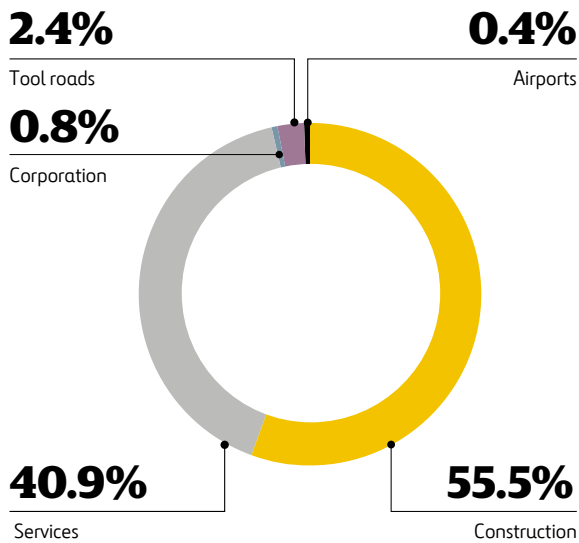


SUPPLY CHAIN

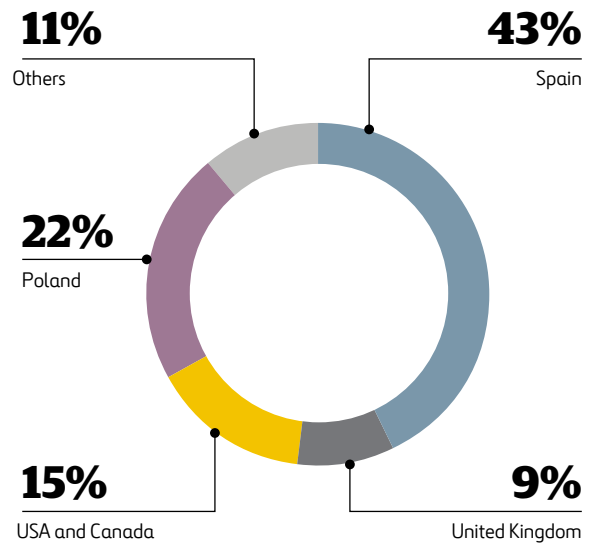
70,000 LINKS

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.