+4.4%
Parking fees	165	159	+3.7%
Ancillary fees	239	230	+3.6%
Revenue from airport safety and security services	499	487	+2.3%
Other income	38	40	-3.4%
<b>EBITDA</b>	<b>603</b>	<b>551</b>	<b>+9.4%</b>
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>307</b>	<b>272</b>	<b>+12.8%</b>
EBITDA / Revenue	31.9%	30.4%	+1,5pt
Operating income from ordinary activities / Revenue	16.3%	15.0%	+1,2pt

Over 2018, aviation segment revenue, which includes Parisian activities alone, was up by 4.3% at €1,890 million.

Revenue from **airport fees** (passenger fees, landing fees and aircraft parking fees) was up by 5.6%, at €1,115 million over 2018, benefiting from the growth in passenger traffic (+3.8%) and the increase in tariffs, in spite of the first semester strikes. For information, tariffs (excluding PRM<sup>1</sup> fees) have increased by 2.125% as of 1 April 2018.

**Ancillary fees** were up by 3.6%, at €239 million, due to revenues from the registration banks (+6.2%, i.e. €5.2m) and proceeds from the PHMR fee (+4.1%, i.e. €2.4m), in connection with the increase in traffic.

**Revenue from airport safety and security services** was up by 2.3%, at €239 million.

**Other income**, which mostly consists in re-invoicing the French Air Navigation Services Division, leasing associated with the use of terminals and other works services made for third parties, increased by 4.4%, at €41 million.

**EBITDA** was strongly up by 9.4%, at €603 million. The gross margin rate increased by 1.5pt and stood at 31.9%.

As a consequence, the **operating income from ordinary activities** was strongly up by €36 million, at €308 million over 2018.

<sup>1</sup> Persons with reduced mobility.

## Retail and services

(in millions of euros)	2018	2017	2018/2017
<b>Revenue</b>	<b>1,000</b>	<b>953</b>	<b>+4.9%</b>
Retail activities	490	459	+6.8%
Airside shops	318	303	+4.8%
Landside shops	20	19	+9.0%
Bars and restaurants	48	42	+13.4%
Advertising	55	50	+10.0%
Others	49	45	+9.8%
Car parks and access roads	173	171	+1.1%
Industrial services revenue	129	134	-3.7%
Rental income	149	147	+1.7%
Other income	58	42	+37.5%
<b>EBITDA</b>	<b>580</b>	<b>533</b>	<b>+8.9%</b>
Share in associates and joint ventures from operating activities	2	3	-9.6%
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>458</b>	<b>404</b>	<b>+13.3%</b>
EBITDA / Revenue	58.0%	55.9%	+2.1pt
Operating income from ordinary activities / Revenue	45.8%	42.4%	+3.4pt

Over 2018, revenue from Retail and services, which includes Parisian activities alone, was up by 4.9%, at €1,000 million.

Revenue from **retail** (rents received from airside and landside shops, bars and restaurants, banking and foreign exchange activities, and car rental companies, as well as revenue from advertising) was up by 6.8% over 2018, at €490 million.

- ◆ Among this item, the rents from airside shops stood at €318 million, up by 4.8%, thanks to the dynamism of traffic and positive traffic mix despite the negative impact of strong Euro over the 1<sup>st</sup> half of 2018 and important works in terminal 2E, halls K and L leading to temporary shops closing during the work. The sales per passenger<sup>1</sup> is slightly up (+0.6%), at €18.4.
- ◆ Rents from landside shops increased by 9.0%, at €20 million;

Rents from bars and restaurants kept on posting a strong growth of 13.4% at €48 million, thanks notably to the performance of the joint venture EPIGO. Advertising revenue amount to €55 million, up by 10.0%, due to good results of **Media Aéroports de Paris** which saw an increase of 11.3% of its revenue, at €59.2 million, following a significant increase in digital media (+7%). EBITDA is up by 17.6% at €9.7 million and its net result is up by 12.2% at €2.5 million.

Revenue from **car parks** stood at €173 million, up by 1.1%.

Revenue from **industrial services** (supply of electricity and water) was down by 3.7%, at €129 million.

**Rental revenue** (leasing of spaces within terminals) was up by 1.7%, at €149 million.

**Revenue from other income** (mainly consisting in internal services) saw an increase of 37.5%, at €58 million, notably thanks to an increase of €13 million of the revenue linked to the works for the project *Société du Grand Paris*.

**EBITDA** of the segment was up (+8.9%), at €580 million, due to growth in revenue and control over expense. The gross margin rate was up (+2.1pt) at 58.0%.

The share of profit from operating associates (*Société de Distribution Aéroportuaire*, *RELAY@ADP* and *EPIGO*) amount to €2 million.

**Operating income from ordinary activities (including operating activities of associates)** increased by 13.3%, at €458 million.

<sup>1</sup> Sales of airside shops divided by the number of departing passengers.

## Real Estate

<i>(in millions of euros)</i>	2018	2017	2018/2017
<b>Revenue</b>	<b>265</b>	<b>250</b>	<b>+6.0%</b>
<i>External revenue (generated with third parties)</i>	218	208	+4.9%
<i>Land</i>	110	108	+2.1%
<i>Buildings</i>	66	68	-3.6%
<i>Others</i>	42	32	+32.3%
<i>Internal revenue</i>	47	42	+12.0%
<i>Other income and expenses</i>	-	69	-€69m
<b>EBITDA (excluding capital gain linked to cargo hub buildings)</b>	<b>148</b>	<b>146</b>	<b>+1.3%</b>
<b>EBITDA</b>	<b>148</b>	<b>209</b>	<b>-29.4%</b>
<i>Share in associates and joint ventures from operating activities</i>	2	(2)	€4m
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>101</b>	<b>161</b>	<b>-37.2%</b>
<i>EBITDA / Revenue</i>	55.6%	83.5%	-27.9pt
<i>Operating income from ordinary activities / Revenue</i>	38.0%	64.1%	-26.1pt

Over 2018, real estate segment revenue, which includes Parisian activities alone, was up by 6.0%, at €265 million.

**External revenue**<sup>1</sup> (€218 million) was up by 4.9% notably thanks to the full acquisition of the "Dôme" building in Paris Charles de Gaulle, which has a positive effect of €4.5 million on rents.

**EBITDA** of the segment was down by 29.4%, at €148 million, due to the capital gain linked to the cargo hub buildings<sup>2</sup> accounted for in "Other income and expenses" for an amount of €63 million during the 1<sup>st</sup> half of 2017.

Excluding the profit linked to the cargo hub buildings, the EBITDA was up by +1.3%.

The share of profit from operating associates stood at €2 million, up by €4 million due to a reversal of provision on studies following the confirmation of the Belaïa project, within *Cœur d'Orly*.

As a consequence, **operating income from ordinary activities (including operating activities of associates)** decreased, at €101 million, vs. €161 million over 2017. Excluding the capital gain linked to the cargo hub buildings, operating income from ordinary activities was up by 3.1%.

<sup>1</sup> Generated with third parties (outside the Group).

<sup>2</sup> Please refer to financial release published on 24 July 2017.

## International and airports developments

(in millions of euros)	2018	2017	2018/2017
<b>Revenue</b>	<b>1,412</b>	<b>682</b>	<b>+€730m</b>
ADP Ingénierie	58	52	+€7m
ADP International	188	15	+€173m
Of which AIG	175	-	+€175m
dont TAV Airports	1,166	616	+€550m
<b>EBITDA</b>	<b>585</b>	<b>252</b>	<b>+€333m</b>
Share in associates and joint ventures from operating activities after adjustments related to acquisition of holdings	75	77	-€2m
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>339</b>	<b>186</b>	<b>+€153m</b>

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

Please note that the impact of the application of the norm IFRS 15 as from 1 January 2018 on the revenue from ordinary activities from contracts concluded with its customers has no significant impact on the revenue from the International and airport development segment (below €1 million).

Over 2018, revenue from International and airport developments strongly increased by €730 million, to €1,412 million, due to the perimeter change linked to the full consolidation of TAV Airports' results<sup>1</sup> since July 2017 and the full consolidation of AIG's results<sup>2</sup> since April 2018. EBITDA segment stood at €585 million.

**ADP Ingénierie**<sup>1</sup> revenue was up by €7 million, at €58 million. EBITDA amounts to €0.8 million (vs. -€12m compared to 2017) and operating income from ordinary activities (including operating activities of associates) is null (vs. a result of -€13m in 2017). As of 31 December 2018, ADP Ingénierie's backlog stood at €75 million, strongly up compared to end of 2017 (€61 million).

**ADP International**, excluding its subsidiary ADP Ingénierie, saw its revenue increase by €173 million, to €188 million, out of which €175 million due to the full consolidation of AIG since April 2018.

ADP International's EBITDA stood at €37.2 million, up by €48.7 million, thanks to the contribution of the full consolidation of AIG's results for an amount of €54 million. ADP International's operating income from ordinary activities (including operating activities of associates) stood at €2.6 million, up by €41.3 million due to:

- ◆ A provision on international stake amounting to €20 million in 2018 vs. €46 million in 2017;
- ◆ The capital gain of the re-evaluation of the already-owned 9.5%-stake in AIG for an amount of €23 million.

Over 2018, **TAV Airports** achieved an increase in revenue of €550 million, to €1,166 million.

- ◆ €544m linked to the full consolidation over the 1<sup>st</sup> semester of 2018;
- ◆ €6m corresponding to the change between the 2<sup>nd</sup> semester of 2017 and the 2<sup>nd</sup> semester of 2018, the effect of the rise in traffic being almost entirely offset by the negative impact on revenue of the depreciation of -49% of the Turkish lira on average in H2 2018 (vs. 2<sup>nd</sup> semester of 2017)

<sup>1</sup> Subsidiary of ADP International from 1 July 2017.



In full year, TAV Airports revenue was up by 2.7%, thanks to very good traffic dynamics, to the growth of the activities of its subsidiaries, despite the depreciation of the Turkish lira.

TAV Airports' EBITDA<sup>1</sup> rose by €268 million to €548 million:

- ◆ €228 million linked to the full consolidation over the first semester of 2018;
- ◆ €40 million corresponding to the change between the 2<sup>nd</sup> semester of 2017 and the 2<sup>nd</sup> semester of 2018, in particular due to the dynamism of traffic, the effect of the depreciation of the Turkish lira being broadly neutral at the level of EBITDA.

In full year, TAV Airports' EBITDA was up by 7%, to €514 million, under the effect of the increase in revenue and thanks to a stability of the operating expenses.

TAV Airports' net result attributable to the group is up by €46 million, at €75 million.

Share of profit from operating associates, including mainly the share from operating associates of TAV Airports (in particular Antalya) and Schiphol Group stood at €75 million over 2018, vs. €77 million compared to 2017, i.e. a decrease of €2 million.

**Operating income from ordinary activities (including operating activities of associates)** for International and airport developments stood consequently at €339 million, compared to a result of €186 million for 2017.

<sup>1</sup> To be noted, EBITDA as published by TAV Airports includes Ankara guaranteed passenger Revenue (accounted for in revenue) and the share of equity pick-up, of which result of Antalya airport since May 2018.

## Other activities

<i>(in millions of euros)</i>	2018	2017	2018/2017
<b>Products</b>	<b>155</b>	<b>217</b>	<b>-€61m</b>
<i>Hub One</i>	155	154	+€1m
<i>Hub Safe</i>	-	63	-€63m
<b>EBITDA</b>	<b>47</b>	<b>25</b>	<b>+€22m</b>
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>33</b>	<b>9</b>	<b>+€24m</b>
<i>EBITDA / Revenue</i>	30.1%	11.6%	+18,5pt
<i>Operating income from ordinary activities / Revenue</i>	21.4%	4.3%	+17,1pt

<sup>(1)</sup> Following the sale by Groupe ADP of a 80%-stake of Hub Safe on 29 September 2017, Hub Safe sub-group is presented in share in associates from non-operating activities.

Over 2018, other activities segment revenue decreased by 28.3% at €155 million.

As a reminder, since 29 September 2017, date of the sale of 80%-stake in Hub Safe, Hub Safe has been accounted for as non-operational associates. From this date, the share in profit has been accounted for as share in associates from non-operating activities.

Over the 1<sup>st</sup> half of 2018, **Hub One** saw its products slightly increasing by 0.8% to €155 million. Hub One's EBITDA decreased by 34.1%, to €13.4 million due to re-negotiation of intragroup contracts, with no impact on the group accounts.

Segment EBITDA increased by €22 million to €47 million mainly linked to reimbursement of studies and works made for the project CDG Express (+€30m in 2018 compared to 2017).

The **operating income from ordinary activities (including operating activities of associates)** of the segment was up by €24 million, at €33 million.

## Groupe ADP Cash flow

<i>(in millions of euros)</i>	2018	2017
Cash flows from operating activities	1,551	1,270
Cash flows from investing activities	(1,636)	(888)
Cash flows from financing activities	227	(114)
<b>Change in cash flow</b>	<b>145</b>	<b>254</b>
Cash at opening	1,910	1,656
Cash at closing	2,055	1,910

### Cash flow from operating activities

<i>(in millions of euros)</i>	2018	2017
Operating income (including operating activities of associates)	1,235	1,052
Other non-cash income and expenses	644	460
Net financial income other than cost of debt	(44)	(42)
<b>Operating cash flow before change in working capital and tax</b>	<b>1,835</b>	<b>1,470</b>
Change in working capital	(3)	113
Tax expenses	(281)	(313)
<b>Cash flows from operating activities</b>	<b>1,551</b>	<b>1,270</b>

### Cash flow from investing activities

<i>(in millions of euros)</i>	2018	2017
Purchase of property, plant, equipment and intangible assets	(1 078)	(879)
Acquisitions of subsidiaries	(-630)	20
Proceeds from sale of subsidiaries	1	21
Dividends received	39	42
Other cash flows from investing activities	32	(92)
<b>Cash flows from investing activities</b>	<b>(1636)</b>	<b>(888)</b>

2018 was impacted by tangible and intangible investments amounting to €1,078 million for the Group, including €1,078 million for the parent company (€801 million in 2017) and €142 million for subsidiaries (€78 million in 2017).

Major projects carried out by Aéroports de Paris SA during the period concern:

Investments at Paris-Charles de Gaulle Airport mainly related to:

- set up a system of conveying, handling and increasing luggage security under the satellite S3 of terminal 2E (delivered on Q3 2018);
- further work to set up a system of conveying, handling and increasing luggage security under the satellite S4 of terminal 2E;
- the continuing renovation of terminal 2B and its junction with terminal 2D;
- preparatory works for the construction of CDG Express;
- the construction of the junction of international satellites of terminal 1;
- the completion of the new registered office and Baikal office building;
- the purchase of standard 3 hold baggage screening equipment associated with European regulations;
- the improvement of sanitary facilities to comply with standards;
- extension work to the India areas;
- the refurbishment of hall L in terminal 2E;
- signposting;
- the redesign of the hall L retail areas in terminal 2E;
- compliance work on the rainwater treatment systems;
- installation of Visual Docking Guidance Systems and information screens ("timers") for pilots and runway personnel;
- restoration of the CDG1 RER train station at Roissy-CDG.

Investments at Paris-Orly Airport mainly related to:

- further work of construction for the junction building between the South and West terminals;
- bringing the East baggage sorting facilities in the South Terminal into compliance with regulations;
- the Orly Ouest Hall 1 extension;
- preparatory works for runway 3 renovation;
- the renewal of waterproofing and strengthening of bridge no. 2 under runway 3;
- the restructuring of hall B at Orly South;
- extension work to the Golf areas
- the creation of a taxi operating base;
- preparatory work before the construction of the future Grand Paris station;
- the construction of a building for the apron control room and the snow control room and for Aircraft Process operating teams;
- the improvement of sanitary facilities to comply with standards;
- the construction of an Airport Operations Centre (APOC);
- the creation of a new retail area in the Orly South international departures area.

Investments at Paris-Le Bourget mainly related to the construction of a training centre for AFMAE apprentices.

In 2018, Aéroports de Paris also made significant investments in its support functions and projects common to both airports, particularly in the IT area.

Aéroports de Paris fully funds its investment programme, primarily through operating cash flow, and medium- to long-term debt as needed.

### Cash flow linked to funding activities

<i>(in millions of euros)</i>	<b>2018</b>	<b>2017</b>
Proceeds from long-term debt	1,064	561
Repayment of long-term debt	(392)	(253)
Dividends paid to shareholders of the parent company	(342)	(261)
Other cash flows from financing activities	(103)	(161)
<b>Cash flows from financing activities</b>	<b>227</b>	<b>(114)</b>

## Financial debt

The net debt/equity ratio stood is up at 85% as at 31 December 2018 compared to 70% at end of 2017. Group net debt grew to €4,942 million as at 31 December 2018 compared to €3,797 million at the end of 2017, due to the full integration of TAV Airports.

Net financial breakdowns are as follows:

<i>(in millions of euros)</i>	<b>2018</b>	<b>2017</b>
Financial debt	7,065	5,911
Derivative financial instruments (liabilities)	63	54
<b>Gross financial debt</b>	<b>7,128</b>	<b>5,965</b>
Derivative financial instruments (assets)	(21)	(27)
Receivables and current accounts from associates	(117)	(90)
Cash and cash equivalents	(2,056)	(1,912)
Restricted bank balances	(84)	(189)
Debt related to the minority put option	91	50
<b>Net financial debt</b>	<b>4,942</b>	<b>3,797</b>
<i>Net financial debt / EBITDA</i>	2.52	2.42
<i>Net financial debt / equity (gearing)</i>	85%	70%

## 3.2 2018 Financial statements of the company Aéroports de Paris

## 2018 profit and loss account of Aéroports de Paris

<i>(in millions of euros)</i>	2018	2017
<b>Revenue</b>	<b>2,957</b>	<b>2,820</b>
Changes in finished goods inventory	2	(2)
Capitalised production	65	61
Reversal of provisions and expense transfers	35	42
Operating subsidies	1	1
Other operating income	46	29
<b>Operating income</b>	<b>3,105</b>	<b>2,951</b>
Purchases and external expenses	(854)	(832)
Taxes other than income taxes	(265)	(247)
Employee benefit costs	(586)	(590)
Other operating expenses	(18)	(24)
Depreciation, Amortisation and provision	(477)	(477)
<b>Operating expenses</b>	<b>(2,201)</b>	<b>(2,170)</b>
<b>Operating income</b>	<b>905</b>	<b>781</b>
Financial income	106	141
Financial expenses	(155)	(151)
<b>Financial income</b>	<b>(49)</b>	<b>(10)</b>
<b>Income before tax</b>	<b>856</b>	<b>771</b>
Extraordinary income	122	130
Extraordinary expenses	(130)	(150)
<b>Extraordinary income</b>	<b>(8)</b>	<b>(20)</b>
Employees' profit sharing	(28)	(22)
Income taxes	(256)	(223)
<b>Net income</b>	<b>564</b>	<b>506</b>

## 2018 Financial statements of the company Aéroports de Paris

The revenue achieved by Aéroports de Paris is up by 4.9%, at €2,957 million in 2018 and can be broken down as follows:

<i>(in millions of euros)</i>	2018	2017
Airport fees	1,115	1,056
Revenue from airport safety and security services	499	487
Retail activities	471	442
Rental income	332	324
Ancillary fees	255	243
Car parks and access roads	173	171
Industrial services revenue	43	41
Other revenue	71	56
<b>Total</b>	<b>2,957</b>	<b>2,820</b>

Revenue from airport fees and revenue from airport safety and security services are recognised exclusively in the airport activities segment. For more details please refer to the paragraph related to the aviation segment above.

Revenue from commercial activities is recognised almost exclusively in the retail and services segment. For more details please refer to the paragraph related to the retail and services segment above.

Rental revenue was accounted for in either the aviation segment or in the real estate segment. For more details please refer to the paragraphs related to the aviation and real estate segment above.

Car parks revenue is recognised almost exclusively in the retail and services segment. For more details please refer to the paragraph related to the retail and services segment above.

The raw materials and consumable amounted to €854 million as of 31 December 2018 versus €832 million last year, an increase of 2.6%. This increase is mainly explained by the increase in use of service providers.

The number of employees is slightly down (-1.3%) to an average of 6,349 employees in average in 2018 and related expense are down by 0.7%.

Depreciation and amortisation for Aéroports de Paris are stable, at €477 million.

Operating income increased by 15.9%, to €905 million.

Net financial result is a charge of €49 million in 2018, compared to a charge of €10 million in 2017.

Extraordinary income (expense) is a charge of €8 million, up by €12 million in 2017 compared to 2017.

Net income totaled €564 million, up by 11.5%.



## Cash flow statement of Aéroports de Paris

(in millions of euros)	2018	2017
<b>Operating income</b>	<b>905</b>	<b>781</b>
Net depreciation and provisions for liabilities and expenses	438	439
Financial income and expenses (excluding debt)	9	(8)
<b>Change in working capital</b>	<b>(40)</b>	<b>3</b>
Tax expenses paid minus tax received	(178)	(276)
<b>Cash flows from operating activities</b>	<b>1,134</b>	<b>940</b>
Disposals of holdings	1	1
Acquisition of holdings	(31)	(50)
Purchase of property, plant, equipment and intangible assets	(924)	(791)
Change in other financial assets	(579)	(144)
Proceeds from sales of fixed assets (net of the change in receivables)	1	36
Dividends received	79	87
Change in debt and advances on asset acquisitions	62	(47)
<b>Cash flows from investing activities</b>	<b>(908)</b>	<b>(908)</b>
Capital grants received in the period	3	6
Dividends paid	(343)	(261)
Proceeds from long-term debt	756	504
Repayment of long-term debt	(106)	(142)
Change in other financial liabilities	(49)	(130)
Net financial interest paid	(105)	(105)
<b>Cash flows from financing activities</b>	<b>156</b>	<b>(128)</b>
<b>Change in cash and cash equivalents</b>	<b>(102)</b>	<b>(97)</b>
Cash at opening	1 520	1 617
Cash at closing	1 418	1 520



### 3.3 Events having occurred since 31 December 2018

#### The decision of the ISA not to approve the 2019 airport charges (11 January 2019)

On 15 January 2019, Aéroports de Paris SA took note of the decision n°1810-D1 of the Independent Supervisory Authority (ISA) not to approve the airport charges applicable from 1 April 2019, on Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports as well as their modulations, with the exception of fees for assistance to disabled passengers and passengers with reduced mobility. The ISA estimates that the overall product of the airport public service fees on the airport system, after taking into account the proposed tariffs increase, exceeds the services cost.

#### The decision of the ISA to approve the 2019 airport charges (6 February 2019)

On 8 February 2019, Aéroports de Paris SA took note of the decision n°1810-D2 of 6 February 2019 of the Independent Supervisory Authority (ISA) to approve the airport charges applicable for the 2019-2020 tariff period. These tariffs will come into force from 1 April 2019 and will be up by 1.0% for Paris-Charles de Gaulle and Paris-Orly airports and 3.52% for Paris-Le Bourget airport.

#### Groupe ADP contributes to the CDG Express project

The infrastructure manager CDG Express ("GI CDG Express"), equally owned by Groupe ADP, SNCF Réseau and Caisse des Dépôts et Consignations, has signed with the French State the concession contract for works relating to the CDG Express link project. Under this contract, GI CDG Express is responsible for financing, designing, building and maintaining the CDG Express link for 50 years. It will connect the Gare de l'Est (Paris-East station) to Paris-Charles de Gaulle Airport in 20 minutes. Groupe ADP will be committed to finance the project through equity contribution of €134 million and a non-renewable repayable advance of up to €150 million.

#### January 2019 traffic figures

In January 2019, Paris Aéroport welcomed 7.7 million passengers; an increase of 1.9% compared with January 2018. 5.4 million passengers travelled through Paris-Charles de Gaulle (+2.9%) and 2.4 million through Paris-Orly (-0.4%).

### 3.4 Perspectives

#### Dividend distribution

During its meeting on 14 February 2019, the Board of Directors approved the social and consolidated financial statements for the year ended 31 December 2018. The Board of Directors decided to propose a dividend payment of €3.70 per share for 2018, reduced by the interim dividend for 2018 of €0.70/share, paid out on 10 December 2018, at the next Annual Shareholders General Meeting, to be held on 20 May 2019. Subject to the approval of the Annual General Meeting, the ex-dividend date would be on 7 June 2019, and payment would be made on 11 June 2019. This dividend corresponds to a payout ratio of 60% of the 2018 net income attributable to the Group.

## 4 RISKS AND RISK MANAGEMENT

### 4.1 Introduction

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The strategic plan "Connect 2020" is a natural extension of the Economic Regulation Agreement (ERA), signed with the French government for the period 2016-2020. It establishes Groupe ADP's objectives for the period 2016-2020. These projects concern both the Group's regulated and non-regulated activities. To achieve them, a management process has been introduced using indicators defined at Group level and deployed by entity.

The information provided in this chapter concerns the significant risks to which the Group believes itself to be exposed to date (see "Risk factors"). These risks or other risks not identified to date, or considered to be insignificant by the Group, could have an unfavourable effect on its activity, its financial situation and/or its income.

The risk management and internal control system aims to correctly identify the risks inherent to the Group's activities and, consequently, develop appropriate responses.

## 4.2 Risk management and internal control system

### General presentation

#### A global approach

The risk management, internal control and internal audit systems constitute a global approach in support of the Group's management for its activities and objectives. The management systems, deployed within certain of the Group's entities, are an integral part of risk control.

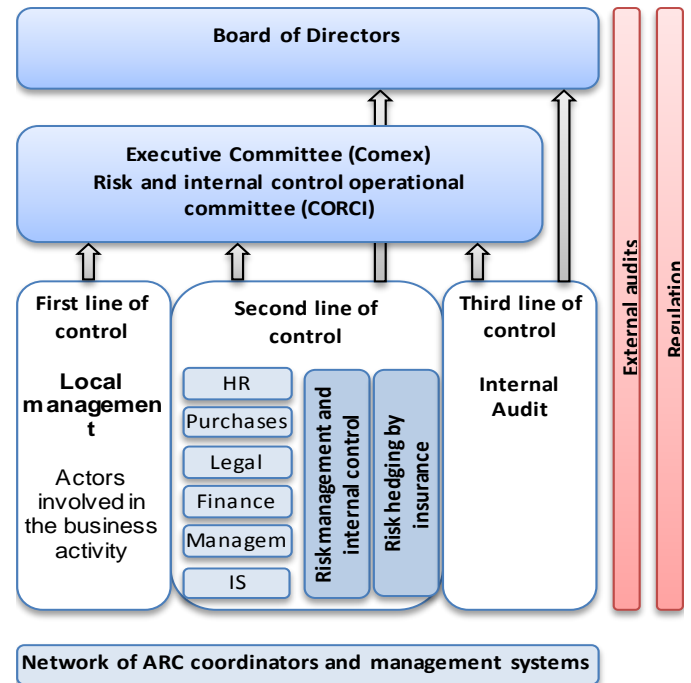
#### Governance and scope of the systems

The approach is coordinated by the Security and Risk Management Division, which reports to the Group's Secretary General, and by the Corporate Audit and Internal Control Division, reporting to the Chairman and CEO.

It is supported by:

- ◆ the Board of Directors, which determines the directions taken by Aéroports de Paris SA's activity and ensures they are followed (Article 16 of the Statutes & Articles of Association);
- ◆ the Audit and Risk Committee, an extension of the Board of Directors, whose mandate is specified in the rules of procedure of the Board of Directors;
- ◆ the Executive Committee (Comex), chaired by the Chairman and CEO, which takes part in directing Groupe ADP, both operationally and strategically, and debates any subject relating to its smooth running;
- ◆ the Risk and Internal Control Operational Committee (CORCI) which brings together the directors of the entities;
- ◆ the network of "Audit-Risk management-Internal control" (ARC) coordinators appointed in each Group entity<sup>1</sup> and the "Management systems" network.

It is based on the model of three lines of activity control, invented by the IFACI (the French Institute for Audit and Internal Control) and the AMRAE (the French Association for the Management of Corporate Risks and Insurance).



In 2018, the scope of this system covers the Group and its exclusively controlled subsidiaries except for Airport International Group ("AIG") and Merchant Aviation whose consolidation is planned in 2019.

### Description of the risk management and internal control system

#### The cornerstone of the system

- ◆ Groupe ADP has adopted ethics and compliance as governance principles. The implementation of the ethics and compliance programme is managed by the Ethics Department, which was created in 2018 and which reports to the Chairman and CEO, and by the Legal and Insurance Department. This programme is described in the "Governance and ethics" paragraph of the "Social, environmental and societal responsibility information" 2018 Management report chapter.

<sup>1</sup> In 2018, the entities correspond to the divisions of Aéroports de Paris, and to its wholly-controlled subsidiaries.



# 4

## Risks and risk management

### Risk management and internal control system

- ◆ Two charters manage the global system within the group. These concern:
  - risk management and internal control: the charter indicates that the group applies the provisions of the AMF reference framework published in 2007 and updated in July 2010;
  - internal audit: the charter is based on international standards and the internal audit code of ethics distributed in France by the French Institute for Audit and Internal Control (IFACI) and which constitutes the international reference framework for internal audit.
- ◆ Risk management guidelines describing the methodology for the Group make up the final element of the system.

### Risk Management

This system aims to provide all stakeholders with an overall, fair vision of the Group's major risks and their level of control.

Risk mapping is updated every year. It enables the Group to identify the major risks and prioritise and deal with them and to monitor the actions identified. Risks are assessed according to their impacts and frequency, given the existing control measures. They are then prioritised according to their critical level. Major risks and risks deemed unacceptable are the<sup>1</sup> subject of priority handling. After a review in the Risks and Internal Control Operational Committee (CORCI), the Group mapping is submitted to the Comex, then presented to the Audit and Risk Committee and the Board of Directors.

Group risk management takes account of the CSR challenges identified by the materiality study carried out in 2018 is described in the "Social, environmental and societal responsibility information" 2018 Management report chapter.

### Business continuity and crisis management

Groupe ADP has put in place a business continuity and crisis management system in order to improve the management of external risks.

For this, it is supported by a Group Policy on Business Continuity (PGCA). Its aim is to guarantee services that are essential for the Company's operations. For each of these, the PGCA indicates the objectives, principles, responsibilities and main procedures. It is reflected in a business continuity plan (PCA) for each of the platforms (Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget) and for each of the essential support activities for airport operations (IT systems and human resources). A pandemic plan completes the approach.

With regard to crisis management, Groupe ADP's system aims to ensure continuity of the Group's operational control and the quality of its response to sudden, unexpected events. It

must contribute to optimally keep the activities at satisfying levels of quality while remaining in compliance with the security and safety obligations. The Group's management continuity and crisis management system is described in a booklet. Crisis exercises are also carried out several times per year to test the system's effectiveness, with feedback enabling improvements to be made.

### Internal control

The aim of internal control is to contribute to risk management, the effectiveness of Group operations and the efficient use of its resources.

Groupe ADP's approach is to deploy the internal control system through cross-entity processes based on:

- ◆ existing management systems in some entities;
- ◆ in 2018, all entities with a quality and management system are certified to ISO 9001 and ISO 14001, 2015 version;
- ◆ internal control systems deployed for the others.

### Insurance

The financial consequences of some risks can be covered by insurance policies where their order of magnitude justifies this and providing that cover is available on acceptable terms and conditions.

The Legal and Insurance Department oversees the general policy on Group insurance (see below), manages the use of insurance within the Group and provides coordination and expertise in this area in France and worldwide.

### Periodic monitoring of the system

The risk management and internal control systems are monitored by:

- ◆ the monitoring of major incidents and incidents due to unacceptable risks;
- ◆ the Audit Department;
- ◆ external structures, such as the Statutory Auditors and other relevant organisations, notably Government services.

### Major incidents

Major incidents or incidents due to unacceptable risks are identified by the Group's entities (100% owned subsidiaries). A review of these declared incidents is sent to the Chairman & Chief Executive Officer and Chief Operating Officer semi-annually.

<sup>1</sup> The Group defines the risks that, whatever their level of criticality, are unacceptable. These are subject to specific monitoring and the different entities are required to be extremely vigilant with regard to them.

## Internal audit

It aims to provide, in complete independence, the Company and the Group with reasonable assurance over the degree of control over its operations, provide advice on improvements and contribute to creating added value.

Certified by IFACI since 2008, the Corporate Audit and Internal Control Division assesses the operation of the risk management and internal control systems. Through its recommendations, it contributes to improving safety and optimising the overall performance of the Company and its subsidiaries.

The annual audit programme is presented to the Comex and examined by the Audit and Risks Committee.

It informs the same bodies of the monitoring:

- ◆ of internal audit action plans;
- ◆ of the conclusions drawn from the audits carried out within Aéroports de Paris SA by external auditing and monitoring bodies (with the exception of management system audits).

The Audit Department collaborates with the internal audit teams at TAV Airports and Airport International Group ("AIG").

## External control structures

In the first instance, this relates to the Statutory Auditors appointed by the General Meeting of Shareholders of 18 May 2015: Ernst & Young Audit and Deloitte & Associés.

Moreover, Aéroports de Paris is subject to specific controls due to its being a majority State-owned company. The Court of Auditors, the Economic Affairs Committee of the National Assembly and the Senate, the State Economic and Financial verification mission, and the Council on the Environment and sustainable development, in particular, are therefore responsible for overseeing the finance, management and internal control sectors (see chapter 19.1 of the 2018 registration document).

The company is also subject to controls of an operational nature, which are carried out by the French Civil Aviation Authority and by the European Commission.

Moreover, to obtain or maintain certification of their management systems, the various Group entities that are affected undergo annual external assessment audits, conducted by independent accredited organisations. These audits may lead to requests for improvement.

Aéroports de Paris is also subject to assessments by credit and extra-financial rating agencies.

## Limitations

The risk management and internal control system can only provide reasonable and not absolute assurance regarding the overall control of the Group's risks and objectives. Indeed, these systems have inherent limits, particularly regarding uncertainties affecting the international environment and possible failings due to mistakes or human error.

## The internal control mechanism and management of risks relating to the development and handling of financial and accounting reports

The risk management and internal control systems relating to the development and handling of financial and accounting reports concern the financial, management control and accounting areas. Accordingly, this principally concerns the Finance, Management & Strategy Department and the Accounts Department, which report to the Finance, Strategy & Administration Division.

## Departmental responsibilities

The **Finance, Management & Strategy Division** is responsible for the group's strategic and financial direction. It guarantees that the Economic Regulation Agreement (ERA) is fulfilled and is consistent with the strategic plan, directs the main levers for economic regulation, supplies financial expertise and forecasts, manages cash flow and debt and is in charge of financial communication. It supplies senior management and various departments and subsidiaries with financial reports and analysis allowing them to monitor their performance. It contributes to defining and tracking financial objectives and to determining any necessary corrective actions.

The Finance, Management & Strategy Division is responsible for a branch of management control (finance, management and strategy branches).

The **Corporate Accounts Division** makes accounting and financial reports available to different decision-making bodies within the Company, allowing them to monitor their performances. It is responsible for the production of financial statements and consolidated financial statements in accordance with French and international accounting legislation as well as the establishment of reliable accounting procedures. It includes the financial unit, whose responsibilities include ensuring that the fiscal policy is correctly applied at group level. It manages fiscal integration and local taxes, as well as all other taxes.



## Processes and methods

### Group guidance

#### Strategic steering

The strategic steering process is based on emphasising the strategy as a framework tool and guide for the financial year as well as on the alignment between the Group's short and medium-term budget and reporting objectives. The Finance, Management & Strategy Division manages the strategic analysis process and the strategic objective operational planning process and has ensured its monitoring.

The Finance, Management & Strategy Division is responsible for aligning the financial objectives of the subsidiaries and consolidated shareholdings with those of the group. It also oversees and controls financially the subsidiaries and consolidated shareholdings. With its overall view of this activity, it adjudicates on the alignment of projects with the group's strategic goals and carries out arbitration.

Concerning non-airport contracts, the finance, management and strategy division uses the prior analysis from the real estate division and customer division, for real estate activities and commercial joint ventures, respectively.

This organisation is accompanied by a reporting system as part of the guidance of both the group and the company. The Group's steering mechanism is currently being updated in order to adapt it to its new, wider scope, since the control taken over TAV Airports and Airport International Group ("AIG") by Aéroports de Paris, and to take ADP International's role into account.

#### Strategy and investment approval process

The Group's steering mechanisms are based on institutional and managerial committee arrangements within the parent company.

As extensions of the Board of Directors of Aéroports de Paris, the Strategy and Investment Committee and Audit and Risk Committee make recommendations to it on, respectively:

- ◆ the definition and implementation of the strategic policies of Groupe ADP;
- ◆ the appropriateness of the Group's financial policy and the effectiveness of its risk management.

Their mandates are specified in the rules of procedure of Aéroports de Paris' Board of Directors (see chapter 16.1 of the registration document).

Two internal company investment committees, chaired by the Chairman & CEO, are involved in the decision-making process in terms of commitments:

- ◆ the strategic investments committee (*comité stratégique des investissements* —CSI), which is called on to place the various investment strategies in a business context. Following a defined annual programme, it evaluates the main medium- and

long-term sectoral policies by regularly reviewing needs, risks and opportunities. It carries out a regular review of priorities and validates the multiannual investment programme for each business. Such an exercise ensures that each activity's strategic directions are coordinated with the associated schemes and plans and the multi-annual investment programme;

- ◆ the investment approval committee (COE), organised around two specialised COEs:
  - the COE for the Aéroports de Paris scope, which systematically reviews the tangible and intangible investments in excess of €3 million, the firm financial investment commitments made by the Company and its main contractual receivables,
  - the COE for the scope of subsidiaries and equity investments, which reviews investment and disposal decisions carried out by all subsidiaries and equity investments that are above a certain threshold.

All major investment proposals are subject to an investigation by an internal approvals body, particularly for ADP Ingénierie and ADP International projects, before being submitted to Aéroports de Paris' COE. It is also the case of investment projects for TAV Airports.

Any project of this nature is reviewed by the Board of Directors of the subsidiary in question before being reviewed by the Board of Directors of Aéroports de Paris.

These arrangements are implemented while fulfilling obligations to consult staff representative bodies.

## Preparation of financial statements and consolidation

### Frameworks

All accounting processes are the subject of specific procedures, follow-ups, rules of validation, authorisation and accounting defined and stated by the Corporate Accounts Division (particularly for sales, purchasing, management of assets and cash flow, etc.).

### Account closures, consolidation and management reports

The closure process of corporate accounts and consolidated financial accounts is based on a detailed calendar, which has been shared with all consolidated companies so as to ensure that deadlines are met and that the preparation of financial statements is coordinated.

The consolidation of the group's accounts is carried out twice a year. The Statutory Auditors carry out a limited review of the half-yearly accounts and an audit of the annual accounts. The statements for the months of May and October are reviewed within the framework of these missions.



In addition, managers of the Group's entities<sup>1</sup> sign an engagement letter every month to confirm the correctness of the accounting information they communicate relating to their area of responsibility.

## Budget and reporting

### Budget (OPEX/CAPEX) and rolling forecast (OPEX)

In August every year, the Finance, Management & Strategy Division prepares and sends all financial directors and managers in the finance, management and strategy area:

- ◆ a framework note focusing solely on Aéroports de Paris SA and including information aimed at guiding the re-forecasting of investments for the current year and the Capex budget for the year to come. It also presents specific issues for attention and the particular features of the relevant budgetary campaign;
- ◆ an advance financial framework note for Groupe ADP for the next year, separating out Aéroports de Paris SA and the subsidiaries ("International and airport development" subsidiaries, commercial subsidiaries, real estate subsidiaries and Hub One).

The rolling forecast, introduced from the date of closing in February 2017, is applied to Groupe ADP's profit and loss statements, with each of the consolidated entities reporting its latest forecasts to the Finance, Management & Strategy Division. By allowing a monthly update of the exit point forecast at 31 December according to the latest available information, the rolling forecast strengthens the reliability of the financial forecasts and improves the Group's financial management.

On the other hand, investments are subject to two annual reforecasts. The rolling forecast focusing on investments will be introduced at a later date.

### Reporting COMEX analysis report

Each month, except for the end of the closing periods in January and July, the Finance, Management & Strategy Division produces an operating report for the Executive Committee. It incorporates the *rolling forecast* and its commentary is on the analysis reports drawn up by the entities.

## Financial communication

As an issuer of regulated information, the finance, management and strategy division exerts control over the development and publication of all communications of a financial nature. Alongside the Legal Affairs and Insurance Division, the division is responsible for authorising any type of memo or press release containing "sensitive information", that is, any information of a financial or legal nature, or with

financial or legal implications, and/or information likely to influence Aéroports de Paris SA share price.

A procedure concerning financial communication of Groupe ADP has been designed to guarantee the accuracy of information of a financial nature, and to ensure that the group meets all its associated requirements. An annual calendar of the group's main periodical commitments in terms of accounting, financial and share-holder memos, was created by the Legal Affairs and Insurance Division and shared internally. In addition, an annual schedule of periodic regulated financial publications is established by the finance, management and strategy division, and published to the AMF and available on Groupe ADP's website.

Groupe ADP disseminates its regulated information via a system approved by the AMF. Its main financial communication channel is its website ([www.groupeadp.fr](http://www.groupeadp.fr)), along with several social media channels (Twitter, Facebook,...) in accordance with the AMF recommendation as published in the guide on permanent information and management of protected information.<sup>2</sup> Executive Corporate Officers have received a charter on the use of the current financial communication procedure. The harmonisation of the financial communication practices of TAV Airports with those of Groupe ADP is continuing.

## IT system

The IT Systems Division provides the relevant departments of the Finance, Strategy and Administrative Division with:

- ◆ technical expertise on accounting and financial information systems (functional expertise being provided by so-called "business area" departments) along with their administration and support;
- ◆ the implementation of IT projects in this area.

It translates the Aéroports de Paris analytical management framework, managed by the Finance, Management and Strategy Division, into the management plans.

These internal control mechanisms and initiatives are based on an IT system centred on SAP software packages for general accounting and analysis, SAP BFC for consolidation and reporting, and OBIEE for writing performance indicators.

## Group's general insurance policy

Groupe ADP believes that it has had reasonable insurance cover to date, the excess level of which is consistent with the rate of frequency of losses observed and the risk prevention policy.

<sup>1</sup> This covers the divisions of Aéroports de Paris SA and the companies consolidated by the Group.

<sup>2</sup> Guide on permanent information and management of protected information DOC-2016-08.



## Civil liability

Civil liability for airport operators is guaranteed by a policy that covers the financial consequences of any contractual and criminal civil liability that may be ascribed to Aéroports de Paris, and in certain circumstances, to its subsidiaries, its subcontractors and/or its co-contractors in the event of any physical injury, material and consequential loss caused to third parties whilst carrying out their business activities. From 1 April 2018, the principal guarantee amount is €1,750 million per event and/or per year, according to the guarantees. This policy also includes a \$150 million guarantee to cover the consequences of the risk of war and other perils. This guarantee amount of \$150 million is supplemented by a specific policy taken out by Aéroports de Paris for the sum of \$1,350 million.

Other "Civil Liability" insurance has been taken out by the Company, including a policy covering the liability of corporate officers, a policy covering liability in the case of accidental or gradual harm to the environment (also covering ground decontamination costs) and insurance covering the consequences of the Company's civil liability in the carrying out of activities relating to the ground section (in particular activities linked to the operation of car parks, buildings not owned by the Company, co-generation and emergency medical services).

## Damage to property and construction risks

Aéroports de Paris has taken out a damage policy that guarantees any real estate and movable property owned by the Company or of which it is in charge, against in particular fire, explosion, lightning, storm, electrical damage, natural disasters and acts of terrorism risks. The total value of the primary cover is fixed at €1 billion per claim.

In addition to the abovementioned general policy, the Company has also taken out specific policies with a view to guaranteeing against the consequences of targeted loss that could affect certain property, such as the "Roissy-pôle-Le Dôme" centre or the interconnection between the TGV and RER stations on the Paris-Charles de Gaulle platform.

In addition, the Company has taken out several policies with a view to protecting itself against construction risks within its largest work sites.

Some of the Group's assets cannot, by their very nature, be covered by property damage insurance. This includes runways, aircraft movement areas, certain civil engineering works and works of art. This last category is insured, but for a maximum annual amount of €30 million.

## Main policies directly benefiting the Company's subsidiaries

Professional civil liability policies have been taken out on behalf of ADP International, ADP Ingénierie, Hub One, Airport International Group (AIG) and the various real estate subsidiaries, for the purposes of covering their activities carried out in France or abroad, as the case may be.



### 4.3 Risk factors

The main risks faced by Groupe ADP at the date of this report are summarised below. Actions are implemented to manage them.

Risk factors, which are presented according to their category, are classified by decreasing order of importance at the date of this report. The order is assessed according to the extent of the potential impact and the probability of each risk occurring.

For extra financial risks, the policies and actions implemented and the results achieved are described in the "Social, environmental and societal responsibility information" chapter.

Of the main risks linked to the general environment in which the Group operates, the most significant are:

RISK CATEGORY	RISK FACTORS	EXTRA-FINANCIAL RISKS
<b>Strategic risks</b>	<ul style="list-style-type: none"> <li>International risks</li> <li>Risks related to customer satisfaction</li> <li>Risks related to investments in developments and capabilities</li> <li>Risks related to the competitive environment</li> <li>Risks related to the customer portfolio structure</li> <li>Risks related to ethics and compliance</li> <li>Risks related to economic regulation</li> <li>Risks related to legal and regulatory changes</li> <li>Risks related to territorial integration</li> <li>Risks related to the environment</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>
<b>Risks related to the Group's activities</b>	<ul style="list-style-type: none"> <li>Risks linked to security</li> <li>Risks linked to asset maintenance</li> <li>Risks linked to the safety of people and goods</li> <li>Risks linked to airport safety</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> </ul>
<b>Management organisation risks</b>	<ul style="list-style-type: none"> <li>Risks related to data protection and cyber security</li> <li>Human Resources risks</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> </ul>
<b>Financial risk</b>	<ul style="list-style-type: none"> <li>Market risk</li> <li>Liquidity risk</li> <li>Credit risk</li> </ul>	



Strategic risks**International risks**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Groupe ADP conducts a significant portion of its activities abroad through its subsidiaries and equity interests.</p> <p>These activities expose the Group to the inherent risks of international operations, linked to:</p> <ul style="list-style-type: none"> <li>◆ the geopolitical and economic context of the main geographical regions in which the Group operates;</li> <li>◆ legal, tax and compliance risks;</li> <li>◆ exchange risks;</li> <li>◆ asset management risks. In Turkey, the opening of the new Istanbul airport in October 2018 involves the early termination of the Atatürk airport concession from the 3<sup>rd</sup> march 2019;</li> <li>◆ exposure to exceptional natural phenomena.</li> </ul>	<p>Since 2017, ADP International, a wholly owned subsidiary of Aéroports de Paris, has been responsible for managing Groupe ADP's international activities namely, investments, airport operations and engineering and innovation.</p> <p>In addition, in order to provide a foundation for its international development, ADP International has three regional offices: in New York for the Americas zone, in Hong Kong for the Asia zone and in Istanbul for the Middle East zone. In July 2018, it also acquired the consulting firm, Merchant Aviation, in order to strengthen the Group's engineering activity in the United States.</p> <p>In Jordan, ADP International acquired exclusive control of Airport International Group ("AIG"), the concessionary of Queen Alia International Airport (QAIA) in Amman, by taking its equity interest to 51% in April 2018.</p> <p>This organisation aims to provide an essential growth opportunity, in order to achieve the value creation objectives defined in Groupe ADP's strategic plan, Connect 2020.</p> <p>With regards to the end of the Atatürk airport concession: TAV Airports group was officially informed by the Turkish Civil Aviation Authority that, following the opening of the new Istanbul airport, it would be compensated before 2 January 2021, which is the end date of the current lease;</p> <p>TAV Airports Group is also preparing the "after-Ataturk" by deploying activities of its service subsidiaries in new cities.</p> <p>In May 2018, it also acquired a 49% interest in the capital of the company which has the concession to operate Antalya's international airport, the second largest airport in Turkey in terms of international traffic. Antalya constitutes a real source of growth for TAV Airports Group.</p> <p>The integration process contributes to the risk management internationally in 2018 through :</p> <ul style="list-style-type: none"> <li>◆ A matching program with TAV Airports through its integration in the Groupe ADP's main financial processes (ex: rolling forecast settlement, coordination regarding financial communication).</li> <li>◆ Integration of TAV Airports and AIG to the Connect-2020 (definition of roadmaps, strategic indicators for 2020) and to the review of the annual Groupe ADP's Strategic committee.</li> <li>◆ Control of investments and of the strategy on the international scope organised through the Engagement committee, the Strategy and Investment committee.</li> <li>◆ Integration on both legal and tax topics. Integration on the accounting functions of ADP International and ADP Ingénierie to the accounting process of ADP SA since 2018.</li> </ul> <p>Moreover, the internal control and management of the international scope have been strengthened by ADP International reviewing projects at each key stage.</p>

In addition, Groupe ADP's tax policy is aligned with the standards of the Organisation for Economic Co-operation and Development (OECD) contributing to combating instances of tax evasion. This issue is described in the "CSR policy" paragraph of the "Social, environmental and societal responsibility information" chapter.



#### Risks related to customer satisfaction

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Customer satisfaction is a priority for Groupe ADP. It is a quality of service issue and one of the fundamental airport operator business activities.</p> <p>Given Groupe ADP's competitive environment, a low level of quality of service could affect customer satisfaction and, therefore, the attractiveness of its airports.</p>	<p>Customer satisfaction is a core part of the Connect 2020 strategic plan. Indeed, the Group's objective is to become one of the leading European airports in terms of quality of service<sup>1</sup>.</p> <p>In order to improve passengers experience in the Île-de-France airports, the Customer Division has deployed a "Connecting client 2020" strategy that revolves around four principles:</p> <ul style="list-style-type: none"> <li>◆ raising the quality of service to the level of the best European airports, in particular by providing a smooth passenger experience. 2018 actions were to: <ul style="list-style-type: none"> <li>- reduce waiting time at border controls, in particular by deploying PARAFE<sup>2</sup> automated control gates,</li> <li>- introduce new directional information for customers (signage and furniture),</li> <li>- deploy the reception system in the terminals;</li> </ul> </li> <li>◆ increase the number of destinations offered from and to Paris;</li> <li>◆ simplify and personalise the customer relationship, in particular by means of digital technology;</li> <li>◆ propose the best of the Parisian experience, through a unique offering of retail and services, in particular by: <ul style="list-style-type: none"> <li>- enhancing services for customers,</li> <li>- its museum's cultural offering,</li> <li>- retail and catering offering with well-known, quality brands, offering travellers a wide range of sales outlets.</li> </ul> </li> </ul> <p>In addition, major refurbishment projects at the Paris airports contribute to creating a differentiating experience.</p> <p>Internationally, five airports managed by Groupe ADP, or which benefit from technical assistance agreements concluded with the Group, were rated amongst the best in the world in the 2017 Airport Service Quality ranking of the Airport Council International (ASQ/ACI). The airports in question are Zagreb (Croatia), Amman (Jordan), Mazatlán (Mexico), Mauritius, and Medina (Saudi Arabia). The last two airports and the Skopje (Macedonia) were highly ranked in the 2018 Skytrax rating.</p>

<sup>1</sup> Quality of service is measured by the overall ACI/ASQ score, which is an airport service quality indicator formulated by Airport Council International.

<sup>2</sup> PARAFE is an automated border control service offered within Paris-Charles-de-Gaulle and Paris-Orly airports.

## Risks related to investments in developments and capabilities

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Groupe ADP's Ile-de-France region platform development and infrastructure projects are complex with long investment cycles (from the study phase up to commissioning).</p> <p>Significant technological or structural changes (in terms of traffic...) could lead to:</p> <ul style="list-style-type: none"> <li>◆ the saturation of existing infrastructure before the new installations are delivered;</li> <li>◆ mismatch between the delivered infrastructure and requirements.</li> </ul> <p>The return on investment could be lower than forecast, and have an adverse impact on income.</p> <p>The Group is pursuing a programme of significant investment as part of its strategic plan, "Connect 2020".</p> <p>Given the size, complexity and number of investment projects and external constraints (conditions for obtaining administrative authorisations, stakeholders...), the control of project steering is a major challenge.</p> <p>It should be noted that at a Group level, purchases of property, plant, equipment and intangible assets by TAV Airports and Airport International Group ("AIG") were not significant.</p>	<p>Amongst the priorities of the strategic plan, "Connect 2020", for the period 2016-2020 are notably:</p> <ul style="list-style-type: none"> <li>◆ the optimisation of infrastructures by deploying a "one roof" initiative (merging terminals);</li> <li>◆ support for Société du Grand Paris and the CDG Express projects, to facilitate access to Ile-de-France region platforms.</li> </ul> <p>The Group has an investment project steering system based around a Strategy and Investment Committee and an Investment Approval Committee chaired by the Chairman &amp; CEO.</p> <p>In addition, the Engineering &amp; Development Division plans, designs, organises and conducts investments in infrastructure (roads and runways), buildings (terminals, hangars, shops and administrative premises, real estate projects) and all types of equipment for the Company, for the purpose of meeting the medium to long term aeronautical and strategic needs.</p>



# 4

## Risks and risk management

### Risk factors

#### Risks related to the competitive environment

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>The airports operated by Groupe ADP are, because of their respective geographical locations and the nature of the traffic handled, in competition with the main hub airports of varying importance.</p> <p>For example, the Group's Île-de-France region platforms are in competition with:</p> <ul style="list-style-type: none"> <li>◆ the main European and Middle Eastern hubs;</li> <li>◆ the major European airports receiving direct intercontinental flights;</li> <li>◆ airports serving the Île-de-France region for low-cost airline traffic;</li> <li>◆ high-speed trains for journeys of less than three hours to and from Paris.</li> </ul> <p>Developing the attractiveness of all of Groupe ADP's airports is a major challenge for the Group. Please refer to the paragraph in Chapter 6 on "Competition" of the 2018 registration document.</p>	<p>Changes in the worldwide air traffic market are monitored by the Finance, Management and Strategy Division and by ADP International.</p> <p>Winning market share through proactively seeking traffic is a strategic focus for Groupe ADP's activity both in Paris and internationally.</p> <p>The Connect 2020 strategic plan establishes this intention which is, among others, led by the Customer Division. In Paris in particular, the Division has put in place incentives aimed at encouraging the development of new routes and/or flights by passenger and cargo airlines.</p> <p>Groupe ADP has also entered into partnership with Atout France, the Paris City Hall and the Ile-de-France region in order to promote the attractiveness of Paris and France.</p>

#### Risks related to the customer portfolio structure

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>As Groupe ADP's principal airports are those of the Île-de-France airport system, exposure to risk is focused mainly on the Paris-Charles de Gaulle and Paris-Orly airports whose main customer is the Air France-KLM Group<sup>1</sup>, a member of the Skyteam Alliance.</p> <p>In 2018, it represented around 43.6% of Aéroports de Paris' revenue and 45.9 million of passenger traffic at Paris-Charles de Gaulle and Paris-Orly airports.</p> <p>A change in AF-KLM Group's strategy, particularly in the organisation of its connection network with the closure or transfer of some of its activities (passengers, cargo, maintenance), a significant change in its passenger typology, financial difficulties, a worker strike or a deterioration in the quality of its services could have a material impact on Aéroports de Paris' results.</p>	<p>A policy of active development of connections to and from Paris (see "Risks related to the competitive environment") as well as a commitment to improve the quality of services to match that of the best European airports aim to attract new airlines and thus diversify its customer portfolio and reduce Groupe ADP's dependence on the AF-KLM Group.</p>

<sup>1</sup> Grouping: Air France-KLM, Hop!, Transavia

**Risks related to ethics and compliance – Extra-financial risk**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>In view of the expectations regarding ethics and compliance (the Sapin II and Potier laws, existing standards, etc.), there is a double challenge for Groupe ADP:</p> <ul style="list-style-type: none"> <li>◆ deploy an Ethics and Compliance culture at all levels;</li> <li>◆ reinforce the ethics and compliance programme in order to meet standards, and particularly international standards.</li> </ul>	<p>The implementation of Groupe ADP's ethics and compliance programme is managed by the Ethics Department, which was created in 2018, together with the Legal and Insurance Department. These two departments are supported by "ethics and compliance" contacts to implement the programme within the Group's main subsidiaries.</p> <p>This programme is based on the following seven pillars:</p> <ul style="list-style-type: none"> <li>◆ management setting an example;</li> <li>◆ mapping risks related to ethics and compliance and to the duty of vigilance;</li> <li>◆ programme monitoring at a Group and subsidiary level bodies;</li> <li>◆ the definition and implementation of policies, rules and methods, the sharing of engagements with the stake holders (ex: signature of the ADP SA CSR charter by the suppliers).</li> <li>◆ the whistle-blowing mechanism in the form of a platform accessible to all of the Group's employees and those of its suppliers;</li> <li>◆ training, awareness-raising and information for all of the Group's employees, particularly through the forthcoming introduction of an e-learning programme;</li> <li>◆ monitoring of the ethics and compliance mechanism, particularly by establishing the first ethics climate barometer.</li> </ul> <p>The goals, policies and achievements of this extra-financial risk are described in the "Governance and ethics" paragraph of the "Social, environmental and societal responsibility information" chapter.</p>



## Risks related to economic regulation

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>The missions of Aéroports de Paris fall within the scope of the Economic Regulation Agreement (ERA), in line with articles L.6325-2 of the French Transport Code and R.224-4 of the French Civil Aviation Code.</p> <p>The ERA 2016-2020 was signed with the government authorities on 31 August 2015.</p> <p>The airport fee cap takes into account cost, revenue and investment projections, as well as quality of service targets. The regulation allows for the airport operator to receive fair compensation on capital invested within the regulated scope, assessed based on the weighted average cost of its capital.</p> <p>However no assurance can be given as to the level of fees that Government authorities will authorise it to apply after 2020. In addition, in circumstances upsetting the economics of the contract, the ERA could be revised or even cancelled early.</p> <p>Moreover, the Independent Supervisory Authority for Airport Fees (ASI) is in charge, in line with article R.224-7 of the French Civil Aviation Code, of the approval of the annual pricing for airport charges made by Aéroports de Paris.</p> <p>Even with the application of an Economic Regulation Agreement (ERA) which set the conditions of the pricing for airport charges, and despite the French Civil Aviation Code articles, the ASI shall be subject to challenge the elements which are included within the annual airport charges proposal, under the control of an administrative judge.</p> <p>Finally, both the pricing and approval decision can lead to an action for annulment before the administrative judge.</p>	<p>In support of the ERA 2016-2020, the "Connect 2020" strategic plan establishes the goals of Groupe ADP for the period 2016-2020.</p> <p>The Finance, Management and Strategy Division guarantees that the ERA is fulfilled and is consistent with the strategic plan. It carries out the Group's strategic and financial control, structured around road maps.</p> <p>Moreover, Aéroports de Paris annually consults airlines on the topics of service quality, investment programme and pricing proposals during economic consultative commissions.</p> <p>The pricing proposal is then submitted to the Independent Supervisory Authority for Airport Fees (ASI) for approval.</p> <p>For the 2019-2020 annual pricing, the ASI did not approved the first pricing proposal made by Aéroports de Paris. Aéroports de Paris made a second pricing proposal and is currently studying which action is to be taken following the first refusal by the ASI.</p> <p>In the hypothesis of the ASI would refuse the second proposal, pricing for the 2018-2019 period would be the same for the 2019-2020 one.</p>



**Risks related to legal and regulatory changes**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Groupe ADP is subject to all national and international laws, and regulations that change constantly in a wide range of areas (safety, security, environment, ethics...) and which differ depending on the countries in which the Group operates.</p> <p>These changes may have an impact on the Group's activities, liability and image, and generate compliance costs.</p> <p>The regulatory changes concern notably the risks linked to:</p> <ul style="list-style-type: none"> <li>◆ economic regulation;</li> <li>◆ ethics and compliance;</li> <li>◆ security;</li> <li>◆ airport safety;</li> <li>◆ the safety of people and goods;</li> <li>◆ data protection and cyber security.</li> </ul>	<p>In France and Europe, the Public Affairs Division, reporting to the Group's Secretary General, carries out regulatory monitoring on its behalf. Responsible for institutional relations, it has structured the Group's discussions with national and European parliaments, ministers, supervisory authorities and European Union bodies in accordance with the Sapin II Law on the transparency of relations with interest group representatives and the public authorities.</p> <p>In the other countries where it operates, the Legal and Insurance Division of Aéroports de Paris SA ensures that the Group complies with international standards.</p>



### Risks related to territorial integration – Extra-financial risk

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>With global air traffic undergoing dynamic growth, the challenge for Groupe ADP's airports is to capture these flows in a competitive environment. Infrastructure and development projects are necessary to receive increased traffic and to allow the Group's development. However, traffic growth has an environmental, economic and social impact on stakeholders, particularly in the regions where it will take place.</p> <p>Failing to consider and respond to these regional challenges could hinder the development of the Group's business activity.</p>	<p>"To stimulate and share sustainable growth", particularly involving the regions, is one of the priorities of Groupe ADP's Connect 2020 strategic plan.</p> <p>Accordingly, for its Île-de-France airports, the Group ensures in particular that it:</p> <ul style="list-style-type: none"> <li>◆ reduces its environmental footprint and that of its partners (see below "Risks related to the environment");</li> <li>◆ establishes a constructive dialogue with its stakeholders, particularly through the "maisons de l'environnement" environmental centres at Paris-Charles de Gaulle and Paris-Orly;</li> <li>◆ shares the value created by developing the airport activity with the regions, to the benefit of their regional authorities, their companies and their inhabitants.</li> </ul> <p>Aéroports de Paris SA is involved in collaborative partnerships bringing together all stakeholders, such as GIP Emploi Hubstart for Grand Roissy le Bourget, in order to:</p> <ul style="list-style-type: none"> <li>- promote the region's economic development by attracting new projects and companies;</li> <li>- contribute to the development of local companies, particularly internationally;</li> <li>- promote access to employment by local people particularly through appropriate training programmes;</li> <li>- promote and reinforce the attractiveness of the region in order to offer a competitive and attractive environment for companies, employees and inhabitants.</li> </ul> <p>There is also a collaborative partnership in place at Orly (Orly International).</p> <p>The voluntary public consultation regarding the Paris-Charles de Gaulle development as well as the Terminal 4 project is an opportunity to emphasize these projects and to complete them with the proposal made by the different stakeholders.</p> <p>In addition, the Groupe ADP Foundation supports general interest projects in the regions where the Group operates in France and abroad, such as in Morocco, Mauritius and Madagascar, prioritising the fight against illiteracy and the prevention of school dropouts, predominantly for disadvantaged populations.</p> <p>The goals, policies and achievements of this extra-financial risk are described in the "Regional policy" paragraph of the "Social, environmental and societal responsibility information" chapter.</p>

**Risks related to the environment – Extra-financial risk**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Given its business activity, Groupe ADP is exposed to environmental risks of both an external and internal nature:</p> <ul style="list-style-type: none"> <li>◆ risks from climate change: the occurrence of events linked to extreme natural phenomena or exceptional weather conditions may have a major impact on the Group's activity.</li> </ul> <p>These events could disrupt the functioning of airport infrastructures in a direct way by reducing the operating capacity of facilities or leading to temporary closure. They may also have an impact on the functioning of airlines, essential service providers and the strategic networks essential to the Group's activities (electricity, water, roads, fuel, etc.).</p> <ul style="list-style-type: none"> <li>◆ risks related to the Group's activity with particular regard to pollution (emissions to air, water and soil and noise) and waste management, resource use (water, energy), protecting biodiversity and sustainable development.</li> </ul> <p>Failing to take these issues into account could have a negative impact on the Group's development.</p> <p>Moreover, Groupe ADP's activities are subject to regulations requiring compliance with increasingly strict standards, which could increase compliance costs.</p>	<p>Groupe ADP analysed and evaluated the "natural environment" risk, including the effects of climate change on the Group's activities, and leading to an update of this risk in 2018. Measures to adapt to the risk are addressed in the "Environmental policy" paragraph of the "Social, environmental and societal responsibility information" chapter.</p> <p>In order to help to combat climate change, the Company implements a low-carbon strategy described in the "Environmental policy" paragraph of the "Social, environmental and societal responsibility information" chapter.</p> <p>Groupe ADP's 2016-2020 Environment and Energy Policy covers six themes (energy, water, waste, air and emissions, biodiversity, and sustainable development). It incorporates ambitious objectives linked in particular to the guidance provided by the Economic Regulation Agreement (ERA) 2016-2020 and the Energy Transition Law for Green Growth of August 2015.</p> <p>The goals, policies and achievements of this extra-financial risk are described in the "Environmental policy" paragraph of the "Social, environmental and societal responsibility information" chapter.</p>



### Risks related to the Group's activities

#### Risks linked to security

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>In a context of increased terrorist threats, the Group is exposed to malevolent acts perpetrated on its installations.</p> <p>Depending on their seriousness, the occurrence of malevolent acts could impact:</p> <ul style="list-style-type: none"> <li>◆ the integrity of persons (customers, employees, partners) and physical or virtual goods;</li> <li>◆ the level of air traffic and, consequently, revenue from airport retail, services and car parks;</li> <li>◆ security obligations: new French or European rules that could result in increased operational requirements or the enforcement of additional obligations.</li> </ul> <p>In France, the alert level of the national vigilance, prevention and protection plan against the terrorist threat (Vigipirate) was at "increased security-attack risk" level at year-end.</p> <p>With the entry into force of antiterrorism laws, the state of emergency was lifted in France in October 2017 and in Turkey in July 2018.</p>	<p>In France, in order to prevent the occurrence of malevolent acts:</p> <ul style="list-style-type: none"> <li>◆ the Airport Operations Division monitors security obligations. It proposes the security policy and implementation conditions, and coordinates its deployment;</li> <li>◆ a plan to bolster security for the landside areas of its terminals has been shared and implemented with the competent Government departments since 2016;</li> <li>◆ Aéroport de Paris' Operator Security Plan (PSO) has been updated in respect of its obligations as an Essential Services Operator (OIV) and should give rise to updated Protection Plans for each of the Company's vital installations;</li> <li>◆ Public Security Studies (ESP) were conducted, in accordance with the Urbanism Code, as part of certain building or renovation projects;</li> <li>◆ lastly, confronted with the phenomenon of radicalisation in airports, awareness raising sessions on understanding, detecting and preventing radicalisation have been carried out for those personnel concerned since September 2016.</li> </ul> <p>The Company also has a crisis management system steered by the Safety and Risk Management Division, which regularly undertakes crisis exercises addressing different issues in order to improve the system's effectiveness.</p> <p>The international airports have put in place robust security systems. Nevertheless, the Group operates in countries where the geopolitical risk remains high. As a result, this risk is mainly of an external nature. It requires the constant reinforcement of control systems.</p>

**Risks linked to asset maintenance**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Groupe ADP must ensure that the facilities available to its customers are in good working order.</p> <p>Given the complexity and density of its physical infrastructure in its Ile-de-France platforms (with a strong increase in reception capacities over the last ten years), the Company is exposed to the risk of obsolescence and loss of value of its infrastructure.</p> <p>At all of the airports managed by the Group, infrastructure maintenance presents challenges in terms of security, image, customer satisfaction (airlines, passengers), operational effectiveness and relations with the concessionary authority (under the concession specifications).</p>	<p>Infrastructure maintenance and investments to address obsolescent facilities is one of the priorities of the "Connect 2020" strategic plan (€1 billion in investments allocated to the Ile-de-France airports).</p> <p>In France, the Airport Operations Division manages technical policy (notably in terms of maintenance and obsolescence) and infrastructure information.</p> <p>The condition of the Ile-de-France airports and resources necessary for maintaining them in operation are monitored by the Strategy and Investment Committee.</p> <p>In other countries where the Group operates, infrastructure maintenance is continuously monitored under the concession agreements between the Group's international entities and the concessionary authorities.</p>



# 4

## Risks and risk management

### Risk factors

#### Risks linked to the safety of people and goods – Extra-financial risk

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>The safety of people and goods is a priority for Groupe ADP. This mainly covers:</p> <ul style="list-style-type: none"> <li>◆ the Group's employees (including expatriates and employees seconded abroad) as an employer, in relation to workplace health and safety;</li> <li>◆ subcontractors operating at the Group's facilities;</li> <li>◆ customers, partners and any members of the public visiting the facilities. Their safety may be put at risk in the event of a failure to follow the applicable rules and Aéroports de Paris may be held liable. This situation could also lead to the suspension of the administrative permissions required for operation.</li> </ul> <p>In this respect, protecting goods is a key aspect of safety of individuals.</p>	<p>The prevention of occupational risk is a permanent priority objective for the Group. Workplace accidents involving Groupe ADP's employees<sup>1</sup> and those of its subcontractors are regularly monitored by the Executive Committee of Aéroports de Paris SA.</p> <p>The purpose of the mobilisation plan is to take action to:</p> <ul style="list-style-type: none"> <li>◆ prevent accidents on foot or in vehicles (work and journey);</li> <li>◆ prevent aggression and uncivil behaviour at airports (involving homeless people, illegal taxis);</li> <li>◆ combat psychosocial risks;</li> <li>◆ prevent risks to subcontractors, by granting more weight to health and safety criteria in awarding contracts and by monitoring their accidents and preventive actions.</li> </ul> <p>A central unit reporting to the Human Resources Division manages these systems, supported by a network of prevention contacts in each division.</p> <p>The actions undertaken to reinforce prevention management are described in the "Social policy" paragraph of the "Social, environmental and societal responsibility" chapter.</p> <p>The Security and Risk Management Division also supervises the protection system for the Group's expatriates on long- and short-term assignment. This system is described in the travel policy. It is supported by training on safety awareness abroad.</p> <p>Groupe ADP has deployed security measures (see above, risks linked to security) enabling the land side at the Paris airports to be secured, which remains the responsibility of the French government.</p> <p>Regarding the protection of persons and facilities, prevention policies are proposed by the Airport Security and Risk Management Division and the Airport Operations Division to the Île-de-France airport divisions. This concerns, in particular, measures relating to fire protection in Establishments Open to the Public and health protection.</p>

<sup>1</sup> Aéroports de Paris SA and its subsidiaries ADP International, ADP ingénierie, Hub One and TAV Airports.

## Risks linked to airport safety

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>The safety of civil aviation is a priority for the air transport industry. Safety standards are established at a global level under the aegis of the International Civil Aviation Organisation (ICAO). These measures include the standards and practices recommended by the ICAO and which the signatory states of the Chicago Convention of 7 December 1944 have undertaken to implement. They are not directly applicable and are only ascribed a regulatory value when they are transposed into the states' national laws.</p> <p>For airports situated in the European Union, the applicable legal framework is set by European Community law and by the rules of the European Aviation Safety Agency (EASA), which reflect the ICAO's recommended standards and practices. On this basis, the European Airport Security Certificate can be granted in accordance with the provisions of Regulation (EC) No. 216/2008 of the European Parliament and of the Council of 20 February 2008.</p> <p>For airports situated in countries outside the European Union, Groupe ADP is subject to the current local certification processes.</p> <p>Violation of these standards is likely to jeopardise the safety of air transport, prevent the operation of airports and the Group could be held liable.</p> <p>In addition, these standards could be strengthened, making Groupe ADP responsible for fulfilling additional obligations.</p>	<p>As an airport operator, Groupe ADP is responsible for airport safety (in particular, maintenance, operation, development, surveillance, etc.) at the airports for which it is responsible.</p> <p>In France and in the European Union, the Group holds a European Airport Safety Certificate for each of its airports.</p> <p>Since 2017, the national certificates held by Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports have been converted into European Airport Safety certificates<sup>1</sup>. In application of the commitments made as part of the European certification, a Compliance Monitoring Manager was appointed within the Airport Operations Division.</p> <p>For all airports in countries outside the European Union in which it operates concessions, Groupe ADP introduces best practices in accordance with the ICAO's international standards.</p>

<sup>1</sup> See Commission Regulation No. 139/2014 of 12 February 2014



### Management organisation risks

#### Risks related to data protection and cyber security

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Data protection and IT systems are a major challenge for Groupe ADP.</p> <p>The risk of data leaks or tampering through negligence, malevolent acts or intrusion into IT systems may have a very significant impact on the Group's image, reputation, operational robustness and performance, if they were to occur.</p> <p>Increasingly frequent and sophisticated large-scale and worldwide cyber attacks, associated with the increasing digitisation of the Group's activities and the opening of the information system to the airport ecosystem, are such as to expose the Group to increased risks.</p> <p>In addition, the new regulatory obligations (particularly with the entry into force in May 2018 of the new European data protection regulation (GRPD)) have led Groupe ADP to reinforce its vigilance and to introduce compliance plans.</p>	<p>In view of the challenges, the Group's data protection and IT protection systems are based on:</p> <ul style="list-style-type: none"> <li>◆ Group policies on information protection, personal data protection and IT system security, which all contribute to the security of Groupe ADP's data;</li> <li>◆ dedicated organisations and governance with specifically:           <ul style="list-style-type: none"> <li>- a Strategic Committee for the Security of IT Systems (C3SI), which defines the strategic guidelines on IT system security,</li> <li>- an Operational Committee for the Security of IT Systems (COSSI), which approves measures that ensure compliance with the strategic guidelines on IT system security,</li> <li>- a Head of Group IT System Security (RSSI), who coordinates these bodies and also represents the Group to external bodies,</li> <li>- a network of IT system security correspondents in each Group entity.</li> </ul> </li> </ul> <p>The context has led Groupe ADP to commit to a number of actions including:</p> <ul style="list-style-type: none"> <li>◆ a major awareness raising plan for Group staff, called Vigie Info;</li> <li>◆ a Group GDPR compliance plan, which led in particular to the appointment of Data Protection Officers for Aéroports de Paris and its main subsidiaries<sup>1</sup> in 2018;</li> <li>◆ an assessment of the compliance of its critical IT systems with regulatory obligations and the implementation of any corrective actions.</li> </ul>

<sup>1</sup> Hub One, ADP International, ADP ingénierie



**Human resources risks – Extra-financial risk**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Achieving the Group's ambition requires, specifically, the commitment and mobilisation of the men and women who work for it, based around shared objectives and common values.</p> <p>The achievement of Groupe ADP's objectives and results may be affected by:</p> <ul style="list-style-type: none"> <li>◆ inadequate human resources and skills for its needs and development;</li> <li>◆ a sudden deterioration in the labour-management relations climate.</li> </ul>	<p>The Human Resources (HR) policy contributes directly to the priorities of the Connect 2020 strategic plan and the ERA 2016-2020, in particular by:</p> <ul style="list-style-type: none"> <li>◆ anticipating and managing changes in organisations and jobs;</li> <li>◆ promoting the development of employees and the development of a managerial culture;</li> <li>◆ attracting and retaining talent, whilst complying with the Company's CSR commitments.</li> </ul> <p>In France, Aéroports de Paris SA negotiated a new agreement in 2018 that redefines the employment and skills policy. It aims to prepare for the challenges of changes to employment and skills on a 2025 horizon.</p> <p>Managing talents and career paths allows us to:</p> <ul style="list-style-type: none"> <li>◆ meet the strategic needs of the Company and organisations, including the Group and international dimensions;</li> <li>◆ provide visibility to employees.</li> </ul> <p>Aéroports de Paris SA places particular importance on the quality of labour-management discussions. A significant step forward for the future and the quality of labour-management discussions will be made through the ongoing work on changing the current bodies into a Social and Economic Committee (CSE).</p> <p>In Turkey, TAV Airports has prepared a plan to support redundancies brought about by the early end to the Atatürk airport concession.</p> <p>The goals, policies and achievements of this extra-financial risk are described in the "Social policy" paragraph of the "Social, environmental and societal responsibility information" chapter.</p>



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## Risks and risk management

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### Risk factors

#### Financial risk

In addition to derivative instruments, the Group's main financial liabilities consist of bank loans and overdrafts, bonds, rental financing debts, supplier debts and rental contracts. The main objective of these financial liabilities is to finance the Group's operating activities. The Group has other financial assets such as customer debts, cash and short-term deposits that are generated directly by its activities.

The Group also holds derivative instruments, mainly interest rate swaps. The objective of these instruments is the management of interest rate risks linked to the financing of the Group.

The main risks linked to the Group's financial instruments are:

- ◆ market risk;
- ◆ liquidity risk;
- ◆ credit risk.

**Market risk**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p><b>Market risk</b></p> <p>Market risk corresponds to the risk that market price variations, such as exchange rates, interest rates and equity instrument prices, may affect the Group's income or the value of financial instruments held.</p> <p>The objective for the management of market risk is to manage and control exposure to market risk within acceptable limits, whilst optimising the profitability/risk ratio.</p> <p>Sensitivity analyses to interest rate risks and exchange risks are included in note 9 to the chapter 20 of the 2018 Registration document "Analysis of risks related to financial instruments".</p>	<p>The Company has a limited interest rate exposure policy. Low rates have led the Group to retain most of its debt at a fixed rate.</p> <p>The variability of the debt is studied on a case-by-case basis.</p> <p>Exchange rate risk is handled at each operation, with the use of hedging being favoured.</p>
<p><b>Interest rate risk</b></p> <p>In addition to its operating cash flow, Aéroports de Paris has access to borrowing to fund its investment programme.</p> <p>The majority of Groupe ADP's exposure to interest rate risk derives from its financial indebtedness and to a lesser extent its portfolio of rates derivatives.</p>	<p>The rates risk relating to the debt is managed by modulating the respective proportions of fixed rates and variable rates in line with market developments.</p> <p>The management of this risk depends on the putting in place or cancellation of interest rate operations (swaps).</p> <p>The group's policy consists of managing its interest expense by using a combination of fixed-rate and variable-rate loans such that 50% to 100% of its debt is fixed rate. In line with this objective, the Group puts in place interest rate swaps through which it exchanges, at specific intervals, the difference between the amount of interest at fixed rates and the amount of interest at variable rates, calculated on a nominal loan amount agreed between the parties. These swaps are assigned to loan hedging.</p> <p>As of 31 December 2018, 78% of the financial Groupe debt is at fixed-rate.</p>
<p><b>Exchange risk</b></p> <p>The main currencies in which transactions are denominated are the Euro and certain other currencies such as the US dollar and the Persian Gulf currencies.</p>	<p>Following the takeover of TAV Airports, the Group is henceforth exposed to exchange risk. TAV Airports converts its financial statements in a currency other than its functional currency, therefore the main risk of change relates to the variations of the euro currency compared to the Turkish lira (TRY) and American dollar. The currencies in which transactions are mainly denominated are euro, Turkish lira (TRY) and American dollar, as well as few currencies from the Persian Gulf linked to American dollar with a fixed parity, e.g. Sudanese rial, United Arab Emirates dirham and the Oman rial.</p> <p>In order to reduce exposure to exchange fluctuations, the Group has a hedging policy consisting of implementing derivative instruments, neutralising exchange rate risk as far as possible by reducing the balance of revenue and expense in these currencies, if necessary making partial forward sales of dollars for residual balances.</p>



# 4

## Risks and risk management

### Risk factors

#### Liquidity risk

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p>Liquidity risk corresponds to the risk that the Group may experience difficulties in honouring its debts when these become due. The payment schedule for financial liabilities is presented in note 9 to the chapter 20 of 2018 Registration document "Analysis of risks related to financial instruments".</p> <p>Aéroports de Paris is rated by Standard &amp; Poor's.</p> <p>Since 21 March 2014, the long-term rating of Aéroports de Paris has been A+ outlook stable.</p> <p>The euro-denominated bonds are listed on NYSE Euronext Paris.</p> <p>Aéroports de Paris may be exposed to the risk of early repayment of bonds and loan issues contracted through the European Investment Bank (EIB). Change of control and rating reduction clauses are included in the contracts</p> <p>Aéroports de Paris does not have Euro Medium Term Note (EMTN) or commercial paper programmes.</p>	<p>Aéroports de Paris monitors its cash flow on a daily basis. They are subject to monthly reporting to the Comex, summarising, in particular, financing operations and investments.</p> <p>Cash flow forecasts are carried out on a multi-year basis.</p> <p>As part of monitoring its credit rating, Aéroports de Paris holds regular discussions with Standard &amp; Poor's rating agency.</p> <p>For loans issues contracted through the European Investment Bank (EIB), a consultation clause that could lead to a request for early repayment is included within the contracts. These clauses concern: a lowering of Aéroports de Paris's rating to below or equal to A by the specialist agency Standard &amp; Poor's (or any equivalent rating issued by a comparable rating agency) and loss by the French state of most of its share capital and its voting rights, and in case of a substantial decrease of the project cost as defined in the loan contract (proportional reimbursement only).</p> <p>Bonds plan that in the case of a change of controlling interest in the company and a decrease in rating below BB+ during the period of change of controlling interest, each holder of a bond may request repayment or buy-back by the issuer of all or a portion of the bonds that it holds at their nominal value.</p> <p>Given the smoothing of debt repayments over time, the Company estimates little exposure to liquidity risk.</p>

**Credit risk**

RISK IDENTIFICATION	RISK MONITORING AND MANAGEMENT
<p><b>Credit risks</b></p> <p>Credit risk represents the risk of financial loss to the Group in the case of a customer or counter-party to a financial instrument failing to meet its contractual obligations. This risk essentially results from customer debts, investment securities, derivatives and guarantees given.</p>	<p>The Financial division regularly analyses the counterparties and monitors the financial ratings given by rating agencies.</p>
<p><b>Trade and other receivables</b></p> <p>The Group exposure to credit risk is principally affected by the individual characteristics of each customer. Around 24.4% of the Group revenue is derived from services sold to its main customer Air France.</p> <p>Figures concerning receivables and the age of current receivables are detailed in note 9 to the chapter 20 of the 2018 registration document "Analysis of risks related to financial instruments".</p>	<p>Receivables are continuously monitored. Therefore, exposure to credit risk is not significant given the guarantees that the Group has, its receivables monitoring system and the application of IFRS 9.</p> <p>The Group determines a level of write-down on accounts receivable from clients that represents its estimate of expected credit losses. These are calculated on the basis of statistics according to the nature of the activities.</p>
<p><b>Investments and derivative instruments</b></p> <p>With regard to credit risk relating to the Group's other financial assets (cash, cash equivalents, financial assets available for sale and certain derivative instruments), Aéroports de Paris SA invests its surplus cash via short term Euro money market funds.</p> <p>The maximum exposure is equal to the book value of these instruments.</p>	<p>The counter-party risk linked to these investments is considered to be marginal. Concerning TAV Airports, credit risk linked to liquid funds is limited considering that counterparties are high credit rated banks.</p> <p>For derivative instruments, the group's exposure is linked to possible default on the part of the third parties involved, mainly leading financial institutions.</p>
<p><b>Guarantees given</b></p> <p>Financial guarantees are included in off-balance sheet commitments (see note 14 to the chapter 20 of the 2018 registration document).</p>	<p>The Group's policy is only, where possible, to grant financial guarantees on behalf of wholly-owned subsidiaries. Guarantees are accorded by the Group to the correct execution of international contracts. In particular, ADP International and TAV Airports gave commitments (share pledges, receivable pledge, and pledge over bank accounts) in relation to bank loans that are intended to finance the construction and operation of certain concessions.</p>



## 5 SOCIAL, ENVIRONMENTAL AND SOCIETAL RESPONSIBILITY INFORMATION

### 5.1 Aéroports de Paris Corporate Social Responsibility (CSR) policy

Since 2015, Groupe ADP has been the European benchmark for CSR amongst major airport operators. Its aim is to become the world benchmark. Its project: reconcile economic growth, meeting its stakeholders' expectations and environmental protection.

It conducts its policy in accordance with ISO 26000 guidelines, a benchmark for its CSR performance, and continues to deploy the policy within the scope of its main airport subsidiary, TAV Airports, 46.2% owned since July 2017.

Its CSR charter, signed by the Chairman and CEO, and the governance of its wholly-owned subsidiaries is organised around six focuses:

- ◆ ensure exemplary governance;
- ◆ place people at the heart of its strategy;
- ◆ satisfy all customers;
- ◆ control and minimise its impact on the environment;
- ◆ ensure ethical and responsible purchasing; and
- ◆ promote local community involvement.

Its CSR policy covers five areas: governance, human capital, customers/purchases, environment and community involvement. In line with the Group's Connect 2020 strategic plan, it includes CSR performance targets, including specifically:

- ◆ the reduction in the Group's environmental footprint;
- ◆ employee involvement;
- ◆ customer satisfaction;
- ◆ improving its extra-financial rating.

#### Stakeholder dialogue: materiality study on CSR challenges

The results of the materiality study carried out at the end of 2017 via an on-line survey were published on the Group's internet site ([parisaeroport.fr/groupe/rse/materialite-des-enjeux-rse](http://parisaeroport.fr/groupe/rse/materialite-des-enjeux-rse)). Sent to 8,000 stakeholders, the study included 23 issues grouped into four themes:

- ◆ exemplary airport management;
- ◆ well-being of platform employees;
- ◆ environmental preservation;
- ◆ commitment to regions.

2,000 stakeholders responded. They considered several CSR themes to be very important (score higher than 8/10): good governance and business ethics, preservation of natural environments and air quality, fight against climate change, work safety and security, as well as public and airport security, accessibility to airport zones and the quality of the welcome and service to passengers.

#### Sustainable development goals

Groupe ADP set itself 11 sustainable development goals (SDG) in 2018, in line with the goals adopted by the UN in 2015 to achieve a better and more sustainable future by 2030:

- ◆ quality education (UN SDG 4);
- ◆ gender equality (SDG 5);
- ◆ clean water and sanitation (SDG 6);
- ◆ affordable and clean energy (SDG 7);
- ◆ decent work and economic growth (SDG 8);
- ◆ innovation and infrastructure (SDG 9);
- ◆ sustainable cities and communities (SDG 11);
- ◆ responsible consumption (SDG 12);
- ◆ climate action (SDG 13);
- ◆ preservation and restoration of land ecosystems (SDG 15);
- ◆ partnerships for the goals (SDG 17).

An action programme and dedicated reporting will be deployed from 2019.

## The fight against tax fraud

Present in around 20 countries, Groupe ADP deploys its tax policy according to three main principles:

- ◆ prevalence of the business activity;
- ◆ fair taxation of operations;
- ◆ management of tax risks.

Its policy is in line with OECD standards which aim, on the one hand, to locate and tax revenue in the country where the business is carried out and, on the other, to improve transparency and the level of information on transfer prices, notably via Country by Country Reporting (CBCR) to eliminate all tax evasion situations. As a matter of principle, the Group rejects investments in tax havens or countries considered to be uncooperative for tax purposes unless these investments are justified by real economic activities (for example, an airport) other than tax savings (for more information, see the internet [site https://www.parisaeroport.fr/groupe/rse/gouvernance](https://www.parisaeroport.fr/groupe/rse/gouvernance)).

## Governance and ethics

In 2018, Aéroports de Paris SA deployed an Ethics and Compliance action plan validated by the Executive Committee, the Board of Directors and its Audit and Risk Committee. As ethics and compliance firstly require a change in culture rather than a change in procedures, this plan attaches considerable importance to exemplary management, awareness raising and training, along with employee understanding and perception. It is based on seven focuses implemented from 2018.

The duty of vigilance and the prevention of corruption and conflicts of interest are the priorities defined for 2018 and 2019.

Risks related to Ethics and Compliance are described in the Risk factors chapter.

The Ethics Direction was created to accomplish its missions within Aéroports de Paris and its subsidiaries.

## The vigilance plan

Both Aéroports de Paris and TAV Airports signed the UN Global Compact. Aéroports de Paris has also signed, in 2015, the charter against racism made by the Défenseur des droits.

For Groupe ADP, ethics and compliance cover compliance with laws and regulations and the Group's four values: trust, commitment, boldness and openness. As a signatory of the UN Global Compact since 2003, it develops its activity in accordance with the Compact's ten principles on human rights, work standards, environmental protection and the fight against corruption.

The law of 27 March 2017 creates a duty of vigilance for parent companies and order providers with regard to their subsidiaries, as well as sub-contractors and suppliers, in order to protect against serious violations of human rights and fundamental freedoms, and the health and safety of people and the environment.

Subsidiaries and companies controlled within the meaning of Article L. 233-16 of the French Commercial Code<sup>1</sup> are concerned along with leading service providers with which the Group has a long-term business relationship and for which social, environmental and ethics risk mappings covering corruption have been drawn up.

The vigilance plan includes measures for the subsidiaries, France sites and suppliers. All Group employees and suppliers may use the whistle blowing mechanism deployed in 2018.

## Measures for subsidiaries

The Ethics Department has worked closely with the Legal and Insurance Department to establish the level of compliance of international subsidiaries. In line with the ISO 26,000 guidelines, which cover the law's main thematic issues, the analysis for AIG and TAV Airport identified the local laws, detected risks and actions already implemented on:

- ◆ human rights: fundamental principles and working rights;
- ◆ working conditions and relations: employer/employee relations, working conditions and social protection, workplace health and safety, development of human resources and professional training;
- ◆ the environment: prevention of pollution, environmental monitoring, mitigating climate change, protection of biodiversity and ecosystems, noise pollution management.

Based on this analysis, working groups will be organised to set the modalities and time periods within which the subsidiaries will be able to implement the Group's major commitments that have not already been fully taken into account. Regular updates will enable project progress to be monitored.

## Measures applicable to sites in France

A consolidated environmental risk mapping for our Paris-Charles de Gaulle, Paris Orly and Paris-Le Bourget airports has been prepared. It is based on environmental analyses, events having occurred, monitoring reporting on our environmental and energy policy and the risk mappings drawn up for each airport.

<sup>1</sup> See the list of companies on p. XX

This mapping has enabled the Group to:

- ◆ identify the main environmental risks (soil and water pollution, layouts, waste, air) to which our three airports are subject;
- ◆ rate each risk
- ◆ list the management resources implemented for each risk

## Measures for suppliers

### *The Supplier CSR Charter*

Deployed since 2014 and signed by all suppliers under contract, the Supplier CSR Charter makes it possible to promote and share with suppliers the major directional policies, values and CSR commitments of Groupe ADP.

In 2018, the charter was updated to include the stricter requirements set by the anticorruption (Sapin 2) law and the law on the duty of vigilance to prevent social, environmental and energy CSR risks. Audits and monitoring plans were also strengthened in this new version of the charter linked to all new contracts since November 2018.

### *The purchasing risk mapping with regard to social aspects*

This mapping identifies the services most at risk with regard to their social impact by purchasing segment. For these segments with significant social challenges, company offers are assessed based on criteria analysing their performance in terms of workplace health and safety, their employment policy and their HR management (between 5% and 10% of the score). Candidate companies to calls for tender provide documents that commit them in respect of their social policies as part of their contract with Groupe ADP. The documents are analysed by an HR Department expert who takes part in the negotiations and challenges the submitting companies on their answers and practices during the presentations. During the execution phase, some contracts with high social and image risks are subject to social audits to minimise risks. In place since 2014, these audits are conducted by a specialist, independent, external company. They enable suppliers to be challenged and ensure that they make progress throughout the contract term on factors that are important for Groupe ADP. They give rise to supplier reports, with suppliers then required to propose corrective action plans to rectify the identified problems and improve. Progress on action plans is analysed in conjunction with the specifiers. These audits covered over 60% of revenue in operational service contracts (security, cleaning, safety, landscaping, etc.) and maintenance contracts, and over 88% of external works contracts in 2018.

### *Purchasing risk mapping with regard to environmental aspects*

In 2018, the Purchasing Department continued its work to comply with the *Potier* law of 27 March 2017.

Its aim is to identify suppliers according to their products/service provisions in accordance with to ADP SA

issues, as well as identifying measures for the suppliers "at risk" so that monitoring plans can be settle.

This new mapping is based on a robust methodology:

- ◆ identification of environmental risks and the main environmental challenges for Aéroports de Paris SA: climate change, air pollution, water consumption and pollution, biodiversity (soil pollution, degradation, deforestation), waste production, resource depletion;
- ◆ then rating (probability of occurrence of risk X impact) for each purchasing segment (over 170 segments).

Following this rating, an action plan is currently being prepared to cover the identified risks. The actions to be undertaken notably include reinforcing environmental demands on suppliers during contract awarding with the adjustment of the existing CSR rating grids used for selection. These CSR grids, which are specific to each purchasing segment, are used to measure the level of maturity of candidates and allocate a score for this item (of between 5% and 10% of the score).

### *The life cycle approach and an energy performance criterion included in purchases*

An internal CSR-environment purchasing procedure was also deployed in 2018 to integrate the life cycle approach into



the purchasing process, in accordance with the requirements of the 2015 version of ISO 14001. This approach takes environmental impacts into account at each stage of the life cycle for the different purchasing categories.

Moreover, the Purchasing Department and the Environment, CSR and Regions Department have targeted the purchasing families most at risk through their impact on energy consumption, and raised awareness of specifiers and buyers so as to include a specific energy performance criterion. A guide to identifying relevant criteria for "high energy-consumer" segments has been introduced. For these segments, the energy performance criterion is included in consultations during offer rating, and is separate from the CSR criterion.

### Whistle-blowing mechanism

Groupe ADP has deployed a whistle-blowing platform accessible by suppliers to meet the requirements of the Sapin 2 law. It also includes a hotline for people without access to internet.

### Human rights

As a member of the UN Global Compact since 2003, and with Advanced Level status since 2015, Groupe ADP undertakes to comply notably with the Universal Declaration of Human Rights in all its activities. In its sustainable development goals, it has selected SDG 4: "ensure inclusive and equitable quality education and promote lifelong learning opportunities for all" and SDG 5: "achieve gender equality and empower all women and girls".

In 2015, Groupe ADP also signed the Mobilisation Charter to fight for equality against racism, supported by the Human Rights Defender.

Our TAV subsidiary has been a member of the UN Global Compact since 2015 with the GC Active level.

### Fight against corruption

In 2018, Aéroports de Paris SA deployed an Ethics and Compliance action plan validated by the Executive Committee, the Board of Directors and its Audit and Risk Committee.

Committed to basing its development on principles which reflect its ethical commitment, Groupe ADP formalised its ethics rules at the end of 2016 in a Responsible Lobbying Charter, available on its website. Since 2017, it is also registered in the list of interest representatives held by the High Authority for Transparency in Public Life (Haute Autorité pour la transparence de la vie publique) in accordance with the Sapin II law.

In 2017, Transparency International designated TAV Airport as the more effective company in terms of anti-corruption, transparency and reporting measures in Turkey.

### Ethics and compliance: the seven pillars of the action plan

The Ethics and compliance action plan includes the fight against corruption. It is based on seven pillars.

- ◆ Management exemplarity: In 2018, all the members of the Executive Committee (including ADP International) made a written commitment to deploy the Ethics and Compliance Action plan in their scopes of responsibility. These written commitments were duplicated for the TAV Airport, AIG, ADP Ingénierie and Hub One subsidiaries. In addition, via a letter sent to the top management, the Group's Chairman and Chief Executive Officer launched the Gifts and Invitations procedure.
- ◆ The risk mapping: the Ethics and Compliance risk was considered significant for the Group given its international exposure. The Ethics Department, with the Security and Risk Management Department, launched work to reinforce training in the third party and corruption risk mapping in 2019.
- ◆ Dedicated governance: the Ethics Department was created in 2018. Its Director reports to the Chairman and Chief Executive Officer, thus guaranteeing the Department's independence in processing alerts. The Ethics Department defines and steers the Ethics and compliance action plan with the Legal and
- ◆ Insurance Department. To extend the plan to the Group's subsidiaries, these departments are supported by the Ethics & Compliance contacts in ADP International, ADP Ingénierie, TAV Airport, AIG and Hub One, as well as the Ethics and Compliance relays appointed in Aéroports de Paris' departments. The programme is monitored in the Group's different bodies: Executive Committee, Works Committee, Board of Directors (and its Audit and Risk Committee).
- ◆ Definition and diffusion of policies, rules and methods:
  - Included in the internal rules of procedure, Aéroports de Paris SA's code of ethics was distributed, via the intranet and internet sites, in the form of a communication document entitled "Group Ethics code of conduct and compliance". It includes best practices, areas of vigilance and prohibitions as well as examples of tangible cases. At the start of 2019, it will be distributed in person to Aéroports de Paris SA's employees. The French subsidiaries have their own code of conduct. For the international scope, a code of conduct translated into seven languages was distributed within the subsidiaries.
  - At Group level, the Embargos, Gifts and invitations and Conflicts of interest procedures were distributed for the first time. This corpus will be reinforced in 2019.
  - In 2018, the 13 procedures defined for the international scope, dealing notably with third party assessment, payment facilitation, embargo policy, etc. were

introduced within the international subsidiaries controlled by the Group.

- ◆ Whistle-blowing mechanism: Accessible since 1 October 2018 to Group and supplier employees, the alert platform (<https://report.whistleb.com/fr/adp>) meets the requirements of the *Potier* law (duty of vigilance) and Sapin 2 law (fight against corruption). Integrated into the platform, a charter manages the admissibility criteria for alerts and defines the protection for whistle blowers. It was subject to an audit by Transparency International. The platform's accessibility and the protection of whistle blowers were promoted by a Group communication in France and to the TAV, AIG, ADP Ingénierie and Hub One subsidiaries.
- ◆ Training and awareness raising: An intranet and an internet site ([parisaeroport.fr/groupe/groupe-strategie/ethique-et-compliance](http://parisaeroport.fr/groupe/groupe-strategie/ethique-et-compliance)) dedicated to the Ethics and compliance action plan were launched in December 2018. An e-learning programme is currently being produced. This will include several modules dealing as a priority with ethics and compliance issues, the fight against corruption, conflicts of interest, gifts and invitations.
- ◆ Monitoring of the Ethics and compliance mechanism: An ethics climate barometer was produced for the first time in 2018 to measure employee perception on ethics, and specifically conflicts of interest and corruption. It is also used to measure the level of awareness and confidence in the alert system.

Furthermore, Aéroports de Paris is a member of Transparency International and also of the "Cercle Ethique des Affaires" which helped Groupe ADP to promote Ethics to its employees.

#### Mapping of suppliers at risk in terms of ethics and corruption

As part of the approach steered by the Group Ethics Officer, Aéroports de Paris SA's Purchasing Department has defined a methodology to assess risks of corruption in the area of purchasing both prior to the contract signing and during the contract execution, in accordance with the law.

The level of exposure to corruption is assessed based on the analysis of five risk factors: sector of activity, type of transaction (procedure and contract signing), business opportunity (quality and level of commercial relations), country risk, status and reputation of contacts and stakeholders.

Based on this analysis, a mapping of suppliers at risk in terms of ethics and corruption was prepared. 100% of the suppliers already under contract with Aéroports de Paris SA were analysed in 2018 and no major non-compliance was detected. An action plan is being rolled out to improve the few at-risk situations identified.

In 2019, the aim is to continue the approach by focusing on new suppliers.

#### Measurement and ongoing improvement of performance: ratings and benchmarks

Groupe ADP exercises its corporate social responsibility to its stakeholders through a policy based on reducing the environmental impacts of its operations and creating positive externalities based on economic and social cooperation programmes with local communities. The CSR risk factors are identified and taken into account in risk management.<sup>1</sup>

Performance has been assessed by an extra-financial rating agency since 2005 for Aéroports de Paris and since 2014 for the main Group subsidiaries. In 2018, Ethifinance performed the rating of Aéroports de Paris and its subsidiaries, ADP Ingénierie, ADP International and Hub One, in relation to corporate governance, business ethics, the environment, community involvement, human resources, clients and purchases.

<sup>1</sup> See Chapter 3 "Systems and procedures for internal control and risk management" of the Management report.

The Group's rating increased by four points between 2016 and 2018, at 86 out of 100, corresponding to Ethifinance's "excellent" level. The scores of Aéroports de Paris and its subsidiaries are up.

For the parent company, all areas are rated as "excellent", demonstrating the extent of the commitments, the successful implementation of the actions and advanced performance. Improvement points from this evaluation feed the improvement plans managed by each entity and are coordinated by the Environment and Sustainable Development department.

For Groupe ADP's main subsidiaries, each one showing strong progress, the detailed results can be found in the corporate social responsibility information published on the website.

Groupe ADP belongs to a number of socially responsible investment indexes, particularly the *Dow Jones Sustainability Index World and Europe* with, for the latter, a rating of 70/100 in 2018.

Groupe ADP is also included in indexes such as the *ISR Euronext Vigeo Eiris Europe 120 and Eurozone 120* (since 2012), *FTSE4GOOD* (since 2015), *MSCI* (since 2012), *Ethibel* (since 2009), *Oekom Prime* (since 2014).

In 2018, Groupe ADP was rated B in its evaluation (from A to D) of the Carbon Disclosure Project (CDP).

## 5.2 Social information

### Risk analysis and materiality study

Groupe ADP has developed its risk mapping which, in particular, includes human resources related risks. The general context is set by the priorities of the Connect 2020 strategic plan and the Economic Regulation Agreement (ERA) 2016-2020 to which HR policies make a direct contribution:

- ◆ optimise: monitoring the development of the organisations and businesses, tools and processes, controlling staff costs, recognising performance, modernising labour-management discussions, making managers more responsible for an overall budget including recruitment, temporary workers and training;
- ◆ attract: encouraging employee development, attracting talent and monitoring the development of the managerial culture;
- ◆ expand: protecting the Group's identity and developing mobility in France and abroad and supporting job development in the territories.

2018 was notable for proposals to change the shareholder structure, the negotiation on the human resource and skills management planning system (GPEC or "Gestion Prévisionnelle des Emplois et des Compétences") and on changing the current employee representative bodies: Social and Economic Committee (CSE).

In this context, HR risks identified in the Group mapping are related to:

- appropriate human resources;
- the labour-management relations climate;
- the safety of people and goods.

This assessment was compared with the materiality study carried out in 2018. This particularly highlighted employer attractiveness and career management, an improved labour-management dialogue and climate and workplace health and safety. Gender equality in the workplace and diversity are also emphasised together with the quality of life of employees and partner companies.

The Group confirms its intention to improve and continue the actions undertaken in the latter two fields in order to achieve the objectives it has set itself.

### Policies and results

The Company therefore develops its policies and actions to meet these challenges both globally and within the Group's scope.

In 2018, the average group workforce includes TAV Airports employees as well as the employees from AIG (Jordan), controlled since 2018.

### Geographic distribution

<i>Geographic distribution Groupe ADP (excluding TAV Airports)</i>	<b>2018</b>	<b>2017 proforma</b>
France	7,076	7,143
European Union excluding	2	3
Other Europe	0	0
North America	4	2
South America	9	9
Middle East	686	157
Southeast Asia, India, China	19	10
Africa	24	18
<b>Total</b>	<b>7,820</b>	<b>7,342</b>
<b>TAV Airports employees</b>	<b>18,097</b>	<b>16,836</b>
<b>Total Group employees</b>	<b>25,917</b>	<b>24,178</b>

The policies and actions can be broken down as follows:

- 1) overall human resources policy;
- 2) appropriate human resources;
- 3) diversity;
- 4) labour management discussions and labour-management relations climate;
- 5) occupational health and safety, quality of working life.

### 1) Overall policy

The objective of the human resources policies is therefore to develop the collective efficiency of the company, while maintaining sustained labour-management discussions which are essential for the development of these projects and the quality of life of employees. It is progressively being extended throughout the Group: management of mobility and career paths, skills and coherence of compensation.

It also contributes to transforming Groupe ADP and improving the way it works, with a dynamic of sustainable development and risk management.

In order to achieve its objectives of optimising and controlling staff costs, the mechanism for managing the total cost of employee benefits is supported by a human resource and skills vision. Its objectives were reviewed in 2018 as part of defining a new agreement for 2019-2021. Changes to the workforce imply that a plan be put in place to secure skills in order to plan for people leaving, particularly in the core airport operating occupations.

Lastly, Groupe ADP emphasises reducing workplace accidents.

## 2) Appropriate human resources

Groupe ADP formulates its employment policy to both anticipate and manage employment and industry changes, career paths and skills development, and to attract and retain talent. It helps employees to adapt to these changes in accordance with the company's social obligations.

The policy is based on the human resource and skills management planning system, including the employer brand, the managerial development and compensation.

### Human resource and skills management planning system (GPEC or "Gestion Prévisionnelle des Emplois et des Compétences")

The collective agreement signed by Aéroports de Paris on 29 January 2016 covering 2016 to 2018 on human resources and skills management included the provisions "Training" and "Generation". In particular, its aim is to develop internal advancement and to increase the rates at which vacant posts are filled.

A new agreement was negotiated in 2018 and signed on 16 January 2019 in order to prepare for the challenges of changes to employment and skills on a 2025 horizon. It redefines the human resources and skills policy and identifies the mechanisms needed to support occupational changes in accordance with three main themes:

1. **having all of the skills in the airport value chain by refocusing on higher added-value skills and expertise, thus ensuring the management** of all of its activities;
2. **ensuring that** skills are renewed by means of **internal mechanisms** (career path management based on critical skills, guiding and retraining employees for occupations that fulfil the Company's needs) **and external mechanisms** promoting turnover (external recruitment, support for external mobility projects and retirement);
3. **acquiring and developing new skills:** international, digital, data management and cross-functional skills (cross-functional management, project management, process optimisation, etc.).

The development and implementation of the mechanisms provided by these collective agreements is a key factor in the Company's financial performance that is directly related to securing appropriate skills and to employee commitment.

The approach also incorporates the aspects of diversity set out in section 3 below.

### Career progression

It included the management of career paths, the graduate program, the training and the management development.

The management of talents and career paths is a Company priority. It contributes to developing the attractiveness of its

employer brand. It relies on aiming for the satisfaction of recruited employees and their employability. Career paths, under development, provide visibility to employees and meet the strategic needs of the Company and organisations, including the Group and international dimensions.

In addition to existing tools that encourage mobility, such as immersion, job space, dedicated "mornings" (28 in 2018, for over 500 people), the Human Resources Division continued to implement its three talent management initiatives in 2018:

- ◆ updating of the career review process and its deployment;
- ◆ construction of career path management principles, based on the organisation's short and medium term needs and identification of key posts;
- ◆ review process for the management of international talents.

In 2018, in the context of its proposals to develop hospitality management jobs, Group ADP put in place a new internal reclassification unit in order to support the retraining of employees. In addition, mechanisms to support mobility were implemented in order to help employees with a proposed move outside of the company (secure external mobility).

Mobility is the second priority in terms of employment. It is monitored at the reception department level, supports the redeployment of the coming organisations, and is subject to precise analysis on the characteristics of needs, for Aéroports de Paris, Groupe ADP and internationally. In 2018, an increase in the mobility rate was included in the objectives for all HR function employees.

In particular, support for newly hired or promoted executives is given during the "executive induction days". A similar arrangement is in place for non-executives and trainees. They are integrated into the global induction system, "On Boarding", which includes different modules for information, exchanges and awareness.

For TAV Airports, matching resources to changes in the company's business activity, in particular the closure of Atatürk Airport in Istanbul, is reflected in the preparation of a support plan for people who are leaving as a result, as well as to retain the skills necessary for the activity of other airports that it operates.

### "Graduate programme"

The "Graduate programme" aims to think ahead about filling key posts for the Company in the medium term: it recruits young graduates (engineers, multi-disciplinary/business schools, etc.) identified for their potential and likely to hold different functions in the technical, operation and support departments. It is notably based on the pooling of recruitment processes, on-site assessment, and support after hiring for achieving promotion. Each person carries out three eight-month missions, in different Company environments. Graduates that have carried out the *Graduate* programme are then allocated to a division. In 2017 and 2018, 30 graduates were recruited under this programme.

## Training

Professional training is one of the tools that can be used to the benefit of Groupe ADP's strategy.

In 2018, Aéroports de Paris SA redefined its guidelines for the three-year period 2019-2021 in order to support the implementation of the human resource and skills management planning system:

- 1 – Support the development of employee skills in line with the changes in business activities and the emergence of new skills;
- 2 – Assist the development of cross-functional skills in accordance with the challenges posed by the Company's transformation and by talent development;
- 3 – Allow employees to play a role in their professional development in order to maintain and develop their employability;
- 4 – Preserve key skills, particularly for the core business activities, in order to pre-empt a potentially critical reduction in these skills.

Given the nature of the jobs within the Company, regulatory training is important.

Employees also undergo group training focusing on the Company's major strategic guidelines. Accordingly, corporate social responsibility (CSR) is part of several internal training modules. Training sessions for mobility/retraining take the form of validation of prior experience (VAE), long training sessions and modular training for new employees.

In 2018, as in 2017, Aéroports de Paris SA devoted over €4 million to purchasing professional training and skills development.

In addition, in 2018 the work/study training policy resulted in the integration of 130 work/study trainees. Of these, 122 were apprenticeship contracts and 8 professional training contracts.

Groupe ADP's subsidiaries develop the training programmes corresponding to their activity.

TAV Airports has a specialist training subsidiary for all of its airports and companies.

## Managerial development

The management development policy helps to build a management and leadership culture that embodies our values and our strategic ambitions and allows us to meet the challenges of agility, cooperation and trust to act in transformations. In terms of managerial approach, our focus is on daily work relations. The managerial model is based upon the Group's four values (trust, commitment, boldness and openness) and the four leadership priorities arising from these (developing improved self-knowledge and awareness, mobilising around an inspiring vision, developing

independence and sense of responsibility and genuinely committing to cooperation).

Between 2015 and 2017, specific schemes were addressed to all managers: Attitude Manager (1,700 high-level supervisors, executives and senior executives) and Lead & Change (130 top managers).

In 2018, managers benefited individually from distance coaching, in addition to the traditional offering of assessment, development and attendance-based coaching. Each team affected by an organisational change was also supported in order to adapt beforehand to the momentum associated with the changes.

In cross-functional terms, the co-development programme has continued bringing together managers from different divisions. A mentoring project is under way. The Company has also launched a project to bring facilitation skills in-house so that managers can develop ways of coordinating their teams based on collective intelligence.

Training is offered to managers, including awareness of the Company's corporate policy. These "Trajectoires" programmes, modules based on management fundamentals and techniques, involved 90 Aéroports de Paris SA employees this year (more than 500 in 2017 and 200 in 2016).



## Attractiveness

This is based on the policies described above and, more specifically, on actions to promote the employer brand, on the compensation policy and working time.

### Employer brand

To meet the needs identified by the human resource and skills management planning system (GPEC), Groupe ADP is developing its reputation and attractiveness.

The objective is to attract profiles who can meet the business challenges of today and of tomorrow. The initiatives introduced are for permanent employees and the young people on work/study contracts and interns. They are in particular targeted at students from the business schools, universities and colleges offering courses in airport maintenance and operating professions.

There are specific initiatives covering the employment of local residents and young people from priority districts. In July 2018, Aéroports de Paris became involved, along with the French government, in the initiative to support priority urban development districts, and young people in particular. The initiatives focus mainly on offering work experience placements to year 10 high school students to introduce them to the Group's occupations: placements were offered to 300 young people of whom two-thirds from priority urban development districts. In addition, in relation to its recruitment of young people on work/study contracts, the company has made a commitment that 20% of them will come from these districts.

Aéroports de Paris is accordingly developing close relationships with educational establishments: partnerships (in particular with Sciences Po, ESSEC, ESTP, ENAC, etc.), forums, introductions to airport occupations, and reinforcing its presence on communication channels, particularly social networks.

In order to facilitate certain external recruitments, Groupe ADP is trialling a recommendation system in partnership with KEYCOOPT, which specialises in recommending candidates through the Internet. Selection will be carried out in accordance with the Company's recruitment rules and commitments, particularly regarding diversity and equal opportunities and in accordance with non-discrimination principles.

The Company partners with RUE (Rencontres Université Entreprise) and AJU (Atout Jeunes et Universités) and took part in 20 attendance-based and virtual forums in 2018.

In 2017, the brand was conveyed using a new image, starring ten employees, representing the diversity of jobs in an international environment.

In 2018, 14 web videos were broadcast to provide information about types of work and job offers with a campaign on the networks and on the HR web pages. Our presence on social networks grew again with an increase of over 60% in LinkedIn subscribers over the year (up by 30% in 2017). Aéroports de Paris is also present on Jobteaser, which

combines information on companies with offers for students and young graduates.

The Company is also committed to diversity through numerous initiatives, including involvement in "Elles bougent", a network for women promoting technical occupations in secondary schools, and "Mission Handicap", which facilitates the employment of disabled people. In 2018, it took part in Handi-Forum.

In 2018, Groupe ADP continued to be present in the different rankings for the most attractive companies: for example, Happy trainees (from 13<sup>th</sup> place in 2017 to 5<sup>th</sup> place in 2018) and Randstad (26/250, 31/250 in 2017).

## Compensation

### Wages and salaries

In 2018, for Aéroports de Paris SA, the variable portion of executive compensation was adjusted according to the type of function and role in order to ensure fairer recognition of contributions to performance, to improve competitiveness and to align the Company's practices with those of the market.

For 2017, the salary agreement of 16 January 2017 included a general increase of 0.5% on 1 July 2017.

The Mandatory Annual Negotiations (NAO) on pay did not lead to the conclusion of a new agreement for 2018. However, unilateral salary measures were agreed upon: a general 0.3% increase on 1 July 2018, fully offsetting the effect of the increase in the CSG social security contribution, and an increase in the target amounts for the variable compensation of executives at the lower end of the pay scale.

Each subsidiary has its own compensation system.

Employees benefit from a complementary health insurance and pensions contract. From 2018, the same level of services is offered with the same insurer across all French subsidiaries.

### Incentives and profit sharing

A new incentive agreement for Aéroports de Paris SA was signed on 29 June 2018 for the years 2018 to 2020. It provides for the payment of a profit-sharing bonus if two major criteria are achieved: economic performance and customer satisfaction. A bonus may be paid, depending on the number of objectives achieved each year from the following three: frequency rate of workplace accidents with lost time, revenue per departure passenger in reserved zone, control over operating costs per passenger.

ADP Ingénierie and Hub One also have incentive agreements.

In 2018, the incentives recorded for all Groupe ADP companies totalled €14 million compared with €13 million in 2017.

## Social information

Aéroports de Paris and its wholly-owned subsidiaries have implemented a profit-sharing mechanism for their employees. €28 million was paid out in profit sharing for the entire Group in 2018, compared with €22 million in 2017.

### Group employee savings scheme and employee share ownership policy

Employees of Aéroports de Paris and its subsidiaries have access to a Group plan d'épargne [Group Savings Scheme] (PEG) and a Group plan d'épargne pour la retraite [Group Retirement Savings Scheme] (PERCOG). These two salary saving schemes give employees the opportunity to put together a portfolio of securities that may be contributed to by the Company.

For Aéroports de Paris SA, company allowances are reserved exclusively to payments made to the Fonds Commun de Placement d'Entreprise [Investment Fund] (FCPE) of the "ADP Actionnariat Salarié" employee shareholdings, within the framework of the PEG and payments made to the PERCOG.

In 2018, the allowance made by the Company was €9 million (the same allowance as 2017). Hub One and ADP Ingénierie also have agreements that provide for the payment of allowances.

To support the saving scheme dynamism, the creation of the FCPE with ADP bonds, mainly invested in unlisted bonds released by Aéroports de Paris, was created in 2017 implemented in 2018, within the framework of the profit sharing payment for the 2017 results.

### Working time

The teleworking agreement signed in 2016 for a period of two years and renewable for one year has been extended for a third year. If necessary, this year will be used to improve the scheme on the basis of feedback provided. At 31 December 2018, two years after the launch of the scheme, a total of 2,357 applications had been registered from 4,225 eligible employees (executives and ETAM (employees, technicians, supervisors)), of which 1,943 were approved for a period of one year. In December 2018, 845 employees worked from home at least one day in the month. Hub One has a teleworking agreement (2017).

In accordance with the legal rules governing working time, the number of working hours at Aéroports de Paris is a result of the agreement on the organisation and reduction of working hours signed on 31 January 2000 (and its rider signed on 7 October 2007) and supplemented by the Solidarity Day Agreement of 29 March 2005 and its rider signed on 6 November 2008. It allows 1,569 hours annually for non-management and non-executive employees on administrative, workshop and rolling work schedules, 1,501 hours annually for non-management and non-executive employees on uninterrupted work schedules and 204 days annually for managers and executives.

A second amendment to the agreement on the organisation and reduction of working hours was signed on 7 December

2018 in the context of organisational changes at the airports. It introduces uninterrupted or rolling work schedules for operating executives managing teams in the Airport Operations Centre (APOC). These individuals will enjoy the same rest entitlements as the ETAM employees that they supervise.

Riders governing situations unique to certain employees, including rescue and fire-fighting services (SSLIA, or Service de Sauvetage et de Lutte contre l'Incendie des Aéronefs, agreement of 6 April 2001 as amended by the agreement of 28 December 2006), emergency medical services (SMU, or Services Médicaux d'Urgence, agreement of 30 January 2002 and rider of 22 December 2008) and telephone switchboards (agreement of 24 July 2001). An agreement dated 3 January 2018 allows the duration of the working day to be increased for certain employees affected by winter seasonal working arrangements or the International Paris Air Show.

Each subsidiary is responsible for organising its own working time.

### 3) Diversity policy

Aéroports de Paris joined the Corporate Diversity Charter in 2013, and has worked on the diversity recruitment process with its subsidiaries. An agreement on diversity was signed on 27 April 2017. It is a framework agreement to take on transversal commitments for all discriminatory criteria, although recording the maintaining of specific commitments if necessary.

These provisions form part of the successive agreements that the Company has undertaken within the different areas related to equal opportunities: the inclusion of disabled workers (first collective agreement in 1991), professional equality (2003) and more recently, the retention of seniors in employment (2009). The integration and support of young people is also a core concept in our training programmes.

Provisions relating to the employment of young people and seniors are now incorporated into the global collective agreement of 29 January 2016 on human resource and skills management planning, training and generation contracts. They are subject to specific commitments which are described below.

In 2018, a new rating exercise was conducted by Ethifinance (which is conducted every two years): the Group achieved 86/100, up by four points compared to 2016, with 84/100 for Human Capital (+5 points). Aéroports de Paris SA improved by four points globally (87/100) and six points for Human Capital (85/100).

### Gender equality in the workplace

The fifth Aéroports de Paris SA three-year agreement covering 2018-2020 was signed on 29 November 2017. The Company confirms its determination to promote professional gender equality, highlights its desire to go further in this



Social information

commitment, continues and completes its tangible, proactive actions:

- ◆ wage equality, through the analysis of compensation differences, recovery of unjustified differences and automatic progress in the event of maternity, paternity or adoption leave, full compensation during paternity leave, employee family supplementary benefit;
- ◆ the aim is to achieve 40% of women managers and 50% in recruitment to the Graduate programme;
- ◆ the CESU system (Universal Service Employment Cheque) and access to childcare places;
- ◆ the development of the partnership with the women's "Elles bougent" network.

The agreement also provides for additional progress on over-compensation of parental part-time jobs chosen until the child is six years old, the development of women in executive positions and the appointment of a professional gender equality contact.

In 2018, the Company's proportion of women was 37.6% (37.9% in 2017 and 2016). A significant proportion of recruitment is still in the male-dominated technical and regulatory roles. The balance of women and men in the corporate hierarchy is unchanged. The proportion of women executives is 36.8% (36.7% in 2017, 36.1% in 2016). It stands at 36% in top management positions at the level of the Executive Committees.

In 2018, the proportion of women recruits to the graduate programme was 50% and 42.7% to executive positions, in line with the targets in the agreement.

A partnership was set up in 2015 with the "Elles bougent" association in order to encourage women to work in engineering and technical roles, using a network of female sponsors who are also company employees.

With regards to pay gaps, 16 applications for review were made in 2018 (for a workforce of 2,409 women) and three resulted in adjustments being made. The overall salary gap between men and women (in average gross wages) is now lower (10.0% in 2017, after stabilising at 9.3% in 2015 and 2016). In 2019, a specific new study will be carried out into the compensation structure and reasons for variances. In 2018, more females were promoted than men, just like in 2017.

Breakdown of staff by gender <sup>26</sup>	2018		2017	
	Men	Women	Men	Women
Aéroports de Paris	62.4%	37.6%	62.1%	37.9%
ADP Ingénierie	71.8%	28.2%	74.0%	26.0%
ADP International	76.1%	23.9%	80.0%	20.0%
Hub One	72.9%	27.1%	72.5%	27.5%

Retention of seniors employment

Provisions relating to the employment of seniors are incorporated into the global collective agreement of 29 January 2016 on human resource planning, training and generation contracts.

The agreement stipulates a 2% senior (at least 50 years old) hiring rate in 2016-2018, an average percentage of the workforce aged 55 and over of 14.5%, measures to improve working conditions and prevent difficult working conditions, anticipate career development, skills development and access to training and end-of-career management (interviews, aid for the purchase of contribution quarters, part-time hours). The transfer of knowledge and skills is supervised.

In 2018, the recruitment rate was 7.1% of permanent hires (5.1% in 2017, 4.4% in 2016) and employees aged over 55 years old accounted for 23% of average staff numbers (22% in 2017, 21% in 2016). At 31 December 2018, 35 employees benefited from end-of-career part-time hours (in total, 65 employees have benefited from this over the period of the agreement).

Under the GPEC (human resource and skills management planning) 2019-2021 agreement negotiated in 2018 and signed on 16 January 2019, the end-of-career support mechanisms have been renewed and improved, in particular by introducing part time skills-based volunteering programme.

Employment of young people

Provisions relating to the employment of young people are now incorporated into the global collective agreement of 29 January 2016 on training and generation contracts.

Management undertook a commitment to bringing in young people; the target is for 30% of new recruits over the life of the agreement to be young employees on permanent contracts. In 2018, this rate was 39.0% (48.9% in 2017, 45.9% in 2016). On-boarding programmes and tutors have been put in place, with a particular focus on their training. The company also reaffirmed its desire to expand the use of work/study programmes as a preferred means of bringing young people on permanent contracts into the company, in line with the needs identified.

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The recruitment of permanent staff from work/study programmes was 6.5% in 2018 (6.3% in 2017, 11% in 2016, with a target of 15% over the period of the

agreement). The rate of employment of interns is 3.1% of the workforce (target: 3%).

Aéroports de Paris SA workforce breakdown	2018	2017
Under 25 years old	1%	1%
25 to 49 years old	53%	55%
From 50 to 60 years old	43%	40%
Over 60 years old	3%	4%

In the 2019-2021 GPEC agreement, Groupe ADP strengthened its commitment to the recruitment of young people by increasing the young people recruitment rate target to 40%. The Company is also renewing its commitment to the recruitment rate of work/study trainees.

### Employment and integration of disabled people

The current three-year agreement, signed on 25 January 2016 and which covers the period 2016-2018, includes recruitment targets: 15 permanent (one recruit in 2018 and a total of 11 over the term of the agreement) six work/study training contracts (one completed, making two in total), 15 assisted or fixed-term contracts (no contracts in 2018, four over the period), six internships (two completed, 12 in total). The increasing difficulty in finding the qualified people needed for post to be filled explains why these challenging targets have not been completely achieved. In order to change this situation, Aéroports de Paris will introduce a support mechanism for less qualified individuals in order to improve their employability. The Company will also conduct a survey on the quality of working life for disabled persons.

The target for service purchases is €0.8 million per annum: €0.747 million achieved in 2018, €2.517 million over the period, i.e. an average of €0.839 million. It also allows for better support of the integration of disabled workers, through a commitment to adapt their working environment according to their needs and to promote the actions of the employees who support them.

As part of its policy to foster relationships with schools and welcome students with disabilities, Aéroports de Paris has been a partner of the Institut National des Jeunes Sourds since July 2013.

The level of employment achieved in 2018 was 7.53% (7.52% in 2017, 7.24% in 2016 and 2016% in 2016).

Disabled persons accounted for 0.65% of external hires in 2018 (2.8% in 2017).

### Diversity in the subsidiaries

Collective "generation contract" agreements were signed for Hub One (2015) and ADP Ingénierie (2017). There is an agreement on gender equality for Hub One (2014); for 2018, the NAO (Mandatory Annual Negotiations) agreement for ADP Ingénierie includes a specific provision on equal pay.

In addition, each subsidiary of Aéroports de Paris signed the Diversity Charter on 17 April 2014.

### Sheltered and protected employment sector

In 2017, Groupe ADP ordered services worth €747,000 from 16 suppliers in the sheltered and protected sector, in line with the annual target set out in the agreement on the employment of disabled persons (an average of €0.8 million each year, with a total of €2.517 million over three years). The services are very diverse in nature (cleaning of vehicles, collection of light waste, care of green spaces, small building maintenance projects, plan updates, post management, administrative work, catering and food trays, etc.) and 89% are covered by multi-year contracts.

The work of the Mission Handicap and the Purchasing Department, with the involvement of advisory bodies, has made it possible to maintain the momentum of recent years in terms of the work being done to develop and perpetuate purchases with the sheltered and protected employment sector. These results also come from the partnership with the GESAT<sup>[1]</sup> a major organisation in the sector, facilitating the relationship between Aéroports de Paris, its counterparts from ordering parties and the service providers.

<sup>[1]</sup> Association, company network in the sheltered and protected employment sector (establishments and services promoting assistance through work and sheltered companies)

#### **4) Labour-management dialogue and labour-management relations climate**

Aéroports de Paris places particular importance on the quality of labour management discussions. The development of modes of consultation and communication help to improve the quality of the corporate climate and encourage the individual and collective efficiency that contributes to the growth of the company. In accordance with the laws of 4 August 1982 and 3 August 1986 relating to employees rights of expression (protocol signed on 23 December 1987) and the law of 14 June 2013 on job security, Aéroports de Paris agrees to ensure quality labour management discussions while respecting the principles of the International Labour Organisation (ILO): the group develops this dialogue through the recognition of trade unions, the right of employees to join a trade union, the right to union training and its willingness to communicate through trade union bodies and meetings with staff representatives.

Dialogue is structured around a Group Works Council for Groupe ADP committee, and, for Aéroports de Paris SA, a Works Council, a central body with over 50 employee delegates.

The resources allocated to the representative unions for the exercise of their different mandates are formalised in an agreement on trade union rights and social dialogue signed on 21 July 2015 by the CGT, CFE/CGC and UNSA SAPAP unions.

The health and safety policy was reviewed and three agreements were concluded on 9 January 2017 relating to the scope of the CHSCTs (Health and safety committee) (seven committees), the creation of a CHSCT coordination body and resources allocated to the CHSCTs. The inter-company committee installed by corporate agreement will handle the Company's prevention policy and completes the prevention system. To further improve the way in which the bodies operate, an amendment to the agreement on the scope of the CHSCT (health and safety committee) and inter-company CHSCT was signed on 14 June 2018. Two agreements were also signed on 10 January 2017 in application of the "Rebsamen" law of 17 August 2015 organising the way in which the bodies operate. The first, on the conditions for holding mandatory negotiations, defines four negotiating blocks, three of which are held once every three years: compensation and distribution of added value (annual), working time and quality of working life, diversity, jobs and career management; the second sets out the conditions for informing and consulting the Works Committee.

These provisions will apply until 1 January 2020, when the Company must comply with the new provisions stipulated in Order no. 2017-1386 of 22 September 2017, on the new organisation for social and economic dialogue within the Company and favouring the exercise and promotion of trade union responsibilities. The different existing bodies must then merge into the Economic and Social Committee, a single new employee representation body.

Aéroports de Paris has chosen to implement the new bodies through collective negotiations, in order to best adapt their structure and role to the Company's specificities. An agreement on the method to coordinate and pace the negotiations was signed on 31 July 2018 by the UNSA-SAPAP CGT and CFE-CGC unions (which together represent 88.05 % of the votes expressed in favour of the representative organisations during the first round of the last elections for the Works Council). Negotiations are on-going with the trade unions on the implementation of the Economic and Social Committee, the resources to be allocated to it and the implementation of regular monitoring of the career and training of employee representatives.

The agreements concluded will be made known to all employees, using several tools such as the intranet, internal newsletters, or "Infodif" (multicast).

Collective agreements signed by theme – Aéroports de Paris	2018	2017	2016
Compensation (employee agreements, incentives, profit sharing, medical expenses)	1	1	1
Employee representation	2	3	1
Diversity	-	3	1
Professional elections	-	4	1
GPEC, training, generation contract	-	-	2
Working time	3	-	4
Workplace health and risk prevention	-	4	-
Organisations	-	2	-
Savings plan (Company and Group)	2	-	-
Total	8	17	9

Agreements were also signed in 2018 in the other Group companies benefiting from staff representation:

- ◆ ADP International (profit-sharing)
- ◆ ADP Ingénierie (NAO Mandatory Annual Negotiations, incentives, PEG and PERCO),
- ◆ Hub One (Mobility: quality of working life and prevention of psychosocial risks).

## 5) Occupational health and safety, quality of working life

### Prevention of occupational risks

In 2017, the number of workplace accidents with lost time had recorded a significant drop (-19% compared to 2016) along with the frequency rate and severity rate.

This number increased during the last quarter of 2018, which made the total increased for the full year rose by +5.3%. This level remains lower than the 2016 one. The majority of accident occurred within the place of work. However, an improvement was recorded for the accidents regarding travels from home to the work place.

The type and causes of workplace accidents are subject to regular updates in the Executive Committee.

The directions in the mobilization plan were reaffirmed: act to:

- ◆ prevent accidents on foot or in vehicles (*work and journey*);
- ◆ prevent aggressions and uncivil behaviour; this is a particular problem for all companies operating on airport platforms;
- ◆ promote well-being at work and fight against psychosocial risks.

Along with a 4<sup>th</sup> focus in 2018:

- ◆ prevent risks to subcontractors, by granting more weight to health and safety criteria in awarding contracts and by monitoring their accidents and preventive actions.

A new strategy was defined in 2017, in order to move from the idea of workplace safety to a prevention culture shared at all levels of the Company. Numerous actions were implemented to reinforce prevention management: monitoring of the action plan to reduce travel risks, a guideline for managerial practices in terms of occupational health and safety; a training module and guide dedicated to managers on how to take human factors into account in transformation projects.

A communication campaign to inform, raise awareness and lay the foundations for this comprehensive culture, shared within the Group, will take place in February 2019.

Since 2017, a security action plan has been implemented on work projects. It includes initiatives coming from the culture: reception of visitors, displays, awareness raising, feedback as well as actions such as including security information in calls for candidates, security clauses in tender offers, introduction of penalties in the event of workplace accidents. Monitoring actions were developed in the form of meetings, "15 minutes security", thematic audits, surprise visits, monthly publication of statistics, etc.

Shared initiatives are regularly carried out with the subsidiaries: awareness-raising forum on road risks, experience sharing on preventing psychosocial risks.

The Security and Risk Management Division also supervises the protection system for the Group's expatriates on long- and short-term assignment. It is supported by training on safety awareness abroad.

## Prevention of psychosocial risks

The prevention of psychosocial risks, which may be of internal or external origin, for example customer relations, is one of the priorities of the Aéroports de Paris mobilization plan:

- ◆ raising awareness and training individuals in the alert network, and including psychosocial risk prevention in the professional training received by managers;
- ◆ evaluating psychosocial risks and analyzing accidents to prevent situations of discontent;
- ◆ building prevention of psychosocial risks into project management, particularly prior to reorganizations', promoting a good understanding of priorities, the contribution of each individual, independence and cooperation.

For this, a methodology guide to take into account human factors in projects has been deployed throughout the Company, as part of a collaborative and multidisciplinary framework and in association with the inter-company CHSCT. In a context of deep cultural change and transformation, it aims to anticipate the impacts on men and women at the heart of the transformations. It is based on:

- ◆ a systemic approach to projects taking into account the entire ecosystem and placing the project in its strategic and historical context;
- ◆ a collaborative momentum, that clarifies the role of the different players.

Strong involvement for the concerned employees based on clear, transparent and authentic communication.

The specific methodology for evaluating psychosocial risks was finalised and documented in the Single Document. The units have been trained and are being supported in assessing these risks.

The "Single Document" - a regulatory professional risk assessment tool - includes psychosocial risks for certain locally-defined work units, and for all employees, through an inter-company assessment carried out by occupational health doctors, social service representatives and health and safety managers.

For the subsidiaries, Hub One has an agreement on the quality of working life and prevention of psychosocial risks.

The social barometer gives a snapshot of the company environment and its main sectors and is a tool to help managers communicate with their teams. It takes place every other year, given the time needed to implement the action plans. The 2017 social barometer was carried out in October, with a 51.1% participation rate. These results were presented and action plans will be prepared in 2018.

## Annual report on workplace hygiene, health and safety

The three agreements and their amendments (9 January 2017 and 14 June 2018) in force in 2018 for Aéroports de Paris SA improve the organization and functioning of the CHSCTs and employee representative participation in the prevention of occupational risks. They concern:

- ◆ the review of the scope of the CHSCTs consistent with the diversity of the activities and the places where these activities are exercised (seven committees);
- ◆ the creation of a CHSCT coordination body, as a spin-off from local CHSCTs when a project concerns at least two;
- ◆ the resources allocated to the CHSCT and the creation of an inter-company committee to handle the Company's prevention policy.

## Promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organisation

Beyond a proactive policy where respect for human rights contributes to the functioning of the company, Aéroports de Paris has developed its activity in accordance with the principles of the Global Compact, to which it has been a signatory since 2003. The Group undertakes to respect and promote the provisions of the fundamental conventions of the International Labour Organization (ILO). More generally, extra-financial ratings, actions and communication on the Company's processes rely on the ISO 26000 guidelines, which are the performance benchmark for CSR used by the Company.

# 5

## Social, environmental and societal responsibility information

### Social information

The commitment to the principles of the ILO and the Global Compact is realized by actions undertaken in these areas, as described in the table below:

Principles of the Global Compact and	Actions undertaken
<i>Human rights</i>	
1. Support and respect the protection of international law on human rights within the Group's sphere of influence	Company Code of conduct and the wholly-owned subsidiaries' codes of conduct (ADP International and Hub One), Group CSR charter Suppliers integrated in the purchasing process (sent for signing to applicants for procurement procedures launched by Aéroports de Paris)
2. Ensure that the Group's companies are not complicit in violations of human rights	Company Code of conduct and the wholly-owned subsidiaries' codes of conduct (ADP International and Hub One), elaboration of duty of vigilance scheme in progress Aéroports de Paris ensures that its suppliers comply with the provisions on illegal work by collecting from them legal documents certifying that they are in good standing with regard to tax and social legislation and the declaration of foreign workers. As part of the procurement procedures, the criteria for the rating of offerors include a CSR assessment based in particular on the declared practices of respect for human rights. Social audits (compliance with the rules of labour law) are carried out on certain segments of purchases. The Purchasing Department is part of the process of implementing the Law.
<i>Labour standard/ILO principles</i>	
3. Uphold freedom of association and the effective recognition of the right to collective bargaining	Individual right to union training and signature of an agreement on trade union right
4. Eliminate all forms of forced or compulsory labour	Integration of CSR criteria in the selection of suppliers / subcontractors. Contractual contract documents include the Supplier CSR Charter and ADP's general administrative clauses provide for the application by suppliers and service providers of national rules for the protection of the workforce and compliance with ILO.
5. Ensure the effective abolition of child labour	By agreeing to respond to the calls for tenders, the candidates undertake to apply the CSR Supplier Charter, in particular its requirements regarding the abolition of child labour.
6. Eliminate discrimination in the workplace and professions	Aéroports de Paris commitment to fight against discrimination through the signing of four agreements: employment of disabled workers (2016-2018), professional equality between women and men (2017-2019) and the diversity agreement (2017-2019), GPEC (2016-2018)
<i>Respect for the environment</i>	
7. Support a preventative approach to environmental challenges	Environmental policy of Aéroports de Paris
8. Undertake initiatives to promote greater environmental responsibility	Realization of a training program and environmental awareness for all Aéroports de Paris staff
9. Encourage the development and diffusion of environmentally friendly	Technological watch and innovation (renewable energies) of Aéroports de Paris
<i>Fight against corruption</i>	
10. Work against corruption in all its forms, including extortion and bribery	Signatory of Transparency France's declaration in favor of responsible lobbying Audit in 2018 on the prevention of fraud 2015-2017 for Aéroports de Paris Appointment of a compliance officer reporting directly to the Chairman and Chief Executive Officer and recruitment of an audit and risk director in charge of compliance for the international scope. Revision of the code of ethics for Aéroports de Paris annexed to the Internal Regulations. Realization of an inventory of existing procedures and actions with a view to strengthening the prevention of corruption.

## 5.3 Social indicators for the Group

A methodological note on social and environmental reporting is provided at the end of the chapter.

	Scope	2018	2017	Change
<b>Average staff numbers</b>				
Aéroports de Paris	2	6,349	6,435	-1.3%
Subsidiaries		19,568	17,743	+10.3%
TAV Airports		18,097	16,836	+7.5%
ADP Ingénierie Group		373	392	-4.8%
ADP International Group		613	59	N/A
of which AIG		536	-	-
Hub One Group		485	456	+6.4%
<b>Group Total</b>	<b>0</b>	<b>25,917</b>	<b>24,178</b>	<b>7.2%</b>
Feminisation rate	2	37.6%	37.9%	-0.8%
<b>Appointments/Departures</b>				
Appointments	1	364	336	+8.3%
On a permanent basis	1	300	285	+5.3%
On a fixed term basis	1	64	51	+25.5%
Departures	1	497	349	+42.4%
of which were dismissals due to disability	1	32	19	+68.4%
of which were dismissals on economic grounds	1	-	-	-
of which were dismissals due to personal reasons	1	16	18	-11.1%
Rate of promotion (%)	2	4.5	3.7	+21.6%
<b>Compensation</b>				
Average gross monthly compensation (in €)	2	4,739	4,679	1.3%
Gross wage bill (in €m)	1	541	379	42.7%
Social security charges (in €m)	1	258	216	19.4%
Incentives and profit sharing (in €m)	1	42	35	20.00%
<b>Working time</b>				
Full-time employees	2	5,863	5882	-0.3%
Part-time employees	2	486	553	-12.1%
Absence rate	2	6.90%	6.90%	-0.0pt
of which illness	2	5.20%	5.30%	-0.1pt
of which maternity - paternity	2	0.30%	0.40%	-0.1pt
of which authorised leave	2	0.70%	0.40%	+0.3pt
of which work and journey accidents	2	0.70%	0.70%	-0.0pt
Absence rate ADP International		1.0%	-	-
Overtime	2	10,322	11,213	-7.9%
<b>Health and safety conditions</b>				
Frequency rate Aéroports de Paris SA	2	(√)14.62	13.64	7,20%
Frequency rate ADP International	0	0,00	-	-
Severity rate	2	0.99	0.95	4,20%



# 5

## Social, environmental and societal responsibility information

### Social indicators for the Group

Number of workplace accidents with lost time (*)	1	145	135	7,40%
Professional illness declared in the year	2	6	5	-100,00%
<b>Formation</b>				
Sums paid out for professional training (in €m)	2	17	17	-2,90%
Total training hours	1	143 596	(√) 144,,076	-16,60%
Average number of hours for training per employee Aéroports de Paris	2	20	19	-100,00%
Average number of hours for training per employee ADP Ingénierie		14	-	%
Average number of hours for training per employee ADP International		14		
Average number of hours for training per employee Hub One		25		
Proportion of employee trained Aéroports de Paris	2	78%		
Proportion of employee trained ADP Ingénierie		51%		
Proportion of employee trained ADP International		61%		
Proportion of employee trained Hub One		91%		
<b>Employment and integration of disabled workers</b>				
Number of disabled workers	2	451	441	2,30%
Number of disabled workers (full time)	2	1	5	-80,00%
Scope 0 : Groupe ADP				
Scope 1 : Groupe ADP excluding TAV and AIG				
Scope 2: Aéroports de Paris.SA				

(√) DATA 2018 verified by Deloitte with reasonable assurance  
 (\*) except local contracts for ADP Ingénierie



## 5.4 Environmental information

### Environmental and energy policy 2016-2020

Signed by the Chairman and CEO, Groupe ADP's environmental and energy policy 2016-2020 reinforces its collaboration with all of its stakeholders around three commitments:

- ◆ optimizing, by going beyond the regulatory compliance requirements;
- ◆ attracting, by strengthening the existing systems and integrating all posts, employees and suppliers, the airport community and all stakeholders;
- ◆ expanding, so that Groupe ADP leadership serves as a base in terms of sustainable development and CSR, for its development in France and internationally, its competitiveness and valuation.

It includes on six themes (energy, water, waste, air and emissions, biodiversity, land development and sustainable buildings), ambitious objectives linked in particular to the financial policies of the economic regulation agreement (ERA) 2016-2020 and the energy transition law for green growth of August 2015.

Risks related to the environment are described in the risk factors chapter.

#### Certified systems

This environmental and energy policy is based on the systematic integration of environmental factors into all activities, in particular through the application of international standard ISO 14001 at Paris-Charles de Gaulle (certified since 2001), Paris-Orly (certified since 2002) and Paris-Le Bourget (certified since 2005) airports, the Issy-les-Moulineaux heliport (certified since 2009) and the Toussus-le-Noble civil general aviation aerodrome (certified since 2015). Certification of their environmental management systems (EMS) is renewed continuously.

The Management teams at Paris-Charles de Gaulle and Paris-Orly have adopted an integrated management system (IMS)

based on compliance with three international standards: ISO 9001 (quality management), ISO 14001 (environmental management) and OHSAS 18001 (management of health and safety at work). These certificates were renewed in 2018.

Similarly, TAV Airports deploys a management system certified to ISO 9001 and ISO 14001 to manage its airports.

The certification for environmental management systems covers:

- ◆ adherence to environmental regulations;
- ◆ availability of the necessary human and financial resources;
- ◆ a systematic approach to improving the main environmental impacts (waste, water, emissions into the atmosphere, energy use, etc.);
- ◆ competence of all employees through training, awareness-raising or information;
- ◆ operational management of the impact of operations in both normal and emergency situations;
- ◆ monitoring of performances via audits (internal or external) and other environmental surveillance and measuring procedures (mostly conducted by the Groupe ADP lab, ISO 9001-certified and accredited by the French accreditation committee COFRAC).

Moreover, Aéroports de Paris SA is certified ISO 50001 for its energy management system (EMS) based on fossil fuels and renewables (biomass, geothermal, photovoltaic) and its operation and development of airports in Île-de-France. This certification was renewed in 2018.

Istanbul and Ankara airports have an energy management system in accordance with ISO 50001.

Aéroports de Paris SA operates ICPEs such as the thermal power facilities used for combustion and refrigeration activities at Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports subject to authorisation in accordance with

<sup>1</sup> See Policy and Commitments on our website – CSR section, pages 59-60 of the CSR information.

## Environmental information

the specific provisions of the prefectural decree. The Groupe ADP laboratory carries out annual regulatory controls and continuous monitoring of the atmospheric discharges from these facilities, as required under their operating permits, and a quarterly report is sent to local authorities.

Aéroports de Paris also operates environmentally classified facilities (ICPEs) for which it must submit a statement of compliance with general provisions determined by ministerial order, such as accumulators and small combustion installations (emergency power units), flammable liquid filling systems, etc. Its prevention policy relies on internal expertise, audits evaluating regulatory compliance within the framework of the Environment Management Systems and regular regulatory checks by the public authorities (DRIEE or STIIC, the Technical Department of Inspectors of Classified Facilities).

Groupe ADP does not operate any classified facility (SEVESO site) that may create considerable risks to the health or safety of neighbouring populations and the environment.

### Informed employees

Throughout the year, employees are made aware of issues relating to the preservation and protection of the environment as well as energy management. Information is shared via internal environmental communication tools, particularly, the electronic document management system, the EcoCharter, the internal newspaper "Connexion", infodifs (corporate emails) and articles on Groupe ADP's intranet site.

Training is also provided in the areas of energy and the environment.

### Financial resources allocated to the prevention of environmental risks and pollution

#### Environmental expenditure

Aéroports de Paris allocates a dedicated budget of €44 million, planned by the Economic Regulation Agreement, over the term of the strategic plan 2016-2020.

In 2018, no compensation was paid out as a result of any court decision of an environmental nature. No significant restorative action was necessary as a result of damage caused to the environment.

#### Environmental liability insurance

Aéroports de Paris has liability insurance for environmental risks. It covers all declared activities of Aéroports de Paris.

As of 31 December 2018, the payments and provisions recorded on this policy since 2014 amounted to 15,000 euros.

## Fight against climate change

### Policy

The fight against climate change is one of the pillars in Groupe ADP's environmental and energy policy. It ranks amongst the eight most important issues in its 2017 materiality study (score of 8/10), confirming the Group's ambitious targets in the fight against climate change.

Fully committed to reducing its CO2 emissions, improving its energy efficiency and developing renewable energies, it has adopted the UN's Sustainable development goals, particularly SDG nos. 7 (Ensure access to affordable, reliable, sustainable and modern energy for all), 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation) and 13 (Take urgent action to combat climate change and its impacts).

### Objectives

#### Reduction in CO2 emissions

In phase with the directions proposed by France in 2015, Groupe ADP set ambitious targets in 2016 to reduce CO2 emissions per passenger by 65% by 2020 compared to 2009, while increasing traffic.

It also intends to maintain Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports at level 3 Airport Carbon

Accreditation (ACA), and achieve carbon neutrality by 2030. Its carbon neutrality roadmap 2030 was validated by the Executive Committee in 2018.

Aéroports de Paris has undertaken projects to harmonize environmental indicators for its main subsidiaries in order to constitute a real base for the elaboration of the Group commitment.

#### Improving energy efficiency

Another of Groupe ADP's commitments is to improve its energy efficiency by 1.5% each year<sup>1</sup> over the 2016-2020 period (for a total of 7% over five years). Its initiatives focus on two components: energy optimisation for operations and maintenance and improvements to buildings and equipment.

#### Increased use of renewable energies

Groupe ADP has set itself the target of covering 15% of its final energy consumption with renewable sources.

<sup>1</sup> Energy consumption for the Paris-Charles de Gaulle, Paris-Orly, Paris-Le Bourget platforms, excluding external/m2 of building, in MWh primary energy/sq.m floor area excluding external, recharging terminals for

vehicles, 400 Hz plugs, PCA, PC125A, chargers for ground support vehicles as far as possible depending on existing counting system.

## Achievements

### Reduction in CO2 emissions

Level 3 of the Airport Carbon Accreditation (ACA) for Paris-Charles de Gaulle, Paris-Orly and Paris-Le-Bourget airports was renewed in 2018. This accreditation, all aspects of which are verified by a third party every two years, checks the calculation and actions to reduce:

- ◆ the direct emissions of Aéroports de Paris (scopes 1 and 2);
- ◆ our partners' emissions on airport platforms (scope 3): emissions linked to aircraft, auxiliary power units (APU), ground handling vehicles (GSE) and also professional and home-work travel by airport employees, access for passengers to and from airports, other emission sources (internal waste management, third party electricity).

ACA level 3+ was achieved by Izmir Adnan Menderes and Ankara Esenboga airports and level 3 by Istanbul Ataturk airport.

Reduced by 9% compared to the average for 2014-2016, internal CO2 emissions (scopes 1 and 2) for the three Paris platforms were 65,445 tonnes in 2017. The reduction is mainly due to the actions conducted to deploy renewable energies and energy efficiency, presented below in the items "Improvement to energy efficiency" and "Use of renewable energies".

External CO2 emissions (scope 3) for the three Parisian airports were estimated at around 1,920,000 tonnes in 2017<sup>1</sup>, stable compared to the average for 2014-2016 (slight increase of 1% mainly due to the increase in emissions for passenger access). Scope 3 emissions take into account:

- ◆ aircraft, for which emissions are determined from the different LTO cycle phases (Landing Take-Off): approach, movements on the ground, take-off, climbing;
- ◆ auxiliary power units (APU), that provide energy on-board the planes and for air-conditioning on the ground, and for which use depends on climatic conditions and the power required for the correct operation of the aircraft;
- ◆ ground handling vehicles used by external companies and required for all aircraft logistics on the ground;
- ◆ home-work travel for all platform employees;
- ◆ professional travel for employees of Aéroports de Paris;
- ◆ passenger journeys to reach and leave platforms;
- ◆ other sources (internal waste management, third party electricity);
- ◆ These scope 3 emissions for 2018 will be calculated during the first half-year of 2019.

In 2018, air traffic was up by 3.8% in number of passengers compared to 2017 and stable in number of movements (+0.8%). A virtual stability of aircraft emissions is expected in 2018 compared to aircraft emissions in 2017.

Paris-Charles de Gaulle and Paris-Orly airports, in agreement with the DGAC, have implemented local departure management, which helps to reduce aircraft taxiing times between leaving the gate and take-off, generating significant savings in terms of fuel and CO2 emissions, and thus reducing aircraft emissions.

To reduce APU emissions, in 2018, at Paris-Charles de Gaulle and Paris-Orly, 100% of the aircraft contact parking stands are equipped with 400 Hz floor-mounted sockets to supply electricity to aircraft, replacing the diesel generators and auxiliary thermal motors.

Moreover, the continuous descent adopted for certain approaches reduces engine load and thus their kerosene consumption and CO2 emissions.

For the actions undertaken to reduce emissions due to employee and passenger access to airports, please refer to the paragraph on air quality, which presents the actions to reduce local pollution and CO2 emissions.

The emissions for the TAV Airport subsidiary (emissions of the three main platforms: Ankara (level ACA 3+), Izmir (ACA 3+) and Istanbul (ACA 3), fully consolidated in the Groupe ADP environmental indicators), amounted to 79,000 tonnes of CO2 in 2017 for scopes 1 & 2 and 1,201,500 tonnes of CO2 for scope 3.

Emissions (scopes 1 and 2) from Groupe ADP's other subsidiaries and investments were estimated for 2017 at<sup>2</sup>:

- ◆ around 500 tonnes of CO2 for the majority owned subsidiaries (accounted for in Groupe ADP's scopes 1 et 2),
- ◆ 19,150 tonnes of CO2 for subsidiaries and investments over which the Group does not have operational control (accounted for in Groupe ADP's scope 3) and which are consolidated in proportion to Groupe ADP's financial investment at 31/12/2017.

Overall, Groupe ADP's scope 1 and 2 emissions for 2017 amounted to around 145,000 tonnes of CO2 (of which 45% come from the Paris platforms and 55% from TAV's platforms) and scope 3 emissions to 3,140,000 tonnes of CO2 (of which 61% come from the Paris platforms, 38% from TAV's main platforms and 1% from the other subsidiaries).

The 2017 CO2 emission and greenhouse gas balance 3 and the emission reduction action plan are available on the website [www.groupeadp.fr/](http://www.groupeadp.fr/), Group section, CSR tabs,

<sup>1</sup> 2018 data not available at the date of publication of this document. It will be published in the 2018 CSR information.

<sup>2</sup> 2018 data not available at the date of publication of this document.

<sup>3</sup> 2018 data not available at the date of publication of this document. It will be published in the 2018 CSR information.

## Environmental information

Documents page, as well as on Ademe's GHG platform (<http://www.bilans-ges.ademe.fr>).

### Improving energy efficiency

Over the third quarter of 2018, Aéroports de Paris SA improved its energy efficiency by 4.4% compared to 2015 (the reference year). This improvement was 1.8% over Q3 2017.

It is mainly due to progress recorded at the Paris-Charles de Gaulle platform: use of new Led lighting, replacement of air-conditioning unit motors, improvement to the management of "high energy-consumer" installations.

The energy saving programmes in the buildings have continued, in particular:

- ◆ use of an internal carbon price for projects in excess of €3 million (the calculation of the carbon cost is requested for projects with a direct impact - increase or decrease - on energy consumption and therefore, on CO2 emissions);
- ◆ remote meter readings by electric meters, to allow better monitoring of consumption and detect excesses;
- ◆ monitoring of consumption via the deployment of "local energy performance indicators";
- ◆ replacement of traditional lighting systems by more energy-efficient LEDs.

As an operator of energy production units of more than 20 MW, Aéroports de Paris SA is subject to Directive No. 2003/87/EC of 13 October 2003 with regard to greenhouse gas emission (GHG) quotas. Under the National allocation plan for greenhouse gas emission allowances, annual allowances are allocated to Aéroports de Paris and its CO2 emissions are carefully monitored. Thanks to the improvement in its energy efficiency and investments made in low-carbon thermic production plants (biomass, geothermal, photovoltaic) and improvements in its energy efficiency, Aéroports de Paris does not exceed the quotas allocated to it and therefore does not purchase quotas on the markets. In accordance with article L. 229-25 of the French Environmental Code, Aéroports de Paris SA reports on its greenhouse gas emissions each year. Data for CO2 emissions from power plants in 2018 are presented in the table of environmental indicators and verified by a third party per the French national quota allocation plan (PNAQ).

### Use of renewable energies

From 1 October 2017 to 1 October 2018,<sup>1</sup> renewable energy production units at the airports (geothermal plants at Paris-Orly and Paris-Le Bourget, high yield heat-cooling pump system and biomass plant at Paris-Charles de Gaulle,

photovoltaic solar panels at Paris-Le Bourget) covered 15.3% of the internal energy consumption of Aéroports de Paris SA (15.7% at end-2017).

In 2017, renewable energies enabled around 26,000 tonnes of CO2 emissions to be avoided. This slight decrease is due to the early maintenance stoppage of the biomass boilers at Paris-Charles de Gaulle and the warmer weather conditions that penalised the thermal renewable energy production units.

To reduce its carbon footprint, Groupe ADP has subscribed to the renewable electricity offer, which commits its supplier to ensuring that 60% of its electricity in 2018 is of renewable origin (50% in 2015). The energy company provides certificates certified by a third party, proving that this 60% quota was produced by hydroelectric dams, wind farms or solar farms. At the Paris-Le Bourget airport, 100% of the electricity purchased is of renewable origin. The decision was made to move from 80% to 100% of electricity of renewable origin for the Paris-Charles de Gaulle and Paris-Orly platforms in 2020.

Groupe ADP is studying the potential of deep geothermal energy at Paris-Charles de Gaulle airport.

### Air quality

#### Policy

Groupe ADP has implemented an ambitious policy to reduce emissions of atmospheric pollutants linked to its activities and facilities, and its energy production units in particular. Its 2017 materiality study showed that air quality is a very important issue (8.1/10).

Its initiatives to fight against climate change and reduce its CO2 emissions and to promote clean mobility in its airports contribute to improving air quality.

Accredited by COFRAC, the French accreditation committee, its laboratory operates five air quality measuring stations at the Paris-Orly and Paris-Charles de Gaulle airports. It records emissions from planes, thermal power plants and road transport resulting from airport activities. It conducts air quality studies inside the terminals, car parks and technical buildings. It continuously measures levels of nitrogen dioxide (NO2) and nitric oxide (NO), particles (PM 2.5) and ozone (O3 levels).

#### Objectives

Groupe ADP has set itself four objectives by 2020:

- ◆ account for 25% of clean vehicles<sup>2</sup> in its light vehicle fleet, reduce the emissions of the other vehicles, develop electric vehicle recharging terminals in its airports.

<sup>1</sup> The value for Q4 2017 (and so, for the civil year) will be published in the 2017 CSR information.

<sup>2</sup> Electric vehicles, hybrids or vehicles with very low CO2 emissions.

<sup>3</sup> City cars, management vehicles and small vans.

- ◆ continue its mobility plan and actively contribute to inter-company mobility plans for Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports;
- ◆ limit and reduce the emissions of aircraft on the ground (taxiing and parking) and ground handling vehicles (GSE)<sup>1</sup>;
- ◆ reduce the emissions associated with airport access and internal circulation;

To the objectives driven by its environmental and energy policy, can be added the commitment made during the National Conference on Air Transport (Assises nationales du transport aérien) to strengthen its partnership with AirParif, specifically to exchange monitoring data, and its collaboration in the next measurement campaigns.

Groupe ADP also helped to prepare the 2018-2025 atmosphere protection plan (AAP) for the Paris urban area. The AAP sets out measures to improve air quality in the region. It includes three main challenges for the aeronautical sector:

- ◆ reduce the emissions from auxiliary power units (APU, which provide energy on-board the planes and for their air-conditioning on the ground) and ground handling vehicles and machinery by limiting the use of APUs and promoting the use of the least-polluting ground handling vehicles;
- ◆ reduce the emissions from taxiing aircraft by implementing local departure management at Paris-Orly to reduce taxiing time for departures by 3% in 2020 compared to 2015, and by promoting taxiing with N-1 (or N-2) engines;
- ◆ improve knowledge of aircraft emissions by communicating the emissions during the landing and take-off cycle (LTO) by aircraft/engine couple type at Paris-Orly and Paris-Charles de Gaulle airports and the share of each couple in traffic and emissions. The data will be available on an annual basis with a breakdown by month. Initially, the nitrogen oxide (NOx) pollutant has been selected.

## Achievements

All achievements mentioned within the sub-chapter "Fight against climate change" can also improve the air quality.

Aéroports de Paris SA is continuing to reduce the environmental footprint of its vehicle fleet, which includes 241 electric and hybrid service vehicles (25.4% of the light vehicle fleet), and to equip its platforms with charging points (387 at end-2018).

Groupe ADP has continued its mobility plan (PDM)<sup>2</sup> over several years, with tangible measures to optimise the travel of its employees and visitors. The 2016-2018 plan notably achieved the signature of a teleworking agreement, with the development of collaborative tools (Skype/videoconference), the testing of an autonomous electric vehicle and the launch of a car sharing application

in line with the Paris-Charles de Gaulle inter-company mobility plan.

The 2019-2021 action plan was prepared with the subsidiaries in 2018. It proposes nine work focuses around four themes: work organisation (flexibility, development of innovative tools), active and shared mobility for employees, visitors and passengers (car sharing/car pooling), clean mobility, information and awareness raising.

During the 2018 pollution peak, Aéroports de Paris SA deployed the temporary measures recommended by Airparif in such a situation, by limiting use of APUs, engine tests, test flights and the most polluting works projects.

## Waste management and the circular economy

### Policy

As part of its 2016-2020 environmental and energy policy, Aéroports de Paris SA continues to reduce the amount of waste produced at its airports and improve its recovery in order to limit consumption of natural resources.

Waste management and the circular economy rank amongst the more important issues in the materiality study (7.8/10).

### Objectives

Measures have been taken to:

- ◆ reduce waste production and encourage partners to adopt these practices;
- ◆ achieve a 45% material recycling rate for internal non-hazardous waste;
- ◆ recycle 70% of building waste;
- ◆ deploy actions associated with the circular economy;
- ◆ develop the biowaste sector by proposing a biowaste collection service to all customers by 2020 and reduce food waste in company restaurants.

## Achievements

The waste collection and processing contracts for the Paris airports (granted to the same service provider) provide for an increase in recycling rates by improving the waste sorting systems at the treatment centres of the collection service provider. Biowaste and non-hazardous waste are sorted by channel. All administrative offices have recycling points for paper and printer cartridges. In terminals, sorting bins are installed upstream and downstream of the checkpoints. In 2018, all these measures enabled 36.1% of non-hazardous waste to be recycled or reused (33.1% in 2017).

<sup>1</sup> Ground Support Equipment, Ground handling vehicles.

<sup>2</sup> Change in the Company travel plan (plan de déplacement entreprise - PDE).



## Environmental information

Groupe ADP promotes the circular economy through different recurring initiatives including:

- ◆ regular action to collect and recycle used work clothes, books and tensaguides (to make into promotional objects);
- ◆ organisation of bio-waste processing at a methanisation plant. 942 tonnes of biowaste was processed into electricity (330 MWh) by the Bionerval methanisation unit in 2017. The digestates (methanisation residues) are given to farmers free of charge for use as fertilisers;
- ◆ collection of cooking oil at Paris-Orly's company restaurants for transformation into agro-fuel;

In 2018, Groupe ADP focused on the circular economy by:

- ◆ organising conferences (as part of the European Sustainable Development week) on the subject;
- ◆ organising events to promote circular economy;
- ◆ producing a communication booklet on processing leftover food.

The fight against food waste involves awareness raising actions with airport concessions in airports, inter-company restaurant service providers and the Works Council which manages six company restaurants (five restaurants and a snack cafeteria) at the Paris platforms.

In 2018, a specific waste management channel was organised for liquid objects forbidden in aircraft cabins, such as perfume, shampoo, etc., and for sanitary block waste (nappies, sanitary towels).

## Water and soil management

### Policy

Whilst Aéroports de Paris SA's airports do not have any water constraints that would limit development of its activity, water conservation and sustainable management are an integral part of the Group's environmental and energy policy, and rank high in its sustainable development goals.

As a land developer, Groupe ADP takes care to respect the balance of the diversity of living things. The issue of land use is treated in accordance with current regulations. Groupe ADP's laboratory also carries out environmental monitoring of soil quality, using the National Methodology of the Ministry of the Environment. This monitoring checks the compatibility of the environmental state of the sites with their uses and/or development projects, in order to ensure that any on-site pollution is properly handled. The soil pollution management procedures stipulate that a soil diagnosis must be performed each time land changes tenants. These procedures were updated in 2018.

### Objectives

For water, Groupe ADP's environmental and energy policy has three objectives for 2020:

- ◆ reduce drinking water consumption per passenger by 5% compared to 2014;
- ◆ as part of a water masterplan, define rainwater management rules by zone taking into account adaptation to climate change;
- ◆ continue to improve the management of winter pollution.

## Achievements

### Reduction in water consumption

Aéroports de Paris SA distributes drinking water at its airports and has a water tower and booster pump at Paris-Charles de Gaulle, while Paris-Orly and Paris-Le Bourget are supplied by drinking water distribution points. These platforms do not have any water constraints that would limit the development of its activity.

To succeed in reducing drinking water consumption per passenger by 5% by 2020 compared to 2014, Groupe ADP recycles rainwater for different uses, for example to supply its cooling towers at Paris-Orly or toilet blocks. It also installs water saving equipment in the toilet areas of its terminals:

- ◆ recycling of rainwater at the West Terminal at Paris-Orly to supply the toilet blocks;
- ◆ installation of economical water flushes for all toilet block renovation projects;
- ◆ continuous staff training on the use of water resources, products and equipment.

### Rainwater and wastewater treatment

At its Paris-Orly and Paris-Charles de Gaulle airports, in addition to pollution catch basins and retention basins, Aéroports de Paris has water treatment stations to meet the regulatory requirements for discharge into the natural environment imposed by an inter-prefectural order specific to each airport. This order was renewed for Paris-Charles de Gaulle in 2018. The rainwater collection and treatment network was restructured at Paris-Charles de Gaulle.

Paris-Orly airport has a 2,000 sq.m. wetland filtration facility, which optimises the treatment of rainwater. To improve the regulation of rainwater discharge, Paris-Charles de Gaulle airport has constructed clean and more polluted water segregation basins as well as a connection for the most winter polluted water to the wastewater network. A new rainwater management plan was also prepared.

Aéroports de Paris is committed to limiting newly sealed surfaces favouring infiltration wherever possible and, failing this, to offset sealed surfaces with retention ponds. As part of a water masterplan, zoning defining rainwater management rules by zone was created to promote infiltration and limit the maximum the flow of leaks from retention ponds to:

- ◆ 1 litre/second/hectare for Paris-Charles de Gaulle airport (rainwater storage capacity equivalent to 550 m<sup>3</sup> per hectare);
- ◆ 10 litres/second/hectare for the catchment basin from the Morée river to Paris-Le Bourget airport.

After treatment, the wastewater produced at Aéroports de Paris SA's airports is discharged into public sewers. A procedure for monitoring the wastewater produced as a result of the activities of Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget and the industries of the airport zone is in place. Groupe ADP's laboratory monitors the quality of the rainwater discharged into the natural environment as well as the water table level thanks to a network of measuring points (piezometers).

## Soil quality monitoring

The storage and distribution of aviation fuel for aircraft are provided by external companies that maintain and operate the tanks and the hydrant fuelling system for which they also ensure the control and compliance. As the storage facilities are subject to legislation on facilities classified for environmental protection (ICPE or Installations classées pour la Protection de l'Environnement), they regularly undergo quality and compliance audits by the Regional and Interdepartmental Environment and Energy Department (DRIEE).

Since 2014, Groupe ADP sends a letter to third parties in order to know their potential changes in activities and in ranking of their ICPEs (service stations, SMCA fuel depots<sup>1</sup>, etc.).

## Limiting noise and light pollution

### Policy

In order to reduce the noise for local residents, a curfew has been in place at Paris-Orly airport from 11.30 pm to 06 am since 1968. Moreover, the number of time slots that may be allotted to the airport has been set by regulation at 250,000 per year since 1994.

At Paris-Charles de Gaulle airport, a limitation of night traffic and a total weighted measured noise index (IGMP) were established by regulation in 2003.

Differentiated landing charges on the basis of an aircraft's noise category and the tax on air noise pollution (TNSA) also help to limit noise in that they encourage the use of less noisy aircraft and penalise night flights. The TNSA is levied by the French Civil Aviation Authority, and its proceeds go to Aéroports de Paris and are used for financing sound-proofing measures for the benefit of local residents.

Within the framework of this procedure, Aéroports de Paris SA manages the applications for help with soundproofing from residents living near Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports, whose homes are within the scope of a Noise Nuisance Plan (PGS). Aéroports de Paris SA receives new requests for help, investigates them, passes them on to the relevant local committees, which are consulted on the allocation of grants, and pays out the grants allocated to local residents for noise assessment and sound-proofing work.

In view of its airport activity, Aéroports de Paris SA benefits from exemptions to the application of light pollution regulations.

## Achievements

From 2013 to 2018, Aéroports de Paris SA took part in the Night Flights working group presided by the prefect, Régis Guyot. This work conducted jointly with the airlines and neighbourhood associations resulted in:

- ◆ the 24H generalisation by 2023/2024 of the continuous descent procedure (trialled since September 2016 between 00:00 and 5:30 am);
- ◆ the modified aerodynamics of the Airbus A320, which has halved the noise pollution produced by this plane, which is the most common aircraft on the runways at Paris-Charles de Gaulle. At the end of 2018, 80% of the fleet landing at Paris-Charles de Gaulle had been modified;
- ◆ the change in the preferential configuration opening up the possibility of landing with a tailwind in certain circumstances;
- ◆ new rules published on the internet site [entrevoisns.org](http://entrevoisns.org)

Local residents are entitled to free assistance for soundproofing works. They are supported through all stages of their project by a dedicated service which is part of the aid programme. Computerisation has improved data processing and traceability whilst eliminating paper documents. In 2018, 1,731<sup>2</sup> files were processed.

Aéroports de Paris SA also makes available to the public the Vitrail tool to view aircraft flight paths and access information online. Vitrail is available in the Maisons de l'environnement et du développement durable (Environment and Sustainable Development Resource Centres) at Paris-Orly and Paris-Charles de Gaulle, in municipalities that so choose (via agreements) and just recently, on-line. Linked to Vitrail, an IT tool, Itrap, improves the quality of claim processing. In less than three hours, this tool collects and processes complaints from local residents relating to noise from planes and is quicker to send them information on a possible breach (altitude, speed, flight path), along with an explanation. If they wish to, the local resident can meet with a representative of DGAC to learn about the techniques developed to reduce aircraft noise.

<sup>1</sup> Société de Manutention de Carburants Aviation (Aviation Fuel Handling Company).

<sup>2</sup> Source: Unit for financial aid for soundproofing of houses and tertiary buildings in the Noise Nuisance Plan for Paris-Charles de Gaulle, Paris- Orly and Paris- Le Bourget.



## Protection of biodiversity

### Policy

Groupe ADP occupies more than 6,000 hectares of land in Ile-de-France and is directly involved in the protection of biodiversity. This is one of the six priorities of its 2016-2020 environmental and energy policy, and is included in its sustainable development goals.

The 2017 materiality study showed that the preservation of the natural environment and air quality is a very important issue (8.1/10).

Since July 2018, the Group has taken part in the Act4nature initiative alongside 65 companies, scientific institutions and NGOs.

### Objectives

The protection of biodiversity is based on the following three objectives:

- ◆ define and deploy an ecological land development plan;
- ◆ conduct a biodiversity study for structural projects and for all airports;
- ◆ continue to reduce, by 50%, the consumption of phytosanitary products between 2008 and 2020.

As part of Act4nature, Groupe ADP is committed to:

- ◆ ensuring it knows about the biodiversity present at its airports via regularly updated fauna/flora inventories;
- ◆ integrating a prospective vision of its developments taking the preservation of the biodiversity into account;
- ◆ reinforcing the ecological management of its landscaped areas;
- ◆ raising awareness and implementing participative approaches with its stakeholders.

### Achievements

Groupe ADP conducts most of its actions with partners. The census of the biodiversity of species living at the Paris-Orly and Paris-Charles de Gaulle airports was conducted with the Hop!

Biodiversity association and scientific support from the French National Natural History Museum.

Work on the Development, landscape and biodiversity study continued at Paris-Le Bourget and Paris-Orly airports, following that conducted at Paris-Charles de Gaulle airport, with the aim of integrating platform development and preservation of biodiversity

Use of phytosanitary products has been reduced: Paris-Orly airport no longer uses them to maintain its landscaped areas either airside or landside.

## Land development and sustainable construction

### Policy

Groupe ADP has set itself the strictest rules to limit primary energy consumption (RT 2012 thermal regulations) in its buildings and has developed a sustainable development and construction policy in order to obtain high environmental quality certification (French HQE® and British BREEAM 1 standards). It has adopted the UN's SDG 11 on sustainable cities and communities.

### Objectives

Groupe ADP is continuing its aim of certifying 100% of its new buildings with an environmental label.

### Achievements

In 2018, the Group's new registered office in Roissy and the Baïkal office building obtained the HQE label.

Izmir Adnan Menderes' domestic terminal obtained LEED Silver certification. Leadership in Energy and Environmental Design is a North-American building standard system similar to HQE in France, with 4 levels: certified, silver, gold, platinum.

Due to its business model, Groupe ADP does not take part of any particular initiative in the fight against food insecurity, the respect of animals, and the sustainable food.

<sup>1</sup> Building Research Establishment Environmental Assessment Method.

## Environmental indicators for the Group

The figures presented in this table relate to Aéroports de Paris' and TAV Airports own consumption as well as consumption relating to third parties based at its airports.

	Scope	2018	2017
<b>Consumption of drinking water (in m<sup>3</sup>)</b>		<b>4,521,233</b>	
Aéroports de Paris SA	1	3,209,564	2,719,275
TAV Airports	1	1,311,669	nd
<b>Internal consumption of drinking water (in m<sup>3</sup>)</b>		<b>2,590,854</b>	
Aéroports de Paris SA	2	1,514,156	1,397,877
TAV Airports	2	1,076,698	nd
<b>Gas consumption (in MWh HHV)</b>		<b>678,649</b>	
Aéroports de Paris SA	1	244,880	263,155
TAV Airports	1	433,768	nd
<b>Total electricity purchase (internal + external) (in MWh)</b>		<b>535,380</b>	
Aéroports de Paris SA	1	475,338	476,177
TAV Airports	1	60,041	nd
<b>Internal electricity consumption (in MWh)</b>		<b>(√) 512,148</b>	
Aéroports de Paris SA	2	369,393	370,986
TAV Airports	2	142,755	nd
<b>Heat generation (in MWh)</b>		<b>393,513</b>	
Aéroports de Paris SA	1	323,700	350,527
TAV Airports	1	69,813	nd
<b>Refrigeration output (in MWh)</b>		<b>233,296</b>	
Aéroports de Paris SA	1	154,426	148,375
TAV Airports	1	78,871	nd
<b>CO<sub>2</sub> emissions from power plants, French national quota allocation plan<sup>(1)(2)</sup> (in tonnes)</b>		<b>118,574</b>	
Aéroports de Paris SA	1	45,011	44,600
TAV Airports	1	73 563	nd
<b>NOx emissions from power plants <sup>(2)(3)</sup> (in tonnes)</b>			
Aéroports de Paris SA	1	33	38
TAV Airports	1	nd	nd
<b>Vehicles CO<sub>2</sub> emissions <sup>(2)</sup> (in tonnes)</b>		<b>4,228</b>	
Aéroports de Paris SA	2	2,581	2,227
TAV Airports	2	1,647	nd
<b>Share of renewable energy in the final internal energy consumption (in %)</b>			
Aéroports de Paris SA	2	15.3	15.7
TAV Airports	2	Nd	nd

<b>Increase in energy efficiency compared to 2015 (year of reference) in primary energy consumed/m<sup>2</sup> (%)</b>			
Aéroports de Paris SA	2	4.4	1.8
TAV Airports	2	nd	nd
<b>Volume of non-hazardous waste collected (in tonnes)</b>		<b>57,632</b>	
Aéroports de Paris SA	2	45,565	39,784
TAV Airports	2	12,067	nd
<b>Volume of internal non-hazardous waste collected (in tonnes)</b>			
Aéroports de Paris SA	1	17,047	16,259
TAV Airports	1	nd	nd
<b>Distribution of internal non-hazardous waste by treatment type - ADP SA only (in %)</b>			
Recycled	2	36.7	33.1
Incinerated	2	61.3	65.4
Buried	2	1.9	1.5
<b>Volume of internal hazardous waste collected (in tonnes)</b>		<b>2,817</b>	
Aéroports de Paris SA	2	2,729	2,997
TAV Airports	2	88	nd
<b>Help to local residents for soundproofing</b>			
<b>Number of documents in CCAR</b>			
Aéroports de Paris SA	2	1,737	2,198
TAV Airports	2	Nd	nd
<b>Amounts committed (in €m)</b>			
Aéroports de Paris SA	2	31.31	38.21
TAV Airports	2	Nd	nd

Scope 1 : internal (Aéroports de Paris SA or TAV Airports) and external (third parties present at our airports).

Scope 2: Internal scope (Aéroports de Paris SA only or TAV Airports only).

(√) 2018 data checked by Deloitte with reasonable assurance.

(1) Data verified by a third-party controller.

(2) Data over a calendar year

(3) Data from tests performed by the laboratory or calculated on the basis of the consumption of fuels and emissions factors used as part of the GERP declaration f on the basis of continuous measurement

## 5.5 Regional policy

### Neighbourhoods

#### Policy

Aéroports de Paris SA exercises its social responsibility by engaging in partnerships with the socio-economic actors in major airport areas, with political, consular or association representatives, and with French government services.

To best meet the expectations of its many stakeholders, Aéroports de Paris SA is supported by two regional delegations within its Environment, CSR and Regions Department: one to the South for Paris-Orly, the other to the North for Paris-Charles de Gaulle and Paris-Le Bourget. These delegations meet with local residents, elected representatives, associations, school groups, etc. A website is dedicated to this dialogue: [www.entrevoisins.org](http://www.entrevoisins.org).

Within these delegations, two Maisons de l'environnement et du développement durable (Environment and Sustainable Development Resource Centres - MEDD), one for Paris-Orly, the other for Paris-Charles de Gaulle, bring Aéroports de Paris SA and local populations closer together through exhibitions, educational seminars, forums and conferences on cultural, economic, environmental and social themes.

Aéroports de Paris SA is responsible for the secretariat of the Consultative Environment Commissions (CCE) and Consultative Commissions for Aid to Local Residents (CCAR), favoured tools for consulting with populations local to the airports. The CCE must be consulted on any important matter relating to airport operational incidents in areas affected by noise pollution.

Risks related to this territorial integration are described in the risk factors chapter.

#### Achievements

To prepare the future public consultation in 2019 on the Terminal 4 construction project at Paris-Charles de Gaulle, Aéroports de Paris SA launched initiatives in 2018 to present the project to local residents, using its "Terminal 4 ambassador" employees. These volunteers go out to meet local residents at markets, station exits and town hall squares.

The North Maison de l'environnement has applied to obtain the Tourism and Handicap label. This application is currently being processed.

### Economic development

#### Policy

Within the framework of its sustainable development policy, Groupe ADP promotes economic and social co-operation with local authorities so that the local area benefits from its growth. It maintains an on-going dialogue with local residents through numerous partnerships and the provision of tools, mainly online services. The forms of dialogue are described in the Groupe ADP Corporate Social Responsibility Report<sup>1</sup>. The Group is also active through partnership structures devoted to employment and development of the economy.

According to the 2017 Utopies study, 122,040 people worked at the airports in 2016 (90,190 at Paris-Charles de Gaulle, 28,360 at Paris-Orly and 3,490 at Paris-Le Bourget). The Paris airports supported 2.2% of jobs in France and contributed to wealth creation for the national economy of €30.3 billion in 2016. On a regional basis, the overall economic activity generated by the Paris airport system represents 3.9% of the Île de France region's GDP and 7.9% of the jobs in the Île de France region (570,860 jobs).

### Achievements

#### Professional inclusion and employability

For over fifteen years, Groupe ADP, in conjunction with its economic partners, has been investing in programmes to encourage inclusion, employability and job retention.

Since 2017, the NGO Planèt'AIRport brings together the associative structures created by Groupe ADP in partnership with the regional authorities and companies. Testifying to Groupe ADP's commitment to the regions surrounding its platforms, it has deployed the FILM (training, insertion, accommodation, mobility) programme, carried by four associations: Planèt'AIRport, First Stade, Comité Habitat and Papa Charlie. Each year, nearly 1,300 people are trained, 400 families find accommodation, 300 people can go to work thanks to very low-cost car rental. All these initiatives enable some to find stable employment.

In addition, each year, Discover airport occupations seminars for local job-seekers are organised for the Grand Roissy-Le Bourget area in the North and Grand Orly in the South. Companies and public services present their occupations as well as the organisations and training courses

<sup>1</sup> Available on the website [www.groupeadp.fr](http://www.groupeadp.fr).

leading to them. The aim is to help job-seekers to better present their career plan. Practical workshops to prepare professional interviews, enhance your image, or understand company codes complete the information.

Aéroports de Paris SA's two regional delegations also take part in information forums about airport occupations, organised by schools and local communities next to the airports. Specifically, they organise recruitment forums for companies in sectors in demand, along with the Job Centres and local prescribers.

At Paris-Charles de Gaulle, the North delegation organises and contributes to actions carried out by the Roissy-Charles de Gaulle Emploi public interest group (GIP) and its partners: recruitment forums, sector conferences for employment prescribers, the ENVOL'Pro mechanism for young job seekers to acquire language and professional skills through professional immersion abroad.

### Company support

Via the PLATO Network, Groupe ADP supports managers of SMEs in its regions, in partnership with the Chambers of Commerce and Industry

It also helps young companies and supports their location in its local regions. At Paris-Charles de Gaulle, it is supported by a partner structure, the Hubstart Paris Region business incubator, and takes part in the Val d'Oise Technopole bodies.

In 2018, the North delegation, along with the Entreprendre Network, consular chambers, inter-municipal associations and other partners, organised the *Journée de la création et reprise d'entreprises* (company creation and takeover day). Along with the three Chambers of Commerce and Industry of Grand Roissy-Le Bourget, it also organised the *Faites de l'international* event, which was the chance for small and medium-sized companies to meet country and business line experts and obtain help on boosting their foreign presence and reinforcing their export capacity.

### Sustainable purchasing

#### Policy

Aéroports de Paris' purchases exceed €1 billion per year, broken down on the one hand into general, service and operations purchases, and on the other, maintenance and operations work purchases.

Signed by the Chairman and CEO in 2015, Groupe ADP's Purchasing policy is built around three strategic focuses:

- ◆ quality at the best price and the best timescale;
- ◆ supplier relations;
- ◆ responsible purchasing.

Deployed since 2014 and signed by all suppliers under contract, the Supplier CSR charter makes it possible to promote and share its CSR commitments with suppliers. It was updated in 2018 to include the stricter requirements set by the anticorruption (Sapin II) law and the law on the duty of vigilance (see chapter "Aéroports de Paris CSR policy")

By supporting its suppliers in their progress and continuous improvement in terms of CSR, Groupe ADP consolidates its position as a responsible order giver and co-builds the products and services adapted to its quality requirements with them. The ambition to achieve the highest level of CSR performance has led to tangible actions to:

- ◆ promote ethical practices and secure the purchasing and procurement processes;
- ◆ reduce health and social risks;
- ◆ limit the environmental impact of products and services throughout their life cycle;
- ◆ further stimulate the economic fabric and innovation through reinforced collaboration with local SMEs;
- ◆ continue the Purchasing department's involvement in the SME Pact;
- ◆ promote solidarity purchasing.

Training and awareness-raising programmes on responsible purchasing have been provided to buyers since 2007: they recap Groupe ADP's CSR challenges, explain the contribution made by the Purchasing department to its CSR performance, and using specific examples, clarify the means by which the responsible purchasing process is applied. In 2018, all Purchasing department employees were trained in the risks related to the practices and behaviours indicated in the Sapin II law.

Moreover, the compensation of the Purchasing Director and buyers comprises a variable portion partly based on the achievement of CSR objectives.

Since 2014, suppliers can contact the Audit Director to resolve conflicts. In 2018, the Audit Director was contacted for the first time, leading to an immediate resolution of the dispute.

#### Objectives

In 2018, the Purchasing department set itself the following objectives:

- ◆ include a judgement criterion based on CSR (environmental, social or societal aspects depending on the type of contract) in 80% of contracts signed;

## Regional policy

- ◆ include energy performance criteria in 70% of "high-energy consumer" contracts;
- ◆ generate €1 million in revenue with companies in the protected and adapted sector: cleaning of vehicles, collection of light waste, care of green spaces, small building maintenance projects, plan updates, post management, administrative work, catering and food trays, etc.;
- ◆ include social insertion clauses for 5% of the workforce for structural work projects.
- ◆

## Achievements

At end-November 2018:

- ◆ 92% of contracts signed (72% in 2017) representing over 98% of the expenses by the Purchasing department included a CSR rating criterion;
- ◆ 80% of so-called "high-energy consumer" contracts included an energy performance criterion;
- ◆ over €750,000 in purchases had been granted to 21 suppliers in the sheltered and protected sector. 88% of these services are covered by multi-year contracts;
- ◆ building work on the junction building and Orly West hall 1 included over 100,000 and 11,000 insertion hours respectively, well above the initial target. Four work projects (at Paris-Charles de Gaulle satellite 1 junction and refurbishment of terminals B and D, at Orly West redesign of the international departures and refurbishment of hall 1) plan a total of 200,000 hours of social insertion. A contract with Vinci Insertion will promote the link between contract holders and social insertion companies.

Since 2015, the Purchasing department and Human Resources department have collected the annual accident rates for supplier work on airport service contracts. Based on this data, they monitor the changes by purchasing segment and identify the segments with the highest risk in order to undertake actions with suppliers throughout the contract's duration. In 2018, a working group was launched to implement standardised data reporting processes and tools.

In 2018, the Responsible Supplier Relations and Purchasing label held by the Purchasing department since 2014 was renewed. Awarded by Médiation interentreprises (under the Finance Ministry) and the Conseil national des achats (National Purchasing Council), this label recognises tangible commitments to responsible purchasing, quality supplier and sub-contractor relations, and respect for their interests. Based on over 200 questions followed by an on-site audit over several days, it challenges the department on its responsible purchasing practices.

In 2018, it also obtained the evidence level in the ISO 20400 Responsible Purchasing standard: this distinction will be reviewed each year with a follow-up audit.

In addition, with a rating up significantly (+4 points), awarded during the extra-financial rating conducted by Ethifinances in

2018, it maintains Ethifinance's Excellent level. The auditors highlighted the inclusion of CSR in the purchasing approach.

## Groupe ADP Foundation

## Policy

Groupe ADP's Foundation represents the Company's wish to link economic development and a commitment to serve the regional and human environment.

It supports general interest projects in the regions where Groupe ADP operates in France and abroad, prioritising education through the fight against illiteracy and the prevention of school dropouts, predominantly for disadvantaged populations. Each project supported by the Foundation has a sponsor who is a company employee and acts as the interface between the association leading the project and the Foundation.

Groupe ADP's Foundation is steered by a Board of Directors chaired by Augustin de Romanet, Chairman and CEO of Aéroports de Paris - Groupe ADP, which sets the Foundation's directions and monitors its control. A selection committee meets once a year to analyse the supporting application files in the intervention areas covered by the Foundation's Articles of Association and set the subsidy amounts.

## Achievements

In 2018, 178 employees gave time out of their working or personal time to the associations supported by the Foundation through four programmes: sponsorship, tutoring-coaching for young local high school students, expertise sponsorship or solidarity vacations. Inaugurated in 2017, the latter enabled three employees to take part in an educational mission in Madagascar and Benin.

A new senior expertise sponsorship programme was piloted with an employee on assignment to Aviation Without Borders for a two-year period. This programme is currently being included in the GPEC (human resource and skills management planning system) agreement.

In 2018, The Foundation paid € 1,000,000 to 63 projects.

## Measures for consumers

Public and airport safety is the most important issue in the 2017 materiality study. See Risk Factors chapter

### Airport safety

See Risk Factors chapter

## Protecting people and goods

See Risk Factors chapter and the sub-chapter Social Policy of chapter Social information.

## Measures for people with disabilities or impaired mobility

### Policy

In application of (EU) ruling no. 1107/2006 of 5 July 2006, the mission of assisting people with disabilities and impaired mobility (PRM) in Paris-Charles de Gaulle and Paris-Orly has been assured by Aéroports de Paris SA since 22 July 2008. In a context of strong growth in assistance requests, Aéroports de Paris SA is supported by service providers with the aim of improving the quality of service provided: reactivity and availability, adapting the offer to passenger needs.

### Achievements

2018 saw significant work on operational efficiency in order to increase the quality of service to passengers and comply with the operational imperatives of airlines. Efforts were made to improve the reporting system, PRM Manager tool and organisational processes.

An adjustment was made to the PRM fee invoiced to airlines to encourage them to better report PRM at departures, arrivals or transfers (with 36 hours notification before the flight departure or arrival time) in order to enable service providers to better organise their assistance service.

## Correlation table of extra-financial performance statement

Correlation of the extra-financial performance statement and the articles L225-102 R225-105 and the following ones of the French Commercial code which regulate the content of the management report in terms of CSR.

Themes	paragraph correlated
Business model	Chap. 1
Description of the main risk in term and how the company handle the social and environmental consequences of its activities, as well as the effect of its activities in terms of human rights respect and fight against corruption and tax evasion	Chap. 4.3
Presentation of the policy, objectives and results related to :	
- Effects of the company activities on respect human rights respect	Chap. 5.1
- Effect of the company activities in terms of corruption	Chap. 5.1
- Effect of the company activities in terms of tax evasion	Chap. 5.1
- Social consequences of the company activities	Chap. 5.2, 5.3, and 5.5
- Environmental consequences of the company activities	Chap. 5.4 and 5.5
Collective agreements signed within the company, and their impacts on the economic performance of the company and on the employee condition of work	Chap. 5.2
Actions undertook to fight against discrimination et to promote diversity	Chap. 5.2
Measures taken for disabled workers	Chap. 5.2
Consequences on climate change of the company's activity and the use of goods and services that the company provides	Chap. 5.4
Social commitments in terms of sustainable development	Chap. 5.4 and 5.5
Social commitments in terms of circular economy	Chap. 5.4
Social commitments in terms of food waste	Chap. 5.4
Social commitments in terms of combating food insecurity, in terms of respect of animal wellbeing, in favor of a responsible, fair and sustainable food	These issues are considered as irrelevant regarding the company business model



## 6 OTHER INFORMATION

### 6.1 Transactions carried out by corporate officers using their stock

The information relating to factors likely to have an impact in the event of a public offering is presented in detail in the Corporate Governance Report, in the appendix to this Management Report.

Decision and information no.		DD071333
Publication date	19 September 2018	
Declared by	Bernard IRION	
Financial instrument	Shares	
Nature of the operation	Disposal	
Date of the operation	11 September 2018	
Date of receipt of the disclosure	19 September 2018	
Location of the operation	Euronext Paris	
Unit price	€190.10	
Amount of operation	€9,505.00	
Operation details	Unit price : 190.1000 Euro Volume: 50.0000	
	Unit price : 189.3000 Euro Volume: 50.0000	
Agregated information	Price: 189.7000 Euros Volume: 100.0000	
Decision and information no.		DD071333
Publication date	19 September 2018	
Declared by	Bernard IRION	
Financial instrument	Shares	
Nature of the operation	Disposal	
Date of the operation	11 September 2018	
Date of receipt of the disclosure	19 September 2018	
Location of the operation	Euronext Paris	
Unit price	€189.30	
Amount of operation	€9,465.00	
Operation details	Unit price : 190.1000 Euro Volume: 50.0000	
	Unit price : 189.3000 Euro Volume: 50.0000	
Agregated information	Price: 189.7000 Euros Volume: 100.0000	

## 6.2 Capital and share-ownership structure

### Structure of the Company's capital

As at the date of this document, the share capital of Aéroports de Paris stands at €296,881,806, divided into 98,960,602 fully paid-up shares with a par value of €3 each, to which there was no change in 2018.

### Authorisations to carry out capital operation

The following table sums up the financial delegations adopted by the Shareholders General Meeting of May 4<sup>th</sup> 2018, which are currently in effect at the time of this report. None of these delegations were used in 2018.

Purpose of the financial authorisations/delegations remaining valid granted to the Board of Directors	Maximum nominal amount (26-months authorisations)
Share capital increase <sup>(a)</sup> with preservation of the pre-emptive subscription right. <u>Price</u> : set by the Board of Directors in accordance with the applicable legal provisions.	Share capital increase: €97 million <sup>(P) (1) [(6)]</sup> (i.e. around 33% of capital) Issue of securities giving access to debt securities: €500 million <sup>(2)</sup> .
Share capital increase <sup>(a)</sup> with removal of the pre-emptive subscription right through a public offering. <u>Price</u> : set by the Board of Directors and at least equal to the minimum amount stipulated by current laws and regulations, i.e. to date a price at least equal to the weighted average share price over the last three trading sessions prior to the price setting, possibly reduced by a maximum discount of 5% <sup>(c)</sup> .	Share capital increase: €29 million <sup>(P) (3) [(6)]</sup> (i.e. around 10% of capital) Issue of securities giving access to debt securities: €500 million <sup>(2)</sup> .
Share capital increase <sup>(a)</sup> with removal of the pre-emptive subscription right through a private placement offer. <u>Price</u> : same rules as for the price setting in the event of an issue with removal of the pre-emptive subscription rights through a public offering.	Share capital increase: €29 million <sup>(P) (3) [(6)]</sup> (i.e. around 10% of capital) Issue of securities giving access to debt securities: €500 million <sup>(2)</sup> .
Increase in the number of securities in the case of an issue with or without pre-emptive subscription rights. <u>Price</u> : same rules for the price setting as those applicable to the delegation for an increase in the number of securities.	Increase in the number of securities to be issued: 15% of initial issue <sup>(P) (4) [(6)]</sup>
Share capital increase through the incorporation of premiums, reserves, profits or other in the form of a creation or allocation of free shares and/or increase in the nominal value of the existing shares. The Board of Directors sets the amount and type of amounts to be incorporated into the share capital and the number of shares to be issued and/or for which the nominal value will be increased.	Share capital increase: €97 million <sup>(5)</sup> (i.e. around 33% of capital).
Share capital increase <sup>(b)</sup> reserved for subscribers to an Employee Savings Scheme <u>Price</u> : set in accordance with the provisions of the French Labour Code (article L. 3332-19 et seq.), neither higher than the average of the listed prices over the last 20 trading sessions prior to the decision setting the opening date of the subscription period, nor lower by over 20% [(or 30% when the lock-up period exceeds 10 years)] than this average <sup>(d)</sup> .	Share capital increase: €2.9 million <sup>(P) (3)</sup> (i.e. around 1% of capital)
Share capital increase <sup>(b)</sup> in payment for a public exchange offering initiated by the Company.	Share capital increase: €29 million <sup>(P) (3)</sup> (i.e. around 10% of capital)

## Capital and share-ownership structure

Exchange parity, amount of the balance and price: set by the Board of Directors in accordance with applicable legal provisions.	Issue of securities giving access to debt securities: €500 million <sup>(2)</sup> .
Capital increase <sup>(b)</sup> with a view to payment for contributions in kind. <u>Price</u> : the Board of Directors sets the number of securities to be issued and their characteristics in accordance with applicable legal provisions.	Share capital increase: 10% of share capital at the time of the issue <sup>(P)</sup> <sup>(3)</sup> .
Dilutive share capital increase (global cap)	Global cap for dilutive share capital increases: €97 million Global cap to which the following sub-caps are added: €97 million or around 33% of capital for share capital increases with preservation of pre-emptive subscription rights <sup>(1)</sup> ; €29 million, or around 10% of capital for share capital increases with removal of pre-emptive subscription rights <sup>(3)</sup> ; €29 million, or around 10% of capital for share capital increases during public offer periods <sup>(4)</sup> .
Share capital increases during public offer periods (global cap) For resolutions 19, 20, 21 and (when used in connection with an issue as part of resolutions 19, 20 or 21) 22.	Global cap for share capital increases during public offer periods: €29 million <sup>(P)</sup> <sup>(3)</sup> <sup>(4)</sup> or around 10% of capital.

Caps

- <sup>(P)</sup> With attribution to the global cap of dilutive capital increases of €97 million par value.
- <sup>1</sup> With attribution to the global cap of share capital increases with preservation of pre-emptive subscription rights of €97 million par value.
- <sup>2</sup> With attribution to the global cap of an issue of securities giving access to Company debt of €500 million.
- <sup>3</sup> With attribution to the global cap of share capital increases with removal of pre-emptive subscription rights of €29 million par value.
- <sup>4</sup> <sup>With</sup>, for an issue with preservation of pre-emptive subscription rights, attribution to the cap<sup>1</sup> and for an issue with removal of pre-emptive subscription rights, attribution to cap<sup>3</sup>.
- <sup>5</sup> Without attribution to the global cap for dilutive capital increases.
- <sup>6</sup> With attribution to the sub-cap of capital increase of €29 million par value in the event of a capital increase during the period of an offer on the Company.

Notes

- <sup>(a)</sup> Issue of Company shares or securities giving access to the capital of the Company or a subsidiary.
- <sup>(b)</sup> Issue of Company shares or securities giving access to the capital of the Company.
- <sup>(c)</sup> It being stated that in the event of the issue of securities giving access to capital, the issue price shall be such that the amount immediately received by ADP (or the subsidiary in the event of the issue of securities giving access to ordinary shares in a subsidiary) increased, if applicable, by that likely to be received subsequently by itself (or the subsidiary concerned) is at least equal to the minimum amount stipulated by law.
- <sup>(d)</sup> The Board of Directors being authorised, if it deems it appropriate, to reduce or remove the discount indicated in articles L.3332-19 et seq. of the French Labour Code subject to the legal and regulatory limits, in order to take into account, notably, the legal, accounting, tax and social regimes applicable locally. The Board of Directors is also authorised to allocate, free of charge, to the said beneficiaries, in addition to the shares or securities that are capital securities giving access to capital to be subscribed in cash, shares or securities that are capital securities giving access to capital to be issued or already issued in substitute for all or part of the discount indicated in articles L. 3332-19 et seq. of the French Labour Code and/or matching contribution, within the legal and regulatory limits pursuant to articles L. 3332-10 et seq. and L. 3332-18 et seq. of the French Labour Code.

## Authorisation of share buybacks by Aéroports de Paris

### Share buyback programmes in force

The Company's Board of Directors implemented the share buyback programmes authorised by the Annual General Meeting of Shareholders of 11 May 2017 (between 1 January and 3 May 2018) and that of 4 May 2018 (between 5 May and 31 December 2018), within the framework of a liquidity contract concluded with Rothschild & Cie Banque. The sum of €35 million was assigned by the Board of Directors to the liquidity account.

The maximum purchase price per share for the share buyback programme in place at 31 December 2018 was €255, excluding acquisition costs, under the liquidity contract, and €210, excluding acquisition costs, for other transactions in the share buyback programme. The maximum amount that the Company can allocate to the share buyback programme cannot exceed €550 million.

As at 31 December 2018, Aéroports de Paris did not hold any treasury shares. The contract liquidity account had a credit balance of €17,491,885.00 the budget of €35 million authorised by the Board had not been fully called upon at that stage. As at that date, no position was open, with regard to buying or selling, within the framework of the share buyback programme.

### Transactions relating to treasury shares carried out within the framework of the liquidity contract between 1 January and 31 December 2018:

Cumulative gross flows	Number of shares	Average price (in euros)	Valuation (in euros)
Number of shares at 4 May 2018	0	0	0
Purchases	298,079	187,45	55,874,908.55
Sales	298,079	188,10	56,068,659.90
Number of shares at 31 December 2018	0	0	0

No operation has been carried out within the framework of the share buyback programme through the use of a derivative product.

### Elements of the calculation and results of the adjustment of conversion bases and of the conditions of subscription or exercise of transferable securities giving access to capital and share subscription or purchase options

Not applicable.

## Share-ownership structure

In accordance with Article L. 6323-1 of the French Transport Code, the French government must hold the majority of the capital. At 31 December 2018, the French government held 50.6% of the Company's capital and voting rights. The Company considers that there is no risk that the control by the French government will be exercised in an abusive manner. The Company has not issued any securities that do not represent share capital.

Aéroports de Paris identified its shareholders by carrying out an Identifiable Bearer Shares inquiry as of 31 December 2018 on the basis of the following thresholds: intermediaries holding a minimum of 20,000 shares, shareholders holding a minimum of 50 shares. By adding these shareholders to the registered list, 96.4 % of the capital was identified. 362 institutional investors were identified in this way.

Distribution of capital as percentage of the capital and voting rights:

Shareholders	As of 31/12/2018			As of 31/12/2017		
	% of capital	% of voting (including)	Number of shares	% of capital	% of voting (including)	Number of shares
French government authorities	50.6%	58.4%	50,106,687	50.6%	58.5%	50,106,687
Schiphol Group	8.0%	9.2%	7,916,848	8.0%	9.2%	7,916,848
Vinci group subsidiary	8.0%	9.2%	7,916,848	8.0%	9.2%	7,916,848
Predica/ Crédit Agricole Assurances	5.1%	5.8%	5,052,591	5.1%	5.7%	5,052,591
French institutional investors	6.1%	3.5%	6,076,560	6.5%	3.7%	6,398,593
Non-resident institutional investors	15.5%	8.9%	15,346,441	15.8%	9.1%	15,605,446
French individuals and unidentified shareholders	5.0%	3.0%	4,922,293	4.3%	2.6%	4,228,903
Employees <sup>(2)</sup>	1.6%	1.90%	1,622,332	1.7%	1.9%	1,725,533
Treasury shares <sup>(3)</sup>	0.0%	0.0%	0	0.0%	0.0%	9,151
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>98,960,602</b>	<b>100.0%</b>	<b>100.0%</b>	<b>98,960,602</b>

(1) Includes shares held by employees and former employees of Aéroports de Paris and its subsidiaries through the mutual fund of the Plan d'Épargne Groupe (Group savings scheme), FCPE ADP Actionariat Salarié of Aéroports de Paris

(2) As part of the share buyback programme. These shares have no voting rights

(3) Pursuant to article L. 225-123 of the French Commercial Code, certain shareholders will automatically be entitled to double voting rights as of 3 April 2016.

## Amount of dividends distributed during the course of the last three financial years

Dividends distributed

- ◆ With respect to 2017: €343 million or €3.46 per share, representing a payout ratio of 60% of net income;
- ◆ with respect to 2016: €261 million or €2.64 per share, representing a payout ratio of 60% of net income;

- ◆ with respect to 2015: €258 million or €2.61 per share, representing a payout ratio of 60% of net income.

Since 1 January 2013, all dividends and interest paid for the benefit of natural persons are subject to the progressive scale for income tax after a reduction of 40%. However, before being taxed on the progressive scale, this income is (unless exempted) subject to a mandatory 21% withholding tax. This withholding represents an income tax prepayment, which can be set against the tax due the following year and, in the event of overpayment, is refundable.

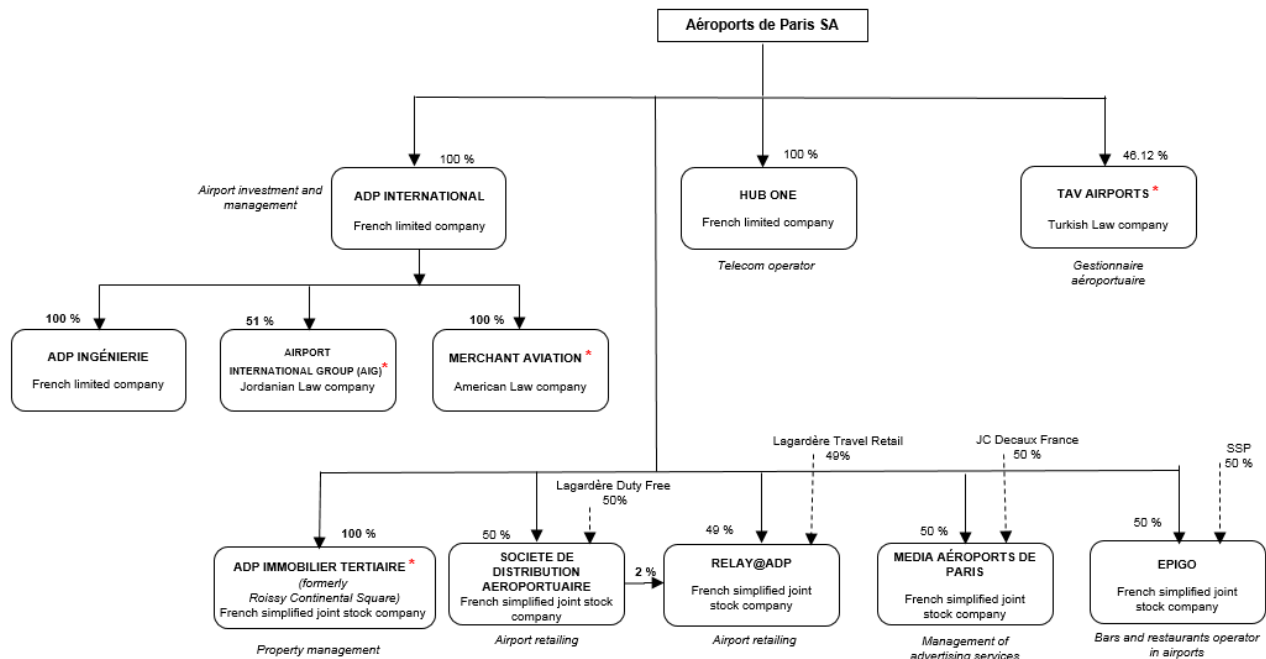
### 6.3 Corporate results for the last five financial years

<i>(in millions of euros)</i>	31/12/2014	31/12/2015	31/12/2016	31/12/2017	31/12/2018
<b>Capital at year end</b>					
Capital endowment	-	-	-	-	
Capital	297	297	297	297	297
Number of year-end shares (in millions)	99	99	99	99	99
Number of weighted average shares (in millions)	99	99	99	99	99
<b>Transactions and income of the financial year</b>					
Revenue excluding VAT	2,759	2,735	2,744	2,820	2,957
Income before tax, employee profit-sharing and depreciation and provisions net of reversals	1,026	1,087	1,116	1,239	1,316
Income tax	(200)	(233)	(214)	(223)	(256)
Employees' profit sharing	(19)	(20)	(22)	(22)	(28)
Income after tax, employee profit-sharing and depreciation and provisions net of reversals	352	396	399	506	564
Income distributed across the financial year	183	311	259	261	343
<b>Income per share (in euros)</b>					
Income per share after tax and employee profit-sharing but before depreciation and provisions net of reversals	8.15	8.51	8.89	10.04	10.44
Net income per share	3.56	4.08	4.03	5.12	5.70
Dividend per share paid during the financial year	1.85	3.14	2.61	2.64	2.76
<b>Staff</b>					
Average number of employees during the financial year	6,798	6,553	6,478	6,435	6,349
Total wage bill for the financial year	(388)	(390)	(391)	(393)	(392)
Total employee benefit costs for the financial year	(201)	(200)	(193)	(196)	(194)

### 6.4 Simplified Group organisation chart as at 31 December 2018

## Simplified Group organisation chart as at 31 December 2018

Only companies with significant business activities within the Group (percentages listed for each entity correspond to the share of ownership interest, held directly or indirectly, in the capital of the company concerned and the voting rights) are shown below in the simplified organisational chart. All companies subject to consolidation in the Group's financial results are mentioned in note 18 to the consolidated financial statements.<sup>41</sup>



\* Indirect participation

Disclosed percentages are both sharing participation and voting rights as of 31 December 2018

The greater part of the group's business is directly exercised by Aéroports de Paris, which also owns the main assets required for the group's activities. The most significant activities of Aéroports de Paris and its subsidiaries are described in Chapter 6 of the registration document, and financial information concerning these companies appears in Chapter 9 of the registration document

Aside from financial flows related to cash centralisation agreements, existing financial flows between Aéroports de Paris and its subsidiaries are related to dividends received and distributed within the Group.

The Group's policy is only to agree financial guarantees on behalf of 100% owned subsidiaries. At 31 December 2018, several guarantees were granted by Aéroports de Paris SA on behalf of ADP Ingénierie for the benefit of various customers of this subsidiary. These guarantees are included in off-balance sheet commitments<sup>1</sup>.

The main flows between Aéroports de Paris and its subsidiaries are described in Notes 6.2, and 10.1 of the Notes to the Company financial statements in Chapter 20.

Since 19 April 2018, Groupe ADP, through its wholly-owned subsidiary ADP International, owns 51% of the capital of Airport International Group ("AIG"), concessionary of Queen Alia International Airport (QAIA) in Amman, Jordan.

Already a shareholder of AIG with a 9.5% stake since 2007, this operation enables Groupe ADP to take exclusive control of AIG, and to fully consolidate AIG in the Group's financial statements.

<sup>41</sup> Available on the website [www.groupeadp.fr](http://www.groupeadp.fr).

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## Other information

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### Alienation of shares as a result of regularising cross-acquisitions

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#### 6.5 Alienation of shares as a result of regularising cross-acquisitions

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None.

#### 6.6 Provisions of Article 223 quater of the French General Tax Code

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Pursuant to the provisions of Article 223 quater of the French General Tax Code, the Annual General Meeting of Shareholders also approves the total amount of expenses and charges that cannot be deducted from the corporate taxes referred to in paragraph 4 of Article 39 of said Tax Code, which amount to €282,677.66 and for which a tax amounting to €97,326 was paid. The corporate tax rate for 2018 is 34.43% (28% until 500,000 euros of profit)

This amount of non-deductible expenses and charges corresponds exclusively to the reinstatement of share of profit of depreciation/rents of tourist vehicles used by Aéroports de Paris, either on a wholly-owned or on a long-term lease basis.

#### 6.7 Injunctions or financial sanctions for anti-competitive practices imposed by the Autorité de la concurrence (French Competition Authority)

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None.

#### 6.8 Activities relating to research and development

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Not significant.

#### 6.9 Observations by the Autorité des Marchés Financiers (French Financial Markets Authority) on the proposal to reappoint the Statutory Auditors

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Not applicable.



## Schedule of supplier payments relating to existing liabilities at the year-end

## 6.10 Schedule of supplier payments relating to existing liabilities at the year-end

## Invoices received, not settled at the balance sheet date of the fiscal year

## Article D. 4411.-1° : Invoices received not settled at the balance sheet date of the fiscal year

	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	total (1 day and more)
<b>(A) Slices of late payment</b>						
Number of invoices concerned	19					341
Total amount of the invoices concerned (specify : excl. or incl. VAT)	€393,338.42 incl. VAT	€2,243.58 incl. VAT	€1,420,878.29 incl. VAT	€633,215.99 incl. VAT	€792,839.91 incl. VAT	€2,849,177.77 incl. VAT
Percentage of the total amount of purchases for the financial year (specify : excl. or incl. VAT)	0.02% (incl. VAT)	0.00% (incl. VAT)	0.08% (incl. VAT)	0.03% (incl. VAT)	0.04% (incl. VAT)	0.15% (incl. VAT)
Percentage of revenue of the year (specify : excl. or incl. VAT)						

**(B) Invoices excluded from (A) relating to disputed and unrecorded debts and receivables**

Number of invoices	1,171
Total amount of excluded invoices (specify : excl. or incl. VAT)	€57,530,604.60 incl. VAT

**(C) Reference payment periods used (contractual or statutory period - Article L.441-6 or Article L.443-1 of the French Commercial Code)**

Payment deadlines used to calculate late payments	<input type="checkbox"/> Contractual deadlines: (specify) <input checked="" type="checkbox"/> Legal deadlines: According to the Code of Commerce
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## Schedule of supplier payments relating to existing liabilities at the year-end

## Invoices issued and outstanding at the balance sheet date of the fiscal year ending

	0 day	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	total (1 day and more)
<b>(A) Slices of late payment</b>						
Number of invoices concerned	12,047	2,706	901	855	6,438	10,900
Total amount of the invoices concerned (specify : excl. or incl. VAT)	<b>€219,335,063.52</b>	€23,383,198.60	€168,371.91	€3,916,499.24	€542,158.80	€28,010,227.76
Percentage of the total amount of purchases for the financial year (specify : excl. or incl. VAT)						
Percentage of revenue of the year (specify : excl. or incl. VAT)	7%	1%	0%	0%	0%	1%
<b>(B) Invoices excluded from (A) relating to disputed and unrecorded debts and receivables</b>						
Number of invoices	138	73	54	54	2,917	3,098
Total amount of excluded invoices (specify : excl. or incl. VAT)	€3,041,317.35	€209,530.33	€494,238.22	€601,901.75	€18,159,865.71	€19,465,536.01
<b>(C) Reference payment periods used (contractual or statutory period - Article L.441-6 or Article L.443-1 of the French Commercial Code)</b>						
Payment deadlines used to calculate late payments	<input type="checkbox"/> Contractual deadlines: (specify) <input checked="" type="checkbox"/> Legal deadlines: (specify)					

# 7 APPENDICES

## 7.1 Corporate governance report of Aéroports de Paris

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### 2019 executive officer compensation

In application of Article L. 225-37-2 of the French Commercial Code, the Board of Directors submits for the approval of the General Meeting of Shareholders, the principles and criteria for determining, distributing and allocating the fixed, variable and extraordinary components comprising the total compensation and benefits of any kind attributable to the Chairman and CEO by virtue of his mandate for 2019 and which constitute his compensation policy.

The compensation of the Chairman and CEO for 2019 was agreed by the Board of Directors on 12 December 2018 on the advice of the Compensation, Appointments and Corporate Governance Committee, and approved on 10 January 2019 by the French Minister of the Economy, in compliance with Article 3 of Decree no. 53-707 dated 9 August 1953 (as amended).

We propose that you approve the principles and criteria as presented in this report.

Note that the approval of the General Meeting of Shareholders will be required (i) for any changes to the compensation items already approved by the General Meeting of Shareholders, and (ii) for the renewal of Augustin de Romanet's term of office as Chairman and CEO.

Should the General Meeting of Shareholders of 20 May 2019 fail to approve the resolution on the 2019 compensation policy for the Executive Officer, the principles and criteria previously approved by the General Meeting of Shareholders of 4 May 2018 in application of Article L. 225-37-2 of the French Commercial Code will continue in effect.

The gross annual amount of the Chairman and CEO's fixed compensation for the year 2019 is set, unchanged, at €350,000.

The Chairman and CEO's maximum annual gross variable compensation is set at €100,000. This portion is based on:

Three quantitative objectives: Group EBITDA, including TAV (weight: 25%), Group ROCE, including TAV and AIG (15%) and departing passenger satisfaction (10%). The performance level for each of these objectives ranges from 70% (nil below this) to 110%.

Four qualitative objectives:

- support for the potential privatisation process provided for in the PACTE law, ensuring the involvement of management and of Company employees (20%);
- Groupe ADP's attractiveness and customer service policy in favour of airlines and passengers, notably the continuation of the CDG Express project and the launch of the Terminal 4 project (10%);
- the Company's corporate social responsibility, including managerial mobilisation and employee safety (10%): definition and deployment of actions to further Aéroports de Paris' community involvement in its various facets: governance, the environment, human capital, purchasing/customers, community involvement; make CSR a driver for Group transformation; mobilise to prevent workplace accidents;
- the strategy and management policy for subsidiaries and affiliates (10%): management of the international and investment strategy, in particular, in support of TAV after the end of the Istanbul Atatürk concession.

The performance level for each of these objectives ranges from 80% (nil below this) to 120%.

The Board of Directors will assess how far each of these objectives has been reached. The weighting given to each objective defines the fraction of the variable remuneration linked to it.

The Chairman and CEO's gross annual variable compensation in respect of 2019 will be submitted for the approval of the Minister of the Economy under Article 3 of French Decree no. 53-707 of 9 August 1953. Payment will be subject to approval by the Annual General Meeting of Shareholders to be held in 2020 (and called to approve the financial statements for the year ended 31 December 2019) in accordance with Article L. 225-37-2 of the French Commercial Code.

The Chairman and CEO has a company vehicle and is covered by the contract for insurance and the personal accident policy for employees of Aéroports de Paris. He has no employment contract with Aéroports de Paris and is not entitled to any compensation under a non-competition clause.

# 7

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## Appendices

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### Corporate governance report of Aéroports de Paris

The Chairman and CEO does not benefit from any severance bonus or any specific pension scheme. He does not receive attendance fees.

The Company has not set up any stock-option or share-purchase schemes that benefit the Chairman and CEO.]

It is reiterated that the Board of Directors of Aéroports de Paris, from 2008, adhered to the recommendations of the AFEP-MEDEF on the remuneration of executive officers of companies whose shares are allowed for negotiation in an official market.

The maximum amount for the variable component of the remuneration for executive officers has been set as an absolute value, not as a percentage. Decree no. 2012-915 of

26 July 2012 amending that of 9 August 1953 capped the compensation of corporate officers of public companies to which this decree is applicable, including Aéroports de Paris, at €450,000. The fixed compensation proposed by the Board of Directors and approved by the Minister of the Economy for the Chairman and CEO is €350,000. It was also decided that the amount of the variable component payable to the Chairman and CEO could enable the statutorily authorised ceiling to be reached: the maximum amount is therefore predefined by the Board of Directors at €100,000 and expressed as a directly readable monetary value.

## Amount of compensation payable and paid to corporate officers during the 2018 year

### Augustin de Romanet, Chairman and CEO

The following compensation and benefits were due or paid to Augustin de Romanet in respect of his mandate as Chairman and CEO of Aéroports de Paris during the year 2018, in application of the criteria approved in the 17th resolution of the General Meeting of Shareholders of Aéroports de Paris of 4 May 2018. In accordance with Article L. 225-37-2 of the French Commercial Code, payment of the components of gross annual variable compensation to the Chairman and CEO for the year 2018 will be conditional on approval by the Annual General Meeting of Shareholders to be held on 20 May 2019.

The gross annual amount of fixed compensation payable to the Chairman and CEO is set at €350,000.

The maximum gross variable remuneration of the Chairman and CEO is set at €100,000. It is based on three quantitative objectives: Group EBITDA (25% weighting), Group ROCE (20%), departing passenger satisfaction (10%) and three qualitative objectives: the Groupe ADP attractiveness and customer service policy in favour of airlines and passengers, notably by the continuation of the CDG Express project (10%), corporate social responsibility, including managerial mobilisation and employee safety (10%) and the strategy and management policy for subsidiaries and affiliates, notably internationally (25%).

Achievement of each of these objectives will be reviewed by the Board of Directors on 14 February 2019, on the advice of the Compensation, Appointments and Governance Committee, and submitted for approval by the French Minister of the Economy within the framework of Article 3 of Decree no. 53-707 of 9 August 1953 (as amended).

The weighting given to each objective defines the fraction of the variable remuneration linked to it.

The objectives were achieved, respectively, as follows: 110% for the quantitative objectives (including Group EBITDA = 110%, Group ROCE = 110%, Customer satisfaction at departure = 110%) and 109% for the qualitative objectives (including attractiveness and customer service policy = 110%, Corporate Social Responsibility = 80%, and Strategy and management policy for subsidiaries and affiliates = 120%).

The Chairman and CEO has a company vehicle and is covered by the contract for insurance and the personal accident policy for employees of Aéroports de Paris. He has no employment contract with Aéroports de Paris and is not entitled to any compensation under a non-competition clause.

The Chairman and CEO does not benefit from any severance bonus or any specific pension scheme.

The Board of Directors has acknowledged Augustin de Romanet's waiver of attendance fees from Aéroports de Paris, for which the decision regarding the allocation and division among the Directors was modified by deliberation of the Board of Directors on 21 June 2017.

No stock option plan and no performance share allocation plan have been implemented by the Company for its corporate officers.

No benefits or compensation were paid to Augustin de Romanet by companies controlled by Aéroports de Paris.

(in euros)	2018	2017
Compensation due for the financial year	456,165	456,165
Exercising of options allocated during the course of the financial year	-	-
Exercising of performance-related options allocated during the course of the financial year	-	-
Severance package	None	None
Non-competition benefit	None	None
Supplementary pension scheme	None	None
<b>TOTAL</b>	<b>456,165</b>	<b>456,165</b>

(in euros)	Amounts due <sup>(1)</sup> 2018	Amounts paid <sup>(2)</sup> 2018	Amounts due 2017	Amounts paid 2017
Fixed compensation	350,000	350,000	350,000	350,000
Variable compensation	100,000	100,000	100,000	[95,500
Differed variable compensation	None	None	None	None
Exceptional compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	<b>6,165</b>	<b>6,165</b>	6,165	6,165
<b>TOTAL</b>	<b>456,165</b>	<b>456,165</b>	<b>456,165</b>	<b>456,165</b>

<sup>(1)</sup> Subject to approval by the Annual General Meeting of Shareholders of the Company of 20 May 2019.

<sup>(2)</sup> The components of variable compensation will be paid after approval by the Annual General Meeting of Shareholders as part of *Say on Pay, ex post*

### Compensation paid to Board members and non-voting Board members

In 2016, directors representing the French government and directors representing employees did not receive any compensation from the Company or from companies controlled by the Company for their services as directors. The directors appointed by the General Meeting of Shareholders received attendance fees in respect of 2016 paid in 2017. Augustin de Romanet waived attendance fees in his capacity as a director of Aéroports de Paris.

The non-voting Board members, appointed by the General Meeting of Shareholders, received attendance fees for 2016 paid in 2017.

In 2017, the General Meeting of Shareholders of 11 May decided to increase the annual attendance fees to €350,000 to take into account the increase in the number of directors (i.e. the director representing the State and those proposed

by the State and appointed by the General Meeting of Shareholders) and of eligible non-voting Board members and to enable the revaluation of the unit amounts allocated per session, unchanged since 2008. The new provisions were effective as of 12 May 2017.

Note that the compensation is paid:

- to the State budget for the director appointed by government decree (Article 5 of Order 2014-948 of 20 August 2014);
- to the State budget for directors proposed by the State and appointed by the General Meeting of Shareholders of 11 May 2017, who are civil servants (Article 6 V of the above-mentioned order);
- to the State budget for any compensation exceeding a cap for Directors proposed by the State and appointed by the General Meeting of Shareholders of 11 May 2017, who are not civil servants (article 6 V of the above-mentioned order).

### Compensation paid to directors

The distribution scale for the attendance fees payable per session to the directors appointed by the General Meeting of Shareholders and the director representing the State was

decided by deliberation of the Board of Directors on 21 June 2017 and approved by the French Minister of the Economy on 20 December 2017, as follows:

	director	Chairman
Board of Directors	€1,700	€2,500
Audit and Risk Committee	€1,700	€2,500
Strategy and Investment Committee	€1,700	€2,500
Compensation Appointments and Corporate Governance Committee	€1,700	€2,500
Ad-hoc committees	€1,700	€2,500

Augustin de Romanet waived attendance fees in his capacity as a director of Aéroports de Paris.

Gross amount (in euros)	2018	2017
Jacques Gounon	32,000	48,310
Els de Groot (until 22 May 2017) <sup>(1)</sup>	-	2,860
Jacoba van der Meijs (since 23 May 2017) <sup>(1)</sup>	5,100	6,800
Vinci represented by Xavier Huillard	17,000	17,620
Jos Nijhuis <sup>(1)</sup>	17,800	15,920
Augustin de Romanet	-	-
PREDICA represented by Françoise Debrus	28,800	41,840
Director appointed by government decree - Solenne Lepage	30,600	32,300
Director proposed by the State and appointed by the General Meeting of Shareholders - Geneviève Chaux-Debry	20,400	17,000
Director proposed by the State and appointed by the General Meeting of Shareholders – Michel Massoni	15,300	11,900
Director proposed by the State and appointed by the General Meeting of Shareholders – Denis Robin, resigned as of 30 October 2018	5,100	6,800
Director proposed by the State and appointed by the General Meeting of Shareholders – Perrine Vidalenche	13,600	11,900
<b>TOTAL</b>	<b>185,700</b>	<b>213,250</b>

*(1) These amounts were paid to Schiphol Nederland B.V., a subsidiary of the Schiphol Group, in application of a receivable assignment agreement.*

### Compensation paid to non-voting Board members

The Board of Directors' meeting of 21 June 2017 also confirmed the withholding of an amount on the overall annual attendance fees allocated to the directors appointed by the General Meeting of Shareholders in order to pay fees to the non-voting Board members, in the amount of half of the

compensation paid to a director, i.e. €850 for each attendance at a meeting of the Board or of an ad-hoc committee, up to ten meetings a year, applicable as of 12 May 2017.

Gross amount (in euros)	2018 financial year	2017 FINANCIAL YEAR
Anne Hidalgo	0	0
Bernard Irion	7,650	7,960
Christine Janodet	5,950	7,110
Gilles Leblanc (from 11 May 2017 to 12 April 2018)	850	2,550

## **Commitments made by Aéroports de Paris to the corporate officers**

Aéroports de Paris has not made any commitments to the corporate officers in terms of compensation or benefits due or potentially due as a result of taking, ending or changing their roles or after their exercise and, notably, no commitments for retirement benefits or other life annuity benefits.



## Governance

### Mandates and positions held in companies by the corporate officers during the 2018 financial year

#### Directors appointed by the General Meeting of Shareholders

##### AUGUSTIN DE ROMANET – CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF AÉROPORTS DE PARIS, OFFICE RENEWED BY DECREE OF 24 JULY 2014

Date of birth <b>2 April 1961</b>	Date of first appointment: <b>Co-opted by the Board of Directors on 12 November 2012 to replace Mr Pierre Graff, ratified by the General Meeting of Shareholders of 16 May 2013</b>
Nationality: <b>French</b>	Start date of current mandate: <b>15 July 2014, renewed by the General Meeting of Shareholders of 15 May 2014</b>

##### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

##### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

#### YEARS MANDATES HELD WITHIN THE ADP GROUP

##### Retail and services segment:

- ◆ Média Aéroports de Paris, a French simplified joint stock company, joint venture with JC Decaux: Chairman and director
- ◆ Société de Distribution Aéroportuaire (SDA), a French simplified joint stock company, joint venture with Lagardère: member of the Board
- ◆ Relay@ADP, a French simplified joint stock company, joint venture with Lagardère: member of the Management Board

##### Business Foundation:

- ◆ Groupe ADP Business Foundation: Chairman

##### OTHER MANDATES:

- ◆ Airport Council International (ACI) Europe, an international non-profit organisation based in Belgium: member of the Board of Directors and of the Executive Committee
- ◆ Régie Autonome des Transports parisiens (RATP), public industrial and commercial establishment : director
- ◆ SCOR, listed European company:
  - Senior Director
  - Chairman of the Compensation and Appointments Committee
  - Director of the Crisis Management Committee.
  - Member of the Strategic Committee
  - Member of the Corporate Social Responsibility Committee
- ◆ Member of the Supervisory Board of Le cercle des économistes SAS, a French company
- ◆ Chairman of the Board of Directors of the Établissement public du domaine national de Chambord (France)
- ◆ Atout France, the French tourism development agency, an Economic Interest Grouping: member of the Board of Directors

#### YEARS MANDATES HELD WITHIN THE ADP GROUP

##### TAV Group, Turkish Sociétés Anonymes governed by Turkish:

- ◆ TAV Havalimanlari Holding A.S. (TAV Airports), a company listed in Turkey, from January 2013 to July 2017: Director and Vice-Chairman of the Board of Directors, Vice-Chairman of the Corporate Governance Committee, Vice-Chairman of the Risk Committee and Vice-Chairman of the Appointments Committee
- ◆ TAV Yatirim Holding A.S. (TAV Investment), from February 2013 to July 2017: Director and Vice-Chairman of the Board of Directors
- ◆ TAV Tepe Akfen Yatirim Insaat Ve Isletme A.S. (TAV Construction — Subsidiary of TAV Yatirim Holding), February 2013 to July 2017: Director and Vice-Chairman of the Board of Directors

##### Royal Schiphol Group, a public limited company under Dutch law:

- ◆ Member of the Supervisory Board and the Audit Committee of NV Luchthaven Schiphol, a company governed by Dutch law, from February 2013 to October 2013

##### OTHER MANDATES:

- ◆ Chairman of the Board of Directors and of the Executive Committee of ACI Europe from June 2015 to June 2017
- ◆ Director of the Musée du Louvre-Lens, a public cultural cooperation establishment, from February 2011 to February 2014

- ◆ Paris EUROPLACE, a non-profit: Chairman of the Board of Directors
- ◆ Institut pour l'Innovation Économique et Sociale endowment fund: Director

#### JACQUES GOUNON – INDEPENDENT DIRECTOR

Date of birth:  
**25 April 1953**

Nationality:  
**French**

Date of first appointment:  
**Co-opted on 2 July 2008, ratified by the General Meeting of Shareholders of 28 May 2009**

Start date of current mandate:  
**15 July 2014** (renewed by the General Meeting of Shareholders of 15 May 2014)

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

**Mandates within the GETLINK (GET SE) Group – formerly Eurotunnel** ◆ None

- ◆ Chairman and CEO of the GETLINK Group (GET SE), a European listed company
- ◆ Chairman of France-Manche, a French limited company
- ◆ Chairman of Eurotunnel Project, French SAS
- ◆ Chairman of Eleclink Limited, British company
- ◆ Director of The Channel Tunnel Group Limited, British company
- ◆ Director of Eurotunnel SE, European company incorporated under Belgian law

#### JOS NIJHUIS

Date of birth:  
**21 July 1957**

Nationality:  
**Dutch**

Date of first appointment:  
**General Meeting of Shareholders of 28 May 2009**

Start date of current mandate:  
**15 July 2014** (renewed by the General Meeting of Shareholders of 15 May 2014)

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>◆ Member of the Supervisory Board of National Opera &amp; Ballet (Netherlands)</li> <li>◆ Member of the Supervisory Board of Brisbane Airport Corporation PTY Ltd (Australia)</li> <li>◆ Member of the Supervisory Board of Hotel Okura Amsterdam B.V</li> </ul> | <ul style="list-style-type: none"> <li>◆ Chairman and CEO of Royal Schiphol Group - N.V. Luchthaven Schiphol (a Dutch company), from January 2009 to May 2018</li> <li>◆ Member of the Supervisory Board and Chairman of the Audit Committee of Volksbank NV (Netherlands) from April 2009 to April 2017</li> <li>◆ Member of the Supervisory Board and Chairman of the Audit Committee of Aon Group Nederland BV (Netherlands) from July 2014 to December 2016</li> <li>◆ Member of the Amsterdam Economic Council Board (Netherlands) from January 2010 to May 2018</li> <li>◆ Member of the Board of Directors of ACI World from March 2017 to May 2018</li> <li>◆ Member of the Board of Directors and of the Executive Committee of ACI Europe from October 2013 to May 2018</li> <li>◆ Member of the General Council and Executive Council of the Confederation of Netherlands Industry and Employers (VNO-NCW) (Netherlands) from January 2010 to May 2018</li> </ul> |
|---|--|

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- ◆ Member of the Supervisory Board of Stichting Leefomgeving Schiphol (Netherlands) from January 2010 to May 2018
- ◆ Vice-Chairman of the Board of the Cyber Security Council (Netherlands) from May 2015 to December 2018

JACOBA VAN DER MEIJS

Date of birth <b>26 January 1966</b>	Date of first appointment: <b>Co-opted by the Board of Directors on 23 May 2017</b> to replace Els de Groot
Nationality: <b>Dutch</b>	Start date of current mandate: <b>15 July 2014</b>

**OTHER CURRENT MANDATES AND DUTIES UNDERWAY**

**MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>◆ Member of the Managing Board and Chief Financial Officer of Royal Schiphol Group – N.V. Luchthaven Schiphol (a Dutch company)</li> <li>◆ Non-executive director of the Supervisory Board and Chairwoman of the Audit Committee of Kendrion NV, a listed Dutch Company (Netherlands)</li> </ul> | <ul style="list-style-type: none"> <li>◆ Non-executive director of the Supervisory Board, member of the Audit Committee and member of the Health, Security, Safety, Environment and Quality Committee of Koole Terminals (Netherlands) from September 2016 to June 2017</li> <li>◆ Vice-Chairwoman Finance Projects for Shell Global Solutions (Netherlands), from 2009 to September 2016</li> </ul> |
|---|--|

XAVIER HUILLARD – PERMANENT REPRESENTATIVE OF VINCI

Date of birth: <b>27 June 1954</b>	Date of first appointment: <b>VINCI appointed as a director by the General Meeting of Shareholders of 15 May 2014</b>
Nationality: <b>French</b>	Start date of current mandate: <b>15 July 2014</b>

**OTHER CURRENT MANDATES AND DUTIES UNDERWAY**

**MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS**

- Mandates held within the Vinci Group:**
- ◆ Chairman and CEO of VINCI, a French listed limited company
  - ◆ Chairman of Vinci Concessions, SAS, French company
  - ◆ Chairman of the Supervisory Board of VINCI Deutschland GmbH
  - ◆ Permanent representative of VINCI, Director on the Board of Directors of:
    - VINCI Energies, a French limited company
    - La Fabrique de la Cité, Endowment Fund
  - ◆ Director of Kansai Airports, Kabusfiki Kaisha, Japanese company
  - ◆ Permanent representative of SNEL, Director on the Board of ASF, a French limited company,
  - ◆ Permanent representative of VINCI Autoroutes, Director on the Board of Cofiroute, a French limited company,
  - ◆ *President of Fondation d'entreprise VINCI pour la Cité*
- Mandates that had expired within the VINCI Group**
- ◆ Non-voting member of the Board of Directors of Aéroports de Paris, from 01/12/13 to 14/07/14.
  - ◆ Permanent representative of Vinci, director on the Board of Directors of Eurovia, a French simplified joint-stock company (from 2008 to 2015)
  - ◆ Chairman of VINCI Concessions Management (a simplified joint stock company) (from 2010 to 2014)
  - ◆ Director of:
    - VINCI plc (from 1998 to 2013)
    - VINCI Investments Ltd (from 1998 to 2013)

**Other mandates:**

- ◆ Director and Chairman of the Compensation Committee of Air Liquide, a French listed limited company

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- ◆ Member of the Institut de l'Entreprise
  - ◆ Vice-Chairman of the Aurore Association
-

**FRANCOISE DEBRUS - PERMANENT REPRESENTATIVE OF PREDICA, INDEPENDENT DIRECTOR**

Date of birth: <b>19 April 1960</b>	Date of first appointment: <b>PREDICA appointed as a director by the General Meeting of Shareholders of 15 May 2014</b>
Nationality: <b>French</b>	Start date of current mandate: <b>15 July 2014</b>

**OTHER CURRENT MANDATES AND DUTIES UNDERWAY**

- ◆ Director of Investments, Crédit Agricole Assurances Solutions

**Other mandates at PREDICA:**

- ◆ Permanent representative of PREDICA, director and member of the Audit Committee and of the Appointments and Compensation Committee of KOREAN/MEDICA, SA, listed in France
- ◆ Member of the Supervisory Board and of the Audit Committee of Altarea, SCA, listed in France

**Mandates held within the Foncière des Régions Group:**

- ◆ Member of the Supervisory Board of Foncière des Murs, a French partnership limited by shares

**MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS**

- ◆ Permanent representative of Crédit Agricole Assurance, Director of Générale de Santé, listed limited company from June 2015 to December 2015
- ◆ Permanent representative of PREDICA, director and member of the Audit Committee:
  - EUROSIC, SA, from June 2011 to August 2017,
- ◆ Permanent representative of PREDICA, director:
  - MEDICA, a limited company, from June 2012 to March 2014
- ◆ Director of:
  - RAMSAY SANTE SA, from March 2009 to June 2015,
  - Foncière Développement Logements, SA, from March 2009 to January 2016
  - Beni Stabili, an Italian listed company (SIIC) from April 2013 to November 2016

**Director representing the French government**

**SOLENNE LEPAGE**

Date of birth: <b>7 February 1972</b>	Date of first appointment: <b>Decree of 24 September 2012</b> , to replace Mr Alexis Kohler
Nationality: <b>French</b>	Date of second mandate: <b>Decree of 11 July 2014</b> ,
	Date of third mandate: <b>Decree of 11 May 2017</b>
	Start date of current mandate: <b>11 May 2017</b>

**OTHER CURRENT MANDATES AND DUTIES UNDERWAY**

- ◆ Representative to Executive Management reporting to the Commissaire aux Participations de l'État - Agence des participations de l'État - Ministry of Economy and Finance
- ◆ Member of the Board of Directors representing the French government:
  - Air France - KLM - a French listed limited company
  - RATP (Régie autonome des transports parisiens) - Public industrial and commercial establishment
  - SNCF Mobilités (ex. SNCF) - Public industrial and commercial establishment

**MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS**

- ◆ Director of Transport Acquisitions at Agence des participations de l'État - Ministry of the Economy and Finance from October 2012 to October 2018
- ◆ Member of the Supervisory Board representing the French government:
  - Grand Port Maritime du Havre – Public Establishment, from July 2012 to March 2013
  - Aéroports de la Côte d'Azur – a French limited company, from September 2012 to May 2013
- ◆ Member of the Board of Directors representing the French government:
  - SNCF Réseau – Public industrial and commercial establishment, from November 2012 to July 2015
  - Société nationale de programme France Télévisions a French limited company, from September 2012 to September 2013
  - Société nationale de programme en charge de l'audiovisuel extérieur de la France – a French limited company, from September 2012 to September 2013

- Société de Financement et d'Investissement pour la Réforme et le Développement (SOFIRED) - a public institution, from March 2011 to January 2013.

## Directors representing the interests of the French State in its capacity as a shareholder, appointed by the General Meeting of Shareholders on proposal by the French State

### GENEVIEVE CHAUX DEBRY

Date of birth:

**18 June 1958**

Nationality:

**French**

Date of first appointment:

**Decree of 11 July 2014**

Date of second mandate:

**Annual General Meeting of Shareholders of 11 May 2017**

Date of third mandate:

**Decree of 11 May 2017**

Start date of current mandate:

**11 May 2017**

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

- ◆ Chairwoman of the Supervisory Board of Aéroport de Bordeaux-Mérignac, a French non-listed limited company
- ◆ Honorary senior civil servant

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ *Rapporteur* at the Cour des Comptes (French State Audit Office) from April 2013 to July 2015

### MICHEL MASSONI

Date of birth:

**20 September 1950**

Nationality:

**French**

Date of first appointment:

**Decree of 26 April 2013**, to replace Régine BRÉHIER

Renewal of mandate:

**Decree of 11 July 2014**

Date of third mandate:

**Decree of 11 May 2017**

Start date of current mandate:

**11 May 2017**

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

- ◆ Associate member of the General Council for the Environment and Sustainable Development - Ministry for Ecological and Inclusive Transition

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Chairman of the Board of Directors of the public rail safety establishment (*Sécurité Ferroviaire*), from August 2015 to December 2017

### DENIS ROBIN

Date of birth:

**15 December 1962**

Nationality:

**French**

Date of first appointment:

**Decree of 22 April 2015**, replacing Michel LALANDE

Renewal of mandate:

**Decree of 11 May 2017**

Start date of current mandate:

**11 May 2017**

End of term - resigned:

**30 October 2018**

## Corporate governance report of Aéroports de Paris

## OTHER CURRENT MANDATES AND DUTIES UNDERWAY

- ◆ Representative of the Ministry of the Interior

## MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Secretary General and senior civil servant for defence at the Ministry of the Interior from February 2015 to October 2018
- ◆ Prefect of Pas-de-Calais, Ministry of the Interior, from March 2012 to February 2015.

## PERRINE VIDALENCHE

Date of birth:  
**26 December 1956**

Date of first appointment:  
**Decree of 11 May 2017**

Nationality:  
**French**

Start date of current mandate:  
**11 May 2017**

## OTHER CURRENT MANDATES AND DUTIES UNDERWAY

- ◆ Independent director and member of the Risk Committee of Orange Bank, a French limited company with a Board of Directors
- ◆ Member of the Supervisory Board and of the Audit Committee of CDC Habitat, a mixed economy French limited company and real estate subsidiary of Caisse des Dépôts
- ◆ Independent director of CEETRUS, a French limited company with a Board of Directors

## MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ **Mandates within the Crédit Immobilier Group**
- ◆ Executive Director of Crédit Immobilier de France, a French limited company with a Board of Directors, from 2013 to June 2016
- ◆ Director of Cautialis, a cooperative mutual guarantee society, from 2014 to January 2016
- ◆ Director and member of the Audit Committee and of the Compensation Committee of Banque Patrimoine Immobilier, a French limited company with a Board of Directors, from 2013 to December 2015
- ◆ Director of finance company CIF Ouest, a French limited company with a Board of Directors, from 2013 to December 2015

## Directors representing employees

## LAURENCE ARRIEU

Date of birth:  
**19 November 1960**

Nationality:  
**French**

Date of first appointment:  
**23 February 2018** replacing Marie-Anne Donsimoni

Start date of current mandate:  
**15 July 2014 (election of 20 May 2014)**

Sponsored by the:  
**CFE-CGC union**

## OTHER CURRENT MANDATES AND DUTIES UNDERWAY

- ◆ In charge of the economic and social co-operation department within the Sustainable Development Division of Aéroports de Paris

## MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ None

## BRIGITTE BLANC

Date of birth:  
**25 November 1962**

Nationality:  
**French**

Date of first appointment:  
**15 July 2014, elected on 20 May 2014**

Start date of current mandate:  
**15 July 2014**

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Sponsored by the:

**CGT union**

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Aéroports de Paris manager responsible for cross-divisional affairs, in charge of monitoring customer relationships with the French civil aviation authority (DGAC) for Paris-Charles de Gaulle and Paris-Le Bourget
- ◆ Director representing employees at the Business Foundation of Groupe ADP

◆ None

#### SERGE GENTILI

Date of birth:

**16 May 1956**

Nationality:

**French**

Date of first appointment:

**Election of 26 June 2009**

Start date of current mandate:

**15 July 2014, re-elected on 20 May 2014**

Sponsored by the:

**FO**

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Principal operations controller for Aéroports de Paris at Paris-Charles de Gaulle

◆ None

#### FREDERIC GILLET

Date of birth:

**19 February 1972**

Nationality:

**French**

Date of first appointment:

**15 July 2014, elected on 20 May 2014**

Start date of current mandate:

**15 July 2014**

Sponsored by the:

**CFE/CGC union**

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Aéroports de Paris firefighter at Paris-Charles de Gaulle

◆ None

#### JEAN-PAUL JOUVENT

Date of birth:

**31 January 1961**

Nationality:

**French**

Date of first appointment:

**Election of 3 June 2004, taking office on 18 December 2008, re-elected 26 June 2009**

Start date of current mandate:

**15 July 2014, re-elected on 20 May 2014**

Sponsored by the:

**UNSA/SAPAP**



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OTHER CURRENT MANDATES AND DUTIES UNDERWAY

MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Head of the employee savings and shareholdings department at Aéroports de Paris' Human Resources department
- ◆ Chairman of the Supervisory Board of FCPE ADP DIVERSIFIE PRUDENT
- ◆ Chairman of the Supervisory Board of FCPE ADP DIVERSIFIE DYNAMIQUE
- ◆ Chairman of the Supervisory Board of FCPE ADP ACTIONNARIAT SALARIE

◆ None

JOEL VIDY

Date of birth:  
**30 December 1960**

Nationality:  
**French**

Date of first appointment:  
**1 March 2018 replacing Frédéric Mougin**

Start date of current mandate:  
**15 July 2014 (election of 20 May 2014)**

Sponsored by the:  
**CGT union**

OTHER CURRENT MANDATES AND DUTIES UNDERWAY

MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Planning and Scheduling Technician at the Technical Process and Luggage department at Paris-Orly airport

◆ None

Non-voting Board members

BERNARD IRION

Date of birth:  
**18 March 1937**

Nationality:  
**French**

Date of appointment:  
**General Meeting of Shareholders of 15 May 2014**

Start date of current mandate:  
**15 July 2014**

OTHER CURRENT MANDATES AND DUTIES UNDERWAY

MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Associate member of the Paris Departmental Chamber of Commerce and Industry (CCI-Paris)
- ◆ Director of F4 - a French limited company
- ◆ Director and representative of CCIR to SEMAVIP (Société d'Economie Mixte Ville de Paris) - a French limited company, from 2011 to January 2018
- ◆ Director and Vice-Chairman of SIPAC (Société Immobilière du Palais des Congrès) (CCIR Group) - a French limited company, from 2001 to June 2017
- ◆ Vice-Chairman of the Paris Departmental Chamber of Commerce and Industry (CCI-Paris) from 2000 to November 2016
- ◆ Director and permanent representative of CCIR to SAEMES, a French limited company from 2001 to November 2016
- ◆ Member of the Partners Committee of the STIF (Ile-de-France Transport Union) as a representative of the CRCI (Paris Ile-de-France Regional Chamber of Commerce and Industry) from 2009 to 2015

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#### CHRISTINE JANODET

Date of birth: <b>29 September 1956</b>	Date of first appointment: <b>General Meeting of Shareholders of 28 May 2009</b>
Nationality: <b>French</b>	Start date of current mandate: <b>15 July 2014, renewed by the General Meeting of Shareholders of 15 May 2014,</b>

#### OTHER CURRENT MANDATES AND DUTIES UNDERWAY

- ◆ Mayor of Orly
- ◆ Departmental Councillor for the Val-de-Marne
- ◆ Vice-Chair of Grand Paris-Orly Seine Bièvres (GOSB), a regional public institution

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ None

#### ANNE HIDALGO

Date of birth: <b>19 June 1959</b>	Date of appointment: <b>Provisionally appointed by the Board of Directors of 8 July 2015 and ratified by the Annual General Meeting of Shareholders of 3 May 2016.</b>
Nationality: <b>French</b>	Start date of current mandate: <b>15 July 2014</b>

#### OTHER MANDATES AND DUTIES

- ◆ Mayor of Paris
- ◆ Chairwoman of the Supervisory Board of the Paris Public Hospital Authority (APHP) – Public health establishment
- ◆ Chairwoman of Cities Climate Leadership Group (C 40) organisation
- ◆ Vice-chairman of Métropole du Grand Paris, public institution for inter-municipal cooperation
- ◆ Chairwoman of the Departmental Council - Public Authority

#### MANDATES AND DUTIES COMPLETED DURING THE PAST FIVE YEARS

- ◆ Chairwoman of:
  - APUR Association from 2008 to 2014,
  - "Pavillon de l'Arsenal" Association from 2008 to 2014;
- ◆ Chairwoman of the Supervisory Board of Hôpital Necker, public health establishment, from 2008 to 2014
- ◆ Director of:
  - SemPariSeine from 2008 to 2014
  - the "Fondation Mémoire pour la Shoah" from 2012 to 2014

### Agreements reached directly or via a third party between, on the one hand, a corporate officer or one of the shareholders with more than 10% of the voting rights of Aéroports de Paris and, on the other, another company in which Aéroports de Paris directly or indirectly holds over half of the capital

During the financial year closed on 31 December 2018, no agreements were reached directly or via a third party between, on the one hand, a corporate officer or one of the shareholders with more than 10% of the voting rights of

Aéroports de Paris and, on the other, another company in which Aéroports de Paris directly or indirectly holds over half of the capital.

## Summary of the delegations in effect granted by the General Meeting of Shareholders for capital increases

The table below summarises the financial delegations agreed by the Aéroports de Paris Combined General Meeting of 4 May 2018 that were in effect at the date of publication of this document. None of these delegations was used during the 2018 financial year.

Purpose of the financial authorisations/delegations granted to the Board of Directors currently in effect	Maximum nominal amount (26-months authorisations)
Share capital increase <sup>(a)</sup> with preservation of the pre-emptive subscription right. <u>Price</u> : set by the Board of Directors in accordance with the applicable legal provisions.	Share capital increase: €97 million <sup>(P)</sup> <sup>(1)</sup> <sup>[(6)]</sup> (i.e., approximately 33% of the capital) Issue of securities giving access to debt: €500 million <sup>(2)</sup> .
Share capital increase <sup>(a)</sup> with removal of the pre-emptive subscription right through a public offering. <u>Price</u> : set by the Board of Directors and equal to at least the minimum amount provided for by the laws and regulations in effect, i.e., to date, a price at least equal to the weighted average price over the last three trading sessions preceding its setting, potentially decreased by a maximum discount of 5% <sup>(c)</sup> .	Share capital increase: €29 million <sup>(P)</sup> <sup>(3)</sup> <sup>[(6)]</sup> (i.e., approximately 10% of the capital) Issue of securities giving access to debt: €500 million <sup>(2)</sup> .
Share capital increase <sup>(a)</sup> with removal of the pre-emptive subscription right through a private placement offer. <u>Price</u> : same rules as for setting the price in the event of an issue with the removal of pre-emptive subscription rights through a public offering.	Share capital increase: €29 million <sup>(P)</sup> <sup>(3)</sup> <sup>[(6)]</sup> (i.e., approximately 10% of the capital) Issue of securities giving access to debt: €500 million <sup>(2)</sup> .
Increase in the number of securities in the case of an issue with or without pre-emptive subscription rights. <u>Price</u> : same rules as those applicable to the delegation for which the number of shares is increased.	Increase in the number of securities to be issued: 15% of the original issue <sup>(P)</sup> <sup>(4)</sup> <sup>[(6)]</sup>
Capital increase through the incorporation of premiums, reserves, profits or other through the creation and free allocation of shares and/or an increase in the par value of existing shares. The Board of Directors sets the amount and the type of sums to be incorporated in the capital and the number of shares to be issued and/or whose par value will be increased.	Share capital increase: €97 million <sup>(5)</sup> (i.e., approximately 33% of the capital).
Share capital increase <sup>(b)</sup> reserved for subscribers to an Employee Savings Scheme <u>Price</u> : set in accordance with the provisions of the Labour Code (Article L. 3332-19 et seq.), and not higher than the average price listed for the last 20 trading sessions preceding the setting of the subscription opening date and not more than 20% below [(or 30% when the lock-up period of the plan is more than 10 years)] this average <sup>(d)</sup> .	Share capital increase: €2.9 million <sup>(P)</sup> <sup>(3)</sup> (i.e., approximately 1% of the capital).
Capital increase <sup>(b)</sup> in payment for a public exchange offer initiated by the Company. Exchange parity, amount of the balance and price: set by the Board of Directors in accordance with the applicable legal provisions.	Share capital increase: €29 million <sup>(P)</sup> <sup>(3)</sup> (i.e., approximately 10% of the capital). Issue of securities giving access to debt: €500 million <sup>(2)</sup> .
Share capital increase <sup>(b)</sup> with a view to payment for contributions in kind. <u>Price</u> : the Board of Directors sets the number of shares to be issued and their characteristics in accordance with the applicable legal provisions.	Share capital increase: 10% of share capital at the time of the issue <sup>(P)</sup> <sup>(3)</sup> .
Dilutive share capital increase (global cap).	Global cap on dilutive share capital increases: €97 million

	Global cap to which the following sub-caps are added: €97 million, or approximately 33% of the capital for share capital increases with preservation of pre-emptive subscription rights <sup>(1)</sup> ; €29 million, or approximately 10% of the capital for share capital increases with removal of pre-emptive subscription rights <sup>(3)</sup> ; 29 million, or approximately 10% of the capital for share capital increases during public offer periods <sup>(6)</sup> .
Increases in the share capital during public offer periods (global cap) For resolutions 19, 20, 21 and (when used in connection with an issue under resolutions 19, 20 or 21) 22.	Global cap for share capital increases during public offer periods: €29 million (P) <sup>(3)</sup> <sup>(6)</sup> , or approximately 10% of the capital.
<b>Caps</b>	
<sup>(P)</sup> With attribution to the global cap for dilutive capital increases of €97 million par value.	
<sup>1</sup> With attribution to the sub-cap for capital increases with preservation of pre-emptive subscription rights of €97 million par value.	
<sup>2</sup> With attribution to the global cap for issues of Company debt securities of €500 million.	
<sup>3</sup> With attribution to the sub-cap for capital increases with removal of pre-emptive subscription rights of €29 million par value.	
With, for an issue with preservation of pre-emptive subscription rights, attribution to the cap <sup>(1)</sup> and for an issue with removal of pre-emptive subscription rights, attribution to cap <sup>(3)</sup> .	
<sup>5</sup> Without attribution to the global cap for dilutive capital increases.	
<sup>6</sup> With attribution to the sub-cap of capital increase of €29 million par value in the event of a capital increase during the period of an offer on the Company.	
<b>Notes</b>	
<sup>(a)</sup> Issue of Company shares or securities giving access to the capital of the Company or of a subsidiary.	
<sup>(b)</sup> Issue of Company shares or securities giving access to the capital of the Company.	
<sup>(c)</sup> Note that in the event of the issue of securities giving access to the capital, the issue price will be such that the amount immediately received by ADP (or the subsidiary in question in the event of an issue of securities giving access to the ordinary shares of a subsidiary) increased, where applicable, by that which may be received by it (or the subsidiary in question) at a later time, will be at least equal to the same minimum amount provided for by law.	
<sup>(d)</sup> The Board of Directors is authorised to reduce or eliminate the discount provided for in Articles L. 3332-19 et seq. of the French Labour Code within legal and regulatory limits, if it deems it necessary, in order to take into account legal, accounting, tax and social regulations applicable locally. The Board of Directors is also authorised to allocate free shares to said beneficiaries, in addition to the shares or securities which are equity securities giving access to capital to be subscribed in cash, shares or securities which are equity securities giving access to capital to be issued or already issued in substitution for all or part of the discount provided for in Articles L. 3332-19 et seq. of the French Labour Code and/or as a contribution, within the legal and regulatory limits applicable under Articles L. 3332-10 et seq. and L. 3332-18 et seq. of the French Labour Code.	

## Composition of the Board of Directors and conditions for preparing and organising its work

Since 22 July 2005 Aéroports de Paris has been a French limited company with a Board of Directors.

### Composition of the Board of Directors as of 31 December 2018

The Company has been managed by a Board of Directors since 15 July 2009, in accordance with Article 6 of Law no. 83-675 of 26 July 1983 on public sector democratisation, and Article 13 of the Articles of Association of Aéroports de Paris. As of 11 May 2017, the Company has been governed by Order no. 2014-948 of 20 August 2014 on governance and equity transactions of companies with a public shareholding.

The Board of Directors consists of three to eighteen members in accordance with Article 13 of the Company's Articles of Association. It currently consists of six directors appointed by the General Meeting of Shareholders, one director representing the French State, three directors proposed by the French State and appointed by the General Annual Meeting of Shareholders and six directors representing employees.

The shareholders, at their General Meeting of Shareholders of 15 May 2014, renewed the mandates of Augustin de Romanet, Jacques Gounon and Jos Nijhuis and appointed Vinci, represented by Xavier Huillard, and Predica Prévoyance Dialogue du Crédit Agricole, represented by Françoise Debrus. The co-optation of Jacoba van der Meijs by

the Board of Directors on 23 May 2017 was ratified by the Annual General Meeting of Shareholders on 4 May 2018.

In application of the above-mentioned order, the director representing the French State is Solenne Lepage, appointed by decree on 11 May 2017, and previously appointed by decree on 11 July 2014. The Annual General Meeting of Shareholders of 11 May 2017 appointed the following on proposal of the French State: Michel Massoni, Geneviève Chaux Debry, and Denis Robin (who resigned as of 30 October). These persons had previously been appointed by decree on 11 July 2014 and 22 April 2015. Perrine Vidalenche was appointed, for the first time, by the General Meeting of Shareholders on 11 May 2017, on proposal by the French State.

The directors representing employees were elected on 20 May 2014, in line with the law of 26 July 1983 on the democratisation of the public sector, by the employees of Aéroports de Paris and certain subsidiaries. These director representatives are Brigitte Blanc (CGT), Laurence Arrievu (CFE/CGC), Serge Gentili (FO), Frédéric Gillet (CFE/CGC), Jean-Paul Jouvent (UNSA/SAPAP) and Joël Vidy (CGT).

In application of Article 13 of the Articles of Association, non-voting Board members attend meetings of the Board of Directors in an advisory capacity. Bernard Irion and Christine Janodet were appointed as non-voting Board members by the General Meeting of Shareholders on 15 May 2014. Anne Hidalgo was appointed as a non-voting Board member by the Board of Directors meeting of 8 July 2015; her appointment was approved by the Annual General Meeting of Shareholders of 3 May 2016. Gilles Leblanc was appointed non-voting Board member by the General Meeting of Shareholders of 11 May 2017. He resigned as of 12 April 2018.

Pursuant to Article 13 of the Company's Articles of Association, the mandate for directors and non-voting Board members is for five years.

Article R. 251-1 of the Civil Aviation Code makes provision for the minister in charge of civil aviation to appoint by decree a Government commissioner and a deputy Government commissioner entitled to sit on the Aéroports de Paris Board of Directors in a consultative capacity. Patrick Gandil, Director General of the French Civil Aviation Authority and Marc Borel, Director of Air Transport, were appointed Government Commissioner and Deputy Government Commissioner respectively at Aéroports de Paris by order of the civil aviation minister on 19 October 2007 and 15 June 2015.

Béatrice Mathieu de Lavergne, Economic and Financial Corporate Controller and Pascal Papaux, appointed Secretary of the Works Council, also attend Board meetings in a non-voting capacity.

## Principles of diversity and of balanced representation of women and men on the Board and management bodies

The policy of balanced representation and diversity applied to the composition of the Board of Directors takes into account the complexity and the many different activities of Groupe ADP.

Both the organisation of the Board and its composition are appropriate with regard to the shareholding, the nature of Aéroports de Paris' core business and, in particular, its public service mission as an airport.

Given Aéroports de Paris' activities, directors are selected from among representatives of the air transport world, managers of major French and international industrial companies and experts in the environmental fields in which the Company operates. The directors representing employees also contribute their point of view on subjects discussed. In addition, debates are enriched by two foreign directors.

The goal is to guarantee shareholders and the market that it will carry out its duties competently, independently and objectively. All the Directors are jointly responsible for developing collective operations, which is a necessary prerequisite for high quality management. The composition of

the committees is based on the same principles of balanced composition.

The age of the members of the Board of Directors is balanced, ranging from 46 to 68, and averaging 58. As regards the balanced representation of women and men, of the 10 directors in question (the directors elected by employees are excluded from the calculation) as of 31 December 2018, five were women and five were men (50%).

Moreover, Aéroports de Paris implements a global non-discrimination and diversity policy. The Company and its subsidiaries joined the Corporate Diversity Charter in 2013. This framework contract on diversity was signed for Aéroports de Paris SA on 27 April 2017. These provisions form part of the successive agreements that the Company has undertaken for several years within the different areas related to equal opportunities: the inclusion of disabled workers (since 1991), workplace equality for men and women (2003), the retention of seniors in employment (2009) and the employment and support of young people (2016).

This policy was discussed by the Board of Directors on 16 October 2018.

## Summary presentation of the Board of Directors

	Age	Gender	Nationality	Number of shares as of 31/12/2018	Number of mandates in listed companies	Independence as defined in the AFEF-MEDEF Code		Initial date of appointment	Expiry of the mandate	Seniority on the Board	Committee members						
						Non- independent	Independent				Audit and Risk Committee	Strategy and Investment Committee	The Compensation, Appointments and Governance Committee	Ad-hoc committee Terminal T4 project			
<b>Chairman and CEO</b>																	
- The current mandate came into effect on 15 July 2014, for a term of five years																	
Augustin de Romanet	57	Male	French	300	2	Chairman and CEO		29/11/2012	20/05/2019	6 years		Chairman X					
<b>Directors appointed by the General Meeting of Shareholders</b>																	
- The mandate came into effect on 15 July 2014, for a period of five years																	
Jacques Gounon	65	Male	French	300	2		Independent director	02/07/2008	20/05/2019	10 years	Chairman X		X				
Jacoba van der Meijs	52	Female	Dutch	1	1	Executive officer of Royal Schiphol Group, whose Board of Directors includes an ADP director		23/05/2017	20/05/2019	1 year							
Jos Nijhuis	61	Male	Dutch	1	1	Former executive officer of Royal Schiphol Group, whose Board of Directors includes an ADP director		28/05/2009	20/05/2019	9 years		X		X	Chairman		
Vinci represented by Xavier Huillard	64	Male	French	7,916,848	2	Significant business relationship		15/07/2014	20/05/2019	4 years			X				
Predica represented by Françoise Debrus	58	Female	French	5,051,791	3		Independent director	15/07/2014	20/05/2019	4 years	X		Chairwoman X		X		
<b>Director representing the French State, appointed by decree on 11 May 2017</b>																	
- The mandate came into effect on 11 May 2017, for a period of five years																	
Solenne Lepage	46	Female	French	0 <sup>1</sup>	2	Majority shareholder		24/09/2012	2022 General Meeting	6 years	X	X	X		X		
<b>Directors appointed by the General Meeting of Shareholders of 11 May 2017, on proposal by the French State</b>																	
- The mandate came into effect on 11 May 2017, for a period of five years																	
Geneviève Chaux Debry	60	Female	French	0 <sup>1</sup>	1	Representative of the interests of the French State, shareholder		15/07/2014	2022 General Meeting	4 years		X			X		

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Michel Massoni	68	Male	French	0 <sup>1</sup>	1	Representative of the interests of the French State, shareholder		26/04/2013	2022 General Meeting	5 years					X
Denis Robin, resigned as of 30 October 2018	56	Male	French	0 <sup>1</sup>	1	Representative of the interests of the French State, shareholder		22/04/2015	2022 General Meeting	3 years					
Perrine Vidalenche	62	Female	French	0 <sup>1</sup>	1	Representative of the interests of the French State, shareholder		11/05/2017	AG 2022	1 year					

(1) The directors representing the interests of the French State as a shareholder, are exempted from holding a minimum number of Company shares as set out in the Articles of Association (Articles 5 and 6 of order no. 2014-948 of 20 August 2014).

	Age	Gender	Nationality	Number of shares as of 31/12/2018	Number of mandates in listed companies	Independence as defined in the AFEP-MEDEF Code		Initial date of appointment	Expiry of the mandate	Seniority on the Board	Committee members					
						Non-independent	Independent				Audit and Risk Committee	Strategy and Investment Committee	The Compensation, Appointments and Governance Committee	Ad-hoc committee Terminal T4 project		
<b>Directors representing employees</b>																
- The mandate came into effect on 15 July 2014, for a period of five years																
Brigitte Blanc (CGT union)	56	Female	French	0 <sup>2</sup>	0	Not included in the calculation		15/07/2014	15/07/2019	4 years						
Laurence Arrieu (CFE/CGC union)	58	Female	French	0 <sup>2</sup>	0	Not included in the calculation		23/02/2018	15/07/2019	1 year		X				X
Serge Gentili (FO union)	62	Male	French	0 <sup>2</sup>	0	Not included in the calculation		15/07/2009	15/07/2019	9 years	X					
Frédéric Gillet (CFE/CGC union)	46	Male	French	0 <sup>2</sup>	0	Not included in the calculation		15/07/2014	15/07/2019	4 years						
Jean-Paul Jouvent (UNSA/SAPAP union)	57	Male	French	0 <sup>2</sup>	0	Not included in the calculation		18/12/2008	15/07/2019	10 years			X			X
Joël Vidy (CGT union)	58	Male	French	0 <sup>2</sup>	0	Not included in the calculation		01/03/2018	15/07/2019	1 year		X				

(2) The directors representing the employees are exempted from holding a minimum number of Company shares as set out in the Articles of Association (Article 21 of Law 83-675 of 26 July 1983). The derogation from the AFEP-MEDEF Code recommendation regarding the rule on the minimum of one-third independent directors in controlled companies is justified below.

## Board of Directors' attendance

Director	Board of Directors	Audit and Risk Committee	Compensation, Appointments and Governance Committee	Strategy and Investment Committee	Ad hoc committee - T4 project 1 meeting
Augustin de Romanet	100%			100%	
Jacoba van der Meijs	37,5%				
Jacques Gounon	100%	100%	100%		
Jos Nijhuis	75%			60%	100%
Vinci represented by Xavier Huillard	100%		100%		
Predica represented by Françoise Debrus	100%	100%	100%		0%
Solenne Lepage	100%	100%	100%	40%	0%
Geneviève Chaux Debry	100%			80%	100%
Michel Massoni	100%				
Denis Robin, resigned as of 31 October 2018	60%				
Perrine Vidalenche	100%				
Brigitte Blanc	87,5%				
Laurence Arrieu	100%			100%	100%
Serge Gentili	87,5%	33%			
Frederic Gillet	87,5%				
Jean-Paul Jouvent	100%		100%		100%
Joël Vidy	71,4%			75%	



## Duties of the Board of Directors

The Board of Directors is the collegial body of the Company that determines the direction of Aéroports de Paris' activities and oversees their implementation, as specified in Article 16 of its Articles of Association. It is dedicated to the long-term creation of value by the Company, taking into account the social and environmental impacts of its activities. It proposes all amendments to the Articles of Association that it deems necessary. It is under obligation to act in any circumstances in the corporate interest of the company and is answerable to its actions in this respect before the general meeting of shareholders.

The duties of the Board are determined by the laws and regulations, by-laws and rules of procedure adopted by the Board of Directors at its meeting on 9 September 2005 and the last changes dated 19 February 2014 (the Rules of Procedure).

The rules of procedure can be viewed at [www.parisaeroport.fr](http://www.parisaeroport.fr). They specify the powers of the Board of Directors and its members, and its mode of operation, as well as that of its specialised committees: the Audit and Risk Committee, the Strategy and Investments Committee and the Compensation, Appointments and Governance Committee.

It includes a charter for the members of the Board of Directors, which outlines the regulatory framework, and a code of ethics relating to securities transactions and compliance with French and European regulations on insider trading, insider infringements and market manipulation. Each member of the Board of Directors must look after the company's best interests. They must have a quality of judgement, in particular of situations, strategies and people, based predominantly on their experience. They must have an ability to anticipate enabling them to identify strategic risks and issues. Each member of the Board of Directors undertakes in accepting the Charter to remain independent in his/her analysis, judgement, decision-making and action, to reject all pressure, of any kind whatsoever and from wherever it comes, and to do so in all circumstances (Charter Article 6).

In this regard, the rules of procedure of the Board of Directors contain provisions intended to prevent any conflict of interests, any interference between a public interest and public or private interests, pursuant to law no. 2013-907 of 11 October 2013 relating to transparency in public life, together with any risk of distorting competition. In compliance with article 2 of the charter, every Board member has an obligation to disclose to the Board any situation or any risk of a conflict of interests of which they have knowledge, between him or herself (or any natural or legal person with whom they have a business relationship and/or for whom they carry out work functions) and Aéroports de Paris SA or any company in the group or company with which Aéroports de Paris envisages signing an agreement of any nature whatsoever. In addition, every Board member must declare to the Chairman and CEO if potential conflicts of interest exist between their duties with regard to Aéroports de Paris and their private interests and/or other duties or obligations with regard to other natural or legal persons and, if applicable, provide details in answer to a questionnaire that will be submitted to them each year, in particular specifying past and present functions and mandates.

The Board of Directors has drawn up a procedure for dealing with difficulties connected with conflict of interests and has appointed a senior director on the matter, in compliance with the principles of objectivity and transparency. This role, entrusted to the chairman of the Audit and Risk Committee, an independent director, is to ensure compliance with the procedure, to advise on ways of preventing said conflicts and to suggest ways of resolving situations of potential conflicts of interest. When a conflict is identified, the Board member must abstain from taking part in the discussion and from voting on the matter in question.

The Chairman of the Board of Directors, who also operates the general management of the company, is appointed by decree by the Board of Ministers from among the directors and is nominated by the Board. He organises and directs the work of the latter and represents it in its dealings with shareholders and third parties. He sees to the proper running of the corporate bodies and makes sure, in particular, that the directors are able to fulfil their duties.

The rules of procedure provide that once a year, the Board discusses its own performance, and proposes amendments to the rules of procedure if it finds it necessary. The evaluation thus established corresponds to the three objectives and modalities set out by the AFEP-MEDEF code on the matter. Every three years, the Board may order an external evaluation of its own performance, under the direction of remuneration, appointments and governance committee. An evaluation was conducted by an external provider in 2016. In 2017 and 2018, the Board of Directors decided to undertake an internal assessment, the conclusions of which were reported during the Board of Directors' meetings of 20 December 2017 and 12 December 2018. The members of the Board of Directors were positive about the conditions under which governance promotes the Board's activities. The Board of Directors was pleased to report that every director is able to state their point of view and thereby enrich the quality of the debates. The Board believes that it is necessary to improve the monitoring of subsidiaries and affiliates and to develop CSR beyond simple compliance with regulations. In order to meet the recommendations resulting from the internal assessment of 2017, it has focused, in particular, on implementing monitoring of its equity investment in TAV, given its full consolidation.

## Meetings of the Board of Directors

The Chairman and CEO convenes Board meetings at regular intervals and at times he deems appropriate. To enable the Board to review and discuss in detail issues within its jurisdiction, the Rules of Procedure provide that the Board shall meet at least six times a year, and more if circumstances so require. The notice convening the Board Meeting is sent to the Board members, by any appropriate means, at least five days before the date of the meeting except in a case of justified emergency and fixes the place of the meeting. The Board members meet without the Chairman and CEO when they are reviewing the latter's compensation.

## Function of the Board of Directors

The Board of Directors sets the strategic directions for the Company's activities and oversees their implementation. It is dedicated to the long-term creation of value by the Company, taking into account the social and environmental impacts of its activities. The Board of Directors oversees the management of the company and is responsible for the quality of information provided to shareholders and the market, through the accounts or in connection with major transactions, including company securities. While subject to the powers expressly granted to shareholders and within the limits of the corporate purpose, the Board deals with all matters concerning the smooth running of the Company and regulates the proceedings and matters where the Board is competent. It makes any such checks and audits as it may deem appropriate.

Due to the special regime governing Aéroports de Paris, the Board of Directors also has its own powers by virtue of the French Civil Aviation Code. Lastly, the Board of Directors decided at its meeting on 9 September 2005 as amended on 29 April 2009 to limit the powers of the Chairman and CEO.

Thus, under the Rules of Procedure, the Board of Directors of Aéroports de Paris:

- ◆ examines the overall strategic guidelines of Groupe ADP at least once a year, particularly with regard to developments in the airline industry, as well as the competitive environment in which Groupe ADP operates;
- ◆ issues a documented response to the opinion issued by the Works Council on the Company's strategic directions in application of the French Labour Code;
- ◆ closes the annual company and consolidated financial statements, draws up the management report (notably the statement of extra-financial performance) and the corporate governance report and convenes the General Meeting of Shareholders responsible for approving these documents;
- ◆ approves the half-yearly consolidated financial statements;
- ◆ defines the financial communication policy of Aéroports de Paris;
- ◆ ensures that investors and shareholders receive relevant, balanced and educational information on the Company's strategy, development model, significant extra-financial challenges for the Company and its long-term prospects;
- ◆ examines the group's multiple-year strategic plan;
- ◆ is informed, once a year, of the state of the company's relationship with the government authorities as part of its public service duties;
- ◆ approves the multi annual economic regulation contract;
- ◆ sets the level of the fees mentioned in point 1 of article R.224-2 of France's *Code de l'aviation civile* (civil aviation laws);
- ◆ adopts Groupe ADP's five-year investment and funding plan and examines its implementation every year;
- ◆ examines the annual budget of Groupe ADP each year as well as the maximum amount of money that the company and its subsidiaries shall be authorised to borrow each year;
- ◆ approves the definition of the objectives and returns on major investment projects directly carried out by Aéroports de Paris for an amount in excess of €60 million;
- ◆ approves the acquisitions and disposals of assets carried out by Aéroports de Paris:
  - for the development or operation of airport facilities in France in excess of €30 million,
  - for all other activities in excess of €20 million;
- ◆ approves any transfers of assets or external acquisitions made by Aéroports de Paris subsidiaries in excess of or equal to €20 million;
- ◆ approves settlements and renunciations of debts whose amount is greater than or equal to €15 million before tax;
- ◆ determines the principles governing the allocation of airlines among the group's various airports; and between air terminals;
- ◆ be informed, at each of its meetings, of the development of the group's activity and of its results and assess any discrepancies relative to the budget and forecasts. At least twice a year, the Chairman and CEO shall table on the agenda a review of the financial position, the cash-flow position and the off-balance sheet liabilities of Groupe ADP;
- ◆ examines once a year, and as required, the position of the company's main subsidiaries and shareholdings;
- ◆ sets yearly the extent of the endorsements and guarantees that the Chairman and CEO is authorised to grant on behalf of Aéroports de Paris. The Chairman and CEO also reports to the Board of all securities, endorsements or guarantees exceeding €30 million;

- ◆ sets yearly the amount of bonds that the Chairman and CEO is entitled to issue;
- ◆ determines the terms and conditions of personnel and employee salary scales and indemnities;
- ◆ must ask the opinion of the General Meeting of Shareholders if a disposal, in one or more transactions, for at least half of the assets of the Company over the past two financial years is being planned;
- ◆ examines the independence of directors representing the shareholders (noting that the directors representing the interests of the French State and employees are not eligible, by definition), discusses the appraisal of the significant nature or not of the relationship maintained with the Company or its group and of the quantitative and qualitative criteria having led to said appraisal and designates some of them as independent directors with regard to the criteria established by the AFEP-MEDEF Code;
- ◆ considers the desirable balance of its composition and that of its committees formed internally, as recommended by the AFEP-MEDEF code;
- ◆ deliberates on the compensation of the executive officers in their absence;
- ◆ presents, as part of Say on Pay, to the ex-ante and ex-post votes of the Annual General Meeting of Shareholders, a resolution on the compensation of the corporate officers in question, in compliance with the legal and regulatory provisions in effect;
- ◆ proceeds to the distribution of the directors' fees allocated to directors and in this connection, can decide to reserve a proportion to non-voting directors;
- ◆ makes the amendments to the Articles of Association needed to bring them into line with legal and regulatory provisions, subject to the ratification of the modifications by the next Extraordinary General Meeting;
- ◆ examines on a regular basis, and in light of the strategy it has set, all opportunities and risks including financial, legal, operational, social and environmental risks and the measures taken as a result. For this purpose, the Board of Directors must receive all of the information it needs to accomplish its mission, notably from the Executive Officers;
- ◆ ensures, if required, the implementation of a system to prevent and detect corruption and influence peddling. It receives all information required for this purpose;
- ◆ it also ensures that the Executive Officers implement a non-discrimination and diversity policy, notably with respect to the balanced representation of women and men within the management bodies.

Generally, and excluding day-to-day management, all decisions that might affect the strategy of Groupe ADP, modify its financial structure or its business scope are submitted to prior authorisation of the Board of Directors. The Board also reviews issues submitted

for its information at the initiative of the Chairman and CEO. It also discusses issues that a director wishes to be discussed by the Board under 'Any Other Business'.

### Information for members of the Board of Directors

The Rules of Procedure state that directors must be given prior and permanent information, which is an essential condition of the performance of their duties. Subject to the provisions relating to the prevention of conflicts of interest and the transmission of sensitive data, the chairman of the Board of Directors communicates to Board members, in order for them to fully carry out their duties, all information and documents useful at the Board meeting to which they are convened, at least five days before it is held, except in the event of necessity or physical impossibility. All information and documents intended for members of the Board of Directors can be sent in digital format.

Board members undertake to preserve the confidentiality of information that is communicated.

The Chairman and CEO sends a company operating report to Board members every three months.

At the time when a new Board member takes up their functions, the Chairman and CEO hands over all documents necessary to the correct performance of their duties.

Lastly, each member of the Board of Directors is entitled, either at the time of their appointment or over the course of their mandate, to training from the Company regarding the specificities of the Company, its subsidiaries, occupations, sector of activity and its challenges in terms of corporate social responsibility. Aéroports de Paris has also suggested that all directors register with the Institut Français des Administrateurs (IFA) (the French Institute of Administrators).

### Board of Directors' activity in 2018

The Board of Directors met eight times in 2018 with an attendance rate of 90%, to discuss the following subjects, in particular:

- ◆ governance, in particular with:
  - the annual review of the independence criteria for directors with regards to the AFEP-MEDEF Code based, notably, on the setting of quantitative and qualitative criteria to assess the significant nature or not of the relationship between Aéroports de Paris and the members of the Board of Directors,
  - external appraisal of the operation of the Board of Directors,
  - the compensation of the Chairman and CEO, with review of:
    - the achievement of objectives and the setting of the amount of variable compensation for 2017,
    - 2019 compensation: the amounts of the fixed and variable components and the associated objectives,
  - submission to the Annual General Meeting of Shareholders of the ex-ante and ex-post resolutions on executive officer compensation,
  - the convening of the Annual General Meeting of Shareholders for 4 May 2018;
  - review of the Rules of Procedure of the Board of Directors,
  - approval of the corporate governance report for the 2017 financial year,
  - the report of the Chairman and CEO on the road shows, notably regarding corporate governance topics,
  - the authorisations required prior to the signing of regulated agreements, re-examination of the regulated agreements authorised previously and in force in 2018,
  - the report of the Chairman of the Audit and Risk Committee on its mission to prevent conflicts of interest,
  - the creation of an ad hoc committee to review aspects of the Aéroports de Paris - Charles de Gaulle - Terminal 4 project;
- ◆ the management of the business and, in particular, approval of the company and consolidated financial statements for 2017 and the interim financial statements for 2018, adoption of the management report for 2017, preparation of the management planning documents and the report on the development of Aéroports de Paris, update of the Group's consolidated budget forecast for 2018, preparation of the Group's budget for 2019, setting the airport fees for the period from 1 April 2019 to 30 March 2020, the annual authorisation of sureties, endorsements and guarantees, authorisation of bond issues, payment of an interim cash dividend for the 2018 financial year;
- ◆ the Group's strategy and review of risks with, notably, a progress report on the "Connect 2020" strategic plan as of 31 December 2017, the 2019-2023 investment programme and related financing plan, the Board of Directors' response to the opinion of the Works Committee, review of the main investment projects (CDG Express project, etc.), presentation of the main issues for the Terminal 4 project and the status of Groupe ADP's risk mapping in 2018;
- ◆ international development with, notably, the regular update on TAV Airports, participation in the call for tenders for the international airports concession;
- ◆ Aéroports de Paris' contribution to the French Compensation Fund for Airport Nuisance (FCNA);
- ◆ CSR, and notably Aéroports de Paris' policy in terms of non-discrimination and diversity, in particular with respect to the balanced representation of women and men in management bodies and in terms of professional equality and equal pay, safety at work and the 2017 materiality study: the most significant CSR stakes and the Ethics and Compliance programme.

## Duties of the Board of Directors' committees

The Board of Directors has created three committees: an Audit and Risk Committee, a Strategy and Investments Committee and a Compensation, Appointments and Governance Committee. On 21 November 2018, the Board of Directors created an ad hoc committee to review aspects of the Aéroports de Paris - Charles de Gaulle - Terminal 4 project (its composition is shown in the summary table). The purpose of the committees is to contribute to the preparation of the Board of Directors' decisions by issuing opinions that are then presented to the Board. The chairmen of the committees or a member appointed by them shall report to the Board of Directors on the proceedings and the opinions rendered by the said committees. Their powers and specific modalities of operation are described in the rules of procedure that can be consulted at [www.parisaeroport.fr](http://www.parisaeroport.fr). Their composition and activity during financial year 2018 are described below.

The members of each committee are appointed, on proposal by the Chairman and CEO, by the Board of Directors from among its directors according to their competencies in terms of their work and experience, the interest that they have for the different subjects being dealt with and ultimately their availability. The Chairman of each committee is appointed by the Board of Directors, following a proposal from the remuneration, appointments and governance committee.

Committee members are elected for a term not exceeding their term as director.

The financial controller and either the chief or vice government representative can attend all of the committee meetings in a consultative capacity. It is important to avoid the presence of crossed directors between Aéroports de Paris and any other companies, in similar committees.

The committees meet at least three days before the Board of Directors meeting, except in the case of necessity or material impossibility, the agenda of which contains draft discussions on questions that are relevant to their area. The members of the committees shall be provided with whichever documents are necessary for their proceedings at least 3 working days prior to the meeting.

The members of the committees and all persons invited to committee meetings are bound by a non-disclosure obligation with respect to information that comes to their knowledge or to which they have access in the course of their duties.

For the purposes of accomplishing their work, the committees may hear members of Company and Group management or they may hire experts or external advisers, as need be. Committees must, however, ensure the objectivity of the outside experts or consultants concerned.

### AUDIT AND RISK COMMITTEE

#### Composition

The rules of procedure require that Aéroports de Paris has an Audit and Risks Committee made up of a maximum of five members with voting rights, appointed from among the directors

– one of whom represents the French State, one representing employees and with members preferably being independent directors as set out by the criteria of the AFEP-MEDEF corporate governance code, and selected from among those directors nominated by the General Meeting of Shareholders. The Audit and Risk Committee does not include any executive officers.

At 31 December 2018 the committee consisted of four members: Jacques Gounon, its Chairman and independent director, Serge Gentili, Solenne Lepage and Françoise Debrus, permanent representative of Predica, independent director.

The Board of Directors has noted that the members of the Audit and Risk Committee meet the criterion of financial or accounting expertise provided for by the texts in force.

The presentation of the mandates and duties filled by the directors over the last five years attests to their expertise in finance and accounting.

#### Tasks and functioning

The Audit and Risk Committee's rules of procedure are based on the French Commercial Code and the recommendations of the AMF. The Audit and Risk Committee is also governed by Order no. 2016/315 of 17 March 2016 relating to the statutory audit.

The Audit and Risk Committee, reporting to the Board of Directors, monitors the accuracy and truthfulness of the company and consolidated financial statements and oversees the preparation of financial and extra-financial information. It monitors the Statutory Auditors through completion of their missions and ensures their independence. It monitors the effectiveness of the internal control and risk management systems, including those of a social and environmental nature, as well as internal audit. It reviews the relevance of the Group's financial policy. It enlightens the Board of Directors on the reliability and quality of information issued to it. The Audit and Risk Committee makes sure of the expertise, independence and objectivity of outside experts of whom it may make use.

The committee could consider executive officers other than the corporate officers, and under conditions that it determines. It hears the Executive Director - Finance, Strategy & Administration, the Executive Director for International, the Group Secretary General (notably responsible for CSR subjects), the Corporate Accounts Director, the Internal Audit Director, the Director for Safety, Risk Management and Compliance and the Statutory Auditors.

#### The activity of the Audit and Risk Committee in 2018

The Audit and Risk Committee meets at least four times a year and as often as necessary, and can only meet if half of its members are present. In 2018, it met six times with an attendance rate of 83%. The Statutory Auditors attended all of the committee meeting.

During its meetings, the committee examined in particular files relating to:



- ◆ the closing of the 2017 company and consolidated financial statements and 2018 half-yearly financial statements, the adoption of the 2017 management report, the update of the 2018 consolidated budget forecast, the establishment of management planning documents and the progress report on the development of Aéroports de Paris, the 2019 consolidated budget, the setting of the airport fees for the period from 1 April 2019 to 30 March 2020, the appropriation of 2017 income, the setting of the dividend, the distribution of interim dividends and financial delegations;
- ◆ the corporate governance report for the 2017 financial year;
- ◆ the status of 2018 risk mapping for the Group and its subsidiaries, the summary of the 2017 internal audit activity and the Audit department's 2018 audit programme;
- ◆ the Ethics and Compliance action plan;
- ◆ review of the Rules of Procedure of the Board of Directors;
- ◆ monitoring of off-balance sheet commitments by monitoring sureties, endorsements and guarantees;
- ◆ authorisation for bond issues in 2019;
- ◆ monitoring of the main investment projects (CDG Express, etc.);
- ◆ international development, notably:
  - regular update on TAV Airports,
  - the increased stake in the capital of Airport International Group (AIG) in Jordan, bringing Groupe ADP's share to 51% of the capital,
  - the participation in the call for tenders for the international airports concession;
- ◆ the Audit and Risk Committee's approval process for services other than certification of the financial statements provided by the Statutory Auditors in application of Article L. 823-19 of the French Commercial Code.

#### THE STRATEGY AND INVESTMENT COMMITTEE

##### Composition

The Board's Rules of Procedure require that Aéroports de Paris SA has a strategy and investment committee consisting of a maximum of six members entitled to vote, appointed from among the directors, including two employee representatives.

At 31 December 2018 it consisted of the following six members: Augustin de Romanet, Chairman, Geneviève Chaux Debry, Laurence Arrieu, Solenne Lepage, Joël Vidy and Jos Nijhuis.

##### Tasks and functioning

The duties of the strategy and investment committee are to: provide advice to the Board of Directors on:

- ◆ the definition and implementation of the strategic policies of Groupe ADP;
- ◆ the Company's strategic guidelines;
- ◆ the guidelines of Groupe ADP in terms of diversification or growth operations.

It examines the company's economic doctrine and any issue relating to the definition and implementation of group strategy that the Board of Directors wishes to submit to it.

##### Activity of the Strategy & Investment Committee in 2018

The strategy and investment committee meets at least three times a year and as often as necessary, and can only meet if half of its members are present. In 2018, it met five times with an attendance rate of 77%. Notably, a strategic seminar of the Board of Directors was also held on 21 November 2018.

During its meetings, it has in particular covered:

- ◆ the Group's strategy and investments as illustrated by the progress report of 31 December 2017 on the "Connect 2020" strategic plan, by the 2019-2023 investment programme and the related financing plan and the review of the main investment projects (CDG Express, etc.);
- ◆ review of the Rules of Procedure of the Board of Directors;
- ◆ international development with, notably the regular update on TAV Airports, participation in the call for tenders for international airport concessions;

#### THE REMUNERATION, APPOINTMENTS AND GOVERNANCE COMMITTEE

##### Composition

The Remuneration, Appointments and Governance Committee is made up of at most five members with voting rights from among the directors, including one representative of the French State, one director representing employees and directors appointed by the General Meeting of Shareholders. It may not include any executive officers among its members and must consist of a majority of independent directors.

The executive officer is associated with the committee's work regarding appointments and succession plans.

At 31 December 2018 the committee consisted of five members: Françoise Debrus, independent director, permanent representative of Predica and Chairwoman of the committee, Jacques Gounon, independent director, Xavier Huillard, permanent representative of Vinci, Jean-Paul Jouvent and Solenne Lepage.

The Board of Directors made sure that, in order for it to function correctly, the remunerations, appointments and governance committee is organised so that its chairmanship is entrusted to an independent director and includes all the Board's independent directors. It is recalled that the High Committee of Corporate Governance considers in its activity report for October 2014 that a remunerations committee including two independent directors out of four members (excluding director representing the employees) should remain in compliance with the intent of the AFEP-MEDEF code provided it is chaired by an independent director. In its report of October 2017, the High Committee accepted that the proportions may not be fully achieved, rather than have the independence criteria interpreted too freely.

#### Tasks and functioning

The duties of the Compensation, Appointments and Governance Committee are to study and formulate proposals on the amount of, and change in, total compensation (and each of its components) of corporate officers, as well as on benefits in kind or any other type of compensation, in compliance with AFEP-MEDEF recommendations. The Committee gives an opinion on the compensation policy for the Company's key executives, proposes to the Board of Directors a total amount and the allocation rules for directors' attendance fees, taking into account their level of attendance at meetings, and for the remuneration of non-voting Board members. It proposes to the Board of Directors a policy for the reimbursement of expenses incurred to carry out the duties of a director.

The Committee is responsible for making proposals to the Board after an in-depth review of all elements to be taken into account for its deliberation, notably given the composition and changes in the Company's shareholding, in order to ensure the balanced composition of the Board: balanced representation of women and men, nationalities, international experience, expertise, etc. It organises, in particular, a procedure for selecting future independent directors and undertakes its own investigation of potential candidates before contacting them. It must debate the

qualifications of independent directors and implement a formal assessment of the operation of the Board of Directors.

The Committee is responsible for preparing a succession plan for the Executive Officers.

#### The activity of the Compensation, Appointments and Governance Committee in 2018

The remuneration, appointments and governance committee meets at least once a year and as often as necessary, and can only meet if two thirds of its members are present. In 2018, it met twice with an attendance rate of 100%.

During its meetings, the committee debated on such items as:

- ◆ governance, in particular with:
  - the annual review of the independence criteria for directors with regards to the AFEP-MEDEF Code based, notably, on the setting of quantitative and qualitative criteria to assess the significant nature or not of the relationship between Aéroports de Paris and the members of the Board of Directors,
  - internal appraisal of the operation of the Board of Directors,
  - the compensation of the Chairman and CEO with:
    - variable compensation for 2017 - achievement of objectives and amount of the variable component,
    - 2018 compensation: amount of the fixed component and estimate of the achievement of the objectives for the variable component,
    - 2019 compensation: setting the amount of the fixed component and the amount and objectives for the variable component,
  - submission to the Annual General Meeting of Shareholders of the ex-ante and ex-post resolutions on Chairman and CEO compensation,
    - review of the succession plan for the Executive Officer and of the management continuity measures,
- ◆ attendance fees: final amounts and allocation for the 2017 financial year and estimate of the amount for 2018;
- ◆ summary of the expenses incurred by the members of the Board of Directors in 2018;

the compensation policy for members of the Executive Committee.

## Executive Management

Augustin de Romanet was renewed in his functions of Chairman and CEO of Aéroports de Paris by decree dated 24 July 2014.

Article 14 of the Articles of Association of Aéroports de Paris states that the Chairman of the Board of Directors is also responsible for the executive management of the Company. His title is Chairman and CEO. He is appointed by decree from among the directors on proposal by the Board of Directors.

Shareholders in Aéroports de Paris consider that in a changing environment, combining the functions improves the coordination between strategy and operational action. As part of the external assessment of the Board of Directors, established in 2016, the Board members considered that the combination of the positions of President and CEO is suited to the Company's context. The Board of Directors confirmed this choice by proposing that the General Meeting of Shareholders of 11 May 2017 include it in the Company's Articles of Association.

The limitations on the powers of the Chief Executive Officer decided by the Board of Directors ensure an equilibrium between the Executive Officer and the Board of Directors, while retaining the flexibility and responsiveness necessary to

administer and manage the Company following good corporate-governance practices.

Pursuant to Article 14 of the Company's Articles of Association, the Board of Directors may, upon proposal by the Chairman and Chief Executive Officer, appoint up to five chief operating officers in charge of assisting the Chairman and CEO.

The Compensation, Appointments and Governance Committee has ensured that a succession plan is in place for the Executive Officer and that management continuity measures have been implemented for the Company. The measures are based on the provisions of Article 21 of Order no. 2014-948 of 20 August 2014 on governance in the event of that the position of Chairman and CEO becomes vacant and on the delegations of the Chairman and CEO granted to the members of the Executive Committee.

The Chairman and CEO cannot hold more than two other director mandates in listed companies outside of the group, including foreign companies. In addition, the prior opinion of the Board is required before he can accept a new corporate mandate in a listed company. The mandates exercised by the Chairman and CEO are provided above.

## Board of Director restrictions on the powers of the CEO

The Chairman and CEO is vested with the most extensive powers to act in the company's name in all circumstances. He sees to the proper running of the corporate bodies and makes sure that the directors are able to fulfil their duties. Limitations on the powers of the Chairman and CEO of Aéroports de Paris were set by deliberation of the Board meeting held on 9 September 2005, amended on 29 April 2009.

The Board of Directors of Aéroports de Paris decided that the Chairman and CEO must obtain the prior authorisation of the Board of Directors for the following acts:

- ◆ strategy and major projects: adoption of a five-year investment and funding plan for the Groupe ADP; definition of the purpose and profitability of those investment projects directly carried out by Aéroports de Paris SA costing more than €60 million; disposal of assets or external development investments of more than €30 million for the improvement or operation of

airport facilities in France and any other activities over €20 million; the principles of allocation of airlines between airports or terminals; the approval of contracts as laid down in articles 2 and 3 of law n°2005-357 of 20 April 2005 in respect of airports;

- ◆ pricing: approval of the multi-annual economic regulation agreement; setting of fee rates as set out in point 1 of Article R. 224-2 of the French Civil Aviation Code;
- ◆ with respect to financial matters: approval of transactions and debt waivers for an amount equal or superior to €15 million.

These restrictions were incorporated into the internal rules of the Board of Directors which issues its allocations while taking into account the restrictions imposed on the power of the Chairman and CEO.



## Derogation from the AFEP-MEDEF Code

Aéroports de Paris is governed by Order no. 2014-948 of 20 August 2014 on governance as a result of its status as a public company controlled by a majority shareholder.

The provisions of the AFEP-MEDEF Code (available at <http://www.afep.com/publications/le-code-afep-medef-revise-de-2018/>) waived and the reasons why are provided below.

### The number of independent directors (chapter 8 of the AFEP-MEDEF Code)

Under the AFEP-MEDEF Code, at least one third of the Company's Board should be Directors qualified as "independent", while Directors representing employees are not counted when calculating this percentage. The Company cannot meet this recommendation.

The reason for this derogation is the French State's majority holding in the share capital:

- ◆ Order no. 2014-948 of 20 August 2014:
  - reserves a seat for the director representing the French State, appointed by decree,
  - allows the State to propose directors to the General Meeting of Shareholders. Five directors were proposed by the State. They represent the interests of the French State in its capacity as a shareholder (Article 6 III of the above-mentioned order). They cannot meet the independence criteria of the AFEP-MEDEF Code to which the Company refers, given that the French State controls Aéroports de Paris,
  - reserves one-third of seats on the Board for employee representatives elected by the employees (these directors are not independent and, under the AFEP-MEDEF Code, are not counted in the calculation of the share of independent directors);
  - ◆ the other six members are appointed by the General Meeting of Shareholders. Four of these members are not considered to be independent within the meaning of the criteria stipulated in the AFEP-MEDEF Code.

As proposed by the Compensation, Appointments and Governance Committee, the Board of Directors, at its meeting of 12 December 2018, examined the personal situation of each of the directors based on the independence criteria laid down by the AFEP-MEDEF Code.

Based on the quantitative and qualitative criteria previously defined, the Committee also discussed to what extent the relationship between the Company or the group and each director is significant. As in previous years, the quantitative criterion is measured based on a materiality threshold of 2% of the Company's purchases. The qualitative criteria are measured based on the continuity of the relationship, the importance of the contractual and competitive relationship and the situation of the director or permanent representative

(direct decision-making power over the contracts constituting the business relationship).

As a result of said scrutiny, the Board of Directors reaffirmed as independent directors the following, who meet the criteria:

- ◆ Jacques Gounon, who does not have any business relationship with the Company;
- ◆ Predica and its permanent representative, which do not maintain significant business relations between Groupe Crédit Agricole and Aéroports de Paris, with a flow of business well below the materiality threshold of 2% of purchases. In addition, from the standpoint of the organisation of the relationship, Françoise Debrus, the permanent representative of Predica and Director of Investments at Crédit Agricole Assurance (Predica's parent company) does not have any direct or indirect decision-making power in establishing or continuing business.

The Board of Directors confirmed and reaffirmed as non-independent directors:

- ◆ Augustin de Romanet, Executive Officer of the Company;
- ◆ Jos Nijhuis and Jacoba van der Meijs, corporate officers of a company on whose Board of Directors an employee of Aéroports de Paris sits;
- ◆ Vinci and its permanent representative, due to the significant nature of the business relationship with the Company. For the quantitative criteria, a flow of business between the two groups in excess of the 2% materiality threshold for purchases was noted. In terms of qualitative criteria, the Vinci Group, a major construction and public works company, maintains an ongoing relationship with Aéroports de Paris for construction tenders. As a result of its presence in the airport sector, the Vinci Group, together with its subsidiary Vinci Concessions, is both a competitor and a partner of Aéroports de Paris, depending on the project, in calls for tenders for airport projects. In addition, from the standpoint of the organisation of the relationship, Xavier Huillard, are considered to have direct or indirect decision-making power in competitive situations involving calls for tenders for airport projects, which constitute actual or overt conflicts of interest;
- ◆ directors appointed by the General Meeting of Shareholders on proposal by the French State, and who represent the interests of the State as a shareholder, which controls the Company;
- ◆ the director representing the French State, given that the French State controls Aéroports de Paris;

- ◆ the six directors representing the employees, due to the existence of an employment contract with the company.

However, the Board of Directors strives to comply with the principles of good governance defined in the AFEP-MEDEF Code in order to ensure its proper functioning. The audit and risks committee and the remuneration, appointments and governance committee are organised so that:

- ◆ their chairmanship is entrusted to independent directors;
- ◆ the proportion of independent directors is met for the audit and risks committee;
- ◆ 50% of the members of the Compensation, Appointments and Corporate Governance Committee are independent. In its activity report of October 2014, the High Committee for Corporate Governance deemed the proportion mentioned above on this committee consistent with the spirit of the AFEP-MEDEF Code, provided that it is chaired by an independent director. In its report of October 2017, the High Committee accepted that the proportions may not be fully achieved, rather than have the independence criteria interpreted too freely.

Note that, according to the AFEP-MEDEF Code, a director can be considered independent when he or she meets the following criteria:

- ◆ is not, or has not been during the previous five years:
  - an employee or executive officer of the company,
  - an employee, executive officer or director of a company that the company consolidates,
  - an employee, executive officer or director of the company's parent company or of a company consolidated by this parent company;
- ◆ is not an Executive Officer of a company in which the Company holds, directly or indirectly, office as Director; or in which an employee appointed as a Director or in which an Executive Officer of the Company holds or has held a Directorship within the last five years;<sup>1</sup>
- ◆ a customer, supplier, corporate or investment <sup>2</sup>banker or adviser;
  - of significant importance to the Company or its group, or,
  - which derives a significant part of its activity from the Company or its group.

Appraisal of the significant nature or otherwise of the relationship maintained with the Company or its group is

debated by the Board and the quantitative and qualitative criteria having led to said appraisal (continuity, economic dependence, exclusivity, etc.) are explained in the report on corporate governance;

- ◆ has no close family ties with a Company Officer;
- ◆ has not acted as Statutory Auditor to the Business during the last five years;
- ◆ has not been a Director of the company for more than twelve years. The status of independent director ends after twelve years;
- ◆ Directors representing the major shareholders of the company or of the parent company can be considered as independent, provided said shareholders do not participate in controlling the company. However, above a threshold of 10% in capital or voting rights, the Board, following a report from the nominations committee, systematically checks on the independent status by considering the composition of the company's capital and the existence of a potential conflict of interests.

### Meetings of the Board of Directors and committee meetings (chapter 10 of the AFEP-MEDEF Code)

At the latest external assessment reported in the Board of Directors' meeting on 19 October 2016, the directors highlighted freedom of speech and the quality of discussions useful to general management. This opinion was confirmed by the internal assessment reported on 12 December 2018. They therefore see no added value in implementing a meeting without the attendance of the executive officers.

<sup>1</sup> Thus, Mr X, an Executive Officer in company A, may not be considered independent as regards company B if:

- ◆ company B is a Director of company A, either directly or via a subsidiary (indirectly); or company B has nominated an employee as a Director of A; or

- ◆ if an executive officer of B is a director of company A (or has been within the last five years)

<sup>2</sup> Or is directly or indirectly linked to these individuals.

## Director terms of office (Chapter 13 of the AFEP-MEDEF Code)

The mandate for Aéroports de Paris directors exceeds the duration of four years set out in the AFEP-MEDEF Code.

In application of Article 7 of Decree no. 83-1160 of 26 December 1983 on the implementation of Law no. 83-675 of 26 July 1983 on the democratisation of the public sector, the term of office of members of the Board of Directors of Aéroports de Paris elected on 20 May 2014 by the employees and appointed by the General Meeting of Shareholders on 15 May 2014, was set at five years. For consistency, the General Meeting of Shareholders, on proposal by the Board of Directors, also set the mandate of directors at five years.

## Director shareholding (chapter 19 of the AFEP-MEDEF Code)

The charter for the members of the Board of Directors, as shown in the appendix to the rules of procedure for the Board of Directors, stipulates, in line with the AFEP-MEDEF Code, that directors appointed by the General Meeting of Shareholders must personally own a significant number of shares in the Company with respect to the amount of attendance fees granted. Unless he holds them at the time of taking office, he must use his directors' fees at the time of their acquisition.

This recommendation cannot be applied within the Company for the following members who are exempted from owning Company shares:

- ◆ directors appointed by the French State and directors representing the interests of the French State and appointed by the General Meeting of

Shareholders, in application of Order no. 2014-948 of 20 August 2014;

- ◆ directors elected by the employees in application of Article 21 of Law no. 83-675 of 26 July 1983 on the democratisation of the public sector. They do not receive attendance fees.

Lastly, the two directors representing Royal Schiphol Group, in application of the shareholder agreement which appoints them, passed on 1 December 2008 between N.V. Luchthaven Schiphol (Schiphol Group) and the French Republic in the presence of Aéroports de Paris, do not personally hold a significant number of shares in the Company given that Schiphol Group holds 8% of the share capital of Aéroports de Paris and receives the attendance fees.

## Obligation for executive officers to hold shares (chapter 22 of the AFEP-MEDEF Code)

In its meeting of 15 July 2014, the Board of Directors decided not to set any threshold for retaining shares to the extent that:

- ◆ executive officers do not benefit from any share options or performance shares;
- ◆ the Chairman and CEO waived his right to attendance fees from Aéroports de Paris and its companies;
- ◆ compensation is governed by Decree no. 2012-915 of 16 July 2012 on the French State's control over the compensation of directors of public companies.

The commitment of executive officers is not connected to interests that they may hold in the company. They act in the company's best interest, whatever the number of shares held personally.

## Special rules governing shareholder participation in the General Meeting of Shareholders

The mode of operation and the main powers of the general meeting of shareholders of Aéroports de Paris, as well as shareholder rights and how to exercise those rights, are described in Articles 20 and 21 of the company's articles of association. These Articles of Association, as amended by the

Combined General Meeting of 11 May 2017, are available at [www.parisaeroport.fr](http://www.parisaeroport.fr).

Since 3 April 2016, pursuant to article L 225-123 of the French Commercial Code, fully freed-up shares which have been registered for at least two years in the name of the same shareholder, automatically enjoy double voting rights.

## Elements likely to have an impact in the event of a public offer

To the best of the Company's knowledge, there is currently no agreement, the implementation of which could later result in a change of control of the Company. Article L. 6323-1, paragraph 2, of the French Transport Code provides that the majority of the Company's share capital is held by the

government authorities and, pursuant to Article 7 of the Company's Articles of Association, "the changes in the capital ownership cannot result in the government authorities losing the majority of the share capital".

## Structure of the Company's capital

As at the date of this report, the share capital of Aéroports de Paris stands at €296,881,806 divided into 98,960,602 fully paid-up shares with a par value of €3 each, to which there was no change in 2018.

In accordance with Article L. 6323-1 of the French Transport Code, the French government must hold the majority of the

capital. At 31 December 2018, the French government held 50.6% of the Company's capital and voting rights.

As of the enactment of the Pact Act currently under discussion in Parliament, the State may cede all or part of its equity interest.

## Statutory restrictions on the exercise of rights to vote and the transfer of shares

Under the terms of Article 9 of the Company's [Articles of Association](#), any natural person or legal entity, acting individually or in combination, who should come to own, within the meaning of Article L. 233-9 of the French Commercial Code, directly or indirectly, a number of shares or voting rights equal to or greater than 1% of the share capital of the Company or the voting rights therein, is required, no later than the close of trading on the fourth trading day following the exceeding of the limit with effect from the registration of shares making it possible to reach or exceed this limit, to declare to Aéroports de Paris, by registered letter with return receipt, the total number of shares and voting rights so held.

In addition, such a person must also inform Aéroports de Paris, in his/her letter disclosing that the foregoing thresholds have been exceeded, of the specifics outlined in the third paragraph of Article L. 233-7 of the French Commercial Code.

This disclosure must be repeated in the above manner each time another 1% threshold is reached or crossed, both upwards and downwards, for whatever reason, up to the 5% threshold provided for within Article L. 233-7 of the French Commercial Code. When the aforementioned 5% threshold is exceeded, a disclosure must be made under the same conditions as set out above each time another 0.5% threshold is reached or crossed, both upwards and downwards, for whatever reason. Since 2009, the system of declaring thresholds has been expanded to include certain derivative financial products.

The Articles of Association for Aéroports de Paris provide that in the case of non-compliance with this obligation to disclose that the thresholds have been exceeded, the shareholder or shareholders concerned holding at least 3% of the capital of or voting rights in Aéroports de Paris may lose the right to vote relating to the securities exceeding the limits subject to disclosure at a General Meeting of Shareholders.

## Disclosures that the thresholds have been crossed likely to have an effect in the case of a public offer

The legal shareholder thresholds that have been breached and of which the Company has been informed since the IPO are as follows:

- undershooting by the French government authorities of the legal threshold of two-thirds of the Company's share capital and the voting rights therein on 1 December 2008. The State had a 60.4% holding following this event;
- overshooting by NV Luchthaven Schiphol (the Schiphol Group) of the legal threshold of 5% of the Company's capital and voting rights therein on 1 December 2008. NV Luchthaven Schiphol (the Schiphol Group) had an 8% holding following this event;
- overshooting by Caisse des Dépôts et Consignations, via the intermediary of the French limited company Fonds Stratégique d'Investissement (FSI) of the legal threshold of 5% of the Company's capital on 15 July 2009. The

Caisse des Dépôts et Consignations had a direct and indirect holding of 8.63% following this event;

- overshooting by the French government authorities and the Fond Stratégique d'Investissement (FSI), acting jointly, of the legal thresholds of 5%, 10%, 15%, 20%, 25%, 33.3% and 50% of the Company's share capital and voting rights therein on 25 November 2009. The government authorities and the FSI had a 60.13% holding following these events;
- undershooting by the FSI, controlled by Caisse des dépôts et consignations, of the legal threshold of 5% of the Company's capital and voting rights on 5 July 2013. The FSI no longer had any holding and the Caisse des dépôts et consignations held 0.7% of the Company's share capital and voting rights following the event;
- overshooting by SOC 15, a company controlled by Vinci, of the legal threshold of 5% of the Company's share capital and voting rights on 5 July 2013. SOC 15 held 8.0% of the Company's share capital and voting rights following this event;
- overshooting by Crédit Agricole SA, via the intermediary of the French limited company Predica, of the legal threshold of 5% of the Company's voting rights on 4 April

2016. Predica held 4.81% of the Company's share capital and 5.55% of its voting rights following this event;

- overshooting by Crédit Agricole SA, via the intermediary of the companies it controls, of the legal threshold of 5% of the Company's share capital on 3 August 2016. It held 5.04% of the Company's share capital and 5.63% of its voting rights following this event;
- overshooting by Predica of the legal threshold of 5% of the Company's share capital on 5 August 2016. It held 5.01% of the Company's share capital and 5.62% of the voting rights following this event. Crédit Agricole SA's holding, via the intermediary of companies it controls, is therefore 5.14% of the share capital and 5.69% of the voting rights following this event.

The Company is not aware of the crossing of any statutory thresholds that could have an effect in the event of a public offer.

Subject to corporate governance disclosures in this report, the Company is, at the date thereof, not aware of any direct or indirect holding of its share capital which could, in the light of the French government's majority holding, have any effect in the event of a public offer, or lead to a change with regard to the control of the Company.

## Special control rights

None of Aéroports de Paris' shares confer special rights on their holder.

## Staff shareholder structure

A company investment fund (FCPE), FCPE ADP ACTIONNARIAT SALARIE, was created for the purposes of holding and managing shares acquired by rights-holders linked to companies included within the Group Savings Scheme (PEG). The FCPE ADP ACTIONNARIAT SALARIE Supervisory Board comprises four employee shareholders representing the employee shareholders enrolled in the Plan, and four representatives of Aéroports de Paris and the

companies party to the Group Savings Scheme. The representatives of employees holding shares are elected by the shareholders. The Supervisory Board exercises the voting rights attached to the shares contained within the fund, and in connection with this appoint one or more authorised representatives to represent the fund at the General Meetings of Shareholders of the Company.

## Agreements between shareholders which the Company is aware of and which can result in restrictions on share transfers and the exercise of voting rights (shareholder agreements)

### Alliance with Schiphol Group

As part of the implementation of an industrial cooperation agreement ("the Cooperation Agreement") signed between Aéroports de Paris and the Schiphol Group on 14 November 2008 for a duration of 12 years starting from 1 December 2008,

and making provision for cross-equity investments between Aéroports de Paris and the Schiphol Group, two agreements have been signed:

- ◆ a shareholder agreement concerning Aéroports de Paris, signed by the French government authorities and the Schiphol Group, in the presence of Aéroports de Paris; and
- ◆ an exit agreement ("the *Exit Agreement*") signed by Aéroports de Paris and the Schiphol Group.

The terms of these agreements with regard to the transfer or acquisition of Aéroports de Paris shares are as follows.

### Inalienability of the shares ("lock up")

Schiphol Group undertakes not to transfer ownership of the shares that it holds in Aéroports de Paris for the entire duration of the cooperation agreement except in certain limited cases; the duration of the inalienability may not, excluding exceptional cases, be less than two years.

### Aéroports de Paris' right of first offer/pre-emptive rights of the French government authorities and Aéroports de Paris

Following termination of the cooperation agreement, Aéroports de Paris has a right of first offer for a limited period of time from the termination of the cooperation agreement, enabling it to make an offer to Schiphol Group for the stock it holds in Aéroports de Paris or to designate a third party to make an offer for the Aéroports de Paris stock. If Aéroports de Paris fails to exercise its right of first offer, or if the Schiphol Group fails to accept its acquisition offer, the Schiphol Group will have the right to alienate its Aéroports de Paris shares, either on the market or to one or more identified persons, it being specified that the French government authorities and Aéroports de Paris will then have a right of pre-emption. The State's right of pre-emption must be exercised within a period set by the parties, and takes precedence over the right of pre-emption held by Aéroports de Paris.

### Veto rights of the French government authorities and Aéroports de Paris

In the case of a planned transfer to identified persons of Aéroports de Paris shares held by Schiphol Group, the French government authorities and Aéroports de Paris have a right of veto to oppose this transfer, which may be exercised once per planned transfer and within a timeframe agreed between the parties.

### Commitment to maintain holdings ("standstill"):

Schiphol Group and its affiliates must obtain approval from the French government authorities before increasing their stake in Aéroports de Paris, and cannot act in concert with

one or more third parties except under certain circumstances to prevent the dilution of Schiphol Group's stake in Aéroports de Paris.

### Squeeze-out rights of the French government authorities

The French government authorities have squeeze-out rights on Aéroports de Paris shares held by Schiphol Group, which may be exercised, within a timeframe agreed between the parties, in the case of transfer by the government authorities of Aéroports de Paris shares leading to the third-party purchaser having to launch a public offer or a stock price guarantee for all of the Aéroports de Paris shares. The purchase price for Aéroports de Paris shares held by the Schiphol Group will be the price per share paid by the third-party purchaser to the State, or the public offer price, or the share-price guarantee, if this is higher. If all or part of the compensation paid by the third-party purchaser is not in cash, this compensation will be assessed at its market value and, in the case of disagreement between the Schiphol Group and the State, an assessment procedure will be implemented to determine this market value in line with the mechanism provided for within the shareholder agreement.

### Termination of Agreements

The Shareholders' Agreement is part of the Cooperation Agreement and is valid for the same term of 12 years, which may be extended. The Shareholders' Agreement will be terminated if the Cooperation Agreement is terminated pursuant to one of the termination conditions listed below, after the provisions governing the sale of the Schiphol Group's shares in Aéroports de Paris have been implemented. Thus, in the event that one of the following "causes for termination" occurs, Aéroports de Paris and/or the Schiphol Group can implement the terms of the *Exit Agreement*:

- ◆ there is a change in control of either the Schiphol Group or Aéroports de Paris;
- ◆ the Schiphol Group is admitted to trading on a regulated market;
- ◆ the Schiphol Group or Aéroports de Paris loses its right to operate certain airports,
- ◆ a significant failure on the part of the Schiphol Group or Aéroports de Paris to meet its obligations under the Shareholders' Agreements;
- ◆ Schiphol Group or Aéroports de Paris is placed into liquidation, bankruptcy, or administration (or an analogous procedure);
- ◆ Schiphol Group or Aéroports de Paris is in significant breach of the Cooperation Agreement,

<sup>1</sup> See also the paragraph in Chapter 6 entitled "Partnership with Schiphol Group".



- ◆ there is an irreconcilable difference of opinion and/or permanent stalemate between Schiphol Group and Aéroports de Paris;
- ◆ the French government exercises its right of forced exit as stipulated in the Shareholders' Agreement;
- ◆ Aéroports de Paris sells its stake in the Schiphol Group through a joint or forced sale, as stipulated in the Schiphol Group Shareholders' Agreement;
- ◆ Schiphol Group becomes excessively diluted, or
- ◆ the conclusion, either by Aéroports de Paris or by the Schiphol Group, of an industrial cooperation agreement with a European airport company that has substantially the same objectives as those described within the Cooperation Agreement, and which raises significant doubts about the achievement of the objectives contained within this Cooperation Agreement.

### Exit terms and conditions

Mutual withdrawals from the capital of Aéroports de Paris and Schiphol Group will take place in a reciprocal manner over a

maximum timeframe of 18 months following the occurrence of one of the causes for withdrawal described above. The Schiphol Group will transfer the ADP shares that it holds first, and will keep the proceeds from this transfer, if Aéroports de Paris and Schiphol Group consider this appropriate, in an escrow account, guaranteeing payment of the transfer price for the Schiphol Group shares held by Aéroports de Paris. Finally, in the event of a failure to transfer the Aéroports de Paris shares held by the Schiphol Group at the end of the 18-month period (which may in certain cases be extended to 24 months), Aéroports de Paris may exercise, with a right of substitution, a purchase option for its own shares held by the Schiphol Group under the contractual conditions agreed between the parties (the formula for calculating the price will be based on the average stock-exchange price).

### No joint action between the Government authorities and Schiphol Group

The French government authorities and Schiphol Group have indicated that they do not act and do not intend to act jointly with regard to Aéroports de Paris.

## Rules applicable to the appointment and replacement of members of the Board of Directors and amendments to the Company's Articles of Association

Subject to the stipulations of Order no. 2014-948 of 20 August 2014, there are no rules regarding the appointment and replacement of members of the Board of Directors with the potential to have an impact in the event of a public offer.

Only an Extraordinary General Meeting is empowered to amend all of the terms of the Articles of Association. However, it cannot increase the commitments of shareholders, without prejudice to regular operations resulting from the consolidation of shares. Also without prejudice to this, it requires a majority of two-thirds of the votes of shareholders present, represented or that have voted by correspondence

## Powers of the Board of Directors

The General Meeting of Shareholders of 4 May 2018 authorised the Board of Directors to transact in the Company's shares at any time.

The General Meeting of Shareholders of 4 May 2018 granted the Board of Directors financial powers which may be implemented at any time

## Agreements reached by Aéroports de Paris that are modified or end in the event of a change in control at Aéroports de Paris

Bonds plan that in the case of a change of controlling interest in the company and a decrease in rating below BB+ during the period of change of controlling interest, each holder of a bond may request repayment or buy-back by the issuer of all or a portion of the bonds that it holds at their nominal value.

In addition, a change in control at Aéroports de Paris is a "reason for termination" in the Cooperation Agreement reached as part of the alliance with the Schiphol Group, as indicated in 1.6 above.

## Agreements providing for compensation for the members of the Board of Directors and employees if they resign or are dismissed without due reason or cause or if their employment ends following a takeover bid or a public exchange offer.

There are no agreements in place providing for compensation for employees if they resign or are dismissed without due reason or cause or if their employment ends following a takeover bid or a public exchange bid.





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**Report of one of the Statutory Auditors, appointed as independent third party, on the consolidated non-financial statement published in the group management report**

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## 7.2 Report of one of the Statutory Auditors, appointed as independent third party, on the consolidated non-financial statement published in the group management report

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To the Shareholders,

In our capacity as Statutory Auditor of Aéroports de Paris, appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at [www.cofrac.fr](http://www.cofrac.fr)), we hereby report to you on the consolidated non financial statement for the year ended December 31, 2018 (hereinafter the "Statement"), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

We also present our reasonable assurance report on a selection of information disclosed in the Statement (*Frequency rate of workplace accidents with lost time Aéroports de Paris, Internal electricity consumption*) on which we conducted specific procedures on your request and outside the scope of our accreditation.

### Company's responsibility

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement was prepared by applying the company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on the company's website or on request from its headquarters.

### Independence and quality control

Our independence is defined by Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

### Responsibility of the statutory auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

Our responsibility is also to express, on the company's request and outside the scope of our accreditation, a reasonable assurance conclusion on the fact that the information selected by the company (*Frequency rate of workplace accidents with lost time Aéroports de Paris, Internal electricity consumption*) is, in all material respects, fairly presented in accordance with the Guidelines.

However, it is not our responsibility to provide any conclusion on:

- the company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation
- the compliance of products and services with the applicable regulations.

### 1. Report in accordance with Article L.225-102-1 of the French Commercial Code

#### Nature and scope of procedures

We performed our work in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- We familiarized ourselves with the Group’s business activity, the report on the main social and environmental risks relating to this activity and the impacts thereof with regard to the respect for human rights and the fight against corruption and tax evasion, together with the subsequent policies and their results.
- We assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion.
- We verified that the Statement includes an explanation justifying the absence of information required by paragraph 2 of section III of Article L. 225-102-1.
- We verified that the Statement presents the business model and the main risks relating to the Group’s business activity, including, where relevant and proportionate, the risks generated by its business relations, products or services as well as policies, measures and outcomes, including key performance indicators.
- We verified that, when relevant to the main risks or policies presented, the Statement presents the information stipulated in section II of Article R. 225-105.
- We assessed the process of selecting and validating the main risks.
- We inquired as to the existence of internal control and risk management procedures set up by the company.
- We assessed the consistency of the results and key performance indicators used with regard to the main risks and policies presented.
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We assessed the collection process set up by the entity to ensure the completeness and fairness of the Information.
- For the key performance indicators and other quantitative outcomes<sup>1</sup> that in our judgment were of most significance, we carried out:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes;
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities<sup>2</sup> and covered between 24% and 70% of the consolidated data for the key performance indicators and outcomes selected for these tests;
- We consulted documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that in our judgment were of most significance<sup>3</sup>;
- We assessed the overall consistency of the Statement in relation to our knowledge of the company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

<sup>1</sup> Social indicators: Average staff number, Appointments, Departures, Part of trained employees, Absence rate, Number of workplace accidents with lost time, Frequency rate, Severity rate; Environmental indicators: Water consumption, Gas consumption, Total purchase and internal consumption of electricity, Heat generation, Refrigeration output, CO<sub>2</sub> emissions from power plants and from vehicles, NO<sub>x</sub> emissions from power plant, Share of renewable energy in the final internal energy consumption, Increase in energy efficiency compared to 2015 (reference year) in primary energy consumed/m<sup>2</sup>, Volume of non-hazardous waste collected (total and internal), Distribution of internal non-hazardous waste by treatment type, Volume of internal hazardous waste collected

<sup>2</sup> TAV Airports for average staff number, Aéroports de Paris SA for other social indicators; Airport Izmir Adnan Menderes and Airport Paris-Charles de Gaulle for environmental indicators

<sup>3</sup> Management of talents, Global balance of CO<sub>2</sub> emissions (scopes 1-2-3) and actions to reduce emissions, Actions for regional economic development

**Means and resources**

Our work engaged the skills of six people between December 2018 and February 2019.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around ten interviews with people responsible for preparing the Statement.

**Conclusion**

The social indicators (except average staff number) do not cover TAV Airports, due to lack of data reliability as the internal control system is considered insufficient.

Based on our work, except for the matter described above, nothing has come to our attention that cause us to believe that the non-financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

**Comments**

Without qualifying the conclusion expressed above and in accordance with Article A. 225-3 of the French Commercial Code, we make the following comments:

- As mentioned in the methodological note of the Statement:
  - The scope of social indicators (except average staff number) relates only, for some indicators, to the Aéroports de Paris company that represents 24% of Group average staff number disclosed, and for other indicators, to the Group ADP excluding TAV Airports and AIG that represents 30% of Group average staff number disclosed;
  - The average staff number of TAV Airports is disclosed in number of employees instead of full-time equivalent (FTE) as for the rest of the Group ADP because the FTE data is not available for TAV Airports;
  - Some environmental indicators only relate to the three Aéroports de Paris airport platforms that represent 38% of the consolidated CO<sub>2</sub> emissions from the three Parisian airport platforms of Aéroports de Paris and the three Turkish airport platforms of TAV Airports.
- The objectives defined by the environmental and energy policy disclosed in the Statement only relate to the Aéroports de Paris company.

**2. Reasonable assurance report on a selection of information disclosed in the Statement****Nature and scope of procedures**

Regarding the information *Frequency rate of workplace accidents with lost time Aéroports de Paris, Internal electricity consumption*, we conducted work of the same nature as the work described in section 1 above but in further detail, in particular concerning:

- analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes;
- substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents.

The selected sample represents between 62% and 99% of this information.

We believe that this work is sufficient to provide a basis for our reasonable assurance conclusion on this information.

**Conclusion**

In our opinion, the Information selected by the Company *Frequency rate of workplace accidents with lost time Aéroports de Paris, Internal electricity consumption* is, in all material respects, fairly presented in accordance with the Guidelines.

Paris-La Défense, March 4<sup>th</sup>, 2019  
One of the statutory auditors,

**Deloitte & Associés**  
Olivier Broissand  
Partner

## 7.3 Methodological note on social, societal and environmental reporting

Groupe ADP's social, societal and environmental reporting is based on:

- ◆ the reporting system set forth in articles L. 225-102-1 and R. 225-104 to R. 225-105 of the French Commercial Code;
- ◆ and the transparency principles of the Global Reporting Initiative (GRI 4), the international reference in terms of sustainable development reporting in line with the ISO 26000 standard on the social responsibility of organisations.

The 2018 *social reporting* period is based on a calendar year (1 January to 31 December 2018) to ensure consistency with French regulations and the social reporting of French companies.

The *environmental reporting* period is based on a year running from 1 October 2017 to 30 September 2018, except for CO<sub>2</sub> and NO<sub>x</sub> emissions from plants, which continue to be reported by calendar year and the balance of CO<sub>2</sub> emissions scopes 1-2-3, which is reported to the 2017 calendar year.

The scope of the reporting is intended to be representative of the significant activities of the Group.

### Social reporting

Since 2006, Aéroports de Paris corporate reporting is prepared according to the requirements of the French Commercial Code and is based on the number of employees registered and paid during the calendar year, expressed as a full-time equivalent. The scope of the workforce covers Aéroports de Paris and the Group's (controlled) companies and fully consolidated subsidiaries owned at 50% and more: ADP Ingénierie, ADP International (formerly Aéroports de Paris Management), Hub One and TAV Airports, with the exception of Média Aéroports de Paris and Merchant Aviation, which represent less than 1% of the Group's workforce.

Some indicators and data relate only to the Aéroports de Paris scope. The scope for each indicator is specified in the corporate indicators table in the management report. It is being extended to the entire Groupe ADP for all social indicators.

### Environmental reporting

The environmental and social responsibility reporting is limited to the scope of activities of Aéroports de Paris, except in the cases indicated below.

Quantitative environmental data for owned subsidiaries are not included in the management report, except for TAV Airport, given the impact and representativeness of the data

compared with Aéroports de Paris and the non-material nature of data other than CO<sub>2</sub> emissions. Aéroports de Paris brings together the three airports of Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget. For this reporting, TAV Airport brings together its three main platforms: Istanbul Atatürk, Izmir Adnan Menderes and Ankara Esenboğa. The qualitative environmental and social responsibility activities of Aéroports de Paris subsidiaries are included in the relevant sections of the 2018 management report.

The scope of scope 3 CO<sub>2</sub> emissions covers external CO<sub>2</sub> emissions of the airports linked to planes, access for passengers and employees, business trips of all employees, ground handling vehicles (GSE), auxiliary power units (APU) for planes, internal waste treatment and consumption in third party buildings as well as subsidiaries emissions of which Aéroports de Paris does not have operational control.

### Change in consolidation scope

Changes in scope of consolidation are taken into account at the time of their actual introduction.

- ◆ Corporate scope: the scope is updated in year N.
- ◆ Environmental scope: the scope is updated in year N+1.

However, it is tolerable for acquisitions, disposals, creations of companies or contracts won to be taken into account only after one full year of operation depending on the activity performed.

When the data are considered relevant, previous years may be consolidated according to the new scope for ease of comparison (*pro forma*).

A change in scope occurred between the 2017 reporting and 2018 reporting: Aéroports de Paris strengthened its position in the capital of Airport International Group (AIG) (51% of the capital) and has fully consolidated AIG's results since the 2<sup>nd</sup> half-year of 2018. For the 2018 financial year, the decision was taken not to include AIG in the social (with the exception of the annual average staff numbers published for the scope of the Group including AIG), environmental and societal reporting. Integration is planned for 2019 after a full year of operations.

### Reporting methodology

Data collection, calculation and consolidation methods are defined by procedures collected in the social and environmental reporting protocols. These protocols are distributed to the people involved at all levels of reporting development.

### Relevance and choice of indicators

The indicators published by Aéroports de Paris are intended to report, with complete transparency, the Group's annual results with respect to corporate social responsibility. The

### Methodological note on social, societal and environmental reporting

indicators are chosen based on the social, societal and environmental impact of group company activity and the risks associated with the company's strategic challenges.

The data selected are based on a common set of criteria:

- ◆ Aéroports de Paris's commitments and corporate social responsibility policy;
- ◆ regulatory obligations set by the French government;
- ◆ the Group's performance and impact in relation to key challenges.

The **social indicators** published by Aéroports de Paris are based on three levels of indicators:

- ◆ the themes of Article L. 225-102-1 of the French Commercial Code;
- ◆ the social reporting indicators set forth in French law;
- ◆ the specific indicators of the Group's human resources policy.

The complementary nature of these three levels of indicators makes it possible to measure the results of the human resources policy and the Group's commitments in social matters.

The **environmental indicators** are consistent with the themes of article R. 225-102-1 of the French Commercial Code and include:

- ◆ environmental and energy policy;
- ◆ fight against climate change;
- ◆ air quality;
- ◆ waste management and the circular economy;
- ◆ water and soil management;
- ◆ limiting noise and light pollution;
- ◆ protection of biodiversity;
- ◆ land development and sustainable construction.

The choice of environmental indicators was made using a relevant approach that facilitates understanding of the Group's real challenges (thanks to the materiality study conducted in 2017) and comparison with companies in the same industry. This choice also takes into account the availability of data at the time of writing of the management report. These challenges are described in detail in the Social Responsibility Report.

### Methodological limitations and specificities

The methodologies used for certain corporate and environmental indicators may have limitations due to:

- ◆ differences in available professional skills between Aéroports de Paris and its subsidiaries;
- ◆ specific provisions of social laws in certain countries;
- ◆ changes in scope of activity from one year to another;
- ◆ the difficulty of retrieving information in the event of subcontracting to, and/or joint ventures with, foreign partners;

- ◆ procedures for collecting and entering such information;
- ◆ availability of data during the reporting year.

The 2018 management report lists data known by the Group at the year-end date. However, these data may need to be corrected over the next year if a significant anomaly is found and backed up by detailed supporting evidence.

With effect from 2014, the consolidation of data on internal electricity consumption is calculated using the Airport Carbon Accreditation method.

Please note that for the TAV airports platforms, electricity purchases are lower than internal electricity consumption due to the production of electricity through natural gas, generation sorting plan or solar panels.

The "Consumption of drinking water" (internal + external) indicator includes a "network loss" percentage of around 13%. However, these network losses are not taken into consideration when calculating the "Internal consumption of drinking water" indicator.

For waste indicators:

- ◆ a portion of construction waste is taken into account by the service providers responsible for construction
- ◆ and is not recognised in the total volume of non-hazardous industrial waste collected;
- ◆ Paris-Charles de Gaulle: the "Volume of internal hazardous industrial waste collected" indicator includes an insignificant percentage of hazardous waste produced externally;
- ◆ in the breakdown of internal hazardous waste per treatment type (presented in the table of environmental indicators), the percentage of recycled waste covers the share of waste generated internally, including waste generated in the terminal (passengers, businesses) which is recycled. The percentage of burnt wastes covers the part of wastes being subject to energetic recycling. The percentage of buried wastes covers the part of wastes being subject to burying.

For social indicators:

- ◆ the average workforce is calculated as full-time equivalent on the basis of staff registered as permanent, fixed-term, and specific job contracts (contracts for professionalisation, apprenticeship, employment support, future jobs), excluding the Chairman and CEO; for TAV, the average workforce is reported in number of people (and not in full-time equivalent).
- ◆ the managed workforce is including the current workforce and suspended contracts as of 31 December;
- ◆ the feminisation rate is calculated on the full and part-time staff managed as at 31 December;
- ◆ employees whose contracts terminated on 31 December are accounted for in the workforce as at 31 December 2018, as well as in the leaving occurring during the year;

- ◆ the number of training is calculated for permanent and fixed-term employees. The average number of our allocated by employee is calculated by dividing the total number of training hours by the average workforce in number of people (and not in full-time equivalent).
- ◆ In 2018, the figure for absence rate and the rate of accident at work are only available for Aéroports de Paris and ADP Internaional

### Consolidation and internal control

Each entity is responsible for the data it provides, as is the department responsible for the consolidation of the indicator published:

- social data are collected by the Human Resources Department. The main source of data is the Human Resources Information System supplied by the SAP-HR management application. The other systems used are SAP FI - company financial statements and consolidated financial statements and specific workplace security applications. The data consolidated and verified at the entity level (Aéroports de Paris and its subsidiaries) are then made available to the Group Human Resources Department;
- environmental data are collected, audited, consolidated and verified for each airport department by

the environmental officer and then consolidated by the Environment and Sustainable Development Department.

During consolidation, consistency checks are performed on the data. Comparisons with results from previous years are made. Differences considered significant are subject to analysis and further processing.

The most sensitive and most relevant data are controlled internally and monitored by the Executive Committee should any decisions need to be made.

Any deviation from these methods is explained by the reporting protocol during the reporting year.

### External controls

The verification of the completeness and fair presentation of social, environmental and societal information published in the 2018 Aéroports de Paris management report pursuant to Article L. 225-102-1 paragraph 7 of the French Commercial Code was performed by Deloitte.

Indicators such as CO<sub>2</sub> emissions from energy production plants are audited annually by external parties.