



St. Louis Lambert International Airport

RFQ Submission

November 1, 2019

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1 Cover letter

November 1, 2019

Dear Sir or Madam,

IFM Investors Pty Ltd (“IFM Investors” or “IFM”), on behalf of the IFM Global Infrastructure Fund and its subsidiaries (“IFM GIF”), and MAG Overseas Investments Limited, on behalf of the Manchester Airports Group (“MAG”) (together the “Team”) are pleased to submit a non-binding response (the “Proposal”) to the City of St. Louis (the “City” or “City of St. Louis”) in relation to the Request for Qualifications (“RFQ”) presented on October 4 2019 for a potential public-private partnership (the “Airport P3”) involving the St. Louis Lambert International Airport (“STL”).

This Proposal represents a compelling opportunity for IFM and MAG. We are pleased to confirm that the Team can meet all of the qualification requirements identified in Section VI of the RFQ. Furthermore, we believe our Proposal, taken as a whole, is truly unique in the context of the City’s objectives – delivering significant improvement to STL for all stakeholders, maximizing cash proceeds to the City and ensuring long-term investment in the community and economic development of the St. Louis region.

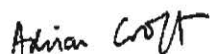
IFM Investors manages \$98 billion of investments for long-term institutional investors globally. The potential Airport P3 through IFM GIF presents an attractive investment opportunity for IFM that is consistent with our objectives of pursuing high quality infrastructure assets with long-term investment horizons and embedded growth opportunities. IFM has extensive experience working with governments to deliver public infrastructure and successfully transition assets to private stewardship. IFM also has extensive experience in owning and managing successful businesses in the airport and transportation sectors.

MAG is a leading United Kingdom airport group that owns and operates the Manchester, London Stansted and East Midlands airports that collectively handle 62 million passengers per year. MAG is a world-class operator with a proven record of successfully supporting and delivering passenger and cargo growth, airport development, and growth in property & non-aeronautical businesses.

We are therefore confident that the Team would be an exceptional operator of STL. We believe our Proposal offers a unique value proposition to the City, airport stakeholders and the St. Louis community as a potential long-term partnership.

We are enthusiastic about our Proposal and look forward to the opportunity to be included in the qualification phase of this process.

Yours sincerely,



Adrian Croft

Executive Director

IFM Investors Pty Ltd



Tom Osborne

Executive Director

IFM Investors Pty Ltd



Andrew Harrison

CEO, Airport Services

Manchester Airports Group



Martin Jones

CEO & President, MAG USA

Manchester Airports Group

2 Executive Summary and Strategic Rationale

STL is a key US medium hub airport with a strong record of reliable operations, strategically located in a central geographic catchment area. We view the business as a high-quality enterprise and firmly believe that it could achieve its full potential under private stewardship. We are therefore pleased to submit our Proposal for a potential landmark Airport P3 in St. Louis.

Under our Proposal, IFM will be the lead equity sponsor for this transaction with MAG as its operating partner. IFM will enter into a management services agreement with MAG, under which MAG will be responsible for supporting the operations of STL. We are also exploring the potential for MAG to be a direct equity partner.

As outlined in Section 4, IFM and MAG have a long-established partnership in the successful investment and operation of key strategic airports. IFM is a long-term shareholder in MAG with direct ownership alongside local municipal council groups as joint shareholders.

IFM is a global investment management firm with \$98 billion of funds under management and a leading franchise in global infrastructure investment. IFM has been investing in infrastructure for over 24 years and manages \$41 billion of direct infrastructure equity investments.

IFM invests in infrastructure in the United States and globally via IFM GIF. IFM GIF is a uniquely structured, open-end fund that seeks to match the long-term time horizon of its investors with long-life investments in high quality, core infrastructure assets. The fund has no set termination date and thus has no prescribed requirement to exit holdings, meaning IFM is optimally positioned to be a long-term partner to the communities it serves.

STL's core airport infrastructure therefore would represent a key strategic addition to the IFM GIF investment portfolio. Its operations are a strong fit for IFM GIF given IFM's record of investing in high quality, core infrastructure assets in the airport and transport sectors over a long-term horizon. Please refer to Sections 8 and 11 for an overview of IFM's comparable assets.

The Team can confirm that it has the capability and commitment to deliver on the City's objectives identified in Section II of the RFQ. We expect that the Team's combined extensive knowledge and expertise in managing and operating airports globally could be leveraged to unlock value for all stakeholders of STL.

Advantages of Our Proposal

We believe that our Proposal offers the following compelling benefits to the City, airport stakeholders and the St. Louis community:

- Experienced airport operators with strong sector expertise:** The Team has an outstanding record of managing and operating successful airport businesses of similar scale and scope to STL and is therefore uniquely positioned to deliver significant improvement to the airport for the benefit of all stakeholders. IFM has been investing in airports for over 20 years and manages a portfolio of 16 airports globally (including its investment in MAG), which collectively handle over 160 million passengers each year. MAG is a leading airport operator and has delivered substantial improvement and growth in the aeronautical and non-aeronautical operations of Manchester, Stansted and East Midlands airports through a successful partnership with IFM since 2013. MAG is also currently delivering major capex projects at Manchester and Stansted to position both airports for future growth. The Team can therefore draw upon extensive expertise in route development, operations, commercial development and capital delivery to add value to STL through growth strategies and best practice processes proven effective in similar businesses. Please refer to Section 4 for detail on the Team's airports expertise.
- Strong record of commercial and property revenue development:** STL has significant excess capacity which can be utilized to unlock value for all airport stakeholders and the economic development of the St. Louis

region through this Airport P3. MAG is an industry leader in developing retail, car parking and property businesses, which together represent a substantial portion of its core revenue streams. The combination of the Team's industry leading commercial and investment expertise means it is uniquely positioned to deliver value to all stakeholders and contribute to the development of the St. Louis region through this Airport P3.

- **Maximization of value to the City:** The Team is uniquely positioned to maximize upfront and ongoing value to the City of St. Louis given its strong airport expertise and record of investing in core infrastructure assets over a long-term horizon. This is consistent with IFM's record of executing major public infrastructure transactions and optimizing proceeds to government.
- **Successful record partnering with government:** The Team has extensive experience working alongside government and public entities through long-term constructive partnerships. IFM has successfully partnered with ten local municipal councils through its investment in MAG since 2013, facilitating substantial growth in the business over that time period and alignment on key long term growth initiatives, including the Manchester Airport Transformation Program. In addition, IFM has successfully formed transformative partnerships with government entities on major public infrastructure projects, facilitating the successful transition of Ausgrid, NSW Ports and Port of Brisbane to private stewardship in Australia. IFM is also a strong supporter of public-private partnerships in the United States. Please refer to Section 10.4 for further detail on the Team's partnerships with public entities.
- **Funding and execution certainty:** IFM has a proven ability to execute large-scale infrastructure transactions. IFM, as equity sponsor of the transaction, would provide execution certainty for the City of St. Louis and allow transaction proceeds to be deployed expeditiously into key projects and initiatives for the region.
- **Responsible managers of public infrastructure:** IFM GIF is an open-end infrastructure fund formed with the objective of delivering returns to its pension fund and institutional limited partners over an extended investment horizon. IFM is committed to delivering safe, reliable services to local constituents and infrastructure users, being critical partners in the long-term, sustainable value creation of the businesses it owns. MAG has demonstrated consistent alignment with these values through its excellent operating and customer service record. The Team aspires to be a long-term investor in the economic development of St. Louis and a strong corporate partner to the City and its residents. Please refer to Sections 4 and 11.6 for further detail of the Team's operating record and commitment to responsible stewardship of public infrastructure.

We believe an Airport P3 with IFM and MAG will provide an exceptional outcome for the City of St. Louis, STL's key customer & community stakeholders and IFM GIF's pension fund investors. Our proven record as a responsible, long-term steward of similar assets should provide comfort that IFM is well positioned to assume management of STL and support the ongoing growth & development of the business and St. Louis region.

3 Description of the IFM Investors Team

3.1 Description of Team Members

IFM will be the lead equity sponsor for the Airport P3 and is partnering with MAG as an operator. IFM will enter into a management services agreement with MAG, under which MAG will be responsible for supporting the operations of STL. We are also exploring the potential for MAG to be a direct equity partner.

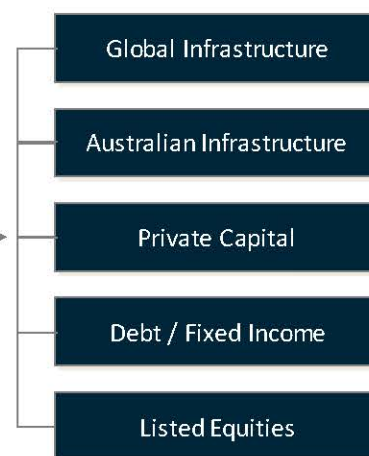
IFM Investors

IFM Investors is a global fund manager headquartered in Melbourne, Australia with \$98 billion of funds under management through various products including direct infrastructure equity, listed equities, private capital and debt investments. The firm employs more than 430 staff around the globe. Owned by 27 Australian not-for-profit pension funds, IFM Investors has offices in New York, London, Melbourne, Sydney, Tokyo, Seoul, Berlin, Zurich and Hong Kong.

IFM Owners and Investors



IFM Asset Class



The acquiring entity of STL for IFM would be a subsidiary of IFM GIF. IFM GIF is a perpetual, open-end investment fund that continually raises new capital from institutional investors with long-term investment horizons. IFM GIF's investors include IFM's owners as well as other pension funds and institutional investors, who manage retirement savings on behalf of millions of workers.

IFM Investors' global infrastructure team is comprised of over 80 infrastructure specialists located in North America, Europe, Asia and Australia who have extensive transactional, portfolio management, financial and operational expertise in the utilities, energy and transportation infrastructure sectors.

Manchester Airports Group

MAG is a leading UK airport group that owns and operates three key airports, which collectively serve 62 million passengers each year and a catchment area covering over 75% of the UK population:

- Manchester Airport (MAN): major international airport serving over 28 million passengers per year across 3 terminals. It is the third largest airport in the UK and one of only two British airports with two runways. It is the global gateway to and from the North of Britain.
- London Stansted (STN): London's third airport, and fourth largest in the UK, serving over 28 million passengers annually. It offers a European route network which is unrivalled in the UK, providing London with more visitors from Europe than any other airport.
- East Midlands Airport (EMA): international airport located between the cities of Derby, Nottingham and Leicester. It serves over 4.8 million passengers annually and is the UK's largest dedicated freight hub, handling over 368,000 tonnes of freight per year.

IFM is currently supporting MAG's investment in the Manchester Airport Transformation Program (MANTP). The project will expand the capacity of the airport to 50 million passengers per year by 2025 and is expected to create 1,500 jobs during the construction phase. Key construction works include a 150% expansion in the size of Terminal 2, reconfiguring it to become the central terminal and enhancing rail and road access to the airport, as well as improvements to Terminal 3 and airfield infrastructure.

MAG also operates a growing portfolio of aviation-related businesses:

- MAG Property: airport property management company with investment property assets. MAG holds an interest in the 5 million square feet Airport City development at Manchester Airport (please refer to Section 10.2 for further detail).
- MAG Airport Services: the international division of the business which includes MAG-O, an in-house digital and e-commerce airport agency, as well as the Corporate Development team.
- MAG USA: an airport services business delivering commercial solutions across car parking, airport lounges, as well as P3, retail and terminal developments in the United States.

4 Operational and Management Capability

IFM and MAG are a highly experienced team with a proven record of successfully managing and operating large scale airports of a similar nature to STL over a long period of time. IFM manages a portfolio of 16 airports globally (including its investment in MAG), which collectively handle over 160 million passengers each year.

IFM has been investing in airports for over 20 years and has extensive experience managing airports and infrastructure businesses globally. IFM seeks to leverage its in-depth airport and infrastructure expertise to drive the performance of its portfolio companies.

MAG is a large-scale national airport group with over 80 years of operational experience and a growing portfolio of aviation-related businesses, including three core strategic airports in the United Kingdom (Manchester, London and East Midlands). MAG's airports serve 62 million passengers annually, operate in a catchment area covering over 75% of the UK population, serve over 380 routes and interface with more than 70 airline customers.

MAG USA offers products and services for P3 and Terminal Developments, Airport Lounges and Car Parking Services. Launched in 2015, MAG USA is MAG's wholly-owned subsidiary based in Chicago, Illinois and employs

more than 150 people throughout the United States. MAG USA has been highly successful in its four years of operations, with 12 lounge contracts (10 airports) and five car park service contracts (two in operation) secured as of October 2019.

MAG has a strong management team with deep industry experience and a proven record of driving growth in its airports. IFM and MAG commenced their long-term partnership with the acquisition of Stansted airport in 2013. Stansted airport has performed strongly since acquisition with consistent growth in passenger numbers, revenue yields and EBITDA, which is testament to the operational best practice that MAG and IFM are able to implement in assets under their stewardship. Since being acquired by MAG in 2013, the airport has grown annual passenger volumes by over 10 million (60 per cent).

IFM and MAG's experience of successfully operating and managing core, large-scale airports of a similar nature to STL are described in this Section.

4.1 Operational and Maintenance Expertise

1. Managing and Improving Other Commercial Airports

MAG Airports Portfolio

MAG continues to successfully implement its growth strategy across Manchester, Stansted and East Midlands airports, while driving value and delivering excellent service and safety standards to airport users. Since 2014, MAG has delivered an increase of over 18 million passengers and now handles 62 million passengers annually. Over the same time period, MAG has also reduced operating costs per passenger by over 15 per cent. MAG was the first group to operate carbon neutral airports in the UK and procures 100% of its electricity needs from renewable sources, with official accreditation achieved in 2016. MAG has also continued to deliver industry leading customer service, with Manchester voted Best UK Airport by a panel of travel industry leaders at the Travel Weekly Globe Awards in 2015, 2016, 2017 and 2018.

Key strategic priorities for MAG are to:

- Develop and expand MAG's route network, focusing on both full-service and low-cost carriers;
- Enter into long term commercial agreements with airlines and incentivize accordingly to meet their growth needs which will lead to increased passenger volumes and larger number of destinations served;
- Drive traffic growth, with a focus on MAN and STN, which are both supported by the Manchester Airport Transformation Program (MANTP) and Stansted Transformation Program (STP) capex programs;
- Maintain East Midlands Airport as the UK's largest pure freight airport with planned investment from global logistics companies which will keep the airport as a key strategic asset for global trade and commerce; and
- Expand and utilize the commercial opportunities obtained by being a global airport group.

The consolidated revenue and EBITDA of MAG for the year ended 31 March 2019 were £889 million (\$1,147 million¹) and £380 million (\$490 million¹) respectively.

¹Based on GBP/USD exchange rate of 1.29 as of October 29, 2019.

Manchester Airport

Asset Overview	
Scale of Scope of Operations	<ul style="list-style-type: none"> • Third largest airport in the UK with over 28 million passengers per year • Network of over 60 airlines serving over 200 destinations, with direct routes across Asia, the Middle East, Europe and North America • Handles over 100,000 tonnes of import and export freight and mail annually • 23,400 people directly employed on-site • Land base: 560 ha
Airfield Infrastructure	<ul style="list-style-type: none"> • One of two UK airports with two full-length runways (the other is Heathrow) • Capable of handling all kinds of aircraft, including Code F aircraft such as Airbus A380s • Runway 1: 3,048m x 48m • Runway 2: 3,047m x 45m
Terminal Infrastructure	<ul style="list-style-type: none"> • Three terminals with current combined annual capacity of 30 million passengers • Potential to expand capacity to 50 million passengers on completion of MANTP, a capex program involving major terminal & airfield construction and reconfiguration • Size: 230,000 square meters
Non-aero operations	<ul style="list-style-type: none"> • F&B and Retail: 88 stores • Car parking: 31,000 spaces • Ownership in the Airport City Manchester joint venture, alongside the Greater Manchester Pension Fund and Beijing Construction Engineering Group. Airport City is a development project comprising over five million square feet of offices, hotels, logistics, advanced manufacturing and retail facilities (please refer to Section 10.2 for further detail)

London Stansted Airport

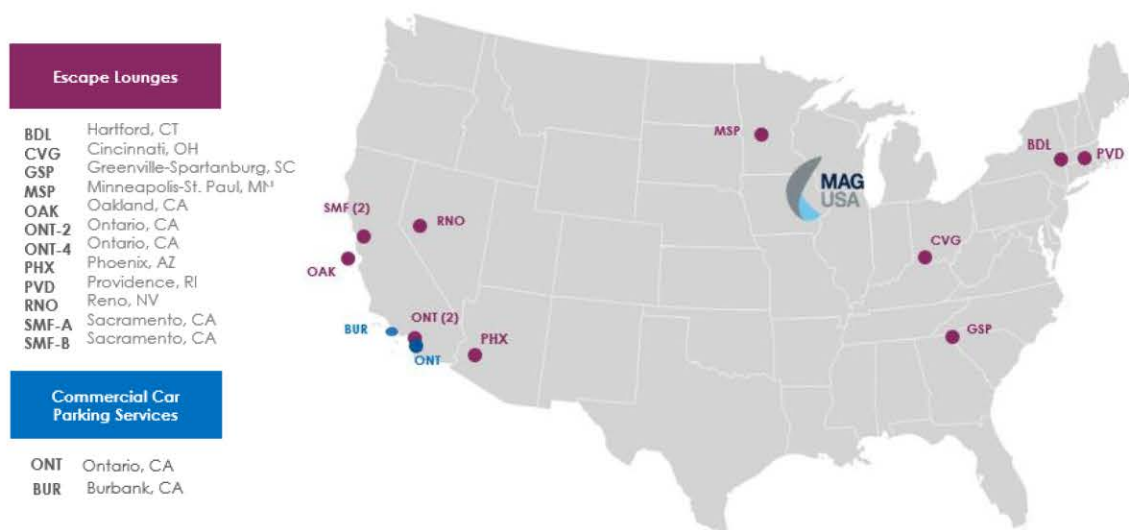
Asset Overview	
Scale of Scope of Operations	<ul style="list-style-type: none"> • Fourth largest airport in the UK with over 28 million passengers per year • Only London airport with available runway capacity for planned traffic growth • Ryanair's largest airport base • Extensive network of 30 airlines serving over 200 destinations with more scheduled connections to Europe than any other airport in the world apart from Munich • Provides London with more visitors from Europe than any other airport • Land base: 957 ha
Airfield Infrastructure	<ul style="list-style-type: none"> • Single runway with annual capacity of 43 million passengers • Capable of handling all kinds of aircraft, including Code F • Runway size: 3,048m x 46m
Terminal Infrastructure	<ul style="list-style-type: none"> • Largest single-terminal airport in the UK • MAG is currently in the planning phase of the STP capex program, which will involve expansion and reconfiguration of the terminal to accommodate London's planned traffic growth • Size: 150,000 square meters with terminal capacity reaching 43 million passengers annually on completion of the STP capex program
Non-aero operations	<ul style="list-style-type: none"> • F&B and Retail: 65 stores • Car parking: 33,000 spaces

East Midlands Airport

Asset Overview	
Scale of Scope of Operations	<ul style="list-style-type: none"> Over 4.8 million passengers per year Centrally located, situated between the cities of Derby, Nottingham and Leicester. It is four hours by road from almost all UK commerce Plays a vital role in the UK international trade capability, as the UK's largest pure cargo airport with total annual cargo of 360,000 tonnes Deutsche Post DHL Group's second largest global hub and houses other operators like United Parcel Service (UPS) Land base: 440 ha
Airfield Infrastructure	<ul style="list-style-type: none"> Runway: 2,893m × 46m
Terminal Infrastructure	<ul style="list-style-type: none"> Single terminal covering 32,000 square meters, capable of handling five million passengers per annum
Non-aero operations	<ul style="list-style-type: none"> 218 acres of business property space F&B and Retail: 19 stores Car parking: 14,200 spaces Property: over 130 ha of non-aero real estate, including international freight facilities, warehouses and office space

MAG USA

Assets Overview	U.S. Airports	
Escape Lounges Developed and Trading	<ul style="list-style-type: none"> BDL – Hartford Bradley Int'l Airport CVG – Cincinnati/Northern Kentucky Int'l Airport GSP – Greenville/Spartanburg Int'l Airport MSP – Minneapolis/St. Paul Int'l Airport OAK – Oakland Int'l Airport 	<ul style="list-style-type: none"> ONT (2) – Ontario Int'l Airport PHX – Phoenix Sky Harbor Int'l Airport PVD – T.F. Green int'l Airport (Providence, RI) RNO – Reno/Tahoe Int'l Airport SMF (2) – Sacramento Int'l Airport
Commercial Car Parking Services	<ul style="list-style-type: none"> BUR – Hollywood/Burbank Int'l Airport ONT – Ontario Int'l Airport 	



Other Core IFM Airports

Vienna Airport

Asset Overview	
Scale of Scope of Operations	<ul style="list-style-type: none"> • Primary airport in Austria and gateway to Eastern Europe, handling more than 27 million passengers and 240,000 aircraft movements per annum • Network of 74 airlines and 205 destinations in 71 countries • Hub airport for Austrian Airlines and Eurowings Europe and a base for low-cost carriers including EasyJet, Lauda, Wizz Air and Veuling • Handle over 285,000 tonnes of freight cargo annually
Airfield Infrastructure	<ul style="list-style-type: none"> • 2 runways, each at least 3.5km in length • Capability to handle Code F aircraft
Terminal Infrastructure	<ul style="list-style-type: none"> • One central arrival hall divided into four major gate areas • Approximately 100 gates and parking positions
Non-aero operations	<ul style="list-style-type: none"> • F&B and Retail: over 90 stores in an area covering 19,000 square meters • Car parking: approximately 22,000 spaces

Melbourne Airport

Asset Overview	
Scale of Scope of Operations	<ul style="list-style-type: none"> • Second largest airport in Australia, servicing 36.7 million passengers and 244,000 aircraft movements per year • Network of 41 airlines and 74 local and international destinations • Handles over 305,000 of import and export freight annually • 20,000 jobs hosted on site • Land base: over 2,600 ha
Airfield Infrastructure	<ul style="list-style-type: none"> • Operates a two runway system (North-South: 3.6km long, 60 meters wide / East-West: 2.3km long, 45 meters wide) that is capable of handling Code F aircraft • Current runway capacity of up to 60 aircraft movements per hour
Terminal Infrastructure	<ul style="list-style-type: none"> • Four terminals (one international, three domestic) • Supported by 60 ha of apron hosting 80 aircraft parking stands and 42 jet bridges
Non-aero operations	<ul style="list-style-type: none"> • F&B and Retail: 115 stores across 17,870 square meters of floor space • Car parking: 23,795 spaces • Property: 470 ha of non-aero real estate, including a business park and hotel precinct

Brisbane Airport

Asset Overview	
Scale of Scope of Operations	<ul style="list-style-type: none"> • Third largest airport in Australia, servicing 23.4 million passengers and 213,000 aircraft movements per year • Network of 35 airlines and 83 local and international destinations • Handles over 122,000 of import and export freight annually • 24,000 jobs hosted on site • Land base: 2,700 ha
Airfield Infrastructure	<ul style="list-style-type: none"> • 2 parallel runways (one currently under construction), each greater than 3.5km in length • Each runway is capable of handling Code F aircraft and 50 aircraft movements per hour
Terminal Infrastructure	<ul style="list-style-type: none"> • Two terminals (one international, one domestic) • Over 40 jet bridge gates
Non-aero operations	<ul style="list-style-type: none"> • F&B and Retail: over 90 stores • Significant on-site car parking, including one major multi-level facility. • Significant land base for non-aero operations and development activities. Currently undertaking a 50 ha development of the Auto Mall precinct, a multi-purpose auto retailing hub

Darwin International Airport

Asset Overview	
Scale of Scope of Operations	<ul style="list-style-type: none"> • Tenth largest Australian airport, with 2.2 million passengers and 89,500 aircraft movements per year • Network of 21 local and international destinations • Handles over 305,000 of import and export freight annually • Land base: 311 ha
Airfield Infrastructure	<ul style="list-style-type: none"> • Two runways, with capability to handle Code E aircraft
Terminal Infrastructure	<ul style="list-style-type: none"> • Single terminal covering 27,000 square meters • IFM supported a A\$75 million (\$52 million¹) expansion project in 2014, the largest terminal upgrade in the airport's history • 13 gates
Non-aero operations	<ul style="list-style-type: none"> • F&B and Retail: 12 stores • Car parking: approximately 2,000 spaces • Property: 80ha land base available for commercial use

IFM has ownership interests in airports across the globe, in addition to those described above. Please refer to Section 10.1 for an overview of IFM's global airports portfolio.

2. Managing Facility Maintenance / Repair and Procurement of Related Materials

The Team has substantial expertise in managing facility maintenance and repair activities over decades of experience owning and operating airport infrastructure. Given the critical importance that procurement and third party contracting plays in delivering safe and reliable airport services, this is a significant area of operational 'know-how' that is shared and leveraged across the Team's portfolio. MAG's approach to facility maintenance and procurement is described below.

A. Facility Maintenance / Repair

MAG has a well-invested asset base with a discretionary growth plan triggered by demand and has spare runway capacity. MAG continues to invest in the Airports' facilities, including maintenance of existing assets together with a modular investment program, to improve airline and passenger experiences at the Airports. MAG's approach to asset management is underpinned by its commitment to the coordination of activities that realize value from its assets. MAG's asset management principles are summarized below:

MAG Asset Management Principles
<ol style="list-style-type: none"> 1. Ensure that our assets comply with Statutory, Regulatory, Health & Safety, Security and Environmental standards. 2. Operate an Asset Management System that is consistent with the strategic objectives and plans of our airports, and the requirements of relevant ISO standards. 3. Make decisions based on developing modern and customer focused infrastructure. 4. Place "Whole Life Value" at the heart of asset decision making, ensuring return on investment is maximized over the long term. 5. Use a risk management-based approach to developing and maintaining assets, informed by criticality, whole-life cost and long-term asset health. 6. Maintain information systems to provide a single version of the truth, ensuring high quality asset intelligence reporting across the business.

7. Set clear asset performance objectives and publish regular asset performance reports, including long-term asset health projections.
8. Unlock the potential of employees by making sure they have the data, documents, skills and tools they need to work safely and effectively, and promote innovation through collaboration across MAG.
9. Meet our commitment to be a responsible sustainable business through good asset management practice.
10. Have a platform for governance and continuous improvement by having clear accountability for asset management policy, strategy, processes and procedures.
11. Communicate Asset Management principles to employees, business partners and suppliers so that they understand their role in ensuring that our assets deliver optimal performance.

MAG's approach to maintenance is based on Planned Preventative Maintenance (PPM) which enables the reduction of reactive maintenance activities and costs, while retaining buildings and assets in the desired or needed quality. MAG's maintenance activities include:

- Condition-based maintenance: planned preventative maintenance conducted based on the use, current state, deterioration, and deterioration tendency of the asset. Aimed at predicting when an asset failure might occur and to prevent occurrence of that failure by performing the right maintenance. Condition-monitored maintenance applies to assets that can communicate their actual status in real time.
- Time-based maintenance: planned preventative maintenance conducted based on the specified time elapsed by reference to a database library of maintenance activities with pre-set frequencies of execution for that asset. These frequencies can be based on warranties, supplier instructions, legislation or experience based on historic maintenance activities.
- Reactive maintenance: repair intervention conducted after identifying fault / damage / functional deterioration with the intention of preventing a breakdown.

B. Procurement

Key to the ongoing maintenance of MAG's asset base is its dedicated procurement and contracts team. The team is responsible for the development of strategies to support the effective procurement and management of all third party goods, works and services across its assets. This involves ensuring appropriate controls and best practice processes are in place to balance the operational needs of the business, while optimizing value for all stakeholders and adhering to all relevant regulations, including the UK's Utilities Contracts Regulations 2016.

MAG's "Procurement and Contracts Sourcing Process" has achieved external accreditation from the Chartered Institute of Procurement and Supply ("CIPS"). Key supply contracts sourced in accordance with this gated process include: capital & construction, facilities management, engineering, professional services, IT, air traffic control services, utilities, insurance and security & screening equipment.

Under IFM's ownership since 2013, MAG's team has implemented continuous improvement of its procurement processes, focused on enhanced collaboration across business units and efficient structuring of procedures for spend management, project management & governance. MAG was recognized for "Best Process Improvement Initiative" and "Overall Winner" at the 2017 CIPS Supply Management Awards for its procurement program.

3. Familiarity with FAA regulations and Procedures, Airport Operations, Construction and Maintenance Standards

MAG USA currently operates concessions and commercial parking services at 11 different US airports. These operations have given the MAG USA team experience with airport operations, safety & security and other regulatory processes & procedures. Additionally, MAG USA has recruited and hired team members with US

airport operating experience, familiarity with FAA regulations and procedures as well as industry construction and maintenance standards. This experience includes, but is not limited to, the following FAA regulations and procedures:

- Funding: AIP entitlement and discretionary grants (including Letters of Intent) and PFC applications.
- Environmental: NEPA processes for large airfield and terminal programs as well as airport noise compatibility programs.
- Airport and Runway Safety: various requirements including annual Part 139 certification.
- Airport Compliance: grant assurances and other regulations/policies.
- Engineering Design & Construction: coordination for large airfield and terminal programs.
- Planning & Capacity: TAF coordination, NPIAS and ACIP inclusion and RPZ compliance.

In addition, the Team's airports have a long history of compliance with local and international regulatory standards.

For example, MAG's airports are governed under Civil Aviation Authority ("CAA") regulating aligning to ICAO Annex 14 and have a long established record of audited compliance with these standards, including:

- EU legislation requires airport operators to obtain an Aerodrome License from the National Aviation Authority, which in the UK's case is the CAA. MAG has demonstrated compliance with regulatory requirements in order to hold such a license and verifies this with inspections and audits undertaken by the CAA at 15-month intervals.
- MAG's Safety Management System and Aerodrome Manual has been endorsed by the CAA. Today, MAG's Safety Management System is used by the CAA as a best practice benchmark.
- It is a requirement to name an Accountable Manager to the CAA and each MAG airport therefore has a nominated Accountable Manager. The Accountable Manager, along with other key post-holders, meets quarterly with the CAA to discuss any business changes and strategy in order to ensure CAA compliance is maintained.
- The competencies of MAG's key post-holders are regularly assessed against the CAP 700 Aerodrome Competencies operational safety requirements to ensure that they have the necessary expertise, at the appropriate level, to formulate and implement systems to adequately manage safety in areas including airside and flight safety, aircraft operations and loading and airside vehicle safety. Any proposed changes to personnel, processes and policies are assessed by way of a documented management procedure to ensure they do not result in gaps in aeronautical competencies at any of MAG's airports.
- Each of MAG's airports has its own dedicated Security Manager and Compliance Manager/Officer. This allows MAG to work closely with the Department for Transport ("DfT") at different levels to ensure full security compliance. For example: the airport's on-site team works with local DfT inspectors who have responsibility for particular aerodromes; the on-site management will also have relationships with the Regional DfT inspectors and where appropriate at a national level; and, finally, at a group level MAG has long established relationships with the DfT with regards to (i) National Policy (ii) Research and Development and (iii) Learning and Development.
- Such arrangements allow MAG to be compliant with ICAO, European (EC300 and EC185) and UK DfT directions (the Single Consolidated Directive (SCD) which contains the UK's 'More Stringent Measures'

(MSM)). MAG applies the requirements of the Airport Security Planning Guidance issued by the DfT to create a risk register and Airport Security Plan to ensure that MAG has the right structure and risk-based management approach, working closely with Control Authority partners.

- MAG submits all of its airport designs and plans to the DfT for their approval and sign off before any changes are made. MAG applies its own internal policies and procedures to each piece of legislation against which it is then audited by regular DfT inspections. In addition to inspections by local DfT inspectors, each airport is subject to a full audit on a four-year cycle. Furthermore, the EU authorities have the power to audit any UK airport in conjunction with the DfT.
- MAG has a strong, positive working relationship with the DfT at a regional and national level to the extent that MAG is an accredited security training provider to industry on behalf of the DfT.

4. Experience with facilitating airport passenger growth via route development and marketing

Through a portfolio of 16 airports around the globe that handle more than 160 million passengers annually, the Team has developed extensive relationships with a network of both full-service and low-cost carrier airlines. The Team has an established record of facilitating substantial growth in its airports through marketing, incentivizing the successful route development efforts of new and existing airline customers and advocacy with key industry stakeholders such as tourist organizations and industry groups. The Team also recognizes its important role in promoting its service areas as tourism destinations.

Key examples of successful passenger growth initiatives delivered by the Team are outlined below.

A. MAG

As a national airport group, MAG is also able to achieve deep engagement with carriers and create cross-opportunities between its airports and extensive relationships with more than 80 global airlines. Passengers across MAG's airports total 62 million annually, representing an increase of over 18 million passengers since 2014.

i. Stansted Airport

A salient example of the Team's route development expertise is the significant uplift in passenger growth at STN since 2013. Prior to the Team's ownership, the airport had not experienced any passenger growth for several years. Traffic had been falling from a peak of 23.8 million passengers in 2007 to 17.5 million passengers in 2012. Since acquisition in 2013, annual passengers have increased by 10.9 million to exceed 28 million in total (a 62 per cent increase) and its share of London passenger traffic has increased significantly. Key components of MAG's strategy to grow passengers include:

- *Developing key strategic relationships with low-cost carriers* – STN actively facilitates the growth of its principal airline customer and Europe's largest airline, Ryanair. STN has implemented a long-term commercial agreement under which Ryanair is incentivized to meet passenger traffic in exchange for financial rebates. STN represents Ryanair's largest base, positioning STN to capture growth in the low-cost carrier market.
- *Broadening the carrier network and widening the route base* – STN actively monitors underserved routes within its significant catchment area and seeks to bring new carriers to unlock passenger growth. In 2017, Jet2.com commenced operations at STN with an initial six aircraft serving over 20 destinations, being its first ever base. Strong demand has resulted in Jet2.com doubling the number of aircraft based at STN to 12 and expanding its route network to 38 destinations. STN has also expanded the breadth of long-haul routes with its existing customers, such as the recent introduction of daily Emirates flights to Dubai.

- *Incentives structure to stimulate capacity utilization* – STN has implemented innovative pricing structures based on the value of peak capacity. STN is able to take advantage of its significant capacity compared to other London airports to drive passenger growth and reduce volatility in volumes.

IFM has also actively supported MAG in the promotion of passenger growth at STN. IFM commissioned a report by Volterra highlighting the “Growth in the East of England and the Role of Stansted.” The report is part of an engagement program with regional business leaders on the role that new direct international routes play in regional economic growth and the importance of continued improvement in connectivity and investment in infrastructure at the airport.

ii. **Manchester Airport**

MAN has experienced strong growth over the last 5 years, with annual passengers increasing from 20.8 million to 28.6 million (a 38% increase). A key driver of growth at MAN has been development of new direct, long-haul routes to capture incumbent demand in its catchment area. This has involved engaging with prospective key global airline customers and developing proposals for growth by MAG’s existing airlines.

The strategy of broadening the route base has led to a focus on new markets such as Beijing, Hong Kong, Doha, Houston, Addis Ababa and San Francisco. The opening of routes into new markets has reduced passenger leakage from MAN to airports in London as more passengers are able to fly direct from MAN.

B. Melbourne Airport

International passenger growth has been driven by the airport’s targeted approach to key strategic Asian markets, particularly China. Over the past decade, 10 new Chinese routes have been launched with new airlines such as Air China, Hainan Airlines and Air Asia commencing services at the airport. In addition, existing airlines, such as China Southern, have substantially ramped up the frequency of their services. Other key growth markets for the airport have included India, Sri Lanka, Japan, the Philippines and Vietnam.

C. Brisbane Airport

In 2018, Brisbane Airport hosted the Routes Asia 2018 conference, the leading aviation route development forum for Asia. In November 2019, the airport is also scheduled to host the global IATA airline slot conference, which will be attended by more than 1,200 delegates from over 230 airlines across the world. The events provide Brisbane Airport with a unique opportunity to further relationships with major route planners, showcase the airport’s capabilities and promote tourism in partnership with industry bodies such as Brisbane Marketing and Tourism Australia. Brisbane Airport’s active promotional efforts have supported the recent development of new international services such as Qantas’ inaugural flight to Tokyo (Narita), Etihad’s daily direct flight to Abu Dhabi, the first China Eastern flight to Shanghai, a new Air Canada service to Vancouver and a fourth daily Singapore Airlines flight to Singapore.

4.2 Capital Improvement Experience

The Team has substantial experience in successfully delivering major capital projects across its airport and broader infrastructure portfolio on time and within budget. This includes major airport transformation projects which are evidence of the Team’s directly relevant expertise to deliver the scope of capital works likely to be required at STL under an Airport P3, such as the Manchester Transformation Program (MANTP) and Stansted Transformation Program (STP).

As an operator of MAN and STN, which are the third and fourth largest airports in the United Kingdom respectively behind Heathrow and Gatwick, MAG is required to deliver capital improvement to its airports in a

highly disciplined manner. This is because MAG operates in a highly competitive environment and therefore seeks to ensure that its capital programs represent an attractive value proposition to its customers as it seeks to compete for new market share and attract passengers to MAN and STN. The MANTP and STN projects currently being undertaken by MAG are outlined below.

Manchester Airport: MANTP

The project commenced construction in July 2017 and will expand the capacity of the airport to 50 million passengers per year by 2025, enabling the airport to utilize its existing dual runway capacity. The project is anchored around a reconfiguration of the airport to make Terminal 2 the central and largest terminal building, increasing its current footprint size by 150%. The enlarged terminal will feature a single check-in hall, provision for self-service bag drop, upgraded purpose-built security areas, a redeveloped departure lounge and a significant upgrade & expansion of existing baggage facilities.

The project also features upgrades to terminal infrastructure, including an expansion of the taxiway system, a reconfiguration of existing flows via dual taxiways to optimize aircraft movements and an increase in the number of aircraft stands.

The program has been split into phases, delivered via 34 separate modular packages of work. The procurement and contracting strategy seeks to provide upfront cost certainty, while maintaining maximum flexibility to vary the pace of delivery in response to market changes and minimize the impact on existing operations.

Once complete, the MANTP will deliver a substantial improvement in the facilities and infrastructure at the airport, enabling it to accommodate new technologies & operating processes and to cater for growth in demand over the coming decades. The project is a key component of MAG's strategy to compete effectively with other airports across Europe to attract new airlines and passengers to MAN.

London Stansted Airport: STP

The STP project, expected to reach completion in 2027, is intended to provide infrastructure to meet forecast demand, optimize use of the single runway and simplify passenger flows.

The initial phase of the project involves the construction of 28 additional check-in desks, 1,000 additional seats, and new retail offerings and enhancements, as well as eight remote aircraft stands. Significant progress has been achieved on the initial phase of work to date and it is on track to be completed by the end of 2019. To date, STN has completed 12 of the check-in desks, all eight aircraft stands and the additional seating, reconfiguration of the landside terminal and domestic baggage reclaim to optimize retail strategy, together with over 6,000 new car parking spaces.

The subsequent packages are phased and modular and can be flexed to match forecast demand. Key works include a dedicated passenger arrivals building with over 33,000 square meters of floor space, 8,000 multi-story and surface car parking spaces, a second passenger security screening area and an expanded departure lounge. In addition, enhancements to airfield infrastructure are planned, such as the construction of new rapid access and exit taxiways to support an increase in two-way peak capacity from 50 to 55 two-way movements per hour and 12 remote aircraft stands.

The project will enable STP to compete more effectively for traffic in the London market by increasing peak terminal capacity to 43 million passengers annually, optimizing the utilization of existing capacity on the single runway.

Other major capital projects

In addition to the MANTP and STP projects currently underway, the Team has demonstrated its expertise in successfully delivering the following projects (in progress and completed):

- *London Stansted Terminal Rehabilitation* – The £80 million (\$103 million¹) Terminal Transformation Project at London Stansted, delivered in 2014, has resulted in substantial improvements to the passenger experience and optimization of commercial yields. The works involved doubling retail airside space with 100% footfall for all retailers, a new security area with additional lanes & dedicated channels, the introduction of a new 25,000 square feet walkway through the duty free store and 70 per cent more seating.
- *East Midlands Runway Resurfacing Program* – The successful resurfacing of the 3,000 meter runway at East Midlands Airport represents an innovative model in global airport runway solutions. The project was designed with cargo and passenger airlines to ensure minimal disruptions, with work performed over seven weekend closures. The project involved handling of 58,000 tonnes of asphalt and was delivered with zero accidents during 100,000 safe working hours.
- *Melbourne Airport* – Melbourne Airport has successfully delivered major capital projects including the construction of a new terminal and ground transport hub.
 - New domestic terminal (T4) – A\$300 million (\$207 million²) terminal development completed in 2015 following a three-year construction period. The terminal was custom designed to low-cost airline requirements and has capacity to handle ten million passengers a year.
 - Multi-level ground transport hub – A\$250 million (\$173 million²) transport hub constructed at the new Terminal 4, a new multimodal facility for public transport, passenger pick-up & drop-off and car parking.

- **Brisbane Airport** – Brisbane Airport has successfully completed major terminal and airfield capex projects and is currently in advanced stages on construction of a new runway.
 - Parallel Runway Project - ~A\$1.3 billion (\$0.9 billion¹) new runway system which is 3.3km long with more than 12km of taxiways, navigational aids and airfield infrastructure. The project will effectively double the airport's current capacity. Construction is advanced stages and is due to reach completion on time and budget in mid-2020, following the initial commencement of works in 2012. The project is the largest aviation construction program in Australia and the world's first privately funded runway.
 - International Northern Terminal expansion - ~A\$135m (\$93 million¹) project completed in early 2018 following a two year construction period. The expansion delivered 11,000 square meters of terminal space and 55,000 square meters of new pavement, new taxiways and three new aircraft parking bays.
 - International Terminal redevelopment - ~A\$45 million (\$31 million¹) project completed in late 2015 on time and budget following an 18 month construction period. The project added 4,600 square meters of floor space and was awarded with the Queensland Property Council Award 2015 for excellence in design.
- **Freeport LNG** – IFM has successfully supported the \$5 billion Train 2 development at Freeport LNG, a natural gas liquefaction and export facility located in Freeport, Texas. Engineering and procurement activities are now complete and construction is nearing completion. The project has delivered an excellent safety record over its years of construction relative to industry benchmarks, driven by extensive employee training and the ability to effectively manage contractors at the site.

4.3 Customer Service

The Team has a long-established record of delivering the highest standards of service safety and reliability to airport users, which is key to the long-term sustainability and growth of its airport businesses. In addition, the Team has demonstrated a willingness to actively engage with industry, government and community bodies to ensure that the ongoing operation and development of its airports satisfy the expectations of key stakeholders.

1. Maintaining productive ongoing productive relationships with government entities

The Team has extensive experience working alongside government and public entities through long-term, constructive partnerships. Key to the success of these partnerships is an alignment of interests – IFM invests over a long-term horizon and is therefore committed to service quality, safety & reliability and ongoing investment to support the enduring value of its assets.

¹Based on AUD/USD exchange rate of 0.69 as of October 29, 2019.

2. Providing excellent customer service to the travelling public

A. MAG

MAG is an industry-leading airport operator and continues to invest in the improvement of customer services as a source of competitive advantage. MAG continues to win service awards including:

- MAN was voted Best UK Airport by a panel of travel industry leaders at the Travel Weekly Globe Awards in 2015, 2016, 2017 and 2018;
- MAN was awarded Best UK Airport 2017 at the Travel Bulletin Star Awards;
- STN was voted Airport of the Year 2016 at the London Transport Awards;
- MAN was voted Best Airport Over Six Million Passengers 2014 by the Airport Operators Association; and
- STN was voted World's Best Airport for Low-Cost Airlines for four years in succession by Skytrax (2011, 2012, 2013 and 2014).

MAG has also demonstrated a strong commitment to customer service through MAG USA, whose Escape Lounges are rated best in class across the TripAdvisor, Yelp, Google and Facebook platforms.

B. Other IFM Airports

Other examples of commitment to service quality within IFM's portfolio include:

- Brisbane Airport, which has been voted the as the "Best Airport" in the Australia / Pacific Region by Skytrax in 2011, 2016 and 2019. In addition, the airport has received the following recognition of its service quality and airport management:
 - Oceania's Leading Airport at the 2019 World Travel Awards, recognition of the high quality of passenger experience at the airport
 - The Australian Competition and Consumer Association (ACCC) has retained a favorable rating for the airport's quality of service for 15 consecutive years
 - Routes Asia Marketing Awards winner in the greater than 20 million passengers category in 2019
 - World Routes Award Best Airport in the 20-50 million passenger category in 2019
- Melbourne Airport, which was ranked 23rd in Skytrax's 2019 global airport rankings.
- Vienna Airport, which was ranked 19th in Skytrax's 2019 global airport rankings.

3. Delivering safe and efficient operating conditions to airlines

A. MAG

Safety is the number one priority of MAG's airport operations. MAG operates a group-wide Safety Management System (SMS), a comprehensive framework encompassing organizational structures, accountabilities, policies and procedures. MAG is certified against the international standard for Health and Safety, OHSAS 18008, recognition of the high quality safety management system in place. The SMS is in compliance with relevant international ICAO legislation and is subject to auditing internally and externally by the Civil Aviation Authority, the UK aviation regulator.

MAG challenges itself to set rigorous safety targets across the group and seeks to continuously enhance safety conditions across its airport sites. MAG has established the Our Vision Zero initiative, which sets a target of no reported injuries to anyone across its airports throughout the year.

B. Other IFM Airports

Safety for customers, employees and all airport users is the highest priority for IFM. IFM regularly conducts safety reviews at its assets and shares knowledge across the portfolio through periodic safety round tables. Following the completion of all new investments, IFM conducts a third-party safety audit and provides resources for continual safety improvement. Additional examples of IFM's commitment to delivering safe and efficient operating conditions to airlines within its portfolio companies are described below.

- Melbourne Airport is committed to achieving safety excellence through the identification and implementation of industry-leading safety practices. This includes the implementation of a Safety Management Standard, consisting of 20 industry best practice requirements which apply to all employees, contractors, tenants and service providers at the airport, as well as a comprehensive governance framework.
- Brisbane Airport is focused on delivering safe and efficient operating conditions through a comprehensive Workplace Health and Safety (WHS) management system. A key focus of the airport's airside safety system is its approach to wildlife hazard management, which implements strategies to

actively mitigate the risks associated with local species and habitats. Brisbane Airport's WHS system and practices were externally audited by SAI Global and Norton Rose Fulbright Australia during 2018 with positive results achieved.

4. Maintaining active public relations functions targeted at travelers, taxpayers and airport tenants

A. MAG

MAG is committed to maintaining highly active levels of communication and engagement with all airport users and the local community. This is consistent with MAG's highly sustainable and community-focused approach to its growth strategy.

An example of MAG's active approach to public relations is the Manchester Airport Consultative Committee, which includes members such as local municipal councils, amenity groups and groups representing airport users such as consumer, employee and environment stakeholders. The Committee meets on a quarterly basis, is attended by the airport's Chief Operating Officer and provides a structured forum for information exchange and dialogue between the airport and key stakeholders. The Committee monitors progress on current community issues such as environmental monitoring & management initiatives (particularly aircraft noise and track keeping), community complaints and development proposals. In addition, there are also two sub-committees that also meet quarterly:

- The Technical Advisory Group, which focuses on the external interface of the airport, covering ground transport, environmental controls & policy, airline performance and airfield operations issues;
- The Airport Users Advisory Group, which is responsible for advising on matters involving the operation of the terminals and passenger facilities.

MAG maintains its leading External Communications function using in-house resources, with a centralized team based in London collaborating with local staff at each airport and in the MAG USA business. Its primary function is to positively influence the decisions of key stakeholders by enhancing the MAG brand family through mainstream and social media. MAG's customer service function has an active presence on social media, providing a valuable information service and utilizing monitoring technology to actively respond to any customer complaints of operational issues at its airports.

MAG actively engages with the community through direct outreach and regular solicitation. Each year, MAG commissions an annual review to ensure that it continues to serve the needs to community stakeholders. In 2018, MAG held 99 outreach events to enable passengers, councilors, airlines, local businesses and charities to explain the issues that are important to them. MAG also seeks to build trust through direct investment in community initiatives, supporting 223 local groups with donations in 2018. Further detail of MAG's investments in community initiatives is described in Section 10.6.

B. Other IFM Airports

IFM drives its airport portfolio companies to maintain active public relations functions and engagement with key stakeholders, with key examples described below.

- Brisbane Airport regulatory hosts community exchanges and maintains the Brisbane Airport Community Aviation Consultation Group (BACACG) that provides an independently-chaired forum for community members to raise issues. In 2018, the airport conducted 23 community presentations, hosted 95 tours for community groups across the airport and provided 2,800 responses to written enquiries from the public.
- Melbourne Airport coordinates consultation groups that provide advice about the future planning and operations of the airport, including a Planning Coordination Forum, Community Aviation Consultation Group and Noise Abatement Committee.

4.4 Safety and Security

1. Knowledge of airport safety and security management and methodologies, including TSA security plan approval process

A. MAG

As noted in Section 4.1, MAG USA currently operates concessions and commercial parking services at 11 different US airports. These operations have given the MAG USA team experience with airport safety and security, as well as TSA regulations. MAG USA has also recruited and hired team members with US airport operating experience, which includes knowledge of safety and security management as well as TSA security requirements.

As a UK-based airport operator, MAG operates to EC 300 European Standard of Security overlaid with the CAA/DFT imposed More Stringent Measures (MSMs). All passenger security and airfield security operations are run in-house with the highest standard of staff training and technology applied across the board. MAG's approach to process technology (e.g. smart security lanes, body scanners) and cybersecurity have been introduced at other major international airports and MAG continually invests in technologies (e.g. biometric screening) to remain state of the art.

MAG has worked extensively with a wide range of security-related government bodies including the US Secret Service, UK Counter Terrorism Police, local police forces and Air Traffic Control provider NATS. MAG has worked effectively with these bodies in coordinating high profile official visits and developing national defense procedures.

B. Other IFM Airports

IFM's airports have a long history of compliance with local and international safety and security frameworks. For example, IFM's Australian airports (which are listed in Section 4.1) are required to comply with the Aviation Transport Security Act 2004 and aviation Transport Security Regulations 2005 as administered by the Department of Home Affairs, in accordance with international standards administered by the International Civil Aviation Organization (ICAO). Other public safety and security agencies that may interface with Australian airports include Border Force (border control operations), Australian Quarantine and Inspection Service (AQIS), Australian Federal Police, Australian Transport Safety Bureau (ATSB), Airservices Australia and Civil Aviation Safety Authority (CASA).

2. Experience in emergency response support

MAG is highly experienced in emergency response procedures and ensures alignment across its airport operations through the following Emergency Planning Committee structure:

- A central cross-airport Emergency Planning Board: chaired by airport senior management and direct reports, the aim of this forum is to review the implementation of emergency process change and ensure absolute internal alignment to safety objectives
- A multi-agency, external-focused Emergency Planning Committee: quarterly forum of subject matter experts from all external responders (including fire, ambulance, police services, air traffic control and local authority public health organizations). The committee reviews recommendations for emergency procedures and analyses best practices from off-airport incidents.
- An inter-departmental Emergency Planning Committee: involving all internal stakeholders to align the airport's internal emergency procedures to both ensure business continuity and the efficient dissemination of required information.

In addition, MAG has invested considerable time and resource in developing a world-class fire service team. MAG operates one of Europe's largest live fire training facilities and offers accredited fire and rescue training to some of the world's largest airports including Hong Kong International Airport, Oman International Airport and the Australian National Fire Service. The site is one of the most sophisticated of its kind and is highly acclaimed in the emergency responder community, being capable of simulating almost every type of fire scenario.

3. Background in relevant traffic engineering standards, specifications, policies, practices and processes

MAG has extensive experience in managing landside operations through an in-house team, including traffic management, car park operations, forecourt management, airside and landside bussing, monitoring, control and asset maintenance. Full capability is retained in-house as MAG operates private road networks at its airports, including Manchester Airport.

At Manchester Airport, maintenance and development of the road network is undertaken to meet UK standards such as Design Manual for Roads and Bridges (RMRB), Manual for Streets (MFS), Specification for Highway Works (SHW). The road network at Manchester Airport is compliant with all UK standards. Traffic flow control is monitored 24 hours a day in a central control room, utilizing CCTV, automatic number plate recognition, traffic control lights and remote operation of car park barriers & payment machines. MAG's control processes and procedures for landside operations are documented as part of a comprehensive framework, which is audited and maintained at regular intervals.

Manchester Airport's landside operations team has recently introduced drop-off charging as a traffic control measure and has successfully reduced congestion from recirculating vehicles around the terminal.

4. Environmental management expertise

A. MAG

MAG has strong expertise in managing key environmental issues at airports, including emissions, air quality and aircraft noise. MAG works collaboratively with key stakeholders at its airports, such as airlines and aviation agencies, in managing these issues on an ongoing basis.

i. Emissions

MAG continues to be a leader the drive to reduce carbon emissions in the UK airport sector. MAG was the first group to operate carbon-neutral airports in the UK and procures 100% of its electricity needs from renewable sources. MAG's airports have received ACI's Airport Carbon Accreditation for carbon neutrality and are certified against the international environmental management standard ISO 14001.

ii. Air Quality

MAG has experience in proactively minimizing pollution generated by ongoing operators, as demonstrated the implementation of the following initiatives:

- Single engine taxiing to and from the runway;
- Use of electrical ground power for aircraft, where available on stand;
- Use of a consolidation center for retail and food & beverage outlets at the airport to reduce the number of heavy vehicle journeys required;
- Active promotion and investment in sustainable transport initiatives and infrastructure.

iii. Noise Management

MAG has strong credentials in working with a range of stakeholders to reduce both the impact of noise and noise levels associated with aircraft. MAG is experienced in strategic noise mapping and has developed comprehensive noise action plans, which are in place at its airports and available to the public. Through a combination of reporting, policy, planning and mitigation, MAG has demonstrated a transparent approach to noise management and a commitment to being a respectful neighbor to the community.

MAG has world-leading experience in the application of modern flying procedures to mitigate aircraft noise impacts. At London Stansted Airport, MAG led a partnership initiative alongside airlines and NATS (the UK air traffic service provider) that resulted in an 85 per cent reduction in the number of people directly overflown. This was achieved through the application of advanced navigation technology, enabling aircraft to fly extremely accurately along a designated flight path. The award-winning, collaborative effort was supported by MAG's in-house air traffic control experience at East Midlands Airport.

B. Other IFM Airports

IFM has extensive experience managing environmental issues at its airports, including risks associated with per- and polyfluoroalkyl Substance (PFAS) contamination and ongoing management of aircraft noise impacts.

An example is Melbourne Airport, which follows the PFAS National Environment Management Plan (NEMP) in Australia. Melbourne Airport works proactively with airport tenants and stakeholders to manage potential risks from PFAS contamination and has established a Project Control Group (PCG) to monitor the issue in detail. The PCG consists of the Commonwealth Department of Infrastructure, Regional Development and Cities (DIRDC), EPA Victoria and Airservices Australia. In addition, the airport is working closely with key stakeholders such as Melbourne Water and neighboring local municipal councils on an ongoing basis.

Melbourne Airport works proactively to manage the impact of aircraft noise on the community, alongside a range of government agencies, including Airservices Australia. Airservices Australia is the national air navigation service provider, responsible for airspace management. Melbourne Airport works closely with Airservices Australia to manage and reduce the impact of noise by ensuring that flight schedules are designed to minimize noise impacts, providing ongoing monitoring services and facilitating a national complaints and information service.

5 Contacts and Advisors

5.1 Contact Person

Representative	Adrian Croft Executive Director, Infrastructure IFM Investors Pty Ltd
Address	114 West 47 th Street, 19 th Floor New York, NY 10036, United States of America

6 Disclosure of Conflicts

The Team does not have any conflicts in relation to this transaction. The Team confirms that neither it, nor their employees, are aware of any dealings or existing contracts with:

- A. The City of St. Louis, its employees and elected representatives;
- B. Any airlines operating at the Airport, current lessees or individuals doing business with the Airport, and suppliers of goods or services to the Airport, as it relates to this transaction.

Please refer to the signed Conflict of Interest Document submitted with this RFQ.

7 Comparable Projects

Please refer to Appendix A for an overview of the Team's comparable projects, including:

1. IFM's Airports Portfolio;
2. Experience in Developing Commercial and Property Revenue;
3. Experience in Transitioning Businesses from Public to Private Operation;
4. Partnership with Governments / Public Entities;
5. Record of Investment in Economic Development;
6. Responsible Management of Critical Infrastructure;
7. Record of Collaboration with Unions and Labor;
8. IFM's Infrastructure Portfolio.

8 Acknowledgments, Confirmation, and Attestation

8.1 Acknowledgment of the City's priorities

The Team acknowledges the City's priorities, as outlined below and in Section VI of the RFQ:

1. Improvement of the Airport for all stakeholders, including incremental uses of the Airport's significant excess capacity.
2. Net cash proceeds to the City, upfront and/or over time for non-Airport purposes.
3. Community and economic development in St. Louis and across the region.

8.2 Acknowledgment of Additional Requirements

The Team acknowledges the Additional Requirements, as outlined below and in Section VI of the RFQ:

1. The City emphasizes and City law stipulates minority business enterprise (MBE) and women's business enterprise (WBE) requirements with respect to the City's third-party contracting. Further details on MBE/WBE requirements will be provided during the RFP stage.
2. The Lease will set out a comprehensive framework for the future employment of all current Airport employees and requirements to ensure continued compliance with collective bargaining agreements. The private operator will be required to offer employment to all current Airport employees at a compensation level that is at least equal to their current compensation level, plus an annual increase of at least 1.5% above their current annual salary during the first five years following the transaction closing. The private operator will be expected to develop and implement fair employment practices, and as a condition of employment, employees will be expected to perform their duties with adequate competence, attendance, and service to the public.

In addition, the Team acknowledges the City's commitment to use the proceeds of any transaction to repay / defease the existing Airport debt.

8.3 Confirmations and Attestations

1. The Team confirms that it does not and will not have an exclusive relationship with a lender related to this transaction.

Please refer to the signed Conflict of Interest Document submitted with this RFQ, containing the Team's Attestation to the Conflict of Interest Policy.

9 Legal and Other Matters

9.1 Additional Items

This Proposal has been prepared by the Team for the exclusive use of the City.

The matters set forth herein constitute an expression of the Team's interest only. Except for the language contained in this section regarding exclusive use, confidentiality and governing law, this Proposal is preliminary and non-binding and shall not create (or be deemed to create) any legally binding obligations on the part of IFM, IFM GIF, MAG or their respective affiliates, and no oral contracts will be deemed to exist. This Proposal is not an offer capable of acceptance or otherwise forming a binding contract. Unless and until a definitive agreement is entered into regarding the Airport P3, none of IFM, IFM GIF, MAG or their respective affiliates will be under any obligation whatsoever with respect to the Airport P3 or any related entity or person, including, without limitation, to negotiate terms of the Airport P3.

This Proposal is governed by and should be construed in accordance with the laws of the State of New York without giving effect to any conflict or choice of law provisions that would result in the imposition of another jurisdiction's law.

This Proposal is being submitted by IFM on the understanding that, subject to applicable law, it will be maintained as confidential by the City and its affiliates, representatives and agents, and that none of the City or its affiliates, representatives or agents may disclose to any person the terms or existence of this Proposal or that discussions or negotiations are taking place between the City and the Team concerning the Airport P3, without the prior written consent of the Team.

Notwithstanding the above, IFM acknowledges the potential application of the Missouri Open Records Act to this Proposal.

10 Appendix A: Comparable Projects

10.1 IFM Airports Portfolio

IFM's portfolio of 16 airports globally, which collectively handle over 160 million passengers annually, is listed below. Please refer also to Section 4 for detail on the Team's proven record of successfully managing and operating large scale airports of a similar nature to STL over a long period of time.



Please refer to Appendix 11.8 for an overview of IFM's full portfolio of infrastructure assets in the United States and across the globe.

10.2 Experience in Developing Commercial and Property Revenue

MAG's Commercial and Property Expertise

The ongoing expansion of non-aeronautical and commercial revenue streams is key focus of MAG's growth strategy, with approximately 60 per cent of its revenue derived from non-aeronautical activities. MAG seeks to achieve this by pursuing development projects, both adjacent to and within its airport footprint, as well as by deploying industry best practice to optimize the yield of its retail and car parking businesses.

MAG seeks to leverage its industry leading expertise in airport development and commercial operations through MAG USA. MAG USA is an airport services business that delivers market-leading commercial solutions across the following service lines throughout the United States:

- **Airport Lounges:** MAG USA provides an award-winning, common use airport lounge offering through its brand, Escape Lounges. MAG USA currently operates 12 lounge contracts in 10 airports and has developed a distribution partnership with American Express.

- **Car Parking:** MAG provides market-leading car parking services, utilizing both its commercial expertise and advanced technology offering. MAG has secured five service contracts as of October 2019 (two in operation to date) and has a strong record of improving both profitability and customer service standards at airport car parks.
- **P3 and Terminal Developments:** MAG seeks to utilize its industry-leading retail and marketing expertise to help airports deliver profitable terminal developments that elevate customer experience standards.

MAG also operates a substantial property business, which manages office, terminal, hangar, warehouse and hotel space across its portfolio.

MAG is a major investor in the Airport City development, with ownership in a joint venture with the Greater Manchester Pension Fund and Beijing Construction Engineering Group (BCEGI), established in October 2013. BCEGI is both an equity and construction partner in the project. The project involves the development of a major business precinct adjacent to Manchester Airport comprising of five million square feet of offices, hotels, logistics, advanced manufacturing and retail facilities. The project represents one of the most significant business precinct developments in the United Kingdom since the 2012 Olympic Park.

The development is divided between North (offices, hotels and advanced manufacturing) and South (logistics) precincts. The South site is complete and anchor tenants were secured on two major road fronting sites and a sale of the remainder of the site completed in July 2017. Infrastructure works to unlock the North site are well progressed, with strong demand for hotel development and a deep pipeline of potential office tenants, including the Hut Group, which has announced plans to develop one million square feet of office space to house its headquarters.

Other Airport and Adjacent Real Estate Developments

IFM also has significant experience in developing airport and adjacent real estate, having supported the development of the following ongoing and successfully completed projects within its airport portfolio:

- **Business Park, Melbourne Airport:** successful development of Australia's largest business park, a commercial and industrial precinct covering 410 hectares. The precinct features global logistics industry leaders such as Toll and TNT. The park has successfully attracted new tenants through investment in enabling road infrastructure and leveraging the benefit of co-location of complementary businesses.
- **Luxury Retail, Melbourne Airport:** development of a luxury retail and dining precinct in 2017, covering 2,000 square meters of floor space in Terminal 2. The precinct has experienced strong trading conditions and enables the airport to better service the strong growth in international passengers, through a highly tailored product offering.
- **Large Scale Retail, Melbourne Airport:** following the success of the Terminal 2 luxury precinct, Melbourne Airport is undertaking a second large scale retail and hospitality redevelopment in Terminal 2. The development will feature four stories, 30 new specialty outlets and increase the airport's Terminal 2 footprint by approximately 15,000 square meters. Works are scheduled to commence in late 2019, targeting opening in 2022.
- **Hotel Development, Melbourne Airport:** currently undertaking the construction of a 464-room 10-story venue in partnership with AccorHotels in "The Hive" precinct, due to open in late 2020. The project is consistent with the airport's co-location strategy applied to real estate development, with the precinct forming as a vibrant dining and recreational center.

- Hotel Precinct, Brisbane Airport: completed key enabling works to facilitate the development of the Brisbane Airport Hotels Centre in 2017. Key infrastructure delivered includes the installation of essential services, a new moving walkway linking the hotel complex and the car parks, and a tiled walkway linking car parking to the skywalk and domestic terminal.
- Auto Mall, Brisbane Airport: currently undertaking an investment in the development of a 50 ha Auto Mall precinct. The Auto Mall is a multi-purpose auto retailing hub that will locate flagship dealerships alongside exhibition and conference activities, hotels, an event area, driver training schools and regional offices around a multi-purpose performance track. The development, due to reach completion in 2021, stimulates commercial activity around the airport on previously unused land.

10.3 Experience in Transitioning Businesses from Public to Private Operation

IFM is a global leader in major public infrastructure transactions and has a record of successfully transitioning businesses from government to private sector operation. IFM has successfully delivered substantial reform to public businesses while constructively engaging with all stakeholders. As part of its due diligence process, IFM will develop a comprehensive plan to ensure a smooth transition for STL.

10.4 Partnership with Governments / Public Entities

IFM has extensive experience working alongside government and public entities through long-term, constructive partnerships. The success of these partnerships is based on an alignment of interests – IFM invests over a long-term horizon on behalf of its pension fund and institutional investors. IFM is therefore committed to the safe and reliable service of its portfolio companies and investing in their long term growth prospects, consistent with the time horizon of its investors.

The public authorities with whom IFM has worked find IFM to be an aligned partner that has the financial capacity to invest in the long-term development of assets, as well as a reliable operator that brings industry best-practice expertise to further augment local management.

Examples of IFM's partnerships with public entities are detailed below.

- **Public-private partnerships** – IFM has invested in a number of public-private partnerships globally, with both Federal and State Governments as counterparties in critical public infrastructure projects. IFM's investments in public-private partnerships include:
 - Manchester Airports Group, in which IFM is a long-term shareholder with direct ownership alongside local municipal council groups as joint shareholders
 - Indiana Toll Road, a critical part of the US transportation network connecting the US Midwest to the Northeast
 - Southern Cross Station, a key metropolitan and regional transport gateway in Victoria, Australia
 - Other public-private partnerships include Wyuna Water (two water filtration plants in New South Wales), Praeco (defense headquarters in New South Wales), Axiom Education (school network in New South Wales) and Perth Courts (district court complex in Western Australia)

- **Market-led proposals** – IFM has demonstrated a proactive commitment to providing innovative solutions to government via unsolicited proposals. These proposals allow key enabling infrastructure to be delivered earlier and in a more cost-effective manner than is feasible without private sector funding.
- **Joint ownership** – IFM has demonstrated an ability to work constructively as a shareholder alongside government and public entities. IFM's current and past experience includes:
 - Ausgrid, in which IFM has worked with the State of New South Wales (which remains a 49.6% shareholder) since 2016.
 - Manchester Airports Group, in which IFM invests alongside the Manchester City Council and nine other local municipal councils
 - Vienna International Airport, which includes co-shareholders such as the State of Lower Austria, the City of Vienna and an employee trust
 - Launceston Airport, in which IFM invests alongside other shareholders including the Launceston City Council
 - 50Hertz, where IFM worked alongside Publi-T, a Belgian municipal holding company, during the period of IFM's ownership
 - Brisbane Airport, in which the Brisbane City Council was a joint owner alongside IFM from 1997 until 2010

While IFM does not expect that the City of St. Louis would hold a shareholder interest in the STL lease concession, IFM is committed to developing a productive partnership with the City as a long-term investor in the St. Louis region.

10.5 Record of Investment in Economic Development

As an owner of critical infrastructure assets over a long-term horizon, IFM understands the importance of supporting the economic development of the communities in which it operates.

IFM will support the City's priority for community and economic development in St. Louis and across the region. Some key examples of IFM's commitment to development within its current portfolio services areas are described below.

United States and the Americas

- **Indiana Toll Road:** IFM has made a significant contribution to the economic development of the State of Indiana since acquiring the asset in 2015
- **Freeport LNG:** IFM is a major equity investor in Freeport LNG, a natural gas liquefaction and export facility located in Freeport, Texas, funding a substantial equity commitment to the \$5 billion Train 2 development. The development has contributed to the creation of approximately 9,000 jobs during the peak of its 5-year construction period and approximately 200 new permanent jobs at liquefaction project facilities.
- **Aleática:** Through its investment in Aleática, a diversified toll road and transport platform, IFM is supporting the development of five critical transportation infrastructure projects across Latin America, creating meaningful jobs and economic activity in local communities.

Australia

- **Ausgrid:** In 2016, IFM led the Ausgrid transaction process, responsible for delivering A\$16.2 billion (\$11.2 billion¹) of gross proceeds to the State of New South Wales. The proceeds have contributed to a Government building and funding program which has delivered more than 100 projects, including public transport and roads, education, health and water initiatives.
- **Brisbane Airport:** the A\$1.3 (\$0.9 billion¹) new runway project is the largest aviation construction project in Australia. The project is responsible for the direct employment of 675 people during peak construction periods. It has been estimated that by 2035, the new runway will lead to the creation of 7,800 new jobs and contribute an additional A\$5 billion (\$3.5 billion¹) in annual economic benefit to the region.

Europe

- **Manchester Airports Group:** Manchester Airport's Transformation Program is expected to create 1,500 jobs during the construction phase.

10.6 Responsible Management of Critical Infrastructure

IFM is focused on managing critical public infrastructure in a manner that is responsible, ethical and respectful of the objectives of all key stakeholders, including local constituents and infrastructure users.

IFM's approach to responsible investment is closely aligned with the United Nations Global Compact, which enjoys global consensus and supports a set of core principles in human rights, labor standards, environment and governance. IFM's commitments to responsible investing also include:

- Signatory to the United Nations supported Principles for Responsible Investment since 2008;
- Adherence to IFM's internal ESG Policy & Responsible Investment Charter; and
- Membership of the Carbon Disclosure Project and the Investor Group on Climate Change.

IFM's Responsible Investment Charter sets out IFM's strategic approach to considering Environmental, Social and Governance ("ESG") factors in investment decisions and ongoing asset management practices.

MAG also adopts a highly sustainable approach to its growth strategy and is committed to being a long-term partner with the local communities it serves. MAG's approach to sustainability has been recognized through the following accreditations:



ISO 14001
(Environmental Management)
Manchester, London Stansted
and East Midlands Airports



ISO 14001
(Energy Management)
London Stansted Airport



Airport Carbon Accreditation
Level 3+ Neutrality
Manchester, London Stansted
and East Midlands Airports



Carbon Trust Standard
MAG



Corporate Certification
Standard
MAG



Community Mark
Manchester, London Stansted
and East Midlands Airport

Key initiatives that IFM supports at its portfolio assets are described below.

¹ Based on AUD/USD exchange rate of 0.69 as of October 29, 2019.

Environmental

IFM is committed to reducing the impact of its portfolio on climate change. IFM collects and benchmarks data from its portfolio assets in order to identify where emissions can be reduced and shares best practices across its assets. Innovative energy efficiency initiatives supported by IFM in its portfolio include:

- MAG, which continues to lead UK airports in the drive to reduce carbon emissions. MAG was the first group to operate carbon-neutral airports in the UK and continues to procure 100% of its electricity needs from renewable sources. MAG has also achieved a 43% reduction in gross carbon emissions per traffic unit over five years. MAG's initiatives include the generation of electricity from wind turbines at East Midlands Airport and recycling of all food at Manchester Airport's terminals. MAG's airports have received ACI's Airport Carbon Accreditation (certifying carbon neutrality) and are certified against the international environmental management standard ISO 14001.
- Darwin Airport, which has developed a 5.5 MW solar project. The facility is the largest airside solar PV site in the world and the largest behind-the-meter system designed and built for a single facility in Australia.
- Melbourne Airport, which is targeting net zero emissions by 2050. This incorporates an interim target of a 20% reduction in energy intensity by 2020 through efficiency measures & smart monitoring systems, transitioning to renewable energy and targeting smart procurement options. The airport is also aiming to deliver 11 MW of on-site solar PV generation by 2021.
- Brisbane Airport, which has invested A\$11 million (\$8 million¹) in a major solar PV project which is the largest rooftop solar panel installation at an Australian airport and the largest commercial rooftop solar system in the Southern Hemisphere. Since 2012, Brisbane Airport has also had an extensive energy reduction program in place, resulting in the completion of 40 projects which collectively save more than 8 GWh per year. The energy saving initiatives are consistent with Brisbane Airport's targeted 25% reduction of 2017 carbon emissions by 2025.

Safety

Safety for customers and employees is the highest priority for IFM and its portfolio assets. IFM regularly conducts safety reviews at its assets and shares knowledge across the portfolio through periodic safety round tables. Following the completion of all new investments, IFM conducts a third-party safety audit and provides resources for continual safety improvement.

Please refer to Section 4.3 for an overview of IFM and MAG's strong commitment to providing safe and efficient operating conditions for airlines and airport users. Other examples of safety initiatives supported by IFM include:

- Indiana Toll Road's intelligent transportation systems project, which went live in 2018. The project included deployment of technologies aimed at reducing accidents along the ITR such as variable speed signs. As a result, the business observed an 11% reduction in incident frequency and 26% reduction in lane closure times. The company is also undertaking pilot programs to reduce truck rollover incidents and wrong-way accidents.
- Anglian Water, which has been recognized by the Royal Society for the Prevention of Accidents and awarded 'Gold' for their excellent health and safety performance. Anglian has significant safety controls

¹ Based on AUD/USD exchange rate of 0.69 as of October 29, 2019.

in place, including the company's ISO 450001-certified Safe and well management system and an internal audit program.

- Freeport LNG, which has delivered an excellent safety record over the years of construction of the large-scale Train 2 project. This record has been supported by extensive employee training and a focus on safety as a number one priority. Employees are trained in the Federal Emergency Management Agency's National Incident Management System (NIMS) and commit to our Behavior-Based Safety Program and SafeStart / SafeTrack training, ensuring a constant commitment to safety awareness.

Social

IFM believes diversity and inclusion across the workplace drives better performance outcomes. In 2018, IFM undertook a diversity study across its portfolio companies to identify way to improve gender and racial diversity. Examples of this commitment within IFM's portfolio include:

- MAG, which has monitored the gender pay gap for the last five years and seeks to ensure that opportunities at the airport are open to all. To do this, MAG has:
 - Stipulated that its partnership with construction firm Laing O'Rourke on the Manchester Transformation program will support 150 apprenticeships, support 1000 jobs and that 50% of these roles must be local to the project, supporting the local economy.
 - Trialed name/gender blind screening at East Midlands Airport, with a view to finding the best ways to ensure equal opportunities to work at MAG.
 - Created unconscious bias training programs.
 - Commissioned a review of all MAG employment and promotion practices to receive independent recommendations on areas for further improvement.
- Indiana Toll Road, which in 2018 maintained strong representation of women in management and supervisory roles (59% vs. the national average of 47%), as well as favorable veteran (9%) and racial diversity (20%) metrics.
 - The company also received the 2017 Glass Hammer Award in recognition of its commitment to gender diversity and programs directed at successfully promoting women leaders within the organization.

Community Initiatives

IFM encourages its portfolio companies to maintain active engagement and investment in the communities in which they operate, being key partners in their long-term sustainable growth. A salient example is MAG, which adopts a highly sustainable and community-focused approach to its growth strategy. MAG's key community investment initiatives during 2018 include:

- Direct financial investment of £0.9 million (\$1.2 million¹) in local community projects surrounding the airport precincts.
- Employee volunteering, with approximately 17% of MAG staff contributing 12,390 hours in support of local charities and community groups.

¹ Based on GBP/USD exchange rate of 1.29 as of October 29, 2019.

- Ongoing support of corporate charity partner CLIC Sargent, which works to help families dealing with childhood cancer, as part of a multi-year £1 million (\$1.3 million¹) partnership.
- Contribution of £0.3 million (\$0.4 million¹) to arts and cultural activities of local cities, such as the Hallé Orchestra, which runs workshops in local schools.
- London Stansted's commitment to the Armed Forces Covenant, supporting both serving and retired military personnel and reservists.

MAG's record of community engagement and investment is consistent with the approach adopted across IFM's airport's portfolio:

- Brisbane Airport donates A\$0.5 million (\$0.3 million¹) annually to a number of charitable organizations in the local community, including the Royal Flying Doctor Service and Surf Life Saving Queensland.
- Melbourne Airport invests in educational, employment and environmental programs across local neighborhoods through its dedicated community fund. This includes support of organizations such as Western Chances, through which the airport is funding 500 scholarships valued at A\$0.4 million (\$0.3 million¹) for local students and the A\$0.1 million (\$0.1 million¹) Community Grants program, which supports education and employment programs for new migrants and disadvantaged youth in local areas.

Governance

IFM aims to establish governance frameworks that are ethical and meet best practice at its portfolio companies, regularly undertaking portfolio-wide reviews to apply learnings across the business. IFM considers best practice to be demonstrated by companies that, in addition to complying with all local and national laws, have policies and processes in place for:

- Providing an accurate and true representation of the company's financial position and status.
- Fostering business activity which builds shareholder value and sustainable long-term investment.
- Appointing Boards with a diverse mix of gender, skills, experience and competency.
- Implementing remuneration structures aligned to the delivery of company strategy, long-term performance and shareholder value creation.
- Identifying and managing all material risk factors, including ESG risks.

A strong example of a best practice governance framework is MAG's approach to Corporate Social Responsibility (CSR). To make sure CSR is managed strategically and embedded across the organization, MAG has a CSR committee which is a sub-committee of the Group Board, which ensures the successful integration and delivery of CSR activities across the business. In addition, MAG maintains transparency with respect to its CSR initiatives through publications such as the CSR Report, a modern slavery statement, gender pay gap report and disclosures within the Global Reporting Initiative (GRI) index.

¹ Based on AUD/USD exchange rate of 0.69 as of October 29, 2019.

10.7 Record of Collaboration with Unions and Labor

IFM is owned by pension funds investing on behalf of millions of workers and is committed to working constructively with labor in the context of its role and responsibilities as a fund manager. IFM has its roots in the development of the compulsory superannuation system in Australia, an initiative for providing retirement savings for workers.

10.8 IFM's Infrastructure Portfolio

Asset Ownership – IFM Global Infrastructure Fund	
Asset	Description
 Colonial Pipeline	<ul style="list-style-type: none"> ▪ Largest refined petroleum products pipeline in the United States ▪ Transports products from refineries in the Gulf Coast to the Southeast, Mid-Atlantic and Northeastern US
	<ul style="list-style-type: none"> ▪ Natural gas liquefaction and export facility being developed by Freeport LNG Development L.P. in Freeport, Texas ▪ IFM was chosen as Freeport LNG's preferred partner on Train 2 in 2013 ▪ Subsequent to the Train 2 transaction, IFM made two follow-on investments across the Freeport LNG capital structure
	<ul style="list-style-type: none"> ▪ VTTI owns 13 marine terminals on five different continents that provide import, export and storage infrastructure for oil majors, refiners and commodity marketers ▪ IFM is partnered with top-tier strategic Vitol
	<ul style="list-style-type: none"> ▪ Indiana Toll Road is a 157-mile, divided highway that spans northern Indiana, from its border with Ohio to the Illinois state line near Chicago ▪ Core US transportation asset serving as a critical part of the US freight distribution and national transportation network
	<ul style="list-style-type: none"> ▪ Portfolio of district heating and cogeneration companies in Poland ▪ #1 in Polish district heating (by market share) and #3 in Polish cogeneration (by market share) ▪ Strategic partner in Veolia (through Dalkia International)
	<ul style="list-style-type: none"> ▪ Regulated water and wastewater company, servicing over 6 million customers ▪ Fourth largest water supply and sewerage company in England and Wales by Regulated Capital Value
	<ul style="list-style-type: none"> ▪ Largest independent telecommunication infrastructure provider in the UK with a monopoly position in terrestrial broadcasting ▪ Business lines include: UK digital TV transmission towers, Satellite and optical fiber infrastructure for media, Wireless sites for mobile operators
	<ul style="list-style-type: none"> ▪ Manchester Airports Group is one of the top three airport operators in the UK, handling approximately 62m passengers p.a. across Manchester, London Stansted and East Midlands airports ▪ Essential infrastructure assets with Manchester and Stansted being the 3rd and 4th largest airports in the UK respectively
	<ul style="list-style-type: none"> ▪ Vienna is the primary airport in Austria and a gateway to Eastern Europe, handling more than 22 million passengers p.a. ▪ Attractive catchment area and modern infrastructure within a light touch regulatory regime and a stable macroeconomic environment
	<ul style="list-style-type: none"> ▪ Aleática is a diversified portfolio of transportation infrastructure assets in Spain and Latin America ▪ Aleática holds interests in 19 concessions, including 14 toll roads, 3 port terminals, 1 light rail system, and 1 airport
	<ul style="list-style-type: none"> ▪ M6toll is a 27 mile, dual three-lane tolled motorway in the West Midland region of the UK ▪ Critical component of the UK road network; M6toll sits within a key traffic corridor linking the South and North

Asset Ownership – IFM Global Infrastructure Fund



- Mersin International Port is a major port located on the northeastern coast of the Mediterranean Sea in southern Turkey
- Strategically positioned at the intersection of major maritime shipping routes from the Mediterranean, Western Europe, the Far East and North America



- FCC Aqualia is a leading Spanish water company covering the entire water sector value chain, from the engineering and development of new water infrastructure projects through to the management of water network concessions
- 4th largest European private water management group and among the top 10 worldwide based on population served, serving 23 million people


















- Global Container Terminals is the operator of four container terminals in two prime North American ports – New York/New Jersey and Vancouver
- Terminals are located in strategic locations with large catchment areas and enduring physical connectivity advantages



- Impala Terminals is a diversified portfolio of essential base metals terminal infrastructure assets primarily in Peru, Spain and Mexico
- IFM is partnered with Trafigura, one of the world's largest independent energy and commodity logistics businesses and a premier global trader of base metals

Asset Ownership – IFM Australian Infrastructure Fund

Asset	Description
	<ul style="list-style-type: none"> Australia Pacific Airports Corporation operates Melbourne Airport and Launceston Airport - operations extend to aeronautical, retail, commercial and property development activities
	<ul style="list-style-type: none"> Brisbane Airport and its operations extend to aeronautical, retail, commercial and property development activities
	<ul style="list-style-type: none"> Operated by Westralia Airport Corporation, which acquired a 99-year lease in 1997. IFM Investors acquired an interest in Perth Airport through its investment in the Perth Airport Property Fund
	<ul style="list-style-type: none"> Interlink Roads owns and operates the 14 mile motorway, M5 South West Motorway (M5) in Sydney under a lease agreement
	<ul style="list-style-type: none"> Airport Development Group obtained a 50-year lease (with 49 year extension option) in 1998 from the Federal Government for Darwin International Airport, Alice Springs Airport and Tennant Creek Airport
	<ul style="list-style-type: none"> Fifth largest airport in Australia by passenger numbers and the primary air traffic gateway to South Australia
	<ul style="list-style-type: none"> Southern Cross Station is Melbourne's only true transport interchange, with the interaction of trains, buses, coaches, taxis and trams
	<ul style="list-style-type: none"> Wyuna Water comprises water filtration plants in Illawarra and Woronora in New South Wales
	<ul style="list-style-type: none"> Axiom Education owns nine schools in New South Wales acquired under a PPP model for a concession term of 30 years. Its primary income stream is a concession arrangement with the New South Wales Government, through the Department of Education and Training
	<ul style="list-style-type: none"> IFM owns Western Liberty Group which was contracted to design, construct, finance, operate and maintain the Perth CBD Courts Project in Western Australia
	<ul style="list-style-type: none"> IFM Aged Care Financing Trust owns an aged care facility located in Victoria
	<ul style="list-style-type: none"> IFM owns 100% of Praeco Pty Ltd which was contracted to design, construct, finance, operate and maintain the purpose-built Defence Headquarters Joint Operations Command in Bungendore, ACT
	<ul style="list-style-type: none"> Principal gateway for imports and exports into south east Queensland and northern New South Wales
	<ul style="list-style-type: none"> NSW Ports, owns the 99-year leases over Port Botany and Port Kembla, which are located in New South Wales and serve the largest population base in Australia
	<ul style="list-style-type: none"> Ausgrid delivers energy to 1.7 million customers, in a network area spanning over 8,500 square miles across the Sydney, Central Coast and Hunter regions in New South Wales Network comprises over 2,400 miles of transmission and sub-transmission lines, 18,000 miles of overhead distribution lines and 9,300 miles of underground distribution cables