



Bouncing Forward

2021 Annual Report



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A word from the President and the Chair





Bouncing forward...

In February 2020, just a few weeks before the global COVID-19 pandemic began, we gathered all our employees to present a five-year strategic plan that aligned with the expectations of greater Québec City area residents. We were planning to invest all of our energy in developing air routes and engaging the community and our stakeholders. A wide range of actions followed; our employees were ready and more eager than ever to take up this great challenge.

Then came the pandemic, the magnitude of which no one could have predicted, and it had catastrophic consequences for our organization and the industry as a whole. Border closures, travel restrictions, plummeting passenger traffic, fewer flights... many barriers have stood between us and our dream of making YQB an airport of choice by fostering a human element that is as ambitious as its region, connected to the needs of its passengers, and a source of pride for the entire population.

Although our growth was brought to a sudden halt and our organization was greatly weakened by this crisis, our teams never gave up. In December 2020, just a few months after the pandemic began, YQB unveiled a plan to revive airport operations and diversify its sources of revenue while strengthening its role as a driver of regional economic development. While the pandemic has forced us to review our game plan, our commitment and ambitions have remained intact: we remain dedicated to increasing the number of flights and destinations and giving

ourselves all the leverage we need to contribute to the vitality of our community and our greater region.

For YQB, the impacts of this pandemic are, of course, clear from the historic decline in our passenger traffic and the significant financial losses we experienced. However, this turbulent period has also solidified our desire to bounce forward and our boundless determination to succeed so that our organization can emerge from this crisis as quickly as we entered it.

Thanks to our determination, we have been able to minimize the repercussions of the pandemic, not only this year, but in the future as well.

...With determination

In early 2021, we projected that the year would be dreadful in terms of passenger traffic. Far from the 1.8 million passengers we saw in 2019 and the 535,000 that visited in 2020, we expected to receive as few as 100,000 people for this second year of the pandemic.

Faced with this disastrous situation, which would have resulted in an estimated 50 million dollars loss for that year alone, we did everything we could to bring life back to the terminal as soon as possible. As a result, we have never been as close to our airlines as we were while we weathered this storm.

The announcements of new routes to Québec City over the past year have not been a matter of luck. Far from it! Beyond the immense efforts from our team and our partners to convince airlines to invest in Québec City during the worst financial crisis they have ever experienced, the airlines themselves are sending a clear message: Québec City is worth it. After all, they are aware that investing in our market comes with risks, and they chose us anyway.

Now that we can finally start travelling again, it is essential that people from the greater Québec City area fly out of YQB. This is the only way to show our airlines that they are right to trust us. In the meantime, our teams are continuing to work hard to ensure the success of all of our new routes.

...With aplomb

Thanks to our determination, we have been able to minimize the repercussions of the pandemic, not only this year, but in the future as well. In fact, we were relieved to welcome three times as many passengers as we anticipated at the beginning of the year—353,203—limiting the loss for 2021 to \$29.6 million.

The long-term forecasts, however, remain grim. Despite its immense efforts, YQB will likely have to wait five years to return to 2019 traffic levels and stands to cumulate losses of \$100 million by the time it returns to profitability.

For that reason, in 2021, YQB concluded a financing agreement with its lenders allowing it to take on a maximum of \$150 million in additional debt from private financial institutions. This amount is deemed sufficient to ensure the delivery of essential services and carry out the necessary infrastructure projects, as set out in its capital program, until it returns to profitability.

Despite the challenges we face, we have made the strategic choice not to increase airport improvement fees and general aviation fees at Québec City Jean Lesage International Airport in 2022, for the fifth consecutive year. While these decisions will not be without impact on our bottom line, we hope that they will also drive our recovery.

...And with unwavering commitment

More than ever, it is clear that YQB cannot go alone to actively play its role as a driver of economic development and to serve the people of the greater Québec City area, as well as northern and eastern Québec. The organization has obtained the financial means to get through this crisis, but it is weakened and the debt is not inconsequential. It is clear that we will not be able to complete our key projects and develop our routes without the support from all levels of government, not to mention key players in the region's economic and touristic development.

Already, in 2021, the federal government announced nearly \$17 million in funding to support YQB's recovery. Of that, the \$12.5 million announced under the National Trade Corridors Fund allows YQB to take a giant step towards creating the intermodal logistics (cargo) platform, a flagship project in our post-COVID recovery plan. Valued at \$25 million, this project consists of building an intermodal airfreight centre on the site of the Québec City airport. For airports that have the necessary infrastructure, airfreight will be a lifeline for emerging stronger from the crisis. Given that passenger flights will recover slowly, the financial contributions of airfreight will also be essential to the viability of routes, particularly regional routes. Airlines will be able to use YQB's intermodal logistics platform to facilitate their airfreight operations and boost their revenue. Currently, more than 96% of Québec's air cargo is handled in Montréal. YQB only handles a little over 1%. Knowing that the airport—and the entire Capitale-Nationale region—will be left behind if it does not equip itself with the right infrastructure, we seized this opportunity to accelerate our recovery.

As for the Québec government, it, through the Ministry of Tourism, has provided YQB with \$2 million in funding. Those funds help drive our efforts to develop direct international routes to Québec City. Announcements such as the arrival of Air France in Québec City in 2022 and the addition of a European destination (London) by Air Transat are no stranger to such support. These funds allow us to continue canvassing and take part in airlines' promotional activities to ensure the success and sustainability of their routes.

Beyond these financial contributions, we are privileged to have the support of a community that wants to develop and see its airport bounce forward as much as we do. In fact, our recovery plan has received 94% support from the Québec City area business community. This mark of confidence only fuels our desire to work even harder to serve our region and live up to its expectations.

Finally, beyond the invaluable financial support we have received, the speed of our recovery remains closely linked to the choices travellers in our region make. Prior to the pandemic, YQB was losing over one million passengers a year to other airports. That is no small number, seeing as YQB welcomed nearly 1.8 million passengers in 2019. While everyone would like more route options, it is important to recognize that carriers will continue responding if, and only if, they consider a route viable in a given market. More than ever, we must reach out to all potential passengers to help YQB succeed and maximize its potential. By choosing to fly out of Québec City, the people in the region can play a major role in that success.

In February 2020, our employees rallied around a strategic plan that focused on developing routes. Then the global pandemic came along, completely changing the rules of the game and weakening key players in our industry. Like many businesses, we have gone through a turbulent period where only uncertainty was certain. Our industry was the first to be paralyzed by this pandemic and will clearly be the last to recover. For our team, however, shifting our focus has been out of the question.

Pandemic or not, we continue to do everything we can to regain our momentum and increase flights into and out of Québec City. We are also counting on the realization of the five key projects included in our recovery plan, including that of setting up a pre-clearance center at the Québec City airport, a project that remains essential for the long-term development of YQB.

And as we take stock, we can see that the hard work of our teams and partners has resulted in a lot of good news for the people of the greater Québec City area. Our employees have had to show great resilience since the beginning of this crisis, but we couldn't be prouder of their determination, their aplomb, and their unwavering commitment. That is the reason YQB is bouncing forward today.

André Boulanger, ICD.D, BASc, MASc
Chairman of the Board of Directors

Stéphane Poirier
President and CEO



Board Members as of December 31, 2021



ANDRÉ BOULANGER
IC.D, B.A.Sc, M.A.Sc

Board Chair
Ex-officio Member
of All Committees
City of Québec
Board Member since 2019



DR LYNE BOUCHARD
Ph. D, MBA, IC.D, CGEIT

Vice Chair
Ex-officio Member
of All Committees
Vice-rector, human resources
Université Laval
Coopted
Board Member since 2020



ERIC BERGERON
Eng., M.Sc.

Risk management,
Security and Environment
Committee Member
Founder and CEO
Flyscan Systems inc.
Chambre de commerce
et d'industrie de Québec
Board Member since 2020



SOPHIE-EMMANUELLE CHEBIN
LL.L, MBA, IC.D

Risk management,
Security and Environment
Committee Chair
Associate and co-founder
Arsenal conseils, Governance
and strategic consulting
City of Lévis
Board Member since 2019



DIANE DERY
ASC

Planning and development
Committee Member
Corporate director
Chambre de commerce
et d'industrie de Québec
Board Member since 2019



JEAN-YVES GERMAIN

Planning and development
Committee Member
Co-Président
Groupe Germain Hôtels
City of Québec
Board Member since 2019



MARJOLAINE GIASSON
CPA, CA, MBA, ASC

Audit Committee Member
Senior Vice President, CFO
La Maison Simons
Government of Canada
Board Member since 2019



M^{re} JÉRÔME JOLICOEUR
Lawyer, LL.M.

Nominating, Governance
and Human Resources
Committee Member
General Manager
Groupe Commercial AMT inc.
Vice President, General Manager
Groupe immobilier Tanguay inc.
Vice President
Resort hôtelier Entourage
sur-le-Lac
Chambre de commerce de Lévis
Board Member since 2021



MARTHE LACROIX
FICA, FGAS, ASC

Risk management,
Security and Environment
Committee Member
Corporate director
Chambre de commerce
et d'industrie de Québec
Board Member since 2021



MARTIN LAFRANCE
MBA

Nominating, Governance
and Human Resources
Committee Member
Co-promoter
Festivent Ville de Lévis
Co-founder and Board Chair
Evenma and Cyprex
President and co-founder
UEAT Technologies Inc.
City of Lévis
Board Member since 2019



MAXIME LAVIOLETTE
MBA

Nominating, Governance
and Human Resources
Committee Chair
General Manager
Dessercom
Coopted
Board Member since 2018



M^{re} PIERRE RIVARD
ASC, Lawyer

Nominating, Governance
and Human Resources
Committee Member
Partner
Rivard Fournier Avocats
Government of Québec
Board Member since 2020



THOM SKINNER
CPA, CA

Audit Committee Chair
Corporate director
Government of Canada
Board Member since 2018



MICHEL TREMBLAY
FSA, FICA, CFA

Audit Committee Member
President
Morane Capital inc.
City of Québec
Board Member since 2021



STÉPHANE POIRIER
MBA

President and CEO
Aéroport de Québec inc.
Board Member since 2019

MISSION

Offer quality, efficient and secure services and infrastructure capable of sustaining growth in air traffic to consolidate our role as a major socioeconomic force in the greater Québec City area

VISION

Make YQB an airport of choice that operates on a human scale and is as ambitious as its region, connected to the needs of its passengers and a source of pride for the entire population

VALUES

Integrity

We show a strong sense of ethics and duty, respect our commitments, demonstrate transparency and take responsibility for our decisions and actions.

Efficiency

We use our human, material, informational and financial resources judiciously to achieve our organizational objectives.

Collaboration

We promote teamwork and synergy within our organization and with all our stakeholders.

Customer care

We respond diligently and efficiently to the needs of our passengers, airlines, tenants and vendors.



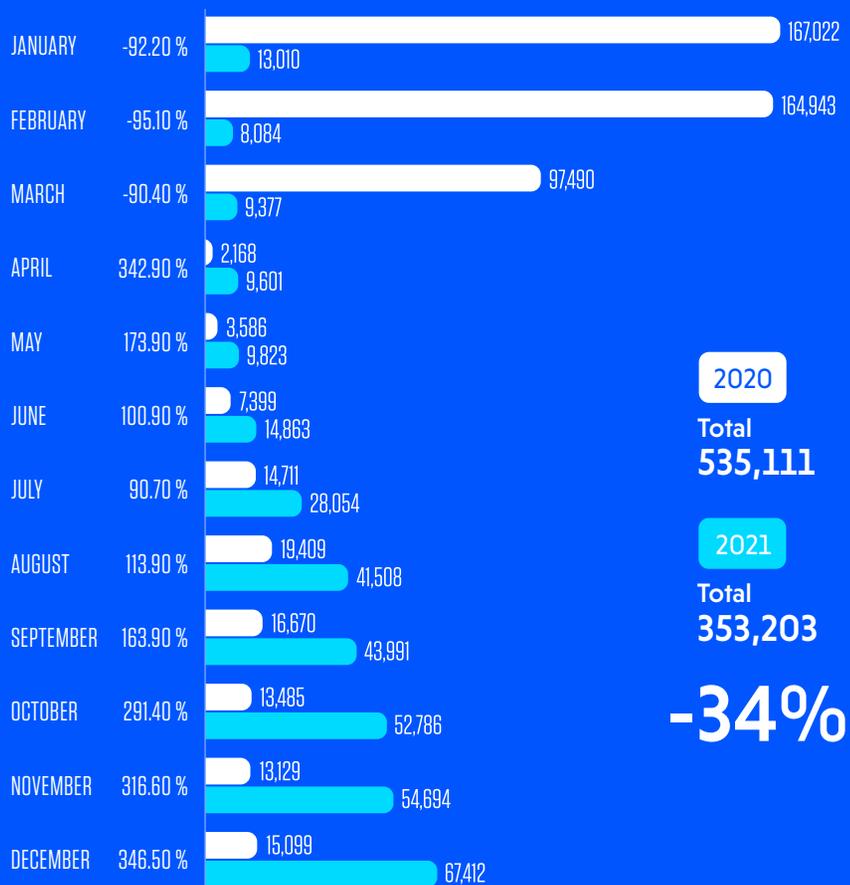
2021 Highlights



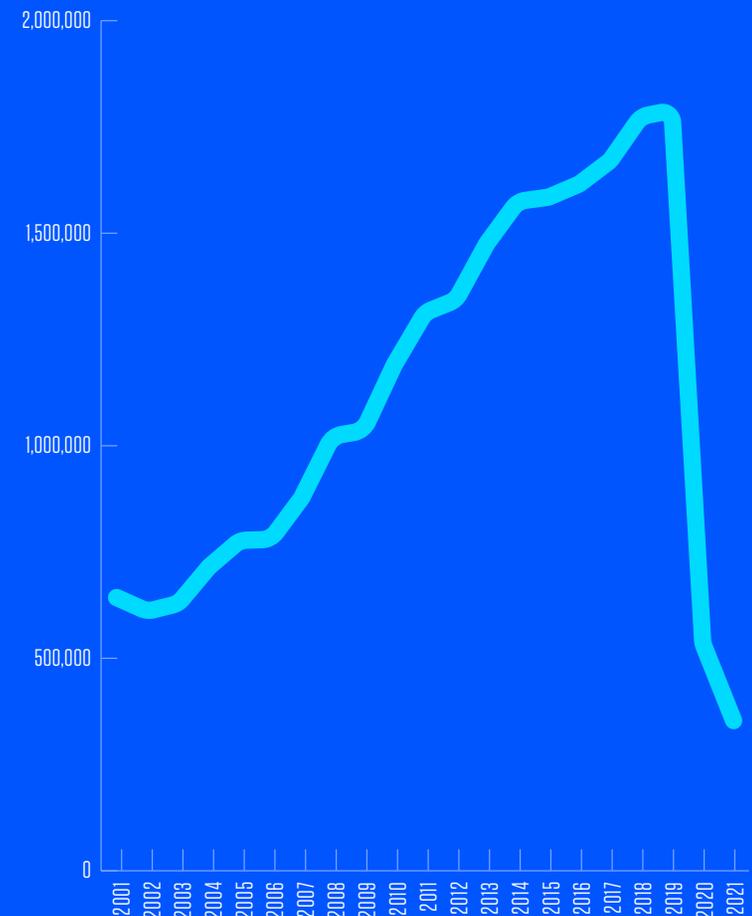
This second year of the pandemic has brought its share of challenges and multiple hazards. Week after week, the YQB teams adapted and kept their eyes on the goal of multiplying the successes to allow the organization to bounce back as quickly as possible.

Open 24h / 24 7d / 7 • 365d / year

Passengers travelling through YQB, by month: 2021 and 2020



Passengers travelling through YQB, by year: 2001–2021



January

13,010 passengers ↓

Government of Canada

January 6, 2021 – New pre-departure screening requirements for COVID-19 come into effect for all travellers arriving in Canada by air

The Government of Canada requires that all travellers above the age of 5, regardless of citizenship, provide airlines with proof of a negative laboratory test for COVID-19 before boarding a flight to Canada.

February

8,084 passengers ↓

Government of Canada

February 3, 2021 – All international flights are funnelled to four airports: Montréal-Trudeau (YUL), Toronto-Pearson (YYZ), Calgary (YYC), and Vancouver (YVR)

Airlines are no longer allowed to operate international flights into or out of YQB until further notice.

February 24, 2021 – Presentation of the recovery plan to Québec City's chamber of commerce and industry

Stéphane Poirier, President and CEO, presents YQB's structural recovery plan during a virtual conference organized by Québec City's chamber of commerce and industry (the Chambre de commerce et d'industrie de Québec – CCIQ) and several other chambers of commerce in the region. Nearly 300 people attend.



March

9,377 passengers ↑

March 9, 2021 – 94% support for YQB's recovery plan

The CCIQ unveils the results of an internal survey. The results are clear: YQB's recovery plan is one of the most desirable projects in the region, with 94% support. This clear result proves the necessity and the importance of quickly starting the development projects named in the plan.

April

9,601 passengers ↑

April 29, 2021 – YQB unveils its 2020 results at its annual public meeting

The air travel sector is one of the hardest hit by the pandemic. At its annual public meeting on April 29, 2021, YQB releases financial results for 2020 that reflect this.



May

9,823 passengers ↑

Government of Canada

May 11, 2021 – New support programs for Canadian airports

The Government of Canada announces new funding programs to support Canadian airports. YQB becomes eligible to receive financial assistance under the Airport Relief Fund and the Airport Critical Infrastructure Program. Teams begin working on applications to make sure the airport receives its fair share.

"I am proud to have contributed, in my own way, to YQB submitting a solid case in order to receive funding for projects that aim to maintain safety standards and improve the airport's ability to create gains and operational efficiency. Several different teams needed to coordinate to gather all the necessary information by the deadlines."

Caroline Vezeau

**Administrative Coordinator,
Strategy and Development**

May 31, 2021 – \$150 million financing agreement

In June, YQB concludes a financing agreement that allows it to take on \$150 million in debt, an amount deemed sufficient to ensure the delivery of essential services and carry out the necessary infrastructure projects, as set out in its capital program, until it returns to profitability.





June

14,863 passengers ↑

Government of Canada

June 21, 2021 – Announcement of relaxed border requirements for vaccinated travellers

The Government of Canada announces the details of the first phase of its approach to easing border measures for travellers entering Canada. As of July 5, 2021, fully vaccinated travellers who are allowed to enter Canada will no longer be subject to the federal requirement to quarantine or test for COVID-19 eight days after their arrival.

June 21, 2021 – Signing of a new collective agreement with the ARFF

YQB management and union representatives draw on their desire to cooperate to sign a satisfactory agreement in principle on the Aircraft Rescue and Fire Fighting (ARFF) service collective agreement.

June 28, 2021 – WestJet resumes its Québec City–Toronto route

After pausing its operations at YQB due to the pandemic, the Canadian airline resumes its routes to Ontario's biggest city, thereby giving Québec City area residents access to the airline once again.

June 30, 2021 – Origine Bar et Sandwicherie par Nicolas Nourcy reopens

Located in the heart of the terminal since 2018, Origine had reduced and then paused operations in the spring of 2020 due to the significant drop in passengers. However, in June 2021, the concession began providing meals and drinks to passengers and the airport community once again.

July

28,054 passengers ↑

July 5, 2021 – PAL Airlines opens French-language reservation centre at YQB

The Airport welcomes PAL Airlines employees to its premises in July as the fast-growing Canadian carrier sets up a French-language reservation centre.

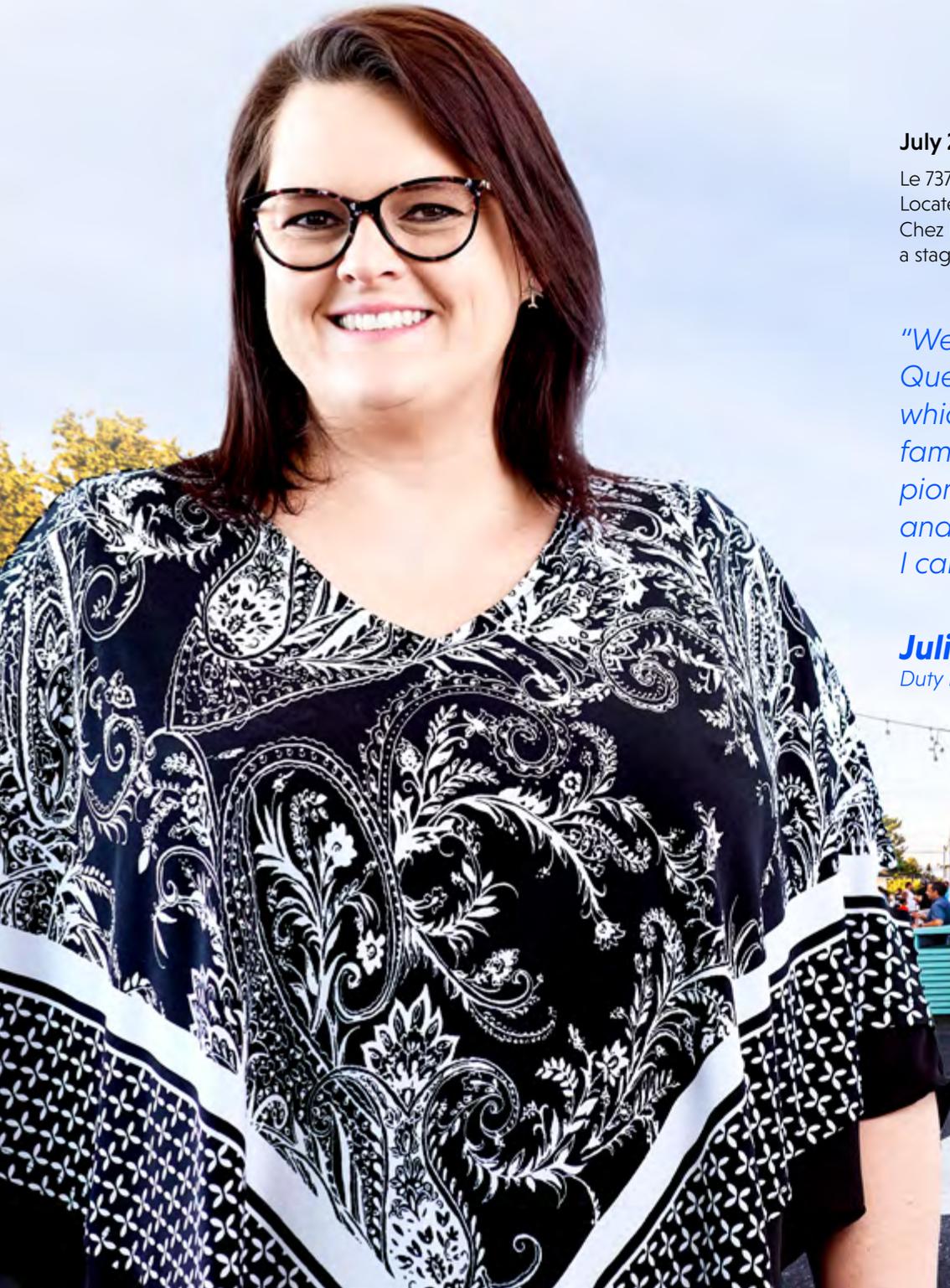
July 6, 2021 – Community Advisory Committee

Our President and CEO meets with key players in the greater Québec City area's economic and tourism development as part of the Community Advisory Committee.

Government of Canada

July 6, 2021 – Border restrictions begin to ease

Fully vaccinated travellers entering Canada are no longer subject to the federal requirement to quarantine or test for COVID-19 eight days after their arrival. In addition, fully vaccinated air travellers are no longer required to stay in a government-approved hotel. YQB is still unable to receive international flights.



July 24, 2021 – Le 737 opens

Le 737 is a unique experience for families and greater Québec City area residents. Located on 9^e Rue de L'Aéroport, the site is home to a Chocolats Favoris, a Chez Mag snack bar location, a Mexican food concept from La Cage, a bar, a stage, and a flight simulator.

"We are truly fortunate to have Le 737 here at the Québec City airport. I was able to see this new place, which is perfect for spending time with friends and family, for myself last summer. I loved it! Le 737 is a pioneering concept: it's constantly transforming, and it lets people discover the airport environment. I can't wait to see what happens next!"

Julie Hudon
Duty Manager, OCC



August

41,508 passengers ↑

August 1, 2021 – Air Transat inaugurates its first direct flight between Québec City and Vancouver

After several difficult months, YQB enthusiastically welcomes Air Transat's passengers and crew back for the airline's inaugural flight to Vancouver.

August 5, 2021 – L'atelier par Lave-Auto Mobile opens at YQB

The Québec City area company, which has been in business for over 15 years, now offers its services at the airport. It is located on the second level of the parking garage. The company prides itself on its state-of-the-art tools and outstanding service.

Government of Canada

August 6, 2021 – Transport Canada confirms financial support for YQB's recovery

The Minister of Transport, the Honourable Omar Alghabra, and the then President of the Treasury Board, the Honourable Jean-Yves Duclos, announce that the Government of Canada will provide nearly \$17 million to support Québec City Jean Lesage International Airport's recovery.

The \$12.5 million in funding announced under the National Trade Corridors Fund allows YQB to take a giant step towards creating the intermodal logistics (cargo) platform. Estimated at \$25 million, this project involves building an intermodal airfreight centre at YQB so that goods can be transported by air or truck, then transhipped. The \$4.2 million in the Airport Relief Fund will be used to fund a portion of our core operations.

Government of Canada

August 9, 2021 – Double-vaccinated Americans allowed to enter Canada; YQB is allowed to resume international flights

Canada once again allows fully vaccinated American travellers to enter the country for non-essential travel. International passenger flights are permitted to land at five additional Canadian airports, including the Québec City airport.

September

43,991 passengers ↑

Government of Canada

September 7, 2021 – Canadian border opens to all fully vaccinated travellers

The government opens Canada's borders to all fully vaccinated travellers for non-essential travel.



The Minister of Transport, the Honourable Omar Alghabra, the then President of the Treasury Board and Member of Parliament for Québec, the Honourable Jean-Yves Duclos and the President and CEO of YQB, Stéphane Poirier on the occasion of the announcement of financial support from Transport Canada.

September 11, 2021 – New partners move into the international arrivals area

YQB works with the Public Health Agency of Canada, the Canada Border Services Agency, Transport Canada, and their accredited screening partner to implement the measures needed for the airport to welcome international travellers once again.

"In a matter of weeks, we coordinated the arrival of PHAC and its accredited screening partner to prepare for the return of international flights at YQB. I'm incredibly proud of this accomplishment; it was a transversal project that involved many different teams. We were able to meet tight deadlines and integrate the new teams effectively. In spite of the constraints, everyone worked together wonderfully, always focusing on our goal to provide our passengers with the best service there is."

Marie-Pier Dubé
Assistant Manager, OCC



September 12, 2021 – International flights resume at YQB

The highly anticipated return of international flights to YQB begins with Air Transat's first flight to Fort Lauderdale.

September 13, 2021 – Porter Airlines returns

The carrier resumes its daily flights between Québec City and Billy Bishop Toronto City Airport, providing direct access to downtown Toronto for vacationers and the region's business community.

October

52,786 passengers ↑

October 4, 2021 – International tourists greeted by new welcome wall

YQB and Destination Québec cité collaborated on the installation of a backlit wall displaying some of Québec City's highlights at the exit of the customs area. YQB is proud to offer this space to Destination Québec cité, giving travellers a taste of our beautiful destination and promoting the region's tourism brand for years to come.

Government of Canada

October 6, 2021 – New vaccination requirement for the airline industry

Prime Minister Justin Trudeau and Deputy Prime Minister Chrystia Freeland announced that as of October 30, all employees of the airport authority, partners, tenants, concession operators, and suppliers working in the terminal or secure area of Québec City Jean Lesage International Airport will need to be fully vaccinated. Additionally, all travellers aged 12 years and older will need to be vaccinated to board domestic, transborder, or international flights departing from Canadian airports.

October 7, 2021 – Launch of YQB+ incentive program for travel agents

YQB presents its new YQB+ program to 200 travel agents in the greater Québec City area. YQB+ offers agents more attractive rates on parking and the V.I.P Lounge by Club Med, as well as commissions for clients who prepay for services at Québec City Jean Lesage International Airport.

October 21, 2021 – Air Canada announces two new routes between Western Canada and Québec City

During a conference held by YQB at the Québec City chamber of commerce and industry, Lucie Guillemette, Executive Vice President and Chief Commercial Officer of Air Canada, announced that the airline would be opening two new routes to Calgary and Vancouver in the summer of 2022.

Government of Canada

October 22, 2021 – Government of Canada lifts advisory for Canadians to avoid non-essential travel outside the country

YQB welcomes the news, knowing that the lifting of this advisory will promote the resumption of travel.

October 25, 2021 – Air Transat announces direct flights between Québec City and London

The airline will offer exclusive weekly non-stop service between Québec City and the British capital. From May 11, 2022, to September 28, 2022, travellers from the Capitale-Nationale region will be able to enjoy one direct flight per week to London Gatwick Airport, making it easier than ever to discover the popular European destination. British tourists also gain direct access to the magnificent city of Québec.

October 25, 2021 – Ministry of Tourism announces financial support for YQB

The Minister of Tourism and Minister responsible for the Lanaudière and Bas-Saint-Laurent regions, Caroline Proulx, announces \$2 million in support for Québec City Jean Lesage International Airport to help it develop direct international routes to Québec City.



Joseph Adamo, Chief Sales and Marketing Officer at Transat, Stéphane Poirier, President and CEO of YQB, Geneviève Guilbault, Deputy Premier, Minister of Public Security and Minister responsible for the region of the Capitale-Nationale, Caroline Proulx, Minister of Tourism and Minister responsible for the Lanaudière and Bas-Saint-Laurent and Robert Mercure, General Manager of Destination Québec cité, on the occasion of the announcement of a new direct service between Québec City and London offered by Air Transat.

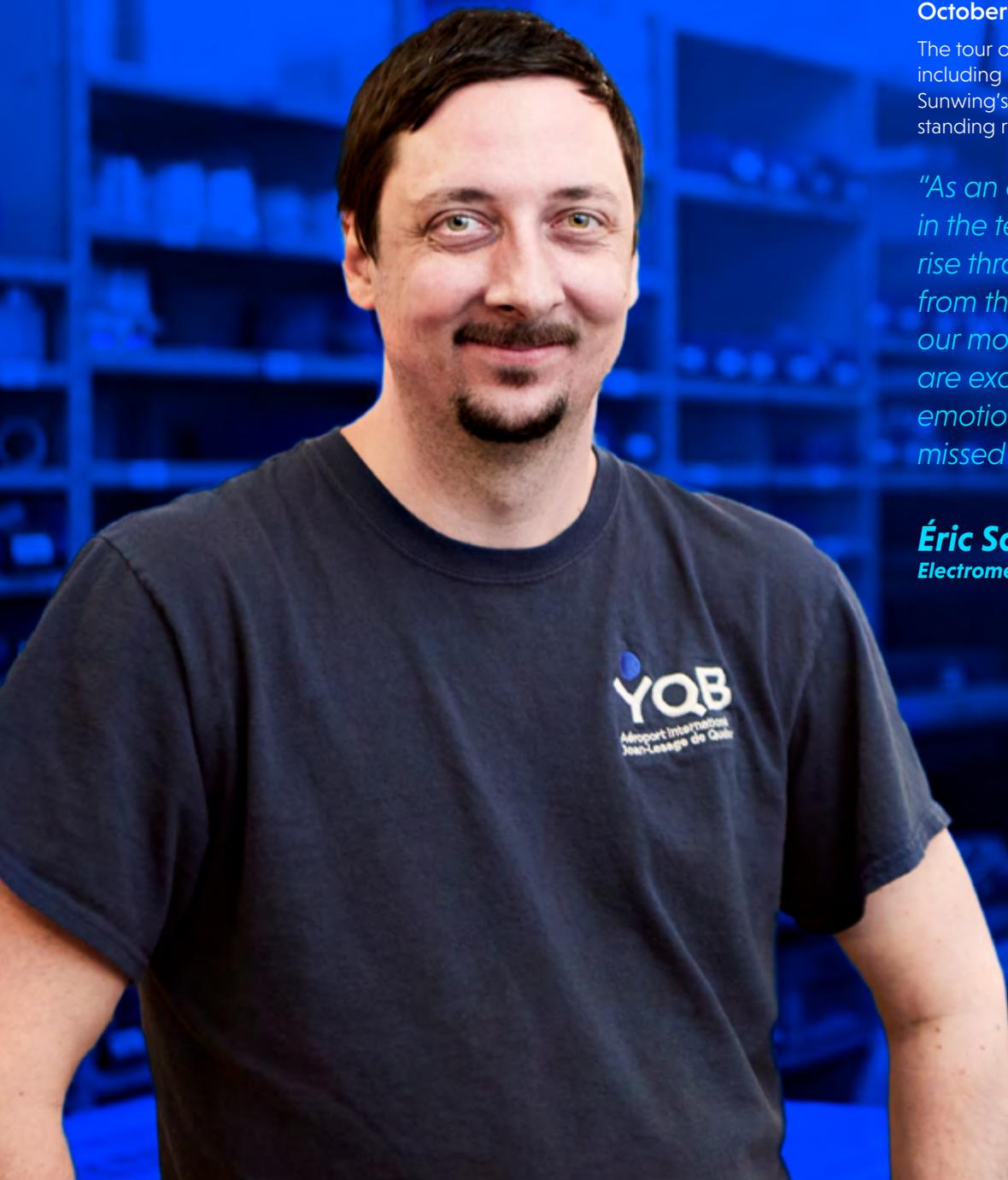


October 29, 2021 – YQB implements mandatory vaccination policies for employees, visitors, and airport site employees

In accordance with the Government of Canada's requirements for employers in the federally regulated air transportation sector, YQB develops a mandatory COVID-19 vaccination policy for all employees working in the terminal or secure area. As of November 15, 2021, all employees of partners, tenants, concession operators, and suppliers working in the terminal or secure area must be fully vaccinated, unless exempted by the Canadian government.

"Even though the situation is changing constantly, we've succeeded in setting up a consistent, cohesive vaccination policy that's tailored to the realities of an airport. We've been available to answer questions and support more than 90 partners and site staff in implementing the policy in their organizations."

Anthony Paquet
Manager, Airport Security



October 31, 2021 – Sunwing resumes flights from Québec City

The tour operator resumes its weekly service to 10 very popular sun destinations, including Mexico, the Dominican Republic, Cuba, and Miami. We are grateful for Sunwing's confidence in our market and look forward to continuing this long-standing relationship.

"As an electromechanical technician, I spend a lot of time in the terminal. Seeing the passenger numbers start to rise throughout the year and feeling that positive energy from the travellers in the terminal again has really boosted our motivation. It's fun to be around passengers who are excited to be going on vacation and to witness their emotional reunions when they get back. We really missed that!"

Éric Savoie

Electromechanical Technician, Technical Services

November

54,694 passengers ↑

November 12, 2021 – YQB maintains airport fee freeze

Québec City Jean Lesage International Airport announces that for the fifth consecutive year, it will not be increasing its airport improvement fees or general aviation fees in 2022, even though the airport has been hit hard by the global COVID-19 pandemic.

November 16, 2021 – Airport Health Accreditation renewed by ACI

YQB's health measures once again receive the Airport Health Accreditation global seal of excellence from Airports Council International (ACI). This means that YQB is accredited as a biosecure airport until October 2022. The Airport Health Accreditation recognizes the implementation of health standards at airports, in line with the recommendations of the International Civil Aviation Organization's (ICAO) Aviation Recovery Task Force. Accreditation is granted following a rigorous evaluation based on cleaning and disinfection

standards, social distancing, protection of employees, layout of the premises, internal policies, and communications to passengers.

November 19, 2021 – Air Canada Rouge resumes international flights from Québec City

For the coming winter, the carrier launches two new routes to Florida from Québec City to Fort Lauderdale and Orlando. It also increases the frequency of its flights to Cancún, Mexico, and Punta Cana, Dominican Republic.

November 30, 2021 – Blaxton Pub & Grill announces the opening of its next restaurant at the Québec City airport

Blaxton – Aéroport de Québec will have more than 160 seats and will be open all day long. As the first true bar and restaurant to serve travellers in nearly 25 years, Blaxton – Aéroport de Québec will be a welcome addition to the passenger experience.

Government of Canada

November 19, 2021 – End of tests for trips abroad lasting less than 72 hours

The Government of Canada announces that proof of a negative COVID-19 test will no longer be required for trips abroad of less than 72 hours. The new measure takes effect on November 30, 2021.

December

67,412 passengers ↑

December 1, 2021 – Community Advisory Committee

Our President and CEO meets with key players in the greater Québec City area's economic and tourism development as part of the Community Advisory Committee. This is the second such meeting in 2021 with our partners and stakeholders.



V.I.P Lounge by Club Med



December 2, 2021 – YQB's VIP Lounge reopens and becomes the first V.I.P Lounge by Club Med in North America

YQB is proud to welcome Club Med, a major player in the tourism industry, to the airport. This unique partnership, driven by the goal to make our airport a place that showcases the greater Québec City area's beauty and richness, gives passengers the opportunity to enjoy the Club Med experience right in our airport. The newly renovated space features an open concept flooded with natural light and offers a breathtaking view of the runways and Mount Belair. The lounge is available to passengers looking to relax before their flights and businesses who want to treat their valued clients to a special experience.

"Our partnership with Club Med is both creative and historic. This is a very first sponsorship of YQB assets which allows us to partner with a giant in the tourism industry, increase our visibility and introduce the airport to new customers. Behind the success of the reopening of the VIP lounge, the automation of the entry process and the revision of its offer hides an enormous work of multidisciplinary collaboration."

Frédéric Savoie

**Marketing Manager, Infrastructure
and Airport Services Development**

December 10, 2021 – YQB raises nearly \$10,000 for Centraide Québec et Chaudière-Appalaches

At the end of their 10th fundraising campaign for United Way Centraide, YQB employees raised \$9,329.45. This donation will be used to support a network of over 200 community organizations that in turn help 250,000 vulnerable people, or nearly 1 in 5 people in our region.

December 11, 2021 – PAL Airlines' "Flight to the North Pole"

YQB was pleased to host PAL Airlines' "Flight to the North Pole" event. This flight allowed 30 children, many of whom were associated with charitable organization Le Pignon Bleu, to take off to meet Santa Claus.

Government of Canada

December 15, 2021 – Ottawa revises travel advisory

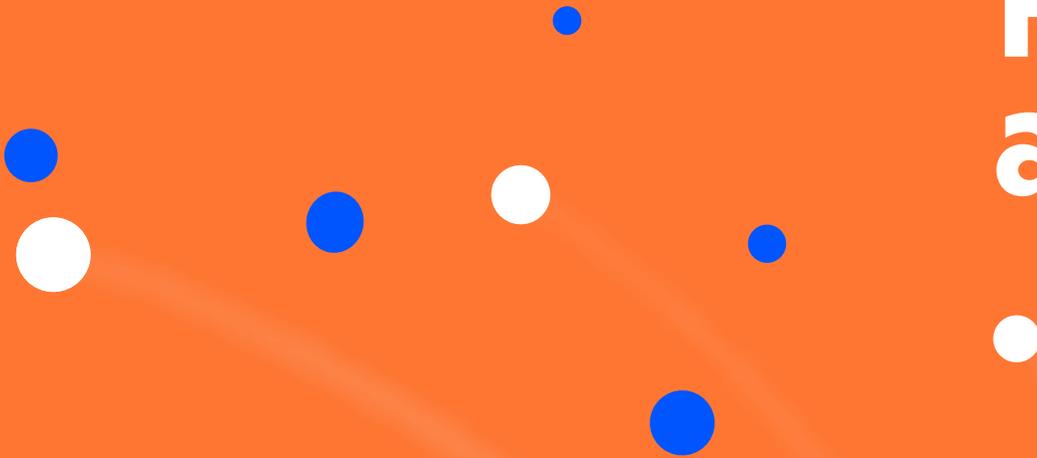
The government once again advises Canadians to avoid non-essential travel and announces that all travellers entering Canada, regardless of citizenship, must undergo a PCR test upon arrival. The notice had been lifted for barely two months.

December 15, 2021 – Complexe Capitale Hélicoptère opens screening centre on airport site

As of December 15, travellers who need to take a COVID-19 rapid antigen test, also known as a rapid test, before their flight can do so at the Complexe Capitale Hélicoptère. This screening centre is open 7 days a week, from 7 a.m. to 5 p.m.



Bouncing Forward as a Team



While the pandemic has brought its share of uncertainties, YQB is bouncing forward with aplomb thanks to its strong team. The organization is fortunate to have a capable, resilient team that works hard every day to bring safe, efficient, and high-quality air transportation infrastructure and services to the public. We know that employee engagement is one of the keys to a successful business, so we are working hard to ensure that our team feels supported and equipped to weather the storm and fully contribute to our recovery.

Developing everyone's full potential

Over the course of the year, YQB launched its employee skills development program. This program helps identify employees' skills and talents to develop their full potential. It also facilitates communication and collaboration, and it optimizes teamwork by focusing on each person's strengths. This program is an integral part of our human resources management strategy and we are working hard to keep it alive within YQB.

Fostering a culture of communication

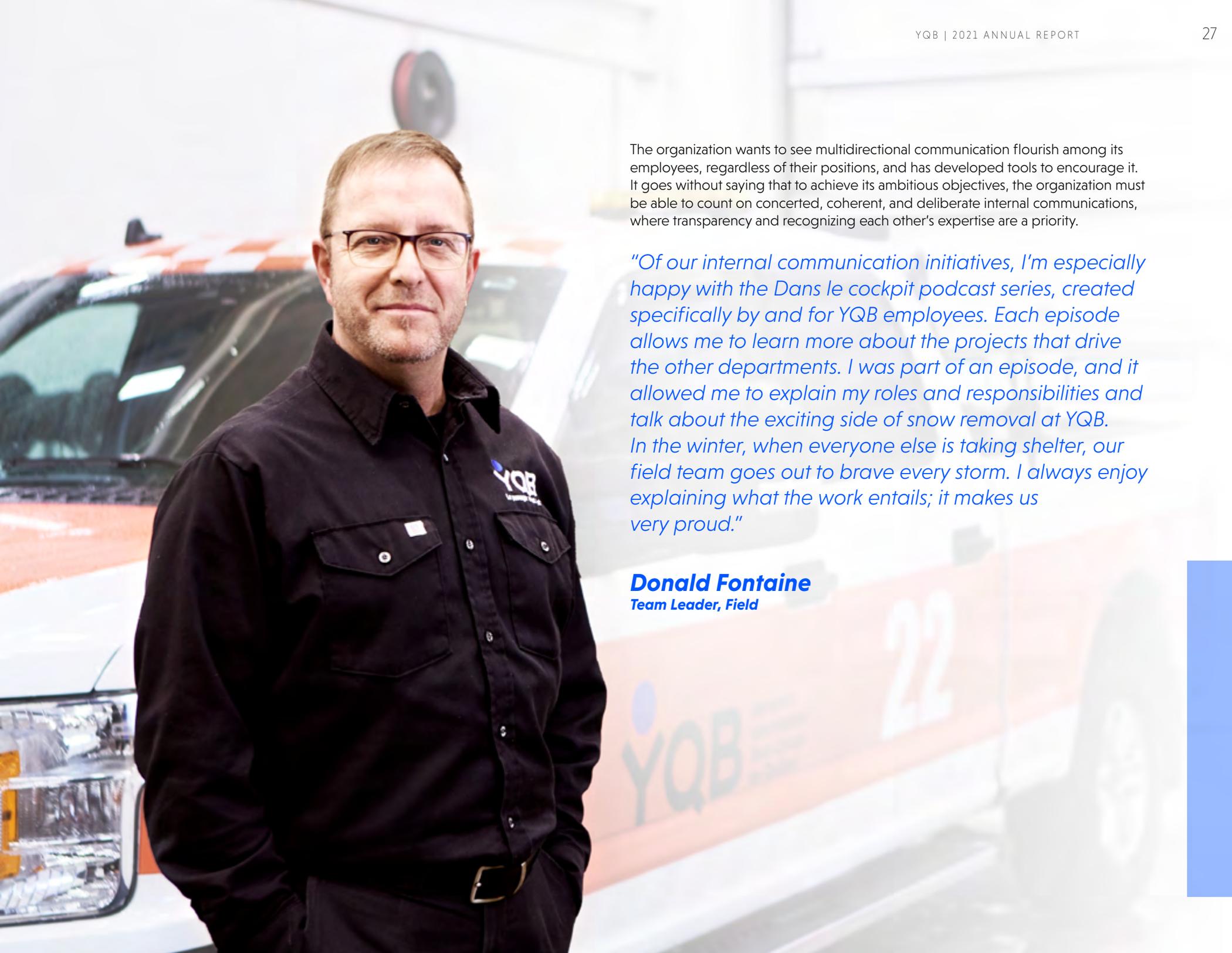
Given that in-person contact has been severely limited over the past two years, in 2021 we made a great effort to cultivate a workplace built on healthy communication.



The organization wants to see multidirectional communication flourish among its employees, regardless of their positions, and has developed tools to encourage it. It goes without saying that to achieve its ambitious objectives, the organization must be able to count on concerted, coherent, and deliberate internal communications, where transparency and recognizing each other's expertise are a priority.

"Of our internal communication initiatives, I'm especially happy with the Dans le cockpit podcast series, created specifically by and for YQB employees. Each episode allows me to learn more about the projects that drive the other departments. I was part of an episode, and it allowed me to explain my roles and responsibilities and talk about the exciting side of snow removal at YQB. In the winter, when everyone else is taking shelter, our field team goes out to brave every storm. I always enjoy explaining what the work entails; it makes us very proud."

Donald Fontaine
Team Leader, Field



Valuing balance

YQB wants its employees to enjoy a good balance between their family, personal, and professional lives. As part of its commitment to adhere to best practices in that area, the organization received a grant from Québec's Ministère de la Famille et des Aînés (MFA) to review its measures and take steps towards earning the Concilivi seal of approval, which recognizes the efforts of balanced workplaces.

Renewing our commitment

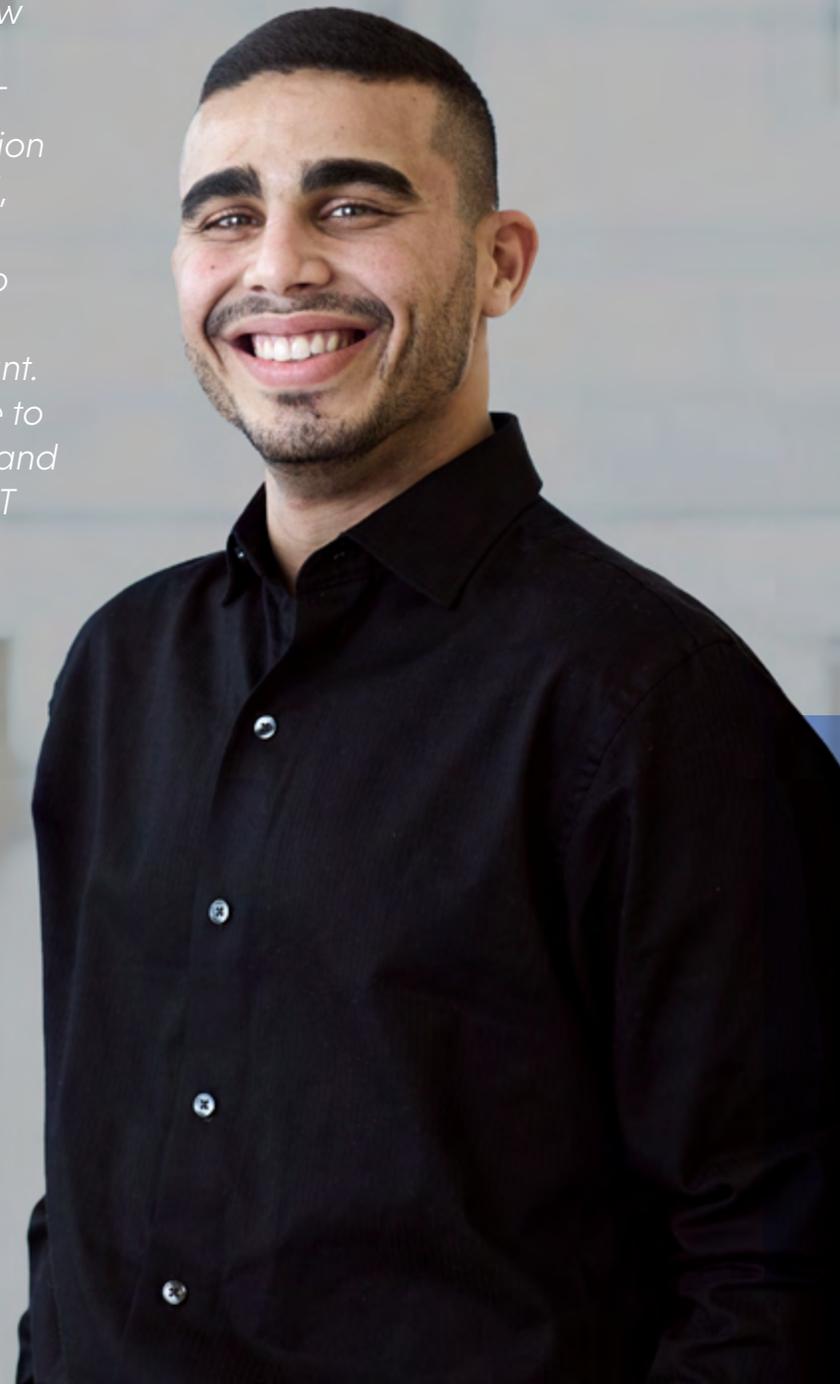
Beyond the new actions we took in 2021, we continue find new ways to improve and make sure our employees are working in the best environment possible. Whether it's through recognition, promotion of physical and mental health, personalized support, access to external services, or flexibility in its management principles, YQB is determined to remain a choice employer with inspiring practices.

Beyond the unprecedented global pandemic, the organization has undergone several other major changes in the past few years. Each of these changes has significantly affected our team and the way we work. Even so, our employees, guided by the organization's values of integrity, efficiency, collaboration, and customer care, have bounced forward stronger than ever each time.

"I started my job at YQB in the fall of 2021 and immediately saw that the team is amazing! I felt very welcomed not just by the IT team, but also by the organization as a whole. As soon as I arrived, my colleagues included me in the ongoing projects and group activities. Team cohesion and chemistry are definitely important. And in return, I was quickly able to offer support to my colleagues and participate in finding effective IT solutions."

Awes Chaieb

**IT Technician, Airport Systems,
Information Technology**



Laying the Foundations for a Successful Recovery

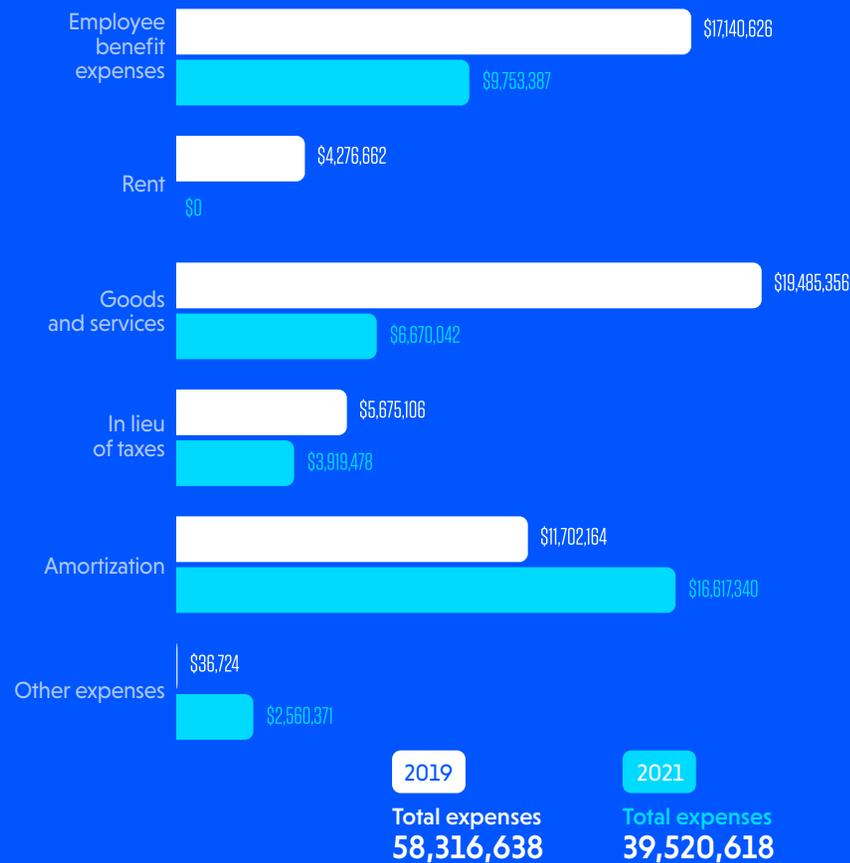


Like other Canadian airports, YQB's momentum was brought to a halt by the global pandemic and the airport found itself in a very precarious financial position.

While losses are expected to reach nearly \$100 million by 2024, YQB has taken many steps to ensure the organization's sustainability.

YQB's Top Expenditures Sources - 2021 vs. 2019

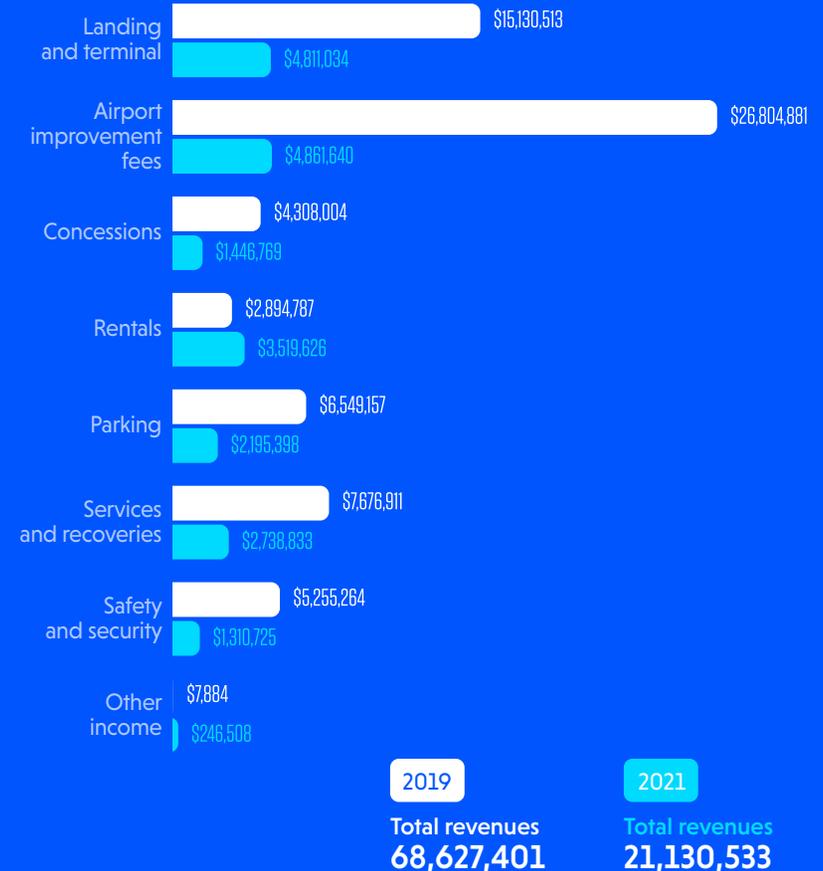
Expenses



-32,23%

YQB's Top Revenues Sources - 2021 vs. 2019

Revenues



-69,21%

Limiting expenditures

Airports around the world play an indispensable role in transporting people and goods, particularly to areas that are far from essential services or not accessible by road.

In Canada, all international airports are managed by not-for-profit, non-share-capital corporations. These corporations are funded by the commercial activities at their airports and are required to reinvest surplus revenue in initiatives that improve service for the public. They are also financially independent of government authorities. They pay rent to the federal government for the use of the land and pay significant amounts to municipal authorities in lieu of taxes.

At YQB, all sources of expenses were scrutinized right from the beginning of the pandemic. The goal is to continue providing an essential service to the public 24/7 by limiting cumulative losses. Despite reducing its fixed costs by one third, YQB absorbed losses of \$26.7 million in 2020 and \$29.6 million in 2021. By the time we return to profitability, the travel restrictions imposed in response to the pandemic will have resulted in an estimated total loss of \$100 million.



"The mechanical workshop where I work is a lot like the airport's backstage. We're responsible for performing maintenance on nearly 200 different pieces of equipment, and a lot of that equipment is specific to airports. There's no shortage of challenges. The work I do every day is essential for keeping things running smoothly. Let me tell you, an airport without machines will be grounded pretty fast!"

Nicolas Bérubé
Mechanic, Mechanical Workshop





"The work my colleagues and I do is essential to keeping the airport running, especially in winter. Our mission: don't lose the runway! If we weren't there to clear the runways and make sure the infrastructure is safe, the planes simply couldn't take off and land."

Maryse Beaudoin
Heavy Equipment Operator, Field

"As fire protection, first aid, and bird hazard officials, we are responsible for serving citizens year-round, at any time of the day or night, regardless of how many passengers or planes there are. Our priority is to provide a safe environment for all airport users through our well-trained, well-equipped, and highly motivated teams."

Hubert St-Onge

Captain, Aircraft Rescue and Fire Fighting Service



Increasing revenue by remaining attractive and competitive

Airport revenue is highly dependent on commercial activity in the terminal. Other than land and commercial space leases, the main source of funding for all Canadian airports is the Airport Improvement Fee, or AIF. This fee is collected when passengers purchase tickets. It is fully reinvested in the airport's capital program to maintain and improve its infrastructure and enhance service for users.

Despite the financial repercussions of the pandemic, YQB has made a strategic choice not to increase AIFs or general aviation fees in 2022 for the fifth year in a row. At a time when the entire airline industry has been weakened by the crisis of the past two years, a spike in fees could have stalled recovery.

Instead, the organization has been considering how to increase its secondary sources of revenue once the crisis ends. As part of that reflection, it has put in place an ambitious recovery plan that will help reduce YQB's vulnerability to crises by diversifying its sources of revenue. While this plan is composed of projects that will only generate benefits in the long term, they will be essential for allowing YQB to remain a driver of economic development for the greater Québec City area.

Ensuring the organization remains financially sustainable

In 2021, faced with the catastrophic financial consequences of the pandemic, YQB concluded a financing agreement with private investors that allowed it to take on up to \$150 million in debt. This amount is deemed sufficient to ensure the delivery of essential services and carry out the necessary infrastructure projects, as set out in its capital program, until it returns to profitability. The objective of the financing approach was to find a way to finance operational losses while avoiding increasing passenger and airline fees for the time being; this was considered to be the best option for an agile financial recovery.

However, YQB first had to convince its existing investors to agree to the new debt. The request was met with unanimous approval. They also agreed that YQB could issue up to \$150 million in new debt by December 31, 2023.

The first part of the debt consists of a \$50 million loan with a fixed interest rate of 2.936% over 10 years. These sums consist of a loan already cashed.

The organization also gained access to \$60 million in revolving credit, which is comparable to a line of credit. These funds are available if urgent needs arise.

Finally, YQB still has the option of borrowing an additional \$40 million.

\$50 million loan
\$60 million in revolving credit
\$40 million potential loan

\$150 million

Loan: \$50 million in liquid assets available immediately with a 10-year fixed interest rate.

Revolving credit: Pre-authorized \$60 million line of credit available as needed to finance current and future capital assets.

Potential loan: Assent of private investors to issue up to \$40 million in new debt.

While these funds are necessary, make no mistake: this debt will weigh heavily on the organization for many years to come. The budget will need to be managed very carefully. Moreover, government support will be key to YQB's recovery projects, as the organization cannot go it alone.

Financial Highlights

2021 FINANCIAL PERFORMANCE

Aéroport de Québec inc. posted a negative comprehensive income of \$29.6 million for the financial year ending December 31, 2021. Revenues were \$22.5 million, including financial revenues, and operating and financial expenditures were \$52.1 million.

REVENUES

- Revenues derived from airport improvement fees (AIFs) totaled \$4.9 million in 2021, a decrease of 36.7% compared to 2020. AIFs are entirely reinvested in airport improvement initiatives, including interest payments on AQI's debt.
- Landing fees generated \$2.8 millions, a decrease of 24.3% compared to 2020.
- Terminal and loading bridge fees were \$2 million, a decrease of 31% compared to 2020.
- Parking, concession, rental, and service revenues were \$9.9 million, a decrease of 3.2% compared to 2020.
- Safety and security revenues were \$1.3 million, a decrease of 31.6% compared to 2020.
- Overall, revenue decreased by 20.8%.

EXPENSES

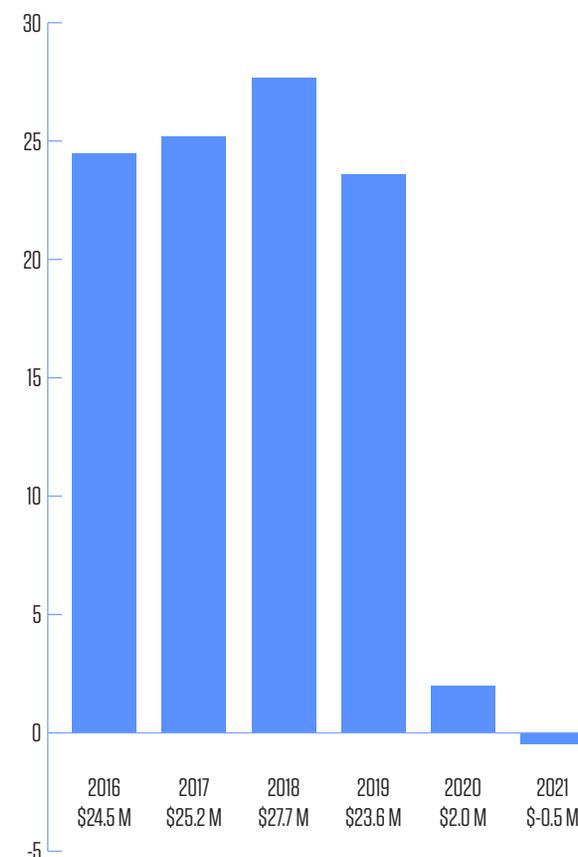
- Salaries and benefits, including Canada Emergency Wage Subsidy deductions, were \$9.8 million.
- There is no rent to be paid to Transport Canada in 2021, as the latter amended the ground lease to exempt the airport from the rent charge exceptionally this year.
- Aéroport de Québec inc. also procured goods and services worth a total value of \$6.7 million, including a \$4.2 million grant from the Airport Relief Fund. Of this amount, \$7 million went to services and maintenance while \$2.2 million was spent on equipment, supplies and utilities, as well as \$1.7 million for marketing and administration.
- Aéroport de Québec inc. also incurred \$3.9 million related to in lieu of taxes.

EBITDA

Earnings before interest, taxes, depreciation, and amortization (EBITDA) totalled a negative \$0.5 million in 2021.

Management uses EBITDA as an indicator to assess ongoing operational performance. The Corporation defines EBITDA as the excess of revenues over expenses before financial expenses, taxes and depreciation.

EBITDA 2016 to 2021



PROJECTED REVENUES AND EXPENSES (2022-2026)

(in millions of dollars)

	2022	2023	2024	2025	2026
Revenues	33.8	58.7	74.8	78.5	81.9
Expenses*	53.7	59.0	61.6	63.7	65.7

* Expenses do not include depreciation of fixed assets and amortization of deferred revenues related to tangible fixed assets.

The above forecasts were established based on assumptions. Actual results may differ.

2021 INVESTMENTS

(in thousands of dollars)

	Forecast	Actual	Reason
Investments	36,939	1,535	Savings achieved (\$10,188), projects in progress (\$22,010) and certain projects to be completed in 2022 (\$3,206).

AQI's main investments in 2021 were the following:

- Redevelopment of the VIP Lounge;
- Airport Park development plan and layout (phase 1);
- Implementation of the regulation on accessible transportation for people with disabilities (ATPDR);
- Installation of a car wash;
- Feasibility study of the concessions locations;
- Optimization of the curbside management model.

PLANNED INVESTMENTS (2022-2026)

The following are the main investments under consideration for 2022-2026:

- Optimization of the concessions locations;
- Completion of 9^e Rue de l'Aéroport;
- Construction of the new 8^e Rue de l'Aéroport;
- Implementation of the recovery plan (including intermodal logistics platform, airport park, American Customs pre-clearance centre, commercial optimization);
- Renovation of aprons (boarding stations);
- Rehabilitation of the Hotel and Golf taxiways;
- Runway 29 threshold – Rehabilitation of the threshold;
- Development for RESA (Runway End Safety Area);
- Reconfiguration of the Charlie taxiway;
- Rehabilitation of the taxiway and extension of apron 3;
- Construction Apron 1 - gate 38;
- Runway 06-24 – maintenance work;
- Temporary Control of non-passenger vehicles – North;
- New snow disposal site – South;
- 8^e Avenue de l'Aéroport – rehabilitation and lighting;
- 7^e Avenue de l'Aéroport – rehabilitation;
- Rehabilitation of the 6^e Avenue de l'Aéroport (between the parking lot exit and 8^e Rue de l'Aéroport);
- Construction of a short-term parking lot.

Independent Auditor's Report on Summary Financial Statements

To the Directors of Aéroport de Québec inc.

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2021, the summary statements of comprehensive income, changes in net assets and cash flows for the year then ended, and the notes to summary financial statements, are derived from the audited financial statements of Aéroport de Québec inc. for the year ended December 31, 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 2.

Summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRS). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 21, 2022.

Management's responsibility for the summary financial statements

Management is responsible for the preparation of the summary financial statements, on the basis described in Note 2.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

Raymond Chabot Grant Thornton LLP ¹

Québec
February 21, 2022

¹ CPA auditor, CA public accountancy permit no. A119912

Summary Statement of Comprehensive Income

Year ended December 31, 2021

	<u>2021</u>	<u>2020</u>
	\$	\$
Revenues		
Landing and terminal	4,811,034	6,643,341
Airport improvement fees	4,861,640	7,676,056
Concessions	1,446,769	1,760,479
Rentals	3,519,626	3,110,135
Parking	2,195,398	2,463,881
Services and recoveries	2,738,833	3,107,130
Safety and security	1,310,725	1,865,903
Other income	246,508	37,202
	<u>21,130,533</u>	<u>26,664,127</u>
Expenses		
Employee benefit expenses	9,753,387	9,939,882
Rent		155,522
Goods and services	6,670,042	11,344,778
In lieu of taxes	3,919,478	4,725,786
Amortization of property, plant and equipment	21,912,960	22,663,106
Amortization of deferred revenues relating to property, plant and equipment	(5,295,620)	(5,295,429)
Impairment loss of financial assets	679,547	53,863
Loss on write-off of property, plant and equipment	1,880,824	
	<u>39,520,618</u>	<u>43,587,508</u>
Operating results	<u>(18,390,085)</u>	<u>(16,923,381)</u>
Finance income	1,357,900	1,673,589
Finance costs	(12,548,711)	(11,791,751)
Net	<u>(29,580,896)</u>	<u>(27,041,543)</u>
Other comprehensive income		
Item that will not be reclassified subsequently to profit or loss		
Revaluation of net defined benefit pension plan liability	(11,200)	355,100
Comprehensive income	<u>(29,592,096)</u>	<u>(26,686,443)</u>

The accompanying notes are an integral part of the summary financial statements.

Summary Statement of Changes in Net Assets

Year ended December 31, 2021

	Accumulated revenues	Accumulated other comprehensive income	Total net assets
	\$	\$	\$
Balances as at January 1, 2021	117,343,868	(2,107,400)	115,236,468
Net	(29,580,896)		(29,580,896)
Revaluation of net defined benefit pension plan liability		(11,200)	(11,200)
Comprehensive income			(29,592,096)
Balances as at December 31, 2021	87,762,972	(2,118,600)	85,644,372
Balances as at January 1, 2020	144,385,411	(2,462,500)	141,922,911
Net	(27,041,543)		(27,041,543)
Revaluation of net defined benefit pension plan liability		355,100	355,100
Comprehensive income			(26,686,443)
Balances as at December 31, 2020	117,343,868	(2,107,400)	115,236,468

The accompanying notes are an integral part of the summary financial statements.

Summary Statement of Cash Flows

Year ended December 31, 2021

	<u>2021</u>	<u>2020</u>
	\$	\$
OPERATING ACTIVITIES		
Net income	(29,580,896)	(27,041,543)
Non-cash items		
Amortization of property, plant and equipment	21,912,960	22,663,106
Amortization of transaction costs	122,861	83,695
Amortization of deferred revenues relating to property, plant and equipment	(5,295,620)	(5,295,429)
Gain on disposal of property, plant and equipment	(1,400)	(30,236)
Loss on write-off of property, plant and equipment	1,880,824	
Loss on write-off of a note receivable	413,461	
Net defined benefit pension plan liability	18,335	23,925
Net change in working capital items	(1,553,790)	6,936,099
Cash flows from operating activities	(12,083,265)	(2,660,383)
INVESTING ACTIVITIES		
Term deposits	(91,923,303)	(32,053,125)
Receipt of term deposits	55,275,832	52,137,834
Acquisition of property, plant and equipment	(3,172,984)	(16,488,363)
Disposal of property, plant and equipment	1,400	34,000
Receipt of notes receivable	116,667	161,732
Cash flows from investing activities	(39,702,388)	3,792,078
FINANCING ACTIVITIES		
Loans	50,000,000	
Repayment of loans	(2,250,000)	(2,250,000)
Transaction costs	(671,966)	
Receipt of grants receivable		3,632,455
Repayment of lease liability	(10,767)	(183,741)
Cash flows from financing activities	47,067,267	1,198,714
Net increase (decrease) in cash	(4,718,386)	2,330,409
Cash, beginning of year	9,204,002	6,873,593
Cash, end of year	4,485,616	9,204,002

During the year, the Organization paid a total of \$12,347,666 (\$11,757,198 in 2020) in interest and received a total of \$1,513,343 (\$2,234,982 in 2020) in interest.

The accompanying notes are an integral part of the summary financial statements.

Summary Statement of Financial Position

December 31, 2021

	<u>2021</u> \$	<u>2020</u> \$
ASSETS		
Current		
Cash	4,485,616	9,204,002
Term deposits	57,204,579	24,657,108
Accounts receivable	5,475,519	4,540,313
Grants receivable	4,062,502	4,472,683
Notes receivable	116,667	165,660
Supplies in inventory	1,852,578	1,712,092
Prepaid expenses	702,532	660,366
	<u>73,899,993</u>	<u>45,412,224</u>
Non-current		
Term deposits	40,000,000	35,900,000
Notes receivable	1,391,667	1,872,802
Grants receivable	27,579,216	31,343,354
Property, plant and equipment	429,605,654	451,864,182
	<u>498,576,537</u>	<u>520,980,338</u>
	<u>572,476,530</u>	<u>566,392,562</u>
LIABILITIES		
Current		
Accounts payable	14,466,600	16,217,285
Deferred revenues	2,765,712	3,057,943
Customer deposits	55,000	135,744
Loans	6,014,138	6,424,319
Lease liability	118,830	279,953
	<u>23,420,280</u>	<u>26,115,244</u>
Non-current		
Loans	355,582,312	312,145,555
Lease liability	608,567	458,211
Deferred revenues relating to property, plant and equipment	106,344,785	111,640,405
Customer deposits	667,614	617,614
Defined benefit pension plan liability	208,600	179,065
	<u>463,411,878</u>	<u>425,040,850</u>
	<u>486,832,158</u>	<u>451,156,094</u>
NET ASSETS		
Accumulated revenues and accumulated other comprehensive income	85,644,372	115,236,468
	<u>572,476,530</u>	<u>566,392,562</u>

The accompanying notes are an integral part of the summary financial statements.

On behalf of the Board,
Signed:
André Boulanger, ICD.D, BAsC, MASc
Chair of the Board

Signed:
Thom Skinner, CPA, CA
Chair of Audit Committee

Notes to Summary Financial Statements

December 31, 2021

1 - GOVERNING STATUTES AND NATURE OF OPERATIONS

Aéroport de Québec inc. (AQi) is a not-for-profit corporation without share capital, governed by the Canada Not-for-profit Corporations Act. AQi is exempted under the Income Tax Act. The corporation is in charge of managing, operating, maintaining and developing the Aéroport international Jean-Lesage de Québec ("YQB") in accordance with a 60-year ground lease signed on October 27, 2000 with the Canadian government, with an option to renew for another 20 years.

AQi's head office is located at 505 Principale Street, Québec, Quebec G2G 0J4.

2 - CRITERIA FOR THE PREPARATION OF SUMMARY FINANCIAL STATEMENTS

AQi prepared financial statements in accordance with International Financial Reporting Standards (IFRS). The financial statements were approved by the Board of Directors on February 17, 2022. The independent auditor expressed an unmodified opinion on these financial statements in the independent auditor's report dated February 21, 2022.

AQi elected to prepare summary financial statements using the following criteria:

- (a) Presentation of one set of financial statements, except for the notes to financial statements;
- (b) Use of the same format in the summary financial statements as that used for the financial statements, except for the references to the notes;

- (c) Exclusion of the notes to financial statements, unless their omission prevents users from obtaining a structured view of AQi's economic resources and obligations at a given time or of any changes during a period.

The financial statements are prepared in Canadian dollars, AQi's functional currency.

3 - AVAILABILITY OF THE FINANCIAL STATEMENTS

The audited financial statements are available on AQi's website (www.aeroportdequebec.com) after they have been presented at the annual public meeting.

Additionally, a paper copy of the audited financial statements may be obtained by contacting AQi.

The Board of Directors

Aéroport de Québec Inc. (AQi), incorporated by virtue of the *Canada Not-for-profit Corporations Act*, is a not-for-profit corporation without share capital that is exempted under the *Income Tax Act*. It is responsible for managing, operating, maintaining and developing Québec City Jean Lesage International Airport (YQB) and holds a 60-year lease signed on October 27, 2000 with the Government of Canada, with an option to renew for a period of 20 years.

Any surplus of revenues over expenses is reinvested in airport facilities to improve passenger services.

AQi subscribes to all of the accountability and transparency principles in the lease, as well as its own general bylaws.

In addition to the regulatory framework provided by the lease, general bylaws and certificate of continuance, AQi is subject to other rules that allow it to meet its accountability and transparency obligations towards the public. AQi is evaluated annually under Transport Canada's lease monitoring program.

AQi has proven to be in compliance in recent years. All of Transport Canada's remarks have been properly followed up on without exception.

In compliance with Canadian airport administrations' public accountability principles and its own bylaws, AQi has a maximum of three (3) co-opted members named by the Board of Directors, two (2) members named by Her Majesty the Queen in Right of Canada¹, one (1) member named by the Government of Québec, five (5) members proposed by the cities of Québec and Lévis, and four (4) members proposed by Québec City and Lévis chambers of commerce. Each party is invited to submit candidates for membership on the Board of Directors based on profiles submitted by the Board.

In all, the Board of Directors is composed of no more than fifteen (15) members, who are known for their individual expertise in accounting, the environment, administration, air transportation management, law, labour organization and engineering.

The Board sets the organization's strategic orientations and oversees their implementation in conjunction with the management team.

In 2021, AQi was supported, depending on appointments and departures, by a team of seventeen (17) external directors, whose varied expertise and skills helped to actively support management in their work.

Committees

In 2021, four (4) committees helped lay the groundwork for the Board's decisions:

- The Nominating, Governance and Human Resources Committee
- The Audit Committee
- The Planning and Development Committee
- The Risk Management, Security and Environment Committee

The committees act according to the guidelines set out by the Board of Directors and ensure that the organization meets its legal obligations in the day-to-day management of its operations. The Board of Directors is also supported by the Community Advisory Committee, which helps advance various issues related to the improvement of YQB's air services and facilities.

Conflict of interest rules

In accordance with its lease with Transport Canada, AQi has incorporated conflict of interest rules into its general bylaws. These rules apply to the airport's directors, managers and employees and are designed to avoid any real or apparent conflicts of interest. AQi complied with these rules in 2021, notably by means of an annual declaration of interest signed by each director, as well as update notices published as needed.

¹ May be increased to three (3) for each period during which the company receives financial aid from the Government of Canada.

Contracts in excess of \$117,100 awarded without public calls for tender

- Housekeeping contract awarded to Les Entretiens d'édifices Capitale Inc., authorized by the Board of Directors on May 9, 2012, at hourly rates for an indefinite, cancellable term. The granting of this private contract has been duly authorized by unanimous resolution of the board of directors as part of a project partnership allowing optimal supervision of the quality of services by YQB. From January to December 2021, AQi paid \$476,903 plus taxes to this supplier.
- Private contract awarded to Engie Services Inc. in the amount of \$737,689 authorized by the board of directors of February 18, 2021 for the realization of various work on the baggage room systems. This firm was chosen because of its highly specialized expertise and extensive knowledge of YQB's baggage handling system.

Governance

The President and CEO is responsible for defining and implementing the organization's strategic orientations, objectives and fundamental values. YQB's strategic orientations are based on operating as an economic entity to maximize value for its partners (various governments) and stakeholders (clients, employees, the public). The President and CEO, working under the supervision of the Board of Directors, is also in charge of the financial performance of all the organization's operations and business, including revenues and expenses, financial statements, and monitoring of the chief indicators of customer value.

Compensation of directors

Bylaws have set annual compensation for directors as follows:

Annual fees

Chair.....	\$60,000
Vice-chair.....	\$10,000
Committee chair	\$10,000
Director (except the chair).....	\$8,000
Committee member*	\$2,000

(*Except the chair and vice-chair)

Meeting fees

\$600 per board or committee meeting or per half-day of special activities.

Directors did not receive compensation for special meetings related to managing the impact of the pandemic.

Number of meetings

Board of Directors	7
Nominating, Governance and Human Resources Committee	5
Audit Committee	6
Risk Management, Security and Environment Committee	4
Planning and Development Committee	3
Annual General Meeting (members).....	1
Annual General Meeting (public).....	1
Annual meeting of nominating bodies	1



Management

AQI's senior management received \$1,476,153 in compensation for the fiscal year ending December 31, 2021, including annual bonuses for meeting or exceeding objectives.

Regular compensation

Name	Fees	Meeting fees	Total 2021
Lise Lapierre ^{1**}	\$19,767	\$7,200	\$26,967
Thom Skinner*	\$20,000	\$9,600	\$29,600
Maxime Laviolette*	\$20,000	\$9,000	\$29,000
Sophie-Emmanuelle Chebin*	\$20,000	\$6,000	\$26,000
Marjolaine Giasson	\$10,000	\$9,600	\$19,600
Martin Lafrance*	\$16,236	\$7,800	\$24,036
Jean-Yves Germain	\$10,000	\$7,800	\$17,800
André Boulanger ^{2** ***}	\$46,154	\$16,800	\$62,954
Diane Déry	\$10,000	\$7,800	\$17,800
Éric Bergeron	\$10,000	\$7,800	\$17,800
Pierre Rivard	\$10,000	\$9,000	\$19,000
Lyne Bouchard ^{***}	\$14,989	\$12,600	\$27,589
Jérôme Jolicoeur ³	\$6,632	\$5,400	\$12,032
Marthe Lacroix ⁴	\$6,632	\$5,400	\$12,032
Michel Tremblay ⁵	\$6,632	\$5,400	\$12,032
Jean-Guy Paquet ⁶	\$6,589	\$2,400	\$8,989
France Bilodeau ⁷	\$3,295	\$3,600	\$6,895

* Committee chair

** Board chair

*** Board vice-chair

1 Lise Lapierre's term ended on April 29, 2021.

2 André Boulanger's term as vice-president ended on April 29, 2021, when he became chairman of the board.

3 Jérôme Jolicoeur's term began on April 29, 2021.

4 Marthe Lacroix's term began on April 29, 2021.

5 Michel Tremblay's term began on April 29, 2021.

6 Jean-Guy Paquet's term ended on April 29, 2021.

7 France Bilodeau's term ended on April 29, 2021.

Aéroport de Québec inc.

505, rue Principale
Québec, QC G2G 0J4
418 640-2700
1 877 769-2700 info@yqb.ca

aeroportdequebec.com
facebook.com/quebecyqb
instagram.com/quebecyqb

