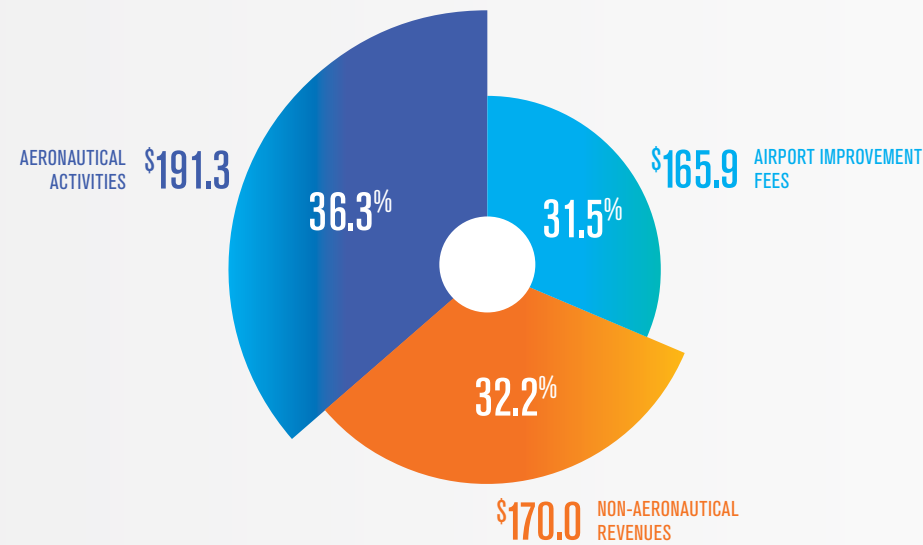


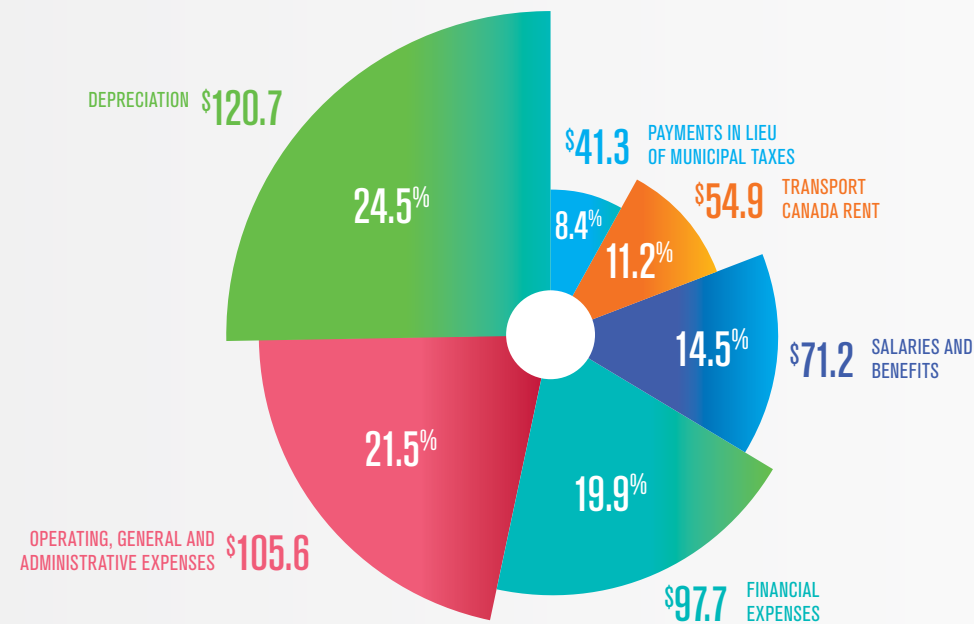
VIBRANT AND FRIENDLY
JUST LIKE MONTRÉAL

2016 FINANCIAL HIGHLIGHTS

REVENUE SOURCES (in millions of dollars)



TYPES OF EXPENSES (in millions of dollars)



FINANCIAL RETROSPECTIVE (in thousands of dollars)

	2016	2015	2014	2013	2012
Revenues	\$ 527,168	\$ 488,485	\$ 463,769	\$ 446,459	\$ 435,376
Excess (deficiency) of revenues over expenses	35,807	19,822	(4,434)	13,625	6,941
EBITDA	254,199	232,588	208,585	197,793	189,604
Investments	254,775	237,378	180,045	177,353	194,722

OPERATIONS 2014-2016

PASSENGER TRAFFIC



CARGO VOLUME (metric tons)



AIRCRAFT MOVEMENTS

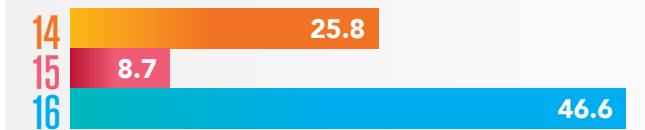


REAL ESTATE AND COMMERCIAL DEVELOPMENT 2016

NEW LEASES (in square metres)



INVESTMENTS GENERATED (in millions of dollars) ESTIMATES



JOBS CREATED ESTIMATES



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CORPORATE PROFILE

Aéroports de Montréal (ADM), the Greater Montréal airport authority, is responsible for the management, operation and development of Montréal–Pierre Elliott Trudeau International Airport (formerly known as Montréal-Dorval International Airport) and Montréal-Mirabel International Airport under a long-term lease with Transport Canada extending from 1992 to 2072.

ADM is committed to succeeding in each of its sectors – airport, real estate and commercial services – and to developing its two airport complexes to their full potential. From this perspective, Montréal-Trudeau acts as a hub for domestic, transborder and international passenger traffic, while Montréal-Mirabel will continue to grow as a world-class all-cargo and aerospace industry hub.

Additionally, ADM's subsidiary ADM Services, with its seasoned team and a talent for commercial and technological innovation, provides consulting and management services to other airports on a contract basis.

Montréal-Trudeau and Montréal-Mirabel international airports are important centres of economic activity and help drive the development of Greater Montréal. A total of 32 passenger carriers and 15 all-cargo carriers connect Montréal to many airports worldwide. In 2016, 16.6 million passengers and 191,651 metric tons of goods passed through Montréal-Trudeau and Montréal-Mirabel airports. The 250 businesses operating on the airport sites provide a grand total of 60,000 jobs, including 31,600 direct employment positions, and generate added value of \$5.5 billion per year.

ADM is a private, not-for-profit corporation without share capital. Its mission is to:

1 **PROVIDE** quality airport services that are safe, secure, efficient and consistent with the specific needs of the community

2 **FOSTER** economic development in the Greater Montréal Area, especially through the development of the facilities for which it is responsible

3 **CO-EXIST** in harmony with the surrounding environment, particularly in matters of environmental protection.

MESSAGE FROM MANAGEMENT

AN EXHILARATING YEAR

2016 was a busy and exhilarating year. We celebrated the 75th anniversary of Montréal-Trudeau airport, hosted the annual conference of the Airports Council International in Montréal, and worked closely with government and industry partners to launch the first International Civil Aviation Week in Montréal.

However, the undisputed highlight of the year was the inauguration of a major expansion at Montréal-Trudeau designed to boost international flight capacity and enhance customer experience. The new section of the international jetty is innovative: a spacious open interior with seamlessly integrated waiting areas, boutiques, restaurants and entertainment areas. The expansion also incorporates artistic and cultural elements, including a lighted ceiling installation, stunning murals and museum showcases, all of them an integral part of a new design concept that aims at recreating Montréal's vibrant and friendly atmosphere.



NORMAND LEGAULT
CHAIRMAN
OF THE BOARD

PHILIPPE RAINVILLE
PRESIDENT AND CHIEF
EXECUTIVE OFFICER

TRAFFIC RESULTS AND CUSTOMER SATISFACTION

Thanks to a continuing favourable climate for Canadian airports in general, passenger traffic at Montréal-Trudeau continued gaining momentum, passing the 16-million mark for the first time in mid-December. The number of passengers totalled 16.6 million for the year, a sizeable increase of close to 7% over 2015. A wider range of services, primarily at Air Canada, the entry of new carriers and the ongoing expansion of our air services all contributed to stimulating demand.

As for customer satisfaction, our quarterly surveys of approximately 8,000 passengers indicate continued strong results for 2016: 97.7% of passengers on departure and 96.1% of passengers on arrival said they were satisfied (extremely satisfied, very satisfied or satisfied) with their visit to the airport.

FINANCIAL RESULTS

Once again, Aéroports de Montréal is proud to report strong financial results for the last fiscal year.

- ▲ Revenue stood at \$527.2 million in 2016, an increase of 7.9% attributable primarily to higher passenger numbers and growth in our commercial activities, including parking.
- ▲ Considered the best indicator of our financial performance, EBITDA (earnings before interest, income taxes, depreciation and amortization) increased by 9.3%, to \$254.2 million, largely due to higher revenues. As a percentage of revenue, it stood at 48.2%, compared to 47.6% for 2015.
- ▲ The balance between revenues and expenses showed a surplus of \$35.8 million, compared to \$19.8 million in 2015.

The Corporation invested \$254.8 million in 2016, compared to \$237.4 million in 2015. The main capital projects included the international jetty expansion at Montréal-Trudeau and the refurbishment of runway 06-24 at Montréal-Mirabel. For the period 2017 to 2021, we anticipate total investments in excess of \$1.1 billion, over half of which will go to increasing airport infrastructure capacity.

PRIORITIES FOR THE FUTURE

Our primary responsibility as an airport authority is to maintain our airport facilities in good condition and ensure that they continue to accommodate traffic growth while providing satisfactory service.

Given the modest growth in aircraft movements, our two parallel runways alone have the capacity needed for the next five decades, with only some performance enhancements required.

However, this is not the case for the terminal building and cityside facilities. Although the international jetty expansion was just inaugurated, we are already contemplating construction of a new terminal; if the trend continues, which is highly likely, passenger traffic will approach 20 million by 2020. Note that it is much easier to build a new terminal than to add a new runway.

We are facing a dual problem in the case of drop-off areas and the multi-storey parking building. Not only do these facilities no longer have the necessary capacity, particularly in peak periods, some sections are at the end of their useful life and must be rebuilt. The design for this major renovation, which also includes integration of the Réseau électrique métropolitain train system, will be finalized in 2017.

Of course, all of this will be putting substantial pressure on the Corporation's finances, especially knowing that ADM is self-financing and supports a \$1.8 billion debt. To ensure a comfortable degree of financial flexibility, we must continue being proactive and vigilant in terms of both revenues and expenses. However, we are satisfied that there is still room for further productivity gains and operational savings, and additional revenues from new sources.

On another note, we will continue to keep our customers, passengers and carriers front and centre. We are also aware that our airports constitute a strategic infrastructure that serves the Montréal community, which has its own concerns, needs and expectations of us. Accordingly, we will fulfil our social responsibilities, particularly in the area of sustainable development. Similarly, as evidenced by the international jetty expansion, we want Montréal-Trudeau to reflect Montréal in its architecture, interior design, atmosphere and customer service.

ISSUES

The various levels of government and their respective agencies have responsibilities that can affect smooth airport running. As airport authority, ADM must ensure that these governments and agencies follow through on their commitments.

Canadian customs is a good example. Long lines at customs last summer created a great deal of unpleasantness for passengers and tarnished the image of both the airport and Montréal. Fortunately, our analyses and high-level discussions with Canada Border Services Agency produced short- and medium-term solutions involving human resources, technology and optimization of available space.

We are also pleased with actions to minimize wait times taken or being considered by the Canadian Air Transport Security Authority (CATSA), which manages departure checkpoints. The new CATSA Plus technology tested at Montréal-Trudeau in 2016 seems to be very promising, and deployment at Montréal-Trudeau could begin by fall 2017.

In terms of road access to Montréal-Trudeau, as we have already noted over the years, the fact that the interchange refurbishment is not yet complete is a source of frustration for our users. However, we have every hope that the Ministry of Transport of Québec will keep its promise to deliver the missing segments by the end of 2017. We are also still very enthusiastic about the Réseau électrique métropolitain project.

Other issues already addressed here stem from Canada's air transportation policy. The policy is currently under review and, at year end, the Minister of Transport of Canada revealed his strategy for the future of transportation in Canada. We agree completely with the Minister's primary objective: "support greater choice, better service, lower costs and new rights for travellers."

MANAGEMENT AND BOARD OF DIRECTORS

In November, the Board of Directors announced the appointment of Philippe Rainville as the Corporation's President and Chief Executive Officer. Mr. Rainville replaces James C. Cherry, who retired at the end of 2016 (see page 41). Mr. Rainville, who has 30 years' experience, comes amply prepared for the position. He joined the ADM team in 2008 and has served as the Corporation's Vice President, Finance and Administration, Chief Financial Officer, and Vice President, Planning, Engineering and Construction, with responsibility for the management and execution of ADM's capital projects.

The Board also welcomed new member José P. Dorais, who was proposed by the Government of Québec. Appointed July 21, 2016, Mr. Dorais is a senior member of the Montréal office of Miller Thomson, and is a specialist in business law, administrative law and sustainable development law. Our sincere thanks to Raymond Reid for his significant contribution over the last 12 years.

ACKNOWLEDGEMENTS

In closing, we would like to congratulate the entire ADM team for another year of major accomplishments. Many thanks also to our partners, particularly the airlines serving Montréal-Trudeau, for their excellent service to the Montréal market.



Normand Legault
Chairman of the Board



Philippe Rainville
President and Chief Executive Officer

2016 HIGHLIGHTS



AÉROPORTS DE MONTRÉAL HOSTS THE ACI WORLD CONFERENCE

In late September, for the second time in 15 years, ADM hosted the Airports Council International/ACI North America world conference, which was attended by some 2,000 delegates from around the world. The event coincided with the triennial Assembly of the International Civil Aviation Organization (ICAO), which has been headquartered in Montréal since its inception. To mark the occasion, ADM President and CEO James C. Cherry launched the first International Civil Aviation Week in Montréal, the primary objective of which is to recognize Montréal as the civil aviation world capital.



INAUGURATION OF \$350 MILLION IN IMPROVEMENTS TO THE INTERNATIONAL WING

In May, ADM inaugurated over \$350 million worth of improvements and expansions at Montréal-Trudeau, including an extension of the international jetty and new commercial areas. The new jetty section, which includes eight new boarding gates, boasts an open-air design that incorporates cultural and artistic elements. The project was completed four months ahead of the original schedule, and the new facilities include additional retail space sure to please passengers waiting for flights. Several restaurants offering typically Montréal fare are helping to create a vibrant atmosphere that reflects Montréal itself.



OVER 16 MILLION PASSENGERS, A 6.9% INCREASE

On December 16, Montréal-Trudeau welcomed its 16 millionth passenger in 2016, who was onboard AC 874 bound for Frankfurt. The event was celebrated with prizes for all passengers on the flight. Total passengers for 2016 hit a new record at 16.6 million, an increase of 6.9% over 2015 and the seventh consecutive annual increase. Of that number 18.8% were connecting passengers.

Air service has also expanded significantly. During 2016, Air Canada launched or announced a total of 13 new destinations or routes departing from Montréal, including Shanghai, Algiers, Lyon, Marseille, Philadelphia, Denver, Houston and Dallas. The daily non-stop flight between Montréal and Shanghai on a B-787 aircraft started February 16, 2017. Montréal-Trudeau also welcomed three new carriers: Icelandair and WOW air (Reykjavik) and Tunisair (Tunis). As for Air Transat, the main novelty was the addition of Tel Aviv to its 2017 summer program.



A BRAND-NEW 12,000-FOOT RUNWAY AT MONTRÉAL-MIRABEL

On December 12, ADM employees and partners attended a ceremony to mark the reopening of runway 06-24 at Montréal-Mirabel. The runway had reached the end of its useful life and was completely refurbished. The \$60 million project included renovations to the electrical system, holding bay and related facilities. There are approximately 13,000 aircraft movements each year at Montréal-Mirabel. The runway is used primarily for all cargo flights, general aviation and flight testing by aerospace companies on site.

ADM RECOGNIZED FOR SUSTAINABLE DEVELOPMENT INITIATIVES

In December, following an independent audit, ADM was awarded Level 3 (Optimization) certification under the Airport Carbon Accreditation program for its commitment to reducing greenhouse gas (GHG) emissions in collaboration with its various partners at Montréal-Trudeau. The airport is only the fourth in North America to earn certification at the Optimization level, having met the Airports Council International program criteria on the strength of its numerous initiatives to reduce the airport's carbon footprint.



MONTRÉAL-TRUDEAU CELEBRATES ITS 75TH ANNIVERSARY

In operation since September 1, 1941, Montréal-Trudeau celebrated its 75th anniversary, and ADM took advantage of the festivities to reiterate the airport's importance to the Montréal economy and to Montrealers. The airport's history was covered in a special booklet inserted in Montréal's daily papers and in a documentary, *Montréal-Trudeau 75 years told*, broadcast on various media, in which well-known Montrealers describe their most memorable moments at the airport.

AIRPORT OPERATIONS

CARRIERS AND AIR SERVICE

2016 was a banner year for air service development. Montréal-Trudeau welcomed three new international carriers: Icelandair, low cost carrier WOW air and Tunisair, as well as charter operator Canadian North. Montréal is now connected to Reykjavik by two independent carriers offering connections to many cities in Europe. Montréal has become Tunisair's first North American destination due to its large Tunisian population.

Air Canada, including its vacation flight subsidiary Rouge, also continued developing its Montréal network and optimizing its schedule to promote connections. During the first year, the company launched or announced the opening of 13 new destinations from Montréal, including Denver, Hamilton, Lyon, Houston, Casablanca, Philadelphia, San Jose and Puerto Vallarta, as well as non-stop flights during the winter season to San Juan, Puerto Rico.

In 2017, the national carrier will offer a brand new non-stop daily flight between Montréal and Shanghai, as well as flights to Marseille, Algiers and Dallas. Clocking in at over 14 hours, the flight to Shanghai is now the longest flight departing from Montréal.

Air Transat has added domestic flights to provide connections to its flights heading south and to Europe. In 2017, the vacation airline will add two flights a week to Tel Aviv, Israel to its summer-season program.

Several carriers also increased their capacity on existing routes. Air China bumped up its weekly flights to Beijing from 3 to 4, a 33% increase in seats. In the wake of the elimination of the Canadian visa requirement for travellers from Mexico, Aeromexico immediately increased its flights from 7 to 11 per week. Several European destinations, including Lyon, London Gatwick, Lisbon and Zurich, also benefitted from added capacity.

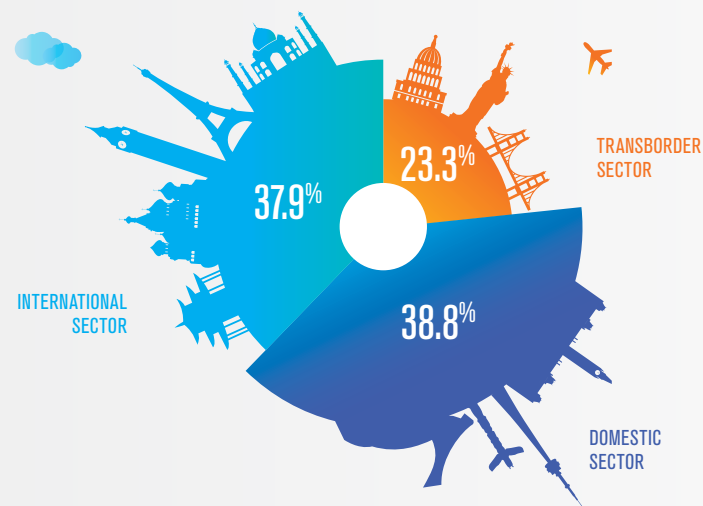
As of year-end, a total of 32 carriers provided air service from Montréal to 136 regular and seasonal destinations: 83 international, 25 in the U.S. and 28 within Canada.

PASSENGER TRAFFIC AND MOVEMENT

Traffic through Montréal-Trudeau increased 6.9% in 2016, for a total of 16.6 million enplaned/deplaned passengers, a new record and a continuation of its 2003 development push. The airport also consolidated its third-place ranking among Canadian airports. Toronto and Vancouver also posted strong growth numbers, despite a still unsettled Canadian economy. The reasons for this strong growth are the same as last year: a considerably wider range of enhanced air services, along with the availability of new aircraft and very attractive oil prices.

The biggest surprise was in domestic travel, which climbed by 9.5% as a result of increased carrier capacity. Air Transat's entry into this market was certainly a contributing factor. The Montréal-Toronto route was particularly busy, with strong competition among carriers and travellers taking advantage of the resulting low rates.

2016 AIRPORT TRAFFIC - BREAKDOWN BY SECTOR



INTERNATIONAL JETTY

International travel remained strong, increasing by 6%, particularly with the entry of new carriers, including Air China, which was in its first full year of operation. While both the sun and overseas segments contributed to the increase, flights to Europe accounted for the largest growth. Traffic between Canada and the U.S. was up by 4.3%, with Western U.S. destinations (Los Angeles, San Francisco, Las Vegas and now Denver) and the three New York airports driving up demand.

Montréal-Trudeau continues to be the Canadian airport with the highest proportion of international travellers. However, the segmented breakdown for Montréal traffic changed slightly: domestic traffic again took the lead with a 38.8% share, compared with 37.9% for international and 23.3% for transborder traffic.

The percentage of connecting or transit traffic rose again by about half a point, to 18.6%, the result of carriers' efforts to develop the Montréal-Trudeau hub. In absolute terms, given the strong growth in total traffic, the number of connecting passengers surged by about 300,000, from 2.8 million in 2015 to 3.1 million in 2016. Connections occur primarily between the domestic or transborder sector and the international sector.



Aircraft movements (take-offs and landings) recorded at Montréal-Trudeau and Montréal-Mirabel airports increased by 2.5%, from 232,600 to 238,500, the result of the entry of new carriers and the addition of flights to numerous destinations.



CATSA PLUS



REMOTE X-RAY VIEWING ROOM

AIR FREIGHT

In total, some 191,651 tons of cargo passed through Montréal's international airports in 2016, an increase of approximately 8.9% compared to 2015. Of this figure, Montréal-Trudeau handled 102,662 tons, up 15.4%. Cargo handled at Montréal-Mirabel increased slightly to 89,000 tons.

CUSTOMER EXPERIENCE

ADM is committed to offering its customers a memorable airport experience, with a Montréal flavour, supported by staff who aim for excellence. Over the years, the Corporation has acquired various customer experience management tools, including quarterly satisfaction surveys (see page 12), an airport recognition program, a mystery client program, and complaints management. Also, in addition to the surveys, customers can now use a newly deployed voting system to instantly express their degree of satisfaction with various processes, services or spaces.

Improving customer experience is not just ADM's responsibility. It falls on the entire airport community, especially as the passenger perceives the airport as an indivisible whole. That is why ADM and a large number of its business partners have developed a program together, based on four aspects of service: friendliness, fluidity, security and innovation.

For the past few years, ADM has also worked to create a pleasant and relaxed ambience in the air terminal. An animation team entertains children at certain key times of year, particularly Christmas. For 2017, there are plans to implement a program of regular activities that would include new partners.

Lastly, ADM will continue developing spaces and services designed to meet a range of customer needs, such as rest and play areas, work spaces, breastfeeding rooms, etc. In December, Montréal-Trudeau became the first North American airport to provide a hygiene room specially designed for persons with reduced mobility.



YULI APPLICATION



INAUGURATION OF HYGIENE ROOM

INNOVATIONS

ADM is known for its innovation and leadership in using technologies designed to facilitate, accelerate and improve the home-to-plane and reverse journey. Montréal-Trudeau was one of the first airports to offer automated passport control points for passengers travelling on Canadian or U.S. passports.

To develop the connecting market and support airlines' efforts to that end, ADM is working with the government agencies in question to improve connection procedures. In November 2016, a streamlined process was implemented for passengers making international-domestic connections. They can now proceed to the boarding gate for their connecting flight without leaving the restricted area or retrieving their baggage at the carousels. The program was launched with Air Canada's participation, and it will be extended to other carriers over the coming years.

A unified procedure was also created in the Canadian customs hall for domestic and international connections. The procedure facilitates passenger direction, centralizes connection-specific resources within a single process and limits the impact of connecting passenger processing on visitor passenger processing. This procedure will be further developed in 2017 and 2018 with the creation of a connection centre that will physically separate connecting passengers from passengers ending their trip in Montréal.

Another initiative aimed at speeding up connections is one-stop security, which was implemented for flights originating in Europe and the U.S. and connecting through Montréal-Trudeau. Under this Transport Canada program, passengers and baggage do not have to be rescreened for connecting flights, on the condition that the aviation security standards in the country of origin are equivalent to Canadian standards.

The Canadian Air Transport Security Authority (CATSA) tested a new high-performance screening line at Montréal-Trudeau's screening checkpoint "A". The new screening line, named CATSA Plus, includes features such as motorized rollers, an automatic bin return system and improved divest and repack stations for passengers. This more efficient and user-friendly solution lets passengers proceed at their own pace. Other similar lines should be installed in late 2017.

Other initiatives introduced in 2016 include the deployment of new self-serve luggage drop-off points in the international jetty and the installation of a new conveyor that speeds up baggage transfers for passengers connecting to U.S.-bound flights. Also, in March 2016 ADM launched its new YULi mobile application with Wi-Fi geolocation to guide passengers through the terminal and give them real-time information.

AIRPORT OPERATIONS AND SAFETY

Increased traffic, particularly during summer peaks, is a substantial challenge for the teams tasked with ensuring that operations within the terminal building proceed smoothly. Mitigation measures were implemented to speed up passenger flow in international arrivals by directing them to the appropriate procedures. As well, a number of cityside and airside construction projects required specific action plans.

ADM teams first conducted a battery of tests, inspections and assessments to ensure that the new facilities in the international area were up to standards.

Montréal-Trudeau was chosen by the Government of Canada as a port of entry for flights carrying Syrian refugees, and the airport welcomed a total of 43 flights. Approximately 40 ADM volunteers assisted with this large-scale humanitarian operation, which also required the participation of several internal and external stakeholders, including Canada Border Services Agency (CBSA). Approximately 6,000 bottles of water, 5,000 juice boxes and 10,000 snacks were distributed free of charge to some 11,000 refugees in the section of the aeroquay outfitted for the operation.

Montréal-Trudeau airport also welcomed top-level dignitaries in 2016, including France's prime minister and the Chinese premier, which required skillful coordination between logistical teams and security agencies.

Following the launch of the operating permit program for airport service providers, such as fuel handlers and distributors, all program participants' airside activities were audited, and their employees began training on the security management system (SMS). The primary purpose of the new program is to strengthen security around airside operations and incorporate third-party service providers within the SMS.

ADM continued complying with the new Transport Canada regulations regarding non passenger and vehicle control at entry points to restricted outside areas. Implementation of a permanent checkpoint implementation plan is well underway. For its part, ADM's Airport Patrol focused on the fight against global terrorism and maintaining smooth traffic flow on the airport's road network.

CUSTOMER SATISFACTION

ADM measures customer satisfaction at Montréal-Trudeau through surveys of about 6,000 passengers on departure and 2,300 passengers on arrival. The surveys are a crucial management tool for improving customer service. The measurement scale has seven levels, from extremely satisfied to extremely dissatisfied, and includes a neutral level (neither satisfied nor dissatisfied).

In 2016, the overall satisfaction score for passengers on departure was 5.8 out of 7, i.e. 0.03 higher than the previous year. The proportion of passengers who expressed overall satisfaction (extremely satisfied, very satisfied or satisfied) was 97.7%, about the same as in 2015.

Check-in is considered to be the most important stage of the passenger's journey. The group of indicators related to check-in received an average score of 5.96 out of 7, i.e. the highest rating among the eight groups of indicators. The group of indicators that improved the most relates to the customer experience in the restricted area (beyond the security checkpoint). The opening of new businesses and the improved ambience explain this progression.

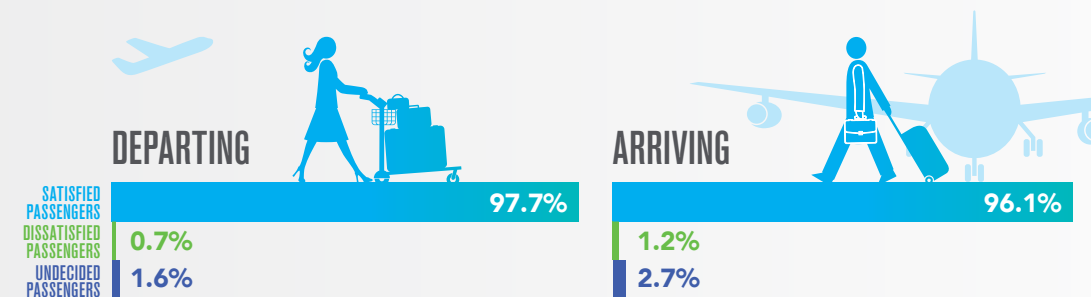
In terms of passengers on arrival, the overall satisfaction score was 6 out of 7, an increase of 0.11 points. The proportion of passengers who said they were satisfied overall was 96.1%, compared with 96.8 % in 2015. The indicators receiving the highest satisfaction scores were baggage cart availability and the ability of Canadian Customs officials to speak the passenger's preferred official language (English or French).

REAL ESTATE AND COMMERCIAL SERVICES



UNIQUE ENVIRONMENT

CUSTOMER SATISFACTION IN 2016



COMMERCIAL SERVICES

2016 was an exceptional year for commercial development at Montréal-Trudeau. About 30 restaurants and shops were introduced or renovated during the year, and several well-known Montréal brands are now on display in the terminal building to create a sense of belonging. The new commercial areas offer a unique and high-quality environment that ensures passengers a stimulating experience in which commercial diversity plays a leading role.



With the opening of the new international jetty and commercial hub between Gates 52 and 53, the international jetty was the biggest beneficiary of this accelerated expansion of the network, with outlets such as Auberge St-Gabriel, Le Grand Comptoir Wine Bar, Montréal Bagel & Deli, Montréal Cuisine de Rue food truck, QDC Burger, Baero, Upper Crust, Camden Food, Bistro Montréal-Trudeau, Boutique Griffon and Relay. The duty free shop also opened two new sections, Fashion and Victoria's Secret, and a new express shop at Gate 63.

The domestic sector now boasts the elegant ICE Bar, restaurants Avenue des Canadiens, Trinity Greek Taverna, Urban Crave and Pork & Pickle as well as the Bentley and Davids Tea boutiques. Restaurant/bar John Molson and One-Minute boutique opened on the arrivals level, and the U.S. jetty is now home to Starbucks, Urban Crave, Tim Hortons and Hurleys Irish Pub.

As well, a second lounge, the Desjardins Odyssey Lounge, opened in the international jetty, while Safe Bag was hired to offer baggage wrapping services.

PARKING AND GROUND TRANSPORT

Once again, parking services at Montréal-Trudeau made a significant contribution to the Corporation's revenues. Because of our search engine optimization strategy and web marketing campaign, the on-line booking system continued growing in popularity, with transactions increasing 40% over 2015. Also, after launching a call for tenders ADM awarded a contract to implement the revenue management system in its public parking lots to optimize occupancy rates. Lastly, ADM acquired the Aloft hotel's 12,340 m² parking lot, bringing the number of spaces at Montréal-Trudeau up to approximately 13,000.

In commercial transport, an agreement was signed in June with Téo Taxi to introduce a 100% electric taxi service at Montréal-Trudeau. The 18-month pilot project was approved by the Ministry of Transport, Sustainable Mobility and Transport Electrification. The service offers 10 Tesla vehicles used exclusively to carry passengers to and from the airport, and can be ordered through the Téo Taxi mobile application. The rates are the same as those set for regular taxis by the Bureau du taxi de Montréal. The stand is located on the departures level of the terminal building.

Also, as of December 12, Uber drivers can pick up passengers at Montréal-Trudeau airport, upon payment of a fee. Under the agreement with the Ministry of Transport, Sustainable Mobility and Transport Electrification, Uber Canada Inc. can offer transportation services at the airport until October 2017. Uber cars use a waiting area located outside the airport perimeter, and passengers are picked up at the same location used by Téo Taxi.

Initial data indicated that these new commercial transportation services are popular with customers and that business for taxi drivers with airport permits has continued to grow as traffic increases. Taxi drivers with airport permits continue to have exclusive use of the professional pickup area on the arrivals level.

Montréal-Trudeau airport users now have a wide range of commercial transportation services, which also include the 747 express bus, car-sharing, car rental and private shuttle services.

ADVERTISING AND SPONSORSHIPS

Following discussions initiated in 2015, ADM signed major sponsorship agreements with Transat for Espace Transat in the international jetty, and with Desjardins for the new Odyssey Lounge. Under the agreement with Astral Media, 12 AeroVertical digital faces were installed in the domestic jetty and at Gates 47 to 51. Other innovative initiatives include installation of the first multimedia wall in the transborder jetty, and the new YULi mobile application to provide passengers with information, directions and promotional offers from our concessionaires.

REAL ESTATE DEVELOPMENT – MONTRÉAL-TRUDEAU

Camion Volvo Montréal will be moving into a 2,800 m² building near the airport, to be built by ADM's subsidiary ADMC, at a cost of \$10.5 million. The Corporation also signed building and/or land lease agreements, one with 9286-8611 Québec Inc., a logistics and transportation company, and the other with Airwaste.



REAL ESTATE DEVELOPMENT – MONTRÉAL-MIRABEL

Pama Manufacturing, which manufactures customized disposable sterile and non-sterile medical supplies, took possession of its new plant, built on a lot measuring over 5,000 m² on the site of the former Montréal-Mirabel terminal building. This is the first industrial project on this 200,000 m² site, which is being reconverted. ADM is taking full advantage of this prime location and unique environment to attract businesses. The development plan provides for approximately 30 businesses.

ADM also signed two land leases, the first with family business Soudure Alarie Inc. for its new Métautek plant to manufacture steel parts for the pharmaceutical, food processing and aeronautics industries. The second agreement is with Nolinor for a parking lot for customers and employees. The two parcels of land total an area of about 17,500 m².

A number of space lease agreements were also signed in 2016, the largest with Groupe Robert, a transportation and logistics business, for 9,500 m² of space in Cargo A building.

The CSeries development program at Bombardier Aerospace has entered a new phase, with the delivery of the first CS100 aircraft and certification of the CS300. The company has also leased additional land for CSeries testing and aircraft parking.

COMPLETE TRANSPORTATION OFFERING



747 EXPRESS BUS



TAXIS / TÉO TAXI



UBER / CAR-SHARING



CAR RENTAL



SHUTTLE

ENGINEERING AND CONSTRUCTION

MONTRÉAL-TRUDEAU

The international jetty extension project was completed in May, four months ahead of the original schedule. This large-scale construction-management project added eight boarding gates and a spacious waiting area with restaurants, lounges and boutiques. The work done in 2016 focused mainly on finishing the interior, fitting out the shops, and installing artistic and cultural elements. The opening was held on May 12, and the new facilities received immediate acclaim for their innovative design concept, which encourages travellers to relax.

Another project completed in 2016 consisted in rehabilitating and expanding holding bay 06D so as to meet the future operational needs of air traffic.

Inside the terminal, ADM continued renovating the east area of the domestic and international departures hall, consisting of the check-in areas occupied mainly by Air Canada and the commercial area known as Rue Montréal. Upgrading work was also done on a number of connecting walkways.

A construction contract has been awarded for major work in the outbound baggage area for domestic and international flights. Carried out in partnership with CATSA, this project includes the installation of a new-generation explosives detection system. For ADM, the objective is to increase baggage-handling capacity to respond to the needs projected out to 2025.

At the end of 2016, ADM also began rehabilitating the upper lane of the drop off at the departures level. The main purpose of this work is to extend this lane's service life until it is completely replaced, about 10 years from now, as part of the redevelopment of the cityside.

Lastly, four checkpoints for non-passengers and vehicles (NPSV) were built at the various entrances to the airport to comply with the new Transport Canada regulations.

Many other development, improvement and maintenance projects were completed at Montréal-Trudeau in 2016, including the following:

- ▲ Creating a green wall that serves as a humidifier in the domestic and international departures hall
- ▲ Adding passport checkpoints
- ▲ Installing electric-car charging stations in the public and employee parking facilities
- ▲ Building a satellite security screening point for passengers making international-international connections.

PLANNING

ADM continued its functional studies in connection with the cityside redevelopment project. This major project will be carried out over a period of 10 years and has several components, the main ones being to increase the capacity of the departures drop-offs and the parking facilities and to improve the connections between the parking facilities and the central terminal building. An additional challenge arose in 2016: incorporating an underground station for the future Réseau électrique métropolitain light-rail system. A final concept and a phasing plan were submitted to the Board in October.

The acceleration in the growth of passenger traffic, though in and of itself good news for the Montréal community, has forced re-examination of some airport-planning issues. In fact, the Corporation has had to update its capacity analyses for all systems at Montréal-Trudeau, including the runway system, with a time horizon of 2035. Special attention has been given to aircraft parking facilities, baggage-handling facilities, the international arrivals area, and connection facilities.

Working with the CBSA, ADM has been seeking solutions to the problems posed by the summer hyper-peak. As part of this process, a computer simulation was run to understand the issues arising on the primary inspection line, both now and in the future. With connecting traffic constantly on the rise, ADM has also looked for solutions to increase processing capacity for each of the various types of connections. We have determined that creating a connection centre will be an effective solution in the medium term, especially because it would let us separate connecting passengers from arriving passengers whose final destination is Montréal. Connecting passengers would thus be diverted out of the flow of passengers processed on the primary inspection line.



As regards the airport's system of runways, although their capacity is adequate for the very long term, we have been examining ways of increasing their performance, while ensuring that we do so in a manner consistent with the life-cycle management program. In the cargo sector, ADM has partnered with Air Canada and Transport Canada on a pilot project to develop the concept of a transition zone or air lock between the warehouses and the aircraft.

RAIL SERVICE

In April 2016, the Caisse de dépôt et placement du Québec (CDPQ) unveiled its plans for the Réseau électrique métropolitain (REM), a light-rail system connecting downtown Montréal, the South Shore, the West Island, the North Shore and Montréal-Trudeau Airport. Extensive public consultations were then held concerning these plans, several aspects of which were enhanced as a result.

ADM is more convinced than ever that this project will be highly positive for Montréal, benefitting its economy, environment and urban development. ADM is especially happy that the CDPQ has seized this unique opportunity to design an integrated network, and not simply two independent lines, and that it plans to use Central Station as the downtown drop point. ADM has always had a preference for Central Station because of its central location and its proximity to the business district, the Palais des Congrès conference centre, and a large number of hotels. For business clients and tourists, as well as for the thousands of people who live in the metropolitan area and work at the airport, there is no question that the REM will prove a highly attractive transportation option.

In the course of the year, working with the CDPO, ADM conducted conceptual studies on the branch of the REM that will stop at Montréal-Trudeau airport, as well as on the location of the future airport train station and its integration into the cityside redevelopment project.

MONTRÉAL-MIRABEL

At Montréal-Mirabel, the rehabilitation of runway 06-24 and holding bay 06 dating from 1972 was completed as planned, in December. This project, with a total value of some \$60 million, also involved renovating the electrical system and related facilities. Some 120,000 cubic metres of concrete were mixed on site to meet the needs of this project.

The dismantling of the Mirabel terminal complex also continued in 2016. The site is now completely cleared.



SUSTAINABLE DEVELOPMENT

Aéroports de Montréal aims to become one of the best airport managers, known for its rigour, efficiency and innovation, as well as its respect for the environment. To this end, in managing, operating and developing its airports, the Corporation takes all of the social, economic and environmental impact into account and develops good relationships with its partners and stakeholders.

After adopting its Commitment to Sustainable Development, ADM set out an action plan, which was updated and enhanced in 2015. More than 100 actions have been identified within the three areas of sustainable development. The main challenges are as follows.

SOCIAL

- ▲ Maintaining harmonious relationships with local communities and supporting them
- ▲ Developing talents and skills
- ▲ Improving quality of life at work

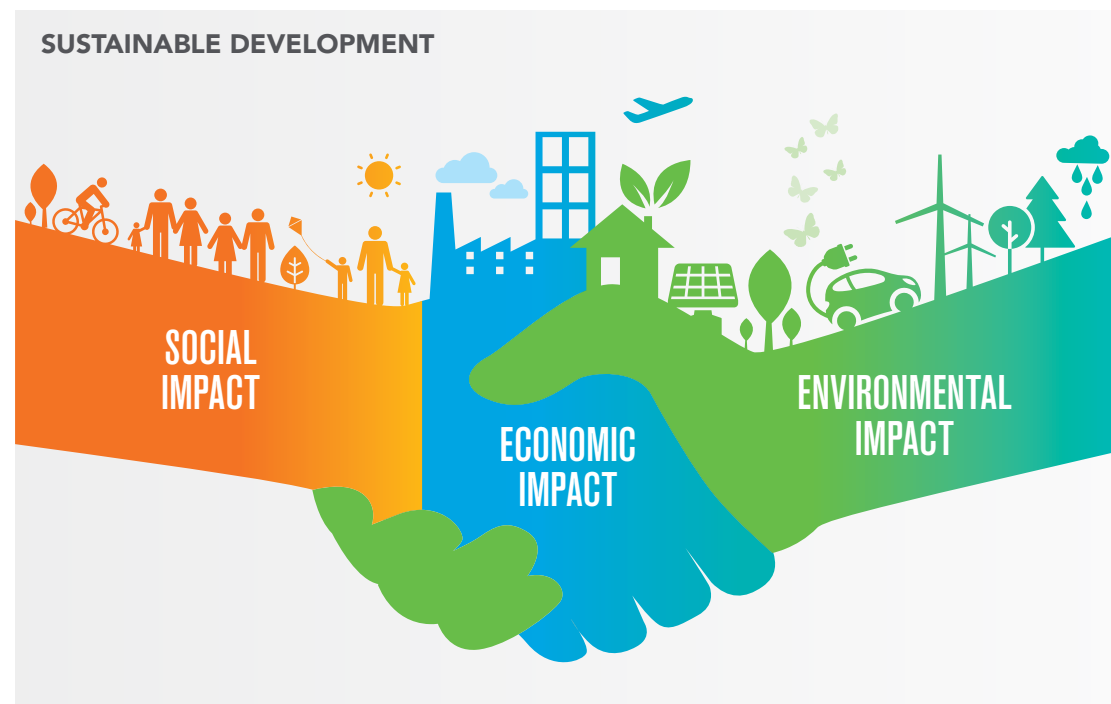
ENVIRONMENTAL

- ▲ Improving energy efficiency and reducing greenhouse gas emissions
- ▲ Reducing resource consumption and managing waste materials
- ▲ Protecting bodies of water and reducing drinking-water consumption

ECONOMIC

- ▲ Improving ground access to the airport
- ▲ Contributing to the economic development of Greater Montréal
- ▲ Enhancing ADM's service offering

The Sustainable Development Committee, consisting of managers of various ADM departments, monitors ADM's implementation of its Commitment to Sustainable Development.



PROTECTION OF THE ENVIRONMENT

As part of its mission, Aéroports de Montréal seeks to maintain harmonious relations with surrounding communities, particularly when it comes to protecting the environment. The Corporation's environmental policy, available at www.admtl.com, identifies the main areas of improvement for protecting the environment.

In 2016, ADM renewed its commitment as a partner in the Sustainable Montréal 2016-2020 plan and signed the Airports Sustainability Declaration.

The Corporation also made continued efforts to improve its environmental performance and minimize the environmental impact of its activities. In 2016, ADM invested approximately \$8.2 million in capital projects related to the environment, including the following:

- ▲ Creating a green wall in a public area of the terminal
- ▲ Installing additional charging stations for electric vehicles
- ▲ Replacing the hydrocarbon interceptor on the east apron with three new interceptors
- ▲ Installing equipment that supplies aircraft with electricity and heated/cooled air at the six new contact gates of the international jetty
- ▲ Launching various sustainable development initiatives as part of the international jetty extension project
- ▲ Initiating a variety of energy-saving projects related to heating, ventilation and air conditioning (HVAC) systems.

CERTIFICATION AND RECOGNITION

Since 2000, ADM has held ISO 14001 certification for its environmental management system. This system allows operational processes and environmental performance to be improved from a variety of standpoints. In 2016, ADM was one of the very first companies to have its environmental management system re-certified under the new standard, ISO 14001 (2015).

The Montréal-Trudeau terminal holds BOMA BEST certification attesting to the good energy and environmental performance of this building. Montréal-Trudeau was also the first Canadian airport to receive Airport Carbon Accreditation (Level 2, Reduction). ADM recently achieved Level 3, Optimization, in recognition of its commitment to reducing greenhouse gas (GHG) emissions in collaboration with the airport's various partners.

The Montréal-Trudeau de-icing centre is among the most advanced in the world in terms of environmental protection: used glycol is recovered, recycled and reused as de-icer, which reduces the need for drinking water and provides substantial savings. For this achievement, ADM, along with the operator, Aéro Mag, was awarded the Prix Novae for Citizen Initiative (Waste Materials category) in 2015, in addition to being a finalist for the Prix Mercure for Sustainable Development in 2015 and 2016.

Lastly, the process for LEED certification of the international jetty expansion project was pursued with the submission of a file to support the application in 2016. Examples of eligible sustainable development elements include the building's energy performance, reduced drinking water consumption, use of local materials, management of construction waste, and erosion control during construction.

ENERGY EFFICIENCY AND GREENHOUSE GAS EMISSIONS

Reducing greenhouse gases has been a priority for ADM for several years. The many initiatives that ADM has taken in this regard have saved 43,984 tonnes of CO₂ equivalent over the period 2004 to 2012. This exceptional performance is due largely to the replacement of the old oil-fired heating plant with an ultra-high performance facility that is geared toward energy recovery and runs on a combination of electricity and natural gas.

In 2016, the Corporation continued to improve its ventilation systems by installing speed controllers, thus reducing energy consumption by the fan and pump motors. In addition, the configuration of the HVAC systems was modified in some areas to increase their efficiency. Lastly, a green wall was installed in the public area of the terminal. This vertical garden, composed of various species of green plants, acts as an ecological humidifier, biofilter and oxygen generator, in addition to reducing energy consumption and improving the customer experience.

Both new buildings and buildings under construction, such as the expansion of the international jetty, are equipped with high-performance shells that reduce heating and air-conditioning requirements. In addition, in some parts of the terminal, an ingenious system of automated blinds keeps natural lighting at optimal levels. Other devices geared toward energy efficiency include airtight revolving doors and speed regulators on escalators and moving walkways. In 2016, five mechanical escalators were replaced with new escalators

equipped with speed regulators, and a geothermal system was installed to provide heating and air conditioning for a checkpoint under construction.

ADM helps airlines to reduce the greenhouse gases that their aircraft emit while parked at the boarding gate, by providing them with electricity and heated or cooled air. For example, the new boarding gates on the international jetty are equipped with such facilities, which are designed to keep aircraft from having to run on-board generators that burn aviation fuel.

The Corporation promotes the use of LED lighting, in particular for runway and other airside lighting systems, as well as for street lighting, and also does nighttime load shedding. In 2016, the LED lighting technology conversion program continued at Montréal-Mirabel, both for the road network and for the runways and taxiways. At Montréal-Trudeau, efforts focused on the new holding bay O6R, the outdoor checkpoints and certain areas in the terminal. Tests have also determined that LED bulbs are superior to the compact fluorescent bulbs currently used in airport washroom facilities, so a massive initiative to replace fluorescents with LEDs is planned for 2017.

Motion detectors to control lighting have been installed in the offices and elsewhere in the terminal; we estimate that these devices have reduced energy consumption by 75%. This project, which received a grant from Hydro-Québec as part of the Industrial Initiatives Programs for Major Customers, has been extended to certain lower traffic areas in the terminal building as well.

SUSTAINABLE TRANSPORTATION

ADM is increasingly turning to sustainable transportation. For example, at Montréal-Trudeau, there are currently 160 hybrid taxis, representing 51% of the fleet of regular taxis (excluding the electric cars operated by the new Téo Taxi service). This measure saves over 5,000 tonnes of CO₂ equivalent per year – a reduction of 28% compared with a fleet of gasoline-powered cars.

Also, with regard to the shuttle service between the parking lots and the air terminal, the use of smaller capacity vehicles, together with optimization of the routes and more effective management of service levels in relation to demand, has reduced fuel consumption by 39%.

ADM continues its efforts to green its own fleet of light vehicles, which employees use to perform their daily tasks. Following the feasibility study conducted in 2015, the first electric vehicle and five sub-compact vehicles were acquired for this fleet. We have also begun to equip certain heavy vehicles with autonomous heating systems, so that their engines can be cut when they are on standby.

ADM's Écono-Écolo-Pratique program encourages employees to choose sustainable transport, such as carpooling and public transit, when travelling to and from work. Various other methods are being implemented to reduce GHG emissions from vehicle travel to and from the airport. For example, a free parking lot (CellParc) is available for cars waiting to pick up passengers, in order to reduce traffic and eliminate engine idling in the pick-up area. ADM has also developed a plan to deploy additional charging stations for electric vehicles, and the first phase of implementing this plan has begun. ADM is also an enthusiastic champion of the new Réseau électrique métropolitain light-rail system. This entirely electric, non-polluting system will not only make the airport more accessible but also alleviate road congestion and reduce the need for private vehicles.

Lastly, Air Canada has chosen Montréal-Trudeau airport to carry out Canada's Biojet Supply Chain Initiative (CBSCI). This three-year project, in which 14 organizations are participating, will introduce 400,000 litres of sustainable aviation biofuel (biojet fuel) into the aviation fuel supply chain.

HABITAT AND WATER PROTECTION

ADM continuously monitors the quality of rain water, waste water and ground water at its airports through sampling and analysis programs conducted by outside firms with the necessary credentials. More than 500 analyses are carried out annually on samples of rain water collected at the various outlets of Montréal-Trudeau and Mirabel airports. In addition, the City of Montréal operates an air-quality measuring system at Montréal-Trudeau, the data from which are available on the City's website.

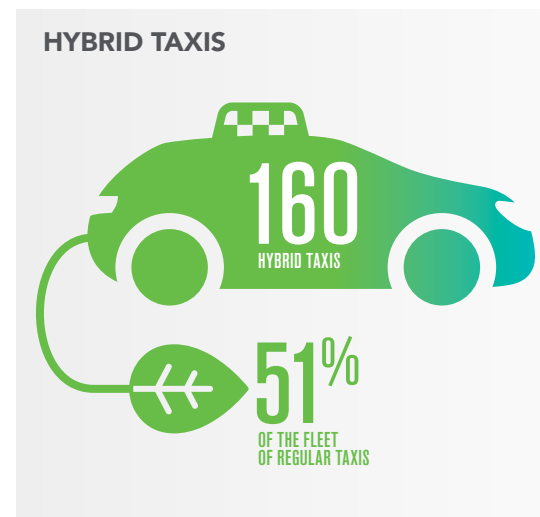
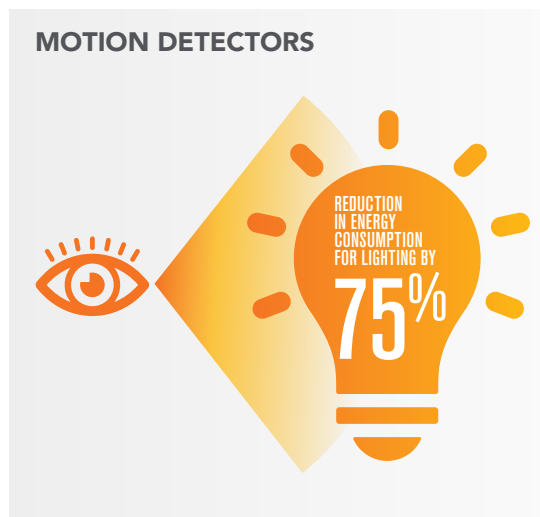
In order to protect local bodies of water, and Bouchard Creek in particular, systems have been installed that maximize recovery of the glycol used to de-ice airplanes and prevent it from ending up in the environment. The de-icing centre has a cutting-edge underground collection network; the glycol that it recovers is treated and reused for de-icing. In 2015, additional work was done to improve confinement of the glycol on the outskirts and to expand and waterproof the snow-waste storage area. The sampling campaigns conducted in winter 2015-2016 show an improvement in the water quality of Bouchard Creek.

Given winter conditions in Québec, clearing snow from runways and de-icing them are crucial for aviation safety. In order to reduce the environmental impact of these operations, ADM has been using sodium formate and potassium acetate instead of urea at Montréal-Trudeau airport since 2011. The Mirabel airport followed suit in 2015, but in winter 2016 was forced to temporarily go back to using urea, because of a shortage of sodium formate.

Snow waste from the roads, parking lots, aprons and aircraft manoeuvring areas is stored in dedicated areas. In spring, the runoff from this snow waste is diverted into a settling tank, allowing particles to settle before the water enters the storm drainage system.

In addition, watercourse-protection equipment, such as interceptors and grit tanks, traps hydrocarbons and solids that might otherwise end up in storm water. In 2016, ADM installed three 150,000-litre interceptors in the Bouchard Creek area, in addition to the one already installed for the apron of the international jetty expansion.

Furthermore, every development project at Montréal-Trudeau and Mirabel must undergo an environmental assessment to identify its potential impacts on the environment and to propose mitigation measures. In 2016, no projects were deemed likely to have major effects on the environment. ADM also operates an environmental inspection program for its construction sites, to ensure compliance with environmental regulations and with the environmental requirements of project specifications.



RECYCLING AND REDUCTION PROGRAMS

In keeping with the 4 Rs (reduce, reuse, recycle and recover), ADM has set the objective of recovering 50% of its waste materials by 2017. Paper, cardboard, plastic, glass and metal are collected in multi-material collection bins throughout the airport terminal and offices. ADM also collects organic waste from the terminal building's restaurants. Over 1,000 tonnes of waste materials were recycled or composted in 2016, which represents a diversion rate of 36%. Various steps have been taken to increase the rate of recycling, such as collecting cooking oil, distributing recycling bins, raising employee awareness, renovating and controlling access to the compactor room.

ADM has also continued to install water-bottle filling stations in the terminal, so that passengers who empty their bottles at checkpoints can refill them once they have passed through security.

Other long-established programs aim to recover debris from renovation and demolition work, to reduce consumption of drinking water and paper, to plan events in an environmentally responsible way and to source eco-friendly products and services.

The reclamation rate for waste materials from dismantling the Mirabel air terminal was 98%, while the recovery rate for waste materials from the expansion of the international jetty was 97%.

As part of the project to rebuild runway 06-24 and holding bay 06 at Mirabel, an approach inspired by sustainable development was applied to reduce the raw materials that this project would require and the waste materials that it would generate and that would have to be transported and disposed of off site. This approach also reduced the costs and increased the service life of the rebuilt facilities. Existing surface representing 60% of the area of the old runway was left in place, while the new surface was built over it. This concept, which was used successfully at Montréal-Trudeau in 2004, won the American Concrete Institute Merit Award in 2015. The remaining 40% of the existing runway was demolished, and all of the resulting waste (including 95,000 tonnes of concrete) was reused in the construction of the new runway.

Wildlife services are making efforts to control wildlife around the airports. Birds in particular pose a risk to aviation safety. Over the past few years, an increasing number of snowy owls have been venturing onto the Montréal-Trudeau airport site in search of food. A total of 100 of these magnificent birds have been captured and relocated. In 2016, new wildlife-management tools were introduced, in particular for Canada geese and wild turkeys.

In co-operation with Alvéole, a local honey co-operative, ADM operates, at each of its two airports, five hives that are home to a total of more than 600,000 bees. Part of the honey harvested every year is donated to two local food banks, Moisson Laurentides and Moisson Montréal. In addition, a bee-friendly garden has been planted near the hives at Montréal-Trudeau. This garden not only makes the work of pollinating insects easier but also provides a haven for the protection and reproduction of monarch butterflies. That explains why it has been certified by both Monarch Watch and Space for Life.

GREENING AND ENHANCING NATURAL HABITATS

In accordance with its Tree Policy, ADM provides support for planting projects proposed by local communities. In 2016, ADM's financial contribution to a planting and beautification project by Vanguard School in Saint-Laurent enabled 11 trees and 90 bushes to be planted.

KEY ENVIRONMENTAL INDICATORS

In accordance with the principles of social responsibility for businesses, Aéroports de Montréal publishes a number of key environmental indicators that measure its airports' environmental footprints and attest to its efforts to reduce them as much as possible. However, it is important to note that these airports' energy consumption and use of de-icing fluids, for example, are greatly influenced by Montréal's climate.

	2016		2015	
	YUL	YMX	YUL	YMX
Energy consumption (GJ)	525,552	106,550	518,535	149,069
Electricity	422,449	54,955	406,124	64,957
Natural Gas	51,198	37,446 ¹	62,133	68,602 ¹
Diesel	44,066	11,730	41,322	9,901
Heating Oil	434	— ¹	894	3,170 ¹
Gasoline	7,405	2,418	6,077	2,439
GHG emissions (t CO ₂ equiv.) ²	7,297	3,181	7,403	4,592
Residual materials generated, ADM terminal and buildings (t)	3,016	93.4	2,758	90.3
Residual materials recycled and composted (t)	1,094	32.1	552	27
Tree planting	11	n.av	226	n.av
Winter operations				
Quantity of sodium formate applied (t)	848	425	632	—
Quantity of potassium acetate applied (L)	186,756	58,816	74,228	5,440
Quantity of urea applied (t)	—	30	—	100
Quantity of salts applied on the parking lots and the road network (t)	1,056 ³	447	2,226 ³	586
Quantity of pure glycol sprayed on aircraft (L) ³	2,610,989	264,975	3,202,056	277,217
Quantity of recycled glycol concentrated 99.5 % (L) ³	1,241,200	N/A	250,000	N/A

1. The Montréal-Mirabel heating plant stopped operations in April 2015.
 2. GHG emissions may be subject to minor adjustments in the event of changes to emission factors.
 3. Per season: 2014-2015 and 2015-2016.
 Snow precipitation: Total of 173 cm in 2015-2016 and 207 cm in 2014-2015.
 Freezing rain precipitation: Total of 33 mm in 2015-2016 and 19.6 mm in 2014-2015.
 Number of days with freezing rain: 7 in 2015-2016 and 5 in 2014-2015.

ECOSYSTEM

- 10 HIVES
- 600,000 BEES
- PART OF THE HONEY HARVESTED DONATED TO MOISSON LAURENTIDES AND MOISSON MONTRÉAL
- BEE-FRIENDLY GARDEN HAVEN FOR THE PROTECTION AND REPRODUCTION OF MONARCH BUTTERFLIES

DEVELOPMENT OF THE SOUTHWEST SECTOR (LOT 7)

The development of Lot 7 (the southwest sector of the Montréal-Trudeau site), which was formerly leased to the City of Dorval and used as a golf course, is a concrete example of sustainable development.

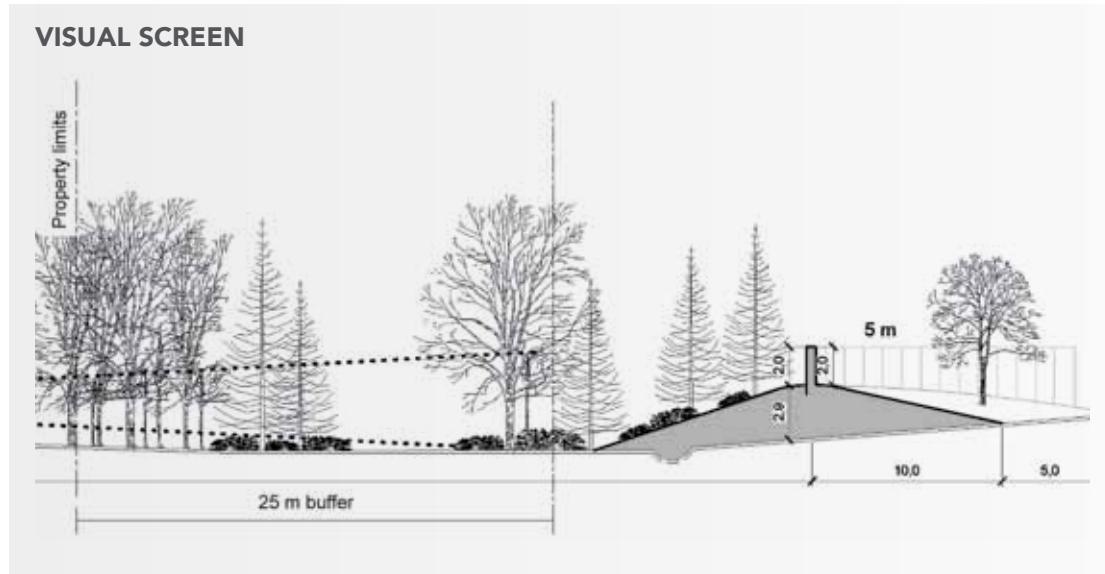
This lot consists of 16 hectares adjacent to the south cargo area. As soon as 2006, ADM notified the City of Dorval of its intention to take back this lot for airport development purposes. Since then, ADM has announced plans to use a portion of this lot to build a vehicle checkpoint in compliance with Transport Canada's new security requirements.

In order to create a visual screen, a strip of woodland 25 metres wide was first preserved along the residential part of Thorncrest Avenue. The trees in the remaining portion were then inventoried and their ecological value was assessed, after which ADM took steps to minimize the number of trees removed and to protect the specimens of high ecological value. The wood from the ash trees felled on this site was recovered and used to make street furniture.

In addition, the roads and parking facilities in this area are being built on fill to protect the trees' roots, with wirework walls to protect their trunks. Underground utilities and power lines have been located so as to minimize their impact.

Also, elements of sustainable development have been incorporated into the design of the building (a geothermal system) and of the parking facility (electric charging stations, LED lighting). Plans also call for an acoustic screen to be built.

Lastly, ADM has demonstrated transparency and openness in its relations with concerned citizens, who have been kept abreast of developments in this project through a newsletter.



INTRODUCTORY COMMENTS

Montréal-Trudeau airport has been in its current location since 1941 and is now surrounded by the city. Air traffic at the airport is therefore a source of urban noise, however it is fairly concentrated near the airport and along the flight paths. It also has a relatively minor impact on people compared with other sources of urban noise in Montréal.

Aircraft noise comes from two main sources: engines and air turbulence. The civil aviation industry is working to reduce aircraft noise at the source by improving engine performance and aircraft aerodynamics. Planes, even wide body jets, are much less noisy today than in the past. The oldest models are prohibited from flying in Canada and the new models, like the Bombardier CSeries, are more silent than ever. In fact, air traffic at Montréal-Trudeau generates substantially less noise than it did 20 years ago.

On the other hand, it is both possible and desirable to reduce the nuisance associated with air traffic in urban areas through a variety of measures related to air navigation and airport operations, among other things. That said, soundscape management must also factor in a number of other inescapable realities, such as aviation safety, the community's need for air services, airline constraints, etc.

A SHARED RESPONSIBILITY

Soundscape management around the Montréal-Trudeau airport is a shared responsibility. Transport Canada is the regulatory body responsible for ensuring compliance with the application of procedures and rules for mitigation of the noise generated by air traffic, and has the power to impose sanctions on pilots and carriers who contravene these rules. Under the terms of its lease with Transport Canada, Aéroports de Montréal is responsible for developing a soundscape management plan, establishing a consultative committee and dealing with any noise-related complaints. As part of this, the Corporation uses an ANOMS system to monitor all flights operating at Montréal-Trudeau in order to ensure compliance with the current regulations. When a suspected irregularity is observed, Aéroports de Montréal informs Transport Canada which then looks to take appropriate action. In 2016, some 20 cases were submitted to Transport Canada for investigation.

ADVISORY COMMITTEE

The Airport Soundscape Advisory Committee is chaired by ADM and has representatives from the City of Montréal, the borough of Saint-Laurent, the cities of Dorval and Pointe-Claire, Nav Canada (the agency in charge of air navigation services), the airlines, Transport Canada, the Québec government and airport management staff. The committee is an effective forum for exchanging information and discussing and studying all soundscape-related issues, including the effective and projected use of the airport's land, and particularly the nearby residential development projects. The Airport Soundscape Advisory Committee held four regular meetings in 2016. A summary of the meetings is available on the admtl.com website.

ADM also holds meetings with council representatives of cities and boroughs affected by soundscape matters.

SOUNDSCAPE MANAGEMENT PLAN

Montréal-Trudeau's soundscape management plan covers operating hours, flight restrictions for large aircraft, engine tests, the system of preferential runways, take-off and landing procedures, and other such factors. More information is available on the admtl.com website.

Using soundscape management best practices, the Corporation focuses its efforts on night flights, particularly between 1 a.m. and 6 a.m. during the winter season and between 1 a.m. and 7 a.m. during the summer season. There are noise-mitigating procedures for operations during these restricted hours to minimize the impact of aircraft noise. In addition, night flights are subject to close monitoring using the ANOMS system and rigorous enforcement of the criteria for granting exemptions. With the exception of the period between 6 a.m. and 7 a.m. during the winter season, the number of flights falling within the hours of restricted operation is stable. The vast majority of these flights are operated by aircraft weighing less than 45,000 kg; these do not require exemptions.

NOISE MONITORING

ADM has eight noise monitoring stations, including one mobile station, to collect noise data. The permanent stations are strategically placed along the runway centrelines in surrounding residential areas. Equipment is installed and calibrated by independent professionals, and collected data is analyzed by professional acoustic experts. As the system is linked to Nav Canada’s radar data, aircraft movements can be correlated to precise noise data.

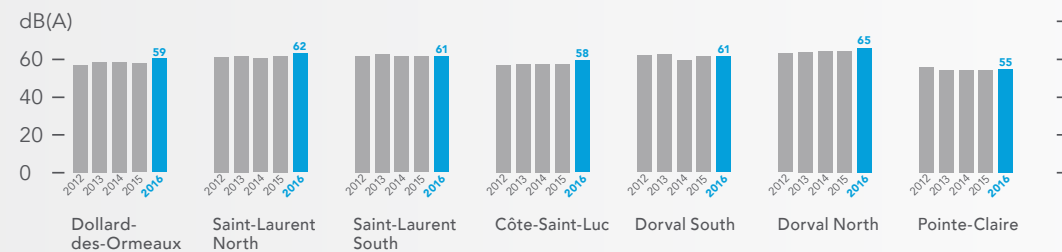
ADM publishes LEQ (equivalent level) noise levels recorded at different noise monitoring stations around the airport. LEQ is also used as a noise measurement indicator by Québec’s Transport and Environment ministries. The total LEQ noise indicator, expressed in decibels dB(A), is based on actual noise data collected

by noise monitoring stations. It reflects cumulative changing noise levels during a given period. It provides a good representation of the amount of noise experienced during the year. It encompasses all sources of noise measured by the noise monitoring station. Three types of reports are generated: aircraft noise, community noise, and all noise sources combined.

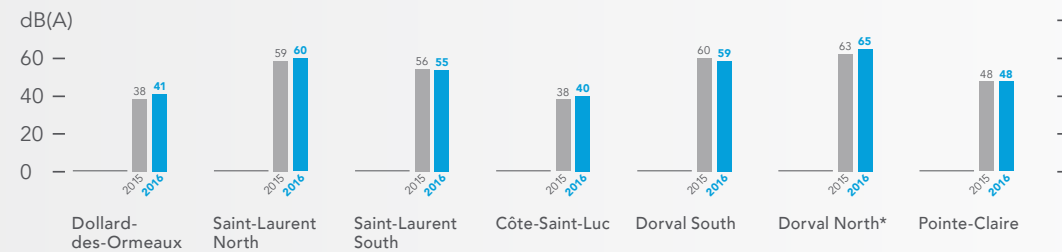
Interpretation of the results considers various factors, including noise reduction from buildings. The noise reduction rating used by the World Health Organization (WHO) is -21 dB(A), whereas Canada’s recommended rating is -26 dB(A), which takes into account generally better insulation as a result of our climate. In its presentations, ADM uses the more conservative figure of -21 dB(A).

PERMANENT NOISE MONITORING STATIONS – AVERAGE ANNUAL NOISE LEVEL RECORDED BY NOISE MONITORING STATIONS IN DB(A)

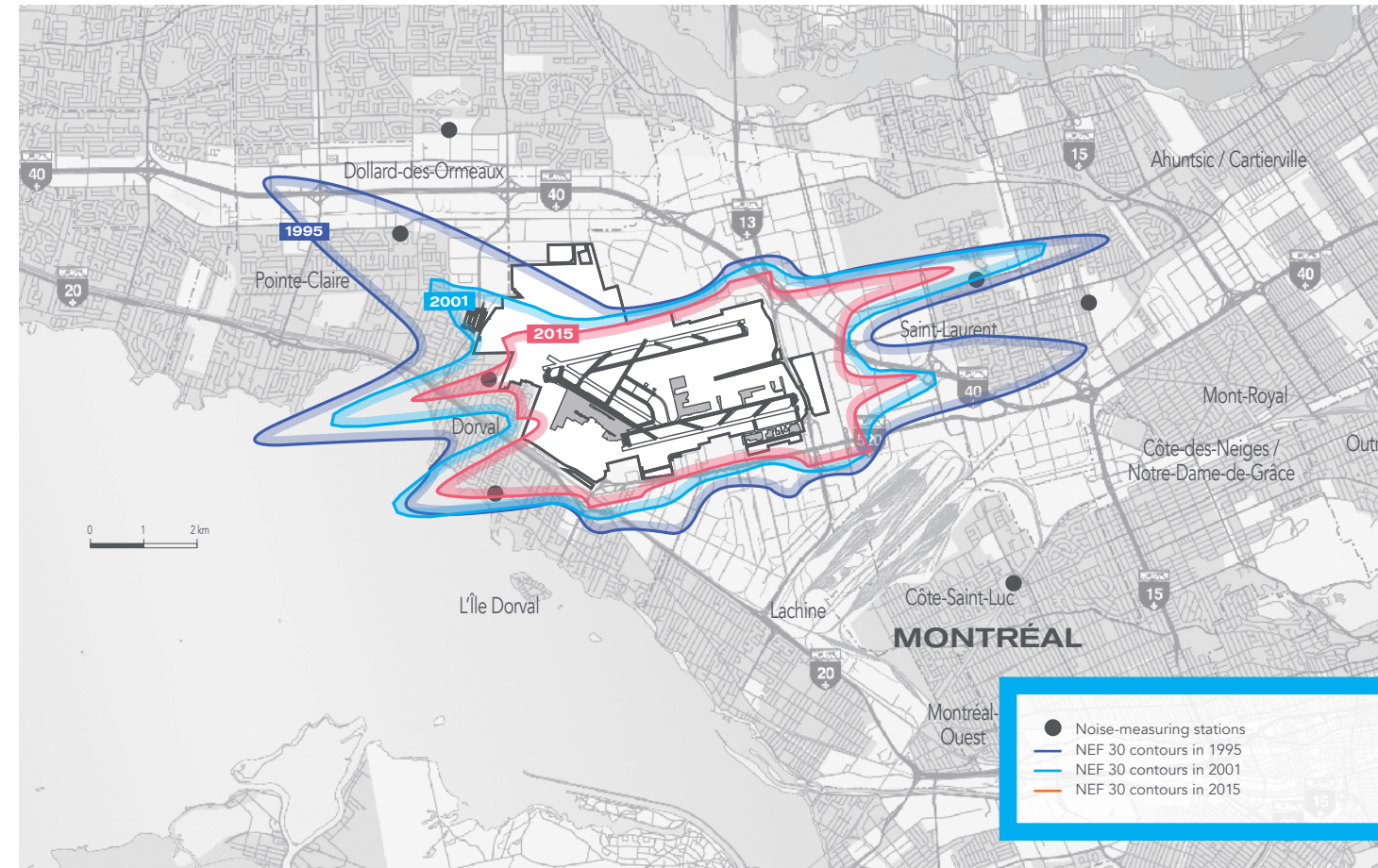
Total LEQ considers all sources of noise measured at the monitoring stations.



Aircraft LEQ considers all aircraft noise measured at the monitoring stations.



* The Dorval North station, which is very close to the runway (1 km), recorded higher levels of aircraft noise.



NEF CONTOURS

The assessment of the perceived noise in the vicinity of the airport is performed based on Noise Exposure Forecast (NEF) methodology, developed by Transport Canada. The results of the calculations are presented as contours.

NEF 30 serves as a guide for urban planning around airports. Transport Canada recommends that new residential projects are not built in the sectors where the sound atmosphere forecast coefficient exceeds 30. If such projects are implemented despite this warning, a detailed analysis of the noise should be carried out and soundproofing measures implemented.

The NEF 30 contours for 2015 (the last year for which data is available) indicate that the sound footprint of Montréal-Trudeau covered an area of 18.9 km², a decrease of 55% compared to the 42.2 km² recorded in 1995 (the reference year). The number of people living under the noise footprint has declined by 90% during this same period, from 39,421 in 1995 to 3,878 in 2015.

This improved soundscape stems mainly from the modernization of the air fleet, including the phasing out of the noisiest aircraft in 2002 (chapter 2). Variations in soundscape since then are attributable essentially to operational factors. A number of factors can influence the size and shape of the NEF contours, including construction work, flights between 10 p.m. and 7 a.m. (1 flight is equivalent to 17 daytime movements) and the aircraft fleet operating at the airport. ADM is continuing its efforts to improve the soundscape in conjunction with the various stakeholders.

AIR TRAFFIC DEVELOPMENT ACROSS 16 YEARS

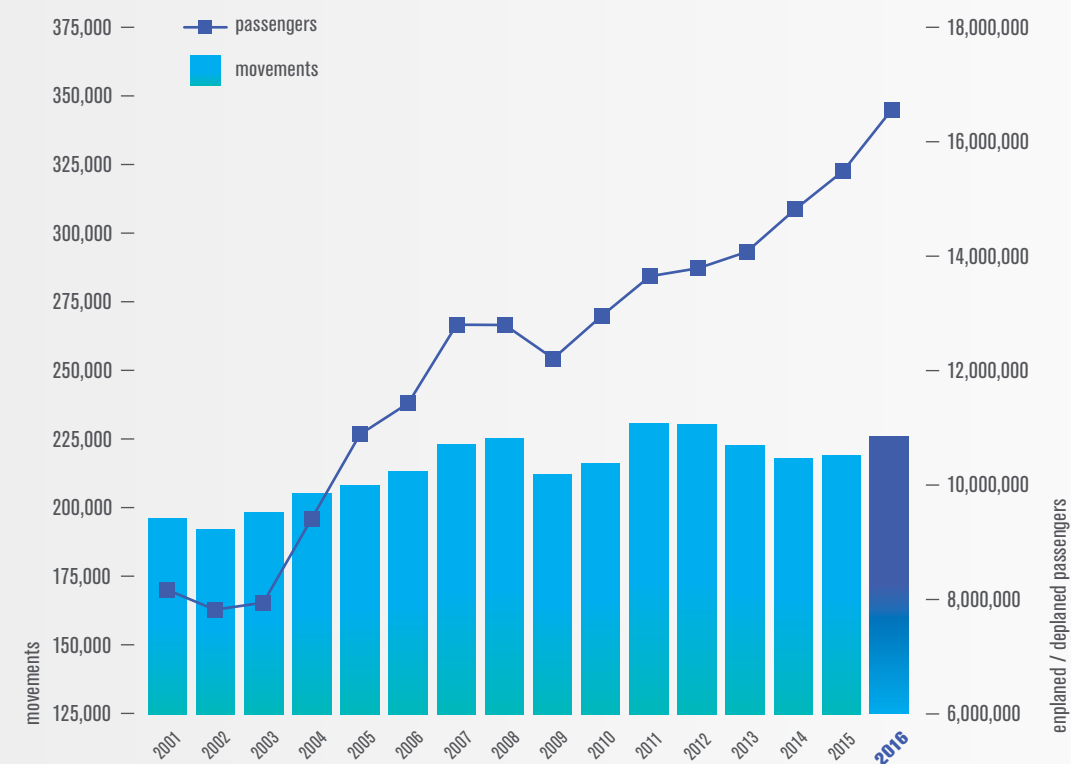
Air traffic is mainly characterized by the number of movements (landings and take-offs) per year, by their distribution during the day as well as by the type of aircraft used. Even with tremendous growth in the number of passengers at Montréal-Trudeau airport between 2001 and 2016, the number of aircraft movements has remained rather stable during the same period. This is largely explained by an increase in the relative share of international traffic, which uses aircraft carrying a greater number of passengers per movement, as well as by higher occupancy rates.

INFORMATION FOR CITIZENS

In order to better inform citizens of activities that may affect the soundscape around the airport, ADM publishes an electronic newsletter which is also available on the admtl.com website. Notices were also published in neighbourhood newspapers when major work resulted in changes to runway assignments.

A dedicated telephone line (514 633-3351) provides pre-recorded information and enables citizens to speak with a communications advisor. Citizens can contact ADM by email (yulcliente@admtl.com) or consult the website. The latter contains frequently asked questions on soundscape.

AIR TRAFFIC DEVELOPMENT ACROSS 16 YEARS



A CULTURE OF PERFORMANCE

Aéroports de Montréal has committed to accelerate the development of a culture of performance founded on continuous improvement, innovation and employee mobilization.

Managing performance is now increasingly considered a critical process in the management of human resources. Over time, managers and employees gradually take on and use to a greater extent the tools that are made available to them. Of note is the fact that all employees, including those who are unionized, attended feedback sessions in 2016, something which is a first for ADM.

ADM has also acquired a number of advanced tools to identify and assess high-potential employees, which makes it possible to, for example, offer them development programs tailored to their situations and link the corporation's personnel requirements with their individual career goals. Along with the very general GestionAir program, the Corporation is now offering career workshops aimed more specifically at the front-line employees and professionals.

It was also with this in mind that in 2016 we began to explore new forms of work organization that accents multi-skilling. For example, a number of multidisciplinary teams were formed within the group responsible for maintaining the terminal's facilities. The search for efficiency benefitted both the Corporation and the employees concerned, who achieved increased flexibility. In the case of stationary enginemen, a trade that is in decline, ADM offered them a tailored upgrading program allowing them to become electro-mechanical technicians who are now able to perform more complex duties.

Of course, the *Destination réussite* initiative instituted several years ago by the Steering Committee continues, but this time we're trying to engage as many employees as possible. In 2016, for example, all employees were invited to submit projects as part of a mobilization challenge through an electronic suggestion box. Similarly, we sought to involve and recognize employees as part of the numerous special events throughout the year, including the 75th anniversary of Montréal-Trudeau airport. A leadership conference featuring internationally known speaker Niels Pflaeging was held as part of the Airports Council International world conference, hosted by ADM.

It should be remembered that the *Destination réussite* initiative, which was designed to raise the level of mobilization and realize the vision of an employer of choice, is based in part on surveys of all employees carried out periodically by an independent firm. The initial survey done in 2013 identified a certain

HUMAN RESOURCES



number of general mobilization issues and helped us establish appropriate action plans. A second survey in 2015 showed a significant rise of 6% in the overall mobilization rate, with a participation rate of 77%.

INNOVATION

Innovation and creativity are fundamental values at ADM: for instance, each year an Award of Excellence recognizes the most exemplary innovators. Over the years, ADM has shown itself to be a leader in airport innovation, particularly in the areas of passenger relations, winter operations and sustainable development.

Established in 2015, the Innovation Network is designed to further promote innovation through the concerted actions of selected employee ambassadors. Members of the Network can provide information and advice, open doors and put employees into contact with the appropriate individuals to allow them to move ahead with their ideas. The Network also operates an electronic suggestion box that allows participants to put forward ideas and vote on or comment on suggestions made by other employees. Members of the Network and other employees involved in this initiative also use a knowledge-sharing platform.

ADM took part in the third edition of InnoBahn Ubisoft, an initiative led by Chamber of Commerce of Metropolitan Montréal (CCMM) that pairs innovative start-ups with large companies in the Greater Montréal Area. First, a World Café was held among employees to identify an issue that could be presented as a challenge. They came up with, "How do we improve our ability to identify and handle minor maintenance problems at Montréal Trudeau's facilities?" Of the four start-ups that responded, Seamless Planet was selected to work with ADM on implementing the proposed solution.

POLICIES AND PROGRAMS

ADM offers a competitive compensation and benefits package, and an incentive plan for non-unionized employees. This program was recently reviewed with an eye to improving organizational performance, increasing employee mobilization and rewarding the highest-performing individuals, specifically with the introduction of a performance point system entitling employees to additional bonuses.

Other programs and policies in effect include an employment equity policy, a harassment prevention policy, a professional training and development program, a corporate diversity program, an employee assistance program, and a recognition and awards of excellence program. Also available to all employees are several internal information tools such as a company magazine, newsletters and an intranet. ADM has also instituted a Code of Ethics.

ADM offers new employees a defined contribution pension plan. The financial status of the defined benefit pension plan continues to improve, thanks to measures undertaken to reduce the risk related to low interest rates, gradually eliminate the deficit and thereby stabilize employer contributions.

For the last few years, children and grandchildren of ADM employees have benefited from a scholarship program, which was again improved in 2016. A total of five scholarships are awarded annually under the Pierre-Martin Scholarship Program. The program includes four \$3,000 university-level scholarships (including the Henri-Paul Martel Scholarship for studies in Engineering) and one \$1,000 scholarship for a third-year technical college student or, and this is something new, a \$500 or \$1,000 scholarship (depending on the length of the program) towards a secondary school vocational diploma.

HR MANAGEMENT SYSTEM

With the aim of continuous improvement, ADM adopted a modular, cloud-based human resources management system. The recruitment module allows job seekers to apply online. This greatly facilitates application processing and reduces recruitment times. The performance management module has been designed to streamline the performance evaluation process and foster dialogue between the employee and his or her manager.



STAFFING

A total of 128 positions were filled in 2016. The candidate referral program led to 21 hires, which represents approximately 16% of total hires. The turnover rate for 2016 was 8.77%. At year's end, total staff numbered 566 regular employees.

LABOUR RELATIONS

In 2016, a new agreement was signed with the level-1 management unit, which will expire at the end of 2018. In addition, two agreements were extended by approximately one year, without negotiations – one with the blue-collar employees (affiliated with the Centrale des syndicats démocratiques) and the other with the firefighters unit. Also, the collective agreement covering white-collar workers (affiliated with the Public Service Alliance of Canada) remains in effect until December 2019.



KEY HUMAN RESOURCES INDICATORS

INDICATORS	2016	2015
Regular Employees	566	586
Training (hours)	15,884	11,217
Positions filled	128	121
Retirements	14	11
Turnover rate ¹	8.77	8.76
Absenteeism rate	5.88	5.38
Injury frequency ²	2.5	4.6
Severe injury rate ³	73.3	63.6

1. Percentage of the workforce leaving the Corporation in a given year
 2. Number of claims submitted to the CSST per 200,000 hours worked
 3. Number of days lost per 200,000 hours worked



AWARDS OF EXCELLENCE

The Awards of Excellence Program, a well-established tradition at ADM, recognizes individuals and teams that have particularly distinguished themselves over the course of the previous year. In 2016, 21 prizes and honourable mentions were awarded in seven categories. Winners were chosen by committees from among the 70 proposals submitted by employees themselves. At the gala, the Coup de cœur award for the year was also awarded by a random draw from among the over 40 names that were put forth.

ENGAGEMENT AND MOBILIZATION FIRST PRIZE

Introduction of a One-Stop Security control position for International-International connections.
 Roger Abdo, Martine St-Arnaud, Jean Bérubé, Arthur Boidin, Jonathan Ducreux, Patrick Gendreau, Ricardo Mendoza, Éric Montplaisir and Mélanie Sarris

SECOND PRIZE (TIE)

Planning and organization of Lunch and Learn events as part of the Innovation Network.
 Marie-Félicité Gignac

Quick intervention when an off-ramp suddenly collapsed on July 22, 2016 thereby avoiding the need to close it for several hours
 Jonathan Bathurst

HONOURABLE MENTIONS

Introduction and coordination of a Theoretical and Practical Training Program of approximately 750 hours for future apron movement service officers.
 Marie-Josée Germain

Firefighter training for the annual ADMFS officer/firefighter certification at Dallas-Fort Worth Airport training site.
 Patrice Brunelle and Simon Francoeur

TEAM SPIRIT FIRST PRIZE

Organization of inaugural ball and press conference highlighting the opening of the international jetty expansion.
 François-Nicolas Asselin, Marie-Claude Desgagnés, Jonathan Ducreux, Stéphanie Lepage, Josée Piédalue and Pierre St-Onge

SECOND PRIZE

Issuance of an unusually large number of change permits for new businesses opening in three new commercial areas.
 Roger Abdo, Denis Arseneault, Jean Bérubé, Arthur Boidin, François Cousineau, Rim Mansouri and Martine St-Arnaud

HONOURABLE MENTIONS

Purchase of a grader for Mirabel after determination of the operational requirements of each team member, arrived at by gathering their suggestions and finding a compromise satisfactory to all users.
 Simon Bélanger, Yvon Hunter, Alain Morissette, Steve Parenteau and Marc Tétrault

Installation of Atomas SharePoint, a collaborative work tool for sharing and managing documents and training a community of practice.
 Kimberley Bois, Lyne Chalifoux, Chantal Deleuil, Marie-Félicité Gignac, Dominique Latraverse, Attilio Monaco, Lise Richard, Isabelle Tétrault and Angélique Trotel

INNOVATION AND CREATIVITY FIRST PRIZE (TIE)

Creation of a mobile-unit concept for controlling non-passengers in vehicles from a former command post.
 Nadia de Champlain, Jonathan Ducreux, Marguerite Karteris, Alexander Leonard, Sylvain Marchand, Sabine Mitri and Pier-Luc Rouleau.

Creation of a system to manage BAP wait queues by SMS, allowing users to receive a message 20 minutes prior to takeover.
 Éric Latreille, Line Marin, Vanessa Sevigny and Angélique Trotel

HONOURABLE MENTIONS

PCA temperature displays at passenger loading bridges which quickly show whether a temperature-related problem is caused by the aircraft or by ground equipment.
 Philippe Dussault, François Moussette and Marc Vallières

Design and manufacturing of a Santa Claus tuque that was placed atop the "o" in "Montréal" on the front of the terminal building during the Holidays.
 Jonathan Bathurst, Michel Duval, Michel Fillion, Mario Forget, Mathieu Héту and Michel Vertefeuille

CUSTOMER EXPERIENCE FIRST PRIZE

Organization of the 5th edition of the YUL Star Gala recognizing customer service achievements among businesses located in the terminal.
 Dominique Charest and Danie Lemay

SECOND PRIZE

Installation of a new rest area at Gate 57 for passengers seeking a more comfortable place to relax in.
 Arthur Boidin, Johanne Bacha, Jean Bérubé, Mathieu Héту, Mario Forget and Mélanie Sarris

ENVIRONMENTAL MERIT FIRST PRIZE

Installation of a green wall in the public area of the terminal which acts as a biofilter, an eco-friendly humidifier and oxygen generator.
 Roger Abdo, Martine St-Arnaud, Jean Bérubé, Arthur Boidin, Louis Drzymala and Marc Thompson

WORKPLACE HEALTH AND SAFETY – SAFETY OF OPERATIONS FIRST PRIZE (TIE)

Securing of sleeper wheels on Wasso snow removal equipment to prevent them from detaching, thereby reducing the risk of FODs and ensuing employee safety.
 François Lallemand

Creation of line tracking tools to allow employees to work from a standing position rather than kneeling, thereby reducing the risk of losing one's balance, back pain or knee injury.
 Simon Bélanger and Michel Léveillé

HONOURABLE MENTION

Introduction of a marker radio beacon system to track vehicles within controlled zones of the movement area in order to reduce the number of runway incursions and accident risks.
 Alexander Leonard, Vanessa Sevigny, Germain Giroux, Claude Hurtubise, Guillaume Dorval and Stéphane Hamel

VOLUNTEERING AND COMMENDABLE ACTIONS FIRST PRIZE (TIE)

For lifesaving action while he was on vacation aboard a Cuba-bound flight, performing cardiorespiratory manoeuvres on a passenger in distress.
 Alexandre Désorcy

Organization of a hot dog lunch for the media Guignolée and canvassing of employees and partners of Mirabel airport, raising close to \$2,500.
 Francis Labrie

THIS YEAR'S "COUP DE CŒUR"

Johanne Bacha

PARTNERSHIPS, ARTS AND CULTURE, AND SOCIAL INVOLVEMENT

PARTNERSHIPS

Aéroports de Montréal strives to be a good corporate citizen and is involved in the community in various ways, including as a partner of the Board of Trade of Metropolitan Montréal, Montréal International, Tourisme Montréal, the Chamber of Commerce of the West Island of Montréal and the Chamber of Commerce of Mirabel.

ADM partners with Tourisme Montréal to promote Montréal and Montréal-Trudeau airport abroad as a destination. ADM is also a partner in the *Montréal vous accueille* project aimed at harmonizing the welcome strategies of the main places of arrival in Montréal, including Montréal-Trudeau airport. On November 17, 2016, ADM signed the Montréal welcome charter, which sees various visual welcoming images of Montréal displayed in several locations. This strong brand image will be portrayed through the *Bonjour* welcome formula, which depicts the welcoming nature of Montrealers, the city's Francophone character and the vibrant nature of our destination.

ADM is also partnering with National Bank on artist Alain Païement's *Bleu de Bleu* project, a bold piece of art that is planned to extend for 6 km along Autoroute 20, from the airport to the city, and is to be unveiled as part of Montréal's 375th anniversary celebrations.

Similarly, located in the international arrivals hall, the Place Montréal exhibition space promotes the major cultural, artistic, sporting and other events held throughout the year in the city, such as Montréal en lumière, the Montréal International Jazz Festival and the Just for Laughs Festival. In 2016, Place Montréal provided various forms of visibility for over 30 different types of events: posters, animation, art installations, exhibitions, and musical performances, to name but a few.

Another similar initiative involves broadcasting welcome messages in the customs hall in conjunction with major cultural, sporting or business events happening in Montréal that draw 2,000 or more delegates or visitors.

A partnership has also been established with the Metropolitan Montréal Board of Trade to help promote existing direct air links and develop new destinations. As part of this, a survey was conducted among business people to learn more about their perceptions of Montréal-Trudeau's air service.

Lastly, ADM played a key role in launching the first Montréal International Civil Aviation Week in conjunction with various partners. This event was held from September 26 to October 3, 2016, concurrently with the Airports Council International world conference, hosted by ADM, and the 39th triennial meeting of the International Civil Aviation Organisation (ICAO). Designed to have Montréal recognized as the World Capital of Civil Aviation, and to highlight the importance of aviation-related head offices, it included activities for Montréal residents on the themes of innovation and the environment, including an open house at the École de technologie supérieure, a speech by James Cherry on the changes to Montréal-Trudeau airport and another featuring Bertrand Piccard, who recently completed an around-the-world flight with the solar-powered aircraft *Solar Impulse*.

ARTS AND CULTURE

ADM hopes to make Montréal-Trudeau not only a reflection of the city but a cultural and artistic showcase. To this end, Aérogalerie offers passengers and visitors to Montréal-Trudeau a variety of exhibitions focusing mainly on Montréal and aviation. Paintings by great masters and other works are on display throughout the terminal.

In 2016, the Corporation concentrated its efforts on the installation of various artistic and cultural elements designed expressly for the new section of the international jetty, which was opened in May. The high-profile role given to the visual arts and culture bestows on it a highly unique Montréal flavour. The key piece is a glass installation suspended from the ceiling, entitled *Nuée de verre*. It is intended to evoke a flight of large birds while recalling Montréal's great stained-glass works. It contains some forty coloured-glass triangles, illuminated by projectors, which are in turn controlled by motion sensors. Through its play on lights, this installation designed by Atomic 3 helps create an atmosphere of relaxation in the jetty.

Two



large-scale original works of art at the end of the waiting hall produce a captivating sensation. The mural entitled *YULFLY* by Alain Païement is a mosaic containing a huge number of iconic images of Montréal taken from the air, printed on glass, backlit and arranged so that the colours form a vast tableau. The second piece, entitled *L'Incubateur* by Manon De Pauw, is more enigmatic. Illuminated from the inside, this large paper cocoon invites the viewer into a state of calm reflection, thanks to the gentle pulsations suggestive of breathing.

The new space also houses four exhibition showcases. The Montréal Museum of Fine Arts, the Musée d'art contemporain, the Pointe-à-Callière Archaeology Museum and the McCord Museum are the first to display here and showcase their specific missions. Photographer Nicolas Ruel rounds out the tableau with two works on metal.

The new jetty also contains a children's play area that was created in cooperation with Québec cartoonist Tristan Demers. In addition, a permanent multimedia installation sponsored by Air Transat and designed by Moment Factory provides a travel-inspired interactive play experience. At 400 square feet, it contains 20 audio-visual portals that react to visitors as they pass by.

Lastly, a number of exhibitions were held in the transborder departures hall, including one done in partnership with the Canadian Aviation and Space Museum to commemorate the airport's 75th anniversary. The exhibit included historic uniforms lent by Christian Dior, with video and photographic archives from Air Canada and Air France.

SOCIAL INVOLVEMENT

The Premium Kids program, which arranges airport-procedure familiarization days for children with autism spectrum disorders (ASD) or functional limitations, continued in 2016. ADM introduced this program in partnership with Autisme Montréal, Giant Steps, Special Olympics, Air Transat, Transport Canada and numerous other members of the airport community. Since it began, over 1,300 individuals have taken part.

ADM also provides tourism and travel teaching establishments with guided tours of the Montréal-Trudeau airport facilities. Montréal-Trudeau and Montréal-Mirabel airports also host film productions, such as the American series *Quantico* and movies like *Brad's Status* and *Origami*.

In 2016, ADM produced a plane spotter's guide for fans who use Jacques-de-Lesseps Park to pursue their favourite pastime.

In the area of charitable projects, the Corporation continues its support for Kéroul (collecting foreign currency at the airport), and contributes to Ste. Anne's Hospital Foundation, among others.

During the annual Centraide fundraising drive, employee contributions plus the proceeds from various activities and the Corporation's contribution totalled \$265,222 in 2016, compared with \$260,000 in 2015. ADM employees also took part in various volunteer activities as well as community and fundraising projects, including the 48-hour bike ride in support of the Make-A-Wish Foundation.

Finally, five members of ADM's Airport Patrol made a total of 55 organ deliveries between the airport and Montréal hospitals. Airport Patrol is the only organization that does not belong to a police service which takes part in the organ transportation program.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

for the year ended December 31, 2016

OVERVIEW

Aéroports de Montréal ("ADM" or the "Corporation") is responsible for the management, operation, and development of Montréal-Trudeau and Montréal-Mirabel international airports, under a lease signed with Transport Canada in 1992 with a term ending on July 31, 2072. As a not-for-profit organization without share capital, ADM does not pay dividends. ADM is fully responsible for financing its capital investment programs and pays rent to Transport Canada based on a percentage of revenues generated by the Corporation. Like many other companies, ADM considers EBITDA to be the best indicator of its financial performance.

FINANCIAL SUMMARY

(in millions of dollars)	2016	2015	Variance%
Revenues	\$ 527.2	\$ 488.5	7.9%
Operating expenses	176.8	167.1	5.8
Payments in lieu of municipal taxes ("PILT")	41.3	38.4	7.6
Transport Canada rent	54.9	50.4	8.9
Depreciation of property and equipment	120.7	112.2	7.6
Impairment of property and equipment	—	9.0	(100)
Financial expenses (net)	97.7	91.6	6.7
Total expenses	491.4	468.7	4.8
Excess of revenues over expenses	\$ 35.8	\$ 19.8	80.8%
EBITDA	\$ 254.2	\$ 232.6	9.3%

The consolidated financial statements of the Corporation are prepared in accordance with International Financial Reporting Standards ("IFRS"). The Corporation presents EBITDA, which is a financial measure with no standardized meaning under IFRS and is therefore unlikely to be comparable to similar measures used by other entities that are not airports. EBITDA is defined by the Corporation as the excess of revenues over expenses before financial expenses, income taxes, depreciation and impairment of property and equipment. EBITDA is used by management as an indicator to evaluate ongoing operating performance. EBITDA provides additional information and should not be used as a substitute for other performance measures prepared in accordance with IFRS.

The following table presents the reconciliation of EBITDA, a non-IFRS financial measure, with excess of revenues over expenses prepared in accordance with IFRS:

(in millions of dollars)	2016	2015
Excess of revenues over expenses	\$ 35.8	\$ 19.8
Depreciation of property and equipment	120.7	112.2
Impairment of property and equipment	—	9.0
Financial expenses (net)	97.7	91.6
EBITDA	\$ 254.2	\$ 232.6

HIGHLIGHTS

EBITDA

EBITDA stood at \$254.2 million for the year ended December 31, 2016, outperforming 2015 by \$21.6 million or 9.3%.

Investments

The Corporation's investments totalled \$254.8 million in 2016 (\$237.4 million in 2015). At Montréal-Trudeau, capital projects included the following:

- ▲ Expansion of the international jetty;
- ▲ Construction of non-passenger and vehicle screening checkpoints;
- ▲ Rehabilitation and expansion of holding bay 06D;
- ▲ Reconfiguration of check-in counters and airline companies' office space in the eastern sector of the terminal.

At Montréal-Mirabel, investments consisted mainly of the rehabilitation of runway 06-24 and holding bay 06.

Over the course of 2016, investments in the airport facilities were financed by cash flows from operating activities, including \$165.9 million (\$159.1 million net of airline collection fees) from airport improvement fees ("AIF"), as well as long-term debt.

REVENUES

(in millions of dollars)	2016	2015	Variance%
Aeronautical activities	\$ 191.3	\$ 181.8	5.2%
AIF	165.9	151.1	9.8
Commercial activities	135.3	122.2	10.7
Real estate and other	34.7	33.4	3.9
Total revenues	\$ 527.2	\$ 488.5	7.9%

Revenues rose to \$527.2 million in 2016, an increase of \$38.7 million or 7.9%, compared to 2015.

Aeronautical activities

Revenues from aeronautical activities totalled \$191.3 million in 2016, up \$9.5 million or 5.2%, from 2015. Consisting mainly of landing and general terminal fees paid by airlines, these revenues accounted for 36.3% of total ADM revenues (37.2% in 2015). This increase was largely attributable to growth in passenger traffic and increased air carrier activities as well as to a 2.0% rate hike. However, these increases were partially offset by incentive and promotional programs to ensure the development of Montréal's air service with regard to the variety and quality of destinations.

AIF

AIF revenues totalled \$165.9 million in 2016, up \$14.8 million or 9.8% compared with 2015. Were it not for prior years' adjustments, the increase over last year would have been \$10.5 million or 6.8%. AIF revenues accounted for 31.5% of total ADM revenues (30.9% in 2015) and were used solely to fund airport improvements, including capital and interest payments on long-term debt. A fee of \$25 (unchanged since May 2010) is paid by all passengers departing from Montréal-Trudeau, with the exception of connecting passengers.

Commercial activities

Revenues from commercial activities rose to \$135.3 million in 2016, up \$13.1 million or 10.7% from 2015. Consisting mainly of rent and fees from retailers, advertising, as well as revenues generated from parking facilities and from the leasing of spaces, commercial activities accounted for 25.6% of total ADM revenues (25.0% in 2015). This growth was mainly attributable to higher sales by certain retailers such as restaurants and duty free shops, as well as to the introduction of new commercial offerings. Furthermore, revenues generated from parking facilities also contributed to the rise in commercial activities as a result of rate adjustments, enhanced marketing efforts and the success of the online parking reservation system.

Real estate and other

Revenues from real estate and other sources totalled \$34.7 million in 2016, up \$1.3 million or 3.9% from 2015, and accounted for 6.6% of total ADM revenues (6.9% in 2015). This growth stems mainly from land and building leasing and reflects the signing of new lease agreements as well as a full-year impact for leases signed during 2015.

EXPENSES

(in millions of dollars)	2016	2015	Variance%
Operating expenses	\$ 176.8	\$ 167.1	5.8%
PILT	41.3	38.4	7.6
Transport Canada rent	54.9	50.4	8.9
Depreciation of property and equipment	120.7	112.2	7.6
Impairment of property and equipment	—	9.0	(100)
Financial expenses (net)	97.7	91.6	6.7
Total expenses	\$ 491.4	\$ 468.7	4.8%

Total expenses stood at \$491.4 million in 2016, an increase of \$22.7 million or 4.8% from last year.

Operating expenses

Operating expenses went from \$167.1 million in 2015 to \$176.8 million in 2016, an increase of \$9.7 million or 5.8%. This variance was attributable to higher operational costs including those related to the opening of the expansion of the international jetty and to winter conditions, as well as to the annual salary increase.

PILT

PILT increased by \$2.9 million or 7.6% to stand at \$41.3 million in 2016 mainly due to higher property values as a result of the Corporation's capital investments.

Transport Canada rent

Rent to Transport Canada totalled \$54.9 million, up \$4.5 million or 8.9% from 2015. This increase was directly related to the Corporation's higher revenues, as rent is calculated as a percentage of the latter.

Depreciation of property and equipment

Depreciation of property and equipment totalled \$120.7 million in 2016, which represents an increase of \$8.5 million or 7.6% from the previous year. This increase was primarily a result of projects completed during 2015 and 2016 such as the expansion of the international jetty in May 2016.

Financial expenses (net)

Financial expenses are presented net of financial income. Financial expenses were \$97.7 million for 2016, up \$6.1 million or 6.7% from 2015. This variance was mainly due to an increase in interest expense on long-term bonds following the issuance of Series M revenue bonds in June 2015, as well as to lower capitalized interest on capital projects and a decrease in interest income generated by surplus cash.

Excess of revenues over expenses

The year ended December 31, 2016 resulted in an excess of revenues over expenses of \$35.8 million compared with \$19.8 million for 2015. Were it not for the impairment charge of \$9 million related to the former Mirabel terminal building, the excess would have totalled \$28.8 million in 2015.

Transfers to governments in 2016, including rent paid to Transport Canada and PILT, totalled \$96.2 million (\$88.8 million in 2015), still representing a little over 18% of total revenues.

FINANCIAL OUTLOOK FOR 2017

Passenger traffic, the Corporation's main driver of revenues, is expected to increase by 3.2% in 2017, which is in line with the average annual historical growth rate. This growth is sustained by increased capacity for existing destinations and to the addition of new international destinations, such as Shanghai and Tel Aviv. International traffic is therefore projected to rise by 4.3% whereas transborder (U.S.) traffic growth is expected to increase by 3.4%. Lastly, domestic traffic should continue to grow by approximately 2.1%, driven by the continued strength in connecting traffic.

Meanwhile, the Corporation plans to invest \$240.7 million in airport infrastructures. At Montréal-Trudeau, projects include the expansion of aircraft parking (west of Echo road and of the south-west apron), the relocation and conversion of equipment in the domestic and international baggage room as well as the continued implementation of a rigorous asset maintenance program.

The Corporation has access to sufficient sources of liquidity to meet its financial obligations and to carry out the required investments.

The Corporation budgeted an EBITDA of \$251.5 million for 2017 representing 46.2% of projected 2017 revenues, despite transfers to governments that represent more than 18% of total revenues.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

Certain new standards, amendments to and interpretations of existing standards have been published and are effective since January 1, 2016. They had no impact on the consolidated financial statements of the Corporation as described in note 1(u) of the financial statements as at December 31, 2016.

The International Accounting Standards Board continues to propose changes to IFRS. Note 1(v) of the financial statements describes standards, amendments and interpretations that were not yet in effect as at December 31, 2016. Management has not yet determined the impact of adopting these modifications.

BOARD MEMBERS

GOVERNANCE



NORMAND LEGAULT
Chairman of the Board
Company Director



ROBERT BOUCHARD^{1,3}
Director
Chairman of the Business Risk Management Committee
Company Director



JEAN-JACQUES BOURGEAULT²
Director
Company Director
Executive Coach
Groupe Pauzé



PATRICIA CURADEAU-GROU⁴
Director
Consultant
Company Director



JEAN PIERRE DESROSIER^{2,3}
Director
Chairman of the Audit Committee
Strategic Adviser
PSB Boisjoli LLP



JOSÉ P. DORAIS⁵
Director
Lawyer,
Miller Thomson



YVES FILION^{2,3}
Director
President
Consultation
Yves Fillion Inc.



HÉLÈNE V. GAGNON¹
Director
Vice President
Public Affairs and Global Communications, CAE



MÉLANIE KAUF²
Director
Company Director



DANIELLE LABERGE¹
Director
Tenured Professor
Université du Québec à Montréal



ROBERT LEFEBVRE⁴
Director
Company Director



MARIO MESSIER³
Director
President
Messier, Savard and Associates



PIERRE PILOTE¹
Director
Chairman of the Corporate Governance and Human Resources Committee
Partner, Gowling WLG



DANIELLE POUDRETTE³
Director
Company Director



PHILIPPE RAINVILLE⁶
Director
President and Chief Executive Officer
Aéroports de Montréal

CORPORATE GOVERNANCE PRACTICES

Although not subject to the governance rules that regulate public companies, Aéroports de Montréal complies with the disclosure and governance practices required of public companies, adapting them to its status of corporation without share capital. For more information, visit www.admtl.com.

BOARD OF DIRECTORS

The Board of Directors assumes responsibility for managing the Corporation. It exercises full authority and power, and executes all actions that the Corporation is authorized to do according to the law and the Corporation's articles and by-laws, unless the law or the articles and by-laws require that they be exercised by the Corporation's assembly of members. The Board of Directors assumes responsibility for corporate governance and accountability to the Corporation's governing bodies.

The Board is composed of fifteen (15) directors, thirteen (13) of whom are appointed by the Board and two (2) by the Government of Canada. Four (4) nominating entities are called upon to submit, at the Corporation's request, the names of three (3) candidates whose profiles match the qualifications being sought by the Board for each position to be filled. These nominating entities, identified in the Corporation's by-laws, are the Government of Québec (1 position), the Communauté métropolitaine de Montréal (5 positions), the Chamber of Commerce of Metropolitan Montréal (3 positions) and the main carriers operating at Montréal-Trudeau airport (2 positions). The President and Chief Executive Officer is a director of the Corporation, and the Board may appoint a fifteenth director. A director's term is a maximum of three (3) years and is renewable on condition that the total duration of mandates entrusted to the director does not exceed nine (9) years or, by derogation to the above, does not exceed twelve (12) years.

In 2016, the Board of Directors convened seven (7) times. Following the recommendation of the Governance and Human Resources Committee, the Board approved adjustments in the Corporation's governance, effective in 2017. Furthermore, the most important aspects of the Corporation's strategic plan were discussed by the members. The investments required by the growth in passenger traffic at Montréal-Trudeau airport remain an important issue and continue to attract special attention, as does approval of the Corporation's major contracts. The Board also followed the recruitment process and, on the recommendation of the Governance and Human Resources Committee, appointed Philippe Rainville as President and Chief Executive Officer of the Corporation, effective January 1, 2017.

AUDIT COMMITTEE

The Audit Committee plays a key role in the sound financial governance of the Corporation, particularly with regard to monitoring (i) the quality, integrity and communication of financial information; (ii) administrative management and internal controls and (iii) internal and external audits. The Committee assists the Board of Directors and periodically reports to the Board on the results of the committee's work including issues related to financial matters and internal and external audits.

Specifically, the Audit Committee reviews and recommends for Board approval the annual budgets and the quarterly and annual financial statements. The Committee reviews cash flow and recommends financing required by the Corporation. It reviews internal accounting systems and the procedures and effectiveness of financial controls. It oversees the integrity of the Corporation's financial reporting, compliance with prevailing accounting standards and respect of the Corporation's obligations under its lease, the regulations and the Corporation's financing platform. The Committee's other responsibilities include the audit plan, reviewing the results of the external audit, appointing external auditors, management certificates, contract awards requiring Board approval, revenue contracts, capital projects and their budgets, and policies on delegation of authority, procurement of goods and services and awards of revenue contracts. In addition, the Committee prepares and implements an annual internal audit program and reviews the report.

The Audit Committee is composed of Jean Pierre Desrosiers (Chair), Jean-Jacques Bourgeault, Yves Fillion and Mélanie Kau.

BUSINESS RISK MANAGEMENT COMMITTEE

The Business Risk Management Committee assists the Board of Directors specifically with respect to risks that may affect the Corporation. The Committee regularly examines each risk and recommends mitigation measures or reviews those recommended by management. Each year, the Committee submits to the Board a report presenting a hierarchy of business risks, a probability assessment, the overall impact of these risks and any residual impact following implementation of mitigation measures.

1. Member of the Corporate Governance and Human Resources Committee
2. Member of the Audit Committee
3. Member of the Business Risk Management Committee
4. Patricia Curadeau-Grou and Robert Lefebvre were appointed March 10, 2016
5. Appointment of José P. Dorais on July 21, 2016
6. Appointment as President and Chief Executive Officer on January 1, 2017

The Committee is particularly concerned with risks relating to (i) implementation of the capital investment program, and monitors the budgets and schedules of major projects; (ii) information technology, including system stability and security, protection of personal information and records management; (iii) the environment, ensuring compliance with the Corporation's environmental policy and commitment to sustainable development; (iv) safety and security, including safety management systems (SMS), Airport Patrol and the Corporation's business continuity plans; and (v) occupational health and safety. Lastly, the Committee periodically reviews the Corporation's insurance program.

The Business Risk Management Committee is composed of Robert Bouchard (Chair), Jean Pierre Desrosiers, Yves Filion, Mario Messier and Danielle Poudrette.

GOVERNANCE AND HUMAN RESOURCES COMMITTEE

The Governance and Human Resources Committee assists the Board of Directors in matters involving governance, ethics and relations between the Corporation and the community, stakeholders and political authorities. The Committee examines, approves and recommends, if required, the adoption of policies, practices and programs relating to human resources and succession planning. It assists the Corporation's Board of Directors in exercising its responsibilities for pension plans and helps the Board in carrying out these obligations.

Specifically, the Committee assists the Corporation's Board of Directors and periodically reports to the Board on the results of its work, including issues relating to (i) governance, the Corporation's governance practices, the Board's operations and composition, the selection criteria for directors, communication and consultation with nominating bodies, compensation of directors, the code of ethics and whistleblower policy for fraudulent activities; (ii) communications and public affairs, ensuring that these policies and strategies are suitable for maintaining the Corporation's credibility and reputation among stakeholders; and (iii) human resources, including total compensation policies and packages, the annual salary policy, and the job description, compensation and performance evaluation

of the President and Chief Executive Officer. In addition, with respect to pensions, the Committee works to establish and obtain approval of related objectives and strategies, to ensure good governance and to maintain open communications with stakeholders, including the Pension Committee. The Committee provides support for decisions concerning pension plan matters, and specifically, the governance plan, pension plan rules, financial management (investment and financing) and compliance.

The Governance and Human Resources Committee is comprised of Pierre Pilote (Chair), Robert Bouchard, Hélène V. Gagnon and Danielle Laberge.

COMMUNITY ADVISORY COMMITTEE

The Community Advisory Committee assists ADM's Board of Directors and management. Its mandate is to submit relevant observations with respect to any project or decision relating to the items set out in Article 9 of the Corporation's by-laws. The Committee is comprised of members from organizations that share an interest in airport development issues and that represent the various regions of the Greater Montréal Area. The Committee reports to the President and Chief Executive Officer. The Committee's operating budget is determined annually by the Board of Directors. Members are appointed for a renewable term of three years. In 2015, the Community Advisory Committee met twice to address the Corporation's main initiatives. Specifically, the Committee reviewed investments made in response to growing passenger traffic and continued to review progress on road access at Montréal-Trudeau and to examine the Corporation's major capital projects.

**TRIBUTE TO JAMES C. CHERRY
A VISIONARY WHO EMBRACES
CHALLENGE**

The Board of Directors offers its sincere appreciation to James C. Cherry, who led Aéroports de Montréal for over 15 years, from June 2001 until his retirement in December 2016.

Mr. Cherry took the helm only a few months before the tragic events of September 11, 2001, which shook the global economy and permanently transformed air transportation. He reviewed and updated plans and vigorously defended the decision to proceed with expanding and modernizing Montréal-Trudeau, despite the slowdown in air traffic. His brave decision, rooted in his long-term vision, would prove to be a deciding factor in the airport's future. The termination of passenger flights at Mirabel was another major decision.

Traffic picked up sooner than anticipated and the first achievements under the modernization and expansion program, which were on time and on budget, instilled confidence. The consolidation of passenger flights at Dorval, initially opposed by some, started to produce the expected positive outcomes. Beneficial winds of change also swept through the Corporation.

Looking back, it's obvious that the strategic directions established during the first few years of Mr. Cherry's leadership allowed Aéroports de Montréal to truly take off and seize subsequent opportunities for growth. The numbers show that 2001 to 2016 was a period marked by solid growth on all fronts.

Under the leadership of James C. Cherry and the skilled and energetic management team he built, ADM is today an airport operator known for the quality of its service and its rigour, efficiency and innovation.

Montréal-Trudeau is once again a welcoming and vibrant port of entry, like Montréal itself, as well as a dynamic hub, particularly between North America and francophone countries, and its air service now extends well into China. At the same time, Montréal-Mirabel is positioning itself as a world-class logistics and aeronautics centre where 3,700 people work every day.

Thank you Jim.



**MEMBERS OF THE COMMUNITY
ADVISORY COMMITTEE**

François Alepin
Alepin Gauthier, Lawyers

Stéphanie Allard
Montréal International

Yves Beauchamp
Université de Montréal

Pierre Bellerose
Tourisme Montréal

Mario Boily
City of Mirabel

Robert M. Bourbeau
City of Dorval

Yves-Thomas Dorval
Conseil du patronat du Québec (CPQ)

Marie-Claire Dumas
Concertation de Montréal

Sam Elkas
Former Québec Minister of Transport
Vice-Chair of the Committee

Jacques Girard
International Financial Centre of Montréal

Joseph Huza
West Island of Montréal Chamber of Commerce

Raymond Larivée
Palais des Congrès de Montréal

André Leclerc
Kéroul

Denis Leclerc
Ecotech Québec

Louise Millette
École Polytechnique de Montréal

Eve Paré
Hotel Association of Greater Montréal
Chair of the Committee

Martin Roy
Major International Events Network

Éric Tétrault
Québec Manufacturers and Exporters

Jean-Luc Trahan
Commission des partenaires du marché du travail (C.P.M.T.)

Richard Vézina
Raymond Chabot Grant Thornton

COMPENSATION OF DIRECTORS IN 2016

FIVE-YEAR STRATEGIC PLAN (2017-2021)

	Attendance Board of Directors	Attendance Audit Committee	Attendance – Business Risk Management Committee	Attendance – Governance and Human Resources Committee	Retainer	Fees	Total
Robert Bouchard ¹ Chairman, Business Risk Management Committee	7	1	7	11	\$ 24,500	\$ 36,000	\$ 60,500
Jean-Jacques Bourgeault	7	7			\$ 18,000	\$ 21,000	\$ 39,000
James C. Cherry	7				—	—	—
Patricia Curadeau-Grou ^{1,2}	6	1			\$ 15,000	\$ 10,500	\$ 25,500
Jean Pierre Desrosiers Chairman of the Audit Committee	6	7	7		\$ 24,500	\$ 30,000	\$ 54,500
José P. Dorais ^{1,3}	3	1			\$ 9,000	\$ 6,000	\$ 15,000
Yves Filion	7	7	7		\$ 18,000	\$ 27,000	\$ 45,000
Hélène V. Gagnon ¹	6	1		10	\$ 18,000	\$ 22,500	\$ 40,500
Mélanie Kau	6	6			\$ 18,000	\$ 18,000	\$ 36,000
Danielle Laberge ¹	7	1		11	\$ 18,000	\$ 25,500	\$ 43,500
Robert Lefebvre ^{1,4}	6	1			\$ 15,000	\$ 10,500	\$ 25,500
Normand Legault Chairman of the Board	7	7	7	10	\$ 110,000	—	\$ 110,000
Mario Messier ¹	7	1	7		\$ 18,000	\$ 22,500	\$ 40,500
Pierre Pilote ¹ Chairman of the Corporate Governance and Human Resources Committee	7	1		11	\$ 24,500	\$ 25,500	\$ 50,000
Danielle Poudrette ¹	7	1	7		\$ 18,000	\$ 22,500	\$ 40,500
TOTAL	96	43	42	53	\$ 348,500	\$ 277,500	\$ 626,000

1. Participation in an “expanded” Audit Committee to present the 2017 budget
2. Mandate began March 10, 2016
3. Mandate began July 21, 2016
4. Mandate began March 10, 2016

EXECUTIVE COMPENSATION

The annual salaries of the President and Chief Executive Officer and other members of the Executive ranged from \$215,000 to \$467,000. In addition, performance bonuses paid to executives totalled \$1,016,000.

DIRECTORS WHO ARE BOARD MEMBERS OF A “REPORTING ISSUER”

James C. Cherry, Cogeco Inc., Logistec Corporation, **Patricia Curadeau-Grou**, Cogeco Inc., Uni-Select Inc., **Yves Filion**, Napec Inc., **Hélène V. Gagnon**, Hydro-Québec, **Mélanie Kau**, Alimentation Couche-Tard Inc., **Normand Legault**, Cogeco Inc., Solotech Inc.

A VISION FOR THE NEXT DECADE

Aéroports de Montréal’s vision defines what it wants to be and what it seeks to accomplish.

ADM aims to become an airport manager that ranks among the best in the world, distinguished by the quality of its customer service and well as its rigour, efficiency and innovation.

Montréal-Trudeau will expand its role as a continental gateway and a dynamic hub for passenger traffic between Europe and the Americas.

Montréal-Mirabel will continue to develop so as to consolidate its status as a world-class aerospace and logistics platform.

Building on its experience and success, a seasoned team, and a talent for commercial and technical innovation, ADM offers consulting services to other airports via its subsidiary.

STRATEGIC DIRECTIONS

ADM reviews its major directions periodically. Its current directions are:

- ▲ In tandem with our partners and service providers, maintain customer satisfaction at a high level.
- ▲ Ensure the development and maintenance of airport facilities to meet the needs of all our customers.
- ▲ Preserve ADM’s reputation by maintaining our sound management and corporate governance practice and complying with regulations.
- ▲ Accelerate the implementation of a performance-based culture that focuses on continuous improvement, innovation and employee engagement.

AIRPORT SERVICES

Our raison d’être is to provide high-quality airport services that meet the specific needs of the Montréal community. ADM’s main challenges include improving the fluidity of passenger and aircraft movement, enhancing air service with direct flights to popular destinations and adjusting airport facilities to market and regulatory requirements. It is increasingly important that airport processes are fluid, in addition to being efficient, safe and secure. The air transport industry, which must deal with many regulatory constraints, works together to simplify and expedite the processing of passengers and baggage, Montréal-Trudeau airport must therefore continue its efforts to retain its leadership position in this area, notably by the integration of new technologies. The recent introduction of automated passport control at customs is an excellent example.

Furthermore, ADM works continually to attract new carriers to Montréal-Trudeau and stimulate the development of air service in Montréal. In addition to major achievements over the last few years, including direct flights throughout the year to Shanghai, Reykjavik, Beijing, Istanbul, Panama City, San Francisco, Houston, Doha, Geneva and Brussels, there are opportunities for new, direct services in the short and medium term, particularly to Asia and South America. With competition between airports intensifying, ADM is taking appropriate steps to retain its competitive advantage and improve its facilities.

Over the last few years, there has been a sharp rise in international traffic, which actually continued during the last recession, while transborder (U.S.) and domestic traffic slowed down. International travel now represents about 38% of total traffic, compared to 32% in 2015. Work has been done recently and is continuing to address this trend, including extending the international jetty, extending the apron and adding aircraft parking spaces, refurbishing the main departures hall and international arrivals hall, improving passenger flow to facilitate connections between international, domestic and transborder sectors.

More generally, the Corporation ensures that the development of its airport facilities is in line with the evolving needs of air carriers and of the Montréal community, and with the master plans for the airports for 2013-2033.

REAL ESTATE, COMMERCIAL AND OTHER SERVICES

ADM intends to continue stimulating real estate and commercial development at its two airport locations, thereby contributing to the Montréal region's economic development. There are opportunities, particularly in the aerospace, logistics, light industry and business sectors, and the sites have unique characteristics. However, the development of Lot 20 (large golf course) at Montréal-Trudeau relies on the development of municipal infrastructures such as aqueducts, sewers, storm water systems and access roads. The development of Lots 5 and 6 and the last phase of Lot 12 also require road construction.

In terms of commercial services, ADM is examining different ways to maximize revenue from its various commercial activities (restaurants, shops, lounges, advertising) including the development of additional commercial premises. ADM continues to work with retailers to diversify its offering and improve customer service.

Following the reconfiguration of the roadways in front of the terminal, including access to parking lots, ADM will continue boosting its range of parking and transportation products. The car rental sector and the drop-off areas are being or will be redeveloped and expanded. ADM is also looking into various options for creating additional parking, which may be required in the future.

Montréal-Mirabel's self-financing has long been an objective for ADM. Substantial effort has been made over the years to reduce the operating expenses and deficit of this industrial all-cargo airport. The dismantling of the old terminal building has eliminated heating and maintenance expenses for this totally obsolete building and made some 200,000 m² of choice land available for potential projects that will create jobs.

HUMAN AND MATERIAL RESOURCES

In line with its vision, ADM will implement various programs and action plans designed to increase employee engagement and to attract and retain the best people, while continuing to cultivate excellence. Similarly, the Corporation will develop new talent and implement succession strategies to reflect the realities of an ageing workforce and labour scarcity.

To become a high-performance leader, the Corporation has undertaken an in-depth review of its organization and its work processes in order to increase team productivity and further empower employees. With this in mind, ADM aims to provide its employees with information technologies, collaborative systems, business solutions and hardware best suited to optimal management of airport operations.

ENVIRONMENT AND COMMUNITIES

As part of its environmental policy and commitment to sustainable development, ADM intends to continue taking measures to reduce the environmental impact of activities under its direct control, and various programs aimed at reducing energy consumption and greenhouse gas emissions are underway. As well, ADM's policy is to collaborate with the relevant communities to develop natural habitats and mitigate the impact of its projects with tree-planting projects.

Together with its partners, the Corporation will also continue to manage the soundscape in a responsible manner, especially at night, by working towards a balance between maintaining harmonious cohabitation with neighbouring communities and providing relevant and competitive air service.



Access to Montréal-Trudeau is a crucial challenge for the competitiveness of the airport and of the city. Although the refurbishment of the Dorval interchange carried out by the Ministry of Transport of Québec has experienced major delays, ADM's reconfiguration of the roadways in front of the terminal building was completed in 2011.

Furthermore, the development of a public transit service between the West Island, Montréal-Trudeau airport and the city centre remains a priority and ADM fully intends to collaborate with the Caisse de dépôt et placement du Québec, which has been mandated by the Québec government to develop the Réseau électrique métropolitain.

Finally, an important element of the ADM mission is to maximize job creation and added value by developing the Corporation's assets to their full potential and by contributing to the touristic and international development of Montréal.

MANAGEMENT COMMITTEE

Pierre Gagnon, Vice President, Legal Affairs and Corporate Secretary

Joanne Bergeron, Vice President, Human Resources

Nathalie Hamel, Vice President, Public Affairs and Communications

Philippe Rainville, CPA, CA, President and Chief Executive Officer

Ginette Maillé, CPA, CA, Vice President, Finance and Administration, and Chief Financial Officer

Pierre-Paul Pharand, Vice President, Airport Operations, Infrastructures and Air Services Development

Charles A Gratton, Vice President, Commercial Services and Real Estate

TRANSPARENCY

ACCOUNTABILITY

Aéroports de Montréal has a policy of holding itself accountable to the community, of practicing transparency in its relationships with its customers and stakeholders, and of communicating openly with the public. The Corporation reports on its administration in various ways, including the following:

- ▲ Publishing an annual report that contains, in addition to audited financial statements, specific information with respect to corporate governance, compensation of directors and officers, and exemptions to the procurement policy for goods and services
- ▲ Issuing press releases similar to those issued by publicly listed companies
- ▲ Holding an annual public meeting
- ▲ Holding an annual meeting with each of the nominating entities
- ▲ Satisfying the financial requirements of bond holders and the bank syndicates

Every year, ADM appears before the city or borough councils of neighbouring communities, including Dorval, Pointe-Claire and Saint-Laurent.

ADVISORY

In addition to its work with the Community Advisory Committee, ADM consults its stakeholders on relevant issues concerning management, operations and airport development, either directly or by way of committees set up specifically for this purpose. Below are several examples.

Airport Soundscape Advisory Committee

Composed of 15 members appointed respectively by the City of Montréal (1), the cities of Dorval and Pointe-Claire, and the borough of Saint-Laurent (1 each), Transport Canada (1), the Government of Québec (1), Nav Canada (1), air carriers (3) and ADM (5), this committee holds regular meetings to discuss soundscape issues.

Airline Consultative Committee

This committee is an effective forum for discussing matters of common interest to carriers and for officially representing their interests during consultations or formal presentations with ADM, particularly with respect to developing the infrastructure needed to expand air service.

Airport Operators Committee

Bringing together members of ADM's management, carriers' station managers, service representatives from federal inspection agencies and Nav Canada, material handlers and other aviation service suppliers, this committee oversees the coordination of airport activities.

Master Plan

Updates to the master plans of both airports are required every 10 years and must be reviewed by the municipalities of Montréal and Mirabel and the Community Advisory Committee and by various groups as deemed appropriate by ADM. Once comments have been received, updates are filed with the Minister of Transport of Canada. Montréal-Trudeau and Montréal-Mirabel airports' master plans were the subject of consultations in 2013 and were filed with the Minister of Transport of Canada. These plans cover the period from 2013-2033.

Land-Use Plan

A consultation plan must be filed with Transport Canada before any change is made to the land-use plan. These consultations must be carried out with the Community Advisory Committee as well as with other organizations, bodies and government departments deemed appropriate by ADM. An approval request for the intended changes must then be filed with the Transport Minister of Canada.

INFORMATION

The public may contact Aéroports de Montréal representatives and access information on the Corporation's activities by the following:

- ▲ Visiting the Aéroports de Montréal website at www.admtl.com.
- ▲ Calling the general information numbers (514 633-3333 or 1 800 465-1213).
- ▲ Completing a comment card available at different points in the terminal.
- ▲ The travelling public can also share comments, questions or suggestions by phone (514 633-3351), fax (514 394-7356) or email (yulclientele@admtl.com).
- ▲ Writing to the Public Affairs Department.

Aéroports de Montréal conducts surveys on a continual basis to ensure that airport services adequately meet the needs of customers. Close to 2,300 passengers are interviewed each quarter on different aspects of customer service.

REPORT ON CONTRACTS

NOT SUBJECT TO PUBLIC TENDERING

In accordance with the accountability principles issued by Transport Canada, the administrative by-laws and Aéroports de Montréal's policy on the procurement of goods and services, all contracts in excess of \$110,000 must be publicly tendered, unless the Board of Directors, for reasons of efficiency and practicality, decides otherwise. In all cases, a price validation process is systematically applied.

REASONS FOR EXEMPTION

A – When Aéroports de Montréal considers that it is more efficient to award a new contract to an existing supplier, when service providers have gained specific experience related to the previous contract or when there is an urgent need to undertake work to avoid compromising the safety of persons or premises. In most cases, these contracts were awarded following an invitation to tender.

B – When the acquired technology remains the property of the supplier, is under patent or licence or when the specialized experience and expertise of the supplier are quasi-exclusive, or when the maintenance of a source of supply is essential in view of substantial investment already made to establish a standard.

CONTRACTS OF \$1 MILLION AND OVER

Contract Value	Company	Nature of the Contract	Reason
\$ 25,947,300	Jervis B. Webb Company of Canada	Acquisition of baggage system, cross-border departures	A
\$ 8,837,480	Entretien Peace Plus Inc.	Housekeeping at the terminal building	A
\$ 7,231,350	Engie Services Inc.	Work on the supplier's baggage system	B
\$ 6,800,000	Cofomo Inc.	Professional IT services	B
\$ 4,048,560	Bell Canada	Telecommunications services	B
\$ 3,629,800	ConCreate Constructions Ltd.	Rehabilitation of the upper lane	A
\$ 3,300,000	TechSolCom IT Group	Professional IT services	B
\$ 3,200,000	LGS Inc.	Professional IT services	B
\$ 2,565,000	Cobus Industries LP	Acquisition of international passenger boarding vehicles	A
\$ 1,919,700	Engie Services Inc.	Installation of conveyors on the supplier's baggage system	B
\$ 1,845,800	Tibco Software (Ireland) Ltd.	Professional services for the integration of service-oriented architecture applications	B
\$ 1,700,000	Nexio Group Inc.	Professional IT services	B
\$ 1,500,000	Precise ParkLink Inc.	Upgrade of parking equipment	B
\$ 1,323,350	Entretien Avangardiste Inc.	Housekeeping at the terminal building	A
\$ 1,300,000	Emergensys Solutions Inc.	Implementation of new CAD/RMS modules	B
\$ 1,080,000	Tonik Groupimage	Advertising services	A
\$ 1,062,160	Les constructions Serbec Inc.	Construction of NPSV Foxtrot control centre	A

CONTRACTS OF UNDER \$1 MILLION

Reason for exemption A – Company (contract)

Vitrines Zone (display cases), Cabana Séguin Inc. (design of annual report), Brio Conseils Inc. (change management), Highland Tank & Manufacturing Company Inc. (hydrocarbon separator), Hella Induperm A/S (recessed track lighting), Bruël & Kjaer (soundscape management program), Vaisala Canada Inc. (weather information system), Engie Services Inc. (conveyor work), Les constructions Serbec Inc. (work at terminal building), Delsan AIM Environmental Services Inc. (work at terminal building), Roxboro Excavation Inc. (extension of route 630), Les installations électriques Pichette Inc. (electrical work), ITR Acoustique Inc. (interior systems), Vitreie RD Ltd. (architectural metals), Expo Renovation Inc. (joinery work), Carrelage Montréal Inc. (ceramic), Construction CAL Inc. (work in the baggage rooms), Cima+ s.e.n.c. (project manager services), Rial Électrique Inc. (security checkpoint equipment), Kingston Byers Inc. (international/domestic transit work), Pomerleau Inc. (construction management), Revêtement RHR (heating system), Eurovia Québec Construction Inc. (rehabilitation of worn runways), Société générale de construction BPF Inc. (rehabilitation of gutters on upper lane), ModSpace (moving of canine unit).

Reason for exemption B – Company (contract)

Hewitt Equipment Ltd. (lighting tower generators), Bell Canada (publicity / various equipment), Canadian Corps of Commissionaires (resource assignment), Services Matrec Inc. (portable restrooms), Barich Inc. (AMS professional services), BCD Vidéo (telesurveillance system), Engie Services Inc. (baggage registration pilot project), Fibrenoire (fibre for NPSV), Groupe Géomatik (surveying services), Empire Crockery Inc. (foodservice equipment), Émond Gagnon Inc. (professional services), Nanolumens (dynamic display screens), Maître compacteur (residual material equipment), Solotech Inc. (publicity/advertising), Ecsys Informatique Inc. (SAP professional services), Team Eagle Ltd. (reconditioning of a blower), Altus Group (customer service management tool), Domra Construction Inc. (granite tiles), Jaquith Industries Inc. (runway accessories), Regulvar Inc. (control system), Câblage Expert Inc. (information centres and monitors), Ateliers Underlabs (YULi application), Gray Matter Systems (professional business intelligence services), The Createch Group (SAP professional services), Oracle Canada ULC (software upgrade), Groupe Nexio Select Inc. (ServiceNow licence), GSOFI Inc. (SharePoint), Vancouver Airport Authority (APC kiosks), Arinc International of Canada, ULC (check-in counter equipment), Resa Airport Data Systems (software configuration), DIIO, LLC (airport databases), Enixum Group Inc. (fibre optics), AZUR Group Inc. (airport services applications), Acquia Inc. (cloud platform), Moteurs électriques Laval Ltée (variable speed drive for PTVs).

CARRIERS

32
PASSENGER CARRIERS



9 CANADIAN CARRIERS

Air Canada
Air Creebec
Air Inuit
Air Transat
First Air
Porter
Provincial Airlines
Sunwing Airlines
WestJet

20 INTERNATIONAL CARRIERS

Aeromexico
Air Algérie
Air China
Air France
Air Saint-Pierre
British Airways
Copa Airlines
Corsair
Cubana de Aviación
Icelandair
KLM
Lufthansa
Qatar
Royal Air Maroc
Royal Jordanian
SATA Internacional
SWISS
Tunisair
Turkish Airlines
WOW air

3 U.S. CARRIERS

American Airlines
Delta
United

15
ALL-CARGO CARRIERS



AirBridge Cargo
Atlas Air
CargoJet Airways
CargoLux
Castle Aviation
Contract Air Cargo
DHL
FedEx
Kalitta Air
Morningstar Air Express
Nolinor Aviation
Royal Air Freight
Skylink Express
UPS
USA Jet Airlines

AIR SERVICES

83 DESTINATIONS IN THE WORLD (excluding Canada and the United States)

Scheduled (45)

Algiers, Algeria
 Amman, Jordan
 Amsterdam, Netherlands
 Beijing, China
 Brussels, Belgium
 Camagüey, Cuba
 Cancún, Mexico
 Casablanca, Morocco
 Cayo Coco, Cuba
 Cayo Largo, Cuba
 Cozumel, Mexico
 Doha, Qatar
 Fort-de-France, Martinique
 Frankfurt, Germany
 Freeport, Bahamas
 Geneva, Switzerland
 Havana, Cuba
 La Romana, Dominican Republic
 Holguin, Cuba
 Istanbul, Turkey
 London (Heathrow), United Kingdom
 Lyon, France
 Málaga, Spain
 Mexico City, Mexico
 Montego Bay, Jamaica
 Munich, Germany
 Panama City, Panama
 Paris (CDG), France
 Pointe-à-Pitre, Guadeloupe
 Port-au-Prince, Haiti
 Puerto Plata, Dominican Republic
 Puerto Vallarta, Mexico
 Punta Cana, Dominican Republic
 Reykjavik, Iceland
 Rio Hato, Panama
 Roatan, Honduras
 Rome, Italy
 Samana, Dominican Republic
 San Salvador, Bahamas
 Santa Clara, Cuba
 St. Marteen, Netherlands-Antilles
 St-Pierre, St-Pierre-et-Miquelon
 Tunis, Tunisia
 Varadero, Cuba
 Zurich, Switzerland

Summer (17)

Athens, Greece
 Barcelona, Spain
 Basel-Mulhouse, Switzerland
 Bordeaux, France
 Dublin, Ireland
 Glasgow, Scotland
 Lisbon, Portugal
 London (Gatwick), United Kingdom
 Madrid, Spain
 Marseille, France
 Nantes, France
 Nice, France
 Paris (Orly), France
 Ponta Delgada, Portugal
 Prague, Czech Republic
 Toulouse, France
 Venice, Italy

Winter (21)

Acapulco, Mexico
 Antigua, Antigua-and-Barbuda
 Aruba, Aruba
 Bridgetown, Barbados
 Cartagena, Colombia
 Cienfuegos, Cuba
 Huatulco, Mexico
 Ixtapa/Zihuatanejo, Mexico
 Liberia, Costa Rica
 Managua, Nicaragua
 Manzanillo, Cuba
 Nassau, Bahamas
 Providenciales, Turks & Caicos
 Saint Lucia, Saint Lucia
 San Andres Island, Colombia
 San José del Cabo, Mexico
 San José, Costa Rica
 San Juan, Puerto Rico
 San Salvador, Salvador
 Santiago, Cuba
 Willemstad, Curaçao


136
 DESTINATIONS


95
 SCHEDULED


41
 SEASONAL

28 CANADIAN DESTINATIONS INCLUDING 13 IN QUÉBEC

Scheduled (27)

Bagotville, QC
 Baie-Comeau, QC
 Bathurst, NB
 Calgary, AB
 Charlottetown, PE
 Chibougamau, QC
 Edmonton, AB
 Fredericton, NB
 Halifax, NS
 Hamilton, ON
 Kuujuaq, QC
 Kuujuarapik, QC
 La Grande, QC
 Moncton, NB
 Mont-Joli, QC
 Mont-Tremblant, QC
 Ottawa, ON
 Québec City, QC
 Rouyn-Noranda, QC
 Sept-Îles, QC
 St. John, NB
 St. John's, NL
 Toronto (Billy Bishop), ON
 Toronto (Pearson), ON
 Val-d'Or, QC
 Vancouver, BC
 Winnipeg, MB

Summer (1)

Magdalen Islands, QC

25 DESTINATIONS IN THE UNITED STATES

Scheduled (23)

Atlanta, GA
 Boston, MA
 Charlotte, NC
 Chicago, IL
 Dallas/Fort Worth, TX
 Denver, CO
 Detroit, MI
 Fort Lauderdale, FL
 Hartford, CT
 Houston, TX
 Las Vegas, NV
 Los Angeles, CA
 Miami, FL
 Minneapolis/St. Paul, MN
 Newark, NJ
 New York (JFK), NY
 New York (LGA), NY
 Orlando (International), FL
 Philadelphia, PA
 San Francisco, CA
 Tampa, FL
 Washington (Dulles), DC
 Washington (Reagan), DC

Winter (2)

Fort Myers, FL
 West Palm Beach, FL

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