

A large, green industrial pipe, possibly a water or gas pipeline, curves diagonally across the frame. The pipe has visible rivets or welds along its length. The background is a clear blue sky with scattered white clouds. The overall image has a professional, industrial feel.

1. MANAGEMENT REPORT



A-23 Highway Caldearenas-Lanave, Huesca, Spain . © José Manuel Ballester





Rafael del Pino
Chairman

LETTER FROM THE CHAIRMAN

Fellow shareholders:

The year 2020 was marked by the impact of the COVID-19 pandemic on health, society and the economy. Ferrovial has responded firmly in all areas. In terms of health, by protecting its workers and the people who use its infrastructures. In society, by maintaining its core activities and evidencing its commitment through the “Ferrovial Juntos COVID-19” fund. And in the economy, by strengthening its liquidity position to ensure business continuity. The company ended 2020 with a net cash position ex-projects of €1,991 million compared to €1,631 million the previous year.

Toll roads and airports traffic, a major part of the company’s business, was impacted by restrictions on mobility, although toll roads, especially in the United States and Canada, have shown considerable ability to recover as soon as lockdown measures are eased. It remains to be seen how work from home and e-commerce will impact toll road traffic in the long term, and how air traffic recovers once vaccination enables the situation to normalize. Despite the sizable impact, dividends received from the infrastructure portfolio amounted to €369 million: €340 million from toll roads and €29 million from airports. The LBJ Expressway in Dallas distributed its first dividend in December 2020.

The Sustainability Plan has been stepped up, including ambitious CO2 reduction targets and the goal of zero emissions by 2050, and the carbon footprint was reduced by 4.6% in relative terms. The safety and protection of our employees is a priority to which we devote our best efforts. We have adopted a Health and Safety Plan and improved accident rates significantly: the rate of serious and fatal accidents is down by 18%.

Ferrovial also implemented a more agile and efficient organization model obtaining annualized savings of €49 million in overheads. Ferrovial Construction improved results notably, as evidenced by its 2.3% EBIT margin and €293 million in cash flow before tax. The divestment of the Services division, which is taking longer than expected, has taken its first steps with the sale of the business in Australia and New Zealand.

Revenues increased by 4.7% to €6,341 million, while EBITDA from continuing activities amounted to €409 million, a 238% increase on 2019. As for the bottom line, we reported a net loss of €410 million, or €322 million in pro forma terms. The combined Construction and Services backlog amounted to €23,156 million.

Shareholder remuneration, including dividends and share buybacks, totaled €377 million, 27.5% less than in the preceding year. The share price declined by 16.2% in 2020, slightly more than the IBEX35 index, which lost 15.45%.

Ferrovial’s commitment to the highest environmental, social and governance standards is endorsed by its inclusion in the Dow Jones Sustainability Index for the 19th consecutive year. We also continue to be part of the FTSE4Good, MSCI, Vigeo, ISS ESG, STOXX, CDP and the Bloomberg Gender-Equality Index and, for the first time this year, our Greenhouse Gas Reduction Plan will be submitted to a consultative vote at the Shareholders’ Meeting.

COVID-19 put society to the test. We responded with determination from the outset. Together with other initiatives we set up the “Ferrovial Juntos COVID-19” fund, which raised €8.7 million that was used to pay for healthcare equipment, vaccine research and food aid in all the countries where we operate.

This year, more than ever, I would like to acknowledge the contribution that our employees make on a daily basis, even in the most difficult circumstances, such as those we are currently experiencing. I could not conclude without expressing my gratitude for the support of our investors, shareholders and customers, whose confidence in the company is the best assurance of value creation for society as a whole.

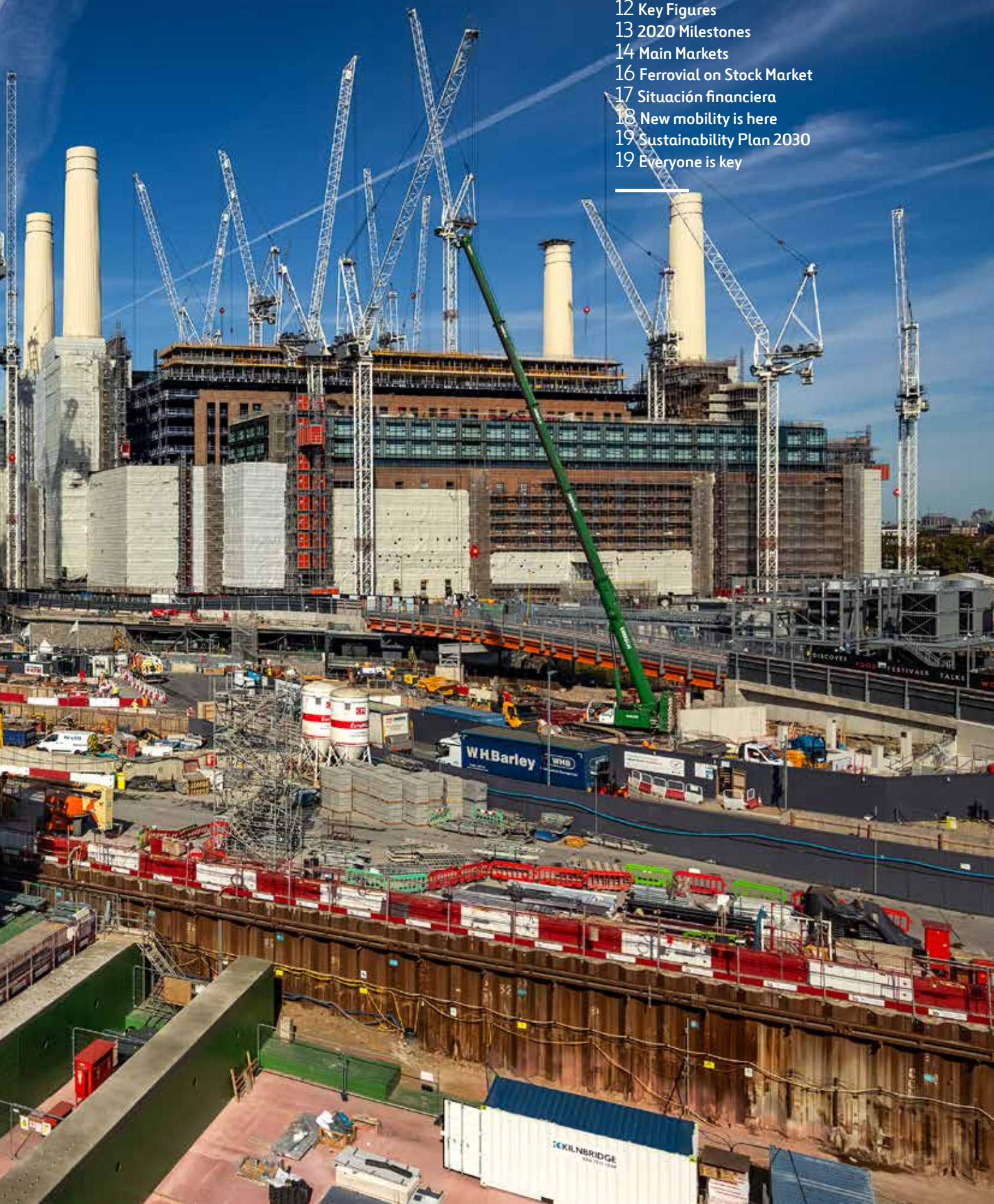


Northern Line Extension, London, United Kingdom. © Jose Manuel Ballester

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-



IN 2 MINUTES

KEY FIGURES

LIQUIDITY (M€)

7,964

ex-infrastructures.
Including available liquidity lines
(1.333 M€)

NET CASH (M€)

1,991

ex-infrastructures.
Including net cash from Services (216 M€)

WORKFORCE AT YEAR-END*

80,119
2020

92,113
2019

*at December 31, 2020

REVENUES* (M€)

6,341

2020

6,054

2019

+4.7%

compared to 2019

CAPITALIZATION (M€)

16,564

-16.20%

compared to 2019

TOTAL TAX* (M€)

1,785

*Accrued, paid and collected in 2020

CO₂ EMISSIONS

scope 1&2 tCO₂ eq/M€

-56%

in relative terms compared to 2009

* Figures excluding Services, classified as discontinued operations.

FREQUENCY INDEX⁽¹⁾

-11.0%

compared to 2019

BENEFICIARIES OF COMMUNITY PROJECTS

229,639

beneficiaries from the
Stronger Together, Social
Infrastructures and others Programs



Our 2020
summary

OPERATING CASH FLOW* (M€) (BEFORE TAX)

839

ex-infrastructures

501

in divestment

(1) Year-on-year change in the index giving the number of accidents occurring during working hours that lead to days lost, for every million hours worked. Does not include contractors.

IN 2 MINUTES

MILESTONES 2020



FerroNews 2020

January

Approval of the HORIZON 24 Strategic Plan

February

Ferrovial achieves net profit of 268 million euros, improving its results in 2019

Heathrow is now carbon neutral and commits to full emission reductions by mid-2030

May

650 million euros 6 year bond issue with an annual coupon of 1.382%.

Ferrovial Agroman changes its name to Ferrovial Construction

April

"Ferrovial Juntos COVID-19" fund set up

Ferrovial to participate in the design and development of the British HS2 high-speed line

March

Webber awarded contracts in Texas for 655 million dollars

Performance of critical and essential services during COVID-19 crisis

June

Award of the 301 million dollar reconstruction of the Texan highway SL12

Sale of Broadspectrum to Ventia for 465 million Australian dollars

130 million euros 6 year bond issue with an annual coupon of 1.382%

July

"Ferrovial Juntos COVID-19" fund donates 8.7 million euros for health equipment, research and social aid

433 million euro contract awarded for reconstruction of Warsaw West rail station

Sale of 5% stake in Budimex for 58 million euros

October

First company to certify its SDG strategy with AENOR (Spanish Standards and Certification Association)

Award of the 70 million dollar expansion and renovation of FM 1960 in Houston

September

Sale of the shareholding in Norte Litoral and Via do Infante for 171 million euros

622 million dollars refinancing of the LBJ Expressway in Texas

August

Named most sustainable company at the World Finance Sustainability Awards 2020

Webber awarded its first bidding project in Atlanta

November

Presence in the DJSI World and Europe sustainability indexes for the 19th year

Increase in shareholding of I-77 to 65.1%

500 million euro 8 year bond issue with an annual coupon of 0.54%

December

CDP includes Ferrovial on its "A List" for its actions to combat climate change

Agreement with HyperloopTT to explore projects in the US

First dividend distribution of the LBJ highway for 229 million dollar

IN 2 MINUTES

MAIN MARKETS*

USA:

2,340 M€

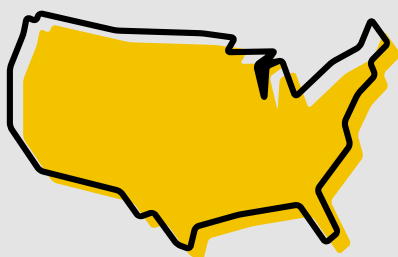
REVENUES

108 M€

EBITDA

5,946

WORKFORCE



CANADA:

272 M€

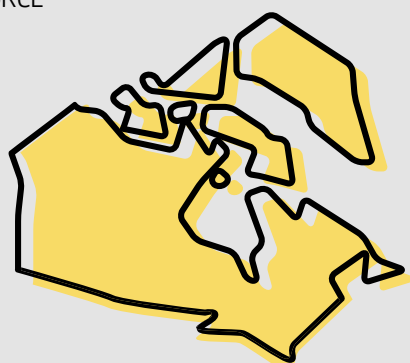
REVENUES

205 M€

EBITDA

783

WORKFORCE



POLAND:

1,877 M€

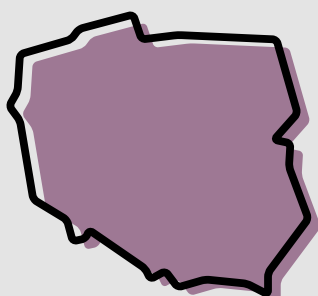
REVENUES

194 M€

EBITDA

6,368

WORKFORCE



UNITED KINGDOM:

818 M€

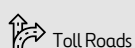
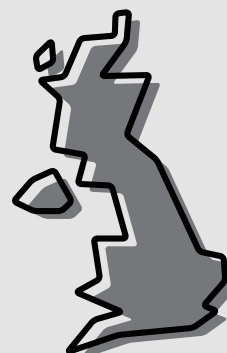
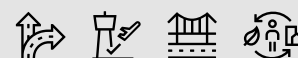
REVENUES

86 M€

EBITDA

15,245

WORKFORCE



* Figures by proportional integration. Financial data do not include Services (discontinued operations).

SPAIN:

936 M€

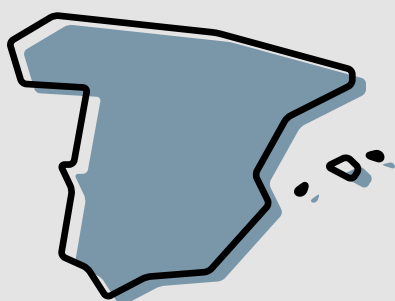
REVENUES

33 M€

EBITDA

42,892

WORKFORCE



REVENUES

11%

Other

37%

USA and Canada

27%

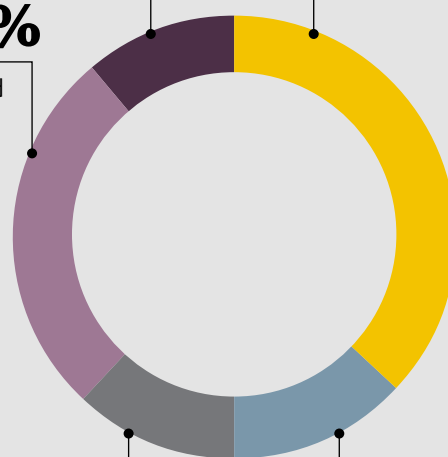
Poland

12%

United Kingdom

13%

Spain



LATIN AMERICA:

198 M€

REVENUES

29 M€

EBITDA

4,732

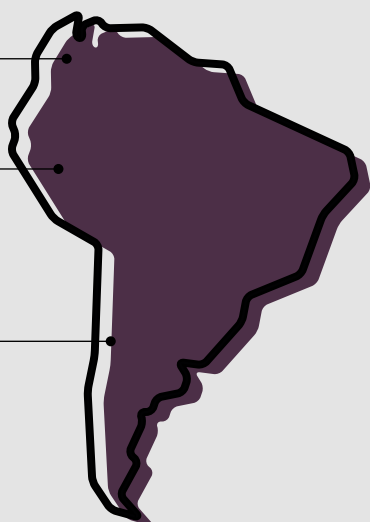
WORKFORCE



Colombia

Peru

Chile



ANALYSTS' ASSESSMENT

3%

Poland

1%

Others

7%

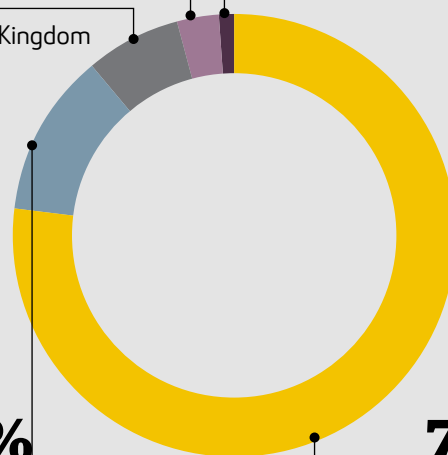
United Kingdom

12%

Spain

77%

USA and Canada

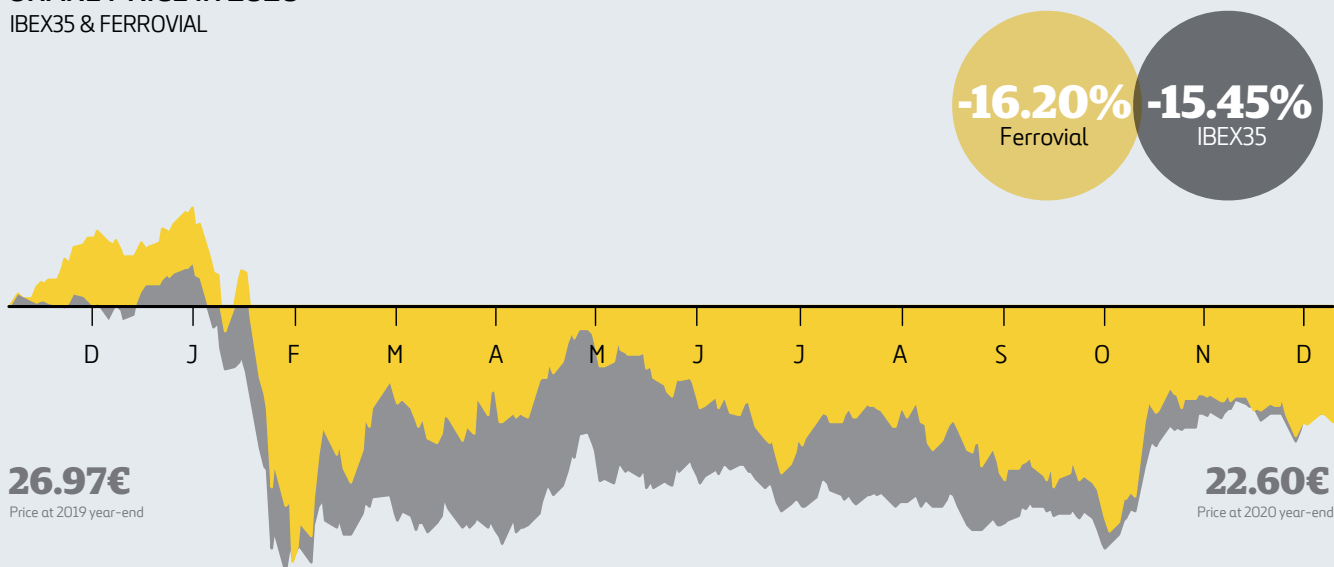


IN 2 MINUTES

FERROVIAL ON THE STOCK MARKET

SHARE PRICE IN 2020

IBEX35 & FERROVIAL



HISTORICAL SHARE DATA

	2020	2019	2018
CLOSING PRICE (€)	22.60	26.97	17.70
MAX. (€)	30.45	27.21	19.78
MIN. (€)	17.49	17.71	16.20
VWAP (€)	23.66	23.15	17.86
AVERAGE DAILY CASH (M€)	46.86	47.05	27.39
AVERAGE DAILY VOLUME (M SHARES)	1.97	2.02	1.54
NUMBER OF SHARES (M SHARES)	732.90	735.22	738.46
CAPITALIZATION (M€)	16,564	19,829	13,067

CAPITALIZATION (M€)

16,564

TOTAL SHAREHOLDER RETURN (TSR)

-14.2%

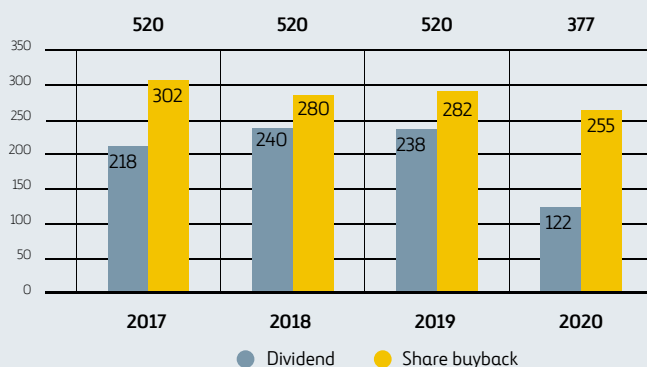
CREDIT RATING

BBB

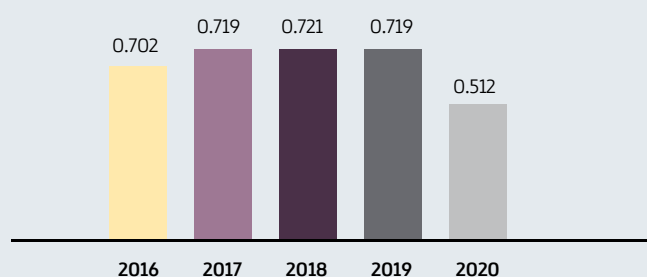
S&P AND FITCH

* Stockholder Return (TSR): total increase/decrease in the share price during the period, plus other payments such as where the company purchases the share subscription rights delivered to stockholders.

SHAREHOLDER REMUNERATION (M€)



SCRIP DIVIDEND*



*Sum of the two scrip dividends paid in the year (committed purchase price of the rights by Ferrovial).

ANALYSTS' RECOMMENDATION

18 analysts covered Ferrovial as of December 31.



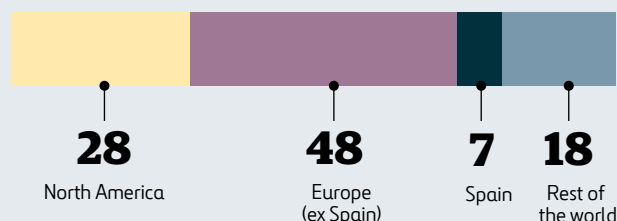
TARGET PRICE

26.29€

CONTACT WITH THE MARKET

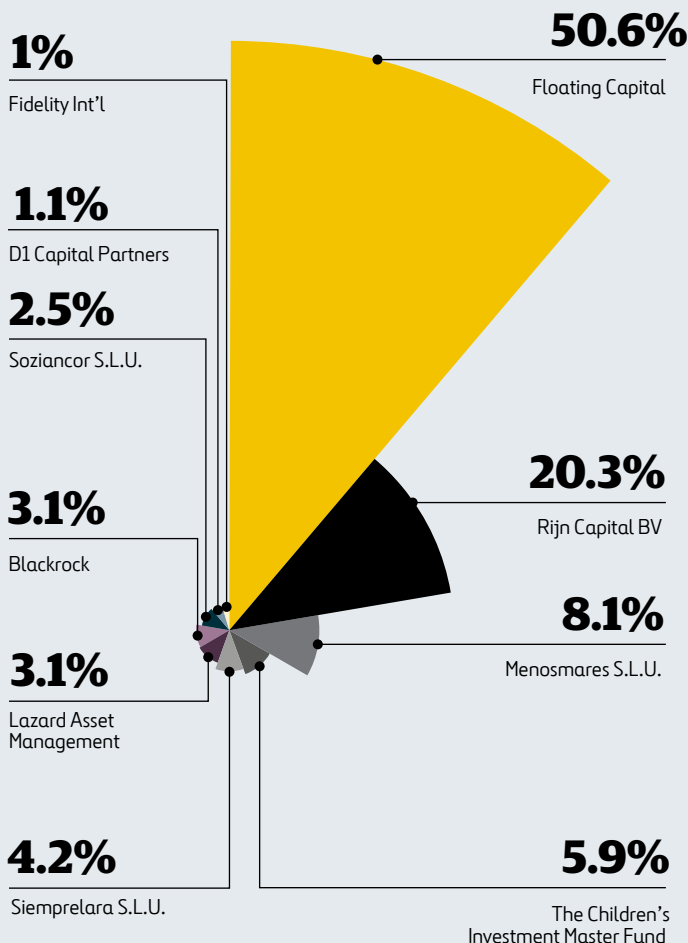
Around 140 meetings, mostly calls, 29 roadshows, mainly in virtual format, with around 900 investors.

INSTITUTIONAL INVESTORS (%)*



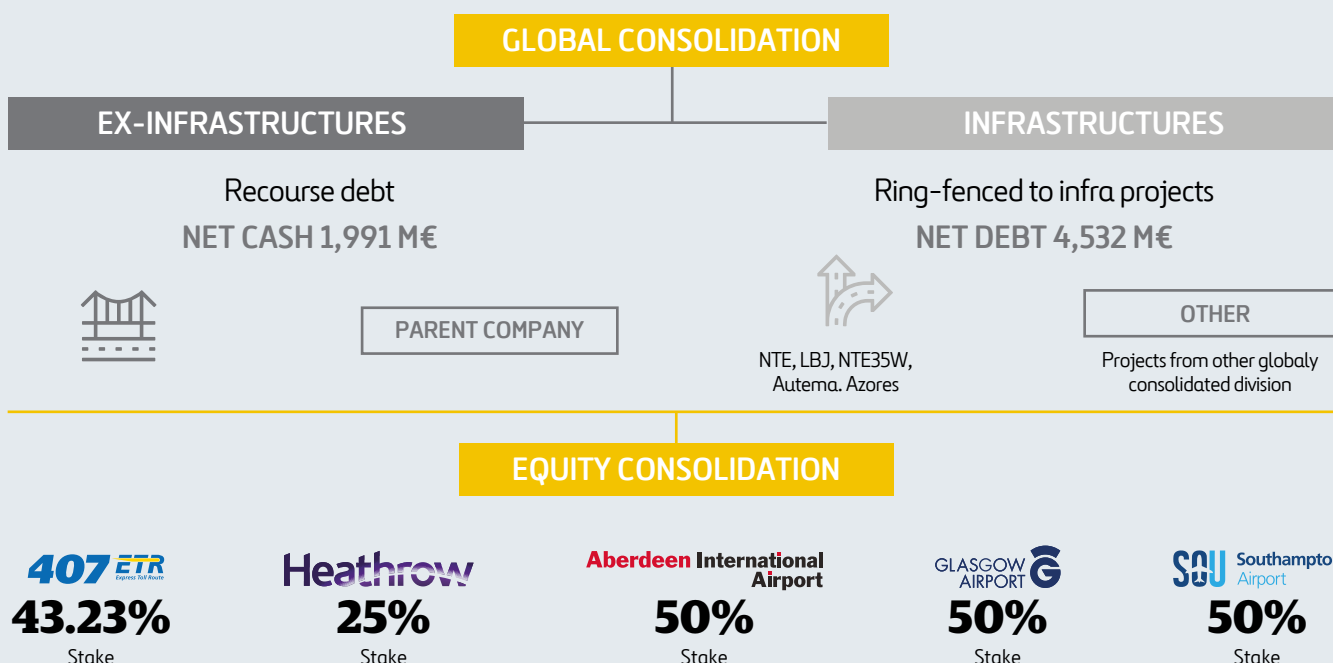
*Source: CMiZi (October 2020)

SHAREHOLDER'S STRUCTURE*



*Source: CNMV (December 2020)

FINANCIAL SITUATION



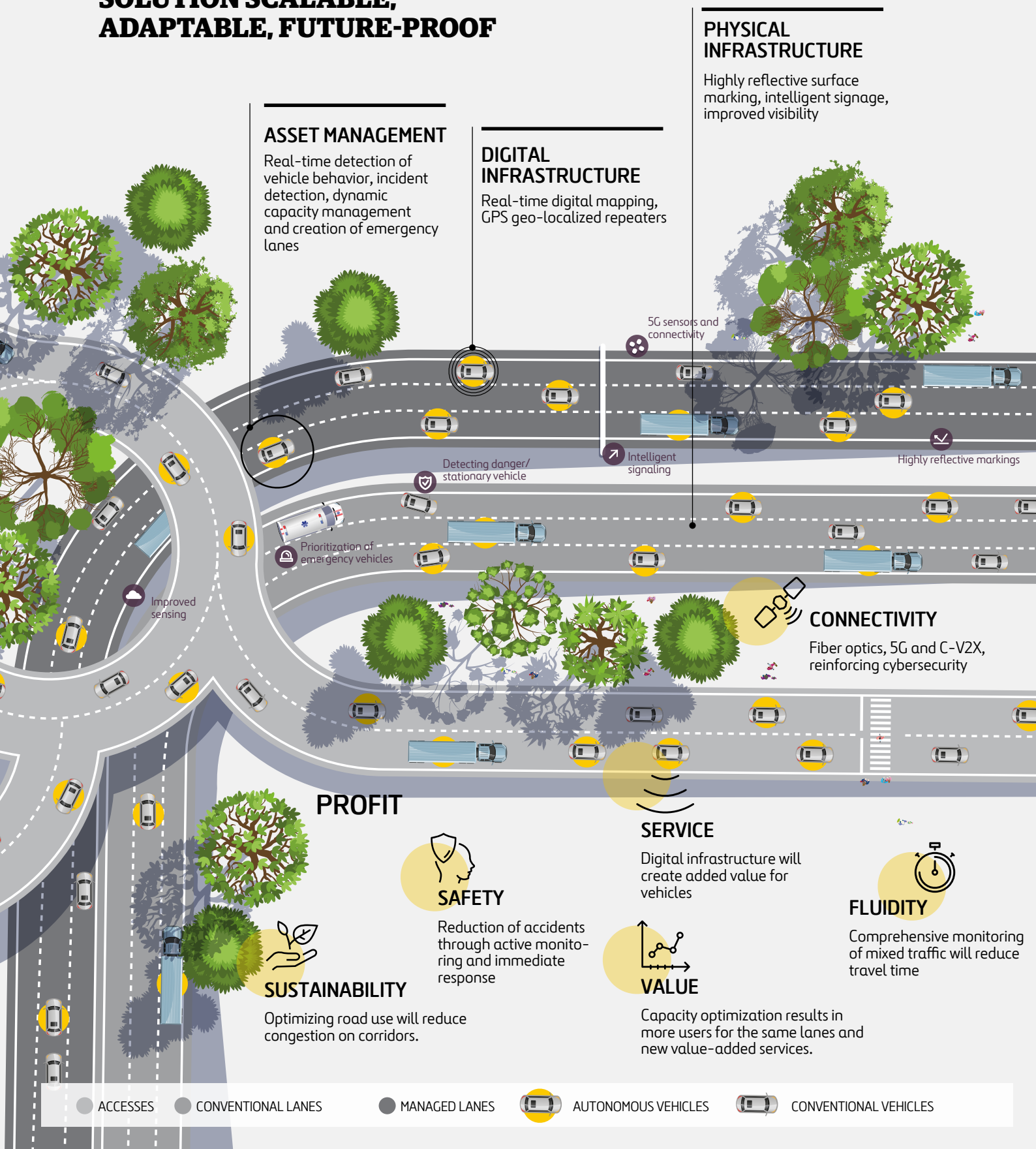
*Includes Services net cash position (216 M€)

IN 2 MINUTES

NEW MOBILITY IS HERE

New era of mobility will be marked by connectivity, automation and vehicles onboard service. Connected infrastructures are crucial. Ferrovial is driving AIVIA, a new concept to develop and deliver safe and sustainable corridors for mixed traffic, improving services and the user experience.

SOLUTION SCALABLE, ADAPTABLE, FUTURE-PROOF



IN 2 MINUTES

Health, Safety and Wellbeing

EVERYONE IS KEY

Ferrovial has approved a Health, Safety and Wellbeing Strategy, following the Horizon 24 Plan. People are fundamental to ensure that the company operates in a safe and healthy work environment.

THE OBJECTIVE:

"We all have an essential role to play in creating safer workplaces, where we protect each other"

PLAN ELEMENTS



LEADER

- Building on successes
- Developing excellence
- Learning from each other

COMPETITION

- Training
- Empowerment
- Delivery



RESILIENCE

- Focus on situations of high potential risk for serious injury, fatality or other casualties
- Risk management

COMMITMENT

- Communication
- Access to information
- Knowledge exchange



EXPECTATIONS OF THE PLAN

1.

Rewarding success

2.

Empowering people

3.

Intolerance of incidents

4.

Culture of innovation and learning

5.

Giving a voice to all

6.

Risk Management

SUSTAINABILITY PLAN 2030

Framed within the Horizon 24 Plan, the sustainability plan establishes a commitment to the Sustainable Development Goals (SDG) and an ambitious target for carbon reduction, while building a portfolio of business solutions for a sustainable economy.

ESG CRITERIA



SOCIAL

Equal opportunities
Local talent
Health and wellbeing
Workforce safety
Investment in the community



GOVERNANCE

Good Governance
Sustainability in Governance



ENVIRONMENT

Climate strategy
Water Footprint
Biodiversity
Circular economy
Sustainable mobility
Innovation

STRATEGY

1.

Progress with perspective

2.

Horizon 24

3.

Sustainable Infrastructure

4.

Decarbonizing

5.

For a world on the move

6.

ODS alignment



Norte Litoral Toll Road, Oporto-Ponte de Lima, Portugal. © José Manuel Ballester





1.2

STRATEGY AND VALUE CREATION

22	Strategy
26	Toll Roads
30	Airports
32	Construction
36	Services
38	New Business

GLOBAL VISION

THE STRATEGY REMAINS IN FORCE

In 2020, the company launched its Horizon24 Plan. This strategy continues, with a focus on preserving liquidity and fostering efficiencies while evaluating growth opportunities.

The year 2020 has been a year marked by the economic and health effects of the COVID-19 pandemic. Since March, many countries have restricted mobility, severely impacting the demand for services, and to a large extent those related to transportation. The company has experienced a significant drop in traffic figures on its roads and airports, but at the same time, it has responded firmly to this challenge by focusing on health and safety, strengthening its financial position and contributing to society.

The development of vaccines and treatments, the stimulus announced by Governments (COVID-19 stimulus bill in the US, European Recovery Fund) and the actions taken by the private sector are paving the path for recovery that will differ by geographies and businesses and will contribute to the transformation of the infrastructure sector towards a more green, digital and inclusive industry.

In this context, investment in infrastructure continues to be a key factor for economic recovery and growth. Sustainable infrastructure development, preserving resources for future needs, and the acceleration of trends, such as mobility or digitalization, present attractive opportunities for Ferrovial:

- Congestion in cities and access routes will demand new transport infrastructure and mobility alternatives that are more innovative and that contribute to reduce carbon emissions. Trends such as “Work from home” (WFH) or e-commerce have accelerated during the pandemic, impacting behavior patterns and traffic evolution, for example, increasing heavy vehicles in toll roads next to industrial and logistic corridors and decreasing business travel.
- Digitalization of transport infrastructure and the increasing need for connectivity among infrastructure, vehicles and users, will require new investments in technology. Autonomous vehicles and the upgraded infrastructure required will play a key role in improving road safety and performance.
- Climate change concerns and decarbonization commitments will also demand new infrastructure development in the fields of electrification, water treatment and sanitation, energy efficiency and circular economy.

In addition to the impact that the pandemic will have on the economy, the company faces several challenges:

- Competition from infrastructure companies, with growing interest in greenfield projects in developed countries, and from financial investors, providing liquidity to the market and investing at more aggressive returns.

- Decarbonization in transportation, a clear objective for the sector, as it is responsible for a significant portion of global emissions.
- Regulation and rule of law, key factors when investing in long duration assets and selecting geographies.
- Commercial, political and social tensions in the countries where the company operates, that could affect economic recovery.

STRATEGY

Strategic priorities

- **People:** is the first priority of the company’s strategy. The company’s people management model is a key source of competitive advantage and is based on three main pillars, people safety, talent management and engagement. Ferrovial has defined the organizational and management structures to ensure alignment with strategy, ensuring equal opportunities and diversity. Ferrovial will promote the highest standards for health and safety in its operations based on prevention and target zero accidents. In addition the company will focus on identifying, developing and retaining talent, and will continue to reinforce engagement creating working environments to maximize the contribution from its employees.
- **Sustainable growth:** develop and operate sustainable, innovative and efficient infrastructure projects with high concessional value. The company will focus on its core markets (USA, Canada, Spain, UK and Poland), while evaluating opportunities in other regions such as Australia and other selected countries in Europe and Latam.
 - In Toll Roads, Ferrovial will continue developing greenfield, traffic-risk projects with a focus on Managed Lanes, mainly in the US and Canada, proactively generating pipeline and bidding for strategic projects. The company will also maintain its competitive advantages in availability projects in markets with potential pay-per-use growth.
 - In Airports, the company will focus on preserving liquidity while it continues to implement efficiencies and explore opportunities and partnerships globally.
 - In Construction, the objectives are to maintain sustainable profitability over time and to increase business with other group companies. In addition, it will support infrastructure business focusing on greenfield transport projects and it will develop additional local capabilities in key countries.
 - Ferrovial will also continue building capabilities for other sustainable infrastructure related opportunities in adjacent sectors such as electrification, water and mobility.



407 ETR Toll Road, Toronto, Canada. © José Manuel Ballester



Horizon 24 Strategy Plan

Financial discipline will continue to be a priority for Ferrovial, strengthening its capital structure and rotating non-core assets and businesses to realize value and fund future growth.

- **Operational excellence:** focus on achieving ambitious sustainability targets (environmental, social and governance), fostering efficiency and optimizing core processes.

Sustainability is a key aspect in the company's operations with a focus on reducing the environmental impact, prioritizing safety and contributing to the development of society. The company has updated its sustainability strategy which is aligned with the UN Sustainable Development Goals as well as with Horizon 24. Its action plan commits to targets in decarbonization, water footprint, gender equality and integrity among others, while shaping the company business portfolio to deliver solutions for a sustainable economy. In this context, Ferrovial will continue to proactively engage in maintaining its presence in sustainability indexes such as Dow Jones Sustainability, Carbon Disclosure Project and FTSE4Good.

In infrastructure, Ferrovial will continue leveraging its distinctive skills, such as traffic management and revenue optimization, and its expertise in assets such as the 407ETR, the Texas Managed Lanes and Heathrow. In construction, the company will increase its references and capabilities in the design and construction of complex projects.

- **Innovation:** enhance core business by supporting the company's digital transformation and developing new capabilities and services to reinforce its competitiveness. The company will develop new digital and disruptive innovation at the corporate level and will sponsor projects with the business units focusing on value creation and promoting its entrepreneurial culture.

HORIZON 24 PLAN: YEAR ONE

The Horizon 24 Strategic Plan covers the 2020-2024 period, and is focused on the promotion, construction and management of sustainable infrastructure. The plan pursues a more agile, innovative and efficient company. Despite the impact of COVID-19, Horizon 24 is making progress in crucial issues.

TRENDS



Mobility



Technology



Demographics



Sustainability

VISION

Develop and operate innovative, efficient and sustainable infrastructure while creating value for our stakeholders

PURPOSE

Sustainable infrastructures for a world on the move

VALUES



Collaboration



Respect



Innovation



Excellence



Integrity

MARKETS



PRIORITIES



People

- New Health and Safety Plan implemented. More than 18% reduction in the Serious Injury and Fatal accident frequency rate in 2020 compared to 2019
- Launch of a new People Plan focused on engagement and talent
- Commitment to employees and society during the COVID-19 crisis (i.e., employee health and safety, essential services to society, "Ferrovial Together COVID-19" fund)



Sustainable growth

- Ongoing development and bidding in core sectors and geographic areas
- Reinforced commitment to divest non-core activities: 500 M€ from divestments in 2020
- Action plans implemented to compensate the impact of COVID-19 on transport infrastructures



Operational excellence

- Ongoing turnaround in the Construction division (from a negative EBIT margin to +2.8%)
- New operating model implemented with committed savings of ~50 M€
- Committed to sustainability: environmental footprint reduction in 2020 (i.e., carbon footprint -6% vs 2019, water compensation >30x Basin Water Index)



Innovation

- Collaboration with innovative transport solutions (i.e., Hyperloop) and funds (i.e., Atomic)
- Launch of the fourth edition of Ferrovial's innovation program (Zuritanken) with more than 300 ideas received.
- Launch of Foresight, a new open innovation platform created to explore and build the future of transport infrastructure and the mobility sector



LBJ Express Toll Road, Texas, United States. © José Manuel Ballester

TOLL ROADS

READY FOR THE RECOVERY

Cintra helps reduce the investment shortfall in infrastructures mainly in increasingly congested urban settings with sustainable concession models that minimize the need for public funds.

Cintra carries out its activity in markets with predictable institutions, good economic perspectives (North America, Australia and Europe), developed financial markets and with high demand for transport infrastructures. Its projects focus on reducing congestion problems in urban areas (complex greenfield concessions).

Amassed over more 50 years of experience, the in-depth knowledge of new technologies applied to pricing (advanced analytics), in addition to synergies with Ferrovial Construction make Cintra a company with a high potential for creating value and strong competitive advantages.

Over the course of 2020, the COVID-19 pandemic has resulted in restrictions being placed on the movement of people in all regions in which Ferrovial operates, considerably affecting volumes of traffic on toll roads; this has varied with the increase and decrease of the spread of the virus and the consequent restrictions placed on movement by local authorities. However, the impact on results has been limited thanks to the improved performance of commercial traffic and heavy-goods vehicles over the year, in addition to the rate flexibility of its assets.

MAIN ASSETS

Cintra possesses 43.23% of the 407 ETR Toll Road in Toronto, Canada, and 62.97%, 54.6% and 53.67% of the NTE, LBJ and NTE 35W Managed Lanes in the US state of Texas, respectively; and 65.1% of the I-77 in the US state of North Carolina. The Managed Lanes I-66 (50%) in Virginia and the 3C extension to the North of the NTE 35W, in Texas, are in the construction stage.

In Managed Lanes, toll rates are dynamic and can be changed every few minutes according to the level of congestion, while guaranteeing drivers a minimum speed at all times. Equipped with free-flow toll systems (no barriers), they stand out for their long term of the concession and broad rate flexibility and an optimized long-term financing structure, making Cintra a leader in the private development of high-complexity transport infrastructures.

VALUE CREATION

High-complexity greenfield projects

Cintra is focused on complex greenfield projects owing to their high value-creation potential. Its capacity to assess and assume greater levels of risk associated with the project in the tender phase (construction,

financing, operation and traffic management) produces higher initial rates of return (IRR).

The creation of value lies in the reduction in the discount rate of future cash flows in the elimination (construction) or reduction (traffic/financing) of the project's risks as the concession progresses.

An example of this elimination of construction risk can be seen in the opening of different sections of toll roads in Colombia, Slovakia and Australia in 2020, achieved against a difficult backdrop. On the Ruta del Cacao Toll Road (Colombia), four of the total nine sections of toll road in the project have been opened. In D4R7 (Slovakia), 33.5 of the total 59 km of toll road have been opened. Finally, in OSARs (Australia), six of the eight projects for which a concession has been awarded have been opened.

Financial risks were also eliminated during 2020. In the 407 ETR (Canada), for example, 1.45 billion CAD were released in bonds via three issues of 700 million CAD at a rate of 2.84%, 350 million CAD at a rate of 1.80% and 400 million CAD at a rate of 2.59%, all maturing after 2025; this brought forward the refinancing of all maturities in 2021 in addition to providing the concessionaire with liquidity. In Toowoomba (Australia), 400 million AUD were refinanced with a very competitive margin of 0.90% (total cost of 4.66%). This concession will have no further debt maturities until 2025.

Turnover of mature assets

By reducing risks, the value created is materialized in the sale of mature projects, with use of the revenue for investment in new assets with greater value-creation potential. One example can be seen in the transfer of the holding in two Portuguese toll roads to the DIF infrastructure fund, (49% of the Norte Litoral Toll Road and 48% of Via do Infante)

NORTH AMERICA

96%

Based on analysts' consensus

CONCESSIONS

23

including Ausol as a toll road

KILOMETERS

1,475

DIVIDENDS (M€)

340

40% of total flow (ex-infra)

INVESTMENT MANAGED (M€)

20,801

93% international



Entrevista con Alejandro de la Joya CEO de Cintra

MOBILITY AFTER THE PANDEMIC

Mobility restrictions adopted by governments around the world to cope with the pandemic have changed behavioral patterns, negatively affecting road traffic. The rise of telework and e-commerce represent two sides of the same coin, with different impacts on congestion. What is the balance of these two effects, are they here to stay? are the big questions to be answered.

During COVID-19 (North America)

COVID-19

- Light vehicle traffic has reduced because of lockdowns and restrictions; increase in teleworking and reduced leisure time
- Heavy traffic is sustained at levels similar to the pre-COVID situation because of the rise in e-commerce



IMPACT OF TELEWORK

5%-10%

of pre-COVID-19 employment

35%-40%

of employment during COVID-19

COMMERCIAL



TRADITIONAL
-10%
in 2020

ELECTRONIC
+20%
in 2020



After the pandemic

TELEWORK

- Impact on peak hour travel in urban areas
- Increase in off-peak nonwork trips
- Peripheral residential model with longer trips



E-COMMERCE

- Consolidation as a popular, convenient and cost-effective channel after the COVID-19 experience
- Overall increase in travel during working hours: shipment and return traffic outweighs the reduction in individual journeys
- Disruption to traffic due to large vehicles continually stopping in limited parking environments



for a total value of 171 million euros. Furthermore, Cintra will have a contract to manage both assets until the end of both concessions. The deal will be completed when approval is received from the Portuguese authorities and financial institutions.

Socially responsible infrastructures

The Managed Lanes projects, the backbone of Ferrovial's strategy, have proven to be a more efficient and less polluting way of responding to growing demand for urban mobility in a quick, easy and efficient manner. CO₂ emissions are higher in the traditional stop and go traffic model than in a continuous free flow model, as part of which Managed Lanes are offered to users. In addition, it is a socially responsible model from an investment perspective, as the users using the toll road "subsidize" the reconstruction and operation of the free-of-charge lanes used by everybody.

Users: top priority

Cintra maintains its focus on customer satisfaction and its value proposition encompassing reliability, time savings and security. This is reflected in the response of customers, with growing levels of acceptance and satisfaction across all its projects.

In 2020, the 407 ETR Toll Road sustained its high levels of customer satisfaction of 88% in toll road service and in its call center, which handled more than 2.3 million requests and again won awards as a World Class Call Center for its excellence in the quality of service for the seventh consecutive year. Furthermore, in 2020 the app was also launched for the 407 ETR Toll Road in response to growing demand among users, who appreciate the opportunity to have a fully digital experience.

On the morning of February 11th, 2021, there was a multiple vehicle collision in the NTE3 project. Prior to the accident the company pre-treated the road in accordance with applicable standards and best practices and based on the existing weather forecast. At the time of the accident electronic variable signage was advising drivers of the adverse weather conditions and asking drivers to proceed with caution. NTE3 is cooperating with the authorities' investigations.

Employees: support for merit

Cintra offers opportunities for the professional development of all its employees by promoting internal mobility and ensuring that merit is the decisive factor in their career. In 2020, despite the context created by the pandemic, 28% of employees changed their job or location, and one out of every four people are working in an international assignment.

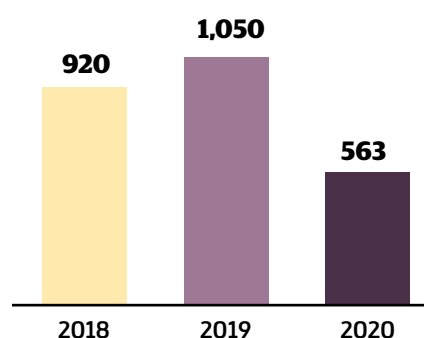
AIVIA AND THE FUTURE OF HIGHWAYS

Ferrovial is leading the development of smart corridors through its Connected Corridor Orchestration Initiative (AIVIA), together with Microsoft, 3M and Kapsch, among others. The initiative develops the next generation of toll roads by hybridizing digital and network technologies such as 5G, V2X connectivity, sensors, advanced analytics or simulation with the physical infrastructure to reduce congestion and improve the traveler experience, safety, predictability of journey times and access to infotainment content from the vehicle. Connected corridors will be an essential element of connected mobility systems as vehicles continue to evolve towards full autonomy and in the intermediate stage of high-speed "mixed" mobility, where autonomous and conventional vehicles coexist in the same road space.

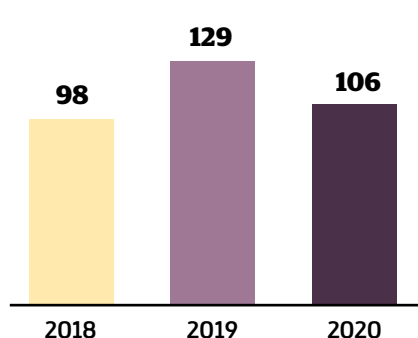
REFINANCING LBJ DEBT

In 2020, Cintra completed the refinancing of part of its debt in LBJ. In total, 615 million dollar were raised on the Private Activity Bonds (PABs) market over 20 years, with an all-in-cost of 2.92%, against the coupon of between 7 and 7.5% on the refinanced PABs; this issue was highly successful among investors. Furthermore, the Moody's rating increased to Baa2, with the Fitch rating of BBB- maintained.

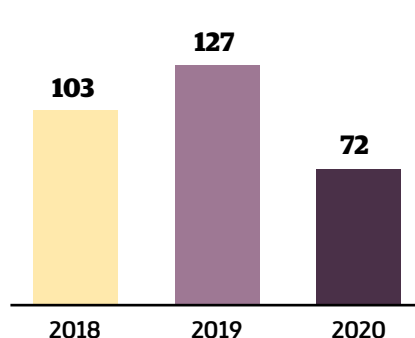
407 ETR (CANADA)
DIVIDENDS DISTRIBUTED
MCAD



NTE (USA)
EBITDA M\$



LBJ (USA)
EBITDA M\$





AIRPORTS

WARMING UP

Ferrovial Airports is one of the world's main private airport investors and operators. It currently has four assets in the United Kingdom: Heathrow (25%) and the three members of the AGS Group (50%) – Aberdeen, Glasgow and Southampton.



In addition, it is developing its electricity lines business in Chile, where it has the Transchile asset in operation and the Centella and Tap Mauro projects, which are currently under construction.

ASSETS

The effects of the COVID-19 pandemic and, most notably, the mobility restriction measures have had a significant impact on the airport sector in 2020. Both Heathrow and AGS have recorded decreases in traffic compared to 2019: in the case of the London hub, 72.7%, and 75.9% for the group made up of Aberdeen, Glasgow and Southampton airports. While the easing of these restrictions in the summer allowed an upturn in air traffic, their reintroduction in the last months of the year, particularly in the United Kingdom, led to a significant drop in air traffic again.

In December, the UK Supreme Court ruled unanimously in favor of Heathrow's appeal in relation to the suspension of the Airports National Policy Statement that will allow the airport to apply for planning permission for its third runway: a victory that once again makes its expansion a strategic objective for Ferrovial Airports, in parallel to the short term efforts to recover traffic after the pandemic, demonstrating the commitment to environmental and climate change objectives.

The end of the Brexit transition period on December 31 did not have a significant impact on the operations of these four assets, as they had contingency plans in place to ensure continuity of operation and service to their passengers following the United Kingdom's final exit from the European Union.

In the development and management of electricity transmission network business, progress has been made in 2020 in the construction and operation of the 250-kilometer line and the Centella substation north of Santiago de Chile. Ferrovial Airports has been awarded a concession for the construction, operation and maintenance of a new section that will connect this substation with the Los Piuquenes – Tap Mauro line.

The combination of these projects under construction and the Transchile business – a 204-kilometer line in the south of the country – means that Ferrovial now has 2,160 MW of capacity in Chile, making it a major player in the sector in the country.

HEALTH AND SAFETY IN AIRPORTS

Ferrovial's airports have been at the forefront of measures to protect the health of their passengers and workers in the context of the COVID-19 pandemic:

- Mandatory use of face masks, installation of protective screens and deployment of signage to maintain safe distances.
- Implementation of robots assisted by ultraviolet technology for continuous cleaning and disinfection.
- Placement of antiviral wraps on high contact surfaces.
- Installation of dedicated COVID-19 rapid diagnostic testing centers at Heathrow Terminals 2 and 5.
- Conducting rapid tests before traveling to destinations requiring a negative test at origin.
- Requirement to submit a negative test no more than three days before a flight from any UK airport.
- Implementing touchless technologies to minimize contact with people or objects at boarding gates, when booking and collecting purchases or in catering establishments.

Thanks to these and other measures, Ferrovial's airports have received several awards. Heathrow was recognized in November as the safest airport in Europe according to the Safe Travel Barometer and certified as a 3-star COVID-19 airport by Skytrax. And Glasgow Airport received the International Safety 2020 award from the British Safety Council.

VALUE CREATION

Operational efficiency and quality of service

In a year of unprecedented complexity for the airport sector as a whole, Ferrovial Airports optimized processes under the premise of protecting its operations, the health of its passengers and workers and maintaining service quality. Some of the measures taken have included renegotiating contracts, restructuring the organizational structure, consolidating operations – through temporary closures, for example, of Heathrow Terminals 3 and 4 and closing a runway – and reassessing and deferring noncore investments.



Ferrovial Airports
“we make good
airports great”



Heathrow Airport, London, United Kingdom.

It is also worth noting that in 2020, Heathrow was recognized by the Skytrax World Airport Awards as ‘Best Airport for Shopping’ for the tenth year in a row, and that Terminals 3 and 5 of the London hub were ranked among the top five in the world.

As for Transchile, in 2020 the availability of its electricity line – the main metric of quality of service in electricity distribution – reached 99.98%.

Sustainability

While the health and economic cost of COVID-19 has dominated the debate around the aviation sector in 2020, the challenges of ensuring its sustainable growth in the medium and long term have not only remained the same, but aspects such as its contribution to the fight against climate change have become even more central for governments, investors and society as a whole.

Aware of these challenges, Ferrovia's airports have maintained an uninterrupted commitment to sustainability in 2020 in their three-fold approach on environmental, social and corporate governance aspects:

- Carbon neutrality in all its operations.
- Independent assessment of initiatives to reduce their carbon footprint in accordance with the Airport Carbon Accreditation by Airports Council International (ACI).
- Publication of the Heathrow Net-Zero Target strategy, with the ambition that 2019 will be the year in which it made its most CO₂ emissions.

- AGS, at the top of the world ranking in the Global Real Estate Sustainability Benchmark (GRESB), with Glasgow Airport recognized as the world and European leader in the 5-star category and Aberdeen and Southampton second and third in Europe and the United Kingdom.
- AGS airports became the first in the United Kingdom to trial the 100 ml Oxo-Biodegradable security bags, designed to carry liquids and gels.
- Heathrow continued to make progress on its Heathrow 2.0 strategic plan, under which its terminals now operate on 100% renewable energy and it has the largest fleet of electric vehicles in Europe.
- In the electricity transmission network business, Ferrovia's assets contribute to integrating renewable energies into the Chilean distribution grid and, therefore, to the government's efforts to decarbonize the country.

Innovation

The main innovation projects undertaken by Ferrovia Airports in its assets in 2020 include:

- Introducing the autonomous vehicle in Southampton Airport's bus network, to reduce operating costs and reallocate resources to personalized passenger service without sacrificing the highest standards of service quality and safety.
- Transchile's development of a solution, supported by geolocation technology and big data, to calculate access routes to assets in remote locations, to improve staff safety and reduce response times.

CONSTRUCTION

A TRANSFORMATIVE PROJECT

The Construction Division is key to Ferrovial's strategy, focusing on the development of complex and sustainable infrastructure assets.

Ferrovial Construction is the business unit responsible for performing civil engineering, construction, water treatment plants and industrial works. It is recognized internationally for its capacity to design and execute unique and sustainable construction works, in particular major transport infrastructures.

The current situation caused by the COVID-19 pandemic has had a limited impact on Ferrovial Construction, as many of its ongoing projects have been classed as essential activities. In spite of these difficult circumstances, the Construction division has increased its gross revenues in 2020 and recorded EBIT of 2.2%. These figures reflect the commitment of the division to hit its EBIT target of 3.5% in 2024, in line with the Horizon 24 Strategic Plan.

In 2020, Ferrovial Construction launched Project Abacus, which includes health and safety, technology and innovation, the OPIP program to improve operating processes that optimize risk management and thus consolidate the future profitability of the division. This program includes a digital transformation plan aimed at controlling processes in all phases of the project, enhancing design capacities and training teams to improve collaboration between tender and operations departments.

Ferrovial Construction focuses its activities on the international market in complex projects in countries with stable economies that are committed to modernizing their infrastructures.

The outlook in **Poland** remains positive in the medium term, thanks to plans to invest in roads and railways through to 2025-26, despite

RAILWAY STATION IN WARSAW

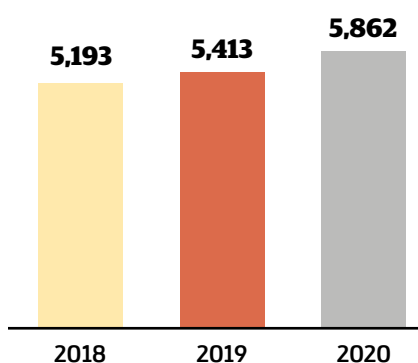
Budimex, the Polish construction subsidiary was awarded the 400 million euros project to reconstruct the Warszawa-Zachodnia railway station, the second largest in the country, which receives more than 1,300 trains and 60,000 passengers per day, with these figures expected to double by 2030. This work included the comprehensive reconstruction of 30 kilometers of railway line, several connection branches and an underground tram tunnel at level -2. This award reflects the positive performance of Budimex, which in 2020, in addition to its positive financial performance, has been awarded 800 million euros across seven roadway contracts, in addition to other significant industrial and construction contracts.

the moderate impact of COVID-19 on the 2020 tender process and the emergence of new foreign competitors.

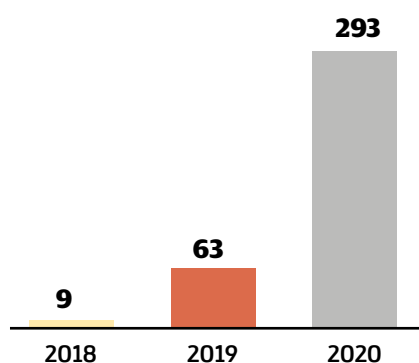
In **Spain**, following the delay in the 2020 tender process on account of the pandemic, an uptake in public construction initiatives is expected in relation to road infrastructures (DGC), railways (ADIF) and airports (AENA), backed by the approval of the General State Budgets and the EU Recovery Plan.

In the **USA** and **Canada** investments in states and provinces remains on the up, with the publicly financed P3 or DBF projects worth particular mention, where Ferrovial boasts ample experience. Following the 2020 US presidential elections, political will at a federal level to pass a

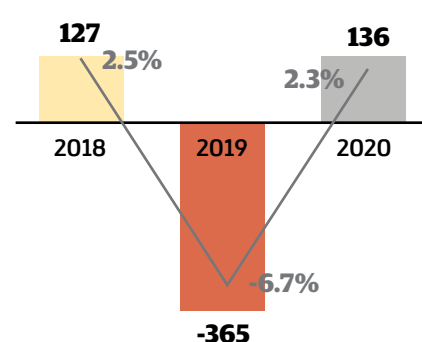
REVENUES (M€)



CASH FLOW (M€)



EBIT (M€)





Discover the progress of the Abacus Project



Q6 Project, Heathrow Airport, London, United Kingdom.

new multi-year infrastructure plan has been confirmed. In Texas, 2021 is expected to see a new record set in terms of road tenders, accompanied by an ample pipeline of water projects, where PLW, the company's local subsidiary specialized, is one of the leaders in the sector.

VALUE CREATION

Construction is a key factor in Ferrovial's strategy, thanks to its capacity to undertake complex projects at an international level. In addition to its intrinsic profitability and ability to generate cash flow, it adds value coordinating the design and construction of infrastructure concessions in which other investment divisions at the Group have an interest. This collaboration has been reflected once again in 2020 in the preselection in the USA of the *Miami North Corridor* light rail line. Other notable milestones include the start of work on Segment 3C of the NTE Toll Road (Texas), or the connection of four bridges that together measure three kilometers over the River Danube as part of the D4R7 highway (Slovakia).

Portfolio diversification

The company is a specialist in highly complex projects thanks to the international experience and presence of near 400 employees at its Technical Office, focusing on the search for top-tier engineering solutions. In this regard, sectoral diversification and tendering for less strategic projects, allowing technical skills to be honed, ensure that the material and human resources at Ferrovial Construction are constantly ready to tender for complex infrastructure concessions. With this diversification and complexity in mind, worth particular mention in 2020 are the completion of the Agua Vista treatment plant in San Antonio (Texas) and different awarded contracts, including lots C2-C3 of the HS2 high speed rail line, the Goleniów-Ciecierzycze gas pipeline in Poland, phase 2 of the data center in Alcalá de Henares and the construction and assembly of a floating concrete wind power platform in the Basque Country.

Selective internationalization

Internationally, focus remains on the USA and Polish markets, which account for 70% of all sales. In other countries with a stable presence, the UK, Canada, Chile or Australia are all worth particular mention, in addition to Spain as the company's home market.

Commitment to society: environment, quality and safety

The Construction division undertakes its operations under strict criteria that maximize quality and safety, while minimizing their environmental impact. A good example of this can be seen in the three million hours with no fatal accidents recorded on the I-66 Toll Road (USA), the self-consumption cogeneration plant at Heineken's WWTP in Valencia (Spain), preventing the emission of 170 tons of CO₂ each year, or the ENR Global Best Project 2020 Award for the ring road in Toowoomba (Australia) on account of its culturally inclusive work environment.

Innovation as a catalyst for improvement

Ferrovial Construction remains committed to R&D&I and the digital transformation, as demonstrated by the reinforcement of BIM (Building Information Modeling) in railway infrastructures or the renovation of residential buildings, or the application of big data and blockchain technology to improve construction processes.

Employees: Talent management

The Construction division is committed to the continuous development of its employees. In this regard, as part of Project Abacus, new mentoring and skills-based training initiatives have been rolled out. Also, in 2020 the division received various acknowledgements, including best young engineer at the Premios Caminos de Madrid and the awards extended to three engineers at the European Women in Construction and Engineering awards.

ABACUS PROJECT: STRAIGHT INTO THE FUTURE

Ferrovial Construction has designed the Abacus Project, a strategic plan designed to lay the foundations for the future of the industry. Abacus Project represents a decision by the company to position itself as a global benchmark, including health and safety, profitability, risk management, technology and innovation. Target: 3.5% EBIT margin by 2024.

PROFITABILITY

- Geographical focus
- Become a local player
- Geographical collaboration with Cintra and Ferrovial Airports
- Optimum size

HEALTH AND SAFETY

- Leadership
- Competition
- Resistance
- Commitment

TECHNOLOGY AND INNOVATION

- Data-driven decision
- Information management
- Project management tools
- Emerging technologies

RISK MANAGEMENT

- Improving operational processes
- Strengthening the design process
- Project selection

OBJECTIVES

1.

Competitive size
≈€6,000 M

2.

Sustainable profits

3.

Cycle resistance

4.

Leadership and transformation

5.

Focused on people

EBIT MARGIN

2.3%

3.5%

2020

2024



SERVICES

CITIES AND INFRASTRUCTURES

Ferrovial Services is an international leader both in terms of the implementation of the circular economy and the maintenance and management of public and private infrastructures, mainly in the transport, power, health and industrial activity sectors.

CASH FLOW (BEFORE TAXES)

358

million euros

ESSENTIAL SERVICES

27,000

employees

FREQUENCY RATE

-14%

compared to 2019

WASTE MANAGED

9.7

million tonnes



Valdemingómez
biogas treatment
plant

I

n February 2019, Ferrovial announced its strategic decision to class Ferrovial Services as a discontinued activity available for sale, with a view to steering its activities towards the development of transport infrastructure investments. Following the agreement reached with Ventia Services Group for the sale of Broadspectrum in December 2019, the sale of all Services operations was completed in Australia and New Zealand on 30 June 2020 for 288 million euros. Subsequently, it sold its 50% share in TW Power Services to another shareholder in the company, Worley, for 12 million euros.

The remainder of disinvestments in all regions in which Ferrovial Services operates (Spain and Portugal, the UK, North America, Chile and Qatar) remain ongoing, although all these processes are being affected, to differing extents, by the macroeconomic uncertainty caused by COVID-19.

BACKGROUND

In **Spain**, the pandemic has had an adverse impact on the services associated with economic activity, such as transport, leisure and industrial production, while the demand for health-associated products has increased substantially. Furthermore, in 2020 there has been greater demand for cost optimization amongst customers in addition to a slowdown in public and private tendering processes; for the large part, Ferrovial Services has offset this by obtaining extensions on major contracts, such as SERMAS, A Coruña and Almería city councils and the Andalusian Health Service. The company has demonstrated great resilience and adaptation capacity.

In the **United Kingdom**, Amey has satisfactorily overcome the operational challenges brought on by the health crisis, preserving the continuity of essential services and enhancing its liquidity thanks to the measures approved by the British government, including the deferred payment of VAT. Furthermore, the company has simplified the structure of support functions to optimize its operational efficiency and it has restructured its activities with a view to strengthening its position in the maintenance of transport infrastructures (roads and railways) and facility management activities with major customers, such as the Ministry of Defence. At the same time, Amey has confirmed divestment plans in both the waste treatment business and utilities services (suppliers of water, gas and electricity).

In the case of Ferrovial Services Internacional, the biggest impact that COVID-19 has had on services has affected the industrial repair and maintenance of crude-oil infrastructures in North America, due to the fall in demand for refined oil products. This has been offset, to a large extent, by the organic growth in the road maintenance business in the USA and Canada and the mining services in Chile.

VALUE CREATION

The development of a culture of zero tolerance of occupational risks has resulted in a further reduction in frequency rate of 14% in 2020, following the roll out of new projects adapted to different activities. A solid example of integrated safety is +VIAL, a cross-cutting program designed to minimize the number of accidents suffered by road maintenance workers, in addition to the users of these infrastructures.

In addition to strengthening training and prevention, Ferrovial Services uses innovation to protect its employees and users. Within other technologies, the company has developed a system for the automated deployment of signals and beacons on roads, without the need for drivers to depart their truck and expose themselves to traffic risks. Another line being developed is the use of virtual and augmented reality as a tool for enhancing knowledge of and improving self-protection.

Occupational safety

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Operational efficiency and digitalization

The company has simplified the support structure in all geographical areas through cost reduction programmes with positive results. At the same time, in 2020, its commitment to the technification of services has been stepped up, including smart waste collection management, with volumetric sensors to optimize collection routes depending on how full containers are and using new tools to digitally manage processes as part of operations.

The application of new technologies has also provided an opportunity for strengthening collaboration with customers and enhancing interaction with residents. Some examples of this can be seen in REMAD, an online system for exchanging second-hand items rather than dumping them, rolled out at all recycling centres in Madrid, or DUGUD, a mobile app that promotes recycling at the origin, allowing users to accumulate points when they hold their card up to the reader placed on the container and that can be exchanged for discounted services.

DIGITAL STREET LIGHTING USING NB-IOT TECHNOLOGY

In Spain, of the 9 million street lights currently in use, around 25 to 30% have already been replaced with LED lights, entailing savings of between 65 and 85%; now, thanks to a new solution developed by Ferrovial Services, Telefónica and Tellink, a further 10% stands to be saved through the individual remote management of street lights. This technology makes it possible to control all lights from a single control point, making it possible to turn them on and off, adjust light levels and the consumption of each light. This system has already been rolled out in Alcantarilla (Murcia) and Gozón (Asturias), and it is due to be implemented in other towns and cities in the coming months.

DECARBONIZATION AND WASTE AS A SOURCE OF GREEN ENERGY

The circular economy is a fundamental pillar of Ferrovial Services' value proposition, with waste considered a source of energy, in addition to a raw material or resource that can be given a new use. In line with European directives, the percentage of waste recovered must reach 65% by 2035, while the percentage sent to dumps must account for no more than 10%. One example of the recovery of biogas from waste can be seen at the Valdemingómez biomethanization plant in Madrid, the only industrial plant in Spain to transform biogas into a renewable natural gas (biomethane) and inject it as clean energy into the gas network. This plant injects around 100,000 MWh into the network per year, enough energy for 20,000 homes or 500 city buses in Madrid.

Sustainable growth

Notable progress has been made steering the recovery of waste towards treatment plants as a new industry 4.0. Ferrovial Services is involved in pilot projects at a very advanced stage in Spain and Portugal, with dual advanced robotic systems that are offering substantial improvements both in recovery rates and the quality of the recovered material. At the same time, the installation of sensors and data analytics in integrated digitalization projects at plants makes it possible to create dashboards to manage operations and maintain facilities in a more efficient and safe manner.

Sustainable growth has also been seen in energy efficiency, with a portfolio of more than 260 million euros; this has been reflected in average energy savings of more than 60% in public lighting and approximately 30% in buildings, making it possible to reduce emissions by more than 135,000 tCO₂ since 2009 in Spain alone. Ferrovial Services offers this solution as a form of supporting competitiveness, helping customers to use resources more efficiently.

In relation to the renovation of the project portfolio, the company has been awarded significant infrastructure projects, including the main highway and road network (more than 600 kilometres) in South West Scotland for 465 million euros, in addition to new contracts with the Departments for Transport in Florida, Texas, Georgia, Alaska and Washington D.C.

NEW BUSINESSES

MOBILITY, WATER AND ELECTRIFICATION

Ferrovial explores new business opportunities related to sustainable infrastructure in the mobility, water and electrification sectors. By doing so, it has reinforced its commitment to the 2030 Agenda.

T

he Horizon 24 Plan, presented in January 2020 by Ferrovial marks the entry of the company into new sectors. Initially, it plans to embark on projects in mobility, through Zity; water, through Cadagua; and electrification, with transmission, are the chosen sectors.

MOBILITY

Ferrovial is constantly searching and investigating ways to offer accessible, clean and sustainable mobility solutions with the aim of reducing congestion and contamination in cities as part of its firm commitment to SDG 9 (industry, innovation and infrastructure) and SDG 11 (sustainable cities and communities).

The recent creation of the Ferrovial Mobility business unit seeks to respond to new habits amongst citizens, the technological disruption, care for the environment and traffic congestion in cities.

Thanks to its experience in the development and operation of transport infrastructure and its knowledge of users, it offers innovative mobility services that adapt to new market demands, as part of its commitment to infrastructures adapted to connected, autonomous, shared and electric mobility.

Zity is an electric carsharing service that facilitates rentals by the minute. Ferrovial, in collaboration with Renault, has a fleet of more than 750 fully-electric Renault ZOE vehicles, with an autonomy of 300 kilometers, in Madrid and 500 in Paris.

Furthermore, as part of its commitment to progressively increasing the purchase of renewable electricity (with the goal of reaching 100% in 2025), an agreement has been signed with Iberdrola to recharge car batteries using certified renewable energy.

The startup Wondo offers all mobility options available in Madrid, in addition to the payment of services, on a single platform, spanning taxis, public transport and *carsharing and motorbike sharing services*.

WATER

Through its subsidiary Cadagua, which boasts almost 50 years' experience, it builds and manages water treatment and purification plants, developing the highest quality purification and desalination technologies with maximum respect for the environment.

It has drinking water treatment plants (DWTP), wastewater treatment plants (WWTP), industrial wastewater treatment plants (IWWTP), thermal drying plants for urban sewage sludge and seawater desalination plants (SWDP). The latter are equipped with inverse osmosis technology for which the company is renowned worldwide.

The company has designed and built more than 235 water treatment plants to supply more than 21 million people. It has more than 140 treatment plants (DWTP) that treat the discharge from around 29 million residents. The most notable DWTP include those in Utebo and Bens.

Ferrovial, with 85 drinking water treatment plants and 32 desalination plants, supplies 15.5 million residents, offering innovative designs in the construction of treatment plants and selecting the right technology thanks to the training of its engineers and technicians. The company has built 32 desalination plants worldwide with a combined capacity of more than 1,200,000 m³ per day; worth particular mention are the Al Ghubrah plant in Oman, the Al-Zawrah plant in Ajman and those in Rambla de Valdelentisco, Águilas-Guadalentín, Alicante and Ceuta.

Cadagua boasts extensive experience in the design, construction, operation and maintenance of thermal sludge drying, the treatment of dewatered sludge from treatment plants. The goal is to evaporate as much water as possible in the sludge in the most energetically efficient manner. It operates the largest thermal drying plant in Europe (South, Madrid), treating 300,000 tons per year.

FERROVIAL - HYPERLOOP TRANSPORTATION TECHNOLOGIES ALLIANCE

Ferrovial, as a global leader in the infrastructure sector, and Hyperloop Transportation Technologies (HTT), as a pioneer in Hyperloop technologies, have signed a framework agreement to jointly study different project development opportunities for this revolutionary mode of ground transportation in the US. Both companies thus open the door to cooperation in developing a wide range of tasks, including the analysis and development of routes, the operation and maintenance of Hyperloop technology itself or engineering and construction work, for both potential passenger and freight transport projects in the American region.

WATER TREATMENT PLANTS

235

DESALINATED WATER

1.2

million m³ per day

ELECTRICAL TRANSMISSION LINES

408

kilometers in operation

ZITY

1,250

100% electric vehicles



Zity, Paris, France.

ELECTRIFICATION

The company provides integrated solutions for the development and management of electrical transmission lines. It is staunchly committed to electrification, decarbonization and energy efficiency.

Currently, it operates three transmission lines, positioning the company amongst the biggest players in Chile:

- Charrúa-Cautín in southern Chile: operation and maintenance of a 220 kV double-circuit line measuring 204 kilometers in length with a transmission capacity of 500 MVA per circuit. The infrastructure serves more than 300,000 homes.
- Nueva Pan de Azúcar, to the north of Santiago de Chile: construction and operation of a line measuring approximately 250 kilometers (2 x 220 kV) with a nominal capacity of 580 MVA per circuit. The project includes the construction of the new Centella substation in the city of Salamanca.
- Tap Mauro, to the north of Santiago: construction, operation and maintenance of a four-circuit transmission line spanning 3 kilometers each connecting the Los Piuquenes – Tap Mauro line to the new Centella substation.





1.3

IMPACTS AND NEW SCENARIO COVID-19

IMPACTS AND NEW SCENARIO COVID-19

HOW THE PANDEMIC WAS MANAGED

COVID-19 has become the first pandemic that mankind has faced since the Spanish flu in 1918. The health crisis has resulted in an unprecedented drop in economic activity, with the resulting impact on society.

S

ince the onset of the crisis, Ferrovial believed it had an essential role as a social agent, acting quickly and resolutely with four main objectives in mind: protection of employee and user health, maintenance of essential services, continuity of activities and commitment to the

community.

PROTECTION OF HEALTH

From the very beginning, Ferrovial adopted the recommendations set out by the World Health Organization and the different governments in the countries in which the company operates. It set up a Supervision Committee, consisting of different functional areas at the organization to monitor and implement preventive and organizational measures with a view to ensuring the safety of workers.

Before the first lockdowns were declared by governments, the company had already prepared its teams to work from home and decided to suspend all face-to-face meetings and travel. Offices were transferred to employees' homes and they were provided with the tools required to ensure they could continue with their activities.

At the same time, it provided front-line workers with the protection equipment and prophylaxis required to perform their duties with the necessary guarantees.

Internal communication was stepped up to inform employees about the company's situation and the actions being undertaken. The Chief Executive Officer remained a constant presence through weekly emails and videos disseminated.

ESSENTIAL SERVICES

Around 16,000 employees in Spain and 9,000 in the United Kingdom were on the front line providing critical health, cleaning and water supply services, benefitting 25 million people. Their efforts guaranteed: that 85,000 emergency phone calls were answered each day in the regions of Spain; the management of ambulances and over-the-phone assistance; the maintenance and cleaning of hospitals, with more than 40,000 beds in 13 regions of Spain; the handling of clinical and pharmaceutical waste, in addition to street cleaning and collection services.

The company collaborated with the Region of Madrid to open the IFEMA (Madrid Trade Fair) field hospital, the biggest in Spain, with a total capacity for 5,500 beds. Ferrovial employees worked to assemble 1,600 beds and 30 kilometers of medicinal gas lines in just two days. Furthermore, in collaboration with the Region of Madrid and other companies, Ferrovial participated in the development of the "CoronaMadrid" app, to facilitate diagnostics, patient monitoring and prevent overcrowding at hospitals and reduce the number of emergencies. The actions undertaken by the company include the implementation of vehicle test centers or the provision of free parking spaces to health workers.

In the UK, 9,000 Amey employees maintained 30,000 km of roads and railway lines; collected waste in 20 towns and cities; provided facility management at schools and health services, benefitting 1.3 million people, in addition to maintaining 50,000 homes and 23,000 Ministry of Defense buildings, 18 court rooms, 60 detention centers and provided services to utilities (water, electricity and gas) companies.

Furthermore, the continuity of the company's business was guaranteed in markets like Portugal and Chile, in addition to the provision of essential services during the health crisis.

LIQUIDITY FOR CONTINUITY

At the start of the pandemic, the company guaranteed its financial solvency, hitting a record level of liquidity in June 2020, 7,506 million euros, excluding infrastructure projects. The net cash position, excluding infrastructures, came to 1,668 million euros (including discontinued activities), providing ample coverage to the debt maturities due to fall in 2020 (815 million euros) and 2021 (1,070 million euros).

Despite falls in traffic, the financial robustness of assets improved. Both the 407 ETR and Texan Toll Roads had enough liquidity to meet their obligations in 2020. Heathrow Airport has £3.9 billion of cash, enough to cover all of its payment obligations until at least April 2022.

In addition to the issue of six-year bonds for the sum of 650 million euros with a coupon of 1.382%, with the subsequent subscription of 129.9 million euros; divestments of 5% at Budimex (58 million euros) and the completion of the sale of Broadpectrum (288 million euros), improved the company's solvency further still.



COMMITMENT TO THE COMMUNITY

Finally, the company offered its assistance to the public authorities and NGOs to alleviate the impacts of the crisis, reflecting its staunch social commitment in the markets in which it is present. To this end, it set up the “Ferrovial Together COVID-19” fund, endowed with an initial contribution of 5 million euros by the company. In parallel, it launched a fundraising initiative among employees, directors, shareholders, collaborators, suppliers and anyone who wanted to participate to increase the amount, pledging to double the amount raised. The total of the fund eventually came to 8.69 million euros, which was set aside for purchasing health equipment, vaccine research and food aid.

The company allocated 4.235 million euros to deliver approximately 2 million meals to vulnerable families through Cáritas, World Vision, CESAL, World Central Kitchen, The Trussell Trust Food Banks, Ayuda en Acción, Acción contra el Hambre, Cruz Roja, food banks and other organizations in Spain, the UK, the US, Chile, Colombia, Peru, Poland

and Portugal. This aid benefited around 117,000 people, with the delivery of approximately 2.000.000 meals.

With a view to promoting research in the development of a vaccine against COVID-19, 500,000 euros were donated to the University of Oxford, 250,000 euros to the two vaccine projects run by the National Center for Biotechnology at the Spanish National Research Council (CSIC) and 150,000 euros to Baylor College of Medicine in Texas.

In terms of health equipment, 3.555 million euros were dedicated to buying 900,000 masks, 117,000 diagnostics tests, 90 respirators, in addition to other health material or personal protection equipment, delivered to various Spanish regions including Madrid, Valencia, Castilla-La Mancha, Andalusia, Catalonia, Galicia, Cantabria and the Canary Islands. Part of this equipment was delivered through the public authorities or NGOs in other countries including the UK, Chile, Colombia, Peru, Poland or Portugal.

IMPACTS AND NEW SCENARIO COVID-19

AGAINST COVID-19: PROTECTION, SERVICE AND COMMITMENT

From the first moment the pandemic broke out, Ferrovial adopted all the necessary measures to guarantee the protection of its professionals and users, maintaining the continuity of its service to its clients and society. Ferrovial also took a step forward by participating actively and altruistically in different initiatives that eventually resulted in the "Ferrovial Together COVID-19" Fund, through which it donated 8.7 M€.

ESSENTIAL SERVICES

WORKERS IN SPAIN

16,000

in critical healthcare, cleaning and water supply services, serving 25 million people

WORKERS IN THE UNITED KINGDOM

9,900

Amey workers listed as essential



Discover Ferrovial's actions to fight COVID-19

MAINTENANCE AND HEALTHCARE SERVICES



Cleaning in the main Spanish hospitals

40,000

Beds



Ambulances in Madrid and La Rioja

165



Maintenance of health centers in the United Kingdom for

1.3

Million people

WASTE COLLECTION AND TREATMENT



Spanish Regions

13

20 UK locations with

615,000

Homes

CITIZEN HELPLINE

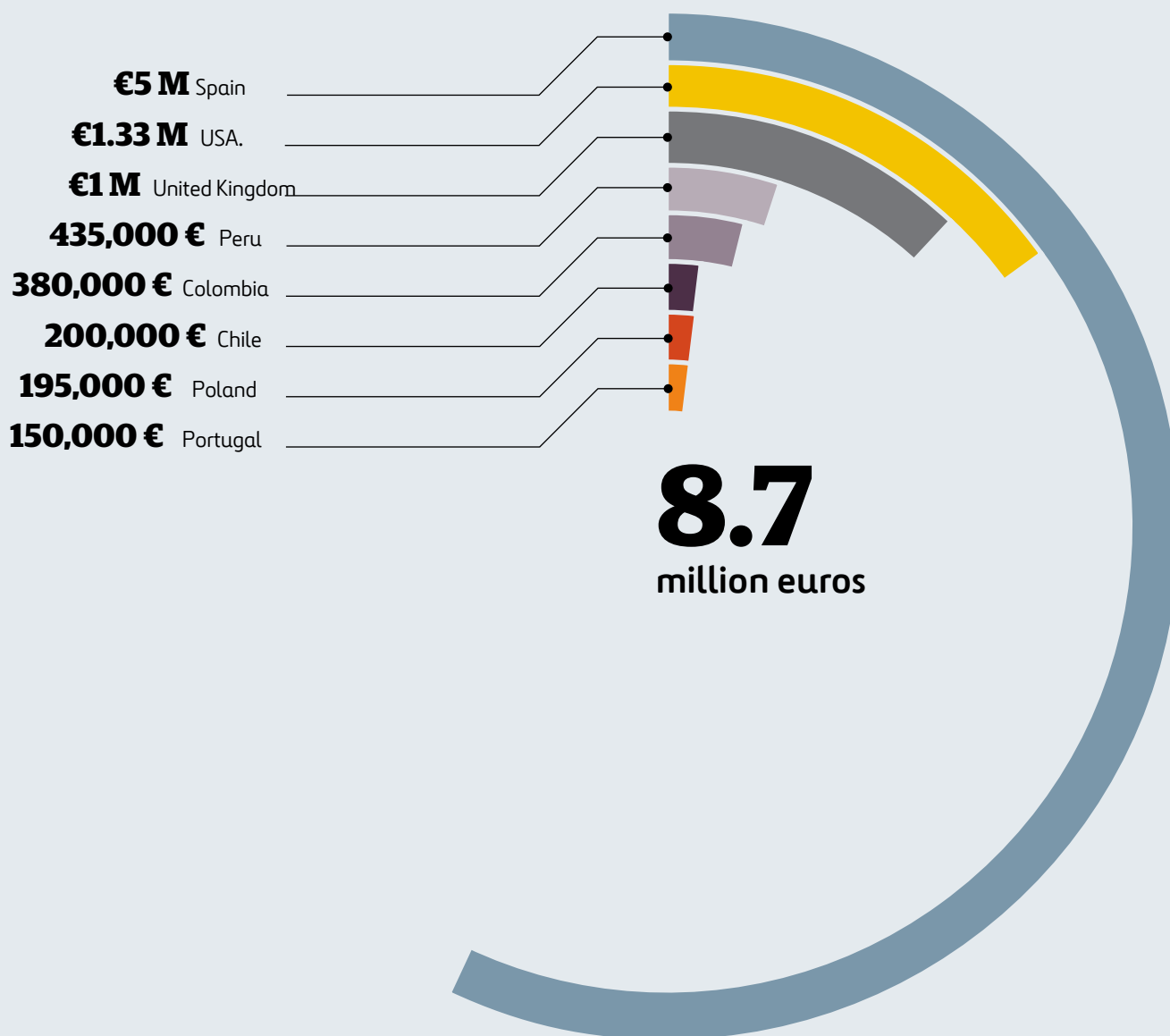


In eight Spanish regions:

85,000

daily calls, doubling shifts and taking on more than 500 workers.

FERROVIAL JUNTOS COVID-19 FUND



HEALTHCARE MATERIAL



3.55 M€

Spain
United Kingdom

RESEARCH



0.9 M€

Oxford University
C.N. Biotechnology
Baylor Collage

FOOD AID



4.2 M€

Spain, USA, United Kingdom,
Colombia, Peru, Chile and Poland





1.4

IN 2020

48	Business Performance
76	People
78	Health and Safety
80	Innovation
84	Quality
86	Integrity
88	Human Rights
90	Environment
94	Supply Chain
96	Community
98	Responsible Tax Management
102	Cibersecurity

Ferrovial results January - December 2020

Further increase of Ferrovial's record high liquidity levels (c.EUR8bn) and net cash position ex-infrastructure (c.EUR2bn).

- Strong cash flow generation in Construction (Activity CF pre-tax EUR293mn) and Services (ACF pre-tax EUR575mn)
- Dividends received from projects reached EUR458mn including the first dividend distributed by LBJ (EUR109mn), NTE dividend (EUR25mn), ETR 407 (EUR160mn) or Heathrow (EUR29mn).
- Divestments (EUR501mn) include: Broadspectrum (EUR300mn), Norte Litoral & Algarve (EUR100mn inflow, EUR72mn pending) and 5% of Budimex (EUR58mn).
- Focus on protecting the company's liquidity and further strengthening its financial position, at parent and asset level, remains.

Operating performance impacted by COVID-19. Mitigating measures at parent and asset level:

- Toll road traffic impacted by lockdowns and limitations to mobility though performance improved when restrictions eased.
- Air traffic affected by UK travel restrictions. Mitigating measures included Opex reduction of GBP303mn at Heathrow for 2020.
- Construction: high production levels with significant margin improvement (EBIT mg 2.3%) including -EUR49mn COVID-19 impact
- Services (discontinued activity) EBITDA impacted by COVID-19 in -EUR102mn but showing growth ex-COVID-19.

Operational efficiencies: Reducing opex, reviewing capex plans and restructuring.

- Corporate restructuring underway according to plan; overheads streamlining and saving initiatives across the Group.
- Streamlining operations (Heathrow, AGS). Capex plans deferred or cancelled.

COVID-19 IMPACT

2020 results have been impacted by COVID-19 pandemic. A global pandemic which has had an unprecedented impact and led to measures taken by governments across the world to reduce social contact and mobility.

Throughout the COVID-19 pandemic, Ferrovial has undertaken, and continues to do so, all necessary measures to safeguard the health and safety of its employees and clients as its main priority.

The Company remains focused on protecting and further strengthening its liquidity and financial position. As of December 2020, liquidity ex-infrastructure level stood at a record c.EUR8bn, including EUR1.3bn available liquidity lines. Net cash ex-infra stood at EUR1,991mn (including discontinued operations). measures taken in 2020 include:

- On May 14th, Ferrovial issued a EUR650mn 6-year corporate bond with a coupon of 1.38%. On June 24th, an additional EUR130mn tap of this bond took place.
- Syndicated Revolving Credit Facilities were drawn for an amount of c.USD274mn. The liquidity facilities limit is EUR340mn.
- ECB Pandemic Emergency Purchase Program (PEPP): EUR575mn issued through ECP Program, with 6 to 12 months maturities. Another EUR516mn ECP issued at negative rates.
- On November 5th, Ferrovial issued a EUR500mn 8-year bond at 90 basis points over the mid-swap, (i.e. a coupon of 0.54%). The deal was oversubscribed 7-fold.

Ferrovial is strongly committed to supporting the Community to face the current pandemic. Ferrovial created a fund, "Ferrovial together COVID-19", to provide medical equipment, research projects for vaccines, and providing food to vulnerable groups.

Operationally, the COVID-19 pandemic impacted Ferrovial's activities since mid-March, especially on air and road traffic given restrictions to mobility and quarantines. The essential activity classification of both Construction and Services has contributed to their stronger performance throughout the year.

- **Toll Roads:** traffic levels reached their lowest point in early April, followed by a steady recovery since then, although a surge in COVID-19 cases at year-end led to new lockdowns and tighter restrictions, negatively impacting traffic.

- **407 ETR:** -45.3% in 2020.

- **Texas Managed Lanes:** NTE -26.1%, LBJ -37.6% and NTE35W -14.3% in 2020.

- **Airports:** traffic was strongly impacted by COVID-19 in 2020:

- **Heathrow:** Passenger numbers fell by -72.7% as airlines reduced flights to a number of countries due to COVID-19 outbreaks, border closures and quarantine measures. Heathrow has available cash and committed facilities amounting to GBP3.9bn, sufficient liquidity to meet all payment obligations until at least April 2022 in a no-revenue scenario, or well into 2023 under HAH's traffic forecast. In July, Heathrow Finance creditors approved a waiver for the ICR covenant for 31 December and an amendment of the RAR covenants to 95.0% and 93.5%, for 2020 and 2021, respectively. The airport raised GBP1.7bn debt in 2020. In addition, the asset has strengthened its capital structure through Subordinated Debt (ADI Finance 2 Ltd facility) of GBP750mn. Lastly, HAH reprofiled a proportion of existing interest rate and inflation swaps and completed a series of new interest rate swap transactions which will help reduce interest payments over the next few years.

- **AGS** have also seen a strong impact in their traffic levels (-75.9% 2020), hit by COVID-19 and the Flybe collapse. In June, AGS agreed a waiver of the requirement to comply with the Financial Covenants (Leverage Ratio and DSCR) in the Facilities Agreement for June and December 2020. December's waiver was subject to compliance with some liquidity conditions that were met by AGS. There is an ongoing dialogue between AGS, shareholders and lenders to support the Company in the coming months. The total cash balance was GBP18mn at 31 December 2020.

- **Construction:** Revenues have been impacted by an estimated amount of -EUR300mn, given the stoppages and the slowdown of works, widely distributed throughout all geographies. The impact at EBIT level (-EUR49mn) was similar to 9M 2020 (-EUR44mn), related to lockout, delays, acceleration costs and additional health and safety material.

- **Services:** COVID-19 impact in 2020 was -EUR102mn in EBITDA. In Amey, the activity with higher impact from the pandemic, the effects were seen later and were linked to delays in non-essential works, lower industrial activity & restrictions to mobility. The most impacted activities in Spain were services related to transport and infrastructure

maintenance, due to mobility restrictions.

MITIGATING MEASURES

The company is adapting to the current pandemic situation through several cost reduction, restructuring and capex revision measures:

- **Ferrovial** is advancing with its corporate restructuring program. The new operating model will allow cost reductions of EUR50mn a year from 2021 (EUR26mn in 2020). On the back of this plan, a -EUR22mn one-off cost was registered in 2020. Additional opex savings of EUR23mn related to COVID-19 were achieved in 2020.
- **Toll Roads:** all toll roads have undertaken a revision of opex and capex plans (EUR41mn proportional savings). In terms of opex, they have adjusted maintenance, collection costs, reduced marketing and advertising programs; while maintaining the levels of quality and safety. All non-essential capex plans have been delayed.
- **Airports:** Heathrow and AGS have taken measures to soften the impact of COVID on P&L and preserve liquidity, while ensuring an environment where passenger and staff security and safety remain the top priority. In terms of opex, measures include organization redesigning, renegotiation of contracts with suppliers and removing all non-essential costs. In 2020, Heathrow reduced opex by GBP303mn and capex by GBP700mn. The airport incurred in GBP92mn of exceptional costs relating to the business transformation program. AGS reduced opex by GBP37mn and capex by GBP25mn in 2020, along with an exceptional cost related to its restructuring process of GBP7mn.
- **Construction:** measures to mitigate the impact include cost reduction (c.EUR3mn savings) and preparation of compensation claims from the impact of delays and/or the execution cost of projects mainly in contracts with force majeure or change in law.
- **Services:** measures include the utilization of flexibility measures provided by the different governments such as temporary layoffs, furloughs, tax payment delays and advanced collection payments from public clients. Additionally, Services implemented cost reduction initiatives of c.EUR110mn (in proportional terms), including savings from investments delays in Spain (EUR15mn) and from temporary layoffs (EUR49mn).

2020 CONSOLIDATED RESULTS (SERVICES AS DISCONTINUED ACTIVITY)

- **Revenues** stood at EUR6,341mn (+9.9% LfL) on the back of higher Construction revenues (+11.4% LfL), partially offset by lower contribution from Toll Roads (-19.2% LfL).
- **EBITDA:** EUR409mn (EUR121mn 2019, which was impacted by the -EUR345mn provision registered in Construction in 1Q 2019). 2020 EBITDA was impacted by a -EUR22mn one-off cost related to the corporate restructuring plan.

DIVIDENDS FROM MAIN ASSETS

Total dividends from projects received by Ferrovial reached EUR458mn in 2020 (vs EUR729mn in 2019):

- **407 ETR:** distributed CAD562.5mn in 2020, EUR160mn for Ferrovial. 407 ETR Board will continue to monitor the current pandemic situation and will review any further potential dividend distribution to Shareholders, as appropriate.
- **Managed Lanes:** LBJ distributed its first dividend of USD229mn (EUR109mn FER's share). NTE also distributed a regular dividend of USD46mn (EUR25mn FER's share).

- **Heathrow:** distributed GBP100mn in 1Q 2020. Dividends distributed to Ferrovial amounted to EUR29mn. Dividends from Heathrow are not permitted until RAR is below 87.5%.
- **Other toll roads:** EUR45mn (EUR19mn in 2019).
- **Services:** EUR89mn dividends from projects, including EUR54mn dividend from EMESA, after its refinancing (EUR47mn Services dividends in 2019).

LBJ REFINANCING

Ferrovial, via Cintra, completed the refinancing of LBJ's Private Equity Bonds (PABs) with the issuance of new bonds (USD622mn proceeds). This PABs refinancing agreement has led to a lower cost of debt (new PABs 2.92% "yield to maturity" vs previous 7-7.5% old PABs coupon).

M&A TRANSACTIONS

- **I-77 Stake increase.** In November, Ferrovial agreed the acquisition of an additional 15%, increasing its stake to 65.1%. The operation is valued at USD78mn (EUR68mn) plus a deferred payment based on the asset's performance in June 2024 estimated at USD2.7mn (c.EUR2.3mn).
- **Portuguese toll roads sale:** Following the company's asset rotation strategy for mature concessions, Ferrovial sold stakes in two Portuguese availability-based PPP roads. On September 14th, Ferrovial reached an agreement, through Cintra, to sell its 49% stake in Norte Litoral and its 48% stake in Via do Infante (Algarve), to DIF Capital Partners, for EUR172mn. As part of the agreement Cintra will hold a management contract for both assets. Ferrovial has already received EUR100mn from the sale process, EUR72mn pending.
- **Broadspectrum sale:** Following the agreement reached by Ferrovial with Ventia Services Group for the disposal of Broadspectrum on December 2019, on 30 June 2020, Ferrovial completed the sale. The transaction price (shares and shareholder loans) amounted to AUD465mn (EUR288mn including transaction costs). This figure did not include Ferrovial's 50% stake in TW Power Services acquired by the JV partner Worley for AUD20mn (c. EUR12mn) in July.
- **Budimex 5% stake sale:** On June 2020, Ferrovial sold a stake in Budimex (5%), with no impact on P&L. Ferrovial holds a controlling stake (50.1%). The impact on cash flow was EUR58mn at 2020.

RESULTS BY DIVISION

Toll roads: traffic performance was impacted by COVID-19 pandemic across all assets, very correlated to mobility restriction measures in each region. In addition, the impact was higher for light vehicles, with heavy vehicles showing more resilience. Revenues decreased by -19.2% LfL and EBITDA by -22.9% LfL. EBITDA stood at EUR251mn, including the change in Autema method of accounting following the Supreme Court dismissal. 407ETR traffic was highly impacted by measures adopted by the Ontario Province to curb the spread of COVID-19, decreasing by -45.3% in 2020. Managed Lanes traffic showed steady improvement since the reopening of the economy in May, although traffic was impacted by the upswings in COVID-19 cases in June and 4Q.

Airports: Passenger numbers at Heathrow declined by -72.7% in 2020. Revenues fell by -61.7% and adjusted EBITDA by -85.9% at Heathrow SP. AGS traffic decreased by -75.9%, with revenues decreasing by -67.4% and EBITDA by -126.1%.

Construction: High level of production sustained with strong improvement in margins. Revenues were up +11.4% LfL, 87% international. EBIT reached EUR134mn, vs. -EUR365mn in 2019 (which was impacted by the provision recorded in 1Q 2019 for three contracts in US). EBIT margin reached 2.3% in 2020, including COVID-19 impact (-EUR49mn). The order book stood at EUR10,129mn (-5.6% LfL), not including pre-awarded contracts of around EUR370mn.

Services (disc. operations): Net income from discontinued operations stood at -EUR3mn, including a negative result recorded from the Broadspectrum sale (-EUR64mn), mainly due to the reclassification to P&L of reserves corresponding to translation differences net of hedges according to IAS 21. Additionally, a fair value provision was recognized in Amey (-EUR34mn) and International (-EUR25). Services business in Spain has registered a positive result of +EUR121mn in 2020 (without amortization, as per IFRS 5).

FINANCIAL POSITION

EUR1,991mn net cash ex-infrastructure projects (including discontinued operations) vs EUR1,631mn on December 2019. Net debt of infrastructure projects reached EUR4,532mn (EUR4,588mn in December 2019). Net consolidated debt reached EUR2,541mn (EUR2,957mn in December 2019).

REPORTED P&L

(EUR million)	DEC-20	DEC-19
REVENUES	6,341	6,054
Construction Provision *		-345
EBITDA	409	121
Period depreciation	-198	-180
Disposals & impairments	15	460
EBIT**	226	401
FINANCIAL RESULTS	-232	-193
Equity-accounted affiliates	-378	296
EBT	-384	504
Corporate income tax	28	-47
NET PROFIT FROM CONTINUING OPERATIONS	-356	457
NET PROFIT FROM DISCONTINUED OPERATIONS	-3	-198
CONSOLIDATED NET INCOME	-359	259
Minorities	-51	9
NET INCOME ATTRIBUTED	-410	268

(*) Related to the provision registered in 1Q 2019 corresponding to three contracts in the US. (**) EBIT after impairments and disposals of fixed assets.

CONSOLIDATED EBITDA

(EUR million)	DEC-20	DEC-19	VAR.	LfL
Toll Roads	251	436	-42.3%	-22.9%
Airports	-18	-16	-10.5%	12.1%
Construction	227	-286	179.4%	181.2%
Others	-51	-12	n.a.	n.a.
Total EBITDA	409	121	238.0%	n.s

PROPORTIONAL EBITDA

(EUR million)	DEC-20	DEC-19	LfL
Toll Roads	436	644	-32.4%
Airports	50	574	-91.2%
Construction ex-provision	227	65	n.s.
Others	-33	-40	16.7%
Total EBITDA	680	1,244	-45.3%

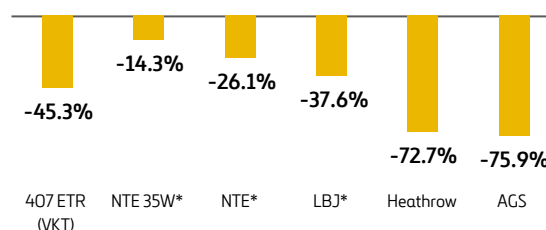
Like-for-like figures.

NET CASH POSITION

(EUR million)	DEC-20	DEC-19
NCP ex-infrastructure projects	1,991	1,631
NCP infrastructures projects	-4,532	-4,588
Toll roads	-4,216	-4,220
Others	-316	-368
Total Net Cash/(Debt) Position	-2,541	-2,957

NCP: Net cash position. Includes discontinued operations

TRAFFIC PERFORMANCE



*Transactions

Toll roads

REVENUES	405	-19.2%
EBITDA	251	-22.9%

407 ETR (43.23%, equity-accounted)

COVID-19

Throughout 2020, the Province of Ontario went through various stages of stay-at-home orders, state of emergency, lockdowns, and phased reopenings. While the 407 ETR experienced significant declines in traffic since the onset of COVID-19, there were gradual improvements in traffic volumes with each stage of the reopening. During the second lockdown (December 26th 2020) traffic volumes have not been as negatively impacted as compared to the initial close last March 2020.

Despite the impact of lower revenues due to the COVID-19 pandemic, 407 ETR maintained sufficient liquidity to satisfy all of its financial obligations in 2020 and expects to maintain sufficient liquidity in 2021.

407 ETR management continues to analyze the extent of the financial impact of COVID-19. While the full duration and scope of the pandemic continues to remain unknown, Management does not believe it will have a long-term impact on the financial condition of 407 ETR. In addition, 407 ETR continues to review potential reductions to opex and capex.

TRAFFIC

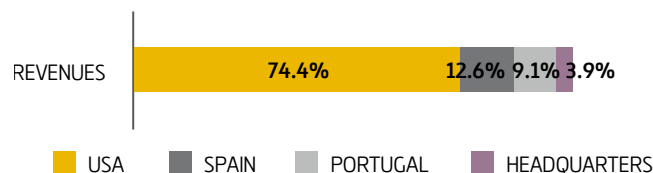
	DEC-20	DEC-19	VAR.
Avg trip length (km)	21.00	21.91	-4.2%
Traffic/trips (mn)	71.47	125.14	-42.9%
VKTs (mn)	1,500	2,742	-45.3%
Avg Revenue per trip (CAD)	12.55	11.88	5.6%

VKT (Vehicle kilometers travelled)

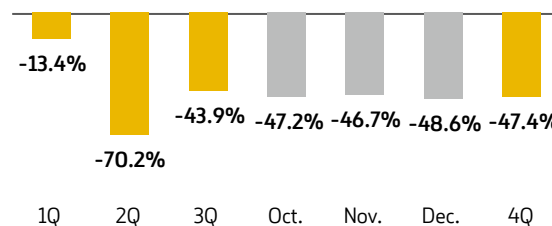
In 2020, VKTs fell by -45.3%, impacted by the changing mobility restriction measures adopted by Ontario Province to combat the spread of COVID-19 since March.

Traffic reached its lowest levels in early April, to then increase gradually during the phased economy reopening. COVID-19 cases increased significantly from mid-August lows and until year-end. The Province implemented increasingly restrictive social distancing measures in 4Q, including prohibiting indoor dining services and closing indoor gyms, cinemas and venues with high risk of personal contact.

On November 23rd, Toronto and Peel entered the Grey-Lockdown zone, where the most severe restrictions on social gatherings and indoor operations are in place and on December 26th, the entire Province of Ontario entered a more stringent province-wide lockdown, to be in-place for a minimum of 28 days.



Quarterly traffic

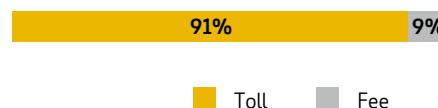


P&L

(CAD million)	DEC-20	DEC-19	VAR.
Revenues	909	1,505	-39.6%
EBITDA	740	1,309	-43.5%
EBITDA margin	81.4%	87.0%	

Results for 100% of 407 ETR

Revenues breakdown



Revenues were down -39.6% in 2020, reaching CAD909mn.

- Toll revenues** (91% of total): -41.0% to CAD827mn, mainly due to lower traffic volumes from the impact of COVID-19, offset by a toll rate increase effective February 1, 2020. Average revenue per trip increased +5.6% vs. 2019.
- Fee revenues** (9% of total) CAD82mn (-14.3%) due to lower account fees due to lower trip volumes and the temporary suspension of transponder lease fees, late payment charges and enforcement fees for new Licence Plate Denial notices during 2Q 2020 to help mitigate the economic impact of COVID-19 on customers, offset by higher service fees due to the opening of 407 Extension II in late 2019.

OPEX -14.0%, mainly due to lower customer operations costs from lower billing, bank charges and collection costs, coupled with lower staffing costs and lower provision for doubtful accounts. These decreases were offset by higher general and admin. expenses mainly on higher COVID-19-related charitable donations and higher system operations costs and support costs.

EBITDA -43.5%, as a result of lower traffic and revenues, partially offset by lower operating expenses. EBITDA margin was 81.4% vs 87.0% in 2019.

Dividends: In 2020, 407 ETR distributed CAD562.5mn (CAD1,050mn in 2019). Dividends for Ferrovial amounted to EUR160mn. 407 ETR Board will continue to monitor the current pandemic situation and will review any further potential dividend distribution to Shareholders, as appropriate.

Net debt at end of December: CAD8,323mn (average cost of 4.50%). 54% of debt matures in more than 15 years' time. Upcoming bond maturity dates are CAD18mn in 2021, CAD318mn in 2022 and CAD20mn in 2023.

In March, 407 ETR issued a CAD700mn Senior Notes, Series 20-A1, due March 2050 (aggregate principal amount of 2.84%).

In May, 407 ETR issued CAD750mn of Medium-Term Notes:

- CAD350mn Senior Notes, Series 20-A2, due May 2025 (coupon 1.80%).
- CAD400mn Senior Notes, Series 20-A3, due May 2032 (coupon 2.59%).

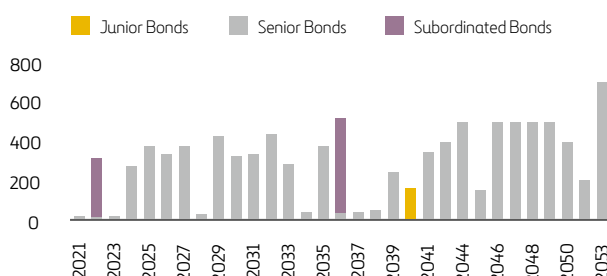
In addition, 407 ETR announced the early payment of:

- CAD400mn nominal Senior Medium-Term Notes, Series 10-A3, due May 2021.
- CAD208mn nominal Senior Bonds, Series 99-A5, maturing in December 2021.

407 ETR credit rating

- **S&P:** "A" (Senior Debt), "A-" (Junior Debt) & "BBB" (Subordinated Debt), with watch negative outlook, issued on 11 Nov 2020.
- **DBRS:** "A" (Senior Debt), "A low" (Junior Debt) & "BBB" (Subordinated Debt), with negative outlook, issued on 25 Nov. 2020. On 22 May 2020, DBRS assigned "A" Ratings to 407 ETR's New Issues.

407 ETR bond maturity profile



407 ETR tariffs

On 31 December 2019, 407 ETR announced an increase in tariffs, along with the introduction of seasonal toll rates, which came into effect on 1 February 2020. Given the impact of COVID-19, 407 ETR did not implement the changes included in the seasonal toll rates aside from the increase in February 2020.

Schedule 22

Due to the COVID-19 pandemic and stay-at-home orders, traffic on Highway 407 ETR has been significantly lower and minimum traffic thresholds for 2020 were not achieved as prescribed under Schedule 22. It is 407 ETR's position that due to the adverse traffic impacts of the pandemic and the force majeure provisions of the Concession Agreement, no Schedule 22 payments apply since the pandemic was declared. Following legal counsel interpretation of the contract no provision has been booked since the pandemic started.

TEXAS MANAGED LANES (USA)

Managed Lanes (MLs) traffic was significantly impacted during the COVID-19 outbreak due to the mobility restrictions and the sequential shut downs, although positively reacting to reopening.

Traffic reached its lowest point in early April following the shelter-in-place orders and closure of schools, but recovered since then at different rates on each Managed Lane. The region shifted from quick re-opening on May to increased restrictions following upswing in cases in June. Restrictions slowly lifted since then until early November, when Texas suffered a spike in COVID-19 cases. Texas government announced on December 3rd that restaurants would have to return to service at 50% capacity, and bars were required to close. Schools remained with the two options, in person and online. Traffic has softened across December, especially during the winter break.

Although Toll Rates in the Texas MLs are dynamically adjusted with traffic, a set of minimum toll rates by time of day predefined by the operator is applied. The traffic fall in the Texas MLs has been partially offset by the positive performance in toll rates and the higher proportion of heavy vehicles.

NTE 1-2 (63.0%, globally consolidated)

In 2020, traffic decreased by -26.1% due to COVID-19 related mobility restrictions. Since the reopening in May, traffic recovery has been somewhat steady.

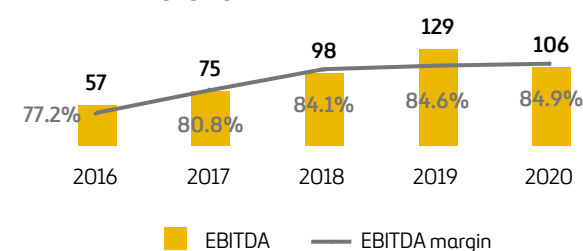
	DEC-20	DEC-19	VAR.
Transactions (mn)	25	34	-26.1%
Revenues (USD mn)	125	153	-18.4%
EBITDA (USD mn)	106	129	-18.1%
EBITDA margin	84.9%	84.6%	

The **average toll rate** per transaction reached USD4.9 vs. USD4.5 in 2019 (+10.3%).

Revenues reached USD125mn (-18.4% vs. 2019) on the back the impact of lower traffic although mitigated by the impact of traffic mix and higher toll rates.

EBITDA reached USD106mn (-18.1% vs. 2019). EBITDA margin of 84.9% (+31 basis points vs. 2019).

NTE EBITDA EVOLUTION



Dividend: NTE distributed a USD46mn dividend in 2020. Ferrovial received EUR25mn.

NTE net debt reached USD1,232mn in December 2020 (USD1,234mn in December 2019), at an average cost of 3.74%.

Credit rating

	PAB	Bonds
Moody's	Baa2	Baa2
FITCH	BBB	

LBJ (54.6%, globally consolidated)

In 2020, traffic decreased by -37.6%, as COVID-19 induced reduction in traffic since March offsetting strong growth in January and February (+11.6% aggregated). Construction of the 635E project continued during the pandemic, which will introduce one ML in each direction for 10 miles from the eastern terminus of LBJ project.

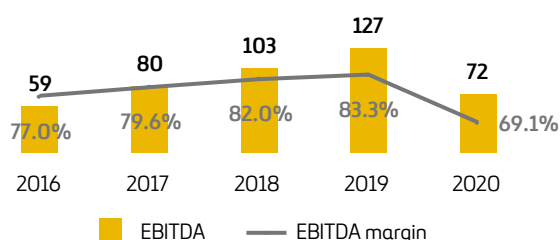
	DEC-20	DEC-19	VAR.
Transactions (mn)	30	48	-37.6%
Revenues (USD mn)	104	153	-31.8%
EBITDA (USD mn)	72	127	-43.5%
EBITDA margin	69.1%	83.3%	

The **average revenue per transaction** reached USD3.4 in 2020 vs. USD3.2 in 2019 (+8.5%).

Revenues reached USD104mn (-31.8% vs. 2019) due to higher toll rates, offset by the declining of traffic due to COVID-19 pandemic.

EBITDA reached USD72mn (-43.5% vs. 2019) with an EBITDA margin of 69.1% (83.3% in 2019).

LBJ QUARTERLY EBITDA EVOLUTION



Dividend: LBJ toll road distributed its first dividend (USD229mn), after five years of operations (contractually the asset could not pay dividends until it had been operational for 5 years). Ferrovial received c.EUR109mn.

Refinancing: In September 2020, Ferrovial, via Cintra, completed the refinancing of LBJ's Private Equity Bonds (PABs) with the issuance of new bonds (USD622mn proceeds). This PABs' refinancing agreement has led to a lower cost of debt (new PABs 2.92% "yield to maturity" vs previous 7-7.5% old PABs' coupon).

LBJ net debt amounted to USD1,660mn in December 2020 (USD1,407mn in December 2019), at an average cost of 5.73%, including old debt's deferred financing costs write-offs from previous PABs.

Credit rating

	PAB	TIFIA
Moody's	Baa3	Baa3
FITCH	BBB-	BBB-

NTE 35W (53.7%, globally consolidated)

In 2020, NTE 35W traffic decreased by -14.3%. The decrease in traffic caused by COVID-19 was partially offset by positive effects of ramp-up (the toll road opened fully in 2018) and higher exposure to heavy vehicles, resulting in NTE 35W having the lowest decrease in traffic of the three Texas MLs assets.

	DEC-20	DEC-19	VAR.
Transactions (mn)	28	33	-14.3%
Revenues (USD mn)	98	90	8.1%
EBITDA (USD mn)	82	54	49.9%
EBITDA margin	83.4%	60.1%	

The **average revenue per transaction** reached USD3.5 in 2020 up from USD2.7 in 2019 (+26.1%) positively impacted by higher proportion of heavy vehicles (toll multiplier 2x - 5x).

Revenues reached USD98mn (+8.1% vs. 2019) due to higher toll rates, partially offset by the stay-at-home measures due to COVID-19 pandemic.

EBITDA reached USD82mn (+49.9% vs. 2019) with an EBITDA margin of 83.4% (vs 60.1% in 2019). NTE35W EBITDA in 2019 was negatively impacted by NTE3C success fee payment (USD20mn).

NTE 35W net debt reached USD915mn in December 2020, at an average cost of 4.50%, including NTE 3C.

Credit rating

	PAB	TIFIA
Moody's	Baa3	Baa3
FITCH	BBB-	BBB-

NTE 3C (53.7%, globally consolidated - under construction)

Development, design, construction and operation of Seg. 3C:

- Construction of 2 managed lanes in each direction, c.6.7 miles from north of US 81/287 to Eagle Pkwy.
- Reconstruction of existing general-purpose lanes.
- Construction of access ramps & frontage roads.
- Construction of IH820/I-35W managed lanes direct connector.
- Installation of Intelligent Transportation System "ITS" & tolling systems.

Duration: concession term ends 2061

Operation & Maintenance (O&M) and toll collection: exclusive right and obligation to operate, maintain, repair and collect tolls.

- Tolls collected by **North Texas Tollway Authority** are in line with tolling agreement with TxDOT. TxDOT assumes collection risk.

I-77 (65.1%, globally consolidated)

The northern portion of I-77 Express opened on June 1st, 2019, and the southern portion opened November 16th, 2019. COVID-19 breakout has negatively impacted the traffic, especially since the week of March 22, when Charlotte area shelter-in-place orders were issued by the authorities.

Traffic on I-77 reached its lowest point in early April, but recovered as restrictions slowly rolled back since early May. However, due to an upswing in cases in Autumn, Phase 3 of the Governor's Safer-at-Home orders went into effect in October. This order was revised on December 8, imposing a statewide curfew between 10pm to 5am.

	DEC-20
Transactions (mn)	20
Revenues (USD mn)	18
EBITDA (USD mn)	4
EBITDA margin	24.9%

On November 2020, Ferrovial, through Cintra, agreed with one of the existing shareholders to acquire an additional 15%, increasing its stake to 65.1%. The operation is valued at USD78mn (EUR68mn) plus a deferred payment based on the asset's performance in June 2024 estimated at USD2.7mn (c.EUR2.3mn).

OTHER TOLL ROADS

Ferrovial's portfolio includes a number of toll roads which are, mainly, availability projects located in countries with low government bond yields (Spain, Portugal and Ireland) and long duration. Among the availability projects with no traffic risk or equivalent to availability projects held by Ferrovial are: A-66, Algarve (until sale completion), Norte Litoral (until sale completion) and M3.

- **Spain:** traffic in 2020 was impacted by COVID-19. Since the beginning of March, traffic was affected by the declaration of the State of Alarm & lockdown measures. Traffic reached its lowest point in April with -88.6% in Ausol I and -79.9% in Ausol II. From 4th May, when the reopening of the economy started, the drops were softening progressively. However, the surge of COVID-19 cases in Spain and the subsequent quarantining of travelers coming from Spain dramatically reduced the number of tourists. 2020 traffic was down -44.7% at Ausol I and -36.5% at Ausol II.
- **Portugal:** traffic was also impacted by COVID-19. Traffic reached the lowest point in April with -78.8% in Algarve, -62.0% in Norte Litoral and -63.8% in Azores. The reopening of the economy started on May 4th and traffic began to recover gradually. However, on October 15th the government declared a new State of Alarm, with additional mobility restrictions and curfews during the weekends. Traffic impact on Norte Litoral and Azores was softer due to its lower dependence on tourism. Algarve benefited to some extent from the obstacles imposed to travel to Spain during Summer. 2020 ended with traffic down -33.3% in Algarve, -19.5% in Norte Litoral and -17.9% in Azores.
- **Ireland:** traffic was also impacted by the mobility restrictions due to COVID-19. These caused monthly falls that reached in April -72.4% in M4 and -69.4% in M3. The reopening started on May 18th but, since August, the government responded to new outbreaks with extended restrictions to mobility, reaching the most strict level in the last 3 months of the year. 2020 traffic stood at -28.9% at M4 and -24.1% at M3.

OTHER EVENTS

Autema

On 19th October 2020, the Spanish Supreme Court communicated it did not admit the appeal against the High Court of Catalonia's judgement which ratified the changes introduced in the concession regime by the Catalan Regional Government (the Grantor) in 2015.

The 2015 changes implied moving from a regime with no traffic risk (the Grantor paid the operator the difference between tolls collected and operating surplus established in the Economic and Financial Plan), to one with traffic risk (with the Grantor subsidizing a portion of the tolls).

This resolution is final in terms of Spanish courts.

As a result of this resolution, Autema has been classified as an "intangible asset" (vs. a "financial asset" before). This change, in 2020 results, has no impact on cash generation nor cash position, but at P&L level, it implies a positive impact of EUR10mn (pre-tax), EUR6mn (post-tax), as a result of:

- A loss of -EUR168mn: difference between the financial asset's Dec 2019 book value and the intangible asset's estimated value (net present value of estimated future revenues according to the new regulation).
- A profit of EUR179mn: positive value of the 2008 Inflation derivative to fix the inflation of revenues to be received. The new contract regulation implies lower total revenues so part of the above-mentioned derivative will no longer be efficient.

Additionally, operational results of Autema for 2020 have been restated applying the new concession regime (intangible asset model). Revenues and EBITDA for 2020 result in EUR51mn and EUR43mn, respectively, vs EUR113mn and EUR105mn for 2019 (when the financial model still applied).

ASSETS UNDER DEVELOPMENT

(EUR million)	INVESTED CAPITAL	PENDING COMMITTED CAPITAL	NET DEBT 100%	CINTRA SHARE
Global Consolidation				
Intangible Assets		-70	-748	
NTE35W*		-70	-748	53.7%
Equity Consolidated				
Intangible Assets	-35	-590	-1,677	
I-66	-35	-590	-1,677	50.0%
Financial Assets	-81	-56	-1,632	
Ruta del Cacao	-54		-147	30.0%
Silvertown Tunnel	0	-26	-373	22.5%
Bratislava		-30	-866	35.0%
OSARs	-28		-246	50.0%

(*) Capital invested & committed refers to Seg. 3C. Net debt 100%: includes all 3 seg.

- **NTE35W Segment 3C (Texas, USA):** The project involves the construction of 2 managed lanes in each direction of the c.6.7miles. Construction works have already started, and the toll road is expected to open at the end of 2023. The concession will end in 2061. Design and construction works are 20% complete.
- **I-66 (Virginia, USA):** the project includes the construction of 35km on I-66 (between Route 29, close to Gainesville, and the Washington DC ring road, I-495, in Fairfax County). The construction period will run until December 2022, and the concession is granted for 50 years from the commercial agreement closing. Design & construction works are 57% complete.
- **Ruta del Cacao (Colombia):** 152 km, out of which 81 km are new toll road, construction of 16 bridges, 2 viaducts and 2 tunnels with a combined length of 6km. This is a 25-year concession. Design and construction works were 68% complete as of December 2020. In June, a 39km section was opened.
- **Bratislava (Slovakia):** 59km highway comprising a 4-6 lane beltway south of Bratislava (D4) and a 4-lane highway (R7) from downtown Bratislava towards the south-east. This is a 30-year concession. Design and construction works are 86% complete. In July, the first section of 29.7km opened.
- **OSARs (Melbourne, Australia):** an availability payment project with a concession term of 22.5 years, comprising the improvement and maintenance of a road network in Melbourne. The design and construction works are 97% complete.

TENDERS PENDING

In the **US**, we continue to pay close attention to private initiatives:

- Cintra is following various projects of interest in various States such as Georgia, Illinois, Virginia, Colorado and Texas, some of which have already announced a program of projects with Managed Lane schemes.

Cintra continues active in other markets such as UK, Chile, Peru and Australia (Queensland and New South Wales).

Airports

Airports contributed -EUR447mn to Ferrovial's equity accounted result in 2020, vs. EUR115mn in 2019.

- **HAH:** -EUR396mn in 2020 (EUR106mn in 2019) due to:
 - The negative impact of COVID-19.
 - Exceptional costs related to restructuring plans (-EUR32mn).
 - A non-cash impairment and write-off charge on assets in the course of construction (-EUR21mn).
 - A deferred tax liability regularization (-EUR28mn) upon government leaving Corporate Income Tax rate at 19% vs 17% previously approved.
 - The negative evolution of derivatives mark to market (-EUR46mn).

HEATHROW SP (25%, equity-accounted) – UK

COVID-19 & Heathrow's response

The COVID-19 outbreak continues to represent a seismic challenge for the aviation industry, including Heathrow, as governments around the globe closed their borders and imposed quarantines. In response to the crisis, Heathrow quickly adapted its operating model and implemented a clear plan to navigate these turbulent times.

Safety and security remain as first and non-negotiable priority. The entire Heathrow airport experience has been reviewed to ensure that passengers are kept safe. Heathrow has added safety measures across the passenger journey following close collaboration with Public Health England and best practice. During 2020, Heathrow has encouraged the introduction of passenger testing within the UK's airports working with a number of organizations to trial a wide variety of new and innovative testing technologies, even partnering with the airport's trans-Atlantic carriers to better understand how various testing regimes could serve as a safe alternative to quarantine.

COVID-19 continues to have a significant impact on Heathrow's financial performance. Management quickly and decisively rolled out an extensive cost reduction program to protect the financial resilience and cash position of the airport while ensuring an environment where passenger and staff security and safety remain the top priority. **Operating costs reduced by a net amount of GBP303mn** vs. Budget 2020 (Dec. 2019 Investor Report). Structural changes were implemented to achieve this target such as restructuring of the organization, pay cuts, bonus cancellation, recruitment freeze, utilizing the furlough scheme, renegotiating suppliers' contracts and consolidation of operations.

In parallel, **HAH significantly reduced its capital expenditure, by GBP700mn**, to preserve cash with investment focused on the safety and resilience of the airport.

The liquidity position of Heathrow at 31 December 2020 was GBP3.9bn. In addition to raising GBP1.7bn from global capital markets during 2020, Heathrow strengthened its capital structure in October through Subordinated debt (ADI Finance 2 Ltd facility) of GBP750mn. The facility's net proceeds were injected into the Heathrow Finance Group to provide further headroom to the group gearing covenant level including GBP600mn pushed into the Heathrow SP group that was used in late 2020 to optimize its working capital. Heathrow Finance also raised GBP50mn. Heathrow has sufficient liquidity to meet all payment obligations until at least April 2022 in a no revenue scenario, or well into 2023 under HAH's current traffic forecast.

- **AGS:** -EUR51mn in 2020 (EUR9mn in 2019).
 - The negative impact of COVID-19.
 - Exceptional costs related to restructuring plans (-EUR3mn) and a deferred tax rate regularization (-EUR9mn).

In terms of **distributions to shareholders:**

- **HAH:** paid GBP100mn dividends in 2020 (GBP500mn in 2019). This distribution was made on February 2020 reflecting the cumulative outperformance before the significant impacts of COVID-19. Dividends distributed to Ferrovial amounted to EUR29mn in 2020. Dividends from Heathrow are not permitted until RAR is below 87.5%.
- **AGS:** has not paid dividends in 2020.

Traffic

Heathrow reported its lowest annual passenger numbers in 45 years. Although the hub and largest UK port status provided some resilience during these challenging times, offering as many flights to as many destinations as possible. Heathrow's work includes: supporting 80% of incumbent airlines flying, consolidation of London operations, targeting new entrants benefiting from unused slots and supporting its cargo business, the best performer during the pandemic.

Million passengers	DEC-20	DEC-19	VAR.
UK	1.5	4.8	-69.8%
Europe	9.8	33.2	-70.3%
Intercontinental	10.8	42.9	-74.8%
Total	22.1	80.9	-72.7%

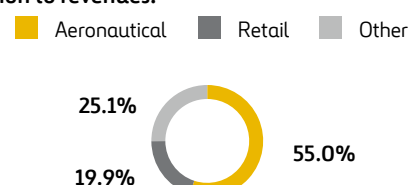
P&L

Revenues	1,175	-61.7%
Adjusted EBITDA	270	-85.9%

Revenues: -61.7% in 2020 to GBP1,175mn.

- **Aeronautical:** -64.7% vs 2019, predominantly due to reduced passenger numbers. Aeronautical revenue per passenger increased +29.2% to GBP29.26 (GBP22.64 in 2019). Revenue per passenger is largely distorted by the reduced number and an increase in cargo movements which are charged on a per movement basis.
- **Retail:** -67.6% driven by reduced passenger numbers and mix of retail service available. Retail revenue per passenger increased +18.6% to GBP10.58 (GBP8.93 in 2019). Retail income per passenger is largely distorted due to the reduced passenger numbers.
- **Other revenues:** -43.1% vs 2019. Other regulated charges -51.6% predominantly because of fewer passengers and aircraft movements impacting the ability to recover running costs. Heathrow Express saw a -77.8% in revenue due to fewer passengers. Property and other revenues -3.8% showing relative resilience due to rental alleviation being spread forward over the residual life of the contract.

Contribution to revenues:



Adjusted operating costs (ex-depreciation & amortization and exceptional): -21.2% to GBP905mn. An extensive cost reduction program (described above) delivered GBP303mn of net savings vs. Budget 2020 (December 2019 Investor Report). Operating costs per pax +188.1% to GBP40.93 (GBP14.21 in 2019).

Adjusted EBITDA -85.9% to GBP270mn (GBP1,921mn in 2019) and adjusted EBITDA margin of 23.0% (62.6% in 2019).

Exceptional items: In 2020, there was an exceptional charge of GBP184mn (nil in 2019) to the income statement. As a consequence of the impact of the COVID-19 outbreak and the delay to expansion, Heathrow has undergone a business transformation in order to simplify operations and reduce costs. As a result, Heathrow has incurred GBP92mn of exceptional costs consisting of GBP142mn of people-related costs, principally redundancy, partially offset by a net GBP50mn credit associated with corresponding pension settlements and curtailments. In addition, Heathrow recognized a non-cash impairment and write-off charge of GBP92mn on assets in the course of construction. While the vast majority of expansion assets remain on the balance sheet in 2020, a number of partially complete projects have been placed on hold, some of these projects are unlikely to be restarted in the foreseeable future or are unlikely to be restarted without material changes to the original proposal design, GBP82mn of costs incurred to date on these projects have been impaired. In addition, GBP10mn of costs which relates to forecast re-work, which will be required as a result of the estimated delay to Expansion, have been impaired.

HAH net debt: the average cost of Heathrow's external debt was 2.09%, including all the interest-rate, exchange-rate, accretion and inflation hedges in place (vs. 4.73% in December 2019).

Heathrow SP reprofiled a proportion of existing derivatives and completed a series of new transactions which will help to reduce interest payments over the next few years. This has reduced the cost of debt substantially in 2021 to 2022, which will increase after this period.

(GBP million)	DEC-20	DEC-19	VAR.
Loan Facility (ADI Finance 2)	820	75	n.a
Subordinated	2,313	1,919	20.5%
Securitized Group	16,606	13,644	21.7%
Cash & adjustments	-3,949	-1,594	147.8%
Total	15,790	14,044	12.4%

The table above relates to FGP Topco, HAH's parent company.

Financial Ratios: At 31 December 2020, Heathrow SP and Heathrow Finance continue to operate within required financial ratios.

As of 31 December 2020, a forecasting event and trigger event have occurred in relation to the forecast Interest Cover Ratios (ICRs) for Class A and Class B debt for the financial year ending 31 December 2020. As a result, a distribution lock-up is in place within Heathrow SP and will have no adverse effect on Heathrow SP's creditors.

In July, Heathrow Finance bondholders approved a waiver for the ICR covenant for December 2020 (tested in June 2021), and an amendment of the RAR covenants to 95% (December 2020) & 93.5% (December 2021). The approval included the main following adjustments: no dividends paid until RAR is below 87.5%, minimum liquidity of GBP200mn, introduction of an additional RAR covenant at 95% (2021) and 92.5% (2022), along with a coupon step-up of up to 0.75%.

Liquidity position was enhanced by raising GBP2.5bn debt in 2020 across the capital structure in bond and loan format.

Regulatory Asset Base (RAB): At 31 December 2020, the RAB reached GBP16,492mn (GBP16,598mn in December 2019).

Sustainable growth: Heathrow remains committed to decarbonizing aviation. This year Heathrow became carbon neutral and they helped to launch the UK's Sustainable Aviation roadmap, the first time that an entire national aviation industry had committed to net zero emissions by 2050.

Over next decade, lower carbon sustainable aviation fuel (SAF) represents the best way to accelerate a reduction in carbon. SAF can be utilized by existing aircraft without waiting for a 25-year asset replacement cycle. The challenge is that the small volumes of SAF currently produced are also expensive. A Government package of supply side regulations, demand incentives and financial support is needed, pursued with urgency and purpose.

Heathrow Expansion: In February 2020, the Court of Appeal suspended the Airports National Policy Statement (ANPS). In October, Heathrow submitted an appeal to the Supreme Court and in December, the Supreme Court unanimously ruled the ANPS as lawful and legal Government policy. Their verdict confirmed the Government had taken into account the Paris Climate Change Agreement as part of the policy, and that this would be considered as part of the robust planning processes in the UK. Heathrow has already committed to net zero and this ruling recognizes the robust planning process that will require Heathrow to prove expansion is compliant with the UK's climate change obligations, including the Paris Climate Agreement, before construction can begin. The Government has made decarbonizing aviation a central part of its green growth agenda, through wider use of Sustainable Aviation Fuel as well as new technology. This is the right result for the country, which will allow Global Britain to become a reality. As passenger numbers recover, HAH's immediate focus will be to continue to ensure their safety and to maintain its service levels while Heathrow consults with investors, government, airline customers and regulators on the next steps.

Brexit: In December, the UK and EU agreed a Comprehensive Trade Agreement that came into force on 1 January 2021. Aviation was identified as a priority for both sides. The Agreement includes an aviation chapter, providing the rights for flights to continue between the EU and UK without disruption. All other air services between UK and rest of the world countries have been rolled over or renegotiated, meaning that flights can continue to all markets with certainty.

From a retail perspective and ahead of the end of the transition period, the Government announced changes to airside tax-free sales of all non-excise goods and the withdrawal of VAT Refund scheme from January 2021. These changes will impact Heathrow's pricing proposition materially and are therefore a significant and credible threat to Heathrow's income of c.GBP200mn annually. Removing tax free shopping would lead to a c.15% increase in passenger charges from 2022, due to increased difficulty to remain price competitive vs. foreign airports and destinations, as well as the knock-on impact of passengers using the VAT refund scheme at the airport. Heathrow, World Duty Free, and Global Blue, have launched a Judicial Review on the Government's decision for which hearing took place in late February.

Key regulatory developments

COVID-19 related RAB adjustment: In July 2020 Heathrow submitted an application to the CAA for an adjustment to the RAB for an appropriate amount of the unexpected losses which occurred due to the impact of COVID-19. The adjustment is designed to secure the recovery of historic investment efficiently incurred as well as losses in return as per economic parameters used to set Heathrow's allowed cost of capital. This proposal seeks the enforcement of the protection included in Heathrow's settlement against unlimited downside triggered by exceptional circumstances. In October, the CAA published a consultation requesting further evidence that this action was required. In

response to the CAA's consultation Heathrow set out the need for the urgent adjustments prescribed in its license and how its proposed mechanism would ensure that Heathrow could continue to operate in the interests of users while smoothing the impact of this change on passengers over future years.

In February, the CAA published a further consultation, recognizing the existence of exceptional circumstances as defined in the license and accepting that doing nothing was not an option as well as laying out its two preferred solutions. Heathrow has proposed a reasonable adjustment that allows the CAA to act now in order to lower future charges and maintain investment in the airport, protecting jobs and avoiding rapid degradation of service. The CAA must ultimately take a decision, but failure to act in the right way and in a timely manner will see confidence in effective regulation evaporate. This would not just affect Heathrow, but will undermine the perception of investing in the UK and the Government's Global Britain agenda.

H7 and Regulatory timetable: The H7 period is due to start on 1 January 2022. In December Heathrow submitted its Revised Business Plan (RBP) to the CAA. This set out Heathrow's plans for the H7 period following consultation with airlines and the publication of further policy views from the CAA through 2020. Heathrow's plan seeks to maximize passenger growth and minimize airport charges to support airlines in the recovery. The plan assumes Heathrow's proposed RAB adjustment is fully implemented, which is a critical factor for the plan to be financeable and equity investible and also unlocks Heathrow's capacity to use financial levers to keep prices as low as possible. Heathrow's RBP will form the basis of the CAA's decision making for the H7 period. Its RBP proposes a minimum 5-year regulatory period from 2022-26 as the basis of Heathrow's H7 framework. Heathrow has proposed evolutions to the regulatory framework following the impact of COVID-19 to ensure that the framework is robust to future uncertainty and appropriately balances risk and reward in the H7 period and beyond. These evolutions include a proposed price control adjustment mechanism which

automatically adjusts if revenues deviate from forecast by over 8% by making an adjustment to Heathrow's RAB. Additionally, Heathrow is proposing changes to ensure it can mitigate any unforeseeable future costs caused by the pandemic and changes in relevant Health and Safety legislation.

The CAA is continuing to consult on its proposals for the regulatory framework which will be in place for the H7 period. Heathrow is expecting further consultations from the CAA in early 2021 focusing on policy development in areas such as capital efficiency and the recovery of early expansion costs. Heathrow is expecting the CAA's Initial Proposals, which will provide its preliminary view on the price cap and conditions for the H7 period in Summer 2021.

Outlook: The outlook for 2021E EBITDA is consistent with the guidance from 2020 December Investor Report. Heathrow expects 37.1mn pax. (-54% vs. 2019), assuming no further recovery in 1Q, and two thirds of the annual volume forecast materializing during 2H. Given the degree of uncertainty around traffic recovery, HAH has also considered a severe but plausible scenario whereby traffic reduced to 27mn pax. in 2021. In this scenario, HAH concluded that sufficient mitigations would remain within management control to avoid any covenant breach.

Further steps have been taken to reduce costs, maintaining T4 non operational and T3 contingent on traffic recovery, and in the absence of meaningful government support, a reduction in people costs, management roles and removal of all legacy allowances.

No covenant breach during 2021 is forecasted under the current traffic scenario, given the mitigation plans from 2020 and latest cost savings initiatives. However, the impact of COVID-19 continues to create considerable uncertainty for the aviation industry. Plausible scenarios below this 'severe but plausible' downside could cause the Group to breach minimum levels required for covenant compliance.

AGS (50%, equity-accounted) – UK

AGS response to COVID-19: AGS Airports have been significantly impacted by the unprecedented disruption to air travel following the spread of the COVID-19 pandemic and Flybe entering into administration. COVID-19, which followed shortly after Flybe's collapse in March 5th, resulted in cancellations and a reduction in passengers as airlines reduced flights to a number of countries with COVID-19 outbreaks, border closures and quarantine measures. The main focus of AGS during these times has been to ensure the health&safety of all its passengers and employees.

Measures taken to reduce operating cost by GBP37mn and the capex program by GBP25mn in 2020 include:

- Organizational transformation
- Removal of non-essential costs.
- Adoption of the Furlough Scheme both for employees and outsourced services.
- Rates waiver ratified by Scottish Parliament (Aberdeen & Glasgow).
- Contract renegotiations and volume related savings.
- All non-essential capital expenditure has been removed.

Financial covenants: On June 15th, 2020, a waiver of the requirement to comply with the Financial Covenants (Leverage Ratio and DSCR) in the Facilities Agreement was agreed for the periods of June and December 2020. December's waiver was subject to compliance with some liquidity conditions that were met by AGS. Ongoing dialogue between AGS, shareholders and lenders to support the asset in the coming months. GBP50mn have been committed by shareholders (Ferrovial share

GBP25mn).

Traffic: number of passengers fell by -75.9% (3.3mn passengers) across the three airports mainly due to the COVID-19 impact and the collapse of Flybe.

- **Glasgow:** traffic decreased by -78.0% vs. 2019 driven by the route suspensions due to COVID-19, the collapse of Flybe and the cancellation of Thomas Cook services in Sept. 2019.
- **Aberdeen:** -65.3% driven by the route suspensions due to COVID-19 and the absence of Flybe traffic since March. Aberdeen traffic has been more resilient to COVID-19 vs. other UK airports due to passengers related to Oil&Gas industry.
- **Southampton:** -83.4% on COVID-19 and Flybe collapse.

Million passengers	DEC-20	DEC-19	VAR.
Glasgow	1.9	8.8	-78.0%
Aberdeen	1.0	3.0	-65.3%
Southampton	0.3	1.8	-83.4%
Total AGS	3.3	13.6	-75.9%

Revenues decreased by -67.4% to GBP71mn, and **EBITDA** by -126.1% to -GBP25mn driven by the reduced passenger volume across the three airports (-75.9%), partially offset by higher yield and a program of opex reductions.

Following drawdown of GBP38mn in undrawn facilities in March, the cash position reached GBP18mn as at 31 December 2020.

AGS net bank debt stood at GBP739mn as at 31 December 2020.

Construction

COVID-19 impact has been limited and widely distributed throughout all geographies, with Spain and South America being the most affected by slower execution rates in works with fixed costs, workforce and supplies delays, acceleration costs and additional health and safety material.

Revenues  5,862 +11.4%

EBIT  134 2.3% EBIT mg

Revenues +11.4% LfL, mainly on the back of projects in the US. International revenues accounted for 87%, focused on North America (38%) and Poland (32%). 2020 revenues have been impacted by an estimated amount of -EUR300mn due to COVID-19, given the stoppages and the slowdown of works, widely distributed throughout all geographies.

2020 revenue (EUR5,862mn) and change LfL vs 2019:

LfL +8.8 % +7.3 % +29.2 %





In 2020, Construction **EBIT** stood at EUR134mn, despite the COVID-19 impact for an estimated amount of -EUR49mn.

This impact includes real cost overruns incurred to date and provisions that affect estimates of contract ends when dealing with onerous contracts. This COVID-19 impact has been estimated with a bottom-up approach, starting with every project, which has analyzed the impact considering the following elements which have impacted the division's results:

- Fixed costs from activity stoppages, adapted processes for project ramp ups or productivity losses on the back of slower activity (i.e. rentals of machinery, offices and equipment, and other indirect costs)
- Increase in costs required to achieve project deadlines
- Delays in supplies
- Border closures and difficulties in mobilizing teams for self-performance
- Related expenses to new H&S new measures
- Delays in the start-up of new projects

There are claims that have been prepared and/or presented that have been estimated as future income, but these have not been recorded in the 2020 Financial Statements considering the stage to date. In 2019, EBIT -EUR365mn was impacted by the provision recorded in 1Q 2019 corresponding to three contracts in the US.

Detail by subdivision:

- **Budimex:** Revenues grew by +7.3% LfL with significant growth in Civil Works, Energy, Real Estate and FB Servis which offset the lower Residential and Non-Residential Construction. Profitability reached 7.6% EBIT margin vs 4.0% in 2019, with EBIT +103.0% LfL on the back of a positive performance in all segments, with profitability close to 30% in Real Estate and above 5% in Construction.

On June 2020, Ferrovial sold a Budimex stake (5%), with no impact on P&L. Ferrovial holds a controlling stake (50.1%). The impact on cash flow was EUR58mn in 2020.

- **Webber:** revenues +29.2% LfL, as large projects entered into high execution phase, such as the I-10, I-35 and Grand Parkway, in Houston. EBIT margin reached 2.1% in 2020 vs 1.8% in 2019, underpinned by the profitability improvement in its aggregate recycling and water divisions.

In 2020, Webber sold an asphalt Plant by EUR33mn.

- **Ferrovial Construction:** revenues grew by +8.8% LfL on the back of good execution rates in essentially all the works in the US and also affected by last year provision that was partially registered as lower revenues and despite the stoppages and slowdown of works due to the COVID-19 impact, which is estimated at -EUR274mn approximately. EBIT stood at -EUR30mn (-EUR453mn in 2019), showing an improvement compared to -EUR56mn in 9M 2020, mainly due to the claims and/or contract extensions in various contracts, whose costs have been assumed in previous periods. 2020 EBIT included -EUR40mn from the COVID-19 impact distributed mainly between Spain, Latin America, USA, Australia and Slovakia. Additionally, the internal fees of onerous contracts (the costs of which cannot be provisioned by accounting rules) have been incurred amounting to -EUR41mn.

2020 EBIT & EBIT margin & change LfL vs 2019:

DEC-20	EBIT	LfL	EBIT mg
Budimex	143	103.0%	7.6%
Webber	22	52.1%	2.1%
F. Construction	-30	n.s.	-1.0%
Total EBIT	134	n.s.	2.3%

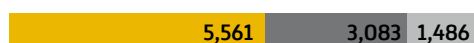
The **order book** reached EUR10,129mn (-5.6% LfL compared to December 2019). The civil works segment remains the largest segment (75%) and continues to adopt highly selective criteria when participating in tenders. The international order book accounts for 86% of the total.

Cintra's share in the construction order book, excluding Webber and Budimex, reached 37% in 2020 order book (47% in 2019).

The order book figure at December 2020 does not include pre-awarded contracts or contracts pending commercial or financial agreement, which amount to over EUR370mn.

2020 Order book & LfL change vs 2019:

LfL -13.2% +16.9% -12.0%





Recent developments

Sale agreement of Prisiones Figueras and URBICSA: In December 2020 an agreement was reached with Aberdeen Infrastructure (Holdco) IV B.V to sell 100% of the Group's shareholdings in Concesionaria de Prisiones Figueras, S.A.U. and 22% of Urbs Iudex Et Causidicus, S.A. for EUR41mn and EUR16mn respectively. The agreement is pending authorization from the competent bodies at the reporting date.

Budimex sale agreement of real estate business: On Feb. 22, 2021, Ferrovial's construction subsidiary in Poland, Budimex, reached an agreement for the conditional sale of its real estate business (Budimex Nieruchomości). The agreed price is EUR331mn (PLN1,531mn) and if it materializes, it would imply the recognition of a capital gain before tax and minorities of EUR152mn. The agreement is conditional as it establishes the right of the parties to withdraw in certain situations. The operation is subject to the authorization of the competition authorities, which must be obtained within six months from the signing of this agreement.

Services (discontinued operations)

Ferrovial remains committed to the full divestment of the business although the process is experiencing delays given the macroeconomic uncertainty due to COVID-19. The first milestone in the divestment process was reached with the sale of Broadspectrum which was fully closed by July 2020.

In line with Ferrovial's commitment to divest Services, the division has been classified as "held for sale" however, in order to provide an analysis of the division, the main figures of the Services results are detailed below.

COVID-19 has had a negative impact on the Services division, especially during the lockdowns. Spain was the first geography where the impact of the pandemic was noticed, but also the geography where the recovery has been most noticeable with 4Q 2020 activity and results slightly above 4Q 2019. The most impacted businesses were services related to transport & infrastructure maintenance, support and logistics activities for the industry, industrial waste treatment area and other activities such as comprehensive management contracts for sports centers. In Amey, the effects from the pandemic were seen at a later date and are linked to delays in non-essential works in the transport sector, lower consulting activity & utilities, as well as construction stoppages and plant delays due to quarantines added to a drop in the price of recycled materials and electricity in the waste treatment area. In the International Services business, COVID-19 impact was mainly related to the Oil&Gas business in north America given drastically lower demand in the sector leading to lower maintenance and repair services.

Revenues	5,081	-3.3%
EBITDA	186	-33.0%

2020 revenues by activity & change LfL vs 2019:

LfL	-2.6%	-2.3%	-11.1%
	1,968	2,644	470
	Spain	UK	International

In 2020, EBITDA reached EUR186mn (-33.0% LfL vs 2019). The COVID-19 impact at EBITDA level (-EUR102mn) includes the positive impact of EUR49mn in costs reduction from the flexibility measures provided by Spanish and British Governments including temporary layoffs and furloughs. The impact has been calculated through a bottom-up analysis from contract level and comparing actual activity results to the budget 2020. The calculation includes the following types of impacts:

- Direct estimate of lower activity (i.g. tons of waste treatment, traffic or train frequencies)
- Lower demand in oil derivatives due to COVID-19 leading to significantly lower activity. The greatest impact can be seen in Oil & Gas contracts in N. America.
- In Transport (mostly Rail) & Utilities contracts in Amey, stoppages or delays in non-essential works, coupled with costs overruns to cover employee availability due to quarantines and H&S measures reinforcement.

Spain: Revenues were down by -2.6% LfL while EBITDA decreased by -11.8% LfL. The most impacted activities were support and logistics activities for the industry, industrial waste treatment area and other activities such as transport and infrastructure services or comprehensive management contracts for sports centers. Other activities like waste treatment and collections showed more resilience. EBITDA margin stood at 10.5% (11.8% in 2019). Excluding the impact from COVID-19, EBITDA would have increased by +5.2%.

International: Revenues fell by -11.1% LfL and EBITDA by -26.7% LfL due to the COVID-19 impact on the Oil & Gas activity of N. America, as the reduction in the demand of oil led to a reduction in repair and maintenance work. Excluding the pandemic impact, EBITDA would have increased +EUR6mn vs 2019, mainly on new highway maintenance contracts in Canada.

UK: Revenues fell by -2.3% LfL. due to the delay in non-essential work in the transportation sector and utilities. Profitability was also impacted by COVID-19 (-EUR44mn at EBITDA level) although better performance from Defense contracts and Utilities, partially offset by the provisions related to contracts that could be sold separately.

Amey and Birmingham Agreement: Amey reached an agreement to terminate the Birmingham Highways PFI contract in 2019. The agreement will have no impact on Ferrovial P&L. Amey will pay GBP215mn, of which GBP160mn was paid in 2019 and the remaining GBP55mn will be paid up until 2025. As of December 2020, Amey has paid an additional GBP10mn.

The **Services order book** (EUR13,027mn) decreased by -0.3% LfL vs December 2019.

2020 Order book & LfL change vs 2019:

LfL	-12.1%	+5.2%	+6.7%
	3,748	7,993	1,286
	Spain	UK	International

Broadspectrum sale: Following the agreement reached by Ferrovial with Ventia Services Group for the disposal of Broadspectrum in December 2019. On 30 June 2020, Ferrovial completed the sale, following the approval from regulators and competition authorities.

The transaction price (shares and shareholder loans) amounted to AUD465mn (EUR288mn including transaction costs). This figure did not include Ferrovial's 50% stake in TW Power Services, which was acquired by the JV partner Worley, instead of Ventia, for AUD20mn (c. EUR12mn) in July. Both prices in euros include a positive impact from FX hedges (EUR5mn). Broadspectrum held EUR78mn net cash position.

After completion, a negative impact in the P&L of -EUR64mn was recorded mainly from foreign currency translation differences reflected in reserves are recycled to the consolidated profit and loss account with no effect in cash or equity.

DISCONTINUED OPERATIONS

Ferrovial classified all of its services activities as “discontinued operations” as of 31 December 2018. In accordance with IFRS 5, the classification of the Services business activities to discontinued operations continues at the date of this report.

The result from discontinued operations stood at -EUR3mn, which includes, as reported in June a negative result recorded from the sale of Broadspectrum of -EUR64mn, mainly due to the reclassification to the P&L of reserves corresponding to translation differences net of hedges according to IAS 21.

Additionally, a fair value provision was recognized in Amey (-EUR34mn) and International (-EUR25). Services business in Spain has registered a positive result of +EUR121mn in 2020 (without amortization, as per IFRS 5). The current situation of the COVID-19 introduces uncertainty regarding the assessment of fair value of these assets. The current assessment could change depending on the evolution of the pandemic. Ferrovial will continue to closely monitor the impact of COVID-19 on discontinued activities fair value as far as a higher evidence about the impact of the outbreak in these activities is obtained.



Consolidated P&L

(EUR million)	DEC-20	DEC-19
REVENUES	6,341	6,054
Construction Provision *		-345
EBITDA	409	121
Period depreciation	-198	-180
Disposals & impairments	15	460
EBIT	226	401
Financial Result	-232	-193
Financial Result from infrastructure projects	-197	-263
Financial Result from ex-infrastructure projects	-35	70
Equity-accounted affiliates	-378	296
EBT	-384	504
Corporate income tax	28	-47
NET PROFIT FROM CONTINUING OPERATIONS	-356	457
NET PROFIT FROM DISCONTINUED OPERATIONS	-3	-198
CONSOLIDATED NET INCOME	-359	259
Minorities	-51	9
NET INCOME ATTRIBUTED	-410	268

(*) Related to the provision registered in 1Q 2019 corresponding to three contracts in US.

Revenues stood at EUR6,341mn (+9.9% LfL) on the back of higher Construction revenues (+11.4% LfL), partially offset by lower contribution from Toll Roads (-19.2% LfL).

EBITDA: EUR409mn (EUR121mn in 2019, negatively affected by -EUR345mn provision registered in Construction in 1Q 2019). EBITDA impacted by the -EUR22mn one-off cost related to the restructuring plan carried out by the Company.

Depreciation: +9.9% in 2020 (+0.1% LfL) to EUR198mn.

Impairments and fixed asset disposals: EUR15mn in 2020 including the positive impact related to Autema (EUR10mn) compared to EUR460mn in 2019 (impacted by the capital gains from the sale of the 80% stake in Ausol).

Financial result: higher financial expenses in 2020 vs 2019.

- Infrastructure projects:** -EUR197mn expenses (-EUR263mn in 2019) on the back of the savings from NTE refinancing at the end of 2019 and Ausol deconsolidation, these impacts were partially offset by the I-77 full-year contribution and LBJ refinancing implying expensing of activated transaction costs from the original PAB issuance.
- Ex-infrastructure projects:** -EUR35mn of financial expenses 2020 compared to EUR70mn income in 2019, mainly due to the performance of the hedges provided by equity swaps linked to payment plans, with no cash impact, along with the slight increase of financial expenses due to higher cash availability, partially offset by the positive performance of exchange rate derivatives. The hedges on the equity swaps linked to payment plans led to expenses of -EUR10mn in 2020, due to the negative performance of the share price as compared with its positive performance in 2019:

DATE	CLOSING PRICE (€)
31 Dec 2018	17.70
31 Dec 2019	26.97
31 Dec 2020	22.60

Equity-accounted result at net profit level, equity-accounted companies contributed -EUR378mn after tax (2019: EUR296mn).

(EUR million)	DEC-20	DEC-19	VAR.
Toll Roads	62	182	-66.2%
407 ETR	33	153	-78.5%
Others	29	29	-1.8%
Airports	-447	115	n.s.
HAH	-396	106	n.s.
AGS	-51	9	n.s.
Construction	1	-1	227.0%
Others	6	0	n.s.
Total	-378	296	-227.5%

REVENUES

(EUR million)	DEC-20	DEC-19	VAR.	LfL
Toll Roads	405	617	-34.5%	-19.2%
Airports	8	19	-58.1%	2.2%
Construction	5,862	5,413	8.3%	11.4%
Others	67	5	n.a.	n.a.
Total Revenues	6,341	6,054	4.7%	9.9%

EBITDA

(EUR million)	DEC-20	DEC-19	VAR.	LfL
Toll Roads	251	436	-42.3%	-22.9%
Airports	-18	-16	-10.5%	12.1%
Construction	227	-286	179.4%	181.2%
Others	-51	-12	n.a.	n.a.
Total EBITDA	409	121	238.0%	n.s.

EBIT*

(EUR million)	DEC-20	DEC-19	VAR.	LfL
Toll Roads	159	346	-54.1%	-26.4%
Airports	-20	-18	-8.8%	11.1%
Construction	134	-365	n.s.	n.s.
Others	-63	-23	n.a.	n.a.
Total EBIT	211	-60	n.s.	216.4%

*EBIT before impairments and disposals of fixed assets

Tax: the corporate income tax for 2020 amounted to EUR28mn (vs -EUR47mn for 2019). There are several impacts to be considered when calculating the effective tax rate; among which the material and/or significant ones are:

- Equity-accounted companies' profit must be excluded, as it is already net of tax (-EUR378mn).
- Losses and tax credits that, following accounting prudence criteria, do not imply the recognition of the full tax credits for future years (EUR99mn).

Excluding the aforementioned adjustments in the tax result, and adjusting for the impact from previous years spending (-EUR46mn), the resulting effective corporate income tax rate is 15%.

Net income from continuing operations stood at -EUR356mn in 2020 (EUR457mn in 2019). This profit includes a series of impacts, notable among which were:

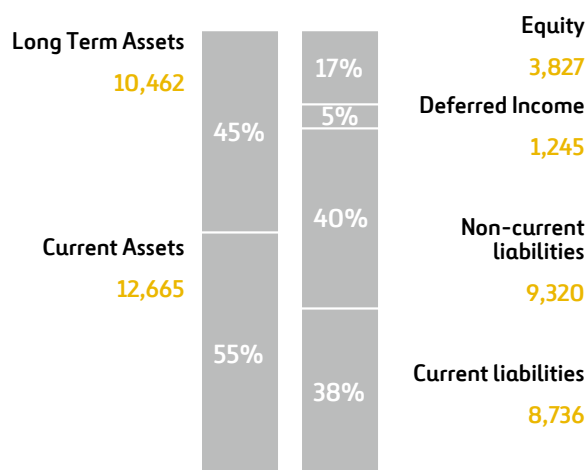
- Fair value adjustments for HAH derivatives: -EUR46mn (EUR31mn in 2019), primarily impacted by the negative evolution of HAH's derivatives mainly inflation swaps that hedge RAB and revenue exposure. Heathrow is seeking clarification from IFRIC regarding hedge accounting treatment.
- Exceptional costs related at HAH and AGS related to restructuring plans (HAH -EUR32mn and AGS -EUR3mn) and a deferred tax rate regularization (HAH -EUR28mn and AGS -EUR9mn).
- EUR22mn one-off cost related to the Corporate restructuring program.
- EUR6mn positive impact related to Autema change of accounting method upon the Supreme Court dismissal.

Net income from discontinued operations stood at -EUR3mn which includes a negative result recorded from Broadspectrum sale -EUR64mn, mainly due to the reclassification to the P&L of reserves corresponding to translation differences net of hedges according to IAS 21. Additionally, a fair value provision was recognized in Amey (-EUR34mn) and International (-EUR25). Services business in Spain has registered a positive result of +EUR121mn in 2020 (without amortization, as per IFRS 5). Ferrovial will continue to closely monitor the impact of the evolution of the COVID-19 on discontinued activities fair value as far as a higher evidence about the impact of the outbreak in these activities is obtained.

Consolidated Balance Sheet

(EUR million)	DEC-20	DEC-19	(EUR million)	DEC-20	DEC-19
FIXED AND OTHER NON-CURRENT ASSETS	10,462	12,358	EQUITY	3,827	5,087
Consolidation goodwill	208	248	Capital & reserves attrib to the Company's equity holders	3,187	4,304
Intangible assets	60	62	Minority interest	640	783
Investments in infrastructure projects	6,200	6,880	Deferred Income	1,245	1,347
Property	2	2			
Plant and Equipment	272	299	NON-CURRENT LIABILITIES	9,320	9,054
Right-of-use assets	97	126	Pension provisions	4	4
Equity-consolidated companies	1,710	2,557	Other non current provisions	421	518
Non-current financial assets	852	1,247	Long term lease debts	61	82
Long term investments with associated companies	164	171	Financial borrowings	7,970	7,565
Restricted Cash and other non-current assets	654	970	Financial borrowings on infrastructure projects	5,078	5,471
Other receivables	34	106	Financial borrowings other companies	2,892	2,094
Deferred taxes	586	502	Other borrowings	16	27
Derivative financial instruments at fair value	475	434	Deferred taxes	428	475
			Derivative financial instruments at fair value	419	385
CURRENT ASSETS	12,665	11,751	CURRENT LIABILITIES	8,736	8,621
Assets classified as held for sale	4,071	4,936	Liabilities classified as held for sale	2,958	3,491
Inventories	690	699	Short term lease debts	59	71
Trade & other receivables	1,292	1,256	Financial borrowings	1,657	1,033
Trade receivable for sales and services	956	891	Financial borrowings on infrastructure projects	28	23
Other receivables	335	364	Financial borrowings other companies	1,630	1,010
Taxes assets on current profits	108	97	Derivative financial instruments at fair value	49	97
Cash and other temporary financial investments	6,432	4,735	Trade and other payables	3,029	3,072
Infrastructure project companies	111	119	Trades and payables	1,390	1,327
Restricted Cash	8	6	Other non commercial liabilities	1,640	1,745
Other cash and equivalents	103	113	Liabilities from corporate tax	91	107
Other companies	6,321	4,617	Trade provisions	892	750
Derivative financial instruments at fair value	72	27			
TOTAL ASSETS	23,128	24,109	TOTAL LIABILITIES & EQUITY	23,128	24,109

CONSOLIDATED BALANCE SHEET



GROSS CONSOLIDATED DEBT*

Gross debt DEC-20	EX-INFRA	INFRA	CONSOLIDATED
Gross debt (EUR mn)	-4,640	-5,445	-10,085
% fixed	87.4%	97.8%	92.9%
% variable	12.6%	2.2%	7.1%
Average rate	1.0%	4.6%	2.9%
Average maturity (years)	3	20	12

*Includes discontinued operations

CONSOLIDATED FINANCIAL POSITION*

(EUR million)	DEC-20	DEC-19
Gross financial debt	-10,085	-9,244
Gross debt ex-infrastructure	-4,640	-3,433
Gross debt infrastructure	-5,445	-5,811
Gross Cash	7,544	6,287
Gross cash ex-infrastructure	6,631	5,064
Gross cash infrastructure	913	1,223
Total net financial position	-2,541	-2,957
Net cash ex-infrastructure	1,991	1,631
Net debt infrastructure	-4,532	-4,588
Total net financial position	-2,541	-2,957

*Includes discontinued operations

Ex-infrastructure Net Financial Position & Cash Flow (including discontinued operations)

NET CASH POSITION (EUR)

Gross cash	6.6bn
Gross debt	-4.6bn
Net cash position	2.0bn

LIQUIDITY (EUR mn)

Total cash	UNDRAWN LINES
6,631	1,333
TOTAL LIQUIDITY	7,964

DEBT MATURITIES (EUR mn)

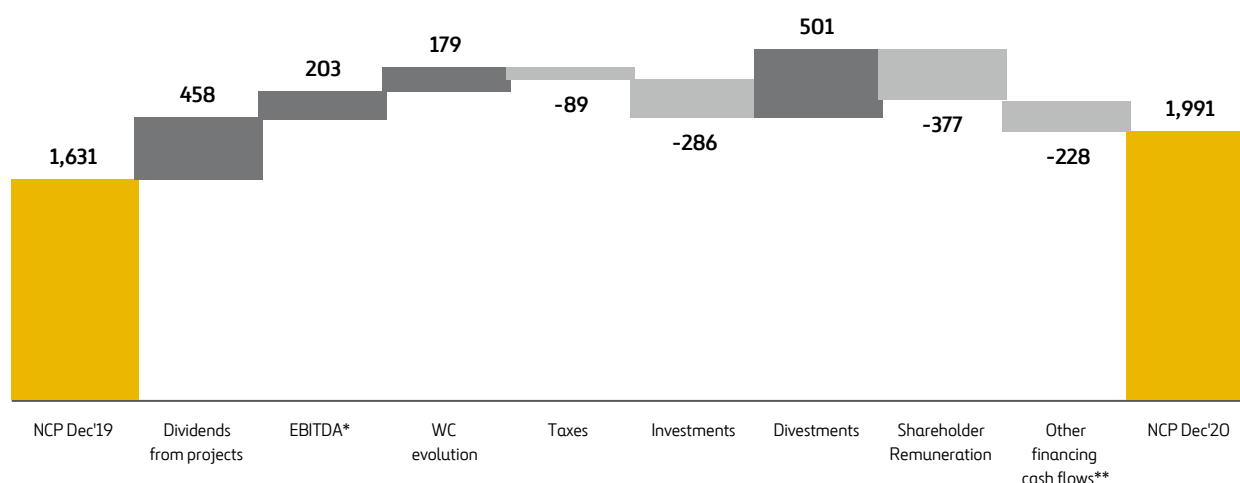
1,658	508	12	2,462
2021*	2022	2023	> 2024

(*) In 2021, ex-infrastructure debt includes the issuance of an ECP (Euro Commercial Paper), which at 31 December 2020 had a carrying amount of EUR1,091mn, with an average rate of -0.15%.

RATING

Standard & Poor's	BBB / stable
Fitch Ratings	BBB / stable

CASH FLOW COMPONENTS (including discontinued operations)



* EBITDA excludes contribution from projects but it includes EBITDA from Services.

** Other financing cash flows includes Broad spectrum net cash position (EUR78mn).

Net cash position (NCP) excluding infra projects: stood at EUR1,991mn in December 2020 vs EUR1,631mn in December 2019. The main drivers of this change were:

- **Project dividends:** EUR458mn vs. EUR299mn in 2019 (-37%), impacted by lower dividends in all main assets. Toll Roads dividends reached EUR340mn (EUR494mn in 2019) as 407 ETR only distributed dividends in 1Q and 3Q for a total amount of EUR160mn (EUR309mn in 2019), while LBJ distributed its first dividend (EUR109mn) and NTE also distributed dividend (EUR25mn). The dividends from Airports contributed EUR29mn (EUR183mn in 2019) from Heathrow's 1Q 2020 dividend. Services added EUR89mn of dividends, including EUR54mn dividend from EMESA after its refinancing, (EUR47mn Services dividends in 2019).
- **EBITDA:** EUR203mn (vs -EUR167mn in 2019, negatively affected by -EUR345mn provision registered in Construction in 1Q 2019) which includes EUR117mn from Services.
- **Working capital evolution** stood at EUR179mn in 2020 (EUR249mn in 2019), mainly impacted by the -EUR98mn application (cash out), as of December 2020, of the non-cash Construction Provision registered in 1Q 2019. This negative impact was partially offset by the improved working capital in Services of EUR251mn (-EUR88mn in 2019) on the back of higher collections (DSO below previous years & VAT and social security deferred payment in UK and USA).
- **Net Investment** reached EUR215mn in 2020 vs EUR189mn in 2019. Divestments reached EUR501mn in 2020, most noteworthy of which was the EUR300mn for the sale of Broad spectrum, the EUR100mn received from the sale of the stakes in the Portuguese toll roads (pending EUR72mn) and the EUR57mn from Budimex 5% stake sale. Investments reached -EUR286mn, below -EUR295mn in 2019. Investments included -EUR68mn related to the I-77 stake increase (15%).
- **Shareholder Remuneration:** -EUR377mn in 2020 below -EUR520mn in 2019, including -EUR122mn from the scrip dividend and -EUR255mn from the treasury share repurchase program in 2020.
- **Other financing cash flows:** includes other cash flow movements, such as forex impact (-EUR95mn) mainly from USD from advanced payments in construction to pay for expenses in such currency) and the net cash position held by Broad spectrum (EUR78mn).

The net cash position at the end of December (EUR1,991mn) includes the net cash from Services (EUR216mn).

Consolidated cash flow

DEC-20	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PRROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	203	384		587
Dividends received	458		-159	299
Birmingham cash flow	-16			-16
Construction provision variation	37			37
US Construction provision (*)				
US Construction provision application (*)	-98			-98
Other Construction provision variation	135			135
Working capital variation (account receivables, account payables and others)	157	40	0	198
Operating flow (before taxes)	839	425	-159	1,105
Tax payment	-89	-12		-101
Tax return from previous exercises				
Operating Cash Flow	750	413	-159	1,004
Investments	-286	-128	18	-397
Divestments	501			501
Investment cash flow	215	-128	18	104
Activity cash flow	965	284	-141	1,108
Interest flow	-21	-229		-250
Capital flow from Minorities	17	20	-18	19
Ferrovial shareholder remuneration	-377			-377
Scrip dividend	-122			-122
Treasury share repurchase	-255			-255
Other shareholder remuneration for subsidiary minorities	-26	-266	159	-133
Forex impact	-95	296		201
Variation of Bridge Loans (project financing)				
Changes in the consolidated perimeter				
Other debt movements (non cash)	-104	-49		-153
Financing cash flow	-605	-228	141	-692
Net debt variation	360	56		416
Net debt initial position	1,631	-4,588		-2,957
Net debt final position	1,991	-4,532		-2,541

DEC-19	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PRROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	-167	580		413
Dividends received	729		-199	529
Birmingham cash flow	-204			-204
Broadspectrum cash flow	45			45
Construction provision variation	330			330
US Construction provision (*)	345			345
US Construction provision application (*)	-143			-143
Other Construction provision variation	129			129
Working capital variation (account receivables, account payables and others)	77	-87		-10
Operating flow (before taxes)	810	493	-199	1,104
Tax payment	-25	-36		-61
Tax return from previous exercises				
Operating Cash Flow	785	457	-199	1,043
Investments	-295	-157	60	-392
Divestments	484	115		599
Investment cash flow	189	-41	60	207
Activity cash flow	974	416	-140	1,250
Interest flow	-7	-239		-246
Capital flow from Minorities	13	117	-60	70
Ferrovial shareholder remuneration	-520			-520
Scrip dividend	-238			-238
Treasury share repurchase	-282			-282
Other shareholder remuneration for subsidiary minorities	-18	-306	199	-124
Forex impact	-28	-66		-94
Variation of Bridge Loans (project financing)				
Changes in the consolidated perimeter	-2	422		419
Other debt movements (non cash)	-16	-47		-63
Financing cash flow	-579	-119	140	-558
Net debt variation	395	297		692
Net debt initial position	1,236	-4,885		-3,649
Net debt final position	1,631	-4,588		-2,957

(*) Related to the provision registered in IQ 2019 corresponding to three contracts in the US.

EX-INFRASTRUCTURE PROJECT CASH FLOW

Activity cash flow*

The ex-infrastructure pre-tax activity cash flow is as follows:

DEC-20	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*	DEC-19	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*
Toll Roads	340	-23	317	Toll Roads	494	408	902
Airports	29	-17	12	Airports	183	-8	175
Construction	247	46	293	Construction	132	-44	87
Services	358	217	575	Services	31	-132	-101
Other	-135	-8	-143	Other	-29	-34	-63
Total	839	215	1,054	Total	810	189	1,000

*Before Corporate Income Tax. Operating cash flow in Toll Roads and Airports refers to dividends.

Operations cash flow

At 31 December 2020, cash flow from ex-infrastructure project operations totaled EUR839mn (before tax), above EUR810mn recorded in 2019, which was impacted by the Construction provision registered in 1Q 2019. 2020 Operating cash flow has been impacted by the lower dividends distribution from Toll Roads and Airports affected by COVID-19 impact, partially offset by the improved performance of the Construction operating cash flow and the positive performance of the Services operating cash flow.

Operating cash flow	DEC-20	DEC-19
Dividends from Toll Roads	340	494
Dividends from Airports	29	183
Construction	247	132
Services	358	31
Other*	-135	-29
Operating flow (before taxes)	839	810
Tax payment	-89	-25
Total	750	785

The entry "Others" includes the operations cash flow relating to Broadspectrum and Corporate Business, Airports and Toll Roads.

Breakdown of cash flow from Construction and Services:

Construction	DEC-20	DEC-19
EBITDA	227	-286
EBITDA from projects	14	15
EBITDA Ex projects	213	-301
Construction provision variation	37	330
US Construction provision (*)	0	345
US Construction provision application (*)	-98	-143
Other Construction provision variation	135	129
Dividends received	0	5
Working capital variation (account receivables, account payables and others)	-3	97
Changes in factoring	-1	-4
Land purchases	2	-4
Working capital	-4	105
Operating Cash Flow before Taxes	247	132

(*) Related to the provision registered in 1Q 2019 corresponding to three contracts in the US.

Services	DEC-20	DEC-19
EBITDA	186	305
EBITDA from projects	69	76
EBITDA Ex projects	117	321
BMH cash flow	-16	-204
Dividends received	89	47
Working capital variation (account receivables, account payables and others)	251	-88
Changes in factoring	-63	6
Pensions payments UK	-21	-16
Operating Cash Flow before Taxes	358	31

The following table shows a breakdown of the Services business:

(EUR million)	SPAIN	UK	INTERNATIONAL	TOTAL
EBITDA ex-infrastructure	145	-55	26	117
BMH cash flow	0	-16	0	-16
Dividends received	76	10	2	89
Changes in factoring	-63	0	0	-63
Pension scheme payments	0	-21	0	-21
Working capital	96	150	6	251
Op. cash flow ex-Taxes	255	69	34	358

Breakdown of cash flow from Toll Roads and Airports:

The revenue from Toll Roads operations amounted to EUR340mn in 2020 (EUR494mn in 2019), resulting from dividends and repaid shareholders' funds from companies owning toll road infrastructure projects. Other toll roads includes the compensation for the cancellation related to Autostrada Poludnie project (EUR19mn).

Dividends and Capital reimbursements	DEC-20	DEC-19
407 ETR	160	309
LBJ	109	0
NTE	25	166
Irish toll roads	0	1
Portuguese toll roads	9	13
Australian toll roads	7	0
Spanish toll roads	4	2
Other	26	3
Total	340	494

Dividends and capital reimbursements from Airports (EUR29mn) were lower than achieved in 2019 (EUR183mn).

Airports	DEC-20	DEC-19
HAH	29	145
ACS	0	17
Others	0	21
Total	29	183

Investment cash flow

DEC-20	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-125	102	-23
Airports	-17	0	-17
Construction	-51	98	46
Services	-83	300	217
Other	-10	2	-8
Total	-286	501	215

DEC-19	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-68	476	408
Airports	-8	0	-8
Construction	-51	7	-44
Services	-133	1	-132
Other	-34	0	-34
Total	-295	484	189

The net investment cash flow in 2020 (EUR215mn) includes:

- Investments reached -EUR286mn, below -EUR-295mn in 2019.
- Divestments reached EUR501mn in 2020 (EUR484mn in 2019), most noteworthy:
 - EUR300mn from the sale of Broadspectrum.
 - EUR100mn from the divestment of Portuguese toll roads (EUR72mn pending).
 - EUR58mn from Budimex 5% stake sale.
 - EUR33mn from Webber's Asphalt Plant sale

Financing cash flow

Financing cash flow includes:

- Shareholder remuneration cash flow:** -EUR-377mn in 2020, including -EUR-122mn from the scrip dividend and -EUR-255mn from the treasury share repurchase program in 2020.
- Net interest payments** reached EUR-21mn in 2020.
- FX impact** (-EUR95mn), primarily from the translation of cash balances held in USD and PLN.
- Other non-cash flow** related movements (-EUR104mn), that included the net cash position held by Broadspectrum (EUR78mn), along with the book debt movements that do not affect cash flow, such as interest that has been accrued and remains unpaid, mainly resulting from interest accrued from corporate bonds.

Net position from discontinued operations

The net cash position from discontinued operations stood at EUR216mn of debt at 31 December 2020.

INFRASTRUCTURE PROJECT CASH FLOW

Operations cash flow

As regards cash flows for companies that own infrastructure project concessions, these primarily include revenues from those companies that are currently in operation, though they also include VAT refunds and payments corresponding to projects currently in the construction phase.

The following table shows a breakdown of cash flow operations for infrastructure projects.

(EUR million)	DEC-20	DEC-19
Toll roads	313	386
Other	100	71
Operating cash flow	413	457

Investment cash flow

The following table shows a breakdown of the investment cash flows for infrastructure projects, mainly payments made in respect of CapEx investments over the year.

(EUR million)	DEC-20	DEC-19
LBJ	-2	-3
NTE	-5	-3
NTE 35W	-101	-135
I-77	-20	-94
Portuguese toll roads	-1	0
Spanish toll roads	-1	-5
Others	0	0
Total toll roads	-129	-240
Others	-21	106
Total projects	-150	-135
Equity Subsidy	22	93
Total investment cash flow (projects)	-128	-41

Financing cash flow

Financing cash flow includes the payment of dividends and the repayment of equity by concession-holding companies to their shareholders, along with the payments for share capital increases received by these companies. In the case of concession holders which are fully integrated within Ferrovial, these amounts represent 100% of the amounts paid out and received by the concession-holding companies, regardless of the percentage share that the Company holds in such concessions. No dividend or Shareholder Funds' repayment is included for equity-accounted companies.

The interest cash flow refers to the interest paid by the concession-holding companies, together with other fees and costs closely related to the acquisition of financing. The cash flow for these items relates to interest costs for the period, along with any other item that represents a direct change in the net debt amount for the period.

(EUR million)	DEC-20	DEC-19
Spanish toll roads	-42	-54
US toll roads	-144	-132
Portuguese toll roads	-14	-14
Total toll roads	-200	-201
Other	-29	-38
Total	-229	-239

The financing cash flow also includes the impact that changes in the interest rate have had on the debt held in foreign currency, which in 2020 was a positive impact in the amount of +EUR296mn, primarily as the result of the appreciation of the euro against USD, which has had a significant effect on the net debt figure for the US toll roads.

Appendix I – segmented information

TOLL ROADS – GLOBAL CONSOLIDATION

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Global consolidation	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	DEC-20	SHARE
NTE*	25	34	-26.1%	109	137	-20.4%	93	116	-20.1%	84.9%	84.6%	-1,007	63.0%
LBJ*	30	48	-37.6%	91	137	-33.5%	63	114	-44.9%	69.1%	83.3%	-1,358	54.6%
NTE 35W*/**	28	33	-14.3%	85	81	5.4%	71	49	46.3%	83.4%	60.1%	-748	53.7%
I-77 ***	20	0	0.0%	16	21	-26.6%	4	14	-72.6%	24.9%	66.6%	-222	50.1%
TOTAL USA				301	376	-19.9%	230	293	-21.2%			-3,335	
Ausol I****	10,089	18,232	-44.7%		66			55			84.1%		15.0%
Ausol II****	12,184	19,199	-36.5%										15.0%
Autema	12,671	18,895	-32.9%	51	113	-54.7%	43	105	-58.4%	85.1%	92.7%	-613	76.3%
TOTAL SPAIN				51	179	-71.4%	43	160	-72.8%			-613	
Azores	8,815	10,735	-17.9%	24	29	-17.4%	21	26	-20.9%	84.6%	88.3%	-275	89.2%
Via Livre				13	15	-14.6%	2	2	5.5%	17.6%	14.3%	8	84.0%
TOTAL PORTUGAL				37	44	-16.5%	23	28	-18.9%			-267	
TOTAL HEADQUARTERS				16	19	-16.0%	-45	-45	-0.6%				
TOTAL TOLL ROADS				405	617	-34.5%	251	436	-42.3%	62.1%	70.6%	-4,216	

* Traffic in millions of transactions. ** NTE 35W includes contribution from NTE3C (under construction). Capital invested & committed; Segment 3C/Net debt 100%: includes all 3 segments.*** On December 3, 2019, formal completion of stake sale from 80% to 15%. Traffic data up to December. P&L and debt in 2019 up to November. In 2020, the toll road is not consolidated due to the put and call agreement mentioned before. ****Full opening on November 2019. Ferrovial agreed the acquisition of an additional 15%, increasing its stake to 65.1% (November 2020).

TOLL ROADS – EQUITY-ACCOUNTED

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Equity accounted	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	DEC-20	SHARE
407 ETR (VKT mn)	1,500	2,742	-45.3%	591	1,017	-41.9%	481	885	-45.6%	81.4%	87.0%	-5,332	43.2%
M4	25,214	35,442	-28.9%	22	31	-28.2%	13	17	-22.1%	59.5%	54.8%	-68	20.0%
M3	31,927	42,080	-24.1%	20	22	-11.4%	12	15	-14.8%	62.6%	65.0%	-85	20.0%
A-66 Benavente Zamora				25	24	1.3%	22	22	-1.2%	88.3%	90.5%	-155	25.0%
Serrano Park				4	6	-32.6%	-1	3	n.s	-22.8%	40.3%	-34	50.0%
Ausol I*	10,089	18,232	-44.7%	40	70	-43.4%	30	59	-48.9%	75.5%	83.6%	-432	15.0%
Ausol II*	12,184	19,199	-36.5%										15.0%
Algarve	10,893	16,325	-33.3%	33	37	-12.4%	28	33	-14.4%	86.1%	88.0%	-91	48.0%
Norte Litoral	21,741	26,998	-19.5%	38	42	-9.0%	33	36	-10.1%	86.2%	87.2%	-106	49.0%
Toowoomba				25	27	-7.4%	5	8	-34.6%	21.6%	30.6%	-234	40.0%

* 65% stake sale to Meridian in December, 2019, the stake decreased from 80% to 15% and a put and call agreement was signed. Cintra holds 15% stake, but the results are not integrated.

MAIN TOLL ROADS (P&L)

407 ETR

(CAD million)	DEC-20	DEC-19	VAR.
Revenues	909	1,505	-39.6%
EBITDA	740	1,309	-43.5%
EBITDA margin	81.4%	87.0%	
EBIT	642	1,204	-46.6%
EBIT margin	70.7%	80.0%	
Financial results	-441	-420	-4.9%
EBT	201	783	-74.3%
Corporate income tax	-53	-207	74.3%
Net Income	148	576	-74.3%
Contribution to Ferrovial equity accounted result*	33	153	-78.5%

* EURmn

LBJ

(USD million)	DEC-20	DEC-19	VAR.
Revenues	104	153	-31.8%
EBITDA	72	127	-43.5%
EBITDA margin	69.1%	83.3%	
EBIT	48	99	-51.1%
EBIT margin	46.2%	64.5%	
Financial results	-98	-87	-13.1%
Net Income	-50	11	n.s.
Contribution to Ferrovial*	-24	5	n.s.

* Contribution to Net profit. 56% stake EURmn

NTE

(USD million)	DEC-20	DEC-19	VAR.
Revenues	125	153	-18.4%
EBITDA	106	129	-18.1%
EBITDA margin	84.9%	84.6%	
EBIT	87	101	-14.0%
EBIT margin	69.7%	66.2%	
Financial results	-51	-74	31.6%
Net Income	36	26	39.3%
Contribution to Ferrovial*	20	15	35.9%

* Contribution to Net profit. 62.97% stake EURmn

NTE 35W

(USD million)	DEC-20	DEC-19	VAR.
Revenues	98	90	8.1%
EBITDA	82	54	49.9%
EBITDA margin	83.4%	60.1%	
EBIT	62	35	77.5%
EBIT margin	63.3%	38.6%	
Financial results	-41	-39	-5.4%
Net Income	21	-5	n.s.
Contribution to Ferrovial*	10	-2	n.s.

* Contribution to Net profit. 53.67% stake EURmn

AIRPORTS (P&L)

Heathrow SP & HAH

(GBP million)	Revenues			EBITDA			EBITDA margin		
	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	VAR.	DEC-20	DEC-19	VAR. (bps)
Heathrow SP	1,175	3,070	-61.7%	270	1,921	-85.9%	23.0%	62.6%	-3,956
Exceptionals & adjs	0	0	262.5%	-182	2	n.a.	-100.2%	n.a.	n.a.
Total HAH	1,175	3,070	-61.7%	89	1,922	-95.4%	7.5%	62.6%	-5,510

HAH

(GBP million)	DEC-20	DEC-19	VAR.	LfL
Revenues	1,175	3,070	-61.7%	-72.7%
EBITDA	89	1,922	-95.4%	-85.8%
EBITDA margin	7.5%	62.6%		
Depreciation & impairments	-848	-805	5.3%	-5.3%
EBIT	-759	1,117	-168.0%	n.a.
EBIT margin	-64.6%	36.4%		
Financial results	-855	-621	-37.7%	13.1%
EBT	-1,614	497	n.s.	n.s.
Corporate income tax	206	-126	n.s.	n.s.
Net income	-1,408	370	n.s.	n.s.
Contribution to Ferrovia equity accounted result (EUR mn)	-396	106	n.s.	n.s.

AGS

(GBP million)	DEC-20	DEC-19	VAR.
Total Revenues AGS	71	217	-67.4%
Glasgow	34	133	-74.3%
Aberdeen	28	57	-50.3%
Southampton	9	28	-69.3%
Total EBITDA AGS	-25	94	-126.1%
Glasgow	-16	65	-124.6%
Aberdeen	0	22	-100.5%
Southampton	-9	8	-209.1%
Total EBITDA margin	-34.9%	43.5%	-7842.9
Glasgow	-46.7%	48.8%	-9,552
Aberdeen	-0.4%	38.4%	-3,880
Southampton	-101.4%	28.6%	-13,000

CONSTRUCTION**

CONSTRUCTION	DEC-20	DEC-19	VAR.	LfL
Revenues	5,862	5,413	8.3%	11.4%
EBITDA	227	-286	179.4%	181.2%
EBITDA margin	3.9%	-5.3%		
EBIT	134	-365	136.8%	137.7%
EBIT margin	2.3%	-6.7%		
Order book	10,129	11,424	-11.3%	-5.6%

BUDIMEX	DEC-20	DEC-19	VAR.	LfL
Revenues	1,877	1,819	3.2 %	7.3 %
Construction	1,689	1,666	1.4 %	5.4 %
Real Estate	151	135	11.5 %	15.9 %
FB Serwis	136	116	17.8 %	22.5 %
Others	-99	-97		
EBITDA	173	102	69.1 %	76.4 %
EBITDA margin	9.2 %	5.6 %		
EBIT	143	73	94.4 %	103.0 %
Construction	87	43	105.1 %	113.3 %
Real Estate	43	27	57.4 %	63.7 %
FB Serwis	17	10	63.1 %	69.6 %
Others	-4	-7		
EBIT margin	7.6 %	4.0 %		
Order book	3,083	2,830	8.9 %	16.9 %

WEBBER	DEC-20	DEC-19	VAR.	LfL
Revenues	1,038	824	26.0%	29.2%
EBITDA	49	38	31.6%	35.4%
EBITDA margin	4.8 %	4.6 %		
EBIT	22	15	47.0%	52.1%
EBIT margin	2.1 %	1.8 %		
Order book	1,486	1,838	-19.1%	-12.0%

F. CONSTRUCTION	DEC-20	DEC-19	VAR.	LfL
Revenues	2,947	2,769	6.4%	8.8%
EBITDA	4	-426	101.0%	n.s.
EBITDA margin	0.1 %	-15.4%		
EBIT	-30	-453	93.3%	n.s.
EBIT margin	-1.0 %	-16.4%		
Order book	5,561	6,756	-17.7%	-13.2%

EBIT before impairments and disposals of fixed assets

SERVICES**

SERVICES	DEC-20	DEC-19	VAR.	LfL
Revenues	5,081	5,323	-4.5%	-3.3%
EBITDA	186	305	-39.1%	-33.0%
EBITDA margin	3.7 %	5.7 %		
Order book	13,027	13,592	-4.2%	-0.3%

SPAIN	DEC-20	DEC-19	VAR.	LfL
Revenues	1,968	2,020	-2.6%	-2.6%
EBITDA	206	237	-13.1%	-11.8%
EBITDA margin	10.5%	11.8%		
Order book	3,748	4,266	-12.1%	-12.1%

UK	DEC-20	DEC-19	VAR.	LfL
Revenues	2,644	2,749	-3.8%	-2.3%
EBITDA	-47	28	-268.9%	-178.6%
EBITDA margin	-1.8%	1.0%		
Order book	7,993	8,036	-0.5%	5.2%

INTERNATIONAL	DEC-20	DEC-19	VAR.	LfL
Revenues	470	554	-15.1%	-11.1%
EBITDA	26	40	-34.4%	-26.7%
EBITDA margin	5.6%	7.3%		
Order book	1,286	1,291	-0.4%	6.7%

Appendix II – Exchange rate movements

Exchange rates expressed in units of currency per Euro, with negative variations representing euro depreciation and positive variations euro appreciation.

	EXCHANGE RATE LAST (BALANCE SHEET)	CHANGE 20/19	EXCHANGE RATE MEAN (P&L)	CHANGE 20/19
GBP	0,89555	5.8%	0,88873	1.6%
US Dollar	1,22250	8.9%	1,14645	2.5%
Canadian Dollar	1,56087	7.1%	1,53765	3.9%
Polish Zloty	4,56780	7.3%	4,46732	4.0%
Australian Dollar	1,58884	-0.6%	1,65930	3.2%

Appendix III – Shareholder remuneration

The company held its AGM on 17 April 2020. The AGM approved two capital increases, by means of the issuance of new ordinary shares, with no issue premium, of the same class and series as those at present in circulation, charged to reserves.

These increases form part of the shareholder remuneration system known as the “Ferrovial Scrip Dividend”, which the company introduced in 2014. The purpose of this program is to offer Ferrovial's shareholders the option, at their choice, of receiving free new shares in Ferrovial, though without altering cash payments to its shareholders, as they can alternatively opt to receive a cash payment by means of selling the free rights that they receive against the shares they already own to Ferrovial (or selling them in the market).

Scrip Dividend details	JUN-20	NOV-20
Guaranteed set price to purchase rights	0.312	0.2
Rights per share	71	100
% shareholders chose shares as dividends	59.3 %	81.1 %
% shareholders chose cash as dividends	40.8 %	18.9 %
Number of new shares issued	6,134,989	6,012,605
Number of rights purchase	299,631,164	140,089,808

SHARE BUY-BACK AND CANCELLATION

On 27th February 2020, the Board of Directors of Ferrovial resolved to implement a buy-back program of the company's own shares, in accordance with the authorization granted by the AGM held on 5 April 2017 under item ten of its agenda.

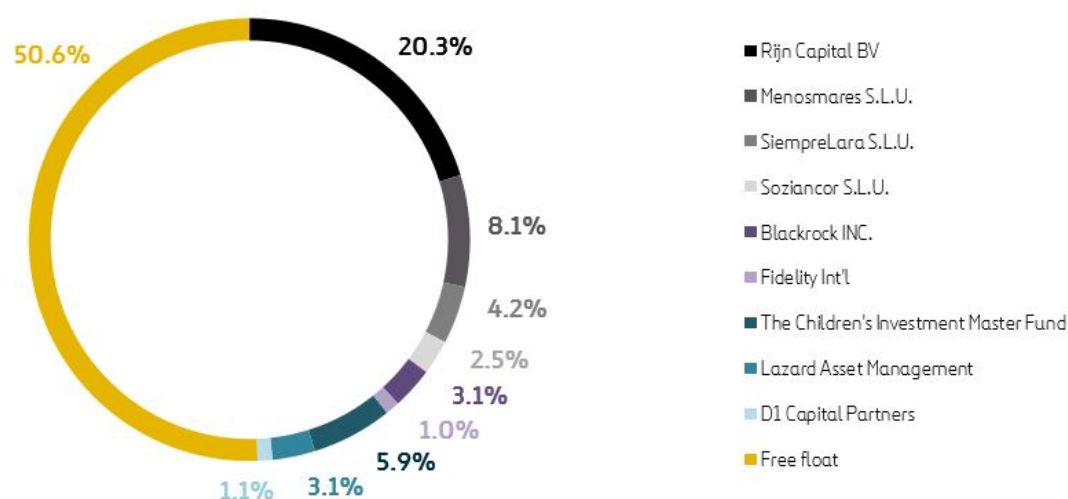
Under this Buy-back Programme that ended on 4 December 2020, Ferrovial acquired a total amount of 11,704,701 own shares, representing 1.57% of Ferrovial's current share capital, therefore no exceeding the limit of EUR360mn or 25 million shares.

The share capital was subsequently reduced by EUR2,892,132.20 by means of the cancellation of 14,460,661 company shares held in the company's treasury shares, including 2,755,960 shares held prior to the Board of Directors' proposal, by the General Shareholders' Meeting of Ferrovial held on 17 April 2020, to reduce the company's share capital.

Ferrovial's share capital figure as of 31 December 2020 amounted to EUR146,580,475.20 all fully subscribed and paid up. The share capital comprises 732,902,376 ordinary shares of one single class, each with a par value of twenty-euro cents (EURO.20).

Appendix IV – Shareholder structure

SHAREHOLDER STRUCTURE (CNMV) 31 DECEMBER 2020



Appendix V – Additional Information

SHARE BUY-BACK TRANSACTIONS

TRANSACTION PERFORMED/OBJECTIVE	NUMBER OF SHARES ACQUIRED	NUMBER OF SHARES USED FOR OBJECTIVE	TOTAL NUMBER OF SHARES
Balance 31/12/2019			327,626
Capital reduction	11,704,701	-14,460,661	-2,755,960
Compensation systems	636,789	-723,526	-86,737
Shares received as payment for the scrip dividend	200,470	0	200,470
Balance 31/12/2020			634,034

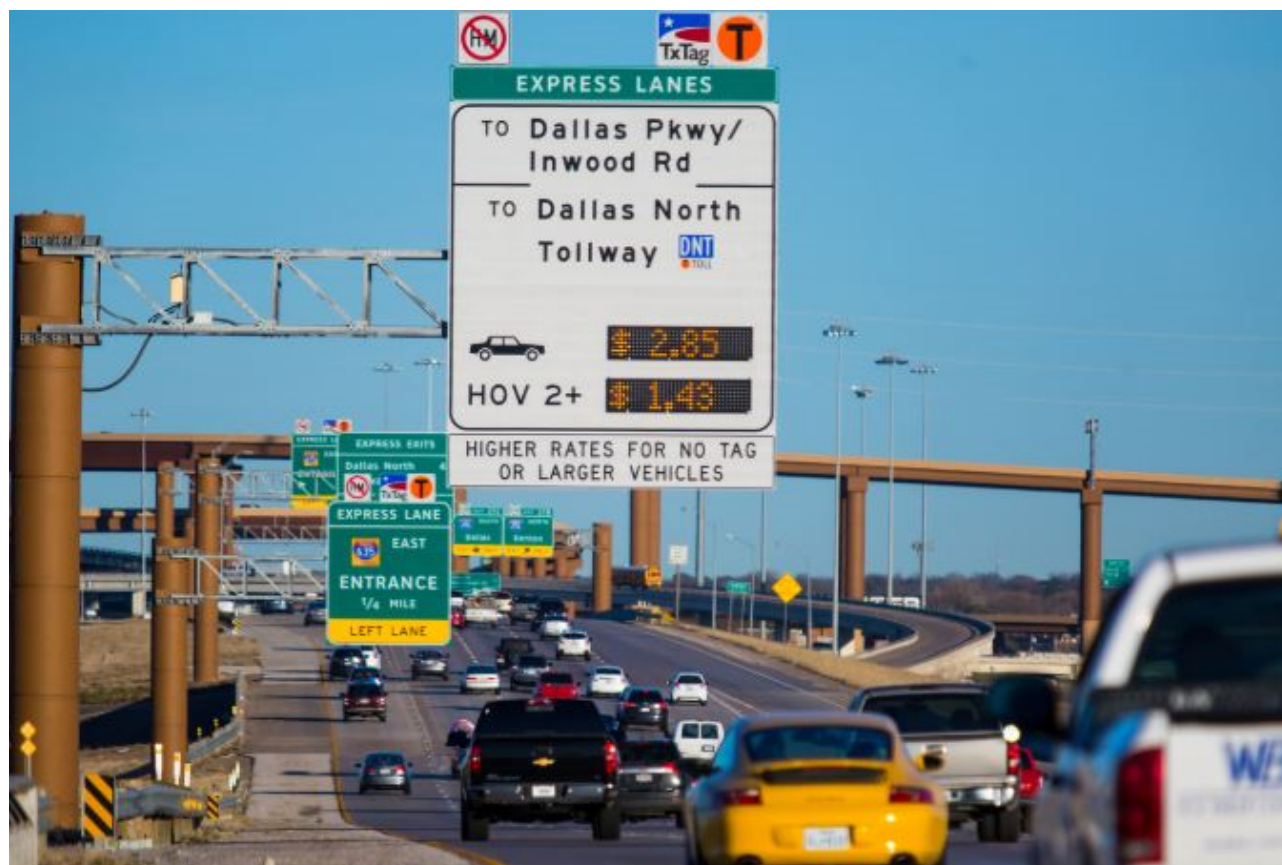
AVERAGE PAYMENT TERM

In compliance with the obligation to disclose the average supplier payment period provided for in Article 539 and Additional Provision Eight of the Spanish Companies Act (in accordance with the new wording of final provision two of Law 31/2014 reforming the Spanish Companies Act), the Company hereby states that the average period of payment to the suppliers of all the Group companies domiciled in Spain (excluding the discontinued operations transactions) in 2020 was 41 days.

The following table details, as required under Article 6 of the Ruling of 29 January 2016 by the Institute for Accounting and Accounts Auditing, the information relating to the average supplier payment period in 2020 and 2019:

DAYS	2020	2019
Average period of payment to suppliers	41	39
Ratio of transactions settled	41	39
Ratio of transactions not yet settled	37	43
AMOUNT (EUR)		
Total payments made	685,411,852	676,032,321
Total payments outstanding	21,572,506	19,316,271

The mutual intra-group commercial transactions between companies belonging to Ferrovial are not included in the consolidation process, meaning the consolidated balance sheet contains no outstanding balances payable to Ferrovial companies. Thus, the information detailed in the previous table refers solely to suppliers outside of the Company, noting for information purposes that the average payment period between Ferrovial companies is generally 30 days.





PEOPLE

REINVENTING PEOPLE MANAGEMENT

In a year marked by COVID-19, Ferrovial employees have made a huge effort to adapt and be resilient to the circumstances. Ferrovial's human resources area has reacted quickly to tweak its processes, channels and tools to a new reality, accompanying the professionals in this change process.

WORKFORCE

80,119

At 2020 year end

TRAINING HOURS

721,186



Our colleagues around the world applaud your efforts!!

A

fter the start of the pandemic, Ferrovial's human resources teams have played a key role in implementing solutions aimed at firstly, preserving the health of all workers and, secondly, ensuring continuity of operations. Examples include the adoption of protocols to ensure the safety of the facilities, the implementation of remote working formulas, the adjustment of our structures to declining activity, or the development of secure de-scaling protocols.

In addition, Ferrovial's human resources teams have made an additional effort to ensure the continuity of their key processes, adapting their working methods to the conditions imposed by the new situation. The main focus of the work was based on three axes: the continuity of learning; talent management, with a focus on female and local talent; and adapting the selection processes.

CONTINUOUS LEARNING AND DEVELOPMENT

Faced with the challenge posed by this new scenario, Ferrovial has leveraged digitalization to increase, make more flexible and broaden the scope of learning opportunities. Through a global solution, the Learning Center has been created, which is a digital learning ecosystem made up of different platforms that complement each other, both in terms of content and formats. This virtual space, which functions as Learning as a Service, is designed with a simple and attractive user experience and can be used 24/7, from any device. This enables each employee to be able to personalize their learning experience according to their concerns, needs, style and preferences.

Topics such as leadership, management, innovation, technology and also others of a more technical nature such as construction, engineering or energy are available through the six platforms that make up this space. Moreover, this content is available in a wide range of formats: online courses, podcasts, audio books, book summaries, videos, etc. This scenario promotes lifelong learning, where employees become primarily responsible for their own development, choosing what, how, how much and when they want to learn.

E-WORK, NEW TELEWORKING PORTAL

After the State of Emergency and lockdown were declared in Spain, a communication and learning channel called e-work was set up. Talent, health and safety, communication and IT worked closely together on this project. This portal brings together everything you need to work remotely in an efficient way. Employees can find recommendations from the company's experts in technology, legal, health and safety, learning and human resources in this portal.

It is worth noting that during 2020 Ferrovial employees received a total of 721,186 hours of training, and the company invested a total of 9.6 million euros in these programs.

In addition, 25,590 employees participated in assessment and development processes, 31.94% of the workforce, and succession planning has identified 162 potential candidates for the 85 critical positions detected.

LOCAL AND FEMALE TALENT

In Ferrovial each person brings different ideas, perspectives and knowledge. For this reason, it promotes a flexible, diverse, collaborative and inclusive culture that offers unique and challenging experiences for the entire workforce. Professional development is promoted on the basis of meritocracy, while encouraging equal opportunities in a fair and transparent manner.

In this regard, in 2020 we have focused on further attracting female talent and local talent in the main countries where the company operates, as well as encouraging their development toward management positions. For junior positions (0 to 3 years of experience), an objective has been set that at least 35% of new recruits should be women and that 100% of new hires should be local people.

ZURITANKEN 2020: DEVELOPING A CULTURE OF ENTREPRENEURSHIP

Zuritanken is the two-year program for generating ideas that Ferrovial makes available to its employees to channel all their creative potential toward the most strategic challenges defined by the company. The program's name is a compound of the Swahili word "nzurin" meaning "big" and the Norwegian word "tanken" meaning "idea". In 2020, the ideation phase of the fourth edition of the program took place, in which around 600 employees proposed more than 350 ideas around the three major challenges chosen, which are health and safety, sustainability and the day after. The latter is aimed at generating solutions to improve the world resulting from the global crisis generated by COVID-19.

developing policies in this area, as well as female representation and information transparency.

In addition, since 2010 the company has held the "Corporate Equality" distinction from the Ministry of Equality. This certificate of excellence is awarded in Spain to companies that promote equal opportunities by giving priority to merit and talent.

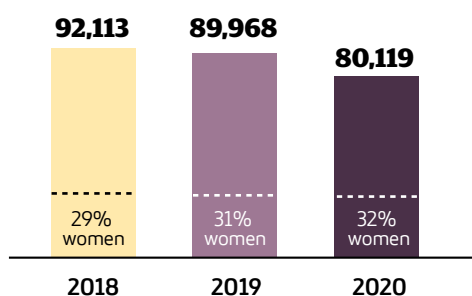
Ferrovial is continuously working to analyze any salary gap cases and their causes in orders to establish corrective actions where necessary. As detailed in the Annex to this report, the salary gap in the company is mainly explained by two variables: firstly, by the current percentage of women in the company as a whole and, secondly, by the type of positions they hold in line with the sectors in which the company operates and the current gender distribution in the various professional categories.

ENSURING WE HIRE THE BEST TALENT

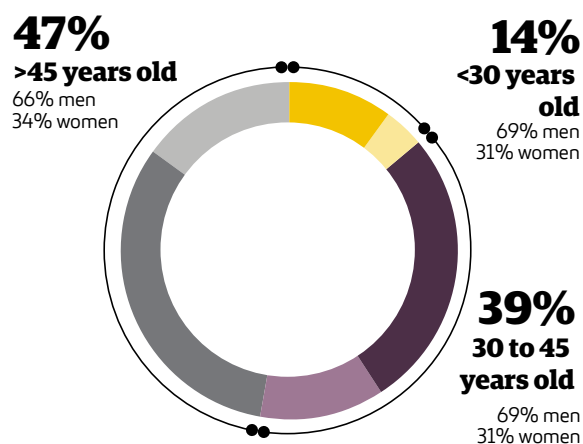
The context generated by COVID-19 has not prevented Ferrovial from continuing to search for and hire the people who can best contribute to boosting the business. To this end, candidate identification, onboarding and recruitment have been adapted globally. Consequently, the entire recruitment process has become entirely virtual, using tools that allow visual contact with the candidate, while at the same time assessing their knowledge through online technical tests. It is worth noting that the 11,603 job vacancies registered by Ferrovial in the various portals received a total of 306,352 applications, of which 22% were filled by internal candidates.

It is worth noting that Ferrovial has again been included in the Bloomberg Gender-Equality Index in recognition of its commitment to gender equality through

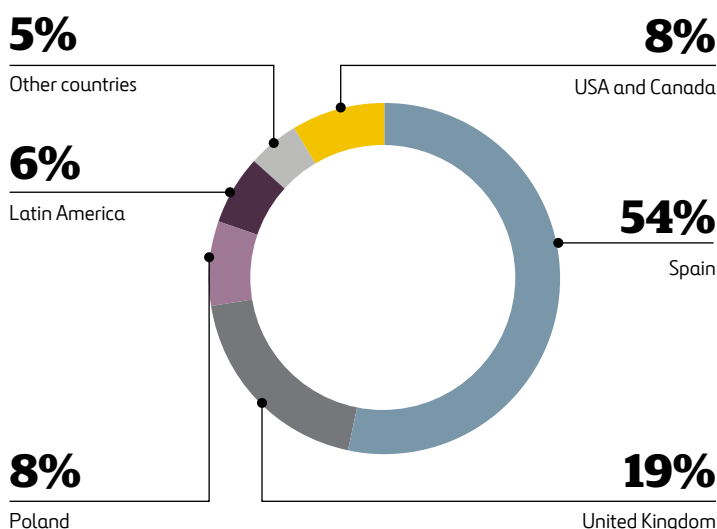
EVOLUTION



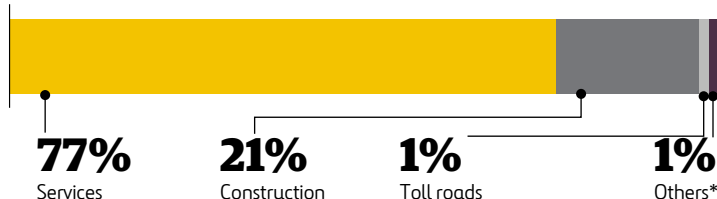
BY AGE



BY COUNTRY



BY BUSINESS



*Includes Corporation and Airports

* The 2019 information is available on page 59 of the IAI19.

HEALTH AND SAFETY

A SHARED RESPONSIBILITY

Ferrovial strives to create risk-free environments for its employees and the user of its infrastructures under the premise that all accidents can be avoided by implementing the appropriate preventive measures.



At the end of 2019, the Board of Directors approved its 2020-2023 Health, Safety and Wellbeing Strategy, which is implemented through annual plans and focuses on four strategic elements:

LEADERSHIP

Objective: workers inspire, care for and are strict about complying with health, safety and wellbeing expectations.

Ferrovial is committed to the health, safety and wellbeing of its employees, and each employee must be a leader in this area to make a difference. Under this premise, the company seeks to inspire people to refocus their leadership, how they regard this and how they enforce this. In 2020, a variety of different initiatives have been rolled out:

- Personal commitments: at the start of the year, a campaign was launched asking employees how they will help to drive change at Ferrovial. In this sense, all Management Committee members are firmly committed to health, safety and wellbeing.
- Health, Safety and Wellbeing Awards: compensation and recognition are a fundamental value as part of Ferrovial's Health, Safety and Wellbeing Strategy. Therefore, the Chairman has sponsored the recent launch of the Health, Safety and Wellbeing Awards, which can be divided into three categories: leader in health, safety and wellbeing; high-performance team; and best innovative technical solution implemented.
- Safety leadership teams: the aim of this incentive is to create an environment in which open and transparent communication is promoted to ensure the best possible decisions are taken, seeking excellence in strategic management.

COMPETENCE

Objective: ensure teams are competent, qualified and empowered to perform their duties.

With a view to optimizing the training efforts made by the company, the "License to Operate" program has been created; the aim of this program is to identify critical roles in the field of health, safety and wellbeing, for which a series of specific competencies are defined that are required to perform in these roles. These requirements will be flexible depending on the needs of the country, rolled out in an escalated manner to all positions and responsibilities and revised each year to support the development of all individuals. Furthermore, all levels

will be addressed, from senior management, to middle management, team leaders and supervisors, across all workplaces.

The initiative will be implemented in different phases and, when it has been rolled out in its entirety, it will provide the company with reassurance that it has skilled workers in each of the areas identified, making it possible to provide the necessary health, safety and wellbeing training with precision.

RESILIENCE

Objective: Ferrovial is prepared to protect its workers, stakeholders and businesses against adverse circumstances.

Resilience is a characteristic of an organization that offers greater resistance to incidents and accidents and the ability to successfully respond to any eventuality. Therefore, health, safety and wellbeing have been fully included in the corporate strategy and life cycle of projects in 2020. The company works in different areas to achieve greater resilience:

- Knowing what to do, being capable of responding to disruptions and existing/common events.
- Knowing what to look for, controlling critical points.
- Knowing what to expect, anticipating possible future events.
- Knowing what has happened, learning from experience and drawing on lessons learned.

Based on the foregoing, the company focuses on High Potential Events, i.e. events with the potential to cause a fatal or catastrophic accident, but that have been avoided. Given their significance, these events are analyzed each week by the Management Committee and, since April,

FREQUENCY RATE

-11%

compared to 2019

HOURS OF HEALTH AND SAFETY TRAINING

389,701

+4 million since 2015

HEALTH AND SAFETY INSPECTIONS AND AUDITS

71,796



IH-10 Project, Texas, United States.

Executive Incident Reviews have been performed on each of them to implement lessons learned and critical controls to prevent them from happening again.

With this in mind, the current indicators have also been kept under observation. In 2020, 71,796 inspections and audits were carried out and 389,701 hours of training on health and safety matters imparted. Thanks to the improvement actions implemented and the commitment of all workers, the frequency rate has decreased by 54.1% compared to 2015, and by 10.96% compared to last year.

COMMITMENT

Objective: generating a learning environment that promotes the exchange of knowledge, innovation and effective communication.

Ferrovial seeks to create an environment for constant learning, share knowledge, communicate effectively and obtain correct information, at the right time to take the best possible decisions. In 2020, a year in which the commitment of employees has been particularly important due to the pandemic, emphasis has been placed on:

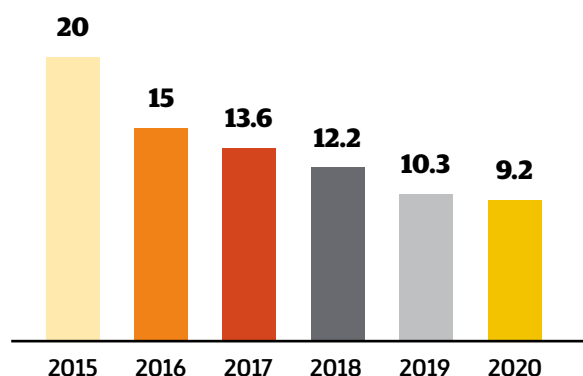
- Promoting communication: videos, guidance, protocols and indications have been distributed using all the available internal channels with a view to maintaining employees informed and up to date.
- Employee health and wellbeing: the HASAVI health and wellbeing program has been redefined, with an online platform created featur-

ring activities streamed every day, in addition to a variety of articles and guides to handle lockdown as best as possible.

COMMITMENT TO INNOVATION

For Ferrovial, innovation is a lever for change to improve performance in health, safety and wellbeing. For this reason, it has continued with the work started in 2018 at the Safety Lab to become a tool to be used to provide solutions to the challenges that workers face every day during operations at all workplaces. More information available about the Safety Lab in the “Innovation” section of this Report.

FREQUENCY RATE



INNOVATION

SUSTAINABLE COMPETITIVE ADVANTAGES

Innovation, the strategic pillar of Ferrovial's Horizon 24 Plan, aims to develop and accelerate competitive advantages for the business while generating new opportunities in the medium and long term for a world on the move.

R&D INVESTMENT

52

Million euros



its business units.

In 2020, Ferrovial has continued to further pursue its vision of innovation as a systematic process of exploring and developing solutions aimed at generating value for the company and

PROJECTS IN DEVELOPMENT IN 2020

+120

PROJECTS WITH STARTUPS

38

NEW TECHNOLOGIES EXPLORED

15



Dimitris Bountolos, CIO at Ferrovial, explains what Foresight is

LEADING THE FUTURE OF MOBILITY AND TRANSPORT

The Strategic Innovation Plan is structured and deployed through cross-functional programmes and project portfolios that give concrete form to this innovative vision and translate it into initiatives with real impact. By 2020, this portfolio of innovation initiatives included more than 120 projects that involved an investment of approximately 52 million euros in R&D. Furthermore, in a complex year, the company's various innovation areas have given determined support to the COVID-19 crisis through 13 projects for developing digital solutions and new products, such as the COVID-19 app or the permanent disinfectant Long Clean Surface.

PORTFOLIO INTELLIGENT MANAGEMENT

To extract maximum value from the innovation portfolio, governance and management are two essential tools. Ferrovial's innovation development is led by the Innovation Committee, made up of members of the Company's Management Committee. At a more operational level, the activities are coordinated by the Global Innovation Steering Council, with innovation representatives from the corporate and business areas, with working groups and communities of experts on specific topics (e.g. data and artificial intelligence). Both management bodies have information available through the company's project's portfolio platform, which optimizes resource allocation and knowledge mapping in the organisation while encouraging focus, rapid delivery and validation of hypotheses and continuous learning. In this regard, new KPIs have been launched in 2020 to ensure the value of innovation projects.

VERTIPOINTS: REIMAGINING THE FUTURE OF URBAN AIR MOBILITY

Ferrovial has signed an agreement with the German aeronautical company Lilium to develop, build and operate a network of ten airports for eVTOL (electric Vertical Take-Off and Landing) aircraft in the US state of Florida. The agreement represents a revolution in regional air mobility as these aircraft produce no emissions, reduce noise levels and their helicopter-like vertical take-off and landing capability enables them to be better integrated with the urban environment.

A balanced portfolio

Innovation projects are categorized as incremental, strategic or disruptive depending on the time horizon, degree of uncertainty and transformative capacity of the opportunity pursued. In this way, Ferrovial develops initiatives aimed not only at strengthening and consolidating the competitive advantages of its current business models, but also at creating new competitive advantages and additional sources of value through the systematic exploration of new businesses and technologies.

The aim of **disruptive projects** is to enable Ferrovial to lead the future of mobility and the new generation of transport infrastructures. In this regard, and in order to navigate a constantly evolving strategic and technological context and to adapt dynamically to change, Ferrovial undertakes technology watch and future exploration programmes, the most relevant results and publications of which are compiled on the Foresight portal. These activities include the What if? programme, scenario planning, with which future scenarios in specific areas (autonomous vehicles, urban logistics, hyperloop, urban air mobility) are deployed

and studied in detail to identify opportunities and implications and guide action in the short term.

With the **strategic innovation** projects, Ferrovial seeks to increase the value of its assets through innovation in a cross-cutting way and exploring new technologies. In the first group, the aim is to maximize value by facilitating integrated management of all stages of the infrastructure life cycle, while also undertaking projects in the area of sustainability or occupational safety (through the Safety Lab programme). In the second group, projects are being undertaken to implement autonomous and connected car technologies, 5G, new means of payment, virtual reality and artificial intelligence.

In addition to the above, Ferrovial deploys **incremental innovation** projects, with a short-term value generation horizon in each of the existing businesses. These projects are aimed at achieving improvements in profitability, operational efficiency or user and passenger experience, among others, and are guided by the challenges of the corresponding business units. Ferrovial offers an “Innovation as a Service” (IaaS) model to its business units, undertaking research and dissemination projects on specific technologies, through the Digital Hub, its network of centres of excellence in mobility and asset management, or free experimentation spaces or “sandboxes” in Ferrovial’s reference projects.

CONNECTED TO THE ECOSYSTEM

The company’s innovation ecosystem is strengthened by a dense network of alliances and collaborations in major global innovation hubs such as Israel, the US, Finland and Singapore. In particular, in 2020 Ferrovial had 12 collaboration agreements with universities and research centres, and carried out 38 projects with startups. The former includes the alliance with the Massachusetts Institute of Tech-

FORESIGHT OPEN INNOVATION PLATFORM

In 2020, Ferrovial’s communication and innovation teams launched the open innovation platform Foresight (ferrovial.com/en/foresight/) with the objective of exploring and building the future of transport infrastructure and mobility together with its customers, investors, startups, public agencies and other players in the innovation ecosystem. This digital space allows experts and partners to connect and share trends, knowledge or use cases of new technologies and to outline new joint initiatives and high-impact partnerships. Ferrovial also shares its vision of the potential future of the Hyperloop, urban logistics and urban air mobility on this portal and offers its library of articles and reports on trends, technologies and disciplines with high transformative potential. The various collaboration mechanisms shown on the platform are collaborations with universities and research centres such as MIT (with whom Ferrovial has renewed its commitment and collaboration agreement for the next five years), its collaborations with startups such as Moovit and Zenrobotics, its holding in funds such as ATOMIC and its calls for proposals to startups, such as BuildUp!, or the one launched together with other industry leaders such as Madrid in Motion and Construction Startup Competition 2020.

nology (MIT), a leading global research centre with which Ferrovial has extended its partnership for the next five years. The institutions the company collaborates with on a recurring basis include public agencies that provide funding for innovation, such as the European Commission, European Innovation Council, Innovate UK and the Climate-KIC and Digital-KIC communities, of the European Institute of Innovation and Technology.



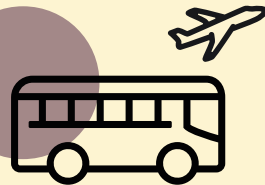
INNOVATION PROJECTS

MOBILITY



URBAN MOBILITY PRICING (UMP)

Comprehensive solution for sustainable mobility management in cities based on payment for infrastructure use



AV BUS SOUTHAMPTON AIRPORT

Autonomous retrofitted bus equipped with advanced 3D navigation and artificial intelligence technologies

DATA

EARTHWORKS

Control system for earthworks that captures real-time sensor and geolocation data, calculates key indicators and displays them in a web-based dashboard



SAFETY

CDCLEAN LONG CLEAN SURFACE

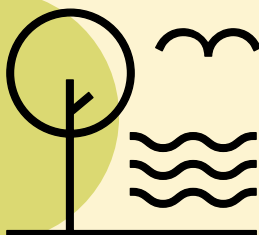
Long-lasting disinfectant agent for surfaces to increase the resiliency against COVID-19 of public spaces and infrastructures such as buses, subways or stations



SUSTAINABILITY

INTEGRATED NATURAL CAPITAL ASSESMENT (INCA)

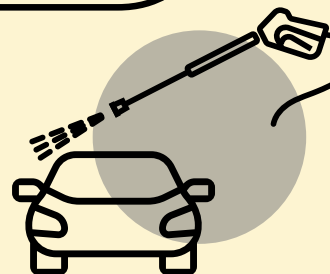
New methodology to assess the impact of industrial activities and infrastructure projects on natural capital and biodiversity



AUTOMATION

SMART ROBOT FOR CAR SHARING (SAROCA)

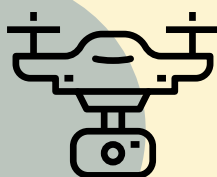
Automatizing the cleaning and disinfection process of Zity carsharing fleet vehicles' interiors through a robotic arm in order to provide greater resiliency against COVID-19



ENGINEERING

IAI - FLY

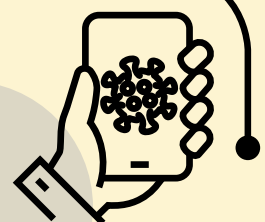
Marketplace in which Unmanned Aerial Vehicles (UAVs), IT infra or any other auxiliar services that has been validated to inspect electricity transmission infrastructures



DIGITIZATION

F-COVID

Internal app to ensure a safe workplace after the COVID-19 pandemic that allows employees to report close office contacts





Heathrow Airport, London, United Kingdom. © José Manuel Ballester



QUALITY

CONTINUOUS IMPROVEMENT

Innovation applied to products and services enables Ferrovial to offer customers and users products and services that guarantee a unique experience.

Providing customers and users with top quality services is one of Ferrovial's key priorities. The company is working on a system that aims for more effective and efficient management based on digitalization, the use of new technologies and innovation projects applied in different areas.

DIGITALIZATION

Between December 2019 and July 2020, a successful proof of concept was carried out with the aim of testing blockchain technology, trying to determine its potential within the framework of the digital transformation of the construction industry and the feasibility of its use when commissioning facilities. It is estimated that this tool could reduce the volume of complaints by up to 15%.

The Construction division also continues to expand the use and dissemination of Building Information Modeling (BIM) methodology. The application of BIM involves incorporating digitalization into construction processes and procedures, providing greater efficiency in information management. This methodology is being progressively implemented into many of the company's projects. In 2020, Ferrovial Construction has applied BIM methodology in several rail projects such as the rail access to the El Prat Airport terminal and the construction project for the underground structures of the Murcia-El Carmen, Barriomar and Nonduermas stations on the Madrid-Murcia AVE high-speed train line.

USE OF BIG DATA

With variables being measured well and optimal sensorization beforehand, any process can be analyzed and generate large amounts of data. For example, in the field of mobility, Ferrovial is actively working to optimize its Managed Lanes business model, where administrations are starting to use open data systems, encouraging the use of big data and artificial intelligence to attract innovation from private companies, capable of integrating their systems and generating new business models.

In the case of Construction, big data is taking on a key role thanks to the creation of technological tools that have contributed to modernizing safety conditions or the way in which a construction site is built, thus improving the industry's results. Over time, constructions will be cheaper and delivered in a shorter period of time.

CUSTOMER SATISFACTION

In 2020, the evaluation of how customer satisfaction is measured continued. The methodology homogenizes all the surveys in the

different business areas to find out comprehensively customer perception regarding sustainability, operational excellence, innovation, responsiveness, reliability and trust, the oversight process and management of agents involved in each project. In this regard, it should be noted that there are no user safety claims in excess of one million euros not covered by insurance policies.

USER SATISFACTION

During 2020, the user satisfaction measurement program was launched. This is an innovative task where indicators are measured in the Infrastructures, Airports and Mobility business areas, providing a more complete view of the user's experience of the services offered.

QUALITY SYSTEMS AND CERTIFICATIONS

Ferrovial has quality and environmental systems certified in accordance with ISO 9001 and 14001 standards 89% implemented. It should also be noted that Budimex, Ferrovial Construction (in Spain and the UK), Cadagua and Ferrovial Services Spain are currently certified in line with the ISO 50001 energy management standard.

To support all its business lines and ensure legal compliance throughout all phases of the project life cycle, Ferrovial has corporate applications used to record and store legislation and technical regulations containing the environmental legal requirements applicable to Ferrovial in all the countries in which the company operates. Both platforms contain rules and standards governing health and safety, quality and the environment. This enables the company to honor all its environmental obligations, including those relating to air, noise and light pollution. Meanwhile, all employees involved in production are fully familiar with operating procedures so as to prevent or minimize environmental risks.

CERTIFIED ACTIVITY

89%

ISO 9001
ISO 14001

CUSTOMER SATISFACTION

4.3

Out of 5

USER SATISFACTION

4.0

Out of 5

MANAGED LANES USER SATISFACTION

70-80%

407 ETR USER SATISFACTION

88%

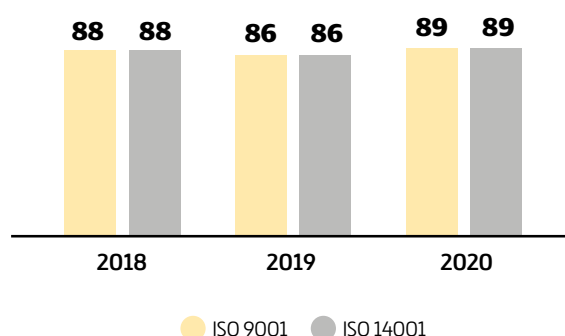
HEATHROW PASSENGER EXPERIENCE

4.24

out of 5



CERTIFIED ACTIVITY (%)

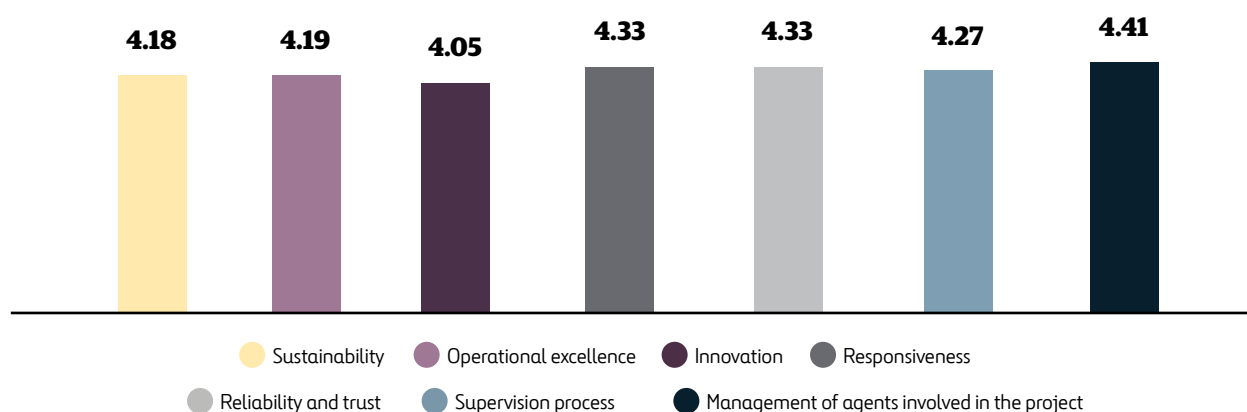


Ferrovial has been recognized by AENOR (Spanish Standards and Certification Association) as the first company to certify its Sustainability strategy with the Sustainable Development Goals (SDGs), promoted by the United Nations. This certification recognizes the company's actions in the area of climate change, which is one of the greatest environmental challenges facing society and one in which companies have a decisive role to play.

Within the framework of energy audits, in order to comply with RD56/2016 and continue the work carried out in 2016, an energy audit of all the company's assets with activity in Spain was carried out in 2020.

There are other systems certified in accordance with various standards including: UNE 19601; UNE-ISO 37001; UNE-EN ISO 50001; UNE 166002; European Commission Eco-Management and Audit Scheme (EMAS) in accordance with EC Regulation no. 1221/2009; BIM ISO 19650; PAS2080:2016; PAS2080:2016 EKFB; ISO44001; ISO45001; EMAS III; IATF 16949; UNE 216701; UNE 1176-1:2009; UNE-EN ISO 22000:2005; UNE-EN ISO 18295-1:2018; UNE 158101:2015; UNE 158301:2015; UNE 158401:2007; UNE 179002:2011; UNE-ISO 22320: 2013; UNE 15343:2008; UNE-ISO 55001:2015; UNE-EN ISO 13485:2018; SGE 21; Certification of COVID protocols in accordance with the Regulation for the certification of protocols against COVID-19, by AENOR; and Madrid Excelente.

CUSTOMER SATISFACTION



INTEGRITY

WITH THE BEST STANDARDS

Commitment to ethics and integrity is the way forward to position Ferrovial as a benchmark in the international market.

One of Ferrovial's values is integrity. Therefore, its activities are carried out under the requirement to avoid all forms of corruption, promoting transparency at all times, in accordance with the company's Code of Business Ethics.

Ferrovial's growing international presence has led to the transformation of its Compliance Program to align with nationally and internationally recognized best practices. Reporting directly to the Audit and Control Committee, and with independence and the required resources, the Chief Compliance Officer has undertaken various improvements to ensure the program implemented at Ferrovial is aligned with international best practices.

BUSINESS ETHICS

Ferrovial's Code of Business Ethics* is applicable to all Group companies and establishes the basic principles and commitments to which its directors, managers and employees must adhere. The basic prin-

ciples of behavior are respect for legality, ethical integrity and respect for human rights. These principles are embodied in fulfilling a set of commitments set out in the Code of Ethics and translated into internal policies and procedures.

All employees adhere to these principles and commitments, undertaking to comply with them and to ensure that external collaborators who carry out activities on behalf of Ferrovial comply with them.

THE COMPLIANCE PROGRAM

Ferrovial has a Compliance Program that is intended to establish a common process for monitoring and controlling the company's compliance risks under the principle of "zero tolerance" towards committing criminal acts and, in particular, any form of corruption.

The Compliance Program is described in the Compliance Policy* and its main objective is to foster a culture of business ethics in the organization and in the decision-making processes and the manner in which directors, managers and employees arrive at their decisions. In addition, the policy develops the phases of the Compliance Program implemented in the company and establishes the competencies of its governance bodies and those of its employees in the area of regulatory compliance.

Likewise, the Compliance Program includes a Crime Prevention Model aimed at preventing or significantly reducing the risks of committing criminal acts and, especially, those involving the legal entity's criminal liability.

POLICIES AND PROCEDURES

Anticorruption policy

Ferrovial has an Anticorruption Policy governing the conduct of all directors, managers and employees, and its collaborators, in the business' development, under the principle of "zero tolerance" for any practice that could be classified as either active or passive corruption.

The policy requires strict compliance with applicable anticorruption laws, including the provisions of the Spanish Criminal Code, the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act (UKBA).

Third Party Ethical Integrity Due Diligence Policy

A new policy was approved in 2020 that aims to standardize the ethical integrity due diligence process to be followed before closing

CULTURE OF COMPLIANCE

Training employees in the values and principles set out in the Code of Business Ethics and in the Compliance and Anticorruption Policy is one of the cornerstones of the company's Compliance Program. During 2020, the online training plan on the Code of Business Ethics and Compliance Policy (Prohibited Conduct) has continued and two new anticorruption courses have been rolled out. These were designed according to the level of exposure to this risk of certain groups, including the Management Committee: a general course on anticorruption and a course on international anticorruption legislation and best practice (US FCPA, UK Bribery Act and Spanish Penal Code).

In addition, the first Compliance Boot Camp was held in the United States. This is a compliance workshop on anticorruption, antitrust, cybersecurity and employment, among others.

Also in 2020, a course on Data Protection has been deployed, focusing mainly on the General Data Protection Regulation (GDPR) and the Organic Law on Data Protection and Guarantee of Digital Rights (LOPDGDD).

The training volume of these courses amounted to 5,404 hours, totaling 10,327 hours over the last two years. The training provided in 2020 was more specialized and targeted at employees with a higher level of exposure to certain risks.

any agreement with third parties. A new corporate application has also been deployed to unify the control of the due diligence process to be carried out depending on the level of risk of the transaction and the third party in question.

Lobbying Policy and Political Contributions

A new policy was published in 2020 to regulate a framework for Ferrovial's prospective involvement in political or lobby activities, ensuring the law is being complied with and always considering the principles of the Code of Business Ethics and the Anticorruption Policy. In relation to contribu-

tions to political parties, the rule prohibits corporate funds being used to make contributions to political parties or candidates in electoral processes, except in some cases in the United States and under certain conditions.

Gifts and Hospitality Expenses Policy

In 2020, the Gifts and Hospitality Expenses Policy was reviewed and updated in line with the provisions of Ferrovial's Anticorruption Policy and within the parameters established in the Code of Business Ethics and in accordance with the main anticorruption regulations (US FCPA, UK Bribery Act and Spanish Penal Code, among others).

ETHICS LINE

The Ethics Channel was revamped in 2020. This serves as an essential complement to other internal communication channels. Through a computer application, the aim is to facilitate reporting any irregular situations, breaches, unethical behavior or conduct that goes against the law and internal regulations. The channel is accessible through the intranet and the corporate website (www.ferrovial.com), several free telephone numbers and a dedicated mailbox, and allows anonymous communications. Ferrovial will not tolerate any form of retaliation against bona fide whistleblowers.

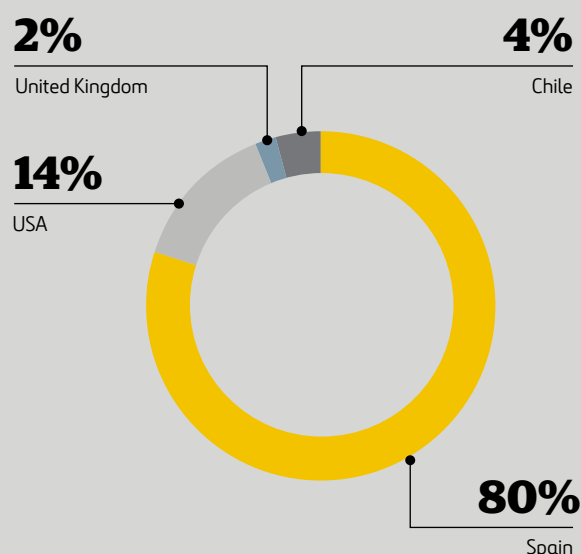
In this regard, the Ethics Channel Policy has also been revised, so that there is a protocol for processing all the complaints that may be received by any means regarding possible irregularities with responsibilities, deadlines and reporting obligations being established for the measures adopted. In addition, responsibility for managing the Ethics Channel has been transferred to the Compliance Directorate, with the support of Internal Audit for the analysis of priority communications.

During 2020**, 50 complaints were received through the corporate ethics mailbox, 37 of which were anonymous and 13 identified.

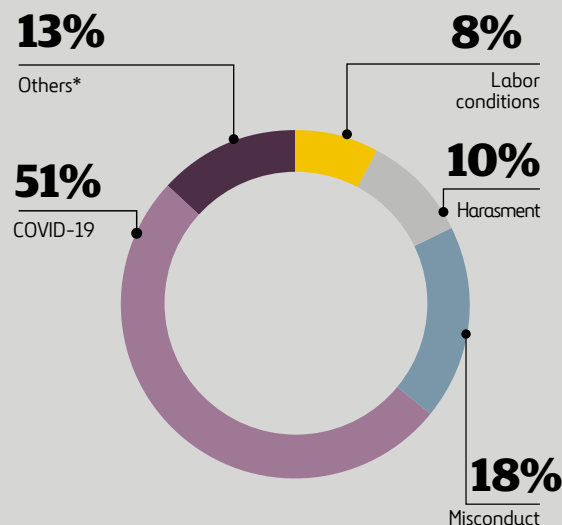
All communications give rise to an investigation by the case handler, ensuring confidentiality and freedom from retaliation of any kind. Since the last quarter of the year, the Compliance Department has been responsible for regularly providing a detailed report on the communications received and the actions taken to the Audit and Control Committee and, where appropriate, the Board of Directors.

In 2020, no case investigated has given rise to significant impacts for Ferrovial from a criminal, economic or reputational standpoint. All communications have been investigated by the relevant departments and appropriate action has been taken: COVID-19 issues have, in most cases, been resolved by reinforcing safety measures at the workplaces; harassment and misconduct issues have been resolved in some cases by imposing disciplinary measures; and labor and other grievances have been reviewed and, where appropriate, errors have been corrected or the applicable internal rules and procedures have been revised.

COUNTRY OF ORIGIN



TYPOLOGY OF COMMUNICATION



* Communications related to information systems issues and the purchasing process.

** Information for 2019 is available in the 2019 Integrated Annual Report, page 87.

HUMAN RIGHTS

RESPECT FOR PEOPLES' RIGHTS

Ferrovial rejects any type of discrimination in all countries where the company operates and is strongly committed to promoting a dignified, respectful and inclusive work environment.

Ferrovial has had a Human Rights Policy since 2014, which is promoted and approved by the Board of Directors and aligned with the Corporate Code of Ethics. The company's commitment to respect human rights is aligned with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights, which allow this commitment to be realized in the business sphere.

The Human Rights Policy establishes the procedures to ensure compliance with these rights in the company's activities and to promote their dissemination among its stakeholders. It also guarantees respect for the labor rights of all its employees and contractors. The policy is aligned with the principles of the United Nations Global Compact, the OECD guidelines for multinational enterprises and the International Labor Organization's standards. In addition, the company is committed to the 31 principles contained in the National Action Plan for Business and Human Rights developed by the Spanish Government.

IDENTIFICATION AND PREVENTION

Ferrovial carries out an ongoing due diligence process. Firstly, in its own activities and in all those directly related to its operations and services. In the case of infrastructure projects in vulnerable contexts, the social and environmental impact on the affected communities is analyzed.

It also has due diligence procedures in place to prevent anti-human rights attitudes and actions in relations with business partners, suppliers and applicants. There is an obligation to conduct an ethical integrity review process, including human rights, before entering into any business relationship or taking on a new employee. These procedures involve extending the company's values set out in its Code of Ethics to its entire value chain and establishing mechanisms for monitoring business relations.

In this regard, the company has recently revised the Procedure for approving operations according to corporate capital allocation criteria, so that in the proposal for approving all corporate operations that are carried out, an analysis is conducted of whether they may undermine Ferrovial's ethical principles, particularly focusing on human rights, social, good governance and environmental aspects.

Internally, the company promotes respect for Human Rights among all its employees through courses on the Code of Ethics, Prohibited

Conduct, and anticorruption courses that are periodically renewed and include specific modules to understand the possible human rights implications that may arise during the company's activities.

Ferrovial's analysis identifies new situations affecting respect for human rights, such as the right to digital disconnection and all those derived from the use and protection of the data of the people it interacts with.

MITIGATING RIGHTS VIOLATIONS IN SOCIETY

Following the initial diagnosis in the due diligence process, the company designs contingency plans in which impact mitigation and/or compensation measures are considered as appropriate.

Beyond its own activity, Ferrovial is involved in initiatives that help to raise awareness of human rights and promote measures to safeguard them, adapted to each country's characteristics. A noteworthy example in the United Kingdom is the commitment to the UK Parliament's Modern Slavery Act, which ensures acts related to any form of slavery and human trafficking are prevented.

Gender-based violence

There are situations of rights violations in society against which the company has decided to mobilize. One of them is the scourge of gender-based violence. Ferrovial has been a member of "Companies working towards a society free of gender-based violence" since 2013. This project is promoted by the Spanish Government to raise awareness in society of gender equality and respect for basic rights.

As part of this collaboration, the company once again sponsored the race against gender-based violence, in which the Chief Executive Officer and 76 other employees took part in its most recent race. In addition, in support of the International Day for the Elimination of Violence against Women, an initiative was launched under the slogan "Let's build a world free of violence against women" through the ZITY carsharing service.

Ferrovial's commitment, in line with the United Nations' SDG 5, also includes activities to improve integrating people who have suffered abuse into the workplace, including collaboration with the Integra Foundation, which materializes reintegrating female victims into the workplace through direct hiring.

In addition, within the framework of the II Equality Plan, an internal action protocol has been developed to deal with gender-based violence, which provides guidelines to promote protecting female colleagues who may be victims of this type of violence.

Since 2011, Ferrovial has been a member of the Diversity Charter, a European initiative that is part of the anti-discrimination directives adopted by the European Union in the year 2000.

EQUAL RIGHTS FOR WOMEN THROUGH STEM EDUCATION

STEM careers (Science, Technology, Engineering and Mathematics) are the jobs of the future, and are key profiles in innovation, social welfare, inclusive growth and sustainable development, and are also a strategic aspect for Ferrovial. According to the latest data published by UNESCO, around 30% of women choose STEM disciplines.

One of the challenges set out in the Equality Plans that Ferrovial has defined since 2009 is to increase the number of women in technical areas, in line with key business profiles. In this regard, Ferrovial is committed to providing career guidance for young people through various initiatives that promote STEM careers, making the role of women in this area more visible in order to prevent discrimination.

In this sense, Ferrovial is working in Spain on the OrientaT program together with the Junior Achievement Foundation, in which more than 170 volunteers from the company have already participated in workshops in educational centers to kindle interest in STEM vocations among students.

Some initiatives in 2020 have been scaled down or transformed due to the lockdown, but initiatives along the same lines have been possible in other geographies. In the United Kingdom, the STEM Girlguiding program, supported by Arney, and the continuous promotion of the International Women in Engineering Day, to raise awareness of women in STEM careers, are noteworthy. In the United States, support has continued to be given to the National Math and Science Initiative, in Texas, and the Women in Construction Week. The aim of this initiative is to give visibility to women working in this sector and to serve as a reference for future generations.

These initiatives, aligned with SDG4 target 3, have reached 27,371 children throughout 2020.

ACTIVE RESPONSE

Ferrovial actively participates in networks and working groups to promote Human Rights in the business world and in the rest of society, such as The Human Rights Lab of the SERES Foundation, the Executive Committee of the Global Compact Network and the CEO Alliance for Diversity initiative, led by the Adecco Foundation and the CEOE Foundation.

In order to respond to possible unwanted situations that may arise, the company's Ethics Channel has been renewed in 2020 with an emphasis on the description of categories related to human rights, possible situations of harassment (understood in the broad sense of abusive, hostile or offensive conduct), discriminatory practices that may arise due to political ideas, religious beliefs, race or any other type and attitudes or actions that affect freedom of expression or association.

These reporting tools are aligned with the Company's Procedure for the Prevention of Workplace and Sexual Harassment and with the II Equality Plan.

SAFEGUARDING LABOR RIGHTS

Ferrovial guarantees compliance with labor rights in all countries in which it operates, paying special attention to the right to strike, freedom of association and the right to collective bargaining. All Ferrovial employees are protected in one way or another by the labor regulations of the different territories, while 70.8% of the workforce is a member of a collective bargaining agreement.

Ferrovial has internal communication channels, internal social media and the corporate intranet, Ferronet, which facilitate creating collaborative, dynamic and flexible work environments and through which it promotes a healthy working environment and the dissemination of healthy habits among employees. These channels have been reinforced in 2020 due to the pandemic's special circumstances, with advice adapted to teleworking and promoting physical activities that could be undertaken during lockdown. In 2020 Ferronet recorded 2,886,810 sessions and 3,885,914 page views.

ENVIRONMENT

DEVELOPING A SUSTAINABLE ECONOMY

Ferrovial reinforces its commitment to sustainability and reaffirms the importance of the SDGs in its strategic plans and all its activities. To this end, the company has set out several lines of action in its Climate Strategy, aimed at contributing to decarbonizing the economy and combating the effects of climate change.

REDUCTION OF GHG EMISSIONS

56%

in relative terms compared to 2009

ELECTRICITY CONSUMED FROM RENEWABLE SOURCES

68%

target of 100% by 2025



Sustainable infrastructures that improve our mobility

T

he company works actively to minimize its environmental impact and offer products and services that promote the development of a sustainable economy. To this end, Ferrovial

has a climate strategy with ambitious emission reduction targets, it promotes the circular economy, offsets its impact on biodiversity and minimizes its water footprint.

CLIMATE STRATEGY

Climate change is a key element in the company's governance, which incorporates both the recommendations of the Task Force on Climate Disclosures (TCFD), as climate risks within the Ferrovial Risk Management (FRM) corporate risk identification and assessment system. The strategy in this area takes into account the risks and opportunities identified in each activity, and therefore two critical objectives have been defined:

- Responsible management of the environmental impacts arising from the company's activities from a preventive perspective, including undertaking actions to reduce GHG emissions.
- Harnessing skills and knowledge in developing infrastructure for a low-emission economy.

ON THE ROAD TO DECARBONIZATION

During 2019 and 2020, work has been carried out on the Deep Decarbonization Path plan, included in Ferrovial's Horizon 24 strategy to achieve emission reductions in the construction and infrastructure area by 2030, where the main lines of work are: 100% electricity consumption from renewable sources by 2025; renewing the fleet to 33% zero-emission vehicles by 2030; improving energy efficiency in asphalt plants by 20%; and increasing energy efficiency in construction machinery by 10%. As part of this plan, the company is committed to achieving emissions neutrality by mid-century.

CARBON FOOTPRINT

The calculation and reporting of the carbon footprint is applicable to the entire company and covers all business areas and its subsidiaries. The calculation method is based chiefly on the GHG Protocol (WRI&WBCSD), which is the most internationally accepted approach, while also adhering to ISO 14064-1 standards. The market-based method was used to calculate scope 2.

Ferrovial has set ambitious emission reduction targets, which have all been Science Based Target Initiative (SBTi) certified, for the 2030 horizon, and for the three scopes.

RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

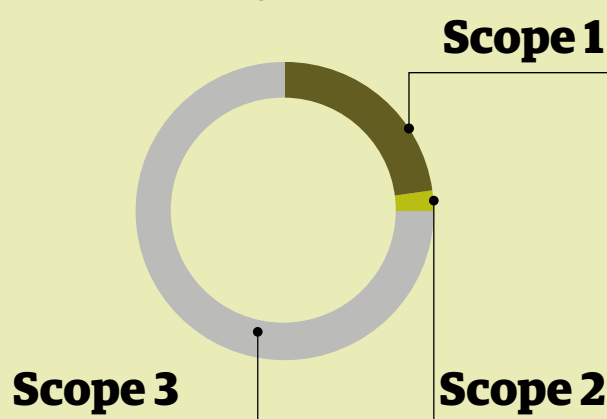
During 2020 all the risks associated with climate change that Ferrovial may be exposed to have been included in the risk identification and assessment process, FRM, so that they are assessed in the matrix reviews that are carried out. The analysis of the company's matrix of risks and opportunities related to climate change following the recommendations of the TCFD considers three different scenarios, depending on the degree of implementation of climate change policies, the so-called current policies scenario (CPS)*; new policies scenario (NPS)* and sustainable development scenario (SDS)*. As a result of this study, it can be concluded that in the short, medium and long term, Ferrovial's main environmental risks are physical and transitional.

Transition risks are related to the increase in operational costs due to rising prices of raw materials, increased prices of fossil fuels, payment for emissions produced or incorporating activities included in the emissions market, policies restricting the allocation of emission quotas, carbon rates, water shortages, restrictions or incentives for land use, changes in the supply and demand of services or interruption of operational processes.

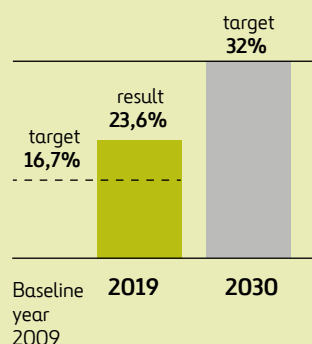
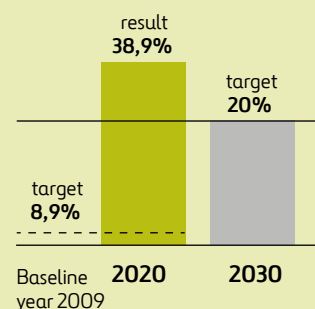
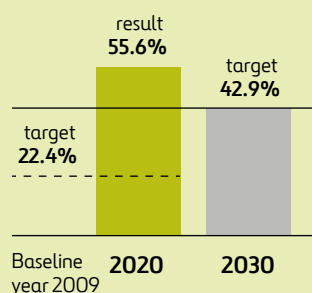
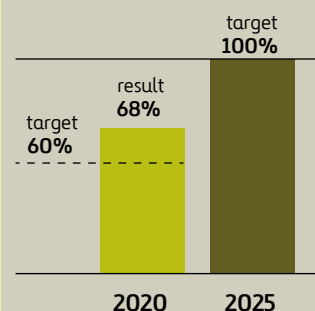


GREENHOUSE GAS EMISSIONS*

In absolute terms, by category of source

**817,503** Scope 1 (tCO₂eq)**293,795**
Stationary**261,123**
Mobile**262,449**
Diffuse**52,632** Scope 2 (tCO₂eq)**3,166,769** Scope 3 (tCO₂eq)**774,570**
Investments**209,022**
Use of Product**475,720**
Upstream
transport and
distribution**1,707,457**
Other

*Information verified in accordance with ISAE 3410

REDUCTION TARGETS**Scope 1&2 in
absolute terms
& reduction****Scope 3
& reduction****Scope 1&2 in terms of
intensity
% reduction****RENEWABLE ELECTRICITY
CONSUMPTION TARGET
% Consumption**

Physical risks refer mainly to possible physical damages in infrastructure and temporarily stopping activity, decrease of productivity in extreme climatic conditions, increase of the risk premium or delay in delivery of products and services.

The probability of occurrence of physical risks and the financial impact is higher in the CPS scenario and decreases when moving toward the SDS scenario. The progress of transition risks is the reverse. The company has the appropriate measures to mitigate, reduce and manage the risks related to climate change that have been identified.

SHADOW CARBON PRICING

Ferrovial has developed a tool for quantifying the climate risk of its most important investments in the form of Shadow Carbon Pricing with the aim of accelerating to decarbonized business models. This tool considers variable prices for a ton of carbon over different time horizons and across different regions and project types, quantifying the potential economic risk facing the projects for which the company decides to use the tool.

BIODIVERSITY

Ferrovial has been working for decades on incorporating the criteria of the mitigation hierarchy into its environmental management. The organizational and operational procedures governing its contracts, as well as its environmental monitoring processes, are based on avoiding and minimizing the impact on the environment.

In 2020, the natural capital debt associated with the two infrastructures that meet the criteria established for adding natural capital debt in Ferrovial was calculated. The construction and operation phases of the I77 toll roads in North Carolina and the NTE 3A in Texas are considered. The debt has been calculated based on 13 ecosystem services. It is concluded that mainly regulating services related to erosion rate control, soil quality and pollination have been affected. A positive effect of toll roads on fire protection has been observed, since the construction of infrastructure affects the combustibility of the territories by acting as firebreaks. The mitigation measures applied to these infrastructures will offset about 35% of the debt generated.

CIRCULAR ECONOMY

Ferrovial has consolidated incorporating the principles of the circular economy in its processes, products and services. To avoid and minimize waste generation, the use of renewable natural resources is enhanced and, as far as possible, they are recovered for reuse as raw materials. For this reason, the waste treatment division works on continuously improving triage and recovery of materials.

Meanwhile, the Construction activity has set an annual target of 80% for the reuse of earth, as well as a 70% target for CDW. In all projects, priority is given to on-site reuse, as this not only eliminates the consumption of new raw materials, but also reduces the emissions associated with transport.

Ferrovial also applies sustainability criteria in its building construction activity, including eco-design criteria and ensuring efficient management throughout the building's life cycle. The percentage of buildings constructed, managed or owned by Ferrovial that incorporate environmental improvements in the design, construction and operation phases has been increasing in recent years. These buildings have considerably lower energy consumption than conventional buildings.

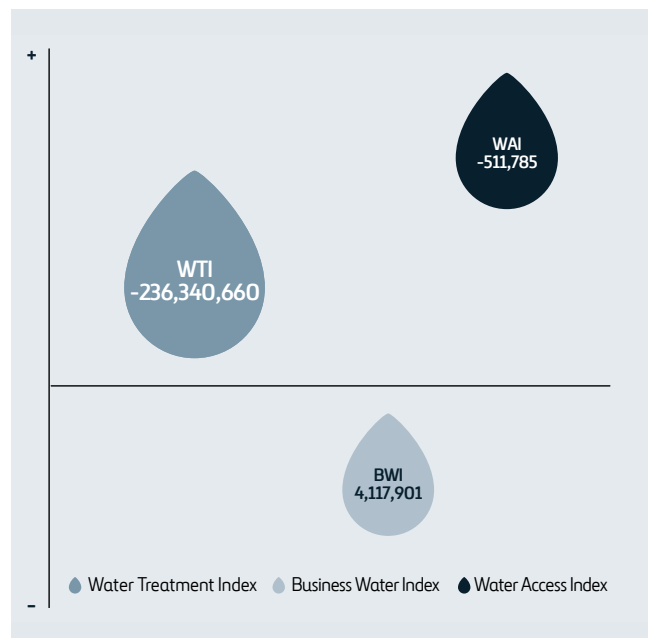
GLOBAL ROAD ACHIEVEMENT AWARD FOR THE TOOWOOMBA BYPASS:

The Toowoomba Bypass was awarded the Global Road Achievement award in the environmental mitigation category by the International Road Federation (IRF). This award, which recognizes the achievements of industry professionals around the world, honored innovative design engineering solutions and best practices in environmental mitigation used in the construction of this infrastructure.

WATER FOOTPRINT

The methodology for calculating the water footprint makes it possible to calculate and report the company's global water footprint, considering the value of water in the processes and the environment, assessing its availability and quality, as well as the balance of the ecosystems in which it is located. Furthermore, it is possible to measure offsetting global water consumption (Water Business Index, WBI*) with the contribution of treated water (Water Treatment Index, WTI*), returning it to the environment in better conditions to those in which it entered, as well as the actions that allow local communities in developing countries to access drinking water (Water Access Index, WAI*) through the Social Infrastructures social action program. This methodology was recognized in 2020 by the European Environmental Awards for the development of its Water Footprint calculation application.

Ferrovial has set a target to reduce BWI by 20% by 2030, considering 2017 as the base year, as well as an annual target to offset the water footprint ($WTI + WAI \geq 30 \text{ BWI}$).





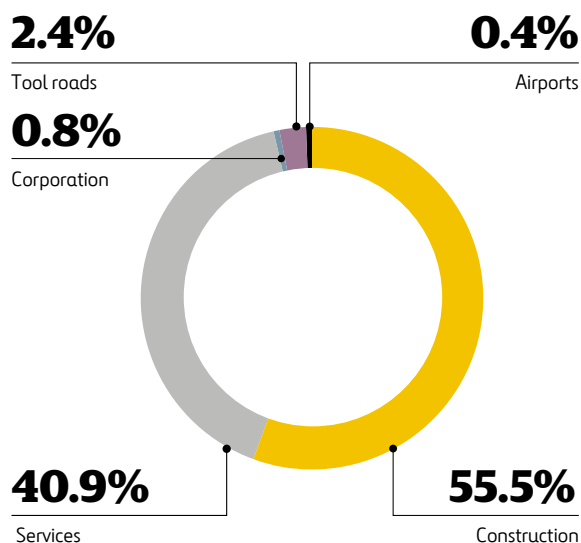
407 East Phase II Toll Road, Toronto, Canada. © José Manuel Ballester

SUPPLY CHAIN

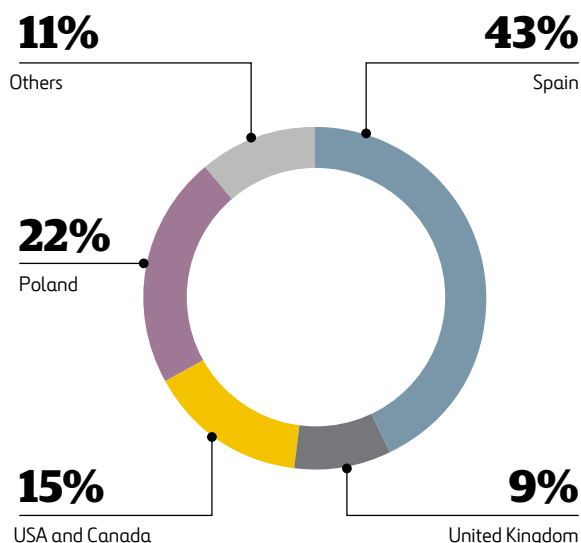
70,000 LINKS

Ferrovial continues to pursue integrating ESG criteria in its supply chain, fosters innovation to promote sustainable procurement and actively collaborates to tackle COVID-19.

SUPPLIERS BY BUSINESS



SUPPLIERS BY COUNTRY



Ferrovial continues to make progress with its Supply Chain in applying sustainability criteria through incorporating tools and developing its procedures, fosters innovation to make its purchases more sustainable, and stands out in its collaboration to tackle COVID-19.

INTEGRATION OF ESG PRINCIPLES IN THE SUPPLY CHAIN

Ferrovial has recently developed a Supplier Code of Ethics, the aim of which is to extend its guidelines for acting in accordance with ethics, integrity, respect for the law, transparency, health and safety, environmental commitment and respect for human rights to its supply chain. It sets out the behavior expected of all Ferrovial suppliers. It is aligned with and complements other corporate policies, in particular the Corporate Code of Ethics, corporate responsibility, human rights, quality and environment, and anti-corruption policies, as well as the Supplier Ethical Integrity Due Diligence Procedure. The necessary mechanisms are being developed to raise awareness of the Code among all suppliers, and new suppliers that begin working with Ferrovial will be obliged to comply with the principles included in the Code.

All suppliers are classified according to their degree of criticality. A critical supplier is understood to be one whose purchasing volume is significant from an economic point of view for the business it serves, or one whose supplies or services could have a negative impact on the

continuity of the business in the event of an incident. In this regard, Ferrovial had identified a total of 2,061 critical suppliers.

From a sustainability point of view, suppliers are classified as high-risk suppliers if they supply products considered risky or from sectors characterized as high-risk, and if they manufacture the supplied products in countries considered risky. In the case of Ferrovial, this list is limited to some suppliers of personal protective equipment. By the end of 2020, this list consisted of 684 suppliers, all of which were subject to special monitoring.

ESG compliance obligations are reflected in the model orders and contracts with suppliers, which include environmental, social and labor, health and safety, compliance with the Global Compact Principles, as well as ethics and anticorruption clauses, in line with the Code of Ethics and Compliance Policies.

ESG criteria are included in the supplier performance evaluation and monitoring processes. For example, the Construction business has an IT application for the evaluations and follow-up of each supplier based on the evaluations made from each construction site or work center. In the Services business in Spain, the company has a supplier scoring. This is fed by the assessment of the approval process, the incidents that include social, environmental and governance aspects, the audits that analyze suppliers, and the surveys or files provided by the recipients of supplies and services.

NUMBER OF
SUPPLIERS**69,398**NUMBER OF
SUPPLIERS
ASSESSED**10,212**

The result of the assessments may result in a warning to the supplier, the establishment of an action plan for improvement, or even disqualification from working with Ferrovial, depending on the seriousness of the case, especially if breaches of the Anticorruption Policy are verified.

During 2020, 20,535 suppliers joined Ferrovial's supply chain and more than 10,000 were evaluated, less than 1% of which were rejected. In terms of supplier turnover, a total of 27.75% came from critical suppliers, while 91.52% came from local suppliers.

INNOVATION FOR MORE SUSTAINABLE PROCUREMENT

Ferrovial undertakes innovation projects and applies new technologies to achieve a more agile, efficient and transparent supply chain, which in turn enables sustainable procurement to be gradually incorporated, thus extending sustainability principles to its entire value chain.

In this respect, the most important initiatives are the following:

- Purchasing electrical energy from renewable sources: the company fosters, wherever possible, purchasing electricity with a guarantee of origin and progressively advances towards the 100% target by 2025 set in the Horizon 24 Plan. In 2020, 68% of the electricity purchased was produced from renewable sources.
- Efficient vehicle fleet: the vast majority of the fleet is managed under agreements of up to three years, which has enabled the fleet to be completely renewed with efficient vehicles, leading to a substantial and continuous reduction in emission levels. Hybrid, gas and electric vehicles continue to be added to the fleet, with the target of reaching a 33% zero-emission fleet by 2030, as set in the Horizon 24 Plan. In the Services business in Spain, more than 8% of the fleet is already sustainable.
- Smart vehicle fleet: Ferrovial Services Spain is undertaking the Smart Fleet program, which encompasses a set of initiatives aimed at optimizing the use of the fleet (more than 10,000 vehicles) and providing differential value in contracts. Currently 16% of the fleet is connected to on-board technology with GEOTAB, whose activity is being monitored in terms of efficiency/reduced consumption and improved safety, and 56% is connected to the Workshop software (OMEGA project) with life cycle monitoring in terms of improved maintenance and proposals for renewal with more sustainable vehicles. The target is to reach 85% of the connected fleet in 4 years.
- Green Purchasing Catalogue: over the last year, the information available in the catalogue has continued to be updated and increased with the aim of promoting the purchase of these types of sustainable products. For example, in the Services busi-

ness in Spain, 65% of cleaning products are already Ecolabelled. In Construction, alternatives for the supply of green products have been incorporated and are made available to clients in both the contracting and execution phases.

- Digitalization in procurement processes: in 2020, progress has been made in projects digitalizing the procurement processes that bring efficiency improvements and reduced paper consumption.

**"SUPPLIER 360"
PROJECT AT
FERROVIAL**

Ferrovial has implemented the "Supplier 360" application in 2020 in its Construction and Services businesses in Spain and others. This software tool monitors suppliers by using advanced data analytics, language processing and internet searches. This enables potential risks to be detected, whether they be financial, environmental, legal, labor or reputational. This tool provides additional information to that already available in the supplier databases, whether for the selection, contracting or monitoring phase.

A total of 951 suppliers in Spain have been monitored, representing more than 51% of billing. The tool has reported a total of 31,700 information pieces about them, obtained from the different websites and platforms it accesses.

In 2021, it is expected to be adapted for use in other areas of the company and with suppliers in two other important markets for Ferrovial, the United States and the United Kingdom.

COMMUNITY

LEAVING NO ONE BEHIND

Through its social programs, Ferrovial views community investment as a strategic instrument for progressing society and a way of promoting its contribution to achieving the Sustainable Development Goals.

Ferrovial sees its commitment to the community as a strategic instrument aligned with the United Nations 2030 Agenda and its Horizon 24 Strategic Plan, which helps to achieve balanced progress in society with special attention to the most vulnerable groups so that no one is left behind. This commitment has been reinforced in 2020 considering the medical and social emergency caused by the COVID-19 pandemic.

Ferrovial's main social action programs, in addition to reflecting the company's commitment, seek to involve its employees in the programs, either through volunteering or financially. The aim is to raise employee awareness of social needs while reinforcing a sense of belonging and, in addition, increase the impact on the community.

FERROVIAL TOGETHER COVID-19 FUND. SHARED EFFORT

Ferrovial's response to the crisis generated by the pandemic has been global. Since its inception, Ferrovial has worked closely with the public administration and multiple initiatives have been implemented by the different business units in all the countries in which Ferrovial operates.

In addition to offering its human resources and technical capabilities, Ferrovial wanted to make a commitment to recovering from this crisis with a significant financial contribution. To this end, it set up the "Ferrovial Together COVID-19" fund, which has made 8.7 million euros available to society, 746 million euros contributed by Ferrovial and 1.23 million euros raised from employees, shareholders, suppliers and anyone else who wished to collaborate. The fund's resources have been earmarked to support three sectors: vulnerable families, health facilities and research for developing a vaccine against the coronavirus. They have been distributed in Spain, United Kingdom, USA, Chile, Portugal, Poland, Colombia and Peru.

The fund has operated under the same scheme as the Stronger Together program, which has been running since 2005. Employees who wish to donate a monthly amount choose the projects to which the funds are allocated. Ferrovial doubles the amount raised.

SUSTAINABLE INFRASTRUCTURE FOR THE COMMUNITY

Ferrovial's aim to create sustainable infrastructures is also reflected in its community investment programs, with a focus on the most underprivileged people, by promoting more equitable and sustainable development.

Ensuring access to food

In Spain, Ferrovial has been supporting the improvement of the infrastructures of entities engaged in guaranteeing access to food for the most vulnerable for eight years. Over the years, kitchens, canteens and warehouses have been improved to ensure that food is delivered with the necessary quality and safety. In 2020, through the NGO World Vision, improvements have been made to the network of soup kitchens with which they collaborate. Specifically in the María Inmaculada soup kitchen in Madrid, in the Cocina Económica in Santiago de Compostela, in the Cocina Económica in Santander, in the care center of the Can Palet Educational Association in Tarrasa, and in the social emergency project of the Hijos de la Caridad in Alicante. With this project, Ferrovial has contributed to SDG 2, zero hunger, enabling 8,686 people to have access to healthy, nutritious and sufficient food.

Improving access to health services and education

In Poland, Budimex is involved in several child-focused initiatives, including Strefa Rodzica, to create separate areas in pediatric wards in hospitals where parents can accompany their children, and the Domofon ICE program, which has been promoting the safety of children and schools since 2009.

In addition, in 2020, two of the projects supported by the Juntos Sumamos Program have also focused on infrastructure. In Cameroon, a photovoltaic energy system has been installed to ensure the electricity supply at the Obout hospital, thus improving the quality of medical care for 20,000 people. In India, the living conditions of two homes for 500 children without resources have also been improved, thus guaranteeing their right to access to education.

COMMUNITY SUPPORT PROJECTS

250

INVESTMENT IN THE COMMUNITY (M€)

11.6

(4.9M€ in 2019)

NUMBER OF BENEFICIARIES OF WATER AND SANITATION PROJECTS

229,639



Thank you for
collaborating
with us

COMMUNITY INVESTMENT BY AREA OF ACTIVITY⁽¹⁾

3%

37%

Emergency relief

12%

Economic development

35%

Health

10%

Social welfare

1%

Arts and culture

2%

Environment

CONTRIBUTION TYPE

2%

Time

98%

Cash

COMMUNITY INVESTMENT BY COUNTRY

2%

Rest of the world

23%

USA and Canada

41%

Spain

11%

Latin America

23%

Europe (ex. Spain)

COMMUNITY INVESTMENT BY SDG⁽²⁾

10%

17. Collaborators for the goals

5%

11. Sustainable cities and communities

7%

9. Industry, innovation and infrastructure

4%

Clean water and sanitation

3%

4. Quality education

4%

Other

37%

2. Zero hunger

30%

3. Good Health and well-being

Infrastructure to improve access to water and sanitation

Ferrovial's Social Infrastructure Program, launched in 2011, promotes projects that facilitate access to water and sanitation in vulnerable communities in Latin America and Africa. The program is aligned with SDG 6 of the United Nations 2030 Agenda, with a focus on sustainability, promoting integrated water resource management.

The program confirms Ferrovial's role as an actor in cooperation, going beyond the traditional role of mere financier, providing technical assistance, technology and the participation of its specialist employees in undertaking the projects, involving the company across the board in a strategic social action program.

In 2020, the program has undertaken three projects in Kenya, Colombia and Peru, in collaboration with the NGO AMREF Health Africa, Action Against Hunger and CODESPA Foundation, which have improved access to water and sanitation services for 6,325 people.

In the ten years of the program, Ferrovial has implemented 28 water and sanitation projects in impoverished communities in Africa and Latin America, with an investment of more than 6 million euros and more than 9,500 volunteer hours contributed by 121 employees who have participated in the program. As a result of this effort, access to drinking water has been guaranteed for 230,000 people in nine countries (Peru, Colombia, Mexico, Ethiopia, Kenya, Tanzania, Uganda, Ghana and Zimbabwe). The company's annual investment amounts to 550,000 euros.

It should be noted that since 2018 Ferrovial has developed a specific impact measurement methodology for water and sanitation projects based on the SROI methodology, which it has shared with the NGOs with which it collaborates to measure the social impact generated by the projects, while also strengthening the capacities of the social entities. This methodology is applied to all the program's projects after several months of service in order to verify the real impact of the interventions.

(1) 70% of the community investment (8.06 million) has been as a response to the pandemic generated by COVID-19, of which 47% has been in health projects and 53% in emergency relief projects.

(2) 70% of the community investment (8.06 million) has been as a response to the pandemic generated by COVID-19, of which 40% was aligned with SDG-3 and 52% with SDG-2.

RESPONSIBLE FISCAL MANAGEMENT

TRANSPARENCY, ACCOUNTABILITY

In 2010, Ferrovial adhered to the Code of Good Tax Practices promoted by the Spanish Tax Agency. It followed these recommendations across all its activities worldwide in 2013 through the Compliance Policy and Good Practices in Tax Matters. Finally, in February 2015, the Board of Directors approved the Ferrovial Tax Policy and the Control and Management Policy for Fiscal Risks, thus complying with the provisions of Article 529 ter of the Capital Companies Law. In addition, there are a number of internal procedural rules that are directly or indirectly related to these policies.

I

The Policy of Compliance and Good Practices in Taxation is part of Ferrovial's Corporate Governance policies and reflects the Group's firm commitment to comply with applicable tax legislation, as well as to develop best practices in this area, and is published on the corporate website (<https://www.ferrovial.com/es/accionistas-e-inversores/gobierno-corporativo/politicas-corporativas/>), as well as on the Company's intranet.

This commitment to compliance forms part of the general principles on which the Company's fiscal management is based and which are included in Ferrovial's Fiscal Policy, which has followed the guidelines on Corporate Responsibility contained in the Global Reporting Initiative (GRI 207) and the information contained therein is verified in the same terms as the rest of the information included in the EINF. These principles are:

- **Transparency:** providing all the information that tax authorities may require, in the most suitable form. As a consequence of this principle, Ferrovial undertakes to not make use of any companies domiciled in tax havens or other nontransparent jurisdictions, except when a given activity (such as a construction project) is located in any such jurisdiction. In these cases, the company will provide information to the competent authorities in compliance with applicable law.
- **Compliance:** timely payment of all applicable taxes, in strict compliance with the law in each country.
- **Professionalism:** all taxes and the associated risks are managed by a team of specialized professionals, namely the Ferrovial Tax Department, which is aided in its work by a team of external advisors.
- **Efficiency:** fiscal management consistent with the sustainable business strategy, maximizing stockholder value and taking into consideration appropriate risk parameters.
- **Cooperation:** maintaining a relationship with the tax authorities based on the principles of transparency, good faith and mutual trust, avoiding unjustifiable conflicts of interest.
- **Sustainability:** putting procedures and policies in place to manage fiscal risks.
- **Participation:** Ferrovial offers its extensive knowledge of tax matters to aid with legislative processes.
- **Market price:** in all transactions made between the Ferrovial companies.

These principles are mandatory for all employees of Ferrovial S.A. and Grupo Ferrovial companies who are involved, directly or indirectly, in the management of any applicable taxes in all countries in which the entities carry out their business or have a business presence.

Compliance with these guiding principles, which are in line with current international taxation standards (OECD Guidelines), ensures a transparent tax compliance model based on best tax practices, guaranteeing the Group's correct tax contribution in each of the countries in which it operates.

The commitment to contribute to the economic and social development of the different markets in which Ferrovial operates is materialized in the tax sphere in compliance with all tax obligations generated as a result of its activity, in accordance with the applicable local and international regulations.

TAX GOVERNANCE, RISK MANAGEMENT AND CONTROL

The role of the Board of Directors and Tax Compliance Body

In compliance with the provisions of commercial legislation, the Board of Directors determines the risk control and management policy, including tax risks; approves investments or transactions which, due to their high amount or special characteristics, have a special tax risk; and determines the company's tax strategy. Under these responsibilities, the Board of Directors, through its Chairman, Chief Executive Officer, its executives and, in particular, through the Tax Department, drives adhering to the principles and good practices with regards to taxation.

TOTAL TAXES* (M€)

1,785

TAXES PAID
PER PROFIT (M €)

60

When formulating the annual accounts, the Board is informed about the fiscal policies applied during the year and about the effective fulfillment of the commitments included in the Code of Good Tax Practices, reflecting it in the Annual Corporate Governance Report. For further information, please refer to section 6.6 of the Consolidated Financial Statements.

During 2020, the tax compliance body was the Chief Tax Officer, who constantly assesses that the management system implemented is adequate to effectively manage the organization's tax risks and that it is being effectively implemented. This individual reports to the governing body and senior management at planned intervals and whenever necessary.

THE ROLE OF TAX CONSULTANCY MANAGEMENT

The Group's Tax Department is a centralized body, with sufficient financial resources and made up of experienced tax experts, whose main objective is to manage the Group's tax affairs in accordance with the general principles and guidelines set out in Ferrovial's tax policies. To this end, it is responsible for laying down the procedures and tax criteria to be followed by the group companies, by issuing and disseminating the internal standards required for their implementation, as well as establishing the appropriate control measures to ensure compliance.

Some of the responsibilities the Tax Department is entrusted with include the following:

1. Verifying compliance with Ferrovial's Tax Policy, Control and Management Policy for Fiscal Risks and the Code of Good Tax Practices.
2. Detecting, analyzing and monitoring tax risks and contingencies.
3. Tax planning with regard to the investments and divestments made by the Group, recommending the use of appropriate and optimal structures.
4. Providing training to employees on taxation issues, as well as on the Group's Fiscal Risk Management and Control System functions.
5. Participating in relevant forums for discussing tax issues with the intention of strengthening a model of value creation and synergies with all of them, dialog and relations with nongovernmental organizations, such as SEOPAN and CEOE, through which the Group actively participates in legislative initiatives, as well as through its participation in working groups within the Large Companies Forum, within the framework of its

commitment to promoting cooperative relations with the Tax Administration.

6. Adopting the relevant measures, implementing systems and automatisms that increase security and efficiency in meeting the objectives set.
7. Attending to and/or advising on complaints or comments received directly or through the channels for reporting noncompliance (Ethical channel) and resolving queries relating to the Group's Tax Risk Management and Control System.

Since 2017, Ferrovial has voluntarily filed the Tax Transparency Report annually with the Spanish Tax Administration, thereby strengthening legal certainty, mutual understanding, and building confidence in the company's relationship with the tax authorities.

PREVENTION AND MANAGEMENT OF FISCAL RISKS.

Ferrovial has a Tax Risk Management and Control System that is intended to establish a governance framework in tax matters to ensure that the Group's actions and operations are governed by clear principles, values and rules, aligned with the Group's Code of Business Ethics and other corporate governance rules, which enable any employee, person or entity that has a relationship with the Group and the Board of Directors to adopt the appropriate decisions to comply with tax legislation, and to reinforce Ferrovial's commitment to its stakeholders. (i.e. Public administrations, stockholders, stakeholders, employees, etc.) from a tax perspective.

Following the recommendations of the Code of Good Tax Practices, Ferrovial:

- Ensures timely compliance with its tax obligations, filing its taxes properly, with all the relevant information and in accordance with the applicable regulations.
- Promotes measures to prevent and reduce tax risks and establishes the necessary mechanisms to analyze the tax implications prior to any transaction.
- Ensures that the Group's taxation bears an appropriate relationship to the structure and location of its activities, the human and material resources of the various entities and the business and financial risks assumed by each of them.
- Avoids conflicts arising from the interpretation of law and regulations by consulting regularly with the tax authorities and entering into preliminary valuation agreements.
- Values related-party transactions at market value and complies

- with transfer pricing documentation obligations under tax law.
- Avoids the use of opaque structures for tax purposes.
- Aligns its Tax Risk Management and Control Policy and System with the rest of the Group's policies, rules and instructions that make up the Group's corporate governance system.

This due diligence framework, which is undergoing a process of annual surveillance and control, embodies the company's firm commitment to observing applicable law and to applying the highest ethical standards when undertaking its business activities. The Compliance and Risk Division is responsible for managing and analyzing how this System works. The independence and effectiveness of this division has been reinforced as it has been provided with new resources and it now reports directly to the Audit and Control Committee.

The programs that form part of Ferrovial's tax risk management and control system include, among others, the following:

- Ferrovial Risk Management (FRM): Risk and Contingency Identification and Assessment Process, supported by the FRM IT tool in operation at Ferrovial and its group of companies. This process is managed by Ferrovial's Risk Division. As an integral part of this process, and supported by the same IT tool, is the Risk Identification and Assessment Process and Self-Assessment of Compliance Controls, managed by Ferrovial's Compliance Department. This process identifies and assesses compliance risks, including risks of criminal acts, and evaluates the monitoring and control measures in place to mitigate them. Likewise, through this process, all business areas report breaches of legislation and regulations with potential criminal consequences for Ferrovial.
- Internal Control over Financial Reporting System (ICFR): Process of identification and assessment of risks and controls associated with the preparation and reliability of financial information, supported

by the Diana IT tool.

- SIGEFI and Link 360: Systems for the management and control of tax obligations, to be complied with in all jurisdictions in which Ferrovial operates.

It should also be noted that Ferrovial has at the disposal of its employees, and any other counterparty with a legitimate interest, an Ethics Channel that may be used to report any noncompliance related to the Group's Tax Risk Management and Control System, as well as to report any illegal act or behavior of a tax nature. The Compliance Division is responsible for managing the operations of the Ethics Channel, in coordination with the appropriate management bodies in each case and, in particular, with the Internal Audit Division.

FERROVIAL CERTIFIES ITS TAX COMPLIANCE MANAGEMENT SYSTEM

In February 2021, Ferrovial, S.A. obtained certification from AENOR (Spanish Standards and Certification Association) for its tax compliance management system in accordance with the reference standard UNE 19602 "Management System for tax compliance".

This certification guarantees the commitment of Ferrovial and its group of companies to ensure regulatory compliance and crime prevention, responding to the regulatory requirements of markets, customers, stockholders and investors and other stakeholders, and position the company with a high ethical standard and commitment to best corporate governance practices.

This certification will be reviewed and audited annually by AENOR for the next three years.

COUNTRY BY COUNTRY REPORT 2020 Y 2019*

These charts show the amounts (in €m) paid by Ferrovial in 2020 and 2019, respectively. They are aggregate figures based on its percentage of participation or ownership of the assets. Notably, the main assets integrated by equity accounting, 43.23% in the case of 407 ETR (Canada), 25% for Heathrow and 50% for AGS (United Kingdom).

2020 (M€)					2019 (M€)				
Market	Paid Taxes ⁽¹⁾		Collected Taxes ⁽²⁾	Total	Market	Paid Taxes ⁽¹⁾		Collected Taxes ⁽²⁾	Total
	Corporate Tax	Rest				Corporate Tax	Rest		
Spain	-2	363	388	749	Spain	15	367	438	819
United Kingdom	-30	151	374	495	United Kingdom	32	167	333	532
Australia ⁽³⁾	0	133	50	183	Australia ⁽³⁾	1	89	264	353
America ⁽⁴⁾	38	32	55	125	America ⁽⁴⁾	80	23	47	150
Poland	39	36	95	170	Poland	6	31	150	187
Rest of Europe	15	10	37	62	Rest of Europe	10	8	26	44
Others (<1%)	0	0	1	1	Others (<1%)	0	0	0	0
TOTAL	60	725	1,000	€1,785	TOTAL	144	685	1,258	2,087

(1) Taxes borne by Ferrovial derived from its activity and operations, which represent a direct cost (e.g. Corporate Tax, non-deductible VAT, Employment Taxes (Employer), Local Taxes, etc.).

(2) Taxes collected by Ferrovial and paid to public finances on behalf of third parties (e.g. Employment Taxes (Employee), net VAT, Withholding Taxes, etc.).

(3) Includes Australia and the rest of the Pacific Islands.

(4) Includes United States of America, Canada, Brazil, Chile, Colombia, Mexico, Peru and Puerto Rico.



CYBERSECURITY

PROTECTION AGAINST THREATS

For Ferrovial, information is a strategic asset that all employees are responsible for. Its integrity, confidentiality and availability must be guaranteed to achieve optimal performance in all business lines.

Ferrovial has appointed the position of Global Chief Information Security Officer (CISO), providing him with an organizational structure and the necessary resources to implement the security program and streamline its deployment in all business units. Each business unit also has a Local CISO, whose role is to deploy the security program within his or her local environment. The driving force is the Global Cybersecurity Committee, which meets on a regular basis to monitor and provide continuity in program delivery.

The Global CISO reports directly to the Chief Information Officer and Innovation Officer, who is a member of the Management Committee. On a regular basis, the Global CISO reports to the Committee on the status of the security strategy and program. He is also an invited member on the Management Committees of Ferrovial's Businesses, where he monitors the degree of program implementation in their local environments.

In addition, on an annual basis or at the request of the Board of Directors, the Global CISO provides information on the security strategy and program, as well as the main challenges and threats faced by Ferrovial in this area.

CYBERSECURITY MODEL

Ferrovial has an IT Security Policy approved by the CEO, applicable to all the company's business units, which unequivocally expresses the company's commitment in this context. It is structured around a set of principles that support the company's strategy. This policy is available to all employees and partners on the Intranet and is regularly communicated through various security awareness campaigns and training.

Ferrovial has an IT security and cybersecurity model based on best market practices, including the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) and ISO 27001 (since 2011). The objectives of this model are as follows:

- To have a digital and technological environment with the necessary level of security.
- Ensure legal, regulatory and contractual compliance.
- Appropriately manage security incidents and provide resilience to security incidents.
- Homogenize and harmonize security between the different business units and subsidiaries.
- Facilitate digitization, innovation and the adoption of new technologies to support the business.

- Facilitate business opportunities and tendering processes.
- Establish strategic and security partnerships.

The model is based on a set of cybersecurity capabilities based on NIST principles:

Identify, Protect, Detect, Respond and Recover all the assets needed to carry out Ferrovial's business activities.

Since 2019, the IT Security Division has been promoting a new strategic plan that aims to provide advanced security capabilities and strengthen existing ones. The plan's initiatives are ongoing and are expected to be completed by early 2022.

CULTURE

Ferrovial aims to ensure that employees become the first line of defense against potential security events by supporting the generation of a cybersecurity culture within the company. For this reason, the company has a cybersecurity awareness program that has been deployed throughout the organization. Under the slogan, "Being aware makes you safe", it comprises various initiatives, including mandatory cybersecurity training and other training actions, both face-to-face and online, through the intranet and email; preventive campaigns against various threats (phishing, CEO fraud and ransomware); and phishing, vishing and smishing simulations, to name but a few.

It should be noted that employees working within the IT Security Division have specific cybersecurity objectives as part of their annual performance appraisal. Furthermore, all employees are obliged to observe policies on IT security and the appropriate use of technological resources.

RESILIENCE AND CYBER RESILIENCE

Ferrovial has a general security and cybersecurity incident management process. The process is instantiated by threat and potentially malicious event detection capabilities in different domains, response, containment and eradication teams, as well as recovery teams if necessary. The operations described above are formalized in a set of internal policies and procedures.

As established in the security incident management procedure, all Ferrovial employees and partners are obliged to report any suspicious or potentially malicious event in Ferrovial's information systems, and there are different mechanisms for reporting them. Similarly, suppliers



CPD Telefónica, Madrid, Spain.

working with Ferrovial are contractually obliged to report any incident that may affect company assets.

It should be noted that cyber threats are one of the risks considered in the corporate risk map. A detailed description of the same, its potential impact and the control measures implemented can be consulted in the risk section of this report.

Recovering from cyber attacks

Ferrovial has Contingency Plans and Recovery Plans to respond to and recover from potentially disruptive events. There is a Crisis Management Protocol, which, when implemented, triggers the involvement of various divisions and areas within Ferrovial in line with the protocols established by each of them.

The key processes and assets for business activity have been identified and this list is updated on a regular basis. Recovery plans have been put in place to ensure the availability of required resources and to recover within the timeframes and ways determined by the business units, according to the criticality specified by them.

In addition, the company has a cyber insurance policy that covers against possible disruptive events and cyber incidents that may occur in the context of business activity.

EXTERNAL VERIFICATION AND VULNERABILITY ANALYSIS

Ferrovial subjects its IT security systems to continuous reviews by independent third parties in order to identify areas for improvement and vulnerabilities. The aim is to ensure continuous improvement of the cyber security program, its capabilities and resources. On an annual basis, various security audits and reviews are conducted including the following:

- Audits associated with ISO 27001 certification.
- Systems audits in the context of the audit of financial statements.
- Audits conducted by the Internal Audit function.
- Various types of ad-hoc security reviews with different scopes, according to annual planning (Red Team, Test Intrusion, GRC, etc.)
- Conducting recurrent Compromise Assessment exercises combined with threat hunting exercises, in order to detect potential attacks not detected by event correlation systems.
- Vulnerability reviews in data centers, perimeters and cloud environments.
- Annual control reviews of critical suppliers of the Information Systems and Innovation General Directorate.
- Cybersecurity rating review through specialized market service.
- Participation in cyber-exercises.
- Crisis simulations.
- Annual control assessment campaigns (security model, ICFR, Crime Prevention Model, etc.)



1.5

RISKS

Risks

RISKS

ANTICIPATING PROBLEMS

Effective risk management provides competitive advantages to meet the challenges of an evolving marketplace.

Ferrovial has a Risk Management and Control Policy, approved by the Board of Directors, which sets out the general framework for the management and control of various types of risks that the management team may encounter to attaining the business objectives, as well as the acceptable risk and the level of tolerance for each risk factor.

EFFECTIVE RISK MANAGEMENT. FERROVIAL RISK MANAGEMENT

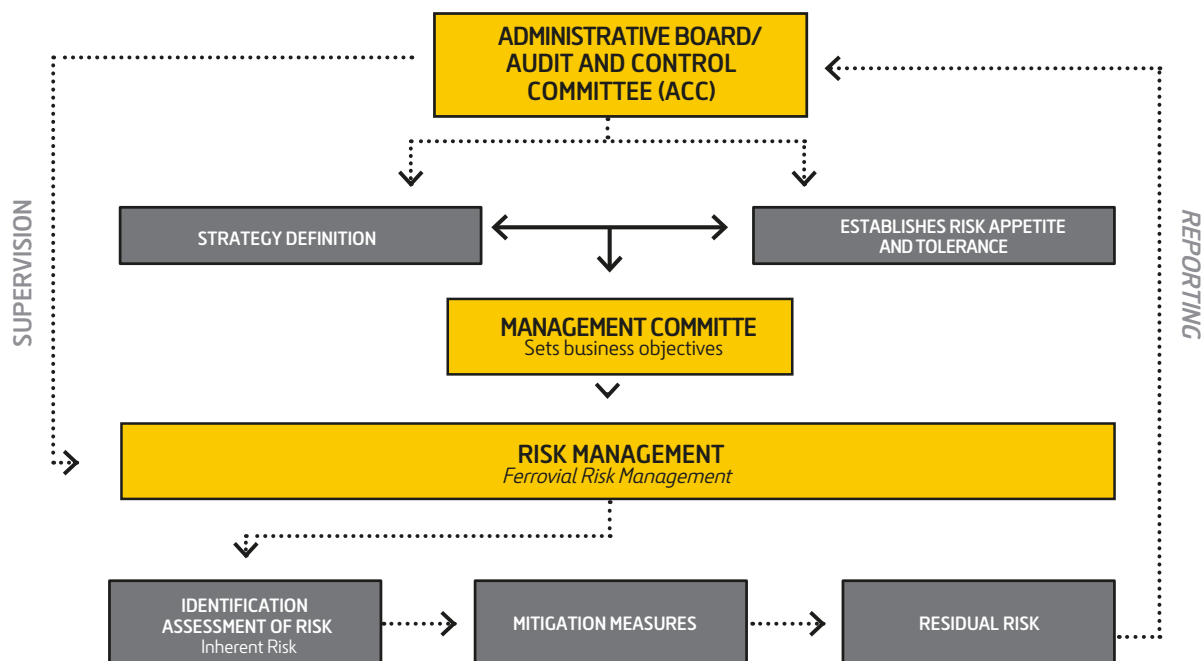
In order to detect risks to attaining the business objectives sufficiently in advance, the company has a risk identification and assessment process called Ferrovial Risk Management (FRM), managed by the Compliance and Risk Department, promoted by

the Management Committee and implemented in all the company's business areas, under the regular oversight of the Board of Directors' Audit and Control Committee.

Through applying common metrics, the process allows for early detection and assessment of risk events based on their likelihood of occurrence and potential impact on business objectives, including corporate reputation. This enables Ferrovial to roll out the most suitable management and protective measures according to the nature and location of the risk.

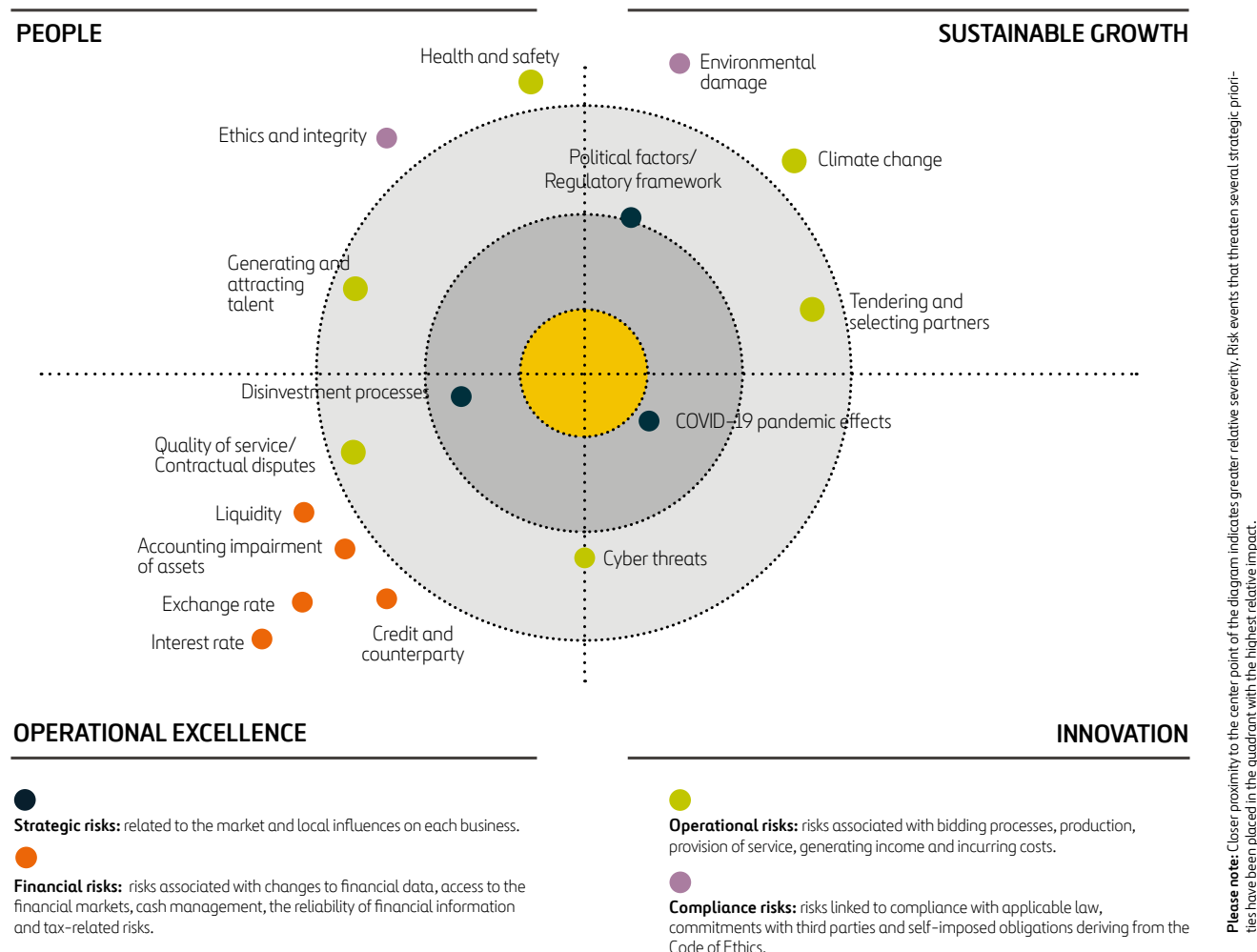
For each risk event identified, two assessments are carried out: one inherent, before the specific control measures put in place to mitigate the risk, and another residual, after implementing specific control measures.

FERROVIAL RISK MANAGEMENT



MAIN RISKS

The chart displays the most relevant risk events that threaten the Ferrovial corporate strategy being executed.



Below is a description of the most relevant risk events, their potential impact and a list of the main control measures implemented to mitigate their impact and/or probability of occurrence.

RISK EVENT	DESCRIPTION	POTENTIAL IMPACT	CONTROL MEASURES
COVID-19 PANDEMIC EFFECTS (SEE COVID-19 SECTION, PAGE 42-43)	<p>The mobility restrictive measures implemented by national and international authorities to deal with the serious effects of the pandemic on people's health (border closures, lockdowns, partial mobility limitations, etc.) have had an adverse effect on the global economy, contracting activity and reducing individual income, which has had a negative impact on margins and flows of the mobility-dependent infrastructure projects managed by Ferrovial (toll roads and airports).</p> <p>Uncertainty about the development and duration of the pandemic, as well as its effects on mobility habits in the medium and long term, and on the need to provide safe mobility, create an uncertain risk scenario for the fulfillment of Ferrovial's strategic objectives.</p>	<ul style="list-style-type: none"> Health and safety of employees. Reductions in margins and flows in operating infrastructure projects. Contractual breaches with third parties. Reduction of business opportunities. Standstills, delays or suspensions of tendering processes. Liquidity strains. Potential noncompliance with financial covenants. Negative impact on asset valuation. 	<ul style="list-style-type: none"> Health and safety protection measures for employees, following the recommendations of the health authorities. Creation of a specific committee to monitor the pandemic and its impact on employees. Measures to preserve liquidity in the short/medium term. Negotiation of financial waivers with creditors. Opex and Capex optimization plans. Use of temporary suspension of employment instruments. Use of contractual guarantees and insurance coverage. Constant monitoring of business plans, scenario analysis and risk anticipation.

RISK EVENT	DESCRIPTION	POTENTIAL IMPACT	CONTROL MEASURES
DISINVESTMENT PROCESSES	In December 2018, Ferrovial decided to start the process of selling the assets linked to its Services division. The process has been delayed in part by the effects of the COVID-19 pandemic on economic activity, putting at risk meeting sales targets and the value of assets.	<ul style="list-style-type: none"> • Delays in divestment. • Worsening of the financial situation of potential buyers and thus of sales opportunities. • Reduced expectations of value. 	<ul style="list-style-type: none"> • Active search for sales opportunities. • Measures of asset value generation.
POLITICAL FACTORS/REGULATORY FRAMEWORK	<p>Some of Ferrovial's assets are subject to specific regulation of the activity. The increase in protectionist policies in some of the areas in which Ferrovial operates, together with the general situation of economic contraction, could lead to regulatory changes on permits and authorizations not being granted, which could have a negative impact on asset management and development plans, and on tendering new projects.</p> <p>In the case of Heathrow Airport, the negotiation of the next regulatory period, coupled with uncertainty over the airport's expansion, puts meeting business objectives at risk. Conversely, the start of the negotiation of the next regulatory period is an opportunity to improve the value of the asset.</p>	<ul style="list-style-type: none"> • Compliance with asset development plans. • Reduction of tendering processes for projects in which Ferrovial has a competitive advantage (P3). • Impact on the project's cash flows and therefore on its liquidity in the short/medium term. 	<ul style="list-style-type: none"> • Ongoing monitoring of regulatory and legislative processes that could affect activities. • Monitoring political movements in order to anticipate possible changes well in advance. • Active negotiation of new regulatory frameworks.
CYBER THREATS (SEE CYBERSECURITY SECTION, PAGE 98-99)	<p>The infrastructures that Ferrovial operates are exposed to risks associated with the threat agents that exist in cyberspace (mafias, government agencies, hackers, insiders, etc.) that can compromise the security and normal operation of assets through various kinds of cyber-attacks.</p> <p>In December 2020, Amey, Ferrovial's British services subsidiary, was the victim of a ransomware cyberattack coming from hostile government agencies that also affected other large companies in the United Kingdom. The case required the activation of the containment, response, recovery and lessons learned protocols defined by the company, which made it possible to isolate the incident at Amey's local level, without affecting the rest of Ferrovial's businesses and activities.</p>	<ul style="list-style-type: none"> • Degradation or impossibility of operation of the assets. • Loss or theft of know-how and/or intellectual and industrial property. • Economic loss due to the costs of recovering the activity. • Sanctions for regulatory and/or contractual breaches. • Damage to corporate reputation. 	<ul style="list-style-type: none"> • Global Security Model, ISO 27001 certified, audited annually. • Periodic evaluation of security controls deployed in the organization. • Establishment of a Global Security Committee. • Insurance coverage for various kinds of cyber incidents.
PROJECTS TENDERING AND CHOICE OF PARTNERS	<p>Ferrovial participates in highly competitive bidding processes for large infrastructure projects with long lead times to award. Success in these processes requires an adequate study of prices and deadlines, the availability of reliable suppliers, as well as the selection of suitable partners with sufficient technical and economic capacity.</p> <p>In this context, Ferrovial is exposed to the risk of committing errors in the study and choice of suitable partners and suppliers, with a potential impact on the profitability objectives set.</p>	<ul style="list-style-type: none"> • Reduced margins in project implementation. • Breaches of contract with clients and imposition of penalties and sanctions. • Damage to corporate reputation. 	<ul style="list-style-type: none"> • Investment approval procedure, whereby the most relevant risks for each project are assessed and weighted. • Implementation of a new tendering process that focuses on price analysis and the selection of suitable partners and suppliers. • Enhancing pre-award supplier agreements.
QUALITY OF SERVICE/ CONTRACTUAL DISPUTES (SEE QUALITY SECTION, PAGE 80-81)	Ferrovial's strategy is focused on technically complex projects and numerous risk factors, sometimes difficult to foresee, may arise while these are being undertaken. This may generate conflicts and disputes with third parties.	<ul style="list-style-type: none"> • Noncompliance with agreed quality standards. • Committed delivery deadlines. • Contractual disputes with third parties. • Damage to corporate reputation. 	<ul style="list-style-type: none"> • Quality management systems by business (ISO 9001). • Indicators of quality levels in project implementation and service delivery. • Audit plan in place.
GENERATING AND ATTRACTING TALENT (SEE PEOPLE SECTION, PAGE 72-73)	The concentration of business opportunities in certain geographical areas in which Ferrovial operates increases competition and generates a strong demand for qualified professionals, making it difficult to attract, generate and retain the talent necessary to develop business plans.	<ul style="list-style-type: none"> • Loss of business opportunities due to lack of qualified staff. • Non-fulfillment of commitments with clients (deadline, quality, etc.) 	<ul style="list-style-type: none"> • Plan for the identification and empowerment of talent in the organization. • Enhance the exploration of local markets. • Succession planning for key positions.

RISK EVENT	DESCRIPTION	POTENTIAL IMPACT	CONTROL MEASURES
HEALTH AND SAFETY (SEE HEALTH AND SAFETY SECTION, PAGE 74-75)	<p>The nature of Ferrovial's activities exposes it to the risk of accidents that may cause damage to people and the company's operations.</p> <p>The current global pandemic context implies an additional risk to the health and safety of employees and the continuity of operations.</p>	<ul style="list-style-type: none"> Physical harm to employees and third parties. Operational impacts of business interruption. Civil/criminal liability. Damage to corporate reputation. 	<ul style="list-style-type: none"> Implementation of health and safety systems (adapted with anti-COVID-19 measures) in accordance with the activities carried out and the characteristics of the workplaces. Continuous health and safety training for employees. Health and safety management systems audit plan. Civil and professional liability cover.
CLIMATE CHANGE (SEE ENVIRONMENT, PAGE 86)	Exposure to risks relating to climate change. First, extreme weather events that may affect infrastructure and, secondly, the economic effects (increased cost of raw materials) and technological changes resulting from regulatory changes aimed at reducing pollutant gases (increased taxes on fossil fuels, higher prices of fossil fuels, higher prices of fuels, prices of GHG emissions, new modes of transport with an impact on the business plan of the projects, etc.)	<ul style="list-style-type: none"> Physical damage to infrastructure and disruption of operations. Decreased productivity in extreme weather conditions. Increase in coverage premiums. Rising commodity prices, increased taxes on fossil fuels. Payment for emissions produced or incorporation of activities within the emission allowance market. 	<ul style="list-style-type: none"> Process to identify and assess the risks arising from climate change in order to anticipate them sufficiently in advance to be able to implement remediation and adaptation measures in response to the new environment. Control and monitoring tools.
ENVIRONMENTAL DAMAGE (SEE ENVIRONMENT, PAGE 86)	The nature of the activities carried out by Ferrovial is exposed to committing actions that may damage the environment and the natural surroundings in which they are carried out.	<ul style="list-style-type: none"> Physical and structural damage to the environment in which the company operates. Interruption of operations. Civil and criminal liability of legal and natural persons. Damage to corporate reputation. 	<ul style="list-style-type: none"> Certified environmental management system (ISO 14001), audited annually. Insurance policy with sufficient cover and compensation limits to meet possible liability arising from environmental risks. Digital media to ensure compliance with and awareness of all applicable technical legislation and regulations.
ETHICS AND INTEGRITY (SEE INTEGRITY, PAGE 82-83)	Ferrovial's activities are exposed to employees committing acts, with or without the help of third parties, which may involve a breach of the required principles of integrity, transparency and respect for legality and human rights.	<ul style="list-style-type: none"> Criminal liability of legal and natural persons. Reduced business opportunities due to noncompliance with ethical requirements. Damage to corporate reputation. 	<ul style="list-style-type: none"> Compliance Program aimed at preventing unethical and unsound acts. Certified anti-bribery and criminal prevention system (UNE-ISO 19601 and ISO 37001). Training plan to combat crime and in particular corruption.
FINANCIAL RISKS	<p>Risks associated with changes to financial and counterparty data, access to the financial markets, cash management, the reliability of financial information and tax-related risks.</p> <p>Financial risks and their treatment are detailed in the note 5.4 of the annual financial statements.</p>	<ul style="list-style-type: none"> Loss of opportunities due to reduced capacity to finance projects. Reduced net margins. 	<ul style="list-style-type: none"> Assessment and management of the risk exposure of the main financial variables: liquidity, counterparty, interest rate, exchange rate and share price. The analysis makes a distinction between the policies applied in infrastructure project companies and the rest of companies, in those cases where such a difference is relevant.

In addition, Ferrovial assesses and monitors the performance of **emerging risks** that could have a significant long-term impact on the business, mainly those with a potentially significant impact on the mobility patterns of individuals, on raising finance in the capital markets, on the development of transport infrastructure and on the physical and digital security of processes. These risks include sustainable financing linked to nonfinancial or ESG criteria (environmental, social and governance) due to their impact on the availability of resources to finance projects and their profitability, as well as the risks associated with the transition to a low-carbon economy and the potential impact of extreme weather conditions on the management of the company's assets.

To mitigate these emerging risks, the company has developed a new Strategic Sustainability Plan, with environmental and social objectives, and is undertaking an analysis to categorize its activities to identify those that contribute substantially to sustainable growth and a climate-neutral economy.

Finally, it should be noted that increased global trade tension and the protectionist measures being implemented are having a negative impact on global trade, capital markets and the regulatory environment. In this context of socio-economic uncertainty, the relevance of some risks that are currently considered unlikely may increase.





1.6

CORPORATE GOVERNANCE

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CORPORATE GOVERNANCE

DIVERSITY AND INDEPENDENCE

Ferrovial's corporate governance seeks to guarantee integrity, which is construed as diligent, transparent and responsible conduct with its shareholders, employees, clients and the various agents involved in the company's activities. Integrity is key to ensuring profitable business and long-term sustainability in line with the company's strategy while strengthening the trust that shareholders and the different stakeholders have in the company.

In compliance with commercial law, the Annual Corporate Governance Report (ACGR) forms part of this Management Report. It was drawn up by the Board of Directors and has been filed with the Spanish National Securities Market Commission (CNMV). The ACGR details all corporate governance aspects at Ferrovial and is available at www.ferrovial.com.

As explained in the ACGR, Ferrovial is fully or partially compliant with a majority of the recommendations set out in the Good Governance Code of Listed Companies (57 out of the 59 recommendations that apply to it). The company regularly analyzes the best practices and regulations of good governance in the national and international scope to assess their application and incorporation to its internal regulations. In this regard, the Board of Directors and the Audit and Control Committee have been informed of the changes made in June 2020 to the Code of Good Governance, and of the main terms of the draft law amending Spanish legislation to incorporate the directive to promote long-term shareholder engagement.

In corporate governance, the Board agreed to the following:

- Amend its Regulations to incorporate several of the amended good governance recommendations into the internal regulations.
- A new policy for reporting corporate, financial and nonfinancial information, and for communicating with and contacting shareholders and institutional investor.
- Amend the Board of Directors' Selection Policy.
- Amend the Internal Rules of Conduct in the Securities Markets, in order to reflect the latest changes made to the Spanish Securities Market Law and to adapt the treasury stock policy.

GOVERNMENT BODIES

The ACGR details how the group's management bodies and the decision-making process work, with emphasis on the roles of the Annual General Meetings and Board of Directors as the company's most senior management bodies.

General Shareholders' Meeting

In accordance with the Company Bylaws, this is the supreme decision-making body of the company and has the power to decide on all matters attributed to it by law or the Company's Bylaws.

The General Shareholders' Meeting was held on April 17, 2020 on second call. Due to the declaration of a state of emergency on March 14, 2020, caused by the health crisis resulting from the spread of COVID-19 in Spain, the Board of Directors agreed, in accordance with current legislation, to hold the Annual General Meeting exclusively online. It also agreed to extend the means available to shareholders to exercise their rights to participate remotely, as detailed in the published complementary announcement to the call of the Meeting.

Board of Directors

The Board performs its duties with unity of purpose and independent judgment. It treats all shareholders in the same position equally, and works in the social interest, with the same understood to mean securing a profitable business that is sustainable in the long term, supporting its continuity and seeking optimal economic value for the company.

It comprises 12 members, facilitating an efficient and participative operation. Re-elections take place every three years, compared to the maximum of four prescribed by the company's regulations. This enables shareholders to validate their management more frequently.

In 2020, the Board held a total of eight meetings, with an average duration of 6 hours and 15 minutes per meeting. All directors attended all eight meetings in person. In addition, the Board of Directors adopted resolutions in writing and without a meeting on February 11, March 30, June 7 and October 29, 2020.

The Board evaluates the quality and efficiency of its operation and that of its committees on an annual basis. For the sixth consec-

EXTERNAL BOARD ASSESSMENT

6
consecutive years

VOTING RIGHTS ASSIGNED TO THE BOARD OF DIRECTORS

31.04%

LEAD DIRECTOR

1

INDEPENDENTS

58.33%

of the Directors (seven out of a total of twelve members)

RE-ELECTION OF BOARD MEMBERS

3

years

utive year, it has been assisted by a renowned external consultant, as detailed in the ACGR, which also reports on the consultant's relations with Ferrovial. As a result of the evaluation exercise, the Board agreed, among other issues, to continue to strengthen its work on the long-term strategy and to advance the Group's digital transformation.

BUSINESS DISCUSSED BY THE BOARD OF DIRECTORS

Every year, at the proposal of its Chairman, the Board of Directors draws up a calendar and an agenda for each of the meetings scheduled for the following year, taking into consideration the suggestions raised by directors and the recommendations of the company's external consultant who collaborated on the Board assessment process. Naturally the Board may also address any other unforeseen matters that require its attention during the year. The main matters addressed in 2020 are as follows (in addition to those mentioned above about corporate governance):

- Periodic financial reporting.
- Group cash position.
- Internal financial reporting system.
- General Shareholders' Meeting (notice of meeting, proposal of agreements and reports).
- Reports by business divisions and corporate areas.
- Annual budget and amendments to the budget for the current year.
- Health and safety (reviewed at each Board meeting due to the importance of this subject to the company).
- Fiscal and tax policies followed by the company during the year.
- Strategy.
- Guarantees given by the Group's parent companies.
- Compliance model.
- Technology and Innovation.
- Cybersecurity.
- Sustainability.
- Analysis of the shareholding structure and investor and analyst perception of Ferrovial.
- Composition of the Board and Senior Management.
- Ferrovial Flexible Dividend Program.
- Implementation of the share buy-back program aimed at reducing the share capital.
- Annual assessment of the Board and its Committees.
- Remuneration of Directors.
- Monitoring the impact of the health crisis resulting from the spread of COVID-19.

Executive Committee

This committee has all delegated powers of the Board of Directors, except those that cannot be legally or statutorily delegated. It comprises six members, four of whom are External Directors, being three of them Independent. Among other functions, it has followed up on the Group's financial reporting, to the performance of the main business indicators, to the impact of COVID-19 on the businesses, as well as the situation of the most relevant matters. Moreover, it approved the operations within its competence as a delegated body of the Board of Directors.

Audit and Control Committee

It comprises four External Directors, three of whom are Independent, including its Chairman, who have been appointed on the basis of their knowledge and experience in accounting, auditing and financial and nonfinancial risk management. Between them, they possess the required technical knowledge and expertise in relation to the sector in which the company operates.

The main duties, other than those attributed by law, are described below, representing the adoption of recommendations from the Good Governance Code for Listed Companies:

- Overseeing and assessing the preparation process and the integrity of financial and nonfinancial reporting, and ensuring that the financial statements that the Board submits to the General Meeting are prepared in line with accounting regulations.
- Being informed of the structural and corporate change operations planned by the company, previously reported to the Board of Directors, on its economic conditions and accounting impact, particularly, if applicable, on the proposed exchange ratio.
- Ensuring that the company and the accounts auditor adhere to rules governing the provision of services other than auditing, limits on the concentration of auditor services and other general regulations concerning the independence of account auditors.
- Ensuring that the remuneration of the auditor of accounts does not compromise quality or independence.
- Receiving regular information on activities from the Internal Audit Department and ensuring their independence. Approving the guidance and its annual work plan, ensuring that its activity is primarily focused on relevant risks (including reputational), being informed of its implementation, including incidents and limitations to its scope, as well as the results and follow-up of its recommendations.
- Establishing and overseeing a system that allows employees and other persons related to the Company (directors, shareholders,

suppliers, contractors) to confidentially and anonymously report any irregularities of potential importance, including financial, accounting or any other type, that are detected within Ferrovial.

- Overseeing and assessing Ferrovial's financial and nonfinancial risk control and management systems, including operational, technological, legal, social, environmental, political, reputational and corruption-related risks.
- Supervising compliance with internal corporate governance and conduct standards on securities markets, and proposing improvements, ensuring that the corporate culture is aligned with its purpose and values.
- Periodically assessing the effectiveness of the compliance program and the update proposals that the Compliance Directorate submits to the Board for continuous improvement, and ensuring that the Compliance Directorate has the resources and training to perform its functions.
- Ensuring that established internal control policies and systems are effectively implemented in practice.

The Committee held five meetings during 2020, all of which were attended by all its members. The activities performed by the Committee during the year are described in the report regarding its operation, available on the Ferrovial website. The Audit and Control Committee takes into account the recommendations of the CNMV Technical Guide on Audit Committees for Public-Interest Entities in its activity and operation.

Appointments and Remuneration Committee

The Committee comprises four Executive Directors, three of whom are Independent, including the Chairman. All have been appointed

taking into account the knowledge, aptitude and experience needed to perform the Committee's functions.

Their main duties resulting from the adoption of the recommendations contained in the Good Governance Code of Listed Companies are described below, without prejudice to any others prescribed by law:

- Proposing basic terms for senior management contracts.
- Ensuring that all nonexecutive directors have sufficient time to duly perform their duties.
- Ensuring compliance with the remuneration policy established by the company.
- Verifying information on remuneration for directors and senior management contained in the various corporate documents, including the Annual Board of Directors' Remuneration Report.
- Ensuring that any conflicts of interest do not impair the independence of the advice provided to the committee.
- Reporting on the appointment of the members that are to sit on the committees, in view of the knowledge, skills and experience of directors and the duties of each committee.

The Committee held six meetings during 2020, all of which were attended by all its members, except for one meeting at which one of the members did not attend. The activities performed by the Committee during the year are described in the report regarding its operation, available on the Ferrovial website. Detailed information on the Committee's activities in the area of remuneration is also available in the Annual Report on Directors' Remuneration, available at www.ferrovial.com. The Appointments and Remuneration Committee takes into account the recommendations of the CNMV Technical Guide on Audit Committees for Public-Interest Entities in its activity and operation.

DETAIL OF ATTENDANCE TO THE BOARD OF DIRECTORS AND COMMITTEES

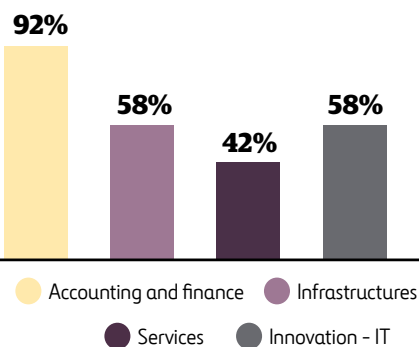
	BOARD OF DIRECTORS	EXECUTIVE COMMITTEE	AUDIT AND CONTROL COMMITTEE	APPOINTMENTS AND REMUNERATION COMMITTEE
NUMBER OF MEETINGS IN 2020	8	6	5	6
RAFAEL DEL PINO Y CALVO-SOTELO	8/8	6/6		
ÓSCAR FANJUL MARTÍN	8/8	6/6	5/5	
IGNACIO MADRIDEJOS FERNÁNDEZ	8/8	6/6		
MARÍA DEL PINO Y CALVO-SOTELO	8/8	6/6		
SANTIAGO FERNÁNDEZ VALBUENA	8/8		5/5	6/6
JOSÉ FERNANDO SÁNCHEZ-JUNCO MANS	8/8	6/6		6/6
JOAQUÍN DEL PINO Y CALVO-SOTELO	8/8			
PHILIP BOWMAN	8/8		5/5	
HANNE BIRGITTE BREINBJERG SØRENSEN	8/8			5/6
BRUNO DI LEO	8/8			6/6
JUAN HOYOS MARTÍNEZ DE IRUJO	8/8	6/6		
GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	8/8		5/5	

		RAFAEL DEL PINO	ÓSCAR FANJUL	IGNACIO MADRIDEJOS	MARÍA DEL PINO	SANTIAGO FERNÁNDEZ VALBUENA	JOSÉ FERNANDO SÁNCHEZ-JUNCO	JOAQUÍN DEL PINO	PHILIP BOWMAN	HANNE SØRENSEN	BRUNO DI LEO	JUAN HOYOS (Lead Director)	GONZALO URQUIJO
CARGO		Chairman	VP	CEO	Member	Member	Member	Member	Member	Member	Member	Member	Member
Board of Directors	Executive Director	✓		✓									
	Proprietary	✓			✓			✓					
	Independent		✓				✓		✓	✓	✓	✓	✓
	Other external					✓							
Committees	Executive Committee	✓C	✓	✓	✓		✓					✓	
	Audit and Control Committee		✓C			✓			✓				✓
	Appointments and Remuneration Committee					✓	✓C			✓	✓		
Shareholding	% direct and indirect capital	20.265	0.005	0.009	8.143	0.003	0.024	2.55	0.003	0.000	0.000	0.000	0.000
Other data	Date of first appointment	1/9/1992	7/31/2015	9/30/2019	9/29/2006	5/30/2008	12/3/2009	10/29/2015	7/29/2016	4/5/2017	9/25/2018	10/2/2019	12/19/2019
	Nationality	SPANISH	SPANISH	SPANISH	SPANISH	SPANISH	SPANISH	SPANISH	AUSTRALIAN	DANISH	PERUVIAN	SPANISH	SPANISH
	Positions as directors at other listed companies*	0	2	0	0	1	0	0	2	4	1	0	1
	Age	62	71	55	64	62	73	59	68	55	63	68	59

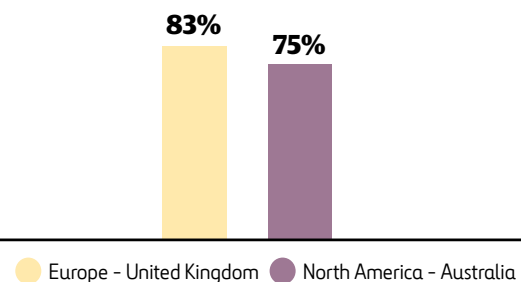
C: Chairman of the Executive Committee, Chairman of the Audit and Control Committee and Chairman of the Appointments and Remuneration Committee.
Information updated in February 2021.

TRAINING AND EXPERIENCE OF BOARD MEMBERS

PROFESSIONAL



INTERNATIONAL

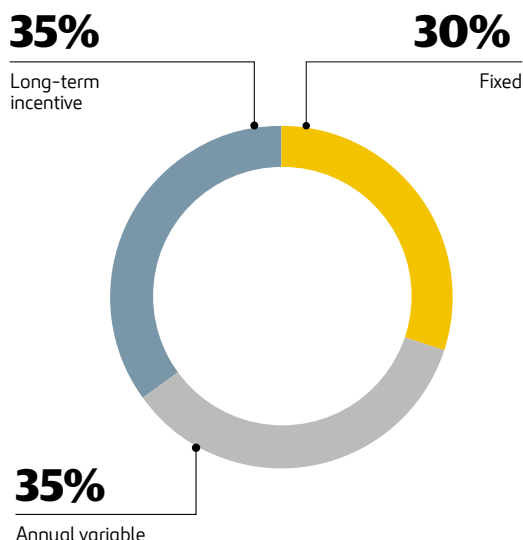


REMUNERATION

VALUE CREATION

Remuneration of Ferrovial's Board of Directors is established on the basis of the best practices in the marketplace and backed by studies on remuneration conducted by external consultants, internal rules and regulations, and pertinent legislation in force.

STRUCTURE OF THE REMUNERATION OF THE CHAIRMAN



CHAIRMAN'S ANNUAL VARIABLE REMUNERATION

TARGET ANNUAL VARIABLE REMUNERATION

125%

of fixed remuneration

MAXIMUM ANNUAL VARIABLE REMUNERATION

190%

of fixed remuneration

CEO'S ANNUAL VARIABLE REMUNERATION

TARGET ANNUAL VARIABLE REMUNERATION

100%

of fixed remuneration

MAXIMUM ANNUAL VARIABLE REMUNERATION

150%

of fixed remuneration

The current Remuneration Policy for Ferrovial's Directors is based on the following principles and criteria:

- Creating long-term value by aligning remuneration systems with the Strategic Plan.
- Attracting and retaining the finest professionals.
- External competitiveness in the setting of remuneration.
- Periodic involvement in plans linked to this activity and connected with achieving certain profitability metrics.
- Objective compliance pursuant to the Risk Management Policy.
- Maintenance of a reasonable balance between the different fixed remuneration components (short term) and variable components (annual and long term).
- Transparency.

Fixed components

The fixed remuneration of the Executive Directors is calculated on the basis of market benchmarks from a comparison group comprising 24 national and international companies in their reference benchmarks.

Variable components

Only Executive Directors have variable component elements in their remuneration. It comprises an annual variable remuneration and long-term incentive plans.

a) Annual variable remuneration 2020

It is linked to individual performance and the attainment of specific economic-financial, industrial and operational targets, which are pre-established, quantifiable and coherent with the social interest, and contemplated in the Strategic Plans. They could be quantitative or qualitative targets.

The target amount of the annual variable remuneration for Executive Directors, i.e., the remuneration corresponding to a standard level of achievement insofar as objectives is equivalent to 125% of the fixed remuneration for the Chairman. The quantitative targets have an associated scale for compensating overachieved targets up to a certain limit, hence the annual variable remuneration has a ceiling of 190% on the fixed remuneration.

EXECUTIVE DIRECTORS' REMUNERATION (THOUSAND €)*	FIXED	VARIABLE	SHARES PLAN	OTHER ⁽¹⁾	TOTAL 2020	TOTAL 2019
Rafael del Pino y Calvo-Sotelo	1,405	1,620	1,602	8	4,635	4,168
Ignacio Madridejos Fernández ⁽²⁾	937	810	0	4	1,751	1,100
TOTAL	2,342	2,430	1,602	12	6,386	5,268

* Remuneration for their status as Executive Directors.

(1) Life insurance premiums.

(2) During 2020, the amount of 8 thousand € has been imputed to Mr. Ignacio Madridejos as remuneration in kind corresponding to a company car.

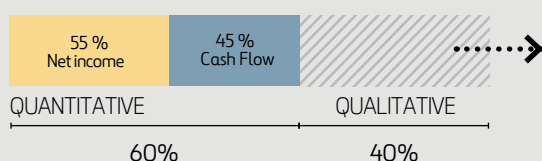
For the Chief Executive Officer, Mr. Ignacio Madrdejós, a target variable remuneration has been set equivalent to 100% of the fixed remuneration and an overachievement of objectives up to a limit of 150% of the fixed remuneration. Quantitative targets comprise metrics to guarantee a suitable balance between financial and operational aspects relating to the management of the company. Qualitative targets are pegged to an assessment of the individual performance of Executive Directors.

EXCEPTIONAL MEASURES DUE TO COVID-19

The Board of Directors resolved to reduce by 20%, from April 7 until July 31, 2020, both the fixed compensation of the Executive Chairman and Chief Executive Officer for the performance of their executive duties, as well as the fixed and supplementary assignment provided for in the compensation system for all Directors in their capacity as such.

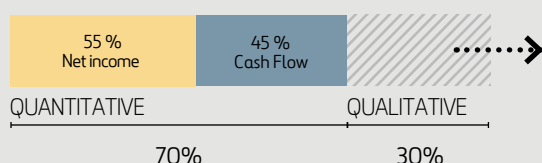
COMPONENTS OF THE VARIABLE REMUNERATION

CHAIRMAN



- Operations of the Board and the Executive Committee.
- Strategic Plan.
- Environmental, social and governance (ESG) criteria:
 - Corporate Governance.
 - Successions.
 - Institutional Relations.

CEO



- Strategic Plan.
- Environmental, social and governance (ESG) criteria:
 - Employee Health & Safety, measured using accident rates.
 - Promoting Innovation and Corporate Social- Responsibility - Sustainability.
 - Development of professional teams to guarantee stability in the management and achievement of strategic objectives of the organization.
 - Adjustment and monitoring of procedures linked to assuming controlled risks.
 - Relationships with stakeholders.

b) Current long-term incentive plans

Executive Directors participate in a long-term variable remuneration system consisting of share-based remuneration plans. The current remuneration policy has a limit of 150% of the fixed remuneration as the incentive value at the time the remuneration is awarded.

They are structured on overlapping multiyear cycles (currently at 3 years) with yearly unit assignments, which are converted into shares at the end of the cycle (currently 3 years). For the valid plan (2020 – 2022), they are determined with the relative weighting of the metrics in the attached table:

SHARE PERFORMANCE PLAN 2020-2022 (ALLOCATION 2020)		% PAYOUT
ACTIVITY CASH FLOW (50%) ⁽¹⁾		
Maximum	≥977 M€	50%
Minimum	≤663 M€	0%
TOTAL STOCKHOLDER RETURN COMPARED TO A GROUP OF COMPANIES (50%)		
Maximum	Positions 1 to 3	50%
Minimum	Positions 10 to 18	0%

(1) Activity Cash Flow shall be deemed to be the sum of Operating Cash Flow before taxes and Net Cash Flow from Investment, excluding investment or divestment transactions not committed at the inception date of the Plan, as well as operating cash flows related to such investments.

NON-EXECUTIVE DIRECTORS' REMUNERATION

The remuneration of non-Executive Directors is determined by an assignment (fixed plus complementary) and allowances. Their remuneration is in the median of the remuneration of Ibex-35 non-Executive Directors.

Ferrovial's internal regulations states that remuneration for External Directors will be determined so as to adequately compensate for the responsibility and dedication required by the position without compromising their independence.

Remuneration systems involving the delivery of shares, options, share-linked instruments or instruments pegged to the company's performance apply only to Executive Directors.

SENIOR MANAGEMENT REMUNERATION

SENIOR MANAGEMENT REMUNERATION (THOUSANDS OF €)	2020	2019
Fixed remuneration	5,317	4,714
Variable remuneration	3,657	3,202
Share Plan linked to objectives	4,528	3,090
Other ⁽¹⁾	47	53
Other ⁽²⁾	2,291	0
TOTAL	15,840	11,059

(1) Life insurance premiums / Boards in other subsidiaries.

(2) Separation of two members of the Management Committee (figure subject to income tax) and an incorporation bonus.

BOARD OF DIRECTORS

RAFAEL DEL PINO

Executive and Proprietary Director

- Civil Engineer (Polytechnic University of Madrid, 1981); MBA (Sloan School of Management, MIT, 1986).
- Chairman of Ferrovial since 2000 and CEO since 1992. Chairman of Cintra from 1998 to 2009.
- Member of the MIT Energy Initiative's External Advisory Board and the MIT Sloan European Advisory Board. He also is a member of the IESE's International Advisory Board and the Royal Academy of Engineering of Spain.
- He has been Director of Zurich Insurance Group, Banesto and Uralita.

Other information

Mr. Rafael del Pino has a controlling interest in the shareholder Rijn Capital B.V.

ÓSCAR FANJUL

Vicepresident

External Independent Director

- Professor of Economic Theory on leave of absence.
- Director of Ferrovial since 2015.
- Vice-Chairman of Omega Capital. Non-Executive Vice-Chairman of LafargeHolcim; Director of Marsh & McLennan Companies; Trustee of the Center for Monetary and Financial Studies (Bank of Spain) and of the Aspen Institute (Spain).
- Former founding Chairman and CEO of Repsol; Chairman of Hidroeléctrica del Cantábrico; Non-Executive Chairman of NH Hoteles and Deoleo; Director of Acerinox, Unilever, BBVA, London Stock Exchange and Areva.

IGNACIO MADRIDEJOS

CEO

Executive Director

- Civil Engineer (Polytechnic University of Madrid); MBA (Stanford University).
- CEO of Ferrovial since 2019.
- Former Regional President of CEMEX USA; Regional President of CEMEX Northern Europe; global responsible of CEMEX Energy, Security and Sustainability areas; President of CEMEX Spain; and CEO of CEMEX Egypt. He previously worked at McKinsey and Agroman. He was also President of OFICEMEN (Spanish Association of Cement Manufacturers), IECA (Spanish Institute of Cement and its Applications), and CEMBUREAU (European Cement Association).

Directors

MARÍA DEL PINO

External Proprietary Director

- Degree in Economics and Business Administration (Universidad Complutense de Madrid); Management Development Program (IESE).
- Director of Ferrovial since 2006.
- Chairman of the Rafael del Pino Foundation. Legal representative of Menosmares, S.L. that holds the positions of rotating Chairman / Vice-Chairman of the Board of Directors of Casa Grande de Cartagena, S.A.U. and Vice-Chairman of the Board of Directors of Pactio Gestión, SGIC, S.A.U. Member of the Board of Trustees of the Princess of Asturias.
- Former member of the Governing Board of

the Asociación para el Progreso de la Dirección and trustee of the Codespa Foundation and of the Fundación Científica de la Asociación Española contra el Cáncer.

Other information

Ms. María del Pino is majority shareholder, as well as Director and CEO, of the shareholder Menosmares, S.L.

SANTIAGO FERNÁNDEZ

VALBUENA

Other External

- Degree in Economics (Universidad Complutense de Madrid); PhD and Master's Degree in Economics (Northeastern University, Boston).
- Director of Ferrovial since 2008.
- Non-Executive Chairman of the Board of Directors of AEDAS Homes, S.A.; Non-Executive Vice-Chairman of EBN Banco de Negocios and Director of Mapfre Brasil and Mapfre Internacional.
- Former Chairman of Telefónica Latinoamérica; Director and Chief Strategy, Finance and Corporate Development Officer at Telefónica; Managing Director of Société Générale Valores and Head of Equities at Beta Capital; Professor of Applied Economics at the Universidad Complutense and Professor at IE Business School.

01/ Rafael del Pino – **02/** Ignacio Madridejos – **03/** María del Pino – **04/** Santiago Fernández Valbuena – **05/** José Fernando Sánchez-Junco – **06/** Joaquín del Pino – **07/** Óscar Fanjul – **08/** Philip Bowman – **09/** Hanne Sørensen – **10/** Bruno Di Leo – **11/** Juan Hoyos – **12/** Gonzalo Urquijo



JOSÉ FERNANDO SÁNCHEZ-JUNCO

External Independent
Director

- Degree in Industrial Engineering (Polytechnic University of Barcelona); ISMP Graduate (Harvard Business School) and member of the State Corps of Industrial Engineers.
- Director of Ferrovial since 2009. Director of Cintra from 2004 to 2009.
- Honorary Chairman and Director of Maxam Group; Chairman of Maxam Foundation and member of the Board of Trustees of the Museo de la Minería y la Industria.
- Former Executive Chairman of Maxam Group; Managing Director of Iron and Steel and Naval Industries and Managing Director of Industry at the Ministry of Industry and Energy; Director of Dinamia, Uralita and Duro Felguera.

JOAQUÍN DEL PINO

External Proprietary
Director

- Degree in Economics and Business Administration; MBA (IESE).
 - Director of Ferrovial since 2015 (and has represented the Director Karlov, S.L. since 2010, reelected in 2013).
 - Legal representative of Soziancor, S.L.U., that holds the positions of rotating Chairman / Vice-Chairman of the Board of Directors of Casa Grande de Cartagena, S.A.U. and Chairman of the Board of Directors of Pactio Gestión, SGIC, S.A.U.; Trustee of the Rafael del Pino Foundation.
 - Former Director of Banco Pastor and former Trustee of the Plan España Foundation.
- Other information
Mr. Joaquín del Pino is the sole shareholder and sole director of the shareholder Soziancor, S.L.U..

PHILIP BOWMAN

External Independent
Director

- Degree with honors in Natural Science (University of Cambridge); Master in Natural Science (University of Cambridge); Fellow of the Institute of Chartered Accountants in England & Wales.
- Director of Ferrovial since 2016.
- Non-Executive Chairman of Tegel Group Holdings Limited, Sky Network Television Limited and Majid Al Futtaim Properties; Non-Executive Director of its parent company, Majid Al Futtaim Holding LLC

and related company Majid al Futtaim Capital LLC; and Non-Executive Director of Kathmandu Holdings Limited and of Better Capital PCC.

- Former Chairman of Potrero Distilling Holdings, Coral Eurobet and Liberty;
- Non-Executive Chairman of The Munroe Group (UK); CEO of Smiths Group, Scottish Power and Allied Domecq; and Director of Burberry Group, Berry Bros. & Rudd, Scottish & Newcastle Group, Bass, British Sky Broadcasting Group and Coles Myer.

HANNE SØRENSEN

External Independent
Director

- MsC. in Economics and Management from the University of Aarhus (Denmark).
- Director of Ferrovial since 2017.
- Non-Executive Director of LafargeHolcim, Delhivery, Sulzer, Tata Motors, Tata Consulting Services and Jaguar Land Rover Plc (and its affiliates Jaguar Land Rover Holdings Ltd and Jaguar Land Rover Ltd).
- Former CEO of Damco and Maersk Tankers; Chief Commercial Officer at Maersk Line; and CFO for the Asia Region at Maersk Line (A.P. Moller-Maersk Group). She has also been Chairman of ITOPF, Vice-Chairman of Hoegh Autoliners and Director of Axcel and INTTRA.

BRUNO DI LEO

External Independent
Director

- Degree in Business Administration from Ricardo Palma University and postgraduate degree from Escuela Superior de Administración de Negocios, both in Lima (Perú).
- Director of Ferrovial since 2018.
- Non-Executive Director of Cummins Inc.; member of the IESE's International Advisory Board in Spain and of the Deming Center Advisory Board of Columbia Business School.
- He has developed his professional career at the multinational group IBM. He served as Senior Vice-President of IBM Corporation; Senior Vice-President of Global Markets; General Manager of the Growth Markets Unit; General Manager for Global Technology Services in Southwest Europe and General Manager for Northeast Europe; General Manager for IBM Latin America and General Manager of IBM Brazil.

JUAN HOYOS

External Independent Director /
Lead Director

- Degree in Economics (Universidad Complutense de Madrid); Master in Business Administration in Finance and Accounting (Columbia Business School).
- Director of Ferrovial since 2019.
- Director of Inmoglaciari and Gescobro.
- Former Chairman, Senior Partner of McKinsey & Company Iberia and member of the McKinsey & Company Shareholder Council worldwide; Strategy, Brand & Marketing Executive Vice President of Banco Santander Brazil; Executive Chairman of Haya Real Estate and Director of Banco Santander Chile and Banco Santander Mexico.

GONZALO URQUIJO

External Independent
Director

- Degree in Economic and Political Sciences (Yale University); MBA (Instituto de Empresa, Madrid).
- Director of Ferrovial since 2019.
- Executive Chairman of Abengoa-Abenewco; Director of Gestamp; Chairman of the Hesperia Foundation; member of the Board of Trustees of the Princess of Asturias Foundation.
- Former Chairman of ArcelorMittal Spain; member of the General Management of ArcelorMittal and head of the sectors of Long Products, Stainless Steel, Tubes, Emerging Markets; CFO and head of the Distribution sector of Arcelor; CFO of Aceralia Corporación Siderúrgica. He previously worked at Citibank and Crédit Agricole. He was also Chairman of the ArcelorMittal Foundation and of UNESID (the Spanish union of steel companies); Director of Aceralia, Atlantica Yield, Aperam, Vocento and other listed companies.

Secretary

SANTIAGO ORTIZ VAAMONDE

Secretario no Consejero

- Spanish State Attorney (on voluntary leave); PhD in Law (Universidad Complutense de Madrid).
- General Counsel and Secretary of the Board of Directors of Ferrovial since 2009.
- Former partner at two renowned law firms, in charge of Trial Law and Regulatory Law; Agent of the Kingdom of Spain before the Court of Justice of the European Union; professor at the Diplomatic School and the Carlos III University.

MANAGEMENT COMMITTEE



01



02



03



04



05



06



07



09



08



10

**01 / IGNACIO
MADRIDEJOS**
CHIEF EXECUTIVE OFFICER

Civil Engineer (ICCP) from the Polytechnical University of Madrid and MBA from Stanford Business School. He has professional experience in the United States, Europe, Latin America, and Africa. From 1990 to 1992, he was Site Manager at Ferrovial Construction and between 1993 and 1996, he worked as a consultant for McKinsey in Spain and Argentina. In 1996, he joined CEMEX, where he held the positions of CEO for Egypt (1999) and Spain (2003), Global Manager of Energy, Security, and Sustainability (2011), and President for Northern Europe (2008) and for the United States (2015). He has also held positions as President of Oficemen and President of CEMBUREAU (European Cement Association).

02 / ALEJANDRO DE LA JOYA

CHIEF EXECUTIVE OFFICER OF CINTRA

Civil Engineer (ICCP) and AMP from Harvard Business School. He joined the company in 1991, and he has built his professional career in Spain, Morocco, Italy, Portugal, and Poland (Budimex). He held the position of International Construction Manager from 2005 to 2008, when he was named Chief Executive Officer at Ferrovial Construction. In November 2018, he was chosen to be the Chief Executive Officer at Cintra.

03 / CARLOS CEREZO

CHIEF HUMAN RESOURCES OFFICER

He has a degree in Philosophy from Complutense University of Madrid, Master in Human Resources from CEU and Executive MBA from the Instituto de Empresa. He joined Ferrovial in 2006 and since 2015, he has held the position of Human Resources and Communications Director of Ferrovial Services. Previously, he was the Human Resources Development Director and the HR Director of the Corporate Area. In 2020, he was appointed Chief Human Resources Officer. Prior to joining the company, he held various positions of responsibility in the field of consulting at IBM and PWC.

04 / DIMITRIS BOUNTOLOS

CHIEF INFORMATION OFFICER AND INNOVATION OFFICER (CIIO)

Civil Engineer (ICCP) from the University of Granada and a graduate of different senior management courses at Stanford, ESADE and IESE. During his career as an entrepreneur, he was a founder and partner of different startups in the space, drones and employee experience sector including Zero 2 Infinity, Guudjob, BlueSouth, and Illusion-Box. He has taken on several management positions in Iberia, including Vice President of Customer Experience, and has contributed to the transformation and development of the airline's Hub. In addition, he was Chief Digital Officer of Latam Airlines, senior advisor to NASA's Chief Innovation Officer in Houston and advisor of digital transformation for the Travel, Transportation and Logistics sector at McKinsey.

05 / ERNESTO LÓPEZ MOZO

CHIEF FINANCIAL OFFICER (CFO)

He is a Civil Engineer (Polytechnical University of Madrid) and holds an MBA from The Wharton School of The University of Pennsylvania. In October 2009 he was appointed Chief Financial Officer of Ferrovial. Previously, he held various management positions at Telefonica Group, JP Morgan and Banco Santander. He worked in Civil Engineering before obtaining the MBA degree. Member of the IFRS Advisory Council (2013–2015). Since 2017, he has been Chairman of the Audit and Control Committee and member of the Board of Directors of Aegon España, S.A.

06 / FIDEL LÓPEZ SORIA

CHIEF EXECUTIVE OFFICER OF FERROVIAL SERVICES

He is a Mining Engineer from the Polytechnic University of Madrid and the École Nationale Supérieure des Mines de Paris. He holds an MBA from MIT-Sloan School of Management. He joined Ferrovial in 2007, holding various positions in the Services and Airports divisions. Within the Services division, he has held the role of CEO of Broadspectrum, Development Director of the division and member of the boards of Amey, Tube Lines and Swissport. Within the Airports division, he has been a member of the boards of HAH and AGS, Commercial Director of Heathrow and director of Airports at BAA. Before joining Ferrovial, he developed his career at McKinsey and Enel.

07 / IGNACIO GASTÓN

CHIEF EXECUTIVE OFFICER OF FERROVIAL CONSTRUCTION

Civil Engineer (ICCP) from the University of Cantabria and MBA from the London Business School. He joined Ferrovial in 1995, and during his professional career, he has held various high-level positions in the divisions of Construction and Services. In 2003, he joined Amey, and he went on to take the position of Construction Manager at Ferrovial Construction in the United Kingdom in 2007. In 2013, he was named Managing Director at Ferrovial Services Spain, a position that he held until being chosen as Chief Executive Officer at Ferrovial Construction in November 2018.

08 / JORGE GIL

CHIEF EXECUTIVE OFFICER OF FERROVIAL AEROPUERTOS

He has a double degree in Business Administration and Law from ICADE University. He joined Ferrovial in 2001, holding different positions in Cintra including Structured Finance Director and Corporate and Business Development Director. In 2010, he was appointed Director of Finance and Capital Markets of Ferrovial. He began his career at The Chase Manhattan Bank, where he was part of the Corporate Finance and M&A divisions. In December 2012 he was named CEO of Ferrovial Airports.

09 / MARÍA TERESA PULIDO

DIRECTOR OF CORPORATE STRATEGY

BA Degree in Economics from Columbia University and MBA from MIT Sloan School of Management. She has professional experience in the United States, Spain and Venezuela. In 2011 Maria Teresa joined Ferrovial as Director of Corporate Strategy. She previously held management positions in banking at Citi, Deutsche Bank, Bankers Trust, Wolfensohn and in consulting at McKinsey. Since 2014 she member of the Board of Directors of Bankinter, since 2006 she is part of MIT Sloan Executive Board (EMSAEB) and of Fundación Eugenio Mendoza.

10 / SANTIAGO ORTIZ VAAMONDE

GENERAL COUNSEL

Spanish State Attorney (on voluntary leave); PhD in Law (Universidad Complutense de Madrid). General Counsel and Secretary of the Board of Directors of Ferrovial since 2009. Former partner at two well-known law firms, in charge of Trial Law and Regulatory Law; representative of the Kingdom of Spain before the Court of Justice of the European Union; professor at the Diplomatic School and the Carlos III University.



Palacio de Cristal, Madrid, Spain. © José Manuel Ballester

The image shows the interior of a large, ornate conservatory. The structure is made of dark metal with a complex network of arches and trusses supporting a glass roof. Sunlight filters through the glass, creating a bright and airy atmosphere. In the lower left, a white statue of a person on a horse stands on a small platform. The floor is a smooth, light-colored material. The overall design is classical and elegant.

1.7
**EXPECTED
BUSINESS
PERFORMANCE**

EXPECTED BUSINESS PERFORMANCE

T 2021 will continue to be marked by the impact of COVID-19 on the various businesses and assets. This may vary to a large extent depending on the duration and future development of the pandemic in the countries where the company operates. By type of business, the effect is expected to be greater in infrastructure mainly due to four factors that may cause movement and consumption patterns to change:

- The crisis caused by the economic freeze and its duration.
- The growth of teleworking.
- The promotion of e-commerce, which has its main effect on heavy goods and commercial vehicle traffic. In this case the impact is positive because of the increase in heavy and commercial traffic due to distribution/logistics activities.
- Social distancing measures, which will change, at least temporarily, the movements of the population as long as there is a health risk.

These developments, and uncertainties about future prospects, have been considered as an indication for the purpose of analyzing the possible existence of impairment of assets related to these activities. In this regard, impairment tests have been performed on the main assets (all highways and airports, Webber, Budimex, Transchile and Services companies held for sale) using updated projections based on the development of the pandemic and revising the discount rate upward.

For each of the divisions, the following business performance is foreseen:

TOLL ROADS

During 2020, dividends of 340 million euros were distributed, compared to 494 million euros last year. Regarding the short and medium term COVID-19 impact on Toll Roads' main assets, if herd immunity is achieved during 2021 and with a economic bounce back, it is expected a quicker traffic recovery to take place. The company will continue to focus its efforts on providing top quality service while optimizing revenues and costs to the fullest extent permitted under the concession agreements.

- In **Canada**, in an environment recovering from the impacts caused by COVID-19, the 407 ETR will continue to work on optimization and cost control measures, without abandoning the development of its strategy of generating value for the user. The highway will continue to invest in the Data Lab to better understand the behavior of user groups and be able to personalize their value propositions, as well as in improving their customer management systems, which will allow them to provide more personalized attention

through loyalty plans and individualized offers. Thanks to these strategic investments, the 407 ETR will be well positioned to meet the new challenges ahead.

- In the **United States**, Managed Lanes were impacted by the mobility restrictions resulting from the COVID-19 pandemic; however, the recovery of traffic has been remarkable in all assets as these restrictions have been eased in the various jurisdictions. This traffic performance demonstrates the robustness of the Managed Lanes and the economic strength of the environments in which the company operates, which has made it possible to mitigate the loss of revenue by leveraging the toll rate flexibility available under Managed Lanes.

In addition, Cintra will continue executing projects under construction: I-66 and segment 3C of NTE35W.

- In **Australia**, Cintra will continue to manage the Toowoomba highway, which was opened to traffic in September 2019. The Western Roads Upgrade project is also scheduled to be fully opened to traffic in 2021.
- In the **other markets**, Cintra will continue to manage the assets in operation, will complete opening several sections of the Cacao Route in Colombia and D4R7 in Slovakia to traffic, and will continue with the construction of Silvertown in the United Kingdom.

In addition, Cintra will continue its bidding activity in the company's target regions (North America, Europe, Australia, Colombia, Chile and Peru), focusing primarily on complex greenfield projects, given their high potential for value creation.

AIRPORTS

In airports, no additional dividends have been distributed in 2020 over and above the one made by Heathrow prior to the pandemic. In the coming years, dividend payments will largely depend on the duration and future development of the pandemic, while the recovery of traffic levels of these assets is expected to be slower than in the case of highways. AGS 2019 traffic levels are not expected to recover before 2025 and HAH traffic levels are not expected to recover through H7, which ends in 2026. There is high uncertainty due to the impact on traffic of governmental or international decisions that restrict or preclude passenger flows so any estimates will need to be reviewed periodically.

It is worth noting that, despite the consummation of Brexit, the avia-

tion sector remains well positioned as a result of the contingency plans already in place, which ensure that airlines can operate between the EU and the United Kingdom.

At Heathrow Airport, the risk-bearing default debt is located in Heathrow Finance PLC (approximately 2.4 billion euros). It was expected to fail to comply with the RAR (Regulatory Asset Ratio financial covenants: Net Debt divided by RAB or regulated asset base less than 92.5%) and ICR (Interest Cover Ratio: EBITDA divided by interest in excess of 1x) for the 2020 financial year, with a realizable test in June 2021. However, Heathrow's management agreed last July with Heathrow Finance's creditors a waiver for the covenant ICR in 2020 and an extension of the covenant RAR from 92.5% to 95% and 93.5% for fiscal 2020 and 2021, so that no default is expected in June 2021 under the current traffic scenario.

In addition, in the company's financial statements ended December 2020, the directors have concluded that, although there is material uncertainty about the application of the going concern principle, the accounts can continue to be prepared under that principle.

This conclusion is based on the liquidity analysis and the degree of compliance with debt covenants. In this regard, the Heathrow's liquidity levels would allow it to meet all its payment needs at least until March 2022 even if it had no revenues. Regarding debt covenants, the company considers the "Severe but plausible downside" scenario until December 2021, which would mean a drop of more than 10 million passengers compared to the outlook. In this scenario, there would be operational and financial measures under the company's control that would allow it to mitigate a possible breach of debt covenants. However, should the uncertainty created by Covid-19 lead to scenarios more negative than the "Severe but plausible downside", the company may have to manage new waivers to comply with its financial covenants.

In the case of AGS, all three airports have been significantly affected by the impact of COVID-19. EBITDA in 2020 was -25 million euros, compared to 94 million euros in 2019. Such variation is explained by an 76% reduction in the number of passengers compared to that fiscal year. The contingency plans implemented during 2020 have allowed the company to close the year with a positive liquidity position. Based on this position, the company has prepared a scenario in which it assumes a slight recovery in traffic in the second half of the year following the stabilization of the vaccination process. This analysis leads to the conclusion that the company would not have any additional liquidity needs in addition to the 50 million euros already committed by the partners. On the other hand, the company has initiated a debt renegotiation process with financial institutions, which is at a very early stage. The approach is to reach an agreement for a possible extension of the current debt for a period of three years, a period that would allow the asset to be returned to normal operating conditions.

During 2021, Ferrovial Airports will continue to analyze investment opportunities that arise worldwide, with a special focus on those identified as sustainable infrastructures with high concession value.

As for the business responsible for developing and managing the electricity transmission networks, in 2021 the efficient operation of Transchile is expected to continue, as well as the development of the Centella and Tap Mauro projects and the participation in bidding processes that will enable the company's portfolio to increase.

CONSTRUCTION

Perspectives for 2021, by markets, are as follows:

In **Spain** the same level of sales as in 2020 is expected, as the moderate drop in order intake during the year, caused by delays in tendering due to COVID-19, will be offset by a faster pace of execution of projects awarded in 2019. In the medium term, a good dynamic of public and private construction initiatives is expected, reinforced by the approval of the State Budget and the EU Recovery Plan.

In **international** markets, despite pressure on margins due to strong competition, cost overruns and supply chain tensions caused by COVID-19, the positive profitability path from 2020 is expected to continue to progressively reach the target set in the Horizon 2024 Strategic Plan. This consolidation of margins is underpinned by improved operational processes in all phases of the project and the differential technical capabilities of the Construction division. This business line focuses its operations in countries with stable economies, which partially mitigates inflationary processes. In this sense, price control mechanisms have been reinforced through the use of statistical analysis and predictive models based on Artificial Intelligence for the estimation of bid costs, and the signing of long-term supply contracts with closed prices in those projects where it is possible to implement them..

- In the **USA** and **Canada** the favorable investment in transport infrastructure by states and provinces will continue, supported by the extension of the US Fast Act and by Canada's Federal Infrastructure Plan. In the US, following the 2020 presidential election and expressions of willingness to reach a political agreement, the market is optimistic about implementing a new multiannual infrastructure plan that will provide additional impetus at the federal level. Likewise, there is a lot of work in the pipeline, with P3/DBF projects being noteworthy with Ferrovial as the leader together with Ferrovial Construction as the builder. A slight increase in the level of sales is expected for 2021 thanks to a faster pace of execution of several large projects awarded in previous years and the new contracting of the SL 112 and IH-35 Webb County, Texas, which will compensate for some significant projects being completed in Canada.
- In **Poland** public tenders have good prospects thanks to the national road and rail investment plans until 2025-26, supported by the 2014-20 EU Funds. Similarly, a high level of funding allocation is expected under the EU's new 2021-27 multiannual financial framework, which ensures future stability of investment in the country. In 2021, sales are expected to remain stable, with the stra-

tegy of greater selectivity being maintained in order to avoid taking on high risks.

- In the **United Kingdom and Ireland**, despite the uncertainties arising from Brexit and COVID-19, the promotion of major infrastructure works continues, as evidenced by tendering major public works programs such as Highways England, High Speed 2, Network Rail, Transport for London or Irish National Development Plan. Sales in 2021 will show a slight growth, which will increase in the medium term thanks to the important awards in previous years and the recent UK high-speed rail awards.
- Also in **Latin America and other markets** expectations are favorable, with a lot of projects in the pipeline. This includes concession projects together with other Ferrovial divisions, and other important subway and tunnel projects, such as the recently awarded Porto subway. A sales level similar to 2020 is expected for 2021.

In short, moderate sales growth is expected for 2021, but with promising opportunities to win contracts down the line. Finally, profitability margins, in comparable terms, are expected to maintain after the implementation of control measures and the improvement of operational processes.

SERVICES

Ferrovial Services' expected performance in 2021 will depend mainly on the economic performance of the countries in which it operates. During the healthcare crisis, the company has strengthened its position as a benchmark company in the provision of essential services, while intensifying progress in two strategic pillars in all its activities and contract:

- Occupational safety, with the aim of actively developing a culture of zero tolerance for any risk to the well-being of employees and service users, through awareness and training programs, control and monitoring, regulations and technical and organizational measures, exchange of best practices, innovation projects, collaboration with administrations and professional associations, etc.
- Continuous improvement and operational efficiency, promoting cost optimization programs and investing in the digitalization of all operations, updating management systems and the application of new technologies based on data analytics and process automation.

At the same time, Ferrovial remains committed to divesting all Services activities. Following the agreement reached with Ventia Services Group for the sale of Broadpectrum in December 2019, Ferrovial completed

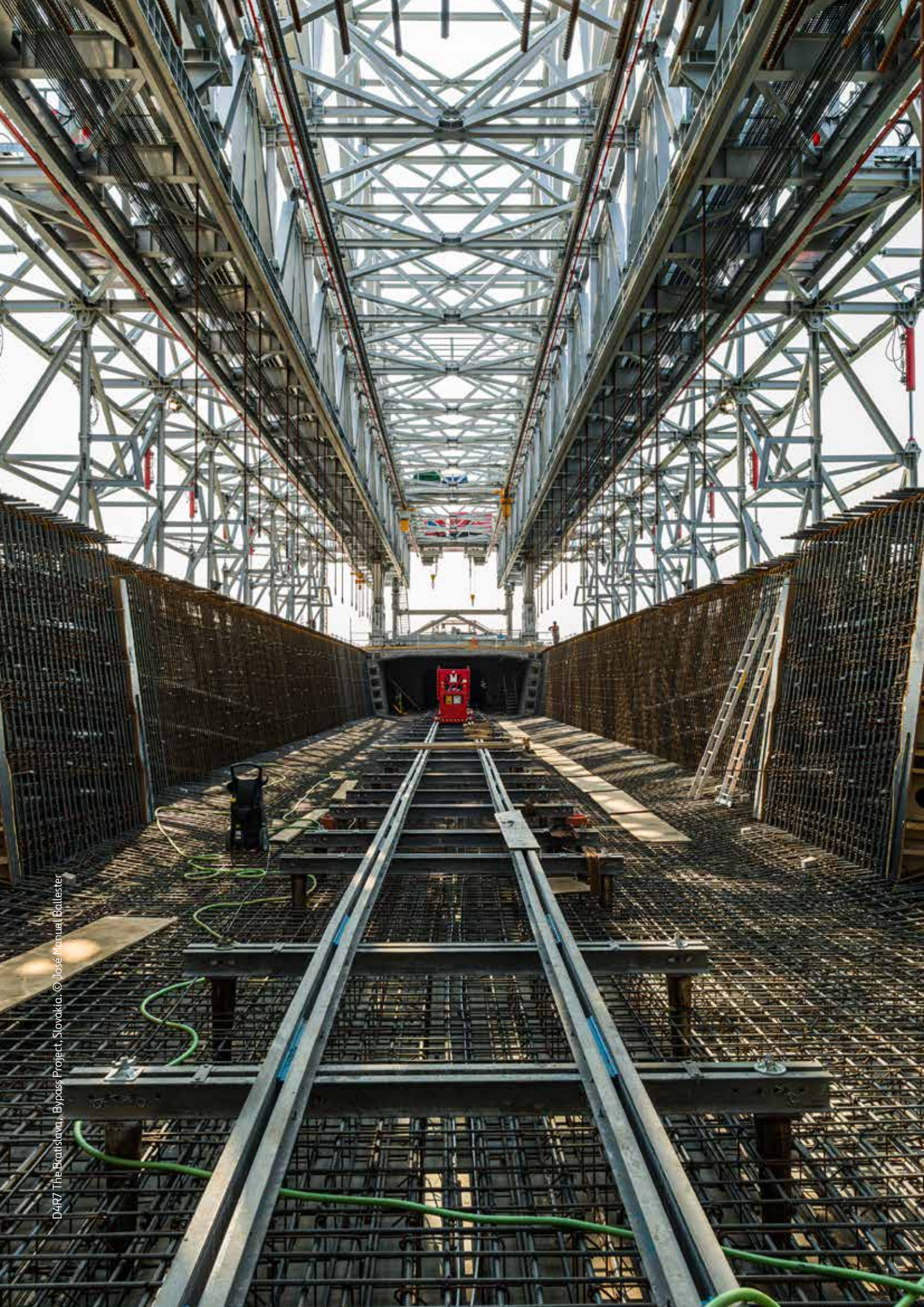
the sale of Ferrovial Servicios' operations in Australia and New Zealand on June 30, 2020 for 288 million euros. During 2021, the company expects to simultaneously progress several sale processes that, instead of the entire perimeter of the division, have been structured by specific assets and geographies.

In the **United Kingdom**, Amey is expected to benefit from increased public spending and new investments in infrastructure and public services announced by the government to mitigate the consequences of the pandemic. At the same time, the company does not expect to be negatively affected by the Brexit agreement reached with the EU in 2020. Amey has initiated several divestment processes of its nonstrategic assets such as the contracts transferred to Urbaser for waste collection with Solihull Metropolitan Borough Council, Gloucester City Council, Selby District Council, Eden District Council, Northamptonshire County Council and Central Bedfordshire Council. The company will combine further cost adjustments with increased specialization in consultancy, transport and facility management. In particular, major tenders are expected by clients such as the Ministry of Defense and Network Rail.

In **Spain**, Ferrovial Servicios' business will be driven by the Recovery, Transformation and Resilience Plan, in which green investment accounts for 37% of the total, followed by digitalization, with 33%. The company also expects to benefit from the demand for more sustainable lifestyles and the strengthening of more resilient public services, as envisaged in the new State Budget to compensate for the effects of the health crisis. Both factors give confidence that activity will be maintained during 2021 and there will be subsequent gradual growth, in line with the Spanish economy's recovery.

In **North America**, growth in the road maintenance business is expected to continue, supported by intense tendering activity and the increasing outsourcing of services by public administrations. The company also expects signs of recovery in oil infrastructure activity, favored by the growth of the United States and Canadian economies and by the foreseeable recovery in demand for refined oil products and, as a consequence, for industrial repair and maintenance services in these infrastructures. In the Chilean operations, the company is focused on consolidating the backlog growth achieved in 2020, while in Portugal it expects to achieve improved margins and an expansion of environmental activities.

In summary, the forecasts for 2021 will be conditioned by the development of economic activity in the various geographies in which Ferrovial Servicios operates, whose priority, together with the development of the different divestment processes, is the early recovery of profitability margins to the ratios prior to the start of the healthcare crisis.





Beti-Jai Fronton,, Madrid, Spain. © José Manuel Ballester

APPENDIX

Alternative Performance Measures
Sustainability Management
Reporting Principles
Task Force on Climate Related
Disclosures
Scoreboard
Contents of Non-Financial Information
Statements
SASB Indicators
GRI Standards Indicators
Appendix to GRI Standards Indicators
Glossary of Terms
Verification Report



ALTERNATIVE PERFORMANCE MEASURES

The company presents its results in accordance with generally accepted accounting standards (IFRS). In addition, in the Management Report and Consolidated Financial Statements released in December, the management provides other non-IFRS regulated financial measures, called APMs (Alternative Performance Measures) according to the directives of European Securities and Markets Authority (ESMA). Management uses those APMs in decision-taking and to evaluate the performance of the company. Below there are details of disclosures required by the ESMA on definition, reconciliation, explanation of use, comparisons and consistency of each APM. More detailed information is provided on the corporate web page: <https://www.ferrovial.com/en/ir-shareholders/financial-information/quarterly-financial-information/>. Additionally, on this web page the reconciliation of the comparable “like for like growth”, order book and proportional results are provided.

EBITDA = GROSS OPERATING RESULT

- **Definition:** operating result before charges for fixed asset and right of use of leases depreciation and amortization
- **Reconciliation:** the company presents the calculation of EBITDA in the Consolidated P&L as: Gross Operating Profit = Total Operating Revenues – Total Operating Expenses (excluding those relative to fixed assets and right of use assets depreciation and amortization which are reported in a separate line).
- **Explanation of use:** EBITDA provides an analysis of the operating results, excluding depreciation and amortization, as they are non-cash variables which can vary substantially from company to company depending on accounting policies and the accounting value of the assets. EBITDA is the best approximation to pre-tax operating cash flow and reflects cash generation before working capital variation. Therefore, we use EBITDA as a starting point to calculate cash flow, adding the variation in working capital. Finally, it is an APM indicator which is widely used by investors when evaluating businesses (multiples valuation), as well as by rating agencies and creditors to evaluate the level of debt, by comparing EBITDA with net debt.
- **Comparisons:** the company presents comparative figures with previous years.
- **Consistency:** the criteria used to calculate EBITDA is the same as the previous year.

homogenization of the operating result is undertaken by eliminating the operating results of the sold company when the impact occurred in the previous year, or if it occurred in the year under analysis, considering the same number of months in both periods.

- Elimination of the restructuring costs, in both periods.
- In acquisitions of new companies which are considered material, elimination, in the current period, of the operating results derived from those companies, except in the case where this elimination is not possible due to the high level of integration with other reporting units (material companies are those whose revenues represent ≥5% of the reporting unit's revenues before the acquisition).
- In the case of changes in the accounting model of a specific contract or asset, when material, the homogenization is undertaken by applying the same accounting model to the previous year operating result.
- Elimination in both periods of other non-recurrent impacts (mainly related to tax and human resources) considered relevant for a better understanding of the company's underlying results.
- With respect to the Services division, which is presented in the Consolidated Profit and Loss Account as discontinued operations, in order to better explain the business performance, in the Management Report it has been included a separated breakdown of Revenues, EBITDA and Orderbook, in spite of being classified as discontinued operations
- Note: the new contracts in the Toll Roads division coming into operation are not considered acquisitions and thus are not adjusted in the comparable.

COMPARABLE (“LIKE-FOR-LIKE GROWTH” LFL)

- **Definition:** relative year-on-year variation in comparable terms of the figures for revenues, EBITDA, EBIT and order book. The comparable is calculated by adjusting the present year and the previous one, in accordance with the following rules:
 - Elimination of the exchange-rate effect, calculating the results of both periods at the rate in the current period.
 - Elimination from the EBIT of both periods of the impact of fixed asset impairments and results from company disposals (corresponds with the figure reported in the line “Impairments and disposals of fixed assets”).
 - In the case of company disposals and loss of control, the

- **Reconciliation:** the comparable growth is presented in separate columns on Business Performance of the Interim Management Report and its reconciliation in the Appendix of this document.

- **Explanation of use:** Ferrovial uses the comparable to provide a more homogenous measure of the underlying profitability of its businesses, excluding those non-recurrent elements which would induce a misinterpretation of the reported growth, impacts such as exchange-rate movements or changes in the consolidation perimeter which distort the comparability of the information. Addition-

ally, it also allows the Company to present homogenous information, thus ensuring its uniformity, providing a better understanding of the performance of each of its businesses.

- **Comparisons:** the comparable breakdown is only shown for the current period compared with the previous period
- **Consistency:** the criteria used to calculate the comparable "Like-for-like growth" is the same as the previous year, except for the following adjustment that was included exclusively in 2019: Related to the implementation of IFRS 16, and for a better comparison of EBITDA and operating profit against 2018, in which IFRS 16 was not implemented, the new Standard accounting impact was undone, reversing the adjustment for financial cost and amortization of right of use and recognizing a higher operating cost for leases, as if the new standard had not been applied in 2019.

FAIR VALUE ADJUSTMENTS

- **Definition:** the adjustments to the Consolidated P&L relative to previous results derived from: changes in the fair value of derivatives and other financial assets and liabilities; asset impairment and the impact of the two above elements in the 'equity-accounted results'.
- **Reconciliation:** a detailed breakdown of the Fair Value Adjustments is included in the Consolidated Profit and Loss Account (see the Consolidated Profit and Loss Account in the Management Report and the Consolidated Financial Statements).
- **Explanation of use:** The Fair Value Adjustments can be useful for investors and financial analysts when evaluating the underlying profitability of the company, as they can exclude elements that do not generate cash and which can vary substantially from one year to another due to the accounting methodology used to calculate the fair value.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criterion used to calculate the Fair Value Adjustments is the same as the previous year.

CONSOLIDATED NET DEBT

- **Definition:** this is the net balance of Cash and cash equivalents (including short and long-term restricted cash), minus short and long-term financial debt (bank debt and bonds), including the balance related to exchange-rate derivatives that cover both the issue of debt in currency other than the currency used by the issuing company and cash positions that are exposed to exchange rate risk. The lease liability (due to the application of the new IFRS 16 standard) is not part of the Consolidated Net Debt.
- **Reconciliation:** a detailed breakdown of the reconciliation of this figure is given in the note 5.2 of the Consolidated Financial Statements and in the section Net Debt and Corporate Credit Rating in the Management Report.

- **Explanation of use:** this is a financial indicator used by investors, financial analysts, rating agencies, creditors and other parties to determine the company's debt position. In addition, Ferrovial breaks down its net debt into two categories:

- Net debt of infrastructure projects. This is the ring-fenced debt which has no recourse to the shareholder or with recourse limited to the guarantees issued. This is the debt corresponding to infrastructure project companies
- Net debt ex-infrastructure projects. This is the net debt of Ferrovial's other businesses, including the group holding companies and other companies that are not considered infrastructure projects. The debt included in this calculation is mainly with recourse, and is thus the measure used by investors, financial analysts and rating agencies to assess the company's leverage, financial strength, flexibility and risks.

- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criterion used to calculate the net debt figure is the same as the previous year.

ORDER BOOK

- **Definition:** the income pending execution, which correspond to contracts which the Company has signed up to a certain date, and over which it has certainty on its future execution. The total income from a contract corresponds to the agreed price or rate corresponding to the delivery of goods and/or the rendering of the contemplated services. If the execution of a contract is pending the closure of financing, the income from said contract will not be added to the order book until financing is closed. The order book is calculated by adding the contracts of the actual year to the balance of the contract order book at the end of the previous year, less the income recognized in the current year.
- **Reconciliation:** the order book is presented under key figures under Services and Construction sections of the Management Report. There is no comparable financial measure in IFRS. However, a breakdown of reconciliation with Construction and Services sales figures is provided in Note 2.1 in the Consolidated Financial Statements. This reconciliation is based on the order book value of a specific construction being comprised of its contracting value less the construction work completed, which is the main component of the sales figure. The difference between the construction work completed and the Construction and Services sales figure reported in Ferrovial's Financial Statements is attributable to the fact that consolidation adjustments, charges to JVs, sale of machinery, confirming income and other adjustments are made to the latter. In addition to contracts awarded and the construction work completed, the exchange rate of contracts awarded in foreign currency, rescissions (when a contract is terminated early) or changes to the scope are all aspects that also have an impact on the movement between the original order book (corresponding to the previous year) and the end order book (for the

year in question), as shown in the tables at the end of this document. Management believes that the order book is a useful indicator in terms of the future income of the company, as the order book for a specific construction will be comprised of the final sale of said construction less the net construction work undertaken.

- **Explicación del uso:** the Management believes that the order book is a useful indicator with respect to the future income of the Company, due to the order book for a specific work will be the final sale of said work less the work executed net at source.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criteria used to calculate order book is the same as the previous year.

WORKING CAPITAL VARIATION

- **Definition:** measurement that explains the conciliation between the EBITDA and the operating cash flow before taxes. It is the result of the non-cash-convertible gross income primarily from changes in debt balance and commercial liabilities..
- **Reconciliation:** in Note 5.3 Cash flow of the Consolidated Financial Statement, the company provides a reconciliation between the working capital variation on the balance (see description on Section 4 Working Capital of the Consolidated Financial Statement) and the working capital variation reported in the Cash Flow Statement.
- **Explanation of use:** the working capital variation reflects the company's ability to convert EBITDA into cash. It is the result of company activities related with inventory management, collection from customers and payments to suppliers. It is useful for users and investors because it allows a measurement on the efficiency and short-term financial situation of the company.
- **Comparisons:** the company presents comparative reports from previous years.
- **Consistency:** the criteria employed for calculating the working capital variation is the same as the previous year..

TOTAL SHAREHOLDER RETURN

- **Definition:** sum of the dividends received by shareholders, revaluation/depreciation of the shares and other payments such as the delivery of shares or buy-back plans.
- **Reconciliation:** the total shareholder return is presented under the share part of section 1.1 of the Management Report. There is a breakdown of the reconciliation with the shareholder return in the financial statements.
- **Explanation of use:** it is a financial indicator used by investors and financial analysts, to evaluate the performance that shareholders have received throughout the year in exchange for their contribution in capital of the Company.
- **Comparisons:** the company presents comparative reports from previous years.

- **Consistency:** the criteria employed for calculating shareholder return is the same as the previous year.

MANAGED INVESTMENT

- **Definition:** managed investment is presented under Toll Roads in section 1.2 of the Management Report. During the construction phase, it is the total investment to make. During the operating phase, this amount is increased by the additional investment. Projects are included after signing the contract with the corresponding administration (commercial close), on which date the provisional financing terms and conditions, which will be confirmed after the financial closing, are normally available. 100% of investment is considered for all projects, including those that are integrated by the equity method, regardless of Ferrovial's participation. Projects are excluded with criteria in line with the exit from the consolidation scope.
- **Reconciliation:** Managed investments at the end of December 2020 came to approximately 20.8 billion euros (21.9 billion euros at December 2019) and are made up of 25 concessions in 9 countries. The composition of managed investments by asset type is as follows:
 1. Intangible Assets projects under IFRIC 12 (in operation), 7,133 million euros (7,324 million euros at 31, December 2019). The managed investment matches with the balance sheet gross investment in these projects included in the table of section 3.3.1 of the Consolidated Annual Accounts, except for the future investment commitments: 5,553 million euros of USA Toll Roads NTE, NTE35W, LBJ and I-77 (5,905 million euros at December 31, 2019). Additionally, 391 million euros from Azores are included in Other Toll roads, as well as 521 million euros transfer related to Autema Project, after the Spanish Supreme Court communicated it did not admit the appeal against the High Court of Catalonia's judgement which ratified the changes introduced in the concession regime by the Catalan Regional Government (the Grantor) in 2015. As a consequence, as indicated in nota 6.5.1a) of the Consolidated Financial Statements, in 2020 this project is being accounted for according to the intangible asset model of IFRIC 12.
 2. Intangible Assets IFRIC 12 (under construction), no current projects under construction.
 3. Accounts receivable projects under IFRIC 12: no current projects under development, after said Autema transfer to intangible asset model.
- Consolidation using the equity method, 13,623 million euros (14,177 million euros at December 31, 2019). Includes both projects in operation and under construction that are consolidated using the equity method, such as 407ETR and extensions 4,178 million euros of 100% managed investment (4,421 million euros at December 31, 2019) or I-66 with 3,016 million euros at 100%

(2,695 million euros at December 31, 2019). In the consolidated statement of financial position, these projects are included under Investments in associates, meaning the investment cannot be reconciled with the balance sheet.

- **Explanation of use:** data useful by Management to indicate the size of the portfolio of managed assets.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criteria employed for calculating the managed investment is the same as the previous year.

PROPORTIONAL RESULTS

- **Definition:** the Ferrovial proportional results are calculated as described below:
 - Infrastructure divisions (Toll Roads and Airports): the proportional results include the infra projects consolidated results in the proportion of Ferrovial's ownership in those projects, regardless to the applied consolidation method.
 - Rest of divisions: the proportional results include the figures reported in the consolidated profit and loss account, as the difference of applying the proportional method would not be relevant.

This information is prepared to Revenues and EBITDA

- **Reconciliation:** a reconciliation between total and proportional figures is provided in the web
- **Explanation of use:** the proportional results can be useful for investors and financial analysts to understand the real weight of business divisions in the operative results of the group, especially keeping in mind the weight of certain assets consolidated under the equity method as 407 ETR from Toronto and the airport of Heathrow. It is an indicator that other competitors with significant subsidiaries in infrastructure projects consolidated under the equity method present.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criteria used to calculate proportional results has changed since previous year, where contribution to the consolidated results in the proportion of Ferrovial's ownership where applied to all group subsidiaries. As previously explained, in fiscal year 2020 proportional results have only been applied to infrastructure divisions, as the difference of applying the proportional method to the other business divisions would not be relevant.

COVID-19 IMPACT

- **Definition:** COVID-19 impact in Ferrovial businesses has been calculated considering the following premises for each business division.

Infrastructures divisions (Toll Roads and Airports)

COVID-19 impact has been estimated as the traffic drop when comparing current figures with the same period of last year. In terms of cash flow, as the reduction in dividends received from infrastructure assets, when comparing to previous year.

Construction division

COVID-19 impact has been calculated with a bottom-up approach, starting with every project, which has analyzed the impact considering the following elements which have impacted the division's results.

- Fixed costs from activity stoppages, adapted processes for project ramp ups or productivity losses on the back of slower activity (i.e. rentals of machinery, offices and equipment, and other indirect costs)
- Increase in costs required to achieve project deadlines
- Delays in supplies
- Border closures and difficulties in mobilizing teams for self-performance.
- Related expenses to new H&S new measures.
- Delays in the start-up of new projects
- Services Division
- The impact has been calculated through a bottom-up analysis from contract level and comparing actual activity results to the budget 2020. The calculation includes the following types of impacts:
 - Direct estimate of lower activity (i.g. tons of waste treatment, traffic or train frequencies).
 - Clients strongly impacted by COVID-19 leading to significantly lower activity. The greatest impact can be seen in Oil & Gas contracts in N. America.
 - In Transport (mostly Rail) & Utilities contracts in Amey, stoppages or delays in non-essential works and expected awards, coupled with costs overruns to cover employee availability due to quarantines and H&S measures reinforcement
- **Reconciliation:** a breakdown of COVID-19 impact by business division is included in the note 1.2 of the Consolidated Financial Statements.
- **Explanation of use:** Ferrovial reports COVID-19 impact to provide a more reliable measure of the underlying profitability of its businesses, when excluding the non-recurrent impact directly related to the pandemic.
- **Comparisons:** the comparison with previous year is not applicable, since the pandemic started in 2020
- **Consistency:** This is the first year where COVID-19 impact is applicable.

SUSTAINABILITY MANAGEMENT

Ferrovial understands sustainability and corporate responsibility (CR) as a voluntary but essential commitment to participate in the economic, social and environmental development of the communities where it operates. The CR Policy is based on the principles of the Global Compact and internationally accepted agreements and resolutions related to the subject. It is the responsibility of the Ferrovial Board of Directors to ensure that these principles that the company has voluntarily assumed are complied with. The policy is available at www.ferrovial.com.

The content of this document constitutes a CR Policy report in itself. This offers its stakeholders detailed information on the policy support instruments to enforce compliance; the Corporate Responsibility strategy, formulated in the 20.19 Plan and continues in the Sustainability Strategic Plan; and the specific practices in the field of sustainability and CR, which are mentioned in their corresponding sections.

COMMITTEE

The Sustainability Committee is chaired by the Sustainability Manager and is composed of representatives from the business areas (Toll Roads, Airports, Construction, Services and Mobility) and corporate areas (Human Resources, General Secretariat, Occupational Health and Safety, Quality and Environment, Risks and Innovation, Corporate Social Responsibility, Strategy and Investor Relations). On an annual basis, the Chairman of the Committee reports to the Board of Directors.

The Sustainability Committee is the link between the business areas and the corporation with Senior Management, reporting on the progress and results and proposing actions to the Management Committee, as well as transmitting to the rest of the company the approval of the proposals and results.

The main objective of this committee is to define the Strategic Sustainability Plan and ensure its monitoring. Its functions can be summarized as follows:

- Design, update and, if necessary, improve the Sustainability Strategy.
- Monitor and evaluate the company's performance in the field of sustainability based on established indicators and action plans.
- Propose working groups on specific issues.
- Share good practices from each of the areas on sustainability issues.
- Provide information for sustainability reporting (both internal and external).
- Analyze and assess sustainability trends, new business risks and opportunities

STRATEGIC PLAN

The Strategic Plan is the indispensable tool to ensure that CR and sustainability is effective in fulfilling its mission and contributing to the development of the business, the generation of trust among its stakeholders and the fulfilment of the objectives in the medium and long term.

Ferrovial develops its plan every three years, performing an annual analysis of its degree of compliance. In 2019, the period of application of the company's third CR plan, called Plan 20.19, which was in force during the period 2017 - 2019, has been completed.

For the 2020-2022 period the Sustainability Committee has promoted the new Plan, Sustainability Strategy 2030. This plan has been prepared taking into account the main global main trends, the regulatory and policy environment (UN Agenda 2030, Climate Change, and the European Green Deal), the main economic and financial frameworks (Task Force on Climate-Related Disclosures (TCFD), Taxonomy and the European Next Generation Plan), social challenges (new urban agenda, new mobility habits, post-COVID-19 effects such as teleworking as well as the rise of e-commerce), technological factors (energy transition and digitalization), environmental factors (climate change, water scarcity, biodiversity loss or public health), ESG investor requirements, major reporting frameworks (Global Reporting Initiative, Sustainability Accounting Standards Board (SASB) and the TCFD, as well as CR trend reports from various prestigious institutions. In addition, like the previous Plan, it is aligned with the global agenda set by the Sustainable Development Goals, focusing especially on SDGs 6 (water and sanitation), 9 (innovation and infrastructure) and 11 (sustainable cities and communities).

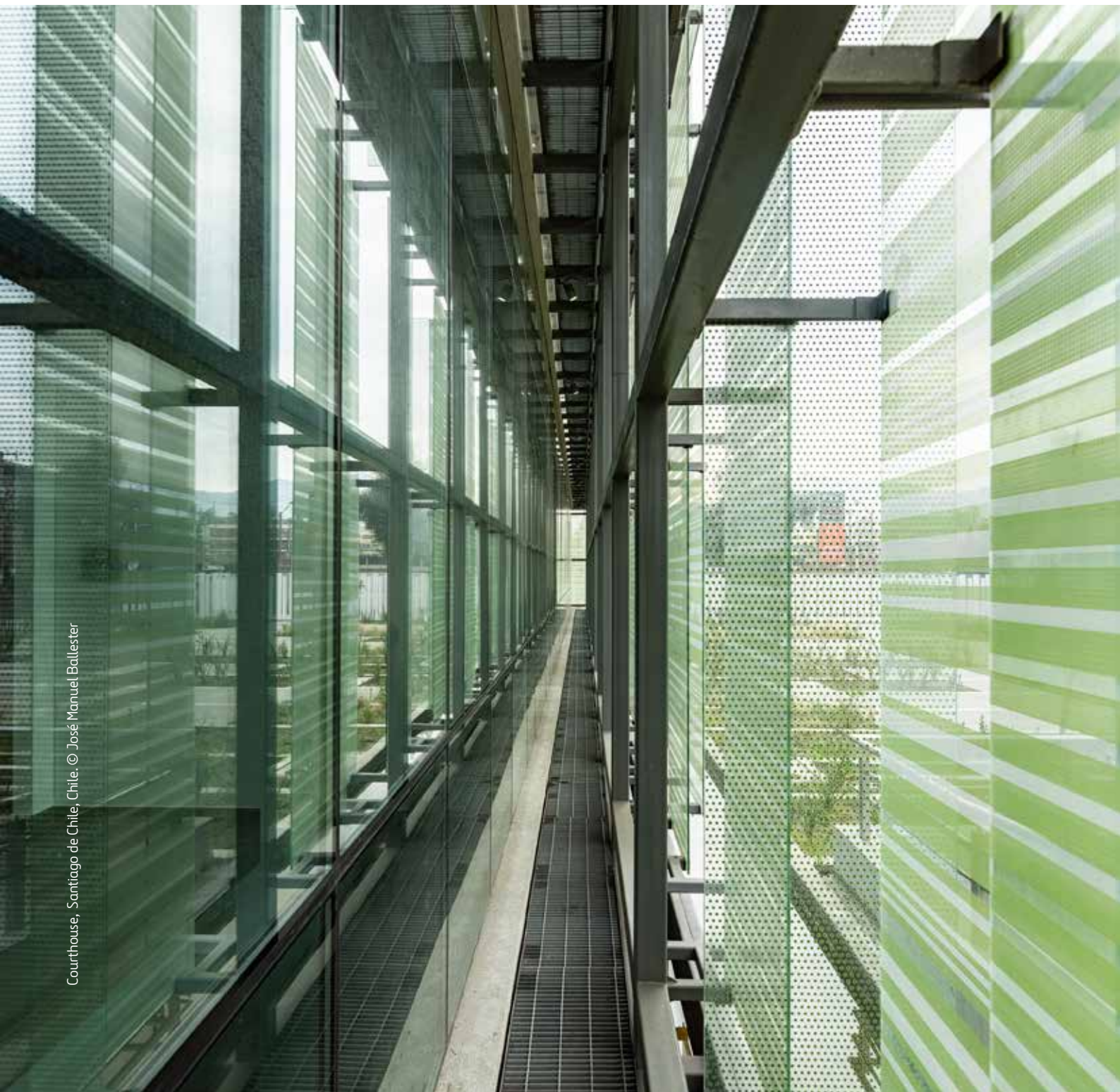
It has specific areas of action and objectives for each year it is in force, aligned with the business strategy, the Horizon 24 plan and covering Ferrovial's value chain, from customers to suppliers. The initiatives are grouped around six global main trends that will end up irrevocably conditioning the business of any company and that Ferrovial intends to address through this plan. They are the following:

- Climate Change Strategy 2030, Decarbonization Plan.
- Water footprint.
- Natural capital.
- Circular economy.
- Sustainable mobility.
- Community investment and social impact.
- Innovation aligned with sustainability.
- Good governance and business ethics.
- Human Resources.
- Health and Safety.
- Alliances.

SUSTAINABILITY INDEXES

Ferrovial is periodically evaluated by analysts who take into account the company's ESG performance. In 2020, the company formed part of the main sustainability indexes:

- Dow Jones Sustainability Index (DJSI): Ferrovial has been a member of this selective index for the last 19 years. It recently received the Bronze distinction in the Sustainability Yearbook 2021.
- FTSE4Good: the company has been part of this index in its last 17 editions.
- CDP (Carbon Disclosure Project): highest rating "A" for its commitment in the fight against climate change.
- MSCI: "A", highest rating in its sector.
- VIGEO: member of the Euronext-Vigeo Eurozone 120 and Europe 120 indexes.
- STOXX: the company has been part of this index for six years running.
- ISS ESG: Prime category.
- GRESB: 81 points, A+



REPORTING PRINCIPLES

INFORMATION PERIMETER

Ferrovial is made up of the parent company, Ferrovial S.A. and its subsidiaries. For detailed information on the companies, see the group in the Consolidated Annual Accounts.

In 2020, there were operations that involved changes in the group due to the acquisition of companies, the awarding of new contracts and the start of new businesses. There have also been corporate restructurings. Highlights include the sale of Broadspectrum to Ventia for 465 million Australian dollars and the sale of 50% of TW Power Services for 20 million Australian dollars. For more information, see pages 48-70 on business performance.

CONSOLIDATION PROCESS

The report includes all the companies in which Ferrovial has economic control, meaning a participation of more than 50%. In these cases, 100% of the information is reported. The list of subsidiaries and associated companies can be found in Annex II of the Consolidated Financial Statements, pages 174-297. Although the Services business is treated as an activity classified as financially discontinued, because it is available for sale, to comply with the requirements of Law 11/2018, non-financial information does include this division in its perimeter, offering a complete vision of all aspects and impacts of the business. Therefore, in cases where material is considered, data from the Services division will be disaggregated.

Also, following the indications of the GRI Guide Sustainability Reporting Standards, Ferrovial provides information on the indicators and material aspects of "outside the organization", when the data has sufficient quality, and always separately. Ferrovial considers that the most relevant impacts are those related to the 407 ETR Toll Road in Canada and the airports in the United Kingdom, companies in which its shareholding is less than 50%. Some indicators of interest associated with these assets are those related to indirect emissions (scope 3), user satisfaction, and number of passengers travelling through airports.

TRACEABILITY

Ferrovial guarantees the traceability of information related to the Corporate Responsibility scope thanks to a reporting system, which has been available since 2007. This provides detailed information to company level, facilitating partial consolidation by geographical location or business. In 2020, a thorough review of the requested information was carried out to adapt the system to the information requirements of the company's different stakeholders and the recommendations of the external and internal auditors. The software used has enabled corporate management to gather quarterly information for management and internal reporting to Senior Management.

In 2020, the reporting system collected 643 quantitative and qualitative indicators, in 116 companies, thanks to the collaboration of more than 200 users.

REFORMULATION OF THE INFORMATION

There were a number of changes in the group in 2020 that may affect the comparability of the data contained in the Report, although they are not particularly relevant in comparison to the company as a whole. To guarantee the maximum transparency and comparability of the data, the body of the report shows when an indicator from previous years has been modified or shows significant changes that affect the comparability of the information. The Report takes into account most of the requirements regarding the Non-Financial Information Statement carried out by the National Securities Market Commission.

STAKEHOLDERS

Ferrovial is committed to the transparency of the information it shares with the market, through the continuous improvement of communication channels with all its stakeholders, based on innovative corporate information that, in addition to financial aspects, takes into account the environmental and social variables.

The company considers stakeholders to be individuals or social groups with a legitimate interest, who are affected by the company's present or future actions. This definition includes both the stakeholders that form part of the company's value chain (shareholders, employees, investors, customers and suppliers), considered as partners in the development of the business, as well as external stakeholders (Administrations, Governments, media, analysts, business sector, unions, third sector and society in general), starting with the local communities in which the company undertakes its activities.

This relationship is dynamic since the environment changes more and more rapidly. To a large extent, Ferrovial's business depends on its relations with the Public Administrations of the countries in which it operates. Ferrovial holds decision-making positions in organizations that promote Corporate Responsibility at a national and international level, such as Fundación SERES, Forética, Spanish Network of the Global Compact, CEO CSR Committee and the Spanish Association for Quality (AEC). In 2020, Ferrovial held the Chair of the Spanish Group of Green Growth and the Chief Executive Officer of Ferrovial became a member of the Executive Committee of the SERES Foundation.

Ferrovial is characterized by absolute political neutrality, developing its activities for both Public Administrations and private clients in the countries where it operates. The company does not make economic or in-kind contributions to political parties or electoral candidates. However, Ferrovial forms part of business or foundation representation

organizations for commercial exchange between countries associated with the development of its activity or to the geographical area in which it operates. Through its presence and collaboration with these organizations, the company aspires to contribute to the progress and development of all those fields of action in which it is present. In 2020 the economic contribution to these organizations was around 0.93 million euros, which includes the Association of Construction Companies and Infrastructure Concessionaires (SEOPAN).

Ferrovial's considerations of the principles related to the content of the report, are explained in the specific section on materiality. For more information on the AA1000, GRI and SASB standards, see page 148 of GRI indicators.

MATERIAL ISSUES

Ferrovial considers relevant issues to be all those that can exert a substantial influence on the assessments and decisions of the stakeholders, affecting the ability to meet their present needs without compromising future generations.

A new materiality study was conducted in 2020 as part of Ferrovial's biennial update of this analysis. Given the exceptional situation arising from COVID-19, some specific reports addressing this issue have also been considered.

This edition of the materiality has been carried out in order to understand the relevant issues not only at a global level, but also in the geographies considered a priority business target. Thus, although only the global materiality matrix is presented in this report, the company is aware of the most relevant issues for each country.

The analysis process was carried out in several phases:

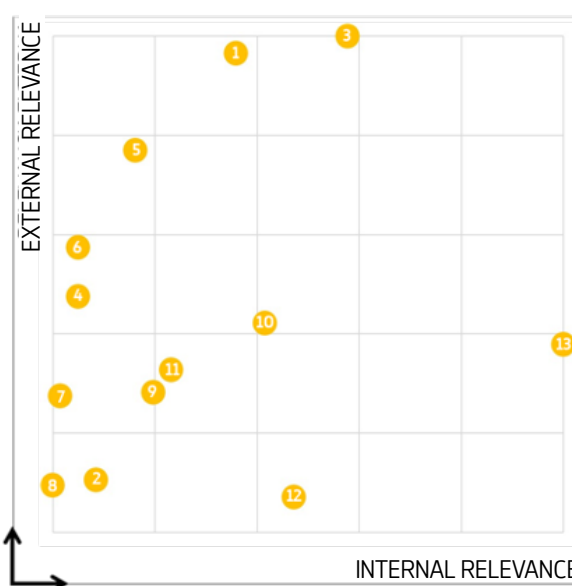
- Identification and validation of relevant issues. By consulting various relevant sources of information (GRI, Sustainability Accountant Standard Board (SASB), World Economic Forum, media coverage, consultations with socially responsible investors, specific sector reports on COVID-19 prepared by prestigious consulting firms, etc.), the main trends and most relevant issues for the sector in which Ferrovial operates were identified. Once the initial list of issues was obtained, it was agreed with the main corporate directors and a final list of 13 issues was determined.
- Determination of internal relevance. By means of an online survey addressed to the company's managers, both from corporate areas and business lines, they were asked to assess and prioritize the material issues identified.
- Determination of external relevance. The same survey sent to executives was sent to the main stakeholders in the main

geographical areas in which Ferrovial operates.

- Prioritization. This is the result of graphically crossing internal and external relevance, represented in the materiality matrix.

According to the materiality analysis conducted, it has been determined that the most relevant issues for Ferrovial are "Health, safety, and wellbeing of employees and contractors", "Customer and user satisfaction" and "Innovation applied to the business".

1. Innovation applied to business
2. Cybersecurity
3. Customer and user satisfaction
4. Social impact
5. Climate change
6. Resource efficiency and biodiversity
7. Sustainable supply chain management
8. Human Rights
9. Good corporate governance
10. Ethical behavior
11. Career development, diversity and inclusion in the workplace
12. Adaptation to the new labor scenario (digitalization, teleworking, new equality laws, working environment-COVID-19)
13. Health, safety and wellbeing of employees and contractors



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The contents of this Integrated Annual Report are aligned with the recommendations of the TCFD. The contents suggested by the initiative can be consulted in this index:

CONTENTS		LOCATION
GOVERNANCE	Describe the board's overview of climate-related risks and opportunities.	Climate Strategy section (page 86). Corporate Governance section (page 106-109).
	Describe the role of management in assessing and managing climate-related risks and opportunities.	Chapter on Risks (page 100-103). Climate Strategy section (page 86).
	Describe the climate-related risks and opportunities identified by the organization in the short, medium and long term.	Strategy Chapter (page 22-23). Section on risks and opportunities related to climate change (page 86). Risks Chapter (pg 100-103).
STRATEGY	Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning.	Climate Strategy section (page 86) and in each of the sections related to each of Ferrovial's divisions (pages 26-39).
	Describe the resilience of the organization's strategy, taking into account different future climate scenarios including a scenario of 2 °C or less.	Section on risks and opportunities related to climate change (page 84).
RISKS	Describe the organization's processes for identifying and assessing climate-related risks.	Risks chapter (page 101). Section on risks and opportunities related to climate change (page 86).
	Describe the organization's processes for managing climate-related risks.	Chapter on Risks (page 101). Section on risks and opportunities related to climate change (pg 86).
	Describe how the processes for identifying, assessing and managing climate-related risks are integrated with the organization's overall risk management.	Risks Chapter (pg 101). Section on risks and opportunities related to climate change (pg 86).
METRICS	Describe the metrics the organization uses to assess climate-related risks and opportunities and the risk management process.	Risks Chapter (pg 101). Risks and opportunities related to climate change (page 86).
	Break down GHG emissions, Scope 1, Scope 2 and, if appropriate, Scope 3, and associated risks.	Environment chapter (page 87). Annex of GRI Standards indicators (page 149).
	Describe the organization's objectives for managing climate-related risks and opportunities and performance against those objectives.	Environment Chapter (page 86-87).

SCOREBOARD

Shareholders	2018	2019	2020
Revenue (M€)	5,737	6,054	6,340
Operating cash flow excluding concessionaires (M€)	572	810	838
Dividends received (M€) ¹	520	520	377
Employees	2018	2019	2020
Workforce at year-end	92113	89968	80119
Total average turnover rate (%)	8.18 %	13.23 %	17.58 %
Frequency rate	12.2	10.3	9.2
Severity rate	0.29	0.25	0.26
Customers	2018	2019	2020
Portfolio by business unit (M€)	30,376	29,080	23,211
- Services	19,411	17,656	13,027
- Construction	10,965	11,424	10,129
Investment in R&D (M€)	48	45	52
User satisfaction with Managed Lanes (NTE and LBJ) (%)	+80%	77 %	70-80%
HAH passenger experience (scale 1-5)	4.15	4.17	4.18
Certified activity (ISO 9001)	88 %	86 %	89 %
Sociedad	2018	2019	2020
Renewal of presence on sustainability indexes: DJSI, Vigeo, FTSE4Good, MSCI, STOXX, CDP	Sí	Sí	Sí
Carbon intensity: direct and indirect greenhouse gases emissions in relative terms (tCO ₂ eq /M€) ²	55 %	59 %	56 %
Beneficiaries of potable water and sanitation projects ³	213,713	223,314	229,639
Taxes (M€) ⁴	2,127	2,087	1,833

(1) In scrip dividend and share buyback.

(2) Scope 1 & 2 compared to base year 2009.

(3) Data accumulated since 2008 (18 projects performed in Colombia, Peru, Mexico, Tanzania, Ethiopia, Uganda and Ghana).

(4) Taxes accrued, paid and collected (cash flow criteria).

CONTENTS OF NON-FINANCIAL INFORMATION STATEMENTS

11/2018 Law contents			GRI Standard	Location / additional information
Business Model	Description of the Group's business model	Brief description of the group's business model, including its business environment, organization and structure, the markets in which it operates, its objectives and strategies, and the main factors and trends that may affect its future development.	102-2, 102-4, 102-6, 102-7, 102-15	Section Ferrovial in two minutes (Pages 11-19). Section Strategy and value creation. (Pages 21-39)
Policies	Policies applied by the Group	Policies applied by the group, including due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts, and for verification and control, as well as the measures that have been adopted.	103-2 c) i	Section Integrity. (Pages 82-83)
Main risks	Main risks related to issues linked to the group's activities	Key risks related to issues linked to the group's activities, including, where relevant and proportionate, its business relationships, products or services that could have an adverse effect on those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with national, European or international frameworks of reference for each subject. Information on the impacts that have been identified should be included, providing a breakdown of these impacts, in particular the main short, medium and long-term risks.	102-11, 102-15, 102-30, 201-2.	Section Risks. (Pages 100-103)
		Efectos actuales y previsibles de las actividades de la empresa en el medio ambiente y en su caso, la salud y la seguridad	102-15, 102-29, 102-31	Capítulo Medio Ambiente, (Pág 90-92) y tabla de Indicadores GRI Standards (GRI 307)
		Current and foreseeable effects of the company's activities on the environment and, where appropriate, on health and safety.	102-15, 102-29, 102-31	Environment Section, (Pages 86-88) and GRI Standards Indicators Table (GRI 307).
		Environmental assessment or certification procedures	102-11, 102-29 y 102-30	Quality Section. (Pages 80-81)
	Pollution	Resources dedicated to environmental risk prevention	102-29	Currently 372 (503 in 2019) people work in the different Quality and Environment departments of Ferrovial and its subsidiaries, which implies an approximate expenditure of 16.11 million euros (22.86 in 2019).
		Application of the precautionary principle	102-11	Section Risks. (Pages 100-103)
				Environment Section (Page 86-88)
		Number of provisions and safeguards for environmental risks	307-1	See note 6.5.3. of the Consolidated Financial Statements.
		Measures to prevent, reduce or remediate CO2 emissions that seriously affect the environment.	103-2, 302-4, 302-5, 305-5, 305-7	Environment Section (Page 86-87) and Annex to GRI Standards (GRI 305-7).
	Circular economy and waste prevention and management	Measures to prevent, reduce or remediate emissions of all forms of air pollution (including noise and light pollution).	416-1	Quality Section. (Pages 80-81)
		Measures for waste prevention, recycling, reuse and other forms of waste recovery and disposal.	103-2, 301-1, 301-2, 301-3, 303-3, 306-1, 306-2, 306-3	Environment Section. (Page 88) and table of GRI Standards Indicators (GRI 306).
		Actions to combat food waste	No aplica	Due to the nature of Ferrovial's activities, this indicator is considered non-material.
Information on environmental issues	Sustainable use of resources	Water consumption and supply in accordance with local constraints.	303-1, 303-2, 303-3	Environment chapter, Water Footprint section. (Page 88) and table of GRI Standards Indicators (GRI 303).
		Consumption of raw materials and measures taken to improve the efficiency of their use.	301-1, 301-2, 301-3	Table of GRI Standards Indicators (GRI 301). Environment Section, Circular Economy section, (Page 88).

Climate change	Consumption, direct and indirect; Measures taken to improve energy efficiency, use of renewable energies	302-1, 302-2, 302-3, 302-4, 302-5	GRI Standards Indicator Table (GRI 302).
	Significant elements of greenhouse gas emissions generated as a result of the company's activities (including goods and services produced).	305-1, 305-2, 305-3, 305-4	Section Environment, section Climate Strategy and Shadow Carbon Pricing (Page 86-87), and table of GRI Standards Indicators (GRI 305).
	Measures taken to adapt to the consequences of climate change.	102-15, 103-2, 201-2, 305-5	Section Environment, section Climate Strategy and Shadow Carbon Pricing (Page 86-87)
Biodiversity protection	Voluntary reduction targets established in the medium and long term to reduce GHG emissions and the means implemented to this end.	103-2	Environment Section, Climate Strategy section (Page 90) and Airports chapter (Page 30-31)
	Measures taken to conserve or restore biodiversity.	304-3	Environment Section, Biodiversity section (Page 90-92) and GRI Standards Indicators table (GRI 304)
Information on social and personnel issues	Total number and distribution of employees by gender, age, country, and occupational classification.	102-7, 102-8, 405-1	People Section, (Pages 72-73)
			GRI Standards Indicator Table (102-8)
	Total number and distribution of employment contracts.	102-8	GRI Standards Indicator Table (102-8)
	Average annual number of permanent, temporary, and part-time contracts by gender, age, and occupational classification.	102-8	Table of GRI Standards Indicators.
			Ferrovial's information systems do not allow segregation of contracts by age as this is not considered material information.
	Number of dismissals by gender, age and occupational classification.	401-1	GRI Standards Indicators Table (401-1)
	Average salaries and their evolution broken down by gender, age and occupational classification	405-2	Table of Indicators GRI Standards (405-2)
	Wage gap	405-2	People Section, (Page 73), and Table of Indicators GRI Standards (405-2)
	Remuneration for equal or average positions in the company.	202-1	Table of GRI Standards Indicators
	Average remuneration of directors and executives (including variable remuneration, allowances, indemnities, payments to long-term savings schemes and any other payments broken down by gender).	102-35, 102-36, 201-3	"Remuneration Section (Pg 112-113) Consolidated Financial Statements, Note 6.6."
	Implementation of policies of disconnection from work	402-1	Ferrovial has an internal policy for the exercise of the right to digital disconnection in the workplace, the purpose of which is to regulate Ferrovial's internal policy regarding the right to digital disconnection in the workplace of its professionals, as well as the methods for exercising this right and the training and awareness actions for personnel on the reasonable use of technological tools, in the context of exercising this right.
Health and safety	Employees with disabilities	405-1	The number of employees with disabilities in 2020 amounted to 1,538 (1,587 in 2019).
	Organization of working time	102-8	The company has the tools to adapt the management of working time to the business needs and demands of employees, with the aim of improving both business competitiveness and the well-being of its workforce by enabling a results-oriented company culture to be generated. In addition, it facilitates the adoption of flexibility and conciliation measures according to the needs of each employee, taking into account their life cycles. Section People, (Pages 76-77)
	Number of hours of absenteeism	403-9	Table of GRI Standards Indicators (403-9)
	Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of work-life balance by parents.	401-3	Ferrovial has an internal policy on Flexibility and Reconciliation, to which all employees have access and whose main objective is to promote an appropriate balance between the personal and professional lives of its employees, while encouraging co-responsibility.

Health and safety	Health and safety conditions at work	103-2, 403-1, 403-3	Health and Safety Chapter (Pages 74-76)
	Occupational accidents, in particular their frequency and severity, as well as occupational diseases; disaggregated by gender.	403-9, 403-10	Table of GRI Standards Indicators. Ferrovial makes no distinction in its accident rates by gender, as health and safety measures are applied equally throughout the company, without differentiating between genders.
Social relations	Balance of collective bargaining agreements (particularly in the field of occupational health and safety).	403-1, 403-4	The number of company collective bargaining agreements signed in 2020 was 629 (42 in 2019). In the aforementioned collective bargaining agreements there are provisions, articles, chapters or even specific titles that regulate different obligations in terms of occupational risk prevention, (Occupational Safety and Health), thereby giving compliance and adaptation to the regulation in each country. In the collective bargaining held during 2020, matters and obligations relating to occupational health and safety have been renewed, or even improved in some cases, as a result of Ferrovial's commitment to the welfare of its employees and their health and safety at work.
Training	Policies implemented in the field of training.	404-2	People Chapter (Pages 72-73)
	Total number of hours of training by professional category.	404-1	Table of Indicators GRI Standards (404-1)
Accessibility	Universal accessibility of people	103-2	In order to promote workplace integration, all work centers are adapted to be accessible spaces in accordance with the commitments to the inclusion strategy as well as any particular demands that may exist due to the diversity of the workforce.
Equality	Measures taken to promote equal treatment and opportunities for women and men.	103-2	Human Rights Chapter (Pages 84-85)
	Equality plans (Chapter III of Organic Law 3/2007, of March 22, for the effective equality of women and men).	103-2	Human Rights Chapter (Pages 84-85)
	Measures adopted to promote employment	103-2, 404-2	Chapters People, Human Rights and Local Community, (Pages 72-73, 84-85 and 92-93)
	Policy against all types of discrimination and, where appropriate, integration of protocols against sexual and gender-based harassment.	103-2	Chapter Human Rights (Pages 80-81)
	Protocols against all types of discrimination and, where appropriate, diversity management protocols.	103-2, 406-1	Chapter People (Pages 72-73) and Human Rights (Pages 84-85)
	Implementation of human rights due diligence procedures.	414-2	Chapter Human Rights (Pages 84-85)
	Prevention of risks of Human Rights violations and, where appropriate, measures to mitigate, manage and remedy possible abuses committed.	410-1, 412-1	Integrity Chapter (Page 82-83)
Information on respect for human rights	Reporting of human rights abuses.	102-17, 419-1, 411-1	Integrity Chapter (Page 83). None of the complaints received were related to cases of human rights violations, neither in 2020 nor in the previous year. Human Rights Chapter (Page 84-85)
	Promotion and enforcement of the provisions of core ILO conventions concerning respect for freedom of association and the right to collective bargaining, elimination of discrimination in respect of employment and occupation, elimination of forced or compulsory labor, and the effective abolition of child labor.	103-2	Human Rights Chapter (Pages 84-85)

Information on anti-corruption and anti-bribery issues	Measures taken to prevent corruption and bribery.	103-2	Chapter Integrity (Pages 82-83)
	Measures to combat money laundering.	103-2	Integrity Chapter (Pg 82-83)
	Contributions to foundations and non-profit organizations.	103-2, 201-1, 203-2, 415-1	Community Chapter (Pages 92-93). Contributions to non-profit entities in 2020 amounted to €5.7 million (€2.7 million in 2019).
Información sobre la sociedad	Impact of the company's activities on employment and local development, local populations and the territory.	203-1, 203-2, 204-1, 413-1, 413-2	Community Chapter (Page 92-93)
	Relationships with local community stakeholders and the methods of dialogue with them	102-43, 413-1	Most of the projects developed by Ferrovial require the prior completion of an environmental impact study. Furthermore, in certain cases, their execution entails certain impacts on the local communities where they are carried out. In these circumstances, the company promotes a two-way dialogue, informing those affected of the possible implications of each of the phases, and also in the provision of communication channels to collect complaints, suggestions or reports. The company also carries out a biennial consultation with its stakeholders as part of its materiality study, and also has an Ethics Channel available to anyone on its website.
	Partnership or sponsorship actions	102-13, 203-1, 201-1	All donation, sponsorship, patronage and partnership projects are subject to analysis under the internal regulations that establish the Procedure for the approval and monitoring of Sponsorship, Patronage and Donation projects. In 2020, sponsorship actions were linked to the promotion of arts, culture, innovation or education. The company is a member of SEOPAN and of various national and international construction and infrastructure sector associations.
Subcontracting and suppliers	Inclusion of social, gender equality and environmental issues in purchasing policies.	103-3	Chapter Supply Chain (Pages 90-91)
	Consideration of social and environmental responsibility in relations with suppliers and subcontractors.	102-9, 308-1, 308-2, 407-1, 409-1, 414-1, 414-2	Supply Chain Chapter (Pages 90-91)
	Monitoring and auditing systems and their resolution.	308-1, 308-2, 414-2	Supply Chain Chapter (Page 90-91). In 2020, 10,205 suppliers were evaluated (14,458 in 2019). The decrease compared to the previous year is due to the exit of Broadspectrum Australia and New Zealand.
Consumers	Measures for the health and safety of consumers.	416-1, 416-2, 417-1	Toll Roads chapter (Pages 26-28) and Innovation chapter (Pages 76-78)
	Complaint and grievance systems received and resolution of complaints.	102-17, 418-1	Quality (Pages 80-81) and Integrity (Pages 82-83). In 2020, 876 (509 in 2019) customer complaints were recorded, of which 96% (96% in 2019) were resolved in the year.
Tax information	Country-by-country profitability	201-1	Consolidated Financial Statements, note 2.8.1 (P. 31)
	Profit taxes paid	201-1	Consolidated Financial Statements, note 2.8.1 (Page 31)
	Government subsidies received	201-4	Consolidated Financial Statements, note 6.1 (Page 72)

* The GRI Standards Indicator tables (Page 141) should be used to identify the information related to each GRI indicator.

INDICADORES SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

A continuación, se presentan los indicadores de Sustainability Accounting Standards Board (SASB) correspondientes al sector Engineering and Construction Services.

TOPIC	METRIC	SASB CODE	REFERENCE / DIRECT ANSWER
Environmental Impacts of Project Development	Number of incidents of non-compliance with environmental permits, standards, and regulations	IF-EN-160a.1	See GRI 307-1 indicator
	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	IF-EN-160a.2	See Environment section, pages 86-88
Structural Integrity & Safety	Amount of defect- and safety-related rework costs	IF-EN-250a.1	8.03 million euros
	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	IF-EN-250a.2	11,761.4 euros
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	IF-EN-320a.1	See appendix to GRI indicators, indicators 403-9 and 403-10.
Lifecycle Impacts of Buildings & Infrastructure	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	IF-EN-410a.1	See Annex to GRI indicators, indicator CRE8
	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	IF-EN-410a.2	See Environment section, pages 86-88
Climate Impacts of Business Mix	Amount of backlog for (1) hydrocarbon related projects and (2) renewable energy projects	IF-EN-410b.1	The portfolio of projects related to hydrocarbons amounts to 155.8 million euros, corresponding to gas pipelines and other fuel storage infrastructures.
	Amount of backlog cancellations associated with hydrocarbon-related projects	IF-EN-410b.2	There were no portfolio cancellations associated with hydrocarbon projects.
	Amount of backlog for non-energy projects associated with climate change mitigation	IF-EN-410b.3	Ferrovial is currently carrying out an exercise to categorize its activities according to the European taxonomy, which will make it possible to determine which of its activities are aligned with climate change mitigation and adaptation. The information will be available during 2021
Business Ethics	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	IF-EN-510a.1	Ferrovial does not develop projects in any of the 20 countries ranked in the bottom 20 of the Corruption Perceptions Index.
	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	IF-EN-510a.2	See Consolidated Financial Statements, note 6.5.
	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behavior in the project bidding processes	IF-EN-510a.3	See Integrity section, pages 82-83

GRI STANDARDS INDICADORS

Standard GRI	Page / Reference	Scope
FUNDAMENTOS (GRI 101)		
GRI 102 General Disclosures 2016		
Organizational Profile		
102-1 Name of the organization	Note 1.1. of Ferrovial's Consolidated Financial Statements 2020	Ferrovial
102-2 Activities, brands, products, and services	14-15 and 22	Ferrovial
102-3 Location of headquarters	Note 1.1. of Ferrovial's Consolidated Financial Statements 2020	Ferrovial
102-4 Location of operations	14-15 and 22	Ferrovial
102-5 Ownership and legal form	Note 1.1. of Ferrovial's Consolidated Financial Statements 2020	Ferrovial
102-6 Markets served	14-15 and 22	Ferrovial
102-7 Scale of the organization	12-19	Ferrovial
102-8 Information on employees and other workers	72-73 and Appendix to GRI Indicators	Ferrovial
102-9 Supply Chain	90-91 and Appendix to GRI Indicators	Ferrovial
102-10 Significant changes to the organization and its supply chain	Notes 1.1.2 and 1.1.3 of Ferrovial's Consolidated Financial Statements 2020	Ferrovial
102-11 Precautionary Principle or approach	96-88 and 99-103	Ferrovial
102-12 External Initiatives	130	Ferrovial
102-13 Membership of associations	130	Ferrovial
Strategy		
102-14 Statement from senior decision-maker	9, 22-23, 100	Ferrovial
102-15 Key impacts, risks, and opportunities	9, 100-103	Ferrovial
Ethics and integrity		
102-16 Values, principles, standards, and norms of behavior	24, 82-83 and 92-93	Ferrovial
102-17 Mechanisms for advice and concerns about ethics	82-83	Ferrovial
Governance		
102-18 Governance structure	106-108 Section C of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-19 Delegating authority	106-108 Section C of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-20 Executive-level responsibility for economic, environmental, and social topics	106-108 Section C of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-21 Consulting stakeholders on economic, environmental, and social topics	130-131	Ferrovial
102-22 Composition of the highest governance body and its committees	106-108 Section C of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-23 Chair of the highest governance body	106-108 Section C of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-24 Nominating and selecting the highest governance body	106-108 Section C of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-25 Conflicts of interest	106-108 Section D.6 of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-26 Role of highest governance body in setting purpose, values, and strategy	106-108	Ferrovial
102-27 Collective knowledge of highest governance body	The Board of Directors is informed annually regarding environmental management issues for the company, as well as regarding monitoring of the corporate responsibility strategic plan. Furthermore, the Board, directly or via its committees, remains abreast of a series of issues on which it is required to make decisions. These include approving policies on a wide range of issues.	Ferrovial
102-28 Evaluating the highest governance body's performance	Sections C.1.19 to C.1.21 of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-29 Identifying and managing economic, environmental, and social impacts	106-108 Section E of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial

102-30 Effectiveness of risk management processes	106-108 Section E of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-31 Review of economic, environmental, and social topics	106-108 Section E of Ferrovial's Annual Corporate Governance Report 2020	Ferrovial
102-32 Highest governance body's role in sustainability reporting	128	Ferrovial
102-33 Communicating critical concerns	83, 128 and 130-131	Ferrovial
102-34 Nature and total number of critical concerns	83, 128 and 130-131	Ferrovial
102-35 Remuneration policies	110-111	Ferrovial
102-36 Process for determining remuneration	110-111	Ferrovial
102-37 Stakeholders' involvement in remuneration	110-111	Ferrovial
102-38 Annual total compensation ratio	See Appendix to GRI Indicators	Ferrovial
102-39 Percentage increase in annual total compensation ratio	See Appendix to GRI Indicators	Ferrovial
Stakeholders Engagement		
102-40 List of stakeholder groups	130-131	Ferrovial
102-41 Collective bargaining agreements	85. See Appendix y and table of contents of non-Financial Information Statements	Ferrovial
102-42 Identifying and selecting stakeholders	2, 130-131	Ferrovial
102-43 Approach to stakeholder engagement	128 and 130-131	Ferrovial
102-44 Key topics and concerns raised	128-132	Ferrovial
Reporting practice		
102-45 Entities included in the consolidated financial statements	Appendix II of Ferrovial's Consolidated Financial Statements 2020	Ferrovial
102-46 Defining report content and topic Boundaries	2, 130-131	Ferrovial
102-47 List of material topics	131	Ferrovial
102-48 Restatements of information	130	Ferrovial
102-49 Changes in reporting	130	Ferrovial
102-50 Reporting period	Fiscal year 2020	Ferrovial
102-51 Date of most recent report	Fiscal year 2019	Ferrovial
102-52 Reporting cycle	Annual	Ferrovial
102-53 Contact point for questions regarding the report	Back cover	Ferrovial
102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the Comprehensive option of the GRI Standards.	Ferrovial
102-55 GRI content index	138	Ferrovial
102-56 External assurance	155	Ferrovial

GRI Standard	Indicator and description	Page / Reference	Scope
GRI 103 Management approach 2016	103-1 Explanation of material issue and its limitations	131	Ferrovial
	103-2 Management approach and components	12-15	Ferrovial
	103-3 Evaluation of the management approach	12- 15	Ferrovial

THEMATIC CONTENTS

Economic Performance			
GRI 201 Economic Performance 2016	201-1 Direct economic value generated and distributed	See Appendix to GRI Indicators	Ferrovial
	201-2 Financial implications and other risks and opportunities due to climate change	86-88 Risks and opportunities are disclosed in the Carbon Disclosure Project report, which is publicly-available on the CDP website. Information for 2020 will be made available during 2020.	Ferrovial
	201-3 Defined benefit plan obligations and other retirement plans	Note 6.6.4 of Ferrovial's Consolidated Financial Statements 2020 Note 6.2 of Ferrovial's Consolidated Financial Statements 2020	Ferrovial
	201-4 Financial assistance received from government	Note 6.1 of Ferrovial's Consolidated Financial Statements 2020 Note 6.4 of Ferrovial's Consolidated Financial Statements 2020	Ferrovial

Market presence			
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	The relationship between entry level wage and the local minimum wage in relevant countries by gender (Men/Women) is as follows: Spain: 1.28 / 1.28 (1.34 / 1.34 in 2019) United Kingdom: 1.3 / 1.3 (1 / 1 in 2019) USA: 1.66 / 1.66 (1.71 / 1.71 in 2019) Poland: 1 / 1 (1 / 1 in 2019) Chile: 1 / 1 (1.04 / 1.04 in 2019)	Ferrovial
	202-2 Proportion of senior management hired from the local community	In 2020, the proportion of senior management was 84.3% (85.79% in 2019)	Ferrovial
Indirect economic impacts			
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	92-93	Ferrovial
	203-2 Significant indirect economic impacts	14-15, 26,30,33,36,39,76,80,81	Ferrovial
Procurement practices			
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	91	Ferrovial
Anti-corruption			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	82-83	Ferrovial
	205-2 Communication and training about anti-corruption policies and procedures	82-83	Ferrovial
	205-3 Confirmed incidents of corruption and actions taken	82-83	Ferrovial
Anti-competitive			
GRI 206: Anti-competitive 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In 2020, three cases and litigations related to monopoly practices were open (two in 2019). Note 6.5 of Ferrovial's Consolidated Financial Statements 2020"	Ferrovial
GRI 207: Tax 2019	207-1 Approach to tax	94-96	Ferrovial
	207-2 Tax governance, control, and risk management	94-96	Ferrovial
	207-3 Stakeholder engagement and management of concerns related to tax	94-96	Ferrovial
	207-4 Country-by-country reporting	94-96 Appendix to GRI Indicators	Ferrovial
GRI Standard	Indicator and description	Page / Reference	Alcance
GRI 103 Management approach 2016	103-1 Explanation of material issue and its limitations	129	Ferrovial
	103-2 Management approach and components	86-88	Ferrovial
	103-3 Evaluation of the management approach	86-88	Ferrovial
Materials			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	See Appendix to GRI Indicators. It is given information about the most representative used material for each division. The most significant material could change every year, so it is not comparable.	Ferrovial
	301-2 Recycled input materials used	See Appendix to GRI Indicators	Ferrovial
	301-3 Reclaimed products and their packaging materials	The activity of the company does not include the production of goods destined for sale with packaging	Ferrovial
Energy			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	See Appendix to GRI Indicators	Ferrovial
	302-2 Energy consumption outside of the organization	See Appendix to GRI Indicators	Ferrovial
	302-3 Energy intensity	Energy intensity is 566.0 GJ/M€ (555.4 GJ/M€ in 2019). The 2019 data have been recalculated with the information available in 2020.	Ferrovial
	302-4 Reduction of energy consumption	Energy consumption reduced 4.46% compared to 2020.	Ferrovial
	302-5 Reductions in energy requirements of products and services	86-88	Ferrovial

Water			
GRI 303: Water 2016	303-1 Interactions with water as a shared resource	See Appendix to GRI Indicators. Data reported for 2020 include estimates based on the best information available at the date of preparation of the report. The main consumptions have been estimated based on average water consumption prices per country.	Ferrovial
	303-2 Management of water discharge-related impacts	See Appendix GRI Indicators. Water abstractions require authorization, which limits the volume that can be abstracted, always below the maximum limits established by the competent authority. For this reason, it is considered that the water abstractions carried out by Ferrovial, in accordance with these authorizations, do not significantly affect the water resource.	Ferrovial
	303-3 Water withdrawal	See Appendix GRI Indicators	Ferrovial
	303-4 Water discharge	Total wastewater discharge amounted to 868,052 m ³ (1,127,466 m ³ in 2019). The discharge data has been calculated based on standard discharge indicators for certain activities published by various sources, not constituting actual discharge measurements.	Ferrovial
	303-5 Water consumption	See Appendix GRI Indicators.	Ferrovial
Biodiversity			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	In 2020, Ferrovial worked on 18 projects subject to Environmental Impact Statement (or equivalent figures), according to the legal framework of each country. (17 in 2019).	Construction business and Ferrovial Services Spain
	304-2 Significant impacts of activities, products, and services on biodiversity	The most significant impacts on biodiversity have been contemplated in the respective Environmental Impact Statements or equivalent figures, according to the legal framework of each country, of the activities that so require. Likewise, compensation actions are carried out in those cases in which this has been required in accordance with the provisions of said declarations or equivalent figures.	Ferrovial
	304-3 Habitats protected or restored	Ferrovial carries out the ecological restoration of habitats affected by the construction and operation of its infrastructures in accordance with the regulations in force in each country, introducing wherever possible improvements over the minimum requirements as well as ecological restoration criteria that ensure better long-term results.	Ferrovial
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	See Appendix GRI Indicators	Ferrovial
Emissions			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	91. See Appendix GRI Indicators	Ferrovial
	305-2 Energy indirect (Scope 2) GHG emissions	91. See Appendix GRI Indicators	Ferrovial
	305-3 Other indirect (Scope 3) GHG emissions	91. See Appendix GRI Indicators. Scope 3 emissions are limited to the scope described in table 305-3 of the GRI Indicators Appendix.	Ver Anexo Indicadores GRI
	305-4 GHG emissions intensity	Greenhouse emissions intensity is 72.01 tCO ₂ /M€ in 2020, (75.55 tCO ₂ /M€ in 2019).	Ferrovial
	305-5 Reduction of GHG emissions	91. See GRI Indicators Appendix.	Ferrovial
	305-6 Emissions of ozone-depleting substances (ODS)	This data is not considered material because Amey no longer has operational control over centers using refrigeration equipment, which use refrigerants based on fluorinated gases or ozone depleting substances.	Ferrovial
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	See Appendix to GRI Indicators.	Ferrovial

Effluents and Waste			
GRI 306: Effluents y waste 2016	306-1 Water discharge by quality and destination	Total wastewater discharge amounted to 868,052 m ³ (1,127,466 m ³ in 2019). The discharge data has been calculated based on standard discharge indicators for certain activities published by various sources, not constituting actual discharge measurements.	Ferrovial
	306-2 Waste by type and disposal method	See Appendix to GRI Indicators. Data reported for 2020 include estimates based on the best information available at the date of preparation of the report.	Ferrovial
	306-3 Significant spills	During 2019 and 2020 no significant spills have been recorded.	Ferrovial
	306-4 Transport of hazardous waste	During 2020 the amount of transboundary waste transported was 151.56 t (4732 t in 2019).	Ferrovial Servicios España
	306-5 Water bodies affected by water discharges and/or runoff	In the projects developed by Ferrovial in 2020, 23 had high quality watercourses in their vicinity (19 in 2019), of which 2 started in 2020.	Ferrovial Construction
Environmental Compliance			
GRI 307 Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	The most significant penalties paid in 2020 for non-compliance with environmental legislation were €19,228 (€25,200 in 2019), corresponding to one case imposed in 2020, and €76,551 corresponding to two cases imposed in previous years (€90,751 in 2019).	FS España Oficinas Centrales (Ferrovial Servicios, S.A.) y Ferrovial Construction Portugal
Supplier Environmental Assessment			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	90-91	Ferrovial
	308-2 Negative environmental impacts in the supply chain and actions taken	90-91. In Construction, the negative environmental impacts had by the supply chain are evaluated, identifying potential risks and substandard work. The measures adopted range from expulsion from the project and/or rejection of the supplier, to warnings that improvements are required in less serious cases. In the Services division, face-to-face audits are carried out on a sample of suppliers.	Ferrovial
GRI Standard	Indicator and description	Page / Reference	Scope
GRI 103 Management approach 2016	103-1 Explanation of material issue and its limitations	130-131	Ferrovial
	103-2 Management approach and components	72-75	Ferrovial
	103-3 Evaluation of the management approach	72-75	Ferrovial
Employment			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	See Appendix to GRI Indicators	Ferrovial
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social benefits for each country and business are offered equally to full-time employees and part-time employees. In some cases, employees need to have held their posts for at least one year to be eligible for certain social benefits.	Ferrovial
	401-3 Parental leave	Ferrovial does not consider this a risk, as the countries where it operates have protectionist legislation in place for such matters. Such information is therefore not subject to specific managerial procedures.	Ferrovial
Labor Relations			
GRI 402: Labor Relations 2016	402-1 Minimum notice periods regarding operational changes	Ferrovial complies with the advance notice periods established in labor legislations or those enshrined, if applicable, in the collective agreements pertinent to each business, with no corporate advance notice periods having been established.	Ferrovial

Occupational Health and Safety			
GRI 403 Occupational Health and Safety 2018	403-1 Occupational health and safety management system	42, 74-75	Ferrovial
	403-2 Hazard identification, risk assessment, and incident investigation	74-75	Ferrovial
	403-3 Occupational health services	42, 74-75	Ferrovial
	403-4 Worker participation, consultation, and communication on occupational health and safety	74-75	Ferrovial
	403-5 Worker training on occupational health and safety	75	Ferrovial
	403-6 Promotion of worker health	74-75	Ferrovial
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Risk of developing occupational diseases is detected through risk assessments conducted by the Safety and Health Department and controlled through the health surveillance, where relevant relevant protocol according to the risk exposure of the workers are defined and applied.	Ferrovial
	403-8 Workers covered by an occupational health and safety management system	See Appendix to GRI Indicators	Ferrovial
	403-9 Work-related injuries	See Appendix to GRI Indicators	Ferrovial
	403-10 Work-related ill health	See Appendix to GRI Indicators	Ferrovial
Training and education			
GRI 404 Training and education 2016	404-1 Average hours of training per year per employee	See Appendix to GRI Indicators	Ferrovial
	404-2 Programs for upgrading employee skills and transition assistance programs	All training and development programs are aimed at improving the employability of the candidate. In the case of early retirement or restructuring plans (e.g. redundancy packages), specific training plans may be negotiated as part of other outplacement plans.	Ferrovial
	404-3 Percentage of employees receiving regular performance and career development reviews	The percentage of employees receiving regular assessments of Ferrovial's performance and professional development is 31.94% (33.12%)	Ferrovial
Diversity and Equality of Opportunities			
GRI 405: Diversity and equality of opportunities 2016	405-1 Diversity of governance bodies and employees	See Appendix to GRI Indicators Section C of Annual Corporate Governance Report 2020	Ferrovial
	405-2 Ratio of basic salary and remuneration of women to men	See Appendix to GRI Indicators	Ferrovial
No discrimination			
GRI 406: No discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	83. Information about complaints received through the Corporative Ethics Line in Spain is given.	Ferrovial
Freedom of association			
GRI 407 Freedom of association 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	90-91	Ferrovial
Child Labor			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	90-91	Ferrovial
Forced or compulsory labor			
GRI 409 Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	90-91	Ferrovial
Security practices			
GRI 410 Security practices 2016	410-1 Security personnel trained in human rights policies or procedures	Security guards at Ferrovial offices are hired via a company that certifies that said personnel have received the due training	Ferrovial headquarters
Rights of indigenous people			
GRI 411: Rights of indigenous people 2016	411-1 Incidents of violations involving rights of indigenous peoples	During 2019 and 2020 there hasn't been detected incidents of violations involving rights of indigenous people	Ferrovial

Human Rights Assessment			
GRI 412 Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	84-85	Ferrovial
	412-2 Employee training on human rights policies or procedures	82	Ferrovial
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	82-86, 90-91	Ferrovial
Local Communities			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	92-93	Ferrovial
	413-2 Operations with significant actual and potential negative impacts on local communities	During 2020 there has not been detected situations in which Ferrovial activities had caused a negative impact on local communities.	Ferrovial
Supplier Social Assessment			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	90-91	Ferrovial
	414-2 Negative social impacts in the supply chain and actions taken	90-91	Ferrovial
Public Policy			
GRI 415: Public Policy 2016	415-1 Political contributions	82-83, 130	Ferrovial
Customer Health and Safety			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	80-81	Ferrovial
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In 2020, no cases and litigation related to the safety of workers, subcontractors and users were open (109 in 2019). Note 6.3 of Ferrovial's Consolidated Financial Statements 2020 Note 6.5 of Ferrovial's Consolidated Financial Statements 2020	Ferrovial
Marketing and labeling			
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	80-81	Ferrovial
	417-2 Incidents of non-compliance concerning product and service information and labeling	There has not been identified non-compliance incidents on this subject in 2019 and 2020	Ferrovial
	417-3 Incidents of non-compliance concerning marketing communications	There has not been identified non-compliance incidents on this subject in 2019 and 2020	Ferrovial
Customer Privacy			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There has not been identified non-compliance incidents on this subject in 2019 and 2020	Ferrovial
Socioeconomic Compliance			
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	In 2020 no files and disputes relating to the safety of workers, subcontractors and users were closed with a penalty (109 in 2019). Note 6.3 of Ferrovial's Consolidated Financial Statements 2020 Note 6.5 of Ferrovial's Consolidated Financial Statements 2020	Ferrovial

REPORTING PRINCIPLES

AA1000 APS2008 Standard

The standard is based on three fundamental principles:

- **Inclusiveness:** This principle analyzes whether the company has identified and understood the relevant aspects of its sustainable performance and presents sufficient information in terms of quality and quantity. For more information, please refer to the “Material Issues” section in this chapter.
- **Materiality:** The information must be the information required by the stakeholders. In other words, it ensures disclosure of all those material aspects whose omission or distortion could influence its stakeholders’ decisions or actions. For more information, please refer to the GRI Standards Indicators Table.
- **Responsiveness:** This report includes the information relating to Ferrovial’s response to stakeholder expectations.
- **Impact:** the company monitors the impact of its activity on its surroundings, not only in economic terms but also from a social and environmental point of view. It also evaluates the return on investment of its social action programs. For more information, see the sections In two minutes, environment and community

GRI STANDARDS GUIDELINES

The GRI Guidelines principles applied are:

Establishing report contents:

- **Materiality:** Aspects that reflect the significant social, environmental and economic impacts had by the organization or those that could have a substantial influence on stakeholder decisions.
- **Stakeholder engagement:** Identifying stakeholders and describing in the report how their expectations and interests have been addressed.
- **Sustainability context:** Presenting the company’s performance within the broader context of sustainability.
- **Completeness:** Coverage should enable stakeholders to assess the performance of the reporting organization

Establishing the quality of the report:

- **Balance:** The report must reflect both the positive and the negative aspects of the company’s performance.
- **Comparability:** Stakeholders should be able to compare the information over time and with other companies.
- **Accuracy:** The published information must be accurate and detailed.
- **Clarity:** The information must be presented in a way that is clear and accessible to everyone.
- **Reliability:** The information must be of high quality and it should establish the company’s materiality.

APPENDIX GRI STANDARDS

102-8. INFORMATION ON EMPLOYEES AND OTHER WORKERS

Number of employees at year-end by type of workday and gender.

	Total		2019	2020
Jornada Completa	66,382	Men	58,177	49,712
		Women	17,241	16,670
Jornada Parcial	13,737	Men	4,079	4,452
		Women	10,471	9,285

Number of employees at year-end by type of employment contract and gender

	Total		2019	2020
Temporary contract	18,859	Men	11,369	12,804
		Women	5,187	6,055
Undefined contract	61,260	Men	50,887	41,359
		Women	22,525	19,901

Average number of employees by gender, type of contract and professional category

Category	Unlimited		Temporary		Total		Total 2020	Total 2019
	Men	Women	Men	Women	Men	Women		
Executives	140.6	17.1	7.3	2.0	147.9	19.1	167.0	187.1
Senior Manager	536.6	107.0	10.0	—	546.6	107.0	653.6	970.4
Manager	3,129.6	762.6	163.1	62.4	3,292.8	825.0	4,117.8	4,338.9
Senior Professional / Supervisor	2,331.5	985.1	130.7	46.1	2,462.2	1,031.1	3,493.4	4,055.1
Professional	6,859.1	2,512.3	713.7	497.9	7,572.8	3,010.2	10,583.0	6,573.8
Administratives / Support	887.2	1,269.1	169.4	360.3	1,056.7	1,629.4	2,686.1	2,457.7
Blue Collar	32,289.2	13,851.3	10,193.7	6,270.6	42,482.9	20,121.8	62,604.8	72,627.7
TOTAL	46,173.9	19,504.5	11,388.0	7,239.3	57,561.9	26,743.8	84,305.7	91,210.7

Data for 2019 can be found in the 2019 Integrated Annual Report, page 125.

Number of employees at year-end by region and gender

	2019	2020		
		Men	Women	Total
Spain	42,262	25,450	17,442	42,892
United Kingdom	16,115	10,830	4,415	15,245
United States	5,306	5,174	772	5,946
Canada	722	707	76	783
Poland	6,393	4,851	1,517	6,368
Latin America	4,035	4,283	449	4,732
Rest	15,135	2,868	1,285	4,153
TOTAL	89,968	54,163	25,956	80,119

102-10 SUPPLY CHAIN

Due to the diverse nature of Ferrovial's activities, the supply chains are different for each. Around 97% of suppliers are concentrated in Construction and Services, registering the largest volumes of orders. The Global Purchase Committee, composed of the highest representatives of business purchases, coordinates this activity, looking for possible synergies and sharing best practices.

In the Construction area, the vast majority of purchases are destined for works in progress at any time. A small part goes to the offices, departments and services that support the execution of the same. The supply chain is made up of suppliers (manufacturers and distributors) and subcontractors. The specific characteristics of the construction supply chain are: high number of suppliers; degree of significant subcontracting, which varies depending on the type and size of the work and the country in which it is carried out; high percentage of local suppliers, since the sector is closely linked to the country / area in which each work is executed; very diverse supplier typology, from large multinationals with global implantation and highly technified, to small local suppliers (mainly subcontractors) for less qualified jobs; and need to adapt to the requirements of each local market. In the Services business, the supply chain includes all the main and secondary suppliers (suppliers of raw materials, industrial supplies or energy, suppliers of capital goods, machinery and finished product) as well as the subcontractors and service providers involved in the company's activities, evaluating them to ensure adequate training. In Spain, from the Procurement and Fleet department, guidelines are drawn up for the different business areas regarding contracting with third parties and all the critical suppliers involved in the provision of services and supply of products for the company are managed. In the international part, each country has its procurement procedure, based on the Global Procurement Procedure defined by the Global Procurement Committee. In the United Kingdom, the typology of the supply chain is very diverse due to the wide range of activities that are carried out.

102-38. ANNUAL TOTAL COMPENSATION RATIO

	2018	2019	2020
TOTAL Ferrovial	103.18	117.05	129.08
EE.UU.	5.79	7.39	8.59
España	32.59	26.18	29.41
Polonia	27.93	30.97	30.21
Reino Unido	23.78	21.76	25.59
Chile	15.12	15.09	16.34

102-39. PERCENTAGE INCREASE IN ANNUAL TOTAL COMPENSATION RATIO

	2018	2019	2020
TOTAL Ferrovial	20.07%	-15.91%	0.00%
USA	36.36%	-8.91%	-1.64%
Spain	3.93%	19.38%	-2.22%
Poland	2.99%	-14.75%	1.71%
United Kingdom	2.68%	7.81%	-2.26%
Chile	-15.54%	5.41%	-0.07%

102-41. PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

	Total Workforce	Employees represented	% 2020	% 2019
Spain	42,892	42,702	99.6%	100.0%
United Kingdom	15,245	3,882	25.5%	26.3%
UNITED STATES	5,946	346	5.8%	1.1%
Canada	783	163	20.8%	42.2%
Poland	6,368	5,163	81.1%	81.5%
Latin America	4,732	3,168	66.9%	72.5%
Rest of the world*	4,153	1,339	32.2%	74.7%
TOTAL	80,119	56,763	70.8%	73.7%

*The percentage of employees covered by collective bargaining agreements for the "rest" of the countries in 2019 has been recalculated to include Australia and exclude Latin America

201-1. DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

ECONOMIC VALUE GENERATED(M€)	2018	2019	2020
a) Revenues:			
Sales revenue	5,737	6,054	6341
Other operating income	2	2	3
Financial income	72	101	51
Disposals of fixed assets	95	423	0
Income from companies accounted for by the equity method	240	269	-328
TOTAL	6,146	6,849	6,067
ECONOMIC VALUE DISTRIBUTED (M€)			
b) Consumption and expenses (1)			
Consumption	985	949	1005
Other operating expenses	3,324	3,959	3815
c) Salaries and employee benefits			
Personnel expenses	945	1,027	1115
d) Financial expenses and dividends			
Dividends to shareholders	240	238	119
Treasury stock transactions (2)	280	282	259
Financial expenses	287	328	327
e) Taxes			
Corporate income tax	19	39	-28
TOTAL	6,080	6,822	6,612
ECONOMIC VALUE RETAINED (M €)	66	27	-545

(1) The Group's social action expenses, recorded under Other Operating Expenses, together with the Foundation's expenses, are detailed in the Community Chapter. Foundation expenses are detailed in the Community Chapter.

(2) Capital reduction through cancellation of treasury stock. For further information, see note 5.1. see note 5.1. Shareholders' Equity of the Consolidated Financial Statements.

207-4. TAX: COUNTRY-BY-COUNTRY REPORT

The following table reflects the amounts paid by Ferrovial in 2019 in euros.

2019 (M€)								
Jurisdiction(1)	Number of employees (2)	Revenue(3)			Profit before income tax (3)	Income tax (paid) (3)	Income tax (accrued) (3)	Tangible Assets (3)
		Third parties	Associated	Total				
Germany	1,030	48.50	0.00	48.50	5.21	-1.24	-1.21	0.09
Saudi Arabia	418	1744	0.36	1780	-4.65	0.00	0.00	1.91
Australia	9,183	1516.51	5.46	1521.96	-84.83	0.00	0.00	104.51
Brazil	2	1.07	0.00	1.07	0.67	-0.52	-0.24	0.00
Canada	730	459.14	2.37	461.50	326.96	-7.21	-7.40	14.81
Chile	3,920	272.28	0.96	273.25	21.71	-11.70	-16.80	78.27
Colombia	150	111.29	0.00	111.29	16.32	0.00	-3.97	5.08
United Arab Emirates	1	0.00	0.00	0.00	0.16	0.00	0.00	0.00

Slovakia	240	286.07	0.04	286.11	0.59	0.00	-0.69	10.22
Spain	36,732	3,520.11	248.91	3,769.02	647.29	-15.62	-19.80	1431.42
United States of America	5,465	2,328.22	9.52	2,337.74	-357.80	3.42	-10.15	6,008.13
France	46	67.60	0.00	67.60	10.06	-0.10	-3.09	0.53
Greece	0	0.00	0.00	0.00	0.00	0.00	0.00	0.01
India	0	0.01	0.00	0.01	-0.17	0.00	0.00	0.00
Ireland	4	0.09	20.28	20.36	18.18	-2.19	-1.54	0.00
Mauritius Islands	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Italy	2	0.31	0.00	0.31	-0.08	0.00	0.00	0.00
Luxembourg	0	3.09	0.02	3.11	2.49	0.00	0.06	0.00
Lithuania	45	35.41	0.00	35.41	-17.95	0.00	0.00	2.43
Malaysia	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Morocco	1	0.00	0.00	0.00	2.25	0.00	0.00	0.00
Mexico	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Zealand	1,436	257.67	0.00	257.67	-0.77	0.00	0.34	9.34
Oman	27	1.59	0.12	1.71	3.19	0.00	0.00	0.00
Netherlands	16	158.58	30.02	188.61	-265.12	-1.40	0.00	0.00
Peru	8	0.01	0.00	0.01	-2.80	-0.04	0.00	0.14
Poland	6,292	1,738.96	0.55	1,739.52	85.87	-13.60	-39.01	582.40
Portugal	1,810	145.31	1.37	146.69	-27.34	-0.47	-1.95	312.07
Puerto Rico	197	43.51	0.52	44.03	1.45	0.15	-0.32	2.75
Dominican Republic	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Qatar	0	0.00	0.00	0.00	0.14	-0.04	0.03	0.00
United Kingdom	14,937	3,181.09	19.54	3,200.62	-934.25	1.67	-3.19	136.96
Singapore	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tunisia	1	0.00	0.00	0.00	-0.02	0.00	0.00	0.00
Total	82,693	14,193.86	340.04	14,533.90	-553.24	-48.88	-108.92	8,701.07

(1) In the Consolidated Financial Statements for the fiscal year 2019, Appendix II, the entities comprising the business group, their residence, as well as the activities they carry out are detailed.

(2) Regarding the number of employees, an estimate of the total number of employees has been made on a full-time equivalent basis. The information is homogeneous across jurisdictions and does not change from year to year.

(3) The average exchange rate for the year is used for revenues, income and taxes in foreign currencies and the year-end exchange rate for tangible assets.

Income Tax: legal vs. effective rate by jurisdiction.

The following table reflects the qualitative explanation of the differences between the legal and effective income tax rates with respect to the jurisdictions in which Ferrovial paid income tax in 2019. Unlike the previous table, the following table only reflects the amounts paid in income tax by fully consolidated companies.

2019				
Income tax				
Jurisdiction	Legal tax rate	Effective tax rate	Difference	Explanation
Germany	25%	23%	2%	Effective and nominal rates are aligned.
Saudi Arabia	20%	0%	20%	Country in which losses have been generated so no tax is payable.
Australia	30%	0%	30%	Country in which losses have been generated so no tax is payable.
Brazil	34%	35%	-1%	Effective and nominal rate are aligned.

Canada	27%	2%	24%	The effective rate is lower than the nominal rate due to the inclusion of exempt income (dividends) in its calculation base.
Chile	27%	77%	-50%	There are companies with profits (mainly FC Chile, SA) that are taxed on the amount accrued, and others that are in loss and do not accrue current tax expense. These profits and losses are not offset for tax purposes, causing the effective rate to be higher than the nominal rate.
Colombia	32%	24%	8%	The effective rate is lower than the nominal rate because losses not capitalized in accounting are included in the calculation basis.
United Arab Emirates	0%	0%	0%	Effective and nominal rates are aligned.
Slovakia	21%	117%	-96%	A company with a profit is taxed on the amount that has been accrued and another that is in loss and does not accrue current tax expense. These profits and losses are not offset for tax purposes, causing the effective rate to be higher than the nominal rate.
Spain	25%	3%	22%	The effective rate is lower than the statutory rate because it includes tax-exempt capital gains in its calculation base.
United States of America	21%*	-3%	24%	Despite the losses generated in the year, current tax is recorded for a project that is outside the tax consolidation (Denver Airport) and for the state tax payable.
France	32%	31%	1%	Effective and nominal rates are aligned.
Greece	29%	0%	29%	A tax loss is incurred and no current tax is recorded.
India	30%	0%	30%	Despite the losses generated in the year, current tax is recorded for local taxes.
Ireland	12.50%	8%	5%	The effective rate is lower than the statutory rate due to the application of international double taxation tax credits.
Mauritius Islands	15%	0%	15%	Country in which no activity has been carried out.
Italy	27.90%	0%	28%	A tax loss is incurred and therefore no current tax is generated.
Luxembourg	15.00%	0%	15%	A tax loss is incurred and no current tax is recorded.
Lithuania	25.00%	-2%	27%	A credit to be recovered for corporate income tax is recorded.
Malaysia	24%	0%	24%	Country in which no activity has been developed.
Morocco	30%	0%	30%	Country in which losses have been generated and therefore no tax is payable.
Mexico	30%	0%	30%	Country in which no activity has been developed.
New Zealand	28%	44%	-16%	There are positive permanent differences that make the effective rate higher than the nominal rate.
Oman	15%	0%	15%	The effective rate is lower than the nominal rate due to the inclusion in its calculation base of losses from previous years.
Netherlands	25%**	0%	25%	A tax loss is incurred and no current tax provision is recorded.
Peru	29.50%	0%	30%	Country in which losses have been generated and therefore no tax is payable.
Poland	19%	45%	-26%	The effective rate is much higher than the nominal rate due to the inclusion in its calculation base of non-deductible expenses that constitute permanent differences.
Portugal	23%	-7%	30%	Despite the pre-tax loss, a current tax expense is generated due to the limitation on the tax deductibility of financial expenses and the limitation on the use of tax losses.
Puerto Rico	29%	22%	7%	Effective and nominal rates are aligned.
Dominican Republic	10%	-25%	35%	A credit to be recovered for corporate income tax is recorded in the accounting records.
Qatar	19.00%	0%	19%	Despite the overall losses generated in the year, current tax is recorded for companies that generate tax payable.
United Kingdom	27%	0%	27%	Country in which losses have been generated and therefore no tax payable is generated.
Singapore	17%	0%	17%	Country in which no activity has been carried out.
Tunisia	25%	0%	25%	Country in which losses have been generated so that no tax payable is generated.

* The federal/national tax rate is taken into consideration.

** The first 200,000 euros are taxed at a 20% tax rate.

301-1. MATERIALS USED BY WEIGHT OR VOLUME

	2018	2019	2020
Paper (kg)	616,444	706,053	325,575
Wood (m3)	48,131	31,861	14,832
Bitumen (t)	268,994	250,806	182,067
Concrete (t)	6,858,266	5,951,699	6,145,987
Corrugated steel (t)	162,558	179,861	173,370

301-2. RECYCLED MATERIALS CONSUMED

	2018	2019	2020
Total recycled material (t)	2,726,667	2,541,258	2,395,827

302-1. ENERGY CONSUMPTION WITHIN THE ORGANIZATION

		2018	2019*	2020
Fuels used in Stationary and Mobile sources (total) (GJ)	Diesel	5,196,171	4,530,865	4,482,155
	Fuel	98,703	137,269	100,551
	Gasoline	464,416	585,698	644,860
	Natural Gas	260,542	304,364	238,525
	Coal	570,558	361,701	268,802
	Kerosene	2,192	1,995	10,538
	Propane	27,732	22,793	20,972
	LPG	6,600	6,856	5,094
	TOTAL	6,626,913	5,951,540	5,771,497
Electricity Consumption from Non-Renewable Sources (GJ)	Construction	342,664	261,596	214,178
	Corporation	4,073	4,239	3,837
	Infrastructure	61,702	61,360	18,901
	Services	315,478	188,480	130,909
	Airports	2	4	0
	TOTAL	723,920	515,679	367,825
Electricity Consumption from Renewable Sources (GJ)	Construction	449,183	325,152	274,704
	Infrastructure	4,009	4,058	28,356
	Services	227,537	438,589	469,646
	Airports	0	0	0
	Corporation	0	0	0
	TOTAL	680,730	767,799	772,706

*The 2019 figure has been restated due to recalculations arising during 2020 as a result of the energy review of the businesses.

ENERGY PRODUCED (GJ)	2018	2019	2020
Electrical energy from biogas recovery	329,473	207,541	378,689
Thermal energy from biogas recovery	261,406	31,349	62,459
Electrical energy generated in Water Treatment Plants	113,433	120,155	110,829
Electrical energy generated in thermal drying plants	352,380	285,752	368,328
Energy generated in incineration plants	598,836	763,254	734,500
TOTAL	1,655,527	1,408,051	1,654,806

302-2. ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION

		2018	2019	2020
Consumption of energy acquired, by primary sources (GJ)	Coal	1,012,286	569,786	451,027
	Diesel	90,076	45,159	22,849
	Gas	457,585	260,090	179,877
	Biomass	101,151	78,764	63,144
	Waste	13,253	10,714	7,546
	Others	491,549	328,485	210,372
	TOTAL	2,165,900	1,292,998	934,815

303-1. WATER WITHDRAWAL BY SOURCE

303-5. WATER CONSUMPTION

	2018	2019*	2020
Rainwater (m3)	29,946	65,796	43,592
Wastewater (m3)	27,388	38,504	57,556
Fresh surface water (m3)	374,629	160,067	321,578
Cadagua Fresh surface water (m3)	141,545	2,414	23
Pretreated water in Cadagua (m3)	1,688,379	2,601,519	2,518,935
Supply network (m3)	3,339,185	3,268,861	2,956,215
Groundwater (m3)	233,881	338,730	184,178
Recycled / reused water (m3)	150,794	139,970	67,017
TOTAL (m3)	5,834,952	6,475,892	6,082,078

*In the 2019 data, the reporting criteria has been updated to homogenize the calculation with the rest of the plants.

304-4. SPECIES APPEARING ON THE IUCN RED LIST AND NATIONAL CONSERVATION LISTS WHOSE HABITATS ARE IN AREAS AFFECTED BY THE OPERATIONS.

Species (scientific name)	Common name	IUCN Red List	Protection figure
Streptopelia turtur	Tórtola Europea	Vulnerable	
Myotis septentrionalis	Northern Long-eared Bat	Not threatened	Federally listed as endangered and state-listed as endangered in Virginia
Alasmidonta heterodon	Dwarf Wedge Mussel	Vulnerable	Placed on the United States' Endangered Species List in 1988
Ptilimnium nodosum	Harperella		Rare and endangered (Little river canyon National Park)
Glyptemys insculpta	Wood turtle/ Galápagos de bosque	Endangered	
Alasmidonta Varicosa	Brook floater	Vulnerable	
Potamilus amphichaenus	Texas heelsplitter	Endangered	
Macrochelys temminckii	Alligator snapping turtle	Vulnerable	
Dipodomys nitraoides nitraoides	Tipton kangaroo rat	Vulnerable	
Ammospermophilus nelsoni	San Joaquin antelope squirrel	Endangered	
Vulpes macrotis mutica	San Joaquin kit fox	Endangered	
Gambelia sila	Blunt Nose Lepoard Lizard	Endangered	
Hieraaetus fasciatus	Aguila Bonelli	Least concern	Declining stocks, special surveillance measures on construction site
Chioglossa lusitanica	Golden-striped salamander	Vulnerable	

Rana iberica	Iberian frog	Vulnerable	
Margaritifera margaritifera	Freshwater pearl mussel	Endangered	
Cedrela odorata	Spanish Cedar	Vulnerable	Regional closure
Anacardium excelsum	Caracolí		Regional closure
Lecythis tuiyana	Coco Cuna	Vulnerable	Regional closure
Pseudophryne australis	Red crowned toadlet	Vulnerable	
Apium repens	Creeping Marshwort/ Apio rastrero	Vulnerable	
Mustela lutreola	European mink	Critically endangered	
Testudo graeca	Common Tortoise	Vulnerable	
Otis tarda	Great Bustard	Vulnerable	
Neophron percnopterus	Egyptian vulture	Endangered	
Oxyura leucocephala	White-headed duck	Endangered	
Elephas maximus	Asian elephant	Endangered	

305-1. DIRECT (SCOPE 1) GHG EMISSIONS (TCO2 EQ)

BY BUSINESS	2009 (base-year)	2018	2019	2020
Budimex	27,744	77,094	64,373	55,237
Cadagua	18,669	599	695	467
Ferrovial Construction	61,287	81,326	85,681	90,193
Webber	55,532	40,664	41,572	46,632
Ferrovial Corporation	375	260	219	151
Cintra	6,024	2,220	2,053	2,018
Amey	252,999	216,716	233,669	231,706
Broadspectrum	98,015	62,539	42,177	38,292
Ferrovial Services	452,448	350,891	444,391	352,793
Transchile	41	30	17	13
TOTAL tCO2 eq	973,135	832,339	914,847	817,503

BY SOURCE	2009 (base-year)	2018	2019*	2020
Refrigerants	185	136	128	136
Stationary	258,406	287,157	292,637	293,795
Heating	3,942	5,356	7,591	8,677
Machinery	254,464	281,801	285,046	285,118
Mobile	384,578	307,211	271,227	261,123
Diffuse	329,965	237,834	350,855	262,449
TOTAL tCO2 eq	973,135	832,339	914,847	817,503

*The 2019 figure has been restated due to recalculations during 2020.

Biogenic CO2 (tCO2/eq)	2009 (base-year)	2018	2019	2020
Construction	768	51,935	54,678	52,390
Services	729,776	736,842	733,912	941,046
TOTAL	730,544	788,777	788,590	993,436

305-2. ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS (TCO2 EQ)

BY BUSINESS	2009 (base-year)	2018	2019	2020
Budimex	19,921	18,446	15,953	16,726
Cadagua	44,552	11,138	5,920	2,095
Ferrovial Construction	13,647	10,723	10,180	8,851
Webber	10,023	6,112	3,050	3,187
Ferrovial Corporation	521	345	360	365
Cintra	20,006	7,640	7,563	1,936
Amey	14,291	2,524	2,108	85
Broadspectrum	27,946	22,126	21,328	19,112
Ferrovial Services	15,049	12,376	2,070	274
Transchile	4	0	1	0
TOTAL tCO2 eq	165,959	91,430	68,533	52,632

GHG EMISSIONS (SCOPE 1 + SCOPE 2) (TCO2 EQ/M€)

BY BUSINESS	2009 (base-year)	2018	2019	2020
Construction	46.22	47.59	43.20	43.07
Corporate	10.43	175.56	46.87	72.86
Infrastructure	60.26	17.36	15.61	10.12
Services	230.75	98.36	105.04	108.35
Airports	6.29	4.69	2.60	2.00
Relative emissions (tCO2 eq/M€)	162.36	74.13	75.55	72.01

305-3. OTHER INDIRECT GHG EMISSIONS (SCOPE 3)

The activities, products and services included in Scope 3 are as follows:

- Purchased goods and services: include emissions related to the life cycle of materials purchased by Ferrovial that have been used in products or services that the company offers. This is limited to emissions derived from the purchase of paper, wood, water and other relevant materials (concrete and asphalt) described in indicator 301-1. Data from subcontractors are not included.
- Capital goods: Includes all upstream emissions (i.e., cradle to gate) from the production of capital goods purchased or acquired by the company in the year, based on the information contained in the Consolidated Financial Statements.
- Fuel and energy related activities: this section includes the energy required to produce the fuels and electricity consumed by the company and the loss of electricity in transportation.
- Upstream transportation and distribution: includes emissions from the transportation and distribution of the main products acquired during the year.
- Waste generated in operations: Emissions in this section are related to waste generated by the company's activity that have been reported in 2019.
- Business travel: Includes emissions associated with business travel: train, plane and cabs reported by the main travel agency with which the group works in Spain.
- Employee commuting: Includes emissions from employee commuting from their homes to their workplaces at the head offices in Spain.
- Investments: Investments include emissions related to investments in British airports and toll roads over which the Group does not have operational control. All airports carry out independent external verification of their emissions. At the date of publication of this report, data for 2020 is not available, so emissions for 2019 have been considered.
- Use of sold products: Ferrovial calculates emissions from the use of land transport infrastructures managed by Cintra.
- End of life treatment of sold products: This category includes exclusively emissions from the disposal of waste generated at the end of the useful life of products sold by Ferrovial in the reporting year. Only emissions derived from products (wood, paper, asphalt and concrete) reported in the Purchased goods and services category have been taken into consideration.
- Upstream leased assets: Includes emissions related to the electricity consumption of those client buildings where Amey carries out maintenance and cleaning and manages consumption.

	2012 (base-year)	2018	2019	2020
Business travel	6,606	8,334	7,232	1,796
Capital Goods	569,407	314,611	118,081	411,535
Employee commuting	792	1,821	1,763	1,645
End of life treatment of sold products	57,368	40,708	31,667	23,152
Fuel and energy related activities	191,927	178,902	136,217	121,965
Purchased goods and services	1,756,724	1,114,191	1,102,148	1,021,375
Upstream leased	1,405	0	0	0
Upstream transportation and distribution	560,420	498,210	477,374	475,720
Use of sold product	478,824	436,067	499,904	209,022
Waste generated in operations	191,948	140,808	141,389	125,990
Investments	1,364,386	995,582	864,782	774,570
TOTAL	5,179,806	3,729,233	3,380,558	3,166,769

305-5. REDUCTION OF GHG EMISSIONS

	2018	2019*	2020
AVOIDED EMISSIONS FROM TRIAGE AND BIOGAS CAPTURE ACTIVITIES			
GHG avoided by triage activity (t CO ₂ eq)	659,059	899,577	827,682
GHG avoided by biogas capture (t CO ₂ eq)	815,778	778,721	872,055
GHG avoided from biogas capture at treatment plants (t CO ₂ eq)	420,360	422,724	398,678
AVOIDED EMISSIONS FROM ENERGY GENERATION			
In landfills (t CO ₂ eq)	29,626	18,760	35,490
In water treatment plants (t CO ₂ eq)	39,511	34,429	45,533
At waste incineration plants (t CO ₂ eq)	47,087	54,191	47,567
AVOIDED EMISSIONS FROM THE PURCHASE OF ELECTRICITY FROM RENEWABLE SOURCES			
Electricity purchased from third parties (t CO ₂ eq)	51,107	55,891	62,184
TOTAL	2,062,528	2,264,293	2,289,190

*Data for 2019 has been recalculated to homogenize it with the conversion factors used in 2020.

305-7. NITROGEN OXIDES (NO_x), SULFUR OXIDES (SO_x), AND OTHER SIGNIFICANT AIR EMISSIONS

	NO _x (Tn)	CO (t)	COVNM (t)	SO _x (t)	Particles (t)
Emissions from boilers	66.25	26.00	5.88	76.54	15.10
Emissions caused by motor vehicles	966.72	2,234	278.53	0	117.21
Emissions caused by electricity	44.02	17.09	0.34	68.93	3.75
	NO _x (g/Kg)	CO (g/Kg)	COVNM (g/Kg)	SO _x (g/kg)	Particles (g/Kg)
Emissions caused by mobile equipment used in construction works	1,372.86	313.67	97.24	0	110.88

Data for 2019 can be found in the 2019 Integrated Annual Report, page 127.

306-2. WASTE BY TYPE AND DISPOSAL METHOD

	2018	2019	2020
Construction and demolition waste produced (m ³)	2,344,504	1,466,767	7,569,434
Total excavation soil (m ³)	19,363,051	21,648,346	21,291,070
Reused topsoil (m ³)	922,936	2,894,515	1,576,854

Material sent to landfill outside the construction site (m3)	528,749	762,077	931,948
Material reused on site (m3)	14,336,346	12,059,463	15,889,312
Material sent to another construction site or authorized landfill (m3)	3,575,020	5,932,290	2,892,956
Non-hazardous waste produced (t)* (m3)	450,707	442,691	357,901
Total hazardous waste produced (t)* (t)	18,419	37,973	20,002

*There has been a change in reporting criteria from reporting waste managed to reporting waste produced to avoid confusion for the reader.

CRE8. TYPE AND NUMBER OF SUSTAINABILITY CERTIFICATIONS, RATINGS AND LABELING SYSTEMS FOR NEW CONSTRUCTION, MANAGEMENT, OCCUPANCY AND RECONSTRUCTION.

Sustainable building certifications obtained in Spain and Poland

Description	Area	Class
Fractal Rivas Hotel Building	Spain	BREEAM GOOD
Claudio Coello office refurbishment	Spain	LEED
Plataf Logist Marchamalo 2f-2	Spain	LEED
Puerto Seco UTE	Spain	BREEAM VERY GOOD
58 Vdas. Paseo De La Habana	Spain	BREEAM GOOD
Office Building Las Tablas	Spain	LEED Platino y WELL Platino
Acond. Office Building Velázquez 88 Madrid	Spain	LEED Platino
Office Building Citrus Pozuelo	Spain	LEED Platino
C.I.T. Metro De Madrid	Spain	VERDE
Nave B Pulsar in Torija	Spain	LEED Silver
Nave Pulsar in Torija	Spain	LEED Silver
Office Building Las Tablas	Spain	LEED Gold
Power & Control Bldg.	Castilla La Mancha	B
Warehouse B Pulsar In Torija	Castilla La Mancha	A
Warehouse Pulsar In Torija	Castilla La Mancha	O
26 Single-Family Dwellings. R. Conquistadores Badajoz	Extremadura	A
Rectorate CEU Valencia	Valencia	B
Commercial and office building IKEA Poznań	Poland	BREEAM
Construction of the Monopolis complex in Łódź	Poland	BREEAM

401-1. NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

Throughout 2020, the total number of new hires was 33,616 (30,305 in 2019), which corresponds to a total hiring rate of 41.96% (33.68 in 2019), with respect to the headcount at year-end. The breakdown by country, gender and age is as follows :

		<30	30 - 45	>45	Subtotal	TOTAL
Spain	Men	2,165	2,460	1,821	6,446	14,441
	Women	2,261	2,713	3,021	7,995	
United Kingdom	Men	646	750	398	1,794	2,487
	Women	248	267	178	693	
USA	Men	1,649	1,962	1,583	5,194	5,876
	Women	196	315	171	682	
Canada	Men	111	191	356	658	721
	Women	11	29	23	63	

Poland	Men	261	336	166	763	967
	Women	111	80	13	204	
Latam	Men	1,665	2,431	1,655	5,751	6,072
	Women	114	159	48	321	
Rest of countries	Men	581	740	624	1,945	3,052
	Women	276	352	479	1,107	
TOTAL	Men	7,078	8,870	6,603	22,551	33,616
	Women	3,217	3,915	3,933	11,065	
	Subtotal	10,295	12,785	10,536		

The voluntary and involuntary turnover rate for 2020, broken down by professional category, age and gender, is as follows

	Voluntary						Involuntary*						Total						Total by category
	Men			Women			Men			Women			Men			Women			
	<30	30-45	>45	<30	30-45	>45	<30	30-45	>45	<30	30-45	>45	<30	30-45	>45	<30	30-45	>45	
Executives	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.01	0.02
Senior Manager	0.00	0.02	0.03	0.00	0.01	0.01	0.00	0.01	0.03	0.00	0.00	0.01	0.00	0.03	0.05	0.00	0.01	0.01	0.11
Manager	0.02	0.17	0.12	0.01	0.04	0.01	0.00	0.04	0.05	0.00	0.01	0.01	0.02	0.21	0.17	0.01	0.06	0.02	0.49
Senior Professional / Supervisor	0.02	0.13	0.11	0.02	0.05	0.02	0.01	0.07	0.07	0.00	0.03	0.02	0.03	0.20	0.17	0.02	0.08	0.03	0.54
Professional	0.22	0.35	0.31	0.09	0.12	0.05	0.05	0.12	0.09	0.02	0.03	0.02	0.27	0.47	0.41	0.11	0.15	0.06	1.47
Administratives / Support	0.05	0.03	0.01	0.06	0.05	0.04	0.05	0.03	0.02	0.03	0.03	0.03	0.10	0.07	0.03	0.09	0.08	0.08	0.45
Blue Collar	1.59	1.87	1.26	0.67	0.46	0.54	1.93	2.97	2.44	0.18	0.29	0.30	3.52	4.84	3.69	0.85	0.76	0.85	14.50
Subtotal by age	1.90	2.58	1.84	0.85	0.74	0.67	2.04	3.24	2.69	0.24	0.40	0.39	3.94	5.82	4.54	1.08	1.14	1.06	
Subtotal by gender	6.32			2.26			7.98			1.03			14.30			3.28			17.58
Total	8.57						9.01						17.58						

* The total number of involuntary departures in 2020 was 7,593 (5,059 in 2019).

Note: turnover data are given as ratios only, as they reliably represent the variations in headcount during the year.

403-1. WORKER REPRESENTATION ON FORMAL WORKER-COMPANY HEALTH AND SAFETY COMMITTEES.

	2018	2019	2020
Percentage of employees represented in Health and Safety Committees	70.2	70.3	67.5

403-8 WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM.

	2018	2019	2020
Workers covered by an occupational health and safety management system (%)	94	92	93

403-9. INJURIES DUE TO OCCUPATIONAL ACCIDENTS

403-10 OCCUPATIONAL DISEASES AND ILLNESSES

	2018	2019	2020
Frequency rate	12.2	10.3	9.18
Frequency rate (including contractors)	10.0	7.7	7.21
Total recordable frequency rate	2.66	2.32	1.96
Total recordable frequency rate (including contractors)	2.18	1.75	1.55
Severity rate	0.29	0.25	0.26
Absenteeism rate	5.66	5.54	7.13
Occupational Disease Frequency Rate	0.44	0.39	0.26
Absenteeism hours (mill.hours)	9.77	9.52	10.85

Number of employee fatalities	5	5	2
Number of contractor fatalities	3	9	3

Frequency rate = number of accidents with sick leave*1,000,000/No. hours worked

Total recordable frequency rate = total recordable accidents*200,000/No. hours worked

Severity rate = number of lost days*1,000,000/no. hours worked

Note: accident rate data are given as ratios only, as they are a reliable representation of the company's health and safety performance.

404-1 AVERAGE TOTAL TRAINING HOURS AND AVERAGE NUMBER OF TRAINING HOURS PER YEAR PER EMPLOYEE

	2020												Horas por división 2020
	2018	2019		Execu- tives	Senior Manager	Manager	Senior Professio- nal/ Super- visor	Profess- ional	Admin / Support	Blue Collar	Subtotal	Hours per employee and catego- ry 2020	
Corporation	34,342	19,453	Men	532	714	669	2,363	370	163	34	4,845	16.9	19.0
			Women	58	738	617	2,089	313	541	9	4,365	22.0	
Toll Roads	21,087	14,446	Men	77	338	1,132	813	1,545	30	1,021	4,954	15.1	14.1
			Women	8	176	243	525	539	274	102	1,865	12.0	
Airports	1,941	2,518	Men	12	148	151	21	-	-	-	332	10.4	12.9
			Women	5	119	56	38	15	65	-	298	17.5	
Construction	193,476	200,800	Men	1,691	10,486	40,306	26,956	31,420	5,738	23,008	139,605	9.5	10.7
			Women	204	1,680	10,446	11,313	15,744	7,148	463	46,997	16.4	
Services	606,195	648,730	Men	834	3,453	14,147	25,362	28,528	2,082	294,329	368,735	9.5	8.4
			Women	234	1,327	7,594	10,346	8,380	6,705	114,607	149,191	6.6	
Subtotal			Men	3,146	15,138	56,405	55,515	61,863	8,012	318,391	518,470	9.6	9.0
			Women	507	4,038	18,955	24,310	24,991	14,733	115,181	202,716	7.8	
TOTAL	857,041	885,947					721,186						9.0

405-1. DIVERSITY IN GOVERNING BODIES AND EMPLOYEES

2020										
		Executives	Senior Manager	Manager	Senior Professional / Supervisor	Professional	Administratives / Support	Blue Collar	Subtotal	TOTAL
Corporation	Men	49	41	35	107	16	3	35	286	484
	Women	6	20	27	92	12	24	17	198	
Toll Roads	Men	-	37	54	48	42	6	141	328	483
	Women	-	7	15	32	37	19	45	155	
Airports	Men	1	11	14	6	-	-	-	32	49
	Women	-	3	1	5	3	5	-	17	
Construction	Men	70	290	1,722	1,372	2,660	527	7,996	14,637	17,499
	Women	5	29	388	509	1,194	531	206	2,862	
Services	Men	23	127	1,288	1,391	3,842	374	31,836	38,880	61,604
	Women	5	31	346	519	1,402	868	19,554	22,724	
TOTAL	Men	143	506	3,113	2,924	6,560	910	40,008	54,163	80,119
	Women	16	90	777	1,157	2,648	1,447	19,822	25,956	

Data for 2019 can be found in the 2019 Integrated Annual Report, page 129.

405-2 RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN VS. MEN

Gender pay gap 2020 (expressed in local currency).

Country	Gender	% of empleados	Median salary	Average salary	% gender pay gap (median salary) 2020	% gender pay gap (average salary) 2020	% gender pay gap (median salary) 2019	% gender pay gap (average salary) 2019
Spain	Men	40.5%	23,945 €	27,861 €	17.39%	15.59%	16.93%	15.50%
	Women	59.5%	28,986 €	33,006 €				
United Kingdom	Men	29.0%	£22,494	£30,724	32.61%	24.56%	28.95%	25.60%
	Women	71.0%	£33,379	£40,725				
USA and Canada	Men	12.3%	\$61,227	\$69,424	-2.00%	3.12%	-1.70%	-1.76%
	Women	87.7%	\$60,026	\$71,662				
Poland	Men	23.8%	83,310 zł	106,757 zł	-5.69%	10.27%	10.65%	12.55%
	Women	76.2%	78,824 zł	118,970 zł				
Chile	Men	8.1%	13,076,366 CLP	16,380,451 CLP	-6.35%	-8.33%	1.19%	3.23%
	Women	91.9%	12,295,759 CLP	15,120,235 CLP				
Portugal	Men	50.0%	10,135 €	11,548 €	13.41%	17.68%	8.16%	11.90%
	Women	50.0%	11,705 €	14,029 €				

Average salaries (base salary + salary supplements) by professional category (expressed in local currency):

Country	Professional Category	Gender	% employees	Average salary
Spain	Executives/Senior Manager/Manager	Women	19.7%	75,795 €
		Men	80.3%	103,095 €
	Senior Professionals/Supervisors	Women	34.1%	43,033 €
		Men	65.9%	50,071 €
	Professionals	Women	27.1%	34,495 €
		Men	72.9%	43,727 €
	Administratives/Support	Women	43.8%	30,680 €
		Men	56.2%	32,623 €
	Blue Collars	Women	41.7%	26,535 €
		Men	58.3%	28,888 €
	TOTAL 2020	Women	40.5%	27,861 €
		Men	59.5%	33,006 €
	TOTAL 2019	Women	38.9%	27,464 €
		Men	61.1%	32,503 €

United Kingdom	Executives/Senior Manager/Manager	Women	18.3%	£82,360
		Men	81.7%	£90,609
	Senior Professionals/Supervisors	Women	22.7%	£40,941
		Men	77.3%	£47,657
	Professionals	Women	25.8%	£35,193
		Men	74.2%	£41,512
	Administratives/Support	Women	69.7%	£23,075
		Men	30.3%	£24,695
	Blue Collars	Women	28.6%	£22,015
		Men	71.4%	£27,286
	TOTAL 2020	Women	29.0%	£30,724
		Men	71.0%	£40,725
USA and Canada	Executives/Senior Manager/Manager	Women	27.7%	\$138,617
		Men	72.3%	\$192,068
	Senior Professionals/Supervisors	Women	18.8%	\$95,648
		Men	81.3%	\$118,280
	Professionals	Women	18.5%	\$75,199
		Men	81.5%	\$88,308
	Administratives/Support	Women	61.5%	\$53,773
		Men	38.5%	\$76,797
	Blue Collars	Women	6.8%	\$52,421
		Men	93.2%	\$59,743
	TOTAL 2020	Women	12.3%	\$69,424
		Men	87.7%	\$71,662
Poland	Executives/Senior Manager/Manager	Women	18.0%	174,538 zł
		Men	82.0%	200,796 zł
	Senior Professionals/Supervisors	Women	38.9%	135,054 zł
		Men	61.1%	158,949 zł
	Professionals	Women	46.7%	84,429 zł
		Men	53.3%	89,822 zł
	Administratives/Support	Women	71.5%	61,127 zł
		Men	28.5%	71,093 zł
	Blue Collars	Women	1.3%	46,485 zł
		Men	98.7%	60,506 zł
	TOTAL 2020	Women	23.8%	106,757 zł
		Men	76.2%	118,970 zł
	TOTAL 2019	Women	22.6%	101,465 zł
		Men	77.4%	116,029 zł

Chile	Executives/Senior Manager/Manager	Women	23.3%	50,849,773 CLP
		Men	76.7%	72,902,798 CLP
	Senior Professionals/Supervisors	Women	17.0%	28,451,819 CLP
		Men	83.0%	36,453,011 CLP
	Professionals	Women	20.2%	19,548,974 CLP
		Men	79.8%	24,425,478 CLP
	Administratives/Support	Women	40.9%	12,908,606 CLP
		Men	59.1%	14,208,108 CLP
	Blue Collars	Women	5.9%	10,571,875 CLP
		Men	94.1%	11,725,925 CLP
	TOTAL 2020	Women	8.1%	16,380,451 CLP
		Men	91.9%	15,120,235 CLP
Portugal	Executives/Senior Manager/Manager	Women	31.6%	60,862 €
		Men	68.4%	73,182 €
	Senior Professionals/Supervisors	Women	36.4%	39,161 €
		Men	63.6%	50,085 €
	Professionals	Women	23.8%	19,041 €
		Men	76.2%	20,499 €
	Administratives/Support	Women	58.3%	16,013 €
		Men	41.7%	16,853 €
	Blue Collars	Women	54.1%	10,266 €
		Men	45.9%	10,705 €
	TOTAL 2020	Women	50.0%	11,548 €
		Men	50.0%	14,029 €
	TOTAL 2019	Women	47.3%	9,343 €
		Men	52.7%	10,605 €

Average salaries (base salary + salary supplements) by age group (expressed in local currency):

Country	Age group	Gender	% employees	Average salary
Spain	0-30	Women	42.6%	23,973 €
		Men	57.4%	24,835 €
	30-45	Women	37.8%	28,999 €
		Men	62.2%	31,240 €
	>45	Women	42.0%	27,854 €
		Men	58.0%	35,778 €
	TOTAL 2020	Women	40.5%	27,861 €
		Men	59.5%	33,006 €
United Kingdom	0-30	Women	31.9%	£39,980
		Men	68.1%	£40,138
	30-45	Women	31.0%	£33,801
		Men	69.0%	£35,635
	>45	Women	26.8%	£39,852
		Men	73.2%	£38,707
	TOTAL 2020	Women	29.0%	£30,724
		Men	71.0%	£40,725

USA and Canada	0-30	Women	12.5%	\$62,649
		Men	87.5%	\$56,641
	30-45	Women	15.3%	\$69,899
		Men	84.7%	\$77,894
	>45	Women	9.6%	\$75,012
		Men	90.4%	\$76,979
	TOTAL 2020	Women	12.3%	\$69,424
		Men	87.7%	\$71,662
Poland	0-30	Women	36.6%	74,861 zł
		Men	63.4%	72,677 zł
	30-45	Women	25.6%	110,944 zł
		Men	74.4%	122,801 zł
	>45	Women	10.7%	150,294 zł
		Men	89.3%	104,699 zł
	TOTAL 2020	Women	23.8%	106,757 zł
		Men	76.2%	118,970 zł
Chile	0-30	Women	10.1%	12,831,361 CLP
		Men	89.9%	11,566,074 CLP
	30-45	Women	7.9%	19,776,287 CLP
		Men	92.1%	15,230,930 CLP
	>45	Women	6.6%	14,115,065 CLP
		Men	93.4%	17,964,317 CLP
	TOTAL 2020	Women	8.1%	16,380,451 CLP
		Men	91.9%	15,120,235 CLP
Portugal	0-30	Women	40.4%	10,342 €
		Men	59.6%	10,971 €
	30-45	Women	44.9%	11,459 €
		Men	55.1%	12,287 €
	>45	Women	55.5%	13,360 €
		Men	44.5%	14,350 €
	TOTAL 2020	Women	50.0%	11,548 €
		Men	50.0%	14,029 €

In 2020, information on average salaries by age group, gender and country will be reported for the first time, as computer systems have been adapted for their collection.

GLOSSARY OF TERMS

ACI: Airports Council International (ACI) is the only global trade representative of the world's airports. Established in 1991, ACI represents airport's interests with Governments and international organizations such as ICAO; develops standards, policies and recommends practices for airports, and provides information and training opportunities to raise standards around the world. This section provides you with information on the structure and background of ACI.

AGS: Aberdeen, Glasgow and Southampton. AGS Airports is the United Kingdom-based owner of Aberdeen, Glasgow and Southampton Airports. The company was formed in September 2014 by Ferrovial and Macquarie Group. The company acquired Aberdeen, Glasgow and Southampton Airports in December 2014 from Heathrow Airport Holdings.

ASQ: Airport Service Quality Survey. The Airport Service Quality is the world-renowned and globally established global benchmarking programme measuring passengers' satisfaction whilst they are travelling through an airport. The programme provides the research tools and management information to better understand passengers' views and what they want from an airport's products and services.

BAME: acronym in English of black, asian and minority ethnic.

BIM: It is a collaborative work methodology for the creation and management of a construction project (both building and infrastructure). Its objective is to centralize all project information in a digital information model created by all its agents. The use of BIM goes beyond the design phases, encompassing the execution of the project and extending throughout the life cycle of the building, allowing its management and reducing operating costs.

BWI: Business Water Index. Business Water Index is related to the consumption of water and its discharge carried out in activities developed by Ferrovial.

CAA: Civil Aviation Authority. The Civil Aviation Authority is the statutory corporation which oversees and regulates all aspects of civil aviation in the United Kingdom. The CAA is a public corporation of the Department for Transport established by the British Parliament in 1972 and an independent aviation regulator.

CAC: Audit and Control Committee. The Audit and Control Committee is composed of two independent directors and one external director. It is responsible for the supervision of accounts, internal audit, financial information and risk control.

DBFOM: Design, Building, Finance, Operation and Maintenance.

CDP: Carbon Disclosure Project. CDP is an organisation based in the United Kingdom which supports companies and cities to disclose the

environmental impact of major corporations. It aims to make environmental reporting and risk management a business norm, and drive disclosure, insight and action towards a sustainable economy.

CIIO: Chief Information and Innovation Officer. A chief innovation officer (CINO) or chief technology innovation officer (CTIO) is a person in a company who is primarily responsible for managing the process of innovation and change management in an organization, as well as being in some cases the person who originates new ideas but also recognizes innovative ideas generated by other people.

CNMV: Comisión Nacional del Mercado de Valores. The National Securities Market Commission (CNMV) is the body responsible for the supervision and inspection of Spanish securities markets and the activity of all those involved in them. The aim of the CNMV is to ensure the transparency of Spanish securities markets and the correct formation of prices, as well as the protection of investors.

CPS: Current Policies Scenario. Consider the impact of the policies and measures that are firmly established at present. This scenario would mean an increase in the global temperature of +3-4°C in 2100.

CRM: Customer Relationship Management. It is an information industry term that applies to methodologies, software and, in general, to the capabilities of the Internet that help a company manage relationships with its customers in an organized manner.

CSIC: Consejo Superior de Investigaciones Científicas. The Spanish National Research Council (CSIC) is the largest public institution dedicated to research in Spain and the third largest in Europe. Belonging to the Spanish Ministry of Economy and Competitiveness through the Secretary of State for Research, Development and Innovation, its main objective is to develop and promote research that will help bring about scientific and technological progress, and it is prepared to collaborate with Spanish and foreign entities in order to achieve this aim.

DJSI: The Dow Jones Sustainability Indices (DJSI) launched in 1999, are a family of indices evaluating the sustainability performance of thousands of companies trading publicly and a strategic partner of the S&P Dow Jones Indices. They are the longest-running global sustainability benchmarks worldwide and have become the key reference point in sustainability investing for investors and companies alike. The DJSI is based on an analysis of corporate economic, environmental and social performance, assessing issues such as corporate governance, risk management, branding, climate change mitigation, supply chain standards and labor practices.

FTSE4Good: The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization. The Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) is an accounting measure calculated using a company's net earnings, before interest expenses, taxes, depreciation, and amortization are subtracted, as a proxy for a company's current operating profitability (i.e., how much profit it makes with its present assets and its operations on the products it produces and sells, as well as providing a proxy for cash flow).

EPD: Environmental Product Declaration. An EPD provides a reliable, relevant, transparent, comparable and verifiable environmental profile that highlights an environmentally friendly product, based on life cycle information (LCA) according to international standards and quantified environmental data.

FRM: Ferrovial Risk Management. The Ferrovial Risk Management (FRM) is an identification and assessment process, supervised by the Board of Directors and the Management Committee, which is implemented in all business areas. This process makes it possible to forestall risks; once they have been analyzed and assessed based on their potential impact and likelihood, the most appropriate management and protection measures are taken, depending on the risk nature and location.

GECV: Grupo Español de Crecimiento Verde. The Spanish Group of Green Growth is a business association whose objective is to transfer to society and to public administration its vision of a model of economic growth which is compatible with the efficient use of natural resources.

GHG: Greenhouse Gas. A greenhouse gas is a gas in an atmosphere that absorbs and emits radiant energy within the thermal infrared range.

GRI: Global Reporting Initiative. GRI helps businesses and governments worldwide understand and communicate their impact on critical sustainability issues such as climate change, human rights, governance and social well-being. This enables real action to create social, environmental and economic benefits for everyone. The GRI Sustainability Reporting Standards are developed with true multi-stakeholder contributions and rooted in the public interest.

GWT: Global Water Tool. The Global Water Tool (GWT) is a free, publicly available resource for identifying corporate water risks and opportunities which provides easy access to and analysis of critical data. It includes a workbook (data input, inventory by site, key reporting indicators, metrics calculations), a mapping function to plot sites with datasets, and a Google Earth interface for spatial viewing.

GOP: Gross Operating Profit (RBE): See EBITDA.

HAH: Heathrow Airport Holdings. Heathrow Airport Holdings Limited, formerly BAA is the United Kingdom-based operator of Heathrow Airport. It was formed by the privatisation of the British Airports Authority as BAA plc as part of Margaret Thatcher's moves to privatise government-owned assets. BAA plc was bought in 2006 by a consortium led by Ferrovial.

IAGC: Informe Anual de Gobierno Corporativo.

IFRS: IFRS. International Financial Reporting Standards, usually called the IFRS Standards, are standards issued by the IFRS Foundation and the International Accounting Standards Board (IASB) to provide a common global language for business affairs so that company accounts are understandable and comparable across international boundaries.

IRR: Internal Rate of Return. Internal Rate of Return (IRR) is a metric used in capital budgeting to estimate the profitability of potential investments. Internal rate of return is a discount rate that makes the net present value (NPV) of all cash flows from a particular project equal to zero.

IoT: Internet of Things. The Internet of things (IoT) is the network of physical devices, vehicles, home appliances and other items embedded with electronics, software, sensors, actuators, and network connectivity which enables these objects to connect and exchange data.

ILO: International Labour Organization. The International Labour Organization (ILO) is a United Nations agency dealing with labour problems, particularly international labour standards, social protection, and work opportunities for all.

ISO: International Organization for Standardization. ISO is an independent, non-governmental international organization with a membership of 162 national standards bodies. Through its members, it brings together experts to share knowledge and develop voluntary, consensus-based, market relevant International Standards that support innovation and provide solutions to global challenges.

Managed Lanes: assets developed by Ferrovial in the United States, consisting of a lane or toll lanes in addition to those already existing, in which a minimum speed is guaranteed to its users. The rates are adjusted to the traffic conditions, thereby regulating access levels.

MBA: The Master of Business Administration (MBA or M.B.A.) is a master's degree in business administration (management).

MIT: Massachusetts Institute of Technology is an educational institution focused on excellence and research and founded in Boston, Massa-

chusetts (USA), in 1861. The mission of the Massachusetts Institute of Technology is to advance knowledge and educate students in science, technology, and other areas of scholarship. The Institute is an independent, coeducational, privately endowed university, organized into five Schools (architecture and planning; engineering; humanities, arts, and social sciences; management; and science). It has some 1,000 faculty members, more than 11,000 undergraduate and graduate students, and more than 130,000 living alumni.

NPS: New Policies Scenario. This not only incorporates the announcement of policies and measures but also the effects of their implementation. This scenario would mean an increase in the global temperature of +2–3°C in 2100.

OMEGA: Optimization of Equipment Maintenance and Asset Management.

P3: Public-Private Partnership. A public-private partnership (P3, 3P or P3) is a cooperative arrangement between two or more public and private sectors, typically of a long-term nature. Governments have used such a mix of public and private endeavors throughout history, for instance, in order to develop infrastructure projects.

PAB: Private Activity Bonds. Tax-exempt bonds issued by or on behalf of local or state government for the purpose of providing special financing benefits for qualified projects. The financing is most often for projects of a private user, and the government generally does not pledge its credit. These bonds are used to attract private investment for projects that have some public benefit. There are strict rules as to which projects qualify. This type of a bond results in reduced financing costs because of the exception of federal tax.

RCE: Risk Control Effectiveness.

SASB: Sustainability Accounting Standards Board. Is a nonprofit organization that sets financial reporting standards. SASB was founded in 2011 to develop and disseminate sustainability accounting standards.

SBTi: Science Based Targets. Science-based targets provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions.

SDG: Sustainable Development Goals. The Sustainable Development Goals (SDGs) are a collection of 17 global goals set by the United Nations. The SDGs cover a broad range of social and economic development issues. These include poverty, hunger, health, education, climate change, gender equality, water, sanitation, energy, environment and social justice.

SDS: Sustainable Development Scenario. This scenario is consistent with the decarbonisation of the economy needed in order to achieve the Paris Agreement. It includes a peak in emissions that will be reached as soon as possible followed by a decrease. An increase in temperatures with respect to pre-industrial levels of 2°C or less is expected.

STEM: Science, Technology, Engineering and Maths. This term is typically used when addressing education policy and curriculum choices in schools to improve competitiveness in science and technology development.

TCFD: Task Force on Climate-related Financial Disclosures. The FSB Task Force on Climate-related Financial Disclosures (TCFD) develops voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders. The Task Force considers the physical, liability and transition risks associated with climate change and what constitutes effective financial disclosures across industries.

TSR (RTA): Total Shareholder Return. Total shareholder return (TSR) (or simply total return) is a measure of the performance of different companies' stocks and shares over time. It combines share price appreciation and dividends paid to show the total return to the shareholder expressed as an annualized percentage.

USPP: US Private Placement. The US Private Placement ("USPP") market is a US private bond market which is available to both US and non US companies. The principle attraction of this market is that it provides an alternative source of liquidity from the traditional bank market without the need for a formal credit rating and reporting requirements which are a pre-requisite of the public bond markets.

UTE: Unión Temporal de Empresas.

WAI: Water Access Index. The Water Access Index (WAI) , related to water supply projects within the Social Action Program.

WBCSD: World Business Council For Sustainable Development. WBCSD is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world.

WFM: Water Footprint Assessment Manual. The manual covers a comprehensive set of definitions and methods for water footprint accounting. It shows how water footprints are calculated for individual processes and products, as well as for consumers, nations and businesses. It includes methods for water footprint sustainability assessment and a library of water footprint response options.

WRI: World Resources Institute. The World Resources Institute (WRI) is a global research non-profit organization that was established in 1982. The organization's mission is to promote environmental sustainability, economic opportunity, and human health and well-being. WRI partners with local and national governments, private companies, publicly-held corporations, and other non-profits, and offers services including global climate change issues, sustainable markets, ecosystem protection, and environmental responsible governance services.

WTI: Water Treatment Index. The Water Treatment Index is related to the impact of the water treatment activity on resources (WWTP, Wastewater Treatment Plant, iWWT, Industrial Wastewater Treatment Plant, PWTP, Potable Water Treatment Plant, and SWDF, Seawater Desalination Facilities).

VERIFICATION REPORT



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INDEPENDENT LIMITED ASSURANCE REPORT OF THE NON-FINANCIAL INFORMATION INCLUDED IN THE CONSOLIDATED MANAGEMENT REPORT

Translation of a report originally issued in Spanish. In the event of discrepancy,
the Spanish-language version prevails

To the Shareholders of Ferrovial, S.A.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the non-financial information for the year ended December 31, 2020, of Ferrovial, S.A. and Subsidiaries (hereinafter, Ferrovial), which is part of the Consolidated Management Report of Ferrovial.

The content of the Management Report includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in the table "Contents of Non-Financial Information Statements" and in the table "GRI Standards Indicators" of the accompanying Management Report.

Responsibility of the Board of Directors

The preparation of the non-financial information included in the Consolidated Management Report of Ferrovial (hereinafter, CMR) and its content is the responsibility of the Board of Directors of Ferrovial, S.A. The non-financial information included in the CMR was prepared in accordance with the content required by prevailing company law and in conformity with the criteria outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) according to comprehensive option, the principles included in Standard AA1000AP (2018) issued by AccountAbility (*Institute of Social and Ethical Accountability*) as well as other criteria described in accordance with that indicated for each subject in the table "Contents of Non-Financial Information Statements" and in the table "GRI Standards Indicators" of the accompanying Management Report.

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of the non-financial information included in the CMR that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the non-financial information included in the CMR is obtained.

Our independence and quality control

We have complied with the independence and other Code of Ethics requirements for accounting professionals issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence, diligence, confidentiality and professionalism.

Our Firm complies with the International Standard on Quality Control No. 1 and thus maintains a global quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards, as well as applicable legal provisions and regulations.



The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE) and in accordance with the AA1000AS V3 Standard under a Type 2 moderate assurance engagement.

The procedures carried out in a limited assurance engagement vary in nature and timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units of Ferrovial participating in the preparation of the non-financial information included in the CMR, reviewing the process for gathering and validating the information included in the non-financial information included in the CMR, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Ferrovial personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the non-financial information included in the CMR based on the materiality analysis made by Ferrovial and described in "Reporting Principles", considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the 2020 non-financial information included in the CMR.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the non-financial information included in the CMR.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the 2020 non-financial information included in the CMR and its correct compilation from the data provided.
- ▶ Obtaining a representation letter from the Board of Directors and Management.

In addition, we reviewed the adequacy of the structure and content in accordance with the principles established in standard AA1000AP (2018), with a moderate level of Type 2 assurance.



Conclusions

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that Ferrovial non-financial information included in the CMR for the year ended December 31, 2020 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and in conformity with the criteria outlined in the Global Reporting Initiative Sustainability Reporting Standards (GRI standards) according to comprehensive option, described as explained for each subject matter in the table "Contents of Non-Financial Information Statements" and in the table "GRI Standards Indicators" of the Management Report.

With regard to the application of the principles established in standard AA1000AP (2018), no matter has come to our attention that would cause us to believe that the Group has not applied the principles of inclusivity, materiality, responsiveness, and impact, as explained under "Reporting Principles".

Recommendations

We have presented to Ferrovial's Management our recommendations regarding areas for improvement in relation to the application of the principles of the AA1000AP (2018) Standard. The most significant recommendations refer to:

- ▶ **Inclusivity:** Ferrovial continues to make progress in identifying and diagnosis through the management model of its stakeholders, including investees, based on its specific management model for these companies. We also recommend Ferrovial continue to update the stakeholders as it determines new strategic priorities and that it likewise persist in processing data and consulting with local communities to enhance management of local stakeholders.
- ▶ **Materiality:** Ferrovial identifies and values material matters that are relevant to its stakeholders, enabling to define its Horizon 24 Strategic Plan focused on the promotion, construction and management of sustainable infrastructures. Considering the ever-changing social and market context, it is recommended to periodically reassess material matters to ensure the inclusion of relevant aspects in the 2030 Sustainability Plan framed in said Strategic Plan.
- ▶ **Responsiveness:** Through its 2030 Sustainability Plan, Ferrovial monitors its areas of action and specific objectives for each effective year, aligning itself with the relevant issues of the organization. It is recommended to continue incorporating the expectations of local stakeholders in future years, focusing efforts on monitoring the initiatives that Ferrovial intends to address. On the other hand, and given the complexity of the process of consolidation and reporting of information from a large number of subsidiaries, we recommend continuing to strengthen the internal control systems for non-financial information in order to ensure the quality and integrity of the information reported.
- ▶ **Impact:** Ferrovial's 2030 Sustainability Plan supports the initiatives that are grouped around its six global macro trends, which complement the development of its Horizon 24 Strategic Plan according to its four strategic priorities. We recommend advancing in the measurement and analysis of the long-term value created by Ferrovial, developing a process to evaluate and manage the real and potential impacts of the organization in the different areas in which it has influence, as well as continuing to optimize the methodologies for calculating carbon footprint and water footprint that measure the impact of its activity.



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Use and distribution

This report was prepared in response to the requirement established by prevailing company law in Spain and may not be appropriate for other uses and jurisdictions.

Este informe se corresponde con el
sello distintivo nº 01/21/02947
emitido por el Instituto de Censores
Jurados de Cuentas de España

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Alberto Castilla Vida



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February 25, 2021