

PROJECT EAGLES – VINCI AIRPORTS – SERBIA

Project name: Project Eagles

Borrower: VINCI Airports Serbia d.o.o Beograd

Project Sponsor: Vinci Airports

Sector: Infrastructure

Country: Serbia

Financial Product: Project Finance

Banca IMI London Branch and Intesa Sanpaolo S.p.A: Participant (B Loan) and Hedging bank

Equator Principles category: B

On 10 February 2017, the Republic of Serbia ("RoS") and AD Aerodrom Nikola Tesla Beograd ("ANT"), a listed company which operated the Belgrad Nikola Tesla Airport (the "Airport"), launched a competitive tender process for the grant of a 25-year long concession for the financing, development, maintenance and management of the infrastructure of the Airport (the "Project").

In January 2018, VINCI Airports was chosen as preferred bidder and the concession agreement was signed on March 22, 2018.

The Nikola Tesla Airport is located 18km west of Belgrade. The Airport, which started its operations in 1962, is a core infrastructure in the Balkan region and the main gateway to Serbia with a recorded passenger traffic of 5.3 mln in 2017.

Vinci Airports paid an upfront concession fee of around EUR 500m and is expected to make capital investments in excess of EUR 700m, over the 25-year long concession, which will fund the rehabilitation of the existing runway, the construction of a temporary runway and a new administrative building and command and control tower.

The banking pool is composed by a group of multilateral agencies (IFC, EBRD, Proparco, KfW_Group subsidiary DEG) and commercial banks (under the B Loan structure).

Summary of Key Environmental Impacts and Risks

Vinci Airports has a global presence and a long experience in terms of airport concession and the Environmental Plan Overview is founded on a corporate policy for the environment and community engagement.

The Environmental Action Plan includes specific reference to a review of biodiversity management and the Environmental Management Plan represents a full and informed response to the environmental and social issues associated with managing an expanding airport.

The Grantor has stated that an improvement programme for the airport should incorporate measures relating to environmental noise and mitigation, health and safety, impacts associated with the new runway.

The approach of the Serbian legislation includes a public review of the findings and proposed mitigation measures. The most important environmental issue associated with the project is the Noise nuisance so, according with international best practice, there are several initiatives inside a Noise Mitigation and Monitoring Plan (NMMP). In addition, Vinci airports has commissioned an initial noise survey which has calculated noise contours for 2016 and 2024 for both the existing and proposed runway.

Finally, VINCI Airports has a commitment to maintaining international certification for environmental management (ISO 14001) and to achieving international certification for occupational health and safety (ISO 45001) and energy management (ISO 50001). The Due Diligence conducted by Infrata Limited (dated December 2018) showed some analysis demonstrating that Vinci Airports has the capacity to comply with Equator Principles.