

# Grupo Aeroportuario del Pacifico

Overall score 30/100

ISIN CODE: MX01GA000004

Sector: Transport & Logistics  
Emerging Market

Information rate: 44% (Sector average: 56%)  
Company cooperation level: Not responsive \*

## General information

Grupo Aeroportuario del Pacifico SAB de CV is engaged in the operations of airports. The Company was founded on May 28, 1998 and is headquartered in Guadalajara, Mexico.

Main Economic Segment**	Turnover 2017
Guadalajara & san jose del cabo	43.3 %
Montego bay & Tijuana	28.4 %
Puerto Vallarta & other airports	19.0 %

CORPORATE GOVERNANCE			
	2014	2016	2018
Score			30
Allegations			No
Rating			=
Risk management			Limited

### Key issues

Sound corporate governance is required to oversee a company's strategic direction, including the CSR strategy. Vigeo's framework has been adapted to capture the level of integration of CSR topics at Board-level, supplementing traditional signals on efficient governance practices. Directors are notably evaluated on their level of diversity and experience with operational, financial, and CSR topics (CGV1.1). The audit and internal controls system is examined regarding the efficiency and reach of its risk management (CGV2.1). Shareholders are expected to have fair voting rights and access to all relevant information on material CSR issues (CGV3.1). Executive remuneration is assessed for transparency and alignment with the interests of company's shareholders and other stakeholders (CGV4.1).

### Company performance

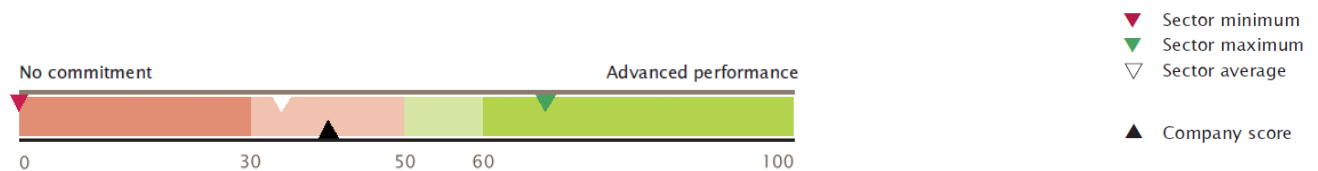
- Grupo Aeroportuario del Pacifico's performance in the Corporate Governance domain is limited in absolute terms, and represents a decreased compared with Vigeo Eiris' previous review.
- Although a majority of directors are considered independent, only few other information on the Board functioning could be retrieved on regularity of meetings, training and expertise provided of non-executive members and processes of evaluation among others. In addition, the Company lacks overall transparency on executive remuneration and shareholders' access to voting at General Meetings. Grupo Aeroportuario del Pacifico's Audit Committee has a comprehensive role in overseeing internal and external controls. However, no evidence of Management of the CSR risks appears in the Company's public reporting.

## Corporate Governance

Score : 30

### CGV1.1 Board of Directors

(score: 40, weight: 3)



#### [LISTED COMPANIES] Existence and independence of Nomination Committee

*All members are non-executive directors and the majority are independent. However, it is unclear which member is the Chairman of the committee. Two members of the three-member Nominations and Compensations Committee are considered independent.*

#### Independence of the Board Chairman

The roles of Chairman and CEO are separated, and the Chairman is considered independent.

#### Responsibility allocated over CSR issues

Information on the responsibilities allocated over CSR issues is insufficient.

#### Share of independent shareholder-elected Board members

*In accordance with standards advocated by Vigeo Eiris, the Board is more than 50% independent. Seven members of the eleven-member Board are considered independent.*

#### Diversity of the skills and backgrounds of the Board

The Board of Directors diversity appears to be partial:

- At least 30% of directors are women
- At least 40% of directors are women
- Employee representative(s) sitting on the Board
- Board members with demonstrated professional experience in the company's sector of activities
- Board members with demonstrated expertise on CSR issues
  - Employee representative(s) sitting on the Board: Juan José Álvarez Gallego and José Manuel Fernández Bosch have prior experience in the airport management.

**Training and expertise provided to board members**

Information obtained from the company and public sources regarding training provided to board members is insufficient.

**Regular election of Board members**

Information obtained from the company and public sources regarding the regular election of board members is insufficient.

**Evaluation of Board's functioning and performance**

Information obtained from the company and public sources regarding the evaluation of board functioning and performance is insufficient.

**Review of CSR issues at Board meeting**

Information obtained from the company and public sources regarding the review of CSR issues at board meetings is insufficient.

- Business ethics
- Human capital
- Responsible customers relations
- Climate change

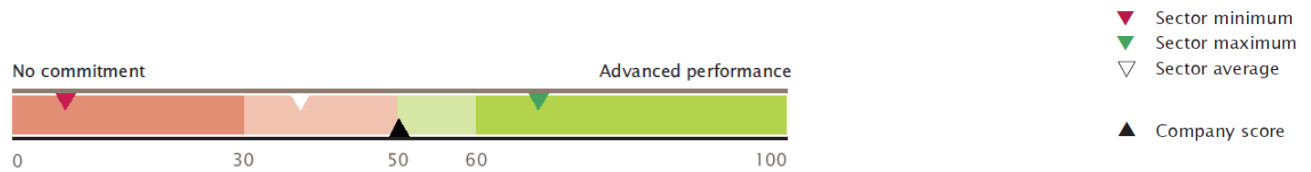
**Regularity of and attendance at Board meetings**

Regular meetings are held, and attendance rates are above 90%  
*The company states that during 2017, the attendance rate of Board meetings was of 93.1%.*

Name of Board member	Role	Executive	Non executive	Employee representative	Nomination	Audit	Remuneration	Former executive	> 9 years on Board	Stock options	Paid > 1/2 executive salary	Represent > 3% company's shares	Other	Independency
Laura Azcárraga	Chairwoman		X		X		X							X
Juan Gallego			X									X	Elected by Aeropuertos Mexicanos del Pacifico	
Juan Thurlow			X		X		X					X	Elected by Aeropuertos Mexicanos del Pacifico	
José Bosch			X									X	Elected by Aeropuertos Mexicanos del Pacifico	
Alfredo Pérez			X									X	appointed by Grupo México	
Carlos Guzmán			X			X								X
Joaquín Guajardo			X											X
Álvaro Garza			X		X		X							X
Juan Ruíz			X			X								X
Ángel Moreno			X			X								X
Roberto Achutegui			X											X

**CGV2.1 Audit & Internal Controls**

(score: 50, weight: 2)



**[LISTED COMPANIES] Existence and independence of Audit Committee**

All members are independent non-executive directors.  
*All the three-members of the Auditing and Corporate Practices Committee are considered independent.*

**Skills and backgrounds of Audit Committee members**

Members appear to have financial and/or audit experience AND relevant operational experience.

**Operational and CSR risks covered by the company's internal controls system**

The system covers the standard issues related to financial, operational, and legal risks.

- Business Ethics
- Human Capital
- Responsible Customer Relations
- Climate Change

**Role of the Audit Committee in overseeing internal and external controls**

The Audit Committee has a comprehensive role that includes:

- Oversee internal audit and internal controls
- Review accounting policies and be responsible for updates
- Nominate the statutory auditor
- Oversee the work of the external auditor
- Approve the type of audit and non-audit services provided and fees paid to the external auditor

**Management of the CSR risks**

Information obtained from the company and public sources regarding the management of the CSR risks is insufficient.

- Balanced scorecard
- Risk-related training
- Monitoring of key risk indicators
- Reporting system to the Board
- Risk mapping/materiality assessment
- A Board Risk Committee with no executive part of it

**Independence of the firm's external auditors**

The audit firm receives non-audit fees, but these represent only 25% or less of total fees.  
*Non-audit fees represented 22% of total fees paid to Deloitte Touche Tohmatsu Limited and KPMG Mexico in 2017.*

**Inclusion of CSR issues in the company's reporting**

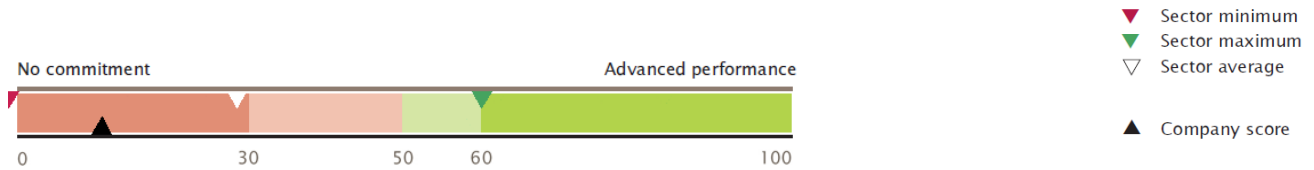
The company does not publish any significant CSR reporting on the key material issues for its sector.

**Stakeholders' feedback**

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral  
*As of 06/2018, Grupo Aeroportuario del Pacifico did not appear to be involved in any controversy related to this sustainability driver.*

**CGV3.1 Shareholders**

(score: 11, weight: 2)



**Nonexistence of voting rights restrictions**

Major voting rights restrictions have been identified.  
*Holders of Series BB shares are entitled to elect four members of the board of directors. The remaining directors are elected by holders of Series B shares.*

**Nonexistence of anti-takeover devices**

Anti-takeover devices have been identified.  
*The company sets a threshold of share ownership for Series B shares: -Individuals or group related parties can not own more than 10% of series B shares. Any person exceeding 10% with respect to Series B shares must conduct a public offer of his excess shares.*

**Safeguards on transactions with major shareholder(s)**

More than half of the board is independent. However, there are no additional safeguards in place to monitor transactions between the company and its major shareholder(s).

**Ability to add items to the agenda of the AGM and to convene an EGM**

Information obtained from the company and public sources, regarding the ability to add items to the agenda of the AGM and to convene an EGM, is insufficient.

**Access to voting at General Meetings**

Information obtained from the company and public sources regarding the access to voting at the AGM is insufficient.

**Ability to vote on relevant issues in separate resolutions at AGM**

Information obtained from the company and public sources, regarding which items are customarily put to a vote at the AGM, is insufficient.

**Presentation of CSR strategy to shareholders and investors**

Information disclosed from the entity and public sources regarding the presentation of CSR strategy to shareholders and investors is insufficient.

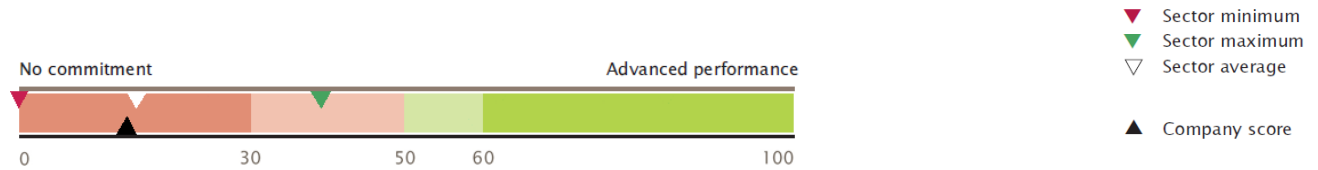
- Business Ethics*
- Human Capital*
- Responsible Customer Relations*
- Climate Change*

**Stakeholders' feedback**

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**CGV4.1 Executive Remuneration**

(score: 14, weight: 2)



**[LISTED COMPANIES] Existence and independence of Remuneration Committee**

*All members are non-executive directors and the majority are independent. However, it is unclear which member is the Chairman of the committee. Two members of the three-member Nominations and Compensations Committee are considered independent.*

**Disclosure of senior executives' individual remuneration**

Disclosure of individual executive remuneration data for senior executives is insufficient.

**Link between Short Term Incentive Plans and the performance of the company**

There is no disclosure on what rules guide the company in allocating bonuses and other short-term incentives to senior executives.

**Link between the main Long Term Incentive Plan and the performance of the company**

Information on the rules and performance conditions guiding the allocation of long-term incentives to senior executives is insufficient.

**Link between variable remuneration and CSR performance of the company**

There is no disclosure on the links between variable remuneration of executive and the CSR performance of the company.

- Business Ethics*
- Human Capital*
- Responsible Customer Relations*
- Climate Change*

**Severance pay for senior executives**

Information obtained from the company and public sources regarding severance pay for senior executives is insufficient.

**Evolution of CEO-to-employee compensation ratio**

Information obtained from the company and public sources regarding the compensation of CEO and the average employee salary is insufficient.

**Stakeholders' feedback**

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## Contacts

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